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HOUSE OF REPRESENTATIVES—*Tuesday, September 9, 1975*

The House met at 12 o'clock noon.

Father William J. O'Brien, St. Jude the Apostle Church, South Holland, Ill., offered the following prayer:

Please allow me, for a short time, to attempt to speak Your mind, and to sit in the chair You are in with its many thoughts and questions and tasks.

O God, I feel a great partnership with You, for from You comes the creation which I must now govern and protect. The Source of Goodness and Resources; we must now find that vast wealth and use it thoughtfully.

The Giver of Life; we must struggle to enhance life for all and fulfill life's demands.

The Artist of Greatest Beauties; I feel myself as a small strand in Your brush attempting to add my own legacy of care and concern.

You told us that on Earth, Your work is ours. You tell me this now through the constituents who placed me here. Some speak who are poor; their needs shout out to me.

Some speak from the middle, working each day so there will be their tomorrow. Their labors build me.

Some speak from wealth asking to protect their rightful gains and share their abundance. Their power places demands on me.

May I listen better to opposition and friend as well. May my concerns be of home, and for men around the globe of other voices and words. May the decisions I make, the words I speak, the ballots I cast be made for the service of my people and this Nation. May these actions of mine be such that I would unashamedly share them with my people and humbly stand by them before You.

And finally, Representatives in this great House; may we all work so that whatever name we have for God, may that name be pronounced "Peace." Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 907. An act to authorize the Smithsonian Institution to plan museum support facilities.

The message also announced that the Senate had passed joint and concurrent resolutions of the following titles in which the concurrence of the House is requested:

S.J. Res. 125. Joint resolution authorizing and requesting the President to issue a proclamation designating Sunday, September 14, 1975, as "National St. Elizabeth Seton Day"; and

S. Con. Res. 62. Concurrent resolution making appointment of funds for the National System of Interstate and Defense Highways.

FATHER WILLIAM J. O'BRIEN

(Mr. RUSSO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RUSSO. Mr. Speaker, it gives me great pleasure to introduce today's chaplain of the day to our colleagues.

Father William J. O'Brien is presently assistant pastor at my home parish, St. Jude the Apostle in South Holland, Ill.

Father O'Brien is a native Chicagoan who attended St. Christina's elementary school, Quigley South Preparatory Seminary, Loyola University, and received his masters in divinity from St. Mary of the Lake Seminary. The Reverend O'Brien was ordained May 9, 1973, and was immediately assigned to St. Jude's Parish in the south suburbs.

It is indeed a testament to the high regard with which father is held by his colleagues to note that, though only 27 years of age, he is a member of both the Priests Senate of the Archdiocese of Chicago and the Archdiocesan Planning Committee.

While thanking Father O'Brien on behalf of the House of Representatives for his inspiring benediction upon today's activities, I want to voice a special thanks to his parents—William and Irma O'Brien—who are with us today, for having given mankind a special gift—a concerned priest.

APPOINTMENT OF CONFEREES ON S. 6, TO INSURE RIGHT TO EDUCATION FOR ALL HANDICAPPED CHILDREN AND PROVIDE FINANCIAL ASSISTANCE TO STATES FOR SUCH PURPOSE

Mr. PERKINS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 6) to insure the right to an education for all handicapped children and to provide financial assistance to the States for such purpose, with House amendments thereto, insist upon the House amendments, and agree to the conference requested by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? The Chair hears none, and appoints the following conferees: Messrs. PERKINS, BRADEMAS, Mrs. MINK, Mr. MEEDS, Mrs. CHISHOLM, Messrs. LEHMAN, CORNELL, BEARD of Rhode Island, ZEFERETTI, MILLER of California, HALL, QUIE, BELL, PEYSER, JEFFORDS, and PRESSLER.

ELECTION TO COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

Mr. O'NEILL. Mr. Speaker, I offer a privileged resolution (H. Res. 702) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 702

Resolution designating membership on a standing committee of the House

Resolved, That JOHN G. FARY of Illinois be, and he is hereby, elected a member of the Committee on Public Works and Transportation.

The resolution was agreed to.

A motion to reconsider was laid on the table.

FATHER WILLIAM J. O'BRIEN

(Mr. BIAGGI asked and was given permission to address the House for 1 minute, and revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, I would like to take this time to congratulate our colleague, the gentleman from Illinois (Mr. RUSSO) for inviting Father William J. O'Brien to the House today to give our opening prayer.

The accomplishments of the gentleman from Illinois (Mr. RUSSO) in his young years have been extraordinary and we are grateful to him for making it possible for us to hear from Father O'Brien.

Congressman RUSSO in his short period of time in the Congress has made substantial legislative contributions and he has enhanced those contributions through his actions today.

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

CALL OF THE HOUSE

Mr. BAUMAN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 501]

Anderson, Ill.
Andrews, N.C.
Burke, Fla.
Conyers
Derwinski
Dickinson
Diggs
Dingell
Drinan
Esch
Fary
Fraser
Harsha
Hefner
Hungate
Jarman
Jordan
Kindness
McClory
Macdonald
Martin
Meeds
Neal
Pepper
Rangel
Ruppe
Satterfield
Scheuer
Stanton, James V.
Teague
Udall
Van Deerlin
Waxman
Young, Alaska

The SPEAKER. On this rollcall 399 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PERMISSION FOR SUBCOMMITTEE ON LABOR-MANAGEMENT RELATIONS TO MEET WEDNESDAY AND THURSDAY DURING 5-MINUTE RULE

Mr. THOMPSON. Mr. Speaker, I ask unanimous consent that the Subcommittee on Labor-Management Relations may meet on Wednesday and Thursday during the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

EDUCATION DIVISION AND RELATED AGENCIES APPROPRIATION ACT, 1977—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER. The unfinished business is the further consideration of the veto message of the President on H.R. 5901, making appropriations for the Education Division and related agencies, for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes.

The question is, Will the House, on reconsideration, pass the bill, the objections of the President to the contrary notwithstanding?

The Chair recognizes the gentleman from Pennsylvania (Mr. Flood) for 1 hour.

GENERAL LEAVE

Mr. FLOOD. Mr. Speaker, I ask unanimous consent that all Members may be permitted to extend their remarks on the veto message of the President in the body of the Record prior to the vote on this question.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, I yield myself 15 minutes.

Mr. Speaker, the action we are about to take is one, of course, of great importance to millions of young people all over the country. As the Members know, another school year is just beginning, and I am sure that everyone who is interested in education—and that should be everyone—is very anxiously awaiting the outcome of this vote on the veto of this appropriation bill.

Mr. Speaker, I, of course, hope the veto is overridden so that the education programs can be funded without further delay. The veto of this bill has thrown the education program into a state of uncertainty. This veto has nearly frustrated the efforts to enact an early appropriation bill which we talked about some months ago.

The Congress sent this bill to the White House on July 18. That was well before the beginning of the current school year. Now, we have attached—the Members will remember in the debates—considerable urgency to the enactment of an early education bill, and we find that these efforts have been stymied by the veto.

Clearly we have a choice in determining the amount of Federal funds to be spent for programs of education. Very few of the programs in this bill are what we refer to from time to time as mandatory spending programs.

Unlike medicare, medicaid, welfare, social security, unemployment compensation, and the other so-called mandatory spending programs, most education programs are determined by making choices of how much we want to spend for the various education programs. It is up to the Congress to decide whether the Federal Government should spend more, or spend less, for education.

It seems to me that we have already answered that question when we passed the conference report on this bill in the House about 2 months ago. As you recall, the vote was 370 to 42.

I think it is important to put the amount of this bill in its proper perspective. A true comparison by fiscal year is somewhat difficult here because this bill does not actually relate only to fiscal year 1976. It is just not that kind of a bill. That is one of the problems. For one thing, this bill includes over $2.5 billion in advance appropriations for fiscal year 1977. Also in this bill there is about $500 million for that 3-month transition period between fiscal year 1976 and the new fiscal year 1977, which the Members know now will begin on October 1, 1976. That has never appeared before in an annual appropriation bill.

The President's veto message refers to $7.9 billion, a figure which he says is $1.5 billion over the budget. That figure is simply the total amount, as I indicated, of all of the items in this bill.

If one is trying to determine—and that is what we are trying to do—the amount available for fiscal year 1976, as against last fiscal year, we would not be able to reach that figure by using the totals in this bill. It includes, as I mentioned, advance appropriations for 1977. It also includes that 3-month transition period. Neither one of those has anything at all to do with fiscal year 1976.

If we take the amounts in the bill that are available just for fiscal year 1976, we get a much better view of what the difference is from year to year.

The total amount available for 1976 is $7.3 billion. That is $255 million over the comparable amount for 1975. That amounts to about a 3.6-percent increase. That is far below the current inflation rate.

Another point I want to make is the relationship of this bill to the Budget Committee target. A lot of questions have been asked about that.

Mr. Speaker, the Congressional Budget Act creates a process now which gives the Congress the opportunity to set its own budget and fiscal targets. Portions of that new act are now being implemented.

Based on information that we have from the House Committee on the Budget, this bill is $400 million below the target set for education in the first concurrent resolution for 1976.

In deciding how the Members will vote on this veto, I think they should consider this question: What is the alternative to this bill?

The Committee on Appropriations could certainly bring out a new bill. That poses no particular problem for us. But we should take a look at the increases in this bill that are over the budget. Check the programs which are singled out in the President's veto message as being excessive.

We should keep in mind that the budget proposed program reduction of over $800 million.

One of the major increases over the budget is for impacted aid. The budget requested $266 million. That is a cutback of nearly $400 million in the impacted aid program. The President's veto message says that program is a luxury we can no longer afford.

Mr. Speaker, to my personal knowledge, every President since Eisenhower has tried to cut back on this program, and Congress has consistently refused to do it. There are over 370 congressional districts affected by impact aid.

Just last year the basic law on the impacted aid program was very drastically changed. The new law does make some slight reductions, but as a matter of fact, the program was liberalized even further, even to go so far as to mandate appropriation levels. It set up a new method for distributing appropriations, the so-called tier system, which in effect prescribes the level of appropriation. It also provides payments for children in public housing.

Another major difference is in higher education. In this area the bill is $434 million over the budget. Most of this increase is for student aid programs, including the college work-study program, the supplemental education grants, and the direct student loan program. Those are some of the programs which the budget intends to cut out altogether or to reduce materially.

By the way, there were other reductions proposed by the budget. I refer to aid to the handicapped, vocational education, libraries, and programs for bilingual education.

The point, Mr. Speaker, I am trying to make is that the alternative to this bill will inevitably require some cutback or will require the elimination of many education programs. I have no idea what the cutbacks will amount to, but from the President's message, obviously they will be material and sizable.

Each year laws are enacted which authorize new or expanded education programs. The President—not just the incumbent but every President—just signs these authorization bills time after time.

No one seems to worry about inflation or the deficit when these authorizations are enacted. It is routinely expected that those penny-pinchers on the Committee on Appropriations ought to take care of the budget and to take care of the finances and everything else. Mr. Speaker, I think that this committee has done a tremendous job over the years in holding down Federal spending.

I should remind the Members that this is not the original bill reported from the Committee on Appropriations. This bill has the support of the large majority of the Members on both sides of the aisle.

It does provide for increases. This is not a standstill funding bill. We do not suggest that.

If we want a bill with level funding, if we want a bill with all these cutbacks and the elimination of these programs, then we should vote to sustain the veto. In that event we will try to get another bill before the House some time before Christmas. Just stick around. I do not know when it will be.

However, if the Members feel that the colleges and the schools cannot absorb cutbacks in Federal spending to operate their educational programs, if we want to give them sufficient time to plan on the use of these funds, and if we believe, to use the President's own words in his veto message, "that education is one of the foundation stones of this Republic," then we should vote to override the veto.

Mr. Speaker, I urge that the Members do so.

The SPEAKER. The time of the gentleman from Pennsylvania (Mr. FLOOD) has expired.

Mr. FLOOD. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Texas (Mr. MAHON), the chairman of the full committee.

Mr. MAHON. Mr. Speaker, any veto by any President ought to be seriously considered by the legislative branch. At times we should vote to sustain; at times we should vote to override.

There is not a very clear-cut issue on the matter of Federal spending involved in the veto message today. This is really not a major contest between liberals and conservatives, as I shall explain.

I am voting and urging the Members to vote to override the veto. I believe the great majority of the Members will vote to override the veto for good and sufficient reasons.

We believe in orderly procedure. We made a special effort and brought out a separate education appropriation bill early this year. The House passed the bill in April, and sent it over to the Senate. It passed the Senate in June. It was vetoed in late July.

Our objective was to advise the school students and the schools and colleges as soon as reasonably possible what they could count on by way of Federal participation because they needed to know, and they needed to know early—certainly they need to know now because the new school year is now underway. We have passed the point of no return when it comes to this school year. We need to settle this matter today.

The conference report was passed by the House and by the Senate by overwhelming votes. It is not the bill that I would personally have written, but in the legislative business, we have to compromise differences and come out with the best that can be agreed upon.

This is not the bill that the Committee on Appropriations itself wrote originally, but it is the bill which was approved by an overwhelming majority of the House and of the Senate.

Let me show the Members and let me make it very clear why a vote to sustain the President's veto is not going to save vast amounts of money.

We are now operating under the continuing resolution as far as funding for education goes.

The continuing resolution provides that spending for these programs shall be at the level of the appropriation bill that passed in the House or the appropriation bill that passed in the Senate before July 1, whichever is lower in each item. We are spending at that level now because both bills were passed before July 1. I wish to emphasize that there is not very much difference relatively between the present rate which is set forth in the continuing resolution and the rate under the vetoed bill.

If the President's veto would save $1 billion, $2 hundred million, or $1½ billion, we would be confronted with a different situation. But the President's veto, if sustained will save at the most only about $150 million out of this $8 billion appropriation bill. This is because the level of the continuing resolution, which of course is already law, is much higher than the President's budget request, and it is the level under which education would be funded if this veto were sustained. That is the point I wish to make clear to the Members.

It is too late to change gears and expect to bring in a new bill as the new school year goes along. We do not have the time to do that. The schools have already started. The young men and women are asking for loans and schools are anticipating assistance under the many programs funded in the bill. So I think it would be futile in the first place to vote to sustain the veto because we would still go along at the same level which the vetoed bill would carry us, less about $150 million.

With that in mind, the Members may be able to understand why the chairman of the Committee on Appropriations in the interest of orderliness and because economy is not the real issue here, will vote without equivocation or hesitation to override the veto. I think that is the only logical position we can take at this time. If next year the Congress wishes to change the impact aid legislation, and I think it should be changed somewhat, we may do so. But, as I say, it is too late for this year now. We have passed the point of no return. In short I am trying to say that a vote to sustain is not a great economy vote, it would be a vote against orderliness in the schools and in the colleges and against orderliness in the legislative process so I urge the Members to override the President's veto as the only logical alternative available to us.

Mr. FLOOD. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. STOKES).

Mr. STOKES. Mr. Speaker, I was especially disheartened to see the President veto H.R. 5901, the education division and related agencies appropriations bill for fiscal 1976.

As you know, 1976 will be a landmark year for a number of reasons. Not only will we be celebrating the Nation's Bicentennial, we will be celebrating the 200th birthday of "doing things our way." For 200 years we have been teaching our children in a public educational system, the value of freedom, the value of choice, and the value of education. The essential question we have to ask ourselves now is, "Are we still giving our children these choices through our educational system?"

I think not. Not when inflation has driven up the costs of education so high that many students—and their parents—cannot afford the costs of a college education. Not when nationwide tests are showing a drop in the academic achievement of our teenagers. And not when these very students are facing joblessness upward of 20 percent when they do try to seek employment. And finally not when the citizens themselves are resisting higher taxes to pay for essential educational priorities in their own communities.

The pressure of inflation, along with the effects of the recession, have hit our public elementary and secondary educational programs with debilitating effects unparalleled in our time. High unemployment and lower levels of economic activity have led to reduced revenues for States, cities, and independent local school districts, as well as increased drains on available resources to pay the increased costs of welfare and unemployment programs. State and local governments are poorly equipped to supplement any reduction of Federal assistance. Actually, our largest cities are hardest hit, where unemployment and the drop in industrial activity have been most acute.

Already, because localities have had to start cutting corners, many worthwhile programs like physical education, music and art have been cut from curriculums. Even instruction has had to be pared down as operation and maintenance costs have spiraled. You cannot really put money into enlarging programs if the lights are going out. In many areas, the school day has been shortened as well as the school year to try to save funds for the bare essentials. Our expenditures such as transportation and school lunches have had to be cut back. And of course the parents of school children must bear these additional costs and responsibilities—they cannot be just eliminated.

There can be no doubt in anyone's mind that costs have been rising for all these things. Schools must be heated, too. Teacher demands for pay increases and the accompanying spread of teacher unionization have also added extra burdens to school budgets. So have the attempts to expand equal educational services to all handicapped children, as well as those of limited English-speaking ability.

For all these reasons, we—and our children—really need H.R. 5901. Yet, President Ford said the legislation was fiscally irresponsible. How he could say this is really beyond my comprehension. We all want to keep down spending, I am sure—but at the expense of our children, our strongest foundation for the future? The appropriations provided for 1976 represented an increase of only 8.1 percent over 1975 appropriations, certainly a figure much below the prevailing rate of inflation for this time period. Moreover, the funding level for H.R. 5901 is well within the limits of the congressional budget resolution for education funds. If the appropriation level for H.R. 5901 exceeded the administration budget request, it was primarily because the budget request sent over by President Ford was financially inadequate—almost $800 million below the 1975 appropriations. How could we agree in good conscience to that, when we are all too painfully aware of the rising costs that have had to cut into educational programs across the country for our youngsters? We would be renegging on one of our most basic and meaningful Federal priorities, that of a wholehearted commitment to quality education for all our children.

The impact aid programs were also a target of Mr. Ford's criticism. These provisions for impact aid in H.R. 5901 were not some half-baked additions to the bill; they were the result of careful research and painstaking calculations to make the programs fiscally feasible and more workable. They were also intended to balance the loss of title I, part C funds by most needy school systems.

We all have needy school systems in our congressional districts, Mr. Speaker. And we also have great need for this legislation. I am hoping that we shall override this veto as expeditiously as possible. We not only have something like the budget to answer to, which seems to us like a heavy cloud as it is; we have our children to answer to, and their futures. And of course, on the eve of the Bicentennial, our children's future will be the Nation's future. And we must not forget it at this most crucial juncture. Mr. Speaker, I hope this body will override the President's veto by an overwhelming vote. In this way we can say to him loud and clear that not only do we love America but we love our children and their future in America even more.

Mr. FLOOD. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. Hannaford).

Mr. HANNAFORD. Mr. Speaker, I am gratified that President Ford is trying to wage a fierce fight against the monster of inflation. But I am afraid that in vetoing the education bill he is jousting with windmills.

We have managed to override only one of the President's vetoes this year, that of S. 66 authorizing funds for certain crying health needs. I believe that education is just as important. Even if the President's veto is overridden, the appropriation for fiscal 1976 will exceed that for fiscal 1975 by only $220 million, an embarrassing amount that is not nearly enough to match the inflation we have had in the meantime, let alone new requirements such as impact aid for schools laboring under desegregation programs and for communities losing their tax bases yet increasing their enrollments and per capita costs. Indeed, the appropriation would still be $700 million below the budget guidelines Congress recommended last May. Without the appropriation, education will be funded by a continuing resolution below even 1975 levels, and schools will have to cut back services drastically, and maybe in the end contribute to inflation anyway by boosting tuitions and seeking State and local financing.

In the case of the Long Beach schools in my own district, Mr. Speaker, it is estimated that Federal aid has increased only 6 percent since 1970–71, despite a 36 percent boom in inflation. We will stand to lose $1,062,120—a 25 percent cut over last year—in addition to the 10-percent inflation we have suffered. This would be, I am told, the equivalent of an 8-percent increase in property taxes, the dismissal of 65 teachers and 502 half-time teacher aides.

The people of my district will not stand for this. I am truly indebted to the Long Beach Independent Press-Telegram for stating this case so persuasively, and I include its recent editorial at this point in the Record:

Override Ford's Veto

President Ford's veto of the education money bill—H.R. 5901—comes up for an override vote in the House of Representatives Tuesday. If that succeeds, the Senate will then vote on it.

Congress should vote to overturn the veto.

The bill provides $7.5 billion in funds for more than 100 separate education programs for state and local agencies. That represents no expansion in federal financing for education. Given the increases in inflation, the sum falls far short of providing the levels of aid needed.

The Long Beach Unified School District stands to lose $1.1 million in federal funds if the veto is sustained and if no substitute appropriations bill is approved by Congress and signed by the President.

That loss would be a particularly painful one for the Long Beach district, which has seen its reserve funds dwindle to below the danger point. If the entire $1.1 million in federal funds were lost, the district would have a $3.6-million deficit for the 1975–76 fiscal year.

President Ford vetoed the bill because it was $1.5 billion higher than his 15-month budget request for education, and also because the bill does not respect his desire to cut federal school aid drastically in certain areas: impact aid for communities with federal operations that add to school population while reducing the local property tax base; emergency school aid for communities undergoing school desegregation; library resources; and aid for educating the handicapped.

These programs are worthy, as the President would no doubt agree, but Ford is concerned that full financing for them would have an inflationary impact.

The concern is a legitimate one. It is least persuasive, however, in the case of impact aid, which would represent by far the largest loss to Long Beach. That aid is designed simply to provide partial compensation to school districts for the loss of property tax funds that results from tax exemptions for federal installations and federal housing.

On the basis of average daily attendance, Long Beach has about 53,200 pupils whose parents are employed by local industries and businesses that pay property taxes and who live in residences that are taxed. Another 5,400 pupils have parents who are employed in tax-exempt federal activities or live in tax-exempt federal housing.

The cost of educating the children in the second group is roughly $6.5 million a year. State aid can be expected to provide $700,000. If the President's veto is overridden, the impact aid available will probably be $1,015,000. That still leaves the heaviest burden for educating these children on local taxpayers.

Any cut in federal aid would add to the local taxpayers' burden.

Across the nation, other communities are in similar predicaments. For that reason, a veto override is a strong possibility.

It should be achieved. If it is not, Congress should move swiftly to put together an education appropriations bill that can win the President's approval and restore as much money as possible to the nation's hard-pressed school systems.

Education is as important a national priority as any that America has. That priority should be reflected in congressional voting on appropriations.

Mr. FLOOD. Mr. Speaker, I yield 5 minutes to the gentleman from Kentucky (Mr. Perkins).

Mr. PERKINS. Mr. Speaker, I wish to compliment the distinguished Committee on Appropriations for the splendid and outstanding way they are presenting the case to override this veto today. I think the chairman of the distinguished Committee on Appropriations, the gentleman from Texas (Mr. Mahon) and the chairman of the subcommittee, the gentleman from Pennsylvania (Mr. Flood) have done an excellent job in outlining the reasons for voting to override.

H.R. 5901 provides $7.9 billion for education programs administered by the Education Division. This is the largest amount which the Federal Government has ever appropriated for education. We can be very proud of the fact that Congress has shown this commitment to improving the education of all Americans.

In vetoing H.R. 5901 the President stated that this bill provides "too much" for education. He asserted that we must cut back on this appropriation because the American taxpayer and the American economy cannot afford this expenditure of Federal dollars.

Mr. Speaker, I believe that the President is mistaken. This appropriation, as large as it is, does not go far enough. H.R. 5901 contains a $255 million increase for education programs for fiscal year 1976 as compared to fiscal year 1975.

This comes to a 3.6-percent increase in appropriations for 1976 over 1975.

As we all know, the Consumer Price Index for fiscal year 1975 showed an increase of 8.5 percent. In other words, inflation increased 8.5 percent in the last year.

Consequently, our increased appropriation of 3.6 percent is not even half of the amount needed for education to keep pace with inflation. How could this appropriation possibly be called inflationary?

For example, for higher education programs there is less than a 1-percent increase over the fiscal year 1975 appropriation. Compare this, if you will, with the 12-percent average increase in cost of public colleges this year and an 8-percent average increase at private colleges. Viewed another way, colleges and universities have demonstrated an expressed need of over $2 billion for direct loan, work-study and supplemental EOG moneys. This bill appropriates less than $1 billion for these three programs, that is less than 50 percent of what is needed.

We must also keep in mind concerning this conference report and the President's statements about it that the increased appropriations provided in the bill are well within the budget ceiling set by Congress earlier this year for fiscal year 1976. H.R. 5901 provides $7.295 billion for fiscal 1976 while the congressional budget resolution provides a ceiling for education of $7.675 billion.

In other words, H.R. 5901 is $379 million under the congressional budget ceiling provided for education for fiscal year 1976. H.R. 5901 definitely is no "budget busting" bill. It is well within the budget level set by Congress.

In considering this conference report we must also keep in mind two additional reasons for the increased appropriations provided in the bill. The most important thing to bear in mind is that H.R. 5901 not only provides appropriations for fiscal 1976 but it also provides appropriations for the transition quarter into our new fiscal year and advanced appropriations for fiscal year 1977. The transition quarter appropriations are a "one shot" occurrence, solely needed to help the Federal Government make the transition to the new fiscal year beginning October 1, 1976.

The additional amounts provided in H.R. 5901 for advanced appropriations come to $185,633,852. As chairman of the House Committee on Education and Labor, the most serious complaint I keep hearing about Federal education programs is that local school districts and colleges and universities do not know ahead of time how much Federal aid they are going to receive. Appropriations provided 1 year in advance of expenditure will resolve this problem, and in my opinion vastly strengthen Federal aid programs.

Many of us have been working toward this goal of advanced appropriations for years, and I am enormously pleased that this appropriations bill contains advance appropriations for so many Federal aid programs, such as title I and adult education.

For all of these reasons, Mr. Speaker, I believe that every Member of the House ought to be proud to cast a vote today to override the President's veto of H.R. 5901. Each of us in voting to override will be making a strong commitment to education, and we will be making this commitment in a sensible, noninflationary manner.

The SPEAKER. The time of the gentleman has expired.

Mr. FLOOD. Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts (Mr. BOLAND).

Mr. BOLAND. Mr. Speaker, I urge the House to override the President's veto of H.R. 5901.

The Congress instituted forward funding to avoid the situation we now have. Educational institutions cannot make plans and carry them out overnight. The start of the school year is not the time to be cutting back on money for educational activities. The administration's refusal to recognize the need for educational funding is playing havoc with many important school programs. A sustained veto now will send the bill back to committee and we will lose a year of rational educational planning that can never be replaced.

As my distinguished colleague, Mr. ADAMS, pointed out yesterday, the argument that this bill aggravates the projected budget deficit will just not suffice. H.R. 5901 appropriates only $646 million over last year's spending levels. This bill is almost $400 million below the first budget resolution estimates for fiscal 1976. Congress is indeed exercising fiscal restraint.

What Congress is not doing is faltering in our commitment to education. We cannot afford to give shortshrift to our educational institutions. Too much depends on them.

I am sure many Members share my concern over the fate of many important educational programs. Elementary and seconary education, adult and vocational educational programs, library services, bilingual educational programs—the very fabric of education will be affected if this veto is sustained. Western Massachusetts is proud of its fine education programs. I know other areas of the country feel similarly about their programs. We cannot afford to jeopardize the effort this bill represents—Federal forward funding of educational assistance so that the many local educational authorities of this Nation can properly plan and deliver quality education to the Nation's students.

Mr. FLOOD. Mr. Speaker, I yield 3 minutes for the purpose of debate only to the gentleman from Washington (Mr. ADAMS) the chairman of the Committee on the Budget.

Mr. ADAMS. Mr. Speaker, I want to compliment the chairman of this committee and the members of the Committee on Appropriations for not only their fiscal responsibility in this area, but also their firmness in establishing a budget priority for education within the spectrum of the functional categories of the budget.

Mr. Speaker, with words proclaiming his strong commitment to education in our country, President Ford has vetoed the education appropriations bill for fiscal year 1976, H.R. 5901.

This is a bill which finances the Federal commitment to educational programs in elementary and secondary education, emergency school aid, education for the handicapped, occupational, vocational and adult education, and numerous other programs. The rationale for this veto is that we cannot afford to support education to the extent approved by the Congress, that approval of this bill will aggravate the projected budget deficit for fiscal year 1976, and that the amount approved by the Congress represents "part of the trend over the past several years—a little more for every program."

As chairman of the House Budget Committee, I cannot accept Mr. Ford's rationale for this veto. I cannot accept his statement that the funds provided in this bill will spend this country into insolvency. Our scorekeeping report indicates that this appropriation bill falls nearly $400 million below the estimates made in the First Budget Resolution for fiscal year 1976. Yesterday I placed a detailed comparison of this bill with the President's budget and a report indicating the amounts actually appropriated for education in fiscal year 1974 and fiscal year 1975. This chart can be found in yesterday's RECORD at page 27932.

The Congress to date is also within the overall spending targets set forth in the first concurrent budget resolution. I sent a report on this to each Member of the House by letter dated August 29. Copies of this analysis can be found in yesterday's RECORD on pages 27932 and 27933.

The Congressional Budget and Impoundment Control Act of 1974 grew out of an overwhelming belief that the Congress, not the administration, must be responsible for Federal spending and for the setting of priorities in Federal programs. We are accepting that responsibility. President Ford has stated that education is so important to the life and vitality of our country that it is "one of is foundation stones." This is not shown by the administration's budget request to Congress that asks for $5 million less in actual spending during fiscal year 1976 than was spent by the Federal Government in fiscal year 1974, and $844 million less than was actually spent in fiscal year 1975. The Congress considered this recommendation and rejected it. We acted under our authority in the Congressional Budget and Impoundment Control Act to set national priority for education and allocated $7,295 million for education during fiscal year 1976. When we establish general targets in the first resolution we should support congressional efforts to maintain spending efforts with these targets as well as supporting efforts to reduce spending when targets are exceeded.

It should also be noted here that when the President requested a substantial increase in fiscal year 1976 budget authority and outlays for some other categories such as national defense and foreign aid the Congress used its power to set congressional targets below the Presidential budget request. We are carefully watching these targets also and I recently reminded Members we must exercise great care or spending for such areas as military procurement could easily exceed our targets. I made the same point when the school lunch bill was on the floor.

This is what the congressional budget process is all about. We have come a long way toward effectively implementing that process. We have shown that we are willing to act in a fiscally responsible manner. For the first time we have debated and agreed upon a single congressional budget target setting our budget priorities; and to date we have acted successfully to come close to the mark of the spending targets which will keep the Nation close to the overall figures for revenues outlays and deficits set forth in the first congressional budget resolution.

I personally endorse the statement that a strong educational system is vital to the health of our country and, as chairman of the House Budget Committee, I strongly urge my colleagues to reaffirm their commitment to maintaining congressional budget priorities by voting to override the Presidential veto of H.R. 5901.

Mr. LATTA. Mr. Speaker, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from Ohio.

Mr. LATTA. Mr. Speaker, how would the gentleman answer the question about targets? In the budget resolution if one did not support that target, if one thought that target in the first instance was too high, could one use the same line of reasoning as the gentleman did today?

Mr. ADAMS. As a member of the committee or as an individual?

Mr. LATTA. Both.

Mr. ADAMS. An individual Member is always free to vote his conscience on the floor and therefore I understand the gentleman's position. My position as the chairman of the committee is that as the Congress has voted the first targets I feel there is a responsibility for us to compare those targets on each bill to see if the proposed floor action is above or below such target. I want to emphasize that it is the jurisdiction of the individual committees to work the details of each bill but the Budget Committee should indicate to the House whether or not a particular bill will move the total resolution significantly above or below the overall concurrent resolution figures.

Mr. LATTA. I thank the gentleman for yielding but I wish to point out that one cannot use the "target" argument in those instances where the individual Member did not agree with those "target" figures when they passed the House.

Mr. FLOOD. I yield 10 minutes, Mr. Speaker, to the distinguished gentleman from Illinois (Mr. MICHEL), the ranking minority member of our committee.

Mr. MICHEL. Mr. Speaker, I rise in support of the President's veto of this bill and urge a vote to sustain.

As we all know, H.R. 5901 exceeds the budget recommendation by $1,345,973,952. At a time when the projected budget deficit for fiscal year 1976 has already exceeded the $60 billion line drawn by the President, such an addition to the deficit is unconscionable, even if all the programs are meritorious, which they are not.

The excessive nature of H.R. 5901, unless we sustain the veto, also increases the likelihood that the higher congressional budget deficit will be breached substantially, and may very well reach the $83 billion level projected by our own budget scorekeeping report.

If we take interest costs alone, given present market rates, they will be at least $1 billion higher than estimated in the April budget resolution. Likewise, estimates for a range of "entitlement" programs will be at least $2 billion higher.

Therefore, even with the large cuts in defense and foreign aid assumed in the April resolution, new efforts at expenditure control appear a must if Congress is not to be forced into voting for even higher deficits in its second concurrent budget resolution on which we must act by November 1.

And when that vote comes, where will the vote of those be who will today vote to override this veto and by their vote add to the deficit?

What we are doing by our lack of fiscal discipline is fanning the future fires of inflation at a time when we should be seeking to add a degree of stability to the economy. This is particularly true with respect to this bill, in which an estimated $800 million of the increase over the budget will be spent in fiscal year 1977, thus adding to next year's deficit. The Office of Management and Budget is already projecting a $50 to $60 billion deficit for fiscal year 1977, based on current spending levels, an amount which is sure to exacerbate our borrowing and interest problems.

Education lobbyists have been making the argument that this bill is only between 3 and 8 percent above last year's spending level, and therefore does not even keep up with the cost of inflation. The fact is that Federal expenditures for education have risen by 200 percent over the past decade, far in excess of the 50 percent rate of inflation over the same period.

It is also noteworthy that expenditures by all levels of government for education have risen by 172 percent during this same period, and teachers salaries have gone up by 86 percent. The increase in salaries has thus substantially exceeded both the cost of living rise and the average rate of increase for all workers nationwide—60 percent. The talk about shortchanging education and the student is thus as phony as can be.

Turning the tables around, however, it seems fair to ask just what have our substantial expenditures for education and teachers salaries achieved for us during this period of time. Sunday's Washington Post provides us with the answer—an actual decline in student achievement and learning as measured by test scores.

This is undoubtedly one of the reasons why people out at the grassroots are declaring with greater frequency that simply pouring more and more money into education is not the answer. People are much more frequently turning down school bond issues, with 43.8 percent of such issues being rejected in 1974 compared with 27.5 percent in 1964. Earlier this year in New Jersey, where the people have the opportunity to vote on their school budgets, 58 percent of the budgets went down to defeat, an all-time record. In my own State, the Governor has cut educational funding by $110 million, in order that he would not have to raise taxes in an election year.

What the people are in essence saying is that they will spend money on education, but only on high priority programs that will do the job of educating their children. H.R. 5901, on the other hand, is full of low priority, categorical grant-type programs which are too often inequitable and are simply not achieving full value for the dollar. I elaborated on these programs during our debate on the conference report, but several should be pinpointed again.

The impact aid program, in which we expend tax dollars on one-fourth of our school districts at the expense of the other three-quarters, is undoubtedly the greatest ripoff of the average citizen that we have in the bill. If the three-quarters not receiving these moneys ever fully understood how their tax dollars were being used under this program, I am convinced they would rise up in arms against those who continue to vote for such expenditures.

Impact aid is a program which every President since Eisenhower has tried to reform. It is bad enough that this bill makes no progress on this front. But, in fact, the bill makes things worse by expanding the program to the tune of $56 million to include public housing children. Also, according to HEW's latest estimates, the bill includes $40 million more for impact aid than is required to achieve the objectives of the bill. In total, the education bill includes more than $400 million more for impact aid in fiscal year 1976 than the President's budget of $266 million.

Title I of the Elementary and Secondary Education Act has a meritorious objective, providing compensatory education to disadvantaged children, and the bill provides a $150 million increase over the prior year level of $1.9 billion.

However, the Office of Education has indicated that title I funds—because of past impoundment disputes, changes in the allocation formula, and late appropriations—are now backed up in the spending pipeline at the State and local level to the tune of nearly $1 billion. Yet the proponents of this bill insist that we must have an increase of $150 million to expand this program.

Emergency school aid: The bill includes for desegregation assistance, an increase of $140 million over the budget.

The bill continues to maintain this program at prior year budget levels despite the fact that the high point of desegregation activity has passed. Whereas in 1969–70, approximately 1,000 school districts were preparing to desegregate, in the current year, no more than 100 new districts are expected to take such action.

The main reasons this program continues to receive so much funding are:

First, because an effort is being made to continue "emergency" assistance to school districts after the emergency has passed. As a matter of fact, most of the funds in this bill will go to school districts which have been receiving aid for 3, 4, and 5 years.

Second, the Congress has been unwilling to abandon the outmoded formula of State allocations under the Emergency School Act even though desegregation problems are very differently distributed geographically than they were several years ago.

As a result, the bill includes considerably more money than is necessary to meet desegregation needs.

Higher education is an increase of $434 million over the President's budget.

The vetoed bill continues to provide support for outmoded student assistance programs, such as supplemental opportunity grants, even as it funds more effective and efficient programs for getting aid to the students in greatest need—such as basic opportunity grants.

The direct loan program also continues to receive substantial support even though students have an alternative source for loans under the Federal guaranteed student loan program and institutions of higher education have nearly $3 billion in loan capital in institutional revolving funds which should lessen the need for continuing Federal appropriations.

I cited some figures during the discussion on the conference report comparing the increases in student assistance to enrollment which bear repeating here.

In the last school year, some 3.2 million student assistance awards were given, while the projected total for the current year is nearly 4.1 million. We are, in other words, increasing student aid by over 25 percent, at a time when projected enrollments are becoming quite static in nature, increasing at the rate of only 1 to 2 percent per year. In the bill before us, there would be a further increase of in the neighborhood of 230,000 awards.

What this indicates, then, is that we are going overboard in increasing student assistance at a time when enrollment projections do not justify such an increase. We ought to be stabilizing these programs at a level closer to that of this past academic year, rather than blindly expanding them as though there were no limit to available Federal dollars.

Furthermore, the bill continues to perpetuate funding for numerous categorical programs which provide assistance to institutions of higher education rather than focusing support on the student and allowing the student the maximum choice in pursuing the type of education he or she wants.

For example, $9.5 million is included for aid to land-grant colleges, a program first authorized in 1935, which provides marginal sums to some of the most prestigious and wealthy institutions in the country.

The bill also includes nearly $24 million for recruiting veterans into higher education—a program initiated during the Vietnam era—even though the high point of returning veterans has now passed and many of the services provided by the program are duplicated by the Veterans' Administration.

These categorical subsidies seem to prove the old adage that you can never eliminate a Federal program once it develops a constituency, regardless of whether the rationale for the program continues or not.

This bill is filled with numerous similar examples which are cited by its proponents as "critical" to the support of education. In fact, they are critical only to the maintenance and well-being of the narrow constituency involved.

Finally, Mr. Speaker, I should say that I have no illusions about the outcome of this vote, for I know what pressure Members have been subjected to from the education lobby.

They have been down here in droves these past few days, buttonholing Members in their offices and over here in the corridors.

I have a particular problem in this regard, for in my home district, I happen to be a partner in the Peppermill Restaurant located in Morton, Ill., and region 24 of the Illinois Education Association has patronized our facilities in the past. Now they want to use that patronage as pressure on me personally to support their views with my vote here in the Congress. It is downright blackmail. I am going to include with my remarks a letter one of my partners, Mr. Fred Novotny, received from this association under date of August 12. It is quite explanatory and speaks for itself:

ILLINOIS EDUCATION ASSOCIATION,
August 12, 1975.

MR. FRED NOVOTNY,
Peppermill Restaurant,
Morton, Ill.

DEAR MR. NOVOTNY: In the past, Region 24 of the Illinois Education Association-National Education Association has given the Peppermill Restaurant much business in the form of legislative breakfasts, various teacher banquets, and individual and family patronage. Because Congressman Robert Michel is a part owner of the restaurant and because of his opposition to education and teachers, as evidenced by the Congressman's negative vote on the most recent Federal funding for education legislation, the Council of Region 24 has instructed its leadership to notify you that Region 24 of the IEA–NEA will no longer do business with the Peppermill Restaurant and will encourage other teachers to withhold their business also.

We would be happy to meet with Congressman Michel to discuss this problem.

Sincerely,
REGION 24, IEA–NEA,
CHARLOTTE ROWE,
Secretary.
SHERRIE LAMBERT,
Chairperson.
MICHAEL MCNALLY,
Director.

Even if I did not feel strongly about the issue as I have outlined heretofore in my remarks, I could be accused of folding to this pressure if I did not insist on the position I have taken all along on this bill. As I said, I regret this kind of pressure being brought to bear on my colleagues, but as for me, pressure or not, I am going to stick with the President, but more importantly with my own personal convictions and urge my colleagues to sustain the veto of this bill.

Mr. FLOOD. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Speaker, I rise in support of the President's veto of H.R. 5901, the Education Appropriations Act for fiscal year 1976.

This legislation is almost $1.5 billion over the President's budget request, and almost $150 million over the House-passed version. The impact Federal deficit spending—which in all probability will $80 billion in just this fiscal year—is having on the economy is disastrous. In a summary of a recent study prepared by Chase Econometrics' entitled "The Next 10 Years: Inflation, Recession, and Capital Shortage," it is pointed out that:

> The 1976 boom could be followed by a soft landing rather than a recession. All that is needed for this to occur is a commitment to follow evenhanded fiscal and monetary policies. . . . Unfortunately, these policies would not be sufficient to eliminate all of the anticipated trouble spots nor to prevent the reoccurring boom/bust cycles. To do this, policy changes must be larger and more immediate. The purpose of these policies would be to spur investment and productivity, for only by increasing productivity can we lower the rate of inflation and return to the path of economic stability. . . .

Federal deficit spending is absorbing available capital in the private money markets and depriving private industry of the financial resources needed to stimulate investment and productivity. Federal deficit spending must be brought under control if this Congress is truly concerned with restoring economic stability.

We can no longer continue to approve legislation such as H.R. 5901 that grossly exceeds the money actually available to be spent on these programs. It is a hoax on the American people to appropriate money on one hand—and in effect leading them to believe that this money really is available to be appropriated—and then stand back and watch their incomes be robbed by inflation.

In addition, I believe that the Federal Government should return control of our Nation's school systems to the State and local levels. Federally imposed busing standards have thrown several school systems in the Nation into total upheaval and chaos. The 10th amendment to our Constitution provides that—

> The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.

I urge my colleagues to join with me in supporting the President's veto of H.R. 5901 with the hope that we can then move to bring Federal spending under control, and work to eliminate Federal intervention in the running of our school systems.

Mr. FLOOD. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan (Mr. CARR).

Mr. CARR. Mr. Speaker, I rise in strong support of the veto override.

Mr. FLOOD. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. ASHBROOK).

Mr. ASHBROOK. Mr. Speaker, I will vote to sustain the President's veto of H.R. 5901, the Education Division and Related Agencies Appropriation Act.

The issue before us today is fiscal discipline. Are we going to spend ourselves into national bankruptcy? Or are we going to finally draw the line on irresponsible Federal spending?

The bill which the President has

vetoed would appropriate approximately $7.4 billion for fiscal year 1976. This is more than $1.3 billion over the President's budget recommendations. It is almost $600 million over the amount we appropriated last year. It is even $147 million over the already bloated House version.

In area after area the Congress has substantially increased funding levels. The bilingual education program, for example, is $13.5 million over the 1975 appropriation. This is in the neighborhood of a 16 percent boost in funding. The list goes on and on.

My criticism is not aimed at the programs themselves. I personally believe that H.R. 5901 provides funding for many fine programs that deserve our continued support. I also think that for some areas—such as vocational education and a few other areas—a reasonable increase in the level of funding is both desirable and justifiable. I cannot in good conscience, however, support the excessive spending package put together by this Congress.

I would remind my colleagues that Federal spending is surpassing all reasonable bounds. The deficit for this year alone will probably reach the $80 billion to $90 billion mark. Such an astronomically high level of deficit spending will further fuel the fires of inflation and destroy more jobs.

It is irresponsible to add another $1.3 billion over the President's budget. It is irresponsible to keep on increasing the level of funding for program after program when we do not have the money to pay for the increase.

Since first being elected to the Congress I have fought against excessive Federal spending. As I look at our current economic situation it seems apparent that the need to hold the line is as great today as it has ever been in our Nation's history.

Many in the education community write and ask that I support this program and cut somewhere else. In the case of this Congress, there are not many cuts—just increases. Local school districts will be harmed by the inflationary impact of this Congress deficit spending spree. We cannot justify $1.3 billion deficit here.

The choice facing us today and in the months ahead is really quite simple. That choice is between fiscal discipline and fiscal insolvency. I urge the Congress to keep this in mind as it votes on whether to override the veto of the President and as it considers other spending proposals in the future.

Mr. FLOOD. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin, a member of the committee (Mr. OBEY).

Mr. OBEY. Mr. Speaker, the issue before the House, I think, is very simple. The issue is whether or not the Federal Government is going to continue to pay its share of the cost of education or whether that burden is going to be shifted to State and local tax systems.

It has been asserted by White House bookkeepers that we are busting the President's budget by $1.35 billion, but that ignores the simple fact that the President's request was more than $800 million below what we spent on education last year, and made no allowance whatsoever for inflation. The President's budget would have cut, among other things, higher education by $200 million below last year; handicapped education aid by $25 million below last year; emergency school aid by $140 million below last year; bilingual aid by $14 million, despite court decisions requiring more and more local school districts to offer such programs.

What we have here is a bill which is only $441 million, or 6 percent, above last year's level at a time when inflation is eroding the purchasing power in the field of education by something in the neighborhood of 12 percent a year.

In fact, when the money that is actually available in fiscal year 1976 as a result of this bill, and the forward funding from fiscal year 1975 is considered, that increase is only 3.6 percent. Compare that to the 23-percent increase in military procurement authorization the President has requested this year. I wish we could show the same level of restraint in military procurement and other areas we have shown in education in this bill. Certainly, the funding contained in this bill is the least we should do to prevent even heavier burdens from being borne by the local property tax, the most regressive of all taxes.

I congratulate those on both sides of the aisle who will be voting "Yes." You are casting a fiscally responsible vote, which is $400 million below the Budget Committee's original target for education, and you will be helping to moderate local property tax increases at the same time. That is a position which you just cannot beat.

Mr. FLOOD. Mr. Speaker, I yield such time as he may consume to the gentleman from Virginia (Mr. ROBERT W. DANIEL, JR.)

Mr. ROBERT W. DANIEL, JR. Mr. Speaker, on April 16, 1975, the House passed H.R. 5901, the education appropriations bill for budget year 1976. In view of the need to curb Government spending to avoid a continuation of the double-digit inflation we have experienced, I made the difficult decision to vote against H.R. 5901. My vote was cast with the hope that a less expensive comprehensive education appropriation bill could be passed. Certainly, we do need to maintain our Federal support of Education at least at the same level as budget year 1975 to insure that every American could receive a quality education. Education must continue to be one of America's highest priorities. No Federal activity, however, can be exempted from the restraints that must be imposed to insure full economic recovery. As all sound economists agree, continued deficit spending along with increased cost of foreign energy are the two primary ingredients in the inflation that every American has experienced.

The budget deficit for budget year 1976 has already exceeded $80 billion, with the appropriation process not yet completed. In order to finance this enormous deficit, the U.S. Treasury must compete in the capital market with the individual, the small businessman, and industry for money needed for home mortgages, consumer credit, and business expansion.

With this loan money preempted by Government borrowing, economic recovery cannot be complete and unemployment will remain unexceptably high.

There are those in the Congress that would like to consider H.R. 5901 in a vacuum. They would like only to discuss the needs in education without regard to cost. If we could spend all the money needed for all national programs without affecting the economy, we could consider the bill only in light of total educational needs. The money spent in the education bill, however, does contribute to overall Federal spending and the horrendous Federal deficit that we face this year.

Economic recovery is vital to education. Inflation makes educational planning virtually impossible. Recession has reduced local tax money available to local school districts with an adverse effect on funds available for local education. Teachers and school administrators, like all Americans, find their family financial planning virtually impossible due to rising costs. Thus I know that everyone involved in education has a stake in full economic recovery and an end to inflation.

I had been hopeful that during the summer congressional leaders and the President could have formulated a compromise to insure adequate funding of educational programs without an undue strain on the Federal budget. I am especially concerned with the continued funding for impact aid which is vital to the fourth district of Virginia and other local school districts disrupted by intense Federal activity. After making appropriate inquiries, I cannot receive assurances about the level of funding that will be available if this bill's veto is sustained. No compromise is under consideration.

My failure to support H.R. 5901 was not a vote against Federal impact aid or other critical educational programs. My vote was a signal to congressional leaders and the White House that a better bill was needed. Congressional leaders from both parties and the White House must share the blame for not achieving a meaningful compromise on this bill. No compromise is forthcoming; we must have an education bill. I have made the decision to vote to override the President's veto.

Mr. FLOOD. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Massachusetts (Mr. CONTE), a member of the committee.

Mr. CONTE. Mr. Speaker, we are now confronted with another difficult situation. There is no question about the fact that we are still in the midsts of economically troublesome times. It is most important that we exercise fiscal restraint and responsibility. I voted for the Michel amendment which brought the bill close to the President's budget, but we lost.

Fellow Members, I sit on the Appropriation Subcommittee on Labor-HEW where this bill originated. I am satisfied that the committee made every effort to keep the funding level down without jeopardizing the effectiveness of any essential programs.

As the President notes in his veto message, this bill is approximately $1.5 billion above the budget. However, we must realize that the increase in funding in this bill over the fiscal year 1975 bill is only $255 million. This is a relatively modest increase which only represents a 3.6-percent rise above the fiscal year 1975 appropriations. We must realize that a $600 million increase would be needed to maintain the fiscal year 1975 level of funding. At this time it would be interesting to note that the increase in the Consumer Price Index from fiscal year 1975 through fiscal year 1976 was 8.6 percent. There is another important aspect of the funding in this bill which should be brought to light. The total amount appropriated in the fiscal year 1975 appropriation does not include any fiscal year 1976 advance funding. The bill before us now does contain advance funding for fiscal year 1977 in the amount of $186 million. It is now easy to see that the actual real dollar increase is relatively minor.

It is important that we get these funds to the colleges, local school districts, and State education associations so that they can adequately plan their budgets before the school year progresses any further. That was the original purpose of segregating the Education Division from the rest of the Labor-HEW bill in the first place.

Fellow colleagues, the quality of our educational system must be maintained. Funds in this bill may be the determining factor which will enable students to afford the education they deserve. Further, the funds in this bill are vital to the maintenance of the quality of our libraries and research centers—the backbone of our education programs.

We must not be guided with the commentaries that this bill exceeds the budget by $1.5 million. We must consider all the aspects of this bill's funding. It is important to keep in mind that, as I have explained above, the bill only represents a $255 million in funding above fiscal year 1975. This increase contains $186 million in fiscal year 1977 advanced whereas the fiscal year 1975 appropriations contained no advanced funding.

The quality of our education must not suffer a sustained veto. I ask you to join us in our effort to override this veto. Thank you, Mr. Speaker.

Mr. FLOOD. Mr. Speaker, I yield 3 minutes for the purpose of debate only to the distinguished gentleman from Ohio (Mr. LATTA).

Mr. LATTA. Mr. Speaker, noting the vote with which this conference committee report passed the House, 370 to 42, I am under no illusion about the outcome of this vote today. This veto will be overridden, but no with my vote.

Mr. Speaker, let me say that I am for education as much as anybody in this House. The question is not: How much do we want to spend? The question is: How much can we afford to spend for education or any Federal program without doing damage to those we seek to aid?

It has already been admitted that this bill is $1.345 billion over the budget. We have heard the argument presented today, it is not over the budget committee's resolution. As I pointed out in questioning the chairman of budget committee, I was not one of those who thought the budget resolution was what it should have been when it passed this House. This resolution exceeded the President's recommendation by almost $9 billion.

So I cannot buy the argument that this bill should pass for this reason.

Let me point out there are a couple of bills coming along in the near future which increase our budget figure by several billions of dollars. Let me just refer to a few of them for the benefit of the Members and ask how the Members will vote for them and when they will start voting to live within their own budget resolution.

First, we have a recommendation for a cost-of-living raise of 8.6 percent for Federal employees, and the President has set the figure at 5 percent. How are the Members going to vote for this? This would cost $2 billion more which is not in the budget resolution.

We will be asked to extend the tax reduction bill into the 1976 calendar year. How are the Members going to vote on such a request? This is a question which will be before you in the not too distant future and it is not programed in the budget resolution.

We will also have the question of aid to Israel and aid to Egypt, and I have not seen too many Members around here voting against aid to Israel. This will mean $2 billion more, and it might go to $3 billion, which was not considered when the budget resolution was passed.

As we look at our overall fiscal picture for 1976 as it is now unfolding, we begin to see a budget deficit of as much as 80 billions of dollars—not the $60 billion deficit which the President indicated he would abide by or the $69 billion deficit the Congress said we ought to have.

Mr. Speaker, the cruelest hoax we can perpetrate on our children is to continually pass program after program to be financed with borrowed funds which they are going to have to pay for—plus the interest—while saying to them, "Look what we are doing for you." Really, Mr. Speaker, we should be telling them and their parents how much debt we are piling on their backs and how much we are adding to the inflation of this country by driving up interest rates through Government borrowing necessitated by the excesses of this Congress. Then, and only then, will we begin to get some fiscal responsibility out of Washington, D.C.

Mr. FLOOD. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Ohio (Mr. DEVINE).

Mr. DEVINE. Mr. Speaker, let us go back 6 or 7 months. This House in its wisdom, on the basis that we would hold down spending, reduced revenues by enacting the tax rebate program by about $23 billion. The President rather reluctantly signed the bill on the basis that this Congress would act responsibly and try to live within the budget. We have failed to do that.

I recognize, just as does the gentleman from Ohio (Mr. LATTA), that this bill will pass. We have fewer than 10 percent of the Members of the House who voted against the bill originally. I know about the big labor union leaders that represent the NEA and the other education associations. They have leaned on Members of the Congress, and many do not dare to vote contrary to their wishes lest we be accused of being against children, teachers, and education. Such charge is, of course, intellectually dishonest.

How many of us who went home during the August recess heard anyone talking about increases in education except the professional educators and the educational associations? I do not know of very many.

I say to the Members that the issue is inflation, not more education. The gentleman from Kentucky said that there is nothing inflationary in this bill. I say that is hogwash. This is $1.5 billion over the budget.

I do not see how the President could do anything other than to veto this bill. If he is to keep his word to the Congress when he came up here and drew the line at $60 billion and when we continue to send bills down there that blow the budget, he has no choice but to veto it, because, as I say, inflation, not more money for education, is the key to the plight of our Nation today.

The gentleman from Ohio (Mr. LATTA) made reference to other bills that are coming along and how we will vote on those. We will have the public works bill that is still to come before the House. How many will have the courage to hold the line on public works?

We will have the HEW bill; we have the pay-raise bill that is coming before the House; and then we will have the child nutrition bill coming before the House. That will give us a chance to see where these great economy-minded, conservative Members of Congress stand when we come to the consideration of these various bills.

I venture to say that we may have 42 votes here, and perhaps we will be lucky to get that many. But those of us who really want to go back to our districts and say, "I am voting against inflation; I am trying to help you out," should consider our votes today. How are we going to justify a vote that blows the budget by a billion and a half dollars?

Mr. FLOOD. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. CONABLE).

Mr. CONABLE. Mr. Speaker, I would like to take this opportunity to emphasize my strong support of the President's veto of H.R. 5901, the Education Appropriation Act of 1976. We are meeting today in order to come to a decision as to whether or not we will sustain or override this veto. I am sure we are all in agreement that this is a decision that we cannot make lightly.

The enactment of a separate education bill this year was intended to enhance the ability of State and local educators to plan more effectively for the next school year because they would know more promptly what level of Federal assistance they could expect. Because a vote to sustain the veto of this bill would cause a delay for State and local educators in these planning activities, it is a course of action I am advocating with regret. Although I do not deny the importance of seeking to improve our system of education, when congressional decisions included in H.R. 5901 are placed within the much larger context of the economy of the Nation as a whole, our vote on this issue takes on an even greater significance.

Many of the proposals in this measure are worthy. That is not the issue. New York City has put itself in a deep hole not by enacting unworthy programs, but by overdoing what the City Fathers felt was necessary and desirable. We should learn a lesson from them, because our Federal Government is in worse fiscal shape than New York City, with the only difference, postponing the day of reckoning which has arrived for that remarkable municipality, being our control of the presses which print money.

To say that education is a worthy recipient of our bounty, then, and to decide the issue on that basis, is to add to a cumulative burden of good intentions which repeats the kind of mistake about which many of us are acting inappropriately sanctimonious as we view New York's embarrassment.

Mr. KEMP. Mr. Speaker, will the gentleman yield?

Mr. CONABLE. Yes, I yield to the gentleman from New York.

Mr. KEMP. Mr. Speaker, I appreciate the gentleman's yielding.

And, I would like to congratulate him for his statement, especially with respect to his calling the attention of the House to the situation in New York today with regard to the financial chaos of that once proud city.

I am sure that the people who vote to sustain the veto today will be told that they are lacking in compassion. But I am equally sure that the people of New York City, as well as the people of New York State, wish that there had been someone compassionate enough a few years ago to make sure that the type of fiscal chaos that is now occurring in New York City had not been allowed to occur. Is it compassionate to debase the currency of hard working New Yorkers by engaging in deficit spending? History both here and abroad says no. I congratulate my friend for his leadership, and his courage in rising to support a responsible level of funding for education and his sustaining of an irresponsible appropriation bill.

Mr. CONABLE. Mr. Speaker, I thank the gentleman from New York (Mr. KEMP) for his comments.

Mr. Speaker, I also feel that there are many inappropriate portions of this measure, and I will insert them in the RECORD.

Mr. Speaker, for example, the bill maintains support for the emergency school desegregation assistance program at the same level as in prior years, even though the number of new court-ordered and voluntary desegregation plans has shown a dramatic decline.

In addition, the education bill provides nearly three-quarters of a billion dollars for the impact aid program, and also includes for the first time support for children who live in public housing. Despite the fact that many studies have suggested that the economic rationale for the impact aid program is minimal, the Congress has, nevertheless, increased its funding and expanded its scope. I can think of no education program which requires more substantial reform than impact aid—both fiscally and programmatically.

Moreover, the education bill provides for the continuation of many older student assistance programs such as supplemental opportunity grants and the direct loan program. At the same time, however, the bill includes support for the guaranteed student loan program and the new basic educational opportunity grants which were designed to replace these older assistance programs. I believe that continued funding of the supplemental grant and direct loan programs are unnecessary and that the guaranteed loan program and basic grants offer a more effective approach to providing assistance to students who wish to pursue a higher education.

Further, under the education bill, a significant number of other programs, such as aid to land-grant colleges, equipment programs, and support for public libraries, would continue to provide only marginal amounts of funds to a large group of institutions without considering whether or not they genuinely need this form of support.

These are only some of the examples which could be cited in support of the veto. I will not take the time here to outline other specific education programs which have received unnecessary increases in the education bill. But, I urge the Congress to sustain the President's veto of this measure. To do so would mean that we are taking a significant step toward curtailing unnecessary spending and toward achieving fiscal responsibility.

I am confident that after the veto has been sustained, we will be able to work together in order to reach a satisfactory compromise which will benefit not only education, but will help improve the economy of the entire Nation.

Mr. KEMP. Mr. Speaker, as a member of the Appropriations Committee, I am convinced that the best way to promote and enhance educational opportunity in this country today is to restore economic prosperity in this country, and it cannot be done by deficit financing.

Our schools are faced with soaring and unpredictable costs for teacher salaries, construction, and instructional materials. Our schools are not isolated from inflation and the measure before us today will not bring them any relief from inflation because it is measures like this one which have caused inflation and which fuel inflation.

I rise in reluctant support of the veto of H.R. 5901, the Education Division and Related Agencies Appropriation Act of 1976. I regret that in this, the first regular appropriation bill to be sent by the Congress to the President, Congress failed to exercise the kind of fiscal discipline which would at once aid the educational community and aid our overall efforts to curb inflation.

I cannot believe that our Nation's educators will accept inflated dollars as a sign that Congress cares about their needs and cares about the future of education in this country. Inflated dollars cannot buy anything except a little bit of time until the day of reckoning, when every Member in this Chamber will be forced to admit, as New York City has recently admitted, that the bill does come due and that paper money will not pay it, indeed raises the burden of confiscatory taxation on all.

Many of us were shocked this year when the President announced a budget deficit of $60 billion for fiscal year 1976. Congress went on to set its own deficit ceiling at $69 billion. Now, as of July 21, our own budget scorekeeping report estimates a possible deficit of over $83 billion this year. I ask our liberal spending friends, how do they propose to finance this deficit? Will they raise taxes. No, of court not. In fact they all voted to cut taxes. It is just not right.

It should surprise no one that now, after indications that economic recovery was well underway, we are beginning to receive ominous signs to the contrary. The Government statistics for July are alarming. The wholesale and consumer price indexes both shot upward at seasonally adjusted rates of around 15 percent. Money supply in May and June grew at an annual rate of 14.5 percent, nearly three times as fast as the Federal Reserve announced earlier would be the recommended rate to restrain inflation. Make no mistake about it, congressional deficits financed by expansionist monetary supply adds up to ruinous, double digit inflation. Despite these ominous signs, we are being asked today to approve a bill which will only increase inflation and impeded economic recovery by adding $1.5 billion to the Federal deficit for this, and future years.

Cutting spending on virtually any Federal program is a difficult and thankless task. In the case of this particular bill, it is all the more difficult because the programs in question relate to the educational needs of our Nation's youth, and so many of the programs are of proven worth. But is it fair to our young to pile a burden of debt on their shoulders unmatched in our history?

The point is, however, that this bill and every other appropriation bill pending before us, must be put in the perspective of our overall economic recovery goals. I believe that responsible fiscal policy on the part of this Congress will do more to cure the financial ills of the education community than will a $7 billion, $8 billion, or even a $25 billion education appropriation bill doling out paper money and thus further debasing the value of the earnings of each American citizen.

I urge that the veto be sustained and that the House promptly approve a responsible level of funding for education consistent with our strong commitment to education and consistent with the limited tax dollars available.

As one who promised the people I represent that I would not vote for any bills over the budget, as tough as this vote is I must keep faith with that promise. I will work to support education consistent with the ability of our taxpayers to pay the bills but I can't mislead the people and tell them that inflating this money is sound policy.

Mr. FLOOD. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. McHugh).

Mr. McHUGH. Mr. Speaker, I rise in strong support of the education division appropriations bill and urge my colleagues to vote to override the President's veto.

The President's opposition to this legislation is based upon its cost. I agree that we must exercise fiscal restraint in some areas and that we must be concerned with excessive Federal spending. But this measure is not excessive. It is $379 million below the budget ceiling established by Congress for the education account earlier this year. While it calls for a 3.6-percent increase in education funding over last year, the rate of inflation during the same period was 8.5 percent.

The fact is that even under this bill, many school districts and institutions will be unable to keep pace with rising costs. Many cuts in staff and programs will have to be made. This bill is not spendthrift; it is modest.

If the President's veto should be sustained, the impact upon education at all levels would be serious. I am advised that in order to maintain current programs, some 17,000 school districts throughout the country would be forced to increase local property taxes. We know that the American people are in revolt against the property tax. Increasing that burden is intolerable to most communities. Yet, unless education is to be substantially compromised, that would be their alternative if we default in our responsibility to support this bill.

We must not lose sight of the fact that unemployment is still our gravest problem. More than 10 million Americans are out of work. If we do not override Mr. Ford's veto, many elementary and secondary school teachers will join them.

Nor are our colleges and universities unaffected. In my own State of New York, for example, it is expected that because of last year's appropriations for the college work study program, about 45,000 students in 287 New York colleges and universities will have an opportunity to earn part of their college costs this year. At a time of high unemployment, particularly among the young, this program is vital to many students. However, if the President's budget proposal for 1976 were accepted, it is estimated that about 7,000 students would lose the chance to earn their own way, and no doubt many would have to drop out of school as a result.

We hear a great deal about priorities, and I believe rightly so. As a people, we are learning that our resources are not unlimited and that we must conserve if we are to prosper. This requires us to make critical choices, to determine what is most important, to consider what must be preserved and what we can afford to cast away. As we approach our 200th birthday, I can think of nothing which is more important to our future as a nation than that we continue to provide our children with a quality education. Rather than diminish our commitment to education as the President suggests, a commitment that now represents only 2 percent of our Federal budget, we should be intent upon strengthening it.

I hope that you will join with me in voting to override the President's veto of this most important legislation.

Mr. FLOOD. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania (Mr. Goodling).

Mr. GUDE. Mr. Speaker, will the gentleman yield?

Mr. GOODLING. Yes, I yield to the gentleman from Maryland.

Mr. GUDE. Mr. Speaker, I have come here today to urge my fellow colleagues to vote to override the President's veto of H.R. 5901, the 1976 education appropriation bill.

I reject the arguments of those who seek to use the education bill as a scapegoat for fiscal insolvency. The fact is that this $7.5 billion measure minus $2.5 billion in forward funding for 1977 brings the total 1976 education appropriation $379 million under the congressionally mandated budget limit.

I further reject the President's notion that we can make this bill "acceptable" by cutting into funds for impact aid and higher education.

In his veto message to Congress, the President pointed directly to impact aid as a "luxury we can no longer afford."

Impact aid is designed to compensate local education agencies for the effect of Federal activities. Involvement in the District of Columbia metropolitan area is massive and yet the surrounding local governments do not receive any revenue that would ordinarily come from tax generated by private business. Following this along, you can see that impact aid is only fair in light of the long accepted concept that a 50/50 relationship between employer/employee funds the cost of services such as education.

All the while, public school costs in my district have risen four times that of the Consumer Price Index while Federal support in the county has steadily declined from 6.7 percent to 3 percent over the last decade. To accommodate these costs, the county has been forced to raise taxes by an alarming 34 cents per hundred dollars of property value. Even more startling is the fact that this rise will only fund 5.46 percent of a 10.1-percent salary increase based on the same Consumer Price Index. Without the "luxury" of impact aid, the tax hike would have been 13 cents higher. Not to fund impact aid is tantamount to Federal default on its obligatory compensation to children whose parents are federally employed.

Higher education is already hard hit in this appropriation. Funds in this area are actually decreased, although the amounts reflect an increase over the President's budget because it restores severe cutbacks and eliminations proposed in such programs as supplemental grants, college libraries, land-grant assistance, community services, and instructional equipment. More and more parents and students are contacting my office pleading for additional Federal loan and scholarship support. Increased tuitions are pricing out middle-income families and cutting back on financial assistance to low-income students. Most importantly, I reject the idea that the education of our Nation's children must be compromised in times of economic stress. We cannot bring our children back for quality education—they only go round once in this system. In my own State of Maryland, the bill provides: $33 million in grants for the disadvantaged effecting all-too-important changes in the education of low-achieving children, particularly children from poor families; $9 million for vocational education, although there is a need to fund an additional 20 percent more enrollments at the secondary, postsecondary, and adult levels; $5 million for handicapped children to help reach Maryland's goal of full education service to all of these children by 1980; $1.3 million for adult education including programs within the Department of Corrections assisting teenage parents, nonreading adults, recent high school dropouts, institutionalized adults, veterans, handicapped adults, and others in reading, writing, speech, and "employability"; and $900,000 in public service grants for the Library Services and Construction Act including funds for special library services to disadvantaged adults and children, persons in State and local institutions and other readers with special needs of this nature.

Several months ago, the Montgomery County school superintendent wrote to me stating that—

> Our FY 76 Operating Budget . . . is based on the revenue projection that the level of funding of federal fiscal support will not decrease. . . . Our sole hope is that the Congress will recognize the fiscal crisis in local school systems. . . .

Looking at New York City and my own heavily taxed district, it is easy to see that State and local governments are already overburdened and would be hard pressed to make up the difference.

Mr. GOODLING. Mr. Speaker, if this appropriation measure were strictly an advance funding program, I would have reason to sustain the veto. It is not totally advance funding, therefore, I have to vote to override the veto.

All school budgets have gone into effect as of July 1. Those fortunate enough not to have a strike or lockout have their students already back in school. Therefore, I think it is imperative that we go ahead.

That does not mean that I am in favor of many provisions in this bill.

Since we have so many colleagues on the floor today, I would like to ask them to insist that the members of the Education Committee, of which I am one, will gain enough courage between now and next year, to attack what the gentleman from Illinois (Mr. Michel) has called the greatest ripoff that ever hit the United States.

Please take time, Members of the House, to study Public Law 874. Then also look at Public Law 93-380, by which the last Congress began to try to do something about impacted aid.

Unfortunately, they included hold-harmless provisions in it.

I am sure the Members will see that the poorest school districts they have in their district, are supporting the richest districts, not only in the district which individual Members represent, but throughout the entire country.

There is just no reason. There is just no sanity to portions of the impact aid bill. So I would ask the Members to please study that between now and next year and insist that we members of the Committee on Education and Labor have enough courage to attack the sacred cow because the Members will be dismayed when they see just how little they are getting and how much many of our people are paying. We must attack that between now and next year, but it is too late now to do much about these appropriations.

Mr. FLOOD. Mr. Speaker, I yield the remainder of the time and to close debate to the gentleman from Iowa (Mr. SMITH).

Mr. SMITH of Iowa. Mr. Speaker, we hear repeatedly today that the bill is over the President's budget but under the congressional budget, and it is under the congressional budget by about $400 million. But we need to look behind these general statements and really look at the nature of the whole Federal budget.

In large part these Federal programs are merely for the purpose of funding local governments in some of their activities. That is true in the case of health where we fund more than 50 percent of cost of the State health departments. It is true in the case of welfare where it is about 75 percent. It is true in the programs under the Labor Department, HUD, and even in law enforcement where we fund local law enforcement assistance at about $1 billion a year.

The administration thinks that the State and local governments are not getting enough money. They can hardly wait to extend a Federal revenue sharing program of $5 billion per year, or more, for 5 or 7 years. They think that is such a great program that former President Nixon went to Philadelphia to sign it in the shade of the Liberty Bell. What a great program they say it is. But do you know how much education gets out of that program? Zilch, not one penny.

Out of that program, we provide tax money for local governments which may be used to pay $17,000 a year for garbage collectors, or $17,000 for a limousine, but not 17 cents to help educate children.

This bill is the Federal revenue sharing program for education. We are only paying about 8 percent of the cost of local education. But how different it is from some of these other programs because this is really a program that brings money back to the Government. When we pay for a limousine for a local government, that is money that is gone. When we pay money for another police officer or garbage collector, after the end of the year then that money is gone. But when we invest something in a child, then that child can grow up to make more money to pay more Federal taxes so the Federal Treasury may get it back. So, as I say, this is a program where we really are making an investment.

Let us look at these items I am talking about such as the Elementary and Secondary Education Act amendments. The $210.77 million of the increase in here is for that, and $150 million of that for title I. That is for the disadvantaged children. Impact aid represents $414 million.

They knew when they sent the bill up here that the category B impact aid funding would be included in the final bill. They included only $40 million for category B. They expected Congress to include some money and the committee recommendation was increased on the floor by a vote of 259 to 143.

If the Members are against aid—and I have a critic of the formula—then they should have voted against that. In addition to that, if they really oppose impact aid, the administration should have vetoed the authorization.

There is money in here for the right-to-read program. They thought that was the greatest program there could be. I remember when the administration witnesses came before us and one would have thought they had just discovered the three R's. They said they thought it was such a great program, but they do not want to adequately fund it now.

There are increases in the bill for student aid. We all know that tuition rates have increased. There is a $5 million increase for education broadcasting, but it is still only approximately last years funding level. They oppose the $9½ million for land-grant colleges. That is a relatively small amount in this bill but it is for a program with no strings attached which is the approach the administration claims to favor.

So what we have here today, after many, many months of work, is that we reported a separate bill this year for education. We wanted to conclude action more quickly and thought time was of the essence. And on this floor, the bill we reported was increased by $400 million by a vote of 259 to 143. We reported the lower figure to give Members an opportunity to vote on a bill which would not be vetoed, but, by a vote of 259 to 143 the Members said on this floor that they wanted to risk a veto, that they wanted to have a veto and that they would override the veto. I supported that increase and support this bill today.

The 259 members who voted for the amendment to increase the bill and risk a veto were in effect indicating they would vote to override the veto. That is what Members really said when they voted for the Obey-Roybal amendment.

If this veto is upheld, we will have to start over. I remember one year we were in here the following March starting over. Programs which had been allocated money under a continuing resolution had to suffer a substantial contraction the remaining months of the year because they had been given the amount of the House bill for the first 6 months. Those who voted for the Obey-Roybal amendment would be totally inconsistent if they did not vote to override this veto today. So I say, even the Members who are going to vote for rescissions later, ought to vote to override the veto today.

Mr. RONCALIO. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from Wyoming.

Mr. RONCALIO. I thank the gentleman for yielding.

I compliment the gentleman on his explanation; I concur with his position; and I encourage the Members to override the veto.

Mr. SMITH of Iowa. I strongly urge the Members of this House today to vote to override the veto. Do not send us back to work for several more months to try to develop another bill. The best procedure is to vote to override the veto. Even if the Members are going to vote for rescissions later, I urge Members to vote yes today.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from Virginia.

Mr. HARRIS. I thank the gentleman for yielding.

I am proud to vote today to override President Ford's veto of the 1976 education appropriations bill. This veto is a clear indication of the priorities of an administration that has shortchanged our schoolchildren time and time again with recissions, deferrals, low budget requests and now a veto.

This year, we have a particularly compelling reason to support adequate funding of our schools. Our school budgets are being stretched to their limits because of ever-escalating utility and other energy costs. One school official told me, "The energy crisis is really tearing us up." Electricity bills have tripled. Gasoline costs for school vehicles have doubled. The operating costs are paid out of local funds. When more and more local funds have to go into basic expenses, the innovative programs stimulated by this bill go wanting.

Schools in my district are running out of ways to cut costs. They are contemplating closing some schools; they are not hiring additional teachers. The cost of educational supplies has risen 30 percent in the past year.

When the budget crunch comes, it is the local taxpayer in the end who has to pay. If this veto is not overriden, local taxpayers will have to bear the increased burden of maintaining educational standards and programs we have now. This bill will not add programs—it merely keeps pace with inflation, it barely maintains what we have now. Thus, if we do not override today, educational programs will suffer and local taxpayers will have to dig deeper into their pockets to pay their local tax bills. Similarly, our colleges and universities will have to pass on increased costs in higher tuition. Rising tuition rates have already priced moderate-income students out of higher education and endangered nonpublic institutions—a situation I consider to be alarming.

Many of the programs in this bill are very important to my district: Education for the handicapped, occupational and vocational education, aid to the disadvantaged, and library programs. Unless we override this veto, my district would lose nearly $10 million in impact aid alone—a huge and unjustified slice out of the budgets of hard-pressed school districts.

The executive director of the Prince William Education Association, James O'Cain, recently said:

> If the veto stands, Virginia schools will lose over 49% of the funds approved by Congress and also the special programs that are

provided by these funds. Occupational, vocational, and adult education programs will be hit the hardest. If the veto stands, Virginia schools will have barely half (55 percent) of the federal funds received during the last fiscal year.

I am particularly pleased to note—in the face of an administration charge that the bill is inflationary—that H.R. 5901 is $700 million under Congress ceiling for the education category. The increase in this bill is only 1.7 percent—far less than is needed to meet the costs of inflation and it will have a very minimal impact on the national deficit. If the President—a President who did not even include education in his state of the Union address—wants to cut costs, I say he could cut costs by eliminating some of the many ineffective and duplicative agencies, councils, commissions and committees in the Federal bureaucracy.

I would ask this President to cut out subsidies to the oil industry and corporate farmers. I cannot support cuts in our school budgets. Our schoolchildren should be our No. 1 priority. They should not be shoved off by callous vetoes and placed on the White House's laundry list of low priority needs. I know this Congress will not turn its back on our students, teachers, administrators, and parents and by overturning the veto, we will reaffirm the importance of education to this country.

Mr. FORD of Tennessee. Mr. Speaker, we will soon be asked to vote on the motion to override the President's veto of H.R. 5901, the Education Appropriations Act for 1976. The President vetoed this bill because it represented a 3.6 percent increase over last year's funding level. However, because the cost-of-living index has risen 8.5 percent, even with that 3.6 percent increase in funding, H.R. 5901 still results in an overall cut in education programs. The veto of these funds by the President will put pressure on approximately 17,000 school districts in this country to pay for the differences. If additional local funds are not found, personnel and the programs in the school system will have to be cut.

Such a situation would be intolerable for Memphis and for the State of Tennessee. I firmly believe that quality education for all Americans is imperative for the future growth and stability of this country. Therefore, I intend to give the motion to override the President's veto my full support and ask all my colleagues to do likewise.

The dire financial situation of Tennessee's educational system, should the President's veto be allowed to stand, is well described in a telegram I received from the president of Tennessee State University:

NASHVILLE, TENN.,
September 8, 1975.

Hon. HAROLD FORD,
Longworth House Office Bldg.,
Washington, D.C.

DEAR CONGRESSMAN FORD: If the Presidential veto of the education appropriation bill remains in effect it will substantially decrease the opportunity for a large number of students from the low income and moderate income categories to pursue a college education. It will place a substantial burden on the citizens of Tennessee for which no remedy is forthcoming as a result of the limited State funds available to provide monies to support higher education opportunity.

Public institutions of Tennessee have already increased tuition and room and board rates, if Congress does not override the veto of this bill it will almost certainly require an additional increase in these rates. We therefore solicit your vote to override the veto.

Your concern in this direction and your efforts in continuing the highest level of higher education opportunity for citizens of the State of Tennessee through Federal funding will be greatly appreciated.

Sincerely,
FREDERICK S. HUMPHRIES,
President, Tennessee State University.

Mr. LEGGETT. Mr. Speaker, the President's veto of this appropriation represents a classic example of the kind of skewing of priorities that the 94th Congress was elected to correct. This year the Present sent us a defense bill that was some 15 percent above last year's level; yet he vetoes an education appropriation which provides only a 1.7-percent increase.

I know that each and every one of you is aware of the fiscal crisis the Federal Government faces this year. In the Budget Committee we agonized over the choices we had to make, especially in such areas as education. We thought we brought in a barebones proposal. The conference committee has brought this bill in even $700 million under our ceiling. There is no doubt that the cut will hurt, that this is as far as we can go. The 1.7-percent increase this bill represents is, in reality, a 7.6-percent reduction in education programs in this country; the loss, of course, is because of inflation. Yet even with this real reduction, the Congress is charged with fiscal irresponsibility.

Mr. Speaker, I submit that there are several kinds of irresponsibility. There is the irresponsibility of an office that would approve a reform of the impact aid program only a year ago, yet use that same program as a whipping boy in order to justify this unjustifiable veto. The President has characterized this program as the most bankrupt of Federal programs, even though the Congress has demonstrated time and again that it is a program the people want.

The most recent demonstration of that concern is the almost unbelievable amount of effort we put into modernizing the program last year. Yet the President still has not gotten the message. The impact aid program is a valuable tool that is being used effectively to insure quality education in areas where substantial amounts of property have been preempted from the tax rolls for Federal use. The miniscule $266 million the President proposes would virtually end this vital program.

There is another, even more pernicious kind of irresponsibility, Mr. Speaker, and that is the irresponsibility of sacrificing many billions of dollars of American productivity in future years for the failure to invest less than a billion dollars in our educational system this year. Even the most hardened critics of Federal spending will admit that a high school education is no longer just a valuable asset to an American looking for a job; it is a virtual necessity. Less than one-third of the money in this bill goes to higher education; the rest goes to the kinds of education that directly benefit all Americans, such as elementary, secondary, and vocational education, training for the handicapped, libraries, and the like. The increased productivity so encouraged will repay this outlay manyfold.

There is only a billion dollars' difference between this bill and the administration's educational proposal; that is less than one-third of 1 percent of the entire Federal budget. Let us not cripple the educational opportunities of hundreds of thousands of American children just for the sake of an almost insignificant portion of our national resources. I strongly urge that this ill-considered veto be overridden.

Mr. O'NEILL. Mr. Speaker, I rise, not in a partisan manner, and not as the majority leader, but as a Member of Congress deeply concerned about how this vote will affect the economies of virtually every American community and the quality of education for millions of students.

I urge all my colleagues on both sides of the aisle to vote to override this veto of the education appropriations for fiscal year 1976. Allowing this veto to stand will have dire consequences throughout the Nation, particularly for the already overridden local taxpayer who will have to bear the increased burden of maintaining the standards needed for a decent education for his children and parents who will have to dig deeper into their diminishing savings to subsidize the increased costs of higher education.

If we allow this veto to be sustained, we are committing a grave disservice to local school districts which have financially suffered from inflation of over 10 percent during the past year and which have already set their budgets for this school year.

H.R. 5901 appropriates $7.9 billion: A funding increase of only 4 percent over last year, or less than one-half the current rate of inflation. Not only is this funding level well within the projected ceiling of the congressional budget resolution, but, in fact, H.R. 5901 appropriates $700 million less for education than was authorized by the first budget resolution.

The education of our young people should never divide along partisan ideology. Yet, in vetoing this measure, President Ford has sought to make it divisive. Local school districts are in a crisis. Not only are their budgets strained, but if we do not override this veto, the quality of education will decline as a result of the higher number of poor children who require special instruction which is financed primarily through Federal dollars.

Let us look at how this vote affects my own State. Under the President's recommendation Massachusetts will receive a total of $36.7 million in title I Federal aid to education, or an actual reduction of 12 percent over last year's level. Under H.R. 5901, the commonwealth will receive $39.8 million, an increase of $3.1 million over the amount to be spent for the current school year. Consider the State grants for the handicapped: under H.R. 5901, my State will receive $2.9 million, whereas the President's recommendation is only $1.3 million for the entire State. If we allow this veto to stand, Massachusetts will get no funds for vocational education, another main source of funding for poor children who require specialized instruction. Under H.R. 5901, Massachusetts will receive $10 million in basic grants for vocational education and $488,000 for students in special need. The President's recommendation for Massachusetts allows no funds in the categories of higher education so important to our continuing education programs and community college system. H.R. 5901 provides $4 million in grants for higher education and $255,000 in direct aid to continuing education and community services.

If you analyze the funding allocations for your State under the educational budget recommended by the President as compared with H.R. 5901, you will observe results similar to what I witnessed in looking at my own State of Massachusetts. The President's program will provide a tremendous financial burden for millions of students and thousands of middle-class parents. To help check the rising cost of education to local districts already operating under austere budgets, and to arrest the further decline of educational quality in this country, I urge all my colleagues to vote to override.

Mr. ASHLEY. Mr. Speaker, I will vote to override the President's veto of the fiscal 1976 education appropriation because there are many worthy programs funded by this bill and because it is urgent that the money become available as soon as possible now that the school year has already begun.

My own reservation about supporting H.R. 5901 is the $680 million included in it for impact aid, an amount which appears excessive to me and which I have serious questions about. The original intent of Public Law 874 was to provide financial assistance to local school districts which are heavily impacted with Federal Government operations, primarily military, to compensate both for the loss of taxes caused by the Federal installation and the local burden of educating children of the Government employees. The program has wandered far afield since it was enacted in 1950.

With a grafting of all sorts of new categories of federally connected children onto the original concept, approximately half of the impact aid assistance now goes for reimbursement for students whose parents work in Federal installations outside the district in which they live. Not only are those Government employees paying real property taxes to support the schools their children attend, but there is also no tax loss incurred from the presence of a Federal operation located outside the boundaries of the school district.

A review of the impact aid program is long overdue to provide justification for the outlays such as that contained in this bill and to provide answers to long-standing criticisms for certain of the expenditures of Federal funds, including: payments that far exceed the cost of local government of educating Federal pupils, payments to wealthy school districts which can finance higher-than-average school costs without impact aid funds, payments to districts where the activity occurring on nontaxable Federal lands generates enough local taxes to support increased school costs, payments to school districts which are compensated twice for the same Government impact under separate pieces of legislation, higher per pupil payments to rich districts than poor districts because of the inclusion of local expenditures in the entitlement formula, compensation for children who would be attending school in a district even if the Federal Government had never come into the area, and payments that do not reflect the economic stimulus that the Federal Government may bring to a community.

These are legitimate questions that have been raised about a program we are voting to perpetuate today. It is our responsibility to scrutinize an education appropriation just as closely as we do a military or a foreign aid funding bill. Since the $7.9 billion outlay in H.R. 5901 is $400 million below the target we agreed to earlier in the budget resolution for education spending, and because of the need to disburse these funds to schools as quickly as possible, I will vote to override the President's veto. But I urge that the authorizing and the appropriation committees responsible for justifying impact aid spending to conduct a thorough review of the evolution of this program over the past 25 years. Fiscal responsibility demands that we make a careful accounting of the expenditures of public money, and no program can be held immune from the requirement that it meet goals that are in the public interest.

Mr. BAUMAN. Mr. Speaker, it grieves me that I cannot join what appears to be a great majority of my colleagues. I must vote against this attempt to override the President's veto, and therefore, against H.R. 5901. I do so not because I am insensitive to the educational needs to be satisfied, but because I am afflicted by conscience over the damaging inflationary effect this bill will have on everyone of my constituents and on all Americans.

It is my greatest hope that a majority of the men and women here assembled might reconsider earlier commitments they may have made; that they sustain the veto of this costly bill and permit the immediate introduction and passage of a new bill embodying only the better parts of the present bill which we have a responsibility to see reduced. I say it is our responsibility, because by voting to make this legislation the law of the land, we are voting for $6.85 billion for fiscal year 1976 or 10.7 percent more than the administration's formerly weighty request; and we are thereby saying to Mr. Inflation, "Right-on, baby. Keep up the good work. You have the Congress' full support. Watch what we do, not what we say." And so the people suffer.

The real issue here is not education. The real issue, as has already been noted, is whether or not this representative body of the people is willing and able to impose upon itself the fiscal discipline we so easily embrace in our public utterances. But words are cheap. We suffer an inflation of words around this place. This bill is not cheap. Added to the congressional scorecard I have been keeping on the growing Federal deficit this Congress is feeding, it will soon be beyond $80 billion.

The people cannot afford this, not unless we are prepared to see our country become one large New York City. If this Congress would simply pare down the totals in this bill to more realistic levels we could prevent the extra billion bucks from attaching itself to next year's deficit. We could save millions on line items while authorizing the moneys needed for such worthy projects as the educational handicapped program, the special education clinics and some of the other worthy and more urgent programs which I have been pleased to support, especially as they affect my State of Maryland, including an adequate amount for impacted aid.

But at this time, we cannot afford millions of dollars for special educational research programs in homemaking, for bilingual clinics, for busing students away from their neighborhood schools, and some of the other unnecessary projects the current bill subsidizes. In this area, it is not merely the cost which will be incurred which ought to compel our righteous dissatisfaction. It is the wrongness of our Federal Government being requested to distort its traditional limited role in education. It is, in fact, for education's sake that we must support this veto. Wherever is found paternalistic education, there is also found bureaucratic education, and bureaucratic control. We cannot permit this. I certainly will not, and I urge my colleagues to vote to support the veto so that we can adopt a more realistic bill.

Mr. HELSTOSKI. Mr. Speaker, today the House will attempt to override the President's veto of H.R. 5901, the Education Appropriations Act.

For the first time, education funding stands alone in an appropriations bill. This bill represents the culmination of an effort to provide early advice to school officials of how much and what kind of Federal assistance is forthcoming, so that they may develop their own budgets accordingly. I do not want to see this effort defeated.

At first glance, the bill seems to go beyond what the President called for in his budget—$1.3 billion beyond to be exact. Yet, upon closer examination, $800 million of that sum is spent in restoring reductions and terminations proposed by the President's budget for many of the existing educational programs. The absence of these funds significantly jeopardizes many of our most important programs—among them, library assistance, emergency school aid, aid to the handicapped, and bilingual education. Are our priorities so disordered that we are willing to cut off funding in areas that need assistance more than ever during the fiscal crisis? I think not.

In the State of New Jersey, schools are suffering greatly because of resulting cuts in the State budget. I support the concept of fiscal restraint but am firmly opposed to reductions in the area of education. Fiscal problems in many of the States have reached the crisis proportion—there is simply no need to add to the burden by cutting back on Federal supports which will lead to a further decline of quality education.

The evidence shows that if anything, our educational institutions need more Federal assistance, not less. Yesterday a study was released which indicated a drastic deterioration of verbal and mathematical scores on the scholastic aptitude test which is taken by high school students in the senior year. We must not allow ourselves to withhold these funds and make our students less equipped for the business and professional world.

Our economic strength was built from a deep and strong belief for a constantly maturing educational system. The U.S. system of education has brought more educational opportunity within the reach of a greater percentage of the population than has ever been achieved by the people of any country at any time in history. The trouble is, however, that much as we have done, we have by no means done enough. John F. Kennedy expressed the importance of our commitment to education when he said:

> Education is both the foundation and the unifying force of our democratic way of life—it is the mainstream of our economic and social progress—it is the highest expression of achievement in our society, ennobling and enriching human life. In short, it is at the same time the most profitable investment society can make and the richest reward it can offer.

It was evident on July 16, 1975, when we adopted the conference report, that a great majority of this body would not stand for an inadequate and incomplete educational budget that would cut our children short. Hopefully, that majority will uphold the Educational Appropriations Act today by overriding the Presidential veto.

Mr. BAUCUS, Mr. Speaker, I rise today to express my concern with the President's veto of the education appropriations bill.

I am concerned about it for a variety of reasons. First, it is the seventh consecutive Presidential veto of an education appropriations bill, this one coming from a President who says that he is a supporter of Federal education programs. Indeed, as I watched the news on television this morning, I saw President Ford standing in the White House garden saying that the way to deal with the problems of school segregation was not through forced busing but through additional outlays of Federal education funds. Such a statement strikes me as particularly ironic coming on the very day when the Congress is asked to approve his veto of a bill on education spending.

Before I discuss the details of the education appropriations bill, I would like to observe parenthetically how much the President's action on education spending reminds me of his actions on oil deregulation. The President says he is concerned about funds available for schoolchildren; he also says that he is concerned about inflation. Yet, to deal with both of those concerns, he proposes that we cut Federal spending for education and raise the price of oil through deregulation. According to the latest statistics available, the deregulation of oil will increase the cost of living by $900 per year for the average American family. From the standpoint of Montanans, the increased cost will be substantially higher, because we have a colder climate which requires more heating oil and we live in a rural area requiring more gasoline for auto travel and agricultural machines.

Moreover, Montana's tourist industry, the third largest in the State, will be adversely affected by deregulation. According to recent announcements by airline companies, the price increases for gasoline caused by deregulation may force them to curtail air service for America's smaller cities, which certainly would include all cities in my district, since none of them have populations larger than 50,000.

I do not wish to get too far afield in my statement, despite my preoccupation with oil deregulation. My principal concern today is with the education appropriations bill. That bill provides roughly $7.5 billion for Federal education programs. The President says that it is $1 billion over his budget. The House Budget Committee tells us that the bill is more than $400 million under the congressional budget. Thus, when President Ford says that this bill is a "budget buster," he means his budget, not ours.

A few words about the congressional budget, as contrasted with the President's budget, are in order here. To begin with, when common assumptions are used, both budgets are similar in their aggregate impact. Both call for deficits in the high $60 billions. However, there are differences between the two budgets. For example, the President's budget allocates only 51 percent of its outlays to human resource programs, whereas the congressional budget allocates 53 percent. Now, some people might say, "Why that's only a difference of 2 percent, and that can't be much."

I would remind those people that a single percentage point difference in the Federal budget amounts to nearly $4 billion. Thus, the differences in priorities between the congressional budget and the President's with respect to human resource program allocations amounts to nearly $8 billion.

Some people might ask where that additional few billion would come from. My review of the congressional budget indicates that the bulk would come from the President's requests for military and foreign aid programs—once again, reflecting differences in priorities between his budget and ours.

Mr. Speaker, freshmen Congressmen like myself are united in their support for reasserting the congressional role in setting this country's priorities. In my judgment, the education appropriations bill is but a single example of the effort by this body to develop priorities different from those of the President.

My support for the education appropriations bill also relates to my concern about the quality of education provided in the Western District of Montana. Schools in our district received a 1975 appropriation of Federal education funds of $14.4 million. The President proposed $11.5 million for 1976, a reduction of 20 percent. The education appropriations bill would provide $15.4 million, an amount that is 34 percent higher than the President's, but only 7 percent higher than our appropriation last year. In short, Mr. Speaker, the education appropriations bill provides for Montana a slight increase, probably not high enough to cover the increased inflationary costs for education programs supported by Federal funds.

I urge my colleagues to join with me in voting to override the President's veto.

Mr. BROOMFIELD. Mr. Speaker, it is with some reluctance that I rise in support of overriding the veto of H.R. 5901, the Education Division and Related Agencies Appropriations Act.

The fact that this measure is some $1.3 billion above the budget request is not the primary reason for my apprehension, although certainly that is not a figure to be taken lightly in view of our mounting deficit. I am far more concerned, however, with how some of the money will be spent, as opposed to how much will be spent. Over half of the figure in excess of the budget request will be spent on that most costly and cleverly disguised of boondoggles, the impact aid program.

Despite the opposition of the last five Presidents, despite overwhelming evidence that the program is inequitable and wasteful, impact aid keeps rolling along, this time to the tune of nearly three-quarters of a billion dollars. Few Federal programs, Mr. Speaker, are less defensible than this one, at least with regard to category B and C children.

We have heard the facts and figures on this program before, but let me briefly refresh some memories with an update on where this money is going. In 1974, three suburban counties surrounding the District of Columbia, Fairfax and Arlington Counties in Virginia and Montgomery County in Maryland, collected a whopping $25.7 million under category B of impact aid, which placed them at the top of the impact aid heap. All they had to do to qualify for this subsidy was have a large number of students whose parents work, not live, on Federal property—not a very stiff requirement in an area that houses the Nation's seat of Government. Interestingly enough, it is this same large number of Federal employees that helps to place these same counties in the top five nationally in per capita income.

Mr. Speaker, at a time when funds from the community level on up are generally insufficient to fully meet all educational needs, there is simply no justification for appropriating three-quarters of a billion dollars in this manner. It is essential in these times that we establish funding priorities within the framework of our educational program. Clearly, impact aid would be at the bottom of any such priority list.

With that said, let me turn to the question before us today. If I felt that sustaining this veto promised any hope for substantially altering or abolishing the impact aid program at this time, I would be tempted to vote accordingly. But given the congressional track record in this area, that seems a most unlikely prospect. Under those circumstances, sustaining the veto would merely be cutting off the nose to spite the face, because there is much that is good in this measure.

Therefore, I must reluctantly vote to override this veto, and hope that by the next time we discuss this appropriation we will have acted on my proposal to phase out category B completely. Commonsense and the economic times call for the most effective and equitable use of our resources. So long as category B of the impact aid program remains on the books, our educational funding will be lacking in both these respects.

Mr. FRENZEL. Mr. Speaker, today, we are called upon to vote on the education appropriation bill veto, H.R. 5901. Normally, I have voted to sustain all fiscal vetoes because I feel strongly that the dreadful state of our economy is due, in large measure, to overspending. However, I shall vote to override the veto of H.R. 5901.

First, it is not as far over budget as advertised because the base budget figure was artificially low. The bill is not openhanded. Second, it contains a "forward funding" provision for which I have been working since I came to Congress. Third, speedy passage will reverse the process by which we usually fund elementary and secondary education programs after the school year is passed, and planning is no longer possible.

Most of the "overbudget" spending in H.R. 5901 occurs in impact aid and higher education. I would not reduce the higher education budget. I oppose impact aid as the least equitable distribution of education funds I know of. But Congress is determined to keep it. A veto will, in my judgment, not reduce impact aid.

I believe it is important to let local school people know what our programs are so they may do responsible planning especially at a time of real fiscal pressures at home. I do not intend to abandon my crusade for Federal fiscal responsibility, but I shall vote to override the veto of H.R. 5901.

Mr. FORD of Michigan. Mr. Speaker, I rise in opposition to the President's veto of the education funds for the coming school year, and I urge all my colleagues to join those who have worked so hard during the past several weeks to rally the necessary votes to override this veto.

It is obvious to anyone who takes a few minutes to analyze the figures that the so-called budget-busting bill the President vetoed actually contains less real spendable dollars for education than the Federal Government provided last year. The President's original fiscal year 1976 budget request was actually $855 million below the fiscal year 1975 appropriation.

The total amount recommended by the House committee was approximately $661 million over the budget request—still somewhat less than the fiscal year 1975 level. We were successful in adding to that amount an additional $487 million when the bill came to the House floor last April. This amount included additional amounts for advance funding of title I of the Elementary and Secondary Education Act and for the education for the handicapped; and additional fiscal year 1976 funds for impact aid, bilingual education, environmental education, Head Start and the emergency school aid program.

After the Senate finished its consideration, we arrived at a compromise version which contained $7.5 billion for fiscal year 1976—$147.3 million more than the House-passed version, $902.2 million less than the Senate-passed version.

A true comparison of the amount contained in the compromise version sent to the President and the fiscal year 1975 figure actually represent a modest increase of only 3 percent over the comparable fiscal year 1975 figures. And thanks to the administration's mismanagement of our economy during the past year the Consumer Price Index—our measurement of inflation—rose over 9 percent, which means that the vetoed bill before us now actually contains less, in terms of spendable dollars than what we provided for our Nation's schools last year.

Furthermore, it has been estimated that the cost of education has increased at an even higher rate—at a rate of approximately 111 percent of the CPI rate of increase, which means that we should actually be appropriating over a 10-percent increase just to preserve the status quo.

Mr. Speaker, if we are serious about keeping our commitment to providing our children with a free public education, the Federal Government must continue to pay its share. The President said in his veto mesage that this bill is "too much to ask the taxpayers—and our economy—to bear."

If we do not override this veto, our local taxpayer will be forced to make up for the loss of Federal funds on the local and State level—through increased property, sales, and income taxes, and there is no way that the average working man and woman in this country can afford additional increases.

In this time of high inflation and high unemployment, it is ridiculous to justify decreasing Federal spending on educating our children because, as the President said about one program, it is "a luxury we can no longer afford" and it is inflationary.

No words can better describe how this veto will affect the American working man and woman than those of Mr. William Marshall, the President of the Michigan State AFL–CIO who stated in a recent letter to me that—

> This veto, like the previous ones of this Administration, totally ignores the tremendous educational needs of our country and the realities of what educational costs are doing to working class Americans.

He went on to say:

> Many of our members work their entire lives toward that one goal of seeing their children receive a comprehensive high school education and a university degree. Without federal resources contained in the Education Appropriations bill, the quality and depth of our educational services at the local level will suffer tremendously. Perhaps even worse, the higher education costs will deprive thousands of working class children of their educational opportunities.

Mr. Speaker, we have heard from virtually every organization in the country which is knowledgeable about our educational needs. They are unanimous in their opposition to this irresponsible veto, and I commend them for their vigorous efforts in opposing it.

We have heard from the distinguished chairman of the full committee (Mr. MAHON) and from the distinguished chairman from the Subcommittee on Labor—HEW Appropriations (Mr. FLOOD), both of whom have put a considerable amount of effort into working out the compromise figures contained in this bill, and we have heard from our constituents—the teachers, the parents, the school administrators, and school board members.

Now it is time that the President hears from us—and today we can send him the message very loud. The message is very simple: "The days of making education the scapegoat for blundering economic policies and mismanagement of our economy and our national budget are over." We can do this by overriding this veto with the overwhelming vote that it so well deserves.

Mr. RUSSO. Mr. Speaker, I rise to urge all Members of the House to vote "aye" to override President Ford's veto of the education appropriations bill for fiscal year 1976, the 3-month transition period, and certain advance funding for fiscal year 1977.

Once again the administration has resurrected their favorite strawman—inflationary impact—in their attempt to paint an inaccurate picture of congressional fiscal irrresponsibility. It is precisely this administration's failure to adopt meaningful and effective food and energy policies over the past 6 years that has created both rampant inflation and severe recession. We have an economy that is stagnant and operating well under capacity, and yet it is the Congress that faces the charge over and over again from the administration that we are the culprits. This bill is a good example. It is a responsible piece of legislation, but the President has given his knee-jerk inflationary label to it.

In his veto message the President fails to point out that his fiscal year 1976 budget request was a shocking 11.3 percent less than current educational outlays. The bill that was so ably fashioned by my distinguished colleague from Pennsylvania (Mr. FLOOD), and the Appropriations Committee is a mere 3.6 percent over the fiscal year 1975 level. Actually, this bill represents a net loss in real dollars because the inflation rate for fiscal year 1975 was 8.5 percent. In fact, a strong argument could be made that Congress has been too restrained in not keeping up with current expenses.

In recent days I have been encouraged to learn that even some of the President's Republican friends in the House, most notably the distinguished gentleman from Minnesota (Mr. QUIE), have admitted they must vote to override because of the proven effectiveness of the programs covered under this legislation.

I commend my colleagues on the other side of the aisle for their courage and responsibility. Bilingual education, education for the handicapped, library resources, occupational, vocational, and adult education, as well as research activities conducted by the National Institute of Education are just a few of the programs this bill would fund.

Mr. Speaker, over the last 7 years public educational costs have risen almost twice the rate of inflation as reflected in the Consumer Price Index—111 percent to 57 percent. Unless this Nation's school districts can find relief through Federal aid, local taxpayers will be forced to face an increased tax burden as property levies in all likelihood would be raised or services cut in order to meet the financial needs of local schools.

Another compelling reason to override this veto is that the funding level in this spending measure is $700 million below Congress own budget ceiling set last May. As a firm supporter of the new congressional budget process, I submit that the decision of the Congress to set a high priority for education was a sound decision. It is Congress that under the Constitution holds the important power of the purse and in my judgment it is Congress, as the Representatives of the people, who can best make such priority decisions.

Mr. Speaker, last fall I campaigned on a number of issues. One of those issues included my full support to improve our Nation's educational system. Today, I reaffirm my support for educational excellence by voting to override President Ford's veto. I am pleased that H.R. 5901 would provide my State of Illinois with a $25 million increase over last year's allocation.

All of America's hopes and dreams for the future are entrusted to a sound educational system that will give our young people the necessary tools to become useful, productive, and intelligent citizens. We must not disappoint our Nation's educators or fail to provide the necessary support to our students. I urge my colleagues to vote to override President Ford's latest mistake.

Mr. MATSUNAGA. Mr. Speaker, I rise in support of the motion to approve, notwithstanding the President's veto, H.R. 5901, the Education Division and Related Agencies Appropriation Act for fiscal year 1976. The House voted in favor of the conference report on July 16, by a vote of 372 to 42, and I strongly urge that we again vote overwhelmingly in favor of the education appropriations.

The contention of the President that H.R. 5901 is inflationary is totally without foundation. In fact, the total amount appropriated, $7.5 billion, is $700 million below the ceiling for education appropriations established by Congress under the new Budget Reform Act. Consider also the fact that although the appropriated amount is 3.5 percent more than was appropriated for fiscal year 1975, the current inflationary rate is 9.5 percent, which means that the proposed amount is actually less than the amount appropriated last year.

Furthermore, $2.5 billion of the total $11.6 billion is earmarked for fiscal year 1977, thus further reducing any possible inflationary effects for 1976.

Education must not be sacrificed to the false charge that every minor increase in appropriations contributes to the economic ruin of our Nation.

There is a second, more specific reason why I believe the override motion should be supported. As many of the Members of the House are aware, due to a formula change on grant consolidation under title IV of Public Law 93–380, my home State, Hawaii, as well as 17 other small States stand to lose considerable education funds in fiscal years 1977 and 1978. However, a "hold-harmless" provision in H.R. 5901 allows for an additional $11.6 million allocation for title IV, to insure that no State will have to suffer reduced funding in 1977.

There is no doubt in my mind that education will be dealt a severe, perhaps irreversible, setback if Congress fails to override the President's veto. To appropriate funds for programs that will benefit the handicapped, the disadvantaged, ethnic minorities, all levels of education, including vocational and occupational, at a lower level than appropriated under H.R. 5901, would be tragic indeed.

I, therefore, urge that this body vote in support of the motion to override the President's veto of H.R. 5901.

Mrs. SCHROEDER. Mr. Speaker, I would like to insert the text of a letter from Gov. Richard Lamm of Colorado regarding the override vote on the education appropriations bill, H.R. 5901.

In my opinion, the problems pointed out by Governor Lamm will be experienced not only in Colorado, but throughout the country, if the override vote is unsuccessful.

The text of the letter follows:

STATE OF COLORADO,
Denver, September 2, 1975.

Hon. PATRICIA SCHROEDER,
Longworth Office Building,
Washington, D.C.

DEAR PAT: We appreciate the support you indicated for the educational programs Appropriation Bill (H.R. 5901) and we ask your continued support for the veto override vote expected to be considered by Congress September 9, 1975. We are restating our arguments in this letter in hopes that the information will be helpful to you during the veto override discussions.

The President has stated that his reason for vetoing the Bill is that it is inflationary. As a matter of fact, the requested appropriation for Fiscal Year 1976 reflects an increase of 3.6% as compared to the comparable appropriation for Fiscal Year 1975. The Consumer Price Index, on the other hand, increased 8.5% in 1975. Thus, the appropriation for education actually reflects a loss of real program dollars.

If the Presidential veto is not overridden, the loss of money may not be as significant as the chaos that may be created by a series of Presidential recisions and deferrals which may be forthcoming as a result. Such recisions and deferrals would reduce the amount of money that would be available to local school districts within Colorado at least temporarily and would diminish the reliability of Federal funding, which in turn would negatively affect the ability of the state education agency and local education agencies to plan for the effective utilization of Federal funds. It is anticipated that the recisions and deferrals that may be forthcoming from the President would be disapproved by the Congress; however, this disapproval may be delayed for up to six months, thus reducing the flow of Congressionally appropriated funds for that period of time.

In the area of higher education, there is substantial concern by the citizens of Colorado that the President's proposal oversimplifies the student financial assistance picture. It places complete reliance for student loan aid on the Federally Insured Student Loan Program. Yet, we know that in Colorado, due in part to our highly rural nature, many students cannot find lenders willing to make such loans. The direct loan program must be retained to meet the needs of students in Colorado.

The President's proposal also relies heavily upon the Basic Grant Program for student grant assistance. Because Colorado has a comparatively low proportion of private schools, and this program tends to channel more funds to high cost or private institutions, we would lose approximately $3,775,000 in supplemental grants and regain much less from the basic grant increase. Moreover, the Basic Grant Program is not yet adequately developed to bear full responsibility for student grant aid. The Congressional proposal provides more total dollars in a better array of packages and will thus come much closer to meeting student needs.

We know you share our concern that education be available to many, not only to those who can easily afford a college education.

We appreciate the support we hope you will give to this veto override. If we can be of any assistance in providing additional information which supports our concern for this funding, please contact Meg Armstrong in my office.

Sincerely,

RICHARD D. LAMM,
Governor.

Mr. KASTENMEIER. Mr. Speaker, there is no need to talk at length about this vote. It is simply one of those vital, crucial votes that we cast periodically to determine the course of our future and the quality of our life.

No one here, I am certain, will choose to argue with the idea that Federal spending can be cut—and, indeed, should be cut. But, who concerned about our future and the needs of our people would aim those cuts at educating the handicapped? At providing opportunities for the disadvantaged? At maintaining vocational education programs? At establishing library programs for our youth?

This bill does not represent excessive spending. It is $400 million below the target level for education programs adopted by the Congress in its earlier budget resolution. It is only 1.7 percent more than we provided during the last fiscal year, and that does not even meet the cost of inflation.

It simply goes back to the old question of priorities. The President can propose increasing tax advantages for businesses. He can suggest increasing spending for military hardware. He can support excessive aid for repressive foreign governments. But, he cannot accept adequate financing to educate the youth of this country.

Mr. Speaker, it is time for the Congress to firmly take the initiative in setting priorities in this country. We are, after all, the elected representatives of the people. If we do not speak for their needs, and fight for those programs that are vital to their future, who will?

I cannot believe that the people of this country will continue to allow their needs to be placed on the back burner.

I cannot believe that they will continue to accept being treated as second-class citizens by their own Government. Our first obligation is to meeting the needs of our people, and there is no greater need than educating the youth of this country. I will vote to override the President's veto of this bill, and strongly urge my colleagues to join me in this effort.

Mr. DE LA GARZA. Mr. Speaker, the district I represent, the 15th Congressional District of Texas, is an area in which the education of our young people is of overwhelming importance. Our citizens believe strongly in the traditional concept of upward mobility. And they realize that education is the key to making that concept a reality for their children.

H.R. 5901 can hardly be called a wildly extravagant measure. In point of fact, it appropriates some $700 million less for education than the authorization contained in the first congressional budget resolution. I have no quarrel with this example of fiscal prudence. We do need to hold down Government expenditures to the extent that is compatible with meeting our national priorities. We do need to call a halt to pouring the taxpayers' money into programs of doubtful merit.

But, Mr. Speaker, the education of young Americans is not and must never be considered, something we cannot afford.

The Presidential veto of the education appropriation bill for fiscal 1976, if allowed to stand, would severely damage or kill outright more than 30 educational programs of great and enduring value. Among them are programs for vocational and bilingual education, which are of transcendent value to the people I represent in this House. Others include education for the handicapped, impact aid, institutional assistance in higher education, and library resources.

Cutting down or eliminating these programs would be a drastic blow to the educational process in my area and throughout the United States.

In voting to override the President's veto of H.R. 5901, I am thinking of the hard-pressed local taxpayers who would have to pay immediately the increased cost of making sure that their children can be decently educated. I am thinking of parents, already heavily burdened by steadily rising tuition fees in institutions of higher learning, who would have to dig deeper into their hard-earned savings or resort to borrowing in order to insure their sons and daughters of the lifelong benefits of a college education.

Also, I am thinking beyond these local taxpayers and these parents to the whole of America. There is no one in this country who does not have a stake in the proper education of our young. They are not merely the hope of the future—they are the future. I will vote for them and for the future of our Republic.

Mrs. SPELLMAN. Mr. Speaker, I am very much disturbed by the President's reasoning behind his veto of H.R. 5901. Many communities have come to rely upon the Federal contribution to their education program expenses. Yet, at a time when local tax bases are eroded by inflation and recession, the President calls our education appropriation levels luxurious, and demands that we cut them back further. Removing a key building block from the center of the education funding scheme without causing that scheme to crash about our heads is, at best, a tricky business. To attempt to kick at this key block in such financially unsteady times comes close to sheer madness.

What does the President expect our school districts to do? Does he truly believe that we will be able to offer the same quality of education for less when inflation has so increased costs? Mr. Speaker, I can only wonder at the President's brand of logic.

Particularly intriguing to me was his attack on the impact aid program. This program fills in for the property taxes that Federal installations and military personnel are exempted from paying. The military employees and personnel send their children to our schools, yet contribute nothing toward paying the costs of education. Impact Aid has filled in that gap, thus insuring a high quality of their and our children's education.

It was most interesting that President Ford singled out impact aid as inflationary. According to the latest U.S. Office of Education data, Prince Georges County, my county, would receive $2.2 million in impact aid under the President's budget. Under H.R. 5901, my county would receive $5.6 million. Most certainly this is an increase over the President's budget proposal, but we can hardly call it inflationary, for if Prince Georges County were to receive its full "hold harmless" share of impact aid funds, based on the fiscal year 1975 budget, we would receive nearly $14.4 million. Under the circumstances, I think Prince Georges County is doing more than its share to fight inflation.

Impact aid is not the luxury the President would have us believe it is. Neither is the entire education appropriation proposed in H.R. 5901 luxurious. It increases education funding a total of only 1.7 percent, far less than the cost of inflation. We have cut these programs to the bone; President Ford cannot expect us to remove the bone entirely.

We must continue to offer quality education in our schools, and H.R. 5901 is a vital block in the funding of that quality education programing. I urge my colleagues to join me in voting to override this veto.

Thank you.

Mr. OTTINGER. Mr. Speaker, it is unconscionable that the President of the United States would choose, as a principal object of his efforts to curtail Federal spending, denying the youth of this Nation vitally needed education funds.

Since very early in the present session of Congress we have witnessed widespread support for an education budget that exceeds that requested by the administration. On April 16, the House approved an education appropriations bill that was $1.2 billion more than the President had requested for fiscal 1976. The House-Senate conference added another $100 million to that request, and we eventually sent a total education appropriation of $7.9 billion to the White House for signature.

Mr. Speaker, the vote we are about to take has tremendous implications for all the youth in this country, but it is especially important to areas such as New York State, where recent cuts in title I funding have already eliminated many worthwhile programs. Clearly, this money will do much to alleviate the present crisis in education funding.

I differ entirely with the administration's cost-cutting priorities. Education of our youth is our most critical investment in America's future. Yet, Americans are becoming increasingly alarmed over the practice of funding much of public education out of the local property tax, a system which places enormous burdens on homeowners and also creates many inequities. Furthermore, as the birth rate in the United States continues to fall, we can expect reduced economies of scale in the operation of our public schools and a consequent rise in the cost of running them. Localities simply cannot afford higher property taxes to pay their educational bills. Federal aid is essential.

It is my firm belief that the average American taxpayer feels that Federal revenues used for education is money well spent. I believe the administration has incorrectly assessed the attitude of the public in this regard.

It therefore gives me great pleasure to be able to cast my vote in favor of overriding the veto of H.R. 5901.

Mr. HANNAFORD. Mr. Speaker, I am totally committed to the concept of Federal assistance to our educational system. As a teacher for most of my adult life, I am well aware of the need for this Federal assistance so that we may provide quality education for all our children. I would urge my colleagues to join me in voting to override the President's veto.

One of the programs funded in H.R. 5901 is the veterans cost of instruction payments. This program provides funds to institutions of higher learning which either increase their enrollment of veterans by 10 percent over the preceding academic year, or whose veteran enrollment constitutes 10 percent or more of their total undergraduate enrollment. These funds therefore encourage colleges and universities to actively recruit veterans for enrollment in their schools and to provide them with educational services which would not otherwise be available. For example, the VCIP program at California State University, Long Beach, provides veterans with career counseling, job opportunity counseling, and workshops on a variety of subjects, including financial budgeting and study techniques. The veterans educational benefits program administered by the Veterans' Administration provides each veteran with monetary assistance so that he can afford to continue his education. The VCIP program helps them to find the right school and educational program, to complete their education, and to find a job after they graduate. To provide each veteran with the kind of education he needs and wants, a continuation of the VCIP program is necessary.

The VCIP program is only one example of the contributions to our educational system which Federal assistance is providing. To abandon these vital programs would be a disaster. I urge my colleagues to vote to override the President's veto of H.R. 5901.

Mr. MINISH. Mr. Speaker, I rise to express my support for a veto override of H.R. 5901, the Education Division and Related Appropriations Act of 1976. In my opinion, a sharp appraisal of this legislation indicates that countless benefits may be derived from a very modest investment.

This $7.9 billion appropriation bill, H.R. 5901, will provide education funds for fiscal year 1976, the transition period, and fiscal year 1977. Programs funded by this proposed bill include support to local school districts, aid to individuals attending institutions of higher learning, aid to the handicapped, vocational education, library assistance, and emergency school aid.

Federal funding accounts for over 14 percent of New Jersey's $836 million education budget. It supports half of our State's department of education annual expenses. I have been informed that 85 percent of New Jersey's public school operating budget directly supports the teachers payroll. While our State's unemployment rate now stands at over 12 percent, the administration's budget request would induce a reduction of jobs in education.

The education budget proposed by the administration for fiscal year 1976 is $6.134 billion and represents $800 million in cuts over last year. Such a reduction would not only affect program potentialities and beneficiaries in the State of New Jersey, but also employment.

Education appropriations for fiscal year 1976 under H.R. 5901 would increase such spending by $561 million, or 3.6 percent over last year. When one assumes an 8.5-percent augmentation in the Consumer Price Index, the sum requested by the bill that we are presently considering is far below the inflation rate. It is also about $400 million below the target set for education in the first concurrent resolution for the 1976 budget. This measure, in other words, seeks to fulfill minimum needs.

The fiscal responsibility of H.R. 5901 is boundless. The future of every American will be affected by the action we take today. I only hope that fears of inflation have not blurred the American vision. I firmly believe that H.R. 5901 represents a sound investment in this Nation's future.

Mr. DON H. CLAUSEN. Mr. Speaker, I intend to vote to override the President's veto of the education appropriations bill.

In evaluating this legislation I find a number of problem areas and I have also given very serious consideration to the question of inflation and the budget. It is clear to me that what we are dealing with is a question of addressing inflation, however, in my opinion, not enough consideration has been given to the root causes. This problem is not unique to this budget.

The prime reason I am voting for this legislation is that I have long felt strongly that we must move in the direction of advance funding for education. In this legislation we have a funding commitment consistent with this view. Our school administrators and teachers, who are dependent of Federal funds to supplement State and local money, can ill afford to make revisions in their programs with the school year already underway.

This legislation also contains the advance funding for fiscal year 1977. As important as the funding level itself is, the need to know ahead of time what they can hope to accomplish and the sort of program they can develop is the most important factor.

I believe we all recognize that there are a number of education programs which need revision. Duplication and waste are luxuries we can no longer afford. The authorizing committee and those people involved in education should work together to eliminate and revise those programs which are not working effectively.

For example, many people have attacked the impact aid, Public Law 874 program. I am among the first to recognize that there are some parts of the country, particularly around the District of Columbia, which receive funds which they are not entitled to. Federal installations are not always a liability for such an area. In fact, they can be a substantial benefit by adding to the purchasing power of the community.

What I feel is required is that we work with the individual school districts involved in the Public Law 874 program toward the goal of finding an alternative funding method for education that they can depend upon along with the advance funding concept so that it will be designed to minimize the adverse impact that an absolute cut off of Public Law 874 funds would have on their budget.

As an example, some thought has been given to extending the revenue sharing concept into the area of education. I think that some consolidation of programs and categories is essential. Many of them have outlived their usefulness and are only contributing to the problem of wasted funds and are even having a negative impact on the high regard people have held for education in general.

A recent Washington Post article indicated that people are reevaluating all education programs and the credibility of the institutions is being challenged.

In my own area, I believe our education programs and institutions have done an effective job of minimizing waste and duplication but in dealing with a national program of this size it is inevitable that some waste will occur.

We must, therefore, move in the direction of recognizing that there are a number of variables involved in the field of education and that local flexibility in the decisionmaking process is a key element in the development of our programs and establishing education policy.

For example, the problems which face Boston and New York differ greatly from those in Santa Rosa and Ukiah. And, those in Santa Rosa vary from those in St. Helena.

The key point I wish to make is that we must provide an adequate level of supplemental funding to local education institutions consistent with a fair percentage of the total national budget. The funding must be provided in such a way that they can count on it and be able to set their priorities in advance and for the beginning of the school year.

Inflation is a key concern here as well. It is our largest national problem. What do we do about it? Every budget and those responsible for the administration of every program—not just in the field of education—must face the problem of inflation. It is Public Enemy No. 1.

In voting to override the veto I am doing so because I believe it will provide educators with an opportunity to catch up with inflation in such programs as student aid, vocational education, bilingual education, and work study.

Many will find fault with the President for his veto of this legislation but this effort is consistent with his commitment to veto all legislation which is over the budget.

With the override of the veto, it is now the challenge of the Congress to find other areas of the budget and make the necessary cuts to accommodate this increase in the budget, and if any way is possible, to find ways to start the phasing out of programs which are no longer needed.

The total percentage increase in this bill over last years figure is 3.6 percent. The rate of inflation during that same period was 8.5 percent. For this reason, I agree that we must maintain this level of funding and permit these programs to go forward.

Mr. BIAGGI. Mr. Speaker, I rise to express my unqualified support for this motion to override the President's tragic veto of H.R. 5901—legislation making appropriations for a number of key educational programs benefitting millions of American students. A successful vote to override this afternoon will demonstrate this Congress' continued commitment to providing quality education for the youth of this Nation.

Any discussion of the merits of the bill must ask some basic questions. Is it not the responsibility of a society, through its government, to assure that each student will receive an adequate education? Has not this been the philosophy which has guided our educational policy since this country's inception? Can we in this 94th Congress turn our backs on the youth of this Nation by failing to live up to that commitment? I say we cannot, and we must not.

The effect of this veto, if it is sustained, will be to retrench a number of very important educational programs, and thereby place the future of these children in jeopardy. Among the programs which will be severely curtailed or totally eliminated are vocational education, bilingual education, impact aid, education for the handicapped, institutional assistance in higher education, and library resources. These cuts would threaten the tremendous strides which this Nation has made in educating its citizens.

New York City, already reeling from the effects of its fiscal crisis, would suffer greatly if this veto is sustained. In the city, if the President's budget suggestions are accepted, would lose all of its $14.6 million in impact aid funds; it would lose $3,000,000 in Emergency School Aid Act moneys for central board proposals, and would lose about $3.4 million in moneys for the Handicapped Children and Vocational Education Act programs.

The expected loss of education funds for New York City could reach as high as $23 million. This loss would be disastrous in an educational system already stunned by teacher layoffs and reductions in operating funds. The President's action could seriously damage prospects for quality education being available to the students in New York City.

Yet the disastrous effects of sustaining this veto would not be limited solely to New York. Its ramifications would be felt nationwide for numerous other major school systems are encountering similar difficulties with their budgets. They too, are relying more heavily than ever on federal assistance.

The principal reason offered for vetoing this bill is that it is inflationary. As a member of the House Education and Labor Committee, which reviews the budgets and operations of these programs under H.R. 5901, I want to point out that this bill is only 3.6 percent over the current fiscal year expenditures. When measured against the current inflation rate of 12 percent, we find the inflation argument to be specious. This bill represents a compromise with sound fiscal planning, without endangering the quality of education in this country.

But, if the President wants to look at the pecuniary results, let us look now at the total picture. A Brookings Institute study has shown that 30 percent of the total increase in the gross national product over the past 30 years can be directly attributed to increased educational levels of the populace. We must also remember that education is a labor incentive. In the States and localities of this Nation, 80 percent of the education budgets are allotted to paying teachers and staffs.

The consequences of severe reductions in Federal expenditures will compound State and local fiscal problems. A cutback could result in increased unemployment and create a greater dependency on public support programs. Understanding these facts, should the Federal Government not augment their expenditures on education in order to stave off these mushrooming problems?

The effect of sustaining the President's veto of H.R. 5901 would have severe effects on colleges and universities. Many of our institutions, particularly in the private sector, are contending with reduced enrollments and higher costs. Continuation of the present trends will make it prohibitively expensive for the average student to attend college for the institution will be passing on the increased costs of operations in the form of higher tuition and reduced services.

Every Federal financial aid program will be affected—the basic opportunity grants, supplemental educational opportunity grants, college work study, national direct student loans, and guaranteed student loans. Students from low-income families will be severe casualties of the veto for the budget request submitted by the President calls for the elimiation of the supplementary opportunity grants, especially geared to these students.

It should be clear that this veto is not in the national interest. We cannot afford to allow our children to be senseless victims of arbitrary budget targets. A vote to override will reflect the desire of the Congress to see that quality education continues in this country. It will be a vote of compassion and reason and, above all, a vote for the future of this great Nation.

Mr. ROYBAL. Mr. Speaker, I rise in support of the motion to override the President's veto of H.R. 5901, the Education Appropriations Bill for Fiscal Year 1976.

One of the most important yardsticks used to judge the quality of life within a country is the type and breadth of educational opportunities that it offers its young people. Education forms one of the primary cornerstones in any civilized state. It is the way we impart past knowledge and accomplishments to our children. It is the foundation on which the young must build the technological advances on which our society is dependent for its continued vitality. It forms one of the focal points in the attainment of a meaningful career for every individual.

The President's veto of H.R. 5901 threatens to undermine the basic thrust and intent of prior congressional legislation and will cripple our ability to provide quality education to this Nation's young people. Further, the President's justification for the veto cannot stand when critically examined against the facts.

Last year when we passed H.R. 69, we included for the first time in its provisions the concept of forward funding. Under this principle, we set the appropriation levels for some programs 1 year in advance in order to facilitate planning by school administrators. For the same reason, the Subcommittee on Labor-HEW of the Approriations Committee broke out the Education part of its bill so that it could be passed early in the session. We hoped that the early passage of the bill would give school administrators some indication of the level of funds they could expect in the programs that were not forward funded.

But the President's veto threatens to undo the congressional plan. Most schools need the money to begin operating immediately. If the President's veto is sustained, it may take us at least one month to get another bill passed and additional time to get the money distributed. This delay would be a crushing blow to many financially strapped school districts.

Second, the rationale of the President's veto message is based on rhetoric without logical foundation. The President contends that the bill provides $1.5 billion more than he requested for education. This is a bankrupt argument. What the President failed to mention is that his budget request for education did not have any semblance of reality. In the face of an inflation rate of over 12 percent, the President proposed to cut spending on education by 800 million dollars. Thus, the budget request is hardly the yardstick by which to judge congressional action. Rather, when we perceive the bill against the fiscal year 1975 appropriations bill, it is clear that Congress was fiscally responsible in this area. The amount of money we will spend on education for fiscal year 1976 is just $255 million or 3.6 percent more than what we spent last year. This amount does not even cover inflation, so it is hard to see how the Congress can be charged with reckless spending.

Further, the President complained that the Congress voted too much for the impact aid program. But the truth of the matter is that the Congress voted only the money that was actually necessary to fund the program at the minimum level set by formulas that were written into the authorizing legislation. Further, it was President Ford, in one of his first official acts after assuming the Presidency, who signed the authorizing legislation that contained the formula for impact aid. It is difficult to see how the Congress acted irresponsibly in appropriating money under a formula that the President approved just a few months ago.

Finally, the President argues that a $7.9 billion appropriations bill for education will lead to even bigger deficits than we already face. But this bill does not mandate us to spend $7.9 billion this fiscal year. Rather, it provides only $4.9 billion for this fiscal year, and $464 million for the transition period. The other $2.6 billion contained in the bill is forward funded and will not be spent until fiscal year 1977. Thus, the President's argument about busting the budget seems calculated to arouse fears by the use of misleading information. This bill is not inflationary and is more than $400 million below the target set for education by the Congress in its first concurrent resolution for the 1976 budget.

Mr. Speaker, this bill provides funding for basic programs in elementary and secondary education, higher education, and for colleges and public libraries. It is a bill that is urgently needed at the present moment, not two or three months hence. I urge all of my colleagues to override this ill-timed and ill-conceived veto.

The SPEAKER. All time has expired.

Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is: Will the House on reconsideration pass the bill, the objections of the President to the contrary notwithstanding?

Under the Constitution, this vote must be determined by the yeas and nays.

The question was taken; and there were—yeas 379, nays 41, not voting 13, as follows:

[Roll No. 502]

YEAS—379

Abdnor
Abzug
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Barrett
Baucus
Beard, R.I.
Bedell
Bell
Bennett
Bergland
Bevill
Biaggi

Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Casey
Chappell
Chisholm
Clausen, Don H.
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Dickinson
Diggs
Dingell
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Esch
Eshleman
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flowers
Flynt
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Frenzel
Frey
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Green
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Harkin
Harrington
Harris
Harsha
Hastings
Hawkins
Hayes, Ind.
Hays, Ohio
Hébert
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hicks
Hightower
Hillis
Hinshaw
Holland
Holt
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Hyde
Ichord
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Karth
Kastenmeier
Kazen
Keys
Kindness
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Landrum
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Madigan
Maguire
Mahon
Mann
Martin
Mathis
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Milford
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Pa.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Richmond
Riegle
Rinaldo
Risenhoover
Roberts
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Runnels
Ruppe
Russo
St Germain
Santini
Sarasin
Sarbanes
Scheuer
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stark
Steed
Steelman
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson
Thone
Thornton
Traxler
Tsongas
Udall
Ullman
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Waxman
Weaver
Whalen
White
Whitten
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Wydler
Wylie
Yates
Yatron
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—41

Archer
Armstrong
Ashbrook
Bauman
Beard, Tenn.
Brown, Ohio
Cederberg
Clancy
Clawson, Del
Collins, Tex.
Conable
Conlan
Crane
Daniel, Dan
Devine
Erlenborn
Hansen
Hutchinson
Kasten
Kelly
Kemp
Ketchum
Latta
McDonald
Michel
Miller, Ohio
Moore
Myers, Ind.
Rhodes
Rousselot
Ryan
Satterfield
Schneebeli
Shuster
Steiger, Ariz.
Symms
Teague
Treen
Vander Jagt
Whitehurst
Wiggins

NOT VOTING—13

Anderson, Ill.
Burke, Fla.
Derwinski
Fary
Fraser
Hungate
Jarman
Jordan
McClory
Pepper
Stanton, James V.
Van Deerlin
Young, Alaska

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Visitors in the galleries are guests of the House and are violating the rules of the House when they indicate approval or disapproval of any action of the House of Representatives.

So, two-thirds having voted in favor thereof, the bill was passed, the objections of the President to the contrary notwithstanding.

The Clerk announced the following pairs:

Mr. James V. Stanton with Mr. Van Deerlin.
Mr. Pepper with Mr. Fraser.
Ms. Jordan with Mr. Hungate.

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will notify the Senate of the action of the House.

GENERAL LEAVE

Mr. FLOOD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous matter on the vote to override the President's veto just considered.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to the provisions of clause 3(b) of rule 27, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule 15.

After all motions to suspend the rules have been entertained and debated and after those motions, to be determined by nonrecord votes have been disposed of, the Chair will then put the question on each motion on which the further proceedings were postponed.

WAR RISK INSURANCE

Mrs. SULLIVAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1073), to extend the provisions of title XII of the Merchant Marine Act, 1936, relating to war risk insurance, for an additional 5 years, ending September 7, 1980, as amended.

The Clerk read as follows:

H.R. 1073

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1214 of title XII of the Merchant Marine Act, 1936 (46 U.S.C. 1294), is amended by striking out "September 7, 1975" and inserting in lieu thereof "September 7, 1978".

The SPEAKER. Is a second demanded?

Mr. McCLOSKEY. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentlewoman from Missouri (Mrs. SULLIVAN) is recognized for 20 minutes, and the gentleman from California (Mr. McCLOSKEY) will be recognized for 20 minutes.

The Chair recognizes the gentlewoman from Missouri (Mrs. SULLIVAN).

Mrs. SULLIVAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 1073 and urge the immediate passage of this legislation.

The purpose of this legislation is to extend the provisions of title XII of the Merchant Marine Act, 1936, relating to war risk insurance for an additional 3 years, ending September 7, 1978. This title expired on September 7, 1975.

The Government war risk insurance provided for in title XII would be necessary to maintain the flow of U.S. waterborne commerce in the event of a major war. This type of insurance was provided by the Government in both World Wars I and II and proved effective in protecting the civilian and military commerce of the United States with total premium receipts in excess of losses paid. Title XII of the Merchant Marine Act, 1936, was enacted at the outbreak of the Korean war in 1950 as temporary legislation and has been extended at several intervals since that time.

This program costs the Government nothing and is implemented by the Maritime Administration in the Department of Commerce through the issuance, for a fee, of binders under which Government war risk insurance will attach immediately upon termination of the commercial policies. The war risk insurance revolving fund has current total assets of approximately $6 million.

This bill was unanimously reported from both the Merchant Marine Subcommittee and the full Committee on Merchant Marine and Fisheries, and was strongly supported by both the Department of Commerce and the Department of Defense.

As you know, it has not been necessary for the Government to use all of the authority it has had under title XII for the past 25 years, but in view of the recent expiration of this program, and the necessity of providing Government war risk insurance in the event it is needed, I believe this legislation should be passed immediately.

Mr. Speaker, at this time I would like to yield to the chairman of the Merchant Marine Subcommittee, the gentleman from Virginia, for a more detailed explanation of the bill.

Mr. DOWNING of Virginia. Mr. Speaker, I thank the gentlewoman for yielding.

Mr. Speaker, I join the distinguished chairman of the Committee on Merchant Marine and Fisheries in urging the immediate passage of H.R. 1073.

The bill would amend title XII of the Merchant Marine Act, 1936, to extend for 3 years, to September 7, 1978, the Government war risk insurance program originally enacted in 1950. The program expired by its terms on September 7, 1975.

Title XII of the Merchant Marine Act, 1936, authorizes the Secretary of Commerce, with the approval of the President, to provide war risk and certain marine and liability insurance for the protection of vessels, cargoes, crew life, and personal effects when commercial insurance cannot be obtained on reasonable terms and conditions.

Title XII of the Merchant Marine Act, 1936, was enacted at the outbreak of the Korean war in 1950 as temporary legislation and has been extended at regular intervals since then.

This program is implemented by the Maritime Administration in the Department of Commerce through the issuance, for a fee, of binders under which Government war risk insurance will attach immediately upon termination of commercial war risk insurance. These binders give back-to-back coverage with commercial policies and expire at the end of 30 days. At that time, premiums for the insured period would be fixed retroactively.

In general, the war risk insurance provided in title XII would attach under either of two circumstances: First, simultaneously with the outbreak of war between any of the five great powers, or second, simultaneously with the occurrence of any hostile detonation of any nuclear weapon of war.

As you know, the Government has not found it necessary to exercise all the authority it has had for the past 25 years under title XII.

This program costs the Government nothing and was unanimously reported from both the Merchant Marine Subcommittee and the full Committee on Merchant Marine and Fisheries.

Mr. Speaker. I urge my colleagues to join me in promptly passing H.R. 1073.

Mr. McCLOSKEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I join in support of H.R. 1073 which will extend the Government's marine war risk insurance program for an additional 3 years. I know of no opposition to this bill; it costs the taxpayer nothing and can be provided only when private insurance coverage is not available.

The insurance become available only in the event of the hostile detonation of a nuclear weapon or a war between any of the five major powers. In such situations, these ships are often at the far corners of the world and lack the protection afforded domestic industry. Without insurance coverage, many companies might be reluctant to make their vessels available to perform the services which may be essential at such times.

Steamship companies wishing to get this coverage pay a small binder fee. In the event one of the two stated conditions occurs, the insurance becomes operative immediately. However, premiums are calculated 30 days afterwards and are assessed so as to cover the actual loss experience during that period. With this retroactive assessment of premiums, the Government acts as little more than an instrument to spread the risk among the companies covered and actually bears little, if any, risk itself. During World War II when a similar program was in effect, the Government actually made $127 million dollars on the program.

Mr. Speaker, I encourage all Members to join me in supporting this bill.

Mr. BIAGGI. Mr. Speaker, I rise in support of H.R. 1073 legislation to extend the war risk insurance program under title XII of the Merchant Marine Act for an additional 3 years. As a member of the House Merchant Marine and Fisheries Committe which reported this bill, I consider its passage important for the future of the maritime inustry in this Nation.

The war risk insurance program is designed to provide war risk and liability insurance protection for vessels and crews when commercial insurance is not readily available. This program has been in effect since 1950 and has greatly benefitted the American maritime industry as presently more than 2,000 American vessels are covered under the war risk insurance program.

However the program has also benefitted certain foreign vessel owners whose ships were of little or no value to the United States. In response to this an amendment was offered in the committee which had my full support, to exclude foreign-flag vessels from further coverage under the program. The arguments in favor of this amendment were strong, in essence we were questioning why this Nation felt it necessary to subsidize foreign vessel owners and have them contribute nothing in return.

After much debate it was decided that we should extend program for 3 rather than 5 years as originally proposed. This will allow us to reevaluate present policies with respect to providing war risk insurance to foreign-flag vessels and it is the hope of the Maritime Administration that through continuing coverage for foreign vessels for this time may serve as an inducement to have some of these vessels made available to us.

I consider the compromise worked out to be important one which will allow the important provisions of the program to be continued for the aid of American shipping interests. I note among the bill's supporters the American Maritime Association, and the Maritime Trades Department of the AFL–CIO. It deserves our support as well.

Mrs. SULLIVAN. Mr. Speaker, I have no further requests for time.

Mr. McCLOSKEY. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Missouri (Mrs. SULLIVAN) that the House suspend the rules and pass the bill H.R. 1073, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: "A bill to extend the provisions of title XII of the Merchant Marine Act, 1936, relating to war risk insurance, for an additional three years, ending September 7, 1978.".

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 1073, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

NATIONAL HUNTING AND FISHING DAY

Mrs. SCHROEDER. Mr. Speaker, I move to suspend the rules and pass the Senate joint resolution (S. J. Res. 34) asking the President of the United States to declare the fourth Saturday of September 1975 as "National Hunting and Fishing Day."

The Clerk read as follows:

S. J. RES. 34

Whereas in the congestion and the complexities, the tensions and frustrations of today's life, the need for outdoor recreation—the opportunity to "get away from it all"—has become of crucial importance; and

Whereas there are few pursuits providing a better chance for healthy exercise, peaceful solitude, and appreciation of the great outdoors than hunting and fishing; and

Whereas this is evident in the fact that more than fifteen million hunting licenses and twenty-four million fishing licenses were issued in 1970; and

Whereas this income provides a rich source of funds for fish and wildlife conservation and management and for the salvation, preservation, and propogation of vanishing species; and

Whereas hunters and anglers traditionally have led in the effort to preserve our national resources; and

Whereas outdoor sportsmen also have led in the promotion of proper respect for private as well as public property, of courtesy in the field and forest, and in boating and firearm safety programs; and

Whereas there is no present national recognition of the many and worthwhile contributions of the American hunter and angler: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States declare the fourth Saturday of September 1975 as "National Hunting and Fishing Day" to provide that deserved national recognition, to recognize the esthetic, health, and recreational virtues of hunting and fishing, to dramatize the continued need for gun and boat safety, and to rededicate ourselves to the conservation and respectful use of our wildlife and natural resources.

The SPEAKER pro tempore. Is a second demanded?

Mr. ROUSSELOT. Mr. Speaker, I demand a second.

Mr. HECHLER of West Virginia. Mr. Speaker, is the gentleman opposed to the Senate joint resolution?

Mr. ROUSSELOT. I definitely am not, Mr. Speaker, I favor it.

Mr. HECHLER of West Virginia. Mr. Speaker, I am opposed to the Senate joint resolution. Therefore, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentlewoman from Colorado (Mrs. Schroeder) is recognized for 20 minutes, and the gentleman from West Virginia (Mr. Hechler) is recognized for 20 minutes.

Mrs. SCHROEDER. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida (Mr. Sikes).

Mr. SIKES. Mr. Speaker, I express appreciation to the distinguished chairman of the subcommittee, the gentlewoman from Colorado (Mrs. Schroeder) and the distinguished ranking member, the gentleman from California (Mr. Rousselot) and their subcommittee as well as to the distinguished chairman of the Committee on Post Office and Civil Service, the distinguished gentleman from North Carolina (Mr. Henderson) and all members of the full committee for their action in reporting this resolution favorably.

This resolution has nothing whatever to do with gun control or firearms legislation. It simply recognizes the contribution of those who love the outdoors and who have aided so significantly in conservation programs and in the improvement of outdoor recreation in this country. A similar resolution passed the Senate May 8.

This is the fourth year in which many of our colleagues have joined in supporting a resolution asking the President to declare the fourth Saturday of September National Hunting and Fishing Day. This year the number is 235, the largest ever.

National Hunting and Fishing Day has become one of the most meaningful and widely observed activities of its kind. In the last 3 years, there have been over 8,500 separate observances in all 50 States with some 40 million Americans taking part. These activities are annually endorsed and recognized by all 50 State governments and by over 500 municipalities.

The observance of National Hunting and Fishing Day has served to make millions of Americans more aware of the outdoorsman's role in conservation and has enlisted the support of all Americans, sportsmen and nonsportsmen alike, in the ever important conservation effort.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. SIKES. I am happy to yield to the distinguished gentleman from California (Mr. Rousselot).

Mr. ROUSSELOT. Mr. Speaker, I thank the gentleman for yielding.

I wish to compliment my colleague, the gentleman from Florida (Mr. Sikes), for, first of all, abiding by the general rules and suggestions of the subcommittee in making sure that there were at least 219 Members who desired to have this day set aside. Also I wish to point out that the resolution really has national support by State legislatures and communities throughout the country. Mr. Sikes was willing to comply with the wish of the committee to make sure that there was a substantive support for this particular commerative day across the country. I want to compliment him for his effort to make sure that this was known to the committee before it acted.

Mr. SIKES. Mr. Speaker, I appreciate the gentleman's fine comments, and I am most appreciative of the effective support given this resolution by the distinguished gentleman from California (Mr. Rousselot).

It is a day that is widely recognized. This is the fourth annual observance, and it is one that has been endorsed by the State governments of all 50 States.

Mr. FOUNTAIN. Mr. Speaker, will the gentleman yield?

Mr. SIKES. Yes, I yield to the distinguished gentleman from North Carolina.

Mr. FOUNTAIN. Mr. Speaker, I would like to associate myself with the comments of the gentleman from Florida (Mr. Sikes) and to commend him and others for the fact that we are giving this kind of recognition without declaring another national holiday, which would cost the taxpayers some money, and this does not.

Mr. SIKES. This does not declare a national holiday. People do this on their own, but with their own effort and money. The gentleman from North Carolina has been a very helpful advocate for the program.

Mr. FOUNTAIN. Mr. Speaker, there was a time when both hunting and fishing were not sport in our country, but vital means of keeping food on the tables of pioneer America. We are all well aware of that fact, especially during the Bicentennial year as we refresh our recollections of the events of American history.

Of course, such is not the case today. Both hunting and fishing are now primarily recreational pursuits for most of our people—two of our most healthy and rewarding pursuits, I might add.

Having been born and raised in rural eastern North Carolina, I am keenly aware of the importance and significance of both hunting and fishing—two sports especially enjoyed and easily accessible to all in the Second Congressional District of North Carolina, which I have the honor to represent.

Consequently, I am particularly pleased to rise in support of House Joint Resolution 209, which would establish the fourth Saturday of each September as National Hunting and Fishing Day.

It is entirely fitting and proper for the Congress to officially set aside this day to honor those who participate in two sports of such importance from the time of the first English settlement in the New World on the shores of North Carolina—Sir Walter Raleigh's Lost Colony.

Again, I would like to emphasize that this bill would not establish another legal holiday but would simply pay well-deserved tribute to America's hunters and fishermen. This is no Monday holiday bill. As a result there would be no cost in terms of lost productivity and no expense for the hardpressed taxpayers to bear.

Additionally, may I emphasize, Mr. Speaker, that hunting and fishing provide an excellent opportunity for recreation, and for the enjoyment of the countryside in every season of the year. This is particularly true in my home State of North Carolina, where a large number of citizens find real pleasure in hunting and fishing from the mountains of western Carolina, to the rolling Piedmont, to the coastal plains, to the sandy shores of the Atlantic.

Incidentally, the licensing of these activities renders significant revenue to my State, and to other States. This revenue is, generally, used for wildlife conservation programs.

Outdoorsmen in North Carolina and elsewhere have constantly been in the vanguard of the effort to support appropriate wildlife conservation measures and the preservation of the open space so needed in our increasingly crowded country.

To reiterate, this resolution will offer some recognition to the hunters and fishermen who have long been responsible citizens, prudently using the natural resources of our countryside and helping to maintain the proper balance of nature in rural America.

Mr. Speaker, this resolution is a worthwhile recognition of the beauty that is ours in rural America, and of the men and women who enjoy that environment in a responsible way.

I support this resolution and urge my colleagues to do so as well.

Mr. WHALEN. Mr. Speaker, will the gentleman yield?

Mr. SIKES. Yes, I yield to the gentleman from Ohio.

Mr. WHALEN. Mr. Speaker, I want to commend the gentleman from Florida (Mr. Sikes) for his initiative.

As an author of a similar resolution, I certainly support the one that is before this body this afternoon. Therefore, I urge my colleagues to vote in support of House Joint Resolution 209.

Mr. SIKES. The gentleman has given very effective support to our program. I appreciate his interest.

Mr. WHALEN. Mr. Speaker, I am pleased to rise in support of House Joint Resolution 209, which asks the President to declare the fourth Saturday of each September "National Hunting and Fishing Day."

As the cosponsor of an identical resolution, I think it is most appropriate that a day be set aside to recognize the recreational virtues of hunting and fishing, to emphasize the continuing need for gun and boat safety, and to rededicate ourselves to the conservation and proper use of our wildlife and natural resources. In addition, National Hunting and Fishing Day is a tribute to the contributions of responsible hunters and fishermen who have worked to conserve our environment and protect the natural habitats so vital to American wildlife. Indeed, their efforts have served as a catalyst to stimulate the interests of other citizens in environmental matters.

I want to commend today the hunters and fishermen in the Third District of Ohio who have placed emphasis upon safety and upon instructing our young citizens in the proper enjoyment and use of the outdoors. Their attitude and interest deserve both admiration and emulation.

It is my hope that the observance of National Hunting and Fishing Day will renew public concern about conservation and environmental preservation and instill in our children a respect for nature. In view of the enthusiastic response to this occasion in previous years, I urge my colleagues to vote in favor of this resolution.

Mr. LAGOMARSINO. Mr. Speaker, will the gentleman yield?

Mr. SIKES. Yes, I will be happy to yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Speaker, I want to associate myself with the remarks of the gentleman in the well and to urge my colleagues, the other Members of the House, to endorse, support, and vote for this resolution.

I think it truly does commemorate something that is very significant in our country, and I want to join the gentleman in the well in his efforts.

Mr. SIKES. Mr. Speaker, I thank my colleague, the gentleman from California (Mr. Lagomarsino) for his comments.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. SIKES. Yes, I yield to the gentleman from New York. I am happy to acknowledge his support for the resolution.

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding.

I, too, want to join my colleagues in supporting this resolution and in commending the gentleman from Florida (Mr. Sikes) for the introduction of this worthy resolution emphasizing the need for gun and boat safety and for the promotion of conservation with respect to wildlife.

With so many millions of people throughout this country who enjoy the outdoor recreation of hunting and fishing, the observance of a National Hunting and Fishing Day is certainly a commendable way of bringing recognition to those wholesome activities and in stressing the need for expanding our Nation's conservation programs.

Mr. YOUNG of Florida. Mr. Speaker, will the gentleman yield?

Mr. SIKES. Yes, I yield to my distinguished colleague, the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Speaker, I thank the gentleman for yielding.

As one of the original sponsors of this resolution, I compliment him for the leadership that he has shown in bringing this matter to the floor for a vote.

Mr. Speaker, I urge a unanimous vote in behalf of this resolution.

Mr. SIKES. Mr. Speaker, I am happy to acknowledge the fact that my distinguished friend, the gentleman from Florida (Mr. Young) was one of the original sponsors of this resolution.

Mr. HECHLER of West Virginia. Mr. Speaker, I yield myself such time as I may consume.

I rise to oppose this resolution, even though there are a large number of cosponsors in this body.

It seems to me that the Congress should be directing its attention to much more important subjects than National Hunting and Fishing Day and the other days that we are designating, with the exception of the observance of such days as Veterans Day and the traditional holidays that the Congress has by legislation honored and commemorated.

With all the more important problems that the Nation is facing—inflation, energy, tax reform, and the world situation—I hate to see the Congress wasting its time on legislation so petty and insignificant.

One of the whereas clauses in this joint resolution boldly states: "Whereas in the congestion and the complexities, the tensions, and frustrations of today's life, the need for outdoor recreation the opportunity to 'get away from it all'—has become of crucial importance." Another "Whereas" talks about "healthy exercise and peaceful solitude."

These goals and objectives, of course, Mr. Speaker, are concepts that everybody understands and supports. But I cannot for the life of me understand how the passage of a resolution like this is going to enhance any of the things the authors have indicated that it will do.

Mr. CHARLES H. WILSON of California. Mr. Speaker, will the gentleman yield?

Mr. HECHLER of West Virginia. I yield to the gentleman from California.

Mr. CHARLES H. WILSON of California. Mr. Speaker, I want to thank the gentleman from West Virginia for yielding to me. I am disappointed that I must find myself in disagreement with my good friend, the gentleman from Florida (Mr. Sikes) who is a sponsor of this legislation and who is an outstanding legislator.

But as one who has supported gun control and who will continue to support gun control, I feel that this type of a resolution is not appropriate for me personally. I evidently am very much in the minority on this and if there is a vote I probably will be one of the very few who will vote against the resolution and yet I think it is significant that I must oppose it because of the issues involved. I think that is the important thing involved not whether we agree or disagree with commemorative days.

Mr. HECHLER of West Virginia. Mr. Speaker, I thank my friend, the gentleman from California (Mr. Charles H. Wilson). I would really like to observe that this resolution has absolutely nothing to do with gun control. Whether you favor or oppose this resolution does not in any way equate with whether one is for or against gun control. That issue is irrelevant, it seems to me, insofar as support for the passage of this resolution is concerned.

Coming from the State of West Virginia where almost everybody is either a hunter or a fisherman, I dare say that there are more hunting and fishing licenses per capita in the State of West Virginia than in any other State in the Union. Therefore, it would seem that a Congressman from West Virginia should be supporting this resolution. I cannot see that this resolution will help hunters and fishermen in any possible way. I would like to direct one question to my very good friend, the gentleman from Florida (Mr. Sikes), the sponsor of this resolution. I note that the resolution is designating the fourth Saturday of September 1975, as National Hunting and Fishing Day does so to provide for dramatizing the continued need for gun and boat safety. I would ask the distinguished gentleman from Florida if it is not necessary to have gun and boat safety 365 days of the year. Does this mean all the other days are not going to be devoted toward dramatizing the continued need for gun and boat safety?

Mr. SIKES. Mr. Speaker, if the distinguished gentleman from West Virginia will yield, of course we must have gun and boat safety each day, certainly we need gun safety and we need boat safety, and we will always have to address ourselves to both every day, but that is a side issue. Gun safety and boat safety as my friend the gentleman from California pointed out has nothing whatsoever to do with gun control legislation. But, just as we observe other days just as this only once in a year, while we are doing it we feel that we might well emphasize things like gun safety and boat safety.

Mr. HECHLER of West Virginia. Mr. Speaker, I thank my good friend, the gentleman from Florida, for his observations but I dare say there will not be a single additional hunter or fisherman that will simply go out and get away from the tensions and frustrations of today's life as a result of Congress enacting a silly resolution like this.

Mr. CHARLES H. WILSON of California. Mr. Speaker, if the gentleman will yield still further, I would ask the gentleman from Florida (Mr. Sikes) if this was not endorsed and supported and perhaps sponsored by the National Rifle Association?

Mr. SIKES. Mr. Speaker, if the gentleman will yield, I am glad the gentleman from California has asked that question, and I had assumed that someone would. I think the gentleman from California is an appropriate Member to ask that question.

Respectfully may I say that there are dozens of organizations which sponsored this and the National Rifle Association is one but the National Rifle Association has no control over any part of National Hunting and Fishing Day.

Mr. CHARLES H. WILSON of California. I thank the gentleman.

Mr. HECHLER of West Virginia. Mr. Speaker, continuing, it has been pointed out that many State legislatures supported resolutions similar to this. I think all of us know the facts of life. It is very easy for a State legislature and representatives thereof to say yes to a resolution like this in order to get rid of the pressure of special interest groups. Likewise, the same thing is true of Members of Congress. I do not observe any overwhelming support throughout the Nation, or any great grassroots demand, for this legislation.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. HECHLER of West Virginia. I yield to the gentleman from Maryland.

Mr. BAUMAN. I thank the gentleman for yielding, as a result of his very tolerant attitude, to one who disagrees with his position.

I was proud to be a cosponsor with the gentleman from Florida of this resolution originally. I certainly support it today, but I think it particularly appropriate for those of us who do support the sports of hunting and fishing to have the resolution up now as an answer to one of the most distorted journalistic television efforts I have ever seen. I refer to the CBS television show last Sunday evening, "The Guns of Autumn." Rarely have I seen a network distort the issues so, as they did at CBS. The show was a deliberate attempt to discredit hunting and hunters. There was such a response that CBS has scheduled an hour later this month to allow answers. Many of the sponsors withdraw their sponsorship, as they should have.

If nothing else, I think that our passing this resolution will show that there is a place in our national life for hunting and fishing, that it can be done in a humane way, that it has a proper function, and that these are great American sports. Hopefully, we will find a network to depict these sports as they really occur.

Mr. HECHLER of West Virginia. I thank the gentleman from Maryland. I just observe that I do not see how the passage of this resolution in any way whatsoever is going to change anybody's opinion on any television program, or represent the intent of Congress on the CBS program in any way. I would urge a negative vote on this resolution.

Mr. Speaker, I hope that this resolution is defeated, and that we reserve these "days" to the very traditional commemorations like Veterans Day, Fourth of July, Thanksgiving, Christmas and "days" of that stature. I hate to see the calendar cluttered up with these silly resolutions, which waste the time of Congress.

Mr. TAYLOR of Missouri. Mr. Speaker, I rise in support of House Joint Resolution 209 designating the fourth Saturday of each September as "National Hunting and Fishing Day."

Probably more Americans find refuge from the pressures of everday life in the relaxation that can only be found in field or on a beautiful lake or stream while hunting or fishing.

The designation of this date as "National Hunting and Fishing Day" is an ideal time for attention to be called to our constitutional right to bear arms that is a traditional part of our American pioneer heritage, and to emphasize the proper and safe use of firearms.

It has been said that the hours spent fishing are deducted from man's allotted years on Earth.

Mr. Speaker, I am fortunate to represent one of the most popular hunting and fishing areas in this Nation. The beautiful clear lakes and streams in southwest Missouri are unsurpassed in their beauty and abundance of game fish such as bass, trout, crappie, and catfish.

Our Ozarks are blessed with virtually every kind of game for the pursuit of the hunter. Whether you prefer the sound of the running hound in pursuit of the elusive fox, coyote, or racoon, the maneuvering beagle as he chases the cottontail or the unsurpassed pleasure of quail shooting behind a well-trained bird dog or would rather engage in still hunting for deer, you will find it all in the beautiful Ozark Mountains of southwest Missouri.

Probably most important, the visiting hunter and fisherman will find in our beloved Ozarks friendly people who will welcome you to come and share our abundance of fish and game and to view all the beauty of our mountains, lakes, and streams.

Our visitors will also find fine accommodations that are available from the rustic type of the luxury class that will be made available while you are with us.

Mr. Speaker, I think it is appropriate that in these times of stress and concern that this Congress pass this resolution designating the fourth Saturday of each September as "National Hunting and Fishing day."

Mr. JOHNSON of California. Mr. Speaker, there are few pursuits providing a better chance for healthy exercise, peaceful solitude and appreciation of the great outdoors than hunting and fishing. In the busy life led by many Americans today, there is a great temptation to "get away from it all."

More and more people living in our metropolitan areas are leaving the cities on the weekends and for vacations and are going to the great open spaces remaining in our land. Many are backpacking in our national parks and national forests as they seek to return to nature, even if only temporarily. Others turn to private lands. Still others seek different forms of recreation and relaxation.

Representing a congressional district which contains some of the finest outdoor recreation areas in the Nation, I can fully understand the appeal of hunting and fishing. Through designation of a "National Hunting and Fishing Day," Americans will be encouraged to participate in these relaxing, rewarding, and challenging activities.

Hunters and anglers traditionally have led the effort to preserve our natural resources, and it is appropriate that the many and worthwhile contributions of the American hunter and angler be recognized through celebration of a "National Hunting and Fishing Day."

This special day has been commemorated for the past 3 years. Last year, more than 40 million people participated in the observances sponsored and endorsed by over 40 national and local conservation organizations. All 50 States and over 500 municipalities have joined in observing "National Hunting and Fishing Day."

Over 50 million Americans actively hunt and fish each year. In California alone, last year 15 million hunting licenses were issued and 25 million fishing licenses were issued to residents of the Golden State. These individuals not only enjoyed the pleasures of the outdoors, but also participated in State and national conservation programs through the purchases of their licenses.

I strongly believe that this is a very beneficial tradition which can be significantly enhanced by continued celebration of "National Hunting and Fishing Day." I encourage my colleagues to join in passing this legislation which is similar to legislation already approved by the other body.

Mr. CONTE. Mr. Speaker, it is with extreme pleasure that I rise in support of this joint resolution to request the President to proclaim the fourth Saturday of each September as "National Hunting and Fishing Day." The bill does recognize the fact that more than 42 million Americans have joined the ranks of either hunter or angler, but most important of all—this bill recognizes the American sportsmans' role as conservationist.

More than $200 million is generated annually by the States from the sale of hunting and fishing licenses. These funds play an integral role in the operation of the various State fish and wildlife services.

Many of our societies for the protection of various endangered animals have large numbers of sportsmen in their ranks. Because of the need to preserve and protect the mating areas of ducks in Canada, "Ducks Unlimited" was formed by a number of sportsmen and conservationists alike, who were concerned about the preservation of this Nation's numerous flocks of migratory ducks and geese. Through the efforts of Ducks Unlimited the U.S. Migratory Bird Commission's wetland acquisition program, our flocks are again beginning to flourish.

This joint resolution is also intended to recognize the efforts of all Americans to conserve and respect our wildlife and natural resources. It is clear that many of those to be commended for their wildlife conservation efforts are part of this great body.

Just this past summer, in the Department of the Interior appropriations bill, this Chamber passed the Dingell amendment to increase the wetlands acquisition program by $10 million. As a member of the Migratory Bird Commission I was extremely pleased to support that amendment. Further, the House renewed its commitment to the Atlantic salmon restoration program which I was only too pleased to testify on before the appropriations Subcommittee on the Interior, chaired by my good friend the gentleman from Illinois (Mr. YATES).

We have come a long way in our fish and wildlife conservation efforts. For instance, through the efforts of conservationists and sportsmen alike, there are more than three times as many white dove-tailed deer in the United States than there were when Columbus landed in 1492. However, our efforts must continue. Our support of the wetlands acquisition program should continue to merit the enthusiastic support it does today. Our Atlantic salmon restoration program must continue to proceed through its various phases until completion. I would like to remind my good friends, the gentleman from Illinois (Mr. YATES), and the gentleman from Pennsylvania (Mr. MCDADE), that they assured this body on the House floor during consideration of the Interior appropriations bill that they would accede to any reasonable increase by the Senate in the funding for the salmon fish hatchery in Bethel, Vt.

Finally, I should like to commend the author of this joint resolution for his continued efforts in fish and wildlife conservation. It is so appropriate that one of the most important pieces of conservation legislation—the Sikes Act—bears his name. I was only too pleased to cosponsor this joint resolution and join his effort to proclaim September 27 as "National Hunting and Fishing Day."

I urge my colleagues to support its passage. Thank you, Mr. Speaker.

Mr. BOLAND. Mr. Speaker, I support House Joint Resolution 209, which would authorize a "National Hunting and Fishing Day" on the fourth Saturday in September. Hunting and fishing have long been a tradition in western Massachusetts. Before that they were a means of survival. I know I speak for the many sportsmen's groups in my district in urging the House to declare September 27 as "National Hunting and Fishing Day."

Hunting and fishing provide means to get out in the open, to exercise and to reacquaint ourselves with the land. The recreational value of these activities is undisputed.

A national hunting and fishing day will also recognize the contributions that the over 42 million Americans who participate in these activities have made in the fields of conservation, recreational safety, and preservation of endangered species. Mr. Speaker, September 27 will not only recognize the recreational benefits of these activities but their many other benefits as well.

Mrs. SCHROEDER. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Colorado (Mrs. SCHROEDER) that the House suspend the rules and pass the Senate joint resolution (S.J. Res. 34.)

The question was taken; and on a division demanded by Mr. HECHLER of West Virginia, there were—ayes 39, noes 7.

So (two-thirds having voted in favor thereof), the rules were suspended, and the Senate joint resolution was passed.

A motion to reconsider was laid on the table.

A similar House joint resolution (H.J. Res. 209) was laid on the table.

GENERAL LEAVE

Mrs. SCHROEDER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous matter, on the Senate joint resolution just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Colorado?

There was no objection.

AUTHORIZING THE PRESIDENT TO PROCLAIM SEPTEMBER 14, 1975, AS NATIONAL ST. ELIZABETH SETON DAY

Mrs. SCHROEDER. Mr. Speaker, I move to suspend the rules and pass the Senate joint resolution (S.J. Res. 125) authorizing and requesting the President to issue a proclamation designating Sunday, September 14, 1975, as "National St. Elizabeth Seton Day".

The Clerk read as follows:

S.J. RES 125

Whereas Elizabeth Seton, who was born in New York City on August 28, 1774, and who died in Emmitsburg, Maryland, on January 8, 1821, who was the founder of the first religious order for women in the United States and who also established the first Catholic parish school in the United States, will be canonized and proclaimed to be a saint on September 14, 1975, at official ceremonies in Saint Peter's Basilica in Rome, thus becoming the first person born in what is now the United States to be so recognized; and

Whereas Elizabeth Seton, who will then be known as Saint Elizabeth Seton, through her own life and work and through the work of thousands of women who traced the origins of their religious foundations to her founding of the Sisters of Charity of Saint Joseph of Emmitsburg, Maryland, on July 31, 1809, made an extraordinary contribution to the religious and moral life of our country as well as to the education, health, and welfare of vast numbers of our citizens: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating Sunday, September 14, 1975, as "National Saint Elizabeth Seton Day" and calling upon the people of the United States and interested groups and organizations to observe that day with appropriate ceremonies and activities.

The SPEAKER pro tempore. Is a second demanded?

Mr. GILMAN. Mr. Speaker, I demand a second.

Mr. McKAY. Mr. Speaker, is the gentleman from New York opposed to the bill?

Mr. GILMAN. Mr. Speaker, the gentleman from New York is not opposed to the bill.

Mr. McKAY. Then, Mr. Speaker, I demand a second.

The SPEAKER pro tempore. The gentleman from Utah qualifies as a second. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentlewoman from Colorado (Mrs. SCHROEDER) will be recognized for 20 minutes and the gentleman from Utah (Mr. MCKAY) will be recognized for 20 minutes.

The Chair recognizes the gentlewoman from Colorado.

Mrs. SCHROEDER. Mr. Speaker, I have no requests for time.

Mr. McKAY. Mr. Speaker, I would like to say this.

Mr. YOUNG of Florida. Mr. Speaker, if the gentleman will yield, as a point of interest, does the gentleman from Utah oppose the bill?

Mr. McKAY. Yes, that is why I got the second, because I was opposed to the bill.

Mr. Speaker, I think although this may be a very innocuous thing to some, that is to honor certain people by designating certain holidays or certain days to be set aside for religious people, I think it tends somehow to smack of church and state connection. I believe one of the serious things that our Founding Fathers established was that there should be an absolute separation of church and state.

I went through some of this situation in the history of my people and I do not care how innocuous it is, and others can have their own opinion and are entitled to that, but I do not think we ought to start with any little thing, as the British have done and some other units of government have done, by acknowledging certain churches, by acknowledging them through government action for favorable conditions. For that reason, I oppose the bill.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. McKAY. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, Senate Joint Resolution 125, which is identical to House Joint Resolution 597 authorizes and requests the President to issue a proclamation designating Sunday, September 14, 1975, as "National St. Elizabeth Seton Day."

It is recognized that Elizabeth Seton, through her own life and work, made an extraordinary contribution to the religious and moral life of our country, as well as to the education, health, and welfare of vast numbers of our citizens.

She will become the first American-born person to be canonized and proclaimed to be a saint on September 14, 1975, at official ceremonies in St. Peter's Basilica in Rome.

Having cosponsored this resolution, I fully support the merits of this resolution.

However, I do question the Census and Population Subcommittee's procedures and want to point out to the Members that there is some question as to whether this resolution comes within the criteria as set forth in the subcommittee's policy for consideration of commemorative legislative, as adopted by the House Post Office and Civil Service Committee on April 17, 1975.

The committee's policy on introducing commemorative resolutions states:

> Only proposals concerning individuals, groups, and events with national appeal and significance which shall be demonstrated by their potential to receive serious consideration as a national holiday and by written endorsement by a majority of the Members of the House, shall be considered.

To illustrate the confusion and disappointment which arises when this policy is not adhered to, let me cite a personal example. On March 12, I introduced House Joint Resolution 309, to authorize and request the President to proclaim April 6, 1975, as a day of observance of the 30th anniversary of the liberation of the survivors of the holocaust.

The Subcommittee on Census and Population informed me that since my resolution did not meet the aforesaid criteria for a national holiday, it could not be considered.

Mr. Speaker, my point, simply stated, is that our Subcommittee on Census and Population should either strictly adhere to the reform policies it has established, or it should abandon them, permitting any and all commemorative resolutions to be considered by the full committee.

Despite this procedural criticism, I urge my colleagues to support the worthy resolution before the House which recognizes the significant contributions which Elizabeth Seton has made to the religious, moral, and educational life of many Americans.

Mr. McKAY. I agree with the gentleman on the fact of procedures, but I disagree on the contribution. I think we can find religious leaders all over the country who have contributed to the religious life and morality of this country. If we want to extend it that way, we can have one of these resolutions up every week for that honored purpose.

Mr. Speaker, I yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. Mr. Speaker, I yield to the gentlewoman from Colorado (Ms. SCHROEDER).

Mrs. SCHROEDER. Mr. Speaker, I would like to comment in response to the gentleman from New York, who is a member of this committee. That is, first of all, that the policy is not just that of the subcommittee. It was adopted by the full committee and that on this measure admittedly it was taken up in the subcommittee and the full committee before 218 cosponsors were gathered. However, at this point it has 230-plus cosponsors. The agreement was we would not bring it to the floor until we had met that criteria.

As we know, the policy said we would take it up at certain times of the year. Because of the recess in August, it was difficult to collect the names.

So it does meet the criteria of having the needed number of endorsements before it came to the floor.

On the issue of a national holiday, that is a subjective judgment on which reasonable Members, I think, can differ. I think the gentleman from Utah makes a very strong point, because there should be separation of church and state, but there are other people who say no, when 218 Members have recommended passage and they have made that subjective judgment, then I do not think we should object. I think any criteria being subjective is much more difficult to make than having an objective one of having 219 Members endorse it.

Mr. HECHLER of West Virginia. Mr. Speaker, I would like to observe in reaction to what the gentlewoman just said, we do not pass legislation in this body by the number of cosponsors of legislation, whether it is 230 or 250 or 300. The ultimate test comes by a vote here on the floor. Official support cannot be tested by the number of cosponsors.

I certainly commend the gentleman from Utah for the position which the gentleman has taken.

Mr. Speaker, I would be glad to yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Speaker, I thank the gentleman from West Virginia for yielding.

I think all of us would hesitate to do anything that contravenes the Constitution of the United States, but I scarcely think that commemorating and canonizing a saint, the first in the history of our Nation, has much to do with the law that says Congress should make no law respecting the establishment of religion. We are not here establishing any religion. We are here honoring a person whose life was given to works of mercy and charity and faith and education. I think it is entirely fitting that we should do so.

Mr. Speaker, I hope the House will unanimously approve this resolution.

Mr. HECHLER of West Virginia. Mr. Speaker, I appreciate the remarks of the gentlewoman from New Jersey.

Mr. Speaker, I renew my objection to this and all similar resolutions that designate as special days those days which I think could be more appropriately celebrated by widespread interest generated at the local, county and State level. In that fashion, more meaningful participation at the grassroots can be achieved. If we really wish to honor these days for these individuals, they should not be honored by means of a Federal dictate from Washington, D.C.

It occurs to me that Members on the other side of the aisle are always talking about affairs being dictated from Washingon, D.C. I am surprised that they do not practice what they preach, and oppose these resolutions which hand down high sounding phrases from the Federal Government on issues which should more appropriately be handled down at the local level.

Mr. McKAY. Mr. Speaker, I feel that if the church who has so honored this person, and perhaps which she richly deserves, could choose on their own to establish a day to honor her within their precincts, I would be glad to join with them in honor of what she has done in this country; but for the Government to establish and put its honored blessing on it puts in my mind the question as to which direction we are going.

I think there is a legitimate need for separation. As to the number of cosponsors, it was not so long ago we had a petition on a prayer amendment which came before this body with considerable enough signatures, as the gentleman from Ohio would remember, to have it appear a foregone conclusion that the prayer amendment was going to pass.

It was defeated in this House, which says to me that because Members put their names on particular popular resolutions so as not to offend certain people, it does not necessarily make it the will of this country. Therefore, I would hope that this body would object to this kind of legislation and turn it down.

Mr. WYLIE. Mr. Speaker, will the gentleman yield?

Mr. McKAY. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Speaker, I submit that the prayer amendment was a constitutional amendment which required a two-thirds vote, and 62 more Members voted in favor of it than against it.

Mr. McKAY. At the same time, it was defeated.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. McKAY. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, I am very interested in the gentleman's remarks, and I know that he represents a feeling which many people share. But, does the gentleman feel that we should be so strict in our application of this separation principle that we are not able to, in some instances, honor outstanding people who have represented religions? For instance, would he have us remove from Statuary Hall in this Capitol the statue of Brigham Young or Father Junipero Serra? Should they be removed from a public place? If we draw the parallel too far, that is what may happen.

Mr. McKAY. I do not think we ought to remove, necessarily, the past acts of this country which we have established by history, but in the process of maintaining the separation powers, I would not object and would support the same because I think that is just a very sacred thing. To keep church and state separated we have had an experience, which I stated and debated, on the prayer amendment.

When governments begin to meddle in religious affairs, they begin to impose—and I get the same problem when we start funding parochial schools—that thing can work two ways because when a dominant church begins to get control, it can begin to dictate the curriculum.

It is only one little step, I recognize, and it is symbolic, but I raise that flag of concern. I know it is not going to turn the whole country around. I would hope that the joint resolution be voted down.

Mr. BYRON. Mr. Speaker, House Joint Resolution 597 is an important bill. I would like to urge my colleagues in this distinguished body to join me in supporting passage of this bill.

This coming Sunday, September 14, at St. Peter's Basilica in Rome, Pope Paul VI will lead a service of canonization in the square in front of St. Peters. The service is being held in the square due to the size of the crowds expected, as many as 15,000 Americans are expected to participate in the service. The canonization will be conducted in conjunction with an official Vatican service to mark International Womens Year. Six American cardinals and 73 members of the U.S. hierarchy plan to participate in the service as well.

Elizabeth Ann Seton was a remarkable woman in every way. She raised a family despite being widowed at a young age. She founded the first parochial school in the United States and worked dilligently for the education of American youth of both sexes. She started the Sisters of Charity, who to this day carry on the important missions of education, hospital care, and charitable contributions to society in general.

Elizabeth Ann Seton was born before this country became the United States of America. When she died, this country was well established in its nationhood and making remarkable progress in all aspects of a civilized country. This would have been impossible without the major contributions of citizens such as Mother Elizabeth Ann Seton. It is fitting that we commemorate Elizabeth Seton as our bicentennial approaches.

But the pressing matter before the House today is passage of this bill. It is urgent due to the proximity of the canonization and the need to allow time for the proclamation to be made. I hope all of you will join me in this effort to pay tribute to one of the most remarkable of all Americans on the advent of her becoming the first American-born Roman Catholic saint. This is a unique event in American history, and it is our opportunity to join in this event through this legislation.

Mr. MINISH. Mr. Speaker, I rise in support of House Joint Resolution 597, which I have cosponsored, authorizing and requesting the President of the United States to issue a proclamation designating Sunday, September 14, 1975, as "National St. Elizabeth Seton Day."

Elizabeth Seton, who was born in New York City in 1774 and died in Emmitsburg, Md., in 1821, was the founder of the first religious order for women in the United States and of the first Catholic parish school in our country. The latter achievement is fittingly commemorated by the naming of a great university—Seton Hall in South Orange, N.J.—after Mother Seton.

Next Sunday, Mother Elizabeth Seton will become St. Elizabeth Seton at official ceremonies to be held in St. Peter's Basilica in Rome.

Elizabeth Seton, who will become the first person born in the United States to be recognized as a saint by the Catholic Church, made an extraordinary contribution to the religious and moral life of our country as well as to the education, health, and welfare of vast numbers of our citizens. It is truly fitting for the House to pass this resolution today and for the President to proclaim this coming Sunday as "National St. Elizabeth Seton Day" in the United States.

Mrs. BOGGS. Mr. Speaker, as a cosponsor of the resolution to proclaim Sunday, September 14, 1975, as "National St. Elizabeth Seton Day," I wish to take this opportunity to note that it is doubly fitting that this great humanitarian should be canonized a saint during the International Women's Year and the celebration of the American Revolutionary Bicentennial.

Mother Seton made profound contributions to education and to enhancing the role of women in religion, and her work is carried on today by her 7,500 spiritual daughters who are found throughout the Western Hemisphere and in foreign missions. The Daughters of Charity were tremendously important to the development of the city of New Orleans, and are easily among the most respected and admired group of individuals in the entire city.

Recently, Dr. Robert G. Weilbaecher, an associate professor of medicine at the Louisiana State University Medical Center in New Orleans, provided me with this brief history of the Daughters of Charity in New Orleans which amply demonstrates how well these women have carried on in the tradition of Elizabeth Seton:

> The Daughters of Charity first came to New Orleans October 4, 1830 to assist in the care of orphans at the Poydras Orphan Asylum at Magazine and St. Peters Street which was founded in 1817 and was the oldest orphan asylum in the south. On January 6, 1834, ten sisters arrived at Charity Hospital and assumed almost total administrative and nursing control of the hospital. In helping to care for the sick and for orphans, the sisters literally put their "lives on the line" every year. For example, in 1834, five sisters died: in 1848, six sisters: in 1853, nine sisters: in 1867, 11 sisters: in 1878, 10 sisters. They would die of the various epidemic diseases that happened to be striking the city at that time. It's impossible to comprehend the dedication and heroism of these women. In the 1853 yellow fever epidemic in New Orleans, 50,000 of the 150,000 people living in the city fled to the Gulf Coast area. Of the remaining 100,000 people, 40,000 developed yellow and 9,000 died. At the height of the epidemic over 250 people were dying every day. The sisters would nurse the sick people, would convert their own living quarters into additional hospital wards, and, when both parents died, would take care of the children of the parents. In 1859 Charity Hospital was the largest hospital in the world with 1,000 beds. The second largest hospital was the Hotel Dieu in Paris, France with 810 beds. Charity Hospital was probably the best hospital in the world and the major reason was because the Daughters of Charity were there. After the Civil War the state ceased supporting Charity Hospital. The very existence of Charity Hospital from 1865 to 1878 depended entirely on the Daughters of Charity. Since the hospital had very little money, merchants of the city stopped selling food and needed materials to Charity Hospital. The Daughters of Charity agreed to countersign most of the bills and placed the backing of their Order behind Charity Hospital. The sisters continued to play a major role in Charity Hospital at least until 1950 when their influence declined as the state government and lay administrators began to assume more control.
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> The Daughters of Charity also established Hotel Dieu in 1859, which is the oldest private Hospital in continuous use in the city of New Orleans. When special hospital care was needed for mental patients, the Daughters of Charity founded the Louisiana Retreat for the Insane in 1861 which later became De Paul Hospital. When a hospital for leprosy was established at Carville in 1894, the Daughters of Charity were asked to assume control and to nurse the patients.
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> The sisters were also involved in establishing the St. Patrick's Orphan Asylum in 1836. In 1855 they opened St. Elizabeth's House of Industry which was for girls over 14 years of age and in 1858 they established St. Vincent's Infant Asylum to take care of orphan infants. Over a 100 year period of time they took care of 25,000 orphans. They established several parochial schools in New Orleans including St. Stephen's in 1852, St. Joseph's in 1859, St. Simeon's in 1860, St. Teresa's in 1874. They established the Charity Hospital School of Nursing in 1894 and the Hotel Dieu School of Nursing in 1899.
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> In summary, the Daughters of Charity in the city of New Orleans administered and managed orphan asylums, parochial schools and hospitals. Their major contribution probably lies in its service to the hospitals of New Orleans. They played a major role in converting Charity Hospital into one of the world's greatest hospitals. They founded hospitals to care for private patients, for patients with mental diseases and for patients with leprosy. In 1880, all but 40 hospital beds in the city of New Orleans were supervised by the Daughters of Charity. Even during the Civil War when the Union occupied the city, the Daughters of Charity were taking care of all hospitalized patients in the city at Charity Hospital, Hotel Dieu and a 900 bed marine hospital for Union military patients.
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> When the city of New Orleans was exposed to annual epidemics causing countless thousands of deaths and leaving countless thousands of orphans, the Daughters of Charity were there to nurse the sick, raise the orphans, and teach the children. All the citizens knew if they developed one of the epidemic diseases—yellow fever, cholera, typhoid fever, typhus fever, and small pox—they would be nursed by the Daughters of Charity and if they died, their children would be cared for by the Daughters of Charity. The Daughters of Charity were the most stabilizing force in the entire city from 1834 to 1920. Because they came in contact with numerous medical students, young doctors in training, and nursing students, they indirectly influenced the entire health care delivery system of the state of Louisiana and of many other southern states.

Mr. Speaker, I urge the passage of House Resolution 597.

Mr. BOLAND. Mr. Speaker, House Joint Resolution 597 would request that the President designate Sunday, September 14, 1975, as "National St. Elizabeth Seton Day." I join the many other cosponsors of this resolution in urging its passage today.

This year and next mark a time when all Americans will take time in some fashion to commemorate the 200th anniversary of the founding of the Nation. How very appropriate in this season it then becomes to honor a truly holy woman who was also the first native-born American to be raised to the honor that the Holy Father will bestow on her this coming September 14. It will also provide the millions of American Catholics in the country a day on which to celebrate and reconsecrate the faith that has made the American Catholic community one of the strongest in the world.

More than to Catholics alone will this new national holiday have significant meaning. Mother Seton was the foundress of the Sisters of Charity of Saint Joseph. That order is known the world over and especially in this country for the good works that its members have performed since the order's inception. The schools, hospitals and welfare institutions she founded were open to everyone in need, regardless of race, nationality, or creed. The countless works of mercy that Mother Seton, soon to be St. Elizabeth Seton, performed thus have a timeless significance for the example that she set inspires not only the members of her order but all Americans who feel concern for the poor and disadvantaged of all faiths.

As the very moving and, I feel, beautiful report of the Committee on Post Office and Civil Service has pointed out, September 14 can mark not only the commemoration of the holy works and piety of St. Elizabeth Seton, but ought to remind all Americans of the need, greater today than ever before, of the poor and disadvantaged among us in this land of plenty. I am sure that Mother Seton would wish any day set aside in commemoration of her good works to provide a reminder of the need of those for whom she toiled so long while on Earth. For these and for the memory of a saintly woman I urge passage of House Joint Resolution 597.

Mr. BIAGGI. Mr. Speaker, I rise to support House Joint Resolution 597 legislation which would authorize the President to proclaim this Sunday as National St. Elizabeth Seton Day. As a cosponsor of this legislation its passage would be a fitting tribute to the honor of our first American-born saint who will be officialy canonized on Sunday in Rome.

Today we pay tribute to a remarkable woman, one of this Nation's most outstanding, whose contributions to religion and education helped shape this Nation's early directions in these fields. Her work in the late 18th and early 19th centuries served as an inspiration for succeeding generations.

We New Yorkers take special pride in the fact that St. Elizabeth Seton was born in Staten Island. She eventually settled in Emmitsburg, Md., after being married and widowed at an early age. It was here that she reached the fulfillment of her life in service to her fellow man for here she founded the Sisters of Charity in St. Joseph. From that start she soon founded 20 more community-based Sisters of Charity orders including the world famous St. Vincent de Paul Society in New York.

Today the Sisters of Charity total more than 7,500. Each of them as well as million of Americans will take great pride this Sunday when Elizabeth Seton becomes our first saint.

This occasion causes us to reflect on another great religious figure, Mother Francis Cabrini, an Italian-born American citizen who was canonized in 1948. St. Elizabeth Seton, like Mother Cabrini, after a life of dedicated religious service, is being rewarded with the highest honor bestowed by the Catholic Church, canonization.

Mr. Speaker, September 14 will be a day of pride in America. We are honoring one of our finest citizens, St. Elizabeth Seton. Let us follow her dedicated ideals of service and love and let it guide us through the difficult days and years ahead.

Mr. DOMINICK V. DANIELS. Mr. Speaker, on September 14, an event will take place in St. Peter's Basilica, Rome, which will be a source of pride to all Americans. On this historic day, Pope Paul VI will canonize Elizabeth Ann Seton—the first native-born American to receive such recognition.

In honor of this historic event, I believe it would be appropriate for the House of Representatives to adopt House Joint Resolution 597, authorizing the President to issue a proclamation designating September 14 as National St. Elizabeth Seton Day.

As my colleagues may know, Elizabeth Seton is noted for many accomplishments in both religion and education. Perhaps her most important contribution was the founding of the Sisters of Charity order in 1809. The Sisters of this order are today carrying on the fine work instituted by Elizabeth Seton, dedicating their lives to the service of their fellow men and women in schools, hospitals, welfare institutions, and other community ministries.

Mr. Speaker, Elizabeth Seton embodied the spirit of the independent and compassionate woman, qualities that we honor this year in our commemoration of International Women's Year. She made her valuable contributions to the improvement of the lot of mankind against the exciting, and often turbulent backdrop of early American history—which spanned the period from the drafting of the Declaration of Independence to the development of the Monroe Doctrine.

Mr. Speaker, I am proud to be one of the cosponsors of House Joint Resolution 597, and I urge my colleagues to join me in a fitting tribute to this fine American woman by adopting this timely resolution.

Mr. MURPHY of New York. Mr. Speaker, we have before us a resolution to commemorate next Sunday, September 14, in honor of a great American, Elizabeth Ann Seton. Mother Seton was born on Staten Island in 1774, the daughter of an established New York family. She lived in New York City for 29 years during which time she married William Seton, heir to a highly successful import company and received many of our founding fathers as guests in her home. When widowed at a young age, she and her five children moved to Emmitsburg, Md. It was there where she founded the Sisters of Charity of St. Joseph, the first religious order for women in the United States. Her achievements and contributions are far more reaching than the significance of her religious work. She was also responsible for the founding of the first parochial school in the United States, establishing many of the first orphanages in America, in addition to badly needed hospital facilities. All of her institutions were open to people of all faiths, nationalities and races. It was also the Sisters of Charity who were responsible for administering the necessary medical attention to the soldiers of the Battle of Gettysburg and their service to their communities has continued to be an untiring effort.

Mr. Speaker, this is not a sectarian resolution. Mother Seton was a great American in which all of us can take pride. She will become the first native born American Saint on this Sunday the 14th. Already the Secretariat in Rome reports over 15,000 ticket requests from Americans for the canonization ceremany. Prominent clergy from all the faiths will be attending. The three major networks are recognizing the event by special broadcasts. Governors Shapp of Pennsylvania, Byrne of New Jersey, Carey of New York and Tribbit of Delaware have declared Elizabeth Seton days within their own States. Yesterday, the Senate unanimously passed this same resolution.

Because of her work and the work of her 7,500 followers, the strength they gave to our Nation and the compassion they gave to its citizens, I firmly believe that this resolution is appropriate and I urge its adoption. Join with me in the passage of Senate Joint Resolution 125 to declare September 14, 1975 "National Saint Elizabeth Seton Day".

Mrs. SCHROEDER. Mr. Speaker, I have no further requests for time.

Mr. McKAY. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Colorado (Mrs. SCHROEDER) that the House suspend the rules and pass the Senate joint resolution (S.J. Res. 125).

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. McKAY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of ordered that a quorum is not present.

The SPEAKER pro tempore. Pursuant to the provisions of clause 3(b) of rule XXVII and the prior announcement of the Chair, further proceedings on this motion will be postponed.

Does the gentleman from Utah withdraw his point of order that there is no quorum?

Mr. McKAY. Mr. Speaker, I so do.

GENERAL LEAVE

Mrs. SCHROEDER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous matter on Senate Joint Resolution 125.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Colorado?

There was no objection.

COMMEMORATING VETERANS DAY ON NOVEMBER 11

Mrs. SCHROEDER. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 331) to redesignate November 11 of each year as Veterans Day and to make such day a legal public holiday.

The Clerk read as follows:

S. 331

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, effective January 1, 1978, section 6103(a) of title 5, United States Code, is amended by striking out—

"Veterans Day, the fourth Monday in October." and inserting in lieu thereof—

"Veterans Day, November 11.".

The SPEAKER pro tempore. Is a second demanded?

Mr. ROUSSELOT. Mr. Speaker, I demand a second.

Mr. STRATTON. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Is the gentleman from California opposed to the bill?

Mr. ROUSSELOT. No, I am not, Mr. Speaker. I favor it.

The SPEAKER pro tempore. Is the gentleman from New York opposed to the bill?

Mr. STRATTON. I am opposed to the bill, emphatically.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered for the gentleman from New York (Mr. STRATTON).

There was no objection.

The SPEAKER pro tempore. The gentlewoman from Colorado (Mrs. SCHROEDER) is recognized for 20 minutes, and the gentleman from New York (Mr. STRATTON) is recognized for 20 minutes.

The Chair recognizes the gentlewoman from Colorado.

Mrs. SCHROEDER. Mr. Speaker, under present Federal law, Veterans Day is observed as a national holiday on the last Monday in October. This holiday had been traditionally observed on November 11 but the date was changed by the Uniform Monday Holiday Act—Public Law 90-6—which became effective in 1971.

However, unlike the three other national holidays which were affected by the Uniform Monday Holiday Act, it has become readily apparent over the past 4 years that great significance is attached to the commemoration of Veterans Day on its traditional date. Veterans' organizations strongly support returning Veterans Day to November 11, and in the final analysis, if veterans are to have a day set aside in their honor, then their wishes should be given the greatest consideration.

The intensity of this feeling toward the importance of November 11 is self-evident by the fact that 46 States have refused to follow the Federal lead, and instead commemorate Veterans Day on November 11. This discrepancy has created a great deal of confusion and tends to defeat the purpose of a Monday holiday. For example, working parents and their children have different days off for Veterans Day, and public transportation schedules may be on a holiday schedule when many individuals have to work. The possibilities for confusion are endless.

I believe that it is time to recognize the wishes of veterans' organizations and the historic significance of November 11, and at the same time put an end to the confusion surrounding Veterans Day.

But I want to make it clear that the committee's action in reporting S. 331 should not in any way be construed as a precedent for taking away any other Monday holidays. They were, and still are, a sound idea. With the exception of Veterans Day, Monday holidays have worked out very well, and the committee does not anticipate considering any further changes in the Monday Holiday Act.

Mr. GILMAN. Mr. Speaker, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I rise in support of S. 331, which would restore the observance of Veterans Day to November 11.

This legislation, which was considered by the Committee on Post Office and Civil Service, of which I am a member, is a response by Congress to a need and a desire that has been articulated by ever-increasing numbers of our citizens.

November 11 was observed as Veterans Day from 1918 until 1971. The date was chosen to commenorate the Armistice ending World War I; in 1926 the Congress adopted a resolution directing the President to issue an annual proclamation celebrating this date as Armistice Day, and in 1938, the day was designated as a national holiday. The holiday became knowns as "Veterans Day," in honor of all our brave veterans in all of our wars, in 1954.

Then, in 1971, the national enthusiasm for 3-day holidays weekends overcame the great emotional and historical significance of this date and Veterans Day was arbitrarily assigned to the last Monday in October. Ever since that action, responsible and concerned citizens from coast to coast have been urging that this holiday be restored to its initial date of November 11.

Mr. Speaker, I believe that this action is long overdue. For one thing, the Federal observance of Veterans Day on the last Monday in October conflicts with the observance of 45 States which have refused to follow the Federal Government's lead and which still observe the holiday on November 11. This results in great inconvenience and confusion. But, Mr. Speaker, there are even more compelling and important reasons for restoring this holiday to its rightful date.

Veterans Day is not just another holiday. This holiday honors the thousands of valiant men and women who have given their lives in the defense of our land and liberty since the birth of our Nation. Their sacrifices and bravery have enabled our Nation to become the fortress of democracy it is today. For the relatives and loved ones of these brave men, this day has a tremendous emotional importance, almost a religious significance, in that we pause from our everyday business, not merely to drive to the country for a holiday, but to remember the sacrifices of these men and women.

This legislation has the unqualified support of all the major veterans' organizations. This overwhelming support, coupled with the wishes of the people as expressed through the actions of 45 State legislatures, makes it clear that Veterans Day ought to be restored to November 11. I would therefore respectfully urge my colleagues to support S. 331.

Mrs. SCHROEDER. Mr. Speaker, I would like to yield 10 minutes to the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Speaker, I rise in support of S. 331, a bill which will designate November 11 as the day all Americans can honor their war veterans.

Since the Monday holiday law was enacted in 1968, 43 States have changed Veterans Day from the last Monday in October to November 11. Two States never changed this important holiday from November 11, thus a total of 45 States presently commemorate Veterans Day on its traditional date. S. 331 would bring the Federal law into conformity with a vast majority of the States.

Over 130 Members have sponsored legislation to change Veterans Day back to November 11. This legislation has the full support of the major veterans' organizations: American Legion, Veterans of Foreign Wars, Non-Commissioned Officers Association, Disabled American Veterans, and Veterans of World War I of the USA.

The Congress should heed the desires of those patriotic Americans who served in our Armed Forces to decide when they are to be honored. Supporters of the change include:

First, 2.7 million Legionnaires and nearly 1 million members of the American Legion Auxiliary endorse passage of S. 331;

Second, 15,000 voting delegates representing over 1.8 million members of the Veterans of Foreign Wars and more than 500,000 of the VFW ladies auxiliary have unanimously endorsed a resolution requesting that Veterans Day be commemorated on November 11; and

Third, veterans of World War I—9,832 delegates representing 2,700 barracks and a total membership of 156,000—voted for the change to November 11.

It is a ridiculous situation when November 11 is universally recognized as a date of great significance by America's 28 million living veterans and their families who represent approximately 50 percent of our country's total population and we are celebrating Veterans Day on the fourth Monday in October which has no meaning whatsoever to anyone.

The result of having two Veterans Days has caused chaos in the States. For example, schoolchildren were given both days as vacation in some States because of the conflicting holidays.

This legislation will also result in the conservation of millions of gallons of gasoline at the time of the year when our energy needs are the greatest. Hundreds of lives will be saved each year on our highways by the elimination of one of our long weekends. The National Safety Council reports that there is a 24-percent increase in fatalities on 3-day weekends.

Finally, November 11 is an important day not only for American veterans but also to hundreds of millions of people all over the world. Our allies: England, France, and Canada have not changed their day of remembrance from November 11.

In short, there is no other single day in the year that has more significance to veterans of all wars than November 11 and I strongly support the enactment of S. 331.

Mr. YOUNG of Florida. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I will yield to the gentleman from Florida.

Mr. YOUNG of Florida. I thank the gentleman for yielding.

Mr. Speaker, I rise in strong support of S. 331, restoring the commemoration of Veterans Day to November 11. Approval of this legislation today constitutes a legislative goal which I have long sought on behalf of our Nation's veterans and those who have made the ultimate sacrifice for America.

For 52 years, our Nation observed Veterans Day on November 11, a day of great historical significance to the free world. On this day in 1918, an armistice was signed which ended the hostilities on the western front during the First World War. It was chosen by Congress as the most appropriate day to honor all veterans whose great sacrifices over the years have made it possible for us to enjoy our present-day freedoms.

The Monday Holiday Act of 1970, in the interest of providing a 3-day holiday weekend, changed the traditional observance of Veterans Day to the third Monday in October, a fluctuating date of no historical significance. Because of my own personal distress at this situation, and with the backing of the major veterans groups, I introduced House Joint Resolution 966, restoring the traditional observance date for Veterans Day, on November 11, 1971. Following this action, more than 40 Members of the House joined me in reintroducing the legislation and many other Members introduced similar legislation as the Nation's veterans made known their support.

In the months that followed introduction of House Joint Resolution 966, I received hundreds of letters from across the Nation, from individual citizens and from organizations which shared my desire to have this historic commemorative holiday returned to its rightful place on the calendar, not moved around at random for the sake of another 3-day weekend.

When the 92d Congress adjourned without acting upon my bill, I immediately reintroduced it as House Joint Resolution 126 in the 93d Congress, on January 29, 1973. Pressure for passage of the bill continued to mount, as former President Nixon made it one element of his package of legislative proposals in a special message on veterans, and as a colleague filed a discharge petition to bring my bill before the House. Forty-three States, including my own home State of Florida, by official State action, celebrated Veterans Day last year on November 11 instead of October 28, and throughout the Nation veterans and civic groups continued to observe the traditional date of November 11 despite the foot-dragging on the part of Congress.

On the opening day of the 94th Congress, I once again introduced the Veterans Day legislation, as House Joint Resolution 21. During the spring of this year, every major veterans' organization in the Nation went on record as supporting the restoration of November 11 as Veterans Day, and the Senate acted with dispatch to approve the necessary legislation. I sincerely hope that we in the House can match this dispatch today, and thereby allow a proper commemoration of Veterans Day on November 11 this year. Tradition, respect, and honor must not be subordinated to expediency. November 11 is Veterans Day in the hearts and minds of the American people, and the Congress must heed that fact.

Mr. SEBELIUS. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I will yield to my colleague, the gentleman from Kansas (Mr. SEBELIUS).

Mr. SEBELIUS. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I would like to take this opportunity to discuss S. 331, legislation that will redesignate November 11 of each year as Veterans Day.

During the last session of Congress, I filed a discharge petition to bring up what was then a House Resolution for immediate consideration by this body. Over 100 of my colleagues signed this petition. It is also noteworthy that many within this body have introduced legislation each year to restore Veterans Day to its original date.

There is no question but what this effort has attracted widespread support:

Forty-six States have enacted legislation restoring the observance of Veterans Day to November 11.

Last session and this session, the Senate passed legislation redesignating November 11 as Veterans Day.

The legislation has the support of virtually all of our veteran organizations. Memorial resolutions asking the Congress to restore the observance of this day have steadily increased.

Still, despite this evidence of widespread and popular support, there are some who do not feel changing the date of Veterans Day represents an issue of real significance. That is precisely the point. The fact of the matter is that this sacred holiday was sacrificed for materialism and convenience. The committee report accompanying S. 331 flatly states the Monday holiday law was enacted in 1968 to permit families to have a 3-day weekend, with the exception of four national holidays which retained their traditional date.

Since that time, one central thought has prevailed. A clear majority of our people believe rather than another convenient holiday, November 11 should be a day for reflection and personal rededication to peace and our American freedoms and ideals.

Simply put, if all of our citizens could observe this day with the same emotion and feeling that is in the hearts of the majority of our veterans, especially those who served in World War I, the observance of Veterans Day could be very significant and could be observed in such a way to better establish a permanent framework for peace throughout the world.

Mr. Speaker, I believe this with all my heart and a great number of folks within my congressional district share my conviction. I am most gratified that despite years of delay, we are at last getting to the business of recognizing the wishes of our veterans, restoring the historic and traditional significance of this day and putting an end to the confusion surrounding Veterans Day.

I urge my colleagues to join in support of this effort.

Mr. ROUSSELOT. Mr. Speaker, I appreciate the remarks of both of my colleagues. I know they have been strong advocates of this change.

Mr. WYLIE. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I yield to my colleague, the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. I thank the gentleman for yielding.

Mr. Speaker, I, too, rise in wholehearted support of S. 331 to redesignate November 11 as Veterans Day and again make this historic date a legal public holiday. At the same time, I wish to commend the gentlewoman from Colorado (Mrs. SCHROEDER) and the gentleman from California (Mr. ROUSSELOT) for their leadership in bringing this bill to the House floor.

Mr. Speaker, I have advocated this legislation since the passage of the Holiday Act of 1968. As a matter of fact, I voted against the change, in the first place. The fourth Monday in October has no historic significance and means nothing except to provide a long holiday weekend.

It was on the 11th hour of the 11th day of the 11th month in 1917, however, that the guns fell silent and the carnage of World War I ended in an armistice. Armistice Day had the deepest meaning to the veterans of that war to end all wars.

In 1954, that date was designated Veterans Day to commemorate all who have militarily served their country in peace and war. This bill will restore the true meaning of Veterans Day as a special day in the life of Americans, and I urge the adoption of the resolution.

Mr. ROUSSELOT. Mr. Speaker, I thank my colleague, the gentleman from Ohio. I know that he was one of the prime sponsors of returning this day to be celebrated on November 11.

Mr. HILLIS. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Indiana (Mr. HILLIS).

Mr. HILLIS. Mr. Speaker, I thank the gentleman for yielding.

It is in fact true that I have introduced legislation to do this. I think it is very important that this bill be passed.

Mr. Speaker, I would like to associate myself with the remarks of my friend and colleague, the gentleman from Ohio (Mr. WYLIE), and also the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Speaker, I thank my colleague, the gentleman from Indiana (Mr. HILLIS).

Mr. EDWARDS of Alabama. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I yield to my good friend, the gentleman from Alabama.

Mr. EDWARDS of Alabama. Mr. Speaker, I thank the gentleman for yielding.

I have been, like many other Members, proposing that we return Veterans Day to November 11. I commend the committee for making this move.

I have one question I would like to ask the chairman of the committee or any other Member who can answer it.

In view of the fact that this bill is apparently going to pass, may we assume that we can then cancel the congressional recess scheduled from Thursday, October 23, to Tuesday, October 28, which we are supposed to be taking because of Veterans Day? And if so, can we not then get down to the people's business and stay here and work a while?

Mr. SIKES. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Florida.

Mr. SIKES. Mr. Speaker, may I suggest that that might be an action requiring a separate petition of 219 signatures.

Mr. EDWARDS of Alabama. Mr. Speaker, we will see if we can get them, in that event.

Mr. TAYLOR of North Carolina. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from North Carolina.

Mr. TAYLOR of North Carolina. Mr. Speaker, I too have been concerned that the House recess schedule is too elaborate. This is a difficult year and people want Congressmen to remain in Washington attacking the problems rather than seeing them at home.

Last February I wrote a letter to the Speaker expressing this concern and recommending that the recess schedule be modified so as to greatly reduce the recess time, and on July 9 I wrote a similar letter to the House majority whip.

Earlier today I discussed the recesses planned for the balance of this year with the Speaker, the majority leader, and the majority whip and have been assured that the Yom Kippur recess scheduled from September 12 to the 17 will be abolished, but that no business will be scheduled on the House floor on the Jewish holidays, as in the past. I have also been told by the House majority leader that the Veterans Day recess scheduled from October 23 to October 28 will be abolished, but that no business will be scheduled on Veterans Day, Monday, October 27, as in past years. I commend the House leadership on these changes.

I have requested of the House leadership that the Columbus Day recess be abolished, except for Columbus Day, Monday, October 13, as has been done in past years.

Now that I have the floor, I would like to express support for S. 331 which would redesignate November 11 as a day to honor our war veterans. The fact that 43 States have changed Veterans Day back to November 11 shows a strong demand for the passage of this legislation. When the Monday holiday schedule was established by Congress, no change was made in the dates for Christmas, July 4, and Thanksgiving. Veterans Day should fall in the class of dates with a special meaning. To millions of Americans who served in World War I and in other wars, November 11 has a special meaning which cannot be transferred to another date.

Mr. ROUSSELOT. Mr. Speaker, I appreciate the comments by my colleague. I think we have strayed slightly from the original intent of this bill, but I do urge my colleagues to support this bill.

I think this is an appropriate bill and its time has come. We have heard from a substantial number of State legislatures and from individuals and organizations around the country who feel that this holiday should be changed to its original date. I agree with that sentiment. I hope my colleagues do also.

Mr. ROBERTS. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I am delighted to yield to my colleague, the gentleman from Texas.

Mr. ROBERTS. Mr. Speaker, I rise in support of this bill. I appreciate my colleague's yielding to me.

I wish to commend the distinguished gentlewoman from Colorado (Mrs. SCHROEDER), the gentleman from North Carolina (Mr. HENDERSON) and the gentleman from California (Mr. ROUSSELOT).

As Chairman of the Committee on Veterans' Affairs, I can say there is not a week goes by but what some veterans' organization petitions us, thinking we have jurisdiction of matters of this kind. This is something that all of the veterans' organizations have been seeking since we made the mistake of changing the date several years ago.

I am pleased that the gentlewoman from Colorado has seen fit to take this action. I commend her and all the members of her committee, as well as the full committee, and I hope there will not be one vote against it.

Mrs. SCHROEDER. Mr. Speaker, I yield such time as he may consume to the chairman of the full committee, the gentleman from North Carolina (Mr. HENDERSON).

Mr. HENDERSON. Mr. Speaker, I rise in support of S. 331, a bill to return the date of commemoration of Veterans Day to its historical birthplace, November 11. This legislation is similar to a bill which I introduced earlier this session, H.R. 1858.

There are two basic reasons for enacting this legislation. As a practical matter, an overwhelming majority of the State legislatures in the Nation have enacted legislation in the last few years to provide that Veterans Day, as a matter of State law, shall be observed on November 11 rather than the fourth Monday in October. Their unwillingness to go along with the change brought about by the Monday holiday law, in my judgment, is sufficient reason to revise the Federal law so that holiday and commemorative services which are held over the Nation will occur on the same day.

The second reason is that, unlike some of the other holidays which are observed by both Federal and State law, Veterans Day has a particularly significant meaning to Americans and to millions in Europe and around the world.

November 11, 1918, was an important day in history because it signaled the end of the First World War, the Great War, or the war to end war, as it was then called. Tragically, it did not do that. In fact, the tragic failure of the armistice, the decision of the United States not to join the League of Nations and the failure of the Versailles Treaty contributed to the European problems in 1920's which eventually led to another war.

So the day, November 11 should—and I believe does—serve as a constant reminder to the United States and other Nations, that the most cherished hopes of peace will be nothing more than hopes unless continued political, social, and economic efforts are made to preserve peace.

Jefferson described it simply: That "eternal vigilance is the price of liberty."

Abraham Lincoln exhorted a war-weary Nation "that from these honored dead we take increased devotion."

However simply or eloquently it may be expressed, the principle exists in the American mind. I believe that future generations will more fully appreciate, and work for the fulfillment of the promise of American life if a significant symbol of the struggle for human freedom is appropriately observed.

The commemoration of American involvement in world affairs in World War I on the actual date of the Armistice is that kind of symbol.

Three holidays that have a particular American significance are Independence Day, Veterans Day, and Thanksgiving Day. Thanksgiving Day has been celebrated on the fourth Thursday in November since President Lincoln proclaimed the holiday in 1863. July 4th is internationally recognized as the official birthday of the United States of America. Other holidays, except Christmas Day, are not closely associated with a specific day. Memorial Day, for instance, was for many years the 30th of May, but that date has no significance as an anniversary of any event. It was simply a date chosen to commemorate the contribution and sacrifices of American soldiers in war.

So I join my colleague, Mrs. SCHROEDER, in expressing the committee's views that further amendments to the Monday holiday law should not be made simply because Memorial Day and Columbus' Birthday, or Washington's Birthday used to be celebrated on a different day. I am convinced that the advantages of the Monday holiday law outweigh the advantages of returning to the old law. The return to November 11 to commemorate Armistice Day should be a singular exception.

Mrs. SCHROEDER. Mr. Speaker, I yield such time as he may consume to the gentleman from Kentucky (Mr. HUBBARD).

Mr. HUBBARD. Mr. Speaker, I rise in support of the Senate bill, S. 331, and I would echo the sentiments and remarks already expressed concerning our too lengthy recesses.

As a member of the Kentucky State Senate, I introduced Senate bill 15 in the 1974 Kentucky General Assembly. That was a bill to allow Veterans Day in Kentucky to be observed on November 11 under our State law.

The overwhelming majority of veterans in our State warmly endorsed this legislation and urged its passage. The Kentucky Senate and House passed that measure. It was signed by the Governor and went into effect in Kentucky on June 21 of last year. Thus, Kentucky joined many other States already observing Veterans Day in their own States on November 11, along with the national holiday on the last Monday in October.

Certainly it is a pleasure today, as a Member of Congress, to speak in behalf of this bill, which will allow us, hopefully, to begin observing Veterans Day as a national holiday on November 11, 1978, and thereafter, thus avoiding the confusion in many States now which do observe Veterans Day on November 11 and at the same time also have to commemorate Veterans Day on the last Monday in October, which many veterans' groups deem inappropriate.

Mrs. SCHROEDER. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. SIKES).

Mr. SIKES. Mr. Speaker, I add my congratulations to the distinguished gentlewoman from Colorado (Mrs. SCHROEDER) and the distinguished gentleman from California (Mr. ROUSSELOT) and their subcommittee, as well as to the chairman, the ranking member, and all members of the full committee for their action in bringing this resolution to the floor.

Many, many millions of Americans have worn the uniform. To them and their families Veterans Day has a particular significance, a deep patriotic significance.

There has always been reluctance to accept a change by legislation from the historic date on which it was first observed. I am happy to see the Congress taking this long desired step. It is timely, and I feel that this, as much as any action that we may take in the Congress, will be welcomed and applauded by the American people.

Mr. STRATTON. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, I can count as well as anybody else, and I recognize that I am in a minority today with respect to this legislation. Nevertheless, I rise to oppose the legislation.

I believe that the action the committee is proposing is a mistake. I think it is unfortunate and ill timed. I dare say that in years to come Congress will regret the action we are about to take here today.

Let me say that I recognize the fact that we have had a number of veterans' groups speak in favor of this legislation. I believe I am a member of almost every veterans' organization that exists in my district, and I think I have some reputation in this body as having been one of those who has spoken most emphatically in support of national defense issues whenever they have come up; nevertheless, I do think this is an ill-advised and rather foolish action for us to take.

I will confess to some personal interest in the action we take since I happen to be the original author of the legislation that put four of our national holidays, including Veterans Day, on a Monday. This is a bill I introduced in the Congress when I first came here some 16 years ago, in 1959.

People thought it was a rather crazy bill then, to put holidays on Monday. They thought no one should fool around with the calendar.

Manny Celler, the then chairman of the Committee on the Judiciary, was violently opposed to any new holidays or to any tinkering with the calendar.

And I remember that in 1966 or 1967 the New York Daily News, Sunday supplement, ran a story on idiotic bills that Members of Congress had introduced, and one of them was mine on Monday holidays.

They sent up a photographer to take my picture pointing to a Monday in November to illustrate the idiocy of trying to put all holidays on Monday. But then suddenly people began to find out what the American public wanted. Some polls were taken and it turned out that the overwhelming majority of the American people liked the idea of putting holidays on Monday so they could have 3 consecutive days off; and businessmen would not have to shut down their businesses in the middle of a week just because there was a holiday coming along, and then have to start them up again the day after the holiday, and usually suffer from absenteeism and things like that on the day after a holiday.

As a matter of fact, it was pointed out to me that here was one piece of legislation that appealed not only to employees but also to employers. And if you could get labor and management on the same side on a single bill, you really had something going for you. And when we recognized that fact, suddenly the Committee on the Judiciary, which at that time had cognizance over these matters, got the bill rolling. We got it through the House. And Senator Dirksen and Senator Smathers—unfortunately neither of them are in the other body today—jumped on the bandwagon too. The clincher came over in the Senate when we walked in with 10 bags of mail that had been sent in reply to a poll that appeared in This Week magazine supporting the concept of Monday holidays. So the Monday holiday bill went into effect for three reasons.

First, it made sense from a production point of view, not having holidays break up the working week.

Second, it made sense in that it gave families an opportunity to spend holidays together. One could drive somewhere interesting over 3 days, when one might not be able to drive there so very easily in just 1 day.

And finally, the bill made sense in that it contributed to stimulating the tourist industry. And that still makes sense today when people are being laid off of their jobs around the country and when the gross national product has been going down.

I think the important tourist industries in Maryland, Delaware, New Jersey, New York, and New England, California, even Colorado, are something that cannot be lightly brushed aside these days. Monday holidays have indeed been helpful to them. Many communities are grateful today that they do have a tourist industry, and one that will continue, at least as long as we do not have an oil embargo.

The bill we are being presented with here today is represented as resulting from a great national outpouring of sentiment. Frankly, as a member of the American Legion, and a life member of the VFW and of the AMVETS, I simply believe that this is not so.

I do not believe the American people are upset over the fact that Veterans Day comes in October rather than on the 11th of November.

I have never gone into a store or a restaurant and had somebody come up and grab me and say "Why don't you do something to get that holiday put back on November 11th?"

Oh, sure, I run into that plea sometimes when I go to VFW and the American Legion meetings; but I do not think honestly this sentiment represents the feeling of the majority of the American public.

Oh yes, that the State legislatures, as the gentleman from West Virginia (Mr. HECHLER) stated a moment ago, are sometimes quick to run when some persuasive few lobbyists come in, and they pass a bill. But are we supposed to repeal our legislation simply because 43 legislatures have yielded to pressures?

I would say that one of the most unpersuasive arguments for this legislation contained in the committee report is that the French and the British observe Armistice Day on the 11th of November.

So, therefore, we should not observe Veterans Day on a Monday in October?

Actually, I would be happy to settle for a Monday in November. In fact, I had it in my bill as a Monday in November, but that way it gets tied up between election day and Thanksgiving. So the members of the Committee on the Judiciary, in their wisdom, put the holiday in October instead.

And people also contend that by making Veterans Day a Monday holiday we have commercialized it. For heaven's sake, Veterans Day has never been a holiday where everybody has the day off. It has traditionally been a working day, just like Washington's Birthday, for most people.

Washington's Birthday is commemorated in Washington, D.C., and in many other places principally by the significant event of selling typewriters for 11 cents. It has been a sales day. Well, Veterans Day has been a working day all of my life. As a youngster, we stood up in school at the 11th hour of the 11th day of the 11th month and were silent for 2 minutes. But they did not cancel school that day, and they did not cancel work. The General Electric Co. in my home city of Schenectady, always stayed in business. We who were veterans had to march down the center of the city at night while the shoppers were busy doing their Thursday night shopping. It simply was never a holiday in the same sense that the Fourth of July was a holiday, or that Memorial Day was a holiday.

By putting it in October, and on a Monday, we have actually improved the situation, because with 3 days available now, we have got a better chance of getting a more effective and meaningful observance. In fact, this has been the actual experience in many communities. Not only that, it is usually a lot more pleasant day in the Indian summer of late October than it is on the 11th of November, after an election. It is usually pretty darn cold then, at least in upstate New York.

The other argument that has been made is that November 11 has some particular kind of significance. Some people have suggested that it is almost sacrilegious to honor our veterans on any other date than the 11th of November. But that is just not true. Most of the people who have just spoken in defense of the 11th of November here today were not even born on the 11th of November in 1918. Sure, we had World War I and that ended on the 11th of November. But many of us in this body served in World War II; and that stopped, at least in my sector, on the 14th of August.

So if we are going to honor all of our veterans, we would be honoring a lot more of them if we celebrated the day on the 14th of August. And there are distinguished Members in this body who fought in the Vietnam war and in the Korean war. I am not sure exactly when either of those wars stopped; we would find it hard to settle on any specific day.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. STRATTON. Mr. Speaker, I yield myself 3 additional minutes.

The point is that it is not so much the particular date. There is nothing particularly sacrosanct in the 11th of November. What is important is that we should honor our veterans properly and sincerely. We ought to have coherent and rational community observance. And experience has demonstrated that we can get better observances during a 3-day period, whether it is in October or November, than we can on a single day of the 11th of November. In fact this is what the Veterans' Administration has discovered.

So, although I realize that Members have already committed themselves, and I am not so foolish as to think that my very persuasive arguments here are going to change many votes—nevertheless, I think we ought to put these facts on the record. Because if we start out changing back Veterans Day, I am afraid we are soon going to do the same thing with Memorial Day and with Washington's Birthday, and before long we will end up with no Monday holidays left at all.

The committee has said—the gentleman from North Carolina (Mr. HENDERSON), the gentlewoman from Colorado (Mrs. SCHROEDER), and the committee report have all said that this action today is not a precedent. But I am afraid, Mr. Speaker, if we start with this one, we will then move on to Memorial Day. People say that should be the 30th of May. Well that argument makes no sense either.

At one time my district included the birthplace of Memorial Day, Waterloo, N.Y. Memorial Day was first celebrated there on the 5th of May. It was not until much later on that General Logan suggested the 30th of May instead. So if we want to be historically accurate we should be observing Memorial Day on May 5, not May 30.

George Washington was born on the 22d of February, so we are told we ought to go back to that date. But actually George Washington was born when the old Gregorian calendar was in use. And today, with the calendar change, the 22d of February then would correspond to the 11th of February today.

So I am afraid that if we are going to yield to pressure groups for no really significant reason and begin changing this Monday holiday legislation, we could end up by ruining it entirely.

Mr. WOLFF. Mr. Speaker, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman from New York (Mr. WOLFF).

Mr. WOLFF. Mr. Speaker, I thank the gentleman for yielding.

I rise in support of this legislation. But I take this opportunity to ask the gentleman, is he not the prime sponsor supporter of the idea that we cannot change the west front of the Capitol because of the tradition that is involved in the question of changing the west front?

Mr. STRATTON. If the gentleman will recall the debate, tradition played a minor role. The most important thing was that we were going to be paying seven times more per square foot for space in an extended Capitol than we are paying even for the FBI Building which at $136 million is coming in as the most expensive building ever constructed in modern history.

Mr. WOLFF. I take it, if the gentleman will yield further, as well the gentleman does not just back the merchandising interests in the holiday as being of real significance in such a question. I notice the gentleman spoke about tourism and the question of merchandising for the various sales.

I feel very strongly that the tradition that is involved in this is important, although the gentleman has said he has had no expression from the veterans' groups throughout the country. Let me say to the gentleman the Veterans' Affairs Committee has had such expressions at every meeting we have held with veterans' groups.

Mr. STRATTON. I did not say exactly that. I know how the veterans' groups feel. But I do not honestly feel they represent public sentiment by a long shot.

Mr. WOLFF. As a cosponsor of this legislation, I know how important it is to our Nation's veterans. Since passage of the Monday holiday bill in 1968, every major veterans' organization has urged Congress to restore the commemoration of Veterans Day to November 11, the day that marks the end of the first of the four wars in which this country has engaged during the 20th century. Forty-six of our fifty States heard the voice of their veteran populations and continued to recognize Veterans Day as November 11. I can think of no valid reason for the Congress to remain obstinate on this issue; an overwhelming majority of the country believes that Veterans Day should be commemorated on November 11, and we as their Representatives should respond to their views.

The original intent of the 1968 Monday holiday bill, which included Veterans Day, was to establish uniformity in the recognition and celebration of public holidays. This Nation's veterans, however, do not want to sacrifice a tradition and memory which they hold dear for the sake of convenience, and I believe that the generations of veterans who served this Nation should be granted their request, to restore observance of Veterans Day to November 11. This day is of particular significance to the veterans of the First World War; sad to say, their ranks are diminishing. I believe we can reiterate our gratitude to these veterans, and to the countless men and women who followed in their footsteps, by passage of S. 331.

Mrs. SCHROEDER. I yield to the gentleman from Missouri (Mr. RANDALL) such time as he may consume.

Mr. RANDALL. I rise in enthusiastic support of the effort to return Veterans Day to November. I thank the gentlewoman from Colorado for yielding and I also thank her for holding hearings on this important matter.

On the first day for the reintroduction of bills in January of this year I was fortunate enough to get the coveted number 11 assigned to my bill to return Veterans Day to November 11.

Let us never forget there was only one November 11 in 1918 at the 11th hour, the 11th day, the 11th month hostilities ceased. There is no way for any other date to have the significance of November 11.

This legislation is long overdue. Forty-six out of the fifty States have already acted to observe Veterans Day on November 11. About my only regret is that we are considering this measure under suspension of the rules. If that were not true I would have an amendment for an immediate change this year instead of 1978.

I am most grateful for this action today. I know all veterans' organizations are most encouraged by what we are doing. There are a great many people interested in this move to restore November 11 as the rightful day of observance who are not members of veterans' organizations. There may not be many of the old "oneies" left who served in that war but they left a lot of relatives and friends who want to see justice done by the restoration of the day of observance returned to its traditional day.

Early in the spring I authored and became the first signatory to a discharge petition. We did not move very fast because I had confidence the gentlewoman from Colorado would proceed with hearings. Now the proof of the pudding is in the eating. We have this legislation before us today. This is a most significant day for veterans, veterans organizations and anyone else who shares the view that the 11th hour of the 11th day of the 11th month, should not, no, cannot be observed with any significance on the fourth Monday in October.

Mrs. SCHROEDER. I yield 1 minute to the gentleman from West Virginia (Mr. HECHLER).

Mr. HECHLER of West Virginia. Mr. Speaker, I think this resolution is clearly different from the two preceding resolutions. The resolution corrects a mistake which the Congress made when we unwisely changed Veterans Day. November 11, 1918, was Armistice Day. It has traditionally been celebrated as Veterans Day, and the hundreds of thousands of veterans of World War I are being overlooked by the change. Congress did make an unfortunate error in changing the date from November 11. This is the reason I strongly support this resolution. I feel this is a great deal different from the two previous resolutions and other resolutions which deal with the designation of every special day under the sun that any particular interested group wants to run in with.

In the current energy crisis, I also have grave reservations about the basic concept of the 3-day holiday.

But, most of all, because I am a traditionalist, I strongly support the restoration of November 11 as the official day to commemorate Veterans Day to honor the veterans of all wars.

Mr. STRATTON. Mr. Speaker, I yield myself 3 minutes.

GENERAL LEAVE

Mr. STRATTON. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks on the subject of the pending legislation.

The **SPEAKER** pro tempore (Mr. McFALL). Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. STRATTON. Mr. Speaker, I would like to ask the chairman of the full committee or the chairwoman of the subcommittee if they would reassure us on the point that I referred to earlier, the point that is in the report, that notwithstanding this bill they do not plan to make any further inroads on the Monday holiday legislation and do not anticipate that any further legislation along these lines would be recommended by the committee.

Mrs. SCHROEDER. Mr. Speaker, if the gentleman will yield, I will be glad to respond to that inquiry.

I think most of the Members are in sympathy with Monday holidays, but one of the problems is that when we have 46 States and the group we are honoring, for example, the veterans, and the official spokesmen are saying that is not the day they want to have, it seems to me the Federal Government should not stand in the way and say, "No, you cannot return the date to November 11."

Mr. STRATTON. Mr. Speaker, would the gentlewoman then assure me that she is not going to entertain any other legislation that would further erode this basic statute?

Mrs. SCHROEDER. If the gentleman will yield, I would be happy to assure the gentleman that we have not declared war on Monday holidays, that this is not a secret way to nibble them away or eat them away one by one, but this was one that was supported by 46 States. That is what put us into this position.

Mr. STRATTON. The gentlewoman's report says "The committee does not consider any further changes in the Monday Holiday Act." Does that statement stand?

Mrs. SCHROEDER. That statement stands and as far as I know, there are no other bills we are dealing with that would touch the Monday Holiday Act.

Mr. STRATTON. Mr. Speaker, I thank the gentlewoman.

Mr. McCLORY. Mr. Speaker, today we vote on S. 311, the bill that would repeal that portion of the so-called Monday Holiday bill enacted in 1968, insofar as the observance of Veterans Day is concerned. I urge my colleagues to reject S. 311 as an unwarranted attack on the Federal schedule of Monday holidays.

Mr. Speaker, it should be recalled that the movement to establish certain of our national legal holidays as Monday holidays was considered for many years before its final enactment in 1968—after voluminous testimony and extensive debate on the floor of the U.S. House of Representatives, in which I personally participated. This act passed the House on May 9, 1968, by a margin of greater than 2 to 1—with 212 yeas to 83 nays.

Mr. Speaker, the Monday Holiday Act is essentially grassroots legislation, designed to benefit American families whose opportunities for wholesome and constructive activity are greatly enhanced when they can be together during these long weekends to commemorate the historic events which are associated with these national holidays.

Mr. Speaker, I realize that the pending measure relates solely to the subject of Veterans Day with which I have deep personal interest. I can recall the first Armistice Day on November 11, 1918. Indeed, the impact of that occasion on me as a youth of 10 years of age provided a lasting imprint which established in my mind and memory the significance of that particular date in our Nation's history. I realize the sentimental attachment which all of us have who were involved in one way or another with the Great War—fought to make the world safe for democracy—which ended finally and dramatically at the 11th hour of the 11th day of the 11th month in the year 1918.

However, Mr. Speaker, in our redesignation of Armistice Day as Veterans Day in 1954, we undertook to establish a day of national observance to commemorate the veterans of all wars. Let me recall that while World War I ended on November 11, 1918, World War II ended on September 21, 1945, the Korean war on July 21, 1953, and the last U.S. troops were pulled out of Vietnam on March 29, 1973.

On whatever day we pay particular honor to our veterans—the celebration is intended for the veterans of all these wars and is not limited to the veterans of World War I.

Mr. Speaker, with respect to Veterans Day and all other days which are included in the Monday holiday legislation, the special significance which can be attributed to these days in our history are greatly enhanced when celebrated on specially designated Mondays. The opportunity to prepare for such observance is much greater when the preceding Saturday and Sunday are available to prepare for these celebrations such as parades, decoration of graves, and visits to historic sites which we associate with such national events.

I would like to observe that the hospitalized veterans derive particular benefits from the observance of Veterans Day on the fourth Monday in October in contrast to the calendar date of November 11. The office of the Administrator of Veterans Affairs has reported that the VA's very important patient program has been an outstanding success since the advent of Monday holidays. Under this program, the VA reports that—

> The three-day weekend enabled many patients to take advantage of a 72-hour pass to spend time with relatives, when otherwise they could not have, had the holiday been only of 24 hours duration. For the same reason, relatives were able to visit veterans in our 165 hospitals.

Mr. Speaker, this VA statement adds convincingly to my belief that these hospitalized veterans who are so deserving of our respect and attention has been the particular beneficiaries of the Monday observance of Veterans Day. These benefits would be lost if we should return Veterans Day to a fixed calendar date.

Mr. Speaker, the confusion which accompanies the observance of Veterans Day on the calendar date of November 11 was amply demonstrated in the State of Illinois in 1973. With Veterans Day falling on Sunday, November 11, there were some communities which observed it on Friday, November 9; others staged and observed it on Saturday, November 10; still others on Sunday, November 11; and finally those who decided to delay their observance until Monday, November 12. Surely, no one can claim that this disjointed, haphazard situation is a preferable format for honoring our veterans, when the Monday Holiday Act provides an observance on a day certain every year, with no possibility of the Sunday or midweek planning problems that plagued observances of this important national event in the past.

Observing Veterans Day on the fourth Monday in October every year has the added feature of insuring that there is a full weekend immediately preceding the date of observance that can be utilized either for more extensive planning or for a full 3-day program of patriotic events commemorating and honoring our veterans and their tremendous contributions to our free society.

Finally, I would like to point out that the Monday Holiday Act, enacted in 1968, retains the support of the vast majority of the American people. A poll was conducted recently in my own home State of Illinois by the Chicago Association of Commerce and Industry, following the confusion and disruption of dual observances of Memorial Day mandated by different Federal and State laws. This poll reveals that an overwhelming 98 percent of the association's members—certainly including a large percentage of veterans—favor the Federal holiday plan.

Furthermore, Mr. Speaker, it is my fear that the passage of this bill and the loss of Veterans Day as a Monday holiday will just be a prelude to the gradual return of the other recognized Monday holidays to their old calendar dates of celebration. The concept of the Monday holiday has proved to be sound. We should seriously consider the consequences of removing Veterans Day from the federally approved Monday holidays.

The shift of Memorial Day, and then, eventually, Columbus Day and Washington's Birthday to their previous dates of observance would be a huge loss to us all, and it concerns me that by the passage of this legislation, we set the stage for the dissolution of the Monday holiday concept. I feel that it is very important that we keep the Federal commitment to Monday holidays intact.

The experience of the first 4 years of observing Federal holidays, including Veterans Day, under the Monday Holiday Act has been a tremendous success from all points of view. If this House, in its wisdom, decides that the date of November 11 deserves special Federal designation in order to honor veterans of World War I, then I would like to recommend H.R. 5880 to its attention—a bill which I have introduced to reinstate Armistice Day as November 11 and which authorizes and directs the President to issue annually a proclamation calling upon the people of the United States to commemorate and recognize Armistice Day with appropriate celebrations and observances. By enacting this legislation, the American people could pay special homage to the veterans of World War I in ceremonies on November 11, while retaining the many benefits of Veterans Day as a Monday Holiday which I have already described.

Mr. Speaker, it remains my strong belief that if we are truly interested in the Federal Government providing the most fitting and appropriate format for honoring all of our veterans of all wars, then we should continue to observe Veterans Day on the fourth Monday in October.

Mr. Speaker, I urge my colleagues not to support this legislation which would redesignate November 11 as Veterans Day. To do so, I believe, would be detrimental to the interests of this Nation's veterans and to all the American people.

Mr. MONTGOMERY. Mr. Speaker, I rise in very strong support of S. 331 and urge my colleagues to give unanimous approval to this measure which will return Veterans Day to the historically significant date of November 11.

While it might have made sense for the Congress to change the observance of some events to a Monday holiday schedule, I feel that it was a mistake to have ever included Veterans Day. I am happy that we are now recognizing the errors of our ways and are now considering legislation that will return the celebration of Veterans Day to its rightful place each year.

The fact that 46 of our 50 States have now switched back to November 11 as the official date for Veterans Day is ample evidence that the American people are opposed to the Federal Government designating the fourth Monday of each October as the time to observe the end of World War I.

I have long supported this legislation including the signing of a discharge petition to force a similar bill out of committee in the last Congress. I commend the Post Office and Civil Service Committee for reporting this bill out and thank them for making it possible for the House to have an opportunity to vote on this important matter.

Mr. Speaker, in the hearts and minds of all Americans, as well as our World War I Allies, November 11 of each year is Armistice Day or Veterans Day. It is only right and proper that our own Government give recognition to this fact and return America's observance of Veterans Day to its proper date each year.

Mr. FINDLEY. Mr. Speaker, it was the 11th month, the 11th day, and the 11th hour; the armistice that ended World War I had just been signed. Prospects for world peace appeared bright. A year later, on November 11, 1919, President Woodrow Wilson issued the following proclamation establishing the tradition of Armistice Day:

> To us in America, the reflections of Armistice Day will be filled with solemn pride in the heroism of those who died in the country's service and with gratitude for the victory, both because of the thing from which it has freed us and because of the opportunity it has given America to show her sympathy with peace and justice in the councils of the nations.

From that day forward, Armistice Day celebrations became a custom throughout the country. Finally, in 1938, Congress recognized this custom and made Armistice Day a legal holiday "to be dedicated to the cause of peace." This was a fitting tribute to the men who made the world safe for democracy. More, it was an annual reminder of the price that had been paid for peace.

The peace that followed the armistice was an illusory one that lasted less than a generation. As Congress was making Armistice Day a legal holiday, facist dictatorships were emerging, spreading and preparing to engulf the world in war. The holocaust that followed claimed far more lives than World War I. In 1950, the United States was again at war, and again Americans were dying in far-off battlefields. In 1954, after the cessation of hostilities in Korea, Congress recognized the services of those who had fought and died in World War II and Korea by changing the name of Armistice Day to Veterans Day.

In 1968, Congress enacted legislation that created several 3-day weekends by celebrating certain national holidays on Monday. Veterans Day was designated the fourth Monday in October. Two States refused to recognize the change; 40 more have since enacted legislation on the State level returning Veterans Day to November 11, including my own State of Illinois. Today, we are considering a measure which will return Veterans Day to November 11 all across the land.

In the past several years, I have sponsored legislation seeking this change. I very much support the measure we are considering today. Most of our Monday holidays are celebrations of events of which the exact dates are unknown. When Columbus first landed is a fact lost in historical obscurity. George Washington's birthday changed even during his own lifetime. November 11, however, is a day filled with meaning; a day tied to a specific occurrence. As we change Veterans Day back to where it should be, I hope we will also renew our commitment to "show sympathy with peace and justice in the councils of the nations."

Mr. BENNETT. Mr. Speaker, for more than half a century, this Nation marked November 11 with a great national reverence. That date, which designates the official end of World War I, was first known as Decoration Day. In 1926, Congress adopted a resolution empowering the President to proclaim November 11 as Armistice Day, and in 1938 this day was made a great national holiday. In 1954, Congress officially changed the name of the observance to Veterans Day to commemorate all of America's veterans.

I opposed the 1971 law which moved the observance of Veterans Day from November 11 to the fourth Monday because I felt that the historical significance of this day far overshadows the convenience of a 3-day weekend. The majority of States obviously shares this opinion as evidenced by the fact that two States continued to observe Veterans Day on November 11 after the 1971 law was passed and 41 States, including my State of Florida, which moved the observance to October have now moved back to November 11.

I have introduced legislation to move the observance of Veterans Day back to November 11 and I am glad to see that this goal is now within reach. I heartily endorse S. 331 and urge my colleagues to support this worthwhile measure.

Mr. CONTE. Mr. Speaker, I rise in support of the bill to officially redesignate November 11 as Veterans Day.

Fellow Members, Public Law 90-363 which is known as the "Monday Holiday Law", serves an extremely useful purpose in enabling Americans to enjoy several 3-day weekends. The public was extremely receptive to the Federal holiday schedule with one exception—Veterans Day, which was designated as the fourth Monday in October.

All but four States continued to recognize Veterans Day on November 11 instead of the fourth Monday in October as designated by Public Law 90-363. My sentiment goes with that majority of States, for it was on this 11th day of November at 11 o'clock a.m. that hostilities during World War I were transformed into armistice. It was on Armistice Day—as it was called until 1954—November 11, 1921 that the body of the Unknown Soldier was laid to rest at Arlington National Cemetery. Two of our World War I Allies—Great Britain and France—still recognize November 11 as the official date to commemorate those who served their country during World War I.

Until Public Law 90-363 became effective in 1971, Americans had come to recognize the 11th hour of the 11th day of the 11th month as a special time to honor those who served this great Nation and the survivors of those veterans who gave their lives so that this country would continue to live in the freedom it holds so dear.

It is clear that a strong sentimental attachment has been placed on the 11th day of November—it must be preserved. I strongly urge my colleagues to support this important legislation to restore designation of Veterans Day to November 11.

Mr. TAYLOR of Missouri. Mr. Speaker, I am glad to lend my support to legislation that redesignates November 11 as Veterans Day and I am pleased that the bill was formulated within my Committee on Post Office and Civil Service.

Mr. Speaker, the date of November 11 has always had a special significance to our veterans, especially those who served so honorably in World War I.

I well remember my father telling me on many occasions that it was the 11th hour, of the 11th day of the 11th month that the armistice was declared, bringing to a close what was then called the most destructive and far-reaching war in human annals.

It was fitting that Armistice Day was later changed to Veterans Day so as to include those who served in World War II, the Korean conflict and the Vietnam conflict.

Mr. Speaker, a grateful Nation has never forgotten the sacrifices made by those who served in our Armed Forces. We have helped them further their education, we have helped them build their homes, we have provided hospitals to care for the sick and infirmed, and today we are working to help find employment for those who are without jobs. I would also hope that we would be able to provide additional benefits for those veterans and widows of World War I.

Mr. Speaker, I am hopeful that my colleagues will join with me today to return Veterans Day to its rightful and traditional place on the calendar, November 11, and may it never be changed again.

Mr. ASHBROOK. Mr. Speaker, I strongly urge the passage of S. 331. This bill will restore Veterans Day to November 11 and make it a legal public holiday.

I have supported a return to November 11 ever since the change was made in 1968. The tradition and sentiment associated with that day makes it more appropriate than designation of some other day.

On the 11th hour of the 11th day of the 11th month in 1918, hostilities officially came to an end. To commemorate this event and to pay tribute to our World War I veterans Congress set aside November 11 as Armistice Day. In 1954 Congress redesignated that date as Veterans Day.

Despite the 1968 act, November 11 has retained its significance in the public mind. This is reflected in the States, where the overwhelming majority continue the traditional November 11 observance.

Changing Veterans Day to the fourth Monday in October was a mistake. It is time that the Congress corrected its error and restored Veterans Day to November 11.

Mr. MILLER of Ohio. Mr. Speaker, I am happy to give my whole hearted support to S. 331, returning the Federal observance of Veterans Day to its proper date of November 11 each year. A total of 46 of the States already have reinstated November 11 as Veterans Day on the State level. It is time that the Congress followed the lead of the States and remedied a switch that never should have been made in the first place. In 1968, when the bill creating the so-called Monday holidays passed the Congress, I was 1 of only 83 Members who opposed the legislation. I strongly support S. 331 and urge my colleagues to join me in returning Veterans Day to that proper and historic date, November 11.

Mr. BEARD of Rhode Island. Mr. Speaker, I rise to commend to this House the favorable consideration of the bill to restore November 11 as a day of remembrance of all those veterans who have given their lives in the service of our country. When I look over the annual calendar of holidays, I wonder what has happened to our national purpose in observing these holidays. Labor Day, once a great tribute to the labor movement, now seems to be devoted to the last great effort to relax in the sun.

The meaning of our national holidays should be appreciated and understood by the American people and a significant step in that direction would be the enactment of this bill which would, first of all, express the wishes of millions of veterans throughout the Nation. Second, we may, by this action, restore to our national heritage the full significance of not only Veterans Day, November 11, but every national observance that is so much a part of the history of this country.

Mr. JOHNSON of California. Mr. Speaker, less than 1 year before we officially celebrate our Bicentennial, the House of Representatives has the opportunity to reestablish the original significance to one of this Nation's most important holidays—Veterans Day.

The history of this Nation, and of the colonies before it, is laced with the stores of brave men who fought for their country to protect the ideals for which they stood. America is the "land of the free and home of the brave" because of those men and women who have given of themselves so that our country may prosper and grow. These are our veterans, and we must not forget their contributions.

In 1968, the 90th Congress approved legislation establishing national holidays on Mondays so that 3-day weekends could be taken. The law became effective in 1971. We took this action for convenience sake. All too soon we realized the effect this had on the commemoration of the valiant deeds of our veterans. We can restore that full meaning to our celebration by returning Veterans Day to November 11.

Virtually every veterans organization and thousands of veterans and citizens would once again like to see this holiday observed to serve the cause of peace, as opposed to just another convenient 3-day weekend.

Most of the States, a total of 42, now observe Veterans Day on November 11 rather than the fourth Monday in October. California is among the 42 States which observe the original holiday. This resolution would put Federal law in conformity with the laws of the majority of States.

I feel it important to observe November 11 with the same emotion and feeling that is in the hearts of our World War I veterans who recall the impact of the ceasefire on the 11th month, the 11th day, and the 11th hour in 1918. Let us not dispose of this great American spirit just for convenience sake. Instead, let us emulate their spirit by rededicating ourselves to the establishment of peace throughout the world.

Mr. BIAGGI. Mr. Speaker. I rise to give my support to S. 331 legislation which would return the celebration of Veterans Day to November 11. Passage of this legislation would correct an unintended injustice against the veterans of this Nation caused when this celebration was moved from the traditional November 11 date.

Public Law 90-363 established that Veterans Day and certain other holidays were to be celebrated on Mondays to allow Americans to have additional 3-day weekends. Since the enactment of this legislation most States have conformed with the Federal law and the act has met with great acceptance among the American people.

However there was and remains a great deal of opposition to including Veterans Day as one of these holidays. The opposition to this can best be demonstrated by the fact that 46 out of 50 States in the Union have returned the celebration of Veterans Day to November 11. In addition there was great opposition among veterans groups and the American people who felt that November 11 was the appropriate day for us to honor our veterans.

The date of November 11, 1918 was a day of profound historical significance for on that day hostilities ended between the Allied Nations of the United States, Great Britain and France and the entente powers of Germany and Austria. It was a day of wild celebration for it marked the end of World War I. November 11 was celebrated as Armistice Day until 1954 and then was officially renamed Veterans Day. It is also a holiday in France and Great Britain.

We in the Congress have expressed our support for this legislation. Last year I and over 200 of my colleagues cosponsored similar legislation, and I am pleased to see this bill finally being considered today. Our passage of this bill today will mean a great deal to the veterans of this Nation. I consider it appropriate for us to pass this legislation this year so next year during our Bicentennial celebration we can officially pay tribute to the contributions of our veterans to our Nation's history on the November 11 date. We are a nation built on tradition; let us demonstrate this today by passing this bill.

Mr. BOLAND. Mr. Speaker, I support S. 331, which would officially reestablish Veterans Day as November 11.

It has become obvious over the past 5 years that a majority of the States are not going to accept Veterans Day as the fourth Monday in October. In fact, only five States have officially designated the October date as Veterans Day. It is also obvious to anyone who has contact with veterans' organizations that the nearly 30 million veterans in the United States are overwhelmingly in favor of affirming November 11 as Veterans Day.

The four other Federal Monday holidays have been quite well received. National days of observance such as Columbus Day and Washington's Birthday are best celebrated over a long weekend. On these days, relaxation and travel are the favorite pastime of most people and an extra day allows them to commemorate the day by taking a break from work and school. Veterans Day, on the other hand, is a more solemn occasion for millions of Americans.

The date November 11, 1918 ranks high among this country's most memorable days. On that Armistice Day the hopes of the American people for lasting peace were never higher. We should mark that day appropriately. It is a historic occasion that cannot be moved to a Monday. It is a date when we should all show our respect and thanks to the men and women who have served this country so well in our Armed Services. It is a meaningful day that deserves full recognition.

Mr. Speaker, it seems to me that we should clear up the confusion surrounding Veterans Day and return it to its rightful place on the 11th day of November. I intend to observe Veterans Day on November 11 and it is obvious to me that the veterans of America will continue to recognize November 11 as Veterans Day. The people of the United States recognize the value and significance of November 11 and it is time Congress admits its mistake and officially reestablishes the 11th day of November as Veterans Day. I urge all of my colleagues to support S. 331.

Mr. DOMINICK V. DANIELS. Mr. Speaker, I rise in support of S. 331, which will mark November 11 as the day this Nation officially observes Veterans Day.

As many of my colleagues may recall, we used to set aside November 11 to commemorate the contributions of the men and women who served their country in the Armed Forces. It was a day when we would pause to reflect how fortunate we were as a nation to have had brave and dedicated young citizens who served their country with distinction. In the pursuit of peace in the world, many of these men and women made the ultimate sacrifice—and this Nation owes them a debt which it can never fully repay. However, we can let their families know that their sacrifice has earned the Nation's eternal gratitude by the yearly commemoration of a day to honor all those who struggled so valiantly to keep the flame of peace alive in the world.

Mr. Speaker, as much as I appreciate our great national affection for 3-day holiday weekends, I believe the shifting around of our annual Veterans Day observance has detracted from the solemnity of the day, and has diminished the quality of our recognition of these brave men and women.

I believe there is still room for tradition in this society, even as we race forward toward the 21st century. A tradition we must keep alive is the setting aside of a single day each year to honor the veterans of this Nation. And this day should remain the same, and should not be changed around every year to suit some arbitrary holiday schedule.

Surely we can muster more concern for the proper honoring of our Nation's veterans than we expend for the development of a 3-day holiday weekend.

Mr. Speaker, I urge my colleagues to join me in supporting S. 331. The adoption of this legislation by the House will demonstrate to America's veterans that we care enough about them to want to designate a special day in which to honor them.

Mrs. HOLT. Mr. Speaker, it is with enthusiasm that I support S. 331, the measure presently before us which would restore the commemoration of Veterans Day to its original date, November 11.

This legislation has been ardently sought by veterans organizations throughout the Nation. They protested vigorously when Congress changed the observance to the 4th Monday of each October.

The date, November 11, has profound significance as the date of the armistice that ended the First World War. Forty-six of the 50 States continue to observe November 11 as Veterans Day.

I am among the Members of the House who sponsored legislation to reestablish the November 11 observance, and it is very gratifying to see that the committee has responded to my 2½-year effort to secure this measure. I know that veterans' organizations with millions of members, will be delighted with the enactment of this bill.

Mr. Speaker, I urge my colleagues to join me in wholehearted support of S. 331. After all, it is the veterans we are talking about, and I believe that their day should be one that has significance for them.

Mrs. SCHROEDER. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Colorado (Mrs. SCHROEDER) that the House suspend the rules and pass the Senate bill (S. 331).

The question was taken.

Mr. RANDALL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 3(b) rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Debate has been concluded on all motions to suspend the rules.

Pursuant to clause 3, rule XXVII, the Chair will now put the question on each motion on which further proceedings were postponed in the order in which that motion was entertained.

Votes will be taken in the following order: Senate Joint Resolution 125, S. 331.

The Chair will reduce to 5 minutes the time for any electronic votes after the first such vote in this series.

NATIONAL ST. ELIZABETH SETON DAY

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the Senate joint resolution (S.J. Res. 125).

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Colorado (Mrs. SCHROEDER) that the House suspend the rules and pass the Senate joint resolution.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate joint resolution was passed.

A motion to reconsider was laid on the table.

A similar House joint resolution (H.J. Res. 597) was laid on the table.

COMMEMORATING VETERANS DAY ON NOVEMBER 11

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the Senate bill S. 331.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Colorado (Mrs. SCHROEDER) that the House suspend the rules and pass the Senate bill, on which the yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 410, nays 6, not voting 17, as follows:

[Roll No. 503]

YEAS—410

Abdnor
Abzug
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashbrook
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Barret
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Casey
Cederberg
Chappell
Chisholm
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Collins, Tex.
Conable
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dent
Derrick
Devine
Dickinson
Dingell
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Esch
Eshleman
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flowers
Flynt
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Frenzel
Frey
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Green
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harkin
Harrington
Harris
Harsha
Hastings
Hawkins
Hayes, Ind.
Hays, Ohio
Hébert
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hicks
Hightower
Hillis
Hinshaw
Holland
Holt
Horton
Howard
Howe
Hubbard
Hughes
Hutchinson
Hyde
Ichord
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Karth
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Kindness
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
McCloskey
McCollister
McCormack
McDade
McDonald
McEwen
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Madigan
Maguire
Mahon
Mann
Martin
Mathis
Matsunaga
Mazzoli
Meeds
Melcher
Meyner
Mezvinsky
Michel
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Regula
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Risenhoover
Roberts
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Runnels
Ruppe
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Satterfield
Scheuer
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Shuster
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stark
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Udall
Ullman
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Wydler
Wylie
Yates
Yatron
Young, Fla.
Young, Tex.
Zablocki
Zeferetti

NAYS—6

Dellums
Diggs
Holtzman
Rees
Stratton
Wilson, C. H.

NOT VOTING—17

Anderson, Ill.
Burke, Fla.
Conlan
Derwinski
Fary
Foley
Fraser
Hungate
Jarman
Jordan
McClory
Metcalfe
Pepper
Stanton, James V.
Van Deerlin
Young, Alaska
Young, Ga.

So (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. James V. Stanton and Mr. Van Deerlin for, with Mr. McClory against.

Until further notice:

Ms. Jordan with Mr. Anderson of Illinois.
Mr. Hungate with Mr. Burke of Florida.
Mr. Young of Georgia with Mr. Derwinski.
Mr. Foley with Mr. Conlan.
Mr. Fary with Mr. Jarman.
Mr. Metcalfe with Mr. Young of Alaska.
Mr. Fraser with Mr. Pepper.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON H.R. 8070, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT—INDEPENDENT AGENCIES APPROPRIATION ACT, 1976

Mr. BOLAND. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 8070) making appropriations for the Department of Housing and Urban Development, and for sundry independent executive agencies, boards, bureaus, commissions, corporations, and offices for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts? The Chair hears none, and appoints the following conferees: Messrs. BOLAND, EVINS of Tennessee, SHIPLEY, ROUSH, TRAXLER, BAUCUS, STOKES, Mrs. BURKE of California, Messrs. MAHON, TALCOTT, MCDADE, YOUNG of Florida, and CEDERBERG.

TOWARD ESTABLISHMENT OF A NEW POLITICAL ORDER FOR THE PEOPLE OF GUAM

(Mr. WON PAT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WON PAT. Mr. Speaker, today I have the great pleasure of introducing legislation whose goal is the establishment of a new political order for the people of Guam.

The legislation I herewith present to the Congress for consideration calls for authorization for the Legislature of Guam to call a constitutional convention for the people of Guam, drafting of a constitution, presentation of a proposed constitution to the voters of Guam, and, if approved by those voters, implementation of that Constitution.

This represents a great step forward for the people of Guam, U.S. citizens who have repeatedly demonstrated their loyalty and devotion to the United States and now experience the additional justifiable pride of knowing they have reached the landmark of political development: local self-determination.

We on Guam, as American citizens know from long experience of the meaning and importance of self-determination. Ever since Guam came under the U.S. flag in 1898 our people have pursued with a singularity of purpose a single basic goal, full participation in the democratic processes of our country consistent with its high ideals and principles.

This striving has been coupled with patience and a realization of realities. Evolution necessary to change a sleepy tropical island into a thriving American community of more than 100,000 persons has been slow and gradual but constant and steady.

Three decades ago Guam was recovering from the ravages of total war. Despite years of enemy occupation and destruction, the people of Guam again came together to pursue their single basic goal.

I was privileged to participate in the development of the Guam Organic Act, which was enacted 25 years ago and provided for the establishment of a territorial civil government and conferred U.S. citizenship on the people of Guam. This act has been amended numerous times in the intervening years as the political maturity and needs of the people of Guam warranted.

In 1970, another historic milestone was passed when the people of Guam attained the right to elect their own Chief Executive for the first time in more than 300 years.

In 1972, Guam achieved the right to have a delegate in the U.S. House of Representatives. It was my privilege and honor to be selected as the first Representative of Guam to this esteemed body.

In this capacity, one of my primary objectives has been attaining ever greater progress toward the high goals of the people of Guam as recognition of the success of their own efforts in establishing an ever-improving and modern territory of the United States and their constitutional rights as U.S. citizens.

To this end I have introduced legislation which would recognize this progress and development by the people of Guam and their unswerving dedication and loyalty to the United States and its ideals and principles. Positive congressional and Presidential actions and responses have resulted.

One of my first acts was to propose to the President in September 1973 the appointment of a special committee to review the political status of Guam.

Almost simultaneously I introduced House Concurrent Resolution 296 requesting Congress to give "serious consideration to the political status preference of the people of Guam and to recognize the contribution of their elected representatives toward the principle of government by the consent of the governed."

In that same session of the 93d Congress I also introduced House Joint Resolution 411 which would have extended to the citizens of Guam the right to vote in Presidential elections.

In the present session I have had the pleasure of introducing House Concurrent Resolution 106 which called for Congress to afford the people of Guam the opportunity to freely express their political status preference and give serious consideration to the recommendations of a duly constituted Guam Constitutional Convention, and House Joint Resolution 489 to establish the Commission on the Political Status of Guam and to study and recommend changes in the Guam Organic Act and the political status of Guam.

The impetus for enhanced political status for Guam has been constant, consistent with the political, social, and economic development of Guam itself.

Today, Guam is an organized but unincorporated U.S. territory. Thus, we are united by virtue of treaty, friendship, common interests, loyalty and citizenship, but are denied membership in the U.S. body politic. Guamanians, as their fellow citizens on the mainland, are realistic enough to aspire for a status which they can wholeheartedly support.

The present status no longer enjoys such support in Guam. Many provisions of the original Guam Organic Act were designed to provide Federal oversight. These provisions are now irrelevant, cumbersome and far outdated. They no longer are productive or necessary in present day Guam.

Immense vagaries exist in official U.S. attitudes toward its territories. The inconsistencies and often a lack of well-defined policy about territorial matters have led to numerous legal complications and local frustrations. What we clearly need in 1975 is an end to these conditions and practices.

In light of Guam's demonstrated readiness and capabilities for self-government, I believe Congressional approval of legislation to provide this is long overdue, and the legislation I have introduced today provides an appropriate mechanism whereby Congress may formally recognize Guam's political maturity and needs and thus grant the people of Guam the local self-determination which is so much a part of our national tradition.

Enactment of the legislation I am introducing today can in no way be construed as an indication by the people of Guam for a status other than home rule. Statehood for Guam is a goal to which all of us should aspire. I want statehood for Guam, as do many of our people. However, we recognize it is necessary that our idealism be tempered with practicality and that attainment of this ultimate status must be accompanied in gradual increments as Guam's capabilities and needs warrant.

There is an alternative to statehood: Commonwealth status. Such status would provide Guam with a constitution of its own choosing and our legislature would have far greater autonomy in deciding our local affairs.

This legislation does not call for establishment of a commonwealth status. Such a determination would be reserved for the constitutional convention which is called for. Nor would this legislation alter the basic framework of the relationship between Guam and the Federal Government.

What it does accomplish is to provide a deserved greater degree of self-government within this framework for those U.S. citizens who are proud to be the most forward defense bastion and showcase of U.S. democracy in the Pacific Basin.

It is particularly appropriate in this year of the 200th anniversary of the attainment of self-determination by the original United States that legislation such as this should be enacted to extend these basic democratic principles to the people of Guam.

We on Guam ask only that we be provided the opportunity to share equally in these principles. It is a right we have earned, and it is a right that we as U.S. citizens deserve. I trust that my colleagues in the Congress will concur and act with reasonable speed to grant the people of Guam their inherent political rights and to further resolve problems of Federal-territorial relationships. Thank you.

FOURTH ANNUAL CORPORATE TAX STUDY

(Mr. VANIK asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. VANIK. Mr. Speaker, today when we are considering the effect of oil policy on the American people, I would like to make public a portion of my upcoming fourth annual corporate tax study in which I have broken out figures for 17 of the Nation's largest oil companies, which are also members of Fortune magazine's "Top 100" major industries. Of the 15 companies who reported data to the Securities and Exchange Commission in a manner that allowed computation of effective tax returns, the approximate net income was $18,807,023,000. This report does not include two of the largest companies, Exxon and Shell, because information provided to the Securities and Exchange Commission made computations impossible.

It is appalling to note that the 15 major U.S. oil companies paid $9,554,112,000 to foreign countries but only reported $1,309,136,000 in U.S. Federal income taxes—and I have grave doubts that the Federal treasury actually received that amount of money in U.S. taxes.

What is so American about major American multinational oil companies if they paid 730 percent more to foreign treasuries than they did to the U.S. Government which provided them with franchise, security, and profit?

Following are the figures on the approximate effective tax rates and oil companies incomes:

APPROXIMATE EFFECTIVE TAX RATES PAID BY U.S. OIL COMPANIES—1974

Corporation	Adjusted net income before Federal and foreign income tax (thousands)	Approximate current Federal and foreign income tax (thousands)	Approximate effective worldwide tax rate (percent)	Adjusted net income before Federal income tax (thousands)	Approximate taxes paid to foreign governments (thousands)	Approximate current Federal income tax (thousands)	Approximate U.S. effective tax rate on worldwide income (percent)
Occidental Petroleum Co	785, 808	483, 887	61. 6	307, 450	478, 887	5, 000	1. 6
Texaco	2, 627, 283	1, 231, 900	46. 9	1, 383, 671	1, 186, 500	45, 400	3. 3
Mobile Oil Corp	3, 718, 412	2, 526, 265	68. 0	1, 107, 099	2, 467, 765	58, 500	5. 3
Atlantic Richfield	919, 736	434, 095	47. 2	539, 055	377, 455	56, 640	10. 5
Standard Oil, Ohio	190, 045	45, 818	24. 1	161, 757	28, 288	17, 530	10. 8
Gulf Oil Co	4, 047, 000	2, 831, 000	70. 0	1, 358, 000	2, 641, 000	190, 000	14. 0
Continental Oil	914, 389	558, 301	61. 1	420, 785	496, 162	62, 139	14. 8
Getty Oil Co	592, 755	279, 024	47. 1	383, 282	209, 473	69, 551	18. 1
Sun Oil Co	748, 304	352, 600	47. 1	487, 128	255, 196	97, 404	20. 0
Ashland Oil	159, 929	44, 200	27. 6	137, 325	13, 860	30, 340	22. 1
Standard Oil of California	966, 822	720, 300	74. 5	318, 622	640, 500	79, 800	25. 0
Phillips Petroleum	711, 938	328, 022	46. 1	506, 091	200, 469	127, 553	25. 2
Union Oil Co. of California	465, 126	219, 000	47. 1	321, 526	136, 900	82, 100	25. 5
Standard Oil of Indiana	1, 677, 309	720, 336	43. 0	1, 198, 193	410, 857	309, 479	25. 8
Cities Service Co	282, 167	88, 500	31. 4	271, 367	10, 800	77, 700	28. 6
Exxon	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Shell Oil	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Total	18, 807, 023	10, 863, 248	57. 7	8, 901, 351	9, 554, 112	1, 309, 136	14. 7

[1] Minority interest and/or income or loss reported under the equity method not separately disclosed. (data omitted.)

THE COMMISSION ON SECURITY AND COOPERATION IN EUROPE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New Jersey (Mrs. FENWICK) is recognized for 5 minutes.

Mrs. FENWICK. Mr. Speaker, I am introducing today a bill which would establish a Commission on Security and Cooperation in Europe. The Commission is designed to monitor international compliance with the Final Act of the Conference on Security and Cooperation which was signed by the United States, the U.S.S.R. and 33 other nations on the first of August 1975. The Commission—composed of 11 members—would play an information-gathering role only. Through its periodic reports to the House and the Senate and by providing Members with information at request, this Commission would give Members and their constituencies the wherewithal to evaluate compliance with the Helsinki declaration.

The principles enunciated in that document are neither startling nor restrictive for the United States. They are largely a restatement of American credos expressed in our own Declaration of Independence and Constitution. As President Ford said in his Helsinki statement the principles of these two American documents of freedom—which the European declaration so closely parallels—"remain the guiding lights of American policy, and the American people are still dedicated, as they were then, to a decent respect for the opinions of mankind and to life, liberty and the pursuit of happiness for all peoples everywhere."

Mr. Speaker, the Helsinki declaration is the product of 3 years of intensive negotiating and compromise. The concept of an all-European security conference was first broached by the Soviet Union 21 years ago. The exigencies of the cold war prohibited such a summit at that time and well into the next decade. In 1969, as the spirit of détente began to emerge, a Warsaw Pact appeal for the conference met a cautious yet positive response from the West. At that time the United States and our European allies felt that a security conference could be useful if some progress could be achieved on one of the most sensitive areas of East-West tension—Berlin.

The Berlin Accord, signed in September 1971, improved relations between East and West Germany and provided for a greater exchange of people and ideas between the two German States. Also in 1971, the Warsaw Pact countries agreed to begin talks on mutual and balanced force reductions—MBFR—within 2 years. With the initiation of these two preconditions, the way was open for the beginning of preparatory talks on a Conference on European Security and Cooperation in November 1972.

After a preliminary phase, conferees began to labor over a final document in September 1973. The final declaration—or "final act" as it is officially known—is not an international agreement as such. Rather, it is a declaration of mutually acceptable principles which the 35 signatories acknowledge as basics of interstate relations and cooperation. The declaration which President Ford signed on August does not carry the force of law, but is merely a declaration of good intentions. The document is organized into four major issue areas known most commonly as "baskets." The first basket deals with political and military questions such as the inviolability of frontiers by force, the sovereign equality of States, nonintervention in other States' internal affairs, and the respect of the equal rights and self-determination of peoples. The NATO Allies agreed fully with these principles but insisted on a reference to the possibility of peaceful change of borders. This key clarification regarding the inviolability of frontiers has been incorporated into the final declaration. Under basket 1, conference participants also expressed their intent to notify each other of military maneuvers and exchange observers at those maneuvers.

The second basket contains a number of declarations relating to the development of cooperation in the fields of international trade, industry, energy, science and technology, and the environment. Eastern European governments are particularly interested in this area.

The third basket—which was included because of the efforts of the United States and its Western Allies—concerns humanitarian and cultural affairs. The declarations in this area include—but go well beyond—cultural and educational exchanges of people and information. Basket 3 resolutions also declare the signatories' intent to permit people to leave and reenter their home countries on a temporary basis to visit family; to allow marriages between different nationals; to improve the circulation and exchange of printed, filmed and broadcast information; and to improve the working conditions, travel and research opportunities, and transmission of reports of journalists.

Finally, Mr. Speaker, basket 4 deals with followup arrangements to be discussed in an international conference in Belgrade, Yugoslavia, in 1977. By far the weakest of the four, this basket is the only reference in the declaration for the need to evaluate and monitor implementation of the Conference resolutions. Although Romania and Yugoslavia originally lobbied for a permanent council to monitor all the provisions of the Final Act, none was included in this declaration.

Mr. Speaker, I feel that the absence of a monitoring device is a weakness in the Helsinki declaration. While I support the resolutions contained in the Final Act as fully consistent with our own foreign policy goals and with the spirit of détente, I believe the success of the Conference on Security and Cooperation in Europe can only become evident through the implementation of the agreements. President Ceausescu, of Romania, spoke to this point at Helsinki:

> In Europe, true enough, there are States having different social systems, there are big States and small States, but security and cooperation should apply equally to establishing the relations between nations on a new basis, whether in the West, East, North or South. Participation in different blocs or differences as to the social system should not in any way prevent the application and the implementation of all the principles we have written down in the documents we are going to adopt. It is necessary to establish such relations in Europe in which each and every nation, irrespective of social systems or size, has an opportunity to participate

> on an equal footing in the settlement of all problems, to have its independence and sovereignty safeguarded and to enjoy fully the benefits of economic and social development, of progress and civilization.

Mr. Speaker, I am not deluded by this declaration into thinking that peace has been achieved. President Ford noted at Helsinki that "peace is not a piece of paper," but is a process that involves "mutual restraint and practical arrangements." We must hope that the principles of Helsinki will become in the next decade the efforts of the European countries to achieve a measure of security through cooperation.

The President correctly stated the importance of the declaration to Americans:

> The United States considers that the principles on which this Conference has agreed are part of the great heritage of European civilization which we all hold in trust for all mankind. To my country they are not clichés or empty phrases. We take this work and these words very seriously. We will spare no effort to ease tensions and solve problems between us. But it is important that you recognize the deep devotion of the American people and their Government to human rights and fundamental freedoms and thus to the pledges that this Conference has made regarding the freer movement of people, ideas and information.

The implementation of the principles of basket 3 should concern us in the 2 years prior to the evaluation conference in Belgrade. Americans will be facing issues before 1977 requiring knowledge of the degree of compliance in Eastern bloc nations. Congress will need to have clear and accurate information as to the progress in implementation of this accord. Military and economic developments are more easily quantified than human progress. The commission I propose would monitor all three areas, but would concentrate its efforts on those intangible humanitarian elements of the declaration which are not so easily assessed. These are, after all, the values which this country so strongly represents throughout the world. In short, we must concentrate on what America does best—speak for freedom and compassion across every barrier of dissent and distance.

Mr. Speaker, I feel that it is highly appropriate that a special commission undertake to monitor compliance with the Helsinki declaration. While the State, Commerce, and Defense Departments may be able to record educational and cultural exchanges, increased commercial activities and military maneuvers, Congress is more suited to check for compliance in the humanitarian area. A commission which would be able to devote its full attentions to this review, would also be in a position to coordinate the monitoring functions which the agencies may undertake in their own fields of responsibility. It is also appropriate that this commission be separate from existing committees. Its monitoring functions will transcend House and Senate committee jurisdictions, and, although I feel the commission should utilize the staff of other committees when their expertise would be useful, I think that the comprehensive nature of the Helsinki declaration requires a staff that can review all of its aspects.

Mr. Speaker, I am hopeful that the House will act quickly on this proposal so that the commission could begin its monitoring by the first of 1976.

BUREAUCRATIC INTERESTS AND THE ENERGY FAMINE: SOME VITALLY IMPORTANT THOUGHTS AS WE WEIGH OUR VOTE ON THE VETO OF OIL PRICE CONTROL EXTENSION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 30 minutes.

Mr. KEMP. Mr. Speaker, in the Old Testament there is a story about a dream which an Egyptian Pharoah had. In his dream seven lean calves ate seven fat calves, and seven blighted ears of grain ate seven succulent ears of grain. Joseph interpreted the Pharaoh's dream to mean there would be 7 years of good crops followed by 7 years of famine. The Pharaoh was convinced by Joseph's interpretation and put him in charge of storing food in good years for use in famine years.

Fortunately for the success of the program, God looked with favor on Joseph and helped him. Judging by the many bureaucratic foulups that are continually reported in the press, God does not help present-day bureaucrats.

I want to predict a dream which many Members of this Congress may have in the very near future. In this dream seven lean capitalists, seven oilfields, and a market system are devoured by 70,000 Federal bureaucrats and 70,000 intellectuals preaching that only Government regulations and controls can protect us from an energy famine. In this dream our cars have stopped, our factories are idle, and our social system has been transformed into that of ancient Egypt—rule by a Pharaoh and his bureaucracy. In this dream—or nightmare—private interests are replaced by bureaucratic interests, and in place of stabilizing private property rights there are no effective property rights at all and no constraints on bureaucratic actions.

Anyone who has had experience in Washington in recent years has had one foot in this dreamworld. So I believe this Congress can interpret this dream without the help of Joseph and help make sure it never becomes a reality.

There have been many allegations about the oil companies "ripping-off" the American consumer. But far too little has been said about the American consumers being "ripped-off" by bureaucrats acting in their self-interests. It is always a dangerous policy to direct all suspicion toward one interest group and to lodge all trust in another. The idea that the public should be suspicious of the private businessman, but should look with favor upon Government interventions as acts in the public interest is naive and reactionary.

It is reactionary because a truly modern society is one in which private action replaces bureaucratic, or state-functionary, action. And it is naive because it neglects the self-interest of bureaucrats and erroneously assumes that the interests of bureaucrats coincide with the interests of the public. To replace private interests with bureaucratic interests is not a step forward. It is a step backward into rule by Pharaohs.

In the 18th century, enlightened intellectuals were leading men forward to a modern progressive society based on individual liberty and private property. They well understood and wrote reasoned books about how the totality of pursuits of private interests served the public good. As long ago as 1714 Bernard Mandeville wrote "Private Vices, Public Benefits," and in 1776 Adam Smith in "The Wealth of Nations" produced a revolution in economic thought that coincided with the American Revolution.

It is not accident that the Declaration of Independence and "The Wealth of Nations" were both written in 1776. They both reflect the same revolution in thought that produced our system of political and economic liberty. In terms of the American Revolution, the advocates of state control are the true reactionaries of our age. On the eve of its Bicentennial, the American Revolution is in danger of succumbing to a statist counterrevolution.

Before this Congress further elevates bureaucratic action above private action, let this Congress test for coincidence between bureaucratic and public interests by examining the implications of the bureaucrats' proposals for dealing with the energy famine. This Congress must stand up for the interests of the people in this serious matter of energy, and cease being just another arm—another voice of the Federal bureacracy.

Bureaucrats have proposed price controls and rationing, increased regulation, excess profit taxes and in some cases nationalization. The Federal Energy Administration has even come forward with a proposal for a $100 billion Federal energy program.

To my mind, all these proposals are blighted grain and lean calves which will insure an energy famine.

Price controls hold down the price at which consumers can buy, so people have no economic incentive to economize on their use of energy. As the result of artificial lower prices, the demand for energy is greater than it would be if there were no price controls. Economists do not make any bones about the law of demand, which says that the lower the price, the greater the quantity demanded. Price controls have effects that are just as pernicious on supply, because the lower the price, the lower the profits and the lower the incentive to supply energy and develop new sources. Just the threat of price controls is enough to introduce distortions and inefficiencies into the economy, as well as shortages.

"Excess profit" taxes are a euphemism for the confiscation of private property. They eliminate the incentive and ability to make the investment necessary to insure the future availability of energy. Talk about nationalization has the same negative effect of discouraging oil companies from making investments today in hopes of profits tomorrow. We can already see effects of irresponsible government words and deeds in the efforts by oil companies to transfer their capital into businesses with a lower public profile and a less likelihood of public confiscation.

It is difficult in the light of past and existing realities to argue that such proposals, as bureaucrats and their allies in Congress make, are in the interest of the public and assure the provision of energy resources in the future. But it is easy to see that such proposals coincide with the interests of bureaucrats.

To put it simply and straightforwardly, to allow market forces to determine the allocation of resources does not increase the demand for bureaucrats. However, the bureaucrats' proposals—price controls, rationing, regulation, excess profit taxes, and nationalization—all increase the demand for bureaucrats. In the last 15 years especially, there has been a strong tendency to find and use a large assortment of social problems and crises as ramps for the expansion of Government.

The bureaucracy has to grow when price controls are enforced. When shortages result from the price controls, the bureaucracy has to grow more in order to ration the commodities that are in excess demand. When the price incentives that cause the proper allocation of resources cannot operate because of the controls, it is the bureaucracy that produces the production schedules which are forced on hapless suppliers. When the profit incentives for exploration and investment are destroyed, it is Federal bureaucrats who staff a nationalized oil industry.

A nationalized oil industry could not be expected to have any higher efficiency than the U.S. Postal Service. If this Congress thinks an oil industry with the efficiency of the Postal Service is in the interests of the American consumer, this Congress had best be prepared for the people's wrath.

The lack of any coincidence between the interest of bureaucrats and the interests of the public is underlined by the fact that bureaucratic nests are so heavily feathered by an energy crisis that the bureaucracy has no incentive to prevent one. As I brought to the attention of the House on September 4, the Federal Power Commission is needlessly delaying for 8 months the application of modern technology to the increased production of natural gas. Thus does the FPC continue in the tradition that has produced its only achievement—the reduction of the Nation's natural gas supplies. As Senator BARTLETT brought to the attention of the Congress on August 21, 1974, the result of the FPC's actions is that "exploratory drilling for gas has declined 50 percent over the last two decades. Reserves have decreased steadily." In his remarks before the Subcommittee on Antitrust and Monopoly, Senator BARTLETT made the startling revelation that "FPC price ceilings brought forth only a third of the new reserves which would have been developed under market-clearing conditions."

In the face of the fact that Government regulation has produced a two-thirds decrease in our reserves of natural gas, how can this Congress in good faith even mention more controls as the solution to the energy shortage which controls produced?

The curtailment of gas supplies, which is the direct product of Government regulation, is a double hammer blow to the American people. It both raises prices and reduces jobs. It throws our people out of jobs at the same time that it leads to higher prices. The longer supplies are held down by regulation, the higher the price must eventually be. The longer supplies are held down by regulation, the more jobs will be lost in industries dependent upon natural gas. Has the FPC made a contribution to the welfare of the American people which would offset the tremendous costs that it has imposed on them? Economist Paul MacAvoy of MIT and now on the Council of Economic Advisers and Steven Breyer of Harvard Law School answer the question in this way: "Regulation of natural gas has hurt consumers more than it has helped."

Although many scapegoats for the energy crisis have been proffered, I believe the best case can be nailed on the door of the Federal Government.

The great energy "rip-off" of the American people began with legislation in 1938 regulating gas pipeline companies. Sixteen years later the Supreme Court reinterpreted the law to include natural gas producers. Thus was the price of natural gas held down by legislation. Consumption was over stimulated, profits were under stimulated, and shortages were inevitable.

As it well knows, this Congress today is stuck with a problem caused by a Congress in the past—one by which we are not bound. We cannot avoid the fact that regulating the price of natural gas caused known supplies to be used at a greater rate and reduced the profit incentive to find supplies for the future. It is a documented fact that natural gas exploration declined. We all know that the shortages we face today were regulated upon us.

As a result of the FPC holding down the natural gas supply, oil had to step in and fill a larger percentage of the total demand for energy. During the time that the demand for oil increased as more people heated more homes and drove more cars further distances, and more factories employed more people in more jobs, the oil industry was able to increase supply and maintain a constant price. But once more people and more jobs than ever before were dependent on oil supplies, the Government began doing to the oil industry what it had done to the natural gas industry.

The accustomed profitability of the oil companies was reduced by the 1969 reduction in the depletion allowances. Next, various interventions of the Environmental Protection Agency led to an increase in the rate at which demand for oil products was rising but to a decrease in the rate at which supply was increasing. For example, at the same time that more gasoline was needed to travel the same number of miles because of the exhaust emission controls, oil refinery construction and exploration for crude oil were delayed by the EPA. General and specific uncertainties introduced into business decisionmaking concerning the nature, duration, and extent of each and every present and potential Government action is a great impediment to the growth and prosperity of the American energy industry. This Congress should listen to industry personnel when they tell us that uncertainty about the behavior of Government is a great destabilizing force in the economy.

As a result of the various Government actions that I have outlined, demand was caused to rise more rapidly than supply, thus putting an upward pressure on price. About this time price controls were put into effect, so prices could not adjust upward. The result was an excess demand at the controlled price—a shortage.

At the same time, consciously or not, other bureaucrats aided the success of the OPEC monopoly cartel. For example, a vice president of Bunker-Hunt Oil Co. testified before a Senate subcommittee that the bargaining power of U.S. oil companies in their negotiations with the Arabs was weakened by State Department bureaucrats who let the Arabs know the American oil companies were without the support of their own Government. Today the American Government continues to contribute to the success of the OPEC cartel by policies designed to hold down the supply of American oil. If this Congress would see to it that the American Government treats its own oil companies as well as it treats the OPEC cartel, that cartel would be dissolved in an expansion of American oil supplies that would result from removing the price control on American oil. The Arabs are intelligent enough to know that the longer we hold down the supply of our own oil, the more we will be dependent upon theirs and the higher the price they can charge.

We all know that there are sectors in our bureaucracy and Government that believe in the international redistribution of income. There are many people in our Government who were taught at their universities that the United States is a neo-colonialist power whose wealth came from the exploitation of "third-world" countries. These people would tend to feel morally compelled to side with third world interests against American interests. Perhaps this Congress should investigate whether policies are being advanced by sectors of the bureaucracy that circumvent Congress foreign aid decisions. Concern should be aroused by policies that result in above market prices for Arab oil and below market prices for U.S. oil. Whether intended or not, the effect of discriminating against our own oil companies in the interest of the OPEC cartel is to redistribute income and jobs from Americans to the third world. Given the attitude of many people in the State Department, which can apparently no longer even appoint its own Assistant Secretaries—as in the case of Mr. Nathaniel Davis—without approval from the third world, the support of Arab oil interests at the expense of our own is a way of forcing more foreign aid out of the American people than they are willing to give.

Whether the actions of bureaucrats against the interests of the American people go this far, only a thorough investigation by Congress can tell. But I believe it is clear enough that the bureaucracy has benefited, and intends to benefit further, from a domestic shortage of natural gas and oil that Government has produced. Unless this Congress exercises restraint over the bureaucracy, it will continue to expand the bureaucracy's interest at the expense of the American consumer. I, for one, side with the American consumer.

LEGISLATION TO LIBERALIZE BENEFITS FOR THE BLIND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, today I am introducing legislation that will liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits. My bill would allow a person who is blind to qualify for disability insurance payments after working six quarters under social security covered work, and it would allow them to continue to draw disability benefits so long as they remain blind, irrespective of their earnings.

Although the blind are considered handicapped many are able and want to work. They want to be productive and to feel that they are a part of the community, contributing what they can. However, the current system discourages them from working since they cannot collect disability benefits if they work and they usually cannot make enough money in a job to survive without disability benefits; thus the blind are usually forced to remain unemployed.

I hope the Social Security Subcommittee will give this bill every consideration and perhaps we can provide some measure of relief to the blind before this Congress is over.

A CONSTITUTION FOR THE U.S. CITIZENS OF THE VIRGIN ISLANDS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from the Virgin Islands (Mr. DE LUGO) is recognized for 15 minutes.

Mr. DE LUGO. Mr. Speaker, today I am introducing legislation which will authorize the Legislature of the Virgin Islands to call and organize a constitutional convention to provide a republican form of government for the people of the Virgin Islands by the adoption of their own constitution.

This is a multiple historic occasion—a new moment: first, in that the Congress of the United States by this bill will grant to the people of the Virgin Islands the opportunity for the first time to adopt their own constitution, in recognition of the fundamental principle of self-determination and home rule; second, the broad bipartisan sponsorship of this bill, launching it beyond any possible charge of political considerations of a partisan nature; third, the continuing demonstration by the Congress of its deep concern and interest in the promotion of the fullest measure of internal self-government for the people of the Virgin Islands in that a period of merely 3 years has elapsed since the Congress granted to the Virgin Islands the right of representation in this House through an elected delegate.

This bill is very significant in furtherance of the progress to more autonomy for the Virgin Islands, a policy to which the Congress has demonstrated its firm commitment as evidenced by the passage in 1968 of the Elective Governor Act, and in 1972 of the act granting the Virgin Islands an elective delegate in the U.S. House of Representatives. Since the passage by the Congress of the Revised Organic Act of 1954 the Virgin Islands have demonstrated their political maturity and an ability to manage their own affairs resulting in the confidence bestowed upon them by the passage of the Elective Governor Act and the delegate bill hereinbefore referred to. Thus, this bill to authorize the people of the Virgin Islands to adopt their own constitution must be regarded as the near culmination of the constitutional steps to full internal self-government.

However, let me stress the point that this bill will not alter in any way the constitutional status or relationship of the Virgin Islands to the United States.

It should be noted, Mr. Speaker, that the People of the Virgin Islands in the Constitutional Convention of 1965, which was reiterated in the Constitutional Convention of 1972, expressed their will concerning their relationship with the United States of America in a resolution containing the following declarations:

> a. The People of the Virgin Islands are opposed to independence; and
>
> b. The People of the Virgin Islands desire to have the Virgin Islands remain an unincorporated territory under the constitutional system of the United States with the fullest measure of internal self-government and in the closest association with the United States of America.

I am deeply grateful to Congressman PHILIP BURTON, the distinguished chairman of the House Interior and Insular Affairs Subcommittee on Territorial and Insular Affairs, and to my many other colleagues on both sides of the aisle, for their cosponsorship of this legislation. This proves that there are no partisan political considerations in the recognition of the merits of this legislation.

Perhaps it may not be remiss to summarize briefly the constitutional history of the Virgin Islands. As most of you are aware, these islands were acquired in 1917 from Denmark for security reasons arising out of World War I fears concerning the best protection of the Panama Canal. By the act of March 3, 1917, the Congress authorized the President to appoint an officer of the U.S. Armed Forces to govern the islands, and pursuant to that authority Naval Governors administered the islands under the Department of the Navy from 1917 to 1931. Then by Executive order the President transferred the islands from the jurisdiction of the Navy to the Department of the Interior on March 18, 1931. However, not until the 1936 Organic Act did the People of the Virgin Islands begin to enjoy the rights and privileges identified with internal self-government. The act of March 1917 had continued in force and effect the laws and the colonial policy of Danish rule. The giant steps forward on the road to more self-government taken in 1936 organized the territory and included the following provisions:

> (a) elimination of the Governor's power to dissolve the legislature;
>
> (b) abolition of the Governor's power to appoint members of the legislature;
>
> (c) revision of the electoral franchise system by the abolition of property and income qualifications; the inclusion of the requirement of the U.S. citizenship and the ability to read and write the English language; and extension of the right to vote to women for the first time;
>
> (d) permanent transfer of supervision of the administration of the Territory to the U.S. Department of the Interior; and
>
> (e) extension of certain portions of the U.S. Bill of Rights, including due process of law; equal protection of the law; the right to counsel in criminal prosecutions; and prohibition of expost facto laws and bills of attainder.

The 1936 Organic Act was amended many times, on each occasion in compliance with the enlightened policy of more self-government for the people of the Virgin Islands. But it was in 1954 that the Congress made a complete revision of the Organic Act, and from that date it has been periodically expanded to provide even greater self-government and self-determination for the people of the Virgin Islands. This process culminated in the passage of legislation in 1968 which provided for an elective Governor, commencing with the 1970 general election and every 4 years thereafter, and legislation in 1972 giving the territory an elected Delegate to the Congress.

Thoughtful consideration of this process has led to the conclusion that the Congress, instead of periodically amending the Organic Act of the Virgin Islands, in a piecemeal fashion, should authorize a comprehensive review and assessment of the constitutional rights of the People of the Virgin Islands, and that, in keeping with established precedents under the democratic system, the People of the Virgin Islands should be authorized by the Congress to adopt their own constitution in convention assembled.

In 1964 the Legislature of the Virgin Islands passed and the Governor approved the act which created the first constitutional convention of the territory. This convention adopted eight major proposals and petitioned the Congress to amend the Revised Organic Act so that the people could enjoy these constitutional advances. The Congress granted five of the eight proposals; namely, first, an elective governor; second, abolition of the limitation on voting for legislative members at large; third, elective delegate to the Congress; fourth, abolition of the veto of local laws by the President of the United States; and fifth, grant of authority to the legislature to fix the salary of its members. The Congress has not acted on the requests for the right to vote for the President of the United States; nor authorized the appointment of the government comptroller by the Governor with the advice and consent of the Virgin Islands Legislature; nor granted the right to amend the Organic Act by local legislation, by referendum, or by a constitutional convention.

The bill which I have introduced today recognizes the basic democratic principle of government by the consent of the governed, and authorizes the people of the Virgin Islands to organize a government pursuant to a constitution of their own adoption as provided in the bill. Section 2(a) authorizes the Legislature of the Virgin Islands to call a constitutional convention to draft a constitution, which shall provide for a republican form of government and shall include a bill of rights. Section 2(b) requires members of the convention to be citizens of the United States and qualified voters in the Virgin Islands. Section 2(c) authorizes the Legislature of the Virgin Islands to determine by law how the members of the convention shall be selected. Section 2(d) requires the convention to submit the constitution to the voters in a referendum for approval or disapproval and further provides that the referendum shall be conducted as provided under Virgin Islands law. Approval must be by majority of voters participating in the referendum, whereupon the constitution shall be submitted to the President of the United States by the Governor for a determination whether it complies with the specified conditions in section 2(a). Section 2(e) requires action by the President within 60 calendar days after the date of submission to him, and if his determination is in the affirmative, the constitution takes effect upon promulgation of such determination.

Finally, section 2(f) provides that this constitution would supersede all such provisions of the Organic Acts of the Virgin Islands as may be inconsistent therewith.

This approach is well reasoned and deliberate. It is designed to underscore the importance of home rule and to encourage the people of the Virgin Islands to exercise their basic rights of self-determination.

I am confident that the Congress of the United States will look with favor and affirmatively consider these noble aspirations of the people of the Virgin Islands.

SHOULD ARTHUR BURNS BE GOD?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. Patman) is recognized for 10 minutes.

Mr. PATMAN. Mr. Speaker, as New York City's financial troubles have mounted, the newspapers have been filled with speculation about what a Washington bureaucrat—Dr. Arthur Burns—would or would not do to rescue the city.

While the reports have been conflicting from day to day, they all point to the fact that Dr. Burns, as Chairman of the Federal Reserve Board, has unlimited power to provide financial salvation—not only to New York City, but to banks and corporations.

For example, a recent issue of Electrical World carried a story about plans for emergency loans to the electric utility industry by the Federal Reserve. Earlier, there was a lot of publicity about the Federal Reserve's bailout of the various real estate investment trusts in which the banks had invested so much in recent years. And then there is the well-known Franklin National case where the Federal Reserve poured in $1.75 billion. There are other reports of bailouts or potential bailouts of a variety of activities by the Federal Reserve.

All of these decisions—to bail out or not to bail out—are being made apparently by one man—the Chairman of the Federal Reserve Board. They are not decisions being made by the 435 elected Members of the Congress or even by the currently appointed President of the United States.

Mr. Speaker, this is not to say some of these projects have not been worthy endeavors, but the real question is where the decisionmaking process should lie. Is it really proper that Dr. Burns exercises God-like powers—the power to decide whether New York City survives financially or defaults, and whether or not a multibillion-dollar banking corporation and speculators prosper or fail?

Earlier this year, the Domestic Monetary Policy Subcommittee—of which I am chairman—successfully reported legislation which would have required the allocation of some of the Nation's available credit to areas of greatest need such as low- and moderate-income housing. This bill was attacked with great vehemence by the Federal Reserve Board and its chairman. In fact, after a late night appearance before the full Banking, Currency and Housing Committee by Dr. Burns, the legislation was scuttled.

The Federal Reserve Board and its Chairman did not want the Congress taking away any of its power—or even sharing the power—in the area of credit allocation. This is a power that Dr. Burns and his colleagues within the Federal Reserve System want left for themselves.

In the world of Dr. Burns, it is wrong for the Congress to require the allocation of credit to the poor, but it is all right for the Federal Reserve System to allocate billions to banks, utilities, and corporations by either direct or indirect means.

Mr. Speaker, in my opinion, this is a dangerous situation. While many may be concerned about the unbridled power which the executive branch has taken unto itself in recent years, there is not enough consideration being given to the impossibly broad powers which the Federal Reserve exercises—without prior approval and without even consultation with the Congress or other parts of the Federal Government. In fact, it is difficult to learn the details even months and years after the Federal Reserve has engaged in these activities such as the bailout of the Franklin National Bank.

Mr. Speaker, this is a situation which the Congress should correct. I place in the Record an article from the August 18 issue of New York magazine which bears on this subject and which appeared in that magazine under the headline, "If Only New York Were a 'Reit'."

If Only New York Were a "Reit"

It's a shame that Abe Beame isn't managing a "Reit"—a real-estate investment trust—instead of a city. All he'd have to do is take his problems to Federal Reserve boss Arthur Burns. And the Fed, on past performance, would come galloping to the rescue.

That is precisely what happened when the Reits got into deep trouble last spring and summer. Banks were loaded with their paper. The Fed was warned of the dire consequences to the real-estate industry, as well as to bank assets, if credit on Reits was withdrawn. The agency quickly responded, calling up banks around the country and recommending that they retain their credit lines. The big credit-holders on the Reits went along, and so, for the time being, at least, the Reits have been given a reprieve.

But the Fed clearly has no such compassion for New York. Not only has the Fed rejected New York's pleas for direct help, but, we're told, the Fed has given no encouragement to institutional investors who have called to inquire about participating in "Big MAC" bond offerings. Some institutions, we hear, were actually discouraged from buying them.

"The Fed doesn't seem to give a damn what happens to New York City," an official of a Midwestern bank told me. "That's hardly an inducement to buy 'Big MAC' bonds."

I spoke to the chairman of one Southwestern bank, which had considered taking down some "Big MAC" bonds, but then rejected the idea. "The Fed," he said, "doesn't tell you not to buy them. But unlike the Reits, there's no encouragement. It's a sin of omission, not commission, but that lack of enthusiasm raises questions."

Some speculate that the Fed, more particularly its chairman, is politically motivated, responding to a coherent, premeditated anti-New York City strategy within the Ford administration. Burns is presumed to be disinterested, nonpolitical, supposedly concerned only with ensuring a smooth-running economy. But his actions in ignoring the city's financial plight, some believe, could well reflect the hard line taken against New York by both President Ford and Treasury Secretary Simon.

The answer to the city's problems—if one can expect consistency from Burns—may well be for New York to turn itself into a real-estate investment trust.

A DEMOCRATIC ALTERNATIVE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. O'Neill) is recognized for 5 minutes.

Mr. O'NEILL. Mr. Speaker, during the recess some Members may have missed a timely and enlightened article in the Sunday New York Times—August 17—entitled "A Democratic Alternative," by William V. Shannon. It succinctly explains what our distinguished Speaker is doing to insure that Members of Congress play a more active and creative role in our Government and facilitate a united campaign of substance and action in the forthcoming Presidential election.

The project has been very favorably and enthusiastically received and the Speaker is to be applauded for his leadership in this effort, with which we on the Democratic side are fully cooperating.

The article follows:

A Democratic Alternative

(By William V. Shannon)

Washington, August 16.—Speaker Carl Albert is making headway with a plan that could significantly influence the 1976 campaign and, if his party wins, the formative months of a new Democratic administration.

Traditionally, Democratic leaders in Congress have had little to do with national party affairs. Holding safe seats themselves, they have jogged along their own legislative paths, leaving political initiatives to Governors and ambitious individual Senators.

Speaker Albert, however, is a liberal Democrat deeply committed to his party's success. My judgment is that he would like to serve a final term as Speaker with a Democratic President in the White House in 1977–78. Legislative accomplishments then might redeem the frustrations he has encountered during four years as Speaker during the Nixon Administration and—despite the greatly increased Democratic majority in this Congress—that have persisted during the Ford Administration.

In his view, it is next to impossible to arrive at agreement on bills that not only must satisfy most Democrats but also—because of the Presidential veto—must please Mr. Ford and the Republican minority. With a Democrat in the White House, the latter problem would disappear.

If unemployment is still at 8 percent and inflation is undiminished in the fall of 1976, Mr. Albert believes that these will be the overriding issues of the campaign. He wants his party to have a credible program that it can present to the country. It should not only be credible in its intellectual assumptions but also legislatively feasible. What better way to prepare such a platform than to set the Democratic committee chairmen in the House and their staffs to work drafting it now?

Writing to committee chairmen on June 19, the Speaker said, "Our aim should be to develop the basis for a platform that the members of Congress, the Presidential candidate, and the majority of our party can embrace to the greatest extent possible."

In the past, he pointed out, the senior members of Congress, who are key persons in translating any program into actual legislation, have participated incidentally or not at all in drafting the party platform. The Presidential candidate after his convention victory hurriedly expands his own staff of speechwriters and idea men. If he wins the election, he assembles additional task forces made up of diverse experts who may or may not know one another and whose relationship with the President-elect's staff and with Congress varies "from non-existent to modest."

"After the election, the result of such a procedure is a delay of from six months to a year [in formulating the new administration's legislative program] and the President loses the advantage of his honeymoon," Speaker Albert observed.

To avoid these results in the event of a Democratic victory next year, Mr. Albert has asked the committee chairmen to submit to him "specific programs, policies and proposed legislation" within each committee's jurisdiction that could be enacted in the next Congress. He asked for rough, preliminary surveys by Oct. 1 and final reports by late next spring. He intends to submit these reports to next year's Democratic platform committee and to the party's Presidential candidate as the basis for a united campaign.

Since the individual committees should proceed in the same intellectual context, the Speaker appointed Dr. Joseph P. McMurray, a former president of Queens College, as his special assistant to define common economic assumptions regarding gross national product, employment, and money supply. A former New York State Housing Commissioner and chairman of the Home Loan Bank board during the Kennedy Administration, Dr. McMurray is an intellectual wise in the ways of Capitol Hill.

The endorsement by influential House Democrats of the Albert initiative has been remarkably and uniformly enthusiastic, running the gamut from Representative George Mahon, the fairly conservative chairman of the Appropriations Committee, to Representative Phillip Burton, the decidedly liberal chairman of the Democratic Caucus.

It is the cheap fashion to deride the importance of party platforms. But they are essential to the debate on issues. A platform substantially written by the men and women who would be responsible for enacting it the following year would be a new departure in American politics and a significant gain for party responsibility. The Albert plan is based on the recognition that our Government, if it is to be effective, has to be a Presidential government but one in which Congress plays an active and creative role.

It is also based on the Speaker's shrewd political insight that while President Ford is planning to run next year against Congress, the public is weary of stalemate and Government by veto. Instead, the voters may respond to a Democratic candidate who promises to work with Congress and who runs on a platform that Congress will carry out because its majority party members wrote most of it.

EMERGENCY AID FOR HOSPITALS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Koch) is recognized for 10 minutes.

Mr. KOCH. Mr. Speaker, in many parts of the country the outpatient departments of our voluntary hospitals have increasingly been called on to meet the routine and emergency medical needs of the unemployed and the working poor. Because many of these patients do not have either medicaid eligibility or health insurance, the voluntary hospitals that have made the largest contribution to the care of these groups have incurred the largest outpatient department and emergency room deficits. In some cases, these deficits have represented an intolerable fiscal burden that threatens the very existence of the institutions. Figures obtained through the American Hospital Association show a nationwide deficit of approximately $220 million in fiscal 1974. And the problem is growing. Only last month the State of Maryland, whose reported deficits in 1974 were $10 million, reported running a deficit of over $15 million this year. Therefore, I am proposing legislation to assist the hospitals that are in the most serious financial straits as a result of the free ambulatory care they have furnished to the poor. Such action is not without precedent. Similar legislation was enacted in 1972 to rescue certain medical schools that were in financial distress.

The problem is but one symptom of our Nation's deepening health care crisis. It stems in part from the shortage of family practitioners, especially in urban areas, and in part from the fact that many poor people must seek free medical care because they do not have the resources to pay for it. In some cases the individual has health insurance but it covers his health costs only if he enters the hospital as an inpatient.

Permanent solutions to these problems must await the enactment of a national health insurance program. In the meantime, we can not ignore the developing crisis. Financial assistance must be provided if the most critically affected hospitals are to remain in operation and continue to meet the medical needs of the poor in their communities. If relief is not provided quickly, some hospitals will have little choice but to curtail their outpatient services so that some people will go without care while others will be hospitalized unnecessarily, a course which, if chosen by great numbers of patients who have eligibility for inpatient care under Government programs could cost the Government dearly. In New York City, for example, the average outpatient visit costs $50 in service. The average day in a hospital bed costs close to $240.

The bill I am introducing to meet this problem is a temporary, emergency measure. It would authorize grants totalling not more than $200 million a year for the current fiscal year and each of the two succeeding fiscal years. Only those hospitals whose financial viability is threatened by their outpatient losses could qualify for aid. If, at the end of the period of 3 years, national health insurance has not provided a solution to the problem, there would be an opportunity to reassess the hospitals' financial position and the appropriateness of Federal assistance. The Office of Technology Assessment has undertaken a study of the problem of financing outpatient hospital care so that we will have OTA's findings and conclusions to consider at that time.

It is not the intention of my bill to supplant the efforts of States and local government or the financial aid being provided by private organizations. In New York, for example, Blue Cross is required by State law to help finance part of the losses being incurred in the State's outpatient departments and emergency rooms and I believe such aid should be continued. Therefore, the bill I am introducing would assist only those hospitals that can provide reasonable assurance that existing public and private efforts to meet their outpatient department and emergency room losses will be continued. In addition, determining whether a given hospital will qualify for an emergency grant, and the amount of any such grant, the Secretary of HEW would take into account the degree to which the hospital has sought aid from other potential sources as well as the seriousness of its financial situation.

The legislation would contain the following provisions:

First. Authorize annual appropriations of $200 million to make grants under the proposal for fiscal years 1976, 1977, and 1978.

Second. Permit the Secretary of Health, Education, and Welfare to make a grant to a hospital only if it:

Is operated by an organization other than a governmental entity;

Is in financial straits because it has provided free medical care to outpatients—including emergency room patients—who are neither eligible to have payments made for such services by a public or private program nor able to pay for such care out of their own resources;

Participates in medicare and medicaid;

Makes an essential contribution, in the area it serves, to the care of medically indigent persons who are neither eligible under medicare nor medicaid; and

Obtains assurances satisfactory to the Secretary that no public or private party will reduce any financial aid to the hospital that would have been provided in the absence of a grant under the proposal.

Third. In determining whether a hospital that meets the above requirements will be awarded a grant and the amount of any such grant, the Secretary would take into account:

The amount of the loss incurred in providing outpatient services and the degree to which it threatens the financial viability of the hospital;

The degree to which the hospital seeks to strengthen its financial condition by maximizing collections from patients who are able to pay for some or all of the care they receive—whether as inpatients or as outpatients—and by seeking to obtain funds that might be made available by other public and private sources; and

Such other criteria as the Secretary may prescribe in order to carry out the purposes of the proposal in a manner that it is consistent with the efficient delivery of high quality care.

This legislation is intended to be temporary, to solve a crisis that must be dealt with without delay while the permanent solution of national health insurance is still in the future.

We must recognize the needs of the hospitals and the needs of those they serve. The vital services they perform in their communities by providing medical care to the working poor must not be allowed to be curtailed.

I hope that my colleagues will support this emergency aid legislation and that early hearings will be held to begin work on solving this health care crisis.

HEARINGS SCHEDULED SEPTEMBER 18 AND 19, 1975, FOR SUBCOMMITTEE ON IMMIGRATION, CITIZENSHIP, AND INTERNATIONAL LAW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. EILBERG) is recognized for 5 minutes.

Mr. EILBERG. Mr. Speaker, I wish to advise the House that my Subcommittee on Immigration, Citizenship, and International Law of the Committee on the Judiciary has scheduled hearings on September 18 and 19, 1975, to consider legislation amending the Omnibus Crime Control and Safe Streets Act of 1968, to provide death benefits to survivors of public safety officers who die in the performance of duty. The hearing will commence at 10 a.m. September 18 in room 2237, and Friday the hearing will commence at the same time in room 2226.

The primary bills under consideration will be H.R. 365 which provides a $50,000 gratuity to the survivors of firefighters, and H.R. 366 which provides similar benefits to the survivors of law enforcement officers. This gratuity would be payable whenever the public safety officer dies in the performance of hazardous duty.

Also considered will be H.R. 3544 introduced by the distinguished chairman of the Judiciary Committee, PETER W. RODINO, and this bill would provide a $50,000 death benefit to the survivors of both law enforcement officers and firemen who die in the performance of duty. Identical legislation, H.R. 11321, was overwhelmingly approved by the House of Representatives in the 93d Congress.

Those Members of Congress who wish to testify or who are desirous of submitting prepared statements for inclusion into the hearing record should address their request to the Committee on the Judiciary, room 2139, Rayburn House Office Building.

U.S. POLICY AT THE U.N. SPECIAL SESSION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. BINGHAM) is recognized for 10 minutes.

Mr. BINGHAM. Mr. Speaker, I would like to bring to the Members' attention the text of Secretary Kissinger's speech on "Global Consensus and Economic Development," which was delivered by Ambassador Moynihan at the opening of the special session of the United Nations General Assembly on Monday, September 1.

Over the past 2 years discussion of the international economic order have led to sharp conflict between the United States and many developing countries. This atmosphere of confrontation was at its worst during the Special Session of the General Assembly held in May of 1974. At that time, the group of 77 developing countries pushed through the Assembly a sweeping series of proposals collectively known as the "New International Economic Order," and the U.S. response was to strike a negative and defensive posture, especially on the doctrinaire level.

Fortunately, the past several months have witnessed a softening and reconsideration of the position of both the developed and the developing nations. Many developing nations now appear to realize that parts of the "New International Economic Order" are not necessarily in their economic interest. For its part, the U.S. Government has just completed an in-depth reconsideration of its foreign economic policy in order to find a basis for accommodation with the developing nations.

A number of House Members and Senators had meetings with Secretary Kissinger and other administration officials over the past several months in order to exchange ideas on the shape of the new U.S. policy. At those meetings, in which I was privileged to participate, the view was frequently expressed that the United States should avoid fruitless debate on broad theoretical questions, and should instead concentrate on specific steps which the United States would favor to help solve the problems of the developing countries. Secretary Kissinger's speech followed that approach. The product of intense inter-agency debate, as well as executive-legislation discussion, the speech represents a significant evolution in U.S. policy and a sound basis from which the United States and other industrial nations can seek accord with the developing nations on constructive steps to be taken to remedy the defects of the international economic order as we have known it.

Secretary Kissinger and the many other Government officials who helped prepare the speech are to be commended for avoiding the strategy of "going into opposition" unnecessarily, and for initiating a new U.S. economic policy toward the developing world that is responsive to the recent changes in international economic relations and attuned to the needs of the 1970's.

The test of Secretary Kissinger's address as read by Ambassador Moynihan follows:

GLOBAL CONSENSUS AND ECONOMIC DEVELOPMENT

(Address by the Honorable Henry A. Kissinger, Secretary of State, Before the Seventh Special Session of the United Nations General Assembly, September 1, 1975)

Mr. President, Mr. Secretary-General, distinguished colleagues, ladies and gentlemen: We assemble here this week with an opportunity to improve the condition of mankind. We can let this opportunity slip away, or we can respond to it with vision and common sense.

The United States has made its choice. There are no panaceas available—only challenges. The proposals that I shall announce today on behalf of President Ford are a program of practical steps, responding to the expressed concerns of developing countries. We have made a major effort to develop an agenda for effective international action; we are prepared in turn to consider the proposals of others. But the United States is committed to a constructive effort.

For some time the technical capacity has existed to provide a tolerable standard of life for the world's four billion people. But we—the word community—must shape the political will to do so. For man stands not simply at a plateau of technical ability; he stands at a point of moral choice. When the ancient dream of mankind—a world without poverty—becomes a possibility, our profound moral convictions make it also our duty. And the convening of this special session bears witness that economic progress has become a central and urgent concern of international relations.

The global order of colonial power, that lasted through centuries, has now disappeared; the cold war division of the world into two rigid blocs has now also broken down and major changes have taken place in the international economy. We now live in a world of some 150 nations. We live in an environment of continuing conflicts, proliferating weapons, new ideological divisions and economic rivalry. The developing nations have stated their claim for a greater role, for more control over their economic destiny, and for a just share in global prosperity. The economically advanced nations have stated their claim for reliable supplies of energy, raw materials, and other products, at a fair price; they seek stable economic relationships and expanding world trade, for these are important to the well-being of their own societies.

These economic issues have already become the subject of mounting confrontations—embargoes, cartels, seizures, countermeasures, and bitter rhetoric. Over the remainder of this century, should this trend continue, the division of the planet between north and south, between rich and poor, could become as grim as the darkest days of the cold war. We would enter an age of festering resentment, of increased resort to economic warfare, a hardening of new blocs, the undermining of cooperation, the erosion of international institutions—and failed development.

Can we reconcile our competing goals? Can we build a better world, by conscious purpose, out of the equality and cooperation of states? Can we turn the energies of all nations to the tasks of human progress? These are the challenges of our time.

We profoundly believe that neither the poor nor the rich nations can achieve their purposes in isolation. Neither can extort them from the other—the developing countries least of all, for they would pay the greater cost of division of the planet, which would cut them off needlessly from sources of capital and markets essential to their own progress.

The reality is that ample incentives exist for cooperation on the basis of mutual respect. It is not necessarily the case that if some grow worse off, others will be worse off. But there is an opposite proposition, which we believe is true: that an economic system thrives if all who take part in it thrive. This is no theory; it is our own experience. And it is an experience that we, a people uniquely drawn from all the other peoples of the world, truly desire and hope to share with others.

Therefore it is time to go beyond the doctrines left over from a previous century that are made obsolete by modern reality.

History has left us the legacy of strident nationalism—discredited in this century by its brutal excesses a generation ago, and by its patent inadequacy for the economic needs of our time. The economy is global. Recessions, inflation, trade relations, monetary stability, gluts and scarcities of products and materials, the growth of transnational enterprises—these are international phenomena and call for international responses.

History has also left us discredited doctrines of economic determinism and struggle. One of the ironies of our time is that systems based on the doctrine of materialism, that promised economic justice, have lagged in raising economic welfare.

And contrary to the ideologies of despair, many developing countries have been increasing their per capita incomes at far faster rates than obtained historically in Europe and North America in comparable stages of their growth.

It is also ironic that a philosophy of nonalignment, designed to allow new nations to make their national choices free from the pressure of competing blocs, now has produced a bloc of its own. Nations with radically different economic interests and with entirely different political concerns are combined in a kind of solidarity that often clearly sacrifices practical interests. And it is ironic also that the most devastating blow to economic development in this decade came not from "imperialist rapacity" but from an arbitrary, monopolistic price increase by the cartel of oil exporters.

The reality is that the world economy is a single global system of trade and monetary relations on which hinges the development of all our economies. The advanced nations have an interest in the growth of markets and production in the developing world; with equal conviction we state that the developing countries have a stake in the markets, technological innovation and capital investment of the industrial countries.

Therefore, the nations assembled here have a choice: we can offer our people slogans, or we can offer them solutions. We can deal in rhetoric, or we can deal in reality. My government has made its choice.

The United States firmly believes that the economic challenges of our time must unite us, and not divide us.

So let us get down to business. Let us put aside the sterile debate over whether a new economic order is required or whether the old economic order is adequate. Let us look forward and shape the world before us. Change is inherent in what we do, and what we seek. But one fact does not change: that without a consensus on the realities and principles of the development effort, we will achieve nothing.

There must be consensus, first and foremost, on the principle that our common development goals can be achieved only by cooperation, not by the politics of confrontation.

There must be consensus that acknowledges our respective concerns and our mutual responsibilities. All of us have rights and all of us have duties.

The consensus must embrace the broadest possible participation in international decisions. The developing countries must have a role and voice in the international system, especially in decisions that affect them. But those nations who are asked to provide resources and effort to carry out the decisions must be accorded a commensurate voice.

We have learned from experience that the methods of development assistance of the 1950s and 60s are no longer adequate. Not only did the technical accomplishments of many programs fall short of expectations, the traditional approaches are less acceptable to the industrialized world because they have seemed to become an endless and one-sided financial burden. And they are less acceptable to the developing world because they have seemed to create a relationship of charity and dependency, inconsistent with equality and self-respect.

Therefore, we must find new means. The United States offers today concrete proposals for international actions to promote economic development. We believe that an effective development strategy should concentrate on five fundamental areas:

First, we must apply international cooperation to the problem of ensuring basic economic security. The United States proposes steps to safeguard against the economic shocks to which developing countries are particularly vulnerable: sharp declines in their export earnings from the cycle of world supply and demand, food shortages and natural disasters.

Second, we must lay the foundations for accelerated growth. The United States proposes steps to improve developing countries' access to capital markets, to focus and adapt new technology to specific development needs, and to reach consensus on the conditions for foreign investment.

Third, we must improve the basic opportunities of the developing countries in the world trading system so they can make their way by earnings instead of aid.

Fourth, we must improve the conditions of trade and investment in key commodities on which the economies of many developing countries are dependent, and we must set an example in improving the production and availability of food.

Fifth, let us address the special needs of the poorest countries, who are the most devastated by current economic conditions, sharing the responsibility among old and newly wealthy donors.

The determination of the developing nations to mobilize their own effort is indispensable. Without it, no outside effort will have effect. Government policies to call forth savings, to institute land reform, to use external aid and capital productively, to manage and allocate national resources wisely, to promote family planning—for these there are no substitutes.

But there must be international as well as national commitment. The United States is prepared to do its part. The senior economic officials of our Government have joined me in developing our approach. Treasury Secretary Simon, with whom I have worked closely on our program, will discuss it tomorrow in relation to the world economy. The large Congressional delegation that will attend the session, and the seriousness with which they and the Executive branch have collaborated in preparing these proposals, are evidence of my country's commitment.

We ask in return for a serious international dialogue on the responsibilities which confront us all.

ENSURING ECONOMIC SECURITY

Our first task is to ensure basic economic security.

The swings and shocks of economic adversity are a global concern, tearing at the fabric of developed and developing nations alike. The cycle of good times and bad, abundance and famine, does vast damage to lives and economies. Unemployment, falling standards of living, and the ravages of inflation, fuel social and political discontent. We have recently seen the corrosive effects in many countries.

Developing economies are by far the most vulnerable to natural and manmade disasters, the vagaries of weather and of the business cycle, sharp increases in the prices of oil and food have a devastating effect on their livelihood. Recessions in the industrial countries depress their export earnings.

Thus economic security is the minimum requirement of an effective strategy for development. Without this foundation, sound development programs cannot proceed and the great efforts that development requires from poor and rich alike cannot be sustained.

And because economic security is a global problem, it is a global challenge:

The industrial nations must work together more effectively to restore and maintain their non-inflationary expansion.

Nations which supply vital products must avoid actions which disrupt that expansion, and

The international community must undertake a new approach to reduce drastic fluctuations in the export earnings of the developing countries.

Since the economic health of the industrial countries is central to the health of the global economy, their efforts to avoid the extremes of recession and inflation become an international, as well as a national, responsibility.

In a new departure this past year, the leaders of the United States and its major trading partners have begun closer coordination of their national economic policies. A shared sense of urgency, and the exchange of information about trends and intentions, have already influenced important policy decisions. President Ford intends to continue and intensify consultations of this kind. The successful recovery of the industrial economies will be the engine of international stability and growth.

Global economic security depends, secondly, on the actions of suppliers of vital products.

Thus the United States has believed that the future of the world economy requires discussions on energy and other key issues among oil consuming and producing nations. The Government of France is inviting industrialized oil producing, and developing nations to re-launch a dialogue this fall on the problems of energy, development, raw materials, and related financial issues. The United States has supported this proposal and worked hard to establish the basis for successful meetings.

But this dialogue is based on an approach of negotiation and consensus, not the exercise of brute economic power to gain unilateral advantage. The enormous, arbitrary increases in the price of oil of 1973 and 1974 have already exacerbated both inflation and recession worldwide. They have shattered the economic planning and progress of many countries. Another increase would slow down or reverse the recovery and the development of nearly every nation represented in this Assembly. It would erode both the will and the capacity in the industrial world for assistance to developing countries. It would, in short, strike a serious blow at the hopes of hundreds of millions around the world.

The forthcoming dialogue among consumers and producers is a test. For its part, the United States is prepared for cooperation. We will work to make it succeed, in our own self-interest and in the interest of all nations. We hope to be met in that same spirit.

The third basic factor in economic security is the stability of export earnings. The development programs—indeed the basic survival—of many countries rest heavily on earnings from exports of primary products which are highly vulnerable to fluctuations in worldwide demand. Countries which depend on one product can find their revenues reduced drastically if its price drops or if exports fall precipitously. Most have insufficient reserve to cushion against sharp declines in earnings, and they cannot quickly increase the exports of other products. Facing such economic problems, most cannot borrow to offset the loss, or can only do so at extremely high interest rates. In such situations countries are frequently forced to cut back on the imports on which their growth and survival depend. Thus the unpredictability of export earnings can make a mockery of development planning.

The question of stabilization of income from primary products has become central in the dialogue on international economic concerns. Price stabilization is not generally a promising approach. For many commodities it would be difficult to achieve without severe restrictions on production or exports, extremely expensive buffer stocks, or price levels which could stimulate substitutes and thereby work to the long range disadvantage of producers. Even the most ambitious agenda for addressing individual commodities would not result in stabilization arrangements for all of them in the near term. And focusing exclusively on stabilizing commodity prices would not provide sufficient protection to the many developing countries whose earnings also depend on the exports of manufactured goods.

The United States Government has recently completed a review of these issues. We have concluded that, because of the wide diversity among countries, commodities, and markets, a new, much more comprehensive approach is required—one which will be helpful to exporters of all commodities and manufactured goods as well.

Let me set forth our proposal: The United States proposes creation—in the International Monetary Fund—of a new development security facility to stabilize overall export earnings.

The facility would give loans to sustain development programs in the face of export fluctuations—up to $2.5 billion, and possibly more, in a single year, and a potential total of $10 billion in outstanding loans.

Assistance would be available to all developing countries which need to finance shortfalls in export earnings, unless the shortfalls are caused by their own acts of policy.

The poorest countries would be permitted to convert their loans into grants under prescribed conditions. These grants would be financed by the proceeds of sales of IMF gold channeled through the proposed $2 billion trust fund now under negotiation.

Eligible countries could draw most, or under certain conditions, all, of their IMF quotas, in addition to their normal drawing rights. Much of that could be drawn in a single year, if necessary—part automatically, part subject to balance of payments conditions, and part reserved for cases of particularly violent swings in commodity earnings.

Shortfalls would be calculated according to a formula geared to future growth as well as current and past exports. In this way the facility helps countries protect their development plans.

This facility would replace the IMF's compensatory finance facility; it would not be available for industrial countries.

The United States will present its detailed proposals to the Board of Directors of the International Monetary Fund this month.

This development security facility would provide unprecedented protection against disruptions caused by reductions in earnings—both for countries whose exports consist of a few commodities and for those with diversified and manufactured exports whose earnings also fluctuate with business cycles. In the great majority of countries, this new facility will cover nearly all the earnings shortfall.

This new source of funds also reinforces our more traditional types of assistance—without the stabilization of earnings, the benefits of concessional aid for developing countries is vitiated. For industrialized countries, it means a more steady export market. For developing countries, it helps assure that development can be pursued without disruption and makes them more desirable prospects in international capital markets. For consumers and producers, rich and poor alike, it buttresses economic security.

Thus the success of our efforts in this area will demonstrate that our interdependence can strengthen the foundations of prosperity for all while promoting progress in the developing countries.

ACCELERATING ECONOMIC GROWTH

It is not enough to ensure the minimal economic security of the developing countries. Development is a process of growth, of acceleration, of greater productivity, higher living standards, and social change. This is a process requiring the infusion of capital, technology, and managerial skills on a massive scale.

Developing countries themselves will have to provide most of the effort, but international support is indispensable. Even a moderate acceleration of recent growth rates will require some $40 billion a year in outside capital by 1980. The requirement for technological innovation, though impossible to quantify, is similarly great.

How can these needs for capital, technology, and skills be met?

Bilateral concessional assistance from the industrialized countries has been one important source. Last year it amounted to some $7.2 billion. This must continue to grow. But realistically, we cannot expect the level to increase significantly over the coming years. To put it frankly, the political climate for bilateral aid has deteriorated. In the industrial countries, support for aid has been eroded by domestic economic slowdown, compounded by energy problems in the developing countries. There is resentment at forms of assistance which imply dependence.

The oil exporters have only begun to meet their responsibility for assistance to the poorer countries. Last year their concessionary aid disbursements were roughly $2 billion; it could—and must—rise substantially this year.

But the industrial nations and the oil exporters cannot, even together, supply all the new resources needed to accelerate development. It follows inescapably that the remaining needs for capital and technology can only be met, directly or indirectly, from the vast pool of private sources. This investment will take place only if the conditions exist to attract or permit it. The United States therefore believes it is time for the world community to address the basic requirements for accelerating growth in developing countries:

First, developing countries must have better access to capital markets;

Second, we must promote the transfer of technology;

Third, it is time to reach an international consensus on the principles to guide the beneficial operation of transnational enterprises.

First, access to capital markets. The private capital markets are already a major source of development funds, either directly or through intermediaries. The World Bank and the regional development banks borrow extensively to lend to developing nations. The United States urges the expansion of these programs. We are gratified that advanced countries outside of the Western Hemisphere are joining us shortly in a $6 billion expansion of the Inter-American Development Bank. We will participate in negotiations for replenishment of the Asian Development Bank; and we are seeking Congressional authority to join the African Development Fund.

But the developing countries that have been most successful and that no longer require concessional aid, especially in Asia and Latin America, have relied heavily on borrowing in the capital market. Their future access must be assured.

We must now find new ways to enhance the opportunities of developing countries in the competition for capital. And we need to match in new ways potential sources of capital with the investment needs of developing countries.

Several courses of action offer promise. First, the United States will support a major expansion of the resources of the World Bank's International Finance Corporation—the investment banker with the broadest experience in supporting private enterprise in developing countries. We propose a large increase in the IFC's capital, from the present $100 million to at least $400 million.

Secondly, the United States proposes creation of an International Investment Trust, to mobilize portfolio capital for investment in local enterprises. The trust would attract new capital by offering investors a unique opportunity—participation in a managed broad selection of investments in developing country firms, public, private and mixed. The International Finance Corporation would manage it and perhaps provide seed capital, but most of its funds would come from government and private investors. Investors would have their exposure to major losses limited by a $200 million loss-reserve, provided by governments of industrialized, oil-producing, and developing nations. This institution could be a powerful link between the capital market and the developing world, and could provide billions of dollars of essential resources.

Thirdly, the United States will contribute actively to the work of the IMF/World Bank Development Committee to find ways to assist developing countries in their direct borrowing in the capital market. It is encouraging that the Latin American countries are considering a regional financial safety net to underpin their access to capital markets by mutual commitments of financial backing.

Finally, we believe that all industrial countries should systematically review the conditions for developing-country access to their national markets, to assure that they offer fair and open opportunity. The United States is prepared to provide technical assistance and expertise to developing countries ready to enter long-term capital markets, and we ask others to join us.

Developing countries need not only new funds but also new technology. Yet the mechanisms for the transfer of technology and for its local development are limited, and are seldom at the sole command of national governments, and the technologies of industrial countries must often be adapted to local economic and social conditions. New institutions and new approaches are therefore required.

For technology to spur development, it must spur growth in priority areas: energy, food, other resources strategic to their economies, and industrialization itself.

First, energy is critical for both agricultural and industrial development. The enormous rise in the cost of oil in the last two years has more than wiped out the total of the foreign aid that developing countries have received. It has undermined their balance of payments and has mortgaged their future by forcing them into larger borrowing at higher interest rates. There is no easy short-term solution, but if energy dependence is to be reduced, efforts to exploit new and diversified sources must be intensified now.

The United States invites other nations to join us in an increase of bilateral support for training and technical assistance to help developing countries find and exploit new sources of fossil fuel and other forms of energy.

Methods of discovering and using less accessible or low-grade resources must be fully utilized. So must technology to produce solar and geothermal power. And these techniques must be suited to the conditions of the developing countries.

The United States believes the topic of energy cooperation should be high on the agenda for the forthcoming dialogue between consumers and producers. We will propose, in this dialogue, creation of an International Energy Institute bringing together developed and developing, consumer and producer, on the particular problem of energy development. The International Energy Agency and the International Atomic Energy Agency should both find ways to give technical assistance and support to this Institute.

A second critical area for technological innovation is food production and improvement of nutrition.

During the past decade, a number of international agricultural research centers have been established to adapt techniques to local needs and conditions. In 1971 the Consultative Group for International Agricultural Research was formed to coordinate these efforts. The United States is prepared to expand the capacity of these institutes. In collaboration with national research organizations with more skilled manpower and funds, they could grow into a worldwide research network for development of agricultural technology.

We are also supporting legislation in the Congress to enable our universities to expand their technical assistance and research in the agricultural field.

Non-food agricultural and forestry products are a third strategic area for technological assistance. The export earnings of many of the poorest countries—and the livelihood of many millions of their people—depend on such products as timber, jute, cotton, and natural rubber, some of which have encountered serious problems in the face of synthetics. They urgently need assistance to improve the productivity and competitiveness of these products and to diversify their economies.

The United States therefore proposes creation of an organization to coordinate and finance such assistance. Its task will be to attract manpower and capital for research. The financing of this effort should be a priority task for the new International Fund for Agricultural Development.

But developing countries' need for technology is not only for development of strategic sectors, but for the broad promotion of industrialization itself. This requires the broadest application of skills, resources, and information.

This is not an easy task. The storehouse of technology is already huge and is growing geometrically. Developing practical devices to transfer technology beyond those which already exist will require careful thought. We are prepared to join with other nations in examining new initiatives.

To this end the United States supports creation of an International Industrialization Institute, to sponsor and conduct research on industrial technology together with the governments, industries, and research facilities of developing countries.

We support creation of an International Center for the Exchange of Technological Information, as a clearing house for the sharing of ongoing research and new findings relevant to development.

We will expand our bilateral support of industrial technology appropriate to developing country needs.

We will work with others in this organization in preparing guidelines for the transfer of technology and in the planning of a conference on science and technology for development.

Access to capital markets, and special programs to transfer new technology, are but two factors of accelerated growth. There is a third—which may well be one of the most effective engines of development—the transnational enterprise.

Transnational enterprises have been powerful instruments of modernization both in the industrial nations—where they conduct most of their operations—and in the developing countries, where there is often no substitute for their ability to marshal capital, management, skills, technology and initiative. Thus the controversy over their role and conduct is itself an obstacle to economic development.

It is time for the world community to deal with the problems, real and perceived, that have arisen. If the nations assembled here cannot reach consensus on the proper role of these enterprises, the developing countries could lose an invaluable asset. Let us make this issue a test of our capacity to accommodate mutual concerns in practical agreement.

For our part, the United States is prepared to meet the proper concerns of governments in whose territories transnational enterprises operate. We affirm that enterprises must act in full accordance with the sovereignty of host governments and take full account of their public policy. Countries are entitled to regulate the operations of transnational enterprises within their borders. But countries wishing the benefits of these enterprises should foster the conditions that attract and maintain their productive operation.

The United States therefore believes that the time has come for the international community to articulate standards of conduct for both enterprises and governments. The United Nations Commission on Transnational Corporations, and other international bodies, have begun such an effort. We must reach agreement on balanced principles. These should apply to transnational enterprises in their relations with governments, and to governments in their relations with enterprises and with other governments. They must be fair principles, for failure to reflect the interests of all parties concerned would exacerbate rather than moderate the frictions which have damaged the environment for international investment.

Specifically, the United States believes that:

Transnational enterprises are obliged to obey local law and refrain from unlawful intervention in the domestic affairs of host countries. Their activities should take account of public policy and national development priorities. They should respect local customs. They should employ qualified local personnel, or qualify local people through training.

Host governments in turn must treat transnational enterprises equitably, without discrimination among them, and in accordance with international law. Host governments should make explicit their development priorities and the standards which transnational enterprises are expected to meet, and maintain them with reasonable consistency.

Governments and enterprises must both respect the contractual obligations that they freely undertake. Contracts should be negotiated openly, fairly, and with full knowledge of their implications. Greater assurance that contracts will be honored will improve the international commercial environment, increase the flow of investment, and expand economic transactions. Destructive and politically explosive investment disputes, which spoil the climate for large commitments and investment, will occur less frequently.

Principles established for transnational enterprises should apply equally to domestic enterprises, where relevant. Standards should be addressed not only to privately owned corporations, but also to state owned and mixed transnational enterprises, which are increasingly important in the world economy.

A statement of principles is not the only or necessarily a sufficient way of resolving many of the problems affecting transnational enterprises. We must develop others:

Governments must harmonize their tax treatment of these enterprises. Without coordination, host-country and home-country policies may inhibit productive investment.

Fact-finding and arbitral procedures must be promoted as means for settling investment disputes. The World Bank's International Center for the Settlement of Investment Disputes, and other third-party facilities, should be employed to settle the important disputes which inevitably arise.

Laws against restrictive business practices must be developed, better coordinated among countries, and enforced. The United States has long been vigilant against such abuses in domestic trade, mergers, or licensing of technology. We stand by the same principles internationally. We condemn restrictive practices in setting prices or restraining supplies, whether by private or state-owned transnational enterprise or by the collusion of national governments.

Insurance for foreign private investors should to the extent possible be multilateralized, and should include financial participation by developing countries to reflect our mutual stake in encouraging foreign investment in the service of development.

And there must be more effective bilateral consultation among governments to identify and resolve investment disputes before they become irritants in political relations.

The United States believes that just solutions are achievable—and necessary. If the world community is committed to economic development, it cannot afford to treat transnational enterprises as objects of economic warfare. The capacity of the international community to deal with this issue constructively will be an important test of whether the search for solutions or the clash of ideologies will dominate our economic future. The implications for economic development are profound.

TRADE AND DEVELOPMENT

The third basic area for our attention is trade. Improving the world trading system will magnify our success in every other sphere of the development effort.

Trade has been a driving force in the unprecedented expansion of the world economy over the last thirty years. Comparative advantage and specialization, the exchange of technology and the movement of capital, the spur to productivity that competition provides—these are central elements of efficiency and progress. Open trade promotes growth and combats inflation in all countries.

For developing nations, trade is perhaps the most important engine of development. Increased earnings from exports help pay for both the imports that are essential to expand production and the food for growing populations. These earnings reduce dependence on aid, limit the accumulation of debt, and help finance essential borrowing. Growing export industries can provide jobs and increase the government revenues necessary for development programs. It is no accident, therefore, that the success stories in development of the past three decades have been those very countries that have taken full advantage of the opportunities in world trade.

But today the global trading system is threatened by the most serious recession since the Second World War. We face the danger of proliferating artificial barriers, and unfair competition reminiscent of the 1930's which contributed to economic and political disaster. Every day that economic recovery is delayed, the temptation grows to restrict imports, subsidize exports, and control scarce commodities. Concerted action is necessary now to safeguard and improve the open trading system on which the future well-being of all our countries depends.

The multilateral trade negotiations now taking place in Geneva are central to this effort. They will have a profound impact on the future of the world economy and the prospects for development. If these negotiations fail, all countries risk a slide into an increasingly fragmented, closed world of nationalism, blocs, and mounting frictions. If they succeed, all countries will benefit and there will be major progress toward a cooperative and prosperous world.

Many of the less-developed nations are emerging as important commercial powers. But developing countries need assistance to take better advantage of trading opportunities, especially to help them open up new markets. In revising rules to govern trade we must take acount of their particular needs. In this connection, regional trading associations can help many small countries by providing the economies of scale which result from larger markets.

Thus success in the negotiations depends critically on promoting the interests of the developing countries. For if they do not help to make the rules, assume part of the responsibility to maintain a stable trade system and share in the benefits of trade, the rules will be subject to increasing challenge, the stability of the system undermined and the benefits for all nations jeopardized.

The United States therefore believes that a major goal of the multilateral trade negotiations should be to make the trading system better serve development goals. Let me briefly outline our policy.

First, there must be fundamental structural improvement in the relationship of the developing countries to the world trading system. In the earlier stages of their development, they should receive special treatment through a variety of means—such as preferences, favorable concessions and exceptions which reflect their economic status. But as they progress to a higher level of development, they must gradually accept the same obligations of reciprocity and stable arrangements that other countries undertake. At some point they must be prepared to compete on more equal terms, even as they derive growing benefits.

Second, we must improve opportunities for the manufacturing sectors of developing countries. These provide the most promising new areas for exports at the critical stage in development, but the tariffs of industrial countries are a substantial obstacle. To ease this problem the United States has agreed to join other industrial countries in instituting generalized tariff preferences to permit developing countries enhanced access to the markets of industrialized nations.

I am pleased to announce today that the United States program will be put into effect on January 1, 1976. And before that date, we will begin consultations and practical assistance to enable exporting countries to benefit from the new trade opportunities in the American market—the largest single market for the manufactured goods of developing countries.

Third, in keeping with the Tokyo Declaration, we should adapt rules of non-tariff barriers to the particular situation of developing countries. In setting international standards for government procurement practices, for example, the United States will negotiate special consideration for the developing countries. We will also negotiate on the basis that under prescribed conditions, certain subsidies may be permitted without triggering countervailing duties for a period geared to achieving particular development objectives.

Fourth, we will work for early agreement on tariffs for tropical products, which are a major source of earnings for the developing world. Moreover, the United States will implement its tariff cuts on these products as soon as possible.

Finally, we are ready to join with other participants in Geneva to negotiate changes in the system of protection in the industrialized countries that favors the import of raw materials over other goods. Many countries impose low or no duties on raw materials and high duties on manufactured or processed goods; the tariff protection increases or "escalates" with the degree of processing. Nothing could be better calculated to discourage and limit the growth of processing industries in developing countries. The United States will give high priority in the Geneva negotiations to reducing these barriers.

The developing countries have obligations in return. The world needs a system in which no nation, developed or developing, arbitrarily withholds or interferes with normal exports of materials. This practice—by depriving other countries of needed goods—can trigger unemployment, cut production, and fuel inflation. It is therefore as disruptive as any of the other trade barriers I have discussed. We urge negotiations on rules to limit and govern the use of export restraints, a logical extension of existing rules on imports. The United States will join others in negotiating supply access commitments as part of the reciprocal exchange of concessions.

But commodities can be addressed only in part in the context of the trade negotiations. For some serious commodity problems, special arrangements and different institutional structures are required. Let me now turn to that subject.

COMMODITY TRADE AND PRODUCTION

Exports of primary products—raw materials and other commodities—are crucial to the incomes of developing countries. These earnings can lift living standards above bare subsistence; generate profits to support the first steps of industrialization; and provide tax revenues for education, health, and other social programs for development. The history of the United States—and many other countries—confirms the importance of commodities.

But this path can be precarious in an uncertain global environment. Those developing countries which are not oil exporters rely on primary commodities for nearly two-thirds of their export earnings. Yet their sales of raw materials and agricultural products have not grown as fast as those of industrial countries. Agricultural commodities particularly, are vulnerable to the whims of weather and swings of worldwide demand. The market in minerals is especially sensitive to the pendulum of boom and bust in the industrial countries. The result is a cycle of scarcity and glut, of under-investment and over-capacity.

Developing countries are hit by commodity cycles also as consumers; higher prices for energy imports, swings in the price and supply of food, and greater costs for other essential raw materials have been devastating blows, soaking up aid funds and the earnings by which they hoped to finance imports. All this can make a mockery of development plans.

But the problems of commodities are not the problems only of developing countries. The industrialized countries are in fact the largest exporters of food and most minerals. Gyrating prices complicate economic decisions in industrial countries. And consumers in industrial countries have painfully learned that high commodity prices leave their inflationary impact long after the commodity market has turned around.

Therefore, both industrial and developing countries would benefit from more stable conditions of trade and an expansion of productive capacity in commodities.

Many solutions have been put forward to benefit producers of particular products—cartelization, price indexing, commodity agreements and other methods. But reality demonstrates the interdependence of all our economies, and therefore the necessity for approaches that serve global rather than narrow interests.

The most vital commodity in the world is food. The United States is its largest producer and exporter. We recognize our responsibility. We have also sought to make international collaboration in food a model for realistic and cooperative approaches to other international economic issues.

The United States policy is now one of maximum production. At home, we want a thriving farm economy and moderate prices for consumers. Internationally, we wish cooperative relations with nations that purchase from us, an open and growing market, and abundant supplies to meet the needs of the hungry through both good times and bad.

For hundreds of millions of people, food security is the single most critical need in their lives, for many it is a question of life itself. But food security means more than emergency relief to deal with crop failures, natural disasters and pockets of famine. It means reasonable stability in the availability of food in commercial markets, so that harvest failures in some parts of the world will not make food impossibly expensive elsewhere. We have seen with dramatic frequency in recent years how the international food market, strained to capacity, can shake the international economy. Its fluctuations have accelerated inflation, devastated development plans, and wreaked havoc with human lives. Yet in good times, the world community has not summoned the will to take obvious corrective steps to stabilize the market structure.

The United States believes that a global approach to food security—which contains elements that can apply to other commodities—should follow these basic principles:

The problem must be approached globally, comprehensively, and cooperatively, by consultation and negotiation among all significant producers and consumers;

Producers should recognize the global interest in stability of supply; and consumers should recognize the interest of producers in stability of markets and earnings;

Special consideration should be given to the needs of developing countries; and

Where volatile demand is combined with limited ability to make short-term increases in production, buffer stocks may be the best approach to achieving greater security for both consumers and producers.

At the World Food Conference last November, which was convened at our initiative, the United States proposed a comprehensive international cooperative approach to providing food security. We proposed an international system of nationally-held grain reserves, to meet emergencies and improve the market. The United States has since then offered specific proposals and begun negotiations. But the international effort lagged when improved harvests seemed to diminish the immediate danger of worldwide shortage. My government today declares that it is time to create this reserve system. If we do not, future crises are inevitable.

Specifically, we propose:

To meet virtually all potential shortfalls in food grains production, total world reserves must reach at least 30 million tons of wheat and rice. We should consider whether a similar reserve is needed in coarse grains.

Responsibility for holding reserves should be allocated fairly, taking into account wealth, production and trade. The United States is prepared to hold a major share.

Acquisition and release of reserves should be governed by quantitative standards such as anticipated surpluses and shortfalls in production.

Full participants in the system should receive assured access to supplies. Among major producers, full participation should require complete exchange of information and forecasts.

Special assistance should be extended to developing countries that participate, to enable them to meet their obligation to hold a portion of global reserves.

The United States is ready to negotiate the creation of such a system. Let us move ahead rapidly.

And let us apply the same approach of cooperation to other primary commodities that are similarly beset by swings of price and supply—and that are similarly essential to the global economy.

There is no simple formula that will apply equally to all commodities. The United States therefore proposes to discuss new arrangements in individual commodities on a case-by-case basis.

Buffer stocks can be an effective technique to moderate instability in supplies and earnings. On the other hand, price-fixing arrangements distort the market, restrict production, and waste resources for everyone. It is developing countries that can least afford this waste. Restricted production idles the costly equipment and economic infrastructure that takes years to build. Artificially high prices lead consumers to make costly investment in domestic substitutes, ultimately eroding the market power of the traditional producers.

Accordingly, the United States proposes the following approach to commodity arrangements:

We recommend that a consumer-producer forum be established for every key commodity to discuss how to promote the efficiency, growth, and stability of its market. This is particularly important in the case of grains, as I have outlined. It is also important in copper, where priority should be given to creating a forum for consumer-producer consultation.

The first new formal international agreement being concluded is tin. We have participated actively in its negotiation. President Ford has authorized me to announce that the United States intends to sign the tin agreement, subject to Congressional consultations and ratification. We welcome its emphasis on buffer stocks, its avoidance of direct price-fixing, and its balanced voting system. We will retain our right to sell from our strategic stockpiles, and we recognize the right of others to maintain a similar program.

We are participating actively in negotiations on coffee. We hope they will result in a satisfactory new agreement that reduces the large fluctuations in prices and supplies entering the market.

We will also join in the forthcoming cocoa and sugar negotiations. Their objective will be to reduce the risks of investment and moderate the swings in prices and supplies.

We will support liberalization of the International Monetary Fund's financing of buffer stocks, to assure that this facility is available without reducing other drawing rights.

I have already announced my government's broad proposal of a development security facility—a more fundamental approach to stabilizing the overall earnings of countries dependent on commodities trade. My government also believes that an effective approach to the commodities problem requires a comprehensive program of investment to expand worldwide capacity in minerals and other critical raw materials. This is basic to the health of both industrial and developing economies.

There are presently no shortages in most basic raw materials; nor are any likely in the next two or three years. But the adequacy of supplies in years to come will be determined by investment decisions taken now. Because the technology for processing lower-grade ores is extremely complex, and the financing requirements for major raw material investments are massive, new projects take several years to complete. In some countries, the traditional source of funds—private foreign investment—is no longer as welcome, nor are investors as interested, as in the past.

The United States therefore proposes a major new international effort to expand raw material resources in developing countries.

The World Bank and its affiliates, in concert with private sources, should play a fundamental role. They can supply limited amounts of capital directly; more importantly, they can use their technical, managerial and financial expertise to bring together funds from private and public sources. They can act as intermediary between private investors and host governments, and link private and public effort by providing cross guarantees on performance. World Bank loans could fund government projects, particularly for needed infrastructure, while the International Finance Corporation could join private enterprise in providing loans and equity capital. The World Bank group should aim to mobilize $2 billion in private and public capital annually.

In addition, the United States will contribute to and actively support the new United States revolving fund for natural resources. This Fund will encourage the worldwide exploration and exploitation of minerals, and thus promote one of the most promising endeavors of economic development.

THE POOREST NATIONS

Any strategy for development must devote special attention to the needs of the poorest countries.

The fate of one billion people—half the developing world and a quarter of mankind—will be affected by what we do or fail to do.

For the last four years, per capita income in the poorest countries—already below minimal standards for development—has declined. Their exports are most concentrated in the least dynamic sectors of world demand. It is they who have been most cruelly affected by the rise in the costs of oil, food and other essential imports.

Whatever adversity the rest of mankind endures, it is these peoples who endure the most. Whatever problems we have, theirs are monumental. Whatever economic consequences flow from the decisions that we all make, the consequences are greatest for them. If global progress in economic development falters, they will be submerged.

This challenge transcends ideology and bloc politics. No international order can be considered just unless one of its fundamental principles is cooperation to raise the poorest of the world to a decent standard of life.

This challenge has two dimensions. We must look to elemental economic security and the immediate relief of suffering. And we must give preference to these countries' needs for future economic growth.

First, security means balance of payments support for the poorest countries during periods of adversity. For them global recessions and wide swings in prices of key commodities have a particularly disastrous impact. Yet these countries have very little access to short and medium-term capital to help them weather bad times. The little finance to which they have access often involves interest rates that are too high considering their chronic debt repayment problems.

To provide greater balance of payments support at more acceptable rates of interest for the poor nations, the United States last November proposed a trust in the International Monetary Fund of up to $2 billion for emergency relief. Although this proposal met with wide support, it has been stalled by a dispute over an unrelated issue—the role of gold in the international monetary system. We cannot let this delay continue. The United States is making a determined effort to move forward the monetary negotiations at the IMF meetings now underway. If others meet us in this same spirit, we could reach a consensus on the Trust Fund by the next meeting in January.

Secondly, security requires stable export earnings. The new approach that we are proposing today for earnings stabilization can provide major new economic insurance in the form of loans and grants for the poorest countries.

Thirdly, security means having enough to eat. There must be determined international cooperation on food.

The World Food Conference set a target of 10 million tons of food aid annually. This fiscal year the United States food aid budget provides for almost 6 million tons of foodgrains—sixty percent of the world target, and a twenty percent increase over last year. Other producers must also provide their share.

Another priority in the poorest countries must be to reduce the tragic waste of losses after harvest from inadequate storage, transport, and pest control. There are often simple and inexpensive techniques to resolve these problems. Investment in such areas as better storage and pesticides could have a rapid and substantial impact on the world's food supply—indeed the saving could match the total of all the food aid being given around the world. Therefore, we urge that the Food and Agricultural Organization, in conjunction with the UN Development Program and the World Bank, set a goal of cutting in half these postharvest losses by 1985, and develop a comprehensive program to this end.

Finally, security means good health and easing the strains of population growth. Disease ravages the poorest countries most of all and exacts a devastating economic as well as human cost. At the same time we face the stark reality that there will be twice as many people to feed by the end of this century as there are today. One of the most promising approaches to these problems is the integrated delivery of basic health services at the community level, combining medical treatment, family planning, and nutritional information and using locally trained paramedical personnel. The United States will support a major expansion of the efforts already underway, including those in cooperation with the World Health Organization, to develop and apply these methods. We strongly urge the help of all concerned nations.

Programs to achieve minimum economic security, however essential, solve only part of the problem. We must help the poorest nations break out of their present stagnation and move toward economic growth.

This means first of all that they should have preferential access to official, concessionary financial aid. They have the least dynamic exports, but they lack the capital to develop new ones. They have the direst need for financing, but they have no access to capital markets and little ability to carry greater debt.

If these countries themselves can summon the effort required, outside assistance can be productive. All nations with the financial capacity must share the responsibilty. We will do our part. More than seventy percent of our development assistance goes to low-income countries. More than sixty percent of this year's proposed programs is devoted to food and nutrition, which are of particular importance to the poorest.

The special financial needs of the poorest countries can be met, particularly by expanded, low-interest loans of the international financial institutions. The International Development Association of the World Bank group is a principal instrument whose great potential has not been fully realized. After Congressional consultations, the United States will join others in a substantial fifth replenishment of the resources of the International Development Association; provided that the oil exporting countries also make a significant contribution.

An effective strategy for sustained growth in the poorest countries must expand their agricultural production. For external food aid cannot possibly fill their needs. The current gap between what the developing countries need and what they can produce themselves is 15 million tons; at present rates of growth, the gap is expected to double or triple within the next decade. Failure to meet this challenge will doom much of the world to hunger and malnutrition and all of the world to periodic shortages and higher prices.

Traditional bilateral aid programs to boost agricultural production remain indispensable. President Ford is asking Congress for authorization to double our bilateral agricultural assistance this year to $582 million. We urge the other affluent nations to increase their contributions as well.

Clearly a massive program of international cooperation is also required. More research is needed to improve agricultural yields, make more efficient use of fertilizer, and find better farm management techniques. Technical assistance and information exchange are needed for training and for technological advance. Better systems of water control, transportation and land management are needed to tap the developing countries' vast reserves of land, water and manpower.

To mobilize massive new concessional resources for these purposes, the United States proposes the early establishment of the new International Fund for Agricultural Development. President Ford has asked me to announce that he will seek authorization of a direct contribution of $200 million to the fund—provided that others will add their support for a combined goal of at least one billion dollars.

The International Fund for Agricultural Development can be the major source of new capital to attack the most critical problems of the poorest developing countries. The United States urges the world community to give it prompt and major support.

THE POLITICAL DIMENSION

In every area of endeavor that I have described—economic security, growth, trade, commodities and the needs of the poorest—the developing countries themselves want greater influence over the decisions that will affect their future. They are pressing for a greater role in the institutions and negotiations by which the world economic system is evolving.

The United States believes that participation in international decisions must be widely shared, in the name of both justice and effectiveness. We believe the following principles should apply:

The process of decision should be fair. No country or group of countries should have exclusive power in the areas basic to the welfare of others. This principle is valid for oil. It also applies to trade and finance.

The methods of participation must be realistic. We must encourage the emergence of real communities of interest between nations, whether they are developed or developing, producer or consumer, rich or poor. The genuine diversity of interests that exists among states must not be submerged by bloc discipline or in artificial, unrepresentative majorities. For only genuine consensus can generate effective action.

The process of decision should be responsive to change. On many issues developing countries have not had a voice that reflects their role. This is now changing. It is already the guiding principle of two of the most successful international bodies, the IMF and the World Bank, where the quotas of oil producing states will soon be at least doubled—on the basis of objective criteria. Basic economic realities, such as the size of economies, participation in world trade and financial contributions, must carry great weight.

Finally, participation should be tailored to the issues at hand. We can usefully employ many different institutions and procedures: sometimes we should seek broad consensus in universal bodies, as we are doing this week in this Assembly; sometimes negotiations can more usefully be focused in more limited forums, such as the forthcoming consumer-producer dialogue; sometimes decisions are best handled in large, specialized bodies such as the IMF and World Bank, where voting power is related to responsibility; and sometimes most effective action can be taken in regional bodies.

Most relevant to our discussion here is the improvement of the United Nations system, so that it can fulfill its charter mandate "to employ international machinery for the promotion of the economic and social advancement of all peoples." We welcome the thoughtful report by the Secretary-General's group of 25 experts on structural reform in the UN system. We will seriously consider its recommendations. In our view, an improved UN organization must include:

Rationalization of the UN's fragmented assistance programs;

Strengthened leadership within the central Secretariat and the entire UN system for development and economic cooperation;

Streamlining of the Economic and Social Council;

Better consultative procedures to ensure effective agreement among members with a particular interest in a subject under consideration; and

A mechanism for independent evaluation of the implementation of programs.

The United States proposes that 1976 be dedicated as a year of review and reform of the entire UN development system. An intergovernmental committee should be formed at this session, to begin work immediately on recommendations that can be implemented by the General Assembly in its 1976 session. We consider this a priority in any strategy for development.

CONCLUSION

Mr. President, Mr. Secretary-General, colleagues, ladies and gentlemen: I began today with the statement that we have, this week, an opportunity to improve the condition of mankind. This fact alone represents an extraordinary change in the human condition. Throughout history, man's imagination has been limited by his circumstances—which have now fundamentally changed. We are no longer confined to what Marx called "the realm of necessity." And it has always been the case that the wisest realists were those who understood man's power to shape his own reality.

The steps we take now are not limited by our technical possibilities, but only by our political will. If the advanced nations fail to respond to the winds of change, and if the developing countries choose rhetoric over reality, the great goal of economic development will be submerged in our common failure. The speeches made here this week will be placed alongside many other lofty pronouncements made over decades past in this organization on this subject, buried in the archives of oblivion.

But we would not all be here if we did not believe that progress is possible and that it is imperative.

The United States has proposed a program of action. We are prepared to contribute, if we are met in a spirit of common endeavor.

We have proposed steps to improve basic economic security—to safeguard the world economy, and particularly the developing countries, against the cruel cycles that undermine their export earnings.

We have proposed measures to improve developing countries' access to capital, new technology, and management skills to lift themselves from stagnation onto the path of accelerating growth.

We have proposed structural improvements in the world trading system, to be addressed in the ongoing multilateral trade negotiations, to enhance devleoping countries' opportunities to earn their own way through trade.

We have proposed a new approach to improving market conditions in food and other basic commodities, on which the economies and indeed the lives of hundreds of millions of people depend.

We have proposed specific ways of giving special help to the development needs of the poorest countries.

My Government does not offer these proposals as an act of charity, nor should they be received as if due. We know that the world economy nourishes us all, we know that we live on a shrinking planet. Materially as well as morally, our destinies are intertwined.

There remain enormous things for us to do. We can say once more to the new nations: we have heard your voices. We embrace your hopes. We will join your efforts. We commit ourselves to our common success.

EDUCATION DIVISION AND RELATED AGENCIES APPROPRIATION BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. BEDELL) is recognized for 10 minutes.

Mr. BEDELL. Mr. Speaker, I rise in support of the motion to override the Presidential veto of the education division and related agencies appropriation bill.

In considering this veto, it is extremely important to put this legislation in its proper perspective. H.R. 5901, as passed by the Senate and the House, would provide $7.9 billion in Federal aid to education. The bill provides funding for three separate periods: $4.92 billion is for fiscal year 1976; $464.7 million is for the period from July through September 1976, the transition quarter; and $2.6 billion in advance funding which will not be spent until fiscal year 1977.

President Ford has charged that this bill constitutes excessive Federal spending. Close examination of its contents raises serious questions about this argument.

The fiscal 1976 portion of the bill totals $4.92 billion. This figure, together with advance appropriations previously enacted, will provide $7.3 billion in Federal aid to education in fiscal 1976. This total is just $255 million or 3.6 percent more than the total appropriated for such purposes in fiscal 1975. When one considers that the inflation rate from July

1974 through June 1975 was 9.7 percent, this 3.6 percent increase hardly seems like an unreasonable figure. It does not even come close to covering the cost of inflation.

President Ford reminds us that H.R. 5901 constitutes a substantial increase over his education budget request for fiscal 1976. What he does not mention is the fact that his budget proposed to reduce or terminate a variety of tried and tested education programs. What the President recommended in his budget was wholesale reductions in valuable education programs. Is this really what our Nation wants? I do not think that it is.

To confine the debate over the education appropriation bill to the question of fiscal discipline is to ignore its broader implications. The issue transcends pure economics. It is in reality a debate over national priorities.

The Congress has considered President Ford's attempt to diminish the Federal Government's commitment to educational opportunity for all its citizens, and rejected it. Through H.R. 5901, the Congress is maintaining Federal aid to education at slightly more than existing levels. This bill is a reflection of the resolve of the Congress to meet important goals and fulfill vital needs in the field of education in a reasonable and responsible manner.

Through this measure, assistance will be provided to children from low-income families in urban and rural areas; to the handicapped; to those seeking vocational training; to deserving college students; to adults who wish to continue their education.

The bill also provides assistance to expand and improve library services; to develop new and more effective teaching techniques in elementary, secondary and higher education; and to help lessen the impact of Federal activities on local activities of local school districts.

H.R. 5901 is a bill that will continue progress toward quality education in this country. I am very concerned that its defeat will be a step backward for our educational system. My State of Iowa alone stands to lose at least $1.4 million in Federal education funds if the veto is sustained, and most of this money is earmarked for educationally deprived children. This is an example of what will occur all across the country if this veto is not overriden.

In his veto message, President Ford stated that—

> The real issue is whether we are going to impose fiscal discipline on ourselves or whether we are going to spend ourselves into fiscal insolvency . . . Taken as a whole, this appropriation bill is too much to ask the taxpayers—and our economy—to bear.

I submit that this statement misrepresents the real issue at hand here. The real issue is the strength of the Federal commitment to educational opportunity for all Americans.

President Ford wants to draw the line against excessive Federal spending. So do I. Yet, as many teachers and school administrators familiar with working with tight budgets may suspect, the issue here is not where we draw the line, but through whose budget the line gets drawn. While President Ford proposes an $800 million reduction in education funds, and then vetoes a 3.6-percent increase in education appropriations, he requests an $8 billion increase in defense spending, an increase of 10.2 percent. We have not been witness to the same concern for the taxpayer and for belt-tightening within the Defense Establishment as we have in the education field, even though our involvement in Southeast Asia is finally over and our people are calling for reduced commitments abroad and greater attention to domestic needs.

It is evident that we face a serious disagreement over national priorities which has little to do with Federal spending. I urge my colleagues to override President Ford's veto of H.R. 5901.

STATEMENT OF CONGRESSMAN CHARLES A. VANIK (OHIO) IN THE HOUSE OF REPRESENTATIVES ON THE PRESIDENT'S VETO OF S. 1849

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, today, by his veto and instant decontrol of domestic old oil, the President of the United States provided a $400 billion windfall to those American companies and individuals which own these valuable oil resources. At yesterday's prices of $5.25 per barrel, the known old oil reserves had a market value of $194 billion.

Today, with one stamp of his veto, the President increases the value of this old oil by an additional $400 billion. Never before in the annals of American history has so much economic wealth been shifted by a single act of Executive indiscretion.

The President of the United States has the power to veto the efforts of the Congress to work out a satisfactory solution, but he can never veto the fears and the apprehensions of 215 million Americans.

RELIEF FOR McNAMARA CONSTRUCTION OF MANITOBA, LTD.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Louisiana (Mr. LONG) is recognized for 5 minutes.

Mr. LONG of Louisiana. Mr. Speaker, today I am introducing a bill for the relief of McNamara Construction of Manitoba, Ltd. You will note that the bill as introduced does not set forth a dollar amount for the claim but leaves a blank for that figure. The reason for this is that in due course I will introduce a resolution asking that this matter be referred to the chief trial judge of the U.S. Court of Claims for his recommendations to the Congress as to what relief, if any, should be given to McNamara Construction. If it is the recommendation of the chief trial judge that McNamara is entitled to relief, the figure which he suggests can then be inserted in the bill. This has been done in other cases (see, for example, *Harvey-Whipple, Inc.* v. *United States,* 164 Ct. Cl. 687–700 (1965).

In introducing the subject bill and resolution referring it to the chief trial judge of the Court of Claims, I am making no recommendation nor expressing any opinion as to whether McNamara is entitled to any relief. The bill and resolution are being introduced for the sole purpose of permitting the chief trial judge of the Court of Claims to hear McNamara's claim and make a recommendation to Congress on the basis of legal and equitable principles which are well established for giving relief in cases of this nature. If the recommendation should favor relief, Congress can then determine whether or not it will follow that recommendation, and to what extent.

A copy of the bill follows:

> A bill for the relief of McNamara Construction of Manitoba, Ltd.
>
> *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to McNamara Construction of Manitoba, Ltd., Willowdale, Ontario, Canada, the sum of $———. The payment of such sum under the preceding sentence shall be in full settlement of all claims of McNamara Construction of Manitoba, Ltd., against the United States arising out of Contract numbered DA 620-064, CIVENG 64–100, dated June 30, 1964, with the United States for the construction of a New Second Lock, St. Mary's Falls Canal, Sault Ste. Marie, Michigan, including coffer dams, care of water, excavation, construction of a navigation lock and guard and guide walls, and all appurtenances.
>
> SEC. 2. No part of the amount appropriated in the first section of this Act in excess of 10 per centum thereof shall be directly or indirectly paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

A NUMBER OF HEALTH PROGRAMS AT A 20-PERCENT LOWER LEVEL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado (Mr. WIRTH) is recognized for 10 minutes.

Mr. WIRTH. Mr. Speaker, a number of health programs—family planning, neighborhood health centers, migrant health projects, and rodent control—are now being supported at a level about 20 percent lower than last year's appropriations. As explained in my "Dear Colleague" letter of September 3, they are being funded under the continuing resolution at the President's tragically low budget request levels. This situation will last until the Congress passes final appropriations for these programs, which were authorized in S. 66—now Public Law 94–63. I would like the support of my colleagues in the House in asking the President and the chairmen of the Appropriations Committees to act to correct this unfortunate situation before these programs are permanently weakened by these temporary reductions.

I want to share with you some reports which point out exactly what is and will be happening on the local level until the President or the Congress takes action. I think you will see the waste which results from the treatment of these programs under the continuing resolution—temporary cuts in staff and services, not to mention higher administrative costs brought about when programs are continually being cut back, and then reinstated. In addition, you will see that these health programs are programs of preventive medicine, a health-care strategy of proven cost-effectiveness, which would be severely disrupted by this kind of off-again-on-again spending policy. Finally, these programs serve the health needs of that portion of the population—the poor, the near-poor, the unemployed—who can least afford to carry the added costs as proposed by the administration, and who will, therefore, require support from State and local governments already strapped for funds in this area.

The examples which follow show the effect of these funding cutbacks on three major programs: Family planning, neighborhood health centers, and migrant health services.

Family planning programs.—Most of the family planning programs in Colorado are carried out by Rocky Mountain Planned Parenthood. They have received Federal funds since 1970 and now serve thousands of clients. I offer their analysis of the cutbacks' effects below. They indicate that this 20-percent reduction will be wasteful on two levels: First, in the added administrative costs of first cutting, then enlarging, their budget while the appropriations bills are being considered; and second, in the "ripple effect" of cutting back on birth control with the attendant increase in unwanted births and abortions.

The director of Rocky Mountain Planned Parenthood comments:

> We at Rocky Mountain Planned Parenthood are attempting to deal with the proposed 20% cut in funding, which we will be facing October 1st . . . We have had funds cut and later restored. We have had funds impounded and later released. We have been given restored or released funds from time to time, late in the grant year, on "one time only" basis with instructions that the money be spent immediately, not for services, on a non-recurring basis. Each time that this happens, we get some more "one time only" training or "one time only" equipment or furnishings, and the extension of services to the poor is subverted. All our agencies need consistency in funding for on-going services instead of the constant on-again-off-again, up-again-down-again inconsistency of which we must try to make programmatic sense.

For Rocky Mountain Planned Parenthood, the 20-percent cut in Federal funding means:

Two or three small rural programs will close;

The number of women seen in several large urban programs will be cut back;

Four thousand patients—2,000 poor and 2,000 near-poor—will not receive family planning help;

Three thousand patients will be lost as a result of "inflationary" cuts which had been anticipated even had funding remained at the previous year's level so that the total reduction will be around 7,000 patients under 50 percent of poverty;

And, finally, 10 to 15 staff persons will be dismissed.

The Rocky Mountain Planned Parenthood director describes further what these numbers mean in human terms:

> For most of the women that RMPP will not be able to serve, there is no alternative source of family planning care. Many of them will become pregnant, and have babies they cannot afford, or resort to abortions out of desperation. Many of the mothers will be seeking assistance from other public agencies because they cannot support their children, creating whole new generations needing welfare assistance.
>
> Since most women use the birth control pill as their contraceptive method, and receive their supplies on a monthly or bimonthly basis, even a very short term cut in funding would result in unnecessary pregnancies. In addition, identifying and relocating those women who are no longer using birth control because their clinic closed and getting them back in and started again will be an incredibly difficult and relatively expensive task.

Community neighborhood health centers.—The case of community, or neighborhood, health centers is no less serious. On a nationwide basis, 49 of the 157 federally supported community health centers will be closed as a result of the administration's budget cuts. Funding for the remainder will be substantially reduced. Close to 300,000 patients now being served by these facilities will no longer receive care. As yet uncounted numbers of people who are still without basic primary care, and the growing ranks of unemployed persons who cannot afford health insurance coverage, will be denied care during these times of personal economic difficulty when they must turn to the community health center for health care.

Mr. Speaker, the specific impact of these funding cuts is illustrated in the following reports from two neighborhood health centers' directors. I will quote directly from the Washington, D.C., neighborhood health center director:

> Currently, we are looking forward to a new facility. We have been planning for a long time. We treat about 12,000 patients. A 20% reduction would mean:
>
> We simply could not move into the new facility for which plans have been developed.
>
> Services would be cut, across the board, as opposed to a particular service, proportionately.
>
> Those who would suffer the most (about 5–6,000 or 50%) are those defined as near-poor. That is to say, they have no medical insurance or are not covered by Medicare or Medicaid. These people usually receive medical services "free" or pay as they can on a sliding scale basis.
>
> The services most likely to be cut would be ancillary services such as nutrition care, social services, research, training and transportation.
>
> Let me cite two instances from a recent study which best portray the types of services, staff persons, and patients who would suffer. You can judge the value of such services—
>
> As we were leaving one center at closing time, a man entered complaining of stomach cramps. The receptionist took off her coat, pulled his charts, consulted with a physician who determined the man should be hospitalized. In the meantime, a family health worker made the necessary arrangements with the transportation department and the hospital and accompanied the patient to the hospital. On arrival at the hospital, the family health worker provided the necessary information to the registrar and remained there until the patient was settled and comfortable. After leaving the hospital, she went directly to his home and gave the patient's family an explanation of what happened.

Another woman related this story: "I had been hospitalized for about 3 months and I couldn't write checks. The landlord was threatening to evict me. The family health worker stepped in and persuaded the landlord to wait until I was out of the hospital. It was a relief to know that I would still have a home when I got out of the hospital."

In summation, this project director felt "this happens to the poor all the time—their expectations are raised to a level and then comes the great disappointment—the program is curtailed or eliminated." Such programs are based on "political decisions" of the administration in power rather than the needs of the people.

The following response from a community health center director in Chicago, Ill., illustrates the damage these cuts can wreak on the preventive aspects of these health programs. The director responds in the following statement:

> A 20% reduction to me means:
>
> A substantial reduction of all services with possible elimination of home health services and well baby care. The infants and the elderly who could not get to the center would undoubtedly suffer.
>
> Our Center treats about 30,000 people. Those affected the greatest (about 12,000) would be those without insurance, Medicare or Medicaid. We simply would have to say "No" in many instances.
>
> Staff cuts would range proportionately with a probable reduction of LPN's, RN's, and dentists.
>
> Services would be cut first in areas such as transportation, nutrition, counselling, immunizations, eye services, etc.
>
> But this is not funny or a luxury to tell a person going blind you can't treat him or when you consider that now one-third of the children entering school are not immunized against polio—How the hell do you explain to someone going blind that you cannot treat him because you had to eliminate optomologist services—because Congress has reduced funding, or will not have enacted a higher level til winter?

Migrant Health Services.—Finally, I would like to share the response from the director of a migrant health center director in Harlingen, Tex.:

> Better than 90% of the 38,000 we treat annually are "charity" cases. They don't have insurance, Medicare or Medicaid. All are U.S. citizens and most are seasonal farm workers.
>
> A 20% reduction would seriously affect our program.
>
> Inflation is here now and we are expected to take a cut?
>
> The part of our program most affected would be our ability to supply drugs and supplies and offer prenatal and post-partum care.
>
> Our patients suffer a high incidence of diabetes, hypertension, and malnutrition; what possible good does it do to confirm a diagnosis and then not be able to treat the disease? This is what would happen (if the cuts are enacted).

These statements from people directly involved in these health programs offer a vivid, personal picture of what these proposed cuts would mean. In order to give you a sense of the impact on your own States and districts, I will be inserting in tomorrow's Record charts which show the impact on family planning programs on a State-by-State basis, as well as a county-by-county analysis of the cutbacks' effects on neighborhood health centers.

Mr. Speaker, these cutbacks will mean wasted money, unnecessary disruption of health services of proven value, and denial of services to those who need them most. They occur on the heels of an overwhelming congressional vote in support of these programs. The cutbacks reflect the policy of a tight-fisted administration seeking to economize at the expense of the well-being of hundreds of thousands of our country's citizens. I call this a false economy. The funding is needed to counteract these cuts in complete accordance with the projections in our budget resolution for fiscal year 1976. Indeed, as I have pointed out, more money will be wasted if these cuts are carried out. In short, I call on all of you to join me in seeing that these programs receive the kind of support so many of you voted for in the veto override on July 29.

UTILITY INDUSTRY DECEPTION ON NUCLEAR POWER COST SAVINGS

(**Mr. OTTINGER** asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, during the past year a number of electric utility companies around the country have been making claims of great cost savings because of their addition of nuclear powerplants.

Last winter the Consolidated Edison Co. of New York, which serves most of my congressional district, came to Washington and made a presentation to Members of the New York congressional delegation asserting savings of $95 million in 1974 attributable to its two nuclear plants at Indian Point on the Hudson River.

When I first heard these figures presented to Members of Congress, they struck me as being wrong because I had been aware both of the operating difficulties of these nuclear plants, available for power production only a part of that year, and because of the much higher cost of construction of nuclear plants than fossil fuel plants. I queried company officials who assured me that the figures were accurate as total cost savings.

The company has subsequently asserted these savings in promotional materials it has distributed with its bills and elsewhere. In these materials, the presentation is made so as to lead the public to believe that the figures represent overall savings, though the figures themselves are labeled as just fuel cost savings. The company still maintains this is not misleading.

As a result, I requested the Council on Economic Priorities, a New York-based public interest organization, to conduct a study of Consolidated Edison's costs for nuclear power generation versus conventional fossil generation, on an all-inclusive basis. The council has completed its report, showing that construction and operation of a coal-fired plant of comparable output would have produced cheaper power at lower cost to the consumer and that the savings over a comparable oil-fired plant are marginal.

In consequence of the results of this study and the deceptive advertising and publicity by Consolidated Edison, I have requested that the Federal Trade Commission investigate the promotion practices of this and other companies and that the Federal Power Commission and the Public Service Commission of the State of New York verify the council study and take action to prevent the continuation of these practices at ratepayer expense.

The story of this controversy is an interesting one—and one which I fear applies beyond New York to the practices of other utilities in other parts of the country. I therefore am inserting two of the news articles that appeared subsequent to the Council on Economic Priorities report which relate to this issue for the benefit of my colleagues who may want to pursue similar practices in their own districts.

[From the New York Daily News, Aug, 25, 1975]

DISPUTES CON ED FIGURES

(By Bruce Drake)

A private research group accused Consolidated Edison yesterday of misleading the public with claims that its nuclear plants produced substantial savings for customers by generating electricity more cheaply than plants burning oil.

Con Ed had stated in press releases and mailings to customers that the operation of its Indian Point nuclear plants replaced the need for nine million barrels of oil and saved customers $95 million in 1974.

But the Council on Economic Priorities, a Manhattan-based study group, asserted that the fuel-cost advantage over oil plants was wiped out by the higher cost of building and maintaining the nuclear units. When those factors are included, the group said, the nuclear facilities' cost advantage shrinks to $4.3 million.

CON ED RESPONDS

In a caustic response, Bertram Schwartz, Con Ed senior vice president, said that the group's analysis was "amateurish" and that its conclusions were "just plainly, clearly and absolutely wrong." He said the company stood by its statements.

Charles Komanoff, who conducted the council study, acknowledged that nuclear fuel was significantly cheaper than oil. But he said that Con Ed's $95 million figure had been gobbled up by $66.3 million in annual fixed charges for taxes and interest costs on construction, and by $11.1 million in operation and maintenance charges. He also claimed that Con Ed had overestimated the fuel savings by $13.3 million.

He said that the fixed charges of the Indian Point facilities roughly doubled those of a conventional plant that used coal or oil.

However, Con Ed asserted that its nuclear units—even with construction and operation costs considered—produced substantial savings for customers over coal or oil alternatives.

The "key point," said Schwartz, "is that we never purported to make an over-all economic analysis of all costs involved. In all our statements, it was clear the subject was only fuel costs."

"The problem with that kind of statement," Komanoff countered, "is that it misleads the public about the economic choices to be made on the issue of what types of plants to build, at a time when nuclear plants are very much a subject of debate."

The claims by Con Ed were also questioned yesterday by Rep. Richard L. Ottinger (D-Westchester), who asked the Federal Trade Commission to investigate and determine whether there were any violations of law if the claims were inaccurate.

In another development, a Con Ed spokesman said that the utility would continue to press for a $456 million electricity rate increase despite recommendations by the staff of the Public Service Commission that the hike request be cut by more than 60%. He said that the staff report is just one of a number of steps the request will go through before the PSC acts sometime early next year.

[From the Newsday, Aug. 25, 1975]

STUDY: CON ED INFLATED NUCLEAR SAVING

(By Stuart Diamond)

A study by a research group has charged Consolidated Edison with misleading its 9 million customers by claiming in a bulletin in April that the utility's Indian Point reactors had saved $95 million in fuel costs in 1974. The actual saving, the study said, was only $4.3 million.

The study, by the Council on Economic Priorities, contended that Con Ed, which serves New York City and Westchester County, did not include the cost of constructing the two reactors when it figured that its nuclear plant operation saved $95 million in oil costs. Thus, the overall saving from nuclear power was much less than the utility led its customers to believe, the study said.

Con Ed spokesmen said it was irrelevant to include construction costs in a statement of fuel savings. But a company vice president agreed later that customers might have been misled by the April "Customer News" bulletin, which he said, did not represent "a complete analysis."

Rep. Richard Ottinger (D-Westchester), who requested the study, has asked the Federal Trade Commission to investigate Con Ed's claims and to determine whether the utility has violated any "truth-in-advertising" statutes.

"Con Ed's claims sound good on their face, but I have been concerned . . . that they were based on an abstract, unrealistic set of figures that did not include anything more than direct fuel costs—ignoring taxes, interest charges and operation and maintenance costs," Ottinger said.

The cost of nuclear power has stirred a heated controversy in recent months. Proponents contend that atomic energy is 40 per cent cheaper than coal or oil. Critics argue that reactor breakdowns and construction delays have greatly reduced the economic advantages of nuclear power. In the case of the two reactors that the Long Island Lighting Co. plans to build in Jamesport, delays in the licensing hearings already have raised the construction cost of the facilities about $350 million, according to company figures.

The Council on Economic Priorities, a nonprofit, Manhattan-based research organization, said Con Ed's nuclear savings also were lower than claimed because the reactors operated at only 46 per cent of capacity. Con Ed's figures in the bulletin are based on a 65 per cent capacity.

Bertram Schwartz, the utility's senior vice president for planning, said that the second Indian Point unit was operated at less than 65 per cent capacity because it was a new plant and was being tested during the first six months of last year. This year, however, it operated at 64 per cent capacity between January and June. The first unit, he said, was ordered closed for alterations during the last two months of 1974.

But the study's author, Charles Komanoff, the council's energy expert, contended that whatever Con Ed's reasons were, the shutdowns still occurred and the company gave its customers an incomplete picture in the bulletin. Komanoff, who has done voluntary work for nuclear opponents, contended that such incomplete statements by Con Ed and other utilities are creating an exaggerated positive image for nuclear energy.

Schwartz charged that the study "is wrong both in substance and in its conclusions," and said the fuel costs were included in the bulletin to show how much money was saved in oil costs. "If the public thinks $95 million is the overall savings, I'm chagrined that they may have been led to the wrong conclusion," Schwartz said. "It was inadvertent."

Komanoff's conclusion that $4.3 million was the actual saving is based on subtracting the reactors' capital cost, maintenance and related factors from the $95 million saving claimed by Con Ed. Although nuclear fuel is far cheaper than fossil fuel, the capital costs of reactors are far greater. Schwartz contended that Komanoff's estimate is "meaningless," because the $4.3 million figure does not reflect the cost of additional fossil plants that would have been necessary in the absence of nuclear reactors. Schwartz said that if a comparison was made in such a case, the saving from the nuclear operation would have been about $78 million—$17 million less than what was listed in the bulletin.

WHY NOT BAKE A LARGER PIE?

(Mr. DEVINE asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. DEVINE. Mr. Speaker, Earl W. McMunn, director of public affairs of the Harvest Publishing Co., and an expert not only on matters of agriculture, but on basic American philosophy, has written an article entitled "Why Not Bake a Larger Pie?"

This article appeared in the Ohio Farmer last month, and I am submitting it to the Record with the hope that some of our colleagues might take heed when considering the great issues of the day:

Let's Reason Together: Why Not Bake a Larger Pie?

(By Earl W. McMunn, Director of Public Affairs, the Harvest Publishing Co.)

What is the source of our wealth? Does it come from productive effort? Or, is it created by act of government? These questions are easy to answer when we think in abstract terms. We know there is no wealth until someone produces something. And, that government doesn't produce. It feeds on the production of others.

If we keep these principles clearly in mind, we will have little trouble deciding where we stand on major public issues of the day. The trouble is that principles are easily forgotten when we get into the everyday business of mixing economies and politics. We may think one way, we may act another, when we believe it will further our personal interests to do so. This is true for us as individuals. It is also true for lawmakers and others in government who are making the decisions which will determine the future of our nation.

Will we continue to live in a land of opportunity and personal freedom? Or, will we give up our freedom in exchange for promises of gifts from a government that has no wealth to give?

During the years following World War II the British were lured down the garden path by Socialist reformers. They heard the siren song that "workers are entitled to the fruits of production." Socialist policy was to take the fruit by force of government. Now there isn't much fruit left and the tree is almost dead.

Most industrialized countries rode the world-wide economic upsurge of the past 25 years. They built plants, developed new technology and the people prospered. Never, during any like period in history, did so many people move higher up the economic ladder.

The British choice was to "spread the wealth." They nationalized industries, set up a costly program of socialized medicine and entered into strangling alliances with labor unions. Government intervention first hampered, then killed business. Bankrupt companies were nationalized. This resulted in an economic nightmare of low capital investment, labor strife, lagging production and slow growth rate.

Now, nothing seems to work—and for good reason. A quarter of a century ago the people of Britain chose the road to economic ruin. They were lured down that road by schemes for sharing the wealth. Policies to strengthen the economy were rejected.

American social planners have headed us in the same direction. Our Great Society was launched a decade ago. It was to spend away the nation's ills. The War on Poverty promised everything, but has not eliminated poverty.

Food stamps started as a 30-million-dollar program. Now, a decade later, one person in 11 is receiving food stamps and the cost is five billion. Medicine started at $3.4 billion. It has soared to more than $14 billion. In little more than a decade we have spent more than $800 billion in programs designed to create the Great Society; and there are many who wonder whether society is better because of the spending.

Actually, unbridled spending is a major cause of our trouble. Social activists insist that public spending is the cure for almost every ill. And spending has outrun tax collection to the point where we have a national debt of more than half a trillion dollars. This deficit spending feeds the inflation which is so costly to all of us.

Our economy was in better shape than the British to withstand a round of excess spending and unwise government tinkering with the economic system. But our great wave of prosperity has come to an end, and many Americans are realizing that something is wrong. They know the dollar is losing value at an alarming rate, and sense that the "Welfare State" may be a major cause of their troubles.

All this gets back to the question of the source of our wealth. And we admit that government has no productive power to create wealth, but it has the power to tax. And this is the power which gives the illusion of wealth. With this power, government can transfer wealth from one element of society to another, exacting always a handling charge.

Wealth transfers look good to those getting the "free government aid," the lawmakers who "give" it, and the bureaucrats who are paid to handle the transactions. True, taxpayers may be unhappy. But we keep them from becoming too restive by hiding part of the tax load in a withholding tax which many workers believe is "paid by the company."

Let's think of our national wealth in terms of a pie. In total, all the people produce just so much. Some contribute a great deal. Others, little or nothing. But almost everyone would like to cut the pie so that his piece will be larger. During recent years our political concern has been with pie cutting, not pie baking!

To keep a growing family, what's better than to bake a larger pie? Why not give more attention to the production of wealth, and less to taking it away from the rightful owner?

Here is a major flaw in so many plans which are alleged to create social and economic justice. They are conceived in terms of robbing Peter to pay Paul. They concentrate on giving things to people. This means taking from someone else. We have strayed from the principle that the government should preserve opportunity and freedom, so that people may accomplish everything their abilities and ambitions will permit. In departing from this principle, we reward non-production. We discourage those who are still willing to help bake that larger pie.

He who takes the property of another by force or intimidation is a robber. But taking property is made highly respectable if it is done on a group basis, and the group doing the taking is large enough. So, under the guise of social justice, we have turned the power to tax into a form of legalized robbery. Here reformers have twisted a crime into an alleged virtue.

But today's liberals haven't invented anything new. They just turned back the pages of history to a scheme made famous by Robin Hood and his band of robbers. Their story was that they took from the rich and gave to the poor. Their gifts of stolen riches may have persuaded the peasants to help hide the bandits from the Sheriff of Nottingham. But there is no evidence that this wily excuse for robbery ever did much to improve the lot of poor people in England.

Dedication to acquiring and spending the wealth of another is a customary liberal trademark. Liberalism is no doubt one of our most profitable professions. Think of all the people who make it their business to go to Washington for 'free government money" and the others who pass it out from an empty treasury. It will continue to be profitable so long as it can feed upon new wealth created by the efforts of others. But evidence is mounting that liberals, in their greed, are killing the goose that lays the golden eggs.

Anyone who promises to help you by destroying another's ability to earn a profit has to be dishonest or an economic illiterate. Profits are incentives for investing in business, just as wages are incentives to workers. Investors, as well as workers, must be rewarded if our economy is to prosper and grow.

The recession of recent months has provided a lesson in practical economics. It is that jobs disappear when profits are lacking. You don't help a worker when you force his employer into bankruptcy. Several million Americans can testify to the truth of this fact. Neither do you help consumers by shutting off the supply of products they want and need.

People are looking for miracles, and it may take a miracle to save us. The miracle will not be found in the Welfare State which promises to reward some by robbing others—and all the time reducing the incentives to create new wealth. The miracle—if it comes—will be found in the marvelous productive ability of our private enterprise system. This is where it has been all the time.

But there will be no miracle without dedicated support from those who believe in our system, and understand what it can do to improve the well-being of mankind. We have proof that the private enterprise system benefits people. Look about. You will find examples everywhere you turn. The question is whether we have the fortitude to stand fast in defense of our principles against those who would take wealth, rather than helping in its production.

AN IDIOTIC CHANGE IN FEDERAL CRIMINAL CODE

(Mr. QUILLEN asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. QUILLEN. Mr. Speaker, the House is expected very shortly to take up for its consideration a proposed revision of the Federal Criminal Code which would make it a Federal crime for a citizen to shoot a nighttime prowler in his own home. If this piece of idiocy is enacted into law, the criminal element in this country will cheer, and the decent, law-abiding American people will recoil in shock and justifiable outrage at what their Government has done to them.

I am referring to the provision of the proposed Criminal Justice Reform Act of 1975, which states that a citizen in his or her home can be convicted of murdering a criminal unless the person was positive that "deadly force" was "reasonably required to protect" himself or his family "from risk of death or serious bodily injury."

Incredibly, the proposed change states further that the innocent resident can be convicted if he or she had the chance of "retreating—to another part of the house—with complete safety to himself and others" before shooting at the criminal who has assaulted the home.

Nor, under this bill, would a person be legally permitted to use "deadly force" to stop a burglar from stealing "personal property," such as money, jewelry, or a television set, or from damaging the house.

I do not know what else the Government can do to render the American people helpless and defenseless before the thugs and killers who prey on them. Perhaps the ultimate requirement would be to invite the crooks in for milk and cookies and then beg for mercy.

I can only conclude that this bill is part of the insidious overall effort to snatch away the constitutional right of American citizens to own firerams, and failing that, to at least make certain that if a citizen actually uses a gun to protect himself and his loved ones, that he goes to jail for doing so. I say this is sheer, total, and absolute lunacy.

Mr. Speaker, gun control is not a new issue in this country. The dastardly attempt on President Ford's life last week in Sacramento—and thank God it failed and the President was unharmed—will undoubtedly produce renewed cries for gun control. But if we can look at this issue dispassionately and calmly, it is apparent that there is no way that any Federal legislation can prevent criminals from obtaining guns. Certainly, this apparently unbalanced Manson woman would not have been prevented from getting her hands on the gun she had. All that will happen is that victims of criminal assaults will be stripped of the means to defend themselves.

The theory behind gun control is that people determined on murder, robbery, and other violent crimes will be deterred because it would be illegal for them to carry or use guns. I believe that is patently ridiculous, and that, in fact, the opposite is true. Disarming decent, law-abiding people will only encourage the gangsters and thugs in their depredations against society. Disarming the average American, or prohibiting him from defending himself, as the proposed Criminal Justice Reform Act of 1975 would do, is to the advantage of no one except the criminal.

What deters a criminal is fear of punishment, fear of getting caught, and fear of being hurt or wounded during the commission of the crime. Obviously, the police cannot provide citizen protection against every gunsel and thug bent on violence. Almost always, the victim must defend himself as best he can. I do not know of anyone who would argue that the intended victim can more readily and effectively defend himself without a gun than he can with one.

Yet some tell us that the solution to crime lies in gun control, and in prohibiting the legitimate use of guns, as is contemplated in these proposals. More gun control will only serve to make life easier for the crooks, while at the same time undermining the constitutional freedoms of our citizens.

Moreover, surely we would not want to penalize those among us who use and enjoy firearms for recreational and sporting purposes. They do not contribute to crime, they help fight it. The gun is not the criminal, the person who pulls the trigger is.

If the House is so unwise as to embrace the falacious theory behind the proposed changes in the Criminal Justice Reform Act, it will have succeeded only in rendering defenseless the law-abiding citizen in his or her home. I am totally opposed to these proposals because I am convinced that their enactment into law will benefit the criminal by severely impairing the American citizen's ability to defend himself, his family, and his property against the outlaws. And I earnestly implore my colleagues to join with me to defeat these crack-brained and lunatic schemes.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. HYDE) to revise and extend their remarks and include extraneous material:)

Mrs. FENWICK, for 5 minutes, today.

Mr. KEMP, for 30 minutes, today.

Mr. MILLER of Ohio, for 5 minutes, today.

(The following Members (at the request of Mr. MINETA), to revise and extend their remarks, and to include extraneous matter):

Mr. GONZALEZ, for 5 minutes, today.

Mr. DE LUGO, for 15 minutes, today.

Mr. DENT, for 5 minutes, today.

Mr. PATMAN, for 10 minutes, today.

Mr. O'NEILL, for 5 minutes, today.

Mr. KOCH, for 10 minutes, today.

Mr. EILBERG, for 5 minutes, today.

Mr. BINGHAM, for 10 minutes, today.

Mr. BEDELL, for 10 minutes, today.

Mr. VANIK, for 5 minutes, today.

Mr. FORD of Michigan, for 5 minutes, today.

Mr. LONG of Louisiana, for 5 minutes, today.

Mr. WIRTH, for 10 minutes, today.

Mr. FORD of Tennessee, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

At the request of Mr. STRATTON, the remarks of Mr. MCCLORY to appear in the RECORD immediately following those of Mr. STRATTON.

Mr. CONTE to revise and extend his remarks on House Joint Resolution 209, National Hunting and Fishing Day and S. 331, Commemorating Veterans Day on November 11.

(The following Members (at the request of Mr. HYDE) and to include extraneous matter:)

Mr. CONABLE in two instances.

Mr. FINDLEY.

Mr. CEDERBERG.

Mr. ABDNOR.

Mr. SYMMS.

Mr. DU PONT in three instances.

Mr. FRENZEL in three instances.

Mr. MICHEL in three instances.

Mr. TALCOTT.

Mr. RHODES in two instances.

Mr. KEMP in three instances.

Mr. ARCHER.

Mr. BURGENER in two instances.

Mr. PEYSER.

Mr. MARTIN.

Mr. BROWN of Ohio in two instances.

Mr. BROOMFIELD.

Mr. KETCHUM.

Mr. CONTE.

Mr. ARMSTRONG.

Mr. GUDE.

Mr. TAYLOR of Missouri.

(The following Members (at the request of Mr. MINETA) and to include extraneous matter:)

Mr. ANNUNZIO in six instances.

Mr. GONZALEZ in three instances.

Mr. ANDERSON of California in three instances.

Mr. GIBBONS.

Mr. OBERSTAR.

Mr. SOLARZ in four instances.

Mr. SANTINI.

Mr. DENT.

Mr. HAMILTON.

Mr. FASCELL.

Mr. DIGGS in two instances.

Mr. KASTENMEIER.

Mr. ULLMAN in five instances.

Mr. BINGHAM in 10 instances.

Mr. LLOYD of California.

Mr. HANNAFORD in five instances.

Mr. ST GERMAIN.

Mr. PICKLE in 10 instances.

Mr. BADILLO in two instances.

Mr. BOWEN.

Mr. ROUSH in three instances.

Mr. VANIK in three instances.

Mr. DINGELL.

Mr. HARRINGTON.

Mr. FRASER.

Mr. DE LA GARZA in 10 instances.

Mr. RANGEL.

Mr. VIGORITO.

Mr. MIKVA in two instances.

Mr. YOUNG of Georgia in two instances.

Mr. MATHIS.

Mr. DELANEY.

Mr. DANIELSON in five instances.

Mr. ASHLEY.

Mr. ZEFERETTI.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 907. An act to authorize the Smithsonian Institution to plan museum support facilities.

ADJOURNMENT

Mr. MINETA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 28 minutes p.m.) the House adjourned until tomorrow, Wednesday, September 10, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1704. A letter from the Architect of the Capitol, transmitting a report on expenditures from moneys appropriated to his office during the period January 1–June 30, 1975, pursuant to section 105(b) of Public Law 88–454; to the Committee on Appropriations.

1705. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting notice of the location, nature, and estimated cost of various construction projects proposed to be undertaken for the Naval and Marine Corps Reserve, pursuant to 10 U.S.C. 2233a(1); to the Committee on Armed Services.

1706. A letter from the Chairman, U.S. Civil Service Commission, transmitting a report and recommendations on the operation and administration of section 724 of the District of Columbia Self-Government and Governmental Reorganization Act, as amended; to the Committee on the District of Columbia.

1707. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to section 112 (b) of Public Law 92–403; to the Committee on International Relations.

1708. A letter from the Chairman, National Transportation Safety Board, transmitting the annual report of the Board for calendar year 1974, pursuant to section 5(g) of the Department of Transportation Act of 1966; jointly, to the Committees on Public Works and Transportation, Merchant Marine and Fisheries, and Interstate and Foreign Commerce.

RECEIVED FROM THE COMPTROLLER GENERAL

1709. A letter from the Comptroller General of the United States, transmitting a report on the examination of the financial statements of the Federal Prison Industries, Inc., Department of Justice, for fiscal year 1974, pursuant to section 106 of the Government Corporation Control Act, as amended [31 U.S.C. 851] (H. Doc. No. 94–246); to the Committee on Government Operations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MOAKLEY: Committee on Rules. House Resolution 335. Resolution establishing a select committee to study the problem of U.S. servicemen missing in action in Southeast Asia (Rept. No. 94–463). Referred to the House Calendar.

Mr. MOAKLEY. Committee on Rules. House Resolution 705. Resolution providing for the consideration of House Resolution 335. Resolution establishing a select committee to study the problem of U.S. servicemen missing in action in Southeast Asia (Rept. No. 94–464). Referred to the House Calendar.

Mr. MURPHY of Illinois: Committee on Rules. House Resolution 706. Resolution providing for the consideration of H.R. 8150. A bill to amend the Drug Abuse Office and Treatment Act of 1972, and for other purposes (Rept. No. 94–465). Referred to the House Calendar.

Mr. YOUNG of Georgia: Committee on Rules. House Resolution 707. Resolution providing for the consideration of H.R. 9005. A bill to authorize assistance for disaster relief and rehabilitation, to provide for overseas distribution and production of agricultural commodities, to amend the Foreign Assistance Act of 1961, and for other purposes (Rept. No. 94–466). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. AuCOIN:

H.R. 9459. A bill to authorize the Secretary of the Interior (hereinafter referred to as the Secretary) to construct, operate, and maintain the Tualatin Second Phase reclamation project, Oregon, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. de LUGO (for himself, Mr. Phillip Burton, Mr. Don H. Clausen, Mr. O'Neill, Mr. Rhodes, Mr. Anderson of Illinois, Mr. Haley, Mr. Skubitz, Mr. Taylor of North Carolina, Mr. Yates, Mrs. Chisholm, Mr. Kastenmeier, Mrs. Mink, Mr. Meeds, Mr. Stephens, Mr. Vigorito, Mr. Won Pat, Mr. Benitez, Mr. Miller of California, Mr. Ruppe, Mr. Ketchum, Mr. Lagomarsino, Ms. Pettis, Mr. Rangel and Mr. Bauman):

H.R. 9460. A bill to provide for the establishment of a constitution for the Virgin Islands; to the Committee on Interior and Insular Affairs.

By Mr. de LUGO (for himself, Mr. Johnson of California, Mr. Steiger of Arizona, Mr. Udall, Mr. Lujan, Mr. Kazen, Mr. Sebelius, Mr. Eilberg, Mrs. Burke of California, Mr. Melcher, Mr. Young of Georgia, Mr. Steelman, Mr. Roncalio, Mr. Young of Alaska, Mr. Fauntroy, Mr. Symms, Mr. Bingham, Mr. Johnson of Colorado, Mr. Diggs, Mr. Seiberling, Mrs. Smith of Nebraska, Mr. Runnels, Mr. Nix, Mr. Davis, and Mr. Rees):

H.R. 9461. A bill to provide for the establishment of a constitution for the Virgin Islands; to the Committee on Interior and Insular Affairs.

By Mr. de LUGO (for himself, Mr. Eckhardt, Mr. Hawkins, Mr. Fraser, Mr. Conyers, Mr. Alexander, Mr. Stokes, Mr. LaFalce, Mr. Moakley, Mr. Clay, Mr. Patterson of California, Mr. Dellums, Mr. Byron, Mr. Metcalfe, Mr. Charles Wilson of Texas, Mr. Mitchell of Maryland, Mr. Santini, Ms. Jordan, Ms. Collins of Illinois, Mr. Tsongas, Mr. Howe, Mr. Weaver, Mr. Carr, Mr. Ford of Tennessee, and Mr. Risenhoover):

H.R. 9462. A bill to provide for the establishment of a constitution for the Virgin Islands; to the Committee on Interior and Insular Affairs.

By Mr. DEVINE:

H.R. 9463. A bill to transfer the functions of the Passport Office to a new agency of the Department of State to be known as the U.S. Passport Service, to establish a Passport Service Fund to finance the operations of the U.S. Passport Service, and for other purposes; to the Committee on International Relations.

By Mr. DINGELL (for himself, and Mr. Staggers):

H.R. 9464. A bill to assure the availability of adequate supplies of natural gas during the period ending June 30, 1976; to the Committee on Interstate and Foreign Commerce.

By Mr. ECKHARDT:

H.R. 9465. A bill to authorize a project for flood protection in and in the vicinity of Baytown, Tex.; to the Committee on Public Works and Transportation.

By Mrs. FENWICK:

H.R. 9466. A bill to establish a Commission on Security and Cooperation in Europe; to the Committee on International Relations.

By Mr. FOLEY (for himself, and Mr. Wampler):

H.R. 9467. A bill to amend the U.S. Grain Standards Act to improve grain inspection and operations of official inspection agencies, and for other purposes; to the Committee on Agriculture.

By Mr. GAYDOS:

H.R. 9468. A bill relating to the retirement annuities of certain Federal law enforcement and firefighter personnel who retired before July 12, 1974; to the Committee on Post Office and Civil Service.

By Mr. GONZALEZ:

H.R. 9469. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. GRASSLEY (for himself, Mr. Cohen, Mr. Duncan of Tennessee, Mr. Hechler of West Virginia, Mr. Jacobs, Mr. Ketchum, Mr. Kindness, Mr. Litton, Mr. Symms, and Mr. Young of Florida):

H.R. 9470. A bill to repeal the recently enacted provisions authorizing increases in the salaries of Senators and Representatives; to the Committee on Post Office and Civil Service.

By Mr. GUDE:

H.R. 9471. A bill to amend the District of Columbia tax laws applicable to unincorporated business income; to the Committee on the District of Columbia.

By Mr. JONES of Alabama (for himself, Mr. Bevill, Mr. Landrum, Mr. Flowers, Mr. Evins of Tennessee, Mrs. Lloyd of Tennessee, Mr. Ford of Tennessee, Mr. Duncan of Tennessee, Mr. Jones of Tennessee, Mr. Beard of Tennessee, Mr. Carter, Mr. Whitten, Mr. Quillen, and Mr. Bowen):

H.R. 9472. A bill to amend section 15d of the Tennessee Valley Authority Act of 1933 to increase the amount of bonds which may be issued by the Tennessee Valley Authority, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. KASTENMEIER:

H.R. 9473. A bill to provide for the creation of the Reclamation Lands Authority to carry out the congressional intent respecting the excess land provisions of the Federal Reclamation Act of June 17, 1902; to the Committee on Interior and Insular Affairs.

By Mr. KOCH:

H.R. 9474. A bill to authorize financial assistance for the operating deficits of nonprofit hospitals which are attributable to the provision of outpatient health services to persons who are unable to pay therefor and for whom reimbursement for the costs of such services is not authorized under any public program; to the Committee on Interstate and Foreign Commerce.

By Mr. MATSUNAGA:

H.R. 9475. A bill to make the Trust Territory of the Pacific Islands eligible to participate in certain Federal fisheries programs, and for other purposes, to the Committee on Merchant Marine and Fisheries.

By Mr. MORGAN:

H.R. 9476. A bill to amend the Federal Coal Mine Health and Safety Act of 1969; to the Committee on Education and Labor.

By Mr. O'NEILL (for himself and Mr. Corman):

H.R. 9477. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to provide for the disposal of surplus real property to States and their political subdivisions, agencies, and instrumentalities for economic development purposes; to the Committee on Government Operations.

By Mr. PEYSER:

H.R. 9478. A bill to amend the Agricultural Adjustment Act (as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended) for purposes of prohibiting unfair methods of competition and unfair trade practices by associations of milk producers regulated by such act; to the Committee on Agriculture.

By Mr. PRITCHARD (for himself and Mr. Breckinridge):

H.R. 9479. A bill to amend title II of the Social Security Act to assure the continuation of the present practice under which payments by States, with respect to coverage of State and local employees under section 218 of that act, are made on a quarterly basis; to the Committee on Ways and Means.

By Mr. QUILLEN:

H.R. 9480. A bill to amend the Internal Revenue Code of 1954 to exempt nonprofit volunteer firefighting or rescue organizations from the Federal excise taxes on gasoline, diesel fuel, and certain other articles and services; to the Committee on Ways and Means.

By Mr. RHODES (for himself, Mr. Hastings, Mr. Mikva, and Mr. Murphy of New York):

H.R. 9481. A bill to implement the Federal responsibility for the care and education of the Indian people by improving the services and facilities of Federal Indian health programs and encouraging maximum participation of Indians in such programs, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ROE:

H.R. 9482. A bill to amend the Federal Coal Mine Health and Safety Act of 1969; to the Committee on Education and Labor.

By Mr. ROONEY (by request):

H.R. 9483. A bill to extend the Solid Waste Disposal Act, as amended, for 2 years; to the Committee on Interstate and Foreign Commerce.

By Mr. SISK (for himself, Mr. Fisher, and Mr. Wampler):

H.R. 9484. A bill to amend title II of the Social Security Act to provide that when an adverse decision is made on a claim for benefits thereunder, the claimant shall have the right to reconsideration, including an informal conference and a statement of the case, prior to hearing; to impose time limits and make other improvements in the procedures for determining such claims; and to regularize the appointment of administrative law judges hearing such claims; to the Committee on Ways and Means.

By Mr. SPENCE:

H.R. 9485. A bill to authorize and direct the Secretary of Agriculture and the Secretary of the Interior to quitclaim retained rights to certain land in Orangeburg County, S.C., to the State superintendent of education of the State of South Carolina; to the Committee on Interior and Insular Affairs.

By Mr. THOMPSON (for himself, and Mr. Quie):

H.R. 9486. A bill to stabilize labor-management relations in the construction industry, and for other purposes; to the Committee on Education and Labor.

By Mr. ULLMAN:

H.R. 9487. A bill to modify section 204 of the Flood Control Act of 1965 (79 Stat. 1085); to the Committee on Public Works and Transportation.

By Mr. VIGORITO:

H.R. 9488. A bill to authorize the Secretary of the Army, acting through the Chief of Engineers, to contract with States and their political subdivisions for the purpose of obtaining increased law enforcement services at water resources development projects under the jurisdiction of the Department of the Army; to the Committee on Public Works and Transportation.

By Mr. WHALEN:

H.R. 9489. A bill to provide for the Federal payment of State unemployment compensation benefits which are attributable to services performed by certain employees of State or local governments; to the Committee on Ways and Means.

By Mr. CHARLES H. WILSON of California:

H.R. 9490. A bill to provide, on a demonstration basis, emergency relief for the general welfare and security of the United States by preventing the loss of existing housing units through the phenomenon of housing abandonment, to protect the health and living standards in communities and neighborhoods threatened by abandonment, to protect the interests of the United States in connection with certain mortgage transactions, to assist local public bodies in the development and redevelopment of well-planned, integrated, residential neighborhoods and in the development and redevelopment of communities, and for other purposes; to the Committee on Banking, Currency and Housing.

By Mr. WON PAT (for himself, Mr. Phillip Burton, Mr. Don H. Clausen, Mr. Johnson of California, Mr. Stephens, Mr. Sebelius, Mr. Melcher, Mr. Fauntroy, Mr. Johnson of Colorado, Mr. Taylor of North Carolina, Mr. Benitez, Mr. Miller of California, Mr. Ketchum, Mrs. Pettis, Mr. Brown of California, Mr. Pepper, Mr. Charles Wilson of Texas, Ms. Abzug, Mr. Stark, Mr. Mollohan, Mrs. Schroeder, Mr. Mezvinsky, Mr. Mineta, Mr. McFall, and Mr. Charles H. Wilson of California):

H.R. 9491. A bill to provide for the establishment of a constitution for Guam; to the Committee on Interior and Insular Affairs.

By Mr. WON PAT (for himself, Mr. Leggett, Mr. Bolling, Mr. Gude, Mr. Steelman, Mr. Tsongas, Mr. Mitchell of Maryland, Mr. Howe, Mr. Ruppe, Mrs. Chisholm, Mr. Lagomarsino, Mr. Dodd, Mr. Eckhardt, Mrs. Mink, Mr. Ginn, Mr. Zablocki, Mr. Udall, Mr. Steiger of Arizona, Mr. Seiberling, Mr. de Lugo, and Mr. Rees):

H.R. 9492. A bill to provide for the establishment of a constitution for Guam; to the Committee on Interior and Insular Affairs.

By Mr. EILBERG (for himself, Mr. Duncan of Oregon, and Mr. Mann):

H.J. Res. 644. Joint resolution to designate January 4, 1976, as Haym Salomon Day; to the Committee on Post Office and Civil Service.

By Mr. LENT:

H.J. Res. 645. Joint resolution to designate the week commencing with the third Sunday in January of each year as National Respect for Human Life Week; to the Committee on Post Office and Civil Service.

By Mr. LUJAN:

H.J. Res. 646. Joint resolution proposing an amendment to the Constitution of the United States to provide that appropriations made by the United States shall not exceed its revenues, except in time of war or national emergency; to the Committee on the Judiciary.

By Mr. MYERS of Indiana (for himself, Mr. Coughlin, Mr. Melcher, and Mr. O'Brien):

H.J. Res. 647. Joint resolution to authorize the President to issue a proclamation designating the week in November which includes Thanksgiving Day in each year as National Family Week; to the Committee on Post Office and Civil Service.

By Mr. WRIGHT:

H.J. Res. 648. Joint resolution proposing an amendment to the Constitution of the United States relating to the busing or involuntary assignment of students; to the Committee on the Judiciary.

By Mr. YATRON:

H.J. Res. 649. Joint resolution authorizing the President to proclaim the third Sunday in October of each year as National Shut-In Day; to the Committee on Post Office and Civil Service.

By Mr. du PONT:

H. Con. Res. 390. Concurrent resolution to express the sense of the Congress that on Child Health Day recognition be given to persons who contribute to the operation of children's hospitals; to the Committee on Post Office and Civil Service.

By Mr. ANNUNZIO:

H. Res. 703. Resolution providing for certain employees to be subject to the House Employees Position Classification Act; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII,

257. Mr. ULLMAN presented a memorial of the Legislature of the State of Oregon, relative to illegal immigrants; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DERRICK:

H.R. 9493. A bill for the relief of Gert Richard Haber, Ayshe Haber, Gerry E. Haber, and Jacqueline Haber; to the Committee on the Judiciary.

By Mr. HOWE:

H.R. 9494. A bill for the relief of Raul Maria Melgar, Maria Cristina Rey de Melgar, Serrana Evon Melgar, and Steven Marcelo Melgar; to the Committee on the Judiciary.

By Mr. LONG of Louisiana:

H.R. 9495. A bill for the relief of McNamara Construction of Manitoba, Ltd.; to the Committee on the Judiciary.

By Mr. LUJAN:

H.R. 9496. A bill for the relief of Cesar Grana; to the Committee on the Judiciary.

By Mr. SARASIN:

H. Res. 704. Resolution to refer the bill (H.R. 9458) for the relief of James W. Brundage to the Chief Commissioner of the Court of Claims.

FACTUAL DESCRIPTIONS OF BILLS AND RESOLUTIONS INTRODUCED

Prepared by the Congressional Research Service pursuant to clause 5(d) of House Rule X. Previous listing appeared in the Congressional Record of August 1, 1975, page 27046.

H.R. 8700. July 17, 1975. Ways and Means. Amends the Social Security Act by increasing the amount of outside income which may be earned without a reduction in Old-Age, Survivors, and Disability Insurance benefits in the case of individuals receiving certain categories of such benefits and living with a disabled spouse.

H.R. 8701. July 17, 1975. Armed Services. Prevents members of the Ready Reserve who have completed twenty-two months or more on active duty from being involuntarily assigned to further active duty, except in time of war or national emergency.

H.R. 8702. July 17, 1975. Ways and Means. Amends the Internal Revenue Code to include condominium housing associations and certain homeowners' associations as organizations exempt from the income tax.

Imposes a tax on the unrelated business income of such organizations.

H.R. 8703. July 17, 1975. Ways and Means. Amends the Social Security Act by granting insured status, for the purposes of entitlement to Disability Insurance benefits, to individuals who are under a disability attributable to meningioma or other brain tumor.

H.R. 8704. July 17, 1975. Small Business; Banking, Currency and Housing. Amends the Small Business Act by authorizing the Small Business Administration to make loans to individuals and home builders for the purchase and installation of qualified solar heating or solar heating and cooling equipment procured from small business concerns.

Directs the Energy Research and Development Administration to (1) establish procedures for inspecting and evaluating solar heating and cooling equipment; (2) review new equipment as developed; (3) periodically review certifications of such equipment for validity; and (4) transmit pertinent data to the Small Business Administration for its use in certifying equipment for purposes of the loan program created by this Act.

H.R. 8705. July 17, 1975. Small Business; Banking, Currency and Housing. Amends the Small Business Act by authorizing the Small Business Administration to make loans to individuals and home builders for the purchase and installation of qualified solar heating or solar heating and cooling equipment procured from small business concerns.

Directs the Energy Research and Development Administration to (1) establish procedures for inspecting and evaluating solar heating and cooling equipment; (2) review new equipment as developed; (3) periodically review certifications of such equipment for validity; and (4) transmit pertinent data to the Small Business Administration for its use in certifying equipment for purposes of the loan program created by this Act.

H.R. 8706. July 17, 1975. Armed Services. Prohibits any military department from using dogs in connection with research and development of any chemical or biological warfare agent.

H.R. 8707. July 17, 1975. Ways and Means. Amends the Internal Revenue Code to increase the amount of dividends which may be excluded from gross income generally and to allow a larger increase for individuals who have attained the age of 62 years and who have received retirement income during the taxable year.

H.R. 8708. July 17, 1975. Ways and Means. Amends the Old-Age, Survivors, and Disability Insurance provisions of the Social Security Act by (1) increasing the amount of outside income which an individual may earn without a reduction in benefits; (2) removing the limitation on the amount of outside income allowed for individuals who have reached age 70; (3) directing the Secretary of Labor to prepare a Senior Citizens Price Index to be used in computing cost-of-living increases in benefits; (4) revising the timing of granting cost-of-living increases; and (5) eliminating marital status as a factor in determining eligibility of certain beneficiaries.

H.R. 8709. July 17, 1975. Veterans' Affairs. Excludes the increases in monthly benefits payable under certain sections of the Social Security Act and the increases in annuity and pension payments under the Railroad Retirement Act of 1937 for the purposes of computing the income of any person for the purpose of determining eligibility for certain pension under the Veterans' Pension Act of 1959.

H.R. 8710. July 17, 1975. Interstate and Foreign Commerce. Amends the Controlled Substances Act to exclude from the forfeiture provisions of that Act any conveyance used in any act or omission established by the owner to have been committed or omitted while the conveyance was in the possession of a person other than such owner if the owner did not have actual knowledge that the conveyance was to be used for illegal purposes.

H.R. 8711. July 17, 1975. Public Works and Transportation. Directs the Administrator of General Services and the Secretary of Defense to establish guidelines for the conservation of energy and the efficient use of solar energy systems in buildings financed with Federal funds. Requires submission of an energy use analysis to the Congress with specific energy requirements for such buildings.

Authorizes increases in cost limitations for Federal and Federally assisted buildings to include increased costs due to energy conservation regulations.

H.R. 8712. July 17, 1975. Public Works and Transportation. Directs the Administrator of General Services and the Secretary of Defense to establish guidelines for the conservation of energy and the efficient use of solar energy systems in buildings financed with Federal funds. Requires submission of an energy use analysis to the Congress with specific energy requirements for such buildings.

Authorizes increases in cost limitations for Federal and Federally assisted buildings to include increased costs due to energy conservation regulations.

H.R. 8713. July 17, 1975. Judiciary. Amends the Immigration and Nationality Act by revising the criteria under which the Attorney General may adjust the status of certain aliens to that of lawfully admitted.

Makes it unlawful to knowingly hire an alien not lawfully admitted into the United States. Requires that employees of the Department of Health, Education, and Welfare disclose the names of illegal aliens who are receiving assistance under the Social Security Act.

States that no appropriation shall be made to the Department of Justice to carry out the Immigration and Nationality Act after September 30, 1976 unles such appropriation is authorized by an Act of Congress.

H.R. 8714. July 17, 1975. Interstate and Foreign Commerce. Amends the Railroad Unemployment Insurance Act to increase unemployment and sickness benefits, and to raise the contribution base.

H.R. 8715. July 17, 1975. Merchant Marine and Fisheries. Establishes the limit of the United States fishery zone at two hundred miles from the inner limit of the territorial sea.

Extends the jurisdiction of the U.S. over fish which originate in United States inland waters to wherever such fish range in the oceans except that jurisdiction does not extend into the fishery or territorial waters of another country.

H.R. 8716. July 17, 1975. Agriculture. Amends the Food Stamp Act of 1964 by directing the Secretary of Agriculture to limit eligibility for food coupons to residents of the United States who are either citizens or aliens lawfully admitted for permanent residence or otherwise lawfully permanently residing in the United States.

H.R. 8717. July 17, 1975. Ways and Means. Stipulates that Medicare supplementary medical insurance covers durable medical equipment used in the patient's home which is furnished on a lease-purchase basis. Directs the Secretary of Health, Education, and Welfare to encourage suppliers of durable medical equipment to make such equipment available on a lease-purchase basis.

H.R. 8718. July 17, 1975. Banking, Currency and Housing. Establishes a Federal Disaster Insurance Corporation within the executive branch to insure, directly, any qualified citizen or resident of the United States against property loss or damage caused by a natural disaster.

H.R. 8719. July 17, 1975. District of Columbia. Grants the consent of Congress to and adopts and enacts for the District of Columbia amendments to the Washington Metropolitan Area Transit Regulation Compact to authorize the Washington Area Transit Authority to establish and maintain a regular police force, to be known as the Metro Transit Police.

Empowers the Authority to adopt rules and regulations designed to promote the safe and orderly use of transit facilities under the jurisdiction of the Authority.

Grants jurisdiction to the District of Columbia Superior Court with respect to any violation, committed in the District of Columbia, of the rules and regulations adopted by the Authority.

H.R. 8720. July 17, 1975. Agriculture. Amends the Food Stamp Act of 1964 by revising (1) eligibility standards; (2) the method of determining the amount of the coupon allotment; (3) administration of the program by State agencies, including the eligibility certification procedure and duties imposed on issuing agents; and (4) the method of computing the Federal share of program costs and of making payments to the States. Transfers the functions of the Secretary of Agriculture under the Food Stamp Act of 1964 to the Secretary of Health, Education, and Welfare.

H.R. 8721. July 17, 1975. Armed Services. Authorizes recomputation of retired pay for members and former members of the Armed Forces who are 65 years of age or older or who are retired because of a physical disability.

H.R. 8722. July 17, 1975. House Administration. Incorporates the National Trust for the Preservation of Historic Ships.

H.R. 8723. July 17, 1975. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to extend war orphans' and widows' educational assistance to the designated beneficiary of any person who does not have any child or spouse or who does not leave a widow or widower and who died of a service-connected disability or who has a total disability permanent in nature resulting from a service-connected disability.

H.R. 8724. July 17, 1975. Armed Services. Authorizes the Secretary of the Navy to sell certain types of aircraft no longer needed by the Navy to persons under contract to the Forest Service, Department of Agriculture to use aircraft in controlling or extinguishing fires in national forests.

H.R. 8725. July 17, 1975. Interior and Insular Affairs. Increases the appropriations authorization for the acquisition of lands and interests in lands for the Gulf Islands National Seashore.

H.R. 8726. July 17, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish and maintain the Tallgrass Prairie National Park in Kansas.

H.R. 8727. July 17, 1975. Judiciary. Authorizes the admission of a certain individual to the United States for permanent residence.

H.R. 8728. July 17, 1975. Judiciary. Authorizes a certain individual to file a claim for the return of certain property, notwithstanding certain provisions of the Trading With the Enemy Act.

H.R. 8729. July 17, 1975. Judiciary. Permits certain individuals to name the United States as a defendant in a suit to determine title to certain parcels of real property in California.

H.R. 8730. July 17, 1975. Judiciary. Declares certain individuals lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 8731. July 18, 1975. Banking, Currency and Housing. Amends the Council on Wage and Price Stability Act to require the advice and consent of the Senate with respect to the appointment of Council members by the

President. Alters the rate of compensation received by the Council Director. Revises the duties of the Council to allow participation in proceedings before other Federal agencies. Declares certain information obtained by the Council to be confidential or immune from legal process. Extends the authority and appropriations of the Council.

H.R. 8732. July 18, 1975. House Administration. Amends the Federal Election Campaign Act of 1971 to require that all meetings of the Federal Election Commission shall be open to the public.

H.R. 8733. July 18, 1975. Ways and Means; Interstate and Foreign Commerce. Amends the Social Security Act by directing the Secretary of Health, Education, and Welfare to audit each hospital and other facility certified for participation in the Medicaid program at least once a year. Specifies that public agencies, private organizations and insurance carriers having an agreement with the Secretary of Health, Education, and Welfare under the Medicare program to make payments to providers of services shall audit such providers at least once a year.

H.R. 8734. July 18, 1975. Ways and Means. Amends the Social Security Act by authorizing payment under the Medicare program for any services rendered by a chiropractor which he is legally authorized to perform under applicable State law.

H.R. 8735. July 18, 1975. Ways and Means. Amends the Social Security Act (1) to prevent certain reductions in the level of State supplementation payments under the Supplemental Security Income program; (2) to require cost-of-living adjustments to Supplemental Security Income benefits following a similar adjustment to Old-Age, Survivors, and Disability Insurance benefits; and (3) to exclude cost-of-living and general increases in Old-Age, Survivors, and Disability Insurance benefits from income for purposes of entitlement to Supplemental Security Income benefits under certain circumstances.

H.R. 8736. July 18, 1975. Ways and Means. Amends the Internal Revenue Code to treat expenditures by a taxpayer in connection with his trade or business of publishing for the development or improvement of a book, teaching aid, or similar product as a research or experimental expenditure.

H.R. 8737. July 18, 1975. Ways and Means. Amends the Internal Revenue Code with respect to electing to take a net operating loss deduction and the continuity of such election upon corporate acquisition or reorganization.

H.R. 8738. July 18, 1975. Armed Services. Directs the Secretary of the Navy to prescribe the total number and the number permitted in each grade of officers on the active list in the line of the Navy and Marine Corps designated for limited duty. Raises the rank to which certain non-commissioned officers in the Navy and Marine Corps may be appointed after at least six years of active naval service.

H.R. 8739. July 18, 1975. Ways and Means. Amends the Social Security Act to include optometrists' services and medical vision care under the Medicare supplementary medical insurance benefits program.

H.R. 8740. July 18, 1975. Education and Labor. Amends the Occupational Safety and Health Act of 1970 by directing the Secretary of Labor to (1) render on-site consultation and advice to any employer, upon the request of such employer, concerning compliance with the Act; and (2) establish programs for the education and training of employers and employees concerning hazards in particular industries.

H.R. 8741. July 18, 1975. Merchant Marine and Fisheries. Authorizes the Secretary of Commerce to transfer the nuclear ship Savannah to Patriots' Point Development Authority, an agency of the State of South Carolina.

H.R. 8742. July 18, 1975. Judiciary. Amends the Civil Rights Act of 1964 to allow the court to grant attorney fees as part of the costs to the prevailing party in specified civil actions under the Act. Stipulates that governmental entities are liable for such fees the same as a private person.

H.R. 8743. July 18, 1975. Judiciary. Authorizes the awarding of attorney fees and other litigation costs in certain actions or proceedings to review an agency action where the party seeking the judicial review substantially prevails.

H.R. 8744. July 18, 1975. Ways and Means. Amends the Internal Revenue Code to increase the excise tax on cigarettes, and to utilize such increase for expanded research of smoking related diseases in the National Heart and Lung Institute.

H.R. 8745. July 18, 1975. Interstate and Foreign Commerce; Science and Technology. Amend the Solid Waste Disposal Act to expand research and development programs and to authorize the Administrator of the Environmental Protection Agency to make grants and guarantee loans for energy and resource recovery pilot plan and demonstration programs.

Includes provisions for grants and assistance to State, locals, and interstate solid waste management and resource recovery programs.

H.R. 8746. July 18, 1975. Ways and Means. Amends the Internal Revenue Code to increase the accumulated earnings credit for corporations.

H.R. 8747. July 18, 1975. Post Office and Civil Service. Creates the Federal Employee Labor Relations Board to oversee and regulate labor relations between units of the Federal Government and Federal employees. Authorizes Federal employees to form, join, or assist labor organizations. Authorizes Federal employees to strike under certain circumstances. Enumerates unlawful labor acts and empowers the Board to prevent such acts.

H.R. 8748. July 18, 1975. Post Office and Civil Service. Requires that proposed changes in postal rates and classes be approved by a concurrent resolution of Congress.

H.R. 8749. July 18, 1975. Interior and Insular Affairs. Authorizes appropriations to the Secretary of the Interior for the construction of works involved in the Touchet Division of the Walla-Walla project in Oregon and Washington, without reference to the agencies involved.

H.R. 8750. July 18, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 by extending the maximum term of license and license renewal for the operation of broadcasting stations from 3 to 5 years. Revises the conditions for approval of applications for licensing renewal. Allows appeals from Federal Communications Commission decisions to be brought in the circuit in which the broadcast facility is, or is proposed to be, located instead of in the District of Columbia Court of Appeals.

Requires the Federal Communications Commission to study possible reduction and consolidation of the filings, supporting documents, and other administrative materials now required for renewal applications.

H.R. 8751. July 18, 1975. House Administration. Establishes a Voter Registration Administration within the General Accounting Office for the purpose of administering a voter registration program.

H.R. 8752. July 18, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish the Fort Miflin National Historic Site in Pennsylvania.

H.R. 8753. July 18, 1975. Judiciary. Authorizes the compensation of persons injured by certain violent criminal acts. Establishes as an independent agency the Violent Crimes Compensation Commission to carry out the purposes of this Act.

H.R. 8754. July 18, 1975. Ways and Means. Excludes general and cost-of-living increases in Old-Age, Survivors and Disability Insurance benefits under the Social Security Act from being considered income for the purpose of determining an individual's eligibility for veterans pensions or dependency and indemnity compensation for parents of deceased veterans.

H.R. 8755. July 18, 1975. Ways and Means. Amends the Supplemental Security Income provisions of the Social Security Act by (1) mandating benefit increases and emergency assistance grants; (2) prohibiting benefit decreases as a consequence of increases in other social security benefits; (3) adding supplementary housing benefits; (4) revising the basis upon which mandatory minimum State supplementation is calculated; (5) revising administrative procedures for paying benefits; and (6) redefining "eligible spouse".

Amends the Food Stamp Act of 1964 by allowing certain Supplemental Security Income recipients to elect to receive food stamps.

H.R. 8756. July 18, 1975. Education and Labor; Ways and Means. Amends the Employee Retirement Income Security Act of 1974 by requiring private pension plans to provide to the spouse of an employee who dies prior to retirement a survivor's annuity which conforms to certain standards.

Amends the Internal Revenue Code to incorporate the revision made by this Act in the requirements for a qualified trust.

H.R. 8757. July 18, 1975. Public Works and Transportation. Authorizes additional appropriations to the Secretary of the Army for the development of water resources in the Arkansas River, Mississippi River, Susquehanna River (North Branch), and Santa Ana River Basins.

H.R. 8758. July 18, 1975. Public Works and Transportation. Amends the Airport and Airway Development Act of 1970 with respect to the National Airport System Plan, the distribution of funds, project approval, the Federal share of costs, and future obligations of the Federal sector.

H.R. 8759. July 18, 1975. Judiciary. Authorizes the Attorney General to appoint an interim United States attorney for a district in which the office of United States attorney is vacant.

H.R. 8760. July 18, 1975. Judiciary. Authorizes the Attorney General to designate an interim United States marshal in the case of a vacancy in the office.

H.R. 8761. July 18, 1975. Judiciary. Establishes a Federal death benefit to be paid to the survivors of Federal, State, or local law enforcement, corrections and firefighting personnel.

H.R. 8762. July 18, 1975. Ways and Means. Amends the Internal Revenue Code to allow a limited tax credit in an amount equal to one-half of the wages paid in a trade or business to not more than two new employees in that trade or business.

H.R. 8763. July 18, 1975. Ways and Means. Stipulates that Medicare supplementary medical insurance covers durable medical equipment used in the patient's home which is furnished on a lease-purchase basis. Directs the Secretary of Health, Education, and Welfare to encourage suppliers of durable medical equipment to make such equipment available on a lease-purchase basis.

H.R. 8764. July 18, 1975. Agriculture. Amends the United States Grain Standards Act (1) to redefine the term "official inspection personnel" to require appointment by or compliance with standards promulgated by the Secretary of Agriculture; (2) to require all persons engaged in the buying, handling, weighing, or transporting of grain for sale to register with the Secretary; (3) to authorize the Secretary to suspend or revoke such certificate of registration for violations of any provisions of such Act; and (4) to direct the Secretary to promulgate standards regulating foreign material in and the protein content of grain.

H.R. 8765. July 18, 1975. Banking, Currency and Housing. Authorizes national banking associations to underwrite and deal in nongeneral obligations of States and cities.

Sets limitations and restrictions on dealings in such obligations by national banking associations.

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Sets limitations and restrictions on dealings in such obligations by national banking associations.

H.R. 8767. July 18, 1975. Ways and Means. Amends the Internal Revenue Code to revise the foreign tax credit provisions of the Code. Includes in the gross income of a United States shareholder a portion of a controlled foreign corporation's earnings and profits.

Terminates the special tax treatment of Western Hemisphere trade corporations and of domestic international sales corporations.

Decreases the geographical area in which property may be used in international and territorial waters to qualify for the investment tax credit.

H.R. 8768. July 18, 1975. Interstate and Foreign Commerce; Interior and Insular Affairs. Establishes a National Energy Information System to contain information relating to energy supply and consumption patterns affecting the United States. Creates a National Energy Information Administration to collect, evaluate, and disseminate such information.

Sets forth procedures for acquisition of energy information from major energy companies, governmental units, and other institutions. Establishes procedures for classification of such information.

Directs the Secretary of the Interior to conduct surveys of United States energy resources on public lands.

H.R. 8769. July 18, 1975. Government Operations. Establishes the Office of Consumer Affairs, within the Executive Office of the President, to develop and coordinate programs and policies relating to the interests of consumers.

Creates an Office of Consumer Representation within each executive department and independent regulatory agency and commission (1) to represent the interests of consumers before its agency; (2) to evaluate the effectiveness of Federal programs relating to consumers; (3) to request consumer benefit analyses in certain circumstances; and (4) to receive, assess, and act on legitimate consumer complaints.

H.R. 8770. July 18, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 8771. July 18, 1975. Judiciary. Authorizes the admission of a certain individual to the United States for permanent residence.

H.R. 8772. July 18, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 8773. July 18, 1975. Appropriations. Makes appropriations to the Department of the Interior and related Federal agencies for fiscal year 1976 for various land and water resources, fish and wildlife, parks and recreation, energy and minerals, Indian and territorial affairs, National Forest Service, and related programs.

H.R. 8774. July 21, 1975. Agriculture. Proscribes certain inhumane methods of slaughter of livestock.

Prohibits the importation of any carcass, part of a carcass, meat, or meat food product, under the Federal Meat Inspection Act, which was not slaughtered in accordance with humane methods.

H.R. 8775. July 21, 1975. Public Works and Transportation. Directs the Secretary of the Army to perform bank protection works along the Santa Ana River in California.

H.R. 8776. July 21, 1975. Judiciary. Subjects matters relating to Federal property, loans, grants, benefits and contracts to existing Federal agency rulemaking procedures.

Grants Federal agencies the power to issue subpenas related to administrative hearings.

Directs Federal agencies to pay the costs incurred by certain persons as a result of participating in agency proceedings, under specific circumstances.

Limits the scope of the defense of sovereign immunity in court actions to which a Federal agency or employee is a party.

Establishes procedures for the enforcement of standards for grants administered by Federal agencies.

H.R. 8777. July 21, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to construct, operate, and maintain the Oroville-Tonasket unit extension of the Chief Joseph Dam project in Washington. Authorizes execution of new contract terms between the United States and the Oroville-Tonasket Irrigation District.

H.R. 8778. July 21, 1975. Agriculture. Amends the Federal Laboratory Animal Welfare Act to authorize the Secretary of Agriculture to promulgate standards for the transportation, handling and care of certain animals in interstate or foreign commerce.

Prohibits the attendance at, promotion of, or supplying of, animal fighting ventures.

Sets forth regulations with respect to the transportation and handling of certain classes of animals.

H.R. 8779. July 21, 1975. Agriculture. Amends the Federal Laboratory Animal Welfare Act to authorize the Secretary of Agriculture to promulgate standards for the transportation, handling and care of certain animals in interstate or foreign commerce.

Prohibits the attendance at, promotion of, or supplying of, animal fighting ventures.

Sets forth regulations with respect to the transportation and handling of certain classes of animals.

H.R. 8780. July 21, 1975. Agriculture. Amends the Federal Laboratory Animal Welfare Act to authorize the Secretary of Agriculture to promulgate standards for the transportation, handling and care of certain animals in interstate or foreign commerce.

Prohibits the attendance at, promotion of, or supplying of, animal fighting ventures.

Sets forth regulations with respect to the transportation and handling of certain classes of animals.

H.R. 8781. July 21, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 by extending the maximum term of license and license renewal for the operation of broadcasting stations from 3 to 5 years. Revises the conditions for approval of applications for licensing renewal. Allows appeals from Federal Communications Commission decisions to be brought in the circuit in which the broadcast facility is, or is proposed to be, located instead of in the District of Columbia Court of Appeals.

Requires the Federal Communications Commission to study possible reduction and consolidation of the filings, supporting documents, and other administrative materials now required for renewal applications.

H.R. 8782. July 21, 1975. Interstate and Foreign Commerce. Amends the Social Security Act to include a rehabilitation facility as a provider of services and to include inpatient and outpatient rehabilitation services among the items covered under Medicare.

H.R. 8783. July 21, 1975. Judiciary. Incorporates the United States Submarine Veterans of World War II.

H.R. 8784. July 21, 1975. Armed Services. Prohibits any change in the status of a member of the Armed Forces who was classified missing during service in Southeast Asia until there has been full compliance with the Paris Peace Accord of January 1973, and the President has determined that all reasonable actions have been taken to account for such members and reported such finding to the Congress.

Directs the Senate Committee on Armed Services and the House Committee on Armed Services to study the method whereby the status of a member of the Armed Forces is changed from missing to dead.

H.R. 8785. July 21, 1975. Post Office and Civil Service. Prohibits Members of Congress from using the franking privilege for mass mailings within 60 days prior to an election.

H.R. 8786.—July 21, 1975. Ways and Means. Revises the time at which eligibility for Medicare benefits on account of kidney failure commences and terminates under the Social Security Act. Revises the conditions applicable to payments for services and supplies required by self-dialysis patients.

H.R. 8787.—July 21, 1975. Merchant Marine and Fisheries. Establishes the limit of the United States fishery zone at two hundred miles from the inner limit of the territorial sea.

Extends the jurisdiction of the U.S. over fish which originate in United States inland waters to wherever such fish range in the oceans except that jurisdiction does not extend into the fishery or territorial waters of another country.

H.R. 8788.—July 21, 1975. Judiciary. Makes any alien who becomes a public charge within twenty-four months of his arrival in the United States subject to deportation under the Immigration and Nationality Act.

Requires an affidavit of support by a citizen sponsor as a condition of admission of any alien excludable because he is likely to become a public charge.

H.R. 8789.—July 22, 1975. Ways and Means. Amends the Internal Revenue Code to exempt certain members of reserve components of the armed forces from the denial of the deduction from gross income of such member's contributions into a retirement account.

H.R. 8790.—July 22, 1975. Agriculture. Limits a broker's liability to the Federal Government to the amount of the Commission received as a result of the sale of any agricultural commodity when that commodity serves as security for any loan made, insured, or guaranteed under a program administered by the Farmers Home Administration, if the broker does not have any ownership interest in the commodity at the time of or after the sale.

H.R. 8791.—July 22, 1975. Judiciary. Prohibits the granting to the United States by any court of a restraining order or injunction against any party seeking to freely speak, print or publish any matter except when the Government has alleged and proved that communication of said matter will result in direct, immediate, and irreparable damage to the security of the United States or its people.

H.R. 8792. July 22, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to appraise the needs and opportunities for increasing the agricultural development of the Virgin Islands through irrigation, drainage, and other water management techniques.

H.R. 8793. July 22, 1975. Agriculture. Amends the Federal Laboratory Animal Welfare Act to authorize the Secretary of Agriculture to promulgate standards for the transportation, handling and care of certain animals in interstate or foreign commerce. Prohibits the attendance at, promotion of, or supply of, animal fighting ventures. Sets forth regulations with respect to the transportation and handling of certain classes of animals.

H.R. 8794. July 22, 1975. Judiciary. Specifies that any person, including officers or employees of the Federal Government or elected officials thereof, who makes false statements in matters within the jurisidiction of a department or agency of the United States shall be guilty of a Federal offense.

H.R. 8795. July 22, 1975. Judiciary. Specifies that any person, including officers or employees of the Federal Government or elected officials thereof, who makes false statements in matters within the jurisdiction of a department or agency of the United States shall be guilty of a Federal offense.

H.R. 8796. July 22, 1975. Judiciary. Specifies that any person, including officers or employees of the Federal Government or elected officials thereof, who makes false statements in matters within the jurisdiction of a department or agency of the United States shall be guilty of a Federal offense.

H.R. 8797. July 22, 1975. House Administration. Authorizes the One Hundred and First Airborne Division Association to establish a memorial in the District of Columbia or its environs in commemoration of the Division.

H.R. 8798. July 22, 1975. Post Office and Civil Service. Prohibits the Postal Service from requiring the installation of mailboxes at the curb line of residential property in any locality if the governing authority of such locality prohibits such installation.

H.R. 8799. July 22, 1975. Ways and Means. Amends the Internal Revenue Code with respect to electing to take a net operating loss deduction and the continuity of such election upon corporate acquisition or reorganization.

H.R. 8800. July 22, 1975. Science and Technology. Establishes a program of electric vehicle research and development in the Energy Research and Development Administration. Authorizes the introduction of electric vehicles into fleets used by Federal agencies.

H.R. 8801. July 22, 1975. Ways and Means. Amends the Internal Revenue Code to increase the estate tax exemption, and to increase the estate tax marital deduction.

Permits the executor of an estate to elect an alternate valuation of certain lands used for farming, woodland, or scenic open spaces.

H.R. 8802. July 22, 1975. Banking, Currency and Housing. Prohibits any consumer reporting agency, under the Fair Credit Reporting Act, from making any report containing certain information of records of arrest or indictment.

Defines the term "crime of violence" under such Act.

H.R. 8803. July 22, 1975. Banking, Currency and Housing. Extends the time period during which a mortgage had to be insured to receive rehabilitation benefits under the National Housing Act.

H.R. 8804. July 22, 1975. Education and Labor. Amends the Education of the Handicapped Act to extend various provisions relating to programs for the handicapped through fiscal year 1976. Directs the Commissioner of Education to make grants to State educational agencies to assist the States in providing full educational opportunity to all handicapped children.

H.R. 8805. July 22, 1975. Judiciary. Requires establishment of a system for the redress of law enforcement officers' grievances and acceptance of a law enforcement officers' bill of rights by the States and local government units as a condition to receiving grants under the Omnibus Crime Control and Safe Streets Act of 1968.

H.R. 8806. July 22, 1975. Banking, Currency and Housing. Prescribes procedures and standards governing the disclosure of customer financial records by financial institutions to governmental agencies.

H.R. 8807. July 22, 1975. Public Works and Transportation. Establishes procedures for States to assume certain functions assigned to the Secretary of the Army and the Chief of Engineers with respect to intrastate waters.

H.R. 8808. July 22, 1975. Armed Services. Authorizes the Secretaries of the Army, Navy and Air Force to permit persons from certain foreign countries to receive instruction at the United States Military, Naval and Air Force Academies.

H.R. 8809. July 22, 1975. Post Office and Civil Service. Allows a postal employee to be represented in a grievance action by an agent other than the elected and recognized bargaining representative.

H.R. 8810. July 22, 1975. Ways and Means. Revises the formula used to compute an individual's primary insurance amount under the Old-Age, Survivors, and Disability Insurance program of the Social Security Act.

H.R. 8811. July 22, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 by extending the maximum term of license and license renewal for the operation of broadcasting stations from 3 to 5 years. Revises the conditions for approval of applications for licensing renewal. Allows appeals from Federal Communications Commission decisions to be brought in the circuit in which the broadcast facility is, or is proposed to be, located instead of in the District of Columbia Court of Appeals.

Requires the Federal Communications Commission to study possible reduction and consolidation of the filings, supporting documents, and other administrative materials now required for renewal applications.

H.R. 8812. July 22, 1975. Ways and Means. Amends the Social Security Act to direct the Secretary of Health, Education, and Welfare to obtain and process certain data contained in information returns filed with and held by the Secretary of the Treasury. Revises the method for determining administrative costs of the Old-Age, Survivors, and Disability Insurance, Supplemental Security Income, and Medicare programs and for allocating such costs among the appropriate trust funds and the general fund of the Treasury.

Amends the Internal Revenue Code to authorize the Secretary of the Treasury to make information returns available to the Secretary of Health, Education, and Welfare.

H.R. 8813. July 22, 1975. Education and Labor. Amends the Occupational Safety and Health Act of 1970 by directing the Secretary of Labor to (1) render on-site consultation and advice to any employer, upon the request of such employer, concerning compliance with the Act; and (2) establish programs for the education and training of employers and employees concerning hazards in particular industries.

H.R. 8814. July 22, 1975. Post Office and Civil Service. Makes certain publications of institutions of higher education eligible for second-class mail rates.

H.R. 8815. July 22, 1975. Ways and Means. Excludes general and cost-of-living increases in Old-Age, Survivors and Disability Insurance benefits from being considered income for the purpose of determining an individual's eligibility for supplemental security income benefits, Federal-State public assistance, public housing, rental and mortgage subsidies, food distribution programs, food stamps, veterans' pensions and dependency and indemnity compensation for parents of deceased veterans.

H.R. 8816. July 22, 1975. Post Office and Civil Service. Prohibits Members of Congress from using the franking privilege for mass mailings within 90 days prior to an election.

H.R. 8817. July 22, 1975. Veterans' Affairs. Specifies that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits.

H.R. 8818. July 22, 1975. Ways and Means. Amends the Internal Revenue Code to tax married and unmarried individuals at the same rate as married individuals filing jointly.

H.R. 8819. July 22, 1975. House Administration. Amends the Internal Revenue Code to establish eligibility criteria and administrative procedures for the financing of Congressional campaigns under the auspices of the Federal Election Commission.

H.R. 8820. July 22, 1975. Agriculture. Amends the Food Stamp Act of 1964 by (1) redefining household in the case of nonrelated individuals over age 60; (2) revising eligibility standards to exclude from income certain payments made to a household by a governmental agency; and (3) revising eligibility criteria for the use of coupons to purchase prepared meals.

H.R. 8821. July 22, 1975. Judiciary. Authorizes and directs the payment of attorneys' fees and other costs to any defendant who prevails in a civil action in which the United States is a plaintiff.

H.R. 8822. July 22, 1975. Post Office and Civil Service. Redefines "employee" for civil service retirement purposes to include any United States Commissioner without regard to such individual's total pay for services performed as Commissioner. Revises the method of calculating creditable service for civil service retirement purposes in the case of a United States Commissioner.

H.R. 8823. July 22, 1975. Post Office and Civil Service. Declares that Federal employees who are Japanese-Americans who were placed in internment camps during World War II shall be credited with the time they spent in such camps for civil service retirement purposes.

H.R. 8824. July 22, 1975. Armed Services. Prohibits the Department of Defense from using dogs in connection with research and development of any radioactive, chemical or biological warfare agent. Prohibits the use of dogs in experiments with toxic chemical substances if effective nonanimal methods of experimentation are available. Directs the Department of Defense to develop new research methods which do not require the use of animals.

H.R. 8825. July 22, 1975. Interstate and Foreign Commerce. Directs the Secretary of Health, Education, and Welfare to expand the programs on the treatment of burn injuries, research on burns, and the rehabilitation of burn victims by establishing additional burn centers and burn units and by supporting research and training programs in the treatment and rehabilitation of burn injury victims. Appropriates funds for the continuation of present burn treatment programs and authorizes the appropriation of additional funds for such expanded programs.

H.R. 8826. July 22, 1975. Education and Labor. Stipulates that certain strikes at the site of a construction project are not prohibited as an unfair labor practice under the National Labor Relations Act.

H.R. 8827. July 22, 1975. Judiciary; Standards of Official Conduct. Requires lobbyists to: (1) register with the Federal Election Commission; (2) make and retain certain records; and (3) file reports with the Commission regarding their activities.

Requires certain officials of the executive branch to record their communications with lobbyists.

Repeals the Federal Regulation of Lobbying Act.

H.R. 8828. July 22, 1975. Armed Services. Directs the Secretary of the Air Force to provide transportation on military aircraft on a space-available basis to any member of the Armed Forces who was discharged therefrom, at any time before the effective date of the Career Compensation Act of 1949, for a service-connected disability of 30 percent or more.

H.R. 8829. July 22, 1975. Ways and Means. Amends the Internal Revenue Code to require an automatic cost-of-living adjustment in the income tax rates, the amount of the corporate surtax exemption, personal exemption, standard deduction, and depreciation deduction, and the adjusted basis for property.

H.R. 8830. July 22, 1975. Public Works and Transportation. Requires the Civil Aeronautics Board, under the Federal Aviation Act of 1958, to rescind the authority of any air carrier to provide nonstop service between any two points if such authority is not utilized within any continuous one-year period.

H.R. 8831. July 22, 1975. Agriculture. Amends the Consolidated Farm and Rural Development Act and the Housing Act of 1949 to allow rural areas of greater population to be eligible for water and waste facility loans and grants.

H.R. 8832. July 22, 1975. Interior and Insular Affairs. Revises the Act establishing the Big Thicket National Preserve in Texas to provide for an orderly transfer of all right and title to real property in the designated area.

H.R. 8833. July 22, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 8834. July 22, 1975. Merchant Marine and Fisheries. Deems a certain vessel as a vessel built within the United States.

H.R. 8835. July 23, 1975. Banking, Currency and Housing. Amends the Truth in Lending Act to require full disclosure of the terms of any lease of personal property, including identification of all costs involved, services provided, and conditions for early termination, and to require that any advertising of consumer leases contain complete cost information, or none at all.

H.R. 8836. July 23, 1975. Banking, Currency and Housing. Establishes a National Center for Productivity and Quality of Working Life to succeed the National Commission on Productivity and Work Quality.

H.R. 8837. July 23, 1975. Armed Services. Authorizes the Secretary of Defense to budget funds specifically for the Civil Air Patrol. Specifies purposes for which expenditures from the Civil Air Patrol budget may be made by the Secretary of the Air Force.

H.R. 8838. July 23, 1975. Post Office and Civil Service. States that it is the policy of Congress that Federal employees be encouraged to voluntarily participate in political process. Sets forth guidelines for such participation. Establishes a Board on Political Activities of Federal Employees to hear and decide alleged violations of the guidelines set forth in this Act.

H.R. 8839. July 23, 1975. Post Office and Civil Service. States that it is the policy of Congress that Federal employees be encouraged to voluntarily participate in political process. Sets forth guidelines for such participation. Establishes a Board on Political Activities of Federal Employees to hear and decide alleged violations of the guidelines set forth in this Act.

H.R. 8840. July 23, 1975. Ways and Means. Amends the Internal Revenue Code to designate the place of residence of a Member of Congress within the State, congressional district, territory, or possession which such Member represents in Congress, and the place of residence of a State legislator as such legislator's home.

Limits the amount which shall be deductible from the income tax by State and Federal legislators for living expenses.

H.R. 8841. July 23, 1975. Agriculture. Extends appropriations under the Federal Insecticide, Fungicide, and Rodenticide Act.

H.R. 8842. July 23, 1975. House Administration. Establishes a Voter Registration Administration within the Bureau of the Census, Department of Commerce to (1) encourage full voter participation in Federal and State elections; and (2) establish a National Clearinghouse of Registration Cancellations and Address Changes.

H.R. 8843. July 23, 1975. Ways and Means. Amends the Social Security Act by directing the Secretary of Health, Education, and Welfare to pay a supplementary housing allowance to certain Supplemental Security Income recipients.

H.R. 8844. July 23, 1975. Armed Services. Prohibits any military department from using dogs in connection with research and development of any chemical or biological warfare agent.

H.R. 8845. July 23, 1975. Judiciary. Prohibits the shipment in interstate commerce of dogs and other animals intended to be used to fight dogs or other animals for purposes of sport, wagering or entertainment.

Makes it unlawful to promote or in any way assist in the promotion of such animal fights.

H.R. 8846. July 23, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Transportation to provide financial assistance to railroads for programs aimed at reducing unemployment and at repairing, rehabilitating, and improving railroad roadbeds and facilities. Establishes employment priorities for persons hired under such programs.

H.R. 8847. July 23, 1975. Ways and Means. Amends the Social Security Act by entitling an Old-Age, Survivors, and Disability Insurance claimant to a reconsideration of the initial decision concerning such claimant's eligibility for benefits. Allows such claimant to request a hearing on the reconsideration determination. Requires that such a hearing be presided over by an administrative law judge and conducted on the record.

H.R. 8848. July 23, 1975. Ways and Means. Amends the Social Security Act by entitling an Old-Age, Survivors, and Disability Insurance claimant to a reconsideration of the initial decision concerning such claimant's eligibility for benefits. Allows such claimant to request a hearing on the reconsideration determination. Requires that such a hearing be presided over by an administrative law judge and conducted on the record.

H.R. 8849. July 23, 1975. Merchant Marine and Fisheries. Requires common carriers by water to submit to the Federal Maritime Commission rates covering shipments of household goods moving in part or in whole by water on the foreign commerce of the United States.

Allows interested persons to protest such rates. Sets forth criteria for approval or disapproval of such protested rates.

H.R. 8850. July 23, 1975. Ways and Means. Amends the Internal Revenue Code to define the term "agricultural" with respect to the exemption from tax on corporations.

H.R. 8851. July 23, 1975. Interstate and Foreign Commerce. Limits the authority of the Secretary of Health, Education, and Welfare, under the Federal Food, Drug, and Cosmetic Act, to regulate vitamins and minerals.

H.R. 8852. July 23, 1975. Ways and Means. Amends the Internal Revenue Code to allow employers of the same employee, by proper notice to the Secretary of the Treasury, to work out an agreement as to their respective employment and unemployment tax liabilities for such employee.

H.R. 8853. July 23, 1975. Ways and Means. Amends the Social Security Act by revising the method of calculating the amount of outside income which an individual may earn without a reduction in Old-Age, Survivors, and Disability Insurance benefits.

H.R. 8854. July 23, 1975. Education and Labor. Amends the Occupational Safety and Health Act of 1970 by authorizing the Administrator of the Small Business Administration to render onsite construction and advice to certain small business employers to assist such employers in complying with the health and safety standards of the Act.

H.R. 8855. July 23, 1975. Education and Labor. Amends the Higher Education Act of 1965 to authorize the Commissioner of Education to make grants to institutions of higher education for the development and operation of student internship programs in the offices of elected officials at the local, State and Federal levels of government.

H.R. 8856. July 23, 1975. Armed Services. Reduces certain age requirements in determining eligibility for retired pay for nonregular service in the armed forces.

H.R. 8857. July 23, 1975. Armed Services. Entitles participants in the Ready Reserve to special pay upon completion of specified periods of service.

H.R. 8858. July 23, 1975. Government Operations. Amends the Freedom of Information Act to stipulate that Federal employees who disclose information which is required by law to be disclosed by agencies may not be subject on account of such disclosure to discipline through dismissal, demotion, transfer, or other adverse personnel action.

H.R. 8859. July 23, 1975. Ways and Means. Amends the Social Security Act to prohibit termination of wife's, widow's, or widower's insurance benefits, or child's insurance benefits in the case of recipients who are under a disability, if the recipient marries or remarries.

H.R. 8860. July 23, 1975. Ways and Means. Amends the Internal Revenue Code to designate the place of residence of a Member of Congress within the State, congressional district, territory, or possession which such Member represents in Congress, and the place of residence of a State legislator as such legislator's home.

Limits the amount which shall be deductible from the income tax by State and Federal legislators for living expenses.

H.R. 8861. July 23, 1975. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 8862. July 23, 1975. Judiciary. Stipulates that the duodenal ulcer of a certain individual is a disease incurred in the line of duty for purposes of entitlement to compensation for a service-connected disability.

H.R. 8863. July 23, 1975. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 8864. July 23, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 8865. July 23, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 8866. July 24, 1975. Veterans' Affairs. Directs the Administrator of Veterans' Affairs to pay a service pension in the amount herein established to any veteran who served during World War I. Includes, for the purposes of this benefit, veterans who served in Russia between 6 April, 1917, and 1 April 1920. Directs that such pension be paid without regard to individual income.

H.R. 8867. July 24, 1975. Education and Labor. Creates a Construction Industry Bargaining Commission in the Department of Labor. Directs the Commission to administer a program of restructuring collective bargaining in the construction industry to require the negotiation of uniform agreements within geographic areas designated by the Commission and approved by the Secretary of Labor. Declares that negotiating in a manner inconsistent with regulations establishing geographic bargaining areas constitutes an unfair labor practice and refusal to bargin under the National Labor Relation Act.

H.R. 8868. July 24, 1975. Banking, Currency and Housing. Directs the Secretary of the Treasury to strike gold commemorative coins bearing the seal of symbol of the American Revolution Bicentennial Administration.

H.R. 8869. July 24, 1975. Interior and Insular Affairs. Amends the Land and Water Conservation Fund Act of 1965 to authorize additional appropriations for preservation of outdoor recreation resources. Revises procedures for providing financial assistance to States.

Amends the National Historic Preservation Act of 1966 to establish a historic preservation fund from revenues collected from mining leases and leases on the Outer Continental Shelf.

H.R. 8870. July 24, 1975. Post Office and Civil Service. States that it is the policy of Congress that Federal employees be encouraged to voluntarily participate in political process. Sets forth guidelines for such participation. Establishes a Board on Political Activities of Federal Employees to hear and decide alleged violations of the guidelines set forth in this Act.

H.R. 8871. July 24, 1975. Science and Technology; Agriculture. Establishes an Office of Agricultural Energy Research in the Department of Agriculture to develop a coordinated research program designed to increase agricultural and rural energy efficiency. Authorizes allocation of funds among State agricultural experiment stations for research and demonstration projects utilizing alternative energy sources.

H.R. 8872. July 24, 1975. Ways and Means. Amends the Internal Revenue Code to allow the determination of excludability of any disability pension payment to an individual to be made without regard to whether or not such individual has reached retirement age.

H.R. 8873. July 24, 1975. Ways and Means. Amends the Social Security Act by increasing the amount of the lump-sum death payment.

H.R. 8874. July 24, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from gross income amounts received by an individual as a pension, annuity, or similar retirement benefit under a public retirement system.

H.R. 8875. July 24, 1975. Public Works and Transportation. Revises procedures for financing of shore protection projects to authorize payments by responsible local interests as well as by governmental entities. Repeals the authorization of Federal aid to certain non-public shores.

H.R. 8876. July 24, 1975. Ways and Means. Amends the Internal Revenue Code to allow a limited deduction from gross income of adoption fees as a medical expense.

H.R. 8877. July 24, 1975. Ways and Means. Amends the Tariff Schedules of the United States to permit duty-free importation of prepared or preserved water chestnuts and bamboo shoots.

H.R. 8878. July 24, 1975. Ways and Means. Includes the services of clinical psychologists under the coverage of the Medicare supplementary medical insurance program of the Social Security Act.

H.R. 8879. July 24, 1975. Armed Services. Authorizes eligible persons to receive health benefits under contracts entered into by the Secretary of Defense without regard to such persons eligibility for compensation for service-connected disabilities or death from the Veterans' Administration.

H.R. 8880. July 24, 1975. Interstate and Foreign Commerce. Prohibits retail distributors of motor vehicle gasoline shipped in interstate commerce from selling such gasoline unless the retail price is clearly visible to motorists on adjacent highways. Directs the Federal Trade Commission to establish regulations governing the nature of such retail price display.

H.R. 8881. July 24, 1975. Ways and Means. Amends the Internal Revenue Code to limit the deductions attributable to farming which can be used by a taxpayer to offset nonfarm income.

H.R. 8882. July 24, 1975. International Relations. Amends the Foreign Assistance Act of 1961 to prohibit transfers of any defense article in the inventory of the Department of Defense to any foreign country unless such transfer is authorized under the Foreign Assistance Act of 1961, the Foreign Military Sales Act, or corresponding legislation.

H.R. 8883. July 24, 1975. Interstate and Foreign Commerce. Extends appropriations for emergency medical services systems, under the Public Health Service Act.

Authorizes the Secretary of Health, Education, and Welfare to make certain additional grants for emergency medical service projects and to make grants and enter into contracts with eligible schools and training centers for training programs in the techniques and methods of providing emergency medical services.

H.R. 8884. July 24, 1975. Armed Services. Authorizes eligible persons to receive health benefits under contracts entered into by the Secretary of Defense without regard to such persons eligibility for compensation for service-connected disabilities or death from the Veterans' Administration.

H.R. 8885. July 24, 1975. Ways and Means. Amends the Social Security Act to rescind the authority to recoup overpayments of Old-Age, Survivors, and Disability Insurance or Medicare benefits by decreasing subsequent payments of Old-Age, Survivors, and Disability Insurance benefits made to a third party who claims such benefits under the overpayee.

H.R. 8886. July 24, 1975. Ways and Means. Stipulates that Medicare supplementary medical insurance covers durable medical equipment used in the patient's home which is furnished on a lease-purchase basis. Directs the Secretary of Health, Education, and Welfare to encourage suppliers of durable medical equipment to make such equipment available on a lease-purchase basis.

H.R. 8887. July 24, 1975. Ways and Means; Interstate and Foreign Commerce. Amends the Social Security Act by replacing Medicare with a national health care program under which the cost of covered medical services provided to all United States residents and certain non-resident aliens shall be paid by the Federal government. Establishes an independent Social Security Administration to administer this program, Old-Age, Survivors, and Disability Insurance, Supplemental Security Income, and the health standards provisions of the Federal Coal Mine Health and Safety Act.

Amends the Internal Revenue Code to impose a tax on wages, self-employment income, and certain unearned income for purposes of the national health care program.

H.R. 8888. July 24, 1975. International Relations. Terminates funds used to aid India, except those to operate the Embassy and consular offices of the United States, until the President certifies that liberties and civil rights existing before June 26, 1975 have been restored by the Government of India.

H.R. 8889. July 24, 1975. Post Office and Civil Service. Allows certain publications of institutions of higher education to qualify as second-class mail.

H.R. 8890. July 24, 1975. Education and Labor. Revises the method for determining the amount of Federal aid to which a local educational agency is entitled, with respect to the number of children of parents employed on Federal property who attend a school under the jurisdiction of such local educational agencies.

H.R. 8891. July 24, 1975. Veterans' Affairs. Directs the Administrator of Veterans' Affairs to establish a national cemetery at the March Air Force Base near Riverside, California.

H.R. 8892. July 24, 1975. Interstate and Foreign Commerce. Amends the Natural Gas Act to direct the Federal Power Commission to establish controls on the price of new natural gas. Allows small producers and producers of new, liquefied or synthetic natural gas to charge rates in excess of price control levels.

Establishes minimum production requirements for natural gas. Directs the Federal Power Commission to prohibit boiler fuel use of natural gas and propane.

Sets forth procedures for allocation of natural gas for emergencies and for essential agricultural purposes.

H.R. 8893. July 24, 1975. International Relations. Prohibits military, economic, or other assistance or sale of defense articles and services under the Foreign Military Sales Act unless the President determines that (1) the foreign country concerned has taken adequate steps to control narcotics; or (2) an emergency exists requiring assistance for national security or humanitarian reasons.

H.R. 8894. July 24, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to convey certain omitted public lands of the United States to the States or localities for public purposes. Requires preparation of comprehensive land-use plans for Federally-owned islands prior to conveyance under this Act.

H.R. 8895. July 24, 1975. Ways and Means. Amends the Internal Revenue Code to establish a minimum standard mileage allowance for determining the deduction allowed for the use of a car while performing services for a charitable organization.

H.R. 8896. July 24, 1975. Standards of Official Conduct. Requires each member of Congress and his or her staff to maintain a register of all contacts with lobbyists. Specifies that such records shall be available for public inspection.

H.R. 8897. July 24, 1975. Public Works and Transportation. Amends the Water Resources Development Act of 1974 to prevent the Secretary of the Army, acting through the Chief of Engineers, from requiring that the Sacred Heart Hospital in South Dakota hold the United States free from damage due to bank stabilization construction in the area.

H.R. 8898. July 24, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 to specify procedures for consideration of applications for renewal of broadcast licenses. Extends the maximum time of license and license renewal for the operation of any class of station from 3 to 5 years.

H.R. 8899. July 24, 1975. Post Office and Civil Service. Requires that labor disputes within the United States Postal Service between supervisory organizations and the Service be submitted to an arbitration board.

H.R. 8900. July 24, 1975. Government Operations. Sets forth guidelines to be followed in the classification of material as "Defense Data" for purposes of determining whether its dissemination must be limited in the interest of national defense.

H.R. 8901. July 24, 1975. Veterans' Affairs. Directs the Administrator of Veterans' Affairs to pay a pension to eligible veterans of World War I or to the widow or children of such veteran. Establishes maximum incomes at which point no pension is to be paid.

H.R. 8902. July 24, 1975. Judiciary: Standards of Official Conduct. Requires lobbyists to: (1) register with the Federal Election Commission; (2) make and retain certain records; and (3) file reports with the Commission regarding their activities.

Requires certain officials of the executive branch to record their communications with lobbyists.

Repeals the Federal Regulation of Lobbying Act.

H.R. 8903. July 24, 1975. Government Operations. Directs the National Commission on the Observance of International Women's Year to organize and convene a national conference to be known as the National Women's Conference.

H.R. 8904. July 24, 1975. Judiciary. Prohibits any State, other than the State which is represented by a Member of Congress, from taxing the income of such Member or from treating such Member as a resident or domiciliary of such State.

H.R. 8905. July 24, 1975. Banking, Currency and Housing. Permits the United States Governor of the Inter-American Development Bank (1) to vote for certain resolutions before the Board of Governors which relate to capital stock of the Bank, or admission of nonregional countries to Bank membership; and (2) to agree to the membership of the Bahamas and Guyana in the Bank.

H.R. 8906. July 24, 1975. Interior and Insular Affairs. Authorizes appropriations to the Secretary of Commerce for the purpose of assisting the organizing committee for the thirteenth international winter Olympic Games to be held at Lake Placid, New York in 1980.

H.R. 8907. July 24, 1975. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 8908. July 24, 1975. Judiciary. Authorizes the admission of a certain individual to the United States for permanent residence.

H.R. 8909. July 24, 1975. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 8910. July 24, 1975. Judiciary. Deems a certain individual eligible for a civil service survivor annuity and directs the Civil Service Commission to pay such annuity.

H.R. 8911. July 25, 1975. Ways and Means. Amends the Supplemental Security Income provisions of the Social Security Act to revise (1) certain eligibility requirements; (2) methods of determining eligibility and paying benefits, in certain cases; (3) procedure for eligibility determination hearings. Directs the Secretary of Health, Education and Welfare to publicize the Supplemental Security Income program. Prohibits States from reducing supplementation payments following an increase in Federal Supplemental Security Income benefits.

H.R. 8912. July 25, 1975. Ways and Means. Amends the Social Security Act by directing the Secretary of Health, Education, and Welfare to pay a supplementary housing allowance to certain Supplemental Security Income recipients.

H.R. 8913. July 25, 1975. Veterans' Affairs. Directs the Administrator of Veterans' Affairs to pay a pension, at the rate of $400 per month, to Congressional Medal of Honor holders or to the widows of individuals who were awarded such medal posthumously.

H.R. 8914. July 25, 1975. Government Operations. Amends the "Buy American Act" of 1933 to declare that the price of certain domestic goods shall not be deemed unreasonable unless it exceeds the price of foreign goods by more than 50 percent.

H.R. 8915. July 25, 1975. Banking, Currency and Housing. Authorizes the President to suspend credit for exports, under the Export-Import Bank Act of 1945, upon determination that any foreign country is restricting exports to the United States or is maintaining increased prices for exports to the United States which adversely affect the rate of inflation, the employment rate, or the rate of economic growth of the United States.

H.R. 8916. July 25, 1975. Government Operations. Amends the Freedom of Information Act to exempt from public disclosure naval nuclear propulsion information unless it is determined by the Secretary of Defense and the Administrator of the Energy Research and Development Administration that such release would not be inimical to the interests of the United States.

H.R. 8917. July 25, 1975. Interstate and Foreign Commerce. Prescribes criteria for Federal, State, and local agencies regulating electric utilities which would require that rate schedules accurately reflect long-run incremental costs of service and that price differentials for different customer classes reflect actual documented differentials in costs of service.

Prohibits any allowance for recoupment of any advertising costs except if such advertising is designed to discourage energy consumption during peak load periods or to encourage conservation of electricity in general.

Establishes standards for the treatment of fuel adjustment clauses and for the determination of effective dates for proposed changes in rates and schedules.

H.R. 8918. July 25, 1975. Post Office and Civil Service. States that it is the policy of Congress that Federal employees be encouraged to voluntarily participate in political process. Sets forth guidelines for such participation. Establishes a Board on Political Activities of Federal Employees to hear and decide alleged violations of the guidelines set forth in this Act.

H.R. 8919. July 25, 1975. Interstate and Foreign Committee. Requires, under the Fair Packaging and Labeling Act, that a retail distributor of packaged consumer commodities which have been distributed in commerce or which if distributed would affect commerce must plainly mark its total selling price by a stamp, tag, or label before such commodity may be offered for sale.

H.R. 8920. July 25, 1975. Small Business; Banking, Currency and Housing. Amends the Small Business Act by authorizing the Small Business Administration to make loans to individuals and home-builders for the purchase and installation of qualified solar heating or solar heating and cooling equipment procured from small business concerns.

Directs the Energy Research and Development Administration to (1) establish procedures for inspecting and evaluating solar heating and cooling equipment; (2) review new equipment as developed; (3) periodically review certifications of such equipment for validity; and (4) transmit pertinent data to the Small Business Administration for its use in certifying equipment for purposes of the loan program created by this Act.

H.R. 8921. July 25, 1975. Public Works and Transportation; Ways and Means. Establishes an Urban Ground Mass Transportation Trust Fund, which shall have an amount appropriated to it equivalent to the taxes received from the separate excise tax on gasoline, special fuels, and ground mass public transportation vehicles and parts, from which expenditures shall be made under the Urban Mass Transportation Act of 1964.

Amends the Internal Revenue Code to establish a separate tax on gasoline, special fuels, and ground mass transportation vehicles and parts.

H.R. 8922. July 25, 1975. Ways and Means. Amends the Social Security Act to authorize Federal payments to States for programs providing certain social services to certain groups of individuals, without requiring a determination of each participant's eligibility.

H.R. 8923. July 25, 1975. Banking, Currency and Housing. Repeals the Real Estate Settlement Procedures Act of 1974.

H.R. 8924. July 25, 1975. Ways and Means. Includes the services of clinical psychologists under the coverage of the Medicare supplementary medical insurance program of the Social Security Act.

H.R. 8925. July 25, 1975. Ways and Means. Amends the Internal Revenue Code to exempt aircraft used primarily for agricultural operation from the tax imposed on the use of civil aircraft.

Provides for the refund of the tax on gasoline where fuel has been used for farming purposes in an aircraft and by an aerial applicator who was the ultimate purchaser thereof, and the owner, tenant, or operator of the farm has waived the right to any payment, credit, or refund on such fuel.

H.R. 8926. July 25, 1975. Public Works and Transportation. Directs the Administrator of General Services and the Secretary of Defense to establish guidelines for the conservation of energy and the efficient use of solar energy systems in buildings financed with Federal funds. Requires submission of an energy use analysis to the Congress with specific energy requirements for such buildings.

Authorizes increases in cost limitations for Federal and Federally assisted buildings to include increased costs due to energy conservation regulations.

H.R. 8927. July 25, 1975. Post Office and Civil Service. Prohibits the Postal Service from requiring the installation of mailboxes at the curb line of residential property in any locality if the governing authority of such locality prohibits such installation.

H.R. 8928. July 25, 1975. International Relations. Requires prior approval by the Secretary of Agriculture on the export of grains in excess of one hundred thousand tons.

H.R. 8929. July 25, 1975. Judiciary. Directs, under the Omnibus Crime Control and Safe Streets Act of 1968, that a gratuity be paid to survivors of certain public safety officers who die in the performance of duty.

Authorizes the Commissioner of Education to grant scholarships to dependent survivors of public safety officers for full-time undergraduate study at an eligible institution.

H.R. 8930. July 25, 1975. Interior and Insular Affairs. Establishes the Cape Cod National Seashore Advisory Commission on a permanent basis.

H.R. 8931. July 25, 1975. Post Office and Civil Service. Prohibits Members of Congress from using the franking privilege for mass mailings within 60 days prior to an election.

H.R. 8932. July 25, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to make grants to assist States in the development and administration of land use programs. Establishes requirements and procedures for State eligibility for such grants and defines necessary elements of State land use programs.

Directs Federal public land management agencies to develop and revise land use plans. Includes provisions for public participation where Federal activities have a significant impact on State and local land use.

H.R. 8933. July 25, 1975. Agriculture. Stipulates that the Commodity Credit Corporation, under the Commodity Credit Corporation Charter Act, shall be the seller or marketing agency for all export sales of certain agricultural commodities.

Authorizes the Corporation (1) to negotiate sales for export of such commodities; (2) to accept purchase bids from foreign purchasers; (3) to offer selling bids in the world market; (4) to acquire commodities on the domestic market; and (5) to establish reserves to meet future export sales and provide for the security of domestic supply.

H.R. 8934. July 25, 1975. Agriculture. Stipulates that the Commodity Credit Corporation, under the Commodity Credit Corporation Charter Act, shall be the seller or marketing agency for all export sales of certain agricultural commodities.

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H.R. 8935. July 25, 1975. Ways and Means. Requires States which have entered into agreements with the Secretary of Health, Education, and Welfare for coverage of State and local employees under the Social Security Act to make payments to the Secretary of the Treasury on a calendar-quarter basis.

H.R. 8936. July 25, 1975. Agriculture. Amends the Consolidated Farm and Rural Development Act and the Housing Act of 1949 to allow rural areas of greater population to be eligible for water and waste facility loans and grants.

Authorizes the Secretary of Agriculture to extend loans to farmers and ranchers in Guam, under certain provisions of the Consolidated Farm and Rural Development Act.

H.R. 8937. July 25, 1975. Armed Services. Removes the limitation on the number of Junior Reserve Officers' Training Corps units which may be established.

H.R. 8938. July 25, 1975. Judiciary. Incorporates the National Ski Patrol System, Inc.

H.R. 8939. July 25, 1975. Ways and Means. Amends the Internal Revenue Code to allow the amount of an unused investment credit carried to its last usable year to be considered as a tax payment against the tax imposed for that taxable year.

H.R. 8940. July 25, 1975. Ways and Means. Amends the Internal Revenue Code to increase the personal exemption and the amount of a withholding exemption for a taxpayer. Increases the gross income level requirement for filing a return and the gross income level which allows a later joint return to be deemed filed as of the date of the separate return or returns filed for the same tax year.

H.R. 8941. July 25, 1975. Ways and Means. Amends the Internal Revenue Code to permit an additional exemption to a taxpayer who supports a mentally retarded individual.

H.R. 8942. July 25, 1975. International Relations. Authorizes the President to furnish to Turkey defense articles and services for which contracts were signed on or before February 5, 1975, under the Foreign Military Sales Act.

Requests the President to determine the needs of Greece for economic and military assistance through discussions with such Government.

Amends the Foreign Assistance Act of 1961 to permit the President to authorize sales, credits, and quantities for defense articles and services to enable Turkey to fulfill defense responsibilities as a member of the North Atlantic Treaty Organization, subject to Congressional approval.

H.R. 8943. July 25, 1975. Judiciary. Makes it unlawful under the Clayton Act for a vertically integrated oil company to acquire, own or control any asset of certain energy resources.

H.R. 8944. July 25, 1975. Public Works and Transportation. Amends the Highway Safety Act of 1966 with respect to standards and appropriations for highway safety programs.

H.R. 8945. July 25, 1975. Ways and Means. Amends the Internal Revenue Code to limit the business expense deduction for air and rail travel to no more than the cost of the coach class fare ticket for such transportation.

H.R. 8946. July 25, 1975. Ways and Means. Amends the Social Security Act by authorizing payment of Supplemental Security Income benefits to residents of certain nonmedical shelter care facilities.

H.R. 8947. July 25, 1975. Interstate and Foreign Commerce. Creates an Emergency Coal Administration within the Federal Energy Adminstration. Authorizes the Administrator of the Federal Energy Administration to establish goals and take action to insure the maximum increase in the production, transportation, and conversion of coal as long as the present energy emergency exists.

H.R. 8948. July 25, 1975. Government Operations. Requires the Comptroller General to make annual audits of the Internal Revenue Service.

H.R. 8949. July 25, 1975. Education and Labor; Judiciary. Amends the Indochina and Refugee Assistance Act of 1975 to direct the Commissioner of Education to make grants to State educational agencies for fiscal years 1976 and 1977 for educational programs, services, and activities for Indochinese refugee children in the schools of the local educational agencies of that State.

H.R. 8950. July 25, 1975. Education and Labor; Judiciary. Amends the Indochina and Refugee Assistance Act of 1975 to direct the Commissioner of Education to make grants to State educational agencies for fiscal years 1976 and 1977 for educational programs, services, and activities for Indochinese refugee children in the schools of the local educational agencies of that State.

H.R. 8951. July 25, 1975. Interstate and Foreign Commerce. Requires the Secretary of Health, Education, and Welfare, under the Public Health Service Act, to make grants to assist the States in bringing publicly operated or publicly assisted facilities for the mentally retarded into conformity with standards which will assure humane care, treatment, habilitation, and protection of the mentally retarded in residential facilities. Establishes a National Advisory Council on Standards for Residential Facilities for the Mentally Retarded to assist the Secretary of Health, Education, and Welfare in implementing and reviewing the standards established by this Act.

H.R. 8952. July 25, 1975. Interstate and Foreign Commerce. Limits the authority of the Secretary of Health, Education, and Welfare, under the Federal Food, Drug, and Cosmetic Act, to regulate vitamins and minerals.

H.R. 8953. July 23, 1975. Judiciary. Authorizes the admission of a certain individual to the United States for permanent residence.

H.R. 8954. July 25, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 8955. July 28, 1975. Interior and Insular Affairs. Amends the Land and Water Conservation Fund Act of 1965 to authorize the Secretary of the Interior to approve expenditures for the planning and development of sheltered recreation facilities in certain areas.

H.R. 8956. July 28, 1975. Interior and Insular Affairs. Directs the Secretary of Health, Education, and Welfare to make grants and provide scholarships to encourage Indians to enroll in health-related training programs. Authorizes the Secretary to expend funds to better meet Indian health care needs, to provide hospitals and other health facilities, and to supply unmet needs for safe water and sanitary waste disposal facilities. Requires the Secretary to contract with urban Indian organizations to assist such organizations to establish and administer health programs to benefit urban Indians.

H.R. 8957. July 28, 1975. Judiciary. Increases the authorized appropriations for the United States Commission on Civil Rights.

H.R. 8958. July 28, 1975. Post Office and Civil Service. Revises the effective date provisions for pay rate adjustments so that such adjustments apply to all executive branch employees on the same date.

H.R. 8959. July 28, 1975. Interstate and Foreign Commerce. Amends the Regional Rail Reorganization Act of 1973 (1) to increase the Federal share of the subsidies for the continuation of rail service; and (2) to extend such subsidies for three years.

H.R. 8960. July 28, 1975. Post Office and Civil Service. Requires the heads of executive agencies to provide Congress and recognized employee organizations with advance notice of planned organizational changes which would appreciably affect the level of Federal civilian employment.

H.R. 8961. July 28, 1975. Interstate and Foreign Commerce. Extends appropriations for emergency medical services systems, under the Public Health Service Act.

Authorizes the Secretary of Health, Education, and Welfare to make certain additional grants for emergency medical service projects and to make grants and enter into contracts with eligible schools and training centers for training programs in the techniques and methods of providing emergency medical services.

H.R. 8962. July 28, 1975. Public Works and Transportation. Amends the Federal Water Pollution Control Act to redefine Corps of Engineers authority to require permits for the discharge of dredged or fill materials into the channels of navigable waters.

H.R. 8963. July 28, 1975. Judiciary: Banking, Currency and Housing. Amends the Civil Rights Act of 1968 to prohibit discrimination on the basis of sex or marital status. Amends the National Housing Act to prohibit such discrimination in the extension of mortgage assistance.

H.R. 8964. July 28, 1975. Judiciary. Includes bodies politic in the category of perosns who may be sued for depriving any citizen of rights secured under the Constitution and laws of the United States.

H.R. 8965. July 28, 1975. Ways and Means. Amends the Social Security Act by entitling an Old-Age, Survivors, and Disability Insurance claimant to a reconsideration of the initial decision concerning such claimant's eligibility for benefits. Allows such claimant to request a hearing on the reconsideration determination. Requires that such a hearing be presided over by an administrative law judge and conducted on the record.

H.R. 8966. July 28, 1975. Interstate and Foreign Commerce. Limits the authority of the Secretary of Health, Education, and Welfare, under the Federal Food, Drug, and Cosmetic Act, to regulate vitamins and minerals.

H.R. 8967. July 28, 1975. Judiciary. Amends the Omnibus Crime Control and Safe Streets Act of 1968 to authorize the Law Enforcement Assistance Administration to make grants to the States for the improvement of State judicial systems and to encourage the development and implementation of innovative programs and projects.

Makes it a duty of the Administration to provide financial support annually for the National Center for State Courts.

H.R. 8968. July 28, 1975. Rules. Amends the Congressional Budget Act of 1974 to require that the appropriate congressional committees conduct a comprehensive review of all Federal programs every two years. Specifies the review method to be followed.

H.R. 8969. July 28, 1975. Agriculture. Stipulates that cost-of-living and general increases in Social Security benefits shall not be considered income for the purpose of determining eligibility for a coupon allotment under the Food Stamp Act of 1964.

H.R. 8970. July 28, 1975. Banking, Currency and Housing. Amends the United States Housing Act of 1937, and the National Housing Act to direct that future social security benefit increases shall be disregarded in determining eligibility for admission to or occupancy of low-rent public housing or the rent which an individual or family must pay for such housing. Declares that such increases shall be disregarded in determining eligibility for, and the amount of, other Federal housing subsidies.

H.R. 8971. July 28, 1975. Ways and Means. Amends the Social Security Act to (1) eliminate martial status as an eligibility criterion for widow's, widower's, or parent's insurance benefits; (2) increase the amount of outside income that may be earned while receiving Old-Age, Survivors and Disability Insurance benefits; (3) exclude increases in OASDI benefits from income for purposes of determining eligibility for benefits under any federally-funded program; and (4) authorize Federal payments to States for programs providing certain social services to certain groups of individuals, without requiring a determination of each participant's eligibility.

Amends the Internal Revenue Code to (1)

revise the rate of tax on self-employment income for OASDI and Hospital Insurance purposes, in the case of individuals age 65 or over; and (2) entitle such individuals to a credit or refund of such tax.

H.R. 8972. July 28, 1975. Ways and Means. Amends the Social Security Act to extend Medicare coverage to include drugs dispensed directly by a provider of services or by prescription, eye and ear examinations, annual Papanicolaou tests for uterine cancer, hearing aids, eyeglass lenses and dentures.

Establishes a Formulary Committee within the Department of Health, Education, and Welfare to prepare and maintain a listing of qualified drugs.

H.R. 8973. July 28, 1975. Ways and Means. Amends the Old-Age, Survivors, and Disability Insurance provisions of the Social Security Act by (1) eliminating the special dependency requirement for husband's and widower's insurance benefits; (2) entitling divorced husbands to the same benefits as divorced wives; and (3) entitling men with minor children in their care to the same benefits as women under such circumstances.

H.R. 8974. July 28, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 to specify procedures for consideration of applications for renewal of broadcast licenses. Extends the maximum time of license and license renewal for the operation of any class of station from 3 to 5 years.

H.R. 8975. July 28, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to prohibit the application of a per se rule of illegality under the antitrust laws in the case of certain market allocation agreements made as part of trademark licensing agreement for the manufacture, distribution and sale of trademarked soft drink products.

H.R. 8976. July 28, 1975. Post Office and Civil Service. States that it is the policy of Congress that Federal employees be encouraged to voluntarily participate in political process. Sets forth guidelines for such participation. Establishes a Board on Political Activities of Federal Employees to hear and decide alleged violations of the guidelines set forth in this Act.

H.R. 8977. July 28, 1975. Post Office and Civil Service; Judiciary. Increases specified judicial salaries. Sets forth a formula for future adjustments of judicial salaries.

H.R. 8978. July 28, 1975. House Administration. Authorizes the Secretary of the Interior to permit the construction of the General Draza Mihailovich Monument in Washington, D.C.

H.R. 8979. July 28, 1975. Interstate and Foreign Commerce. Amends the Regional Rail Reorganization Act of 1973 (1) to require the United States Railway Association to analyze the costs and benefits of including certain railroad branch lines in the final rail system plan when the Association is requested to do so by a State; (2) to increase the Federal share of rail service continuation subsidies; and (3) to extend the authorization of appropriations for such subsidies for an additional three years.

H.R. 8980. July 28, 1975. Agriculture. Amends the Federal Laboratory Animal Welfare Act to authorize the Secretary of Agriculture to promulgate standards for the transportation, handling and care of certain animals in interstate or foreign commerce.

Prohibits the attendance at promotion, of supplying of animal fighting ventures.

Sets forth regulations with respect to the transportation and handling of certain classes of animals.

H.R. 8981. July 28, 1975. Interstate and Foreign Commerce. Amends the Public Health Service Act to revise the basic and supplemental benefits which may be offered by health maintenance organizations.

Extends the authority of the Secretary of Health, Education, and Welfare, under the Public Health Service Act, to provide loans and loan guarantees for such organizations.

H.R. 8982. July 28, 1975. Interstate and Foreign Commerce. Prohibits the sale or offer for sale of any franchise unless a disclosure statement with respect to such franchise has been filed with the Securities and Exchange Commission and a copy furnished to the prospective franchisee at the inception of any discussions or negotiations for the sale of such franchise.

Requires that disclosure statements filed under this Act contain such information as the SEC may by rule and regulation require as being necessary or appropriate in the public interest or for the protection of prospective franchisees. Prohibits any act or course of busines which operates or would operate as a fraud upon any franchisee.

H.R. 8983. July 28, 1975. Judiciary. Sets forth standards for the establishment of Congressional districts based on decennial censuses and composed of contiguous territory.

Grants exclusive jurisdiction to the district Courts of the United States to hear actions brought to enforce the provisions of this Act.

H.R. 8984. July 28, 1975. Interstate and Foreign Commerce. Amends the Controlled Substances Act to make the possession of specified amounts of marihuana for private use and the distribution, transfer or sale of marihuana, lawfully possessed, to any person for private use if such distribution, transfer or sale is not for profit an offense for which a person may be subject to a civil fine of not more than $100.

H.R. 8985. July 28, 1975. Ways and Means. Creates a national system of health insurance. Establishes a Health Security Board in the Department of Health, Education, and Welfare to administer such health insurance program.

Repeals the Medicare provisions of the Social Security Act and all health benefit plans for employees of the Federal Government. Amends various other provisions of the Social Security Act and the Public Health Services Act.

H.R. 8986. July 28, 1975. International Relations. Allows Congress to disapprove, under the Foreign Military Sales Act, any sale of defense articles or services which causes the total annual sales to such country to exceed $50,000,000.

H.R. 8987. July 28, 1975. International Relations; Rules. Revises the procedure for disapproval by Congress of a proposed safe under the Foreign Military Sales Act.

H.R. 8988. July 28, 1975. Interstate and Foreign Commerce. Prohibits, under the Federal Trade Commission Act, any retailer from repricing any consumer commodity with a higher price once a price is affixed to such commodity.

H.R. 8989. July 28, 1975. Ways and Means. Amends the Internal Revenue Code to extend certain tax exemptions to Indian tribal governments on the same basis as such exemptions are granted to other governmental units.

H.R. 8990. July 28, 1975. Ways and Means. Amends the Internal Revenue Code to allow a limited deduction for amounts paid by or on behalf of an individual for an individual retirement account, an individual retirement annuity, an individual retirement bond, an employee's trust, or an annuity contract.

H.R. 8991. July 28, 1975. Education and Labor. Amends the Community Services Act of 1974 by making certain technical and conforming amendments.

H.R. 8992. July 28, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 8993. July 28, 1975. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain individual in full settlement of such individual's claims against the United States for reimbursement of certain transportation expenses.

H.R. 8994. July 29, 1975. Ways and Means. Amends the Social Security Act by entitling an Old-Age, Survivors, and Disability Insurance claimant to a reconsideration of the initial decision concerning such claimant's eligibility for benefits. Allows such claimant to request a hearing on the reconsideration determination. Requires that such a hearing be presided over by an administrative law judge and conducted on the record.

H.R. 8995. July 29, 1975. Interstate and Foreign Commerce. Establishes the National Center for Health Education and Promotion, within the Department of Health, Education, and Welfare, to conduct, support, encourage and disseminate the results of research in health education, health promotion, and preventive medicine. Authorizes the establishment of a private non-profit organization to be known as the Institution for Health Education and Promotion to facilitate the development of a health education and promotion strategy for the Nation.

H.R. 8996. July 29, 1975. Judiciary; Post Office and Civil Service. Allows the transportation, mailing, and broadcasting of advertising, information, and materials concerning lotteries conducted by nonprofit organizations operating under the authority of State law.

H.R. 8997. July 29, 1975. House Administration. Directs the Librarian of Congress to transfer one of the Gettysburg Address manuscripts to the Secretary of the Interior for the purpose of placing such manuscript on display in Gettysburg National Park, Pennsylvania.

H.R. 8998. July 29, 1975. Government Operations. Requires that all forms in use by executive agencies be discontinued or revised every 5 years. Requires all new and revised forms to be approved by the Comptroller General prior to use.

H.R. 8999. July 29, 1975. Interstate and Foreign Commerce. Limits the authority of the Secretary of Health, Education, and Welfare, under the Federal Food, Drug, and Cosmetic Act, to regulate vitamins and minerals.

H.R. 9000. July 29, 1975. Agriculture. Amends the Agricultural Act of 1949 to revise the time period for which the index of prices paid by farmers is averaged for the purpose of computing the level of price support for tobacco.

H.R. 9001. July 29, 1975. Education and Labor. Amends the Elementary and Secondary Education Act of 1965 to require that applications for programs of bilingual education shall be developed in consultation with the parents of children enrolled in the schools covered by such applications with the majority of such parents to be parents of children of limited English-speaking ability.

H.R. 9002. July 29, 1975. Judiciary. Prohibits the required use of polygraph tests in certain employment situations. Prohibits employment related reprisals based on an individual's refusal to take a polygraph test.

H.R. 9003. July 29, 1975. Ways and Means. Amends the Internal Revenue Code to increase the excise tax on cigarettes, and to establish in the Treasury of the United States, the National Cancer Research Fund to be partially funded by the increased revenues generated by this Act.

H.R. 9004. July 29, 1975. Interstate and Foreign Commerce. Amends the Regional Rail Reorganization Act of 1973: (1) to increase the Federal share of the subsidies for the continuation of rail service; and (2) to extend such subsidies for three years.

H.R. 9005. July 29, 1975. International Relations. Authorizes disaster relief and rehabilitation under the Foreign Assistance Act of 1961. Authorizes the President to appoint a Special Coordinator of International Disaster Assistance.

Amends the Agricultural Trade Development and Assistance Act of 1954 to redefine policies and procedures and overseas distribution and production of agricultural commodities.

Authorizes development assistance to foreign countries under the Foreign Assistance Act of 1961. Allows the President to assist universities in agricultural institutional development and research related to famine prevention. Directs the President to establish a Board for International Agricultural Development to operate such program.

H.R. 9006. July 29, 1975. Armed Services. Revises existing requirements for the disposition of lost, abandoned, or unclaimed personal property under the jurisdiction of military departments to shorten the time period during which such unclaimed property must be held between the time of notice of sale and final disposition of such property.

H.R. 9007. July 29, 1975. Rules. Amends the Congressional Budget Act of 1974 to require that appropriate congressional committees conduct a comprehensive study and review of all Federal programs at least once every six years.

H.R. 9008. July 29, 1975. Ways and Means. Amends the Social Security Act by allowing services performed by ministers to constitute employment for the purpose of Old-Age, Survivors, and Disability Insurance.

Amends the Internal Revenue Code of 1954 by allowing ministers and employing organizations to elect to treat the services performed by ministers as employment.

H.R. 9009. July 29, 1975. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to make contributions to local authorities for (1) the construction of traffic controls, road improvements, and other devices adjacent to Veterans' Administration medical facilities; and (2) the acquisition of firefighting equipment and the reimbursement of the salaries of firemen stationed near Veterans' Administration medical facilities in order to promote the safety of such facilities.

H.R. 9010. July 29, 1975. Government Operations. Establishes a Department of Education within the Executive Department. Transfers to the Secretary of Education educational functions now handled by various Federal agencies including the Department of Health, Education, and Welfare.

H.R. 9011. July 29, 1975. Merchant Marine and Fisheries. Requires the Secretary of the department in which the Coast Guard is operating to insure that female individuals shall be eligible for appointment and admission to the Coast Guard Academy, based upon the same academic and relevant standards as male individuals.

H.R. 9012. July 29, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to establish and maintain the Tallgrass Prairie National Park in Kansas.

H.R. 9013. July 29, 1975. Merchant Marine and Fisheries. Requires the Secretary of the department in which the Coast Guard is operating to insure that female individuals shall be eligible for appointment and admission to the Coast Guard Academy, based upon the same academic and relevant standards as male individuals.

H.R. 9014. July 29, 1975. Post Office and Civil Service. Amends the Postal Reorganization Act of 1970 by revising regulations relating to appropriations authorization, postal rates, Postal Service contracts, personnel policies, and the organization of the Postal Rate Commission and the Board of Governors.

H.R. 9015. July 29, 1975. Post Office and Civil Service. Allows a postal employee to be represented in a grievance action by an agent other than the elected and recognized bargaining representative.

H.R. 9016. July 29, 1975. Ways and Means. Amends the Internal Revenue Code to remove certain limitations on the amount of employment-related expenses which are deductible for household and dependent care services necessary for gainful employment.

H.R. 9017. July 29, 1975. International Relations. Prohibits, under the Export Administration Act of 1969, persons from entering into contracts for the export sale of certain agricultural commodities if (1) such export is more than 5 million metric tons, under certain conditions; or (2) the Secretary of Commerce determines that such export may contribute to an increase in domestic prices, a domestic shortage, or have a serious adverse impact on the economy, unless the Secretary of Commerce approves such export. Requires Congressional concurrence with approval by the Secretary of Commerce.

H.R. 9018. July 29, 1975. District of Columbia. Authorizes the Council of the District of Columbia to enact legislation adopting or amending an agreement or compact between the District of Columbia and any State. Specifies that such agreements become effective only with the consent of Congress.

H.R. 9019. July 29, 1975. Interstate and Foreign Commerce. Extends appropriations, under the Public Health Service Act, for the extension of loans and loan guarantees by the Secretary of Health, Education, and Welfare for health maintenance organizations.

H.R. 9020. July 29, 1975. Interstate and Foreign Commerce. Authorizes the Secretary of Health, Education, and Welfare to make loans to cities and counties with at least 500,000 population for the purpose of establishing or constructing and providing initial operating costs of nonprofit clinics for the spaying and neutering of dogs and cats.

H.R. 9021. July 29, 1975. House Administration Amends the Legislative Reorganization Act of 1970 by directing officers of the House of Representatives to prepare and conduct seminars for freshmen Members of Congress.

Authorizes freshmen Members to employ an interim staff during the period beginning on the day such freshman is declared elected and ending on the first day of the regular session of Congress.

H.R. 9022. July 29, 1975. Judiciary. Amends the Gun Control Act of 1968 to (1) require that the Secretary of the Treasury approve handgun models prior to their sale, manufacture or transfer in the United States; (2) set forth standards to be followed in the sale of handguns to individuals; (3) require the licensing of handgun importers, dealers, collectors and manufacturers; and (4) impose penalties for the use of a firearm to commit a felony.

H.R. 9023. July 29, 1975. International Relation. Prohibits the use of funds by the Commodity Credit Corporation or any other instrumentality of the Federal Government to finance, directly or indirectly, the purchase of American agricultural commodities by any Communist country.

H.R. 9024. July 29, 1975. Agriculture. Amends the Food Stamp Act of 1964 by revising (1) eligibility standards; (2) the method of determining the amount of the coupon allotment; (3) administration of the program by State agencies, including the eligibility certification procedure and duties imposed on issuing agents; and (4) the method of computing the Federal share of program costs and of making payments to the States. Transfers the functions of the Secretary of Agriculture under the Food Stamp Act of 1964 to the Secretary of Health, Education, and Welfare.

H.R. 9025. July 29, 1975. International Relations. Authorizes the President to furnish to Turkey defense articles and services for which contracts were signed on or before February 5, 1975, under the Foreign Military Sales Act.

Requests the President to determine the needs of Greece for economic and military assistance through discussions with such Government.

Amends the Foreign Assistance Act of 1961 to permit the President to authorize sales, credits, and guaranties for defense articles and services to enable Turkey to fulfill defense responsibilities as a member of the North Atlantic Treaty Organization, subject to Congressional approval.

H.R. 9026. July 29, 1975. Judiciary. Establishes the Federal Corporate Chartering Commission which shall process applications for Federal Corporate Charters from each principal industrial corporation engaged in interstate or foreign commerce.

H.R. 9027. July 29, 1975. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to certain individuals in full settlement of such individuals' claims against the United States for termination of their employment with Western Airlines in reliance on United States Government assurances of reinstatement without reprisal.

H.R. 9028. July 29, 1975. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain individual in full settlement of such individual's claims against the United States for personal injuries suffered in a certain United States Naval Exchange.

H.R. 9029. July 29, 1975. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to the United States District Court for the District of Columbia for distribution to the heirs of a certain individual in full settlement of their claims for repayment of a loan made by such individual to the Continental Congress in 1777.

H.R. 9030. July 29, 1975. Judiciary. Directs the Secretary of the Air Force to pay a specified sum to a certain individual in full settlement of such individual's claims against the United States for the loss of such individual's household effects.

H.R. 9031. July 29, 1975. Judiciary. Extends for a term of ten years certain Letters Patent.

H.R. 9032. July 29, 1975. Judiciary. Declares certain individuals lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 9033. July 30, 1975. Banking, Currency and Housing; Armed Services; Education and Labor; Government Operations; Ways and Means. Establishes in the Executive Office of the President an office of Economic Adjustment and the Defense Economic Adjustment Council to facilitate the economic adjustment of communities, industries, and workers who may be substantially affected by reductions in defense contracts and facilities.

Requires defense contractors to make plans for the continued employment of workers and utilization of facilities once such defense contract is completed, curtailed, or cancelled.

Authorizes financial assistance to the unemployed or underemployed employees of defense contractors.

H.R. 9034. July 30, 1975. Agriculture. Establishes the Livestock Marketing Commission which is empowered and directed to prevent certain unlawful, illegal, or unfair transactions or practices in connection with the marketing of livestock.

H.R. 9035. July 30, 1975. Interstate and Foreign Commerce. Amends the Clean Air Act to extend compliance dates for certain motor vehicle emission standards until model year 1982. Revises the basis for the nitrogen oxide emission standard to include factors other than air quality, including energy efficiency, cost, and availability of technology.

H.R. 9036. July 30, 1975. Ways and Means. Amends the Tariff Schedules of the United States to suspend until July 1, 1978 the duty on certain iron and steel strips used in the manufacture of razor blades.

H.R. 9037. July 30, 1975. Education and Labor. Directs the Commissioner of Education to allot $120 annually to each public and private school pupil in the United States for the purpose of defraying part of the cost of such pupils' education.

H.R. 9038. July 30, 1975. Education and Labor. Amends the Education Amendments of 1972 to stipulate that the provisions of the Act relating to discrimination based on sex shall not apply with respect to any scholarship or other financial assistance awarded to an individual by an institution of higher education as a result of a pageant, program, contest, or competition in which participation is limited to individuals of one sex only and the award is based, in whole or in part, upon the personal achievement, poise, or talent of such individual.

H.R. 9039. July 30, 1975. Public Works and Transportation. Amends the Federal Water Pollution Control Act by stipulating the method for allotment of funds to States by the Administrator of the Environmental Protection Agency for construction of treatment facilities.

H.R. 9040. July 30, 1975. Veterans' Affairs. Increases the monthly pension rate payable to certain disabled veterans.

H.R. 9041. July 30, 1975. Veterans' Affairs. Authorizes the continuance of aid and attendance payments to a veteran after the death of a dependent of such veteran so long as such veteran's annual income does not exceed the maximum income limitation.

H.R. 9042. July 30, 1975. Ways and Means. Amends the Internal Revenue Code to allow as a deduction from gross income the cost of acquiring recycled solid waste materials for manufacture by the taxpayer into useful raw materials or salable products.

Permits an optional amortization deduction of any solid waste recycling facility acquired by the taxpayer.

H.R. 9043. July 30, 1975. Post Office and Civil Service. Authorizes the Civil Service Commission to conduct experiments with a variety of workday and workweek configurations in cooperation with and at the request of Federal agencies for a period of 3 years.

H.R. 9044. July 30, 1975. Public Works and Transportation. Authorizes the Secretary of Transportation to make grants to States for the construction of bikeways.

Directs the Secretary to establish construction standards for bikeways constructed with Federal grants.

H.R. 9045. July 30, 1975. Veterans' Affairs. Revises and increases the rate schedules for payment, by the Administrator of Veteran's Affairs, or veterans' disability and death compensation and dependency and indemnity compensation.

H.R. 9046. July 30, 1975. Education and Labor. Amends the Domestic Volunteer Service Act of 1973 by authorizing the Director of the ACTION agency to make grants to foster grandparents programs which furnish supportive services to mentally retarded children and adults.

H.R. 9047. July 30, 1975. Banking, Currency and Housing. Prohibits any bank which has deposits insured by the Federal Deposit Insurance Corporation from refusing to honor or charging for honoring any check in an amount up to $1,000 drawn upon the Treasury of the United States upon presentation by the payee.

H.R. 9048. July 30, 1975. Education and Labor. Amends the Education Amendments of 1974 to authorize the Commissioner of Education to enter into contracts with nonprofit groups or public organizations for the purpose of establishing motivational reading programs. Authorizes the Commissioner to pay part of the cost of purchasing inexpensive books for distribution as part of such programs.

H.R. 9049. July 30, 1975. Ways and Means. Amends the Internal Revenue Code to exempt certain articles sold to any nonprofit volunteer firefighting or rescue organization for its exclusive use from the taxes on special fuels, automotive and related items, petroleum products, or communication services.

H.R. 9050. July 30, 1975. Armed Services. Prohibits the Department of Defense from using dogs in connection with research and development of any radioactive chemical or biological warfare agent. Prohibits the use of dogs in experiments with toxic chemical substances if effective nonanimal methods of experimentation are available.

Directs the Department of Defense to develop new research methods which do not require the use of animals.

H.R. 9051. July 30, 1975. Ways and Means. Revises the administration of Old-Age, Survivors, and Disability Insurance, Medicare, and Supplemental Security Income under the Social Security Act. Transfers the responsibility for administering these programs and the health standards provisions of the Federal Coal Mine Health and Safety Act from the Department of Health, Education, and Welfare to a newly established Social Security Administration.

H.R. 9052. July 30 1975. Agriculture. Prohibits, under the Tobacco Inspection Act, any person from engaging more than one person at any auction sale of flue-cured or burley tobacco for the purpose of having such person purchase any such tobacco.

H.R. 9053. July 30, 1975. Agriculture. Directs the Secretary of Agriculture to decrease the national marketing quota for flue-cured tobacco from its present level.

H.R. 9054. July 30, 1975. Agriculture. Amends the Agricultural Act of 1949 to revise the time period for which the index of prices paid by farmers is averaged for the purpose of computing the level of price support for tobacco.

H.R. 9055. July 30, 1975. Science and Technology. Creates the position of Assistant Administrator for Solar and Geothermal Energy and Conservation within the Energy Research and Development Administration. Establishes additional programs for the development and conservation of solar and geothermal energy resources.

H.R. 9056. July 30, 1975. Small Business. Amends the Small Business Act to authorize financial assistance to small business concerns engaged in farming, raising of livestock and agricultural related industries. Amends the Small Business Investment Act of 1958 to establish a pollution control financing program for small business.

H.R. 9057. July 30, 1975. Veterans' Affairs. Creates certain presumptions of disability for any veteran who was a prisoner of war for not less than six months, and deems such veteran to have a permanent service-connected disability rating of 50 percent.

H.R. 9058. July 30, 1975. Science and Technology. Sets forth science and technology policy and goals for the United States.

Establishes the Office of Science and Technology Policy in the Executive Office of the President to advise the President with respect to scientific and technological matters.

Establishes a Federal Science and Technology Survey Committee within the Executive Office of the President to survey, examine, and analyze the total context of the Federal science and technology effort.

H.R. 9059. July 30, 1975. Ways and Means. Amends the Social Security Act to revise the procedure for Federal payment and adjudication of claims submitted by the States under the programs of Old-Age Assistance, Aid to Families with Dependent Children, Services to the Aged, Blind, or Disabled, Aid to the Blind, Aid to the Permanently and Totally Disabled, Supplemental Security Income, Medicaid, and Social Services.

H.R. 9060. July 30, 1975. Ways and Means. Amends the Social Security Act to revise the procedure for Federal payment and adjudication of claims submitted by the States under the programs of Old-Age Assistance, Aid to Families with Dependent Children, Services to the Aged, Blind, or Disabled, Aid to the Blind, Aid to the Permanently and Totally Disabled, Supplemental Security Income, Medicaid, and Social Services.

H.R. 9061. July 30, 1975. Ways and Means. Amends the Internal Revenue Code to allow a deduction for State and local public utility taxes.

H.R. 9062. July 30, 1975. Interstate and Foreign Commerce. Amends the Natural Gas Act to direct the Federal Power Commission to establish controls on the price of new natural gas. Allows small producers and producers of new liquified or synthetic natural gas to charge rates in excess of price control levels. Exempts independent producers from certain price restrictions.

Establishes minimum production requirements for natural gas. Directs the Federal Power Commission to prohibit boiler fuel use of natural gas and propane.

Sets forth procedures for allocation of natural gas for emergencies and for essential agricultural purposes.

H.R. 9063. July 30, 1975. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to guarantee up to 50 percent of the amount of any loan to purchase mobile homes and mobile home lots.

H.R. 9064. July 30, 1975. Interstate and Foreign Commerce. Limits the authority of the Secretary of Health, Education, and Welfare, under the Federal Food, Drug, and Cosmetic Act, to regulate vitamins and minerals.

H.R. 9065. July 30, 1975. Veterans' Affairs. Allows an eligible veteran who has attained the age of 70 and has paid National Life Insurance Fund premiums for at least 25 years to waive the payment of such premiums under regulations promulgated by the Administrator of Veterans' Affairs.

H.R. 9066. July 30, 1975. Interstate and Foreign Commerce. Amends the Public Service Act to revise the basic and supplemental benefits which may be offered by health maintenance organizations.

Extends the authority of the Secretary of Health, Education, and Welfare, under the Public Health Service Act, to provide loans and loan guarantees for such organizations.

H.R. 9067. July 30, 1975. Merchant Marine and Fisheries. Amends the Federal Aid in Wildlife Restoration Act to allow additional expenditures by States from the wildlife restoration fund for hunter education programs. Amends the Internal Revenue Code of 1954 to impose a tax on the sale of component parts of firearm ammunition to provide additional revenues for such programs.

H.R. 9068. July 30, 1975. Science and Technology. Establishes a program of electric vehicle research and development in the Energy Research and Development Administration. Authorizes the introduction of electric vehicles into fleets used by Federal agencies.

H.R. 9069. July 30, 1975. Government Operations. Establishes a program whereby, whenever the United States Government or any agency thereof has legal title to any improved real property which is made available to a private business conducted for profit, the Government shall pay to the appropriate local taxing authorities an amount equal to the real property tax that would be payable to such State or local taxing authority if legal title to such property were privately held.

H.R. 9070. July 30, 1975. Post Office and Civil Service. Prohibits Members of Congress from using the franking privilege for mass mailings within 60 days prior to an election.

H.R. 9071. July 30, 1975. Public Works and

Transportation. Authorizes the Secretary of Transportation, under the Federal Aviation Act of 1958, to deactivate emergency locator transmitters on aircraft which the Secretary has determined interfere with air commerce.

H.R. 9072. July 30, 1975. Education and Labor. Authorizes the Secretary of Health, Education, and Welfare to make grants to conduct special educational programs and activities designed to achieve conservation and nonuse of energy and materials. Establishes within the Office of Education a Council on the Conservation and Nonuse of Energy-Materials to advise the Secretary on the administration of this Act.

H.R. 9073. July 30, 1975. Ways and Means. Amends the Internal Revenue Code to prohibit a deduction from gross income of expenses for the advertising of alcoholic beverages.

H.R. 9074. July 30, 1975. Judiciary. Establishes the Violent Crimes Compensation Commission to make annual grants to qualifying States to assist in the Compensation of the victims of violent crimes.

H.R. 9075. July 30, 1975. Armed Services. Sets forth procedures for withholding of State and city income taxes from the pay of members of the Armed Forces.

H.R. 9076. July 30, 1975. House Administration. Amends the Federal Election Campaign Act to stipulate that the Federal Election Commission shall be appointed by and with the advice and consent of the Senate. Excludes the Secretary of the Senate and the Clerk of the House of Representatives from membership on the Commission. Requires that all meetings of the Commission be open to the public.

H.R. 9077. July 30, 1975. Banking, Currency and Housing. Creates a Federal Municipal Bond Guarantee Administration to guarantee bonds issued by municipalities. Establishes in the Treasury of the United States a Municipal Bond Guarantee Fund to be used by the Administration as a revolving fund for carrying out the provisions of this Act.

H.R. 9078. July 30, 1975. Ways and Means. Establishes a variable import duty fee, under the Agricultural Marketing Agreement Act of 1937, to be levied upon all milk of dairy cattle, or products of such milk, which may be entered or withdrawn from warehouse for consumption.

H.R. 9079. July 30, 1975. Ways and Means. Amends the Internal Revenue Code and the Tax Reform Act of 1975 to remove the time limits on (1) the increased tax credit for qualified investment in used property; (2) the decrease in the corporate normal tax rate; and (3) the increase in the corporate surtax exemption.

H.R. 9080. July 30, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 9081. July 30, 1975. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 9082. July 30, 1975. Interior and Insular Affairs. Directs the Secretary of the Interior to receive, consider, and act upon any petition of a certain individual for reinstatement of a specified oil and gas lease in New Mexico.

H.R. 9083. July 30, 1975. Interior and Insular Affairs. Directs the Secretary of the Interior to receive, consider, and act upon any petition of a certain individual for reinstatement of a specified oil and gas lease in New Mexico.

H.R. 9084. July 30, 1975. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to certain individuals in full settlement of such individuals' claims against the United States for injuries sustained as the result of being struck by a vehicle under contract to the United States.

H.R. 9085. July 30, 1975. Judiciary. Deems a certain individual to have made a timely election of coverage for purposes of providing a civil service survivor annuity to a specified individual.

H.R. 9086. July 31, 1975. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to reimburse any eligible veteran for costs incurred for flight school courses taken for the purpose of qualifying for a private pilot's license, if such veteran has (1) completed an approved flight training program; (2) obtained a commercial pilot's license; and (3) not exhausted his entitlement to educational assistance.

H.R. 9087. July 31, 1975. Post Office and Civil Service. Prohibits any increase in the Postal Service lockbox rental rates in effect on June 30, 1975.

H.R. 9088. July 31, 1975. House Administration. Authorizes the One Hundred and First Airborne Division Association to establish a memorial in the District of Columbia or its environs in commemoration of the Division.

H.R. 9089. July 31, 1975. Agriculture. Authorizes the Secretary of Agriculture, under the Rural Development Act of 1972, to carry out rural conservation employment projects on lands and at facilities within the National Forest System or under the Secretary's administrative jurisdiction which are rural areas of substantial unemployment.

Directs the Secretary to give priority to projects that (1) are labor intensive; (2) have work plans; (3) could be initiated promptly; and (4) could be substantially completed within twelve months after initiation.

H.R. 9090. July 31, 1975. Ways and Means. Includes the services of clinical psychologists under the coverage of the Medicare supplementary medical insurance program of the Social Security Act.

H.R. 9091. July 31, 1975. Ways and Means. Makes funds from advances to certain unemployment compensation funds available for repayable loans to the Virgin Islands, as authorized by the Emergency Compensation and Special Unemployment Assistance Extension Act of 1975.

H.R. 9092. July 31, 1975. Education and Labor. Repeals provisions of the National Labor Relations Act and the Railway Labor Act which authorize employers to make agreements with labor organizations to require employee membership in such organization as a condition of employment.

H.R. 9093. July 31, 1975. Judiciary. Authorizes and directs the payment of attorneys' fees and other costs to any defendant who prevails in a civil action in which the United States is a plaintiff.

H.R. 9094. July 31, 1975. Ways and Means; Interstate and Foreign Commerce. Amends the Social Security Act by abolishing the Professional Standards Review Organizations which were established to review services covered under the Medicare and Medicaid programs.

H.R. 9095. July 31, 1975. International Relations. Sets forth regulations for the export of agricultural commodities, under the Export Administration Act of 1969, with respect to export quotas and export licensing.

H.R. 9096. July 31, 1975. Interstate and Foreign Commerce. Limits the authority of the Secretary of Health, Education, and Welfare, under the Federal Food, Drug, and Cosmetic Act, to regulate vitamins and minerals.

H.R. 9097. July 31, 1975. Armed Services. Amends the National Security Act of 1947 to designate the majority and minority leaders of each House of Congress as members of the National Security Council.

H.R. 9098. July 31, 1975. Merchant Marine and Fisheries. Revises the boundaries of the Tinicum National Environmental Center in Pennsylvania.

H.R. 9099. July 31, 1975. Ways and Means. Amends the Highway Revenue Act of 1956 to change the name of the Highway Trust Fund to the Transportation Trust Fund.

H.R. 9100. July 31, 1975. House Administration. Amends the Internal Revenue Code to authorize and establish procedures for public financing of general election campaigns of candidates for election to Federal office.

H.R. 9101. July 31, 1975. House Administration. Amends the Internal Revenue Code to authorize and establish procedures for public financing of general election campaigns of candidates for election to Federal office.

H.R. 9102. July 31, 1975. House Administration. Amends the Internal Revenue Code to authorize and establish procedures for public financing of general election campaigns of candidates for election to Federal office.

H.R. 9103. July 31, 1975. House Administration. Amends the Internal Revenue Code to authorize and establish procedures for public financing of general election campaigns of candidates for election to Federal office.

H.R. 9104. July 31, 1975. House Administration. Amends the Internal Revenue Code to authorize and establish procedures for public financing of general election campaigns of candidates for election to Federal office.

H.R. 9105. July 31, 1975. House Administration. Amends the Internal Revenue Code to authorize and establish procedures for public financing of general election campaigns of candidates for election to Federal office.

H.R. 9106. July 31, 1975. House Administration. Amends the Internal Revenue Code to authorize and establish procedures for public financing of general election campaigns of candidates for election to Federal office.

H.R. 9107. July 31, 1975. House Administration. Amends the Internal Revenue Code to authorize and establish procedures for public financing of general election campaigns of candidates for election to Federal office.

H.R. 9108. July 31, 1975. House Administration. Amends the Internal Revenue Code to authorize and establish procedures for public financing of general election campaigns of candidates for election to Federal office.

H.R. 9109. July 31, 1975. House Administration. Amends the Internal Revenue Code to authorize and establish procedures for public financing of general election campaigns of candidates for election to Federal office.

H.R. 9110. July 31, 1975. Judiciary. Specifies criminal penalties for any threat to kidnap or injure any person which is transmitted in interstate commerce by newspaper or broadcast.

Amends the Communications Act of 1934 to authorize revocation of broadcasting station licenses and construction permits as a result of transmission of threats in interstate commerce.

H.R. 9111. July 31, 1975. Armed Services. Prohibits any change in the status of a member of the Armed Forces who was classified missing during service in Southeast Asia until there has been full compliance with the Paris Peace Accord of January 1973, and the President has determined that all reasonable actions have been taken to account for such members and reported such finding to the Congress.

Directs the Senate Committee on Armed Services and the House Committee on Armed Services to study the method whereby the status of a member of the Armed Forces is changed from missing to dead.

H.R. 9112. July 31, 1975. Interstate and Foreign Commerce. Limits the authority of the Secretary of Health, Education, and Welfare, under the Federal Food, Drug, and Cosmetic Act, to regulate vitamins and minerals.

H.R. 9113. July 31, 1975. Veterans' Affairs. Extends the entitlement of veterans to educational assistance from thirty-six months to forty-five months.

H.R. 9114. July 31, 1975. Amends the Communications Act of 1934 by extending the maximum term of license and license renewal for the operation of broadcasting stations from 3 to 5 years. Revises the conditions for approval of applications for licensing renewal. Allows appeals from Federal Communications Commission decisions to be brought in the circuit in which the broadcast facility is, or is proposed to be, located instead of in the District of Columbia Court of Appeals.

Requires the Federal Communications Commission to study possible reduction and consolidation of the filings, supporting documents, and other administrative materials now required for renewal applications.

H.R. 9115. July 31, 1975. District of Columbia. Authorizes the Council of the District of Columbia to enact legislation adopting or amending an agreement or compact between the District of Columbia and any State. Specifies that such agreements become effective only with the consent of Congress.

H.R. 9116. July 31, 1975. Post Office and Civil Service. Prohibits Members of Congress from using the franking privilege for mass mailings within 90 days prior to an election.

H.R. 9117. July 31, 1975. Ways and Means. Amends the Social Security Act by directing the Secretary of Health, Education, and Welfare to allow a nursing salary cost differential in determining the reasonable cost of inpatient nursing care for the purpose of reimbursement to a provider of services under the Medicare program.

H.R. 9118. July 31. 1975. Interstate and Foreign Commerce. Amends the Controlled Substances Act to impose penalties on persons who unlawfully or by force or violence obtain or attempt to obtain a narcotic or other controlled substance from a retail pharmacy.

H.R. 9119. July 31, 1975. International Relations. Requires domestic food price impact statements for exports of United States agricultural commodities, to be filed and approved by the Secretary of Commerce.

H.R. 9120. July 31. 1975. Public Works and Transportation. Amends the Federal Water Pollution Control Act to direct the Administrator of the Environmental Protection Agency to approve waste treatment works' user charge systems based upon ad valorem taxation if specified conditions are met.

H.R. 9121. July 31, 1975. Judiciary; Standards of Official Conduct. Requires candidates for Federal office, Members of the Congress, and certain officers and employees of the United States to file statements with the Comptroller General with respect to their income and financial transactions.

H.R. 9122. July 31, 1975. Government Operations. Establishes a Department of Education to be administered by a Secretary of Education. Transfers specified education functions of the Department of Health, Education, and Welfare, the Secretary of Agriculture, the Secretary of Defense, the Secretary of Health, Education, and Welfare, the Secretary of the Interior, the Secretary of Labor and the National Science Foundation to the Department of Education.

Establishes a Federal Interagency Committee on Education and a National Advisory Commission on Education.

H.R. 9123. July 31, 1975. Veterans' Affairs. Authorizes and directs the Administrator of Veterans' Affairs to construct a Veterans' Administration outpatient clinic in Fairfield County, Connecticut.

H.R. 9124. July 31, 1975. Ways and Means. Amends the Social Security Act by allowing a State to terminate social security coverage for policemen and firemen without affecting the coverage of other public employees.

H.R. 9125. July 31, 1975. Government Operations; Rules. Abolishes specified Federal regulatory agencies on July 4, 1976, unless Congress and the President approve their continuation. Sets limits on the continued existence of Federal regulatory agencies. Sets forth the procedures to be followed by the President to transfer the functions, powers, and duties of terminated agencies to himself or to a successor agency.

H.R. 9126. July 31, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to provide for the establishment of the Eugene O'Neill National Historic Site in California.

H.R. 9127. July 31, 1975. Ways and Means. Amends the Internal Revenue Code with respect to the definition of "surviving spouse" and "head of household."

H.R. 9128. July 31, 1975. International Relations. Requires prior approval by the Secretary of Agriculture of the export of grains in excess of one hundred thousand tons.

H.R. 9129. July 31, 1975. International Relations. Requires prior approval by the Secretary of Agriculture of the export of grains in excess of one hundred thousand tons.

H.R. 9130. July 31, 1975. Interior and Insular Affairs. Directs the Secretary of Health, Education, and Welfare to make grants and provide scholarships to encourage Indians to enroll in health-related training programs. Authorizes the Secretary to expend funds to better meet Indian health care needs, to provide hospitals and other health facilities, and to supply unmet needs for safe water and sanitary waste disposal facilities. Requires the Secretary to contract with urban Indian organizations to assist such organizations to establish and administer health programs to benefit urban Indians.

H.R. 9131. July 31, 1975. Public Works and Transportation. Grants permanent easements for the construction, maintenance, and use of certain boat docks on United States property in Oklahoma.

H.R. 9132. July 31, 1975. Interstate and Foreign Commerce. Directs the Secretary of Transportation to make grants to certain states, political subdivisions of States, railroads, transportation authorities, and regional commissions for the purpose of providing employment in jobs repairing railroad roadbeds and facilities in areas identified by the Secretary of Labor as areas of substantial unemployment.

H.R. 9133. July 31, 1975. Interstate and Foreign Commerce. Authorizes the discontinuance of services and abandonment of certain railroad lines, and requires the Consolidated Rail Corporation to provide rail service over certain light density lines under the Regional Rail Reorganization Act of 1973.

H.R. 9134. July 31, 1975. Banking, Currency and Housing. Amends the Home Owner's Loan Act of 1933, the Federal Home Loan Bank Act, and the National Housing Act, (1) to authorize federal savings and loan associations to conduct certain financial activities now performed only by State and national banks and certain other financial corporations; (2) to permit such associations to organize as capital stock rather than as mutual associations, (3) to clarify the organization and responsibilities of the Federal Home Loan Bank Board; and (4) to increase the insurance coverage on deposits in Federal savings and loan associations from $40,000 to full coverage.

H.R. 9135. July 31, 1975. Ways and Means. Amends the Internal Revenue Code to allow a taxpayer who is eligible to deduct a disaster loss to take such deduction without regard to the cancellation of any disaster assistance loans under the Small Business Act or the Consolidated Farm and Rural Development Act, unless such taxpayer's adjusted gross income exceeds a certain amount.

H.R. 9136. July 31, 1975. Education and Labor. Repeals the Occupational Safety and Health Act of 1970.

H.R. 9137. July 31, 1975. Government Operations. Amends the State and Local Fiscal Assistance Act of 1972 to require that a State or unit of local government, in order to qualify for payments under the Act, must establish that no individual is employed by it under conditions which do not conform to those described in the Fair Labor Standards Act of 1938.

H.R. 9138. July 31, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from a taxpayer's capital assets property used in, or related to, his trade or business, which was provided to, or acquired by, him at no cost to him.

H.R. 9139. July 31, 1975. Post Office and Civil Service. Grants specified housing benefits, pay differentials and allowances to teachers recruited outside the United States for employment at the place of recruitment. Revises the method of establishing the compensation of overseas teachers by directing that payment shall be made in accordance with the rates of compensation in effect under the District of Columbia's Teachers' Salary Act of 1955.

H.R. 9140. July 31, 1975. Armed Services. Requires the nonreduction of retired or retainer pay, under the Survivor Benefit Plan, for each full month during which the person entitled to such pay is not married.

H.R. 9141. July 31, 1975. Armed Services. Stipulates that the benefits received by a widow or widower under the Retired Serviceman's Family Protection Plan shall be reduced only by the amount to which such widow or widower is entitled under the Federal Old-Age, Survivors, and Disability Insurance benefits of the Social Security Act.

H.R. 9142. July 31, 1975. Armed Services. Authorizes recomputation of retired pay for members of the Armed Forces who are 60 years of age or older or who are retired because of a physical disability.

H.R. 9143. July 31, 1975. Armed Services. Prohibits any change in the status of a member of the Armed Forces who was classified missing during service in Southeast Asia until there has been full compliance with the Paris Peace Accord of January 1973, and the President has determined that all reasonable actions have been taken to account for such members and reported such finding to the Congress.

Directs the Senate Committee on Armed Services and the House of Committee on Armed Services to study the method whereby the status of a member of the Armed Forces is changed from missing to dead.

H.R. 9144. July 31, 1975. Veterans' Affairs. Extends the maximum period of veterans', widows, and orphans eligibility for educational assistance from thirty-six to forty-five months.

H.R. 9145. July 31, 1975. Veterans' Affairs. Extends the maximum period of veterans', widows, and orphans eligibility for educational assistance from thirty-six to forty-five months.

H.R. 9146. July 31, 1975. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to pay a supplemental tuition allowance to eligible veterans for their "excess tuition costs" as determined by deducting from the actual or estimated tuition costs for the veteran for that year an amount equal to the national tuition average for that year.

H.R. 9147. July 31, 1975. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to pay a supplemental tuition allowance to eligible veterans for their "excess tuition costs" as determined by deducting from the actual or estimated tuition costs for the veteran for that year an amount equal to the national tuition average for that year.

H.R. 9148. July 31, 1975. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs (1) to arrange for educational and vocational counseling for eligible veterans, (2) to accelerate the monthly educational assistance allowance of veterans who apply therefor, and (3) to authorize payment for nonaccredited courses which meet criteria.

H.R. 9149. July 31, 1975. Veterans' Affairs.

Authorizes the Administrator of Veterans' Affairs (1) to arrange for educational and vocational counseling for eligible veterans; (2) to accelerate the monthly educational assistance allowance of veterans who apply therefor; and (3) to authorize payment for nonaccredited courses which meet certain criteria.

H.R. 9150. July 31, 1975. Interstate and Foreign Commerce. Directs the Secretary of Health, Education, and Welfare, under the Public Health Service Act, to designate a city with a population of three million or more as a health service area, upon the request of such city.

H.R. 9151. July 31, 1975. International Relations. Sets forth regulations for the processing of grievances by Foreign Service officers, employees, or their survivors. Directs the Secretary of State to establish a board to consider and resolve such grievances.

H.R. 9152. July 31, 1975. Government Operations. Amends the Federal Property and Administrative Services Act of 1949 to permit the Administrator of the General Services Administration to donate Federal surplus personal property to the States for distribution to public agencies, nonprofit medical institutions, educational institutions, Indian tribes and other specified organizations and institutions.

Amends the Public Works and Economic Development Act of 1965 to repeal the authority of the Federal cochairmen of the Regional Action Planning Commissions to distribute to their respective States excess Federal property received through the Administrator of the General Services.

H.R. 9153. July 31, 1975. Judiciary. Grants the consent of Congress to the New Hampshire-Vermont Interstate Sewage Waste Disposal Facilities Compact.

H.R. 9154. July 31, 1975. Ways and Means. Amends the Internal Revenue Code to create an allowance for basic living expenses.

Amends the Social Security Act with respect to the supplemental security income program and to require supplemental payments by States for certain families with dependent children.

Repeals the Food Stamp Act of 1964.

H.R. 9155. July 31, 1975. Education and Labor. Sets forth regulations governing employee welfare or pension benefit plans established or maintained by State or local government entities. Grants the necessary authority to the Secretary of Labor to enforce the provisions of this Act.

H.R. 9156. July 31, 1975. Judiciary. Abolishes the death penalty under all laws of the United States. Requires that each law which authorizes or imposes the death penalty shall hereafter authorize or impose life imprisonment.

H.R. 9157. July 31, 1975. Interior and Insular Affairs. Amends the Wild and Scenic Rivers Act to designate a segment of the Escatawpa River in Alabama and Mississippi as a potential addition to the national wild and scenic rivers system.

H.R. 9158. July 31, 1975. Ways and Means. Amends the Internal Revenue Code to allow a taxpayer who is eligible to deduct a disaster loss to take such deduction without regard to the cancellation of any disaster assistance loans under the Small Business Act or the Consolidated Farm and Rural Development Act, unless such taxpayer's adjusted gross income exceeds a certain amount.

H.R. 9159. July 31, 1975. Interstate and Foreign Commerce. Amends the Natural Gas Act to direct the Federal Power Commission to establish controls on the price of new natural gas. Allows small producers and producers of new, liquefied or synthetic natural gas to charge rates in excess of price control levels.

Establishes minimum production requirements for natural gas. Directs the Federal Power Commission to prohibit boiler fuel use of natural gas and propane. Sets forth procedures for allocation of natural gas for emergencies and for essential agricultural purposes.

H.R. 9160. July 31, 1975. Ways and Means. Requires the Secretary of Labor to pay unemployment compensation benefits which are attributable to services performed in qualified public service jobs by employees of State and local governments.

H.R. 9161. July 31, 1975. Agriculture. Amends the Agricultural Act of 1949 to revise the time period for which the index of prices paid by farmers is averaged for the purpose of computing the level of price support for tobacco.

H.R. 9162. July 31, 1975. Armed Services. Permits the use of the golf course facilities at the Naval Surface Weapons Laboratory by individuals not in the employ of the laboratory.

H.R. 9163. July 31, 1975. Ways and Means. Amends the Internal Revenue Code to impose a tax on the excess profits of every corporation engaged in producing or refining petroleum.

Authorizes deductions for energy development expenditures.

H.R. 9164. July 31, 1975. Ways and Means. Amends the Social Security Act by giving the States the option to deny or grant aid to families with dependent children when the father of a dependent child is receiving unemployment compensation.

H.R. 9165. July 31, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 to prescribe the procedures for and the circumstances under which private communications can be disclosed in response to a subpena. Eliminates the provision of the Act allowing such disclosure on demand of other lawful authority.

H.R. 9166. July 31, 1975. Interstate and Foreign Commerce. Directs the Federal Power Commission to establish standards to regulate the use of fuel adjustment clauses by electric utilities. Directs the Commission to conduct an audit of fuel adjustment clauses in effect during 1973, 1974, and 1975. Empowers the Commission to order refunds of any fuel adjustment overcharges to consumers.

Directs the Secretary of the Treasury to reimburse utilities for purchase of residual fuel oil imports. Directs that such reimbursements be refunded to consumers.

H.R. 9167. July 31, 1975. Public Works and Transportation. Authorizes the modification of the beach erosion control project at Presque Isle Peninsula in Pennsylvania.

H.R. 9168. July 313, 1975. Judiciary. Prohibits certain forms of economic coercion based on religion, race, national origin, sex, support for any foreign government or dealing with or in any foreign country.

H.R. 9169. July 31, 1975. Ways and Means. Amends the Internal Revenue Code and the Tax Reform Act of 1969 to extend the exemption of certain transactions between a private foundation and a disqualified person from the tax on self-dealing, where the transaction is undertaken to avoid the tax on excess business holdings.

H.R. 9170. July 31, 1975. Banking, Currency and Housing. Makes retroactive any exemption issued under the Interstate Land Sales Full Disclosure Act which applies to any sale or lease of any land, lot, subdivision or other real estate.

H.R. 9171. July 31, 1975. Judiciary; Merchant Marine and Fisheries. Amends the Outer Continental Shelf Lands Act to authorize disposition of certain revenues from leases on the Outer Continental Shelf to affected coastal States.

H.R. 9172. July 31, 1975. Public Works and Transportation. Authorizes the Secretary of Transportation to make grants to States for the construction of bikeways.

Directs the Secretary to establish construction standards for bikeways constructed with Federal grants.

H.R. 9173. July 31, 1975. Education and Labor. Amends the Fair Labor Standards Act of 1938 to exclude from minimum wage and maximum hour regulations patients who reside with and are employed by institutions primarily engaged in the care of the sick, aged, mentally ill, or mentally defective.

H.R. 9174. July 31, 1975. Science and Technology. Amends the Motor Vehicle Information and Cost Savings Act to authorize the Secretary of Transportation to make grants and guarantee loans to fund research and development programs directed toward the development of an advanced automobile. Directs the Secretary and the Administrator of the Environmental Protection Agency to test for compliance with standards under their respective administrations, automobiles developed with Federal financial assistance under this Act.

H.R. 9175. July 31, 1975. Government Operations. Authorizes the head of a Federal department or agency which administers Federal assistance that is allocated or appropriated on the basis of the geographic location of a recipient within or outside a standard metropolitan statistical area (SMSA) to modify the geographic boundaries of such area at the request of the Governor of the State in which such area is located.

H.R. 9176. July 7, 1975. Judiciary. Amends the Clayton Act to prohibit any corporation or association from (1) controlling more than one type of energy-producing mineral and (2) engaging in more than one aspect of the petroleum and natural gas industry. Prohibits any individual from serving as a director of more than one company engaged in energy resource production, refining, transportation or marketing.

H.R. 9177. July 31, 1975. Government Operations. Sets forth guidelines to be followed in the classification of material as "Defense Data" for purposes of determining whether its dissemination must be limited in the interest of national defense.

H.R. 9178. July 31, 1975. Post Office and Civil Service. Establishes a medicare supplement option for Federal employees. Authorizes Government contributions to qualified employees enrolled in such option of up to 100 percent of the subscription charge.

H.R. 9179. July 31, 1975. Ways and Means. Amends the Internal Revenue Code to impose, for each taxable year during the "emergency period", a tax on the excess profits of every corporation engaged in the production of petroleum or petroleum products.

Authorizes excess profits deductions and energy plowback deductions.

H.R. 9180. July 31, 1975. Ways and Means. Amends the Internal Revenue Code to increase the estate tax exemption, and to increase the estate tax marital deduction.

Permits the executor of an estate to elect an alternate valuation of certain lands used for farming, woodland or scenic open space.

Allows a deduction from the value of the gross estate with respect to any decedent holding an interest in a qualified farm or business.

H.R. 9181. July 31, 1975. Science and Technology. Establishes a program of electric vehicle research and development in the Energy Research and Development Administration. Authorizes the introduction of electric vehicles into fleets used by Federal agencies.

H.R. 9182. July 31, 1975. Judiciary. Requires the Federal Trade Commission, the Department of Justice, and the Department of Agriculture to compile information and annually report to Congress with respect to antitrust enforcement, market structure, and competition in the food industry.

H.R. 9183. July 31, 1975. Public Works and Transportation. Directs the Secretary of Transportation to carry out a demonstration project for construction of a highway between Buffalo, New York and Princeton, West Virginia.

H.R. 9184. July 31, 1975. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to the heirs of a certain individual in full settlement of such heirs' claims against the United States for damage done to the real and personal property of such individual in Mississippi.

H.R. 9185. July 31, 1975. Judiciary. Authorizes classification of a certain individual as a child for purposes of the Immigration and Nationality Act.

H.R. 9186. July 31, 1975. Merchant Marine and Fisheries. Directs the Secretary of Commerce to issue a medal to a certain individual in commemoration of such individual's service in the Merchant Marine.

H.R. 9187. August 1, 1975. Public Works and Transportation. Directs the Administrator of General Services to utilize space in buildings of historical or architectural significance for Federal offices. Directs the Administrator to encourage development of commercial, educational, and cultural activities in areas surrounding Federal office buildings.

H.R. 9188. August 1, 1975. Ways and Means. Amends the Supplemental Security Income provisions of the Social Security Act by: (1) authorizing emergency and temporary grants; (2) eliminating the third-party payee requirement for certain recipients; (3) revising the method of determining income for the purposes of the program; (4) revising certain eligibility requirements; (5) authorizing cost-of-living increases in benefits; (6) entitling recipients to food stamps on a permanent basis; and (7) entitling recipients to a hearing on State actions concerning claims for social services.

H.R. 9189. August 1, 1975. Veterans' Affairs. Directs the Administrator of Veterans' Affairs to pay a service pension in the amount herein established to any veteran who served during World War I. Includes, for the purposes of this benefit, veterans who served in Russia between 6 April 1917, and 1 April 1920. Directs that such pension be paid without regard to individual income.

H.R. 9190. August 1, 1975. Government Operations. Directs the Administrator of General Services to assist Federal agencies with respect to records creation, maintenance, use, and disposition. Directs the Administrator to make inspections and formulate rules regarding Federal records. Establishes a Records Review Board to review orders issued by the Administrator. Grants the Administrator custody and control over the National Archives Building and its contents.

H.R. 9191. August 1, 1975. Ways and Means. Amends the Internal Revenue Code to grant certain special tax benefits to small business investment companies operating under the Small Business Investment Act of 1958.

H.R. 9192. August 1, 1975. Interstate and Foreign Commerce. Directs the Secretary of Transportation to prescribe rules specifying the color code marking to be used with respect to each gas or type of gas on any receptacle containing such gas or type of gas and the manner of display for such marking on each receptacle.

H.R. 9193. August 1, 1975. Post Office and Civil Service. Requires the United States Postal Service to provide rent-free postal lock boxes to persons residing in a rural area who do not receive postal delivery service.

H.R. 9194. August 1, 1975. Public Works and Transportation. Amends the Tennessee Valley Authority Act of 1933 to direct the Comptroller General to conduct a full and complete audit of the operations of the Authority from fiscal years 1965 to 1975, inclusive. Requires public hearings on proposed rate increases for the distribution or sale of electric power by the Authority. Requires the Authority to use local suppliers of men and material for expenditures not directly related to the production of electric power.

H.R. 9195. August 1, 1975. Education and Labor. Establishes in the Office of Education a National Student Financial Assistance Data Bank to provide information on available financial assistance to students at institutions of higher education.

H.R. 9196. August 1, 1975. Agriculture. Stipulates that the Commodity Credit Corporation, under the Commodity Credit Corporation Charter Act, shall be the seller or marketing agent for all export sales of certain agricultural commodities.

Authorizes the Corporation (1) to negotiate sales for export of such commodities; (2) to accept purchase bids from foreign purchasers; (3) to offer selling bids in the world market; (4) to acquire commodities on the domestic market; and (5) to establish reserves to meet future export sales and provide for the security of domestic supply.

H.R. 9197. August 1, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to provide for the establishment of the Warren G. Harding National Historic Site in Ohio.

H.R. 9198. August 1, 1975. Veterans' Affairs. Revises and increases the rate schedules for payment, by the Administrator of Veterans' Affairs, of veterans' disability and death compensation and dependency and indemnity compensation.

H.R. 9199. August 1, 1975. Interstate and Foreign Commerce. Directs the Federal Power Commission to review and modify plans submitted by natural gas companies for curtailing sales to specific customers and authorizes the Commission to direct transfers of available supplies of natural gas in order to meet regional needs.

Amends the Natural Gas Act to direct the Commission to exempt certain committed supplies of natural gas from regulation.

H.R. 9200. August 1, 1975. Ways and Means. Amends the Tariff Schedules of the United States to suspend until July 1, 1978, the duty on certain iron and steel strips used in the manufacture of razor blades.

H.R. 9201. August 1, 1975. Armed Services. Prohibits the Secretary of State from serving as Assistant to the President for National Security Affairs or any position supervising, directing, or controlling the staff of the National Security Council.

H.R. 9202. August 1, 1975. Judiciary. Prohibits any State, other than the State which is represented by a Member of Congress, from taxing the income of such Member or from treating such Member as a resident or domiciliary of such State.

H.R. 9203. August 1, 1975. Post Office and Civil Service. States that it is the policy of Congress that Federal employees be encouraged to voluntarily participate in the political process. Sets forth guidelines for such participation. Establishes a Board on Political Activities of Federal Employees to hear and decide alleged violations of the guidelines set forth in this Act.

H.R. 9204. August 1, 1975. Interior and Insular Affairs. Authorizes the Secretary of Agriculture to issue permits for the use of lands of the forest reserves created from the public domain for commercial outdoor recreation purposes.

H.R. 9205. August 1, 1975. Education and Labor. Amends the Occupational Safety and Health Act of 1970 by authorizing the Administrator of the Small Business Administration to render onsite construction and advice to certain small business employers to assist such employers in complying with the health and safety standards of the Act.

H.R. 9206. August 1, 1975. International Relations. Establishes the United States Federal Export Office within the Department of Commerce.

Directs the Office to develop the export potential of small businesses which have not previously been exporters by fostering the development of export associations by means of grants and loans to qualified associations.

H.R. 9207. August 1, 1975. Small Business. Amends the Small Business Act to empower the Small Business Administration to make loans to small businesses seriouly affected by a shortage of energy producing material.

H.R. 9208. August 1, 1975. Small Business. Increases the amount of capital allocated to the Small Business Administration lease and surety bond guarantees fund under the Small Business Investment Act of 1958. Authorizes the Small Business Administration to guarantee payments due under qualified contracts for pollution control facilities.

H.R. 9209. August 1, 1975. Small Business. Amends the Small Business Investment Act of 1958 by authorizing the Small Business Administration to guarantee a surety against loss up to $5,000,000 in the case of bonds required for bidding on contracts let by an agency of the United States.

H.R. 9210. August 1, 1975. Small Business. Permits the head of any executive agency to terminate any fixed-price contract between that agency and a small business concern pursuant to an application by such small business concern for contract termination.

H.R. 9211. August 1, 1975. Ways and Means. Amends the Internal Revenue Code to allow any person engaged in a trade or business to deduct from gross income a portion of the additional investment made in such trade or business during the taxable year.

H.R. 9212. August 1, 1975. Science and Technology. Creates the National Technology and Research Corporation as an instrumentality of the United States to make and guarantee long-term loans for research in various areas, including (1) the adequacy of energy resources; (2) environmental problems; and (3) the national economy.

H.R. 9213. August 1, 1975. Armed Services. Authorizes the payment of separation pay to regular enlisted members of the Armed Forces who are involuntarily separated after five or more years of honorable service.

H.R. 9214. August 1, 1975. Education and Labor. Amends the National Labor Relations Act to transfer from the National Labor Relations Board to the United States district courts the jurisdiction to prevent any person from engaging in any unfair labor practice affecting commerce.

H.R. 9215. August 1, 1975. Small Business. Directs the Secretary of Labor to establish a program of assistance to small business concerns in order to provide jobs for unemployed individuals.

H.R. 9216. August 1, 1975. Veterans' Affairs. Authorizes and directs the Administrator of Veterans' Affairs, when issuing a commitment to guarantee a proposed home mortgage loan, to issue a nonassignable commitment to purchase the completed loan from a lender-mortgagee upon certification of certain conditions by such lender-mortgagee.

Establishes a National Service Life Insurance Investment Fund which shall be used by the Administrator to make such purchases.

H.R. 9217. August 1, 1975. Agriculture. Amends the Federal Laboratory Animal Welfare Act to authorize the Secretary of Agriculture to promulgate standards for the transportation, handling and care of certain animals in interstate or foreign commerce.

Prohibits the attendance at, promotion of, and supplying of, animal fighting ventures.

Sets forth regulations with respect to the transportation and handling of certain classes of animals.

H.R. 9218. August 1, 1975. Judiciary. Establishes a rebuttable presumption in certain equitable actions involving the discharge of harmful substances into the environment that a threat to public health exists upon a showing that the course of conduct engaged in is likely to pose a reasonable risk of such harm.

Shifts the burden of proof in such cases to require the person engaged in such conduct to show either (1) that in fact no serious public health threat exists: or (2) that physical and economic considerations favoring such conduct outweigh any costs incurred.

H.R. 9219. August 1, 1975. Ways and Means. Requires the Secretary of Labor to pay unemployment compensation benefits which are attributable to services performed in qualified public service jobs by employees of State and local governments.

H.R. 9220. August 1. 1975. Ways and Means. Revises the Tariff Act of 1930 with respect to the operating procedures of United States Customs and customs brokers.

H.R. 9221. August 1, 1975. Ways and Means. Amends the Internal Revenue Code to impose a tax on the excess profits of every corporation engaged in producing or refining petroleum.

Authorizes deductions for energy development expenditures.

H.R. 9222. August 1, 1975. Interior and Insular Affairs. Revises the boundaries of the Manassas National Battlefield Park in Virginia. Authorizes the Secretary of the Interior to acquire additional lands for the battlefield and to make minor revisions in the boundary. Establishes procedures to allow owners of property within the boundaries of the battlefield to retain a right of use and occupancy.

H.R. 9223. August 1, 1975. Interior and Insular Affairs. Revises the boundaries of the Manassas National Battlefield Park in Virginia. Authorizes the Secretary of the Interior to acquire additional lands for the battlefield and to make minor revisions in the boundary. Establishes procedures to allow owners of property within the boundaries of the battlefield to retain a right of use and occupancy.

H.R. 9224. August 1, 1975. Interstate and Foreign Commerce. Establishes certain regulations for the rates of electric utilities and the cost of fossil fuel.

H.R. 9225. August 1, 1975. Veterans' Affairs. Stipulates that any portion of any annuity received by any veteran under the Railroad Retirement Act of 1974 which is directly attributable to the spouse or child of such veteran shall be disregarded for the purpose of determining annual income for the payment of veterans pensions.

H.R. 9226. August 1, 1975. Ways and Means. Amends the Internal Revenue Code to exclude from income the discharge, under the Consolidated Farm and Rural Development Act, of any loans made to a taxpayer by the United States.

H.R. 9227. August 1, 1975. Banking, Currency and Housing. Repeals the Real Estate Settlement Procedures Act.

H.R. 9228. August 1, 1975. Education and Labor. Authorizes appropriations under the Elementary and Secondary Education Act of 1965.

H.R. 9229. August 1, 1975. Ways and Means. Requires States which have entered into agreements with the Secretary of Health, Education, and Welfare for coverage of State and local employees under the Social Security Act to make payments to the Secretary of the Treasury on a calendar-quarter basis.

H.R. 9230. August 1, 1975. Ways and Means. Amends the Social Security Act by entitling an Old-Age, Survivors, and Disability Insurance claimant to a reconsideration of the initial decision concerning such claimant's eligibility for benefits. Allows such claimant to request a hearing on the reconsideration determination. Requires that such a hearing be presided over by an administrative law judge and conducted on the record.

H.R. 9231. August 1, 1975. Agriculture. Requires that warehouses, under the Commodity Credit Corporation Charter Act, (1) be licensed under the United States Warehouse Act: (2) have sufficient bond executed to secure performance of contracts with depositors of agricultural commodities; and (3) participate in a State-administered security program to provide security to producers of agricultural commodities.

H.R. 9232. August 1, 1975. Ways and Means. Amends the Internal Revenue Code to decrease the limitation on the deduction medical, dental, and other health expenses and to repeal the limitation on the deduction of expenses for medicine and drugs.

H.R. 9233. August 1, 1975. Banking, Currency and Housing. Authorizes the Secretary of Housing and Urban Development to make grants to units of local government, under the Housing and Community Development Act of 1974, to carry out neighborhood preservation programs to improve community facilities and services.

Revises the definition of a community development program which may be assisted by the Housing and Community Development Act of 1974.

Authorizes the Secretary of Housing and Urban Development to make available mortgage insurance to facilitate the refinancing of housing in preservation areas or demonstration projects of the Housing and Urban Development Act of 1970.

H.R. 9234. August 1, 1975. Ways and Means. Amends the Social Security Act to revise the test for determining whether a blind individual is "disabled" for purposes of Old-Age, Survivors and Disability Insurance benefits and the disability freeze. Stipulates that blind individuals shall be considered automatically covered by OASDI for such purposes.

H.R. 9235. August 1, 1975. Judiciary; Rules. Declares that certain rules proposed by Federal agencies shall take effect only if, after a certain period of time, either House of Congress does not pass a resolution disapproving such proposed rule. Establishes procedures for exercising Congressional disapproval of such proposed rules.

H.R. 9236. August 1, 1975. Judiciary. Amends the Omnibus Crime Control and Safe Streets Act of 1968 to (1) revise provisions relating to the allocation of funds under the Act; (2) authorize grants in the area of court planning; (3) specify that the Attorney General shall appoint the Director of the National Institute of Law and Justice; (4) authorize grants to nonprofit organizations working in the correctional area; (5) revise provisions relating to grants to Indian tribes; (6) authorize the Attorney General to establish an Advisory Board to the Law Enforcement Assistance Administration; and (7) extend appropriations and programs under the Act.

Amends the Juvenile Justice and Delinquency Prevention Act of 1974 to delete specified funding allocation requirements.

H.R. 9237. August 1, 1975. Banking, Currency and Housing. Extends for one year the authority for flexible regulation of interests on deposits and share accounts in depository institutions. Requires the Board of Governors of the Federal Reserve System, the Board of Directors of the Federal Deposit Insurance Corporation, the Federal Home Loan Bank Board, and the Comptroller of the Currency to maintain the existing interest rate differential between depository institutions with respect to individual retirement accounts.

H.R. 9238. August 1, 1975. Ways and Means. Amends the Internal Revenue Code to exempt from the excise tax any tires, tubes, and tread rubber or any parts or accessories which are to be used on, in connection with, or as a component part of any automobile bus chassis or body which is used predominantly in mass transportation service in urban and suburban areas.

H.R. 9239. August 1, 1975. Ways and Means. Amends the Internal Revenue Code with respect to the amounts which the Secretary of the Treasury is directed to remit to local transit systems for taxes paid on gasoline, certain fuels, and lubricating oils.

Redefines the term "commuter fare revenue."

H.R. 9240. August 1, 1975. Agriculture. Amends the Food Stamp Act of 1964 by revising (1) eligibility standards; (2) the method of determining the amount of the coupon allotment; (3) administration of the program by State agencies, including the eligibility certification procedure and duties imposed on issuing agents; and (4) the method of computing the Federal share of program costs and of making payments to the States. Transfers the functions of the Secretary of Agriculture under the Food Stamp Act of 1964 to the Secretary of Health, Education, and Welfare.

H.R. 9241. August 1, 1975. Interstate and Foreign Commerce. Requires franchisors to give franchisees 90 days notice, with limited exceptions, of intent to cancel, or failure to renew, a franchise agreement. Allows such cancellation or failure to renew only for certain specified reasons. Requires a franchisor to compensate a franchisee for the value of the franchisee's business when the franchisor, for a legitimate business reason, fails to renew the franchise. Sets forth the judicial remedies available to a franchisee for a violation of this Act by a franchisor.

H.R. 9242. August 1, 1975. Education and Labor. Directs the Commissioner of Education to make grants for teacher training in the area of nutrition education. Authorizes the commissioner to make grants for pilot and demonstration projects and the development of comprehensive education programs in the area of nutrition education. Establishes a National Nutrition Education Resource Center within the Office of Education of the Department of Health, Education and Welfare. Sets forth the requirements for receiving grants under this Act.

H.R. 9243. August 1, 1975. Ways and Means. Amends the Social Security Act to exclude general and cost-of-living increases in Old-Age, Survivors and Disability Insurance benefits from being considered income for the purpose of determining an individual's eligibility for supplemental security income benefits, the program of aid to families with dependent children, veterans' benefit programs and certain other Federal and federally assisted programs.

H.R. 9244. August 1, 1975. Armed Services. Authorizes eligible persons to receive health benefits under contracts entered into by the Secretary of Defense without regard to such persons' eligibility for compensation for service-connected disabilities or death from the Veterans' Administration.

H.R. 9245. August 1, 1975. Government Operations. Amends the State and Local Fiscal Assistance Act of 1972 to eliminate payments under the Act to State governments and reallocate funds previously granted to the States to local government units.

Extends and increases appropriations to the Trust Fund established by the Act.

H.R. 9246. August 1, 1975. Interstate and Foreign Commerce. Extends appropriations for emergency medical services systems, under the Public Health Service Act.

Authorizes the Secretary of Health, Education, and Welfare to make certain additional grants for emergency medical service projects and to make grants and enter into contracts with eligible schools and training centers for training programs in the techniques and methods of providing emergency medical services.

H.R. 9247. August 1, 1975. Interstate and Foreign Commerce. Amends the Uniform Time Act of 1966 to stipulate that daylight savings time shall begin on the last Sunday in February.

H.R. 9248. August 1, 1975. Ways and Means.

Amends the Internal Revenue Code to permit an individual at his election, to take a limited credit against the income tax for charitable contributions in lieu of a deduction as otherwise provided by the Code.

H.R. 9249. August 1, 1975. Merchant Marine and Fisheries. Authorizes additional financial assistance for consumer education and market development programs relating to United States fisheries.

H.R. 9250. August 1, 1975. House Administration. Prohibits the distribution of free copies of bound volumes of the CONGRESSIONAL RECORD to Members of Congress.

H.R. 9251. August 1, 1975. Ways and Means. Amends the Internal Revenue Code to exclude a publication of the United States Government which is received from such Government or any agency thereof other than by purchase at the price for which it is offered for sale to the public from the definition of the term "capital asset."

H.R. 9252. August 1, 1975. Judiciary. Amends the Immigration and Nationality Act to allow the Attorney General to waive certain requirements for admission to the United States for nationals of other foreign territories during calendar year 1976, for periods not to exceed ninety days.

H.R. 9253. August 1, 1975. Education and Labor. Amends the Domestic Volunteer Service Act of 1973 by authorizing the Director of the ACTION agency to make grants to foster grandparents programs which furnish supportive services to mentally retarded children and adults.

H.R. 9254. August 1, 1975. Judiciary; Rules. Declares that certain rules proposed by Federal agencies shall take effect only if, after a certain period of time, either House of Congress does not pass a resolution disapproving such proposed rule. Establishes procedures for exercising Congressional disapproval of such proposed rules.

H.R. 9255. August 1, 1975. Interstate and Foreign Commerce. Directs the Secretary of Health, Education, and Welfare to expand the programs on the treatment of burn injuries, research on burns, and the rehabilitation of burn victims by establishing additional burn centers and burn units and by supporting research and trainnig programs in the treatment and rehabilitation of burn injury victims.

Appropriates funds for the continuation of present burn treatment programs and authorizes the appropriation of additional funds for such expanded programs.

H.R. 9256. August 1, 1975. Ways and Means. Amends the Internal Revenue Code to allow nonprofit institutions to attempt to influence legislation without jeopardizing such instituions tax status.

H.R. 9257. August 1, 1975. Ways and Means. Requires States which have entered into agreements with the Secretary of Health, Education, and Welfare for coverage of State and local employees under the Social Security Act to make payments to the Secretary of the Treasury on a calendar-quarter basis.

H.R. 9258. August 1, 1975. Judiciary. Amends the Immigration and Nationality Act to allow the Attorney General to waive certain requirements for admission to the United States for nationals of other foreign territories during calendar year 1976 for periods not to exceed ninety days.

H.R. 9259. August 1, 1975. Interstate and Foreign Commerce. Amends the Internal Revenue Code to impose an excise tax on the deregulation profits from taxable domestic crude oil and to allow an offsetting plowback investment credit.

Authorizes under the Emergency Petroleum Allocation Act of 1973, an exemption from price regulations for certain domestic crude oil.

H.R. 9260. August 1, 1975. International Relations. Requires prior approval by the Secretary of Agriculture of the export of grains in excess of one hundred thousand tons.

H.R. 9261. August 1, 1975. Ways and Means. Amends the Internal Revenue Code to allow as a deduction from gross income all the ordinary and necessary expenses paid or incurred by an individual during the taxable year for the use of mass transportation facilities in traveling between such individual's principal residence and principal place of employment.

Excludes public transportation passes or corporation vehicles, provided to an employee by a corporation, from such employee's gross income if such passes or vehicles are used for transportation from the employee's place of residence to the employee's place of employment.

H.R. 9262. August 1, 1975. Interior and Insular Affairs. Authorizes the Secretary of the Interior to provide for the establishment of the Fulton Ferry National Historic Site and Exhibition Center in New York.

H.R. 9263. August 1, 1975. Interior and Insular Affairs. Designates the Cloud Peak Primitive Areas in Wyoming as Wilderness, to be administered by the Secretary of Agriculture.

H.R. 9264. August 1, 1975. Interior and Insular Affairs. Designates the Popo Agie Wilderness in Wyoming to be administered by the Secretary of Agriculture.

H.R. 9265. August 1, 1975. Interior and Insular Affairs. Designates certain lands in Wyoming as the Glacier Wilderness, to be administered by the Secretary of Agriculture.

H.R. 9266. August 1, 1975. Government Operations. Establishes the Office of Inspector General in the Department of Health, Education, and Welfare, for the purpose of investigating any program administered by such department.

H.R. 9267. August 1, 1975. Government Operations. Directs the Secretary of Health, Education, and Welfare to make grants to States and units of local government to assist in the execution of consumer protection plans.

H.R. 9268. August 1, 1975. Interstate and Foreign Commerce. Requires, under the Federal Food, Drug, and Cosmetic Act and the Fair Packaging and Labeling Act, that the labels for all food products contain the name of each ingredient in order of its predominance. Requires all packaged consumer food products to be labeled with an analysis of nutritional contents. Requires perishable or semiperishable food to be labeled with the pull date for such food and the optimum storage conditions. Requires disclosure of (1) the manufacturer, packer, and distributor; (2) the total retail selling price; and (3) any new ingredients, of a food product used.

H.R. 9269. August 1, 1975. Interstate and Foreign Commerce. Amends the Federal Trade Commission Act to make sales promotion games unfair methods of competition.

H.R. 9270. August 1, 1975. Interstate and Foreign Commerce. Requires that any drug whose effectiveness or potency becomes diminished after storage shall be prominently labeled, under regulations promulgated by the Food and Drug Administration, as to the date beyond which the product shall not be used.

H.R. 9271. August 1, 1975. Interstate and Foreign Commerce. Prohibits any person engaged in commerce from selling any merchandise unless there is available for consumers at the place of sale the recent price histories of the products offered for sale.

H.R. 9272. August 1, 1975. Interstate and Foreign Commerce. Requires manufacturers to label products as to month and year of manufacture for those goods whose design and performance features change at such a frequency as to make its date of manufacture part of its relevant description.

Empowers the Federal Trade Commission to enforce this Act.

H.R. 9273. August 1, 1975. Interstate and Foreign Commerce. Requires, under the Federal Food, Drug, and Cosmetic Act, the posting of prices for prescription drugs by drug retailers. Directs the Federal Trade Commission to cooperate with the Secretary of Health, Education, and Welfare to implement, at the vendors' discretion, the advertising of prescription drug prices.

H.R. 9274. August 1, 1975. Interstate and Foreign Commerce. Requires manufacturers to display on a conspicuous lable on each item of durable goods sold to consumers the performance life of each product.

Declares the National Bureau of Standards to have final authority over the designations required by this Act, and requires the Federal Trade Commission to enforce the provisions of this Act.

H.R. 9275. August 1, 1975. Interstate and Foreign Commerce. Requires, under the Fair Packaging and Labeling Act, the total selling price and the retail unit price for packaged consumer commodities to be plainly marked on the package itself or on a sign in close proximity to the point of display of such package.

H.R. 9276. August 1, 1975. Judiciary. Empowers the Federal Trade Commission, after a patent on a drug is more than one year old, to review complaints made to it by a qualified applicant for a license under a drug patent, and, upon a finding that the price of the patented drug charged to druggists by the patentee may be more than 500 percent of the cost of production, to order such patentee to grant an unrestricted patent license to any qualified applicant to make, use, and sell such drug.

H.R. 9277. August 1, 1975. Public Works and Transportation. Establishes the Airport Noise Curfew Commission to study and make recommendations to the Congress regarding the establishment of curfews on nonmilitary aircraft operations over populated areas of the United States during normal sleeping hours.

H.R. 9278. August 1, 1975. Public Works and Transportation. Authorizes free or reduced rate transportation under the Federal Aviation Act of 1958 to handicapped persons and persons who are sixty-five years of age or older. Amends the Interstate Commerce Act to authorize free or reduced rate transportation for persons who are sixty-five years of age or older. Authorizes the Secretary of Health, Education, and Welfare to make grants to public and private entities to plan, research, and develop special transportation systems for the handicapped and the elderly.

H.R. 9279. August 1, 1975. Ways and Means. Repeals the meat quota provisions of the Tariff Schedules of the United States.

H.R. 9280. August 1, 1975. Ways and Means. Amends the Social Security Act to authorize Federal payments to States for programs providing certain social services to certain groups of individuals, without requiring a determination of each participant's eligibility. Prohibits States from making eligibility redeterminations, pursuant to a State plan for providing social services, more frequently than every six months.

H.R. 9281. August 1, 1975. Ways and Means. Amends the Internal Revenue Code to permit the reasonable and necessary expenses paid by the taxpayer in connection with an adoption to be deducted as medical expenses.

H.R. 9282. August 1, 1975. Ways and Means. Amends the Social Security Act to exclude general and cost-of-living increases in Old-Age, Survivors and Disability Insurance benefits from being considered income for the purpose of determining an individual's eligibility for supplemental security income benefits, the program of aid to families with dependent children, veterans' benefit programs and certain other Federal and federally assisted programs.

H.R. 9283. August 1, 1975. Agriculture;

Rules. Stipulates that the Commodity Credit Corporation, under the Commodity Credit Corporation Charter Act, shall be the seller or marketing agent for all export sales of certain agricultural commodities.

Authorizes the Corporation (1) to negotiate sales for export of such commodities; (2) to accept purchase bids from foreign purchasers; (3) to offer selling bids in the world market; (4) to acquire commodities on the domestic market; and (5) to establish reserves to meet future export sales and provide for the security of domestic supply.

Requires notice to Congress of any foreign sale and authorizes Congress to object to such sale.

H.R. 9284. August 1, 1975. Judiciary. Directs the Commissioner of Education to make payments to State educational agencies for fiscal years 1976 and 1977 for educational programs, services, and activities for Indochinese refugee children in schools of the local educational agencies of that State.

H.R. 9285. August 1, 1975. Public Works and Transportation. Amends the Federal Water Pollution Control Act to include waste from publicly owned water purification plants within the definition of the term "treatment works."

H.R. 9286. August 1, 1975. Ways and Means. Amends the Social Security Act by removing the limitation upon the amount of outside income which an individual may earn while receiving Old Age, Survivors, and Disability Insurance benefits.

H.R. 9287. August 1, 1975. Banking, Currency and Housing. Directs the Secretary of the Treasury to coin a two-cent piece which shall have on its reverse side an emblem of the Bicentennial of the American Revolution.

H.R. 9288. August 1, 1975. Agriculture. Authorizes the Secretary of Agriculture, under the Perishable Agricultural Commodities Act of 1930, to assess application fees under such Act.

H.R. 9289. August 1, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 to establish a Bureau of Telecommunications in the Department of Commerce to facilitate the development and utilization of telecommunications technology. Requires the Secretary of Commerce to establish a Telecommunications Technology Advisory Council to advise him on the planning, development, and performance of the functions of the Bureau of Telecommunications.

H.R. 9290. August 1, 1975. Makes it a Federal offense to fire any firearms or propel any object at or commit any vandalism against any railroad train operated in interstate commerce.

H.R. 9291. August 1, 1975. Interstate and Foreign Commerce. Authorizes appropriations for the National Traffic Safety Bureau for fiscal years 1976, 1977, and 1978 under the National Traffic and Motor Vehicle Safety Act of 1966.

H.R. 9292. August 1, 1975. Government Operations. Sets forth guidelines to be followed in the classification of material as "Defense Data" for purposes of determining whether its dissemination must be limited in the interest of national defense.

H.R. 9293. August 1, 1975. Ways and Means. Amends the Internal Revenue Code to allow a limited deduction for amounts paid by or on behalf of an individual for an individual retirement account, an individual retirement annuity, an individual retirement bond, an employee's trust, or an annuity contract.

H.R. 9294. August 1, 1975. Public Works and Transportation. Establishes strict liability for damages caused by oil spills. Establishes procedure for the settlement of claims arising from oil spill incidents in United States waters. Creates a fund in the Department of the Treasury to assist in providing compensation for oil spill damage. Requires proof of financial responsibility by vessels to protect against potential spills.

Implements certain international agreements with respect to liability and compensation for oil pollution damage resulting from incidents on the territorial sea.

H.R. 9295. August 1, 1975. Veterans' Affairs. Prohibits the Administrator of Veterans' Affairs from approving a course of flight training for educational assistance benefits unless such course is approved by the Administrator of the Federal Aviation Administration.

H.R. 9296. August 1, 1975. Government Operations. Authorizes appropriations to the State and Local Government Fiscal Assistance Trust Fund for revenue sharing purposes through fiscal year 1981.

Stipulates that payments under the State and Local Government Fiscal Assistance Act which are waived by the Indian Tribe or Alaskan Native Village entitled to receive them shall become part of the entitlement of the county government in which such Tribe or Village is located.

H.R. 9297. August 1, 1975. Interstate and Foreign Commerce. Amends the Communications Act of 1934 by extending the maximum term of license and license renewal for the operation of broadcasting stations from 3 to 5 years. Revises the conditions for approval of applications for licensing renewal. Allows appeals from Federal Communications Commission decisions to be brought in the circuit in which the broadcast facility is, or is proposed to be, located instead of in the District of Columbia Court of Appeals.

Requires the Federal Communications Commission to study possible reduction and consolidation of the filings, supporting documents, and other administrative materials now required for renewal applications.

H.R. 9298. August 1, 1975. Ways and Means. Amends the Social Security Act by allowing a State to terminate social security coverage for policemen and firemen without affecting the coverage of other public employees.

H.R. 9299. August 1, 1975. Agriculture. Stipulates that the Commodity Credit Corporation, under the Commodity Credit Corporation Charter Act, shall be the seller or marketing agent for all export sales of certain agricultural commodities.

Authorizes the Corporation (1) to negotiate sales for export of such commodities; (2) to accept purchase bids from foreign purchases; (3) to offer selling bids in the world market; (4) to acquire commodities on the domestic market; and (5) to establish reserves to meet future export sales and provide for the security of domestic supply.

H.R. 9300. August 1, 1975. Agriculture. Amends the definition of "rural area" in the Consolidated Farm and Rural Development Act and the Housing Act of 1949 in order to permit towns of 25,000 or fewer inhabitants to qualify for loans and grants under such Acts.

H.R. 9301. August 1, 1975. Judiciary Amends existing copyright law to extend protection to certain videotape transmissions on noncontiguous area cable television systems.

H.R. 9302. August 1, 1975. Judiciary. Declares a certain individual lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 9303. August 1, 1975. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain individual in full settlement of such individual's claims against the United States for retroactive service-connected disability payments.

H.R. 9304. August 1, 1975. Judiciary. Directs the Secretary of the Treasury to pay a specified sum to a certain individual in full settlement of such individual's claims against the United States for real estate, travel, and relocation expenses incurred as the result of a transfer as an employee of the Department of Labor.

H.R. 9305. August 1, 1975. Judiciary. Requires the Secretary of Health, Education, and Welfare, and the Attorney General, to include certain factors in the determination of allowable indirect cost in connection with specified Federal grants.

H.J. Res. 476. May 22, 1975. Ways and Means; Interstate and Foreign Commerce. Declares it the sense of Congress that the President call a White House Conference on Long-Term Care in 1976 to be planned and conducted by the Secretary of Health, Education, and Welfare.

H.J. Res. 477. June 2, 1975. Post Office and Civil Service. Designates October, 1975, as "Ultrahigh Frequency Television Month".

H.J. Res. 478. June 3, 1975. Merchant Marine and Fisheries; Ways and Means. Amends the Fisherman's Protection Act of 1967 to direct the Secretary of the Treasury to place an embargo on the products of all foreign enterprises engaged in commercial whaling.

H.J. Res. 479. June 3, 1975. Post Office and Civil Service. Authorizes the President to designate September 28, 1975, as "Teacher's Day".

H.J. Res. 480. June 3, 1975. Judiciary. Proposes an amendment to the Constitution to allow certain types of assistance to religious educational institutions and the students or parents of students attending such institutions.

H.J. Res. 481. June 4, 1975. Post Office and Civil Service. Designates October 9 of each year as "Leif Erickson Day".

H.J. Res. 482. June 4, 1975. Merchant Marine and Fisheries; Ways and Means. Amends the Fisherman's Protection Act of 1967 to direct the Secretary of the Treasury to place an embargo on the products of all foreign enterprises engaged in commercial whaling.

H.J. Res. 483. June 4, 1975. Judiciary. Proposes an amendment to the Constitution to permit the States to allow, regulate, or prohibit the practice of abortion.

H.J. Res. 484. June 5, 1975. Merchant Marine and Fisheries; Ways and Means. Amends the Fisherman's Protection Act of 1967 to direct the Secretary of the Treasury to place an embargo on the products of all foreign enterprises engaged in commercial whaling.

H.J. Res. 485. June 5, 1975. Judiciary. Proposes an amendment to the Constitution to prohibit abortion of a human fetus after its heart begins to beat, except when the life of the mother is endangered.

H.J. Res. 486. June 5, 1975. International Relations. Directs the Secretary of Defense to insure the continued military viability of Israel through certain foreign military credit sales.

H.J. Res. 487. June 5, 1975. Banking, Currency and Housing. Extends by 6 months the reporting time for the National Commission on Supplies and Shortages, under the Defense Production Act.

H.J. Res. 488. June 5, 1975. Post Office and Civil Service. Designates the week beginning with the 3rd Monday in February of each year as "National Patriotism Week".

H.J. Res. 489. June 5, 1975. Interior and Insular Affairs. Creates a Commission on the Political Status of Guam (1) to evaluate the Organic Act of Guam; (2) to recommend changes to achieve a more relevant Federal Territories Relations Act for Guam; and (3) to recommend to Congress the political status which would be most appropriate for Guam.

H.J. Res. 490. June 6, 1975. Merchant Marine and Fisheries; Ways and Means. Amends the Fisherman's Protection Act of 1967 to direct the Secretary of the Treasury to place an embargo on the products of all foreign enterprises engaged in commercial whaling.

H.J. Res. 491.—June 6, 1975. Education and Labor. Abolishes the limitations on the number of participants in the Allen J. Ellender

Fellowship program for disadvantaged school children.

H.J. Res. 492. June 9, 1975. Appropriations. Makes supplemental appropriations for summer youth employment and recreation for the fiscal year 1975.

H.J. Res. 493. June 9, 1975. Merchant Marine and Fisheries; Ways and Means. Amends the Fisherman's Protection Act of 1967 to direct the Secretary of the Treasury to place an embargo on the products of all foreign enterprises engaged in commercial whaling.

H.J. Res. 494. June 9, 1975. Post Office and Civil Service. Authorizes the President to designate September 8 of each year as "National Cancer Day".

H.J. Res. 495. June 9, 1975. Armed Services. Disapproves the loan of three landing craft to Panama.

H.J. Res. 496. June 10, 1975. Merchant Marine and Fisheries; Ways and Means. Amends the Fisherman's Protective Act of 1967 to direct the Secretary of the Treasury to place an embargo on the products of all foreign enterprises engaged in commercial whaling.

H.J. Res. 497. June 10, 1975. Judiciary. Proposes an amendment to the Constitution (1) to alter the terms of office of the President and Vice President to 6 years; and (2) to restrict the President to a single term.

H.J. Res. 498. June 10, 1975. Armed Services. Disapproves the sale of a landing ship to Ecuador.

H.J. Res. 499. June 11, 1975. Appropriations. Makes appropriations for the fiscal year 1976 for certain governmental agencies and departments.

H.J. Res. 500. June 11, 1975. Merchant Marine and Fisheries; Ways and Means. Amends the Fisherman's Protection Act of 1967 to direct the Secretary of the Treasury to place an embargo on the products of all foreign enterprises engaged in commercial whaling.

H.J. Res. 501. June 11, 1975. Merchant Marine and Fisheries. Authorizes (1) the establishment of the Tule Elk National Wildlife Refuge; and (2) the establishment of a Federal-State management program for the conservation, protection, and enhancement of tule elk and other species. Deems the tule elk to be a species threatened with extinction, for purposes of the Land and Water Conservation Fund Act of 1965.

H.J. Res. 502. June 11, 1975. International Relations. Urges the President to direct the United States representative to the United Nations to call upon that body to request full respect for the civil rights of the people of Northern Ireland and to request an election be held in Ireland to determine the question of unification of North and South.

Discontinues military aid to the United Kingdom which is related to activities in Northern Ireland and is not related to North Atlantic Treaty Organization commitments.

H.J. Res. 503. June 11, 1975. Judiciary. Proposes an amendment to the Constitution requiring representation of the District of Columbia in the Congress.

H.J. Res. 504. June 11, 1975. Post Office and Civil Service. Authorizes the President to designate September 8 of each year as "National Cancer Day."

H.J. Res. 505. June 12, 1975. Merchant Marine and Fisheries; Ways and Means. Amends the Fisherman's Protection Act of 1967 to direct the Secretary of the Treasury to place an embargo on the products of all foreign enterprises engaged in commercial whaling.

H.J. Res. 506. June 12, 1975. Post Office and Civil Service. Requests the President to declare the week which includes Thanksgiving Day as "National Family Week."

H.J. Res. 507. June 12, 1975. Post Office and Civil Service. Designates "The Stars and Stripes Forever" as the national march.

H.J. Res. 508. June 12, 1975. Post Office and Civil Service. Designates the week beginning the first Sunday after the first Monday in August, 1975, as "National Waitress and Waiter Week."

H.J. Res. 509. June 12, 1975. Post Office and Civil Service. Designates May 8 of each year as "Harry S. Truman Day."

H.J. Res. 510. June 13, 1975. International Relations. Urges the President to direct the United States representative to the United Nations to call upon that body to request full respect for the civil rights of the people of Northern Ireland and to request an election be held in Ireland to determine the question of unification of North and South.

Discontinues military aid to the United Kingdom which is related to activities in Northern Ireland and is not related to North Atlantic Treaty Organization commitments.

H.J. Res. 511. June 13, 1975. Post Office and Civil Service. Designates June 24 of each year as "Puerto Rican Day."

H.J. Res. 512. June 13, 1975. Armed Services. Disapproves the sale of three diesel-powered submarines to Iran.

H.J. Res. 513. June 16, 1975. Merchant Marine and Fisheries. Authorizes (1) the establishment of the Tule Elk National Wildlife Refuge and (2) the establishment of a Federal-State Management program for the conservation, protection, and enhancement of tule elk and other species. Deems the tule elk to be a species threatened with extinction, for purposes of the Land and Water Conservation Fund Act of 1965.

H.J. Res. 514. June 17, 1975. Ways and Means. Establishes a National Commission on Social Security to study and to submit recommendations for the improvement of the Social Security program.

H.J. Res. 515. June 17, 1975. Judiciary. Proposes an amendment to the Constitution to exempt State financial assistance to a religiously affiliated school from the First Amendment prohibition regarding establishment of religion.

H.J. Res. 516. June 18, 1975. Education and Labor. Abolishes the limitations on the number of participants in the Allen J. Ellender Fellowship program for disadvantaged school children.

H.J. Res. 517. June 18, 1975. Post Office and Civil Service. Designates the week beginning on April 30th of each year as "National Beta Sigma Phi Week."

H.J. Res. 518. June 19, 1975. Rules. Establishes a Joint Committee on Internal Security to investigate (1) certain subversive activities; (2) organizations seeking the overthrow of the United States by unlawful means; (3) organizations which oppose or obstruct the authority of the United States government by unlawful means; and (4) other questions relating to internal security.

H.J. Res. 519. June 19, 1975. Armed Services. Authorizes the President to appoint George Washington posthumously to the grade of general of the Armies of the United States, a post created by this resolution.

H.J. Res. 520. June 19, 1975. Judiciary. Proposes an amendment to the Constitution to extend the rights of due process and equal protection to persons at every stage of biological development regardless of age, illnes, or incapacity. Allows medical procedures required to prevent the death of a pregnant mother.

H.J. Res. 521. June 19, 1975. Judiciary. Proposes an amendment to the Constitution providing for the direct popular election of the President and Vice President of the United States.

H.J. Res. 522. June 19, 1975. Merchant Marine and Fisheries. Authorizes (1) the establishment of the Tule Elk National Wildlife Refuge and (2) the establishment of a Federal-State Management program for the conservation, protection, and enhancement of tule elk and other species. Deems the tule elk to be a species threatened with extinction, for purposes of the Land and Water Conservation Fund Act of 1965.

H.J. Res. 523. June 19, 1975. Judiciary. Proposes an amendment to the Constitution to prohibit attendance assignments in public schools on the basis of race or color.

H.J. Res. 524. June 20, 1975. Armed Services. Disapproves the loan of 3 landing craft to Panama.

H.J. Res. 525. June 23, 1975. Judiciary. Proposes an amendment to the Constitution (1) to extend the rights of due process and equal protection to persons from the moment of conception; and (2) to prohibit depriving a person of life on account of age, illness, or incapacity.

H.J. Res. 526. June 23, 1975. Judiciary. Proposes an amendment to the Constitution to repeal Section 2 of the 25th Amendment which authorizes the President to nominate a Vice President when a vacancy occurs in that office.

H.J. Res. 527. June 24, 1975. Judiciary. Proposes an amendment to the Constitution to give to the States the power to regulate or forbid the voluntary termination of pregnancy.

H.J. Res. 528. June 24, 1975. International Relations. Directs the Secretary of Defense to insure the continued military viability of Israel through certain foreign military credit sales.

H.J. Res. 529. June 25, 1975. Judiciary. Proposes an amendment to the Constitution to specify that the veto of a nonelected President may be overridden by 60 percent of both houses of Congress.

H.J. Res. 530. June 25, 1975. Judiciary. Authorizes the President to desigante the second full week in October of each year as "National Legal Secretaries' Court Observance Week".

H.J. Res. 531. June 26, 1975. Judiciary. Proposes an amendment to the Constitution limiting appropriations to the amount of revenues, except during a national emergency.

H.J. Res. 532. June 26, 1975. Post Office and Civil Service. Authorizes the President to designate the fourth Sunday in September of each year as "National Good Neighbor Day".

H.J. Res. 533. June 26, 1975. International Relations. Declares it the policy of the United States to renounce the first use of nuclear weapons.

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H.J. Res. 536. June 26, 1975. International Relations. Declares it the policy of the United States to renounce the first use of nuclear weapons.

H.J. Res. 537. June 26, 1975. Education and Labor. Abolishes the limitations on the number of participants in the Allen J. Ellender Fellowship program for disadvantaged school children.

H.J. Res. 538. June 26, 1975. Education and Labor. Abolishes the limitations on the number of participants in the Allen J. Ellender Fellowship program for disadvantaged school children.

H.J. Res. 539. July 8, 1975. Merchnt Marine and Fisheries; Ways and Means. Amends the Fisherman's Protective Act of 1967 to direct the Secretary of the Treasury to place an embargo on the products of all foreign enterprises engaged in commercial whaling.

H.J. Res. 540. July 8, 1975. Judiciary; Post Office and Civil Service. Requires the American Revolution Bicentennial Administration to establish a committee to report to the Congress ways to significantly commemorate our Nation's Bicentennial.

H.J. Res. 541. July 8, 1975. Judiciary. Proposes an amendment to the Constitution to permit the States to allow, regulate, or prohibit the practice of abortion.

H.J. Res. 542. July 9, 1975. Post Office and Civil Service. Authorizes the President to designate the fourth Sunday in September of each year as "National Good Neighbor Day".

H.J. Res. 543. July 9, 1975. Post Office and Civil Service. Requests the President to declare the week which includes Thanksgiving Day as "National Family Week".

H.J. Res. 544. July 9, 1975. Post Office and Civil Service. Requests the President to declare the week which includes Thanksgiving Day as "National Family Week".

H.J. Res. 545. July 9, 1975. Post Office and Civil Service. Requests the President to declare the week which includes Thanksgiving Day as "National Family Week".

H.J. Res. 546. July 9, 1975. Post Office and Civil Service. Designates "Keep America Free" as the bicentennial song.

H.J. Res. 547. July 9, 1975. Interior and Insular Affairs. Approves the "Covenant To Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America". Sets forth such Covenant.

H.J. Res. 548. July 10, 1975. House Administration. Authorizes a contribution to the Western American Skisport Museum, Boreal Ridge, California, for a monument to John A. "Snowshoe" Thompson.

H.J. Res. 549. July 10, 1975. Interior and Insular Affairs. Approves the "Covenant To Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America". Sets forth such Covenant.

H.J. Res. 550. July 10, 1975. Interior and Insular Affairs. Approves the "Covenant To Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America". Sets forth such Covenant.

H.J. Res. 551. July 10, 1975. Agriculture. Directs the Secretary of Agriculture and the Commodity Futures Trading Commission to prepare reports to Congress with respect to the immediate and long-range economic effects in the United States of all sales of wheat and of wheat flour which have been or might have been made by private business in the United States to the Union of Soviet Socialist Republics during the last 6 months of 1975.

H.J. Res. 552. July 10, 1975. International Relations. Exempts the period of August 2 to September 3, 1975 from inclusion in the 20 calendar-day deadline for Congressional disapproval of the sale of a defense article or service under the Foreign Military Sales Act.

H.J. Res. 553. July 11, 1975. Agriculture. Directs the Secretary of Agriculture and the Commodity Futures Trading Commission to prepare reports to Congress with respect to the immediate and long-range economic effects in the United States of all sales of wheat and of wheat flour which have been or might have been made by private business in the United States to the Union of Soviet Socialist Republics during the last 6 months of 1975.

H.J. Res. 554. July 11, 1975. Post Office and Civil Service. Authorizes and requests the President to designate January 4, 1976, as "Haym Salomon Day".

H.J. Res. 555. July 11, 1975. Armed Services. Disapproves the loan of 3 landing craft to Panama.

H.J. Res. 556. July 11, 1975. Armed Services. Disapproves the loan of 3 landing craft to Panama.

H.J. Res. 557. July 11, 1975. Armed Services. Disapproves the loan of 3 landing craft to Panama.

H.J. Res. 558. July 11, 1975. Armed Services. Disapproves the loan of 3 landing craft to Panama.

H.J. Res. 559. July 11, 1975. Government Operations. Declares it the policy of the United States to encourage, develop, and implement policies to stabilize the population of the United States.

H.J. Res. 560. July 14, 1975. Banking, Currency and Housing. Amends the Defense Production Act of 1950 to authorize the President to appoint to the National Commission on Supplies and Shortages additional nonvoting ex officio members from agencies having jurisdiction over areas being considered by the Commission.

Extends the operation period for the National Commission on Supplies and Shortages.

H.J. Res. 561. July 14, 1975. Post Office and Civil Service; Science and Technology. Designates November 26, 1975, as "Energy Day". Directs the Administrator of the Federal Energy Administration to prepare a report on energy consumption levels and savings through the use of conservation measures.

H.J. Res. 562. July 16, 1975. Post Office and Civil Service. Designates the week beginning with the 3rd Monday in February of each year as "National Patriotism Week".

H.J. Res. 563. July 16, 1975. Judiciary. Directs the Attorney General to cancel deportation proceedings and to record certain aliens lawful admission to the United States for permanent residence.

H.J. Res. 564. July 16, 1975. Post Office and Civil Service. Requests the President to designate the 4th Sunday in November of each year as "National Grandparents' Day".

H.J. Res. 565. July 16, 1975. Judiciary. Proposes an amendment to the Constitution to permit the States to allow, regulate, or prohibit the practice of abortion.

H.J. Res. 566. July 16, 1975. Judiciary. Proposes an amendment to the Constitution to extend the rights of due process and equal protection to persons at every stage of biological development regardless of age, illness, or incapacity. Allows medical procedures required to prevent the death of a pregnant mother.

H.J. Res. 567. July 16, 1975. Judiciary. Proposes an amendment to the Constitution to extend the rights of due process and equal protection to persons at every stage of biological development regardless of age, illness, or incapacity. Allows medical procedures required to prevent the death of a pregnant mother.

H.J. Res. 568. July 16, 1975. Judiciary. Proposes an amendment to the Constitution to extend the rights of due process and equal protection to persons at every stage of biological development regardless of age, illness, or incapacity. Allows medical procedures required to prevent the death of a pregnant mother.

H.J. Res. 569. July 16, 1975. Judiciary. Proposes an amendment to the Constitution of the United States to permit the Congress to adopt a Resolution of No Confidence in the Presidence which would result in a special Presidential election.

H.J. Res. 570. July 17, 1975. Post Office and Civil Service. Designates December 26 through December 31 of each year as "Blood Donor Week".

H.J. Res. 571. July 17, 1975. Post Office and Civil Service. Authorizes the President to designate September 14, 1975, as "National Saint Elizabeth Ann Seton Day".

H.J. Res. 572. July 17, 1975. Judiciary. Revises rules and customs pertaining to the display and use of the United States flag.

H.J. Res. 573. July 18, 1975. Post Office and Civil Service. Designates August 26 as "Women's Equality Day".

H.J. Res. 574. July 18, 1975. Merchant Marine and Fisheries; Ways and Means. Amends the Fisherman's Protective Act of 1967 to direct the Secretary of the Treasury to place an embargo on the products of all foreign enterprises engaged in commercial whaling.

H.J. Res. 575. July 18, 1975. International Relations. Declares it the policy of the United States to renounce the first use of nuclear weapons.

H.J. Res. 576. July 18, 1975. Interior and Insular Affairs. Directs the Secretary of the Interior to acquire an historical easement on the property of the Scott-Grant House in the Georgetown section of the District of Columbia to insure the preservation of such property.

H.J. Res. 577. July 21, 1975. Armed Services. Disapproves the sale of a landing ship to Ecuador.

H.J. Res. 578. July 21, 1975. Judiciary. Proposes an amendment to the Constitution of the United States to create a ceremonial head of the United States to be known as the Chief of State.

H.J. Res. 579. July 22, 1975. Post Office and Civil Service. Authorizes and requests the President to designate January 6, 1976, as "Haym Salomon Day".

H.J. Res. 580. July 22, 1975. Post Office and Civil Service. Authorizes and requests the President to designate January 6, 1976, as "Haym Salomon Day".

H.J. Res. 581. July 22, 1975. Post Office and Civil Service. Requests the President to declare the week which includes Thanksgiving Day as "National Family Week".

H.J. Res. 582. July 22, 1975. Post Office and Civil Service. Authorizes the President to proclaim January 17, 1976, as "National Volunteer Firemen Day".

H.J. Res. 583. July 22, 1975. Judiciary. Directs the Attorney General of the United States to investigate the manufacture, marketing, and sale of replacement home canning lids with respect to possible antitrust violations.

H.J. Res. 584. July 22, 1975. Judiciary. Proposes an amendment to the Constitution to permit the States to allow, regulate, or prohibit the practice of abortion.

H.J. Res. 585. July 23, 1975. Post Office and Civil Service. Authorizes the President to designate September 14, 1975, as "National Saint Eliabeth Ann Seton Day".

H.J. Res. 586. July 23, 1975. Post Office and Civil Service. Authorizes the President to designate September 14, 1975, as "National Saint Elizabeth Ann eSton Day".

H.J. Res. 587. July 24, 1975. Post Office and Civil Service. Authorizes the President to designate September 14, 1975, as "National Saint Elizabeth Ann Seton Day".

H.J. Res. 588. July 24, 1975. International Relations. Directs that not less than 70 percent of food assistance, under the Foreign Assistance Act of 1974, be given to countries designated by the United Nations as "Most Seriously Affected". Sets forth priority categories for such assistance.

H.J. Res. 589. July 25, 1975. International Relations. Calls upon the Department of State to request the Helsinki Conference to adopt a resolution calling for free elections in Portugal and to appoint a committee to supervise such elections.

H.J. Res. 590. July 25, 1975. Judiciary. Directs the Attorney General of the United States to investigate the manufacture, marketing, and sale of replacement home canning lids with respect to possible antitrust violations.

H.J. Res. 591. July 28, 1975. Post Office and Civil Service. Designates "The Stars and Stripes Forever" as the national march.

H.J. Res. 592. July 28, 1975. Interior and Insular Affairs. Directs the Secretary of the Interior to provide for the illumination of the Washington Monument, the Lincoln Memorial, and the Jefferson Memorial all night during 1976.

H.J. Res. 593. July 28, 1975. Post Office and Civil Service. Authorizes the President to designate October 26 of each year "National Solar Energy Day".

H.J. Res. 594. July 28, 1975. Judiciary. Directs the Attorney General of the United States to investigate the manufacture, marketing, and sale of replacement home canning lids with respect to possible antitrust violations.

H.J. Res. 595. July 28, 1975. Post Office and Civil Service. Authorizes the President to designate the 4th Saturday of each September, "National Hunting and Fishing Day".

H.J. Res. 596. July 29, 1975. Armed Services. Authorizes the President to appoint George Washington posthumously to the grade of General of the Armies of the United States, a post created by this resolution.

H.J. Res. 597. July 29, 1975. Post Office and Civil Service. Authorizes the President to designate September 14, 1975, as "National Saint Elizabeth Ann Seton Day".

H.J. Res. 598. July 29, 1975. Judiciary. Directs the Attorney General of the United States to investigate the manufacture, marketing, and sale of replacement home canning lids with respect to possible antitrust violations.

H.J. Res. 599. July 30, 1975. Poct Office and Civil Service. Authorizes the President to designate the week beginning on the first Saturday after the first Tuesday in January of each year as "National Ski Week".

H.J. Res. 600. July 30, 1975. Post Office and Civil Service. Authorizes and requests the President to designate January 6, 1976, as "Haym Salomon Day".

H.J. Res. 601. July 30, 1975. Judiciary. Proposes an amendment to the Constitution to establish a new procedure for the election of President and Vice President.

H.J. Res. 601. July 30, 1975. Judiciary. Proposes an amendment to the Constitution to extend the rights of due process and equal protection to persons at every stage of biological development, regardless of age, illness, or incapacity. Allows medical procedures required to prevent the death of a pregnant mother.

H.J. Res. 603. July 30, 1975. Judiciary. Proposes an amendment to the Constitution requiring representation of the District of Columbia in the Congress.

H.J. Res. 604. July 31, 1975. Post Office and Civil Service. Authorizes the President to designate September 14, 1975, as "National Saint Elizabeth Ann Seton Day".

H.J. Res. 605. July 31, 1975. Merchant Marine and Fisheries; Ways and Means. Amends the Fisherman's Protective Act of 1967 to direct the Secretary of the Treasury to place an embargo on the products of all foreign enterprises engaged in commercial whaling.

H.J. Res. 606. July 31, 1975. International Relations. Establishes a delegation to organize and participate in a convention of similar delegations of North Atlantic Treaty parliamentary democracies to explore the possibility of agreement upon a declaration that it is the goal of their peoples to transform their present relationship into a more effective unity based on federal or other democratic principles.

H.J. Res. 607. July 31, 1975. International Relations. Establishes a delegation to organize and participate in a convention of similar delegations of North Atlantic Treaty parliamentary democracies to explore the possibility of agreement upon a declaration that it is the goal of their peoples to transform their present relationship into a more effective unity based on federal or other democratic principles.

H.J. Res. 608. July 31, 1975. International Relations. Establishes a delegation to organize and participate in a convention of similar delegations of North Atlantic Treaty parliamentary democracies to explore the possibility of agreement upon a declaration that it is the goal of their peoples to transform their present relationship into a more effective unity based on federal or other democratic principles.

H.J. Res. 609. July 31, 1975. International Relations. Establishes a delegation to organize and participate in a convention of similar delegations of North Atlantic Treaty parliamentary democracies to explore the possibility of agreement upon a declaration that it is the goal of their peoples to transform their present relationship into a more effective unity based on federal or other democratic principles.

H.J. Res. 610. July 31, 1975. International Relations. Establishes a delegation to organize and participate in a convention of similar delegations of North Atlantic Treaty parliamentary democracies to explore the possibility of agreement upon a declaration that it is the goal of their peoples to transform their present relationship into a more effective unity based on federal or other democratic principles.

H.J. Res. 611. July 31, 1975. Post Office and Civil Service. Designates the square dance as the national folk dance of the United States.

H.J. Res. 612. July 31, 1975. Judiciary. Directs the Attorney General of the United States to investigate the manufacture, marketing, and sale of replacement home canning lids with respect to possible antitrust violations.

H.J. Res. 613. July 31, 1975. Post Office and Civil Service. Requests the President to designate September 17 of each year as "Constitution Day".

H.J. Res. 614. July 31, 1975. Post Office and Civil Service. Designates December 15 of each year as "Bill of Rights Day".

H.J. Res. 615. July 31, 1975. Judiciary. Proposes an amendment to the Constitution (1) to alter the term of office of the President and Vice President to 6 years; and (2) to restrict the President to a single term.

H.J. Res. 616. August 1, 1975. Judiciary. Proposes an amendment to the Constitution to prohibit the expenditures of the Government from exceeding its revenues during any fiscal year, except in time of war or economic emergency declared by Congress.

H.J. Res. 617. August 1, 1975. Judiciary. Proposes an amendment to the Constitution to allow the President an item veto in appropriation legislation.

H.J. Res. 618. August 1, 1975. International Relations. Declares it the policy of the United States to renounce the first use of nuclear weapons, and to negotiate an end to efforts of the United States and the Soviet Union to achieve counterforce capacity.

H.J. Res. 619. August 1, 1975. International Relations. Calls for public hearings by the Senate Foreign Relations Committee and the House of Representatives International Relations Committee on the Portuguese crisis.

Calls upon the Union of Soviet Socialist Republics to terminate its active support of Portuguese Communists.

Calls upon the Department of State to proclaim the right of the Portuguese people to free elections.

H.J. Res. 620. August 1, 1975. International Relations. Declares it the policy of the United States to renounce the first use of nuclear weapons.

H.J. Res. 621. August 1, 1975. Public Works and Transportation. Authorizes acceptance or appropriation of funds for establishment of equipment and other facilities for sound and light performance on the east front of the United States Capitol.

H.J. Res. 622. August 1, 1975. Post Office and Civil Service. Designates April 8, 1975, as "National Food Day".

H.J. Res. 623. August 1, 1975. Post Office and Civil Service. Authorizes the President to designate the 4th Saturday of each September "National Hunting and Fishing Day".

H.J. Res. 624. August 1, 1975. Judiciary. Directs the Attorney General of the United States to investigate the manufacture, marketing, and sale of replacement home canning lids with respect to possible antitrust violations.

H. Con. Res. 281. May 14, 1975. Ways and Means. Declares it the sense of Congress that benefits for unemployed individuals, under the Emergency Unemployment Compensation Act of 1974 and the Emergency Jobs and Unemployment Assistance Act of 1974, be extended under certain economic conditions.

H. Con. Res. 282. May 15, 1975. International Relations. Sets forth the sense of the Congress on United States policy towards the nations of Latin America and the Caribbean with respect to general principles, human rights, economic fluctuations and disruptions, economic sanctions, military assistance, development finance, foreign direct investment, science and technology, and cultural exchange.

H. Con. Res. 283. May 15, 1975. Public Works and Transportation. Declares it the sense of Congress (1) that certain public buildings be surveyed for architectural barriers to the handicapped, (2) that such barriers be removed, and (3) that other governmental units be urged to take similar action.

H. Con. Res. 284. May 15, 1975. Public Works and Transportation. Declares it the sense Congress (1) that certain public buildings be surveyed for architectural barriers to the handicapped, (2) that such barriers be removed, and (3) that other governmental units be urged to take similar action.

H. Con. Res. 285. May 19, 1975. Public Works and Transportation. Declares it the sense of Congress (1) that certain public buildings be surveyed for architectural barriers to the handicapped, (2) that such barriers be removed, and (3) that other governmental units be urged to take similar action.

H. Con. Res. 286. May 19, 1975. International Relations. Declares it the sense of Congress that (1) the United Staes delegation to the European Security Conference should not agree to the annexation of Estonia, Latvia, and Lithuania by the Soviet Union; and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res. 287. May 20, 1975. Ways and Means. Declares it the sense of Congress that Federal income tax forms be simplified and that State and local income tax forms be modeled on the Federal forms.

H. Con. Res. 288. May 20, 1975. International Relations. Declares it the sense of Congress that the United States, through the Department of the Treasury, shall require the repayment of longstanding debts of a delinquent nature by foreign countries.

H. Con. Res. 289. May 21, 1975. International Relations. Confirms the commitment of the United States to the North Atlantic Treaty Organization.

H. Con. Res. 290. May 21, 1975. Ways and Means. Declares it the sense of Congress that Federal income tax forms be simplified and that State and local income tax forms be modeled on the Federal forms.

H. Con. Res. 291. May 22, 1975. International Relations. Extends the congratulations of Congress to Jean Monnet for his efforts to further European unity.

H. Con. Res. 292. June 3, 1975. Judiciary. Establishes a Joint Committee on Arrangements for the Commemoration of the Bicentennial of the United States of America.

H. Con. Res. 293. June 3, 1975. International Relations. Declares it the sense of Congress that (1) the United States delegation to the European Security Conference should not agree to the annexation of Estonia, Latvia, and Lithuania by the Soviet Union; and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res. 294. June 3, 1975. Interior and Insular Affairs. Urges the Secretary of Interior to revise regulations for the commercial and uncommercial use of the Colorado River through the Grand Canyon National Park to insure equitable allocation of use between commercial and noncommercial users.

H. Con. Res. 295. June 4, 1975. Rules. Establishes a Joint Congressional Committee on Energy (1) to study the development, use, and control of all forms of energy; (2) to examine proposed energy legislation; and (3) to review executive agency policies on energy. Defines the jurisdiction of the committee.

H. Con. Res. 296. June 5, 1975. International Relations. Declares it the sense of Congress that (1) the United States delegation to the European Security Conference should not agree to the annexation of Estonia Latvia, and Lithuania by the Soviet Union; and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res. 297. June 5, 1975. International Relations. Declares it the sense of Congress that the President (1) convene the National Security Council to develop a strategy to combat opium smuggling, and (2) suspend all foreign assistance to Turkey until such government places adequate controls on the production and processing of narcotic drugs to prevent them from entering the United States.

H. Con. Res. 298. June 6, 1975. Post Office and Civil Service. Declares it the sense of Congress that a special postage stamp be issued commemorating 200 years of free enterprise in the United States.

H. Con. Res. 299. June 6, 1975. International Relations. Declares it the sense of Congress that (1) the United States delegation to the European Security Conference should not agree to the annexation of Estonia, Latvia, and Lithuania by the Soviet Union; and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res. 300. June 6, 1975. International Relations. Urges the President to request the Soviet Union to release Valentyn Moroz and Leonid Plyushch from prison and allow them to emigrate.

H. Con. Res. 301. June 10, 1975. International Relations. Expresses, as the sense of the Congress, full support for the goals of International Women's Year.

H. Con. Res. 302. June 10, 1975. International Relations. Expresses, as the sense of the Congress, full support for the goals of International Women's Year.

H. Con. Res. 303. June 10, 1975. International Relations. Expresses, as the sense of the Congress, full support for the goals of International Women's Year.

H. Con. Res. 304. June 11, 1975. Interstate and Foreign Commerce. Recommends that the Secretary of Transportation reach an agreement with industry on a plan that would result in increased passive restraint usage on the road and defer a call for rulemaking with respect to passive restraints.

H. Con. Res. 305. June 11, 1975. House Administration. Directs the printing of 500 additional copies of the committee print entitled, "Court Proceedings and Actions of Vital Interest to the Congress, Final Report on the 83rd Congress, December 1974."

H. Con. Res. 306. June 12, 1975. International Relations. Expresses, as the sense of the Congress, full support for the goals of International Women's Year.

H. Con. Res. 307. June 12, 1975. Interstate and Foreign Commerce. Recommends that the Secretary of Transportation reach an agreement with industry on a plan that would result in increased passive restraint usage on the road and defer a call for rulemaking with respect to passive restraints.

H. Con. Res. 308. June 16, 1975. Interior and Insular Affairs. Declares it the sense of Congress that the granting of offshore oil leases by the Department of Interior be postponed pending management legislation by Congress and the States.

H. Con. Res. 309. June 17, 1975. International Relations. Expresses, as the sense of the Congress, full support for the goals of International Women's Year.

H. Con. Res. 310. June 17, 1975. Education and Labor. Disapproves certain regulations of the Department of Health, Education, and Welfare with respect to sex discrimination in educational programs and activities.

H. Con. Res. 311. June 17, 1975. Education and Labor. Disapproves certain regulations of the Department of Health, Education, and Welfare with respect to sex discrimination in educational programs and activities.

H. Con. Res. 312. June 17, 1975. International Relations. Expresses Congressional disapproval of the obligation of Middle East special requirements funds for certain projects in Syria.

H. Con. Res. 313. June 18, 1975. Rules. Establishes a Congressional Joint Committee on Information and Intelligence to study: (1) each information and intelligence agency; (2) the relationships between these agencies and corporations with operations abroad; (3) the problems of these agencies; and (4) their impact on national security. Defines the jurisdiction of the Committee.

H. Con. Res. 314. June 18, 1975. International Relations. Declares it the sense of Congress that (1) the United States delegation to the European Security Conference should not agree to the annexation of Estonia, Latvia, and Lithuania by the Soviet Union; and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res. 315. June 18, 1975. International Relations. Urges the President to request the Soviet Union to release Valentyn Moroz and Leonid Plyushch from prison and allow them to emigrate.

H. Con. Res. 316. June 18, 1975. Interior and Insular Affairs. Declares it the sense of Congress that the granting of offshore oil leases by the Department of Interior be postponed pending management legislation by Congress and the States.

H. Con. Res. 317. June 19, 1975. Education and Labor. Disapproves certain regulations of the Department of Health, Education, and Welfare with respect to sex discrimination in educational programs and activities.

H. Con. Res. 318. June 19, 1975. Rules. Creates a Joint Select Committee on Energy to review proposed energy legislation, and to develop legislation designed to make the United States self-sufficient with respect to the development, use, and control of all forms of energy within 20 years.

H. Con. Res. 319. June 19, 1975. Interior and Insular Affairs. Urges the Secretary of Interior to revise regulations for the commercial and noncommercial use of the Colorado River through the Grand Canyon National Park to insure equitable allocation of use between commercial and noncommercial users.

H. Con. Res. 320. June 20, 1975. Rules. Specifies a period of adjournment of the House of Representatives from July 3 to July 8, 1975.

H. Con. Res. 321. June 20, 1975. International Relations. Declares it the sense of Congress that the President take certain steps in an effort to secure freedom of religious worship within the Union of Soviet Socialist Republics.

H. Con. Res. 322. June 24, 1975. House Administration. Directs the Joint Committee on the Library to procure a statue of Martin Luther King, Jr., and place it in the Capitol.

H. Con. Res. 323. June 24, 1975. Public Works and Transportation. Requests the Secretary of Transportation to grant financial assistance to Alaska for repairing and reconstructing highways damaged by traffic resulting from the construction of the trans-Alaska pipeline.

H. Con. Res. 324. June 25, 1975. Specifies periods of adjournment and interim procedures for the Houses of Congress beginning June 26 and 27, 1975.

H. Con. Res. 325. June 25, 1975. International Relations. Declares it the sense of Congress that: (1) the United States delegation to the European Security Conference should not agree to the annexation of Estonia, Latvia, and Lithuania by the Soviet Union; and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res. 326. June 26, 1975. Ways and Means. Declares it the sense of Congress that most-favored-nation status be extended to Romania upon the President's certification of assurances by Romania with respect to (1) the situation of certain minorities in that country; and (2) the emigration of immediate relatives of American citizens.

H. Con. Res. 327. June 26, 1975. International Relations. Declares it the sense of Congress that the United States (1) comply with United Nations sanctions against Rhodesia and (2) that the United States facilitate justice and equality for residents of South Africa and cease support for such country until apartheid is abolished. Endorses the objectives of the Dar Es Salaam Declaration of the Organization of African Unity. Calls upon the President to support the United Nations Security Council Resolution 366.

H. Con. Res. 328. June 8, 1975. International Relations. Declares it the sense of Congress that: (1) the United States delegation to the European Security Conference should not agree to the annexation of Estonia, Latvia, and Lithuania by the Soviet Union; and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res. 329. June 8, 1975. Education and Labor. Disapproves certain regulations of the Department of Health, Education, and Welfare with respect to sex discrimination in educational programs and activities.

H. Con. Res. 330. June 8, 1975. Education and Labor. Disapproves certain regulations of the Department of Health, Education, and Welfare with respect to sex discrimination in educational programs and activities.

H. Con. Res. 331. June 8, 1975. Interior and Insular Affairs. Urges the Secretary of Interior to revise regulations for the commercial and noncommercial use of the Colorado River through the Grand Canyon National Park to insure equitable allocation of use between commercial and noncommercial users.

H. Con. Res. 332. June 9, 1975. International Relations. Declares it the sense of Congress that the President should call upon the Government of the Soviet Union to permit Dina Roitkop Podriachik's son Uri, as well as other Soviet Jews, to emigrate to the country of their choice.

H. Con. Res. 333. July 9, 1975. Rules. Creates a Select Joint Committee on Servicemen Missing in Action (1) to conduct an investigation of the problem of those servicemen missing in action in Southeast Asia; and (2) to determine whether a need exists for additional international inspection teams to ascertain whether there are servicemen held as prisoners of war.

H. Con. Res. 334. July 10, 1975. Judiciary. Declares it the sense of Congress that the President should appoint a Special Prosecutor and have a grand jury empaneled to investigate possible violations of the Sherman and Clayton Antitrust Acts by certain oil and gas companies.

H. Con. Res. 335. July 11, 1975. International Relations. Declares it the sense of the Congress that (1) the United States should continue its role in the United Nations; and (2) the President should direct the Department of State to formulate proposals to improve the procedures and effectiveness of the United Nations.

Requests the President to report to certain Congressional committees regarding such proposals.

H. Con. Res. 336. July 14, 1975. Rules. Invites Alexandr Solzhenitsyn to address a joint meeting of Congress.

H. Con. Res. 337. July 14, 1975. International Relations. Expresses Congressional objection to the sale to Jordan of the Hawk missile system as proposed by the President.

H. Con. Res. 338. July 14, 1975. Rules. Invites Alexandr Solzhenitsyn to address a joint meeting of Congress.

H. Con. Res. 339. July 14, 1975. International Relations. Declares it the sense of Congress that (1) the United States delegation to the European Security Conference should not agree to the annexation of Estonia, Latvia, and Lithuania by the Soviet Union; and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res. 340. July 14, 1975. International Relations. Declares it the sense of Congress that the United States should give due attention to the Universal Declaration of Human Rights in considering renewal of either diplomatic or economic relations with Cuba.

H. Con. Res. 341. July 14, 1975. International Relations. Requests the President to bring the Baltic States question before the United Nations.

Urges the United States Information Agency and other propaganda agencies to bring this issue to world attention.

Declares it the sense of Congress that the United States delegation to the European Security Conference shall not recognize the Soviet Union's annexation of Estonia, Latvia, and Lithuania.

H. Con. Res. 342. July 16, 1975. Authorizes the Chief of the Capitol Police to answer interrogatories issued by the United States District Court for the District of Columbia in a certain case.

H. Con. Res. July 16, 1975. International Relations. Expresses Congressional objection to the sale to Jordan of certain weapons as proposed by the President.

H. Con. Res. 343. July 16, 1975. International Relations. Urges the President to request the Soviet Union to release from Prison Mr. Moroz and Mr. Plyusch and permit them to emigrate to the country of their choice.

H. Con. Res. 345. July 16, 1975. Armed Services. Expresses the gratitude and appreciation of the Congress for the military forces who participated in the *Mayaguez* incident. Requests the President and Secretary of Defense to confer citations upon such personnel as may be appropriate.

H. Con. Res. 346. July 17, 1975. International Relations. Expresses Congressional objection to the sale to Jordan of certain weapons as proposed by the President.

H. Con. Res. 347. July 17, 1975. International Relations. Requests the President to bring the Baltic States question before the United Nations.

Urges the United States Information Agency and other propaganda agencies to bring this issue to world attention.

Declares it the sense of Congress that the United States delegation to the European Security Conference shall not recognize the Soviet Union's annexation of Estonia, Latvia, and Lithuania.

H. Con. Res. 348. July 17, 1975. Judiciary. Declares it the sense of Congress that Alexandr Solzhenitsyn be offered honorary citizenship of the United States.

H. Con. Res. 349. July 22, 1975. Corrects errors in the enrollment of H.R. 5522.

H. Con. Res. 350. July 22, 1975. International Relations. Expresses Congressional objection to the sale to Jordan of certain weapons as proposed by the President.

H. Con. Res. 351. July 22, 1975. International Relations. Expresses Congressional objection to the sale to Jordan of certain weapons as proposed by the President.

H. Con. Res. 352. July 22, 1975. International Relations. Expresses Congressional objection to the sale to Jordan of certain weapons as proposed by the President.

H. Con. Res. 353. July 22, 1975. Rules. Invites Alexandr Solzhenitsyn to address a joint meeting of Congress.

H. Con. Res. 354. July 22, 1975. International Relations. Declares it the sense of Congress that the President (1) convene the National Security Council to develop a strategy to combat opium smuggling; and (2) suspend all foreign assistance to Turkey until such government places adequate controls on the production and processing of narcotic drugs to prevent them from entering the United States.

H. Con Res. 355. July 22, 1975. International Relations. Declares it the sense of Congress that the President (1) convene the National Security Council to develop a strategy to combat opium smuggling; and (2) suspend all foreign assistance to Turkey until such government places adequate controls on the production and processing of narcotic drugs to prevent them from entering the United States.

H. Con. Res. 356. July 23, 1975. International Relations. Expressing Congressional objection to the sale to Jordan of certain weapons as proposed by the President.

H. Con. Res. 357. July 23, 1975. International Relations. Declares it the sense of Congress that Federal income tax forms be simplified and that State and local income tax forms be modeled on the Federal forms.

H. Con. Res. 358. July 23, 1975. International Relations. Reaffirms Congressional approval of legislation requiring agreements which place certain restrictions on the use of defense articles furnished by the United States.

H. Con. Res. 359. July 25, 1975. International Relations. Expresses Congressional objection to the sale to Jordan of certain weapons as proposed by the President.

H. Con. Res. 360. July 25, 1975. International Relations. States that it is the sense of the Congress that the United States Government do nothing to compromise the freedom of the Republic of China.

H. Con. Res. 361. July 25, 1975. International Relations. Declares it the sense of Congress that (1) the United States delegation to the European Security Conference should not agree to the annexation of Estonia, Latvia, and Lithuania by the Soviet Union; and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res. 362. July 25, 1975. International Relations. Expresses Congressional objection to the sale to Jordan of certain weapons as proposed by the President.

H. Con. Res. 363. July 25, 1975. International Relations. Declares it the sense of Congress that the United States should declare its intention to withdraw from membership in the International Labor Organization unless the Organization corrects its political activities and focuses upon the purposes of its charter.

H. Con. Res. 364. July 28, 1975. International Relations. Expresses Congressional objection to the sale to Jordan of certain weapons as proposed by the President.

H. Con. Res. 365. July 28, 1975. International Relations. Requests the President to bring the Baltic States question before the United Nations.

Urges the United States Information Agency and other propaganda agencies to bring this issue to world attention.

Declares it the sense of Congress that the United States delegation to the European Security Conference shall not recognize the Soviet Union's annexation of Estonia, Latvia, and Lithuania.

H. Con. Res. 366. July 28, 1975. House Administration. Directs that the annual report of the Committee on Internal Security, 1974, be printed as a House document.

H. Con. Res. 367. July 29, 1975. International Relations. Declares it the sense of Congress that the President take certain steps in an effort to secure freedom of religious worship within the Union of Soviet Socialist Republics.

H. Con. Res. 368. July 30, 1975. International Relations. Requests the President to bring the Baltic States question before the United Nations.

Urges the United States Information Agency and other propaganda agencies to bring this issue to world attention.

Declares it the sense of Congress that the United States delegation to the European Security Conference shall not recognize the Soviet Union's annexation of Estonia, Latvia, and Lithuania.

H. Con. Res. 369. July 30, 1975. International Relations. Declares it the sense of Congress that the President should (1) initiate negotiations to prevent the resumption of Turkish opium production; and (2) if such negotiations are unsuccessful, terminate assistance to Turkey under the Federal Assistance Act.

H. Con. Res. 370. July 30, 1975. District of Columbia. Expresses Congressional disapproval of the District of Columbia Revenue Act of 1975.

H. Con. Res. 371. July 30, 1975. International Relations. Requests the President to inform foreign countries of certain policy declarations of Congress with respect to arms control, disarmament negotiations, and the proliferation of nuclear weapons material.

H. Con. Res. 372. July 31, 1975. Post Office and Civil Service. Declares it the sense of Congress that a special postage stamp be issued commemorating 200 years of free enterprise in the United States.

H. Con. Res. 373. July 31, 1975. International Relations. Declares it the sense of the Congress that (1) the United States should continue its role in the United Nations; and (2) the President should direct the Department of State to formulate proposals to improve the procedures and effectiveness of the United Nations.

Requests the President to report to certain Congressional committees regarding such proposals.

H. Con. Res. 374. August 1, 1975. International Relations. Declares it the sense of Congress that (1) the United States delegation to the European Security Conference should not agree to the annexation of Estonia, Latvia, and Lithuania by the Soviet Union; and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res. 375. August 1, 1975. International Relations. Declares it the sense of Congress that (1) the United States delegation to the European Security Conference should not agree to the annexation of Estonia, Latvia, and Lithuania by the Soviet Union; and (2) it should remain the policy of the United States not to recognize such annexation.

H. Con. Res. 376. August 1, 1975. Judiciary. Declare it the sense of Congress that the President should appoint a Special Prosecutor and have a grand jury empaneled to investigate possible violations of the Sherman and Clayton Antitrust Acts by certain oil and gas companies.

H. Con. Res. 377. August 1, 1975. Post Office and Civil Service. Declares it the sense of Congress that a special postage stamp be issued commemorating 200 years of free enterprise in the United States.

H. Res. 426. April 28, 1975. Post Office and Civil Service. Honors the Pennsylvania Riflemen of the Revolutionary War.

H. Res. 427. April 29, 1975. House Administration. Authorizes appropriations to be paid from the House of Representatives contingent fund for the expenses of the ad hoc Select Committee on the Outer Continental Shelf.

H. Res. 428. April 30, 1975. House Administration. Authorizes additional expenses from the House contingent fund for the continuation of the business of the House of Representatives during May 1975.

H. Res. 429. April 30, 1975. Designates, and sets the compensation for, the Minority Floor Assistant of the House of Representatives.

H. Res. 430. April 30, 1975. International Relations. Declares it the sense of the House of Representatives that (1) the United States should retain sovereignty and jurisdiction over the Panama Canal Zone and (2) no property or right be surrendered to Panama except as authorized by Congress.

H. Res. 431. April 30, 1975. Education and Labor. Directs the House of Representatives Committee on Education and Labor to investigate the impact on unemployment by motor vehicles manufactured, in whole or in part, outside the United States.

Requires the Secretary of Transportation to investigate possible violations of the Antidumping Act by such manufacturers.

H. Res. 432. April 30, 1975. Rules. Establishes a House select committee to investigate and to study the circumstances surrounding the death of John F. Kennedy.

H. Res. 433. April 30, 1975. Agriculture. Declares it the sense of the House of Representatives that investments in agricultural research and technology be made for the purpose of increasing food production.

H. Res. 434. April 30, 1975. House Administration. Amends the Supplemental Appropriations Act of 1972 to direct that any proposal of the Committee on House Administration to fix or adjust any allowance for Members of the House of Representatives shall not take effect until approved by the House of Representatives.

H. Res. 435. April 30, 1975. House Administration. Revises the student Congressional intern program to allow participation by students of vocational schools in addition to students of colleges, universities, and other institutions of higher learning.

H. Res. 436. May 1, 1975. International Relations. Declares it the sense of the Senate that United States foreign policy not assist the lifting of sanctions against Cuba or its recognition. Declares that any change in foreign policy with respect to Cuba be accomplished with the advice and consent of the Senate.

H. Res. 437. May 1, 1975. Post Office and Civil Service. Declares it the sense of the House that October 9, 1975, be designated as "Norwegian-American Day".

H. Res. 438. May 1, 1975. Rules. Establishes a House select committee to investigate (1) the problem of United States servicemen missing in Southeast Asia, and (2) the need for additional inspection teams to discover if there are servicemen being held as prisoners of war.

H. Res. 439. May 1, 1975. Interstate and Foreign Commerce. Disapproves the proposed amendment by the President, to the Emergency Petroleum Allocation Act of 1973, to remove existing price controls on certain crude oil.

H. Res. 440. May 5, 1975. House Administration. Establishes a John W. McCormack, Senior, Intern Program. Authorizes each Member of the House of Representatives to hire two additional employees for such program.

H. Res. 441. May 6, 1975. Armed Services. Requests the establishment of a Presidential task force on the missing in action and their families (1) to achieve a full accounting, and (2) to make recommendations on Federal policies concerning the missing in action of the Vietnam conflict.

H. Res. 442. May 6, 1975. House Administration. Authorizes certain Members of the House of Representatives to employ one additional staff member to assist such Member, exclusively with responsibilities arising from certain committee service.

H. Res. 443. May 7, 1975. International Relations. Declares it the sense of the House of Representatives that (1) the United States should retain sovereignty and jurisdiction over the Panama Canal Zone, and (2) no property or right be surrendered to Panama except as authorized by Congress.

H. Res. 444. May 7, 1975. Rules. Sets forth the rule for the consideration of H.R. 3902.

H. Res. 445. May 7, 1975. Rules. Sets forth the rule for the consideration of H.R. 5357.

H. Res. 446. May 7, 1975. Rules. Sets forth the rule for the consideration of H.R. 6209.

H. Res. 447. May 8, 1975. House Administration. Requires that fixing or adjusting of allowances of Members of the House of Representatives be approved by the House of Representatives.

H. Res. 448. May 8, 1975. Rules. Creates a House select committee to investigate denials of basic human rights in Southeast Asia by Communist forces.

H. Res. 449. May 8, 1975. International Relations. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

H. Res. 450. May 8, 1975. Rules. Establishes a House select committee to investigate (1) the problem of United States servicemen missing in Southeast Asia, and (2) the need for additional inspection teams to discover if there are servicemen being held as prisoners of war.

H. Res. 451. May 8, 1975. Judiciary. Declares it the sense of the House of Representatives that the President should (1) establish assimilation programs for the refugees from Indochina and (2) ensure that such refugees not settle in disproportionate numbers in one State of the United States or its territories.

H. Res. 452. May 12, 1975. Rules. Amends the Rules of the House of Representatives to require that copies of any bill, resolution, or committee report be available to Members on the floor for at least four hours before it is considered.

H. Res. 453. May 12, 1975. Rules. Amends the Rules of the House of Representatives to require that copies of any bill, resolution, or committee report be available to Members on the floor for at least four hours before it is considered.

H. Res. 454. May 12, 1975. International Relations. Requests the President to express the concern of the United States Government for the safety and freedom of Valentyn Moroz.

H. Res. 455. May 12, 1975. Rules. Creates a House select committee to conduct an investigation and study of the circumstances surrounding the deaths of John F. Kennedy, Robert F. Kennedy, and Martin Luther King, Jr., and the attempted assassination of George Wallace.

H. Res. 456. May 12, 1975. Rules. Creates a House select committee to conduct an investigation and study of the circumstances surrounding the deaths of John F. Kennedy, Robert F. Kennedy, and Martin Luther King, Jr., and the attempted assassination of George Wallace.

H. Res. 457. May 12, 1975. District of Columbia. Declares the sense of Congress with respect to phasing out the use of the Lorton correctional facility by the District of Columbia and the establishment of a community-based system for such facilities.

H. Res. 458. May 13, 1975. Rules. Establishes a House select committee to investigate (1) the problem of United States servicemen missing in Southeast Asia, and (2) the need for additional inspection teams to discover if there are servicemen being held as prisoners of war.

H. Res. 459. May 13, 1975. Judiciary. Declares it the sense of the House of Representatives (1) that the President deserves support in assisting refugees from Vietnam and Cambodia, and (2) that funds should be made available for such efforts.

H. Res. 460. May 13, 1975. Judiciary. Declares it the sense of the House of Representatives (1) that the President deserves support in assisting refugees from Vietnam and Cambodia, and (2) that funds should be made available for such efforts.

H. Res. 461. May 13, 1975. Rules. Sets forth the rule for the consideration of H.R. 6755.

H. Res. 462. May 13, 1975. Rules. Sets forth the rule for the consideration of H.R. 6894.

H. Res. 463. May 14, 1975. International Relations. Declares it the sense of the House of Representatives that (1) the United States should retain sovereignty and jurisdiction over the Panama Canal Zone and (2) no property or right be surrendered to Panama except as authorized by Congress.

H. Res. 464. May 14, 1975. Rules. Amends the Rules of the House of Representatives to require House conferees to conduct business only at conferences open to the public, except where the House of Representatives has voted to close such meeting.

H. Res. 465. May 14, 1975. Rules. Amends the Rules of the House of Representatives to require House conferees to conduct business only at conferences open to the public, except where the House of Representatives has voted to close such meeting.

H. Res. 466. May 14, 1975. Rules. Amends the Rules of the House of Representatives to require House conferees to conduct business only at conferences open to the public, except where the House of Representatives has voted to close such meeting.

H. Res. 467. May 14, 1975. Judiciary. Refers H.R. 6948 to the Chief Commissioner of the Court of Claims.

H. Res. 468. May 14, 1975. Rules. Sets forth the rule for the consideration of H.R. 5727.

H. Res. 469. May 14, 1975. Rules. Sets forth the rule for the consideration of H.R. 6219.

H. Res. 470. May 14, 1975. Rules. Sets forth the rule for the consideration of H.R. 6674.

H. Res. 471. May 15, 1975. Elects Larry Pressler a Member of the Committee on Science and Technology.

H. Res. 472. May 15, 1975. Elects Shirley N. Pettis a Member of the Committee on Interior and Insular Affairs.

H. Res. 473. May 15, 1975. Rules. Amends the Rules on the House of Representatives to prohibit a party caucus or conference from issuing binding instructions on a Member's committee *or floor* votes. Permits a Member so bound to raise a point of order.

H. Res. 474. May 15, 1975. Rules. Amends the Rules of the House of Representatives to prohibit the use of proxy voting in committees.

H. Res. 475. May 15, 1975. Rules. Amends the Rules of the House of Representatives to prohibit suspension of the rules for considering a matter reported from a committee unless the suspension is requested by the chair and ranking minority member of the committee, or a majority of the committee, in open session, with a quorum present, by roll call vote.

H. Res. 476. May 15, 1975. Rules. Authorizes and directs the Speaker of the House of Representatives to implement a plan for audio and video broadcasting of the proceedings of the House of Representatives.

H. Res. 477. May 15, 1975. Rules. Amends the Rules of the House of Representatives (1) to allow any member in committee to demand a roll call vote on any matter; and (2) to require a roll call on any motion to report a bill or resolution of a public character from committee.

H. Res. 478. May 15, 1975. Rules. Amends the Rules of the House of Representatives to require (1) that all House-Senate conferences be open to the public; and (2) that no conference report shall be in order for consideration unless all conference sessions are open.

H. Res. 479. May 15, 1975. Rules. Amends the Rules of the House of Representatives to require that all committee meetings be open to the public, with certain exceptions.

H. Res. 480. May 15, 1975. Rules. Amends the Rules of the House of Representatives to require that the record of committee action be made available to the public, with certain exceptions.

H. Res. 481. May 15, 1975. International Relations. Declares it the sense of the House of Representatives that the President took necessary action with respect to the steamship Mayaguez, and that such action is supported by the House of Representatives.

H. Res. 482. May 19, 1975. Rules. Establishes a House select committee to study all matters relating to United States servicemen missing as a result of military operations in Southeast Asia.

H. Res. 483. May 19, 1975. Rules. Sets forth the rule for the consideration of H. Res. 371.

H. Res. 484. May 19, 1975. Rules. Sets forth the rule for the consideration of H.R. 4925.

H. Res. 485. May 19, 1975. Rules. Sets forth the rule for the consideration of H.R. 5247.

H. Res. 486. May 20, 1975. Rules. Creates a select committee of the House of Representatives to study the ramifications of the United States Supreme Court decisions on abortion.

H. Res. 487. May 20, 1975. International Relations. Declares it the sense of the House of Representatives that: (1) the President assess the famine in Africa and Asia; (2) the President make recommendations to Congress regarding alleviation of this situation; and (3) that the Congress give priority to such recommendations.

H. Res. 488. May 20, 1975. International Relations. Declares it the sense of the House of Representatives that: (1) the President assess the famine in Africa and Asia; (2) the President make recommendations to Congress regarding alleviation of this situation; and (3) that the Congress give priority to such recommendations.

H. Res. 489. May 21, 1975. Rules. Sets forth the rule for the consideration of H.R. 6900.

H. Res. 490. May 21, 1975. Appropriations. Expresses the disapproval by the House of Representatives under the Impoundment Control Act of 1974, of the proposed deferral of budget authority for certain emergency food aid.

H. Res. 491. May 21, 1975. Small Business. Declares the disapproval of the House of Representatives to certain amendments to the rules and regulations of the Small Business Administration with respect to its Business Loan Policy and the allowance of maturation and preparation fees.

H. Res. 492. May 21, 1975. Small Business. Declares the disapproval of the House of Representatives to certain amendments to the rules and regulations of the Small Business Administration with respect to its Business Loan Policy and the allowance of maturation and preparation fees.

H. Res. 493. May 21, 1975. Interstate and Foreign Commerce. Declares it the sense of the Senate that the President submit to Congress a multiagency plan for correcting nursing home abuses.

H. Res. 494. May 21, 1975. Interstate and Foreign Commerce. Declares it the sense of the Senate that the President submit to Congress a multiagency plan for correcting nursing home abuses.

H. Res. 495. May 21, 1975. Rules. Amends the Rules of the House of Representatives to require (1) that all House-Senate conferences be open to the public and (2) that no conference report shall be in order for consideration unless all conference sessions are open.

H. Res. 496. May 21, 1975. Rules. Establishes a select committee to investigate (1) the problem of United States servicemen missing in Southeast Asia, and (2) the need for additional inspection teams to discover if there are servicemen being held as prisoners of war.

H. Res. 497. May 21, 1975. House Administration. Authorizes certain Members of the House of Representatives to employ one additional staff member to assist such Member exclusively with responsibilities arising from certain committee service.

H. Res. 498. May 22, 1975. Rules. Establishes a select committee to investigate and to study the circumstances surrounding the death of John F. Kennedy.

H. Res. 499. May 22, 1975. International Relations. Requests the President to express the concern of the United States Government for the safety and freedom of Valentyn Moroz.

H. Res. 500. May 22, 1975. Rules. Amends the Rules of the House of Representatives to establish a Committee on Internal Security to investigate subversive activities affecting the internal security of the United States.

H. Res. 501. May 22, 1975. Rules. Establishes a select committee to investigate (1) the problem of United States servicemen missing in Southeast Asia, and (2) the need for additional inspection teams to discover if there are servicemen being held as prisoners of war.

H. Res. 502. May 22, 1975. Education and Labor. Charges the United States Employment Service with assisting exclusively the unemployed and disadvantaged. Directs review and amendment of the Wagner-Peyser Act to assist the unemployed.

H. Res. 503. June 3, 1975. House Administration. Creates a senior citizen intern program in the House of Representatives. Authorizes each Member of the House of Representatives to hire two additional employees for such program.

H. Res. 504. June 3, 1975. Rules. Sets forth the rule for the consideration of H.R. 5884.

H. Res. 505. June 3, 1975. Rules. Sets forth the rule for the consideration of H.R. 6860.

H. Res. 506. June 3, 1975. Rules. Sets forth the rule for the consideration of S. 818.

H. Res. 507. June 4, 1975. Elects certain Congressmen members of the Committee on Small Business of the House of Representatives.

H. Res. 508. June 4, 1975. Authorizes Representative John M. Slack, Jr., to appear in response to certain subpoenas.

H. Res. 509. June 4, 1975. Rules. Establishes a House select committee to study all matters relating to United States servicemen missing as a result of military operations in Southeast Asia.

H. Res. 510. June 4, 1975. International Relations. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

H. Res. 511. June 4, 1975. Rules. Sets forth the rule of the consideration of H.R. 6676.

H. Res. 512. June 4, 1975. Rules. Sets forth the rule for the consideration of H.R. 6706.

H. Res. 513. June 4, 1975. Rules. Sets forth the rule for the consideration of H.R. 6799.

H. Res. 514. June 5, 1975. House Administration. Directs the printing of additional copies of the House report entitled, "Authorizing Appropriations, Fiscal Year 1976 and the Period Beginning July 1, 1976, and Ending September 30, 1976, for Military Procurement; Research and Development; Strengths for Active-Duty Military Components, Reserve Components and Civilian Personnel of the Defense Establishment; Military Training Student Loads; and for Other Purposes".

H. Res. 515. June 5, 1975. Judiciary. Refers H.R. 7495 to the chief trial judge of the Court of Claims.

H. Res. 516. June 6, 1975. Rules. Establishes a House select committee to study all matters relating to United States servicemen missing as a result of military operations in Southeast Asia.

H. Res. 517. June 9, 1975. Rules. Amends the Rules of the House of Representatives with respect to the payment of witnesses appearing before the House or any of its committees.

H. Res. 518. June 9, 1975. Rules. Establishes a House select committee to investigate (1) the problem of United States servicemen missing in Southeast Asia, and (2) the need for additional inspection teams to discover if there are servicemen being held as prisoners of war.

H. Res. 519. June 10, 1975. Authorizes the Chief of the United States Capitol Police to respond to a subpoena duces tecum in a certain case before the Superior Court of the District of Columbia.

H. Res. 520. June 10, 1975. Rules. Establishes a House select committee to investigate (1) the problem of United States servicemen missing in Southeast Asia; and (2) the need for additional inspection teams to discover if there are servicemen being held as prisoners of war.

H. Res. 521. June 10, 1975. Rules. Amends the Rules of the House of Representatives to establish a Committee on Internal Security to investigate subversive activities affecting the internal security of the United States.

H. Res. 522. June 10, 1975. Small Business. Declares the disapproval of the House of Representatives to certain amendments to the rules and regulations of the Small Business Administration with respect to its Business Loan Policy and the allowance of maturation and preparation fees.

H. Res. 523. June 10, 1975. International Relations. Requests the President to express the concern of the United States Government for the safety and freedom of Valentyn Moroz.

H. Res. 525. June 10, 1975. Rules. Sets forth the rule for the consideration of H.R. 3884.

H. Res. 525. June 10, 1975. Rules. Sets forth the rule for the consideration of H.R. 5272.

H. Res. 526. June 10, 1975. Rules. Sets forth the rule for consideration of H.R. 5358.

H. Res. 527. June 10, 1975. Rules. Sets forth the rule for the consideration of S. 555.

H. Res. 528. June 11, 1975. International Relations. Requests the President to express the concern of the United States Government for the safety and freedom of Valentyn Moroz.

H. Res. 529. June 11, 1975. Armed Services. Directs the President to furnish the House of Representatives certain information relating to the seizure of the *Mayaguez* and related diplomatic and military events.

H. Res. 530. June 11, 1975. Armed Services. Directs the President to furnish the House of Representatives certain information relating to the seizure of the *Mayaguez* and related diplomatic and military events.

H. Res. 531. June 1, 1975. International Relations. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

H. Res. 532. June 1, 1975. International Relations. Requests the President to express the concern of the United States Government for the safety and freedom of Valentyn Moroz.

H. Res. 533. June 11, 1975. Rules. Sets forth the rule for the consideration of H.R. 7001.

H. Res. 534. June 11, 1975. Rules. Sets forth the rule for the consideration of H.R. 7500.

H. Res. 535. June 11, 1975. Rules. Sets forth the rule for the consideration of H.R. 7545.

H. Res. 536. June 12, 1975. International Relations. Directs the Secretary of State to furnish the House of Representatives certain information relating to the seizure of the *Mayaguez* and related diplomatic events.

H. Res. 537. June 12, 1975. International Relations. Directs the Secretary of State to furnish the House of Representatives certain information relating to the seizure of the *Mayaguez* and related diplomatic events.

H. Res. 538. June 12, 1975. Armed Services. Declares it the sense of the House of

Representatives that the Secretary of State investigate the status of members of the Armed Forces missing in action in Southeast Asia.

H. Res. 539. June 12, 1975. Judiciary. Declares it the sense of the House of Representatives that the Amateur Athletic Union restore the status of amateur athlete to the late Jim Thorpe.

H. Res. 540. June 12, 1975. Judiciary. Refers H.R. 6812 to the Chief Commissioner of the Court of Claims.

H. Res. 541. June 13, 1975. Rules. Sets forth the rule for the consideration of H. Res. 538.

H. Res. 542. June 16, 1975. Armed Services. Directs the President to furnish the House of Representatives with certain information relating to the seizure of the *Mayaguez* and related diplomatic and military events.

H. Res. 543. June 16, 1975. International Relations. Directs the Secretary of State to furnish the House of Representatives certain information relating to the seizure of the *Mayaguez* and related diplomatic events.

H. Res. 544. June 16, 1975. Post Office and Civil Service. Authorizes the President to designate June 23, 1975, as International Ladies' Garment Workers' Union Day.

H. Res. 545. June 16, 1975. Rules. Abolishes the House of Representatives Select Committee on Intelligence.

H. Res. 546. June 16, 1975. Rules. Establishes a House select committee to investigate (1) the problem of United States servicemen missing in Southeast Asia; and (2) the need for additional inspection teams to discover if there are servicemen being held as prisoners of war.

H. Res. 547. June 17, 1975. Judiciary. Impeaches Liam S. Coonam, Special Crime Strike Force Prosecutor for the United States Department of Justice, for alleged high crimes and misdemeanors.

H. Res. 548. June 17, 1975. Rules. Establishes a House select committee to investigate (1) the problem of United States servicemen missing in Southeast Asia; and (2) the need for additional inspection teams to discover if there are servicemen being held as prisoners of war.

H. Res. 549. June 17, 1975. Rules. Sets forth the rule for the consideration of H.R. 4415.

H. Res. 550. June 17, 1975. Rules. Sets forth the rule for the consideration of H.R. 6334.

H. Res. 551. June 17, 1975. Rules. Sets forth the rule for the consideration of H.R. 7567.

H. Res. 552. June 18, 1975. Interior and Insular Affairs. Requests the President to provide the House of Representatives with certain information relating to the sale of Hawk and Redeye missiles to Jordan.

H. Res. 553. June 18, 1975. International Relations. Declares it the sense of the House of Representatives that the ban on military assistance to Turkey remain in effect until Turkish forces are withdrawn from Cyprus and there is a negotiated settlement between the Greek and Turkish Cypriots.

H. Res. 554. June 18, 1975. Rules. Sets forth the rule for the consideration of H.R. 3474.

H. Res. 555. June 18, 1975. Rules. Sets forth the rule for the consideration of H. Con. Res. 292.

H. Res. 556. June 20, 1975. International Relations. Declares it the sense of the House of Representatives that the United States insure compliance with the Paris Agreement and the Lao Patriotic Front agreement, and the President and the Secretary of the State should seek renewal of negotiations to determine the fate of United States servicemen and civilians missing in Southeast Asia.

H. Res. 557. June 20, 1975. Judiciary. Declares it the sense of the House of Representatives that the President request executive departments and agencies to require buildings under their jurisdiction to fly the flag at halfstaff on the last day of each month until the captured and missing in action in Southeast Asia are accounted for.

H. Res. 558. June 20, 1975. Interstate and Foreign Commerce. Urges the United States Railway Association to include in its final system plan the establishment of a Federal administration to acquire, rehabilitate, and maintain the track, roadbed, and fixed facilities of the railroad corporations being reorganized by the Association under the Regional Rail Reorganization Act of 1973.

H. Res. 559. June 20, 1975. Post Office and Civil Service. Requests the President to declare January 22 of each year as Ukrainian Independence Day.

H. Res. 560. June 20, 1975. House Administration. Prohibits Members of the House of Representatives, their employees, and employees of standing and select committees of the House, from being paid or reimbursed for the difference between first-class air travel accommodations and the cost of other air travel accommodations.

H. Res. 561. June 23, 1975. Judiciary. Refers H.R. 7943 to the Chief Commissioner of the Court of Claims.

H. Res. 562. June 23, 1975. Rules. Sets forth the rule for the consideration of H.R. 8030.

H. Res. 563. June 23, 1975. Rules. Waives all points of order against certain portions of H.R. 8070 during consideration of that bill.

H. Res. 564. June 23, 1975. Rules. Waives all points of order against certain portions of H.R. 8121 during consideration of that bill.

H. Res. 565. June 23, 1975. Rules. Sets forth the rule for the consideration of H.R. 8122.

H. Res. 566. June 24, 1975. Rules. Requires, under the Rules of the House of Representatives, the preparation and publication by the Congressional Research Service of a factual description of each bill or resolution of the House of Representatives.

H. Res. 567. June 25, 1975. Rules. Amends the Rules of the House of Representatives to create the Committee on the Environment. Specifies the jurisdiction of the Committee.

H. Res. 568. June 25, 1975. Rules. Amends the Rules of the House of Representatives to require that the Congressional Record of the House of Representatives contain an accurate and verbatim record of remarks on the floor of the House. Authorizes the insertion of other data and material under certain conditions.

H. Res. 569. June 25, 1975. Rules. Amends the Rules of the House of Representatives to require that the Congressional Record of the House of Representatives contain an accurate and verbatim record of remarks on the floor of the House. Authorizes the insertion of other data and material under certain conditions.

H. Res. 570. June 25, 1975. Rules. Amends the Rules of the House of Representatives to require that the Congressional Record of the House of Representatives contain an accurate and verbatim record of remarks on the floor of the House. Authorizes the insertion of other data and material under certain conditions.

H. Res. 571. June 26, 1975. Elects the Honorable John J. McFall Speaker pro tempore during the absence of the Speaker of the House of Representatives.

H. Res. 572. June 26, 1975. Rules. Amends the Rules of the House of Representatives to require that meetings of the Committee on House Administration for the fixing and adjusting of allowances of Members, committees, and employees of the House of Representatives be open to all Members. Permits no such amount determined by such committee to become effective unless approved by the House of Representatives.

H. Res. 573. June 26, 1975. International Relations. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

H. Res. 574. June 26, 1975. Rules. Establishes a House select committee to investigate and to study the circumstances surrounding the death of John F. Kennedy.

H. Res. 575. June 26, 1975. International Relations. Declares it the sense of the House of Representatives that (1) the President assess the famine in Africa and Asia; (2) the President make recommendations to Congress regarding alleviation of this situation; and (3) that the Congress give priority to such recommendations.

H. Res. 576. June 26, 1975. International Relations. Declares it the sense of the House of Representatives that (1) the President assess the famine in Africa and Asia; (2) the President make recommendations to Congress regarding alleviation of this situation; and (3) that the Congress give priority to such recommendations.

H. Res. 577. July 8, 1975. Education and Labor. Directs the House of Representatives Committee on Education and Labor to investigate the impact on unemployment by motor vehicles manufactured, in whole or in part, outside the United States.

Requires the Secretary of Transportation to investigate possible violations of the Antidumping Act by such manufacturers.

H. Res. 578. July 8, 1975. Post Office and Civil Service. Requests the President to declare January 22 of each year as Ukrainian Independence Day.

H. Res. 579. July 8, 1975. Atomic Energy. Declares it the sense of the House of Representatives that the President seek immediate international suspension of the transfer to nonnuclear weapon countries of nuclear enrichment and reprocessing equipment and technology to permit time for the negotiation of additional safeguards against the proliferation of nuclear weapons capability.

H. Res. 580. July 8, 1975. Rules. Establishes a select committee of the House of Representatives to conduct an investigation and study of the alleged gasoline shortage and recent and anticipated price rises in the price of gasoline.

H. Res. 581. July 8, 1975. Rules. Amends the Rules of the House of Representatives to require that the Congressional Record contain a verbatim account of remarks actually delivered on the floor.

H. Res. 582. July 9, 1975. Rules. Amends the Rules of the House of Representatives to prohibit the use of proxy voting in committees.

H. Res. 583. July 9, 1975. Rules. Amends the Rules of the House of Representatives to require House conferees to conduct business only at conferences open to the public, except where the House of Representatives has voted to close such meeting.

H. Res. 584. July 9, 1975. Rules. Sets forth the rule for the consideration of H.R. 5546.

H. Res. 585. July 9, 1975. Rules. Sets forth the rule for the consideration of H.R. 7108.

H. Res. 586. July 9, 1975. Rules. Sets forth the rule for the consideration of HR. 8365.

H. Res. 587. July 10, 1975. House Administration. Prohibits Members of the House of Representtaives, their employers, and employees of standing and select committees of the House, from being paid or reimbursed for the difference between first-class air travel accommodations and the cost of other air travel accommodations.

H. Res. 588. July 10, 1975. House Administration. Prohibits Members of the House of Representatives, their employers, and employees of standing and select committees of the House, from being paid or reimbursed for the difference between first-class air travel accommodations and the cost of other air travel accommodations.

H. Res. 589. July 10, 1975. Judiciary. Refers H.R. 8556 to the Chief Commissioner of the Court of Claims.

H. Res. 590. July 10, 1975. Judiciary. Refers H.R. 8163 to the Chief Commissioner of the Court of Claims.

H. Res. 591. July 11, 1975. Rules. Establishes the House Select Committee on Intelligence to study the intelligence community of the Federal Government.

H. Res. 592. July 11, 1975. International Relations. Requests the President to express the concern of the United States Government for the safety and freedom of Valentyn Moroz.

H. Res. 593. July 11, 1975. Rules. Creates a House select committee to conduct an investigation and study of the circumstances surrounding the deaths of John F. Kennedy, Robert F. Kennedy, and Martin Luther King, Jr., and the attempted assassination of George Wallace.

H. Res. 594. July 11, 1975. House Administration. Creates a senior citizen intern program in the House of Representatives. Authorizes each Member of the House of Representative to hire two additional employees for such program.

H. Res. 595. July 11, 1975. Rules. Waives certain points of order during the consideration of portions of H.R. 8561.

H. Res. 596. July 11, 1975. Rules. Sets forth the rule for the consideration of H. Res. 591.

H. Res. 597. July 14, 1975. Permits the United States Capitol Historical Society to take official photographs of the House of Representatives while in session.

H. Res. 598. July 14, 1975. Rules. Establishes a House select committee to investigate (1) the problem of United States servicemen missing in Southeast Asia, and (2) the need for additional inspection teams to discover if there are servicemen being held as prisoners of war.

H. Res. 599. July 14, 1975. Rules. Sets forth the rule for the consideration of H.R. 7014.

H. Res. 600. July 14, 1975. Rules. Waives certain points of order during the consideration of portions of H.R. 8597.

H. Res. 601. July 15, 1975. Rules. Sets forth the rule for the consideration of H.R. 5210.

H. Res. 602. July 15, 1975. Rules. Sets forth the rule for the consideration of H.R. 5328.

H. Res. 603. July 15, 1975. Rules. Sets forth the rule for the consideration of H.R. 6673.

H. Res. 604. July 16, 1975. Interstate and Foreign Commerce. Disapproves the proposed amendment by the President, to the Emergency Petroleum Allocation Act of 1973, to remove existing price controls on certain crude oil.

H. Res. 605. July 17, 1975. Interstate and Foreign Commerce. Disapproves the proposed amendment by the President, to the Emergency Petroleum Allocation Act of 1973, to romeve existing price controls on certain crude oil.

H. Res. 606. July 18, 1975. Rules. Establishes a House select committee to investigate (1) the problem of United States servicemen missing in Southeast Asia, and (2) the need for additional inspection teams to discover if there are servicemen being held as prisoners of war.

H. Res. 607. July 18, 1975. International Relations. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

H. Res. 608. July 18, 1975. Ways and Means. Declares that the Senate intends that the individual income tax rebate of the Tax Reduction Act of 1975 (1) is not subject to State income tax; (2) does not reduce the taxpayer's Federal income pay liability for 1974; and (3) does not constitute income to the taxpayer.

H. Res. 609. July 18, 1975. International Relations. Declares it the sense of the House of Representatives that the President seek immediate international suspension of the transfer to nonnuclear weapon countries of nuclear enrichment and reprocessing equipment and technology to permit time for the negotiation of additional safeguards against the proliferation of nuclear weapons capability.

H. Res. 610. July 18, 1975. Rules. Establishes a House select committee to investigate (1) the problem of United States servicemen missing in Southeast Asia, and (2) the need for additional inspection teams to discover if there are servicemen being held as prisoners of war.

H. Res. 611. July 18, 1975. Rules. Establishes a House select committee to investigate (1) the problem of United States servicemen missing in Southeast Asia, and (2) the need for additional inspection teams to discover if there are servicemen being held as prisoners of war.

H. Res. 612. July 18, 1975. Rules. Establishes a House select committee to investigate (1) the problem of United States servicemen missing in Southeast Asia, and (2) the need for additional inspection teams to discover if there are servicemen being held as prisoners of war.

H. Res. 613. July 18, 1975. Rules. Sets forth the rule for the consideration of H. Res. 605.

H. Res. 614. July 18, 1975. Rules. Sets forth the rule for the consideration of H.R. 7217.

H. Res. 615. July 21, 1975. International Relations. Expresses the disapproval of the House of Representatives of the attempts to expel Israel from the United Nations. Declares that in the event that Israel is expelled the House of Representatives will (1) review present United States' commitments to nations involved in the expulsion; and (2) consider the implications of continuing United States membership in the United Nations.

H. Res. 616. July 21, 1975. Rules. Establishes a House select committee to investigate (1) the problem of United States servicemen missing in Southeast Asia, and (2) the need for additional inspection teams to discover if there are servicemen being held as prisoners of war.

H. Res. 617. July 21, 1975. Rules. Establishes a House select committee to investigate (1) the problem of United States servicemen missing in Southeast Asia, and (2) the need for additional inspection teams to discover if there are servicemen being held as prisoners of war.

H. Res. 618. July 22, 1975. Rules. Establishes a House select committee to investigate (1) the problem of United States servicemen missing in Southeast Asia, and (2) the need for additional inspection teams to discover if there are servicemen being held as prisoners of war.

H. Res. 619. July 22, 1975. Rules. Creates a Select Committee on Energy to review proposed energy legislation and to report a bill to the House of Representatives designed to make the United States self-sufficient with respect to the development, use, and control of all forms of energy.

H. Res. 620. July 22, 1975. Rules. Amends the Rules of the House of Representatives to establish a Select Committee on Energy to conduct studies of development, application, use, and control of all forms of energy.

H. Res. 621. July 22, 1975. Public Works and Transportation. Directs the Architect of the Capitol to study the feasibility of using solar energy for the heating, cooling, water, and electrical systems of the Cannon, Longworth, and Rayburn House Office Buildings.

H. Res. 622. July 22, 1975. International Relations. Declares it the sense of the House of Representatives that the ban on military assistance to Turkey remain in effect until Turkish forces are withdrawn from Cyprus and there is a negotiated settlement between the Greek and Turkish Cypriots.

H. Res. 623. July 22, 1975. Rules. Sets forth the rule for the consideration of H.R. 4699.

H. Res. 624. July 22, 1975. Rules. Sets forth the rule for the consideration of H.R. 6844.

H. Res. 625. July 22, 1975. Rules. Sets forth the rule for the consideration of H.R. 8773.

H. Res. 626. July 22, 1975. Rules. Sets forth the rule for the consideration of S. 846.

H. Res. 627. July 23, 1975. Rules. Amends the Rules of the House of Representatives to require House conferees to conduct business only at conferences open to the public, except where the House of Representatives has voted to close such meeting.

H. Res. 628. August 23, 1975. Rules. Amends the Rules of the House of Representatives to require House conferees to conduct business only at conferences open to the public, except where the House of Representatives has vited to close such meeting.

H. Res. 629. August 23, 1975. Public Works and Transportation. Directs the Architect of the Capitol to study the feasibility of using solar energy for the heating, cooling, water, and electrical systems of the Cannon, Longworth, and Rayburn House Office Buildings.

H. Res. 630. August 23, 1975. Rules. Amends the Rules of the House of Representatives to require that the Congressional Record contain a verbatim account of remarks actually delivered on the floor.

H. Res. 631. August 23, 1975. Rules. Sets forth the rule for the consideration of H.R. 5900.

H. Res. 632. August 23, 1975. Rules. Sets for the consideration of S. 1849 by the House of Representatives.

H. Res. 633. August 24, 1975. International Relations. Expresses the disapproval of the United States of the attempts to expel Israel from the United Nations. Declares that in the event that Israel is expelled the Senate will (1) review present United States' commitments to the nations involved in the expulsion; and (2) consider implications of continuing United States membership in the United Nations.

H. Res. 634. August 24, 1975. Rules. Amends the Rules of the House of Representatives to require that meetings of the Committee and adjusting of allowances of Members, committees, and employees of the House of Representatives be open to all Members. Permits no such amount determined by such committee to become effective unless approved by the House of Representatives.

H. Res. 635. August 24, 1975. International Relations. Expresses the disapproval of the United States of the attempts to expel Israel from the United Nations. Declares that in the event that Israel is expelled the Senate will consider implications of continuing United States membership in the United Nations.

H. Res. 636. July 24, 1975. International Relations. Declares it the sense of the House of Representatives that the President, before expressing the agreement of the United States to any statement of principles produced by the Conference on Security and Cooperation in Europe, should seek guarantees for unhampered movements of persons, information, and ideas among the nations party to such statement.

H. Res. 637. July 24, 1975. House Administration. Prohibits Members of the House of Rperesentatives, their employers, and employees of standing and select committees of the House, from being paid or reimbursed for the difference between first-class air travel accommodations and the cost of other air travel accommodations.

H. Res. 638. July 25, 1975. Interstate and Foreign Commerce. Disapproves the proposed amendment by the President, to the Emergency Petroleum Allocation Act of 1973, to remove existing price controls on certain crude oil.

H. Res. 639. July 25, 1975. Judiciary. Refers H.R. 8595 to the Chief Commissioner of the Court of Claims.

H. Res. 640. July 25, 1975. Rules. Stipulates that the Senate amendments to H.R. 6219 are agreed to by the House of Representatives.

H. Res. 641. July 28, 1975. Interstate and Foreign Commerce. Disapproves the proposed amendment by the President, to the Emergency Petroleum Allocation Act of 1973, to remove existing price controls on certain crude oil.

H. Res. 642. July 28, 1975. Rules. Creates a Select Committee on Energy to review proposed energy legislation and to report a bill to the House of Representatives designed to make the United States self-sufficient with respect to the development, use, and control of all forms of energy.

H. Res. 643. July 28, 1975. Rules. Amends the Rules of the House of Representatives to prohibit the use of proxy voting in committees.

H. Res. 644. July 28, 1975. Rules. Amends the Rules of the House of Representatives to prohibit the use of proxy voting in committees.

H. Res. 645. July 29, 1975. Increases the annual rate of compensation for certain supervisory personnel of the Press Gallery of the House of Representatives.

H. Res. 646. July 29, 1975. Post Office and Civil Service. Requests the President to declare January 22 of each year Ukrainian Independence Day.

H. Res. 647. July 29, 1975. Judiciary. Impeaches Richard M. Helms, Ambassador to Iran, for high crimes and misdemeanors.

H. Res. 648. July 29, 1975. Post Office and Civil Service. Requests the President to declare January 22 of each year Ukrainian Independence Day.

H. Res. 649. July 29, 1975. Sets forth certain procedures for further consideration of H.R. 7014 and S. 622.

H. Res. 650. July 29, 1975. Sets forth the rule for consideration of H.R. 8731.

H. Res. 651. July 29, 1975. Sets forth the rule for the consideration of H. Res. 641.

H. Res. 652. July 29, 1975. Sets forth the rule for the consideration of H. Con. Res. 198.

H. Res. 653. July 30, 1975. Rules. Accepts Senate amendments to H.R. 2559.

H. Res. 654. July 30, 1975. Rules. Sets forth the rule for the consideration of H.R. 4723.

H. Res. 655. July 30, 1975. Appropriations. Expresses the disapproval of the House of Representatives to budget deferral D76-42 as proposed by the President on July 25, 1975.

H. Res. 656. July 30, 1975. Appropriations. Expresses the disapproval of the House of Representatives of deferral D76-43 as proposed by the President on July 25, 1975.

H. Res. 657. July 30, 1975. Appropriations. Expresses the disapproval of the House of Representatives of deferral D76-44 as proposed by the President on July 25, 1975.

H. Res. 658. July 30, 1975. Public Works and Transportation. Directs the Architect of the Capitol to study the feasibility of using solar energy for the heating, cooling, water, and electrical systems of the Cannon, Longworth, and Rayburn House Office Buildings.

H. Res. 659. July 30, 1975. Public Works and Transporttaion. Directs the Arcihtect of the Capitol to study the feasibility of using solar energy for the heating, cooling, water, and electrical systems of the Cannon, Longworth, and Rayburn House Office Buildings.

H. Res. 660. July 30, 1975. Rules. Establishes a House select committee to investigate (1) the problem of United States servicemen missing in Southeast Asia; and (2) the need for additional inspection teams to discover if there are servicemen being held as prisoners of war.

H. Res. 661. July 30, 1975. International Relations. Terminates funds used to aid India, except those to operate the Embassy and consular offices of the United States, until the President certifies that liberties and civil rights existing before June 26, 1975, have been restored by the Government of India.

H. Res. 662. July 30, 1975. Judiciary. Refers H.R. 9027 to the Chief Commissioner of the United States Court of Claims.

H. Res. 663. July 31, 1975. Authorizes the Clerk of the House of Representatives to appear before a grand jury with certain documents.

H. Res. 664. July 31, 1975. Rules. Amends the Rules of the House of Representatives to allow Members to hire additional staff to assist in duties arising from committee membership.

H. Res. 665. July 31, 1975. International Relations. Declares it the sense of the House of Representatives that the United States should continue existing limitations on diplomatic and economic relations with Cuba.

H. Res. 666. July 31, 1975. Rules. Directs the Committee on Rules to elect a temporary chairman and consider special orders of business on a specified date.

H. Res. 667. August 1, 1975. Directs the printing of "China: One Step Further Toward Normalization" as a House document.

H. Res. 668. August 1, 1975. Post Office and Civil Service. Requests the President to declare January 22 of each year as Ukranian Independence Day.

H. Res. 669. August 1, 1975. Rules. Establishes a House select committee to investigate and to study the circumstances surrounding the death of John F. Kennedy.

H. Res. 670. August 1, 1975. Rules. Amends the Rules of the House of Representatives to establish a Select Committee on Energy to conduct studies of development, application, use, and control of all forms of energy.

H. Res. 671. August 1, 1975. Interstate and Foreign Commerce. Urges the United States Railway Association to include in its final system plan the establishment of a Federal administration to acquire, rehabilitate, and maintain the track, roadbed, and fixed facilities of the railroad corporations being reorganized by the Association under the Regional Rail Reorganization Act of 1973.

H. Res. 672. August 1, 1975. Rules. Establishes a House select committee to investigate (1) the problem of United States servicemen missing in Southeast Asia; and (2) the need for additional inspection teams to discover if there are servicemen being held as prisoners of war.

H. Res. 673. August 1, 1975. International Relations. Expresses the disapproval of the United States of the attempts to expel Israel from the United Nations. Declares that in the event that Israel is expelled the Senate will consider implications of continuing United States membership in the United Nations.

H. Res. 674. August 1, 1975. International Relations. Expresses the disapproval of the United States of the attempts to expel Israel from the United Nations. Declares that in the event that Israel is expelled the Senate will consider implications of continuing United States membership in the United Nations.

H. Res. 675. August 1, 1975. International Relations. Expresses the disapproval of the United States of the attempts to expel Israel from the United Nations. Declares that in the event that Israel is expelled the Senate will consider implications of continuing United States membership in the United Nations.

H. Res. 676. August 1, 1975. International Relations. Expresses the disapproval of the United States of the attempts to expel Israel from the United Nations. Declares that in the event that Israel is expelled the Senate will consider implications of continuing United States membership in the United Nations.

H. Res. 677. August 1, 1975. International Relations. Expresses the disapproval of the United States of the attempts to expel Israel from the United Nations. Declares that in the event that Israel is expelled the Senate will consider implications of continuing United States membership in the United Nations.

H. Res. 678. August 1, 1975. International Relations. Expresses the disapproval of the United States of the attempts to expel Israel from the United Nations. Declares that in the event that Israel is expelled the Senate will consider implications of continuing United States membership in the United Nations.

H. Res. 679. August 1, 1975. International Relations. Expresses the disapproval of the United States of the attempts to expel Israel from the United Nations. Declares that in the event that Israel is expelled the Senate will consider implications of continuing United States membership in the United Nations.

H. Res. 680. August 1, 1975. International Relations. Expresses the disapproval of the United States of the attempts to expel Israel from the United Nations. Declares that in the event that Israel is expelled the Senate will consider implications of continuing United States membership in the United Nations.

H. Res. 681. August 1, 1975. International Relations. Expresses the disapproval of the United States of the attempts to expel Israel from the United Nations. Declares that in the event that Israel is expelled the Senate will consider implications of continuing United States membership in the United Nations.

H. Res. 682. August 1, 1975. International Relations. Expresses the disapproval of the United States of the attempts to expel Israel from the United Nations. Declares that in the event that Israel is expelled the Senate will consider implications of continuing United States membership in the United Nations.

H. Res. 683. August 1, 1975. Public Works and Transportation. Directs the Architect of the Capitol to study the feasibility of using solar energy for the heating, cooling, water, and electrical systems of the Cannon, Longworth, and Rayburn House Office Buildings.

H. Res. 684. August 1, 1975. House Administration. Prohibits Members of the House of Representatives, their employers, and employees of standing and select committees of the House, from being paid or reimbursed for the differences between first-class air travel accommodations and the cost of other air travel accommodations.

H. Res. 685. August 1, 1975, House Administration. Prohibits Members of the House of Representatives, their employers, and employees of standing and select committees of the House, from being paid or reimbursed for the difference between first-class air travel accommodations and the cost of other air travel accommodations.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

216. By the **SPEAKER**: Petition of the National Sorority of Phi Delta Kappa, Inc., Montgomery Ala., relative to health care; to the Committee on Interstate and Foreign Commerce.

217. Also, petition of Hormoz Fattahi, Ames, Iowa, relative to redress of grievances; to the Committee on the Judiciary.

218. Also, petition of John Tarkowski, Wauconda, Ill., relative to redress of grievances; to the Committee on the Judiciary.

SENATE—*Tuesday, September 9, 1975*

The Senate met at 11:30 a.m. and was called to order by Hon. Wendell H. Ford, a Senator from the State of Kentucky.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal Father,

"May the words of our mouths and the meditations of our hearts be acceptable in Thy sight, O Lord, our Strength and our Redeemer."

To Thy merciful care we commend this Nation and to the guidance of Thy spirit we commit all who serve in its government. In troubled times, fraught with danger and heavy with human need, be with all who make the laws, all who execute the laws, and all who enforce the laws. Direct our steps, guard us from evil and support us in all wise decisions. Sustain our efforts this day that we may meet its demands with joy, its difficulties with gratitude, its doubts with a faith no darkness can diminish. Aware of Thy pervading presence may we be faithful in our high trust ever proclaiming:

The Lord is my light and my salvation; the Lord is the strength of my life; of whom shall I be afraid?—Psalms 27:1.

Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. Eastland).

The legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, D.C., September 9, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. Wendell H. Ford, a Senator from the State of Kentucky, to perform the duties of the Chair during my absence.

James O. Eastland,
President pro tempore.

Mr. FORD thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, September 8, 1975, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. The Senator from Pennsylvania is recognized.

Mr. HUGH SCOTT. Mr. President, I yield back my time.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Hawaii (Mr. Fong) is recognized for not to exceed 15 minutes.

REFUTATION OF FURTHER FALSE AND MISLEADING CHARGES ON PATENT LEGISLATION

Mr. FONG. Mr. President, on June 24 I refuted in this body the first of three columns containing false and misleading charges by columnists Jack Anderson and Les Whitten against my patent reform legislation. Today, I arise to refute the second column which appeared in the Washington Post on Friday, August 1, the same day that Congress adjourned for the entire month of August.

On August 5, I issued a full refutation of their false and misleading charges in a statement submitted to the Honolulu Star-Bulletin in Hawaii. Unfortunately, only a portion of my response was printed. Unfortunately, also, like all answers to charges of syndicated news columnists, my reply did not receive the same coverage and circulation as the Anderson-Whitten allegations against me.

Therefore, now that Congress has reconvened, I shall refute in the Senate, the only national forum available to me, the charges made against me in their second column. Limited though the circulation of the Congressional Record is, nevertheless it provides a permanent record of my refutation of their false and misleading charges.

On Sunday, September 7, in a third column, I was again attacked on the same patent legislation. I am preparing my refutation to this latest attack which I will submit to the Senate in a few days.

Mr. President, their August 1 column was the second time within 2 weeks that Jack Anderson and Les Whitten accused me of "fronting for the patent lobby." Their accusation was totally false when first made in June and it is still totally false today.

The gist of their first accusation was that I was a "water carrier" for the "patent lobby" and was pushing legislation to give certain industries "antitrust exemptions." These industries would then have a patent monopoly to reap billions at the expense of the consumers, they charged.

On June 24, I submitted in the Senate my statement of refutation that the charge was false, as neither of the two patent bills I have introduced contained any antitrust exemptions.

I ask unanimous consent that my statement of June 24 be printed at this point in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

The Need for Patent Reform

Mr. Fong. Mr. President, I rise to correct the false and grossly misleading statements printed in the Washington Post yesterday in a column under the byline of Jack Anderson and Les Whitten.

Under a subhead "Patent Lobby," there are five sentences. Only one is factually correct—an accuracy score of 20 percent, pretty low for cub reporters, much less for experienced reporters.

The first two sentences charge as follows:

"In the past, the patent lobby has been defeated in its efforts to gain antitrust exemptions that would cost the consumers billions. Now the lobbyists have found a new water carrier, Sen. Hiram Fong."

The truth is, Mr. President, neither of the two patent bills I have introduced contained any "antitrust exemptions." Furthermore, I voted against so-called antitrust exemptions when this matter arose in the Senate Judiciary Committee deliberations in 1971. There has been no other vote on this matter since that date.

These facts as I have given them could easily have been checked by Anderson and Whitten. Both of my bills were printed in full in the Congressional Record, together with a section-by-section analysis. The provisions of my bill and my explanation have been available for public scrutiny for months, and such scrutiny shows there are no provisions whatsoever for antitrust exemptions.

My vote in the Judiciary Committee against antitrust exemption could have been ascertained by checking with the committee or with me.

Neither Anderson nor Whitten contacted me on this matter.

The Anderson-Whitten column stated in the next two sentences:

"He is pushing legislation that would give certain industries billions by letting them use patent monopolies to raise prices, corner markets and partition sales territories.

"One company that would profit from the legislation is Monsanto."

These statements are totally false for my legislation does not contain any antitrust exemptions, as I have already explained. Furthermore, many large companies prefer present law over all of the pending patent bills, including mine, because all bills call for brand-new governmental maintenance fees ranging from $2,000, as in my bill, to higher amounts as in other bills, when the term of a patent has begun.

Rather than favoring large companies like Monsanto, my bill was deliberately designed to help the small inventor.

First. Present law gives big companies tremendous power over small inventors by challenging a patent in court where a small inventor, faced with $10,000 or more in court costs, is unable to afford a defense of his patent.

My bill would substantially curtail and eliminate such harassment of small inventors by providing a new procedure where company challenges would be handled by the Patent Office before the company could go to court.

My bill would force the company to disclose the company's prior art—patents and publications—to the Patent Office before the company can go to court and challenge the small inventors. Thus, the challenge could be resolved by the Patent Office, thereby averting the necessity for a small inventor to defend his patent in court at a minimum cost of $10,000.

Second. My bill would allow a small inventor to challenge the patent of another inventor, even a large company, for only $75, compared with the minimum of $10,000 it costs now under present law to go into Federal district court to challenge someone else's patent.

So for only $75 and the submission of prior art—patents or prior publications—to the Patent Office, anyone can cause the Patent Office to reexamine the patent which is challenged. The Patent Office would then make a new decision on its patentability in light of the new evidence submitted.

Third. My bill is the only pending bill that would protect the small inventor from escalating maintenance fees and the added costs of running the Patent Office. My bill would limit maintenance fees—not more than $300 the 7th year, not more than $600 the 10th year, and not more than $1,000 the 13th year—total $2,000. Other bills direct the Patent Commissioner to escalate fees and charges anytime to reflect 50 percent of the costs of running the Patent Office. My bill is the only bill that would not saddle inventors with 50 percent of the cost of running the Patent Office.

According to U.S. Patent Office estimates, my bill would add only $3.3 million to its operating costs, whereas other pending patent bills would add $18 million to $40 million—nearly 600 to 1200 percent more than my bill. Inventors would pay half of the $18–$40 million under these other bills.

Only the last sentence in the "Patent Lobby" item is correct,

"The Senate aide who helped Fong draft the measure is Robert Seto, once a patent lawyer for Monsanto."

I reject vigorously the implication that Mr. Seto's loyalties are still with Monsanto, where he was the most junior of about 60 patent attorneys and where he was employed only a year and a half. I believe Mr. Seto is deeply interested in protecting the public interest in our Nation's patent disclosure system and at the same time in protecting the rights of inventors, particularly small inventors.

Patent law is one of two highly specialized fields of law. The other is admiralty law. In such technical fields it is necessary to seek counsel of persons knowledgeable and skilled in these fields. In addition to Mr. Seto, I have had the advice and counsel of Government officials, my colleagues in the Senate, patent attorneys, and inventors with experience not only in the United States but abroad as well. When I introduced my first patent bill last December, I invited any interested persons to offer comments and suggestions. I extended the same invitation when I introduced my second patent bill last January. Both times I put into the Congressional Record the text of the bill, my analysis, and my invitation for comments. Many ideas and criticisms were submitted and I have incorporated some of these in my second bill and amendments.

In summary, my bill conforms most closely with existing law and is deliberately drafted to protect small inventors and to keep patent fees reasonable and fair. My bill offers the most incentive for inventors to come forward and put their inventions into the public domain rather than to offer them for the exclusive secret use of a particular company. It is regrettable that Anderson and Whitten with incorrect statements and gross allegations have sought to smear my efforts to improve the U.S. patent system.

Mr. FONG. Anderson and Whitten, having been caught lying in their first column on the antitrust and monopoly charge, next attacked me by saying that a memo written by my legislative aide, Robert Seto, shows that my patent bill "had been written by the patent lobby."

To date, they have not retracted their original false accusation which in my statement I showed to be totally erroneous.

On the contrary, in their dishonesty, they shifted their attack, trying and hoping to give credibility to their original false accusations. To try to deceive readers is dishonest journalism.

Even the very premise on which they base their attacks on me is erroneous. They built a strawman. They called it the "patent lobby," an evil-sounding phrase. Then they said I was the "water carrier" for it.

There is no such thing as "the patent lobby." Anyone who knows anything about patent law knows many diverse parties are involved whose interests are diametrically opposed to each other.

There are small individual inventors and company inventors, including corporate inventors. There are patent lawyers who attack patents, patent lawyers who defend patents, and patent lawyers who do both. There are bar associations, patent law associations, and trade associations, and they disagree with each other on patent legislation.

Representing the public interest is the U.S. Patent Office, which has its own views on how patent law should be written and administered to carry out the authority the Constitution grants to Congress to:

> Promote the Progress of Science and useful Arts, by securing for limited Times to . . . Inventors the exclusive Right to their . . . Discoveries.

Judging from the testimony before the Senate Subcommittee on Patents, Trademarks, and Copyrights, on which I serve, and judging from the voluminous mail I have received from the various parties interested in patent law, there is sharp disagreement among the parties on what patent legislation should contain and what patent procedures should be involved.

So the Anderson-Whitten propaganda that there is a monolithic patent lobby is untruthful.

Now let me analyze the Anderson-Whitten column of August 1.

Sentence 1 accurately reports that I termed "totally false" their June accusation.

Their second sentence is false:

> Yet on June 2, his patent aide, Robert Seto, confided in a memo that Fong's patent bill had been written by the patent lobby.

Nowhere in Mr. Seto's June 2 memorandum did he say my patent bill—which is numbered S. 214—"had been written by the patent lobby."

Not only did Anderson-Whitten misrepresent the Seto memorandum, but they again raised the specter of their strawman, the "patent lobby," to try to influence their readers against me.

Actually, the June 2 memo discussed amendments I was proposing to an entirely different bill, S. 23, introduced by Chairman John McClellan of the Patent Subcommittee.

Although the memo did not say so, the facts are that about half of my amendments were provisions from existing law, which I sought to retain in the law by adding them to S. 23. Some other amendments were from new provisions I had written months earlier into my bill, S. 214. Still others were taken from recommendations in letters I received commenting on S. 23 or S. 214.

In introducing S. 214, I had invited public comments, criticisms, and suggestions. I received approximately a hundred letters from individual inventors or lawyers representing individual inventors attacking or defending patents, 50 letters from companies and 20 letters from bar associations.

From the veritable smorgasbord of differing amendments suggested to me, I selected only those amendments which I believed were proper and in the national interest.

The third Anderson-Whitten sentence consists of a partial quotation from Mr. Seto's memo, from which Anderson-Whitten deleted certain material words and to which they added prejudicial words—making the quotation grossly misleading. The misleading impact is magnified by the fact that most readers are not aware that the various organizations cited hold sharply differing views.

As printed, Anderson-Whitten misquoted from Mr. Seto's memo in their third sentence, which appeared as follows:

> "The actual wordings essentially are from papers submitted to me by such organizations as the American Patent Law Association, the American Bar Association . . . and by members of various industry-dominated patent committees, PPG (Pittsburgh Plate Glass) industries and others who submitted papers and/or letters," *wrote Seto.*

Instead of quoting Mr. Seto exactly, Anderson and Whitten did their editing within the quotation, inserting—without advising readers—their own words "industry dominated" in an obvious effort to influence an adverse reaction. By editing within the quotation, Anderson-Whitten led readers to believe the entire quotation is Seto's language, which it is not.

Here again is another instance of inaccurate and misleading journalism by Anderson-Whitten.

What Mr. Seto actually wrote reads as follows:

> The actual wordings essentially are from papers submitted to me by such organizations as APLA, ABA, Bar Association District of Columbia and by members of various patent law committees, PPG industries and others who submitted papers and/or letters.

These papers and letters were not uniform by any stretch of the imagination as to what patent legislation should contain.

Among the hundreds of suggestions I received, I selected as amendments to S. 23 only those which conformed to my belief, first, that we should not tinker unduly with our Nation's present voluntary disclosure, patent incentive inventive system, which has worked remarkably well; second, that amendments should encourage disclosure of inventions; and third, that small inventors should have simpler, less expensive means of defending their patents than at present.

Bearing in mind that more than 100,000 patent applications are filed each year, if Congress alters present patent law radically, we could well trigger a flood of litigation and stifle progress while the courts endeavor to interpret a new law.

The Anderson-Whitten fourth sentence is also false and it states as follows:

> In other words, the Fong amendments were written by patent lawyers and the industries they serve.

Of my 34 amendments to S. 23 which were the subject of the Seto memo, about half were provisions from existing law, thus written and approved by past Congresses. Some amendments were new provisions I included months earlier in my bill, S. 214, such as the requirements for maintenance fees over the life of a patent. Rather than being written by "patent lawyers and the industries they serve," the maintenance fees in my amendments are strongly opposed by all the diverse parties interested in patent law.

The remaining amendments were taken from suggestions written to me in the letters from bar associations, trade associations, from companies, and from individual inventors or lawyers representing individual inventors.

The fifth Anderson-Whitten sentence is grossly misleading.

> Among the corporations that contributed their views were Phillips Petroleum, Westinghouse, Dow Chemical, and Allis-Chalmers, to name a few.

No company except PPG—Pittsburgh Plate Glass—was mentioned in Seto's June 2 memo, and it was listed as one of the various kinds of entities who suggested amendments for my consideration. Yet of the 50 letters I received from companies, small as well as large, Anderson-Whitten close to name only 4 large corporations, ignoring 46 other companies. That is a blatant attempt to link my patent stand only to big corporations.

Meantime, they totally ignored 20 letters from bar associations and some 100 letters I received from individual inventors or attorneys representing individual inventors. They ignored my important amendments in behalf of small inventors.

For example, I tried to amend S. 23 with provisions of my patent bill, S. 214, which would allow the Patent Office to resolve disputes involving patent challenges. This would be a boon to small inventors who, for the nominal cost of $75 could then defend their own patent or challenge a patent of a large company. Under present law, this would cost small inventors at least $10,000 to fight their case in court.

Our Constitution guarantees the people the right to petition the Congress for redress of their grievances. In our highly industrialized, technological nation, certainly companies also have a right to express their views—and Members of Congress to receive their views—without intimidation by biased, uninformed columnists, particularly on such fundamental legislation as patent law. America has made progress by leaps and bounds through discoveries, inventions, and innovations—by building a better mousetrap, so to speak—and our patent system has been instrumental in that progress.

The sixth Anderson-Whitten sentence is false:

> All would profit from Fong's bill.

There is no basis in fact for this smear. On the contrary, my bill, like every other patent bill pending before our subcommittee, would impose additional costs and additional procedures on patent applicants and patent holders. Higher costs eat into profits.

Yet of all the pending patent bills, mine (S. 214) would impose the least added costs, according to estimates of the U.S. Patent Office. Even so, my bill will cost industry millions of dollars, as they file more than 50,000 patents a year and the maintenance fees in my bill will cost $2,000 per life of each patent granted.

The seventh Anderson-Whitten sentence is also totally false:

> Fong's six-page attack on us on the Senate floor is full of falsehoods and distortions.

The truthfulness of my six-page rebuttal to their first muckraking article still stands today. Instead of admitting their errors, Anderson-Whitten compounded their erroneous reporting in their August 1 column. Yes, there should be honesty, not only in politics, but in all occupations, including syndicated news reporting.

In conclusion, Mr. President, I ask unanimous consent that the following letters, copy of a letter, and a newsletter I have received regarding the Anderson-Whitten charges be printed in full at this point in the Record.

There being no objection, the letters were ordered to be printed in the Record, as follows:

PATENT REVISION LEGISLATION
AUGUST 6, 1975.

Hon. HIRAM L. FONG,
U.S. Senate,
Washington, D.C.

DEAR SENATOR FONG: The Council of the Patent, Trademark and Copyright Law Section of the Bar Association of the District of Columbia was very much concerned by the inaccuracy of the columns written by Jack Anderson and Les Whitten which appeared in *The Washington Post* on June 23 and August 1, 1975. We have, accordingly, written to the editor and enclose a copy of our letter. Unfortunately, only Mr. Anderson can reach his broad audience and rectify the wholly unwarranted attack on you and Mr. Seto.

On behalf of the Council, may I express our appreciation for the thoughtful consideration you and your staff have given to this complex problem.

Yours very truly,
HELEN W. NIES.

PATENT REVISION LEGISLATION
AUGUST 6, 1975.

The Washington Post,
Washington, D.C.

DEAR EDITOR: The Patent, Trademark and Copyright Law Section of the Bar Association of the District of Columbia is an organization of approximately 300 lawyers in private and corporate practice and government service. Our members represent the interests of individual inventors, large and small corporations, educational institutions, patent owners, patent opponents, and those with no vested interests in patents.

During the past year, our organization has studied the various patent revision bills, including the legislation proposed by Senator Fong. Each of the patent revision bills seeks to prevent the issuance of invalid patents thereby strengthening the presumption of validity of the patents that are issued. Each would accomplish this end by introducing more complex prosecution procedures. The primary concern expressed by our members has been that the patent system should not become so complex and expensive that it would be beyond the economic reach of individual inventors and small companies or discourage the disclosure of inventions. Studies indicate that under any of the bills, costs would greatly increase, both to patent applicants and in the government administration of the patent system. Of the alternative proposals, however, Senator Fong's bill would entail significantly lower costs in both respects.

Mr. Anderson's columns of June 23 and August 1 present a distorted view of the legislation proposed by Senator Fong, indicating that it contains exceptions to the antitrust laws for "certain industries". No exemption from the operation of the antitrust laws is contained within the Fong bill for *any* industry. Moreover, Mr. Anderson's conclusion that the Fong bill is particularly favorable to large corporations is contrary to the consensus of experienced practitioners, who concluded that the more expensive alternatives are more detrimental to the interests of small business.

In the interest of accuracy in the media, we would hope *The Washington Post* itself would undertake an independent analysis.

Yours very truly,
HELEN W. NIES,
Chairman, Patent, Trademark and Copyright Law Section, Bar Association of the District of Columbia.

JUNE 30, 1975.

Mr. JACK ANDERSON,
Washington, D.C.

DEAR MR. ANDERSON: I am writing to you with respect to an article on patent legislation that appeared in your syndicated column on Monday, June 23, 1975 at least in the Boston Evening Globe. That short article is factually wrong and is obviously prejudicial to small companies and individual inventors. It also suggests that your source of information has misled you or alternately, has no true understanding of the purpose, practical functioning or objectives of the patent system. For that reason I strongly suggest that you re-examine the source of your information and hopefully print a follow-up which will be more even handed in its evaluation of the problems facing the individual inventor and small company whose businesses are based upon innovative technology.

Your article erroneously suggests that there is a patent lobby. There is really none. Patent attorneys are no more organized as a lobby than are admiralty attorneys. Patent attorneys represent parties interested in obtaining patents, but also represent parties that are interested in breaking patents. Historically, patent attorneys have always taken both sides of the fence in patent legislation. Individual inventors and small companies have ineffectual voices in Congress and are normally totally disregarded. Most important, however, is the fact that the large corporations do not constitute a patent lobby. Large corporations have no interest in patents, as such. In my dealings with large corporations I have found that most large corporations would rather have no patent system at all. These large corporations have sufficient economic power because of their wealth to do as they please, and can effectively create a monopolistic system without patents. Generally speaking, large corporations such as A T & T, General Motors and the like rarely sue for infringement of patents and generally use patents as trading positions to obtain licenses under patents of others. In making this statement, I do so as a representative of individual inventors and small companies who have contested the position of large corporations. Among the corporations with whom I have been in litigation on behalf of my clients or have otherwise had an adverse position are American Telephone and Telegraph (Western Electric), General Motors, Ford Motor Company, Texas Instruments, Fairchild Camera, etc. While I do not have any particular love for these large corporations, I do think characterizing them as patent lobbyists is simply erroneous.

Your article also suggests that the legislation being pursued by Senator Fong would cost consumers billions and would gain anti-trust exemptions for these large corporations, and further would allow these corporations to raise prices, corner markets and partition sales territories. Nothing could be farther from the truth. At present there are serious efforts to enact legislation that would further limit patents. In other words, efforts are being made to further circumscribe the present patent law. Since the present patent law does not permit large corporations to raise prices, partition sales territories or corner markets, it follows that new laws which further limit patents will not have such results either. The patent laws and those proposed are intended to comply with the Constitutional strictures of promoting science by securing exclusive rights to inventors for a limited period of time. In administering these patent laws the courts have generally precluded patent owners from using the patents in violations of the anti-trust laws. Nothing in the proposed legislation suggests anything to the contrary. The present legislation proposed, even by Senator Fong, does contain legislation which is going to adversely affect individual inventors. For example, there is a proposal to require payment of taxes on patents. These taxes, which have never been previously exacted before, mean that individual inventors may have to pay as much as $2,000 per patent. It is this type of legislation which may effectively provide a bar for the individual inventor, who certainly cannot afford the kind of tax which is going to be imposed. Since the taxes will probably have to be paid whether or not the inventory has any income, it means that inventors will have to pay taxes even during development and promotional periods when they need money to help get their products on the market. These taxes of thousands of dollars will not harm large corporations, but they are certainly going to severely damage the individual inventor.

Your column also implies that Robert Seto is a lackey of large companies. I met Mr. Seto once at a lecture which he gave. I was impressed with the integrity of the individual and would have a great deal of difficulty in believing that he is attempting to do anything other than an intellectually honest job of developing a sensible patent bill. I suggest that you spend 15 minutes with him to find out exactly what his views are. I think that type of meeting might give you a great deal of insight into the adverse affect that some of the hard-nose patent bills will have on the individual inventors.

Very truly yours,

Wolf, Greenfield & Sacks,
David Wolf.

July 18, 1975.

Re S. 214.
Hon. Hiram L. Fong,
Dirksen Senate Building,
Washington, D.C.

Dear Senator Fong: I have written to you on several occasions before indicating my profound gratitude for the job you are doing in sponsoring responsible patent law revision. I, like the overwhelming majority of the others in the patent field, was saddened when I read the recent "muck-raker's special" in The Washington Post.

But your comments of June 24, 1975 in the Congressional Record says it *all*. Nothing else need be said. It is all right there in the Congressional Record for all to see. Your comments are to the American people and this will be evident to every fair-minded person that reads them.

We, as citizens of this great country, appreciate your continued work and the yeoman's effort that your most able assistant, Mr. Bob Seto, is making. The statesmanlike manner in which you have set the record straight can only speak well for you in any circle that you travel. I personnally appreciate your continued determination to provide responsible legislation and I, of course, remain ready to help in any way that I can.

Very truly yours,

Lowe, King and Price,
J. Ralph King.

July 30, 1975.

Hon. Hiram Fong,
U.S. Senate, Washington, D.C.

Dear Senator Fong: I have just had the opportunity to read your response to the Jack Anderson article in the *Washington Post* of July 23.

One would think that Mr. Anderson has written so much misinformation on so many subjects that by now, everyone who reads his column would have run across an article with which such person would know the facts. Knowing that Mr. Anderson was misinformed on that subject, one should begin to question the accuracy of all of his articles. Unfortunately that does not seem to be the case. An example is the Honorable Thomas F. Eagleton who was, himself, the subject of one of Mr. Anderson's uninformed articles, yet, it appears, the Honorable Senator still relies on Mr. Anderson for some of his information.

Best wishes on your continued efforts to obtain a good, but realistic, patent bill. I have met Mr. Seto on one occasion and was very much impressed by his knowledge and understanding of the problems faced by the average inventor.

Very truly yours,

Robert B. Coleman, Jr.

July 16, 1975.

Hon. Hiram L. Fong,
U.S. Senate,
New Senate Office Building,
Washington, D.C.

Dear Senator Fong: I was disappointed to read in a recent Jack Anderson column the critical comments about you and your able assistant, Bob Seto. Such letters clearly indicate a lack of understanding of how the patent system functions in the free enterprise system.

As Chairman of Committee 101 of the Patent, Trademark and Copyright Section of ABA, I have a continuing interest in the proposed patent legislation, and in particular with the reexamination procedure set out in your bill S. 214.

I believe that the great majority of the patent lawyers and businessmen familiar with the patent system very strongly support and appreciate your efforts to inject practicality into the legislative efforts to improve the patent system. Therefore, in spite of the fact that your bill was not selected for markup, I strongly encourage you to continue your efforts to incorporate in any bill reported out of the Senate those features, such as the reexamination procedure, which would achieve the goal of improving the quality and reliability of patents without bankrupting the system and driving the small inventors and corporations out of the patent field.

Sincerely,

Robert B. Benson.

Patent Legislation

July 17, 1975.

Hon. Hiram L. Fong,
U.S. Senate,
Washington, D.C.

Dear Senator Fong: I want to thank you personally for the fine work you are doing on patent legislative matters in general. I know that you and your legislative assistant, Bob Seto, are being very helpful in attempting to arrive at patent reform legislation which will be of great benefit to inventors and their assignees in the United States and foreign countries. While pursuing this matter, I know you will continue to keep in mind the necessity of preventing the costs of obtaining and retaining patents from escalating any more than is absolutely necessary. Of course, all burdens which are effectively shifted from the Patent Office to the applicant causes an increase in costs to the applicant, and quite frankly many of the small companies and inventors not associated with companies, cannot withstand the increases which S. 23 would build into the patent system. Rather than stimulate invention and disclosure thereof, such will be stymied, for example by the Opposition Sec. 135 (large companies will oppress small ones and individuals who normally will not have made any significant income from an invention within a year of the issuance of a patent), and the numerous other sections which require much more work on the part of applicants and their patent attorneys. In this regard, I am sure you will keep in mind the Constitutional requirement (Article 1, Sec. 8) "to promote the progress of science and useful arts", and that you will not promote any Bill which would tend to suppress such progress.

I very much regret the June 23, 1975 Washington Post article by Jack Anderson and Les Whitten, which of course was not only uncalled for but totally inaccurate, as you so well stated before the Senate the next day, as reported in the June 24 Congressional Record—Senate (S. 11423). The Anderson-Whitten attack in that article on Bob Seto was also unwarranted, for he is certainly a fine gentleman, well thought of by all who have been in contact with him on patent legislation matters.

I know that you and Mr. Seto, as well as the others now studying S. 23 will continue to attempt balancing the public and private interest in arriving at a Bill which will in face promote the useful arts, and if I may be of any further aid to you in this regard, please do not hesitate to call upon me.

Sincerely yours,

G. Lloyd Knight.

July 18, 1975.

Hon. Hiram L. Fong,
U.S. Senate,
Washington, D.C.

Dear Senator Fong: The vicious personal attack made upon you and Mr. Seto by Jack Anderson and Les Whitten was a shocking event and I wish to aplaud you for your forthright statement not only putting the record straight, but also putting the lie directly to these reporters.

The American Patent System is indeed in jeopardy when the opponents of your proposed patent reform bill find it necessary to utilize the services of muckrakers to attempt to discredit you and to prevent adoption of your bill or any of its provisions. I say this advisedly because your bill is the only pending proposed legislation which preserves the structure of our basic system while only introducing a few reforms and certain necessary improvements. This has been recognized by practically every patent association in the country, and it is surely the realization by your opponents of the solid support which exists for your enlightened approach to patent reform that has driven them to adopt gutter tactics rather than deal with the merits of your bill.

I agree wholeheartedly with the content of your statement in the Congressional Record, and strongly urge you to continue to fight for a just and reasonable patent bill. For this the American people will be in your everlasting debt.

Sincerely,

Sidney Neuman.

Special Newsletter By Intellectual Property Owners, Inc.—Proposed Patent Legislature

August 22, 1975.

The Washington Merry-Go-Round column as prepared by Jack Anderson and Les Whitten, appearing in the Washington Post on August 1, 1975, and reproduced in our August 15th Newsletter, should make everyone aware that there is a strong antipatent movement.

This Special Newsletter is directed to several issues raised in the last seven paragraphs charging Senator Fong with falsifying and distorting.

Senator Fong is charged with "fronting for the patent lobby." To front for, means to act for or to represent. No evidence is cited to show that the Senator is acting in this matter. Neither APLA nor ABA nor the corporations mentioned nor anyone else is known to have any agreement with Senator Fong.

The charge seems based on the proposition that Robert Seto "confided" that language in the Fong Bill relied heavily on papers submitted by APLA, ABA and others.

For the record, I have been told that the "confidence" was contained in a letter addressed to the other four subcommittee Senators' aides, so that nothing was being hidden.

It would seem commendable rather than otherwise that reasoned, responsible, mature and experienced judgment should be recognized and relied upon. The fact that Mr. Seto recognized the value of these inputs is sound and neither legally nor morally wrong.

Messrs. Anderson and Whitten frequently refer to the "patent lobby." Since the Hart and Scott bills, to a large extent the McClellan bill, and the new mark-up S. 2255 were substantially drafted by the Justice Department and/or contain Justice Department concepts, there seems to be an "antipatent lobby" of great effectiveness that isn't mentioned.

The lobby and Seto angles are red herrings and it is time to put them aside. These are not the important issues. The real concern is the public interest.

The only issue of significance is whether the goals sought by sponsors of legislation will be met. In the press release of September 23, 1973, the White House in announcing its bill (which became S. 2504 and is now S. 2255) set four objectives. These are:

1. Enhance validity of patents.
2. Accelerate and improve disclosure.
3. Simplify procedures.
4. Enhance value of patents.

I came to the realization some time ago that substantially nothing had been published on how these objectives would be realized by the bill. The nearest to it is the government's Inflationary Impact Statement" directed to S. 1308; this document discusses costs and lists obvious benefits attributable to S. 1308 but is deficient in not identifying its disadvantages which many believe cancel out or seriously reduce any net advantages.

I then wrote Senators McClellan, Hart, Scott, Burdick and Fong asking if there was any analysis of the various bills based on these goals. None was forthcoming and in a letter from Senator Hart it was stated that such an analysis had not been made by the Subcommittee. He did, however, suggest sources which might have performed this service, but these leads proved fruitless.

I then prepared such an analysis and submitted it to a number of individuals including the staff members of the Subcommittee. No one had any adverse comments on the draft and some praise on accuracy and objectivity was received. However, it was decided not to publish the report because IPO does not lobby and our motive might have been misconstrued in the present polarized climate.

I am still struck by the absence of any analysis showing that any of the stated goals will be met or what the effects may be. The Administration's impact statement, anticipating a 33% drop in patent applications, does not provide a complete analysis.

Another issue has been raised several times by Messrs. Anderson and Whitten. They allege that big corporations would "profit from Fong's bill".

Hopefully, this is true. We all sincerely, and this is true of every member of the Subcommittee, hope that the entire public, as well as corporations large and small, unincorporated businesses, and individual inventors will "profit" but this isn't what the column means.

The implication is, that, somehow, a few big corporations will profit at the expense of everyone else. The columnists have not explained how.

It is universally recognized that all bills now before the Subcommittee, including Fong's, will be costly. If the costs drives individuals and small firms out of the Patent and Trademark Office a relative advantage would exist not only for profitable firms but also well-heeled individuals. This would, however, be an advantage based on wealth and not form of organization.

If expense is a selfish corporate benefit, industry should be whole-heartedly in favor of the Scott and Hart bills, allegedy the most costly, and if the Fong bill is least costly to applicants, as shown by the Commerce Department's study and impact statement, small firms and individuals are better protected—so how does this favor Phillips, Westinghouse, Dow and Allis-Chalmers "to name a few"?

The practical effects of legislation are of great importance and it is desirable that these be disclosed and discussed. Mere statement of a bare conclusion is not helpful.

As most of the readers of these newsletters know, I have represented corporations all my professional life. I believe that corporation lawyers, no less than those in private practice, keep the big picture in mind and genuinely seek what is best for the public. Their bias is a public interest bias, i.e., a sound workable system that helps the small, as well as large, and disproportionately favors no one.

In fact, small corporations and individuals more than large need the protection of the patent system. Of course they will profit—all of them—if the patent system is sound and competition by and among individuals, and small, as well as large corporations, will be enhanced.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order there will now be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements limited therein to 5 minutes each.

CRIME IN THE DISTRICT OF COLUMBIA

Mr. MORGAN. Mr. President, I desire to comment briefly this morning for the record on an old problem, but a problem that concerns all of us, and that is the problem of crime in our country and, especially, crime here in the District of Columbia.

I, like all Americans, have been very concerned about the increased crime rate in America. Long before coming to Washington I had heard much about the conditions here in the District. But, to be perfectly candid, I sometimes wondered whether or not the reports had been exaggerated.

Mr. President, I have been here in the Senate now for about 8 months, and during that short period of 8 months two members of my staff have been robbed within two or three blocks of the Capitol Building; one young lady, who operates one of the elevators, was walking along the street only to have her purse snatched from her arms.

About 2 weeks ago my personal secretary and a secretary from the office of Senator Helms were walking along in front of the Library of Congress when two young men came out from behind the bushes, put a gun to their heads, and robbed them.

I recall offhand that two Members of this Senate, if not more, but certainly two Members of the Senate, have been robbed, and one of them very seriously injured.

I do not know, Mr. President, what the answer to this problem is. It concerns me personally because I have a great deal of apprehension about bringing my children to the Capital City, and I think this is rather disgraceful that here in our Nation's Capital those of us who are elected to serve our people and come here to serve our people are fearful of bringing our families here.

But what prompts me, Mr. President, to make these remarks this morning is a report that I read in the Washington Post on Sunday that I just simply could not believe.

I read a news story in the Sunday paper which reported that a 21-year-old young man, a recent graduate from the University of Virginia, had come to Washington to work as a draftsman with Amtrak and that while walking near his home in the Northwest section of Washington he was stabbed to death.

Later on during the evening, due to the diligence of the law enforcement officers, a man and woman were apprehended and charged with the murder and robbery.

Here is what the Washington Post had to report:

> The man charged with the murder was variously identified by police and court records as Aubrey Alfred Brown or Aubrey Dockery. Police said he is 23 years old and lives at 1538 P St. SE. In Superior Court yesterday, he was released on personal recognizance by Judge Theodore Newman Jr. with a preliminary hearing set for Sept. 19.

Then the story goes on to report that the young lady, who was 20 years old, was charged with carrying an unregistered firearm and unregistered ammunition.

Mr. President, I just could not believe that a man who was charged with stabbing a young man to death on the streets of this city was released without any bond whatsoever. So yesterday morning I asked one of my staff assistants if he would check with the court system. He did check with the clerk's office and he was advised that those facts were correct, that the man was charged with first degree murder, that his name was Aubrey Dockery and that he had been released without any bond, solely upon his personal recognizance, by Judge Theodore Newman, Jr.

The clerk's office went on to say that that was not at all unusual. As a matter of fact, they thought it interesting that we would bother to even inquire. They said that often those charged with rape, murder, and violent assault, are released without any bond or with very little bond whatsoever.

For example, on September 4, a man charged with second degree murder was released on $2,000 bond. They said that apparently Judge Newman did not think that this man represented a threat to a community.

The ACTING PRESIDENT pro tempore. The Senator's 5 minutes have expired.

Mr. MANSFIELD. Mr. President, I seek recognition, and I yield my time to the distinguished Senator.

The ACTING PRESIDENT pro tempore. The Senator may proceed.

Mr. MORGAN. I thank the Senator.

Mr. President, I take second place to no one in possessing what I believe to be an enlightened view in regard to criminal justice.

As a member of the North Carolina Senate, I personally introduced and secured the passage of a bill for bail reform, recognizing the need for personal recognizance.

As attorney general, I appointed the first criminal code commission in the history of my State and as of September 1, because of 5 years' effort on the part of that commission and my office, the new criminal code procedure went into effect in North Carolina.

In 1969, I reorganized the State bureau of investigation with the admonition that never would we knowingly violate the law in order to apprehend anyone who had violated the law.

I could go on. But for a judge to hold that a man who was charged with first degree murder does not constitute a threat to the community and to release him on his personal recognizance is beyond my imagination.

I opposed preventive detention when it was recommended by the last administration, but I would be interested to know, Mr. President, how many people have been charged with serious crimes in this district and have been released without any bond, and who are at large today and have failed to show up for court.

I think, Mr. President, due to the seriousness of the situation all across the Nation, but especially here in the District, that it might be well for this body, or some body, to give serious consideration to some kind of in-depth study as to what is the cause of the serious crime problem here in our Nation's Capital and to see if there is something that we can do to help it.

Mr. MANSFIELD. Mr. President, I wish to commend the distinguished Senator from North Carolina for his well-reasoned, thoughtful statement on a situation applicable not only to the District of Columbia, but to many of our cities throughout the Nation.

It is true that there are judges who, I think, stretch the flexibility of their discretion entirely too far. In some cases it may be thoroughly justified, but in too many of our cities it has become the norm rather than the exception.

Because of my concern about the crime rate in this country, I have introduced two bills, one to compensate the victims of crimes, because, Mr. President, we always may sure that the constitutional rights of the criminal, or the alleged criminal, are protected; we always make sure that the State upholds its responsibility; but we pay too little attention to the innocent victims of crime.

That bill has passed this Chamber unanimously on five separate occasions, but has yet to be considered by the House.

A second bill I introduced, which was again passed in this Chamber on several occasions, had to do with the carrying of a gun in the commission of a crime and that would make the carrying of a gun in the commission of a crime a separate offense for which there would be a separate trial and for which there would be a separate sentence, not to run concurrently, and on which the sentence would be mandatory after the first offense.

So I hope that we recognize the crime problem, which seems to be mounting in this country, despite an added police force around the Capitol grounds. We now have, at long last, a professional police force, and a good one.

But the stories of assaults and muggings, and the like, within the vicinity of the Capitol area have become all too common for all too long. So I think it is time for an in-depth study, not only as it affects the Nation's Capital, which of course is a significant target in the minds of all our people and in the minds of the people of the world, but to cover the rest of the country as well. It is time for us to face up to our responsibilities as lawmakers and it is time for the people, generally speaking, the minority among us who act irresponsibly, to assume their responsibilities and to become better citizens, which too many of them have not been up to this time.

Again I commend the distinguished Senator from North Carolina for making a most timely speech on a most timely subject.

The ACTING PRESIDENT pro tempore. Is there further morning business?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Morgan). Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. Ford) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 11:32 a.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the bill (H.R. 6673), to provide for the establishment of an American Folklife Center in the Library of Congress, and for other purposes, in which it requests the concurrence of the Senate.

ENROLLED BILL SIGNED

At 2 p.m., a message from the House of Representatives delivered by Mr. Berry announced that the Speaker has signed the enrolled bill (S. 907) to authorize the Smithsonian Institution to plan museum support facilities.

The enrolled bill was subsequently signed by the Acting President pro tempore (Mr. Ford).

At 2:19 p.m., a message from the House of Representatives delivered by Mr. Hackney, one of its reading clerks, announced that, on reconsideration by the House, and two-thirds of the House agreeing, the bill (H.R. 5901) making appropriations for the Education Division and related agencies, for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes, which had been returned by the President of the United States with his objections, was passed.

The message also announced that the House insists upon its amendments to the bill (S. 6) to insure the right to an education for all handicapped children and to provide financial assistance to the States for such purposes, disagreed to by the Senate; agrees to the conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. Perkins, Mr. Brademas, Mrs. Mink, Mr. Meeds, Mrs. Chisholm, Mr. Lehman, Mr. Cornell, Mr. Beard of Rhode Island, Mr. Zeferetti, Mr. Miller of California, Mr. Hall, Mr. Quie, Mr. Bell, Mr. Peyser, Mr. Jeffords, and Mr. Pressler were appointed managers of the conference on the part of the House.

At 4:23 p.m., a message from the House of Representatives delivered by Mr. Hackney announced that the House has passed without amendment the following bill and joint resolutions:

S. 331. An act to redesignate November 11 of each year as Veterans Day and to make such day a legal public holiday;

S.J. Res. 34. A joint resolution asking the President of the United States to declare the fourth Saturday of September 1975 as "National Hunting and Fishing Day"; and

S.J. Res. 125. A joint resolution authorizing and requesting the President to issue a proclamation designating Sunday, September 14, 1975, as "National Saint Elizabeth Seton Day".

The message also announced that the House disagrees to the amendments of the Senate to the bill (H.R. 8070) making appropriations for the Department of Housing and Urban Development, and for sundry independent executive agencies, boards, bureaus, commissions, corporations, and offices for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes; agrees to the conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. Boland, Mr. Evins of Tennessee, Mr. Shipley, Mr. Roush, Mr. Traxler, Mr. Baucus, Mr. Stokes, Mrs. Burke of California, Mr. Mahon, Mr. Talcott, Mr. McDade, Mr. Young of Florida, and Mr. Cederberg were appointed managers of the conference on the part of the House.

The message further announced that the House has passed the bill (H.R. 8650) to assist low-income persons in insulating their homes, to facilitate State and local adoption of energy conservation standards for new buildings, and to direct the Secretary of Housing and Urban Development to undertake research and to develop energy conservation performance standards, in which it requests the concurrence of the Senate.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. Ford) laid before the Senate the following letters, which were referred as indicated:

Proposed Legislation to Improve Grain Inspection and Operations of Official Inspection Agencies

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the U.S. Grain Standards Act to improve grain inspection and operations of official inspection agencies, and for other purposes (with accompanying papers); to the Committee on Agriculture and Forestry.

Proposed Legislation To Amend the Consolidated Farm and Rural Development Act

A letter from the Deputy Under Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Consolidated Farm and Rural Development Act to revise interest rates on certain loans (with accompanying papers); to the Committee on Agriculture and Forestry.

Report of Antideficiency Act Violation by U.S. Coast Guard

A letter from the Secretary of Transportation, transmitting, pursuant to law, a report of antideficiency violation by the U.S. Coast Guard (with an accompanying report); to the Committee on Appropriations.

Report of the Securities and Exchange Commission

A letter from the Secretary, Securities and Exchange Commission, transmitting, pursuant to law, a report of the Securities and Exchange Commission, on its review of any and all rules of national securities exchanges which limit or condition the ability of members to effect transactions in securities otherwise than on such exchanges (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

Steam-Electric Plant Air and Water Quality Control Data, 1972

A letter from the Chairman, Federal Power Commission, transmitting, for the information of the Senate, a publication entitled "Steam-Electric Plant Air and Water Quality Control Data, 1972" (with an accompanying publication); to the Committee on Commerce.

Proposed Acts of the Council of the District of Columbia

Five letters from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, copies of proposed acts by the Council (with accompanying papers); to the Committee on the District of Columbia.

Proposed Legislation by the Renegotiation Board

A letter from the Chairman of the Renegotiation Board transmitting a draft of proposed legislation to extend and amend the Renegotiation Act of 1951, and for other purposes (with accompanying papers); to the Committee on Finance.

Report of the National Advisory Council on International Monetary and Financial Policies

A letter from the Chairman of the National Advisory Council on International Monetary and Financial Policies transmitting, pursuant to law, a special report on the proposed resolutions of the Inter-American Development Bank (with an accompanying report); to the Committee on Foreign Relations.

Annual Report of the General Services Administration

A letter from the Administrator, General Services Administration, transmitting, pursuant to law, the 1974 annual report of the General Services Administration (with an accompanying report); to the Committee on Government Operations.

Report of Disposal of Foreign Excess Property

A letter from the Director, Office of Administrative Services and Procurement, Office of the Secretary, Department of Commerce, transmitting, pursuant to law, the annual report of disposal of foreign excess property (with an accompanying report); to the Committee on Government Operations.

Reports of the Comptroller General

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on progress in improving fiscal, budgetary, and program-related information for the Congress (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on costs and problems of completing the Interstate Highway System, Federal Highway Administration, Department of Transportation (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the Veterans' Administration program for alcoholism treatment (with an accompanying report); to the Committee on Government Operations.

Application for Refund of Overpayment of Royalty

A letter from the Acting Secretary of the Interior, reporting, pursuant to law, the application for refund of overpayment of minimum royalty on Louisiana lease OCS-G 1612 for the period July 1, 1973, through June 30, 1974, by Atlantic Richfield; to the Committee on Interior and Insular Affairs.

Application for Loan, Irrigation District, Utah

A letter from the Deputy Assistant Secretary of the Interior, transmitting, pursuant to law, an application by the Farmington Pressurized Irrigation District of Farmington, Utah, for a loan under the Small Reclamation Projects Act (70 Stat. 1044, as amended) (with accompanying papers); to the Committee on Interior and Insular Affairs.

Application for Loan, Municipal Water District, California

A letter from the Deputy Assistant Secretary of the Interior, transmitting, pursuant to law, an application by the Valley Center Municipal Water District of Valley Center, Calif., for a supplemental loan under the Small Reclamation Projects Act (70 Stat. 1044, as amended) (with an accompanying paper); to the Committee on Interior and Insular Affairs.

Report of the Proceedings of the Meeting of the Judicial Conference of the United States

A letter from the Chief Justice, Supreme Court of the United States, transmitting, pursuant to law, a report of the proceedings of the meeting of the Judicial Conference of the United States held in Washington, D.C., on March 6–7, 1975 (with an accompanying report); to the Committee on the Judiciary.

Report of the American Revolution Bicentennial Board

A letter from the Administrator, American Revolution Bicentennial Administration, transmitting, pursuant to law, the first report of the American Revolution Bicentennial Board (with an accompanying report); to the Committee on the Judiciary.

Amendments to Office of Education General Provisions Regulations, Availability of Public Records—Fee Schedule

A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting, pursuant to law, amendments to Office of Education General Provisions Regulations, Availability of Public Records—Fee Schedule (with accompanying papers); to the Committee on Labor and Public Welfare.

Proposed Legislation To Amend the Tennessee Valley Authority Act

A letter from the Chairman, Tennessee Valley Authority, transmitting a draft of proposed legislation to amend section 15d of the Tennessee Valley Authority Act of 1933 to increase the amount of bonds which may be issued by the Tennessee Valley Authority (with accompanying papers); to the Committee on Public Works.

PETITIONS

The Acting President pro tempore (Mr. Ford) laid before the Senate the following petitions which were referred as indicated:

A resolution adopted by the council of the city of Philadelphia, Pa., concerning the denial of human rights by the Soviet Union, to the Committee on Foreign Relations.

A resolution adopted by the Municipal Council of Saipan, Mariana Islands, expressing appreciation to the Plebiscite Commissioner, Plebiscite Voters Board of Registration, District Administrator, and to the United Nations Visiting Mission for their efforts in connection with the Plebiscite; to the Committee on Interior and Insular Affairs.

A petition from a citizen of the District of Columbia seeking a redress of grievances; to the Commisison on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. WILLIAMS, from the Committee on Banking, Housing, and Urban Affairs, with an amendment.

S. 662. A bill to amend the Urban Mass Transportation Act of 1964 to provide operating assistance for projects located in areas other than urbanized areas, to provide for mass transportation assistance to meet the needs of elderly and handicapped persons, and for other persons (Rept. No. 94-365).

CHANGE OF REFERENCE

Mr. ROBERT C. BYRD. Mr. President, on behalf of the distinguished Senator from Minnesota (Mr. MONDALE), I ask unanimous consent that the Committee on Labor and Public Welfare be discharged from the further consideration of S. 2199, and that the bill be referred to the Committee on Finance.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that today, September 9, 1975, he presented to the President of the United States the enrolled bill (S. 907) to authorize the Smithsonian Institution to plan museum support facilities.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H.R. 6673. An act to provide for the establishment of an American Folklife Center in the Library of Congress, and for other purposes; to the Committee on Rules and Administration.

H.R. 8650. An act to assist low-income persons in insulating their homes, to facilitate State and local adoption of energy conservation standards for new buildings, and to direct the Secretary of Housing and Urban Development to undertake research and to develop energy conservation performance standards.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. HATFIELD (for himself and Mr. PACKWOOD):

S. 2303. A bill to modify section 204 of the Flood Control Act of 1965 (79 Stat. 1085). Referred to the Committee on Public Works.

By Mr. PROXMIRE (for himself and Mr. TOWER):

S. 2304. A bill to strengthen the supervisory authority of the Federal banking agencies over financial institutions and their affiliates. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. WILLIAMS (for himself, Mr. JAVITS, Mr. TAFT, Mr. RIBICOFF, Mr. BURDICK, Mr. HARTKE, Mr. GRAVEL, Mr. BEALL, Mr. TUNNEY, Mr. STAFFORD, Mr. KENNEDY, and Mr. RANDOLPH):

S. 2305. A bill to establish a national framework for collective bargaining in the construction industry and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. FANNIN:

S. 2306. A bill relating to the income tax treatment of charitable contributions of inventory and certain other ordinary income property. Referred to the Committee on Finance.

By Mr. HRUSKA:

S. 2307. A bill for the relief of Cevela Riqueur. Referred to the Committee on the Judiciary.

By Mr. STAFFORD (for himself and Mr. LEAHY):

S. 2308. A bill to provide for the modification of the boundaries of the Bristol Cliffs Wilderness Area. Refererd to the Committee on Agriculture and Forestry.

By Mr. PERCY (by request):

S. 2309. A bill to provide policies and procedures for the procurement of property and services by Federal agencies. Referred to the Committee on Government Operations.

By Mr. HOLLINGS (for himself, Mr. GLENN, and Mr. TALMADGE):

S. 2310. A bill to assure the availability of adequate supplies of natural gas during the period ending June 30, 1976. Ordered placed on the calendar.

By Mr. BURDICK:

S. 2311. A bill to amend section 1033 of the Internal Revenue Code of 1954 with respect to involuntary conversions of real property. Referred to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PROXMIRE (for himself and Mr. TOWER):

S. 2304. A bill to strengthen the supervisory authority of the Federal banking agencies over financial institutions and their affiliates. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. PROXMIRE. Mr. President, Senator TOWER and I introduce, for referral to the Committee on Banking, Housing and Urban Affairs, a bill "to strengthen the supervisory authority of the Federal banking agencies over financial institutions and their affiliates." We introduce this bill at the request of Chairman Burns of the Federal Reserve. The bill is the result of a joint effort by the Federal Reserve, the Federal Deposit Insurance Corporation, and the Comptroller of the Currency and is designed to help prevent and correct "problem bank" situations.

The major provisions of the bill, would amend existing law to provide more explicit statutory authority to deal with particular unsafe or unsound banking practices. The bill would strengthen considerably the ability of the regulatory agencies to remove officers or directors of banks where management has shown a willful disregard for the condition of the safety and soundness of the bank. Inside transactions would be prohibited to directors as well as officers of banks and their ownership interests. Civil penalties could be applied under the bill for violations of law, cease-and-desist orders and violations of the Bank Holding Company Act. In circumstances where a bank holding company or its nonbank subsidiaries pose a serious risk to the banking subsidiaries of the holding company, the Federal Reserve would have the authority to require divestiture. Taken together the provisions of the bill would give greater latitude to the regulatory agencies in the choice of enforcement mechanisms available to abate unsafe or unsound practices.

Mr. President, I ask unanimous consent that Chairman Burns' letter, which contains a sectional analysis of the bill, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C.,
September 5, 1975.

Hon. WILLIAM PROXMIRE,
Chairman, Committee on Banking, Housing and Urban Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Accompanying this letter is a proposed bill encompassing several joint recommendations by the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, and the Comptroller of the Currency. All of these recommendations arise from the agencies' concern over "problem bank" situations and are designed to help prevent or correct such situations.

Sections 1, 2, 5, 6(e), and 7 of the bill would, in part, provide civil penalties for violations of various provisions of the Federal Reserve Act, the Federal Deposit Insurance Act, the Bank Holding Company Act of 1956, and the Financial Institutions Supervisory Act of 1966.

In recent years there have been a number of instances in which supervised banks have violated various provisions of law. The violations in question were of a type that could have an adverse effect on the safety or soundness of the banks, and no effective remedy has existed for such violations. For example, Section 23A of the Federal Reserve Act prohibits, in part, a member bank from lending to nonbanking corporations affiliated with it except to a very limited extent. In the absence of any specific penalties a bank holding company or other person experiencing financial pressure may cause the affiliated bank to violate the provisions of Section 23A, knowing that the sole remedy is a cease and desist order requiring reversal of the transaction. The presence of a daily money penalty should serve as an effective deterrent to such violations.

In assessing such a civil penalty, the agencies would be required to give due consideration to its appropriateness. In particular, they would have to take into account the financial resources and the good faith of the bank or person charged with a violation, the gravity of the violation, and the history of previous violations. We would hope that such a remedy would have to be used infrequently, if at all, and that its primary benefit would be in deterring violations by a member or insured nonmember bank, its officers and directors, or persons affiliated with such a bank.

For similar reasons primarily relating to deterrence, we also recommend, in sections 1 and 2, that civil penalties be provided for violations of Sections 19 and 22 of the Federal Reserve Act. The former relates to the payment of interest on deposits and the latter restricts transactions between a member bank and its officers and directors. It might be noted that the proposed amendment to Section 19 would give the Board a remedy comparable to that presently available to the Federal Deposit Insurance Corporation with respect to nonmember insured banks. The restrictions of Section 22(h), as amended by the proposed bill, and civil penalties for violations thereof, would be applied to nonmember insured banks by section 7 of the proposed bill.

A number of violations of various provisions of the Bank Holding Company Act have come to the attention of the Board of Governors in recent years. Some of these violations have been deemed willful and serious enough to be referred to the Department of Justice for prosecution under section 8 of the Bank Holding Company Act. Such referral is the Board's only statutory remedy at present when it finds such a violation.

To date, one referral has resulted in a conviction and a substantial fine. However, it is the Board's experience that the criminal remedy is an involved and lengthy process. In the case of the conviction, over two years elapsed between the time the violation came to the Board's attention and the ultimate conviction.

The Board therefore recommends in section 5 that it be given the discretion to impose civil penalties for violations of the Bank Holding Company Act. It believes that the addition of this alternative method of imposing penalties for violations of the Act will provide a significant deterrent effect.

In addition to the above recommendations relating to penalties designed to have a deterrent effect, the regulatory agencies believe that further substantive restrictions should be placed on transactions between banks and insiders. In this regard, it does not appear sensible to have a prohibition regulating only loans to officers of a bank and not loans to directors, stockholders, and corporations affiliated with such individuals.

We therefore recommend, as a preventative measure, that Section 22 of the Federal Reserve Act be amended to cover officers, directors, and individuals holding more than 5 per cent of the voting securities of a member bank and any companies controlled by such an officer, director, or 5 per cent shareholder. These restrictions should also be applied to nonmember insured banks. This proposal, which is set forth in sections 3 and 7 of the bill, would aggregate the loans or extensions of credit to such an officer, director, or shareholder and to all companies controlled by such an officer, director, or shareholder and provide that the aggregate may not exceed the limit on loans to one borrower established by federal or State law.

This legislation is premised on the concern, borne out by some recent experiences, that a bank may incur excessive risks by making large loans to insiders and their related business enterprises. We believe that in some instances the existence of lending limits, as well as civil penalties for their violation, may well prevent some problem bank situations from arising.

In addition to the above measures aimed at preventing problem bank situations, the bill includes two proposals designed to help deal with a problem bank situation once it exists. The first of these involves a proposed amendment to the Financial Institutions Supervisory Act of 1966 relating to removal proceedings. Under present law (Section 8 (e) of the Federal Deposit Insurance Act), a bank director or officer who has engaged in a violation of a law, rule, or regulation, participated in an unsafe or unsound practice, breached his fiduciary duty, or violated a final cease and desist order and whose action is seen as causing substantial financial loss to the bank or damage to its depositors, may be removed only where it is shown that he has engaged in an act amounting to personal dishonesty. Such a showing is often difficult to make, and the present law thus effectively bars removal of individuals who have repeatedly demonstrated gross negligence in the operation or management of a bank, or a willful disregard for the safety and soundness of the bank, but who cannot be shown to have exhibited personal dishonesty.

We believe that adequate protection of the bank, its depositors, and the public interest requires the Act to be amended to allow the appropriate supervisory agency to remove such individuals. The amendments contained in section 6(d) of the bill would effectuate this proposal. We believe that the present hearing and judicial review requirements of the Act are sufficient to shield those who are innocent of personal wrongdoing from arbitrary or capricious administrative action. However, the proposed amendment would help to protect the financial safety of institutions against the actions of reckless individuals.

In addition, it appears that more efficient and speedy enforcement of final orders and consent agreements under the Financial Institutions Supervisory Act of 1966 can be obtained if civil penalties attach to violations of such final orders and agreements. Section 6(e) of the proposed bill embodies this recommendation and, we believe, would constitute a more effective deterrent than the present procedure, which requires the appropriate agency to apply to the U.S. district court to secure enforcement.

It appears to both the Board of Governors and the Comptroller of the Currency that a needless procedural complication presently exists in the Financial Institutions Supervisory Act of 1966. Section 8(e) of the Federal Deposit Insurance Act provides that in order to institute removal proceedings against a director or officer of a national bank the Comptroller must certify the facts to the Board of Governors, which determines, with the Comptroller sitting as a member of the Board of Governors, whether or not to institute proceedings. Following such proceedings, the matter comes before the Board once more for final action, again, with the Comptroller sitting as a member of the Board of Governors. This procedure appears to be unnecessarily duplicative. All of the procedural safeguards and advantages of having a board rather than an individual make the decision can be retained by providing for certification of the recommendations of the hearing officer to the Board of Governors for final action but allowing the Comptroller's office to institute and prosecute the proceeding. The bill in section 6(d) would obtain this result and thus increase the efficiency of the process.

The Federal Deposit Insurance Corporation has previously introduced legislation that would amend Sections 8(b) and 8(c) of the Federal Deposit Insurance Act to make it clear that cease and desist proceedings may be instituted against directors, officers, employees, and agents or other persons participating in the conduct of the affairs of a bank, regardless of whether or not the bank itself is named in the proceeding. This provision is supported by the other agencies and is found in section 6 (a) and (c) of the proposed bill. The amendment further makes it clear that the Board of Governors has similar powers with respect ot bank holding companies and their officers, directors, employees, and agents.

Additionally, section 6(b) of the proposed bill recommends a technical amendment to Section 8(b)(3) of the Federal Deposit Insurance Act, as amended, to make it clear that cease and desist proceedings may be instituted against Edge and Agreement Corporations whether or not those institutions are subsidiaries of holding companies.

The proposed bill includes in section 4 a provision designed to aid the Board of Governors in handling a problem bank situation where adverse effects have arisen from the relationship between the banking and nonbanking subsidiaries of the parent holding company. The Board's experience has been that problems and unfavorable publicity connected with a nonbanking susbidiary of a bank holding company may have an adverse impact on banks within the bank holding company and may lead to serious difficulties for such banks. Further, the Board believes, as it has often stated, that a bank holding company should be a source of financial strength for its subsidiary banks. In this regard, nonbanking subsidiaries within a bank holding company structure should augment rather than detract from that strength. For this reason, the Board believes it should have the power to order divestiture of a bank holding company subsidiary or termination of a nonbanking activity by a bank holding company whenever it has reasonable cause to believe that the continuation of such activity or ownership constitutes a serious risk to the financial safety, soundness, or stability of a bank holding company's subsidiary bank[s].

The proposed legislation would give the Board such power, after providing the parent holding company with due notice and opportunity for a hearing. The amendment provides that the divestiture may be by sale or by *pro rata* distribution to the shareholders of the bank holding company. A relatively short period is provided within which such divestiture must be carried out in order to assure that the activity threatening the bank is terminated as rapidly as possible.

The Board recognizes that this power to order divestiture represents a drastic remedy and contemplates that it would be exercised only in very rare instances. However, the Board's experience to date leads it to believe that in some instances this remedy should be available in order effectively to protect the interests of a banking subsidiary of the bank holding company, its depositors, and customers.

In addition to the proposals contained in this bill, recent experience has convinced us that the definition of affiliate in the National Bank Act should be expanded to cover a greater range of relationships that would then be subject to the limitations on loans contained in Section 23A of the Federal Reserve Act. Such changes could be a major factor in curbing abuses by insiders. Conversely, experience has also led us to believe that in the case of banking affiliates that are subsidiaries of the same holding company, the restrictions of Section 23A may be counterproductive and may prevent the holding company from using its resources as effectively as a branching system. The agencies are presently working on a draft bill that will address itself to these issues and we expect to forward it for consideration in the near future.

We believe that adoption of the proposed bill would help to decrease the incidence of problem bank situations and significantly aid each of our agencies in our ability to require corrective action in problem bank situations. We therefore hope that Congress will act favorably on the recommendations.

Sincerely yours,

ARTHUR F. BURNS.

By Mr. WILLIAMS (for himself, Mr. JAVITS, Mr. TAFT, Mr. RIBICOFF, Mr. BURDICK, Mr. HARTKE, Mr. GRAVEL, Mr. BEALL, Mr. TUNNEY, Mr. STAFFORD, Mr. KENNEDY, and Mr. RANDOLPH):

S. 2305. A bill to establish a national framework for collective bargaining in the construction industry and for other purposes. Referred to the Committee on Labor and Public Welfare.

CONSTRUCTION INDUSTRY COLLECTIVE BARGAINING ACT OF 1975

Mr. WILLIAMS. Mr. President, I am introducing, for Mr. JAVITS and myself, an important bill that would revise the framework of collective bargaining in the Nation's construction industry. We have been joined on this bill by Senators TAFT, RIBICOFF, HARTKE, GRAVEL, BEALL, STAFFORD, TUNNEY, BURDICK, KENNEDY, and RANDOLPH.

Construction is among the industries that form the nucleus of our economy. Its activities stimulate vast amounts of production by manufacturing industries and provide a foundation for commerce and transportation. More than 3½ million employees and over 300,000 employers are engaged in the construction industry.

The pattern of collective bargaining in this vital industry is highly fragmented. This fragmentation reflects the nature of the industry itself, which comprises a variety of trades and crafts that come together in joint venture at a single site. It is a group of businesses whose primary common characteristic is that they draw upon a common labor pool and bargain with the same building and construction trade unions.

The fragmentation also holds a potential for instability in an industry upon which our economic growth is highly dependent.

The construction industry is too important to meeting our national housing and industrial needs to be left without a firm national labor policy which is calculated to protect the rights of construction tradesmen while promoting stability and continuity within the industry.

The goal must be to promote peaceful resolution of disputes between labor and management in the industry with as little Governmental involvement as possible.

A first step in this direction was taken by the House of Representatives when it passed on July 25, 1975, H.R. 5900, a bill to protect the economic rights of labor in the construction industry. Since that time, a nearly identical bill, S. 1479 was approved by the Labor and Public Welfare Committee.

That bill is necessary to restore parity in collective bargaining and to correct an unfair and unintended restriction on situs picketing, but it is not the whole answer to the problems which exist. Labor and management in the construction industry can provide the answers by cooperating for their common good and for the good of the Nation's economy.

The bill I am introducing today, Mr. President, is intended as a means of fostering that cooperation. It has been prepared by a working group composed of leaders from labor and management in the construction industry, and the Secretary of Labor. In many ways, this bill expands upon Secretary Dunlop's testimony before the Senate Labor Committee on July 10, 1975, when he outlined some long-term approaches while speaking in support of S. 1479.

Under this legislation, a Construction Industry Collective Bargaining Committee would be created. The committee would be composed of 10 management representatives, 10 labor representatives, and up to 3 neutral members, all appointed by the President with the exception of 1 neutral member to be appointed by the chairman. The Director of the Federal Mediation and Conciliation Service and the Secretary of Labor would be ex officio members. Management and labor members would be appointed after consultation with the national organizations, who would also propose a panel for selection of the neutral members. Among its other major provisions are the following:

First. Local labor organizations affiliated with the standard labor organizations in the industry would be required to give 60 days' notice to their national unions before the expiration or reopening of agreements. Contractors or their associations engaged in collective bargaining are similarly required to notify either the national organization with which they are affiliated or the committee if there is no national affiliation. The standard labor organizations and the national contractor associations would be required to forward such notices to the committee.

Second. The committee may elect to take jurisdiction of the matter, in which case any strike or lockout is deferred for up to 30 days past the expiration or reopening date.

Third. The committee may decide to refer a dispute to a national craft board or to the national machinery established by a branch of the industry, which includes representatives of both national unions and national contractor associations, in an effort to assist the parties in reaching an agreement. The committee may also elect to meet with the parties.

Fourth. The committee may request that the standard national labor organization and national contractor association involved participate in the negotiations. In that event, any new or revised collective bargaining agreement must be approved by the standard national construction labor organization with which the local labor organization is affiliated. The national organizations would be protected against criminal or civil liability for participating in the negotiations or for approving or disapproving an agreement.

Fifth. The bill specifies the standards which the committee shall take into account in taking jurisdiction of a matter and requesting the participation of the national labor and contractor organizations. The standards broadly specify improvements in collective bargaining procedures and practices.

Sixth. The bill authorizes the committee to make broad studies of collective bargaining in the industry and to make general recommendations with regard to negotiating structures, improvements of productivity, stability of employment, differentials among branches of the industry, dispute settlement procedures and other related matters.

Seventh. The legislation would run for a term of 5 years, and the committee would be required to make a recommendation with regard to the extension of the legislation at least 6 months in advance of expiration. Annual reports would also be required of the committee.

Mr. President, many of the recent troubles of the construction industry are products of the recession. Inflation and unemployment have had a severe impact on the industry. During recent months, unemployment has ranged between 20 and 25 percent.

But all will agree that the elements of instability are present in the industry even in good times. The importance of stable labor-management relations in the construction industry is easily seen. We must also recognize that only the parties can provide that stability. The proper role of Government is to bring the parties together by creating a structure for meaningful, good-faith bargaining.

This bill is the pattern upon which the Government's proper role can be built.

I ask unanimous consent that the text of the bill and a summary thereof be printed in the RECORD.

There being no objection, the bill and summary were ordered to be printed in the RECORD, as follows:

S. 2305

A bill to establish a national framework for collective bargaining in the construction industry and for other related purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act be cited as the "Construction Industry Collective Bargaining Act of 1975."

FINDINGS AND PURPOSES

SEC. 2. (a) The Congress finds and declares that the legal framework for collective bargaining in the construction industry is in need of revision; and that an enhanced role for national labor organizations and national contractor associations working as a group is needed to minimize instability, conflict and distortions, to assure that problems of collective bargaining structure, productivity and manpower development are constructively approached by contractors and unions themselves, and at the same time to permit the flexibility and variations that appropriately exist among localities, crafts and branches of the industry.

(b) It is therefore the purpose of this Act to establish a more viable and practical structure for collective bargaining in the construction industry by establishing procedures for negotiations with a minimum of governmental interference in the free collective bargaining process.

CONSTRUCTION INDUSTRY COLLECTIVE BARGAINING COMMITTEE

SEC. 3. (a) There is hereby established in the Department of Labor a Construction Industry Collective Bargaining Committee (hereinafter referred to as the "Committee"). The Committee shall consist of ten members qualified by experience and affiliation to represent the viewpoint of employers engaged in collective bargaining in the construction industry, and ten members qualified by experience and affiliation to represent the viewpoint of the standard national labor organizations in the construction industry. In addition, the Committee shall have up to three public members qualified by training or experience to represent the public interest, one of whom shall be designated by the President to serve as Chairman. All actions of the Committee shall be taken by the Chairman or the Executive Director on behalf of the Committee. The Secretary of Labor and the Director of the Federal Mediation and Conciliation Service shall serve as ex officio members. The employer, labor and public members shall be appointed by the President after consultation with representative labor and management organizations in the industry whose members are engaged in collective bargaining. Any alternate members who may be appointed shall be appointed in the same manner as regular members.

(b) The Secretary of Labor may appoint such staff as is appropriate to carry out the Committee's functions under this Act, and with the approval of the Committee, may appoint an Executive Director.

(c) The Committee may from time to time promulgate such rules and regulations as may be necessary or appropriate to carry out the purposes of this Act.

NOTICE REQUIREMENTS

SEC. 4. (a) In addition to the requirements of any other law, including section 8(d) of the National Labor Relations Act, as amended, where there is in effect a collective bargaining agreement covering employees in the construction industry between a local construction labor organization or other subordinate body affiliated with a standard national construction labor organization, or between a standard national construction labor organization directly, and an employer or association of employers, neither party shall terminate or modify such agreement or the terms or conditions thereof without serving a written notice of the proposed termination or modification in the form and manner prescribed by the Committee at least 60 days prior to the expiration date thereof, or in the event such collective bargaining agreement contains no expiration date, 60 days prior to the time it is proposed to make such termination or modification. The notice required by this subsection shall be served as follows:

(1) A local construction labor organization or other subordinate body affiliated with a standard national construction labor organization shall serve such notice upon such national organization;

(2) An employer or local association of employers shall serve such notice upon all national construction contractor associations with which the employer or association is affiliated. An employer or local association of employers, which is not affiliated with any national construction contractor association shall serve such notice upon the Committee; and

(3) Standard national construction labor organizations and national construction contractor associations shall serve such notice upon the Committee with respect to termination or modification of agreements to which they are directly parties.

The parties shall continue in full force and effect, without resorting to strike or lockout, all the terms and conditions of the existing collective bargaining agreement for a period of 60 days after the notice required by this subsection is given or until the expiration of such collective bargaining agreement, whichever occurs later.

(b) Standard national construction labor organizations and national construction contractor associations shall furnish to the Committee copies of all notices served upon them as provided by subsection (a) of this section.

(c) The Committee may prescribe the form and manner and other requirements relating to the submission of the notices required by this section.

ROLE OF THE COMMITTEE AND NATIONAL LABOR AND EMPLOYER ORGANIZATIONS IN LABOR DISPUTES

SEC. 5. (a) In the event that the Committee has received notice pursuant to section 4, it may take jurisdiction of the matter by transmitting written notice to the signatory labor organization or organizations and the association or associations of employers directly party to the collective bargaining agreement within 90 days following the giving of notice under section 4(a). The Committee shall decide whether to take such jurisdiction in accordance with the standards set forth in section 6. When the Committee has taken jurisdiction under this section, it may in order to facilitate a peaceful voluntary resolution of the matter and the avoidance of future disputes: (1) refer such matter to voluntary national craft or branch boards or other appropriate organizations established in accordance with section 7; (2) meet with interested parties and take other appropriate action to assist the parties; or (3) take the action provided for in both preceding paragraphs (1) and (2) of this subsection. When the Committee has taken jurisdiction within the 90-day period specified in this subsection over a dispute relating to the negotiation of the terms or conditions of any collective bargaining agreement involving construction work between: (1) any standard national construction labor organization, or any local construction labor organization or other subordinate body affiliated with any standard national construction labor organization, and (2) any employer or association of employers, notwithstanding any other law, no such party may, at any time prior to the expiration of the 90-day period specified in this subsection, engage in any strike or lockout, or the continuing thereof, unless the Committee sooner releases its jurisdiction.

(b) When the Committee receives any notice required by section 4, it is authorized to request in writing at any time during the 90-day period specified in subsection (a) of this section participation in the negotiations by the standard national construction labor organizations with which the local construction labor organizations or other subordinate bodies are affiliated and the national construction contractor associations with which the employers or local employer associations are affiliated.

(c) In any matter as to which the Committee takes jurisdiction under subsection (a) of this section and makes a request authorized by subsection (b) of this section, no new collective bargaining agreement or revision of any existing collective bargaining agreement between a local construction labor organization or other subordinate body affiliated with the standard national construction labor organization, and an employer or employer association shall be of any force or effect unless such new agreement or revision is approved in writing by the standard national construction labor organization with which the local labor organization or other subordinate body is affiliated. Prior to such approval the parties shall make no change in the terms or conditions of employment.

(d) No standard national construction labor organization or national construction contractor association shall have any criminal or civil liability arising out of a request by the Committee for its participation in collective bargaining negotiations, or the approval or refusal to approve a collective bargaining agreement. Nor shall any of the foregoing constitute a basis for the imposition of civil or criminal liability on a standard national construction association.

(e) Nothing in this Act shall be deemed to authorize the Committee to modify any existing or proposed collective bargaining agreement.

STANDARDS FOR COMMITTEE ACTION

SEC. 6. The Committee shall take action under section 5 only if, in its discretion, it believes such action would:

(a) facilitate collective bargaining in the construction industry, improvements in the structure of such bargaining, agreements covering more appropriate geographical areas, or agreements more accurately reflecting the condition of various branches of the industry;

(b) promote stability of employment;

(c) encourage collective bargaining agreements embodying appropriate expiration dates;

(d) promote practices consistent with appropriate apprenticeship, training and skill level differentials among the various crafts or branches;

(e) promote voluntary procedures for dispute settlement; or

(f) otherwise be consistent with the purposes of this Act.

OTHER FUNCTIONS OF THE COMMITTEE

SEC. 7. (a) The Committee may promote and assist in the formation of voluntary national craft or branch boards or other appropriate organizations composed of representatives of one or more standard national construction labor organizations and one or more national construction contractor associations for the purpose of attempting to seek resolution of local labor disputes and review collective bargaining policies and developments in the particular craft or branch of the construction industry involved. Such boards, or other appropriate organizations, may engage in such other activities relating to collective bargaining as their members shall mutually determine to be appropriate.

(b) The Committee may, from time to time, make such recommendations as it deems appropriate, including those intended to assist in the negotiation of collective bargaining agreements in the construction industry; to facilitate area bargaining structures; to improve productivity, manpower development and training; to promote stability of employment and appropriate differentials among branches of the industry; to improve dispute settlement procedures; and to provide for the equitable determination of wages and benefits. The Committee may make other suggestions, as it deems appropriate, relating to collective bargaining in the construction industry.

MISCELLANEOUS PROVISIONS

SEC. 8(a) This Act shall apply only to activities affecting commerce as defined in sections 2(6) and (7) of the National Labor Relations Act, as amended.

(b) Nothing in this Act shall be construed to require an individual employee to render labor or services without the employee's consent, nor shall anything in this Act be construed to make the quitting of labor by an individual employee an illegal act; nor shall any court issue any process to compel the performance by an individual employee of such labor or services, without the employee's consent; nor shall the quitting of labor by an employee or employees in good faith because of abnormally dangerous conditions for work at the place of employment of such employee or employees be deemed a strike under this Act.

(c) The failure or refusal to fulfill any obligation imposed by this Act on any labor organization, employer or association of employers shall be remediable only by a civil action for equitable relief brought by the Committee in a District Court of the United States, according to the procedures set forth in subsection (d) of this section. The decision of the Committee to take jurisdiction over a matter, to refuse to take jurisdiction over a matter, and the actions taken by the Committee in the exercise of jurisdiction shall not be reviewable in any court, except for a determination of whether the Committee acted in excess of its delegated powers and contrary to a specific prohibition in this Act.

(d) The Committee may direct that the appropriate District Court of the United States having jurisdiction of the parties be and contrary to a specific prohibition in this Act. In any action under this Act the factual determinations of the Committee shall be conclusive unless found by the court to be arbitrary or capricious. No court shall issue any order under section 5(a) prohibiting any strike, lockout, or the continuing thereof, for any period beyond the 90-day period specified in section 5(a).

(e) Services of members or alternate members of the Committee may be utilized without regard to 31 United States Code 665(b). Such individuals shall be deemed to be special Government employees on days in which they perform services for the Committee.

(f) In granting appropriate relief under this Act the jurisdiction of United States courts sitting in equity shall not be limited by the Act entitled "An Act to amend the Judicial Code to define and limit the jurisdiction of courts sitting in equity, and for other purposes," approved March 23, 1932 (29 U.S.C. 101 et seq.).

(g) The Committee may make studies and gather data with respect to matters which may aid in carrying out the provisions of this Act.

COORDINATION

Sec. 9.(a) At the request of the Committee, the other agencies and departments of the Government shall provide, to the extent permitted by law, information deemed necessary by the Committee to carry out the purposes of this Act.

(b) The Committee and the Federal Mediation and Conciliation Service shall regularly consult and coordinate their activities to promote the purposes of this Act.

DEFINITIONS

Sec. 10. The terms "labor dispute," "employer," "employee," "labor organization," "person," "construction," "lockout," and "strike" shall have the same meaning as when used by the Labor-Management Relations Act, 1947, as amended.

SEPARABILITY

Sec. 11. If any provision of this Act, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this Act, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

AUTHORIZATION OF APPROPRIATIONS

Sec. 12. There are authorized to be appropriated such sums as may be necessary to carry out this Act.

EFFECTIVE DATE, EXPIRATION DATE AND REPORTS

Sec. 13.(a) This Act shall take effect on the date of its enactment, and shall expire on February 28, 1981.

(b) No later than 1 year following the date of enactment of this Act, and at 1-year intervals thereafter, the Committee shall transmit to the President and to the Congress a full report of its activities under this Act during the preceding year.

(c) No later than September 1, 1980, the Committee shall transmit to the President and to the Congress a full report on the operation of this Act, together with recommendations, including a recommendation as to whether this Act should be extended beyond the expiration date specified in subsection (a) of this section, and any other recommendations for legislation to further promote the purposes of this Act.

Summary of Construction Industry Collective Bargaining Act of 1975

The purpose of the bill is to revise the framework of collective bargaining in the construction industry. It provides an enhanced role in negotiations for national labor organizations and national contractor organizations working as a group, while at the same time preserving the flexibility and variations that appropriately exist among localities, crafts, and branches of the industry. The proposed legislation seeks to improve dispute settlement, with a minimum of government interference in the collective bargaining process. The proposed machinery does not constitute wage and price control, nor is it a form of compulsory arbitration. It applies solely to standard labor organizations and to contractors and their associations engaged in collective bargaining. It is not applicable to independent unions and to the nonunion sector of the construction industry.

The major provisions of the proposed legislation are as follows:

1. The Construction Industry Collective Bargaining Committee is comprised of 10 management representatives, 10 labor representatives, and up to 3 neutral members, all appointed by the President. One of the neutral members shall be appointed Chairman. The Director of the Federal Mediation and Conciliation Service and the Secretary of Labor shall be ex officio members. The role of the parties is enhanced by providing that the management, labor, and neutral members shall be appointed after consultation with the national organizations.

2. Local labor organizations affiliated with the standard labor organizations in the industry are required to give 60 days notice to their national unions before the expiration or reopening of agreements, and contractors or associations engaged in collective bargaining with them are similarly required to notify either the national organizations with which they are affiliated, or the Committee directly if there is no national affiliation. The standard national labor organizations and the national contractor associations engaged in collective bargaining are required to forward such notices to the Committee.

3. The Committee may elect to take jurisdiction of the matter, in which case any strike or lockout is deferred for up to 30 days past the expiration or reopening date.

4. The Committee may decide to refer a matter to a national craft board or to the national machinery established by a branch of the industry, on which national unions and national contractor associations are represented, in an effort to assist the parties to reach agreement. The Committee may elect to meet with the parties itself.

5. The Committee may also request the standard national labor organizations and the national contractor associations whose members are directly involved to participate in the negotiations. In that event, any new or revised collective bargaining agreement shall be approved by the standard national construction labor organization with which the local labor organization, or other subordinate body, is affiliated in order for the agreement to be of any force or effect. In the event the standard national labor organization or national contractor association participates in such negotiation, it shall not suffer any criminal or civil liability arising out of such participation; nor shall the standard national labor organization be subject to any civil or criminal liability arising out of its approval, or failure to approve, a collective bargaining agreement.

6. The statute specifies the standards which the Committee shall take into account in taking jurisdiction of a matter and requesting the participation of the standard national labor organizations and the national contractor associations. These standards broadly specify improvements in collective bargaining procedures and practices.

7. The Committee is authorized to make broad studies of collective bargaining in the industry and to make general recommendations with regard to negotiating structures, improvement of productivity, stability of employment, differentials among branches of the industry, dispute settlement procedures, and other related matters.

8. The proposed legislation runs for a term of 5 years. The Committee shall submit annual reports to the Congress and, 6 months in advance of the 5-year limit, the Committee shall make recommendations with regard to the extension of the legislation.

Mr. JAVITS. Mr. President, I join today in introducing with Senator WILLIAMS, chairman of the Committee on Labor and Public Welfare, and other Senators, the Construction Industry Collective Bargaining Act of 1975. This bill, S. 2305, has been submitted by the administration, and was developed with the close cooperation of labor and management in the construction industry. Joining in the introduction of this bill are Senators TAFT, STAFFORD, BEALL, GRAVEL, HARTKE, RIBICOFF, TUNNEY, BURDICK, KENNEDY, and RANDOLPH.

The intent of this legislation is to bring about greater labor relations stability by establishing a new national collective bargaining framework for the settlement of labor disputes that occur in the construction industry. The need for such legislation is highlighted by the depressed economic conditions now prevailing in this industry, and by chaotic conditions of bargaining over new contract terms that all too often sacrifices the long-term health of the construction industry for short-term gains.

This proposed new dispute settlement mechanism is designed to operate, through the participation of the labor and management representatives themselves, with a minimum of government interference in the free collective bargaining process. It will bring about greater participation of the labor and management organizations in the construction industry at the national level, a situation which has long prevailed in other major industries, but has been long absent in construction labor relations. The proposed bill will grant greater authority to national leaders in the building trades who often have greater opportunity than local leaders to assess the overall implications of collective bargaining agreements. Wage and price stability—including measures to increase productivity in the construction industry—are one of the goals of this bill. But the bill is not an attempt to reinstitute wage and price controls in the construction industry. It builds on the experience gained under the Collective Bargaining Committee in Construction, composed of representatives of labor and management, which was established by the President under Executive Order 11849. This committee has had as one of its basic goals the promotion of effective machinery for the resolution of collective bargaining disputes.

Labor and management's perception for the need to improve labor relations in the construction industry is well-founded. Although construction pacts in the past year have brought wage and benefits boosts averaging 10 percent, some have exceeded 20 percent. The inflationary impact of some of these wage increases is evident, and I am hopeful that the legislation being introduced today will help to hold the line on subsequent inflationary wage increases.

The legislation will set up a Construction Industry Collective Bargaining Committee. This committee will be comprised of 10 labor representatives, 10 management representatives, and 3 neutral members. The committee will step in to mediate disputes, head off strikes, and attempt to keep settlement noninflationary.

The proposed legislation will require local unions affiliated with national unions to give 60-days notice to their national unions before the expiration or reopening of agreements. Similarly, contractors or associations engaged in collective bargaining with them will have to notify either the national organization with which they are affiliated, or the committee directly if they have no national affiliation. The national unions and contractor associations in turn will be required to forward these notices to the committee.

The committee will have authority, under certain defined circumstances, to take jurisdiction in a strike or lockout situation. It can order a cooling off period for up to 30 days past the contract expiration or reopening date. The committee will also have the option to refer the dispute to a national craft board, or the committee itself can elect to meet with the parties.

The committee is also empowered to request the national unions or national contractor associations whose members are directly involved to participate in the negotiations. Should this course be taken by the committee, the national labor organization must approve any local settlements before they can take effect.

Mr. President, I am certain that the Committee on Labor and Public Welfare will give prompt consideration to this proposed bill, which we hope will bring about greater stability in labor-management relations in the construction industry, and improve its overall economic condition which has recently been characterized by an unemployment rate exceeding 20 percent.

I ask unanimous consent that the transmittal letter from Secretary of Labor Dunlop, be included at the conclusion of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF LABOR,
Washington, September 5, 1975.

Hon. NELSON A. ROCKEFELLER,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: I am transmitting herewith a bill entitled the "Construction Industry Collective Bargaining Act of 1975." I have also enclosed a brief summary of the bill.

The purpose of the bill is to establish a national framework for collective bargaining in the construction industry. I believe that such a structure will significantly improve the climate for free collective bargaining, minimizing instability, conflict and distortions in the construction industry.

I urge prompt and favorable consideration of this important bill.

The Office of Management and Budget advises that there is no objection to the submission of the bill to the Congress and its enactment will be consistent with the Administration's objectives.

Sincerely,

JOHN DUNLOP,
Secretary of Labor.

Mr. TAFT. Mr. President, I am pleased today to cosponsor Secretary of Labor Dunlop's bill establishing a national framework for collective bargaining in the construction industry which is cited as the Construction Industry Collective Bargaining Act of 1975.

In my view, this bill represents a significant contribution to stabilizing construction industry labor relations. Without contradiction, the construction industry is one of the hardest hit industries in our current economic slump. The decline of this vital industry has, in part, resulted from counterproductive industry practices which include the whipsawing of contractors by different locals with which they negotiate, "leap-frogging" by some local unions in competition with other locals to gain the highest wages, and a willingness by local contractors to bargain for, and agree to, unrealistic wage demands.

Let us face it—in some instances construction unions have priced themselves out of the competitive market. All these practices have contributed to the chaotic pattern which presently exists in the industry and which cannot be broken unless substantial reform of the bargaining process is achieved. This bill is a positive step in bringing a new order to the construction industry collective bargaining process and I for one welcome it.

The provisions of this bill are not without precedent. Last year we enacted substantial amendments to the National Labor Relations Act which are designed to afford organizational rights to nonprofit hospital employees while providing a realistic disputes' settling mechanism which is geared to the problems of the health care industry, that is, providing health care without unnecessary interruption and the protection of the hospital patients. In those amendments we provided procedures such as mandatory mediation, the discretionary appointment of a factfinding board, a 10-day notice of intent to strike or picket, as well as other measures which are designed to resolve the unique labor relations problems which underlie hospital collective bargaining. Thus, we do have a bill in the labor relations field which is tailored specifically to meet the needs of a particular industry.

Secretary Dunlop has stated that the proposed legislation seeks to improve dispute settlement, with a minimum of Government interference in the collective bargaining process. He has emphasized that the proposed machinery for doing so does not constitute mandatory wage and price controls, nor is it a form of compulsory arbitration. That is as it should be.

This bill rightfully attempts to restructure collective bargaining in the construction industry by, under certain circumstances, granting national craft unions the authority to approve contracts negotiated at a local level. It also creates a new national committee that has the power to defer a strike for up to 30 days past a contract expiration date.

Historically, national unions have not played a role in local union contract negotiations unless asked to intervene. This bill would provide national unions the authority to approve local agreements when brought into a collective bargaining dispute by the national committee. Under this bill, the national committee could request that national unions or national contractor associations whose members are directly involved to "participate" in the negotiations. In that event, any new or revised collective bargaining agreement shall be approved by the national construction labor organization with which the local union is affiliated in order for the agreement to be of any force or effect.

Other provisions of the bill provide that local unions affiliated with covered national unions must give 60 days' notice to their national unions before the expiration or reopening of collective agreements. Contractors or contractor associations engaged in construction collective bargaining would have to comply with the same notice requirements. The national unions and contractor associations, in turn, would be required to forward these notices to the committee.

The national committee created by this legislation has several options available in a collective bargaining dispute. It has the authority to take jurisdiction in a strike or lockout situation. It could order a cooling-off period for up to 30 days past the contract expiration or the opening date. It could also refer the dispute to a national craft board or the national machinery established by a branch of the industry. Or, as stated, the committee could elect to meet with the parties itself and then bring into the negotiations the national unions or national contractor associations that have an interest in the dispute with the expectation that a responsible contract will then be negotiated.

Section 5(d) of the act states that national unions or contractor associations shall not be liable for any criminal or civil penalty for participating in such negotiations, and the unions will not be liable for approving or failing to approve a contract.

Section 6 of the bill contains certain standards which the committee must take into account when assuming jurisdiction of a dispute. The standards are broadly drafted to give the committee a great deal of flexibility.

I believe it is important to note that the bill would apply only to the unions affiliated with the AFL–CIO buliding and construction trades department, as well as the Teamsters International Union. It would not apply to independent unions and to the nonunion sector of the construction industry.

The views of organized labor and national contractor associations with respect to the merit of this bill have generally been favorable. The Associated General Contractors of America, which represents approximately 8,500 contracting firms in the construction industry, has publicly stated that the bill is certainly a step in the right direction. They did indicate that the bill could be improved, and I am sure they will formally offer their suggestions during forthcoming labor subcommittee hearings on the proposal.

AFL–CIO President George Meany has

indicated that organized labor can live with this bill. Asked if he thought whether the bill would aid bargaining in the industry, Meany reportedly replied:

> I think it might. I think that collective bargaining in the construction industry is in a state of disorder, and I don't blame it on any group or individual. It is something that has developed over the years.

I agree with Mr. Meany in his assessment of this bill. In my view, the bill represents a significant contribution to the much-needed stabilization of collective bargaining for the construction industry. It can only benefit the collective bargaining participants as well as the American consuming public. I recommend its immediate consideration by the Labor Subcommittee, on which I have the privilege of serving.

By Mr. FANNIN:

S. 2306. A bill relating to the income tax treatment of charitable contributions of inventory and certain other ordinary income property. Referred to the Committee on Finance.

Mr. FANNIN. Mr. President, today I am introducing a bill which I previously introduced in the 93d Congress as S. 1595. Passage of this bill is essential to the revitalization of those private voluntary agencies which provide health and medical assistance to the needy around the world.

Since passage of the Tax Revision Act of 1969, which modified the Internal Revenue Code provisions relating to the donating of medical supplies to charitable organizations, the total dollar amounts of those donations has decreased. Prior to the 1969 legislation, a donor could deduct the fair market value of the medical supplies donated. At present, a donor may deduct only the cost of manufacturing the donated supplies. This bill is a compromise in that it allows the donor to claim as a charitable deduction both the cost of manufacturing the items, plus one-half the excess of the fair market value over cost.

The reduction in inventory receipts of medical supplies has been dramatic. The following total receipts by the various charitable organizations operating in this field illustrate the effect the 1969 law has had. In 1968 inventory receipts totaled $36,568,521; in 1969, $46,666,536; in 1970, $47,021,326; in 1971, $17,430,022; in 1972, $18,015,330.

These figures confirm that private agencies dedicated to providing health and medical care to the needy have suffered a serious setback in the donation of supplies they need to fulfill their missions. Yet, these agencies are expected to continue their aid to over 12,000 medical facilities around the world; be ready to ship immediate aid to famine areas in Africa or Asia; send instant medical relief to earthquake locations in South America, or hurricane victims in the Pacific, as well as provide immediate help in the United States.

It should be stressed that many corporations continue to contribute medical supply inventories despite the curtailment of tax incentives. Many, however, cannot afford the loss which contributing inventories causes under present tax provisions as opposed to selling them at market prices.

The amount needed in terms of tax relief is minimal. If private and charitable groups are handicapped in meeting these areas of human need, the burden inevitably will fall on Government. Requiring Government to provide this assistance will necessitate an expenditure many times greater than any tax savings which may have been envisioned by the 1969 act.

Mr. President, the private charity has proven its worth as a vital national asset. It is my view that our national character is seldom more positive than when one examines the willingness of the American people to contribute to and participate in charitable causes. Our national tax policy should encourage the inception, promotion, and perpetuity of private charities which have become an essential part of the fabric of America. This bill is designed to achieve that end in the specific area of health and medical assistance.

By Mr. PERCY (by request):

S. 2309. A bill to provide policies and procedures for the procurement of property and services by Federal agencies. Referred to the Committee on Government Operations.

Mr. PERCY. Mr. President, at the request of the Director of the Office of Management and Budget, I am introducing legislation to update and consolidate existing Federal procurement statutes. This bill would implement the following recommendations of the Commission on Government Procurement:

First, conform and consolidate the two basic procurement statutes—the Armed Services Procurement Act and title III of the Federal Property and Administrative Procedures Act of 1949;

Second, modernize existing provisions for awarding contracts through the use of small purchase procedures, formal advertising, and competitive and noncompetitive negotiation;

Third, authorize all agencies to enter into multiyear contracts with annual appropriations;

Fourth, eliminate requirements for advance notification of certain subcontracts;

Fifth, provide for competitive procurement of professional and architect-engineer services based on considerations of technical competence, technical proposals, and fee;

Sixth, eliminate the 6 percent limitation on architect-engineer fees; and

Seventh, extend the truth-in-negotiations statutory requirements for cost or pricing data to all agencies.

I ask unanimous consent that the text of the bill and a section-by-section analysis, with certain revisions suggested by OMB, be printed in the RECORD.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 2309

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that this Act may be cited as the "Federal Procurement Act of 1975."

DEFINITIONS

SEC. 2. As used in this Act—

(1) the term "agency head" means the head and any assistant head of a Federal agency;

(2) the term "Federal agency" means an executive department as defined by section 101 of title 5, United States Code, an independent establishment as defined by section 104 of title 5, United States Code (except that it shall not include the General Accounting Office), a military department as defined by section 102 of title 5, United States Code, a wholly owned Government corporation as defined by section 846 of title 31, United States Code, the District of Columbia, and an establishment in the legislative or judicial branch of the Government (except the Senate, the House of Representatives, the Architect of the Capitol, and activities under his direction);

(3) the term "negotiation" means procurement without formal advertising;

(4) the term "contracts" includes purchase orders;

(5) the term "property" includes personal property and leaseholds and other interests therein, but excludes real property in being and leaseholds and other interests therein.

APPLICABILITY OF ACT

SEC. 3. This Act applies to any contract of a Federal agency to be paid from appropriated funds and to any contract of the Bonneville Power Administration to be paid from any funds for, in either case, the procurement of property and services, including construction, alteration, repair, or maintenance of real property.

SMALL BUSINESS POLICY

SEC. 4. It is the policy of Congress that a fair proportion of contracts be placed with small business concerns.

PROCUREMENT METHODS

SEC. 5. Except as otherwise authorized by law, contracts shall be made by—

(1) small purchase procedures,

(2) formal advertising,

(3) competitive negotiation, or

(4) noncompetitive negotiation as provided by sections 6, 7, 8, and 9.

SMALL PURCHASES PROCEDURES

SEC. 6. Contracts not expected by the contracting officer at the time proposals are solicited to exceed an aggregate amount of $10,000 may be negotiated by simplified small purchase procedures under authorized procurement regulations. Such regulations shall include such requirements for obtaining competition as are considered appropriate. At least every three years, the Administrator for Federal Procurement Policy shall review the prevailing costs of labor and materials and may revise the $10,000 figure, or any revision thereof, to increase or decrease such figure by at least $1,000 based on the cost of labor and materials. Such revision shall apply equally to the $10,000 figure in (1) the third full unnumbered paragraph under the heading "Office of Architect of the Capitol" contained in the appropriations for the Architect of the Capitol in the Legislative Branch Appropriation Act, 1966 (79 Stat. 276; 41 U.S.C. 6a–1); (2) section 3709 of the Revised Statutes (41 U.S.C. 5); (3) section 9(b) of the Tennessee Valley Authority Act of 1933 (16 U.S.C. 831h(b) (3); and (4) section 8 of the Act of August 20, 1937 (50 Stat. 735; 16 U.S.C. 832g). At least sixty days in advance of its effective date, the Administrator shall report to Congress any revision of 50 per centum or more in such figure or any higher approved ceiling.

FORMAL ADVERTISING

SEC. 7. (a) Contracts exceeding the amount provided by section 6 shall be made by formal advertising when the available sources, specifications, time, place of performance property or services involved, national security interests, and other conditions are appropriate for the use of formal advertising.

(b) The invitation for bids shall be advertised a sufficient time prior to the date set for opening of bids. The invitation for bids, including specifications and attachments, shall permit such full and free competition as is consistent with the procurement of the property and services required to meet the needs of the agency concerned and shall be sufficiently descriptive in language to permit such full and free competition. The invitation for bids may be restricted to bidders qualified under authorized set-aside programs.

(c) All bids shall be opened publicly at the time and place stated in the invitation for bids. Award shall be made with reasonable promptness by written notice to that responsible bidder whose bid, conforming to the invitation for bids, will be most advantageous to the Government, price and other factors considered.

COMPETITIVE NEGOTIATION

SEC. 8. (a) Except as provided by sections 6, 7, and 9, contracts may be made by competitive negotiations as provided in this section.

(b) Except when the contract is for subsistence supplies, classified procurements, experimental, development, or research work, architect-engineer or other professional services, or purchases outside the United States, the Territories, Commonwealths and possessions, or with an educational institution, or involves a public exigency, the contracting officer shall include in the contract file a written determination setting forth his reasons for not using formal advertising.

(c) Except when rates or prices are fixed by law or regulation, offers, including price, shall be solicited from an adequate number of qualified sources to permit reasonable competition consistent with the nature and requirements of the procurement. The solicitation shall be publicized and reasonable requests by other sources to compete shall be honored to the maximum extent practicable.

(d) When award is not to be made primarily on the basis of price, the solicitation shall indicate the relative importance of the significant evaluation factors expected to be considered for award.

(e) Written or oral discussions shall be conducted with all responsible offerors who submit offers within a competitive range, price and other factors considered, except:

(i) where the procurement implements an authorized set-aside program;

(ii) where prices are fixed by law or regulation;

(iii) where time of delivery or performance will not permit; or

(iv) where it can be clearly demonstrated from the existence of adequate competition or accurate prior cost experience with the product or service, that acceptance of an initial offer without discussion would result in fair and reasonable prices and the solicitation notifies all offerors of the possibility that award may be made without discussion. With respect to cases under this clause (iv), authorized procurement regulations shall provide for the nature and extent of written or oral discussions to be conducted with offerors to facilitate a common understanding of the requirements of the procurement.

(f) Award may be made to the responsible offeror whose offer will be most advantageous to the Government, price and other factors considered. Upon request by an unsuccessful offeror, such offeror shall be informed of the reasons for not accepting the offer.

(g) Contracts for architect-engineer or other professional services in excess of such amount as may be determined by the Administrator for Federal Procurement Policy shall be made by competitive negotiations so far as practicable. The primary evaluation factors for award shall be the professional competence of offerors and the technical merits of offers, including the cost of the construction, production, or other contract project, if any, for which the services are to be performed. The proposed contract price or estimated cost shall not be a dominant factor and shall be significant only when offers otherwise are approximately equivalent. The requirements of this subsection shall apply to contracts for architect-engineer services on and after July 1, 1977, or at such earlier time or times, in whole or in part, with respect to one or more Federal agencies, as may be directed by the Administrator for Federal Procurement Policy.

NONCOMPETITIVE NEGOTIATION

SEC. 9. Contracts may be made by noncompetitive negotiation when the contracting officer, before award, determines in writing, setting forth his reasons, that competition is impracticable, and, when required by authorized procurement regulations, the determination is approved at a level above the contracting officer.

CANCELLATION OF SOLICITATIONS

SEC. 10. When he determines that it is in the best interest of the Government, the contracting officer may cancel any invitation for bids or other solicitation prior to award.

COST OR PRICING DATA

SEC. 11. (a) A prime contractor or any subcontractor shall be required to submit cost or pricing data under the circumstances listed below, and shall be required to certify that, to the best of its knowledge and belief, the cost or pricing data submitted was accurate, complete, and current, prior to—

(1) the award of any negotiated prime contract where the price is expected to exceed $100,000;

(2) the pricing of any contract change or modification for which the price adjustment is expected to exceed $100,000 or such lesser amount as may be prescribed by the agency head;

(3) the award of a subcontract at any tier, where the prime contractor and each higher tier subcontractor have been required to furnish such certificate, if the price of such subcontract is expected to exceed $100,000; or

(4) the pricing of any contract change or modification to a subcontract covered by (3) above for which the price adjustment is expected to exceed $100,000, or such lesser amount as may be prescribed by the agency head.

(b) Any prime contract or change or modification thereto under which such certificate is required shall contain a provision that the price to the Government, including profit or fee, shall be adjusted to exclude any significant sums by which it may be determined by the agency head that such price was increased because the contractor or any subcontractor required to furnish such a certificate, furnished cost or pricing data which, as of a date agreed upon between the parties (which date shall be as close to the date of agreement on the negotiated price as is practicable), were inaccurate, incomplete, or noncurrent: *Provided*, That the requirements of this section need not be applied to contracts or subcontracts where the price negotiated is based on adequate price competition, established catalog or market prices of commercial items sold in substantial quantities to the general public, prices set by law or regulation or, in exceptional cases where the agency head or at his option, the chief official of any principal division of the agency, determines that the requirements of this section may be waived and states in writing the reasons for such determination.

CONTRACT TYPES

SEC. 12. Contracts may be of any type or combination of types which will promote the best interests of the Government except that the cost-plus-a-percentage-of-cost system of contracting shall not be used.

FEE LIMITATIONS

SEC. 13. The fee of a cost-plus-a-fixed-fee contract for experimental, development, or research work shall not exceed 15 per centum of the estimated cost of the contract, exclusive of fee, as determined by the agency head at the time of awarding the contract. The fee of any other cost-plus-a-fixed-fee contract shall not exceed 10 per centum of such estimated cost, exclusive of fee.

ANTITRUST LAWS

SEC. 14. If any bid or proposal evidences a violation of the antitrust laws, the agency head shall refer it to the Attorney General of the United States for appropriate action.

WARRANTY AGAINST CONTINGENT FEES

SEC. 15. Each contract negotiated under section 8 or 9 shall contain a warranty by the contractor that no person or selling agency has been employed or retained to solicit or secure the contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the contractor for the purpose of securing business, and that for any breach or violation of the warranty, the Government may annul the contract without liability or deduct from the contract price or consideration the full amount of the commission, percentage, brokerage, or contingent fee.

MULTIYEAR CONTRACTS

SEC. 16. (a) Except as otherwise authorized by law, an agency may make contracts providing for requirements for property or services, other than construction, alteration, or major repair of real property, for periods of not more than five years with any appropriation, provided the appropriation is available for payment for requirements of the first fiscal year; payment of subsequent obligations is made subject to the availability of funds, except as provided by subsection (b) of this section; and the agency head determines that—

(1) estimated requirements over the period of the contract are reasonably firm and continuing; and

(2) such a contract will serve the best interests of the United States by encouraging effective competition or promoting economies in performance and operation.

(b) If funds are not available for continuation of performance of the contract for any fiscal year after the first fiscal year, the contract shall be cancelled. The costs of cancellation may be paid from—

(1) appropriations originally available for performance of the contract;

(2) appropriations currently available for procurement of similar property or services, and not otherwise obligated; or

(3) appropriations made for these payments.

(c) The provisions of this section do not apply to the purchase, lease, and maintenance of automatic data processing equipment as authorized by section 111 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759).

ADVANCE, PARTIAL, AND PROGRESS PAYMENTS

SEC. 17. (a) Any Federal agency may—

(1) make advance, partial, progress, or other payments under contracts made by the agency; and

(2) insert in solicitations a provision limiting to small business concerns advance or progress payments.

(b) Payments made under subsection (a) may not exceed the unpaid contract price.

(c) Advance payments under subsection (a) may be made only upon adequate security and a determination by the agency head that to do so would be in the public interest. Such security may be in the form of a lien in favor of the Government on the property contracted for, on the balance in an account in which such payments are deposited, or on such property acquired for performance of the contract as the parties may agree. This lien shall have priority over all other liens.

(d) When progress payments are made, the Government shall have title to all property allocable to the contract, and, notwithstanding any other provisions of law, that title may not be divested by any action of the contractor or proceeding in bankruptcy or encumbered by any lien or security interest.

REMISSION OF LIQUIDATED DAMAGES

Sec. 18. Upon the recommendation of the head of a Federal agency, the Comptroller General of the United States may remit all or part, as he considers just and equitable, of any liquidated damages provided by contract for delay in performing the contract.

ACCESS TO PLANT AND RECORDS

Sec. 19. (a) A Federal agency may inspect the plants of a contractor under any contract awarded or to be awarded by the agency and of any subcontractor thereunder.

(b) A Federal agency may provide for the right to audit the books and records of a contractor under all negotiated contracts, other than firm-fixed-price contracts, awarded by the agency and of any subcontractor thereunder where the subcontractor and each higher tier subcontractor are under other than firm-fixed-price subcontracts.

(c) For the purpose of evaluating the accuracy, completeness, and currency of cost or pricing data required to be submitted under section 11, any authorized representative of the agency head who is an employee of the Government shall have the right, until the expiration of three years after final payment under the prime contract, to examine all books, records, documents, and other data of the contractor or subcontractor relating to the negotiation, pricing, or performance of the contract or subcontract.

(d) Until expiration of three years after final payment under a contract negotiated or amended under sections 8 and 9, the Comptroller General of the United States or any of his duly authorized representatives shall have access to and the right to examine any directly pertinent books, documents, papers, and records of the contractor or any of his subcontractors engaged in the performance of and involving transactions related to such contracts or subcontracts. This provision may be waived for any contract or subcontract with a foreign contractor or subcontractor, if the agency head determines that waiver would be in the public interest. A written report of each waiver shall be made to Congress, except when—

(1) the Comptroller General of the United States or his designee concurs in the determination of the agency head; or

(2) the contractor or subcontractor is a foreign government or agency thereof or is precluded by the laws of a foreign country from allowing examination of his books, documents, papers, and records.

DETERMINATIONS

Sec. 20. (a) Determinations, findings, and decisions required by this Act may be made with respect to contracts individually or with respect to classes of contracts and shall be final.

(b) Each determination or decision shall be based upon written findings of the officer making the determination or decision, and shall be retained in the official contract file.

DELEGATIONS

Sec. 21. Each agency head may, within his or her agency or between military departments, delegate functions and assign responsibilities relating to procurement and may delegate any authority under this Act; provided that the authority to make determinations under section 11(b) hereof shall not be delegated except as specifically stated herein.

TRANSFER OF FUNDS

Sec. 22. (a) Appropriations available for the purpose of procurement by an agency may be made available, through administrative action, for the same purpose in any other appropriation or fund of the agency, or of another military department in the case of action by a military department, in amounts authorized by the head of the agency.

(b) Amounts made available under this section shall be transferred to the receiving appropriation or fund as advances or reimbursements. The receiving appropriations or funds are hereby authorized to credit such amounts.

AMENDMENTS

Sec. 23. (a) The Agriculture Department Appropriation Act, 1923, is amended by striking out ", after due advertisement and on competitive bids," in the first proviso on the page at Forty-Second Statutes at Large, page 517 (7 U.S.C. 416).

(b) Sections 101(d) and 104 of the Department of Agriculture Organic Act of 1944 (58 Stat. 734, 736; 7 U.S.C. 430, 432) are amended by striking out "in the open market".

(c) Section 2356(b) of title 10, United States Code, is amended by striking out the last sentence.

(d) Sections 4504 and 9504 of title 10, United States Code, are each amended by striking out everything after "United States" and inserting in lieu thereof a period.

(e) Sections 4505 and 9505 of title 10, United States Code, are each amended by striking out the second sentence.

(f) Clause (2) of section 502(c) of the Act of August 10, 1948 (62 Stat. 1283; 12 U.S.C. 1701c(b)(2)), is amended by striking out "without regard to section 3709 of the Revised Statutes".

(g) Section 502(e) of the Act of December 31, 1970 (84 Stat. 1784; 12 U.S.C. 1701z–2(e)), is amended by striking out ", without regard to section 3709 of the Revised Statutes,".

(h) Section 708(h) of the Act of June 27, 1934, as amended August 10, 1948, (62 Stat. 1279; 12 U.S.C. 1747g(h)), is amended by striking out the proviso at the end.

(i) Section 712 of the Act of June 27, 1934, as amended August 10, 1948 (62 Stat. 1281; 12 U.S.C. 1747k) is amended by striking out "and without regard to section 3709 of the Revised Statutes".

(j) Section 208(b) of the Act of June 26, 1934, as amended October 19, 1970 (84 Stat. 1014; 12 U.S.C. 1788(b)), is amended by striking out the last sentence.

(k) Clause (4) of section 2(b) of the Act of July 18, 1958 (72 Stat. 386, 15 U.S.C. 634 (b)(4), is amended by striking out: "Section 3709 of the Revised Statutes, as amended (41 U.S.C. Section 5), shall not be construed to apply to any contract of hazard insurance or to any purchase or contract for services or supplies on account of property obtained by the Administrator or as a result of loans made under this Act if the premium therefor or the amount thereof does not exceed $1,000."

(l) Section 3 of the Act of April 24, 1950 (64 Stat. 83; 16 U.S.C. 580c), is amended to read as follows:

"Sec. 3. The Forest Service is authorized to make purchases of (1) materials to be tested or upon which experiments are to be made or (2) special devices, test models, or parts thereof, to be used (a) for experimentation to determine their suitability for or adaptability to accomplishment of the work for which designed or (b) in the designing or developing of new equipment: *Provided,* That not to exceed $50,000 may be expended in any one fiscal year pursuant to this authority and not to exceed $10,000 on any one item or purchase."

(m) Section 2(b)(1) of the Act entitled "An Act to authorize the construction of a National Fisheries Center and Aquarium in the District of Columbia and to provide for its operation", approved October 9, 1962 (76 Stat. 753; 16 U.S.C. 1052), is amended by striking out "without regard to the provisions of section 3709 of the Revised Statutes of the United States (41 U.S.C. 5)".

(n) Subsections 2(a)(1) and 2(b)(1) of the Act of July 26, 1954 (79 Stat. 44; 20 U.S.C. 331a(a)(1), (b)(1)), are amended by striking out any references to section 3709 of the Revised Statutes and to 41 U.S.C. 5.

(o) Section 224(a) of the Act of November 8, 1965 (79 Stat. 1228; 20 U.S.C. 1034(a)), is amended by striking out ", and without regard to section 3709 of the Revised Statutes (41 U.S.C. 5)".

(p) Section 408(a) of the Act of November 8, 1965 (79 Stat. 1234; 20 U.S.C. 1068(a)), is amended by striking out "(without regard to section 3709 of the Revised Statutes (41 U.S.C. 5))".

(q) Section 7 of the Act of December 20, 1945, as amended October 10, 1949 (59 Stat. 621; 22 U.S.C. 287e), is amended by striking out "; all without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5)".

(r) Section 707 of the Act of August 13, 1946 (60 Stat. 1019; 22 U.S.C. 1047), is amended by striking out ", without regard to section 3709 of the Revised Statutes".

(s) Section 22(e)(7) of the Act of December 29, 1970 (84 Stat. 1613; 29 U.S.C. 671(e)(7)), is amended by striking out ", and without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5), or any other provision of law relating to competitive bidding."

(t) Section 1820(b) of title 38, United States Code, is amended by striking out "section 5 of title 41" and inserting in lieu thereof "the Federal Procurement Act of 1975", and by deleting "if the amount of such contract exceeds $1,000."

(u) Section 5002 of title 38, United States Code, is amended by substituting a period for the comma after "work" and striking out the remainder of the section.

(v) The Act of October 10, 1940, as amended (54 Stat. 1109; 41 U.S.C. 6a, b(a), (c), (d)) is amended by striking out section 2 and subsections (c) and (d), and by striking out "without regard to the provisions of section 3709 of the Revised Statutes, as amended," in subsection (a).

(w) The Act of July 27, 1965 (79 Stat. 276; 41 U.S.C. 6a–1) is amended by striking out any and all references to section 3709 of the Revised Statutes in the sections relating to Architect of the Capitol.

(x) Section 11 of the Act of June 30, 1936 (49 Stat. 2039, renumbered section 12 in 66 Stat. 308; 41 U.S.C. 45), is amended to read as follows:

"Sec. 12. The provisions of this Act requiring the inclusion of representations with respect to minimum wages shall apply only to purchases or contracts relating to such industries as have been the subject matter of a determination by the Secretary of Labor."

(y) Section 356(b) of the Act of July 1, 1944 as added October 18, 1968 (82 Stat. 1175; 42 U.S.C. 263d(b)), is amended by striking out the references "and section 3709 of the Revised Statutes and 41 U.S.C. 5 in clause (3), and by striking out the parenthetical phrase "(by negotiation or otherwise)" in clause (4).

(z) Section 1(b) of the Act of October 14, 1940 (54 Stat. 1126; 42 U.S.C. 1521(b)), is amended by striking out the references to section 3709 of the Revised Statutes in the first parenthetical phrase, and by striking out the first proviso.

(aa) Section 202(b) of the Act of October 14, 1940 (55 Stat. 362; 42 U.S.C. 1532 (b)), is amended by striking out the reference to section 3709 of the Revised Statutes.

(bb) Section 309 of the Act of September 1, 1951 (65 Stat. 307; 42 U.S.C. 1592h), is amended by striking out clause (a), and amending clause (b) to read as follows:

"(b) the fixed-fee under a contract on a cost-plus-a-fixed-fee basis shall not exceed 6 per centum of the estimated cost;".

(cc) Sections 103(b)(4) and 104(a)(2) of the Act of July 14, 1955 as amended November 21, 1967 (81 Stat. 486, 487; 42 U.S.C. 1857(b)(4), b–1(a)(2), are amended by striking out the references to section 3709 of the Revised Statutes and to 41 U.S.C. 5.

(dd) Section 31(c) of the Atomic Energy Act of 1954, as amended (68 Stat. 927; 42 U.S.C. 2051(c)), is amended to read as follows:

"(b) The Commission may make available for use in connection with arrangements made under this section such of its equipment and facilities as it may deem desirable."

(ee) Section 41(b) of the Atomic Energy Act of 1954, as amended (68 Stat. 928; 42 U.S.C. 2061(b)), is amended by striking out the last two sentences in this section.

(ff) Section 43 of the Atomic Energy Act of 1954, as amended (68 Stat. 929; 42 U.S.C. 2063), is amended by striking out the following: "without regard to the provisions of section 3709 of the Revised Statutes, as amended, upon certification by the Commission that such action is necessary in the interest of the common defense and security, or upon a showing by the Commission that advertising is not reasonably practicable. Partial and advance payments may be made under contracts for such purposes."

(gg) Section 55 of the Atomic Energy Act of 1954, as amended, (68 Stat. 931; 42 U.S.C. 2075) is amended by striking out the second and third sentences in this section.

(hh) Section 66 of the Atomic Energy Act of 1954, as amended, (68 Stat. 933; 42 U.S.C. 2096) is amended by striking out the following: "Any purchase made under this section may be made without regard to the provisions of section 3709 of the Revised Statutes, as amended, upon certification by the Commission that such action is necessary in the interest of the common defense and security, or upon a showing by the Commission that advertising is not reasonably practicable. Partial and advance payments may be made under contracts for such purposes."

(ii) Section 203(e) of the Act of April 3, 1970 (84 Stat. 115; 42 U.S.C. 4372(e)), is amended by striking out the references to section 3709 of the Revised Statutes and to 41 U.S.C. 5.

(jj) Section 703 of the Act of June 29, 1936 (49 Stat. 2008; 46 U.S.C. 1193) is amended by striking out subsection (a), by striking out "For the construction, reconstruction, or reconditioning of vessels, and" in subsection (c), and by renumbering subsections (b) and (c) as (a) and (b), respectively.

(kk) Section 8(a) of the Act of September 30, 1965, (79 Stat. 894; 49 U.S.C. 1638(a)) is amended by striking out the references to section 3709 of the Revised Statutes and to 41 U.S.C. 5 in paragraph (1), and by striking out paragraph (3).

(11) Section 5012 of title 38, United States Code, is amended by striking out the second sentence in subsection (a) and all of subsection (c).

(mm) Section 8 of the Act of August 20, 1973 (50 Stat. 735; 16 U.S.C. 832g) is amended by striking out "$500" and inserting in lieu thereof "$10,000."

(nn) Clause (3) of section 602(d) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 474(3)) is amended to read, "(3) The Department of Defense, the military departments, the Coast Guard, and the National Aeronautics and Space Administration, with respect to the administration of the Federal Procurement Act of 1975;".

(oo) Section 111 of the Federal Property and Administrative Services Act of 1940 (40 U.S.C. 759) is amended by adding at the end thereof the following:

"(h) Notwithstanding any other provision of law, the Administrator is authorized to enter into multiyear contracts under this section financed through the fund and may incur or authorize obligations in excess of the amount available in the fund, except that (1) the amount of unfunded obligations incurred during any fiscal year shall not exceed the amount specified in an appropriation act for that fiscal year, (2) the cash balances of the fund shall be maintained in such amounts as are necessary at any time for cash disbursements to be made from the fund, and (3) the term of the performance of any such contract shall not exceed ten years.

"(i) As used in this section, automatic data processing equipment also includes, but is not limited to, hardware, software, maintenance, related equipment and supplies, and related services."

REPEALS

SEC. 24. The following statutes or provisions of statutes are repealed:

Chapters 135 and 137 and sections 4535, 4540, 7212, 7522, 9535, and 9540 of title 10, United States Code; section 7 of the Act of May 18, 1938 (52 Stat. 406; 16 U.S.C. 833f); section 7 of the Act of March 3, 1875, as amended (18 Stat. 450; 25 U.S.C. 96); section 3 of the Act of August 15, 1876, as amended (19 Stat. 199; 25 U.S.C. 97); clauses (8), (10), and (19) of section 602(d) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 474(d) (8), (10), (19)); sections 10(a) and 10(b) of the Act of September 9, 1959 (73 Stat. 481; 40 U.S.C. 609 (a), (b)); section 2 of the Act of October 10, 1940, as amended October 31, 1951 (54 Stat. 1110; 41 U.S.C. 6a); sections 3710 and 3735 of the Revised Statutes (41 U.S.C. 8, 13); section 3653 of the Revised Statutes, as amended by the Act of July 7, 1884 (23 Stat. 204; 41 U.S.C. 24); titles III and IX of the Federal Property and Administrative Services Act of 1949, as amended (41 U.S.C. 251, 540); section 10(a) of the Act of September 5, 1950 (64 Stat. 591; 41 U.S.C. 256a); section 510(a) of the Act of July 15, 1949 (63 Stat. 437; 42 U.S.C. 1480 (a)); section 6(e) of the EURATOM Cooperation Act of 1958 (72 Stat. 1085; 42 U.S.C. 2295(e)); section 1345(b) of the Act of August 1, 1968 (82 Stat. 585; 42 U.S.C. 4081(b)); and section 3 of the Central Intelligence Agency Act of 1949 (63 Stat. 208; 50 U.S.C. 403c).

SAVINGS CLAUSE

SEC. 25. Any provision of law which authorizes an executive agency to procure property or services without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C.) shall be construed to authorize the proceurement of such property or services without regard to the requirement of section 7 of this Act.

FEDERAL PROCUREMENT ACT OF 1975 SECTION-BY-SECTION ANALYSIS

Basic purpose

This bill would update, consolidate, and replace the provisions of the Armed Services Procurement Act, 10 U.S.C. 2301, and Title III of the Federal Property and Administrative Services Act of 1949, 41 U.S.C. 251. The basic purpose is to provide a common statutory foundation for procurement by all Federal agencies and thereby facilitate greater uniformity in their procurement policies and procedures. Where not otherwise indicated, the sections of this bill are modified versions of provisions in the foregoing two procurement statutes which are repealed by this bill.

TITLE

Sec. 1. This section provides for citation of the Act as "The Federal Procurement Act of 1975."

DEFINITIONS

Sec. 2. This section provides definitions of terms as used in the Act.

(1) "Agency head" is defined to include the head and assistant head of a Federal agency.

(2) "Federal agency" is defined to include:
Executive departments;
Independent establishments other than the General Accounting Office;
Military departments;
Wholly-owned Government corporations;
The District of Columbia; and
Legislative and judicial establishments other than the Senate, the House of Representatives, and the Architect of the Capitol and activities under him.

(3) "Negotiation" is defined to include personal property and leases and other interests therein but to exclude real property in being and leases and other interests therein. The exclusion of real property in being conforms to the Office of Federal Procurement Policy Act, P.L. 93–400, 41 U.S.C. 401.

APPLICABILITY OF ACT

Sec. 3. This section makes the Act applicable to all Federal agency contracts for the procurement of property and services, including construction, alteration, repair or maintenance of real property, if they are payable from appropriated funds and, in the case of the Bonneville Power Administration, if they are payable from nonappropriated funds. The limitation of the Act to appropriated funds conforms to section 6(c) of the Office of Federal Procurement Policy Act, P.L. 93–400, 41 U.S.C. 401. The special provision for the Bonneville Power Administration gives it authority to procure under the broader provisions of this Act in substitution for the authority the Administration now has to procure under Title 3 of the Federal Property and Administrative Services Act. The latter Act is to be repealed. Otherwise, the Administration would be restricted to the more limited provisions of the Bonneville Project Act, 16 U.S.C. 832g.

SMALL BUSINESS POLICY

Sec. 4. This section reiterates the Congressional policy that a fair proportion of contracts be placed with small business.

PROCUREMENT METHODS

Sec. 5. This section requires that except as otherwise authorized by law, all contracts be made by either (1) small purchase procedures, (2) formal advertising, (3) competitive negotiation, or (4) noncompetitive negotiation, as provided by sections 6, 7, 8 and 9. The exception recognizes that specific statutory authorizations for particular programs or agencies may provide broader or narrower authority directed toward the special needs of the program or agency.

SMALL PURCHASE PROCEDURES

Sec. 6. This section authorizes contracts not expected to exceed $10,000 to be negotiated by small purchase procedures. At least every three years the $10,000 figure in this Act and other specified statutes is to be reviewed and may be revised by the Administrator for Federal Procurement Policy to reflect a $1,000 increase or decrease in the cost of labor and materials. If the revision exceeds 50%, a report must be made to Congress 60 days before its effective date.

FORMAL ADVERTISING

Sec. 7. This section provides for formal advertising of contracts.

Subsection (a) requires contracts other than small purchases to be made by formal advertising when the available sources, specifications, time, place of performance, property or services involved, national security interests, or other conditions are appropriate. Under the Office of Federal Procurement Policy Act, the Administrator for Federal Procurement Policy is authorized to prescribe policies and regulations for use of this authority by executive agencies. 10 U.S.C. 405.

Subsection (b) requires advertisement of bids sufficiently in advance of the opening of bids. The invitation, specifications and attachments are required to permit full and free competition consistent with the property and services needed by the agency, and must be sufficiently descriptive to permit such competition. The invitations may be restricted to small business and other bidders qualified under authorized set aside programs.

Subsection (c) requires bids to be publicly opened at the time and place set forth in the invitation. Award is to be made with reasonable promptness by written notice to the bidder whose bid conforming to the invitation is most advantageous to the Government, price and other factors considered.

COMPETITIVE NEGOTIATION

Sec. 8. This section governs competitive negotiation.

Subsection (a) authorizes contracts to be made by competitive negotiation except as provided elsewhere in the Act in the case of small purchases, formal advertising and noncompetitive negotiation.

Subsection (b) requires with certain exceptions that the contracting officer include in the file a written determination of his reasons for not using formal advertising. The exceptions include contracts for subsistence supplies, classified procurements, experimental, development or research work, architect-engineer or professional services, purchases outside the United States or its territories, Commonwealths and possessions, or with an educational institution, or in the case of a public exigency. In the expected cases the reasons precluding formal advertising are plainly apparent.

Subsection (c) requires competitive negotiated offers to be solicited from an adequate number of qualified sources to permit reasonable competition consistent with the procurement. An exception is provided where rates or prices are fixed by law or regulation. The solicitation must be publicized and persons not solicited but so requesting must be allowed to compete to the maximum extent practicable.

Subsection (d) requires the solicitation to indicate the relative importance of the significant evaluation factors expected to be considered for award. This applies only when award is not to be made primarily on the basis of price.

Subsection (e) generally requires written or oral discussions to be conducted with all responsible offerors submitting offers within a competitive range, price and other factors considered. There are four exceptions for (1) authorized set-aside procurements; (2) prices fixed by law or regulations; (3) cases where time does not permit discussions; and (4) cases where prior competition or cost experience indicates that acceptance of an offer without discussion will result in a fair and reasonable price and the solicitation advises that award may be made without discussions. In this last case, authorized regulations are to provide for the nature and extent of discussions with offerors to facilitate a common understanding of the procurement requirement.

Subsection (f) provides that award is to be made to the responsible offeror whose offer is most advantageous to the Government, price and other factors considered. On request, an unsuccessful offeror is to be informed of the reasons for not accepting his or her offer.

Subsection (g) requires contracts for architect-engineer or other professional services to be made by competitive negotiations so far as practicable. An exception is made for small contracts under an amount to be fixed by the Administrator for Federal Procurement Policy. The primary evaluation factors are to be professional competence and technical merit, including the cost of the construction or other project involved. The proposed contract price or fee is not to be the dominant factor and is to be significant only when offers are approximately equivalent in other respects. This provision does not apply to contracts concluded prior to July 1, 1977, unless a specific exception is made by the Administrator for Federal Procurement Policy.

NONCOMPETITIVE NEGOTIATION

Sec. 9. This section authorizes noncompetitive (that is, sole source) negotiation when the contract officer, before award, determines in writing including reasons that competition is impracticable. If required by authorized procurement regulations, the contracting officer's determination must be approved at a higher level.

CANCELLATION OF SOLICITATIONS

Sec. 10. This section authorizes the contracting officer to cancel any invitation or solicitation prior to award whenever he determines it is in the best interest of the Government.

COST OR PRICING DATA

Sec. 11. This section, based on 10 U.S.C. 2306(f), makes the Truth-in-Negotiation Act applicable to all Federal agencies.

Subsection (a) requires a prime contractor or a subcontractor to submit cost or pricing data and to certify that the data are accurate, complete and current. This must be done before (1) award of a negotiated prime contract over $100,000; (2) pricing of a change or modification over $100,000 or in any amount fixed by an agency head; (3) award of a subcontract at any tier if over $100,000 and the prime and intermediate subcontracts were required to submit data; and (4) the pricing of any change or modification to a subcontract under (3) above if over $100,000 or at any amount prescribed by the agency head.

Subsection (b) requires a contract provision for adjustment of the price to exclude any significant over-pricing resulting from the submission of data which was inaccurate, incomplete or noncurrent as of a date to be fixed as close to the date of agreement on price as is practicable. It also provides for exceptions from the requirements of the section when the price is based on adequate price competition, established catalog or market price of commercial items sold in substantial quantities to the general public, prices set by law or regulation, or when the requirement is waived in exceptional cases by the agency head or a designated chief official of a principal division. The reasons for the waiver must be stated in writing.

CONTRACT TYPES

Sec. 12. This section authorizes contracts to be of any type or combination of types which will promote the best interests of the Government. However, it prohibits the cost-plus-a-percentage-of-cost system of contracting.

FEE LIMITATIONS

Sec. 13. This section limits the fee of a cost-plus-a-fixed-fee contract for experimental, development or research to 15% of the estimated cost of a contract, exclusive of fee, as determined at the time of awarding the contract. In other cost-plus-a-fixed-fee contracts, the fee limit is 10%.

ANTITRUST LAWS

Sec. 14. This section requires the head of an agency to refer to the Attorney General for appropriate action any proposal evidencing a violation of the antitrust laws.

WARRANTY AGAINST CONTINGENT FEES

Sec. 15. This section requires all negotiated contracts other than small purchases to contain a warranty by the contractor that no person or selling agency has been employed to secure the contract on a commission, brokerage, or contingent fee basis. Exceptions are made for bona fide employees and established commercial or selling agencies maintained by the contractor to secure business. For any breach of the warranty, the Government may annul the contract or deduct the amount of the commission or fee.

MULTIYEAR CONTRACTS

Sec. 6. This section provides multiyear contract authority with certain exceptions. It expands and extends to other agencies the current authority available to the Department of Defense (1) under paragraph 1–324 of the Armed Services Procurement Regulation for multiyear contracts using no-year funds; and (2) under 10 U.S.C. 2306(g) for overseas multiyear service contracts using annual or no-year funds.

Subsection (a) generally authorizes agencies to enter into multiyear contracts for requirements of property or services for periods up to 5 years under any appropriation. Contracts for construction, alteration and major repairs of real property are excepted. An exception is also made where multiyear contracts are otherwise authorized by law so as to preserve any broader authority agency may have under any other specific statute. Exercise of the authority under this section is conditioned on certain requirements—

(1) the appropriation must be available for full payment of the first year's requirements;

(2) obligations for subsequent years must be made subject to the availability of funds except for the cancellation charge authorized by subsection (b); and

(3) the agency head must determine that the estimated requirements for all the years covered are reasonably firm and continuing and that a multiyear contract will serve the best interests of the United States by encouraging effective competition or promoting economies.

Subsection (b) provides that the contract must be cancelled if funds are not available for continuation for any fiscal year after the first fiscal year. The cancellation charge may be paid for original appropriations, or appropriations currently available for similar contracts and not otherwise obligated, or from appropriations specifically made for the cancellation charge.

Subsection (c) excepts from the multiyear authority of this section contracts for the purchase, lease or maintenance of automatic data processing equipment for which special multiyear provisions are to be authorized by section 111 of the Federal Property and Administrative Services Act of 1949. Subsection 25(oo) amends the latter Act to include such provision.

ADVANCE, PARTIAL, AND PROGRESS PAYMENTS

Sec. 17. This section, which is based on current law (10 U.S.C. 2307, 41 U.S.C. 255), authorizes advance, partial and progress payments.

Subsection (a) authorizes any agency to make such payments but permits advance or progress payments to be restricted to small business concerns.

Subsection (b) limits such payments to the unpaid portion of a contract.

Subsection (c) requires adequate security for such payments and a determination by the agency head that they are in the public interest. The security may be in the form of a lien on the contract property, on a bank account for the proceeds of such payments, or on property acquired to perform the contract.

Subsection (d) gives the Government title to all property allocable to the contract. The

Government title cannot be divested by any action of the contractor or by his bankruptcy, and cannot be encumbered by any other lien or security interest.

REMISSION OF LIQUIDATED DAMAGES

Sec. 18. This section, based on current law (10 U.S.C. 2312, 41 U.S.C. 256(a)), authorizes the Comptroller General to remit all or part of any liquidated damages provided by contract for delay in performing the contract.

ACCESS TO PLANT AND RECORDS

Sec. 19. This section, modified from current law (10 U.S.C. 2313, 10 U.S.C. 2306(f), 41 U.S.C. 254(c)), provides for Government access to contractor plants and records.

Subsection (a) authorizes Federal agencies to inspect the plants of contractors and subcontractors.

Subsection (b) authorizes Federal agencies to provide for the right to audit books and records of contractors under all negotiated contracts other than firm fixed-price contracts and of subcontractors thereunder where the subcontract and all higher pier subcontracts are other than firm fixed-price contracts.

Subsection (c) authorizes examination of the books and records of any contractor or subcontractor who is required to submit cost or pricing data by section 11 of the Act. The books and records must relate to the negotiated price or performance of the contract or subcontract. The right to examine terminates three years after final payment under the prime contract.

Subsection (d) authorizes the Comptroller General or his representatives to examine the books and records of contractors under negotiated contracts or of any subcontractors thereunder. The books and records must be directly pertinent and must relate to such contracts or subcontracts. The right to examine terminates three years after final payment under the prime contract. An agency head may waive this requirement if he determines that it is in the public interest. A report of any waiver must be made to the Congress unless the Comptroller General or his designee concurs or the contractor is a foreign government or is precluded by foreign law from allowing such examination.

DETERMINATIONS

Sec. 20. This section is drawn from 10 U.S.C. 2310 and in part from 41 U.S.C. 257.

Subsection (a) authorizes determinations, findings and decisions to be made for individual contracts or for a class of contracts. Such determinations, findings and decisions are made final.

Subsection (b) requires each determination or decision to be based on written findings and to be retained in the official contract file.

DELEGATIONS

Sec. 21. This section is drawn from 10 U.S.C. 2308, 10 U.S.C. 2311 and in part from 41 U.S.C. 257. It authorizes delegations of functions and assignment of responsibilities by any agency head within his or her agency or, in the case of the military departments, between military departments. However, the authority provided by section 11(b) to waive the requirement for cost or pricing data may be delegated only as provided in section 11(b).

TRANSFER OF FUNDS

Sec. 22. This section, drawn from 10 U.S.C. 2311 and 10 U.S.C. 2309, authorizes the head of an agency to make funds available for the same person to any component office within his or her agency, or in the case of military departments, to another military department. Such transfers may be credited to the receiving appropriation as advances or reimbursements.

AMENDMENTS

Sec. 23. This section for the most part makes clean-up and conforming amendments. The subsections, not listed below, delete or correct obsolete provisions in specific agency or program statutes such as those which cite statutes being repealed, or which require competitive bids or authorize purchases "in the open market" or "without regard to section 3709 of the revised statutes." The latter generally requires advertising. Such provisions are redundant and outmoded since the bill itself includes applicable provisions with respect to formal advertising and negotiation of contracts. Subsections not falling in the above category and making more substantive changes are explained in detail below.

Subsection (u) strikes as obsolete authority given the President under 38 U.S.C. 5002 to employ individuals and private agencies to assist in the architectural, engineering or construction work for hospitals and similar facilities of the Veterans Administration.

Subsection (v) amends section 11 of the Walsh Healey Act (41 U.S.C. 45) to eliminate an obsolete provision applying the Act to all contracts entered into pursuant to invitations issued on or after 90 days from June 30, 1936. This makes clear that the Act currently applies to negotiated contracts as well as advertised contracts.

Subsection (mm) amends the purchase authority of the Bonneville Power Administration (16 U.S.C. 832g) so as to authorize negotiation of small purchases up to $10,000 rather than $500. This conforms to the small purchase limitation provided by section 6 of this bill.

Subsection (nn) amends clause (3) of section 602(d) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 474(3)). This clause exempts agencies named in the Armed Services Procurement Act of 1948 from the Federal Property and Administrative Services Act. The exemption is limited to the authority granted such agencies by the Armed Services Procurement Act. The amendment in the present bill substitutes a reference to the proposed Act for the reference to the Armed Services Procurement Act which is repealed by this bill.

Subsection (oo) provides multiyear contract authority for the purchase, maintenance and services of automatic data processing equipment. It amends section 111 of the Federal Property and Administrative Act of 1949 (40 U.S.C. 759) by adding two new subsections (h) and (i). Subsection (h) authorizes multiyear contracts financed from the special automatic data processing equipment fund established by section 111. Such contracts may incur obligations in excess of the amount available in the fund, but not, for any fiscal year, in excess of the amount specified in the Appropriation Act for that fiscal year. The cash balance of the fund must be maintained in amounts necessary at any time for cash disbursements to be made from the fund. The term of the contracts cannot exceed 10 years. Subsection (i) defines automatic data processing equipment to include hardware, software, maintenance and related equipment, supplies and services.

REPEALS

Sec. 24. This section repeals statutes which are replaced or rendered obsolete by this bill. They include the following:

10 U.S.C. Chapter 135, covering the procurement of military aircraft, originally enacted July 2, 1926, 44 Stat. 784–786.

10 U.S.C. Chapter 137, originally enacted as the Armed Services Procurement Act of 1948, 62 Stat. 21.

10 U.S.C. 4535, 4540, 7212, 7522, 9535, 9540, covering military subsistence supplies, architect-engineering services and research contracts.

16 U.S.C. 833f covering procurement for the Fort Peck Reclamation Project.

25 U.S.C. 2596 requiring copies of contracts made by the Commissioner of Indian Affairs to be deposited with the General Accounting Office.

40 U.S.C. 474(d)(8), (10), (19) which exempt certain agencies from the Federal Property and Administrative Services Act of 1949. Clause (8) applies to the Army, Navy and Air Force with respect to a World War II emergency statute enacted July 2, 1940 (54 Stat. 712). Clause (10) applies to the Secretary of Agriculture, the Farm Credit Administration and any Farm Credit Bureau in connection with farm credit transactions. Clause (19) applies to any agency designated by the President within one year after enactment of the 1949 Act.

40 U.S.C. 609(a), (b) covering architect-engineering services by the Commissioner of Public Buildings.

41 U.S.C. 6a exempting from the advertising requirements of Rev. Stat. 3709 (41 U.S.C. 5) procurement by the American Battle Monuments Commission, the Bureau of Interparliamentary Union for Promotion of International Arbitration, the Department of State for packing of personal and household effects, and the International Committee of Aerial Legal Experts.

41 U.S.C. 8, 13, representing Rev. Stats., 3710 and 3735, respectively relating to the opening of bids solicited under Rev. Stat. 3709 and limiting contracts for stationary and other supplies generally to one year. The latter are now generally limited to one year by virtue of restrictions on the use of annual appropriations.

41 U.S.C. 24 relating to the competitive award of contracts for transportation of money, bullion, and Government securities.

41 U.S.C. 251 *et seq.* constituting title III of the Federal Property and Administrative Services Act of 1949, the basic procurement statute applicable to procurement by non-defense agencies.

40 U.S.C. 540 *et seq.* constituting title IX of the Federal Property and Administrative Services Act of 1949, as added by the Act of October 27, 1972, P.L. 92–582, 86th Stat. 1278, popularly known as the "Brooks" bill. Title IX generally requires selection of an architect-engineer without competition. In lieu thereof, section 8(g) of this bill would require competitive negotiation of architect-engineer services.

41 U.S.C. 256(a) dealing with the remission of liquidated damages by the Comptroller General.

42 U.S.C. 1480(a), 2295(e), 4081(b) exempting from the advertising requirements of revised statute 3709 (41 U.S.C. 5) procurements under $300 for farm housing by the Secretary of Agriculture; purchases of plutonium and uranium from the Euratom Community by the Energy Research and Development Administration; and procurement of insurance company services in connection with the flood insurance program.

50 U.S.C. 403c, dealing with procurement by the Central Intelligence Agency under the Armed Services Procurement Act of 1948.

SAVINGS CLAUSE

Sec. 25. This section preserves any contract negotiating authority now available for any agency or program by exemption from the requirements of Rev. Stat. 3709 (41 U.S.C. 5). Any such existing exemption is to be construed as an exemption from the formal advertising requirements of section 7 of this Act. Where such existing laws have been identified and evaluated, specific provision has been included in the bill for their amendment or repeal as warranted. This Savings Clause is intended to guard against an inadvertent impairment of any such existing authority under any statute not specifically identified.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 89

At the request of Mr. MATHIAS, the Senator from Ohio (Mr. TAFT) was added as a cosponsor of S. 89, a bill to provide that income from entertainment activities held in conjunction with a public fair conducted by an organization described in section 501(c), (3) and (5) shall not be unrelated trade or business income and shall not affect the tax exemption of the organization.

S. 1353

At the request of Mr. WILLIAMS, the Senator from Kansas (Mr. DOLE), the Senator from Minnesota (Mr. HUMPHREY), and the Senator from Maryland (Mr. BEALL) were added as cosponsors of S. 1353, a bill to amend section 206 (a)(7) of the Consolidated Farm and Rural Development Act.

S. 1916

At the request of Mr. CLARK, the Senator from New Hampshire (Mr. McINTYRE), the Senator from Minnesota (Mr. MONDALE), the Senator from Maryland (Mr. BEALL), and the Senator from Oregon (Mr. HATFIELD) were added as cosponsors of S. 1916, a public jobs conservation bill.

S. 1927

At the request of Mr. BIDEN, the Senator from Alaska (Mr. GRAVEL) was added as a cosponsor of S. 1927, the Equal Credit Opportunity Act Amendments of 1975.

S. 1961

At the request of Mr. BIDEN, the Senator from Minnesota (Mr. HUMPHREY) and the Senator from Alaska Mr. GRAVEL) was added as cosponsors of S. 1961, the Consumer Leasing Act of 1975.

S. 1962

At the request of Mr. CLARK, the Senator from New York (Mr. BUCKLEY) was added as a cosponsor of S. 1962, a bill to increase the eligibility age for mentally retarded individuals participating in the foster grandparent program.

S. 2029 AND S. 2030

At the request of Mr. MONDALE, the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 2029, a bill to insure that cost-of-living increases in supplemental security income benefits are granted to recipients of such benefits in all States; and

S. 2030, a bill to provide for the establishment of an outreach program to assure that potentially eligible recipients of supplemental security income benefits will be fully informed of the availability of such benefits and the steps to be taken in obtaining them.

S. 2067

At the request of Mr. BIDEN, the Senator from Montana (Mr. MANSFIELD) was added as a cosponsor of S. 2067, a bill to limit the period of authorization of new budget authority and to require comprehensive review and study of existing programs for which continued budget authority is proposed to be authorized by committees of the Congress.

S. 2080

At the request of Mr. MATHIAS, the Senator from Connecticut (Mr. RIBICOFF) and the Senator from Minnesota (Mr. HUMPHREY) were added as cosponsors of S. 2080, a bill to regulate and foster commerce among the States by providing a system for the taxation of interstate commerce.

S. 2256

At the request of Mr. CLARK, the Senator from South Dakota (Mr. MCGOVERN) was added as a cosponsor of S. 2256, the Federal Grain Inspection Act of 1975.

S. 2299

At the request of Mr. ROTH, the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), the Senator from Illinois (Mr. PERCY), the Senator from Nevada (Mr. LAXALT), the Senator from Pennsylvania (Mr. HUGH SCOTT), and the Senator from North Carolina (Mr. HELMS) were added as cosponsors of S. 2299, a bill which extends the Emergency Petroleum Allocation Act of 1973 to October 15, 1975.

SENATE JOINT RESOLUTION 90

At the request of Mr. DOMENICI, the Senator from California (Mr. CRANSTON) was added as a cosponsor of Senate Joint Resolution 90, a joint resolution to authorize the President of the United States to designate "National Ski Week."

SENATE RESOLUTION 92

At the request of Mr. CLARK, the Senator from Alaska (Mr. GRAVEL) was added as a cosponsor of Senate Resolution 92, providing for investigations and studies by standing committees of the Senate to ascertain and identify those areas in which differences in treatment or application, on the basis of sex, exist in connection with the administration and operation of those provisions of law under their respective jurisdictions, and for other purposes.

SENATE RESOLUTION 144

At the request of Mr. BURDICK, the Senator from Oklahoma (Mr. BARTLETT) was added as a cosponsor of Senate Resolution 144, to urge the restoration of the status of amateur athlete for the late Jim Thorpe, and for other purposes.

SENATE JOINT RESOLUTION 85

At the request of Mr. MATHIAS, the Senator from New York (Mr. JAVITS) was added as a cosponsor of Senate Joint Resolution 85, to designate September 14, 1975, as National Saint Elizabeth Seton Day.

SENATE JOINT RESOLUTION 101

At the request of Mr. BURDICK, the Senator from Maryland (Mr. BEALL), the Senator from Texas (Mr. BENTSEN), the Senator from Nevada (Mr. LAXALT), the Senator from Maryland (Mr. MATHIAS), and the Senator from Virginia (Mr. WILLIAM L. SCOTT) were added as cosponsors of Senate Joint Resolution 101, to authorize the President to issue annually a proclamation designating that week in November which includes Thanksgiving Day as "National Family Week."

SENATE JOINT RESOLUTION 105

At the request of Mr. CLARK, the Senator from Iowa (Mr. CULVER) was added as a cosponsor of Senate Joint Resolution 105, to strengthen the foreign relations of the United States by requiring that not less than 70 per centum of certain food assistance be provided to countries designated by the United Nations as "most seriously affected."

SENATE JOINT RESOLUTION 115

At the request of Mr. DOMENICI, the Senator from Tennessee (Mr. BROCK) and the Senator from Florida (Mr. STONE) were added as cosponsors of Senate Joint Resolution 115, relating to the publication of economic and social statistics for Americans of Spanish origin or descent.

SENATE CONCURRENT RESOLUTION 63—SUBMISSION OF A CONCURRENT RESOLUTION RELATING TO CHILD HEALTH DAY

(Referred to the Committee on Labor and Public Welfare.)

Mr. BIDEN submitted the following concurrent resolution:

Whereas, the Congress has authorized and requested the President to issue annually a proclamation setting apart the first Monday in October of each year as Child Health Day,

Whereas, Child Health Day will be celebrated on October 6 of this year: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that in celebration of Child Health Day, on October 6, 1975, the American people give special emphasis to the recognition of persons who have made a lasting contribution to the children's hospitals of the United States, especially the dedicated staff, and unselfish trustees of such hospitals and the citizen contributors to such hospitals.

Mr. BIDEN. Mr. President, in 1928, the Congress passed Public Law 86–352, designating the first Monday in October of each year as Child Health Day, and a time to call attention to the necessity of a year-round program for the protection and development of the health of the Nation's children.

This year Child Health Day will be celebrated on Monday, October 6. Today, I am urging the immediate adoption of a resolution which acknowledges the contribution being made to the future of our Nation by the children's hospitals and those who staff them.

It is most fitting that this recognition be given as part of the Nation's observance of Child Health Day.

In over 120 of these hospitals throughout our Nation, the single focus of concern is on the child.

Mr. President, these children's hospitals provide over 3½ million patient days of care, treat a like number of outpatients, and expend over one-half of a billion dollars a year in the compassionate care of our children.

In these institutions, all efforts, all resources, all talents are directed at not just the treatment of the child's disease or injury, but at an understanding and prevention of disease through research and medical education.

From the first of these great institutions, Children's Hospital of Philadelphia, opened in 1855, to the most recent, Children's Health Center of Minneapolis, opened in 1973, we see a dedication to the universe of children and their needs.

Through their sophisticated research activities comes an understanding of the disease process.

Through their extensive programs of medical education, the knowledge gained goes beyond the walls of the hospital to the benefit of all children, everywhere.

Mr. President, these hospitals have demonstrated a remarkable record of implementing successfully health care programs enacted by the Congress, including those in the areas of maternal abuse prevention, drug abuse, and many others.

As such they have demonstrated a true and effective partnership with the Congress, in which both they and the Congress can take pride.

In my own State of Delaware, we have moved ahead in the task of insuring the health of our children.

For example, the wonderful contributions of the Alfred I. du Pont Institute in caring for children with orthopedic problems cannot be praised highly enough.

The Delaware Division of Public Health provides a public health nurse coordinator on the pediatric ward of the Wilmington Medical Center. With no charge to the parents, this program furnishes assistance to the physician and family in the discharge of the child from the hospital and plans for continuity care in the home, thus guarding against the child's return to the crisis stage which earlier required hospitalization.

Nanticoke Memorial Hospital has programs for maternal and child health care, prenatal and infant care, family planning, new-born intensive care, and dental health care—all with no charge to children of low-income parents.

Delaware also has a high risk program, for infants born with special problems, which are detected while the child is still in the hospital.

The Division of Public Health initiates a followup to insure that the problem does not develop further and that necessary care is provided.

The Wilmington Medical Center provides genetic counseling to prospective parents and also provides education for diabetic children who are patients at the center.

There are, of course, many examples of fine programs to protect the health of our children in hospitals in Delaware and across the Nation.

Through their membership in the National Association of Children's Hospitals and related institutions, many of these hospitals address their common advocacy: to promote the quality of the health care of children.

Mr. President, this is an advocacy in which the Congress can join, with acknowledgment of the contributions made by children's hospitals in the Nation's observance of Child Health day.

Mr. President, in 1928, the Congress passed the Public Law 86-352 designating the first Monday in October of each year as Child Health Day, and a time to call attention to the necessity of a year-round program for the protection and development of the health of the Nation's children.

This year Child Health Day will be celebrated on Monday, October 6. Today, I am urging the immediate adoption of a resolution which acknowledges the contribution being made to the future of our Nation by the children's hospitals and those who staff them.

It is most fitting that this recognition be given as part of the Nation's observance of Child Health Day.

ADDITIONAL COSPONSOR OF AN AMENDMENT

At the request of Mr. Domenici, the Senator from Georgia (Mr. Nunn) was added as a cosponsor of amendment No. 752, intended to be proposed to the bill (S. 1517), the State Department authorization bill.

NOTICE OF HEARING ON RETIREMENT PAY OF TERRITORIAL JUDGES

Mr. BURDICK. Mr. President, I wish to announce that an open public hearing has been scheduled by the Subcommittee on Improvements in Judicial Machinery on S. 14 and S. 923, bills to increase and adjust the retirement pay of Federal judges of courts serving the territories and possessions of the United States.

The hearing will be held on October 7, 1975, commencing at 10 a.m. in room 6202, Dirksen Senate Office Building.

Persons who wish to testify or submit a statement for inclusion in the Record should communicate, as soon as possible, with the subcommittee office, 6306 Dirksen Senate Office Building, telephone 224-3618.

NOTICE OF HEARING

Mr. BIDEN. Mr. President, I wish to announce that the Subcommittee on Consumer Affairs of the Committee on Banking, Housing and Urban Affairs, which I chair, will hold hearings on S. 1840, the Fair Credit Reporting Act Amendments of 1975. The hearings will be held at 10 a.m. on October 22, 23, 28, and 29 in room 5302, Dirksen Senate Office Building. Those wishing to testify or to submit a written statement should communicate with Ralph J. Rohner, counsel to the subcommittee, room 5300, Dirksen Senate Office Building, Washington, D.C. 20510 or at 224-0893.

ANNOUNCEMENT OF PUBLIC HEARINGS BEFORE THE ENVIRONMENT AND LAND RESOURCES SUBCOMMITTEE, INTERIOR AND INSULAR AFFAIRS COMMITTEE

Mr. HASKELL. Mr. President, I wish to announce for the information of the Senate and the public, the scheduling of 2 days of public hearings before the Environment and Land Resources Subcommittee of the Senate Interior and Insular Affairs Committee.

The hearings are scheduled for 9:30 a.m., October 4, 1975, in the West Seminar Room of the Aspen Institute, Aspen, Colo.; and 9 a.m., October 6, 1975, in the Denver Post Office auditorium, Denver, Colo.

Testimony is invited regarding S. 2125, a bill to provide for the issuance of permits on public domain national forest lands for commercial outdoor recreation facilities and activities.

Those who wish to testify or submit a written statement for the hearing record should contact Ms. Marie Cone, office of Senator Floyd K. Haskell, room 12030, Federal Office Building, 1961 Stout Street, Denver, Colo. 80202 (303-837-2411). Enquiries concerning the hearing may be addressed to counsel for the subcommittee, Steven P. Quarles, 3106 Dirksen Office Building, Washington, D.C. (224-9894).

NOTICE OF HEARING

Mr. METCALF. Mr. President, I wish to inform Senators and all interested persons that the Subcommittee on Minerals, Materials and Fuels has scheduled a hearing on October 7, 1975, on the following private bills: S. 152, S. *154*, S. *190*, S. 656, and S. 2220. The hearings will begin at 10 a.m. in room 3110, Dirksen Senate Office Building.

Anyone wishing further information may call Mike Harvey, deputy chief counsel of the committee, at 224-1076.

NOTICE OF HEARINGS

Mr. JACKSON. Mr. President, in accordance with the rules of the Committee on Interior and Insular Affairs, I wish to advise my colleagues and the public that the following hearings and business meetings have been scheduled before the committee for the next 2 weeks:

September 9 and 10: Full committee. 10 a.m., room 3110, business meeting, S. 740, National Energy Mobilizing Board bill and other pending calendar business.

September 11: Environment and Land Resources Subcommittee, 10 a.m., room 3110, hearing, S. 1958, S. 1134, S. 864, S. 726, and S. 301.

September 16: Energy Research and Water Resources Subcommittee, 10 a.m., room 3110, hearing, S. 1794, to amend the Small Projects Act.

September 17: Full committee, 10 a.m., room 3110, business meeting, pending calendar business.

September 18: Indian Affairs Subcommittee, 9:30 a.m., room 3110, hearing, S. 1823 and S. 1953, disposition of funds in favor of Sac and Fox Indians.

September 19: Environment and Land Resources Subcommittee, 10 a.m., room 3110, hearing, S. 1506, to designate Missouri Breaks as part of wild and scenic rivers system.

September 22: Full committee, 10 a.m., room 3110, hearing, S. 1864, energy information bill.

September 23: Full committee, 10 a.m., room 3110, business meeting pending calendar business.

September 24: Full committee, 10 a.m., room 3110, hearing, S. 1824, to amend the Alaska Native Claims Settlement Act.

September 25: Full committee 10 a.m., room 3110, business meeting, pending calendar business.

September 26: Indian Affairs Subcommittee, 9:30 a.m., room 3110, hearing, S. 1334, Cowlitz judgment funds; S. 1649, Grand River Band of Ottawa Indian Judgment Funds.

NOTICE OF HEARINGS

Mr. WILLIAMS. Mr. President, I wish to announce that the Subcommittee on Labor of the Committee on Labor and Public Welfare will conduct hearings on S. 2305, the Construction Industry Collective Bargaining Act of 1975. Hearings are scheduled for Friday, September 12, 1975, at 9:30 a.m., Tuesday, September 16, 1975, as 9:30 a.m., and Wednesday, September 17, 1975, at 9:30 a.m., in room 4232, Dirksen Senate Office Building.

Representatives of interested organizations or individuals wishing to make an appearance or submit a statement should contact Howard Moore, Subcommittee on Labor, 202–224–3674.

ADDITIONAL STATEMENTS

NUCLEAR ENERGY AND THE 94TH CONGRESS

Mr. MANSFIELD. Mr. President, one of the principal parts of our national energy policy, whatever that may be at this moment, certainly must be the future of nuclear energy. There is controversy over the future of nuclear power. Opponents point to risks and discount its economics. Proponents see uranium as furnishing more than half of our electrical energy by the end of the century. The Congress itself over past decades has been a staunch supporter of nuclear power and its use is now a keystone of the President's energy plans. Still, the controversy continues. Its effects are apparent in some of the legislation proposed in this 94th Congress and in some of the hearings that have been held.

To provide the Congress with an overview on nuclear energy legislation and other landmark events during the first half of this session, I would place in the Record an analysis compiled by the Congressional Research Service of the Library of Congress by Warren H. Donnelly, Ph. D.

This analysis is an update of one submitted by the Congressional Research Service to the U.S. Senate under Senate Resolution 45 that established a national fuels and energy policy study. The analysis demonstrates the far ranging and complex issues associated with the future of nuclear power in the United States and, as such, I commend it to my colleagues.

I ask unanimous consent that this analysis be printed in the Record.

There being no objection, the analysis was ordered to be printed in the Record, as follows:

Nuclear Power and the 94th Congress: A Mid Term Report

(By Dr. Warren H. Donnelly and Barbara L. Rather)

(Updated and reprinted from Annex III, "Highlights of Energy Legislation in the 94th Congress", a background paper prepared by the Congressional Research Service at the request of Henry M. Jackson, Chairman, Committee on Interior and Insular Affairs, U.S. Senate, pursuant to S. Res. 45, A National Fuels and Energy Policy Study)

INTRODUCTION

Estimates and plans for future energy supplies for the United States anticipate major expansion of nuclear power, the technology for which has been developed over the past three decades with very large infusions of public funds through the Atomic Energy Commission (AEC) and now through the Energy Research and Development Administration (ERDA).

However, during recent Congresses, issues have been raised concerning the general presumption that nuclear power will supply an increasing part of the Nation's energy through the year 2000, including such basic questions as to whether domestic supplies of uranium ore are sufficient to permit the hoped for expansion without using recycled plutonium and/or breeder reactors.

During the first 7 months of the 94th Congress, ERDA and NRC authorizations were the only significant nuclear energy bills which had received either House or Senate approval, although supplemental appropriations for NRC, to provide an additional $50 million for safety measures, had been approved, and enacted as P.L. 94–18. They provided, however, a forum for early floor debate on many questions which have already been addressed in extensive hearings on legislation which is nearing markup stage.

The following sections very briefly describe legislative activity and other events during this period involving: (1) ERDA and NRC organization and funding; (2) the liquid metal fast breeder reactor (LMFBR); (3) plutonium recycling; (4) exports of nuclear materials and technology and international safeguards issues; (5) nuclear safety; (6) siting and licensing of nuclear plants and related issues; (7) private construction of enrichment facilities; and (8) labor support for nuclear power.

ERDA AND NRC ORGANIZATION AND FUNDING FOR NUCLEAR POWER

On January 19, 1975, President Ford activated the Energy Research and Development Administration (ERDA) and the Nuclear Regulatory Commission (NRC).[1] Both new agencies were created by the Energy Reorganization Act of 1974[2] which also abolished the old Atomic Energy Commission.

The NRC is to carry out the licensing and regulatory functions formerly assigned to the AEC, and is to devote its full attention to assuring the safety as well as the reliability of nuclear power. Creation of the NRC should end the concern that some have expressed in the past when one agency, the AEC, had the dual and conflicting responsibilities for development and for regulation of civilian nuclear power.

The ERDA brings together in one agency the major Federal energy research and development programs and bears the responsibility for leading the national effort to develop the technology needed to assure the United States ample and secure supplies of energy at reasonable prices. ERDA consolidates major energy research and developments from the AEC, the Department of the Interior, National Science Foundation and Environmental Protection Agency. ERDA will also continue research and development for production of nuclear materials and for atomic weapons.

Footnotes at end of article.

Section 307(b) of the Energy Reorganization Act requires ERDA, in collaboration with the Secretary of Defense, to conduct a thorough review of the desirability and feasibility of transferring to the Department of Defense or other Federal agencies the functions of the Administrator respecting military application and restricted data. This report is due within a year after the Administrator took office [January 19, 1975] and is to include analysis of alternatives and specific recommendations of the Administrator and the Secretary of Defense. This report is likely to attract legislative interest early in the second session of the 94th Congress.[3]

Organization should receive fresh attention after June 30, 1975, which is the latest date for the President to transmit to Congress such additional recommendations as he deems advisable for organization of energy and related functions in the Federal Government.[4]

As approved by the House on June 20, 1975, by a vote of 317 yeas to 9 nays on H.R. 3474, ERDA authorizations for fiscal year 1976 plus an amount to cover the three months' transition period from July 1, 1976 to October 1, 1976, were to be $5.6 billion.[5]

Of this amount, less than half—approximately $1.9 billion for fiscal year 1976 and about $500 million for the transitional period—was approved for nuclear energy.

While only $212 million of this amount (plus $58 million for the transition period) was earmarked for the fast breeder reactor, the overall LMFBR program cost for the period through this year 2020 is now estimated at $10 billion, as compared with a late 1960s estimate in the range of $3 to 4 billion, and the estimated total program cost of the Clinch River demonstration Breeder Reactor Project, an essential element of the whole fast breeder program, has already escalated from $700 million to $1.7 billion, although it will not be operational until the year 1982.

The Senate on July 31, approved 92 to 2 a $6 billion authorization for the Energy Research and Development Administration for a 15-month period that began July 1.

The legislation, sent to the House was $560 million more than the agency requested.

The bill covers both nuclear and nonnuclear power programs. Included in the dollar totals were $275 million for coal energy development, $48.6 million for petroleum and natural gas development, $25 million for oil shale development, $96 million for development of solar energy, and $33.8 million for geothermal energy, with most of the balance for nuclear energy.

By 66 to 30, the Senate tabled an amendment by Sen. John Tunney (D-Calif.) to eliminate $94.1 million for on-site construction or procurement of components for the Clinch River breeder reactor demonstration plan in Oak Ridge, Tenn.

Proponents said a break in funding would break the project's momentum and end up costing the government more money once the construction resumed.

The following table summarizes the NRC's request for authorization under its major programs and the Joint Committee's action thereon:

AUTHORIZATION OF SALARIES AND EXPENSES

[In thousands of dollars]

Program	NRC authorization request		Committee recommendations		Change		Page No.
	1976	Transition quarter	1976	Transition quarter	1976	Transition quarter	
Nuclear reactor regulation:							
Powerplant licensing	33,849	8,600	33,849	8,600	0	0	8
Standards development	11,142	2,801	11,142	2,801	0	0	9
Inspection and enforcement	20,788	5,500	20,788	5,500	0	0	9
Total nuclear reactor regulation	65,779	16,901	65,779	16,901	0	0	9

Program	NRC authorization request		Committee recommendations		Change		Page No.
	1976	Transition quarter	1976	Transition quarter	1976	Transition quarter	
Nuclear materials safety and safeguards	10,955	2,707	10,955	2,707	0	0	9
Nuclear regulatory research	97,223	25,171	97,223	25,171	0	0	11
Program direction and administration	24,015	6,221	24,015	6,221	0	0	12
Changes in selected resources	21,963	1,000	21,963	1,000	0	0	12
Total authorization	219,935	52,000	219,935	52,000	0	0	

ERDA appropriations, approved by the House on June 24 (H.R. 8122) totaled $5 billion for fiscal year 1976 and the transition, but excluded some fossil fuel and conservation funding still to be approved by another subcommittee. The NRC appropriations, approved in the same bill, totaled $252 million.

THE BREEDER REACTOR

A major controversial issue of energy and nuclear power policy in the 94th Congress is the future of the breeder reactor and ERDA's program to further develop this technology and to build a larger breeder demonstration on the Clinch River at Oak Ridge, Tennessee. Compared with previous Congresses, more Members are now raising questions about and challenging this program than in the past. The breeder is likely to receive additional attention later this year after four reports due by the end of June become available to the Congress and to the public.

These four studies include: ERDA's final environmental statement on the breeder program; a report on ERDA's administrative hearings on the breeder program; a GAO study on the cost of the breeder program; and a report from the Joint Committee on Atomic Energy's ad hoc Subcommittee that is studying the breeder.

The Joint Committee on Atomic Energy is aware of this opposition and recently described the situation as follows: [6]

> There are those who sincerely question the LMFBR program and the need to proceed with the demonstration plant. Over the past several years, several groups and some individuals—many opposed to nuclear power generally—have raised serious questions about this program. Their questions fall basically into two categories:
>
> (a) whether the benefits to be gained from the LMFBR outweigh the costs and risks associated with it; and
>
> (b) whether the program is being implemented in a manner which protects the public interest.
>
> Concern in both of these areas has been intensified by the fact that the costs required to carry the program forward have significantly increased. The overall LMFBR program has been restructured over the past year, and the total estimated program cost for the period through the year 2020 has grown to $10 billion. . . . The cost estimate for the Clinch River demonstration project . . . has increased from $0.7 billion to $1.7 billion.

The special analysis of the budget, prepared by the Executive Branch in January 1975, for nuclear research and development during fiscal year 1976 noted that additional support is provided to the liquid metal fast breeder reactor. "Work on this fission technology will be increasingly oriented to the engineering requirements necessary to achieve highly reliable, safe, and economic breeder powerplants." [7]

In January 1975, an ERDA review group completed its report on the LMFBR program and confirmed the need to ". . . proceed expeditiously to develop the LMFBR at this time to assure the continued availability of the nuclear power option to meet the Nation's future energy needs." The report deemed prudent the objective of achieving commercial breeder availability by the early 1990's, although it noted some risk that this timing may be late in relation to need.[8]

The report also found that known economically recoverable domestic uranium reserves would be committed to converter reactors within a few years; that the LMFBR program contained the essential elements for success and was in reasonable balance; and that foreign LMFBR programs would contribute important data and information, but that it would be impractical to substitute foreign reactor experience and technology for critical elements of the U.S. program.

AEC issued the proposed final environmental statement for the Liquid Metal Fast Breeder Reactor Program on January 17, 1975.[9] Two days later, ERDA took over responsibility for development of the final statement which is necessary before ERDA can make any final statement which is necessary before that agency can make any final decision on the future of the breeder program.

In March 1975, ERDA proposed realignment of management of the Fast Breeder Reactor Project. The change would have ERDA assume direct management of the demonstration project in order to recognize the Government's expanded financial commitment and to assure that the project has single lines of authority and that its objectives are met.[10]

Seven new members of the JCAE, led by Senator Tunney, wrote to chairman Pastore, on March 13, asking that additional hearings he held on the breeder.

The Joint Committee on Atomic Energy appointed an ad hoc subcommittee to review the liquid metal fast breeder program, chaired by Mr. McCormack.[11] The ad hoc subcommittee is to proceed at the earliest possible date with an extensive, in-depth review of the LMFBR program and related energy quest. The Joint Committee also announced it would not be feasible to delay authorization of the budget request for the LMFBR for further study, as had been proposed by some Members of Congress.

At about the same time, the Natural Resources Defense Council issued a report sharply criticizing the breeder project [12] and proposed by passing of breeder and moving directly into using solar, geothermal and fusion energy and energy conservation. The real LMFBR debate, according to NRDC, will center around whether it is possible to make this leap. NRDC believes the leap can be made and recommended that the Federal Government delay the LMFBR program for a decade as premature and because they see no penalty in such delay. Funds freed by the LMFBR cutback could finance accelerated development of solar, geothermal, fossil, fusion and conservation technologies.

The postponement would also provide time for data to be gathered and assessed which bears critically on the future desirability of the LMFBR program. Such data would include: (1) More accurate information on uranium availability and future energy demands; (2) information on the potential of solar, geothermal and fusion energy (which should increase "dramatically" with appropriate funding); and (3) information to answer critical health and safety problems of the LMFBR with more certainty than is now present.

In April 1975, the NRC staff formally accepted for detailed review an application from the Project Management Corporation and the TVA for a permit to build the Clinch River Breeder Reactor Plant in Oak Ridge, Tennessee.

The Environmental Protection Agency reported to ERDA its review of the proposed final environmental statement on the breeder and said the developmental portion of the LMFBR program would probably be conducted without any unacceptable adverse impacts on the environment. EPA saw some uncertainty on safety of the demonstration project. It noted that information to assess commercialization of the LMFBR was inadequate to predict the ultimate environmental impacts with any certainty. EPA's analysis also indicated that a delay of 4 to 12 years in breeder development might be accommodated without "significantly reducing the uranium conservation value of the breeder." [13]

The Joint Economic Committee chaired by Senator Humphrey held hearings on the LMFBR program on April 30 and May 8.

On May 22, 1975, the Joint Committee on Atomic Energy released a letter from EPA Administrator Train reaffirming EPA's support of plants to develop the LMFBR technology.[14] In the letter Mr. Train said EPA supported the Administration's plans to develop the LMFBR technology because EPA considered the LMFBR to be a viable candidate among the alternative nuclear and nonnuclear technological options that should be explored. EPA also said that the environmental impacts from a limited number of demonstration plants and supporting facilities and operations could be made safe through conservative design, operating, and siting practices. However while favoring early demonstration of breeder technology, EPA held to its analysis that the timing for possible commercial use would permit the developmental program to be stretched out if that were found to be desirable.

The Subcommittee on Energy and the Environment of the House Committee on Interior and Insular Affairs, chaired by Mr. Udall, began hearings on the nuclear breeder development program.

The Ad Hoc Subcommittee to Review the National Breeder Program of the Joint Committee on Atomic Energy also began hearings in June on the national breeder reactor program and related issues.

Secretary of Commerce Morton and Federal Energy Administrator Zarb told Washington newsmen that the breeder program should not be undertaken on a crash basis.[15]

A major decision affecting the breeder was announced on June 30, 1975 by ERDA Administrator Seamans. In his findings on the proposed final environmental statement for the breeder (the PFES) Dr. Seamans included:

> The PFES amply demonstrates the need to continue research, development and demonstration of the LMFBR concept. There is no presently available or prudent alternative to this course of action.
>
> Only a demonstration that the LMFBR can not be developed as a safe, environmentally

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sound and economically competitive energy source would justify a decision to discontinue the program. The record does not so indicate.

The significant problems identified in the LMFBR concept may be solved by a continuation of the program.

However significant problems remain unresolved. This includes reactor safety, safeguards, health effects and waste management. They must be resolved before any decision may be made to place the LMFBR into widespread commercial use.

It will be necessary over the next few months to carefully reexamine the current LMFBR development program to be sure that it is most efficiently structured to solve the problems that need solution.

ERDA has announced that it has commissioned the National Academy of Sciences to conduct an 18-month independent analysis of all the risks and benefits associated with alternative conventional and breeder reactors as sources of power.[16]

Bills concerning the breeder thus far in the 94th Congress have been limited to the ERDA authorizations. In the Senate, Senator Tunney on June 10 proposed an amendment to the ERDA authorization for Fiscal Year 1976 to eliminate funds for on-site construction of the breeder demonstration and to require an assessment and report to Congress by the Office of Technology Assessment on the breeder within a year.[17] In the house, the ERDA authorization was passed on June 20, after attempts to amend the bill to reduce or delay the breeder had not succeeded.[18]

PLUTONIUM RECYCLE

Whenever nuclear fuel containing uranium-238 is exposed to neutrons, which is the condition within a nuclear reactor, some of the U-238 is transformed into plutonium. If more atoms are so transformed into plutonium than are fissioned to energize the reactor, then the reactor is called a breeder. Conventional nuclear power plants do transform U-238 into plutonium, which in principle can be recovered and used as a nuclear fuel in the reactors by mixing it with ordinary uranium. Over the years, the AEC has funded some research and development to perfect this idea, known as plutonium recycle. In August 1974 the AEC published in draft an environmental statement on use of such fuels in light-water reactors.[19] The issue addressed is a method of operation of the nuclear power industry, including nuclear reactors and associated fuel cycle facilities and operations. If plutonium recycle is authorized for commercial practice, then the plutonium produced in conventional nuclear powerplants will extend the nuclear fuel resources of the Nation and also provide new income for the nuclear industry and reduce the amount of plutonium held in storage. If plutonium recycle is not authorized, then the energy recoverable from uranium reserves with present nuclear powerplants will be increased, there would be less reason to reprocess used fuels—which would reduce opportunities for theft or diversion of recovered plutonium, a new source of income for the nuclear industry would be foregone, but the chances of dangerous releases of plutonium to the environment would be substantially reduced.

The National Resources Defense Council in its analysis of plutonium cycles strongly opposed the concept as dangerous and unnecessary.[20]

As alternatives, NRDC proposed:

(1) Phasing out nuclear power reactors because of human and societal hazards of fission reactors.

(2) Continuation with light-water reactors without plutonium recycle for the foreseeable future premised on a judgment that plutonium is too dangerous because of its toxicity and explosive potential to be allowed in commerce.

(3) Deferral of a decision on plutonium recycle for several years until present uncertainties regarding safeguards and plutonium toxicity are satisfactorily resolved.

The Nuclear Regulatory Commission addressed plutonium recycle early in 1975. On May 8, the NRC announced that before making a decision as to whether recycled plutonium may be used widely in fuel for light water reactors, it would ask for public comment regarding possible courses of action for evaluating the safeguards issue.[21]

It was also the NRC's provisional views that the following guidelines would be appropriate for resolving issues of deferral of future licensing actions related to the wide-scale, commercial use of plutonium in nuclear fuels:

(1) There should be no additional licenses granted for use of mixed oxide fuel in light water power reactors except for experimental purposes.

(2) With respect to light water nuclear power reactor fuel cycle activities which depend for their justification on wide-scale use of mixed oxide fuel in light water nuclear power reactors, there should be no additional licenses granted which would foreclose future safeguards options or result in unnecessary "grandfathering." This would not preclude the granting of licenses for experimental and/or technical feasibility purposes.

If the NRC's provisional view is adopted, a final NRC decision on plutonium recycle would not be reached until early to mid 1978, depending on the timing and outcome of various safeguards studies under way and the time required to complete any necessary public proceedings.[22]

This provisional decision generated controversy, leading NRC chairman Anders and Commissioners Rowden and Kennedy to point out that the decision to delay was provisional, not final; that the NRC had not expressed any view on recycling but was merely searching out the process to use in reaching a decision; and that the NRC was determined to avoid the kind of free-for-all that resulted after the 1871 court decision on Calvert Cliffs overturned AEC's approach to the National Environmental Policy Act.[23]

The Joint Committee on Atomic Energy in reporting the NRC's authorization for fiscal year 1976 noted that undue delay by NRC will inevitably result in expensive inefficiencies and postponement of related (commercial) decisions. The Joint Committee urged the NRC to expedite its decisions on plutonium recycling and safeguards ". . . to the maximum extent without reducing the necessary scope and depth of its inquiry, regardless of its decision as to the separability of these two issues." [24]

Plutonium recycle has attracted legislative attention. In February Mr. Aspin introduced a Plutonium Recovery Control Act, to prohibit the licensing of certain activities regarding plutonium until expressly authorized by Congress and to require a comprehensive study of plutonium recycling by the Office of Technology Assessment.[25]

In the Senate, Senator Tunney introduced a Plutonium Recovery Control Act to likewise prohibit licensing of plutonium recycle except for military or research and development purposes, and to require OTA to undertake a three-year assessment.[26]

EXPORTS OF NUCLEAR MATERIALS AND TECHNOLOGY AND RELATED INTERNATIONAL SAFEGUARDS ISSUES

Controlling exports of nuclear materials and technology and safeguarding these items from theft and diversion in the United States and abroad has been a concern of the 94th Congress. Reports of U.S. shipments of weapons grade uranium to South Africa, of West Germany's intention to export large-scale nuclear reactors, fuel processing plants and a uranium enrichment plant to Brazil, and recent international meetings to review safeguards problems have heightened this concern and prompted Congress to introduce and act on legislation as well as hold hearings on nuclear exports and safeguards.

The President's report.—In Section 14 of the Export Administration Amendments of 1974 the 93d Congress directed the President to review all laws and regulations issued by the Atomic Energy Commission, the Department of Commerce and other Government agencies governing the export and re-export of materials and technology needed in nuclear facilities.[27] Congress also directed the President to review domestic and international safeguards in anticipation of the Review Conference on the Treaty on the Non-Proliferation of Nuclear Weapons. The review was done for the President by ERDA with help of other agencies.[28]

The President's report describes U.S. export controls and international and domestic safeguards programs and gives a detailed procedural description of rules, regulations, and practices that pertain in these areas.

With regard to export controls the President's report observed that:

> Current laws provide ample authority to control the export and re-export of nuclear materials, and technology for civil nuclear power facilities to prevent the proliferation of a nuclear capability for nonpeaceful purposes. Existing U.S. export policies and regulations are constantly being revised and strengthened and exports of significant quantities of strategic nuclear materials will not be approved unless the government of the recipient country has established a system of physical security measures acceptable to the United States.
>
> The U.S. is only one of many nuclear suppliers and cannot unilaterally delay proliferation by controls on exports. Major efforts are being made by the U.S. to gain universal acceptance of export control policies which will further inhibit proliferation.

The President's report reached the following conclusions concerning safeguards:

> Domestic safeguards need to be kept under continuing review for the purpose of strengthening them. In the future, additional safeguard measures will be required as the volume of material grows and the technical complexities of facilities increase.
>
> IAEA accountancy safeguards will detect and make an important contribution to deterring any efforts diversion by States. As the volume of materials and the nature of facilities elsewhere in the world grow in their technical complexities, improvements in the equipment, staffing, and frequency of inspection and funding of the IAEA system are and will continue to be needed. A high level of U.S. financial, diplomatic, and technical support will be necessary.
>
> With respect to subnational thefts, sabotage, and terrorism, improvements are needed in most national systems which complement and are an essential element of the IAEA system.
>
> It is necessary to convince the supplier nations that it is in their interest to assure that the proper safeguards and physical security measures are placed on all sales of nuclear material and equipment. Continued U.S. efforts in improving the international safeguards system are vital.

On January 15, 1975, The Nuclear Regulatory Commission (NRC) and the Energy Research and Development Administration (ERDA) commenced operations pursuant to Public Law 93-438. The NRC is responsbile for measures to safeguard special nuclear materials held by domestic licensees and issues export licenses for nuclear powerplants and components, nuclear fuel and unfabricated source material, special nuclear materials, and byproduct materials. The Energy Research and Development Administration negotiates the international agreements for cooperation which are a prerequisite for any export license and provides technical information, and advice and consultation to other

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agencies concerned with exports of nuclear materials.

International developments.—On April 14, based on information released by Congressman Les Aspin, Thomas O'Toole reported in the *Washington Post* that the United States has shipped enough weapons-grade uranium to South Africa to fabricate seven atomic bombs. Although South Africa is not a signatory to the Non-Proliferation Treaty, the U.S. Nuclear Regulatory Commission (NRC) states that the sales were approved only after South Africa agreed to safeguards that would prohibit the diversion of the uranium out of the research reactor it was provided for.

On May 5, the Review Conference of the Parties to the Treaty on Non-Proliferation of Nuclear Weapons opened in Geneva. It adjourned on May 30, 1975 after submitting a draft final declaration. In it, the delegates recommended that:

Intensified efforts be made towards the improvement, standardization, and universality of application of IAEA safeguards.

Safeguards be applied to all peaceful nuclear activities in importing States not party to the Treaty.

In reaching decisions on exporting nuclear materials and equipment, States Party to the Treaty should give weight to adherence to the Treaty by recipient States.

On June 1, it was reported in the *Washington Post*[29] that West Germany will export large scale nuclear reactors, fuel processing plants and a uranium enrichment plant to Brazil. This technology could give Brazil, which is not a signatory of the Non-Proliferation Treaty, the capability to produce nuclear weapons. It is not known what safeguards arrangements have been negotiated between West Germany and Brazil. The Germans, as signatories of the NPT must adhere to the treaty requirements, but the restrictions on supplies of enriched uranium need not apply if Brazil produces the fuel itself.

The *New York Times* on June 18, reported that the United States, Britain, the Soviet Union, West Germany, France, and Canada would open a secret conference on that day in London to discuss possible means of controlling sales of nuclear equipment and developing safeguards to prevent the spread of atomic weapons.[30]

The conferees were expected to discuss the following:

Whether to demand a pledge from non-nuclear countries that their peaceful atomic energy programs will not be used to produce nuclear weapons

Possible agreements to place fuel-production cycles under controls in countries not now subject to international controls

Newly developed safeguard instruments

Whether to convene later in a more formal manner.

The State Department subsequently expressed concern that publication of the conference activities might cause some of its participants to withdraw or not to cooperate.

Legislative activity.—On the issues of safeguards and the export of nuclear materials and technology, hearings have been held, and legislation introduced and acted upon during the 94th Congress.

In the House, Mr. Long of Maryland introduced identical bills to prohibit the transfer of atomic technology to foreign powers without the express approval of the Congress.[31]

Mr. Diggs introduced identical bills in the House to prohibit the transfer of nuclear materials to countries which have not ratified the treaty on Non-Proliferation of Nuclear Weapons.[32]

One provision of the Plutonium Recovery Control Act introduced in the House by Mr. Aspin would require the Office of Technology Assessment to conduct and complete within three years a comprehensive study of the recycling of plutonium to include an investigation of the risks of the unauthorized diversion or theft of plutonium.[33]

During House debate on the NRC authorization bill for fiscal year 1976, Mr. Long of Maryland introduced an amendment to prevent the NRC from using any of its funds to license or authorize the export of nuclear fuel or technology to any country which furnishes or agrees to furnish uranium enrichment or nuclear fuel reprocessing plants to a country not a party to the NPT, or any country which is not a party to the NPT and which develops either an enrichment or reprocessing plant without concluding an arrangement with IAEA or Euratom requiring present and future nuclear facilities to be subject to safeguards established by either such agency against diversion of nuclear material. The provisions would not prevail if the President determines that the national security requires such a license or authorization and reports this determination to Congress at least 60 days prior to the issuance of such a license or authorization. Opponents of the amendment argued that it would not serve to advance U.S. policy towards non-proliferation. The amendment was defeated 139–117.[34]

Concurrent resolutions were introduced by Senator Pastore and Representative Roncalio which expressed congressional approval of proposed additional amounts of special nuclear material which may be distributed to the International Atomic Enegry Agency[35] and the European Atomic Community[36] pursuant to the Atomic Energy Act. Identical concurrent resolutions were also introduced in the Senate and House expressing the approval of the Congress to the proposed two year extension of the 1955 Agreement for Cooperation Between the U.S. and Israel concerning the civil use of Atomic Energy.[37]

Hearings were held on these proposals on February 6, 1975, by the Subcommittee on Agreements for Cooperation of the Joint Committee on Atomic Energy.[38]

S. Con. Res. 15 was considered and passed by the Senate on Feb. 19, 1975 and considered and passed by the House in lieu of H. Con. Res. 114 on March 11, 1975.

S. Con. Res. 13, and H. Con. Res. 115[39] and S. Con. Res. 14 and H. Con. Res. 116[40] were reported on February 13, 1975.

Both S. Con. Res. 13 and 14 were considered and passed by the Senate on February 19, 1975 and tabled in the House on March 17, 1975.

Hearings on the export and safeguarding of nuclear materials and technology not related to specific legislation were held by committees of the House and Senate. The Subcommittee on Energy and Environment of the House Committee on Interior and Insular Affairs held hearings on the plutonium economy and nuclear theft on May 2, 1975 as part of its overall hearings on nuclear energy. The Subcommittee on Arms Control of the Senate International Relations Committee held hearings in March and July on issues relative to nuclear nonproliferation. In July, the House Committee on Interior and Insular Affairs Subcommittee on Energy and the Environment held hearings on international proliferation of nuclear technology.

The Export Reorganization Act of 1975[41] would reorganize functions of the Department of Commerce and State, ERDA and the NRC to focus control of exports of nuclear materials and equipment in the Department of Commerce. However Department of Commerce issuance of an export license would require certification by the NRC that the receiving country has safeguards at least substantially comparable to those that the NRC requires for domestic nuclear activities. The NRC would also be required to file a nuclear proliferation assessment statement with the Arms Control and Disarmament Agency for each strategically significant nuclear export application. NRC would also provide training for safeguards techniques for customer nations it would study physical security and materials accounting safeguards and make recommendations to the President and Congress for ungrading these safeguards. NRC also would study and make recommendations on the feasibility of internatonal management of all strategically significant aspects of the commercial nuclear fuel cycle.

The Senate Committee on Government Operations held hearings on this proposed reorganization in late April.

NUCLEAR SAFETY

Nuclear safety, and in particular the probability of a catastrophic release of radioactive materials from a nuclear facility, is an issue frequently raised about nuclear power.

Nuclear Safety Studies.—One response of the Atomic Energy Commission was to undertake a study to estimate the public risks entailed in potential accidents in nuclear power plants of the type now in use in the United States.[42] This study culminated in the "Rasmussen Report" which was released in draft for comment by ERDA in August 1974. A final version is to be published by NRC later this year. The Rasmussen draft report concluded that the public risks from potential accidents in nuclear power plants are small.[43]

The draft made several detailed findings as follows:

The consequences of potential reactor accidents are no larger, and, in most cases, are much smaller than people have been led to believe by previous studies. . .

The likelihood of reactor accidents is much smaller than many nonnuclear accidents having similar consequences.

Nonnuclear accidents, including fires, explosions, toxic chemical releases, dam failures, airplane crashes, earthquakes, hurricanes, and tornadoes, are much more likely to occur and can have consequences comparable or larger than nuclear accidents.

Nonnuclear accidents to which society is already exposed are about 10,000 times more likely to produce larger numbers of injuries to people than nuclear plants.

Nuclear plants are about 100 to 1,000 times less likely to cause costly, large dollar value accidents than other sources.

The Rasmussen report has generated controversy. The AEC's regulatory staff concluded that it generally overestimated the risks from some accidents while failing to address other significant accident probabilities, and that it underestimates the consequences of some accidents. The Environmental Protection Agency found that the study underestimated the health consequences of a major reactor failure and also criticized the comparative risks approach used.

Early in 1975 another landmark report was published, the Lewis Report.[44] This report was made for the American Physical Society and assessed technical aspects of the safety of light-water reactors. The APS study group, chaired by Professor Harold W. Lewis of the University of California, Santa Barbara, reported it had not uncovered reasons for substantial short-range concern regarding risk of accidents in light-water reactors. It thought a much better evaluation and consequent improvements of nuclear safety could be achieved if certain aspects of the ERDA safety research program were substantially improved and the results of that R&D put to use. Because of the serious consequences of a major release of radioactivity, the study group called for continuing major effort to improve reactor safety as well as to understand and mitigate the consequences of possible accidents.

As for questions of nuclear safety, witnesses before the National Nuclear Energy Debate hearings of the House Committee on Interior and Insular Affairs in April 1975

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argued that the probability of such accidents was too high in comparison with possible benefits of nuclear power and that this risk and other limitations gave reasons why further use of nuclear power should be slowed down or stopped.

Within this context, several bills were introduced during the 94th Congress calling for study and review of nuclear hazards.

Mr. Fish proposed that the Joint Committee on Atomic Energy arrange with the National Academy of Sciences for a study of the civil power functions and special industrial operations of the Atomic Energy Commission, including: (1) licensing and regulation of nuclear power plants; (2) research, development and demonstration of nuclear power; (3) adequacy of plans for protecting the public against releases from an uncontrolled nuclear accident; and (4) adequacy of public participation in Commission activitis and decisions.[45]

Mr. Drinan introduced bills to direct the Office of Technology Assessment to undertake an independent comprehensive study and investigation of the entire nuclear fuel cycle and to report to Congress within 5 years.[46]

Senator Tunney in a proposed amendment to the ERDA authorization for fiscal year 1976 (S. 598), proposed that the Office of Technology Assessment assess and report to Congress within a year on the breeder program and the Clinch River demonstration.[47]

Some Members of Congress have concluded that the risks from catastrophic nuclear accidents and from theft of nulear materials and sabotage of nuclear facilities are so great as to greatly overbalance any benefits from nuclear power. This view has been expressed in the introduction of bills calling for a temporary or permanent moratorium on nuclear power in the United States. In the 94th Congress, bills by Mr. Fish attracted some 21 cosponsors. He proposed temination of granting construction permits for nuclear power plants until a comprehensive five-year study of the nuclear fuel cycle is carried out by the Office of Technology Assessment and Congress acts upon the report. A similar bill was introduced by Mr. Nix.[48]

Rail transport of radioactive materials.—The commercial reprocessing of used nuclear fuels inevitably will require rail transport of intensely radioactive shipments of spent fuel and perhaps separated radioactive wastes. The House in acting upon the Federal Railroad Safety Authorization Act of 1975[49] included an amendment proposed by Mr. Skubitz and Mr. Florio and adopted in committee that would require the Secretary of Transportation to examine the transportation of radioactive materials by rail and report to Congress by March 17, 1976. The report is to describe the regulations and handling criteria for radioactive material shipments by rail. In addition, the Secretary of Transportation is to include annual projections of radioactive materials shipments for fiscal years 1976 through 1980. Finally, the report is to evaluate the need for additional regulations and handling criteria.[50]

Price-Anderson indemnification.—Last year President Ford vetoed an extension of the Price-Anderson indemnification provisions of the Atomic Energy Act of 1954 as revised.[51] At the time, the Joint Committee on Atomic Energy decided not to seek to override the veto, but rather to resubmit legislation in 1975. Through mid-June no such legislation was submitted.

Two recent events pertinent to the indemnification include a reduction in the annual fee charged for commercial nuclear insurance, and completion of an NRC study that indicates a gap in the Price-Anderson coverage.

In May the Insurance Information Institute announced that the annual premium for insurance coverage by nuclear power reactors was being reduced 20 percent. According to the Institute, the two insurance pools that provide this coverage have yet to receive a claim for injury or damage to the public arising from the operation of a nuclear reactor since the inception of the pool operation in 1957.

On June 11 the NRC announced its staff had completed a study of compensation available to the public under the Price-Anderson Act to cover damages resulting from the theft or sabotage of nuclear materials. The staff concluded that such compensation is not covered by the Act, which they see as limited to nuclear incidents which may occur at licensed, indemnified facilities and along planned routes of shipments of nuclear materials. The study complied with a request of the Congressional Conference Committee last year during its action on the Energy Reorganization Act. While the NRC staff made no specific recommendations, it outlined six alternatives for legislative consideration. These included: special legislation after such an incident; extension of Price-Anderson coverage to damages arising out of nuclear theft; a separate private insurance system; a system of assessing "deferred" premiums from licensees for such protection; an expanded government indemnity without insurance; and a government indemnification to cover losses arising from any terrorist activities. The report was sent to the chairman of the Joint Committee on Atomic Energy on June 9.[52] In July, the FEA sent to the Joint Committee on Atomic Energy legislation for a 10-year extension of the Price Anderson Act.

Uranium mill tailings.—The mining and milling parts of the uranium industry became privately owned early in the National atomic program. This trend was accelerated when the AEC deliberately withdrew from the milling of uranium. While this policy speeded the introduction of free enterprise into the nuclear industry, it led to a gap in responsibilities that has produced the still troublesome problem of the uranium tailings. When uranium is milled, most of the ore ends up on large tailing piles. For some ores, these piles contain radium and other naturally radioactive materials which can spread by wind erosion or run off of rainwater. Neither the AEC nor the States involved established regulations for the control and management of these piles, although the potential hazards from the tailings were well known to industrial hygienists. As the uranium industry went through a boom and bust cycle in the late 1950s, some of the milling companies went out of business, leaving unstabilized piles of tailings open to the elements. Good public health and environmental practices requires removal of some piles or stabilization of the piles, but this is an expensive process.

In the 94th Congress, Senator Moss and Representative Howe proposed to authorize ERDA to enter into a cooperative agreement with the State of Utah to remove and dispose of uranium mill tailings there. ERDA would pay 75 percent of the costs, and a total of up to $10 million would be authorized. This bill was referred to the Joint Committee on Atomic Energy.[53]

Air transport of plutonium.—The toxicity of plutonium has caused some concern over accidental release of this material from air transport should an accident occur. This concern culminated in an amendment to the NRC authorization for fiscal year 1976 by Mr. Scheuer[54] to forbid the NRC to license any shipments of plutonium by air, whether export, import or domestic shipment, except for materials in a medical device [pacemaker]. This restriction is to remain in force until the NRC has certified to the Joint Committee on Atomic Energy that a safe container has been developed and tested which will not rupture under crash and blast-testing equivalent to the crash and explosion of a high-flying aircraft. The amendment was approved 165 to 79, with 189 Members not voting.[55]

SITING AND LICENSING OF NUCLEAR PLANTS AND RELATED ISSUES

Since the late 1960s the planning, siting, licensing, construction and start up of nuclear power plants has taken several years longer than the time for a comparable conventional plant. Nuclear plants now take from 8 to 10 years to bring into operation in comparison with about six for conventional ones. Part of this delay is attributed to prolonged and complicated licensing requirements, and to intervention by public interest groups and opponents of nuclear power.[56] President Nixon called for comprehensive siting legislation and a reduction in the time to build and license nuclear power plants.

In his Special Message to the Congress on the Environment of February 15, 1971, President Nixon proposed legislation to help alleviate the siting problem for power plants through longer range planning by the utilities and through the establishment of State or regional agencies to license new bulk power facilities prior to their construction.

In his Message to Congress of April 18, 1973, President Nixon said he would resubmit legislation on siting including a requirement that the Government act on all completed license applications within 18 months after they are received. He also noted unreasonable delays in developing nuclear power and said this situation must not continue.

In his energy crisis message of January 23, 1974 President Nixon said he had directed that new legislation be prepared to obtain advanced approval of adequate sites for energy facilities on a regional basis; better coordination of the various approvals required by all levels of government; and improved long range planning of energy facility requirements. He also said he had directed that steps be taken to reduce the licensing and construction cycle to 5–6 years for nuclear facilities without compromising safety and environmental standards. He said he would propose legislation to expedite the completion of nuclear power plants by separating the approval process for plant sites from the licensing of the reactor, and by encouraging the use of standardized plant designs, by permitting the establishment of an inventory of approved sites for nuclear plants.

President Ford in his State of the Union Message of January 15, 1975, spoke of energy and of nuclear power in the context of beginning to restore the Nation's surplus capacity in total energy. He mentioned a number of actions to energize the Nation's nuclear power program and said he would submit legislation to expedite nuclear licensing and the rapid selection of sites. He also recommended that the one-year investment tax credit of 12 percent be extended an additional two years to speed the construction of powerplants that do not use natural gas or oil, and proposed selective reform of State utility commission regulations. His program envisions that within the next 10 years there will be 200 major nuclear powerplants in the United States.[57]

The Energy Reorganization Act of 1974 requires that the Nuclear Regulatory Commission make a national survey to locate and identify possible nuclear energy center sites. Section 207 defines nuclear energy center sites to include major steps in the fuel cycle. The survey is to include:

(a) A regional evaluation of natural resources, including land, air, and water resources, available for use in connection with nuclear energy center sites; estimates of future electric power requirements that can be served by each site; assessment of the eco-

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nomic impact of each nuclear energy site; and consideration of any other relevant factors;

(b) an evaluation of the environmental impact likely to result from construction and operation of such sites, including an evaluation of whether such centers will result in greater or lesser environmental impact than separate siting; and

(c) consideration of the use of federally owned property and other property designated for public use, but excluding national parks, national forests, national wilderness areas and national historic monuments.

The report is to be published and sent to the Congress and to the Council on Environmental Quality not later than October 11, 1975, and is to be updated from time to time thereafter by the NRC.

The Act also authorizes the NRC to adopt policies which will encourage the location of nuclear power reactors and related fuel cycle facilities on nuclear energy center sites insofar as practicable.

Legislation to improve nuclear licensing procedures and to provide for siting include: H.R. 3995, introduced by Mr. McCormack on February 25, 1975; S. 984, introduced by Senator Jackson and 26 cosponsors on March 6, 1975; H.R. 7002, introduced by Mr. Price on May 14, 1975; and S. 1717, introduced by Senators Pastore and Baker on May 12, 1975. S. 984 would authorize the Secretary of the Interior to assist the States to develop and implement State land resource programs and, among other things, to encourage expeditious energy siting decisions. The other bills would improve licensing and siting in various ways.

State regulations of nuclear power.—The issue of State control over discharges from nuclear powerplants reached Federal courts in 1969 when the Minnesota Pollution Control Agency issued a waste disposal permit for a nuclear power plant which imposed certain restrictions upon emissions. This led to a court test which decided that the Atomic Energy Act of 1954 had preempted the control of nuclear power plants to the Federal government.[58] Since then legislation has been periodically proposed to provide the States with some such authority. In the 94th Congress, Mr. McCormack proposed legislation to empower the Nuclear Regulatory Commission to enter into agreements with State or regional agencies under which the agency shall conduct an environmental review of and issue or deny an application for a site certificate for any proposed nuclear power plant reactor site.[59] Mr. Fish also proposed legislation, a bill to provide that nothing in the Atomic Energy Act of 1954 as amended shall be construed to prevent any State from regulating concurrently with the AEC [His bill was introduced before the NRC came into existence] the discharge or disposal of radioactive effluents if: (1) the requirements or standards are for the protection of the public health and safety; and (2) action permitted or tolerated by such State is not specifically prohibited by the Commission.[60]

In another bill relating to State actions affecting nuclear power, Mr. McCormack would prohibit, under the Federal Power Act, the transmission of electrical energy into any state which enacts a law or regulation prohibiting the production of electric energy or atomic energy in the State.[61]

Public construction of nuclear power plants.—The financial problems of the public utilities have caused the cancellation, or postponement of over 60 percent of planned nuclear expansion. As one measure to improve the financial conditions, President Ford in his State of the Union Message recommended that the 1-year investment tax credit of 12 percent be extended for an additional 2 years to specifically speed the construction of powerplants that do not use natural gas or oil.[62]

Another proposed legislative approach was made by Mr. Thornton in his National Power Resource Act.[63] This act would make it Federal policy to promptly develop, construct, and operate in cooperation with the private sector, needed nuclear power generation facilities. The bill would establish a National Power Resources Authority to: (1) select and acquire suitable sites for not less than 20 nuclear power plants, and to build and operate them; (2) invite participation by interested Federal, State, and local agencies, by electric utilities and citizens groups, and by other interested groups and individuals in the selection of locations and to consider the development and construction of nuclear power facilites; and (3) to establish and maintain appropriate high standards of safety and environmental protection. The authority would be funded by an appropriation of $10 billion.

Funding intervenors.—One issue during the final conference on the Energy Reorganization Act of 1974 was whether to include provision for the Nuclear Regulatory Commission to fund intervention of public interest and other groups in the regulatory process for issuing construction permits and operating licenses for nuclear facilities. This had been proposed by Senator Kennedy and others to redress an imbalance seen between sparsely funded intervenors on one hand and a well funded Federal agency on the other. The AEC subsequently decided in November 1974 that requests for financial assistance to intervenors in several proceedings then pending raised several broadly applicable questions which should be examined in a public rule-making proceeding and requested proposals for an independent study of the matter. In April the NRC announced selection of the Washington law firm to make this study which would take about three months.[64]

As for legislation, on May 6 Senator Kennedy introduced a bill to provide for financial assistance to public intervenors in nuclear licensing proceedings.[65]

PRIVATE CONSTRUCTION OF ENRICHMENT FACILITIES

By 1974 it was increasingly evident that the demand for enriched uranium from AEC's three gaseous diffusion plants would outstrip their output, particularly since the United States was supplying most of the enriched uranium to fuel nuclear power plants of free-world countries. Although the AEC was upgrading and improving its existing plants, the incremental production thus available simply was not enough. Indeed, on July 2, 1974, AEC temporarily suspended signing long-term contracts to provide enrichment service. Thereafter the AEC announced it would sign long-term contracts for another 15 domestic and 33 foreign nuclear power plants. Once these contracts are completed, the AEC, now ERDA, will stop entering into long-term contracts. By then private industry is expected to be able to provide the enrichment capacity needed.

On June 26, 1975, President Ford sent a uranium enrichment message to Congress which clearly backed the continued role of the United States as a major supplier of enrichment services on the world market. Highlights of the President's plan included:

A legislative proposal, the Nuclear Fuel Assurance Act of 1975, which would authorize the Government to enter into certain cooperative arrangements with private industrial firms that wish to finance, build, own and operate plants to provide uranium enrichment services.

A pledge by the President to foreign and domestic customers that the Government will assure that orders placed with private producers will be fulfilled as services are needed.

Opportunities for foreign investment, with control of these plants remaining in U.S. hands.

All necessary controls and safeguards concerned with (a) preventing the diversion of nuclear materials and the spread of sensitive technology, (b) environmental impact, (c) safety, and (d) antitrust.

Since a private organization now needs only to obtain an NRC construction permit and operating license to build an enrichment facility, the purpose of the legislative proposals is to provide incentive for a very large capital investment.

The arrangements the President has in mind would provide for certain forms of Government cooperation and temporary assurances that could include:

Supplying and warranting Government-owned inventions and discoveries in enrichment technology—for which the government will be paid.

Selling certain materials and supplies on a full cost recovery basis which are available only from the Federal government.

Buying enriching services from private producers or selling enriching services to producers to accommodate private plant start-up and loading.

Assuring the delivery of uranium enrichment services to customers which have placed orders with private enrichment firms.

Assuming the assets and liabilities (including debt) of a private uranium enrichment project if the venture threatened to fail—at the call of the private venture or the Government, and with compensation to domestic investors in the private ventures ranging from full reimbursement to total loss of equity interest, depending upon the circumstances.

To get this undertaking started, the President announced several administrative actions which included:

Start of negotiations between ERDA and Uranium Enrichment Associates.

An ERDA request for proposals from industrial firms interested in constructing, owning and operating enrichment facilities using centrifuge technology.

Issuance of an environmental impact by ERDA.

LABOR SUPPORT FOR NUCLEAR POWER

On June 13, 1975 President Ford released the recommendations of his Labor-Management Committee's recommendations for legislative and administrative measures to increase electric utility construction and output. The President accepted and endorsed these recommendations because they can make a significant contribution in reducing the Nation's dependence on oil imports and in conserving scarce natural gas supplies. He said he would act promptly to create a task force to tackle the problems of delays in completion of utility plants.[66]

Concerning nuclear matters, the Committee recommended extension of the Price-Anderson nuclear indemnification provisions of the Atomic Energy Act of 1954, as amended. It also called for immediate improvement in the policies and actions regarding use of nuclear energy, saying:

The nations should make every effort to capitalize on the benefits of two decades and billions of dollars of public and private efforts in nuclear power development. While the initial investment costs for nuclear energy are high, it offers the cheapest form of electricity in the long run. Every effort must be made so that the percentage of electric power generation derived from nuclear sources by 1980/1985 is greatly increased from current levels. It is estimated that 10 to 15 million construction labor hours are required for each nuclear unit installed.

The Committee also called for government action to:

Promote the public acceptance of nuclear power.

Resolve the uncertainties regarding the nuclear fuel cycle.

Streamline the nuclear regulatory licensing process to reduce the lead time for get-

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ting plants into production. The current lead time is about 8 to 10 years.

FOOTNOTES

[1] Executive Order 11834, Jan. 15, 1975.

[2] Public Law 93-438, 88 Stat. 1233, approved Oct. 11, 1974.

[3] At the time the Atomic Energy Act of 1946 was before Congress, a major issue was the role of the military in the control and use of nuclear power. The outcome of this debate was to place development and manufacture of nuclear weapons into a civil agency separate from the Department of War and Navy. Whether the arguments made then still hold true some thirty years later remains to be seen.

[4] This report is required by Sec. 109(a) of the Energy Reorganization Act of 1974.

[5] See H. Report No. 94-294, to accompany H.R. 3734, June 13, 1975, for the recommendations and comments of the Joint Committee on Atomic Energy.

[6] H. Rept. No. 94-294, to accompany H.R. 3734, June 13, 1975.

[7] U.S. Executive Office of the President. Office of Management and Budget. *Special analysis, Budget of the United States Government*, fiscal year 1976, p. 259.

[8] U.S. Energy Research and Development Administration. *Report of the Liquid Metal Fast Breeder Reactor Program Review Group*, January 1975, 59 p., report ERDA-1.

[9] U.S. Atomic Energy Commission. Proposed final environmental statement. Liquid Metal Fast Breder Reactor Program. December 1974, 7 vols. AEC report WASH-1525.

[10] Cf., ERDA press release No. 75-32, Mar. 11, 1975.

[11] ICAE press release No. 799, Mar. 20, 1975.

[12] Thomas B. Cochran, J. Gustave Speth and Arthur R. Tamplin. Bypassing the breeder. A report of misplaced Federal energy priority. Washington, D.C.: Natural Resources Defense Council, March 1975, 16 p.

[13] Letter, Sheldon Meyers, Director, Office of Federal Activities, EPA, to W. H. Pennington, ERDA, Apr. 23, 1975. Cf. also Edward Cowan, "EPA backs delay on atom breeders." *The New York Times*, Apr. 28, 1975, pp. 1, 57.

[14] JCAE press release No. 812, May 22, 1975.

[15] Victor K. McElheny, "Mortan and Zarb join in suggesting a slowdown on nuclear breeder reactors and call for more research." *The New York Times*, June 10, 1975, p. 25.

[16] *Nucleonics Week*, June 12, 1975, p. 4. This newsletter attributed the origins of the study to a letter from NAS president Philip Handler to Senator Tunney.

[17] *Congressional Record*, June 10, 1975, p. 18087.

[18] *Congressional Record*, June 20, 1975, pp. 19918-19975.

[19] U.S. Atomic Energy Commission. *Draft generic environmental statement mixed oxide fuel (recycle plutonium in light water-cooled reactors)*, August 1974, 4 vols., report No. WASH-1327 (Known as the GESMO report.)

[20] J. Gustave Speth, Arthur R. Tamplin and Thomas B. Cochran, *The plutonium decision, A report on the risks of plutonium recycle.* Washington, D.C.: Natural Resources Defense Council, September 1974, 29 p.

[21] NRC press release No. 75-115, May 8. 1975.

[22] NRC noted that the President's Council on Environmental Quality had recommended that a safeguards program cost benefit analysis precede the final NRC action on the plutonium recycle question. The NRC said it took the CEQ's recommendation into account in arriving at its provisional view.

[23] *Nucleonics Week*, June 19, 1975, p. 4.

[24] S. Rept. 94-174, to accompany S. 1716, June 4, 1975, p. 6.

[25] H.R. 3618, Feb. 25, 1975, and H.R. 4945 and H.R. 4946, Mar. 14, 1975. Referred to the Joint Committee on Atomic Energy. Mr. Aspin was joined by 48 cosponsors on the several bills. Cf., Mr. Aspin's statement in the *Congressional Record* of Feb. 26, 1975, pp. 4515-4517 and Mar. 14, 1975, p. 6753.

[26] S. 1197, March 17, 1975. Referred to the Joint Committee on Atomic Energy. The bill would require the OTA to conduct and complete within three years a comprehensive study of the recycling of plutonium for the purposes of determining the extent of the dangers to the public health and safety and to the environment of such recycling. The study would include: (1) Investigation of the toxicity and carcinogenic characteristics of plutonium; (2) investigation of the risks of unauthorized diversion or theft of plutonium; and (3) consideration of the development of systems for the use of plutonium which will assure the protection of the public health and safety of the environment. Cf., Senator Tunney's remarks in the *Congressional Record* of Mar. 17, 1975, p. 6874.

[27] Public Law 93-500 approved Oct. 29, 1974.

[28] Laws and regulations governing nuclear exports and domestic and international nuclear safeguards. H. Doc. 94-131, May 6, 1975, 55 p.

[29] Diuguid, Lewis H. "Brazil nuclear deal raises U.S. concern." *Washington Post*, June 1, 1975, p. A1, p. A2.

[30] Binder, David "6 Nuclear lands meet on control." *The New York Times*, June 18, 1975.

[31] H.R. 622, Jan. 14, 1975; H.R. 2452, Jan. 30, 1975. Referred to the Joint Committee on Atomic Energy.

[32] H.R. 6082, Apr. 16, 1975; H.R. 7224, May 21, 1975. Referred to the Joint Committee on Atomic Energy.

[33] H.R. 3618, Feb. 25, 1975. Referred to the Joint Committee on Atomic Energy.

[34] Cf., debate in the *Congressional Record*, June 20, 1975, pp. 19980-19983.

[35] S. Con. Res. 13, Feb. 11, 1975; and H. Con. Res. 115, Feb. 10, 1975, Identical Bills. Rereferred to the Joint Committee on Atomic Energy.

[36] S. Con. Res. 14, Feb. 11, 1975; and H. Con. Res. 116, Feb. 10, 1975. Identical Resolutions Referred to the Joint Committee on Atomic Energy.

[37] S. Con. Res. 15, Feb. 11, 1975, Mr. Pastore; and H. Con. Res. 114, Feb. 10, 1975, Mr. Roncalio.

[38] U.S. Congress, Joint Committee on Atomic Energy, Subcommittee on Agreements for Cooperation *Proposals for international cooperation in nuclear energy.* Hearings 94th Congress, 1st session, Feb. 6, 1975. Washington, U.S. Govt. Print. Off., 1975, 16 p.

[39] S. Rept. 94-8 and H. Rept. 94-9.

[40] S. Rept. 94-9 and H. Rept. 94-10.

[41] S. 1439, Apr. 15, 1975, by Senators Percy, Ribicoff and Glenn. Referred to the Committee on Government Operations.

[42] The study was conducted by the AEC with the help of scientists drawn from AEC laboratories and other organizations. It was headed by Professor Norman Rasmussen of Massachusetts Institute of Technology.

[43] U.S. Atomic Energy Commission. "Reactor Safety Study: An assessment of accident risks in U.S. commercial nuclear power plants." August, 1974, 247 p. AEC report WASH-1400. Draft.

[44] Report to the American Physical Society by the Study Group on Light-Water Reactor Safety. American Physical Society, Apr. 28, 1975, various pagings. (To be published in the Reviews of Modern Physics.)

[45] H.R. 440, Jan. 14, 1975. Referred to the Joint Committee on Atomic Energy.

[46] H.R. 5406, Mar. 24, 1975, and H.R. 7553, June 3, 1975, the latter with 20 cosponsors. Referred to the Joint Committee on Atomic Energy.

[47] Proposed amendment No. 553 to S. 598. *Congressional Record*, June 10, 1975, p. 18087. The assessment would include the following: national electrical energy demand projections; the availability of uranium and, the factors which affect uranium supply; the optimal mix of nuclear reactors to extend uranium supplies; the advantages and disadvantages of each type breeder reactor; the costs and benefits of the LMFBR program; the environmental impacts of the LMFBR program; the safety implications of the design of the Clinch River demonstration plant; the utilization of foreign technology in the effort to extend uranium resources and in the development of the LMFBR; and the costs, benefits and feasibility of alternative energy resources.

[48] H.R. 4917. Mar. 14, 1975, and H.R. 6870, May 12, 1975. Referred to the Joint Committee on Atomic Energy.

[49] H.R. 5358. Mr. Staggers, Mar. 21, 1975. Referred to Interstate and Foreign Commerce Committee.

[50] Cf. floor debate. *Congressional Record.* June 23, 1975, pp. 20238-20245.

[51] President Ford vetoed H.R. 15323 on Oct. 12, 1974.

[52] The Price-Anderson Act (Public Law 85-256, 71 STAT. 576, Sept. 2, 1957) focuses the liability for injury and damage from a nuclear accident upon the licensee and also provides a government indemnification to cover liabilities that may exceed commercial insurance coverage, which licensees have to carry, up to a ceiling of $560 million per accident. It appears as section 170 of the Atomic Energy Act of 1954 as amended. NRC authority to enter into indemnification expires Aug. 1, 1977.

[53] S. 1199, Mar. 17, 1975, H.R. 7436, May 22, 1975. Referred to the Joint Committee on Atomic Energy.

[54] Mr. Scheuer's district includes Kennedy Airport in New York City through which plutonium has been shipped by air transport.

[55] Cf. debate, *Congressional Record*, June 20, 1975, pp. 19983-19984.

[56] Licensing and intervention are not the principal or sole source of delay. Design problems, strikes, materials shortages, defective materials and parts, manpower shortages are other factors.

[57] As of Mar. 13, 1975, ERDA reported 53 operating nuclear generating units, 63 being built, 13 with site work authorized, 92 with reactors ordered, 13 planned, plus two ERDA-owned units, for a total of 236 nuclear generating units. Cf., AEC press release No. 75-60, Apr. 29, 1975.

[58] The U.S. Court of Appeals for the Eighth Circuit made this decision, holding that the federal government had exclusive authority to regulate the construction and operation of nuclear power plants, and this included exclusive regulation of the levels of radioactive effluents discharged. Cf. *Northern States Power Co.* v. *Minnesota*, 320 F. Supp. 1972 (D. Minn., 1970).

[59] H.R. 3734, by Mr. McCormack, Feb. 25, 1975, referred to the Joint Committee on Energy.

[60] H.R. 441 by Mr. Fish, Jan. 14, 1975, referred to the Joint Committee on Atomic Energy.

[61] H.R. 5598, Mar. 26, 1975. Referred to the Committee on Interstate and Foreign Commerce.

[62] State of the Union—Address by the President of the United States. *Congressional Record*, Jan. 15, 1975, p. 174.

[63] H.R. 3809. Feb. 26, 1975. Referred to the Joint Committee on Atomic Energy.

[64] The firm selected was Boasberg, Hewes, Klores and Kass. Cf. *Energy Users Report*, Apr. 24, 1975, p. C-4.

[65] S. 1665, May 6, 1975. Referred to the Joint Committee on Atomic Energy.

[66] White House press release June 13, 1975.

REPORT ON CANADA LIGHT RAIL STUDY TRIP

Mr. TAFT. Mr. President, pursuant to the rules of the Senate I ask unanimous consent that a report on a trip to Canada undertaken by Mr. William S. Lind of my staff and Mr. Paul Weyrich of the staff of Senator CURTIS, to investigate aspects of urban and interurban transportation, be printed in the RECORD. I would note that this trip was financed by the Government of Canada, and involved no expense to the U.S. Government.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT: CANADA DEVELOPMENTS IN THE FIELDS OF LIGHT RAIL TRANSIT AND INTERURBAN PASSENGER RAIL SERVICE

(By William S. Lind and Paul Weyrich)

This field trip was undertaken to investigate two aspects of Canadian developments in the area of passenger rail transportation: The use of light rail in the Toronto Transit System, and the development of the LRC train for high speed intercity rail service.

The increasing interest in the U.S. in light rail suggested an investigation of the Toronto Transit System, where light rail, in the form of streetcars, has an important role. Light rail is the modern, developed version of the streetcar. It relies on the use of simple systems to provide electrified rail transit at a capital cost 4 or 5 times less than that of rapid transit, and comparable to the capital cost of exclusive busways. Light rail transit is today a common and growing transit mode in much of the world. Toronto today has over 46 miles of streetcar lines, and operates 389 street cars on 10 routes.

The Toronto Transit System is known and respected world-wide for its forward thinking and its marketing success. It was thus especially useful to learn of the high respect which the Toronto Transit Commission (TTC) has for light rail, and of the important future which they see for the light rail mode. The TTC plans to continue to operate streetcars, and to expand the streetcar mileage. They are also considering a reserved right-of-way light rail system to complement the existing streetcar, subway, trolley bus and diesel bus systems.

There were two points made by the TTC which relate directly to questions now facing light rail in the U.S.:

1. The TTC believes that the advantages of light rail—the ability to provide high quality electrified rail service at low cost using proven technology—justify viewing it as more than "just another mode" to be evaluated when considering new transit systems. This directly contradicts UMTA's current policy, which has sought to avoid giving any special recognition to the advantages of light rail. The TTC emphasized that, from their experience, light rail's proven capability to provide low-cost, high-quality transit where medium densities are involved logically requires that it be given consideration different from modes which do not have those favorable characteristics. The TTC spokesman noted in particular that light rail, even in the less efficient streetcar modes, is highly attractive to potential passengers. He stated that, "if you asked 10 Torontonians which of the transit modes in our system they prefer, 8 would say streetcars." By that way, TTC has done an impressive job of rehabilitating 170 cars which will be kept in service even after new vehicles arrive. We viewed the last of these coming off the assembly line at TTC's Hillcrest shops. Another 10 years will be added to the life of vehicles which have already served well for more than 30 years. The cars look and ride almost like new. Buses are now replaced every 7–14 years. This durability has been a factor in TTC's strong endorsement of this light rail concept.

2. A second point relevant to the light rail situation in the United States was the belief of the TTC that, in the evaluation of the potential of light rail, expanding an existing system would not be an adequate substitute for constructing a new system in an urban area not previously served by light rail. For the United States, Dayton, Ohio, has applied for an UMTA grant to build an all-new light rail system. Some have suggested that an expansion of an existing light rail system would be adequate to test the light rail potential in the U.S. The TTC disagreed with the view, thus strongly supporting the concept of a project in a city presently without a light rail system as a needed test of the application of light rail.

Finally, we inspected the engineering mock-up of the new Canadian light rail vehicle, being designed by the urban transportation development corporation for the TTC, as well as for potential use in other cities. It was clear from the mock-up and from statistical data that the Canadian LRV could have potential application in cities in the United States having or acquiring light rail systems. Other than the seating arrangement, we found the Canadian LRV an attractive unit which unlike its American counterpart, is not articulated.

In sum, Toronto's experience with light rail has led that city to place a high value on light rail, and to plan expansion and modernization of their light rail system. Speaking from their expertise as operators of light rail, subway, trolley bus and diesel bus systems, they see a growing future for light rail as a highly attractive answer to certain aspects of the overall urban transit problem.

In relation to intercity rail passenger transportation, we had an opportunity to inspect and travel on the LRC train, a new Canadian-developed, light weight, high-speed train designed for present and future intercity rail service. The emphasis in the LRC design on using conventional, proven systems, such as diesel-electric propulsion, showed impressive understanding of the potential operator's requirements and of the need for suitable economics in operations. The overall design of the LRC gave promise of service characteristics which could be attractive both to the operator and the passenger. Such further refinements of the prototype as would be desirable in revenue service, particularly those relating to ride quality characteristics, would apparently be possible within the overall configuration of the present design. With such refinements, the LRC could prove a suitable candidate for intercity service in the United States, and authorities interested in establishing or upgrading such services would be well advised to give the LRC active consideration.

THE MINNEAPOLIS AGE AND OPPORTUNITY CENTER

Mr. McGOVERN. Mr. President, on July 27, the CBS news program 60 Minutes presented a 15-minute report on the most innovative program for the care of the elderly in the Nation, the Minneapolis Age and Opportunity Center. This private program, known as MAO, provides the elderly in Minneapolis with an entire range of needed services, including the most essential aspect of human relations, dignity.

MAO offers the senior citizens of Minneapolis services such as free health care for those over 65 with incomes under $5,500 a year, housekeeping, legal advice, and of course, Meals on Wheels. This last program provides a daily hot nutritious meal at cost in an effort to combat malnutrition, which some medical authorities estimate to be responsible for nearly 40 percent of the health problems of the older person.

The program is directed by Ms. Daphne H. Krause, a nationally known figure on aging and was begun in 1968 after Ms. Krause came to realize through conversations with older friends how much such a program was needed. This unique program, with the goal of allowing the elderly to stay in their own homes as long as possible, has become a model for the entire Nation.

Ms. Krause has come to Washington on several occasions to discuss establishing a similar program in the District of Columbia, as well as to appear before several congressional committees. In July, she testified before Representative CLAUDE PEPPER's Subcommittee on Long Term Care of the House Committee on Aging.

I first learned of the MAO program when Ms. Krause described it at the first national convention of Meals on Wheels, held in Washington last September. During the convention the staff of the Select Committee on Nutrition and Human Needs, which I chair, had the pleasure of working with Ms. Krause. Appropriately, the second national convention will be held in Minneapolis on September 15–17, and the delegates will have an opportunity to observe this special program first hand. I am sure they will leave Minneapolis with fresh ideas not only for expanding the Meals on Wheels program, but for improving the overall care of the aged in their communities.

Because of the national interest in this unique program—I am told that Ms. Krause's office has been innundated with requests for information—I commend to my colleagues the transcript of the 60 Minutes report on MAO as well as a detailed report on MAO's services that Ms. Krause prepared for the first national convention of Meals on Wheels. It will provide a quick and thorough reference source for congressional and committee staffs interested in finding a constructive approach to working with the problems of the aged.

Mr. President, I ask unanimous consent that both these documents be printed in the RECORD, in order that they may be examined in greater detail and with the hope that they will help us all to learn how to respond better to old age, the most democratic of all human experiences.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE OLD FOLKS AT HOME

MORLEY SAFER. Perhaps it's this country's adulation of youth that makes this country forget what happens to young people—they grow up into old people. At a rate of a thousand a day, we join the 22-million people already past the age of 65. Old age, the unpardonable sin.

We're so frightened of it we use all kinds of romantic euphemisms to describe it: the golden years, senior citizens. But it is a time of poverty, of illness, of loss of status—often a time to be shut away like a mad person or criminal.

By the year 2,000 old people will make up 25% of our society. Even Congressmen are not immune to it. They set up a House committee to hear testimony on the subject. One of the things they heard about this month is one of the few bits of good news lately about old people. It's a program in

Minneapolis that's unique: it asks old people what they want. It talks to them—which is just what we did when we went out to Minneapolis.

JOHN UNTEN. I don't want to get old—any older than I have to, or any sooner than I have to. In other words, as far as the old rocking chair is concerned, that can wait for me.

SAFER. John Unten is 79 years old. His wife, Dagny, is 68. Six years ago she suffered a stroke. For more than four years he took care of her at home, but last November the ravages of her illness and his own failing health made that impossible. And so, he had to put her into a nursing home. For Dagny Unten, a nursing home is clearly the only place. John visits her every day, dotes on her.

[Dagny crying.]

JOHN. Oh now, don't cry now, sweetheart. Please don't cry, dear girl.

SAFER. The Untens were middle class. He spent most of his working life as a manufacturer's representative in Minneapolis. Before her stroke, they were both very active, went dancing a couple of times a week. They lived well.

JOHN. There you are, darling girl.

DAGNY. You have a good dance last night?

JOHN. Dances? No, Daddy didn't go dancing.

SAFER. John had put away a nest egg that would see them through their lives without having to lean on their children or the state.

JOHN. I didn't give any thought that anything like this was going to happen. You just don't think of those things. Every year we made it a point to go up to one of her sisters to observe our wedding anniversary with them. About three hours after we got up there, we were sitting around drinking cocktails while her sister was making dinner, and this stroke hit her just out of a clear sky, knocked her out of the chair she was in. [Crying]

SAFER. What did that do to—do to you financially, with both of you ill?

JOHN. Well, naturally, it drained all our reserves—the costs of doctor bills, drug stores and hospital. My drug store bill alone used to run between ninety and a hundred and ten dollars a month, and that didn't help the pocket book any, as you may expect. So, it kept on going like that until—Well, one time there I had a little better than $25,000 on hand in the bank there. That's all gone.

They sold me on the idea of putting her in a nursing home where she would get better care than I was able to provide for her. That was a tough decision for me to make, for the simple reason that Mrs. Unten wanted me to keep her at home here. She said, "I'd rather have you take care of me than anybody."

A nursing home is the last thing I want to think about. I don't want any part of it.

DAPHNE KRAUSE [Executive Director, MAO]. Most seniors see going into a nursing home as admitting their death, and for any of us that's a difficult thing.

SAFER. Daphne Krause is Executive Director of MAO—the Minneapolis Age and Opportunity Center—the purpose of which is quite simple: to keep as many old people out of nursing homes as want to be kept out; to keep them in the best home of all—their own home.

There are one million people in the 23,000 nursing homes in this country, and perhaps as many as half of them don't belong there. No medical reason to be there. With just a little help from some friends, they could remain at home, and that's what MAO provides. John Unten can, within limits, take care of himself. MAO sends over a young man to mow his lawn and do the heavy work around the house; and once a week a housekeeper comes by to tidy up.

JOHN. Well, it's—Well, I do what I love to do in my own way—my own way.

HOUSEKEEPER. The cooking? [Laughing.]

JOHN. Cooking, of course. [Laughing.]

HOUSEKEEPER. Yeah.

SAFER. They provide more than mere service—a bit of company, someone to see how they're doing. And there are regular visits from young counsellors, all very low-level and small-scale.

YOUNG MAN. You want that in the morning also, then?

SAFER. More of a private friend than a public servant. Every old person has his own counsellor, and the counsellor tries to make the program fit the needs of an individual, rather than the reverse.

KRAUSE. The first thing our people do is look at what the senior can do themselves, and you never, never take that away. If the senior can dust but they can't scrub the floors or do the laundry or washing, whatever, then that's what we do.

SAFER. A lot of the things MAO provides can be found here and there in other communities—various charities and agencies doing good works. But MAO is the only agency that does everything.

YOUNG WOMAN. Okay, now she might need a bath; some personal care on that one.

YOUNG MAN. Hello. Alice? This is Harold at MAO. How—How are you this morning?

SAFER. MAO employs 73 full-time people. They're trained not so much to advise, but to listen to their clients; and everyone does double-duty. Drivers and housekeepers are trained to observe, and they report back if something is amiss. MAO will provide housekeepers and handimen, and 24-hour-a-day transportation for medical services, plus people to bathe and shave, and make life a little more comfortable.

YOUNG WOMAN. No, bring up her dinner, and then you make her lunch.

YOUNG WOMAN 2. She didn't think she'd like a chorewoman, but she just loved you.

SAFER. The point of the exercise is to provide only what's needed. The average cost is about six dollars a day per person. It can be as high as $15 a day if someone is getting full service. The cost of nursing home care can be as high as $42 a day in some parts of the country. If a person can pay something for the services, MAO will accept; if they can't, then services are provided free.

MAO gets its money in bits and pieces: a couple of hundred thousand from HUD; about a hundred thousand from HEW; two hundred-odd thousand from the county welfare office. The funding is as haphazard as MAO is comprehensive.

If some other community wanted to—wanted to set up a verision of what you're doing here, what are the hurdles they would have to overcome? What would they have to go through to make it work?

KRAUSE. Well, the biggest hurdle is that there—comprehensive funding does not exist and to go through any kind of Federal funding is a traumatic procedure.

SAFER. When you go down to Washington to make your pitch to the Federal Government and try to get some money, who do you have to see?

KRAUSE. You see, right there is the point. You don't know that. It is extremely hard to get that information, and you're going to have to dig through every bureaucracy. There's an attitude of "You find us, and if you guess what we know, maybe we'll fund you." And at the same time, you're going to be asked over and over again, "Why do you have to do everything?" You know, "Why is there a necessity to provide all these services? Why can't you just do two or three?" Well, it's obvious why you can't—because you're dealing with a very sick population, and you need to draw those services together for them.

SAFER. One of the hazards of old age is malnutrition. People will scrimp on food, regard it as an expensive luxury; or they're too weak to prepare food; or sometimes they even forget to eat. So, MAO has arranged with a local hospital to provide two good meals a day, meals that are delivered to people who might have otherwise not eaten, or simply opened a can of something. They can pay, the cost is one dollar a day. And even hospital food can be appetizing if you eat it in your own home.

OLD WOMAN. It's kind of nice to have a bright, shiny face come in when they bring you a dinner. Well, it—that's a big lift to old people. And I'm very happy to live here. I hope I can live here till I die.

KRAUSE. The vast majority of people, their whole identity as a human being, is where they've lived and what makes up their home. Their home is their way of life. It's their neighbors, their church, the grocery store. It's everything that makes them an individual. You stay in your own home, there are all kinds of compromises you can make to help yourself. You—Your surroundings are familiar. You can make your surroundings help you.

ANN STENEVIK. Arne, I got the tea ready.

SAFER. Ann and Arne Stenevik are precisely the kind of people that MAO is meant for. They're both in their eighties. They can see to their immediate needs, but need someone for the heavy household chores, and that's what MAO provides. The house is their pride.

KRAUSE. Seniors come from a background where you paid what you owed, and they no longer have earning power to pay what they owe. And if your income is a couple of hundred a month—and that's an average—and your rent is somewhere like eighty or ninety dollars, by the time you've paid for food, what's left? What do you have to pay a doctor with?

SAFER. MAO would be nothing without the partnership of the Abbott Northwestern Hospital in Minneapolis, an 800-bed medical center, for the real curse of old age is ill health. Even with Medicare, the fine print can wipe out a couple, for the patient must pay the first $60 of a doctor's bill, $92 of a hospital bill and 20% of the entire bill. In cases of catastrophic illness, that can run into thousands. And the bitter economic cycle shows that people are paying more out-of-pocket today in medical expenses than they were the year before Medicare was enacted.

DOCTOR. How do you feel today?

JOHN UNTEN. Well, I got this soreness back here . . .

DOCTOR. Uh-huh, uh-huh.

SAFER. So, two years ago, MAO and the hospital opened this clinic, which is free—repeat—free for any couple whose income is less than $5500 a year. Patients are taken at their word on that. There is no investigation.

NURSE. Here you go, Mr. Unten. Take one of these tablets two times a day . . .

SAFER. Doctors and hospital waive the deductible, accepting as full payment only what Medicare provides. Dr. Roger Farber was one of the doctors who helped organize the free clinic. The hospital, which is a voluntary, non-profit hospital, was able to do it because, like most such hospitals in the country, it had empty beds. It was only functioning to 85% of capacity. When the word was out that medical care was free, the result was not a horde of people wanting treatment for phantom aches and pains, but a legion of people seriously diseased and frightened by the cost of medical care.

Dr. FARBER. With problems of impending strokes, with problems of discs. Parkinson's Disease, of severe untreated hypertension, of diabetes—every degenerative disease known to man—not being treated. They were trying to protect their nest eggs. They would rather die at home than eliminate the rest of their nest egg, in many cases, and then leave a spouse totally indigent. And so, they would just simply totally avoid care, and die quietly in their apartments.

SAFER. What I really want to ask you is— Doctors in this country, and hospitals, do not have a reputation for this sort of charitable spirit that you describe.

Dr. FARBER. What we need, really, is not for the doctors of this country to suddenly, all of them, roll up their sleeves and give charity to the untreated people who can't afford it because of Medicare. What we need is the Federal Government to give total coverage for these—these patients.

SAFER. Isn't what you're really doing an attempt, by doctors like yourself, to prevent a real working national health system in this country by saying to the country, "Look how good it works when it's done voluntarily!"?

Dr. FARBER. Well, I think that the—the crux of the issue is that a good, solid national health insurance program may well turn out looking like Medicare, which then is a national disaster. And I think that's what—is the basic message from what we're trying to get across with our program—that if, indeed, the Government wants to go to national health care, it's got to be set up properly, and it mustn't be administered by people who aren't in the business of taking care of people.

SAFER. We learned a number of things in preparing this report on old people, and one is that the poor old and the rich old are seen to by this society; it's the middle class old to whom old age is a double punishment. And we learned that nursing homes are important for that part of the aged population that cannot take care of itself. But we also learned that there are a good number among us who want to be the masters of themselves until they die. Like John Unten, they prefer death to dependency.

JOHN. They—Even some of my neighbors around here, they feel, "Well, I've worked long enough. I'm 65 years of age, and I'm going to quit." I can't see that myself, because the only thing I can see about that, Father Time is creeping up on you too darn fast. I want to live as long as I can, and I want to keep on going as long as I can. And then, when the time comes when I have to be dependent on anyone else, I'm ready to go.

MINNEAPOLIS AGE AND OPPORTUNITY CENTER INC.

SERVICES PROVIDED

Homemaker Services.—Provides general housekeeping services, which may include changing the bed, washing dishes, floors, bathrooms, laundry, ironing, preparation of meals, etc. In addition, the homemaker provides personal care, such as bathing, washing hair, etc.

Home Maintenance or Chore Service.—Includes home repair, such as repair of furniture, small appliances, window and wall washing, removal of rubbish and heavy household tasks which are too strenuous for the older person to do himself.

Facilitation of Health Services.—Meets health needs including assistance in securing necessary diagnostic, preventative, remedial, ameliorative, and other health services including prothetic, orthoptic, and assistive aids available under Medicare, Medicaid, or other agency health service programs, and from other agencies or providers of health services.

Assistance in making arrangement in transportation to and from health resources, maintaining necessary liasion with the family, physician, nurse, institution, or other provider of health services to assure the provisions of social service necessary to carry out medical recommendations with the client, and family when available.

Transportation Services.—Brings services to the people and people to the services. Transportation is used to secure necessary diagnostic, preventative, remedial and ameliorative, and other health services, for emergency to obtain food stamps, groceries, housing, welfare, release, legal services, etc.

Counseling Services.—Counselors evaluate and assess each individual for services, and either provide such service or initiate referral to the appropriate M.A.O. component or community agency. Counselors follow up each inter and intra agency referal to insure that appropriate and effective services are provided or the individual's needs are satisfied.

Counseling employs effective case finding techniques to insure availability of services to needy individuals of the client copulation providing whatever counseling services are necessary, such as personal, financial, and drug abuse counseling in coordination with the special help services counselor, counselors also provide help in obtaining housing, food stamps, FSI, M.A., etc.

Legal Services.—The attorney handles all cases excepting criminal cases or those generating a fee appropriate referrals are made. Examples: landlord-tenant; estate planning; taxation; surrogate proceedings; divorce; assistance with governmental agency such as Social Security and Medicare.

Alcoholic and Drug Counseling—Emotional and Psychiatric Services.—Available through the special health services coordinator in conjunction with the mental health center of Abbott-Northwestern Hospital Out-Patient Department and In-Patient Department if necessary.

Employment Services.—Senior citizens needing employment who are desocialized handicapped or have special employment problems are provided with specialized professional employment services to deal with the obstacles confronted by this population when interacting with the labor and job market. This may include the development of jobs, job referall, counseling, and followup services after job placement. Other M.A.O. services may be needed to help these clients.

Information and Referral and Escort Services.—Information and Referral's primary function is to respond to the request of those people needing help with the necessary information, counseling and assistance to obtain it, including escort service where necessary and transportation if needed to get to this service. Appropriate services are made and followup provided.

Staff maintains accurate and up to date information concerning all M.A.O. services and other community services and resources.

Volunteer Services.—Provided in the number of activities, such as transportation, companionship, grocery shopping, escort, reassurance phone service, education on senior citizen problems as expressed by senior citizens, and resources for senior citizens in the community.

Volunteers provide certification for the "Meals in the Community" program, etc.

Advocacy.—The M.A.O. staff take advocacy action on behalf of their clients as needed. The Board of Directors, acting on their knowledge of the community, and or information received from the groups they represent, direct and assist the executive director to take advocacy action on a broader basis. Common concern of senior citizens are thus considered in an active and organized way by the people most effective, and necessary action is taken.

Abbott-Northwestern-M.A.O. Senior Citizens Clinic.—A clinic is maintained with full time doctors, nurses, medical technicians, 7 days a week, 8:30 AM to 9:30 PM, providing a preventive medical services diagnostic and treatment service, emergency health service, etc.

All the deductables and cost above Medicare are absorbed for patients who qualify. A couple, whose income is below $5,000 and a single person below $4,500. This includes in-patient and out-patient hospital care and the services of the physicians employed by the Abbott-Northwestern-M.A.O. Clinic.

Dietitian.—A qualified dietitian provides full consultive and educational services free to M.A.O. clients.

M.A.O. Bloodbank.—Free blood is available to seniors who have none to replace the blood and cannot afford to pay the cost.

24-Hour Emergency Service.—Emergency service, such as counseling, transportation, and food are available on a 24-hour basis, 7 days a week by calling Abbott Hospital after normal working hours and requesting a M.A.O. staff.

Food Closet.—M.A.O. has a food closet to provide emergency or supplementary food.

Reassurance or tele-Care Phone Service.—For those who live alone and require a reassurance phone call once every 24 hours, every day of the year, including Sunday and holidays. A client registering for the tele-care program calls the tele-care phone number at the Northwestern Division every morning to let them know he or she is all right. If a client fails to call, a volunteer will call her or him. If this produces no results, a neighbor will be called (whose name has already been given by the client to the service). Finally, if there is no reasonable explanation for the client failure to answer the phone, a counselor from M.A.O. will go immediately to the home to see if the client is all right, and provide any necessary service.

Meals in the Community.—M.A.O. wrote the program and in cooperation with the Minnesota Restaurant Association developed it whereby seniors are certified to buy low cost nutritional meals at cooperating restaurants during off peak hours, using identification cards provided by M.A.O. at no cost. Currently 23,000 seniors are certified to purchase these meals at 152 restaurants in the metropolitan area.

St. Mary Friends-M.A.O. Crisis Funds.—Emergencies and circumstances frequently arise that traditional sources of help don't cover or that needs to be handled in a flexible and immediate way. To deal with these situations, a unique partnership was set up. M.A.O. and St. Mary's Friend, whereby St. Mary's Friend provides crisis funds making it possible for M.A.O. to move quickly, bringing immediate help where it is needed with the flexibility to cover a multitude of problems that affect the senior citizen, i.e., emergency food, clothing, clostomy, glasses, dental care, etc.

Operation Grandparents.—Meant to dissolve senior feelings of isolation in lack of personal work. Also provides many supportive and friendly visitor services, such as reading and writing letters, grocery shopping, help with meals, transportation, entertainment, family outings, etc. The purpose of the program is two-fold in that the seniors are giving services, companionship and the knowledge that someone cares. Volunteers receive a sense of personal fulfillment that comes from literally helping others.

Operation Grandparents is coordinated through M.A.O. in cooperation with Stuart A. Lindman of Metromedia Television Station WTCN Channel 11. M.A.O. provides the administrative help for the program, much of it on volunteer time and stand ready to offer its expertise as a backup should problems arise. Again, no federal funds are involved and yet services to seniors are being multiplied.

Police Referral Program.—The Minneapolis Police Department referral program provides for direct contact between patrolman and the staff and services of M.A.O. The senior citizens are offered in crisis situation that come to the attention of a police department who then refer and coordinate with M.A.O. to help the senior with whatever the situation calls for.

Decentralized Mini-Clinics.—At neighborhood points, M.A.O. provides a counselor and Abbott-Northwestern Hospital provides a nurse, giving direct services into the community such as: basic health assessment, blood pressure, diabetes test, health counseling, financial assistance, food stamps, housing, etc. and coordination with other M.A.O. services as needed or referrail to other community resources and followup to see that the services are given.

Provisions of Services.—In determining which services are needed on an individual basis, the counselor does the following: (1) to make a complete assessment of the social, economic and health status of the client, drawing on other professional and medical opinions as necessary; (2) evaluates what the senior citizen is still able to do for himself and encourages him to maintain this effort; (3) what help, if any, relative, friends or neighbors can provide; (4) after evaluating the above, draws in the necessary services needed to maintain the senior citizen in his home.

Mrs. Krause further reported that in June 1974 the subcommittees on aging and health for the aged of the U.S. Senate Committee on Aging held in joint hearing in Washington on the M.A.O. program, at which she presented a number of cost effectiveness studies on the M.A.O. services as an alternative to institutionalization. She then discussed some of the examples and concluded her presentation by stating that if MA.O. kept 126 senior citizens out of an institution by providing the necessary services, the entire budget of M.A.O. could be paid out of the savings of Title XIX and M.A.O. would "throw-in" the other 28,000 senior citizens they are serving for free.

WILLIAM E. CASSELMAN II

Mr. HRUSKA. Mr. President, during the August recess, President Ford accepted with "real regret" the resignation of William E. Casselman II, counsel to the President, effective September 19, 1975.

Bill Casselman has devoted over a decade of his life to public service in a series of legal assignments of increasing responsibility. During the first year of the Ford administration, he served with distinction at the pinnacle of legal responsibility in Washington.

As a fellow lawyer, I take this opportunity to salute the accomplishments of this distinguished young man and offer him my best wishes for continued success in his return to private life. I also ask unanimous consent that the exchange of letters between the President and Mr. Casselman upon his resignation be printed in full in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

DEAR BILL: In accepting with real regret your decision to leave government, effective September 19, 1975, fully understanding your reasons, I cannot let this anniversary pass without expressing my deep gratitude to you for your loyalty and dedicated service as Counsel both as Vice President and President.

We have been through some tough times together. I have been fortunate to have your advice, assistance and unstinting effort for almost two eventful years. You can be proud of your fine contributions not only to my administration but throughout your career in government extending back to our first association in the House of Representatives.

As a fellow lawyer who reveres the law as the bulwark of all our liberties, I wish you great success in the practice of our profession. More personally, let me thank you for your kind and generous observations about the first year of my conduct of the Presidential office and extend, on behalf of Mrs. Ford and myself, warm good wishes to Caroline and you.

Sincerely,

JERRY FORD.

[The Honorable William E. Casselman II, The White House, Washington, D.C. 20500]

DEAR MR. PRESIDENT: Since December 10, 1973, it has been my privilege to serve you both as Legal Counsel to the Vice President and as Counsel to the President. There is no greater responsibility or higher honor that can be afforded a lawyer in government, and I am immensely grateful for the opportunities for public service which you have given me. However, as we discussed recently, obligations to my family make it necessary that I submit my resignation, effective September 19, 1975.

In parting, may I take this occasion to congratulate you on the successful completion of the first year of your Administration. This historic period, which began under such sad and difficult circumstances, is closing with a renewed sense of hope and confidence by the American people in their institutions of law and government. Your leadership, backed by courage, understanding, and integrity, has set the Nation on a recovery course of tranquility and prosperity at home and sound relations abroad.

I am proud to have shared in a small way in the accomplishments of your Administration, and I sincerely regret the necessity of leaving. Nevertheless, with the work on behalf of the Special Prosecutor, conducted under my direction, in its final stages, and with several other projects nearing their conclusion, the time seems especially appropriate for my return to private life. After ten and one-half years in the Federal government, I intend to enter the private practice of law—a decision which I have often postponed and can no longer delay.

I want to thank you for the many kindnesses, professional and personal, which you have shown to me and my family over the years. Beginning with your election as Minority Leader, I have always treasured our association and will sorely miss it. Of course, in my private capacity, I remain ready to assist you in any way you deem appropriate.

With deepest appreciation and warmest personal regards to you and your family,

Sincerely,

WILLIAM E. CASSELMAN II,
Counsel to the President.

FRENCH-CANADIAN CULTURE IN VERMONT

Mr. LEAHY. Mr. President, the French-Canadian population of Vermont has contributed greatly to the social, political, and economic advancement of our State from the time of Samuel de Champlain to the present.

My wife, Marcelle, is a descendant of French-Canadian parents, and we live in one of the areas of greatest concentration of French Canadians.

Like all Vermonters, I am proud of that tradition, and I want to call to the attention of my colleagues an article from one of Vermont's foremost newspapers.

This article speaks of the work of Prof. Peter Woolfson, a linguistic anthropologist at the University of Vermont. I want to share with my colleagues and with the people in Vermont his findings and his concern for the disappearance of the French-Canadian culture in Vermont. This Vermonter hopes that that culture can be maintained.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FRENCH-CANADIAN CULTURE IN VERMONT HOLDING EMBATTLED POSITION

(By Steve Terry)

WILLISTON.—Within 10 years the French-Canadian culture will disappear in Vermont even though a few isolated pockets will remain, primarily in the Northeast Kingdom and in Barre City.

That is the judgment of Prof. Peter Woolfson, a linguistic anthropologist at the University of Vermont. He told the Williston Historical Society recently that many French-Canadian families are no longer speaking French in the home, thus speeding up the erosion of the French-Canadian heritage in Vermont.

Prof. Woolfson told his listeners that a bilingual project in the tiny Northeast Kingdom Town of Canaan is the only determined attempt to continue the French-Canadian culture in a formal way in the state.

"The handwriting is on the wall because the French language in the home is now spoken by the very old or the very young," Prof. Woolfson told his audience of 60 during a lecture at the Old Red Church in Williston, which was built in 1832, and is now undergoing restoration by the Town of Williston and the Historical Society here.

Woolfson said there is virtually no migration of French-Canadian into Vermont now, and the last big surge came after World War II.

Prof. Woolfson touched off a brief debate following his presentation with listeners who challenged his asertation that French-Canadians in Bermont generally weren't interested in politics.

The anthropologist, who has been doing an extensive study of the French-Canadian culture in the Northeast Kingdom towns of Canaan and Beecher Falls, opined that the French in Vermont have a distrust of politics and generally stay away from active participation.

Woolfson said historically the French-Canadians in Vermont have tended to be Republicans, although since the American labor movement grew in strength, their party allegiance has switched to Democrat.

Barre City has the highest French speaking population per capita with some 15.8 per cent of Barre residents speaking French. While Woolfson said he hasn't studied the Barre City French population, he predicted it would continue as an isolated pocket of French-Canadian culture.

In the state's more urban areas, like Burlington and Winooski, Woolfson opined, the French-Canadian culture will be disappearing because there isn't strong pressures to continue using the language.

He amused his audience by giving a rather simple explanation for the demise of the French-Canadian language in Burlington, while remaining strong in Canaan.

He said in Burlington men of French-Canadian families have no trouble finding dates, but in Canaan where there aren't many families, the boys seeking dates must travel to Sherbrooke, Que., where the eligible young women speak only French-Canadian.

The two dominate influences in French-Canadian culture are the Catholic Church and the nuclear family. The church historically provided the cornerstone for family life, and Woolfson said, "the heart of the culture is the family."

He showed slides taken during interviews with French-Canadian families in the Northeast Kingdom and Woolfson said invariably the family has a place where all the pictures of family members are displayed.

Woolfson suggested the influence of the Catholic Church on French-Canadian family life was beginning to erode because previously a "good family" had 13 children, and now the norm is four or five.

Another reason for the decline in French-Canadian culture is that parochial schools are no longer getting the number of students to enable them to stay in business.

Woolfson briefly traced the migration patterns of French-Canadians into Vermont, with the bulk of the families coming in between 1866 and 1873 to work in the mills in Burlington, Winooski and other industrial centers like Claremont and Manchester, N.H.

In the early 1900s, French-Canadians left the Province of Quebec to operate dairy farms in northern Vermont, primarily Essex, Franklin and Orleans Counties.

The evidences of a French-Canadian culture is still very strong in Vermont, with 20 per cent of the Vermont families having French-derived surnames.

Woolfson also confirmed some political demography often cited by Vermont politicians that the French-Canadians remained Republican primarily because the Irish were Democrats. That ethnic split also helped to explain the creation of separate Catholic parishes in many communities, one French, one Irish.

Sitting in the audience listening to Woolfson was Vermont House Clerk Robert Picher, who is a Winooski Republican.

Picher wasn't ready to buy the argument that the French-Canadians are not very interested in politics, as Winooski with a high concentration of French families is still considered the state's most Democratic city.

But Picher's own family experience helped to butress Woolfson's contention that the French-Canadian culture is dying out. Picher said he doesn't speak French at home, except "when we don't want the children to hear something," or when he is speaking to his mother.

Picher said he has many clients in his law offices who come to him because he is a French-speaking attorney, and he estimates he used the French language at least once a day in his law practice.

Woolfson said the bilingual program in Canaan is financed by the federal government, and it is now the only Vermont community that has such a program.

Derby Line also had a similar program, but it died for the lack of community support.

He saw some hope, however, in reviving interest in the bilingual programs as pressure is building for more ethnic-related education efforts, rather than following the philosophy of the nation as a melting pot for people of all backgrounds.

FLOYD BARGER OF THE NEW YORK DAILY NEWS—DISTINGUISHED JOURNALIST

Mr. JAVITS. Mr. President, journalism has suffered a great loss with the passing last week of Floyd Barger. As editor of the New York Daily News, Floyd Barger guided the incisive reporting, lively features, and public concern which have given the News the largest readership of any daily newspaper in America. Floyd Barger's career at the News spanned 33 years and a variety of positions. He began on the telegraph desk in 1942 and later moved on to become night managing editor, editor, and vice president of the News. In all these positions, Floyd Barger displayed the judgment, integrity, and compassion which are the trademark of great journalists. Floyd Barger will be remembered as a true journalist in the proud tradition of American journalism. I ask unanimous consent that the following New York Daily News story concerning Floyd Barger's career be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Floyd Barger Dies; Ex-Editor of News

Floyd Barger, former editor of The News and a New York newspaperman for almost half a century, died yesterday in Nassau Hospital, Mineola, L.I., after an illness of several weeks. He was 68.

Barger, who joined The News 33 years ago this month, served with distinction in a variety of reportorial, writing, editing and special-correspondent assignments. He retired Aug. 1 as editor and senior vice president.

He also had been a director of Tribune Co., the parent firm that owns The News, Chicago Tribune and other newspapers in Florida and California, as well as radio and TV stations.

As the fourth editor in The News' history, Barger directed editorial policy on local, state, national and international issues and consistently espoused an "upbeat" approach. He believed that a newspaper creates a lasting impression by being positive rather than negative.

"ENTHUSIASM"

"Floyd had an infectious enthusiasm for newspapering," said W. H. (Tex) James, president and publisher of The News. "He was an editor full of ideas, with a passion for lively, objective and accurate reporting.

"Most of all, however, he was the champion of the ordinary people. He was always happiest when he was fighting their causes."

EXPLAINS NEWS POLICY

In accepting an award for The News, Barger once spelled out to the American Legion the underpinning of the paper's policy:

"We have an abiding faith in the future of our country . . . in its people . . . all the people . . . and our institutions."

Floyd Barger was born Oct. 26, 1906, in Boardman, Ohio, and was graduated from Wittenberg University in Springfield, Ohio, in 1927. That same summer he came to New York and, as he used to recall, it was love at first sight. His loyalty to the city, right up to its current financial crisis, was never shaken.

Barger first worked for the Flushing Journal and then, for a dozen years, for the Brooklyn Eagle. On Aug. 10, 1942, he joined the telegraph desk of The News. He later advanced to assistant telegraph editor and was promoted to telegraph editor in 1961.

The same year, Barger moved up to night managing editor and in 1966 to managing editor. When the late Richard W. Clarke retired as editor in 1968, Barger was named to the new position of associate editor.

On New Year's Day, 1969, he became executive editor and, in October of last year, editor.

At various times, during his long News career, he also worked out of the Washington Bureau, covered the Legislature in Albany and served as special correspondent. He reported the 1954 Big Four conference in Berlin and accompanied President Eisenhower on a tour of India.

Barger belonged to the Dutch Treat and National Press clubs and to the Silurians, an organization of veteran New York City newspapermen. He had served as a juror for the Pulitzer Prize in journalism. In 1969, his alma mater awarded him an honorary doctorate of laws.

Barger lived in Garden City, L.I., with his wife, the former Elizabeth Chick, whom he married Dec. 28, 1928. He also is survived by a son, Bruce, and a granddaughter.

SIG ARYWITZ

Mr. CRANSTON. Mr. President, this morning California lost one of its finest citizens, the labor movement lost one of its outstanding leaders, and I lost a very good friend with the death of Sigmund Arywitz, executive secretary of the Los Angeles County AFL–CIO Labor Federation.

Sig was 61 years old and a heart attack struck him down without warning in his Los Angeles home. His death is sad news, indeed, for the thousands of men and women in the labor movement who knew him as a tireless leader for the causes of the working men and women of California and as a lifelong fighter for social and economic justice.

Sig Arywitz spent most of his life in the labor movement, first with the International Ladies Garment Workers Union and then, for 8 years, as the State of California's Labor Commissioner by appointment of Gov. Edmund G. (Pat) Brown.

He had been executive secretary of the County Labor Federation since 1967.

I knew Sig Arywitz for 15 years and I have never met another man with greater devotion to principle and a greater determination to achieve the things he believed in.

His goal, from which he never swerved, was to better the lives of working men and women and their families and to make sure that public and private institutions served all people fairly and with equal opportunity.

Sig was a devoted civil libertarian. His belief in the Bill of Rights and our Constitution was unswerving, uncompromising, and unshakable.

And Sig was a humanitarian. Night after night, weekend after weekend, Sig was present when his presence was needed for the cause of health, education, housing, jobs, or other activity which affected the lives of not just the union members he served but all the citizens of Los Angeles and California.

Sig cared nothing for the trappings of his office or the prestige of leadership. He was an unaffected, simple, and very earthy human being. He loved politics and he loved the rough and tumble of negotiations and debate. He would go anywhere to talk for a cause in which he believed. But Sig was always a fair fighter. He respected the other man's point of view. And he always listened and responded with reason.

Sig is gone and he left behind no great legacy of material things. But he did leave a monument of achievement in the labor movement and in the cause of humanity which will live on in the recorded annals of our time.

TEACHING

Mr. MATHIAS. Mr. President, one of the greatest professions for any man or woman is teaching. The financial rewards may be modest, but in other terms, the value of a career in teaching—both to the teacher and to those who are taught, as well as to the community and, indeed, the country—is inestimable. Teaching—to give others knowledge—to give others understanding—is part of what links us all together. Teaching, and learning, never end. They continue beyond the boundaries of formal education. But it is in the environment of the classroom and the school that it takes on its first substantial meaning. Indeed, the classroom teacher is on the educational frontline.

The Frederick, Md., Post addressed this subject in an editorial, "Tribute to a Teacher," published in its July 26 edition. I ask unanimous consent that it be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Tribute to a Teacher

Each year Frederick County's school system grows a great deal stronger in its educational heritage as some of its most respected teachers retire from the ranks of those who have served long and well generations of local students.

What they have transfused into the school system by their teaching skills is indeed a heritage, and by the time they have departed they have imparted something special to each of the thousands of children they have shared their lives with—something that all the money in the world couldn't buy.

Some may call that something "knowledge," others may call it confidence, charisma, understanding . . . but whatever it is, the students whose lives they have touched are much the better for it . . . because it is something of themselves.

Whatever "it" is that great teachers give us, is very well described in an essay entitled, "Tribute to a Teacher" by "a former student"—Lois B. Noffsinger—written on the occasion of the retirement of one of her teachers.

We feel the readers would like to share this thought by Lois Noffsinger, and in addition, she has included Mrs. Grove's graduation address to the Frederick High School Class of 1975, a poem she labels simply, "A Great Day." They follow:

TRIBUTE TO A TEACHER

"Erma Stull Grove is retiring after teaching in the Frederick County School System for thirty years."

These words published in your paper job the mind and demand response to such an occasion. Teachers like Erma Grove, Mable Hoyler, Ada B. Poole and countless others, have given so much to make Frederick County a good place to live. These teachers were ones who truly knew the meaning of the words "to educate . . ."

To educate does not mean to teach facts or merely show one how to calculate. The great teachers look at each student as an individual and help him to develop his talents in attaining a goal. The teacher who educates nourishes the God-given ability of each student to appreciate, meditate, communicate, evaluate, and create in a world of wonder, challenge, and opportunity. Erma Grove was this kind of teacher.

Erma Grove showed us how to appreciate the beauty of plants growing in her windows, the singing of the birds, the wonder of a math puzzle, and the worth of each individual.

She urged us to meditate and use good moral judgment in thinking of solutions to problems.

The value of the word communicate was always apparent in the high standards she set for the correct use of the English language, proper spelling, and legible handwriting. To be able to clearly communicate with each other leads to better understanding and the achievement of common goals.

Mrs. Grove helped us evaluate a situation before making a hasty judgment.

She encouraged us to create with our minds, as well as our bodies and in so doing showed us the value of poetry, music, painting and craftsmanship. A job well done was reward enough for her a countless number of times and her own ability to create a thing of beauty was exemplified in her address to the graduation class of 1975 of Frederick High School.

Thank God for all the great teachers of Frederick County and may we continue to be so blessed.

We often lose sight of the most important ingredient for learning—"the teacher's ability to educate."

Mrs. Grove's graduation address—"A Great Day"—follows:

Your first great day was the day you were born,
When parents were so very proud;
They had such high hopes for each one of you,
Each would stand out above the crowd.
That year you were born began the space age,
As Sputnik was launched into space.
And I'd already taught two thousand kids,
Sometimes fifty all in one place.

Another great day was when you started school;
Some went with smiles and some with tears,
To start an adventure, to climb new heights,
To find new faith instead of fears.
By this time the Peace Corps was established,
But prayers were abolished in schools,
And another two thousand passed through my doors,
Learning self-discipline, not rules.

Junior high began another great day,
New groups, new lessons, new friends,
Some sharp as tacks, and others like needles:
They only work when pushed, my friends.
Several men by now had walked on the moon,
Setting sights of some a bit higher.
And meantime I was still here teaching math
And growing plants which some admire.

And then, great day, to Frederick High School
Came some three hundred sixty strong;
It's hard to decide as we look around
What plans, what dreams you brought along;
For violence and intrigue filled the world;
Watergate seemed to breed deceit;
It was hard to teach honesty and truth
When "do your own thing" was replete.

There've been self-pacing courses to ponder,
And new report cards to digest,
Student aides, work study, open campus,
And renovations to suggest.
So many choices were thrust upon you
That sometimes you wanted to quit,
But you worked and studied, struggled and grew:
Graduation Day—this is it!

But this is only commencement, you know,
There are greater days out ahead,
New paths to travel, old wrongs to make right,
And justice and peace to be spread.
In this tired old world there is work to do,
A special task for each of you
Buckle down and find it; give it your best.
And the best will come back, it's true.

Take pride in your work, be loving, be kind,
To brighten those future great days;
You must give of yourself unstintingly
If the standard of life you'd raise.
Be grateful to those who have gone before;
Keep a sense of humor alive;
Believe in yourself, but trust in your God;
In fairness and light all will thrive.
Life won't be a series of all great days,
But make the most of every one;
There are worlds to conquer, goals to achieve,
And only you can get it done.
No one can foresee what the future brings,
And perhaps it's better that way;
We hope you're prepared to meet any test—
You've had many to reach this day!
In thirty years I've seen lots of changes,
A mixture of sunshine and rain,
The rooms may differ, personnel come and go;
Goodness, beauty, and truth remain.
And for better than six thousand pupils
There was more than math to be taught;
May service and responsibility
Be a part of my life you've caught.

May you add your share to the joys in the world;
Subtract from the misery you find;
Multiply each change for freedom to ring;
Divide yourself, heart, hand, and mind.
Congratulations, now, to all of you;
You've come here your separate ways;
Hold on to your dreams; be calm in the storm,
And celebrate many great days.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, one argument that is periodically raised by critics of the Genocide Convention is that this treaty will infringe upon the first amendment freedoms of our citizens in some way. This is completely false. In fact, a 1970 report of the American Bar Association's Standing Committee on World Order Through Law dismissed this objection completely.

The Supreme Court has held for many years that not all speech is covered by the first amendment. They have drawn a distinction between "advocacy" of any cause or idea—which is covered by the first amendment—and "incitement," which is not. It is one thing for an individual to advocate the abstract principle that violent overthrow of the government is necessary but it is quite another for an individual to pass out guns and bombs at the same time. A more realistic example would simply be the right of local authorities to impose legal sanctions upon individuals who shout "fire" in a crowded theater.

Moreover, the convention merely commits the United States to enact, in accordance with our Constitution, laws to implement the treaty's major provisions. Thus, this provides another safeguard since any implementing legislation would be subject to Supreme Court review to assure its constitutionality.

Mr. President, this objection appears to me to be a frivolus as others that I have heard and I urge my colleagues to reject these arguments and join me in seeking prompt ratification of the treaty.

INDIAN HEALTH CARE

Mr. FANNIN. Mr. President, The National Observer in its September 13 edition carried an article on the problems and challenges facing the Indian Health Service in providing quality health care to our Indian citizens. As a strong supporter of S. 522, the Indian Health Care Improvement Act, which the Senate passed by unanimous consent on May 16, I believe this article demonstrates the need for approving this vital piece of legislation without delay. In my opinion the time has come to provide the Indian Health Service with sufficient resources to overcome the inadequacies in its program. Without such resources it is doubtful if our Indian people will be able to achieve a measurable improvement in their social and economic status.

Mr. President, I ask unanimous consent to have printed in the RECORD this article, entitled "Health Fund Ills Plague Indians."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ARE CRITICS MUFFLED? HEALTH-FUND ILLS PLAGUE INDIANS

(By Patrick Young)

In place of a comprehensive plan to meet the health needs of Indian people, Government policies have had the effect of a Band-Aid.—Senator PAUL J. FANNIN.

Its adobe-style architecture gives the 47-year-old Indian Health Service (IHS) hospital here a solid, sturdy look. But inside, wooden floors, tinder-dry wooden rafters, and the absence of an automatic-sprinkler system in the wards and treatment areas make the building a fire trap.

"If we had a major fire, the hospital would be destroyed," says William Murray, administrator of IHS' Santa Fe service unit.

Since it can't meet minimum fire-and-safety standards, the hospital isn't accredited. But then, only 26 of the 51 IHS hospitals are accredited, one result of the chronic monetary anemia suffered by the Federal agency that provides health care to some 498,000 American Indians and Alaskan natives.

Short of money, staff, equipment, and facilities, IHS finds itself providing inadequate health care, sometimes to the point where deaths occur needlessly. And here in the Southwest, two recent incidents that involve protests by IHS personnel have raised questions whether some IHS officials are seeking to silence their critics within.

TREATY COMMITMENTS

The Federal Government, in fulfilling treaty commitments, has provided medical care to Indians since its early history. At first the task fell to Army physicians, whose main concern was preventing smallpox. Then responsibility was handed in 1849 to the Interior Department's Bureau of Indian Affairs. Finally, in 1955, Congress created the Indian Health Service within the Department of Health, Education, and Welfare.

IHS, administratively, is broken into eight areas and four program offices. These, in turn, are divided into 88 service units. The Santa Fe service unit, for example, is one of four in IHS' Albuquerque area and serves 12,000 Indians from 14 tribes.

The medical problems of Indians are legend. Their life expectancy is 65, or 5½ years less than the national average. Indians suffer seven times more tuberculosis than the national average; three times more cirrhosis; and significantly higher incidences of diabetes, infant deaths, malnutrition and otitis media, an inflammation of the middle ear that can cause deafness.

The IHS budget in fiscal 1975, which ended June 30, totaled $293,103,000, including construction funds. The amount spent in actual health care averaged about $480 an Indian, or "25 per cent below per capita expenditures for health care in the average American community," according to the Senate interior committee. The Ford Administration asked Congress to provide IHS $310 million in fiscal 1976. The House has appropriated $316,775,000; the Senate has yet to act on the IHS budget.

COMPETITION FOR FUNDS

But this increase, if enacted, would far from supply IHS' needs. "Every study ever done confirms our premise that we are providing only about two-thirds of the health needs of the Indian community," says Dr. Emery A. Johnson, IHS' director.

IHS, of course, must compete with other Federal agencies for limited funds. "On a percentage basis, they've had one of the largest increases handled by our committee," says a staff aide in the House Appropriations Committee. "The budget this year is $23 million over what was provided last year, and their increase more than covers inflation. It's a very real increase in program funds."

Sen. Henry M. Jackson, Washington Democrat, has introduced a bill—and the Senate has passed it without debate, in spite of Administration opposition—to provide an additional $1.6 billion dollars to IHS over seven years, beginning in fiscal 1977. The bill is now pending in the House.

One cause of IHS' problems is its success in health education; Indians increasingly have sought its services.

GENERATED EXPECTATIONS

"We've generated a fantastic acceptance of medical care," says Johnson. "As a result, our utilization has gone from 400,000 outpatient visits in 1955 to around 2.5 million this year, and we've doubled the number of hospital admissions. We have generated expectations."

How poorly some of these expectations are being met is illustrated by the situation here in Santa Fe, which Johnson calls about average for IHS hospitals.

Nonemergency operations are being delayed because money isn't available to pay for them. "We tend to wait until it's an emergent problem—say a gall bladder ruptures," says Murray. And this means that some youngsters with otitis media risk severe hearing loss that could be prevented by an operation.

Randall Carter, the hospital's only optometrist, has had to set a priority system for treatment, with small children seen first and then students. "Essentially the only adults I'm seeing are the ones in really bad shape who don't have the money to go to a private doctor," he says.

Patients needing bridges and dentures must wait up to two years because there aren't enough dentists. And that can lead to frustrations for the dentists as well as the patients. "The patients don't see the Indian Health Service putting them on a waiting list," says one dentist. "They see me putting them on a list."

So the money pinch diminishes the quality of care provided patients, and some Indians here express their resentment. "We're getting last-grade service," says one woman. Adds Paul Tafoya, former governor of the Santa Clara Pueblo, "The Santa Fe hospital is a king-size clinic; that's all it is." (The administration has refused for four years to approve IHS' request for money to build a new hospital here.)

IHS officials and health workers say the budget squeeze has not contributed to any deaths here, at least not in recent years. But a physician at the IHS hospital in Gallup, N.M., part of the IHS Navajo area, says two children died "needless" deaths there earlier this year because of inadequate funds for nurses and medical equipment.

A 4-year-old girl suffocated from a buildup of fluids in a tube helping her to breathe, because, this doctors says, the shorthanded nursing staff failed to clear the tube. And an infant died in its sleep when it stopped breathing. A monitoring device that would have alerted nurses had been removed from the baby for use on another patient.

"It was a needless death because there wasn't a monitor," says the doctor.

HARDSHIPS AND ISOLATION

IHS officials in Gallup refuse comment on the charge. Dr. V. Alton Dohner, the Navajo area assistant director, says he can't comment because "I haven't been apprised of any needless deaths." Dohner, however, acknowledges that the Navajo area is short on staff—from physicians to maintenance personnel. "We need 273 additional nurses just to operate the existing facilities," he says.

The lack of funds affects IHS recruiting and its ability to retain people. "We don't have enough money or facilities for them to practice the quality of medicine they are capable of, and that's a major frustration," says Paul Jones, a former IHS social worker.

But there are other problems. Many posts are geographically isolated, where the health team, particularly doctors, have little opportunity to talk with colleagues. Schools are often poor, and non-Indian children a minority group. Wives may feel even more isolated than their husbands, putting pressure on marriage bonds.

IHS has jobs for 523 doctors. "We've been running between 495 and 500 all year long," says Johnson.

Johnson, in his six years as IHS director, has voiced often the agency's woes to Congress. Yet several IHS employes who tried to make the same points say they have been harassed by superiors.

Two nurses—Valerie Koster and Sandra Kramer—were ordered fired last January after writing a letter to President Ford, several members of Congress, and an Indian newspaper protesting the quality of care provided Indians at the IHS hospital at Shiprock, N.M. Their dismissal was rescinded after congressional protests; they were refired this month, after refusing to accept transfer from Shiprock.

CLARIFY YOUR POSITION

A doctor who supported the nurses against what he said "appeared to be an 'administrative frame-up'" was sent an angry letter by his service-unit director giving him 48 hours "to clarify your position."

During the dispute, Dr. Marlene E. Haffner, the Navajo area director, circulated a memo stating: "The Supreme Court has ruled that *Federal and Postal Employees may be fired for publicly criticizing their agency, superiors, or fellow employees.*"

The memo misconstrued the High Court's actual decision. Dr. Johnson calls Dr. Haffner's action "inappropriate and uncalling for on her part." But Johnson denies the memo was an attempt to stifle dissent, and says Haffner has now informed employes in her area of their rights to communicate their complaints.

David E. Kuhl, a pharmacist, was transferred against his wishes to Santa Fe from the IHS Health Center at Dulce, N.M., after complaining to his superiors about the inadequate staff, facilities, and equipment there, and telling the Jicarilla Apache tribal council about the clinic's shortcomings.

Dr. Richard T. Light, then Sante Fe service unit director, told Kuhl it was illegal for him to write Congress about the problems, a statement Light later acknowledged was "incorrect."

Light, however, contends that Kuhl, who has since resigned from IHS, was moved not because of his complaints, but because he "was the center of considerable amount of dissension" at an isolated post "where it is of great necessity that the team function smoothly."

With tight budgets, material shortages, aging facilties, recruitment problems, and some frustrated employes, IHS continues to serve. Perhaps things will get better; perhaps not. Says Johnson: "The opportunities are only outnumbered by the frustrations."

THE ENERGY ACTION COMMITTEE: PATRIOTISM IN ACTION

Mr. McGOVERN. Mr. President, a group of concerned citizens called the Energy Action Committee has been organized to inform and activate the American people and their elected representatives on the energy issue. These citizens believe, as I do, that the decontrol of energy prices and allocation would be an economic calamity for America.

Involved in the citizens group are Mr. Miles Rubin, chairman of the board, Optical Systems Corp.; Mr. Leo Wyler, chairman of the board, TRE Corp.; Mr. Harold Willens, national chairman, Businessmen's Educational Fund; actors Robert Redford and Paul Newman, and other highly respected Americans.

The Energy Action Committee has sponsored an excellent advertisement in today's Washington Post which I believe manifests patriotic concern for the Nation. I ask unanimous consent that the ad be printed in the Congressional Record.

There being no objection, the advertisement was ordered to be printed in the Record, as follows:

GET MAD, AMERICA, GET MAD

If Congress doesn't override the President's veto tomorrow, your family's fuel bill will go up $300 next year. And it will keep going up until you get mad!

For the last few years, the politicians and the oil companies have been pushing the people of this country around.

And we've been letting them get away with it.

They pushed us with a phoney fuel shortage in 1973, and we let them get away with it.

They pushed us with unbelievable gasoline price increases in 1974, and we let them get away with it.

And President Ford just did it again—by vetoing a bill that would have extended price controls for at least another six months.

But this time, we're not going to let them get away with it. Because some of us are starting to get mad.

Mad enough to form the Energy Action Committee and initially try to rally Congress to override Ford's veto when they vote on it tomorrow.

Right now we're just a handful of citizens—consumers and businessmen and labor leaders and scientists and artists. But if this ad makes enough people mad, we're going to be a whole lot more.

So now somebodys watching the politicians and the oil companies! Now somebody's telling the people what's going on in language they can understand.

Because oil price de-control is not a complicated thing only the experts can understand. It affects everybody. And it can be explained most simply in dollars-and-cents.

For instance. If congress does not override President Ford's veto tomorrow, the oil companies will have a free hand to raise the price of their oil—and they're already making record profits. And that alone could end up costing a family of four up to $300 per year more for fuel.

The impact of that on our economy could easily make it $600 more per year—and here's how.

1. A new wave of inflation can be expected, because the availability and cost of energy is so critical to our economy. The ripple effect of higher prices, especially for food, could cause up to $30 billion in inflationary impact on the economy. It will drastically increase production costs for farmers and result in higher food costs for consumers. It will wipe out the stimulus of the tax cut. It will drain consumer spending power for all other goods and services and badly hurt economic recovery as well.

2. Up to 500,000 jobs will be lost because of the reduced demand for all other goods and services. Especially hard hit will be the transportation industry, where fuel is a major expense. And other sectors that can't pass on the new costs, such as universities, will have to find other ways to cut down operating expenses.

3. Profit losses for every business but oil can be expected. And even some oil businesses won't be so good—if you're an independent. Elimination of controls will mean that many independents will be squeezed out of business—including independent service station operators—because of the cost and supply advantages that only the big oil companies will have.

4. And another crippled winter—because propane prices to farmers and rural residents will steeply rise and supplies of propane will be very tight to household consumers.

What can you do about it? Join us. Because we intend to expose the oil deals, name the names and lead the fight for change. We've got a lot of work to do, and we need a lot of people to do it.

People to help us educate and communicate the facts to the American people in local newspapers, local radio, local TV—to let them know that energy policies should not be set by the oil monopolies.

People to knock on doors in every neighborhood in the country to make sure every homeowner knows what's going on.

People to help start winning some victories for a change.

There's really nothing very complicated or confusing about oil price de-control.

You're either for it or you're against it.

If you're for it, then you're for billion of additional profits for the oil companies which will mean higher prices, inflation, unemployment and fuel shortages for the rest of us.

But if you're against it, then you're for us. We want to get your name. We want to get you to wear our button. And we want to get your help.

But most of all we want you to get mad.

GET MAD ENOUGH TO WORK WITH US:
THE ENERGY ACTION COMMITTEE

Barry Commoner, author of "The Closing Circle," environmentalist, Washington University.

Tony Dechant, President, Nat'l. Farmers Union.

Charles Dyson, Chairman Dyson-Kissner Corporation.

Frances Farenthold, former Chair, Nat'l. Women's Political Caucus.

Carol Tucker Foreman, Executive Director, Consumer Federation of America.

Aaron Henry, President, Mississippi State NAACP.

Norman Lear, Producer, "All in the Family" & other television programs and motion pictures.

Paul Newman, actor.

Esther Peterson, former Consumer Advisor to the President.

Robert Redford, actor.

Miles Rubin, Chairman of the Board, Optical Systems Corporation.

Floyd E. Smith, President, Int'l. Ass'n. of Machinists and Aerospace Workers, AFL–CIO.

Glenn E. Watts, President, Communications Workers of America, AFL–CIO.

Lee C. White, former Chairman, Federal Power Commission; Chairman, Energy Policy Task Force.

Harold Willens, National Chairman, Businessmen's Educational Fund.

Leo Wyler, Chairman of the Board, TRE Corporation.

Titles for Identification Only

GET MAD ENOUGH TO SEND FOR THIS BUTTON!

To: The Energy Action Committee
Suite 901, 1012 14th Street NW
Washington, D.C., 20005

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Because of the time required to secure appropriate approvals, which may be necessary, we cannot solicit contributions or ask you to write your Congressman.

NOMINATION OF JOSEPH COORS TO THE BOARD OF DIRECTORS OF THE CORPORATION OF PUBLIC BROADCASTING

Mr. FANNIN. Mr. President, today the Communications Subcommittee of the Senate Committee on Commerce opened hearings on the President's nomination of Mr. Joseph Coors to the Board of Directors of the Corporation of Public Broadcasting.

Mr. President, I know personally of Mr. Coors' integrity and the tremendous experience he will bring to this position. I applaud President Ford for this outstanding nomination.

Mr. Coors is the kind of American of which we can all be proud. He is a man of high personal integrity, a man of principle, and one I am sure the Senate will be proud to confirm.

In considering nominees to the CPB Board, the Members of the Senate are fulfilling an important duty. Public broadcasting plays an increasingly greater role in the lives of the American people. Through its confirmation of members to the Board, the Senate seeks to insure that educational programing will be of the highest possible quality. To fulfill this duty, we must have people of the highest caliber with broad experience and understanding of broadcasting. In addition, the background and talents of a successful businessman should be a major asset to the financial operations of the country's noncommercial broadcast system. Mr. Coors' years of experience with TV News make him eminently qualified for the position.

Much has been said about Mr. Coors' philosophical conservatism and the effect this would have on the policies of the Board. The people voicing this concern seem to overlook that Mr. Coors will be only one of its 15 members. More important, they overlook a fundamental fact: under a sound democratic system, diversity should never be feared. I believe, Mr. President, that in fact it would be in keeping with our tradition to encourage diversity. There is no one political view which completely typifies the American people, and a Board of Directors homogeneous in its political outlook would not be representative of the people it serves.

Mr. President, it is my hope that the Communications Subcommittee as well as the full Commerce Committee and the Senate will act swiftly and judiciously on this nomination. We must bring the outstanding talents of Mr. Coors to the Public Broadcasting System at the earliest possible time.

THE UNEMPLOYMENT PICTURE: AUGUST 1975

Mr. **WILLIAMS.** Mr. President, it has been my custom these past several months to bring to the attention of the Senate the monthly unemployment report of the Bureau of Labor Statistics. The August report, released last Friday, is a report of mixed blessings.

The unemployment rate for August remained unchanged from July, standing at 8.4 percent. In numbers, there were 7,800,000 persons counted as unemployed. Of the total, 1,200,000 were not receiving unemployment compensation and presumably were relying on personal savings or public assistance for their sustenance.

As I have emphasized in the past, the unemployment data do not include either the discouraged workers, who have given up hope of finding a job, or the persons forced to work only part-time for economic reasons. Combined, they encompass over 4 million more persons who are victimized by the recession, forced into total or partial unemployment against their wishes.

Altogether, those counted as unemployed and those who are not counted but who nevertheless are affected number some 12 million Americans. Despite the positive signs of economic recovery, unemployment on this scale constitutes an enormous blight on the vitality and the spirit of the Nation.

The positive signs are exemplified by a continuation in the growth of civilian employment, which gained another 275,000 jobs in August. The data suggests that the major beneficiaries of this expanded force of employed persons were heads of households, married men, blue-collar workers, and factory workers.

On the negative side, unemployment among blacks and other racial minority groups rose a full percent, to 14 percent in August. Among teenagers it rose a full 2 percent last month. In other words, those most susceptible to joblessness again bore the brunt of declining opportunities to earn a living wage.

Among the most distressing developments is the continued deepening of long-term joblessness. The average duration of unemployment rose again in August to 15.7 weeks, 6 weeks longer than a year ago.

Those who have been unemployed the longest are having more difficulty finding work. At the same time, they are dropping off the unemployment compensation platform that has kept them afloat, or are nearing the edge and are in danger of exhausting their weekly benefits.

Data compiled by the Labor and Public Welfare Committee in a June survey of State unemployment officers indicate that as many as 1,640,000 persons will exhaust their benefits during fiscal 1976. A substantial majority of those will have exhausted all of the 65 weeks of benefits now available under State and Federal programs.

What will happen to them then? Will jobs materialize automatically? Of course not. As virtually all leading economists, including those of the Ford administration, have predicted, jobs will materialize with great reluctance over the coming year. Many of them would regard the Nation as fortunate if unemployment declined below 7 percent, below 6,400,000, by the end of 1976.

I believe it is our best course to create some of the jobs that will be needed. Without direct Federal action to combat joblessness with jobs, millions of Americans will needlessly suffer for many more months, and the economic recovery could founder from the failure to convert the unemployed to productive activity.

Mr. President, I ask unanimous consent that the Bureau of Labor Statistics' release on the August unemployment figures be printed in the RECORD for the information of the Senate.

There being no objection, the news release ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF LABOR,
BUREAU OF LABOR STATISTICS,
September 5, 1975.

THE EMPLOYMENT SITUATION: AUGUST 1975

Unemployment held steady in August and employment increased substantially, it was reported today by the Bureau of Labor Statistics of the U.S. Department of Labor. The unemployment rate remained at the July level of 8.4 percent, after declining from the second quarter recession peak of 8.9 percent. Although there was no change in overall joblessness, there was a marked improvement among adult workers.

Total employment—as measured by the monthly survey of households—rose by 275,000 in August, following a much larger advance in July. After declining by 2.6 million from last September to a low of 83.8 million in March, employment has risen by 1.5 million in the ensuing 5-month period. Total nonagricultural employment accounted for 1.3 million of this increase.

Total nonagricultural payroll employment—as measured by the monthly survey of establishments—rose by over half a million in August. This large expansion, coupled with an upward revision in the June and July estimates, yields an increase of 675,000 from March to August. Thus, the recent differences in employment trends between the household and establishment surveys have been narrowed. Although trends in the two surveys are generally closer than those currently prevailing, there have been a number of instances in the past when there were similar divergences, though they have always been shortlived.

UNEMPLOYMENT

The number of persons unemployed totaled 7.8 million in August, seasonally adjusted, unchanged from July but down 410,000 from the peak level reached in the second quarter. The rate of unemployment was unchanged at 8.4 percent. Just 12 months earlier, when the very sharp downturn in the economy began, the rate had been 5.4 percent.

Although overall joblessness was unchanged in August, there were significant offsetting movements among the major labor force groups. The jobless rate for adult men, who had been hit particularly hard during the recent downturn, dropped from 7.0 to 6.6 percent. Although the rate for adult women was little changed over the month at 7.7 percent, it has declined sharply from the second quarter average of 8.5 percent. In contrast, the jobless rate for teenagers, which had dropped from a second quarter average of 20.5 percent to 19.1 percent in July, rebounded to 21.1 percent in August.

The improvement in the job situation for adult men was also reflected in reduced unemployment among household heads (both male and female), married men, blue-collar workers, and factory workers. The decline for household heads was particularly sharp—from 6.0 to 5.5 percent. The jobless rate for blue-collar workers receded to 11.5 percent in August, after attaining a second quarter peak of 12.9 percent; nearly all of this decline occurred among skilled craft workers. In a similar vein, the factory jobless rate, which had dropped sharply in July from a second quarter high of 12.2 percent, moved down further in August to 10.5 percent.

The stability in unemployment also masked divergent movements in black and white joblessness. The unemployment rate for white workers continued its gradual descent from the spring quarter peak of 8.2 percent, reaching 7.6 percent in August. In contrast, the rate for black (Negro and other races) workers rose a full percentage point to 14.0 percent, closely approximating the second quarter average. This increase was primarily among black women, whose rate rose from 10.8 percent in July to 12.6 percent.

The unemployment rate for workers covered by State unemployment insurance programs continued to move down from the high of 7.0 percent attained in May, reaching 5.9 percent in August. The number claiming regular State U. I. benefits was 3.9 million, seasonally adjusted, but the total number of unemployment insurance claimants is much larger when the 2.7 million persons claiming benefits under various special programs, including the Federal extended benefits programs, are taken into account.

The number of persons unemployed 15 weeks or longer decreased by 160,000 in August to 2.8 million, marking the first real decline in long-term joblessness since unemployment began to rise in late 1973. Despite this decrease, the average (mean) duration of unemployment, at 15.7 weeks, was up slightly from the 14.4-weeks average registered in both June and July. The August level exceeded the year-earlier average by nearly 6 weeks.

In line with the improving job situation of adult workers, the number of unemployed who had lost their last job declined by 300,000 in August to 4.3 million. Since May, unemployment stemming from job loss has dropped by 600,000. Counterbalancing this over-the-month reduction in job loss were substantial increases among workers who were either seeking their first job or reentering the job market, a reflection of the increased joblessness among teenagers.

TOTAL EMPLOYMENT AND CIVILIAN LABOR FORCE

Total employment increased for the fifth straight month, rising by 275,000 to 85.4 million, seasonally adjusted. After declining sharply in late 1974 and 1975, employment has increased by 1.5 million since reaching a recession low in March. The August gain in employment occurred largely among adult men, household heads, and workers employed in blue-collar occupations.

The civilian labor force, at 93.1 million in August, was up by 230,000, following an increase of more than half a million in July. Over the past year, the labor force has expanded by 1.9 million, a markedly slower growth pace than in the 2 previous years. Although fluctuating somewhat during the past year, the rate of labor force participation, at 61.4 percent in both July and August, was up slightly from a year earlier.

INDUSTRY PAYROLL EMPLOYMENT

Total nonagricultural payroll employment rose by 530,000 to 77.0 million (seasonally adjusted) in August. This sizeable employment gain followed an increase of 215,000 in July (as revised) and marks a substantial turnaround from the steep decline that began last fall and extended through June. With the exception of mining, over-the-month employment gains were registered in all of the major industry divisions, as increases occurred in nearly three-quarters of the 172 industries in the BLS diffusion index.

The largest employment increase among the major industry divisions occurred in manufacturing, where employment rose by 210,000. This gain was widespread throughout the durable and nondurable industries. Within durable goods, large increases took place in electrical equipment (35,000), primary metals (30,000), and fabricated metals and furniture (20,000 each), with lesser increases posted in most of the other industries. In nondurables, notable employment increases were registered in textiles (30,000) and paper and allied products (15,000).

Employment in contract construction rose by 45,000 in August, but this was due entirely to the settlement of several large strikes. Over the past year, employment in this industry has dropped by over 570,000.

The service-producing sector, which was not nearly as buffeted by the recession, posted strong employment gains, highlighted by healthy pickups in services (100,000), State and local government (70,000), and retail trade (65,000). With a total August increase of 270,000, the service-producing sector provided 675,000 more jobs than it had a year earlier, while the goods-producing sector lost nearly 2.4 million, more than 1.8 million in manufacturing alone.

HOURS OF WORK

The average workweek for all production or nonsupervisory workers on nonfarm payrolls rose two-tenths of an hour in August to 36.3 hours, seasonally adjusted. Average weekly hours had also edged up in July, after holding steady for 3 consecutive months. However, the workweek remained 0.4 hours below the year-earlier level.

Much of the over-the-month gain in the workweek stemmed from a 0.3-hour pick up in manufacturing; this followed a 0.4-hour increase in the previous month. The August level was a full hour above the recession low of 38.8 hours reached in February and March but was still 1.1 hours below the pre-recession peak of early 1973. Factory overtime edged up 0.1 hour to 2.7 hours in August, a continuation of the small gains posted since April.

As a result of the big expansion in employment and the gain in the workweek, the index of aggregate hours of private nonfarm production or nonsupervisory employees rose 1.5 percent in August to 107.3 (1967=100). Factory worker-hours rose by an even larger amount—2.8 percent—to 89.5. This increase brought aggregate factory hours to a level 4.2 percent above their March 1975 low but still 14.4 percent below the December 1973 peak.

HOURLY AND WEEKLY EARNINGS

Average hourly earnings of production or nonsupervisory workers on private nonagricultural payrolls rose 0.7 percent in August and 6.8 percent from a year ago (seasonally adjusted). Average weekly earnings increased 1.2 percent over the month. Since August 1974, weekly earnings have risen by 5.6 percent.

Before adjustment for seasonality, average hour earnings rose 3 cents in August to $4.55 and were up 29 cents from a year ago. Average weekly earnings were $166.99, an increase of $2.01 over the month and $8.94 from last August.

THE HOURLY EARNINGS INDEX

The Hourly Earnings Index—earnings adjusted for overtime in manufacturing, seasonality, and the effects of changes in the proportion of workers in high-wage and low-wage industries—was 174.0 (1967=100) in August, 0.8 percent higher than in July. The index was 8.6 percent above August a year ago. During the 12-month period ended July, the Hourly Earnings Index in dollars of constant purchasing power declined 0.8 percent.

JOHN F. SCHILLING

Mr. MATHIAS. Mr. President, a distinguished Maryland resident and former newsman, John F. Schilling, died July 9 of injuries he suffered in an automobile accident. Mr. Schilling was only 47, but his career in the field of news and public information was an active one. Mr. Schilling's death was reported July 16 in the paper he once edited, the Maryland Independent, which also published an editorial tribute to him. I ask unanimous consent that those items be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Maryland Independent, July 16, 1975]

IRONY

The word "ironic" has been around a thousand years waiting to describe the death of John Schilling.

During his time as a newsman, Schilling took deserved pride in being the first at the scene of an accident or fast breaking event. Usually, he was the only reporter-editor present. This was for good reason. Schilling ate, drank, conversed, and literally lived with policemen. He had their trust and confidence. In Southern Maryland, he was certainly the last, and probably the only, newsman to consistently ride with patrolmen.

Schilling, in his three years as editor of the Maryland Independent, produced some of the most vivid scenes of the punishment on Southern Maryland's highways the paper has ever seen. They alerted readers to the faults of drivers, the faults of roadways.

Schilling died at the scene of a fatal accident early last Wednesday, his own.

Though it was his forte, police news was not the entire measure of the man, John Schilling. In fact, his many years of service as a newsman do not tell the whole story, as his colleagues at the Tri-County Council or the organizations to which he belonged will attest.

But we knew John Schilling best as a man who knew news. More importantly, he was not afraid of it. One of the stories he told—over a drink and with touches of amusement, embarrassment and pride—concerned one of his first editorials. In it, he lashed out at the Charles County Sanitary Commission. He would learn later that his new employer at the Independent was a member of the commission.

But editorials of the kind continued where he felt injustices were in force. However, he knew politics well enough to keep away from extremes. Out of his persistence on the roads and at the typewriter blossomed many friends.

From the Independent, Schilling moved to St. Mary's and Calvert counties to work. Like a parent knows his children, Schilling knew Southern Maryland. That fact and his newspaper experience convinced the Tri-County Council for Southern Maryland to hire him as an information officer.

There, he continued to serve and to enjoy Southern Maryland. The people in Southern Maryland enjoyed John Schilling as well, and now, we will miss him.

SCHILLING KILLED IN HEAD-ON COLLISION

John F. Schilling, 47, former editor of the Maryland Independent, died early Wednesday, July 9, 1975, at Anne Arundel Hospital in Annapolis, from injuries sustained in an automobile accident which occurred near Deale.

At the time of his death, Schilling was the public information and tourism director for the Tri-County Council of Southern Maryland. His wife, Jean, resides in Town Creek, St. Mary's County.

A past Exalted Ruler of the Charles County Elks Lodge, and former member of BPOE 2092 in St. Mary's County, Schilling was instrumental in establishing a lodge in Deale.

Born in Hagerstown, he graduated from high school there and attended the University of Maryland, majoring in military science and journalism.

He began his newspaper career at the Hagerstown Herald Mail in various capacities ranging from general reporter and photographer to outdoor editor, a position he held for three years.

An avid fisherman, Schilling spent much time in Southern Maryland writing articles as an officer and member of the Mason-Dixon Outdoor Writers. He was also a member of the Outdoor Writers of America.

From 1949–51, Schilling was stationed with the Air Force at Andrews Air Force Base where he was assigned to the Public Information Office as a staff and feature writer for the Andrews Ambassador.

In August 1966, Schilling became editor of the "Maryland Independent" and remained in this position for three years. Subsequently, he joined the "Enterprise" at Lexington Park, as a special assignment reporter covering the county government. Later, he worked for the Prince Frederick Recorder.

Schilling had served with the Tri-County Council since March 1974.

Survivors include his wife; two daughters, Leslie Staple and Sandra Schilling of Greensboro, N.C.; his mother, Mrs. Edna C. Schilling of Briston, Tenn.; one sister, Lucille Livingston of Norfolk, Va.; two brothers, Berkley Schilling of Morgantown, W. Va., and Joseph Schilling of Bristol; one grandson, Barry Staple of North Carolina; and two stepsons, Brian Hannum and Raymond Hannum.

Elk services were held July 10 at Mattingly Funeral Home, Leonardtown. Funeral services were held at Rest Haven Chapel, Hagerstown, on July 11.

Memorial contributions may be made to the National Kidney Foundation.

SMOKING AND HEALTH

Mr. MOSS. Mr. President, during the past few months several developments in smoking and health have come to my attention which I would like to share with you.

First, the Health Research Group has published a paper on the tobacco subsidy program. This paper calculates the cost of the Federal tobacco subsidy programs at $60 million, and proposes using these funds for other assistance to tobacco farmers than to subsidize growing of tobacco. The conclusions of the report echo the statements which I have made on numerous occasions in the Senate and, I can assure you, that I will continue in an effort to terminate this unsound program.

Second, Prof. G. H. Miller of Edinboro State College in Edinboro, Pa., has done an epidemiological study which adds additional information to the evidence of the health hazard of smoking. Professor Miller found that the longevity of the nonsmoker compared to the smoker is even greater than previously reported. He also concluded that the effects of smoking on women were increasing at a rapid pace.

Lastly, the Federal Trade Commission has prepared its statistical supplement to its annual report. It is particularly interesting to note that even though per capita cigarette consumption is increasing, it is still lower than the pre-Surgeon General report level. It is a shame that it has increased so much above the 1970 level, but with the continued downward trend in tar and nicotine content, the increased consumption may not be as deadly to the public as would otherwise be the case.

Mr. President, I ask unanimous consent that at the conclusion of my remarks the following material be printed in the RECORD, the Health Research group report entitled "Federal Support Against the Public Health: The 60 Million Dollar Tobacco Subsidy"; the Northwestern Pennsylvania Study on Smoking and Health; and the statistical supplement to the Federal Trade Commission report to Congress.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MOSS. Mr. President, all of the people who continue to do work to explore the mechanisms of tobacco related diseases, to chart the effects of these subsidies, and to analyze the data, both marketing and health, are to be congratulated for their important service to the public, and their diligence. It is my deep regret that the same statement of support cannot be given to the Congress of the United States which has utterly failed to support the effort to eliminate smoking related diseases from our country.

EXHIBIT 1

FEDERAL SUPPORT AGAINST THE PUBLIC HEALTH: THE 60 MILLION DOLLAR TOBACCO SUBSIDY

(By Martin Friedman, Summer Associate, Public Citizen's Health Research Group)

INTRODUCTION

The U.S. government spends roughly $60 million annually to support tobacco growing; this is equivalent to about $1,000 for each U.S. death from lung cancer caused by smoking.[1] On the other hand, the federal government spends only $14.3 per lung cancer death annually on educating the public about the dangers of smoking.[3] At the same time, the tobacco industry spends over $2,857 per lung cancer death on promoting the tobacco habit.[3]

Like other agricultural commodities, the U.S. tobacco program guarantees tobacco farmers a minimum price, restricts production to maintain high prices, regulates marketing, funds research, and promotes tobacco exports. Unlike other commodities such as wheat, soybeans and dairy products, which sustain life, tobacco predictably causes disease and death!

In every age group, the death rate for cigarette smokers is 70% higher than for nonsmokers.[4]

Smoking causes 85–90 percent of all lung cancer.[5]

Tobacco is also a significant factor in the development of other cancers, heart disease, bronchitis, and emphysema.

Additionally, maternal smoking during pregnancy poses a serious hazard to the health of the fetus.

Unlike the case with many other health hazards, principled governmental action could restrict the destruction caused by smoking. The 1975 Public Health Service report on smoking and health states: "Cigarette smoking remains the largest single unnecessary and preventable cause of illness and early death."[6] Since 1964, Congress has acted against this health menace by funding public dissemination of warnings and programs to investigate the dangers of smoking. Yet, at the same time, Congress authorizes funding of programs to encourage thousands of farmers to continue growing tobacco.

As Senator Frank Moss has pointed out, this is a "schizophrenic approach to tobacco."[7] Subsidies for tobacco should stop; this money would be far better spent on programs designed to counter the dangers of smoking.

Origin of Federal involvement with tobacco growing

Tobacco was listed as a "basic commodity" in the agricultural assistance legislation of 1933. At that time, the farm act was thought to be a temporary, emergency measure to help farmers survive in a depression economy in which prices of agricultural products declined more rapidly than costs, and banks were foreclosing thousands of mortgages on farms.

A. Price supports

Forty-two years later, the basic mechanisms of the emergency tobacco program implemented under the depression Agricultural Adjustment Act of 1933 are still in effect. The concept of parity was at the heart of the government's program to stabilize agricultural prices of basic commodities. For tobacco, the parity price was computed through a formula based on the market price of a pound of tobacco in the baseline period of 1919 and 1929 and an index of farmers' expenses in the baseline period, including costs of agricultural production and family living expenses. Since the federal government guaranteed farmers they would receive at a minimum a percentage of the parity price, the subsidy program assured them of a reasonable price for their crop.

Instead of making a direct payment to each farmer, the system operated, as it does today, through a loan mechanism. The farmer takes his leaf to market, and if the buyers do not offer a price at least as high as the support level, the government, through the Commodity Credit Corporation (CCC), will "loan" the farmer a sum equal to the support price. The tobacco, which is used as collateral for the loan, is then taken by the CCC, which processes and stores the leaf. Since tobacco must be aged for up to five years before it is suitable for use in production, the CCC can hold the tobacco in storage for sale at a later date. Should the tobacco eventually be sold for a price less than the loan made to the farmer, the CCC absorbs the loss as part of the expense of the program.

B. Production Limitations

In operation the support program is more complex than a mere guarantee of parity. Overproduction was a crucial factor in the decline of prices. The parity guarantee was tied to a production restriction program. If two-thirds of the producers of a type of tobacco agreed to participate in the government plan, each farmer was given a tobacco allotment, which was essentially a license to grow tobacco. Additionally, the growers had to agree to abide by production quotas computed by USDA that were intended to match production to the anticipated annual demand. Since the inception of the program, growers of the two major cigarette tobaccos have approved the quotas every year except 1939.

C. Development of the Modern Tobacco Program

In the 1933 agricultural legislation, tobacco farmers received more than fair treatment by the Congress. Not only was tobacco included in the list of "basic commodities" for parity benefits, but it was also singled out for a special benefit. In drafting the Agricultural Adjustment Act, Congress had set the August 1909 to July 1914 period as the baseline for computing parity prices. Before passage of the bill, however, the baseline for tobacco was changed to the August 1919 to July 1929 period. This modification translated into a 17% higher parity price.[8] Tobacco was the only crop so rewarded.[9]

Since 1933, the tobacco growers have consistently received special treatment. In 1940, the baseline period for tobacco was advanced to the 1934 to 1939 period, which again gave tobacco a price advantage over other commodities. In the important 1948 and 1949 farm legislation, most commodities were placed on a flexible support scale, based upon supply. Tobacco, however, was guaranteed payments of 90 percent of parity. In the late fifties it became obvious that the parity system was pricing American tobacco out of the world market. Because many of the factors used in computing parity for agricultural products generally, such as the price of feed for livestock, had escalated in cost but had no applicability to the costs of producing tobacco, a new formula was adopted in 1960. Under the new support formula, the parity index baseline period was changed to an index of the market price of tobacco in the three years previous to the current crop year. Under this system, prices have increased at a lower rate than before 1960, making American exports more competitive.

Exports have always been important to the tobacco growers, and the federal government has provided millions of dollars to expand foreign markets. The backbone of the export program is the Agricultural Trade and Assistance Act of 1954, Public Law 480, which has become known as the "Food for Peace" program. Tobacco has been shipped to underdeveloped countries under the PL 480 program since its inception. PL 480 was originally enacted as a means of disposing of surplus stocks of commodities accumulated through the operation of the loan support program. Excess commodities are either sold to underdeveloped countries for local currency (thus not depleting the receiving nation's foreign currency reserves) or sold for dollars on a long-term credit basis. Thus, the

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Footnotes at end of article.

overwhelming debt burden of some underdeveloped countries includes debts to the U.S. for tobacco shipments.

In 1974, the major beneficiaries of this program were: South Viet Nam (13.4 million pounds); Thailand (4.1 million pounds); Cambodia (1.6 million pounds); Philippines (1.9 million pounds).[10] The total 1974 program cost was $35.9 million.[11] As a result of political developments in Southeast Asia, none of these nations receive PL 480 shipments today. The emphasis of the program is now shifting to other nations. Egypt, for example, received no tobacco in 1973. In 1974, exports to Egypt were estimated at 7.5 million pounds.[12]

In the 1966 to 1974 period, the USDA operated an export payments program "to help regain the historic share of the world market for U.S. tobacco." [13] Under this program, USDA made American leaf more competitive with foreign tobacco by paying exporters 5 to 10 cents per pound for selling tobacco out of storage overseas. The cost of the program up to March of 1969 was $81 million dollars.[14] In 1974, the program cost the United States $13.7 million.[15] The export payment program has now been terminated; since loan stocks today are almost negligible, the program provides little economic advantage.

Tobacco expenditures today

The costs of the entire tobacco program are scattered throughout the Department of Agriculture budget. The loan support program itself accounts for only 0.13 percent of the aggregate cost of all commodity price support programs of the past 44 years.[16] Yet, in 1975, USDA estimates that administrative expenses of the program will total approximately $10.4 million. USDA research on the tobacco plant, only half of which is health related, will cost approximately $6.5 million. With most commodities, the growers themselves pay for inspection and grading of their crop. USDA, however, provides these services free of charge to tobacco growers. The taxpayers will pay approximately $5.4 million for these expenditures in 1975.

The money that will be spent to assist the tobacco industry at home in 1975 is only a portion of the total. PL 480 tobacco programs will cost the taxpayers approximately $29.4 million this year, and world market analysis another $200 thousand. Additionally, the final year of an advertising program in Austria will cost $55 thousand.

USDA estimates of 1975 tobacco expenditures

(Dollars in thousands)

(Estimated costs, 1975)

Item:	
Tobacco research	$6,611
Tobacco inspection, grading and classing	5,351
Market new program	435
Realized losses on tobacco loans	(*)
Tobacco export payments	6,250
Administrative expenses of price supports	10,400
Export costs, Public Law 480	29,400
Development of foreign markets	55
Supervision of market development and world market analysis	260
Total, above items	**$58,762

Source: USDA, April 15, 1974.

*Differences in accounting methods makes it difficult to estimate the actual loss on tobacco loans. In April of 1974, USDA estimated a 1974 loss of $3.6 million. The *Tobacco Situation* (Sept., 1974), p. 17, however, calculates that the loss on loans in 1974 was negligible. Actual 1975 losses will depend on market prices for the remainder of the year.

**Does not include estimated loss on loan program.

Footnotes at end of article.

The politics of tobacco

We have 80,000 Tar Heel Farmers producing tobacco. It provides employment to nearly 200,000 of the State's farm workers. Last year, it brought the State's farmers over $800 million in income.—Remarks of Senator Helms of North Carolina, 1975.[17]

In parts of North Carolina and Kentucky, tobacco is the mainstay of the economy. Last year, tobacco sales represented about one-third of all agricultural income in North Carolina and Kentucky.[18] Although less significant, tobacco is also an important commodity in South Carolina, Virginia, Tennessee, and Georgia.

The economic importance of the tobacco plant manifests itself in political power. While this is also true of corn in Iowa or wheat in Kansas, tobacco is unique in that it is grown on relatively few acres of land. An acre of tobacco yields 1,000 to 2,600 pounds of marketable leaf. Tobacco is grown on only .3 percent of U.S. cropland, yet it produces 4 percent of total cash receipts from all U.S. crops.[19] Because the tobacco crop is spread over a large number of farms, there are thousands of tobacco farmers in the major growing states. In Kentucky for example, 96,034 farms marketed burley tobacco in 1964.[20]

At the manufacturing level, the tobacco industry is concentrated in a few regions. For example, cigarettes are manufactured almost exclusively in North Carolina, Virginia and Kentucky.[21] The tobacco manufacturing industry employs 27,300 persons in North Carolina, 13,700 persons in Virginia, and 11,300 in Kentucky. Since the manufacturers are most concerned with maintaining a stable price and a steady flow of product, they favor government tobacco aid as much as the growers do. But when balanced against the approximately 250,000 annual deaths directly attributable to cigarette smoking, the employment factor is of little consequence.[22]

Tobacco subsidies continue because they are economically important to a few states, and Congressmen from those states are very powerful. Senator Herman Talmadge of Georgia, who represents a state that produced a $170 million tobacco crop last year (Georgia is the sixth most important tobacco growing state in the nation) is Chairman of the Senate Agriculture and Forestry Committee. On the House side, Rep. Carl Perkins is the Chairman of the Education and Labor Committee. He represents a district containing approximately 20,000 farms with burley tobacco allotments. Rep. David Henderson of North Carolina, Chairman of the House Committee on the Post Office and Civil Service represents a district containing over 28,400 tobacco farms. Rep. Joe Evins, Chairman of the House Small Business Committee represents a Tennessee district containing over 27,000 tobacco farms. Additionally, 21 representatives from the six leading tobacco-producing states are chairmen of House subcommittees. Twelve chairmen of Senate subcommittees represent the same six states. In the House Agriculture Committee, agricultural subsidy programs are handled by subcommittees organized on the basis of commodities. All but two members of the tobacco subcommittee are from a major tobacco-producing state. In the past ten years, there have never been more than two members of the subcommittee at a given time that were not from a tobacco-producing state. Thus, decisions about the national program in the House are made almost exclusively by members whose states' will receive tobacco subsidies.

TOBACCO PROGRAM SHOULD BE ELIMINATED

A. The allotment system retards efficient production

Increasingly, the allotment system is a significant factor in limiting the rate of mechanization in the tobacco fields. The three factors that have retarded mechanization have been the state of technological development and the cost of machinery,[23] the availability of a large, low-paid labor pool, and the restrictions of the allotment system. The technology and machinery is becoming increasingly available and the labor pool is contracting. Thus, the allotment system will become the last line of defense for the small grower.

Moreover, the allotment system artificially limits tobacco-raising to certain regions. There is a fixed number of allotments per state and the allotments cannot be transferred across state lines.* Since mechanized growing is most effective on flat land, the center of flue-cured production would naturally shift from the hilly terrain of North Carolina and Virginia to the flatter land of South Carolina, Georgia and Florida.[24] Under the present tobacco program, this could not occur; allotments cannot be transferred across state borders, and the cost of acquiring allotments within each state would require capital that otherwise would pay for machinery.

B. Larger farmers get more than small farmers

Like other farm subsidy programs, the tobacco program benefits the well-to-do-farmer more than the poor farmer. This is because the benefits of the program are paid in proportion to the amount of marketable leaf produced. Thus, the tobacco farmers in the lower 40% of the income scale receive only 13.2% of the benefits, since they receive only 11.7% of net income from tobacco sales.[25]

C. Ending the tobacco program will not prohibit tobacco growing

Although cigarettes are a major health hazard, no one has proposed a prohibition of tobacco growing. However, many growers believe that ending government price supports and returning to the free market would be tantamount to outlawing tobacco. This is unlikely. It is true that tobacco growers had a hard time before the initiation of federal support in 1933. At that time, the growers were at the mercy of a few large buyers who kept prices artificially depressed. In the three years prior to the government program, the market price of tobacco had declined by more than fifty percent, while the average wholesale price of cigarettes had risen from $5.40 per 1000 in 1929 to $6.04 in 1932, leading to record profits [26] for the manufacturers and bankruptcy for the growers.

Eliminating the program would not likely return the growers to their pre-program situation. Market prices have been well above support levels for the major cigarette tobaccos in recent years. Therefore, it appears that manufacturers are willing to pay a good price for tobacco today, probably because they have developed means of extending each pound of tobacco by reducing shrinkage in processing the leaf and by finding ways to use the stems and other bits of tobacco formerly discarded.

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* By statute, the apportionment among states of tobacco allotments must be made "on the basis of the total production of tobacco in each state during the five calendar years immediately preceeding the calendar year in which the quota is proclaimed . . ." 7 U.S.C. 1313(a).

Senator Talmadge has argued that elimination of the program would literally confiscate tobacco-growers' property.[27] He makes this argument because tobacco allotments are valuable in themselves, since there are a fixed number of allotments and allotments are necessary licenses to grow tobacco. Also, allotments are leased independently of the land, and when a farm is sold, the value of the allotment is included in the price. Today allotments account for about 26% of the value of farmland in North Carolina and about 20% in Kentucky.[28] One study indicates that total farm assets would be reduced by $2.2 billion if the allotments became worthless.[29] This reduction would affect the tax base in farm communities, and by reducing the value of the collateral represented in part by the allotment, it would be more difficult for tobacco farmers to procure loans needed to finance planting the crop. But while this would harm farm communities in the short run, it would not create economic chaos. Some form of cooperatives could take up the slack, and as long as the worldwide tobacco demand remains high, commercial lenders will not ignore the tobacco farmer.

D. Small tobacco farmers would be forced out anyway

It is true that small independent farmers would suffer from elimination of tobacco subsidies. One study concluded that labor requirements would be reduced by about 25 percent as growers reorganized into larger, more efficient, units.[30] However, in the long run, there will be a production increase, which will reduce the change in labor requirements.

If small growers are harmed most by elimination of subsidies, it will not be by the absence of subsidies per se, but by lack of funds to mechanize or purchase sufficient land to profitably grow an alternative crop, as the marketplace is freed up to demand the most efficient use of land. Many tobacco farmers also lack the education or skills needed to find alternative employment. About one-half of the small growers have less than an eighth grade education.[31]

The character of tobacco farming as "agriculture's last great stronghold of hand labor"[32] has been idealized by some members of Congress. A peculiar, yet apt, advocacy was made by Rep. Rose of North Carolina:

"You know, there are some people around here who would like to go ahead and treat the American tobacco farmer like they did the opium poppy growers over there in Turkey, and I hope we do not come to that. I think the tobacco industry is a viable industry in this country and I want to keep it that way."[33]

Even with subsidies, tobacco production on small farms is so inefficient that small farmers are expending enormous amounts of labor to acquire merely a bare subsistence. Life on a small tobacco farm has for many years been associated with poverty.[34] Many young people have left the farm to seek more rewarding employment. For example, about 300,000 persons migrated north from the southeast tobacco region in the 1960's; this was equal to at least one person per household.[35] Approxmiately half of the farmers on small tobacco farms today are at least 55 years old.[36]

Tobacco farming simply cannot pay a competitive wage, even with government aid. Tobacco wages for hired hands were an average of $1.39 per hour in 1972; [37] which is an extraordinarily low rate particularly since it is not year-round employment. This does not include the lower wages of family members. As demands for higher wages rise to meet the increased cost of living, tobacco farmers will not be able to meet the cost of labor and stay in business.

Rather than receiving just enough help to keep thousands of farmers growing tobacco without assuring them of an adequate income or educational opportunities, farmers would benefit more from direct government aid unconnected with tobacco.

Senator Thurmond has argued that the tobacco program should be continued to prevent a decline in production that would force large-scale importing of tobacco.[38] The United States, for good or ill, will remain a large tobacco producer, even if the structure of farming changes. Production would rise without quotas an expected 25 percent[39] and prices would fall approximately 25 percent. A 1972 study estimates that cash receipts would be reduced by only $230 million.[40] This is because exports would increase as much as two-thirds since American tobacco at the lower price would be competitive in the world market.[41]

Senator Talmadge argues that tobacco subsidies should not be ended since that would not halt the smoking of tobacco.

And even if the tobacco program were eliminated, what would have been accomplished:

Would that stop the sale of tobacco?

Would that stop the imports of tobacco?

Would that make it unlawful to smoke?

Would that contribute to better health in this Nation?

In every case the answer is "No."

On the contrary—sales of tobacco would continue. People would continue to smoke.[42]

Due to the addictive properties of tobacco, it will be difficult to reduce consumption of tobacco in the United States. However, eliminating the program will not increase cigarette consumption through lower prices. Although the price of tobacco leaf would go down, the price of cigarettes would be unaffected, since the value of tobacco accounts for only seven percent of the cost of cigarettes to consumers.[43]

CONCLUSION

1. Congress should repeal all laws and appropriations which require a tobbaco support program.

2. A direct social welfare program for small tobacco growers should be initiated to ease their losses in the transition from subsidized to a free tobacco market. This program would include funds for re-education, loans for transition to other crops, and if necessary, interim arrangements for applying established programs such as food stamps and Medicaid to small growers. Unlike the current tobacco program, these new measures should apply only to these programs—which may last several years—to be financed by part of the $60 million* current tobacco program. After several years, the entire $60 million should revert to anti-smoking campaigns.

3. The $60 million tobacco program should be converted to a full-scale anti-smoking program. Last year, Americans smoked 640 billion cigarettes, an equivalent of 211 packs per person over 18.[44] Forty percent of the adult population smokes tobacco.[45] The government anti-smoking program operated by the National Clearinghouse for Smoking and Disease has an annual budget of only $900,000. Since the cigarette manufacturers spent over $180,000,000 on advertising the top 20 brands alone in 1973,[46] it is not surprising that smoking is on the rise again.

Publicity given to the Surgeon General's report of 1964, the first national report on smoking and health, temporarily reduced per capita consumption by 253 cigarettes a year.[47] Anti-smoking advertisements on radio and television between 1967 and 1970 were more than twice as effective in discouraging smoking as the pro-smoking advertisements were in promoting smoking.[48] Clearly, $60 million spent in anti-smoking commercials and other educational programs would go far in aiding smokers to break their addiction, and improve their chances for a long life.

In summary, our tobacco support program is subsidizing disease and death in the name of the small tobacco farmer. Yet the program is not even providing efficiently or well for the small farmer. This program has continued over the years because few would challenge the parochial and short-range views of a handful of tobacco state Congressmen. The tobacco support program should be stopped and the U.S. government must opt instead for a single-minded program to preserve the nation's health from poisoning by tobacco.

FOOTNOTES

[1] Approximately 74,300 persons die of cancer of the lung and bronchus annually. *Vital Statistics,* Vol. 2, pt. A, 1973. 85 to 90 per cent of lung cancers are caused by smoking. *The Health Consequences of Smoking,* HEW (1975) p. 7. The figure in the text was calculated as follows: Approximate tobacco expenditures=85% of lung cancer deaths.

[2] For an estimate of the budget of the National Clearinghouse for Smoking and Health, see Cong. Rec. 55003 (March 26, 1975) (remarks of Sen. Moss). The figure in the text was calculated as follows: Budget of Nat. Clearinghouse=85% of lung cancer deaths.

[3] For an estimate of advertising expenditures on the top 20 brands, see *Advertising Age* (Nov. 25, 1974), p. 3. The figure in the text was calculated as follows: Industry advertising expenditures=85% of lung cancer deaths.

[4] *The Health Consequences of Smoking,* HEW (1967) p. 7.

[5] *The Health Consequences of Smoking,* HEW (1975), p. 7.

[6] *Id.* p. iii.

[7] 116 Cong. Rec. 15058 (1970).

[8] Williamson & Toussaint, "Parity and Support Prices for Flue-Cured Tobacco", 43 *J. Farm Econ.* 13, 13–14 (1961).

[10] *Tobacco Situation,* USDA (March 1975) p. 13.

[11] *Id.* A portion of these costs, however, are eventually recouped by the federal government.

[12] *Tobacco Situation*, UCDA (March 1975) p. 13.

[13] *Tobacco Situation,* USDA (June 1969) p. 32.

[14] *Id.*

[15] "Tobacco in the National Economy," USDA Tobacco and Peanut Division, ASCS (1974).

[16] *Id.*

[17] Con. Rec., p. 8634 (March 26, 1975).

[18] Annual Report on Tobacco Statistics 1974, USDA Agricultural Marketing Service, p. 11.

[19] "Tobacco in the National Economy," USDA Tobacco and Peanut Division, ASCS (1974).

[20] D. Hoover, *The Structure of Tobacco Production Units,* Table 1, p. 132, in Social and Economic Issues Confronting the Tobacco Industry in the Seventies, A. Bordeaux and R. Brannon, eds. (1972).

[21] J. Braden, "Economic Importance of the U.S. Tobacco Industry," *Tobacco Situation,* USDA (March 1972).

[22] Testimony of Dr. Morton Levine, *Hearings before the House Committee on Interstate and Foreign Commerce,* 91st Cong., 1st Sess. (April, 1969), pt. 1.

[23] In 1972, only one percent of the flue-cured acreage was harvested with a completely mechanized system. Grise, Shugars, Givan & Hoff, *Structural Characteristics of*

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*As stated before, this is an approximate figure. Other estimates range from $50 million to $80 million.

Flue-Cured Tobacco Farms and Prospects for Mechanization, USDA, Agricultural Economic Report No. 277 (1975), p. 13. By 1978, a minimum of almost one quarter of flue-cured acreage is expected to be mechanized. *Id.,* p. 31.

[24] *"Development Strategies Project, The Flue-Cured Tobacco Industry—Changes and Adjustments,"* Address to the National Agricultural Outlook Conference, Washington, D.C. 1974.

[25] Rudd, "A Policy Prescription for Tobacco in the Seventies " in *Social and Economic Issues Confronting the Tobacco Industry in the Seventies,* A. Bordeaux and R. Brannon, eds. (1972) p. 311.

[26] Ratchford, "Federal Agricultural Policy in Relation to Tobacco," *Journal of Politics,* Vol. 11, p. 655 (1949).

[27] Cong. Rec. S5004 (March 26, 1975) (remarks of Sen. Talmadge of Georgia).

[28] Bradford & Thompson "Impact of Eliminating the Tobacco Price-Support Supply-Control Program," in *Social and Economic Issues Confronting the Tobacco Industry in the Seventies,* p. 282, (1972).

[29] "Agricultural Trade and the Proposed Round of Multilateral Negotiations," Senate Agricultural and Forestry Committee Print, (April 31, 1973), p. 179.

[30] *Id.*

[31] Grise, Shugars, Given & Hoff, *Structural Characteristics of Flue-Cured Tobacco Farms and Prospects for Mechanization,* USDA Agricultural Economic Report No. 277 (1975), p. 9.

[32] D. Walls, *The Chickenbone Special* (1970), p. 53.

[33] *Senate Agriculture Committee Hearings* Emergency Support Level Increases for Flue-Cured Tobacco, 93d Cong. 2d Sess. (1974) (testimony of Rep. Rose of North Carolina).

[34] Sen. Helms of North Carolina recently stated that "[m]any of these farmers are already at the subsistence level." Cong. Rec. p. 8634 (March 26, 1975). *See also* D. Walls, *The Chickenbone Special* (1970); Rudd "A Policy Prescription for Tobacco in the Seventies," in *Social & Economic Issues Confronting the Tobacco Industry in the Seventies,* Bordeaux & Brannon, eds. (1972), p. 310.

[35] C. Beale, "Impact of Changing Tobacco Demand and Technology on Population and Migration," in *Social and Economic Issues Confronting the Tobacco Industry in the Seventies,* (1972), p. 246.

[36] Grise, Shugars, Given & Hoff, *Structural Characteristics of Flue-Cured Tobacco Farms and Prospects for Mechanization,* USDA Agricultural Economic Report No. 277 (1975), p. 9.

[37] *Id.,* p. 22.

[38] Cong. Rec. S 5005 (March 26, 1975) (remarks of Sen. Thurmond of South Carolina).

[39] "Agricultural Trade and the Proposed Round of Multilateral Negotiations," Senate Agriculture and Forestry Committee Print (April 30, 1973), p. 179.

[40] *Id.*

[41] *Id.*

[42] Cong. Rec. S 5004 (March 26, 1975) (remarks of Senator Talmadge).

[43] J. Braden, The Tobacco User's Dollar—Trends and Prospects, *Tobacco Situation* (Sept. 1971).

[44] Miller, Tobacco Use: Trends and Projections," presented at the Agricultural Economics Section, 26th Tobacco Workers Conference, Charleston, South Carolina, Jan. 30, 1975. Reprinted by USDA Economic Research Service.

[45] *Id.*

[46] *Advertising Age* (Nov. 25, 1974), p. 3.

[47] Miller, *op. cit.,* p. 10.

[48] *Id.*

Northwestern Pennsylvania Study on Smoking and Health

REPORT NO. 1

The results of the recent analysis of the data from the Northwestern Pennsylvania Study on Smoking and Health (NPSSH) shows significant findings that were not reported in previous research. The major findings, based on over 4,000 individual case reports, produced some surprising results. A brief summary of the conclusions is the following:

1. There is practically no difference in longevity between the male and the female if they do not smoke.
2. The longevity difference in favor of the non-cigarette smoker over the cigarette smoker is greater than ten years.
3. The longevity difference for the heavy cigarette smoker compared to the non-smoker ranges from 14 years for the men to 19 years for the women.
4. Smoking of pipes and cigars does not appear to have any effect on longevity.
5. Cigarette smoking appears to be more deadly for the female than for the male smoker by a difference of 6 years.

The major reason for the differences in the results of this study and other previous studies is probably due to the type of sampling method used. Instead of obtaining results from non-representative population samples such as volunteers and autopsy reports, the NPSSH made use of data based on interviews of a large number of Erie residents concerning relatives who had passed away, which is an ideal method to secure the most representative type of data. The deceased relatives considered were concentrated during the years of 1970 to 1973.

In addition, the data reported in this study makes comparisons between smokers and non-smokers who are as free as possible from complicating factors such as industrial pollution and chemicals, excessive weight and excessive alcoholic consumption. These factors are usually not eliminated in most of the previous studies.

The overall longevity difference of 10 years for the non-smoker over the cigarette smoker shows that the impact of cigarette smoking is much worse than previously reported. For instance in reports by the American Cancer Society and the National Clearing House for Smoking and Health, the largest longevity difference listed between male smokers and non-smokers for heavy cigarette smokers (over 2 packs a day) is 8.3 years. The present study shows that the damage done by cigarettes for the average smoker, let alone the heavy smoker, is greater than the 8.3 years listed for heavy smokers. Also, this study shows that the longevity curtailment for heavy smokers is nearly twice the maximum rate reported in the previous research.

The result concerning the cigar and pipe smoking was surprising in view of the fact that a number of organizations are placing an emphasis on stopping these forms of smoking on the basis of curtailment of longevity. While it is true that these people get more lip and throat cancer, it appears that their longevity is one year longer than the non-smoker.

The most unexpected revelation of the study is that cigarette smoking is more deadly for the female than the male since there is a six-year longevity difference between the male smoker and the female smoker in favor of the males. This result shows that previous reports listing a six- to eight-year difference in favor of the women did not take into account the great impact that cigarette smoking has upon the longevity of the men since more men smoke than women and they have smoked for longer periods of time. For example, in this study three times as many men smoked as women. A decade earlier the ratio of male to female smokers was probably 5 to 6 times as great.

Now that women are smoking more, as indicated in recent research by the National Clearinghouse on Smoking and Health, this data shows how serious the problem could become if women continue to smoke. For example, based on the recent research which shows male and female teenagers are smoking at the same level and the results of this study, it can be predicted that the average life span of women will decrease until women will be dying on the average of five to six years before men in the next thirty to forty years if the same trend continues.

This study was done on the basis of volunteer assistance from a wide variety of organizations and institutions such as Edinboro State College, Behrend Campus of the Pennsylvania State University, COVE, Erie women's associations and church groups. These organizations provided many trained interviewers and highly qualified people who made outstanding contributions to the study.

The study was originally started in May 1974 based on a grant from No Other World, an environmental organization; and partial support was provided by the health organizations—Northwestern Pennsylvania Cancer Society (Erie Section), Northwestern Pennsylvania Lung Association, and the American Heart Association—Northwestern Pennsylvania Section.

The basic objective of the study was to obtain information from relatives of the deceased concerning their former relatives' smoking habits so that comparisons could be made between smokers and non-smokers. The different significant conditions studied were age, sex difference, degree of inhalation, amount of cigarette smoked, pollution differences, and parental smoking impact. The survey primarily considered those individuals who had passed away within the last four years and members of their family as well as some unsolicited interviews.

The basic interview items were constructed with the aid of the cooperating health organizations and professional consultants. The location of telephone numbers of the relatives of the deceased was performed by volunteers who selected the closest relatives and their telephone numbers for use by the interviewers so that the most accurate data could be obtained for the study.

Training sessions were held in a number of different locations by the director to provide the volunteers with information on how to complete the forms and how to conduct the interviews.

Additional reports will be provided as other segments of the data are analyzed over the next few months.

Statistical Supplement to Federal Trade Commission Report to Congress

The purpose of this statistical supplement is to update charts previously published by the Commission concerning domestic sales of cigarettes and other products by cigarette manufacturers and expenditures for domestic cigarette advertising in various media for the year 1974. As in previous years, these totals were compiled by the Commission staff from Special Reports filed by domestic cigarette manufacturers.

1. CIGARETTE SALES[1]

In the annual report on cigarette labeling and advertising dated December 31, 1974, the

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[1] The figures reported herein for calendar 1974 do not include data from Larus & Brother or Stephano Brothers, as those companies have ceased their cigarette manufacturing operations. Due to the small size of the operations of these two companies, this omission has no significant effect on the comparability of 1974 data to prior years' data.

Commission noted that unofficial estimates indicated that total domestic cigarette sales[2] in 1974 could be expected to be greater than 602 billion units (individual cigarettes), well above the previous high mark of 584.7 billion units sold in 1973. This estimate proved to be too high, since the data received from domestic cigarette manufacturers placed total domestic sales in 1974 at 594.5 billion units. This was an increase of 1.68% over 1973. Domestic cigarette sales in units by year and month for the years 1963 through 1974 are shown in Table 1.

Table 2 shows per capita consumption of cigarettes by United States residents and overseas military personnel 18 years of age and older. The per capita consumption figure for 1973 has been revised downward from 4,182 units to 4,112 units. The 4,182 figure originally published was incorrect due to an error in the determination of the 1973 population figure utilized to compute the 1973 per capita consumption figure. As the figures in Table 2 demonstrate, the increase in per capita consumption begun in 1971 ended in 1973, with the 1974 figure 2 units less than the 1973 figure (a drop of .05%).

Clearly defined trends to increased sales of filter varieties and increased sales of mentholated cigarettes continued in 1974. Table 3 shows percentage of domestic filter and non-filter cigarette sales in the United States from 1963 through 1974.

The percentage of domestic mentholated and non-mentholated cigarette sales during 1963 through 1974 is shown on Table 4.

Table 5 lists percentages of domestic cigarette sales by size for the years 1967 through 1974.

Table 6 shows the total corporate sales of domestic cigarette manufacturers for the years 1963 through 1974 and the percentage of those totals attributable to domestic cigarette sales, foreign cigarette sales[3] and sales of services and other products. Sales of services and products other than cigarettes by cigarette manufacturers continued to increase in 1974. Although some tobacco products are included in the "services and other products" category (*e.g.*, cigars, pipe tobacco, leaf tobacco), the category also includes food products, alcoholic beverages, pet foods, razor blades, toiletries, chemicals and adhesives, hardware products, engineering services, optical goods and services, petroleum products, aluminum products, real estate, transportation services, office services and supplies, and sales by retail and wholesale businesses owned by the companies.

2. ADVERTISING EXPENDITURES

Table 7 shows total domestic cigarette advertising expenditures in the various media from 1963 through 1974. Table 7a lists domestic cigarette advertising expenditures for 1970 through 1974, categorizing the non-broadcast media in greater detail. The "Other" category in Table 7a included the costs of (a) sponsoring sporting events, (b) racing automobiles identified with a brand, (c) balloons, (d) airplane-towed banners, (e) sweepstakes, (f) racetrack closed circuit television, (g) various promotions where items are given away or sold at a reduced price, often to those who redeem coupons or send in product labels, and (h) point-of-purchase promotions. The "Other" category in Table 7 includes these and the "Billboard/Poster/Outdoor/Transit" category of Table 7a.

Table 8 compares the percentage of domestic advertising expenditures devoted to filter cigarette varieties with the percentage of total domestic cigarettes sales comprised of filter varieties for the years 1963 through 1974.

Table 9 compares the percentage of total domestic advertising expenditures devoted to extra long cigarettes (95–120mm) and the percentage of total domestic cigarette sales which is comprised of extra long varieties for the years 1967 through 1974.

Table 10 compares the percentage of domestic advertising expenditures devoted to cigarette varieties yielding 15 milligrams of tar or less and the percentage of total domestic cigarette sales comprised of those varieties for the years 1967 through 1974.

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[2] "Domestic cigarette sales" include:

(a) all sales within the 50 States, the District of Columbia, and U.S. territorial possessions,

(b) all sales to members or units of the Armed Forces of the United States located outside of the 50 States, the District of Columbia and U.S. territorial possessions, and

(c) all sales for delivery to a vessel or aircraft of the Armed Forces of the United States, as supplies, for consumption beyond the jurisdiction of the internal revenue laws of the United States.

[3] "Foreign cigarette sales" include:

(a) all sales outside of the 50 States, the District of Columbia, and U.S. territorial possessions to others than members or units of the Armed Forces of the United States, and

(b) all sales for delivery to a vessel or aircraft other than a vessel or aircraft of the Armed Forces of the United States, as supplies, for consumption beyond the jurisdiction of the internal revenue laws of the United States.

TABLE 1.—DOMESTIC CIGARETTE SALES

[Billions of cigarettes]

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974
Total sales	516.5	505.0	521.1	529.9	535.8	540.3	527.9	534.2	547.2	561.7	584.7	594.5
Sales by month:												
January	40.4	36.2	37.6	40.4	41.6	43.1	41.9	41.2	38.6	43.1	47.6	49.1
February	37.7	31.6	38.3	39.1	39.2	41.0	38.7	37.0	39.0	42.3	43.8	43.4
March	39.5	40.7	45.5	47.2	46.3	43.0	43.5	44.9	47.4	47.7	45.9	46.3
April	43.0	40.7	46.5	39.3	44.2	44.2	43.2	45.0	44.9	42.2	46.7	50.4
May	47.5	40.8	39.2	45.7	45.9	47.6	46.3	43.7	46.6	52.1	52.0	54.1
June	41.4	47.8	47.2	48.2	49.3	44.1	47.1	46.6	49.6	49.8	49.5	47.4
July	47.4	46.0	44.3	43.6	46.8	50.3	46.6	48.7	47.6	48.0	51.8	54.9
August	45.8	45.1	45.8	49.9	48.6	48.2	43.8	45.9	49.0	51.1	54.6	52.7
September	43.0	44.6	45.6	45.6	42.8	44.5	47.5	45.7	46.0	46.1	44.0	47.8
October	44.0	41.7	41.0	42.5	43.7	45.8	42.5	47.9	43.8	47.7	51.9	54.3
November	44.4	43.2	45.1	45.0	44.4	42.7	40.0	43.1	48.9	48.6	49.1	44.7
December	45.6	46.8	44.9	43.7	43.1	46.0	46.8	47.9	46.0	43.0	47.9	49.4

Note: The monthly figures have been rounded to the nearest tenth billion and thus do not add precisely to the annual total.

TABLE 2.—PER CAPITA CONSUMPTION

[U.S. residents and overseas military personnel 18 years of age and older]

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974
Units	4,286	4,143	4,196	4,197	4,175	4,145	3,986	3,969	3,982	4,018	[1] 4,112	4,110

[1] The per capita consumption figure for 1973 has been revised downward from the 4,182 units originally announced in last year's statistical supplement. The population estimate on which the 4,182 figure was based was incorrect.

TABLE 3.—FILTER AND NONFILTER SALES

[Percent domestic cigarette sales]

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974
Nonfilter	42	39	36	32	28	26	23	20	18	16	15	14
Filter	58	61	64	68	72	74	77	80	82	84	85	86
Charcoal	(1)					6	6	6	6	6	2	2
Regular						68	71	74	76	78	83	84

[1] Sales figures for charcoal filter cigarettes for the years 1963 through 1967 were not obtained.

TABLE 4.—MENTHOL AND NONMENTHOL SALES

[Percent domestic cigarette sales]

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974
Menthol	16	16	18	19	20	21	22	23	24	24	25	27
Nonmenthol	84	84	82	81	80	79	78	77	76	76	75	73

TABLE 5.—CIGARETTE SALES BY SIZE

[Percent domestic cigarette sales]

	1967	1968	1969	1970	1971	1972	1973	1974
Extra long (95 to 120 mm)	9	13	16	18	20	21	22	[1] 29
King (80 to 88 mm)	77	74	74	73	72	71	71	65
Regular (68 to 70 mm)	14	12	11	9	8	8	7	6

[1] Includes cigarettes with a length of 120 mm.

NB—Individual percentages have been rounded to the nearest whole percent and for that reason do not add precisely to 100 percent for some years.

TABLE 6

	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974
Total sales (billions of dollars)	$5.16	$5.13	$5.40	$5.74	$6.05	$6.35	$7.07	$7.61	$9.25	$10.00	$10.98	$13.77
Sources (percent):												
Domestic cigarette sales	87.0	85.9	85.2	82.3	80.0	78.5	70.4	68.9	59.2	56.4	54.5	47.0
Foreign cigarette sales	2.4	2.6	2.4	2.4	2.3	2.4	2.2	2.3	2.0	2.1	2.3	2.1
Services and other products	10.6	11.5	12.4	15.3	17.7	19.1	27.4	28.8	38.8	41.5	43.2	50.9

TABLE 7.—DOMESTIC CIGARETTE ADVERTISING EXPENDITURES

[In millions of dollars]

Year	TV	Newspaper, magazines	Radio	Direct	Other	Total
1963	$151.7	$45.6	$31.6	$13.2	$7.4	$249.5
1964	170.2	45.2	25.5	14.6	5.8	261.3
1965	175.6	41.9	24.8	14.7	6.0	263.0
1966	198.0	43.4	31.3	17.9	6.9	297.5
1967	226.9	41.2	17.5	20.3	6.0	311.5
1968	217.2	44.6	21.3	21.6	6.0	310.7
1969	$221.3	$48.7	$13.6	$13.4	$8.9	$305.9
1970	205.0	64.2	12.4	16.9	16.2	214.7
1971	2.2	157.6	0	27.0	64.8	251.6
1972	0	159.2	0	22.9	75.5	257.6
1973	0	157.7	0	15.2	74.6	247.5
1974	0	195.1	0	31.1	80.6	306.8

TABLE 7a.—DOMESTIC CIGARETTE ADVERTISING EXPENDITURES

[In millions of dollars]

Year	TV	Radio	Newspapers	Magazines	Billboard/poster, outdoor/transit	Direct	Other	Total
1970	205.0	12.4	14.7	49.5	11.7	16.9	4.5	314.7
1971	2.2	0	59.3	98.3	60.6	27.0	4.2	251.6
1972	0	0	63.1	96.1	67.5	22.9	8.0	257.6
1973	0	0	65.3	92.4	63.2	15.2	11.4	247.5
1974	0	0	80.5	114.6	71.4	31.1	9.2	306.8

TABLE 8.—DOMESTIC MARKET SHARE AND ADVERTISING EXPENDITURES, FILTER CIGARETTE VARIETIES

Year	Percent of domestic market share filter cigarettes	Percentage of total domestic advertising expenditures devoted to filter cigarettes
1963	58	75
1964	61	78
1965	64	77
1966	68	75
1967	72	95
1968	74	95
1969	77	97
1970	80	98
1971	82	98
1972	84	99
1973	85	98
1974	86	98

TABLE 9.—DOMESTIC MARKET SHARE AND ADVERTISING EXPENDITURES, EXTRA LONG (95-120 MM) CIGARETTE VARIETIES

Year	Percent of domestic market share, extra long cigarettes	Percentage of total domestic advertising expenditures devoted to extra long cigarettes
1967	9	39
1968	13	39
1969	16	33
1970	18	38
1971	20	30
1972	21	32
1973	22	29
1974	[1] 29	[1] 46

[1] Includes cigarettes with a length of 120 mm.

TABLE 10.—DOMESTIC MARKET SHARE AND ADVERTISING EXPENDITURES CIGARETTES YIELDING 15 MILLIGRAMS OF TAR OR LESS

Year	Percent of domestic market share cigarettes yielding 15 mg tar or less	Percentage of total domestic advertising expenditures devoted to cigarettes yielding 15 mg tar or less
1967	2.0	5.5
1968	2.5	9.2
1969	3.0	12.7
1970	3.6	10.5
1971	3.8	9.3
1972	6.6	15.1
1973	8.9	17.8
1974	8.9	15.2

A TRIBUTE TO SENATOR HARTKE

Mr. FORD. Mr. President, it is gratifying to read or hear something complimentary about Members of the U.S. Senate. There are many who recognize the positive side; who understand the demands, the long days, the responsibilities, and the complexities of issues facing each Senator.

The Wabash Valley Association represents over 5,000 residents of Indiana and Illinois who are deeply involved in the development of the Wabash River Basin, and for navigation of that river. Mr. Richard Shewmaker is the executive vice president of that association, and is a Baptist minister.

Recently, Mr. Shewmaker publicly expressed his impressions of Senator Hartke. I am pleased to submit this article in behalf of my colleague and neighbor, and ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Hey, That Is Hartke

The Mobile Field Office was parked in the lot just outside City Hall in Clinton, Indiana. Three young people, lounging around the pumps of the gas station on the corner, sauntered over, ran their fingers over the lettering on the side of the new vehicle that served as a traveling office for the Senior Senator from Indiana, Vance Hartke. The kids peeked in the windows, spotted me, giggled as only kids can for no apparent reason and walked back over to lean on the wall of the gas station and watch the proceedings.

They did not have long to wait. The group traveling with the Senator emerged from the City Hall and headed for the office on wheels. The Senator, delayed for a moment by well-wishers in the building, finally pushed his way through the door and appeared in the sunlight.

"Hey, that's Hartke!" one of the kids exclaimed and all three smiled and waved as the Senator boarded and the vehicle pulled out of the parking lot.

"Hey, that's Hartke!"

We heard it all over the valley, from Marion to Jasper. People in cars passing on the highway, glanced into the office, spotted the Senator, and turned to others in the car. "Hey, that's Hartke!" We couldn't hear it, but we could sure see it.

The barber, washing his hands at the sink in his shop, glanced out the window, saw the Senator waving at him, broke into a smile and exclaimed "Hey, that's Hartke!"

The people getting out of their cars in the parking lot of a motel, or at the Huntington Dam, or at the entrance to a Country Club. "Hey, that's Hartke!"

It seemed everybody knew him and was glad to see him. And he was certainly glad to see them. He waved at passing motorists, yelled "HI" to kids on corners, shook hands with everybody, often frustrating his staff when time schedules had to be met.

We were on tour, visiting many of the water resource development programs in the Wabash Valley. For four days we were in close contact, spending the travel time in the confines of a new Mobile Field Office, chatting, joking, writing, and almost constantly working. This is a Hartke trait, and I know—I watched him for four days.

U.S. Senator Vance Hartke is easy to like. He likes you, indeed, seems to like everybody. His outgoing manner, the desire to stop and see people he knows, and he knows people everywhere, his wave and smile, characterize him as a liked and likable man. Even the people who disagreed with him in the public meetings failed to ruffle him, and after every meeting he made a special effort to stop and greet his dissenters personally.

But Hartke is also tough. And he makes no bones about what he believes. He speaks out with firmness, and if it costs him a friend, so be it. He simply stands on principles he believes in.

He is accused of being a big spender in Congress. But his spending programs have been to meet domestic problems and he is proud of the fact that he has been against spending large sums of money on useless military hardware and programs. He stood firm against the useless Viet Nam war long before it became popular with his colleagues to do so. He believes people are more important than guns and the spending programs he has promoted and voted for have benefited people. His toughness shows when he is challenged on his spending record. He simply answers, "If they call me a big spender because I put food in the mouth of a hungry child, then I guess I deserve the name."

Hartke has a tremendous sense of humor and loves to hear and tell stories. In the midst of a serious conversation he will remember a funny incident, or joke, break into the discussion and thus ease tension with laughter. He laughs a lot, and enjoys every minute, regardless of the situation. He obviously enjoys being the Senior Senator from Indiana, and is proud of the things he has helped to happen in the state, nation, and world.

His capacity for work is astounding. And sometimes overwhelming for his staff trying to keep up with him. He arises in the morning ready to go at a long hard day. By night he seems to have lost none of his energy, appearing as fresh as he did early in the day. Only once in the four day trip did he ever mention being tired and then he had just completed a long walking tour of a coal mine and an electric power plant; in extreme heat. He looked hot and tired when he reboarded the Mobile Field Office, but fifteen minutes later he was back to his old self, spouting ideas, asking questions, planning for the next stop.

His mind jumps from one thing to another with amazing rapidity, and he seems to have the ability to carry on three conversations at the same time. And he never misses a word or idea in any of them. His analytical mind sees potential in ideas very quickly, and he can cut through to possible problems with probing insight that sometimes frightens you. He questions with intensity and can be frustrating to those presenting ideas. But when he is through the proposal being made has been strengthened and sharpened to a raw edge, or discarded because of a weak thesis. I never heard him say an outright "No" to any idea, only pointing out weaknesses, or suggesting modifications.

The Senator is a religious man, but not a fanatic. He has a deep knowledge of the Bible and refers to it often. He never flaunts his faith but neither is he ashamed of it. He seems to have combined a deep faith with a sensible approach to a very hectic life style, necessary to any national leader.

Hartke is smart enough to know what he can personally do and what must be delegated, usually to staff. He hears all requests for help and makes arrangements to attend to the matter on the spot. He snaps orders with the precision of a Marine sergeant, and expects the orders to be carired out. He works hard, but he knows his staff works hard also. They protect him as much as he will allow them, and desperately try to keep him on schedule. They respect him, admire him, and love him. I enjoyed the four days with his two staff people as much as with the Senator. There can be no doubt who runs his ship, but neither can there be any doubt that the ship runs smoother because of a good crew.

How do you describe a man, particularly a United States Senator? I'm not sure it's possible, but having looked over what I've just written, I guess I can say that as far as I'm concerned—

"Hey, that's Hartke!"

FRANCIS THOMAS LETCHFIELD

Mr. CRANSTON. Mr. President, on July 10 in San Mateo, Calif., Francis Thomas Letchfield met a quiet death. It was a sad loss, not only to his family and close friends, but to his many admirers throughout the State of California and our Nation.

As leading expert on American industry, as a long-time consulting engineer, as a prominent banker and as a member of the San Mateo Union High School Board of Trustees—to name only a few of his activities—Francis Letchfield contributed to the strength of our Nation. During World War II, he was among the distinguished scientists who researched and developed the Manhattan project.

Not only was he a man of remarkable ability and knowledge, but he was a man whose actions were ever consistent with his beliefs. His foremost faith was in our country, in our people, and in the freedom of our way of life. He was a quiet leader who helped guide others to look within themselves for the answers to their problems. His life and work will long remain an example to his fellow Americans.

POTENTIAL EFFECTS OF PRESIDENTIAL VETO OF S. 1849

Mr. LEAHY. Mr. President, the President by his veto of S. 1849, the 6-month extension of the Emergency Petroleum Allocation Act of 1973, has called for complete decontrol of oil pricing as well as an end to the mandatory allocation and priority sections of the act.

A recent analysis by the Congressional Budget Office revealed that such an abrupt removal of oil price controls would by the end of 1977 trim 20 percent from projected growth of production, add 600,000 to the number of unemployed workers and boost the inflation rate by nearly 2 percent. These startling figures only reenforce my view that the expiration of the 1973 act would be disastrous for the Nation and especially so for Vermont and other New England States.

Mr. President, yesterday I spoke before the Rotary Club of Burlington, Vt., and explained in detail the potential effect of the President's veto on Vermont, and the reasons why I will vote to override the veto tomorrow. I ask unanimous consent that my remarks be printed in the Record.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

Remarks by Mr. Leahy

Today I want to discuss with you some of the problems involved in one of our country's most immediate tasks—the shaping and execution of a new national policy on energy.

Few Congresses have faced greater challenges since the one 200 years ago that declared our independence from colonial control. Unfortunately, our dependence on oil and increasingly on oil imports has brought us to a situation in no small degree similar to that which impelled that historic act. Only instead of King George III, we now have the Shah of Iran, the King of Saudi Arabia, a coterie of Persian Gulf sheiks, and a handful of faceless international oil companies imposing unreasonable taxes on our wealth, both personal and national.

With petroleum providing 81 percent of the energy needs of New England compared with a national figure of 47 percent, we in Vermont feel this burden more than most Americans.

How many of you need your car to get back and forth to work? The statistics show that more than 80 percent of Vermonters do, a figure much higher than the national average.

How many of you heat your homes with oil? Again, 80 percent of Vermonters do, 116,000 homes out of 145,000, a percentage among the highest, if not the highest, in the Nation.

How many of you rely directly or indirectly on a heavy influx of tourists for your livelihood—tourists who come to our State in automobiles and airplanes burning gas and oil?

The nature of the energy problem can be stated quite simply: as a Nation we have allowed ourselves to become increasingly dependent on rapidly depleting resources—oil and natural gas.

Oil fields have an average life span of only about 20 years. Virtually all our easily drilled onshore fields have already been tapped, and remaining domestic reserves are much more limited than authorities had previously believed.

Alaskan and offshore oil still to be developed is unlikely to be found in sufficient volume to offset the demand. The National Academy of Sciences estimates the undiscovered recoverable resources of oil and natural gas onshore and offshore in the U.S., including Alaska, at amounts which would last less than 25 years at current rates of use. Furthermore, world resources of oil and natural gas are also limited and will also be substantially consumed by the first quarter of the 21st century if present consumption trends continue.

We have not only allowed ourselves to become increasingly dependent on a rapidly depleting resource, but have also permitted our national energy policy to be determined essentially by the producers of that resource.

As a Nation we are thoroughly hooked on a dependence on oil for our capital plants, our transportation habits, the heating, cooking, and cooling systems in our homes and industries. At the same time our energy price expectations have been based on the illusion of unlimited and effortlessly produced supply.

Vermonters can be proud of the fact that they have surpassed most of their countrymen in curbing wasteful use of gas and oil. Through personal conservation measures they have reduced consumption of home heating oil by 15 percent and of gasoline by almost 5 percent. If all Americans would follow that example, the problem would be much less acute than it is today.

I said that the nature of the problem can be simply stated. So, too, can its solution, though it will take tremendous national effort, courage and resolve:

The solution is nothing less than a wrenching 180 degree turn around in all of those skillfully induced—and willingly accepted—addictions to oil, and a new national energy policy to be shaped and executed, not by a few large oil producers, but by the American people and their representatives.

We will need to redesign and rebuild many of our capital plants, reallocate patterns of energy investment, restructure our transportation habits and systems, change our personal and commercial heating and cooling habits and systems. And we will need to change our energy price expectations.

None of these major changes will take place automatically. Nor, need they do so immediately. We are fortunate that there is still time to make a gradual transition. But, we cannot afford to waste that time.

We will need to set new energy goals and properly use the management tools we now have at hand. I am referring specifically to the allocation mechanisms and priorities embodied in the Emergency Petroleum Act of 1973 which saw us through the shortages induced by the Arab embargo. These are still needed as standby protection when shortages such as those already predicted for New England this coming winter make their impact.

We in Vermont will be particularly vulnerable if these allocation mechanisms and priorities are allowed to expire. Vermont is a small State and at the end of a very long energy pipeline. In the push and shove that surrounds the energy crisis, Vermont must be aggressive or it will be forgotten. I intend to do my part in seeing to it that Vermont's voice will be an aggressive one.

That is why I am terribly concerned over the President's veto of the six-month extension of the Emergency Petroleum Allocation Act of 1973. The spotlight has been on the provisions imposing price controls on so-called "old" domestic oil. It has been little noted that if the veto is sustained the mandatory allocation and priorities provisions of the Act will also die. This could have extremely serious ramifications for Vermont.

An analysis of the product shortage in Vermont during the crisis of the winter of 1973–74 indicated it was not entirely due to the embargo, but was in part caused by some major oil companies pulling out of the Vermont market.

At that time, oil company representatives were asked what factors are considered when a company decides to pull out of a state.

They answered that one factor is a company's market share of gasoline sales. If it controls less than 5 percent then it is unlikely that the operation will be profitable.

Now more than 17 percent of the Vermont gasoline supply is supplied by five major oil companies each with less than 5 percent of the market.

It is understandable that major oil companies would like to withdraw from low-volume market areas, usually rural ones, and concentrate their efforts on high volume outlets, preferably in urbanized areas. However, if all five of these firms left who would supply the gasoline represented by their combined 17 percent of the market?

Currently, only the enforcement of the supplier-purchaser section of the 1973 Act is keeping supplies flowing to many so-called low volume retail units. What will happen if the President's veto is sustained and the mandatory allocation program lifted? Will some of these companies pull out of Vermont? We don't know, but we do know that if they do there is no guarantee that other companies will take up the slack.

On August 14, Senator Stafford and I wrote to President Ford expressing our deep concern over this problem should he veto the extension bill and allow the mandatory allocation program to expire.

Last Friday I received a reply from the Federal Energy Administration which clearly shows the total lack of concern on the part of the Administration. Here is the Administration position:

"It was clear even before the embargo that many petroleum companies wished to alter their distribution system. More particularly there was a trend toward increasing the number of high volume-minimum service retail outlets since they were considered more cost effective, efficient and economical. The regulations developed pursuant to the Emergency Petroleum Allocation Act effectively retarded the displacement of small independent branded dealers.

"With the expiration of the Act we can expect a resumption of the trend experienced prior to its enactment . . . Temporary government intervention has served its primary purpose . . . distribution is a matter for corporate decision-making"

The State set-aside requirements of the Act which would die with it are also of critical importance to Vermont.

In recent months Governor Salmon has been called upon on more than one occasion to invoke the State set-aside. In one instance it was actually necessary for him to do so to allay the potential psychological effect on the public if one or more retail outlets were closed for lack of supply.

Given the current uncertainty about adequate supplies, this safeguard is necessary to prevent any repetition of the panic that gripped the public during the winter of 1973–74.

The Administration's position stated in the reply to our August letter is as follows:

"Although the State set-aside was an important and valuable device for the states during the embargo-related shortages of 1974, its utility during a period of generally adequate supplies is questionable. I am confident that, with the removal of controls, suppliers will make every effort to ensure that the needs of all purchasers are met and that the requirement for a set-aside will be obviated."

In other words, if the veto is sustained we are at the mercy of the oil companies. I frankly, do not share the confidence expressed in the reply.

As I have said, the present controversy surrounding the President's veto centers on the price control issue. The 1973 Act placed a ceiling of $5.25 a barrel on that two-fifths of the Nation's oil supply in production before 1973. The price of oil from wells drilled since then has risen to $13, the world cartel price set by the OPEC countries.

I am not opposed to increasing the $5.25 ceiling. In fact I voted for legislation, vetoed by the President, which would have permitted a reasonable rise without congressional approval.

But oil companies are not "struggling along" on $5.25 a barrel. We must remember that, with their old and new oil averages together, the oil companies are now getting an average price of roughly $7.50 per barrel of oil—and that's triple the price of only two years ago. Still, these oil companies have the audacity to demand the extortionate price set by the OPEC countries for their oil and then claim they need this for an incentive to search for and produce additional oil in this country.

The President's insistence on decontrol of old oil coupled with his proposed $3 tariff on imported crude, the legality of which is still to be determined in the courts, would cost consumers more than $30 billion a year. The President's proposal would be virtually identical to the impact of the Arab oil embargo of 1974. It could cost the average American family from $600 to $900 a year. It could mean the loss of hundreds of thousands of jobs. There is no question but that it would have a devastating effect on the economy of Vermont.

The President by his veto is attempting to force the Congress to accept his solutions—and his alone—to the energy problem. Having rejected Congress's legislation to continue controls, he hopes to deny Congress the time in which to develop a reasonable compromise.

This is no time for the President to play brinksmanship with the Congress. This is not and cannot be a partisan issue.

I meet regularly with senators from all the New England States under the chairmanship of Senator McIntyre of New Hampshire to discuss energy problems and legislation. On most issues we—Republicans and Democrats alike—have agreed on a common position. Where there have been disagreements, there has never been a hint of partisanship. More often than not, it has been a case of two senators of opposing parties from the same state working together to look out for their state's interests against the rest.

I believe that a reasonable compromise can be arrived at, but that it will take time to develop. I am not welded to any one position; but I do feel that any eventual plan must provide for gradual decontrol to ease the inflationary impact of the transition.

It must contain assurances that the price of all domestic oil—new and old—will not follow the OPEC price further and further upward. For the immediate future—this coming winter—the American consumer has much more to fear from the impact of an OPEC price increase on uncontrolled American oil than from a slow phase-out of the controls. Finally, it must include a real windfall profits tax and not the weak one drafted by the Administration to reassure Americans that the domestic oil industry is not going to rake in once again the kind of bloated profits that the winter of 1973–74 brought to it.

I am hopeful that this Wednesday the Senate will override the President's veto and that the House will follow suit. If one or the other should fail to do so, then the burden of oil prices is on the President's back.

There is a need for compromise and for national debate on the complex and difficult issues of national energy policy, but it must extend beyond the simplistic "ration by price" proposals of the Administration. These proposals will not only increase gasoline prices. The ripple effect will increase electric bills; increase food costs; increase inflation and unemployment; and increase profits for a handful of oil companies whose profits are already far in excess of their ability to invest in domestic production.

Of particular importance to the economy of Vermont, it will further increase the prices that already hard-pressed Vermont farmers must pay for feed, fertilizer, and for transporting their products.

Vermont and New England could, literally, be bankrupted by the Administration's policy.

While the oil companies clamor for higher prices and an end to controls, it should be remembered that the price was controlled for a long time. For 14 years between 1959 and 1973, the American oil industry set controls and limited the importation of foreign oil—which was available in unlimited supplies for as little as 16 cents per barrel—in order to sell American domestic oil at $1.65 per barrel. The oil industry prevailed on President Eisenhower to limit imports to protect the markets of the domestic oil industry from the crushing impact of 16-cent oil from abroad. American consumers—and particularly those of us in New England—were ripped off to the tune of $77 billion for the difference in price.

It is inconceivable to me that anyone can demand the return of full management of oil and natural gas prices, development, supply and distribution back to the same oligopoly of giant oil companies which brought us to the present state of nearly irreversible dependence of a fuel that is running out—and have the gall to call it either "Energy Independence" or a new national energy policy.

This approach outdoes the Shah and the sheiks by hiking the already prohibitive price of imports two dollars higher by an import fee. It further proposes turning oil prices at home loose to climb to the same disastrous level set by them. It is neither new nor does it by any stretch of the imagination promote "independence" in energy.

Rather, it relinquishes the few management tools the country now has in its allocation and petroleum price authority to increased thralldom in a market place managed and manipulated by those same few giant oil companies that have also gained virtual total control over our coal, our uranium, our oil shale, our geothermal resources and increasingly over manufacturers of solar conversion processes and machinery.

We are in effect at the mercy of the international oil companies. We must regain control over our own national energy policy. We must shape and use this new policy to move our Nation into a new period of independence, independence from oil and from entangling energy alliances designed and executed by the great multinational oil companies of the world.

THE 100TH ANNIVERSARY OF SALEM BAPTIST CHURCH

Mr. WILLIAMS. Mr. President, I wish to bring to the attention of the Senate the centennial anniversary of Salem Baptist Church, Jersey City, N.J. Throughout its unusual history, this remarkable congregation has contributed much to the spiritual life of thousands of New Jersey citizens. Today its members can look back with pride over a century of steady growth into a large and vigorous congregation.

In tribute to Salem Baptist's strength and progress, I commend to the Senate a brief "100-Year History" of the church prepared by the congregation. I ask unanimous consent that it be printed in the Record at the conclusion of my remarks so that my Senate colleagues may note the highlights of its history. My heartiest congratulations and best wishes to all those celebrating Salem Baptist's 100th anniversary. I am sure the occasion will be joyous and a time for inspiration and rededication.

There being no objection, the article was ordered to be printed in the Record, as follows:

The 100-Year History of Jersey City's Salem Baptist Church

Back in 1861—a few years before President Abraham Lincoln's "Emancipation Proclamation"—a small group of Negroes worshipped in the upper gallery of the historic Bergen Baptist Church, standing at Clinton and Madison Avenues.

As the colored band grew in proportion, resentment stemmed from the Dutch reformed membership of the church. By 1869, following the Civil War, resentment at the church grew stronger. Now, the small band of Christians reorganized at the home of Joseph and Mary Bailey of 9 Harrison Avenue. Under the name of the Second Baptist Mission, Rev. J. R. Francis served as its first pastor.

By the grace of God, the Second Baptist Mission grew and grew until the year 1875 with a full church membership, the name was changed to Salem Baptist Church.

And for 100 years, Salem Baptist Church's voice rang out through the country as her ministers and leaders helped spread the gospel through its: Worship, Evangelism Missions, Fellowship, Stewardship and Citizenship.

During 1975, under the divine leadership of Rev. Hamond G. Pope, the Salem Church purchased the very building that their early worshippers were evicted from back in 1869.

Today, under the ministry of its current pastor, Dr. H. Hudson Bobbitt, the Salem membership has expanded into the thousands. Young people from her Sunday and Church School, Choirs, Usher Boards and Baptist Youth Fellowship have worked to glorify God's name.

For many years Salem's Boy and Girl Scout troops expanded out into the community and nation with a White House letter of acknowledgement.

Salemites have never been a selfish people. They have compassion and love and concern for the welfare of others. Presently, the Salem-Lafayette Corporation is joining hands with the Federal Government to build houses in the area for the disadvantage.

Millions and millions of dollars is being spent to live within the spirit of:

"My Brothers' Keeper."

THE CONTINUING TRAGEDY OF VIETNAM

Mr. CLARK. Mr. President, lest we forget, the personal tragedies associated with our war in Vietnam continue to be a part of the lives of millions of our people and, most especially, of the families of those servicemen who remain in that unbearable limbo known as "missing in action."

Today is a day of particular sadness to the family of one of the 1,300 Americans in this limbo. He is Capt. Laurent Lee Gourley, whose 31st birthday this is. Captain Gourley was born in Villisca, Iowa, on September 5, 1944. He was shot down over Laos on August 9, 1969, after volunteering for forward air control. At the time he was within 6 weeks of completing his tour in Southeast Asia with the U.S. Air Force.

During this young man's freshman year in high school he had announced his desire to fly and already decided he would attempt to enter the U.S. Air Force Academy. And he made it. Following graduation he attended Purdue University, where he obtained a master's degree in aerospace engineering. From there he went to Luke Air Force Base in Arizona to train for the F–100 fighter plane.

One can only imagine the anguish which Captain Gourley's family must have experienced over the last 6 years. Throughout this period, not knowing whether he is alive or dead, his parents have written to him faithfully every month. Only once have they ever received any kind of reply, and that was an enigmatic one. It came from the private secretary to the Prime Minister of Laos and said:

> In response to your letter dated April 30, 1974, addressed to His Highness Prince Souvanna Phouma, Prime Minister of Laos, I have the honour to inform you that the letter of your son is given to H. E. Phoumi Vongvichit, Deputy Prime Minister and Minister of Foreign Affairs, who will convey it later to your son.

Let us hope that Captain Gourley is still alive and that someday he may rejoin his family. In the meantime we can all express our thanks for the service he rendered his country and for the loyalty and devotion of his parents, Mr. and Mrs. Walter L. Gourley, and his sister, Elzene E. Gourley, all of Villisca.

DAIRY FARMERS FEELING PRESSURE OF RISING COSTS

Mr. LEAHY. Mr. President, in the Washington Post of August 17, 1975, there appeared an excellent article by Representative WILLIAM C. WAMPLER entitled "Dairy Farmers Feeling Pressure of Rising Costs." It points out with great clarity and perception the plight of America's 300,000 dairy farmers.

As Vermont is the most intensive dairy State in the Nation with 85 percent of all agricultural income derived from dairying, I am intimately familiar with the serious situation which Congressman WAMPLER described. Unfortunately, while the dairy industry is a vital part of American agriculture, this administration has been almost oblivious to its problems. Federal price support action has been too little, too late, and in some cases, too indirect.

I commend Congressman WAMPLER's article to my colleagues and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Aug. 17, 1975]

DAIRY FARMERS FEELING PRESSURE OF RISING COSTS

(By William C. Wampler)

Since the spring of 1974, America's 300,000 dairy farmers have been caught in a price-cost squeeze which threatens the demise of the American dairy industry.

As the direct result of rising costs—primarily feed, fuel and fertilizer—many American dairy farmers today spend more to produce a gallon of milk than they get when they sell it. Last November in Montgomery County, Md., for example, a farmer spent 78 cents to produce a gallon of milk which he could sell for only 70 cents.

In 1940, there were 4.5 million dairy farmers in the United States. Their numbers have declined steadily and perceptibly. In the past three years 18 per cent of America's dairy farmers gave up dairying forever. The United States Department of Agriculture estimates a further decline this year. In some areas that decline will be phenomenal—as in Pennsylvania, where last year some dairy experts were predicting that up to 25 per cent of the state's 16,500 dairy farmers would be out of business by this summer—an ominous prediction which won't be borne out completely.

Any severe and continuing reduction in the number of milk producers can cause only a scarcity in America's milk supply, forcing the American consumer to become increasingly dependent upon foreign imports. The ultimate result to the consumer: higher prices for milk, butter, cheese and other products of which milk is an ingredient. Even rationing of dairy products would not be an impossibility.

Like the "sugar crisis" and the "oil crisis," the coming "dairy crisis" can be traced to a variety of factors. Unlike the sugar and oil crises, however, the coming dairy crisis still can be avoided. But immediate action by the administration or the Congress or both is essential.

For survival the dairy farmer needs federal price supports which at a minimum will keep up with inflation. He also needs strict enforcement of existing import quotas on foreign dairy products. By the former, the dairy farmer is guaranteed a minimum price for sale of his product—enough to keep him afloat until (if ever) the current inflation is controlled. By the latter, the dairy farmer would be assured that subsidized foreign imports would not be allowed to undercut his unsubsidized production.

Congress recently passed a farm bill which in final form would have been of some help to dairy farmers. It would have provided quarterly adjustments in parity price—a concept discussed further on. However, the President vetoed the bill, for reasons mostly having nothing to do with the dairy industry and the Congress did not override the veto.

Under the Agricultural Adjustment Act of 1933 and the Agricultural Marketing Agreement Act of 1937, the federal government already regulates dairy prices and dairy marketing practices. The regulations affecting milk commonly are known as the federal milk marketing order program.

PRICE BY FORMULA

The cow is an animal. Geared to maximum milk productivity, except for infrequent illness or seasonal bad weather, she requires milking twice daily every day of the year. If her productivity is permitted to decline, it is difficult, often impossible, to gear it up once again to its maximum. If she is sold to slaughter or otherwise removed from milk production, about three years are required to breed a replacement. That the consumer may purchase less milk on a Sunday or on a holiday, at the height of the summer while school is out or in the middle of the winter is of no concern to the cow, whose productivity is highest in the spring.

Minimum prices for fluid or drinking milk (Class I), set by a complicated formula based on what is deemed to be the fair market price of milk being produced in Minnesota and Wisconsin, are designed to insure an adequate supply of milk throughout the country, regardless of the vagaries of weather, transportation, productivity level of the cows and the extreme perishability of fluid milk.

It generally is agreed that for 37 years the federal milk marketing order program, consisting now of 61 separate orders covering 61 geographic areas, has operated successfully for the mutual benefit of the consumer and the producer. The United States has not had a nationwide shortage of dairy products since milk regulations began. This record has held throughout the Depression of the 1930s, the scarcity of products during World War II, the boom following the war, the somewhat lesser scarcities during the Korean War, the recession of the late 1950s and the stagflation of the present time. The same cannot be said for beef, lamb and pork, each of which has been subject to rationing during the past 40 years.

The minimum prices set by milk marketing orders help the dairy farmer only when milk prices fail to keep pace with increased costs in other commodities and goods. Ordinarily the farmer should be able to market his milk at "over-order," or premium prices, just as the workers should be able to earn a wage higher than the minimum of $2.10 an hour. At the present time milk prices have lagged behind the inflated costs of feed, fertilizer and fuel, each of which the farmer needs to produce his milk. In addition, the floor price in the milk marketing orders, which applies only to Class I milk, was set 10 years ago and means nothing now. In the same period the minimum wage has risen from $1.25 to $2.10 hourly.

INCREASED COSTS

Feed costs increased nationwide by more than 20 per cent last summer and in some locations jumped by more than 100 per cent. Feed costs in 1975 will remain high and go even higher because the weather in 1974 played havoc with 1974 crops—first too much rain, then a summer drought, then early frosts.

Feed ordinarily accounts for at least half a dairyman's costs. It is not surprising then that the milk-feed price ratio (pounds of concentrate ration or feed equal in value to one pound of milk sold to processing plants) dropped in August, 1974 to 1.11. That means a farmer could buy only 1.11 pounds of concentrate ration with each pound of milk produced. A viable dairy operation requires a milk-feed price ratio of at least 1.7 and there hasn't been such a reading since November, 1972.

In addition to staggering food costs, fuel costs for dairy farmers have increased more than 100 per cent since 1969 from 18.1 cents per gallon for diesel fuel in 1969 to 40.5 cents per gallon in 1974, and fertilizer costs for all farmers have risen more than 100 per cent, from $2.9 billion in 1969 to a U.S. Department of Agriculture estimate of $5.5 billion in 1974 and $6.5 billion for 1975.

In the third quarter of 1974, dairy farmers' gross incomes rose only 9 per cent from 1973. The 9 per cent increase in gross income equaled only about half the rise in their feed costs and is less than the overall 11 per cent 1974 inflation and is much less than the rate of inflation of feed, fuel and fertilizer. Farm prices generally skidded 12 per cent between mid-October of last year and mid-March of this year. Part of that skid was dairy.

PARITY

Unable to sell his products at a profit on our depressed market, the American dairy farmer must look to the federal government for help or go out of business. The Commodity Credit Corporation (CCC) was established in part to provide a price floor for farmers so that dairying will survive. Like the minimum wage, the price floor guarantees a farmer a minimal return for his product in comparison with the price levels of other products in the nation's economy.

If a farmer can't sell his products on the open market at a certain minimum price, the CCC buys the product from him at that floor price.

"Parity," at best a rather misunderstood concept, is best defined as the sum of money necessary to permit the farmer to buy in the present day what he could have bought in the base period, which is the years 1910–1914. Stated another way, as the farmer might state it, "If a bushel of wheat would buy a pair of overalls in the base period (1910–1914), then to be at parity, the price of wheat should be enough now to buy a pair of overalls."

The parity price for milk is set by law by the Secretary of Agriculture on the basis of arithmetic computations. Each year, on or before April 1, the Secretary of Agriculture must determine the percentage of parity at which CCC will buy—somewhere between 75 per cent and 90 per cent—or computed no the basis of a temporary statute which will expire March 30, 1976—somewhere between 80 per cent and 90 per cent. This theoretically means that CCC guarantees that it will buy milk at $7.24 per hundred-weight.

Meanwhile, according to the University of Wisconsin, dairy farmers' January, 1975 feed costs averaged $4.18 per hundred weight. While commercial concentrate accounts for the bulk of the farmers' feed costs, the farmer must also buy roughage, an additional feed cost which varies by cow and by season.

From the difference between the guaranteed CCC price of $7.24 per hundredweight and the more than $4.18 per hundredweight the farmer pays for feed, the farmer must cover the costs of his fuel, fertilizer, breeding, veterinarians, real estate, machinery, overhead and utilities, plus wages and a fair return on his capital investment.

The dairy farmer obviously needs an increase in parity. One can make a powerful theoretical argument that parity always should be set at 100 per cent. However, the nation's elected representatives never have been willing to go that far. The statutory maximum, rarely met by the Secretary of Agriculture, always has been 90 per cent. If the farmer can sell to the government at a guaranteed price which is in line with the inflationary cycle of other economic products, he can stay in business. Keeping the dairy farmer in business maintains the level of production needed to provide our domestic dairy requirements, holds down the open market price and eliminates reliance upon foreign imports.

FOREIGN COMPETITION

Another necessity for the dairy farmer is strict enforcement of import quotas already existing on dairy products under the Agricultural Adjustment Act.

At the recommendation of the Cost of Living Council, in 1972, 1973 and 1974, the President issued several executive proclamations temporarily relaxing these dairy import quotas. The rationale of the Cost of Living Council was that the importation of products in excess of quota increases the supply for consumers and thereby holds down the price.

Imported dairy products come primarily from Australia, Canada, New Zealand and the Common Market. Dairy products imported from Canada and the Common Market countries can undersell American-produced dairy products because the imports are subsidized by the exporting governments. Common Market countries subsidize dairy farmers by paying a direct bounty up to 40 per cent of their costs for dairy products exported, and Canada sets the minimum price for dairy products and pays its farmers the difference between that price and the price of foreign sales that drop below the minimum. The minimum price is kept in line with other consumer products.

There is pending in the Federal District Court in Washington a lawsuit to require the United States to assess countervailing duties on those dairy products which are imported with the benefit of a bounty from a foreign government. The suit seeks enforcement of a statute which was designed to protect the American producer from unfair competition when foreign governments cheapen their exports by paying bounties to their producers.

Obviously, any American industry can be driven to its knees if the government of a major foreign competitor directly subsidizes exports to the United States and our government lets the foreign government get away with it.

Now, however, the lawsuit is in abatement inasmuch as our government and the European Common Market have agreed—perhaps temporarily—that the Common Market will not subsidize those exports to the United States which account for most of the competition with American dairy products. How long this understanding will be effective—and how effective—remains to be seen.

But regardless of foreign nations' policies, if the U.S. government adheres to uninterrupted, strict and realistic quotas, it will not be possible for foreign dairy producers to undercut American dairy farmers, a practice which could ultimately drive the Americans out of business.

The American consumer now sees what havoc politically induced oil shortages can create when foreign nations choose to reduce their oil flow to the United States. With respect to dairy products, there is not only the possible risk of political and economic pressures, but the further risk of underproduction due to climatic variations in some of the exporting countries. Naturally, these countries are going to consume their own milk first, and if there is no surplus, nothing would be exported to the United States.

At the moment there is a rising worldwide oversupply of dairy products—induced largely by New Zealand's 1974 production (New Zealand accounts for one-third of world trade in dairy products), so inevitably the pressures to export to the United States are strong. There is no guarantee, however, that the favorable export climate will last. If it doesn't, America could ultimately be faced with no dairy industry at home and no access to dairy products produced abroad.

LABOR UNION ANALOGY

If consistently higher price supports and stricter import quotas fail to be applied, American dairymen may begin to think in terms of seeking legislation to transform dairy cooperatives into something akin to a labor union or otherwise to get additional antitrust exemption. Under the Capper-Volstead Act of 1922, cooperatives were exempted from many provisions of the antitrust laws.

Now, however, following publicity about unlawful political contributions by one dairy coop and lawful contributions from trust funds set up by several dairy cooperatives, and in the face of a vigorous antitrust onslaught by the antitrust division of the Justice Department, dairy cooperatives have been slapped with numerous federal and private antitrust suits, the biggest of which recently was settled.

If a dairy coop could achieve the rights of a labor union, it not only would be exempt totally from antitrust laws but also would be able to organize and strike. However, farmers consider themselves independent businessmen, which they are, and not laborers, so the concept of the strike is inimical to most of them. In addition, the likelihood of their seriously seeking, or Congress voting, further antitrust exemptions seems remote.

If a coop had the legal rights of a labor union the farmer could halt production and bargain forcefully with the middleman processor and the market retailer.

As now structured, however, the dairy coop only can guarantee its member that it will buy his milk. A dairy coop is a marketing structure, not really a bargaining unit, and while coops assess their members for operational, promotional and research costs, the basic role of the coop is to market milk. The coop assessments, incidentally, are nominal. A typical large coop for its 1974 fiscal year assessed only 3.3 per cent.

The dairy farmer deals with the most highly perishable of commodities. Milk is subject to seasonal and even daily variations in production and in consumption and there is no relation between variations in production and variations in consumption. At any one time in any one part of the country, there is no more than a 10-day supply of fluid milk. More often the supply is much shorter.

As the complicated and costly system operated by the coops through the federal milk marketing orders now works, the continuous supply of fluid milk from the farmer is kept fresh by refrigerated storage or is diverted into the manufacture of cheese, butter or nonfat dry milk.

The individual farmer never could determine how much of his milk would be needed in a particular part of the country at a particular time for a particular dairy product. The coops thus provide the marketing mastermind for the dairy farmer. By membership in a coop the dairy farmer knows he always can sell his full milk production, subject to agreed production limitations. But the ultimate use of that milk will be left to the coop, which will know that, if there is excess milk needed in New Jersey excess milk is being produced in Michigan, or, that if there is excess fluid milk for human consumption, then a greater quantity must be processed into cheese or some other dairy product.

The coops provide the administrative mechanism necessary to maintain a constant flow of milk and milk products to the nation's consumers; they provide an independent fleet of trucks for the transport of fluid milk and they create for the individual farmer a reliable and ready buyer. They run necessary bacteriological tests, conduct research computerize the farmer's accounting and educate him as to current technological and marketing developments. In addition, the coop staffs assist each farmer in complying with the myriad local, state and federal regulations imposed for health reasons upon dairy farming. They also ease his burden in complying with the complicated provisions of the federal milk marketing orders.

Perhaps most important, the coop attempts to market milk at a price high enough to return to the farmer a price greater than the minimum price set in the milk marketing orders. But these over-order prices rarely exceed $9.74 per hundredweight, or 10 per cent above the minimum order price of $8.82 per hundredweight. This contrasts with the *average* factory wage of $4.32 hourly, which is 157 per cent above the $2.10 minimum.

Knowing how much Class I milk his coop will buy from him, arranged through a base plan, a farmer scientifically can maintain his cows in production at a more or less constant rate, allowing for natural and seasonal variations, slaughtering those cows that underproduce and buying or breeding successor cows to maintain productivity.

INADEQUATE COMPENSATION

In the current economic climate, however, the farmer is hurt in attempting to maintain established production.

The dairy farmer's productivity depends upon the quality and the quantity of the grain he feeds his cows. With the increasing prices of grain, farmers have had to cut back on feed quality and quantity. These cutbacks cause drops in cow productivity, in turn rendering it more difficult for the farmer to maintain his production level. Thus, in the calendar year 1973, average production per cow was down 3.5 per cent from the preceding year, the lowest total production since 1952. The drop is attributable almost solely to the poorer quality of feed.

The individual farmer's compensation depends upon his production level. If he has a special investment of $150,000, as is quite typical, in order to offset the present rate of inflation he should receive a 12 per cent return on that sum, or $18,000 annually, without putting in a lick of work. At 8 per cent, a more traditional but less realistic figure in view of the national rate of inflation, he should clear $12,000 without labor. If he placed his $150,000 of capital in an 8% certificate of deposit, he would be guaranteed an 8 per cent return without labor.

As it is, the dairy farmer must milk his cows twice a day, seven days a week, 365 days a year without respite. The larger farm will have one or more farm hands, most of whom, like industrial and office workers, are getting accustomed to the idea of 40 hours per week, vacations and overtime.

Today, it is an infrequent dairy farm with a capital investment *of $150,000* which earns more than $20,000 annually. Thus the farmer, his wife and children are earning in annual wages somewhere between $2,000 and $8,000 for the combined work of all of them. No wonder the children are leaving the farms and not returning to help or to take over the business. The average age of the American dairy farmer today is about 55.

LAND VALUE

If the dairy farmer doesn't face enough other problems, in some parts of the country—and particularly the Middle Atlantic States and New England—there is the further complication of land values. As suburban sprawl envelops once rural areas, the assessed valuation of the farmer's land rises. The farmer is compelled to suffer an additional loss in higher taxes or to sell out forever. It is an historical fact that virtually all dairy farm sales are "forever." As in Oliver Goldsmith's deserted village, the dairy farmers, "their country's pride, when once destroyed, can never be supplied."

And if not sold because of higher property tax rates, then on the farmer's death the farm is often lost because its sale is necessary in order to pay inheritance taxes, also increased by non-farm-related inflated real estate values.

As it is today, however, consumers have added to the dairymen's problems by resisting rising milk prices. This resistance, inevitable in view of simultaneous inflation and depression pressures upon consumers pocketbooks, has slowed demand which cuts further into the dairy farmers' ultimate profit.

Unless the government acts, and acts soon enough, it is inevitable that even greater numbers of dairy farmers will sell out or go bankrupt, creating an even greater dependency upon the vicissitudes and doubtful cleanliness of foreign sources of supply.

It is equally certain that the public needs to recognize that parity and the minimum wage are two sides of the same coin. The farmer, though prevented from striking with the rights of the member of the labor union, strives to make known his cause, trying to educate the consumer as to the facts so that misguided consumer advocates will not combine with foreign importers and the great processors and the gigantic supermarkets to drive down the price of the raw product to the dairy farmer and ultimately to drive the farmer forever from the land.

The consumer has as much interest as the dairy farmer in ensuring a liveable income for the farmer so that he can meet the full needs of all consumers. The farmer is also a consumer who must live.

SENATOR HOLLINGS WAS RIGHT

Mr. BIDEN. Mr. President, during the debate on the repeal of the oil depletion allowance as part of the Tax Reduction Act of 1975, the distinguished Senator from South Carolina (Mr. HOLLINGS) led the fight to eliminate percentage depletion for all oil producers and to retain no exemption.

In debate on the floor on March 20, Senator HOLLINGS warned that by protecting the little "mom and pop" independent oil companies and other investors, we would in fact be continuing an unnecessary tax preference. He urged that we eliminate percentage depletion for all oil producers.

Unfortunately, the majority of the Senate was persuaded that the "mom and pop" independent producer, one of whom earned a return of 75 percent on equity while paying no taxes, needed protection. Consequently, producers of less than 2,000 barrels of oil per day were exempt from depletion repeal.

As an article in the Washington Star points out, Senator HOLLINGS was correct. Columnist Sylvia Porter quotes Eli Warach, a specialist in the field, as stating that percentage depletion still allows large taxpayers to use oil investment as an effective tax shelter. Furthermore, despite the recent action of Congress, Warach explains, "percentage depletion will continue to be a real winner for investors for years to come."

Mr. President, I commend the speech by Senator HOLLINGS on March 20 and the Sylvia Porter article to the attention of my colleagues and ask unanimous consent that they be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the CONGRESSIONAL RECORD, Mar. 20, 1975]

Mr. HOLLINGS. Mr. President, Austral Oil is one of these independents. It drills 2,700 barrels per day. It got 17 percent on its equity. Do you know how much taxes and all these deep holes and deep wells in 1974 they have gone into? The Senator does not talk about the full cost of the deep hole as being written off, the full cost, 100 percent if they do not hit anything, and 70 percent if they do. These are profits after taxes. Austral Oil got 17 percent equity at 2,000 barrels it got 32 percent return.

The Houston Oil Co., one of these little moms and pops, produces 3,100 barrels, Senator, it has had a 75 percent return on its equity, after paying for the deep holes, after paying the taxes and everything else; it had a 75 percent return on its equity. Do you know how much they paid in taxes? Zero, zero, not one dime.

Which gets me to the magnificent stand being taken by the Senator from Colorado (Mr. HASKELL) and the Senator from California (Mr. TUNNEY), because they do have independents in their States.

The Senator from California (Mr. TUNNEY) comes in in a very deliberate fashion, trying to represent all the people of the State of California—the independents, the consumers, the taxpayers—trying to represent the needs to develop the energy field, more oil and gas, and he says, "This arithmetic can somebody explain to me with oil at $3.40 a barrel with a 22 percent depletion allowance on that $3.40 a barrel of oil being the equivalent of approximately 75 cents," so that they were having a $4.15 a barrel of oil. Just about 18 months ago when we had the Arab embargo things shot up—you talk about free enterprise, no competition, no increased costs, and everything else, now they are getting anywhere from $11 to $16 a barrel. He subtracts the $4.15 and all you have got to do is subtract that from the $11, and you are still making $7.85 clear over and above costs, 7 times the profit of the $1.1 billion they were making in 1973. That is what is unconscionable; that is what is really disturbing. We do not want to go off here after a good job done with respect to the foreign investment tax credit, with respect to the deferral allowance, with respect to the salient Cranston provisions, playback and otherwise. In making this compromise, like Bossy the cow, having given a full pail, we kick it over and we say that we really created a big fat loophole for Houston Oil, the little mom and pop, which is making 75 percent return on its equity and paying zero taxes.

[From the Washington Star, June 16, 1975]

OIL DEPLETION CRACKDOWN?

(By Sylvia Porter)

Is the much-heralded crackdown on the oil depletion allowance in the 1975 tax law all it is ballyhooed to be?

"No, not by a long shot," says Eli J. Warach, a nationally respected specialist in this field. It has not knocked out one of the top tax-shelter opportunities for big-money taxpayers. It has not touched what most individual investors consider the single most valuable tax shelter: the "intangible drilling cost deduction." It has not closed other "escape hatches" which, says Warach, "are big enough to sail a supertanker through."

Sure, the "repeal" of the depletion allowance will scare away a lot of money which ordinarily would go into oil exploration.

But, when queried on the question of its harmful impact to "smaller" investors, Warach's lack of concern is provocative.

Specifically:

The "repeal" of the 22 percent depletion allowance is really not a repeal at all. In 1975, for instance, you are entitled to the full 22 percent depletion for up to 2,000 barrels of oil a day. That's 730,000 barrels of oil or a comparable amount of gas a year!

Using a $10-a-barrel figure, you could come up with a gross of $7.3 million from oil and gas in 1975 and not lose a dollar of depletion allowance.

The 2,000-barrel-a-day exemption applies to each investor—not to each property or each partnership. And that pays off in a big way, Warach emphasizes. Assume there are 10 equal investors in your oil and gas partnership. The partnership properties are producing 15,000 barrels of oil a day. Each partner is treated as getting 1,500 barrels a day—so there's no loss of the depletion allowance.

The barrels-per-day exemption is phased down 200 barrels at a time over the next five years, until it reaches 1,000 barrels in 1980. That's where it stays and that's not at all bad. The 22 percent figure remains in effect until 1981; then it drops to 20 percent and phases down year by year to 15 percent in 1984. And there it holds.

Looking even closer at the attractive tax benefits in oil and gas investments—incentives deliberately designed to attract money for the high-risk search for oil and gas—the fundamental point is that the "intangible drilling cost deduction" is the tax break all astute investors look for at once. Generally speaking, this refers to materials and other costs that go into the drilling of a well. In other industries, such costs must be written off over a number of years, but in this instance you usually have the right to deduct these amounts in the year you put up the money.

Then there is depreciation. Large chunks of the remaining costs of the well are for assets such as the derrick, tanks and the buildings. These can be written off through depreciation deductions. So now that much more of your income is free of tax.

Cost depletion wasn't touched by the '75 law. It is one way to compute the depletion deduction and with it, you recover a commensurate part of your cost for the reserves as the potential oil production of the well is used up. When you have recovered all your investment in the well, cost depletion comes to a halt.

Now back to percentage depletion, which also allows you to recover the cost of the well. But it does much more, for it allows you to deduct (where applicable) 22 percent of your gross income from the well. You can't use both percentage and cost depletion in one year. You must use either one or the other, and you must use the one that benefits you the most each year.

There is an annual ceiling on the deduction—with the deduction limited to one half the taxable income from the well. Under the new law, depletion cannot exceed 65 percent of your taxable income for the year.

But subject to these liimtations, Warach explains, percentage depletion will continue to be a real winner for investors for years to come.

THE VIKING MISSION

Mr. MOSS. Mr. President, on August 20, the National Aeronautics and Space Administration launched the first Viking spacecraft on its voyage to Mars. The second Viking is now scheduled to be launched on September 9.

These identical spacecraft are easily the most complex automated spacecraft ever built and are embarked on the most difficult unmanned mission ever undertaken. If everything goes well and works as expected, these spacecraft will send automated laboratories to the surface of Mars, where they will land softly and conduct numerous experiments, the most important of which will search for traces of life on the planet Mars.

Mr. President, the Viking spacecraft are undertaking a most difficult and extensive voyage, the essence of which to provide mankind with new knowledge. An editorial in the Washington Post on August 22 put this quest into excellent perspective. Let me quote a few lines from that editorial about the Viking program. It says:

> It is a program to provide mankind with new knowledge, not in hopes that this knowledge will be useful immediately here on Earth, but in hopes that it will expand our understanding of the Universe in which we live and, in that process, enable us to reach better solutions to our philosophical and political, as well as practical, problems.

However, the editorial does describe a practical benefit already derived from the program. An instrument developed to identify organic chemicals in the Martian soil was adopted for use in a Boston hospital to quickly identify toxic substances.

Such immediate benefits, of course, are important but the primary purpose of the program is acquisition of basic knowledge as the editorial appropriately points out.

Mr. President, I ask unanimous consent that the Washington Post editorial of August 22, "The Voyage of the Vikings," be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

The Voyage of the Vikings

Mars has always has a special fascination for man. Its relative nearness to Earth and its distinctive red color attracted early astronomers. The Babylonians called it Nergal after their god of death; the ancient Greeks, Ares after their god of battle. In more recent times, reports of Mars' now discredited "canals," its changing polar caps, and the varying shapes of darkness and color on its surface led to endless speculation about the possible existence on it of some form of life. It was Mars that Aristarchus of Samos observed before he dared to suggest that the sun, not the Earth, was the center of the universe. And it was Mars, naturally, from whence came the invaders in Orson Welles' famous radio production. Now, if all goes well on the flights of two Viking spacecraft, we shall soon know more about what Mars is really like than most of our ancestors down through the ages dreamed man could ever know.

The spacecraft launched Wednesday—and the one to follow it in September—are in some ways the most sophisticated objects ever thrust into the sky. There are no men on board, so machines have been built to do the things men would do. As a result, these Vikings are jammed with unbelievably complex and enormously expensive experimental equipment. If everything works, they will land on the surface of Mars next summer and begin to examine the immediate vicinity. The most important experiments will deal with the soil in which these machines will search for traces that life of some kind exists or has existed.

This is, it seems to us, the essence of what the space program is all about. It is a program to provide mankind with new knowledge, not in hopes that this knowledge will be useful immediately here on Earth but in hopes that it will expand our understanding of the universe in which we live and, in that process, enable us to reach better solutions to our philosophical and political, as well as practical, problems. The *certain* knowledge—as opposed to the educated guess—that life, no matter how simple, exists or did exist on another planet in our solar system will change the perception man has of the universe. Just how, we do not know, no more than did the early astronomers know what the full impact would be of their conclusion that the Earth was not at the center of things. But that conclusion did change the perceptions of scientists, scholars and ordinary inhabitants of this planet and this voyage of the Vikings could revise and refine today's perceptions in much the same way.

Like other aspects of the space program, the Viking project has already produced some practical benefits. An instrument devised to identify organic chemicals in the Martian soil is being used in a Boston hospital to identify toxic substances far more quickly than was previously possible. The techniques required to develop the tiny parts of the Viking computers will have practical effects on a whole industry. These and other technological advances will join the fuel cell, the synthetic foods, the sensing devices, the new insulating materials and other products that emerged from the Apollo program into general use.

It is in this fashion, as well as in the advancement of international communications, weather forecasting and research development through the use of satellites, that NASA contributes to improving life here on earth. That is part of its program, the part in which the development of a manned space shuttle in the future has an appropriate role. But the heart of the space program is in the acquisition of basic knowledge and it is to this end that the flight of the Vikings is directed. Manned flight is not likely to be the most important part of this effort in the foreseeable future; we are done for a while with the gymnastics of space. The Vikings open a new era in which the search for knowledge in outer space is to be done largely by machines. The rewards promise to be rich beyond measure in strictly monetary terms.

REPORT FROM THE SMALL BUSINESS COMMITTEE ON SOLAR ENERGY

Mr. McINTYRE. Mr. President, today I am inserting in the Record a report prepared by the staff of the Select Committee on Small Business on the development of solar heating and cooling and small business.

This report, "The Interim Staff Report on Solar Energy and Small Business," written at the request of Senators Nelson, Hathaway and myself, outlines problems that small businessmen face in helping develop solar home heating and cooling equipment for widespread use, and makes several recommendations to agencies in the executive branch to formulate policies that should help us end our total dependence on fossil fuels, such as oil, and natural gas or electricity.

On May 13 and 14, Senators Nelson, Hathaway and I chaired hearings on the development of solar home heating and cooling with emphasis on how best to involve small business. We expect to continue these hearings on October 8 and 22 with witnesses from the small business community and consumer organizations as well as the executive branch. We will publish a final report after those hearings.

In the meantime, however, several points need to be made and are included in this interim report.

During the hearings we found that many Federal regulations that directly affect the utilization of solar energy for home heating and cooling need to be changed.

Of greatest importance among these is the body of standards used by the Department of Housing and Urban Development for the insurance of homes through the Farmers Home Administration and the Veterans' Administration. Already the committee has recommended that standards be published for solar heated homes so that the Federal home mortgage insurance agencies will be able to insure mortgages on solar heated homes.

The hearings provided us with some insight into the operation of the Energy Research and Development Administration. Unfortunately, the role of small business was downplayed in the original reports that ERDA published for the development of solar home heating and cooling equipment. Little contact, for instance, existed between the Small Business Administration and ERDA, despite specific wording in the Solar Heating and Cooling Demonstration Act passed last year by Congress that small business should be taken into consideration in ERDA's planning.

This report recommends that there should be stronger contacts between ERDA and small business, and that small business should receive a major share in the ERDA research projects as they are developed. The general thrust of the solar program is toward centralized energy production. This denies small businessmen, the oil heat dealers, contractors, homebuilders, plumbers, and carpenters who have worked with the American homeowner, a chance to participate in this new industry. And perhaps, more important it denies the Nation the security of decentralizing a substantial part of its energy production into the individual home.

What concerns me most though about the hearings summarized in this *staff* report is the feeling there is no real sense of urgency in the implementation of solar heating in this country even though our dependence on imported oil is increasing.

While it is only a small point, I found out today that the report on solar home heating and cooling that ERDA had promised by its own deadline of June 30 has yet to be published.

Solar energy can and should provide a significant share of the home heating and cooling necessary for comfort in this country; I certainly believe it is urgent that we develop this resource.

We must be sure that we aim for rapid commercialization of existing technologies, making whatever governmental regulatory changes we need to help businessmen, particularly small businessmen, develop our potential.

If we do not, we are tying our hands even further, increasing our dependence on giant oil companies and the Organization of Petroleum Exporting Countries for our expanding energy needs, and denying our fuel consumers a chance to cut their bills.

In my State of New Hampshire for instance, solar home heating equipment has been shown in one house to reduce the need for fossil fuel by 60 percent. While this house was specially designed for solar equipment, standard housing savings could equal approximately 35 to 40 percent of the need for fossil fuel.

Clearly in these inflationary times, such savings should be encouraged.

Mr. HATHAWAY. Mr. President, I am pleased to be joining the distinguished Senator from New Hampshire in placing this interim report of the Select Committee on Small Business in the RECORD today. This report arose out of committee hearings held in May which I cochaired along with Senator MCINTYRE and Senator NELSON.

The primary recommendation contained in this report is that there ought be to increased involvement of small business in solar energy development. This recommendation should form the basis for future Federal policy in this area.

Solar energy offers an immense potential for reducing the Nation's dependence on fossil fuels and for reducing New England's particular dependence on imported oil. It is my belief that in the long run the solution to the present energy crisis lies in the development of alternative energy sources and new technologies for exploiting those sources.

If present policies continue, research and development of solar energy will be conducted by large concerns and the Federal Government. The development of this still-young technology is far too important to be left solely to big business and Government. The history of industrial development in this country has amply demonstrated that major innovations are more likely to come from small independent entrepreneurs than industrial giants. While it is unlikely that there is another Edison waiting in the wings to rescue us from the energy crisis for which the first Edison is in part responsible, it is equally clear that small business ought to be included in a significant way in any research effort.

Furthermore, encouraging small business to participate in the search for energy alternatives could result in alleviating the present concentration of very large firms in the energy industry. Competition could thereby be promoted, and the market power of the currently dominating firms could be diminished.

I recommend this report to the attention of my colleagues and I hope we will be able to act to implement its findings.

Mr. McINTYRE. Mr. President, I ask unanimous consent that the report may be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

INTERIM STAFF REPORT ON SOLAR ENERGY AND SMALL BUSINESS

I. INTRODUCTION

During the spring of 1975, three members of the Senate Select Committee on Small Business, Chairman Gaylord Nelson of Wisconsin, Senator Thomas J. McIntyre of New Hampshire, and Senator William D. Hathaway of Maine, initiated a study of the problems that small business is encountering as the United States attempts to implement solar energy technologies on a wide scale.

As part of its investigation, the committee asked for information from solar energy concerns in the form of questionnaires[1] and directed its staff to prepare background material on national solar energy plans, and to interview dozens of representatives from small business firms actively engaged in the solar energy industry. The committee also conducted two days of hearings on May 13 and 14, 1975.[2]

The hearings and investigation centered on the particular problems that small business research companies have met in dealing with the Federal government; that small business development companies have faced with government regulations and competing companies; and, that small businesses might meet should the national drive for energy self-sufficiency, known as Project Independence, mean accelerated uses of the sun for power.

Further, the committee questioned why for years solar energy had been virtually ignored as an alternative energy resource—even in the face of promising government reports dating back to the early 1950's. In 1952, the Paley Commission, in its final report to President Truman, stated that:

"Efforts made to date to harness solar energy economically are infinitesimal. It is time for aggressive research in the whole field of solar energy—an effort in which the United States could make an immense contribution to the welfare of the free world."[3]

Clearly, the amount of solar energy falling on the United States every day, according to the Paley Commission, was 1,500 times the energy used in 1950.[4] And although U.S. energy consumption has increased rapidly since 1952, estimates compiled by the Energy Research and Development Administration show that energy from the sun is still over 600 times the national energy daily consumption that falls on the U.S.[5]

Solar energy development is now considered part of Project Independence, along with energy sources such as nuclear power, coal, oil, natural gas, and geothermal energy as well. While part of the Project is designed to make the American public aware of the national energy situation, and while part is aimed at finding interim solutions to possible energy shortages, its major thrust centers on the development and implementation of technologies that can be used as alternatives to our rapidly diminishing supplies of oil and natural gas—such as energy from the sun.

A. A natural resource in solar energy

Within the foreseeable future, solar energy could boost domestic energy supplies. Despite 20 years of abysmally inadequate funding, the solar option is finally beginning to receive the attention it has long deserved. Federal budgets for solar energy research were barely $100,000 per year only five years ago. But today, under the new Energy Research and Development Administration appropriation bill,[6] solar energy research could receive $120 million in FY 1977. As research and development accelerates, the estimated contribution that solar energy can make for space heating and cooling and for the terrestrial generation of electricity has tended to grow.

For instance, in 1972 a National Science Foundation and National Aeronautics and Space Administration joint panel estimated that only one percent of the nation's energy would come from solar-powered wind systems by the year 2000.[7] But in 1975, the National Science Foundation noted that the amount of energy that could come from the wind alone could equal 25 percent of projected U.S. electricity consumption.

Another series of estimates made by three large corporations—General Electric Company, Westinghouse Electric Corporation, and the TRW Corporation—in studies funded by the National Science Foundation in 1974, found that only 1.6 percent, 3.04 percent, and 3.56 percent, respectively, of the energy needed for heating and cooling would be met by solar energy in 2000.[8] But a year later, the National Science Foundation staff said that solar energy could provide that amount of energy by 1985, fifteen years before the figures in the 1974 studies.[9]

B. A small business opportunity

Rapidly expanding areas of the economy have always attracted entrepreneurs. The growth of the nation's electronics industry since the Second World War shows that small businessmen with entrepreneurial spirit have been able to capitalize on the needs of the nation. The size of the solar heating and cooling market is huge; there were over 68 million units of housing in 1970.[10]

In the solar energy field there are at least 60 small businesses in the research, manufacture, and marketing of solar heating and cooling equipment in the United States. Relying simply on the basis of firms responding to confidential questionnaires distributed by the committee as part of its investigation, the solar heating and cooling industry will have a total manufacturing capability for space heating and cooling and water heating equipment in excess of 7.5 million square feet by 1976.[11] Even taking into account the differences in the efficiencies of the units that are for sale, there is substantial capacity. Some of these companies also manufacture the wind-operated systems that could provide electricity.

Despite the theoretical advantages for small business persons in a necessary but underdeveloped industry such as solar energy, those advantages can become a reality only by further stimulating market demand.

Small development companies will undoubtedly continue to play a major role in solar energy development, but plumbing and heating contractors, electricians, homebuilders, and the transportation industry must be made aware of the possibilities inherent in solar energy development. The market potential is huge, but until facts and figures of the size of the solar heating and cooling market are available, few small businessmen not directly concerned with manufacturing will consider it.

There are few experts who foresee a day when all heating and cooling will be done by the sun, but if only 25 percent of the nation's homes were to be heated and cooled by solar energy, the number of buildings using the system would exceed 10 million.[12] This number would increase dramatically if solar heating and cooling or industries, commercial buildings, and apartments were included.

c. Apprehension over government policies

Unfortunately, government policies have generally lacked the concern, flexibility, and determination necessary to encourage small business participation in the solar home heating and cooling market.

Small business firms responding to the committee's questionnaire, and small busi-

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ness representatives who discussed their problems with the committee's staff, showed an almost uniform attitude: Federal policy has virtually ignored the contributions of small business to solar energy research and development. Indeed, only 7 percent of last year's Federal solar R & D funds were awarded to small business firms. Little money has been available from the Federal government for small entrepreneurs and inventors. In fact, most Federal expenditures in solar energy R & D have been concentrated among a handful of corporate giants and large universities.

Small business, according to the Solar Heating and Cooling Demonstration Act, was to be included in the development of solar programs by requiring that the Small Business Administration work with other agencies.[13] The Energy Research and Development Administration's Interim Report (ERDA 23) made little mention of small business, and made no mention of the Small Business Administration, sidestepping the concern that was expressed by the Congress when it passed the Demonstration Act.[14]

ERDA 23, the working document for the development of solar energy in the United States, emphasized research but did not aim at rapid development of marketing techniques for the existing small businesses with production facilities.

ERDA plans to spend about $300 million for solar energy development before the end of 1979, aiming to build 4,000 solar heated and cooled units, including homes, apartments, and offices as part of a national solar demonstration project.[15] However, the ERDA 23 plan made no specific reference to equipping the nation's 47 million single family prime dwelling units or the apartments in which additional millions of Americans live. It also avoided stating whether mobile homes would be considered in early phases of the demonstration program.

The lack of positive statements in the report concerning small business could not only be considered as an oversight on the part of ERDA, but can also be construed as a bureaucratic inability to effectively manage a Congressionally mandated program.

II. THE COMMITTEE HEARINGS OF MAY 13–14, 1975 [16]

With the apprehensions above in mind, the committee began its hearings on the nation's solar energy program and the role that small business should play.

On the first day, May 13, witnesses at the hearings included solar equipment producers and developers, and representatives for the contractors who will eventually install and maintain solar equipment on a wide scale.

On the second day, May 14, representatives of major government departments testified. The Energy Research and Development Administration, the Department of Housing and Urban Development, and the Federal Energy Administration sent witnesses. Other agencies, the Small Business Administration and the National Science Foundation, sent representatives to the hearings although they did not testify. The Small Business Administration did, however, submit a statement for the record.

A. The questions

The witnesses were directed to answer a series of questions:

Questions on Solar Energy

1. Why have the estimates varied so widely—and been so low—on the contribution that solar energy might make, by the years 1985 and 2000, to the Nation's total energy budget?

2. Why has the Federal Government spent so little, and spent it so late, on the development on solar energy, in comparison to expenditures for support of other forms of energy?

3. What contributions to solar energy development have been and may be made by small business?

4. Now that Federal expenditures for solar research, development and demonstration are increasing, what steps are being taken by the various agencies to recognize the contributions and protect the positions of the small business pioneers of solar energy?

5. What amounts and percentages of Federal research, development and demonstration expenditures in the solar energy field have been channeled to small business, to big business, to large universities, to small universities and colleges, and to non-profit organizations other than universities in recent years? What changes in any of the important percentage shares are contemplated in the next fiscal year or years?

6. What are the prospects for greatly accelerating the pace of solar energy development and greatly increasing the percentage of our energy within the next decade?

7. What is the maximum percentage contribution that solar energy could make to the total national energy budget by 1980, 1990, 2000 and 2020? To heating and cooling of buildings? To electricity generation?

8. What types and dollar levels of Federal expenditure would be necessary to attain these maximum percentage levels of solar energy contribution?

9. What are the arguments for and against maximizing the solar energy contribution to the total energy budget?

10. What can small businesses do differently and better than large businesses in furtherance of the development of solar energy?

11. Are there documented cases in which small businesses in the solar energy field have been threatened, intimidated, purchased or otherwise suppressed by utilities or large businesses?

12. How can communications on solar energy subjects be improved between the Government and small business?

13. Should there be small business set-asides for the solar demonstration programs?

14. Have technology transfer and technology utilization activities and programs of the Federal Government been useful to small business and designed for maximum benefit to small business?

15. How might the Congress improve the relevant legislation or its own oversight activity in the area of solar energy development?

16. What criteria and accomplishments should the Congress use to judge the success of Federal Government programs intended to foster solar energy development and small business participation in that development? [17]

B. The testimony [18]

In answer to the questions raised, the small business witnesses expressed a strong desire that the government should become more involved in the promotion of solar energy heating and cooling, but questioned the emphasis of the current program.

Dr. Jerry Plunkett, President of Materials Consultants, Inc., of Denver, Colorado, stated that small businessmen have considerable trouble dealing with Federal research agencies.

For instance, Plunkett told the committee that he had developed a solar energy research proposal that he presented to the National Science Foundation—with whom he had consulted in the past—when it was the lead solar energy research agency. NSF turned down his idea.

Plunkett then turned the idea over to the University of Utah, attempting to justify his belief that the NSF prefers to deal with universities rather than small research companies. The university submitted his proposal, and then received a grant to do the study. Plunkett said this reinforced his position that the government research office is often unwilling to work with small businessmen when it can turn to universities or large corporations—even though the ideas may be substantiated and the abilities of the researchers well known to the research agency.

Plunkett also testified that solar energy research and development had reached a level where further massive infusions of Federal aid would be superfluous. Federal money, said Plunkett, should be used for demonstration projects and installation of solar heating and cooling equipment.

James R. Piper, President of Piper Hydro, Inc. of Anaheim, California, agreed with Dr. Plunkett, adding that it would be possible to install approximately 130,000 solar heating and cooling units by 1980 using existing technology. The Energy Research and Development Administration expects to install 4,000 units in the same period.

Further, Piper pointed out that the government is currently funding electric and gas utilities to develop solar energy utilization equipment when small businesses are already equipped to do a similar job. He also stated that giant corporations heavily involved in promoting nuclear energy would not do their best to develop solar energy because "it would harm their profitability in other areas."

The third small businessman to testify on May 13, Barney Menditch, President of General Heating Engineering Company of Capitol Heights, Maryland, representing the National Environmental Systems Contractors Association, said that installation manuals to teach a businessman how to equip new buildings with solar heating and cooling equipment would be necessary. Menditch said there has been little effort "to get this data in simple form in the hands of the contractors who actually do the design, installation, and service of the climate conditioning systems."

On the second day of the hearings, May 14, Administration witnesses presented views on solar energy development.

Dr. John Teem, of the Energy Research and Development Administration, noted that the solar heating and cooling demonstration project to be run through ERDA is designed to insure that law technologies be developed with some speed. Said Teem:

"All of the solar technologies under study have a common feature—we know that they will work. In each instance, no major technical barriers exist to prevent the development of practical systems. Widespread use hinges on the production of cost-effective energy systems, and their ready acceptance by society. We do not underestimate the significance of these requirements. Large-scale manufacture of solar systems at reasonable cost will be critically dependent on how well ERDA conducts its research and development program." [19]

Dr. Michael Moskow, Assistant Secretary of the Department of Housing and Urban Development, added this:

"The most important role HUD can play in this effort is to assist in the development of a rational basis for such an industry—the creation of standards and certification procedures so that the customer can rely on the product; the development of financing procedures and other incentives which will overcome the current 'first cost' problems associated with solar units; the ameliorization of local barriers (such as building codes and zoning ordinances) to the widespread use of solar energy for housing; and the dissemination of information about solar energy applications to the industry and the public." [20]

Moskow, however, did point up one grave deficiency. HUD Minimum Property Standards do not contain provisions for insuring the mortgages on homes incorporating solar systems. Since so many of all first home

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mortgages in the United States are insured by FHA or VA, and since so many private insurance firms rely on HUD's Minimum Property Standards, Senator McIntyre, on behalf of the committee, wrote to Secretary of Housing and Urban Development, Carla A. Hills, requesting that a change be made quickly.[21] Secretary Hills, in her response, advised that she had instructed her staff to expedite their development in coordination with the National Bureau of Standards.[22]

Donald Craven of the Federal Energy Administration said no technological advances are necessary for the development of solar energy.

Craven told Senator Hathaway of Maine that solar energy development has progressed to the point where it can be rapidly used, installed, and soon begin to save the United States substantial amounts of money for imported oil.

However, Craven noted that the FEA, the most sanguine agency about the development of solar energy, still realized that the costs of installation are high and that the total cost of solar energy vs. other forms of energy needs to be told to the American public before solar energy really reaches a take-off point.

According to Craven, one way the government could generate consumer confidence on the cost, reliability, and effectiveness of solar-generated power, or solar heating and cooling, would be through a three-pronged government buildings program now under consideration by FEA and related Federal agencies. Craven stated:

"First, we would require that all designs for Federal buildings initiated from this point on include an assessment of the feasibility of using solar heating and cooling at this time, and the feasibility of including provisions within the design to enable relatively easy retro-fit to solar heating and cooling at some future time.

"Second, we would consider that it be required that estimates of costs of buildings, to reduce the demand for energy within buildings, include use of energy conversion products, solar heating and cooling systems, and that these cost estimates be done on a life-cycle costing basis in order to be able to fully analyze the cost of solar as compared with the cost of heating by fossil fuels or electricity.

"Third, we would anticipate that this program might provide for substantial government requisitions of solar heating and cooling systems by requiring purchase of solar systems currently found to be competitive with conventional systems. And also requiring, to some extent, in addition to the purchase of competitive systems, that certain quantities of economically non-competitive heating and cooling systems be purchased by the government in order to contribute to refinements of the technology and to the development of the necessary industry infrastructure.

"We believe that if this project were initiated now, a substantial amount of oil per day would be saved by 1980 in government buildings, and furthermore, we would have the technology and industry infrastructure in place by that time to contribute aggressively to our national energy goals.

"The significance of this effort would be to have a very stimulative effect on the solar manufacturing industry, and the development of the industry infrastructure." [23]

The immediate commercialization of solar heating and cooling is possible, however, and it should be encouraged, according to Craven, at the same time the ERDA and HUD projects go forward.

Craven's announcement that the FEA is working for rapid commercialization of existing solar energy technologies is based on studies done for the FEA and other agencies.

III. THE WORK TO COME

At future hearings, already scheduled for September and October, the Select Committee expects to continue its exploration of the problems confronting small businesses in the development of solar energy. Among the particular areas that deserve scrutiny are:

(1) Supposed intransigence by various groups, such as the oil industry and the electric utilities, to solar development;

(2) The possibility of adverse economic impacts on labor and industrial infractructures from solar energy development;

(3) Reticence on the part of financial institutions to fund solar equipment in new and existing homes;

(4) The specific roles of installation contractors including plumbers, carpenters, and electricians in order to prevent restrictive work practices;

(5) Solar technologies other than space heating and cooling which are approaching near-term applications, such as photovoltaic conversion, and the role of the Federal government in stimulating small business participation;

(6) Measures to insure a competitive solar energy industry built and supported by an extensive small business community;

(7) High initial production costs acting as a disincentive to potential manufacturers;

(8) Model buildings and zoning codes to protect the homeowner;

(9) Tax assessment policies and their relationship to consumer demand;

(10) Legislative remedies for the lack of government contracts awarded to small business; and

(11) The need to change the focus of the solar energy program from research and development to demonstration and immediate commercialization.

IV. CONCLUSIONS

The United States, and other countries, too, are at a crisis point. The cost, obtainability, and environmental impact of our current sources, of energy, coupled with the importance of national security, require each nation to develop a self-sufficient, independent, and decentralized energy system. From the standpoint of the United States, solar energy and the development of other alternative energy resources are the only way to maintain energy consumption without decreasing national security.

The immediate commercialization of a nonpolluting, environmentally acceptable and cost-effective energy system is not a challenge for the distant future. The challenge is now. The United States has a growing solar heating and cooling industry which can markedly accelerate its manufacturing capability provided the proper incentives are there. In fact, a massive research and development program may be unnecessary, if not counterproductive, to the extent that it could further postpone the widescale use of solar heating and cooling systems.

Yet, until very recently, the Federal government did not accept that challenge. By ignoring the recommendations of the Paley Commission, it left the solar energy field up to the small business pioneers and individual innovators who, acting on their own initiative, with virtually no government support, were responsible for almost all of the solar energy research, development, and demonstration work that occurred in this country prior to 1973.

Although now that the Federal government has decided to embark on an accelerated program for solar energy implementation, one might think that the pioneers would finally get their rightful share of participation, but that has rarely been the case. The Federal departments and agencies charged with the development of solar energy have not adequately considered the needs and capabilities of small business. The agencies have not sufficiently consulted the Small Business Administration, have not established small business set-asides, and have usually relied on and favored big concerns and giant universities.

From the viewpoint of the Small Business Committee, the major flaws in the government's policy for the development of solar heating and cooling are an almost pure and simple abdication of a responsibility to small business and a lack of emphasis on making the regulatory changes necessary for the implementation of solar heating and cooling equipment.

While ERDA has determined in its Interim Report that "special attention will be given to assure that small business has sufficient opportunity to be considered in the selection of projects," [24] no considered program for small business appears to have been developed as this report was drafted.

The United States, by the admission of both the Administration and the Congress, must act now. Anything that slows down the development of solar energy—the one cheap, limitless source of energy that cannot be shut down by war or embargo—is undermining the national security.

In a speech before the Exchequer Club, Senator McIntyre noted the relationship of energy to national security:

"What single factor has heightened global tensions? Hurt or threatened the health of our people? Raised havoc with the world economy? Plunged us into a near-depression? Undercut confidence in leadership and policy?

"Would you agree that in a word the answer is 'oil'?

"Would you agree that in a phrase the answer is the industrialized world's enslavement to sources of energy that will soon be exhausted, that can't be renewed, that pollute the world we live in, that lend themselves to ruthless exploitation and blackmail politics, that breed greed, envy, chaos, and war?

"I believe that this enslavement—coupled with a blind refusal to research and develop clean, renewable alternative energy resources—must, indeed, be one of the most calamitous errors in human judgment since time began." [25]

To be sure, there is a need for the rapid development of solar energy. And this must be undertaken by the companies and business persons who already have the techniques at hand. They are the small businesses, working with large business suppliers of glass, metal products, and insulation, and with small businesses such as contractors and housing developers and heating specialists who can begin installing solar heating equipment now.

V. RECOMMENDATIONS

(1) Special programs should be introduced immediately to insure that small business receives its fair share of participation in solar energy research, development, and demonstration by all agencies responsible. The committee is currently investigating the feasibility of a 100 percent small business set-aside in the demonstration program.

(2) The need for competition in the energy industries is well established. Several pieces of legislation have been proposed to end concentration in energy production, transportation, and marketing. Policies and programs that support competition and avoid concentration merit careful consideration by the Energy Research and Development Administration and the Department of Housing and Urban Development. Concentration in the development of solar energy should not be allowed to fall into the historically anticompetitive pattern of energy industries, not only because prime reliance on big business contractors may tend to slow down the demonstration program, but also because large businesses who could benefit from the

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massive ERDA program will be dissuaded from sticking out their necks to develop solar energy without government funding.

(3) Regulatory policies should be changed as quickly as possible to insure solar development. Changes must be made in the regulatory mechanisms governing Federally assisted housing insurance to make sure that homeowners who desire to install solar equipment will not be penalized by government regulations. Government regulations, particularly in view of the need for cutting oil imports, should be changed when necessary to make sure that homeowners are encouraged to use solar heating and cooling whenever possible.

(4) The Energy Research and Development Administration should work as quickly as possible to make sure that the commercialization programs of the Federal Energy Administration are encouraged.

(5) ERDA should increase its information services available to heating, ventilating, and air conditioning contractors. Manuals should be quickly developed concerning installation techniques for solar heating and cooling systems. Once completed, ERDA should also introduce procedures to improve the dispersal of these manuals in order to reach the widest possible audience of contractors.

(6) ERDA should also work to make sure that retrofitting of homes with solar equipment is undertaken with all due speed. Between now and the year 2000, millions of homes will be constructed. Hopefully, most of them will incorporate solar heating and cooling systems, but the 47 million existing homes, many of which will still be in use in the year 2000, should be equipped as quickly as possible. Research in ERDA should attempt to quantify the problems faced in retrofitting, and work out methods to alleviate the homeowners' dependence on fossil fuels, even if the need for fossil fuels cannot be ended by the year 2000.

(7) FEA should implement its proposed Federal Buildings Program as quickly as possible to develop an ethic of low fossil fuel utilization in Federal buildings.

(8) Congress should enact tax incentives or tax credits for the development of solar energy in homes, commercial establishments, and manufacturing plants wherever possible as quickly as possible.

(9) HUD and ERDA should proceed more rapidly in the development of model building, planning, and zoning codes.

(10) ERDA should hire more personnel with small business backgrounds. At the same time, it should expand the size and scope of its small business office.

(11) ERDA should concentrate more of its energies on smaller, decentralized applications of solar energy, many of which are already proven, less expensive to implement, less prone to large-scale blackouts, and less likely to be transformed into an anti-competitive industry.

FOOTNOTES

[1] Letter from Senator Thomas J. McIntyre to 67 solar heating and cooling firms enclosing confidential questionnaire of 9 items; dated April 25, 1975. Statistical results of composite information to be printed in Solar Hearings: Part I: see Footnote 2.

[2] Hearings, U.S. Senate Select Committee on Small Business, on Energy Research and Development and Small Business, Part I, Solar Energy, 94th Congress, 1st Session, May 13–14, 1975 (to be printed). Hereafter this document will be cited as "Solar Hearings, Part I."

[3] *Resources for Freedom*, Final Report of the President's Materials Policy Commission, Vol. IV, The Promise of Technology, June 1952, p. 220.

[4] *Ibid.*

[5] *National Solar Energy Research, Development and Demonstration Program, Definition Report*, Division of Solar Energy, Energy Research and Development Administation (ERDA–49), Washington, D.C., June 1975.

[6] H.R. 3474, to authorize appropriations to the Energy Research and Development Administration. Passed House June 20, 1975; passed Senate amended July 31, 1975.

[7] Included in remarks by Senator Nelson on Senate floor, 94th Congress, 1st Session, May 8, 1975, Congressional Record, p. 13570.

[8] *Ibid*, p. 13571.

[9] *Ibid.*

[10] U.S. Census of Housing: 1970, Vol. I.

[11] See footnote 1.

[12] See footnote 10.

[13] Solar Heating and Cooling Demonstration Act of 1974, Public Law 93–409, 93rd Congress, 2nd Session, September 3, 1974.

[14] Interim Report, National Plan for Solar Heating & Cooling (Residential and Commercial Applications), Division of Solar Energy, Energy Research and Development Administration (ERDA–23), Washington, D.C., March 1975.

[15] *Ibid.*, p. 105.

[16] Solar Hearings, Part I (to be printed).

[17] See footnote 7.

[18] Solar Hearings, Part I (to be printed).

[19] Solar Hearings, Part I (to be printed).

[20] *Ibid.*

[21] Letter from Senator Thomas J. McIntyre, Chairman, Subcommittee on Government Regulation, U.S. Senate Select Committee on Small Business, to Carla A. Hills, Secretary of Housing and Urban Development, dated May 23, 1975.

[22] Letter from Carla A. Hills, Secretary of Housing and Urban Development, to Senator Thomas J. McIntyre, Chairman, Subcommittee on Government Regulation, U.S. Senate Select Committee on Small Business, dated June 30, 1975.

[23] Solar Hearings, Part I (to be printed).

[24] See footnote 14.

[25] *Yardstick for Survival*, speech by Senator Thomas J. McIntyre before the Exchequer Club, Sheraton Carlton Hotel, Washington, D.C., February 19, 1975. (Placed in Congressional Record by Senator Hubert H. Humphrey, February 26, 1975, p. 4440.)

SENATE CAMPAIGN SPENDING LIMITS

Mr. METCALF. Mr. President, the Congressional Record of last Thursday carried another in a continuing series of advisory opinions and related notices from the new Federal Election Commission.

Occupying some 22 pages of the Record for that day, these materials include an imposing array of Commission policies and guidelines, ranging from disbursement procedures for public financing of the party nominations conventions to the treatment of various kinds of congressional office accounts.

I recognize, of course, that these are important matters. Indeed, the complexities of the Federal Election Campaign Act, as amended, suggest that the least of the worries of those seeking office should be defeat at the polls. Where the greater risk lies today is in winning—and then having to devote the bulk of one's time for the next 2 to 6 years to continuing analysis of campaign laws and regulations.

In any event, while the technical details of FECA are important—particularly if the officeholder is to avoid serving time rather than constituents—I believe we should not lose sight of another aspect of the law's operation.

I refer to its implications for the conduct of campaigns under varying political conditions in the 50 States.

Are the campaign spending limits adequate for congressional races in all States? Will the impact of these limits be felt equally by incumbents and challengers? What will be the impact on races in which no incumbent is running?

Mr. President, a distinguished legal scholar, Prof. Roy A. Schotland of Georgetown University Law Center, recently prepared an analysis of these and similar questions as they apply to Senate campaigns, and I wish to call my colleagues' attention to his conclusions.

Basing his findings on reported campaign spending experience in 1972 and 1974, Professor Schotland found that Senate candidates' spending limits which will apply for the first time in 1976 are too low to allow vigorous or even adequate campaigns by Senate candidates in the 26 States with fewer than 2 million voting age population and too high for the 9 largest States with over 5 million voting age population.

In short, he writes:

> Assuming that 2 election years' practice says something about "appropriate" levels of campaign spending in Senate races, the new law will prevent significant escalation of campaign spending in 15 states, allow massively inflated spending in the nine largest states, and for the other 26 will force substantial reductions in campaign spending.

Moreover, according to Professor Schotland, the spending limits—contrary to much recent commentary—are far more likely to hurt Senate incumbents rather than challengers.

Mr. President, Professor Schotland's study also includes a number of recommendations for improving FECA and for correcting the deficiencies he cites. In the interest of equal time for this aspect of the law's operation—and to stimulate further discussion of its potential impact on the conduct of campaigns—I ask unanimous consent to have Professor Schotland's careful analysis printed in the Record.

There being no objection, the study was ordered to be printed in the Record, as follows:

Georgetown University Law Center,
Washington, D.C., July 15, 1975.

Hon. Lee Metcalf,
U.S. Senate,
Washington, D.C.

Dear Senator Metcalf: Knowing of your long-standing commitment to improvement of America's federal political campaign financing, I draw your attention to a new analysis of U.S. Senate candidates' campaign spending in 1972 and 1974.

This analysis has, I believe, important implications (a) for the conduct of Senate campaigns in 1976 if the law is not amended (or held unconstitutional in the pending lawsuit); and (b) for re-consideration of those provisions of the Federal Election Campaign Act Amendments of 1974 which set limits on Senate candidates' spending [Sections 608(c)(1) and 591(f)(4)(H)].

According to the reported experience in 1972 and 1974, the Senate candidates' spending limits which will apply for the first time in 1976 (a minimum of $300,000 per candidate, see pp. 27–8 of memo) are:

(1) Too low to allow vigorous or even adequate campaigns by Senate candidates in the 26 States with fewer than 2,000,000 voting

age population (see pp. 5–10; the States are listed at pp. 35–38). The implications of the coming squeeze between experience and the new law, for 15 specified races scheduled for those States, are considered (pp. 14–19; the 15 races are listed at p. 14).

(2) Too high for the law's provision to have any practical effect in the 9 largest States with over 5,000,000 voting age population (See pp. 5–6; the States are listed at pp. 31–32, and implications noted at pp. 19–20).

(3) Realistically related to recent practice in the remaining 15 middle-sized States (p. 6; these States are listed at pp. 33–34).

In short, assuming that 2 election years' practice says something about "appropriate" levels of campaign spending in Senate races, the new law will prevent significant escalation of campaign spending in 15 States, allow massively inflated spending in the 9 largest States, and for the other 26 will force substantial reductions in campaign spending. These 26 States will be so affected although of course there is no claim that Senate campaigns in those States warrant more legal interference there than elsewhere, and although it is probable that many of the impacts forced by the law will be undesirable.

Recommendations to meet this situation are set forth at pp. 22–24.

The analysis set forth in the accompanying memorandum and tables shows also that contrary to much recent commentary, the new law is far more likely to hurt Senate incumbents rather than challengers (See pp. 10–12). And it is clear that the new law will impact substantially—and probably not entirely desirably—on races in which no incumbent is running, and on closely competitive races where the political process is at its most vigorous and its most decisive (see pp. 10 and 13).

Recommendations to assure that the law does not become incumbent-protective, and does not interfere improperly with no-incumbent races and close contests, are also set forth (at pp. 24–15).

Most of these date were assembled by a recent graduate of this law school, Thomas Blackburn, although the analysis (and any errors) are mine.

None of this memo is meant to suggest that spending limits should, even once revised, be continued. Rather, it is hoped that one result of this analysis will be to stimulate re-thinking about the fundamental soundness of spending limits. There is much reason to believe that a sounder scheme would be to limit only contributions to candidates and parties, and also, perhaps, election-oriented spending by non-candidates. And the soundest scheme may very well be something like your public financing voucher proposal*, under which every voter would have equal contribution vouchers, to assure the reality of our commitment to every voter's having an equal vote.

Sincerely,

Roy A. Schotland.

U.S. Senate Campaign Spending: Relationship Between 1972 and 1974 Experience, and the New Statutory Limits for 1976

SUMMARY

An analysis of U.S. Senate candidates' spending in 1972 and 1974 shows conclusively that the candidates' spending limits for 1976 (set by the Federal Election Campaign Act Amendments of 1974) for Senate candidates in the 26 States with fewer than 2 million eligible voters, are too low. Thus, the impact of the law on 1976 Senate races in those States is likely to be highly significant.

The analysis shows also that for the 9 largest States with over 5 million voters, the new statutory limits are too high. Thus, while the new law might have some impact in one or two extraordinarily expensive races in those States, for the most part the candidate spending limits there are likely to be meaningless.

In short, in only the 15 States of middle size does it appear that the new campaign spending limits are reasonably related to recent practice.

The analysis shows clearly that the most frequently spoken of factor—the type of candidate, particularly incumbent or challenger—is not the one bearing most importantly on whether a candidate spends more than the new limits. Nor is it the closeness of the race, or party, but rather the simple fact that the candidate is running in one of the 26 smaller States.

The second set of findings relate to relative spending by incumbents, challengers and candidates in no-incumbent races. The group tending most frequently to spend over the limits are candidates in no-incumbent races. Challengers, by a wide margin, spend least. These findings show that the new law's spending limits will affect almost all incumbents, probably hurting some of them, but will affect few if any challengers, who seem unable to raise as much money as they are allowed to spend. Therefore, contrary to the current lore, the new law seems likely to hurt rather than help Senate incumbents, though it may also hurt one or two challengers. The law will also have an important impact on no-incumbent races.

There are also brief findings about the spending limits in relation to closeness of races, and also in relation to winners and losers.

CAVEAT

In this paper it is important to remember that when we speak of a "candidate who exceeded spending limits," we do not mean that any law was broken, but only that if the 1974 law's formula had applied to that State in that year, the candidate could not legally have spent as much as he did.[1]

METHOD OF ANALYSIS

In reaching these conclusions, four factors potentially relate to a candidate's spending were examined:

(a) The type of candidate (incumbent, challenger, candidate in race without an incumbent).

(b) The closeness of the general election.[2]

(c) The candidate's success at the polls.

(d) The State's voting age population.

The influence of political parties on campaign spending was not considered for two reasons: First, spending of Republican and Democratic candidates was nearly equal in 1972. In only one category—incumbent Senators—did Republicans outspend Democrats by a significant margin. Even in that category, the margin exists because of exceptionally high spending by three (Tower, Percy and Griffin) of the 15 GOP incumbents running. Second, the aftermath of Watergate left many Republicans without their traditional sources of funds in 1974, creating an unusual and anomalous imbalance in party spending. While Democratic Senate candidates, as such, may spend significantly differently from Republican Senate candidates in future, 1972 and 1974 do not tell us much. As for spending by the parties in support of Senate candidates, as distinguished from candidates' own spending, since such data are not readily available that aspect has to be excluded from this analysis; in any event, it seems highly significant to consider how the candidates' own spending in recent elections reflects upon the new limits on such spending.

In this presentation, figures from 1972 and 1974 are often combined in averages; where one year's figures differ significantly from the other's, they appear separately. Only major-party candidates' spending is treated, as in neither year did any third-party candidate spend even close to these figures.

A summary of the 1974 law's limit is set forth below:

FINDINGS RE SIZE OF STATES

1. In both 1972 and 1974, candidates from smaller States—the 26 States with fewer than 2 million eligible voters—showed a far greater tendency to exceed spending limits than candidates in larger States with more than 2 million eligible voters.[3]

In 1974, 17 of the 33 candidates running in smaller States exceeded the limits, whereas only 2 of the 32 candidates running in larger States exceeded limits. In other words, 17 of the 19 candidates who exceeded limits—or 90%—were from smaller States.

In 1972, while the contrast is less marked, the tale is the same.[4]

Putting the two election years together, 40% of candidates in smaller States exceeded the limits, compared to only 14% in the larger States. And of the 37 candidates who exceeded limits 29—78%—were from smaller States.[4]

2. In the nine largest States, the new statutory limits are far higher than any level experience would warrant.[5] Of the 20 candidates running in these States in 1972 and 1974 combined, *only one* exceeded the spending limit, in contrast to the 40% of the candidates who exceeded limits in the smaller States. Indeed, the average spending by candidates in the largest States, even including that one aberrationally expensive race (Tower of Texas in 1972), is only 42% of the applicable limits.[6]

3. The importance of the size of the State, in any consideration of the likely impact of the 1974 law's spending limits, is further pointed up by comparing the average spending by Senate candidates:

AVERAGE PERCENT OF LIMIT SPENT

	1972 average	1974 average	2-election average
26 smaller States	77	104	89
15 middle States	78	58	67
9 largest States	52	36	42

4. The consistent correlation between over-limit spending and smaller States is seen in still another way, by making direct comparisons between otherwise similar candidacies, e.g., the group of winning incumbents in close races in smaller States as compared with the same group in larger States. Thus, in eight of the 10 possible direct comparisons set forth below, smaller States' candidates over-spent dramatically more frequently than larger States' candidates:

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* S. 1760, 94th Cong. 1st Sess., Cong. Rec., May 16, 1975, pp. 14773–14776.

[1] The sources of the data are set forth at the outset of the Tables, p. 29.

[2] Of course we recognize the greater importance of the primaries in some States, but there were few such instances and data on them was not required to be reported separately (by the 1971 Act).

[3] The 26 States are listed below.

[4] See Table I.

[4] See Table I.

[5] These States, with over 5,000,000 eligible voters, are listed below.

[6] See Table II.

TABLE OF DIRECT COMPARISONS

	Percent who exceeded limits			
	Smaller States		Larger States	
A) Winner's share less than 55 percent of vote:				
i) Winner, no incumbent race	75	(6/8)	20	(1/5)
ii) Loser, no incumbent race	50	(4/8)	20	(1/5)
iii) Winning incumbent	55	(5/9)	40	(2/5)
iv) Losing incumbent	0	(0/4)	0	(0/2)
v) Winning challenger	0	(0/4)	50	(1/2)
vi) Losing challenger	33	(3/9)	0	(0/5)
B) Winner's share 55 to 60 percent:				
i) Winner, no incumbent race	100	(1/1)		
ii) Loser, no incumbent race	100	(1/1)		
iii) Winning incumbent	80	(4/5)	0	(0/3)
iv) Losing incumbent	100	(1/1)		
v) Winning challenger	0	(0/1)		
vi) Losing challenger	20	(1/5)	0	(0/3)
C) Winner's share 60 to 65 percent:				
i) Winner, no incumbent race			0	(0/2)
ii) Loser, no incumbent race			0	(0/2)
iii) Winning incumbent	100	(2/2)	20	(2/10)
iv) Losing incumbent			20	(2/10)
v) Winning challenger				
vi) Losing challenger	0	(0/2)	10	(1/10)
D) Winner's share more than 65 percent:				
i) Winner, no incumbent race	100	(1/1)		
ii) Loser, no incumbent race	0	(0/1)		
iii) Winning incumbent	0	(0/6)	0	(0/3)
iv) Losing incumbent				
v) Winning challenger				
vi) Losing challenger	0	(0/5)	0	(0/1)

5. In order to make sure that the size of State is truly the significant factor, and is not being affected by some other factor—e.g., the possibility of a high number of "no-incumbent" races in small States, races which tend to see high spending—each factor was further analyzed in the absence of the other factors.

That further analysis confirms the findings set forth above. [A larger break-down analysis was performed than is presented here, but the findings were entirely cumulative. A complete break-down analysis, isolating as many factors as possible, involved too many permutations to be performed, and would have produced categories too small to give reliable results.]

5.—A: Were "small" State candidates exceeding limits so often because there were somewhat more no-incumbent races in those States? No. In 1972 and 1974 combined, smaller States had 27 incumbents running, 26 challengers, and 20 in no-incumbent races. In larger States, there were 23 incumbents, 21 challengers, and 14 in no-incumbent races. But in every category, candidates in smaller States were strikingly more likely to exceed limits:[7]

	Percent who exceeded			
	Smaller States		Larger States	
Candidates, no incumbent races	65	(13/20)	14	(2/14)
Incumbents	46	(12/27)	17	(4/23)
Challengers	15	(4/26)	10	(2/21)

5.—B: Were smaller State candidates exceeding limits so often because races there tended to be closer than in larger States? Again, no: once again in every category, candidates in smaller States were strikingly more likely to exceed limits.[8]

	Percent who exceeded			
	Smaller States		Larger States	
Winner's share:				
Less than 55 percent	43	(18/42)	21	(5/24)
Less than 55 to 60 percent	57	(8/14)	0	(0/ 6)
Less than 60 to 65 percent	50	(2/ 4)	13	(3/24)
More than 65 percent	8	(1/13)	0	(1/ 4)

FINDINGS RE INCUMBENTS AND CHALLENGERS

1. Many recent commentators, including some parties to the pending lawsuit over the Act's constitutionality as well as participants during that Act's passage last year, have claimed that the spending limits will help incumbents. That claim rests on the sound understanding that an incumbent is safe unless the challenger can marshall an extremely vigorous campaign, which of course is expensive. These commentators then simply assume that the sums needed are larger than the amount allowed by the new statute (or so conclude, on the basis of incomplete analysis).

That assumption, and therefore the claim that the new statute will help Senate incumbents, is clearly wrong:

In the first place, challengers—whether winners or losers—are the group *least* likely to exceed the limits. In fact, it is candidates in no-incumbent races who are more likely to exceed the spending limits that have been set, than either incumbents or challengers.[9] Consider:

Two-election average percent who exceeded

Candidates, no-incumbent races	44% (15/34)
Incumbents	32% (16/50)
Challengers	12% (6/47)

In the second place, direct comparison of spending by incumbents and challengers shows incumbents' vastly greater spending, which certainly shows their vastly greater fund-raising power:[10]

(i) Only 7 of 47 challengers (or 15%) outspent their opponents; 4 of those 7 won,

Whereas,

40 of 47[11] incumbents (or 86%) outspent their opponents, and 37 of those 40 won.

(ii) Only 6 of 47 challengers (or 13%) exceeded limits, and only one of those 6 won,

Whereas.

14 of 50 incumbents (or 28%) exceeded limits, and 13 of those 14 won.

(iii) Fully 25 of 47 challengers (or 53%) spent less than 40% of the limits, and all of them lost,

Whereas,

Only 10 of the 50 incumbents (or 20%) spent below 40% of the limits, and 9 of those 10 won.

Consider also the degree to which the incumbents outspent their challengers—presumably because of great differences in access to funds:

Of the 40 challengers who were outspent—8 were outspent by less than 50%, and 2 of the 8 won; 5 were outspent by 50%–100%, and 1 of the 5 won; 6 were outspent over 2:1, 6 were outspent over 3:1, 8 were outspent over 4:1, 2 were outspent over 6:1, and 5 were outspent over 7:1, and none of these last 28 won.

FINDINGS RE OTHER FACTORS

1. When races were closer, candidates showed a general tendency to exceed limits. Thus, 37 of the 131 candidates running for the Senate in 1972 and 1974 exceeded the limits: but 23 of those 37 were in races in which the winner had less than 55% of the vote, and another 8 were in races in which the winner had 55–60% of the vote:[12]

Percent who exceeded limit

Races where winner's share of vote is:	
Less than 55 percent	35% (23/66)
55 to 60 percent	40% (8/20)
60 to 65 percent	18% (5/28)
More than 65 percent	6% (1/17)

2. Winning candidates showed a substantially greater tendency to exceed the limits than did losers. See Table VIII.

Percent who exceeded

Winners	37% (25/67)
Losers	18% (12/65)

IMPLICATIONS RE SMALLER STATES

1. In 1976, the seats of at least 13 present Senate incumbents will be up in States with the lowest spending limits, $300,000 (plus) any adjustment for inflation): Burdick, Byrd (W. Va.,), Cannon, Fong, Hruska, McGee, Mansfield, Montoya, Moss, Muskie, Pastore, Roth and Stafford. Two other seats—Fannin and Stennis—will be up in States with limits only marginally above the lowest.

The experience in 1972 and 1974, as to candidates' spending, says conclusively that certainly in many of those 15 races, probably in most, and very possibly in almost all, the 1974 Act's spending limits are at so low a level, for these States, that there will have to be changes in campaign practices there. The changes will be forced as spending is squeezed down from the level which those States' experience has shown to be their norm, to the lower level imposed by the new law. (Eleven other States have had the same experience, but are not scheduled to have Senate races in 1976.)

In addition to that sweeping impact upon those 15 smaller States, experience suggests that the new limits will prove quite significant in at least three races in middle-sized States (voting age population of 2,000,000 to 5,000,000): Brock, Byrd (Va.), and Hartke.

[These predictions depend, of course, on: (a) these spending limits being upheld in the pending lawsuits attacking the Act's unconstitutionality, and (b) there being no substantial avoidance or evasion of the new Act's requirements.

[While I personally expect at least portions of the Act to be held unconstitutional, (a matter which goes beyond the scope of this paper), I will not predict whether the candidates' spending limits will still stand. As for evasion and avoidance, while such practices have characterized our history of campaign finance regulation, there are several reasons to expect impressively substantial compliance with the new law, at very least in 1976: attitudes toward campaign spending have undergone at least a temporary change; and attitudes toward compliance with such laws have also changed vastly, at least temporarily. This is not to underestimate the considerable problems of enforcing spending limits, or the possibilities for quasi-evasion of the limits by means of purportedly "independent" groups' conducting purportedly issue-oriented activities, which are not subject to limits but which can be conducted in ways likely to help a candidate.]

2. To analyze what changes are likely to occur in Senate campaigns in smaller States, it is important to consider why campaigns there have tended to exceed the new limits.

First, it is clear that the smaller States are geographically different, particularly in that they have much lower density of voters—consider which States these are, and where they are:

Smaller States which have had over-limit spending—19:

South: Alabama, Arkansas (twice), Kentucky (twice), Mississippi, South Carolina, Tennessee.

Southwest: Arizona, Nevada, New Mexico, Oklahoma (twice), Utah.

Midwest/Mountain: Colorado, Idaho, Iowa, Kansas, North Dakota, South Dakota (twice).

East: Rhode Island.

Other: Alaska.

Smaller States which have had spending at 80–100% of limit—4:

Delaware, Montana, Nebraska, Oregon (twice).

Other States with over-limit spending: Indiana, Texas.

Is the dispersion of population somewhat a cause of higher spending? Or does a different kind of politics or communications come with smaller population? Or both?

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[7] See Table III.

[8] See Table IV.

[9] See Table V.

[10] For full data and names, see Table VI.

[11] Three additional incumbents were unopposed.

[12] See Table VII.

Whatever the cause, it does seem that the 1974 law's spending limit formula, in ignoring the States' square miles or voter density, flies in the face of reality. Either the law will have to be changed (see Recommendations, below), or the political realities in those States will have to change.

Second, it may well be that any reasonably strong prospect for a U.S. Senate seat can raise a significant amount of money, and that races in smaller States, where campaign spending is low relative to more populous States, represent a natural target for money from, say, New York, Texas, California and large national organizations. Whatever the cost-per-voter in smaller States, a $400,000 total campaign fund will carry a Senate campaign there, whereas such a sum is only a minor fraction of the fund needed in larger States. In short, there's more bang for the buck in smaller State's Senate campaigns, therefore more political impact or "access" is purchased with a contribution, and these facts may well tend to draw money into those races disproportionate to their voting populations.

Third, it may well be that Senate campaign costs are such that unless a race is a walk-away, the minimum funds needed in any State usually happen to work out to more than $300,000, which happens to be the statutory minimum. In this case, of course the smaller population States, which are at or close to that minimum level, see the level exceeded more often.

3. What changes, then, seem likely?

While there is a vast range of possibilities in terms of changed campaign practices, one likely impact will be greater selectivity by the candidates as to whose contributions they will accept, since candidates will be unable to spend as much as experience has shown they can raise and spend.

This selectivity may take such forms as limiting the size of individual contributions, or excluding out-of-State contributions.

4. What impacts may be expected?

Evaluation of the changes suggested above depends both on more information about campaign spending and fund-raising than I have, and also on personal political values—e.g., is it good or bad, on balance, to reduce the role of out-of-State funds? But one impact seems clear: most incumbents from smaller States will be hurt by the new limits, since they will be unable to take full advantage of their impressive fund-raising abilities, whereas most of their challengers cannot get near the limits anyway. (See "Findings Re: Incumbents and Challengers," pp. 10–12 above.) A very few incumbents, going by past experience, will be helped, because there are likely to be a very few instances in which the challenger could raise more than the spending limit allows.

In saying this, I do not go so far as to predict a house-cleaning of incumbent Senators from smaller States: the point is only that that group is made notably more vulnerable by the new law's spending limits, and probably that change will tilt the scale far enough to cost a few of the group's weaker members their seats. Taking into account the smaller number of incumbents who are likely to be helped by the new law's limitation on challengers with high access to funds, this group of Senators is likely to see higher turnover than normal, but not a house-cleaning.

Also, as this new vulnerability comes to be recognized, the voting behavior of this group of Senators, over the next 16 months, should show abnormally high signs of "closeness to the grass roots."

IMPLICATIONS RE LARGEST STATES

1. In sharp contrast with the 15 Senate races scheduled in 1976 in the smaller States, the new law's limits on candidates' spending are likely to have little if any impact on the races in the largest States (with over 5,000,000 voting age population): Bentsen, Buckley, Chiles, Hart (Mich.), Scott (Pa.), Taft, Tunney and Williams. In only one of these States has a candidate exceeded the limit (Tower, 125% in 1972); in only two have candidates spent more than 75% of the limits (Percy, 78% in 1972 and Griffin, 99% in 1972); and the average spending has been only 42% of the limits. Of course the particular participants, both incumbent and challenger, are more determinative than past experience, but the record built by 20 candidates over 20 elections does have weight.

It appears, then, that in these races, the new candidates' spending limits are unlikely to produce any changes, whatever one's perspective. (There may be an indirect impact, in that funds which would have flowed to the smaller States but now will be inhibited there, may tend to flow into big-State races). This means that any "evils" the new law is intended to cure will, at least so far as these candidates' spending is concerned, be uncured. In fact, a striking inflation in campaign spending could occur in these States. Of course, despite the emptiness of this Section of the new law for these States, spending may be held down there—even below prior levels, let alone below the new limits—by other restrictions in the new law, or by other changes in campaign financing or in the economy.

IMPLICATIONS RE INCUMBENTS, CHALLENGERS, AND NO-INCUMBENT RACES

1. As between incumbents and challengers, the message is clear: contrary to much recent lore the new law's spending limits will help few if any incumbents, and will reduce the edge incumbency assures. This is so because, in addition to incumbents' many advantages that do not depend on their campaign spending, it is the rare incumbent who cannot raise substantial funds, indeed, almost always a larger sum than their challengers can raise and, apparently, very often a larger sum than the new spending limits allow. Therefore the incumbents' natural fund-raising edge will be reduced by the new limits, rendering incumbents somewhat less secure.

How else can one read these facts?

Number of challengers running in 1972 and 1974: 47.

Who lost: 40.

Who were outspent by incumbent: 40, but challenger won: 3.

Who faced incumbents spending over the limit: 14, but challenger won: 1.

Who faced incumbents spending 50%–100% of the limit: 20, but challenger won: 5.

Who faced incumbents spending under 50% of limit: 13, and challenger won: 1.

Who themselves spent under 40% of limit: 25, but challenger won: 0.

Who themselves spent under 15% of limit: 15, but challenger won: 0.

Who themselves spent 50%–100% of limit: 6, and challenger won: 3.

Who themselves spent over the limit: 6, and challenger won: 1.

And only 7 challengers outspent incumbents, three doing so in vain. (Margaret Chase Smith spent only $14,950 in losing to Hathaway. Only one other incumbent, Metcalf, was outspent by more than 2:1.)

In short, spending ceilings *at the 1974 Act's levels* will cut into many incumbents' spending, but very few challengers'.

Therefore, as concluded above with especial force for smaller States' incumbents, probably all Senate incumbents will be at least somewhat more vulnerable in 1976.

The more perplexing implications of our findings involve candidates in non-incumbent races, a group even more likely to exceed spending limits than incumbents have been. It is not hard to understand that, with neither candidate carrying an incumbent's edge such races are more likely to be close contests, and thus draw significant funds to each side. Moreover, the two non-incumbents will occasionally be ex-Governors or others with State-wide contacts and name recognition, but usually these candidates will need to campaign more than would more established figures, in order to become known and to activate support. To the extent that these are the reasons for the frequent high spending in such races, the new law's limits might perhaps be cutting out wasteful spending produced by defensive competition, but more often will probably be interfering with useful spending essential to assuring a reasonably "informed" electorate for such races.

RECOMMENDATIONS

With respect to smaller States: Clearly, amendment to raise the lowest spending limits is needed. Three options need consideration including calculating their impact on each State:

(a) Raise the present minimum from $300,000 to at least $500,000, a level at which only 14 smaller State candidates in 1972 and 1974 combined, would have exceeded the applicable limits instead of the 29 who did exceeds. The recommended figure assumes that the appropriate level of spending is one which "legitimizes" the spending by half of the other-spenders, and requires the other half to cut down. As a matter of fact, further analysis is needed before setting any such procrustean figure.

(b) Raise the number of cents per voter, with or without raising the minimum overall figure.

(c) Provide a sum per square mile, or otherwise related to density of population. As noted above, the failure to do so, while understandable as a matter of logic or principle, flies in the face of the reality revealed by the 1972 and 1974 spending experience.

In 1973, Senator Abourezk proposed a $2 per square mile formula (in addition to the per-voter figure), with a maximum of $200,000 for "area". For calculation of his formula's impact on each State, see Appendix A. Further analysis of course might reveal superior formulae for assuring realistic spending levels for States with smaller populations.

With respect to the largest States: On the assumption that the spending limits are intended to accomplish something, and will not do so if set astronomically above the level of spending experienced thus far, it seems clear that a maximum should be created, just as at present there is a minimum; or alternatively and almost surely preferably, that for the 9 largest States, the cents-per-voter figure should be substantially lower than for the other States.

With respect to types of candidates:

(a) *Incumbents and Challengers:* Many people have suggested that incumbents should have lower limits than challengers, since incumbents have so many other advantages. However surprising the news, present law actually will operate just as those people would like, since incumbents will be held down by the limits, but challengers will rarely be able to get up to them. Since most incumbents are already impacted upon, and since very few if any challengers would actually be aided if challengers were allowed still higher spending, and since for many reasons fully expounded elsewhere it is not right that the law should protect incumbents from realistic accountability at the polls, these findings suggest it may not be as politically difficult as expected to get incumbents to enact a higher spending figure for challengers.

(b) *Candidates in no-incumbent races:* Much more important, in spite of its lack of attention to date, is the need for a differential, higher level for races in which no incumbent is running. It is perfectly clear that higher spending has been occurring in such races, and it seems extremely likely that such races need higher spending and, lest vigorous political processes are to be inhibited, should have higher legal limits reflecting those needs.

Overall recommendations:

(a) If spending limits are to continue, it may well be that rather than adding a per-square-mile formula, or simply raising the minimum level or imposing a maximum, the cents-per-voter formula should be made less procrustean than at present, so that the 26 States would have the highest amount per voter, the 15 middle States probably keep the present amount, and the 9 largest States would have the smallest amount per voter.

(b) If spending limits are to continue, the law should provide for biennial adjustment of the prescribed sums not only for inflation, but also to take into account (by some appropriate formula treating the average, mean and median) the level of spending actually experienced in the preceding election (or, perhaps, average of two preceding elections). Changes in campaign spending levels will occur for more reasons than inflation, and it is not the existing law's purpose nor any law's proper purpose to block innovation in our political processes.

(c) Analyses of the soundness of the new law's other spending limits, particularly spending by the parties, should be undertaken. A close but *not* thorough examination of the limits on House candidates shows no cause for concern, but that should be further examined.

(d) None of this memo is meant to suggest that spending limits should continue. Rather, the aim is to show that the present limits are unsound for 26 States and certain kinds of races, and to try to point the direction to sounder treatment of limits *if* they are continued.

(e) It is hoped that one result of this analysis will be to stimulate re-thinking about the fundamental soundness of spending limits. There is much reason to believe that a sounder scheme would be to limit only contributions to candidates and parties, and also, perhaps, election-oriented spending by non-candidates. And the soundest scheme may very well be something like Senator Metcalf's public financing voucher proposal,[13] under which every voter would have equal contribution vouchers, to assure the reality of our commitment to every voter's having an equal vote.

Note on spending limits set by the Federal Election Campaign Act Amendments of 1974:

The lowest limit on a candidate's spending for a Senate race is $300,000, arrived at as follows:

Primary	$100,000
General	150,000
Fundraising	50,000
Total	300,000

For the primary, the limit is the greater of $100,000 or 8¢ multiplied by the State's voting age population. For the general, the greater of $150,000 or 12¢ similarly multiplied. For fund-raising, another 20% of the allowable spending, or a minimum of $50,000.[14]

In 1976, any Senate candidate running in 17 States will be at the lowest spending limit, $300,000: Alaska, Delaware, Hawaii, Idaho, Maine, Montana, Nebraska, Nevada, New Hampshire, New Mexico, North Dakota, Rhode Island, South Dakota, Utah, Vermont, West Virginia and Wyoming.

At the other extreme, the highest limit on the candidates' spending will be in California, $3,826,944.

In addition to Senate candidates' spending, which is the exclusive subject of this memo, in general elections the state and national parties will be authorized to spend for each Senate nominee the greater of $20,000 or 2¢ multiplied by the State's voting age population—a minimum of $40,000 in 17 States, or a maximum, in California, of $579,840.

TABLES

On Senate Candidates' Spending in 1972 and 1974, in relation to the statutory spending ceilings which will apply in 1976, pursuant to the 1974 Federal Election Campaign Amendments.

Note on sources of data:

Candidate spending figures for 1972 and 1974 were taken from figures supplied by Common Cause. The population estimates upon which the spending limits for 1972 were based, were taken from estimates supplied by the Bureau of the Census, as utilized in S. Rept. 93–170, pp. 40–41. The 1974 figures are based upon the population estimates by the Secretary of Commerce for 1973, as utilized in S. Rept. 93–689 on the Federal Election Campaign Act of 1974, p. 29, and the Secretary of the Senate's Manual of Law, Regulations and Accounting Instructions Relating to the Disclosure of Campaign Funds for Candidates to the US Senate, p. 21 (Feb. 1974).

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[13] See S. 1760, 94th Con. 1st Sess., Cong. Rec., May 16, 1975, pp. 14773–14776.

[14] Sections 608(c)(1) and 591(f)(4)(H).

TABLE I.—NUMBER OF CANDIDATES WHO EXCEEDED LIMITS—BY "LARGER" AND "SMALLER" STATES

["Smaller" States are the 26 with fewer than 2,000,000 eligible voters; "Larger" States have more than 2,000,000 eligible voters]

	Exceeded	Did not exceed—	Number running	Percent exceeded
A. Smaller States:				
1972	12	28	40	30
1974	17	16	33	52
Total	29	44	73	40
B. Larger States:				
1972	6	20	26	23
1974	2	30	32	6
Total	8	50	58	14
Overall total:				
1972	18	48	66	27
1974	19	46	65	29
Total	37	94	131	28

TABLE II.—1972 AND 1974 SPENDING, LIMITS AND RATIOS—BY STATES

	Voters	Applicable spending limit	Reported candidate spending	Ratio of spending of limit
A. 9 LARGEST STATES WITH MORE THAN 5,000,000 ELIGIBLE VOTERS:				
[1] 4. Texas	7,681,000	1,843,440	[2] 2,301,870	1.25
(Tower v. Sanders)			629,008	.34
5. Illinois	7,542,000	1,810,080	1,408,822	.78
(Percy v. Pucinski)			335,482	.19
7. Michigan	5,874,000	1,409,760	1,394,927	.99
(Griffin v. Kelley)			547,819	.39
9. New Jersey	5,025,000	1,206,000	195,275	.16
(Case v. Krebs)			46,160	.04
Total				4.14

Average ratios of spending and applicable limits:
(a) All: 4.14 ÷ 8 = spent 52 percent of limit.
(b) Excluding the one who spent less than 15 percent (only 4 percent) of the limit: 4.10 ÷ 7 = 59 percent.
(c) Excluding the one who spent 125 percent of the limit: 2.89 ÷ 7 = 41 percent.

[1] These numbers indicate the State's rank, among the 50 States, in number of eligible voters.

[2] Upper line is winner's spending, lower is leading loser's.

1974, LARGEST STATES

	Eligible voters	Applicable spending limit	Reported candidate spending	Ratio of spending to limit
1. California	14,143,000	$3,459,120	$1,336,202	0.39
(Cranston v. Richardson)			702,767	.20
2. New York	12,665,000	3,039,600	1,090,437	.36
(Javits v. Clark)			855,576	.28
3. Pennsylvania	8,240,000	1,977,600	799,499	.40
(Schweiker v. Flaherty)			256,483	.13
5. Illinois	7,568,000	1,816,320	757,329	.42
(Stevenson v. Burditt)			488,556	.27
6. Ohio	7,175,000	1,722,000	1,149,130	.67
(Glenn v. Perk)			292,838	.17
8. Florida	5,527,000	1,302,480	919,787	.71
(Stone v. Eckerd)			421,169	.32
Total				4.32

Average ratios of spending and applicable limits:
(a) All: 4.32 ÷ 12 = 36 percent.
(b) Excluding the one who spent less than 15 percent (only 13 percent) of the limit: 4.19 ÷ = 38 percent.

1972, MIDDLE STATES

B. 15 States with 2,000,000–5,000,000 eligible voters:				
10 Massachusetts	3,955,000	$949,200	$368,058	0.39
(Brooke v. Droney)			82,888	.09
11 North Carolina	3,463,000	863,120	654,246	.76
(Holms v. Galifianakis)			470,093	.54
14 Virginia	3,197,000	767,280	619,908	.81
(Scott v. Spong)			380,921	.50
15 Georgia	3,104,000	744,960	567,968	.76
(Nunn v. Thompson)			444,635	.60
18 Tennessee	2,713,000	651,120	830,769	1.28
(Baker v. Blanton)			244,653	.38
19 Minnesota	2,560,000	614,000	538,532	.88
(Mondale v. Hansen)			304,750	.50
20 Louisiana	2,399,000	561,360	511,616	.91
(Johnston v. McKeithen)			394,510	.70
21 Alabama	2,274,000	545,760	702,109	1.29
(Sparkman v. Blount)			764,961	1.40
23 Kentucky	2,260,000	542,400	658,590	1.21
(Huddleston v. Nunn)			603,649	1.11
Total				14.09

Average ratios of spending and applicable limits:
(a) All: 14.09 ÷ 18 = spent 78 percent of limit.
(b) Excluding the one who spent less than 10 percent (only 9 percent) of the limit: 14.00 ÷ 17 = 82 percent

1974, MIDDLE STATES

	Eligible voters	Applicable spending limit	Reported candidate spending	Ratio of spending to limit
11. North Carolina	3, 541, 000	$849, 840	$781, 201	0. 92
(Morgan v. Stevens)			385, 527	. 45
12. Indiana	3, 530, 000	847, 200	1, 024, 486	1. 21
(Bayh v. Lugar)			619, 678	. 73
13. Missouri	3, 251, 000	786, 240	647, 143	. 83
(Eagleton v. Curtis)			362, 804	. 46
15. Georgia	3, 140, 000	753, 600	65, 207	. 09
(Talmadge v. Johnson)			12, 856	. 02
16. Wisconsin	3, 033, 000	727, 920	247, 551	. 34
(Nelson v. Petri)			80, 590	. 12
17. Maryland	2, 720, 000	652, 800	329, 845	. 51
(Mathias v. Mikulski)			74, 311	. 11
20. Louisiana	2, 399, 000	575, 760	498, 774	. 87
(Long).				
21. Alabama	2, 338, 000	361, 120	37, 328	. 07
(Allen).				
22. Washington	2, 329, 000	558, 960	463, 116	. 83
(Magnuson v. Metcalf)			63, 153	. 11
23. Kentucky	2, 235, 000	536, 400	1, 006, 670	1. 88
(Ford v. Cook)			524, 569	. 98
24. Connecticut	2, 101, 000	504, 240	435, 985	. 86
(Ribicoff v. Brannen)			66, 162	. 13
Total				11. 52

Average ratios of spending and applicable limits:
(a) All: 11.52÷20=58 percent.
(b) Excluding the 3 who spent less than 10 percent of the limit: 11.34÷17=67 percent.
(c) Excluding the 7 who spent less than 15 percent of the limit: 10.87÷13=384 percent.

1972, SMALLER STATES

C. 26 smaller states with 2,000,000 or fewer eligible voters:				
25. Iowa	1, 909, 000	$458, 160	$241, 803	0. 53
(Clark v. Miller)			328, 263	. 72
26. Oklahoma	1, 812, 000	434, 880	625, 095	1. 44
(Bartlett v. Edmundson)			512, 058	1. 18
27. South Carolina	1, 706, 000	409, 440	666, 329	1. 63
(Thurmond v. Zeigler)			167, 755	. 40
28. Colorado	1, 558, 000	373, 920	176, 243	. 47
(Haskell v. Allott)			308, 305	. 82
29. Kansas	1, 541, 000	369, 840	104, 651	. 29
(Pearson v. Tetzlaff)			6, 742	. 02
30. Oregon	1, 500, 000	360, 000	299, 626	. 84
(Hatfield v. Morse)			291, 904	. 70
31. Mississippi	1, 403, 000	336, 720	410, 221	1. 22
(Eastland v. Carmichael)			152, 531	. 45
32. Arkansas	1, 310, 000	314, 400	516, 573	1. 64
(McClellan v. Babbitt)			72, 643	. 23
34. West Virginia	1, 182, 000	300, 000	133, 670	. 45
(Randolph v. Leonard)			45, 513	. 15
35. Nebraska	1, 022, 000	300, 000	256, 392	. 83
(Curtis v. Carpenter)			38, 694	. 13
37. Rhode Island	673, 000	300, 000	528, 347	1. 76
(Pell v. Chafee)			457, 409	1. 52
38. Maine	666, 000	300, 000	202, 208	. 67
(Hathaway v. Smith)			14, 950	. 05
39. New Mexico	636, 000	300, 000	517, 310	1. 72
(Domenici v. Daniels)			496, 980	1. 66
41. New Hampshire	521, 006	300, 000	82, 080	. 28
(McIntyre v. Powell)			104, 779	. 35
42. Idaho	469, 000	300, 000	403, 788	1. 35
(McClure v. Davis)			274, 878	. 92
43. Montana	460, 000	300, 000	136, 551	. 46
(Metcalf v. Hibbard)			286, 748	. 96
44. South Dakota	434, 000	300, 000	427, 063	1. 42
(Abourezk v. Hirsch)			300, 806	1. 00
46. Delaware	371, 000	300, 000	262, 699	. 88
(Biden v. Boggs)			167, 657	. 56
49. Wyoming	225, 000	300, 000	169, 878	. 57
(Hansen v. Vinich)			10, 411	. 03
50. Alaska	200, 000	300, 000	195, 128	. 65
(Stevens v. Guess)			46, 348	. 15
Total				31. 09

Average ratios of spending and applicable limits:
(a) All: 31.09÷40=78 percent.
(b) Excluding the 3 who spent 10 percent or less of limit: 30.99÷37=84 percent.
(c) Excluding the 6 who spent 15 percent or less of limit: 30.56÷34=89 percent.

1974 SMALLER STATES

	Eligible voters	Applicable spending limit	Reported candidate spending	Ratio of spending to limit
25. Iowa	1, 957, 000	$469, 680	$470, 976	1. 00
(Culver v. Stanley)			336, 067	. 72
26. Oklahoma	1, 832, 000	439, 680	622, 480	1. 42
(Bellmon v. Edmondson)			195, 429	. 44
27. South Carolina	1, 775, 000	426, 000	227, 835	. 53
(Hollings v. Bush)			6, 754	. 02
28. Colorado	1, 631, 000	391, 440	352, 557	. 90
(Hart v. Dominick)			502, 343	1. 28
29. Kansas	1, 570, 000	376, 800	1, 110, 024	2. 95
(Dole v. Roy)			836, 927	2. 22
30. Oregon	1, 532, 000	367, 680	333, 004	. 91
(Packwood v. Roberts)			80, 193	. 22
32. Arkansas	1, 374, 000	329, 760	335, 874	1. 02
(Bumpers v. Jones)			18, 651	. 06
33. Arizona	1, 345, 000	322, 800	394, 042	1. 22
(Goldwater v. Marshall)			129, 260	. 40
36. Utah	715, 000	300, 000	363, 162	1. 20
(Garn v. Owens)			445, 000	1. 49
40. Hawaii	549, 000	300, 000	205, 265	. 68
(Inouye).				
41. New Hampshire	531, 000	300, 000	128, 389	. 43
(Durkin and Wyman)			138, 605	. 46
42. Idaho	501, 000	300, 000	300, 300	1. 00
(Church v. Smith)			127, 926	. 43
44. South Dakota	454, 000	300, 000	1, 172, 831	3. 91
(McGovern v. Thorsness)			528, 817	1. 76
45. North Dakota	421, 000	300, 000	300, 121	1. 00
(Young v. Guy)			115, 561	. 39
47. Nevada	369, 000	300, 000	385, 861	1. 29
(Laxalt v. Reid)			410, 553	1. 37
48. Vermont	309, 000	300, 000	152, 817	. 51
(Leahy v. Mallary)			90, 617	. 30
50. Alaska	200, 000	300, 000	469, 300	1. 56
(Gravel v. Lewis)			353, 701	1. 18
Total				34. 28

Average of ratio of spending and applicable limits:
(a) All: 34.28÷33=104 percent.
(b) Excluding those who spent 10 percent or less of the limit: 34.20÷31=110 percent.

TABLE III.—CANDIDATES WHO EXCEEDED LIMITS, BY SIZE OF STATES AND BY TYPE OF CANDIDATE

	Exceeded	Did not exceed—	Number running	Percent who exceeded
A. Smaller States:				
Incumbent:				
1972	4	12	16	25
1974	8	3	11	73
Total	12	15	27	46
Challenger:				
1972	1	15	16	6
1974	3	7	10	40
Total	4	22	26	15
Candidate, no-incumbent race:				
1972	7	1	8	88
1974	6	6	12	50
Total	13	7	20	65
Total:				
1972	12	28	40	30
1974	17	16	33	52
Total	29	44	73	40
B. Larger States:				
Incumbent:				
1972	3	6	9	33
1974	1	13	14	7
Total	4	19	23	17
Challenger:				
1972	1	8	9	11
1974	1	11	12	9
Total	2	19	21	10
Candidate, no-incumbent races:				
1972	2	6	8	25
1974	0	6	6	0
Total	2	12	14	14
Total:				
1972	6	20	26	23
1974	2	30	32	6
Total	8	50	58	14

TABLE IV.—CANDIDATES WHO EXCEEDED LIMITS, BY SIZE OF STATES AND WINNER'S SHARE OF VOTE

	Exceeded	Did not exceed	Number running	Percent who exceeded
A. Smaller States:				
Less than 55 percent:				
1972	7	15	22	32
1974	11	9	20	55
Total	18	24	42	43
55 to 60 percent:				
1972	3	3	6	50
1974	5	3	8	63
Total	8	6	14	57
60 to 65 percent:				
1972	2	2	4	50
1974	0	0	0	0
Total	2	2	4	50

	Exceeded	Did not exceed	Number running	Percent who exceeded
More than 65 percent:				
1972	0	8	8	0
1974	1	4	5	20
Total	1	12	13	8
Overall total:				
1972	12	28	40	30
1974	17	16	33	52
Total	29	44	73	40
B. Larger States:				
Less than 55 percent:				
1972	3	11	14	21
1974	2	8	10	20
Total	5	19	24	21
55 to 60 percent:				
1972	0	2	2	0
1974	0	4	4	0
Total	0	6	6	0
60 to 65 percent:				
1972	3	7	10	30
1974	0	14	14	0
Total	3	21	24	12
More than 65 percent:				
1972	0	0	0	0
1974	0	4	4	0
Total	0	4	4	0
Overall total:				
1972	6	20	26	23
1974	2	30	32	6
Total	8	50	58	14

TABLE V.—BY TYPE OF CANDIDATE: INCUMBENTS, CHALLENGERS, AND CANDIDATES IN NO-INCUMBENT RACES

	Exceeded	Did not exceed	Number running	Percent who exceeded
A. Incumbents:				
1972	7	18	25	28
1974	9	16	25	36
Total	16	34	50	32
B. Challengers:				
1972	2	23	25	8
1974	4	18	22	18
Total	6	41	47	12
C. Candidates in no-incumbent races:				
1972	9	7	16	56
1974	6	12	18	33
Total	15	19	34	44
Overall total:				
1972	18	48	66	27
1974	19	46	65	29
Total	37	94	131	28

TABLE VI. COMPARISON OF INCUMBENTS AND CHALLENGERS

	Challengers	Incumbents
A. SUMMARY		
Number running, 1972 and 1974	47	50
Number who:		
Exceeded limits and won	1	13
Exceeded limits and lost	5	1
Outspent opponent and won	4	40
Outspent opponent and lost	3	3
Spent 50 to 10 percent of limit:		
And won	3	17
And lost	3	5
Spent 40 to 50 percent of limit:		
And won	3	4
And lost	3	0
Spent less than 40 percent of limit:		
And won	0	9
And lost	25	1

	1972	1974
B. CHALLENGERS TO SENATE INCUMBENTS		
Number running	25	22
Number who won	[a]5	[i]2
Number of winners who:		
Exceeded limits	0	[j]1
Outspent incumbent	[b]3	[j]1
Spent 50 to 100 percent of limit	[c]2	[k]1
Spent 40 to 50 percent of limit	[d]3	0
Spent less than 40 percent of limit	0	0
Number of losers who:		
Exceeded limits	[e]2	[l]3
Outspent incumbent	[f]3	0
Spent 50 to 100 percent of limit	[g]2	[m]1
Spent 40 to 50 percent of limit	[h]3	[n]4
Spent less than 40 percent of limit	13	12

[a] Biden, Clark, Haskell, Hathaway, Scott (Virginia).

[b] Biden, Hathaway, Scott.

[c] Clark, Scott.

[d] Biden, Haskell, Hathaway.

[e] Blount (Alabama, Sparkman), Chafee (Rhode Island, Pell).

[f] Blount, Hibbard (Montana, Metcalf), Powell (New Hampshire McIntyre).

[g] Hansen (Minnesota, Mondale), Morse (Oregon, Hatfield)

[h] Carmichael (Mississippi, Eastland), Hibbard, Ziegler (South Carolina, Thurmond).

[i] Ford (Kentucky), Hart (Colorado) In addition, Bumpers successfully challenged Fulbright in the primary, but is not included here because not a challenger in the general. In any event: Bumpers did exceed the limit, but figures are not available on Fulbright's spending and so that comparison cannot be made.

[j] Ford.

[k] Hart.

[l] Lewis (Alaska, Gravel), Roy (Kansas, Dole), Thorsness (South Dakota, McGovern).

[m] Ljgar (indiana, Bayh).

[n] Curtis (Missouri, Eagleton), Edmundson (Oklahoma, Bellmon), Marshall (Arizona, Goldwater), Smith (Idaho, Church).

	1972	1974
C. SENATE INCUMBENT		
Number running	25	25
Number who won	20	[i] 22
Number of winners who:		
Exceeded limits	[a] 7	[j] 6
Outspent challenger	[b] 18	[k] 22
Spent 50 to 100 percent of limit	[c] 7	[l] 10
Spent 40 to 50 percent of limit	[d] 2	[m] 2
Spent less than 40 percent of limit	[e] 4	[n] 5
Number of losers who:		
Exceeded limits	0	[o] 1
Outspent challenger	[f] 2	[p] 1
Spent 50 to 100 percent of limit	[g] 4	[r] 1
Spent 40 to 50 percent of limit	0	0
Spent less than 40 percent of limit	[h] 1	0

[a] Baker, Eastland, McClellan, Pell, Sparkman, Thurmond and Tower.

[b] All but Sparkman and McIntyre, includes Long and Allen, unopposed.

[c] Curtis, Griffin, Hansen, Hatfield, Mondale, Percy and Stevens.

[d] Metcalf and Randolph.

[e] Brooke, Case, McIntyre, Pearson.

[f] Allott and Miller.

[g] Allott, Boggs, Miller, Spong.

[h] Smith (Maine.

[i] As noted earlier, Bumpers won in a primary, data on which is not readily available; therefore, although Fulbright ran and lost, that race is excluded from the rest of these figures.

[j] Bayh, Bellmon, Dole, Goldwater, Gravels and McGovern.

[k] Includes Inouye, unopposed.

[l] Church, Eagleton, Hollings, Inouye, Long, Magnuson, Mathias, Packwood, Ribicoff and Young.

[m] Schweiker and Stevenson.

[n] Allen, Cranston, Javits, Nelson and Talmadge.

[o] Dominick.

[p] Cook.

TABLE VII.—BY WINNER'S SHARE OF THE VOTE

	Exceeded	Did not exceed	Number running	Percent who exceeded
Less than 55 percent:				
1972	10	26	36	28
1974	13	17	30	43
Total	23	43	66	35
55 to 60 percent:				
1972	3	5	8	38
1974	5	7	12	42
Total	8	12	20	40
60 to 65 percent:				
1972	5	9	14	36
1974	0	14	14	0
Total	5	23	28	18
65 percent and above:				
1972	0	8	8	0
1974	1	8	9	11
Total	1	16	17	6
Overall total:				
1972	18	48	66	27
1974	19	46	65	29
Total	37	94	131	28

TABLE VIII.—BY WINNERS AND LOSERS, LARGE AND SMALL STATES

	Exceeded	Did not exceed	Number running	Percent who exceeded
A. IN SMALLER STATES				
Winner, no-incumbent race:				
1972	4	0	4	
1974	4	2	6	
Total	8	2	10	80
Loser, no-incumbent race:				
1972	3	1	4	
1974	2	4	6	
Total	5	5	10	50
Winning incumbent:				
1972	4	8	12	
1974	7	3	10	
Total	11	11	22	50
Losing incumbent:				
1972	0	4	4	
1974	1	0	1	
Total	1	4	5	20
Winning challenger:				
1972	0	4	4	
1974	0	1	1	
Total	0	5	5	0
Losing challenger:				
1972	1	11	12	
1974	3	7	10	
Total	4	18	22	18
B. IN LARGER STATES				
Winner, no-incumbent race:				
1972	1	3	4	
1974	0	3	3	
Total	1	6	7	14
Loser, no-incumbent race:				
1972	1	3	4	
1974	0	3	3	
Total	1	6	7	14
Winning incumbent:				
1972	3	5	8	
1974	1	12	13	
Total	4	17	21	19
Losing incumbent:				
1972	0	1	1	
1974	0	1	1	
Total	0	2	2	0
Winning challenger:				
1972	0	1	1	
1974	1	0	1	
Total	1	1	2	50
Losing challenger:				
1972	1	7	8	
1974	0	11	11	
Total	1	18	19	5

APPENDIX A

COMPARISON OF CAMPAIGN EXPENDITURE LIMITATIONS UNDER S. 372 AND UNDER CHANGES PROPOSED BY SENATOR ABOUREZK TO ADJUST FOR EXTRA EXPENSES IN LARGE, SPARSELY POPULATED STATES

State	25 cents per person	$2 per square mile	Abourezk ceiling[1]	S. 372 Ceiling[2]
Alabama	$568, 500	$103, 200	$671, 700	$568, 500
Alaska	50, 000	200, 000	250, 000	175, 000
Arizona	309, 750	200, 000	509, 750	309, 750
Arkansas	327, 500	105, 200	433, 700	327, 500
California	3, 486, 250	200, 000	3, 686, 250	3, 486, 250
Colorado	389, 500	200, 000	589, 500	389, 500
Connecticut	526, 500	10, 000	536, 500	526, 500
Delaware	92, 750	4, 100	175, 000	175, 000
District of Columbia	145, 250	100	175, 000	175, 000
Florida	1, 276, 250	117, 100	1, 393, 350	1, 276, 250
Georgia	776, 000	117, 750	993, 750	776, 000
Hawaii	132, 750	12, 900	175, 000	175, 000
Idaho	119, 750	177, 100	296, 850	175, 000
Illinois	1, 885, 500	112, 800	1, 998, 300	1, 885, 500
Indiana	877, 250	72, 600	949, 850	877, 250
Iowa	477, 250	112, 600	589, 850	477, 250
Kansas	385, 250	164, 550	549, 800	385, 250
Kentucky	551, 500	80, 800	632, 300	551, 500
Louisiana	584, 750	97, 050	681, 800	584, 750
Maine	166, 500	66, 450	232, 950	175, 000
Maryland	672, 000	21, 150	693, 150	672, 000
Massachusetts	988, 750	16, 500	1, 005, 250	988, 750
Michigan	1, 468, 500	116, 450	1, 584, 950	1, 468, 500
Minnesota	640, 000	168, 150	808, 150	640, 000
Mississippi	350, 750	95, 450	446, 200	350, 750
Missouri	816, 500	139, 350	955, 850	816, 500
Montana	115, 000	200, 000	315, 000	175, 000
Nebraska	255, 500	154, 450	409, 950	255, 500
Nevada	87, 000	200, 000	287, 000	175, 000
New Hampshire	130, 250	18, 600	175, 000	175, 000
New Jersey	1, 256, 250	15, 650	1, 271, 900	1, 256, 250
New Mexico	159, 000	200, 000	259, 000	175, 000
New York	3, 193, 250	99, 150	3, 292, 400	3, 193, 250
North Carolina	865, 750	105, 150	970, 900	856, 750
North Dakota	100, 500	141, 350	241, 850	175, 000
Ohio	1, 796, 250	82, 450	1, 878, 700	1, 796, 250
Oklahoma	453, 000	139, 850	592, 850	453, 000
Oregon	375, 000	193, 950	568, 950	375, 000
Pennsylvania	2, 040, 250	90, 650	2, 130, 900	2, 040, 250
Rhode Island	168, 250	2, 450	175, 000	175, 000
South Carolina	426, 500	62, 100	488, 600	426, 500
South Dakota	108, 500	154, 100	262, 600	175, 000
Tennessee	678, 250	84, 500	762, 750	678, 250
Utah	172, 250	169, 850	342, 100	172, 250
Vermont	77, 250	19, 200	175, 000	175, 000
Virginia	799, 250	81, 650	880, 900	799, 250
Washington	592, 750	126, 400	719, 150	592, 750
West Virginia	292, 500	48, 350	343, 850	295, 500
Wisconsin	738, 750	112, 300	851, 050	738, 750
Wyoming	56, 250	195, 850	252, 100	175, 000
Texas	1, 920, 250	200, 000	2, 120, 250	1, 920, 250

[1] Based on 25 cents per voting age resident plus $2 per mi^2 for first 100,000 mi^2. Includes $175,000 minimum.

[2] Based on 25 cents per voting age resident. Includes $175,000 minimum.

Source: Hearings on Federal Election Reform, Senate Rules Subcommittee on Privileges and Elections (1973), p. 211, testimony of Senator Abourezk.

NELSON AND ARMS SALES

Mr. CRANSTON. Mr. President, the Washington Post on September 2 carried a column by Clayton Fritchey of the Los Angeles Times which highly compliments our distinguished colleague from Wisconsin, Senator Gaylord Nelson. In that article Mr. Fritchey notes that it was due to the leadership of Senator Nelson last year that Congress plays any role at all in arms transfers carried out under the terms of the Foreign Military Sales Act. Under Section 36(b) of that Act—the Nelson Amendment—Congress has 20 calendar days within which to disapprove any proposed foreign military sale in excess of $25 million.

The recent controversy over the proposed sale of Hawk and Redeye missiles to Jordan demonstrated both the strengths and weaknesses of that procedure. Twenty calendar days is a very short time for both houses of Congress to hold hearings and report a resolution of disapproval to the floor. More significantly, it is simply inadequate to bring Congress into the policy picture at the very last stage of the game, with no choice but to accept or reject in toto any proposed sale. Congress should have a voice in the formulation of policy governing foreign military sales. Under terms of legislation introduced by Senator Nelson in February (S. 854—also introduced as amended number 583 to the Foreign Assistance Act. S. 1816), Congress would gain that important policy voice. Mr. Fritchey , in his article "Overseeing Foreign Arms Sales," spells out the procedures of this important legislation. As a co-sponsor of S. 854, I ask unanimous consent that the article be included in the RECORD, and urge that it receive the careful attention of my colleagues.

There being no objection, the article was ordered to be printed in the RECORD as follows:

OVERSEEING FOREIGN ARMS SALE

(By Clayton Fritchey)

On Capitol Hill, one of the mysteries is how a senator can be as outstanding as Gaylord Nelson (D-Wis.) without being a presidential prospect. The answer is surprisingly simple: He long ago decided he would never allow himself to be tempted by the presidential bug, nor, for that matter, by the vice-presidential bug.

The upshot is that, to a notable degree, he is his own man. Time and again he has taken lonely positions, although by nature he is not a loner. Indeed, he gets along so well with conservative colleagues who differ with him ideologically that they often support the kind of pioneering legislation that Nelson regularly introduces.

Interest is currently focused on him because of the controversy over the dubious sale of American arms to Jordan, a White House proposal that would have gone through without a hitch had it not been for a bill quietly and successfully sponsored by Sen. Nelson last December.

The new law gave Congress, for the first time in history, a voice in foreign military sales. It requires the administration to submit to Congress for possible veto any proposed arms sale exceeding $25 million. Congress then has 20 days in which to reject the sale.

Thus, the White House was required to inform Congress last month of its intention to sell 14 Hawk antiaircraft missile batteries, along with 500 missiles, to Jordan, supposedly for defense purposes. The deal was derailed when congressional challenge showed that such a large order, costing $350 million, would have given Jordan offensive capability against Israel.

The Nelson law made possible an inquiry by the Senate Foreign Relations Committee which discovered that the Joint Chiefs of Staff had unanimously held that Jordan could safely defend itself with only six Hawk batteries. That destroyed the administration's claim that 14 were needed.

Faced with certain defeat, the administration withdrew its proposal, although, under pressure from Jordan's King Hussein, it will probably soon be back with a much reduced plan when Congress reconvenes.

Meanwhile, Sen. Nelson, encouraged by the success of the Jordan action, is preparing to push additional legislation he has introduced that would give Congress an opportunity to evaluate in advance and set guidelines for U.S. foreign military sales on an annual basis.

The bill, which now has 14 senatorial cosponsors, would require the President to submit to Congress an annual report containing a forecast of the dollar amounts of foreign military sales contemplated for each country, as well as data on major weapons systems and major defense services to be transferred.

An explanation would also be required as to how proposed sales would be justified in terms of supporting U.S. foreign policy objectives, strengthening U.S. security and promoting world peace. In addition, the administration would have to show the impact of proposed sales on regional power balances, arms control negotiations, U.S. defense production capacity and war reserve stocks.

All this is the culmination of a decade's effort on Nelson's part to curb presidential war-making abuses and restore the constitutional powers of Congress in that area. Nelson was one of the first senators to oppose the Vietnamese war and former President Lyndon Johnson's effort to legitimatize the conflict through the infamous Tonkin Gulf Resolution.

Suspecting that Johnson might later construe the resolution as giving him a blank check to step up the war, Nelson, acting alone, tried to amend the legislation to guard against that eventuality.

He yielded, however, to former Sen. J. W. Fulbright, when the then-chairman of the Foreign Relations Committee assured him that LBJ had no such intention. Fulbright later acknowledged that he had been deceived, which led to a break in his relations with the former President.

Nelson was one of the strongest backers of the War Powers Act of 1973, which was intended to prevent the man in the White House from involving the armed forces in foreign conflicts without the advice and consent of Congress.

And Nelson was the only member of the Senate to protest when President Ford ordered the Navy, the Air Force and the Marines into action against Cambodia, without first getting the formal approval of Congress, at the time of Mayaguez hijacking last May.

There are a number of other senators who now wish they, too, had raised their voices over the Mayaguez episode, which finally cost more lives than it saved. Today there are a growing number of Americans who share the view Nelson had the courage to express at the height of the action. He said "I don't think we gave the negotiating process a fair trial."

WHOLESALE PRICES OF PETROLEUM PRODUCTS

Mr. MANSFIELD. Mr. President, the Bureau of Labor Statistics has released to the Senate Committee on Labor and Public Welfare certain pertinent data on the wholesale prices of various finished petroleum products showing the rise in prices both nationwide and by region.

I believe this information should be helpful to the Senate during its consideration of the energy issues presently before us.

I ask unanimous consent that this data be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

WHOLESALE PRICE AND INDEX, REGULAR GASOLINE AND NO. 2 HEATING OIL, UNITED STATES—JULY AND AUGUST 1975

[Price in cents per gallon]

	July 1975		August 1975	
	Average price [1]	Index [2]	Average price [3]	Index [2]
Regular gasoline [4]	35.7	201.3	37.8	213.2
No. 2 Heating oil [5]	28.4	246.3	28.9	250.7

[1] Average price determined in July 1975, from survey of refiners' volume of sales and revenues in June.

[2] February 1973=100.

[3] Average price determined in August 1975, from refiner's July data.

[4] Includes dealer tank-wagon sales to retailers; does not include refinery sales to jobbers or commercial customers or refinery transfers to company-owned retail outlets.

[5] Refinery company sales to resellers.

Source: Office of Prices and Living Conditions, U.S. Bureau of Labor Statistics.

WHOLESALE PRICE AND INDEX FOR REGULAR GASOLINE[1] BY CENSUS REGION—AUGUST 1975

[Price in cents per gallon]

Region	Base price [2] (July 1975)	Average price [3] (August 1975)	Index [4]
New England (Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut)	36.6	38.7	105.7
Middle Atlantic (New York, New Jersey, Pennsylvania)	36.2	38.1	105.4
South Atlantic (Delaware, Maryland, District of Columbia, Virginia, West Virginia, North Carolina, South Carolina, Georgia, Florida)	35.7	37.5	105.1
East North Central (Ohio, Indiana, Illinois, Michigan, Wisconsin)	36.1	38.6	106.7
West South Central (Arkansas, Louisiana, Oklahoma, Texas)	34.4	36.4	105.7
East South Central (Kentucky, Tennessee, Alabama, Mississippi)	35.6	37.5	105.2
West North Central (Minnesota, Iowa, Missouri, North Dakota, South Dakota, Nebraska, Kansas)	35.7	38.2	107.0
Mountain (Montana, Idaho, Wyoming, Colorado, New Mexico, Arizona, Utah, Nevada)	34.3	37.0	107.8
Pacific (Washington, Oregon, California, Alaska, Hawaii)	35.6	37.5	105.3

[1] Price data on dealer tank-wagon sales to retailers only; does not include refinery sales to jobbers or commercial customers or refinery transfers to company-owned retail outlets.

[2] Average price by region determined in July 1975 (the base period) from industry surveys of June 1975, transactions.

[3] Average price by region determined in August 1975, from survey of refiners' volume of sales and revenues in July.

[4] July 1975 index=100.

Source: Office of Prices and Living Conditions, U.S. Bureau of Labor Statistics, Sept. 9, 1975.

WHOLESALE PRICE AND INDEX FOR NO. 2 HEATING OIL[1] BY CENSUS REGION—AUGUST 1975

[Price in cents per gallon]

Region	Base price (July 1975)[2]	Average price (August 1975)[3]	Index [4]
New England (Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut)	28.8	29.3	101.8
Middle Atlantic (New York, New Jersey, Pennsylvania)	28.9	29.3	101.4
South Atlantic (Delaware, Maryland, District of Columbia, Virginia, West Virginia, North Carolina, South Carolina, Georgia, Florida)	28.3	28.8	102.2
East North Central (Ohio, Indiana, Illinois, Michigan, Wisconsin)	27.8	28.4	102.7
West South Central (Arkansas, Louisiana, Oklahoma, Texas)	27.7	28.4	101.8
East South Central (Kentucky, Tennessee, Alabama, Mississippi)	28.2	28.7	101.8
West North Central (Minnesota, Iowa, Missouri, North Dakota, South Dakota, Nebraska, Kansas)	27.8	28.3	101.8
Mountain (Montana, Idaho, Wyoming, Colorado, New Mexico, Arizona, Utah, Nevada)	28.5	28.9	101.4
Pacific (Washington, Oregon, California, Alaska, Hawaii)	28.0	28.6	102.2

[1] Price data on refinery company sales to resellers.

[2] Average price by region determined in July 1975 (the base period) from industry surveys of June 1975, transactions.

[3] Average price by region determined in August 1975, from survey of refiners' volume of sales and revenues in July.

[4] July 1975 index=100.

Source: Office of Prices and Living Conditions, U.S. Bureau of Labor Statistics, Sept. 9, 1975.

Wholesale price index middle distillate, diesel to commercial consumers*

	July 1975	*Aug. 1975*
U.S. (Feb. 73=100)	246.3	250.7
Census regions (July 75=100)	--- -	-----
New England	100.0	102.5
Middle Atlantic	100.0	102.3
South Atlantic	100.0	101.2
East North Central	100.0	102.7
West South Central	100.0	93.8
East South Central	100.0	100.7
West North Central	100.0	103.5
Mountain	100.0	105.2
Pacific	100.0	101.3

*The average prices for refined petroleum products are included in the WPI on a one month lag. For example, the August 1975 WPI price shown represents the average prices for July 1975.

Source.—Bureau of Labor Statistics.

Wholesale Price Index, middle distillate, fuel Oil No. 2 to resellers*

	July 1975	*Aug. 1975*
U.S. (Feb. 73=100)	246.3	250.7
Census Regions (July 75=100)	----	----
New England	100.0	101.8
Middle Atlantic	100.0	101.4
South Atlantic	100.0	102.2
East North Central	100.0	102.7
West South Central	100.0	101.8
East South Central	100.0	101.8
West North Central	100.0	101.8
Mountain	100.0	101.4
Pacific	100.0	102.2

* The average prices for refined petroleum products are included in the WPI on a 1 month lag. For example, the August 1975 WPI price shown represents the average prices for July 1975.

Source.—Bureau of Labor Statistics.

Wholesale price index, light distillate, commercial jet fuel, kerosene base*

	July 1975	*Aug. 1975*
U.S. (Feb. 73=100)	235.8	250.5
Census Regions (July 75=100)		
New England	100.0	102.8
Middle Atlantic	100.0	104.7
South Atlantic	100.0	109.5

Wholesale price index, light distillate, commercial jet fuel, kerosene base*—Continued

	July 1975	*Aug. 1975*
East North Central	100.0	101.4
West South Central	100.0	104.8
East South Central	100.0	100.5
West North Central	100.0	100.4
Mountain	100.0	-----
Pacific	100.0	-----

*The average prices for refined petroleum products are included in the WPI on a 1 month lag. For example, the August 1975 WPI price shown represents the average price for July 1975.

Source.—Bureau of Labor Statistics.

Wholesale Price Index, light distillate, kerosene to resellers*

	July 1975	*Aug. 1975*
U.S. (Feb 73=100)	234.8	238.8
Census Regions (July 75=100)	-----	-----
New England	100.0	100.9
Middle Atlantic	100.0	101.1
South Atlantic	100.0	101.4
East North Central	100.0	102.7
West South Central	100.0	100.7
East South Central	100.0	104.4
West North Central	100.0	102.5
Mountain	100.0	100.2
Pacific	100.0	99.0

*The average prices for refined petroleum products are included in the WPI on a one month lag. For example, the August 1975 WPI price shown represents the average prices for July 1975.

Source.—Bureau of Labor Statistics.

Whole Price Index, premium gasoline, commercial consumers*

	July 1975	*Aug. 1975*
U.S. (Feb. 73=100)	218.0	237.5
Census Regions (July 75=100)	-----	-----
New England	100.0	103.4
Middle Atlantic	100.0	105.8
South Atlantic	100.0	104.6
East North Central	100.0	104.4
West South Central	100.0	106.0
East South Central	100.0	104.2
West North Central	100.0	-----
Mountain	100.0	105.9
Pacific	100.0	103.3

*The average prices for refined petroleum products are included in the WPI on a 1-month lag. For example, the August 1975 WPI price shown represents the average prices for July 1975.

Source.—Bureau of Labor Statistics

Wholesale Price Index, premium gasoline sales to jobbers*

	July 1975	*Aug. 1975*
U.S. (Feb. 73=100)	211.5	224.0
Census Regions (July 75=100)	-----	-----
New England	100.0	106.4
Middle Atlantic	100.0	107.0
South Atlantic	100.0	106.6
East North Central	100.0	105.7
West South Central	100.0	107.2
East South Central	100.0	106.6
West North Central	100.0	-----
Mountain	100.0	106.7
Pacific	100.0	104.7

*The average prices for refined petroleum products are included in the WPI on a 1-month lag. For example, the August 1975 WPI price shown represents the average prices for July 1975.

Source.—Bureau of Labor Statistics.

Wholesale Price Index, premium gasoline, dealer tankwagon to retail outlets*

	July 1975	*Aug. 1975*
U.S. (Feb. 73=100)	184.8	194.3
Census Regions (July 75=100)	-----	-----
New England	100.0	106.1
Middle Atlantic	100.0	105.8
South Atlantic	100.0	104.6
East North Central	100.0	105.8
West South Central	100.0	105.6
East South Central	100.0	104.4
West North Central	100.0	105.8
Mountain	100.0	104.6
Pacific	100.0	104.6

* The average prices for refined petroleum products are included in the WPI on a 1 month lag. For example, the August 1975 WPI price shown represents the average prices for July 1975.

Source.—Bureau of Labor Statistics.

Wholesale Price Index gasoline regular, dealer tankwagon to retail outlets*

	July 1975	*Aug. 1975*
U.S. (Feb 73=100)	201.3	213.2
Census Regions (July 75=100)	-----	-----
New England	100.0	105.7
Middle Atlantic	100.0	105.4
South Atlantic	100.0	105.1
East North Central	100.0	106.7
West South Central	100.0	105.7
East South Central	100.0	105.2
West North Central	100.0	107.0
Mountain	100.0	107.8
Pacific	100.0	105.3
U.S. (Feb 73=100)	200.3	213.3

*The average prices for refined petroleum products are included in the WPI on a 1 month lag. For example, the August 1975 WPI price shown represents the average prices for July 1975.

Source.—Bureau of Labor Statistics.

Wholesale Price Index regular gasoline commercial consumers*

	July 1975	*Aug. 1975*
U.S. (Feb. 73=100)	230.9	243.7
Census Regions (July 75=100)	-----	-----
New England	100.0	105.0
Middle Atlantic	100.0	106.0
South Atlantic	100.0	106.5
East North Central	100.0	105.7
West South Central	100.0	107.6
East South Central	100.0	105.5
West North Central	100.0	106.3
Mountain	100.0	105.5
Pacific	100.0	103.8

*The average prices for refined petroleum products are included in the WPI on a one-month lag. For example, the August 1975 WPI price shown represents the average prices for July 1975.

Source.—Bureau of Labor Statistics.

Wholesale Price Index regular gasoline sales to jobbers*

	July 1975	*Aug. 1975*
U.S. (Feb. 73=100)	235.8	252.3
Census Regions (July 75=100)	-----	-----
New England	100.0	107.1
Middle Atlantic	100.0	106.6
South Atlantic	100.0	108.1
East North Central	100.0	107.0
West South Central	100.0	107.6
East South Central	100.0	107.7
West North Central	100.0	107.0
Mountain	100.0	104.0
Pacific	100.0	104.5

*The average prices for refined petroleum products are included in the WPI on a 1 month lag. For example, the August 1975 WPI price shown represents the average prices for July 1975.

Source.—Bureau of Labor Statistics.

U.S. WHOLESALE PRICE INDEXES[1]

[February 1973=100]

Description	December 1974	January 1975	February 1975	March 1975	April 1975	May 1975	June 1975	July 1975	August 1975
Gasoline, regular dealer tankwagon to retail outlets	176.4	177.5	179.1	181.1	181.9	187.0	193.8	201.3	213.2
Gasoline, regular, sales to jobbers	196.9	200.1	201.6	204.5	209.4	215.4	225.0	235.8	252.3
Gasoline, regular, commercial customers	195.0	198.9	205.0	205.1	206.4	214.3	222.1	230.9	243.7
Gasoline, premium, dealer tankwagon to retail outlets	163.4	165.0	165.9	167.3	168.4	172.6	178.2	184.8	194.3
Gasoline, premium, sales to jobbers	182.7	180.4	185.0	187.9	189.7	194.9	202.6	211.5	224.0
Gasoline, premium, commercial consumers	189.7	189.6	193.4	192.6	194.0	200.9	209.1	218.0	227.5
Light distillate, kerosene to resellers	230.4	228.8	227.0	225.6	227.7	231.7	233.8	234.8	238.8
Light distillate, commercial jet fuel, kerosene base	210.7	206.8	220.8	228.8	227.1	233.3	236.9	235.8	250.5
Middle distillate, fuel oil No 2 to resellers	243.6	243.3	242.4	238.7	238.1	240.3	241.9	246.3	250.7
Middle distillate, diesel to commercial consumers	239.1	237.6	235.7	235.4	236.8	236.1	243.8	246.3	250.7
Residual fuel, cargo sales to resellers	306.4	359.8	307.0	314.4	318.2	292.5	291.3	285.7	298.6
Residual fuel, sales to electric utilities									

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[1] The average prices for refined petroleum products are included in the WPI on a 1-month lag. For example, the August 1975 WPI price index shown represents the average prices for July 1975.

Source: Bureau of Labor Statistics, Washington, D.C.

U.S. WHOLESALE PRICE INDEX—AVERAGE PRICES[1] FOR SELECTED REFINED PETROLEUM PRODUCTS

[Average price per gallon in dollars]

Description	December 1974	January 1975	February 1975	March 1975	April 1975	May 1975	June 1975	July 1975	August 1975
Gasoline, regular dealer tankwagon to retail outlets	0. 312	0. 314	0. 317	0. 320	0. 322	0. 331	0. 343	0. 357	0. 378
Gasoline, regular, sales to jobbers	. 265	. 269	. 271	. 275	. 282	. 290	. 303	. 317	. 339
Gasoline, regular, commercial consumers	. 300	. 306	. 315	. 315	. 317	. 329	. 341	. 351	. 370
Gasoline, premium, dealer tankwagon to retail outlets	. 343	. 346	. 348	. 351	. 353	. 362	. 374	. 388	. 408
Gasoline, premium, sales to jobbers	. 292	. 288	. 296	. 300	. 303	. 312	. 324	. 343	. 363
Gasoline, premium, commercial consumers	. 324	. 323	. 330	. 329	. 331	. 343	. 357	. 372	. 388
Light distillate, kerosene to resellers	. 293	. 291	. 289	. 287	. 290	. 295	. 298	. 299	. 304
Light distillate, commercial jet fuel, kerosene base	. 255	. 250	. 267	. 276	. 274	. 282	. 286	. 276	. 293
Middle distillate, fuel oil No. 2 to resellers	. 282	. 282	. 281	. 276	. 276	. 278	. 280	. 284	. 289
Middle distillate, diesel to commercial consumers	. 288	. 286	. 284	. 283	. 285	. 284	. 293	. 299	. 303

[1] The average prices for refined petroleum products are included in the WPI on a 1-mo lag. For example, the January 1975 WPI price shown represents the average prices for December 1974.

[2] Sample change.

Source: Bureau of Labor Statistics.

VETO OVERRIDE ESSENTIAL

Mr. KENNEDY. Mr. President, during the past month, the Library of Congress has completed five studies related to the economic impact of decontrol. These studies were prepared for my distinguished colleague, Senator HOLLINGS, and myself.

These studies point up the devastating economic impact of immediate decontrol which will occur unless we override the veto of S. 1849. The final report specifically rebuts the claims of the Federal Energy Administration that decontrol will be of little consequence. It is not only of some consequence, it is of enormous consequences if our concerns are to prevent double-digit inflation and additional unemployment.

The Library's findings are that the cost of decontrol will be some $21 billion in added direct costs and nearly double that figure in indirect costs.

The initial study examined the windfall profits tax proposal reported by the Finance Committee. It found that the bill as reported would have in reality meant that the oil companies would have received 68 percent of the profits and only 32 percent would have wound up in the Federal Treasury. Between 1976 and 1980, that would mean $50 billion in net oil company profits after taxes.

The second study demonstrated that removal of the tariff—both the tariff on imported products and the tariff on crude oil which the President's latest proposal would retain—could mean a $6.47 billion savings for American consumers.

The third study demonstrated that during the period from October 1973 to July 1975, increased energy prices sent a $96.5 billion energy shock into the economy. That study demonstrated that the $51 billion in direct added energy costs had, in fact, produced an additional $45.5 billion in indirect energy ripple costs as the prices of other products were boosted as well.

This ripple effect, which the administration consistently ignores, was higher than many economists have predicted. It showed a 90-percent ripple, meaning that for every added dollar in energy costs, there was a second 90 cents added to the prices of other products.

The fourth study examined the impact of any future OPEC price increases with prices decontrolled. It found that the impact on the U.S. energy bill would be 60 percent greater with prices decontrolled. Thus, with prices controlled, a $1.50 per barrel price hike would cause a $7.5 billion hike in the U.S. energy bill. With prices decontrolled, there would be a $12 billion hike in the U.S. energy bill.

The final study shows that FEA has severely understated the impact of decontrol.

Mr. President, I ask unanimous consent that these studies be printed in the RECORD.

There being no objection, the studies were ordered to be printed in the RECORD, as follows:

ANALYSIS OF SENATE FINANCE COMMITTEE DEREGULATION WINDFALL PROFITS TAX

1.0 Overview:

On July 30, 1975, Senator Russell B. Long proposed an amendment which would address the excess profits accruing to oil producers in the event that price controls under the Emergency Petroleum Allocation Act of 1973 expire. This act is scheduled to expire on August 31, 1975. A provision extending it (S. 1849) has passed both houses; however, the President has stated that he plans to veto this bill, raising serious concern that the act will expire.

Substantial amounts of crude oil and natural gas liquid incremental revenues will be recaptured in the initial 2 years of the windfall profits tax. However, upward coal and unregulated natural gas price movements under crude oil based fuels price leadership will add to the consumer energy bill. In 1976, total incremental cost to consumers of $26.7 billion (an annual rate) are forecast.

SUMMARY TABLE-PRODUCER CRUDE OIL AND NGL REVENUES AND TAXES

[In billions]

Year	Gross producer revenues and consumer costs	Total Treasury revenue	Net producer revenues
1976	$19.2	$12.7	$6.5
1977	18.3	10.4	7.9
1978	17.4	7.8	9.6
1979	16.5	5.9	10.6
1980	15.5	4.1	11.4

Source: Synopsis of tables 1, 2 and 3.

1.1 Provisions of the Long proposal:

The Long proposal contains the following elements:

1.1.1 Old oil:

Old oil, currently under price controls at $5.25 a barrel, will be subject to a nominal tax of 90 percent of the price in excess of $5.25. The amount of oil subject to the tax will decrease by 1½ percent a month, allowing a complete phase-out in 5 years and 7 months. Current old oil production averages 5.4 million barrels per day (mbd). The price will be subject to an "inflation" adjustment of ½ percent a month. No taxpayer will be subject to a tax which exceeds 75 percent of his net income from oil subject to the windfall profits tax (WPT).

1.1.2 New oil:

The Finance Committee has also proposed a parallel tax of 90 percent of the price of new oil in excess of $11.50 per barrel, roughly the pre-tariff price of uncontrolled domestic oil, which now sells at about $13. The $11.50 base price would be adjusted upward by ½ percent a month, converging on the $13.50 level by 1978.

1.1.3 Natural gas liquids (NGL):

Production of NGL (propane, butane, natural gasoline etc.) is currently under a different form of price controls from oil. These controls essentially freeze NGL products at 1972 levels (about 8½¢/gallon) and permit one for one pass through of actual cost increases. NGL sells for substantially under its market clearing price.

The Finance Committee amendment provides specifically for windfall taxation for only a one month period, with the understanding that a more comprehensive longer term plan will be worked out this Fall. In light of this uncertainty, the bulk of this effort centers on crude oil, although NGL is treated as an ancillary item. We have assumed that the incidence of taxation on NGL will be the same as that for crude oil during the after 1975 time frame.

1.1.4 Plowback credit:

A credit for up to 25% of windfall profits tax liability will be allowed for certain eligible investments, including intangible drilling costs, geological and geophysical expenditures, depreciable property used in oil extraction, operating costs in secondary and tertiary recovery and expenditures for pipelines used in gathering oil. Eligible investment will be limited to that amount which exceeds 40% of the revenue from the base price of old oil previously controlled.

Production from stripper wells (wells producing no more than 10 barrels a day) will be exempt from the tax. Stripper well production is not currently subject to price controls.

1.1.6 Rebates:

Credits against income taxes will be allowed on a per capita basis for individuals 18 and over. The per capita amounts mandated are $34 in 1975, $85 in 1976, $75 in 1977,

$63 in 1978, $52 in 1979, $42 in 1980 and $24 in 1981. These rebates will be reflected in withholding rates. The credit will be refundable for individuals who are not taxpayers. Funding for this rebate is based on the windfall profits and income taxes on decontrolled oil, plus the existing $2 tariff, on imported oil.

2.0 Assumptions and rationale:

The following assumptions are used throughout this study. These assumptions allow an estimate of the magnitude of producers' and government revenues from the deregulation profits tax proposals.

A $13.50 market clearing price is assumed to prevail domestically throughout this period under the influence of OPEC prices and the $2 tariff surcharge.

2.2 Assumptions about the plowback:

The WPT's effective rate is assumed to be 67.5%, fully reflecting the plowback credit of 25%. We estimate current petroleum investment to be in excess of $10 billion annually. The plowback threshold (40% of revenues from previously controlled old oil) would be $4.4 billion in 1976. Since we estimate that the credit would equal $3.2 billion (based on tabulations in Table 1) in 1976 if fully used, the oil industry has ample ongoing investment to make full use of the plowback credit. The limitation of the WPT to 75% of the net income from oil subject to WPT is assumed to have no impact.

2.3 Effective income tax rate on incremental revenues:

It is assumed that the 48% statutory tax rate is largely inapplicable to oil producers. There are two factors which reduce this rate substantially. These are the ability to write off 71% of capital investment in the year incurred,[1] and percentage depletion.

2.3.1 Expensing of exploration and development investments:

Far more significant than the percentage depletion allowance are the tax law provisions which allow 71% of exploration and development investment to be deducted during the year incurred. These provisions include the ability to expense costs associated with dry holes and the expensing of intangible drilling costs, a treatment substantially different from income tax treatment of most other industries where capital costs are matched with income.

Making the assumption that one-half of the post-WPT incremental decontrol revenue is invested in petroleum exploration and development, the effect is to reduce the 48% rate to about 31%. For example, in 1976 we estimate the profits on old oil after the windfall profits tax to be $7.70 billion. Assuming one half of this amount is reinvested and 71% deducted in the first year, taxable income is reduced by $2.73 billion ($7.70 billion X.5 X .71). Remaining taxable income is $4.97 billion ($7.70 billion minus $2.73 billion). The tax (at 48%) would have been $3.7 billion without this write-off; it is lowered to $2.39 billion by the deduction of $2.73 billion from taxable income. The effective tax rate is lowered to 31% ($2.4 billion divided by $7.70 billion). Case A estimates below are based on this 31% rate, adjusted for percentage depletion.

The question of what happens if 100% of incremental revenues from decontrol are invested must be raised. Using the 1976 example as above, we make this calculation: $7.70 billion X .71 equals $5.47 billion, which is tax deductible. $7.70 minus $5.47 times .48 yields a tax liability of $1.07 billion, for an effective tax rate of 14%. Case B estimates below are based on this 14% rate, also adjusted for percentage depletion.

Case C simply assumed a 48% marginal tax rate, adjusted for percentage depletion:

2.3.2 Percentage depletion:

In 1975, we estimate that from one quarter to one third of oil income will be eligible for percentage depletion. The partial repeal of percentage depletion in the Tax Reduction Act of 1975 was estimated to increase revenues by $1.7 billion, according to the Joint Committee on Internal Revenue Taxation and the Treasury Department. Tax analysts and Advocates, a public interest tax research organization, has estimated that total repeal of percentage depletion would increase revenues by $2.5 billion, suggesting that one-third of oil and gas remains eligible. Official estimates of the revenue loss for percentage depletion are $2.57 billion for 1975; however, this figure includes percentage depletion on hard minerals as well. Before the price rises for oil and gas, percentage depletion on oil and gas was estimated at around 80% of the total; this proportion would be higher today. Assuming that 90% of this estimate reflects oil and gas, the total revenue loss would be $2.3 billion, suggesting that about one-quarter of production is eligible.

If one-quarter of oil is subject to percentage depletion, the effective percentage depletion rate in the aggregate would be 5.5%, which, multiplied by the 48% statutory rate (to determine tax savings) would result in a 2.6 percentage point reduction in the tax rate. If one-third is eligible, the aggregate percentage depletion rate would be 7.3% which, multipled by the 48% rate, would result in a 3.5 percentage point reduction. The share eligible would decline during this period due to statutory reductions in the Tax Reduction Act of 1975. Choosing a midpoint estimate of 3.0 percentage points in 1975, the statutory reduction in the amount eligible for percentage depletion would reduce this amount by up to 0.3 percentage points a year, reaching 1.5 in 1980.

2.4 State and local income and severance taxes:

This analysis does not take into account the impact of State and local income and severance taxes. While these are likely to rise with decontrol, they will account for only a few percentage points, especially since they are deductible costs for purposes of the Federal income tax.

3.0 Methodology:

The mechanics of our analysis are displayed in Table 1, and the end results for Cases A, B and C are displayed in Table 2. The following describes these analytics in detail.

3.1 Table 1 computations:

The economics of computing the WPT revenues displayed in Table 1, are spelled out here on a column by column basis. The WPT is computed before the calculation of income tax on corporate profits.

3.1.1 Total production volume—Column 1:

The total volume of oil production upon which incremental producer revenues are calculated is displayed here. Starting from a 1975 base period of 5.4 mbd (which is carried through 1976), a decline of 300,000 bd per year in actual production volume is assumed.

It should be noted here, and will be reiterated subsequently, that old oil production in fact does not decline very quickly, and that it still produces revenues regardless of the mechanism by which this WPT proposal would theoretically have it decline.

TABLE I.—CRUDE OIL PRODUCER—REVENUES AND TAXES UNDER THE SENATE FINANCE COMMITTEE WINDFALL PROFITS TAX PLAN[1]

Year (1)	Total volume (million barrels per day) (2)	Gross incremental revenues from decontrol ((1) × 365 × $8.25) (Billions) (3)	Base subject to WPT (million barrels per day) (4)	Adjusted base price (5)	$13.50 minus Adjusted base price (6)	WPT ((3) × (5) × 365 × .675) (billions) (7)	Before (income) tax profit (Billions) (8)
1976:							
Old	5.4	$16.3	4.4	$5.57	$7.93	$8.60	$7.70
New	2.9		2.9	12.19	1.31	.93	
Total	8.3	16.3				9.53	
1977:							
Old	5.1	15.4	3.5	5.88	7.62	6.57	8.83
New	3.0		3.6	12.88	.62	.55	
Total	8.1	15.4				7.12	
1978: Old	4.8	14.5	2.5	6.20	7.30	4.5	10.0
1979: Old	4.5	13.6	1.5	6.51	6.99	2.6	11.0
1980: Old	4.2	12.6	.5	6.83	6.67	.8	11.8

[1] See text for full explanation of assumptions.

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[1] For the basis of assuming a 71% write-off, see statement by William E. Simon, then Acting Secretary of the Treasury, in Financial Requirements of the Nation's Energy Industries, Hearings before the Committee on Interior and Insular Affairs, U.S. Senate, March 6, 1973, p. 241.

TABLE H.—CRUDE OIL PRODUCER INCOME TAXES AND NET REVENUES

Year	Preincome tax revenues	Percentage point reduction in effective tax rate due to percentage depletion (billions)	Case A		Case B		Case C	
			Income tax (31 percent reduced by col. 2 (billions)	Producer net revenues (billions)	Income tax (14 percent reduced by col. 2) (billions)	Producer net revenues (billions)	Income tax (48 percent reduced by col. 2) (billions)	Producer net revenues (billions)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1976:								
Old	7.70		$2.18		$0.87		$3.49	
New			(.26)		(.11)		(.42)	
Total		$2.7	1.92	$4.85	.76	$6.01	3.07	$3.70
1977:								
Old	8.83		2.53		1.02		4.03	
New			(.16)		(.06)		(.25)	
Total		2.4	2.37	5.91	.96	7.32	3.78	4.50
1978: Old	10.00	2.1	2.89	7.11	1.19	8.81	4.59	5.41
1979: Old	11.0	1.8	3.21	7.79	1.34	9.66	5.08	5.92
1980: Old	11.8	1.5	3.48	8.32	1.48	10.32	5.49	6.31

Source: Authors' computation

3.1.2 Gross incremental revenues from decontrol—Column 2:

Gross receipts of oil producers stemming from decontrol are calculated here, based on multiplication of daily old oil production in Column 1 times 365 times $8.25. This figure is the difference between the market clearing $13.50 rate and the currently controlled $5.25 rate.

3.1.3 Base subject to windfall profits tax—Column 3:

The base quantity subject to the WPT is calculated here under the decline provisions specified by the amendment. Some actual physically old oil has been reclassified as new oil under these provisions, since the specified decline rate is faster than the physical decline rate.

Also, stripper well production of 1 mbd has been excluded from these totals, and this level is maintained throughout the time frame.

3.1.4 Price subject to the WPT—Columns 4 and 5:

In accordance with the specifications of the amendment, the amounts per barrel which would be associated with a WPT are computed in these two columns. Column 4 shows the adjusted base price and Column 5 shows the difference between that price and $13.50, upon which the WPT is based.

3.1.5 Windfall profits tax revenues—Column 6:

Here Column 3 is multiplied by Column 5 (and by 365 days per year) to get gross revenues subject to the WPT, which is multiplied by .675, the effective rate at which windfalls are taxed.

3.1.6 Before (income) tax profit—Column 7:

Revenues accruing to producers after payments of the WPT are tabulated here. These are the input to Table 2 below, which contains estimates of government revenue and producer income for each of three cases.

3.2 Table 2—Computations of producers' income taxes and net revenues:

For each case, effective income tax marginal rates and net revenues have been calculated over the time frame, using the assumptions described above. Income tax revenue gains will occur from additional profits on old oil. These gains will be offset slightly by reduction in income tax revenues on new oil due to the application of the WPT on this oil (the windfall profits tax reduces net new oil revenues which will reduce the income tax base). These offsets will occur in 1976 and 1977, when the WPT has an impact on new oil. Producers' net revenues are determined by subtracting WPT and income tax liabilities from gross revenues.

3.3 Which case to choose:

The use of a 48 percent marginal income tax rate for oil producers is unrealistic. In reality, the most likely estimate of a marginal tax liability lies between Case A and Case B; the mid-point is used in our summary table, p. 1.

4.0 A role for natural gas liquids—Table 3:

NGL production is assumed to stay constant at its current 1.6 mbd production level throughout this analysis time frame.

We have also assumed that price increases will average $5 per barrel, increasing from roughly the present $5 area to about $10 per barrel with decontrol. This assumption is made in light of very sparse and non-homogeneous data on current prices, and as such, represents a crude estimate.

4.1 Producer revenues from NGL decontrol:

The gross revenue calculation for NGL decontrol is 1.6 million barrels per day times 365 times $5, which yields $2.9 billion annually in producer revenues and consumer costs.

4.2 NGL revenues tax yield:

Table 3, below, shows producers revenues, the incidence of total (WPT plus income tax) taxation, tax revenues accruing to the treasury and net revenues accruing to producers.

TABLE 3.—NGL TAXATION AND REVENUES

Year	Gross to revenue producers (billions)	Total effective tax rate on old crude decontrol revenue (percent)	Treasury's revenues (billions)	Producers' net revenues (billions)
1976	$2.9	62	$1.8	$1.1
1977	2.9	54	1.6	1.3
1978	2.9	45	1.3	1.6
1979	2.9	36	1.0	1.9
1980	2.9	26	.8	2.1

Source: Authors' estimates.

5.0 Costs to energy users:

This paper assumes for analytical purposes that the windfall tax proposal will be enacted in the face of the expiration of the Emergency Petroleum Allocation Act of 1973. In this event, consumers will experience higher petroleum product prices, set under OPEC's price leadership. And, because oil fuels exercise price leadership over much of this nation's other energy sources, the prices of coal and intrastate natural gas (which is not regulated) can be expected to rise in parallel with the increase in price of the average barrel of refined oil fuels.

5.1 Status quo and decontrol costs for crude:

At this juncture, the average crude cost is composed of the composite of controlled old oil, imported crude and uncontrolled domestic oil. Our national crude bill is composed of these elements:

Old crude=5.4 mbd X 365 X $5.25=$10.3 per barrel.

"New" crude=2.9 mbd X 365 X $13.50=$14.3 per barrel.

Foreign crude=6.5 mbd X 365 X $14.50=$34.4 per barrel.

Total: $59.0 per barrel.

This $59.0 billion, divided by 5.4 billion bbls annual crude consumption, yields an average crude price of $10.96/bbl.

Under immediate decontrol, old oil would by 1976 jump to $13.50, an increase of $8.25/bbl, equal to a $16.3 billion escalation (5.4 mbd X 365 X $8.25) in the price of crude and hence in oil fuel users bills. A barrel of crude will now cost $59.0b+$16.3b/5.4 bil. bbls=$13.94, a jump of $2.98/bbl, or $7.1c per gallon of typical refined product. This assumes a one-for-one crude cost pass through to refined production. In any case, consumers will be paying $16.3 billion more annually for the same amount of crude.

5.2 Effect of decontrol on intrastate natural gas:

Oil fuels price leadership can be expected to steadily escalate unregulated natural gas to a new Btu parity level with average priced crude based fuels. Assumptions here are:

11 bil. mcf/year in unregulated gas sales.

A gal/oil Btu equivalence rate of 1 mcf=.17 bbl.

30% of gas is sold under contracts which prohibit price hikes.

Hence we can calculate that decontrol will increase the cost of natural gas by $3.9 billion yearly (70% × 11bMcf × .17 × $2.98).

5.3 Effect of decontrol on coal:

A similar calculation is in order for coal as has been performed for gas above. The parameters at work here are:

600 mil. ton/year in domestic coal consumption.

4 to 1 Btu parity rate with oil; 1 ton of coal=4 barrels of heavy oil fuel.

Because coal is an inferior fuel to oil and because of the action of long term contracts, this Btu convergence process will only be 50% effective in 1976.

The oil price effect on coal may be calculated therefore as $3.6 billion (600 mil tons × 4 × 50% × $2.98).

5.4 Cost consolidation:

Adding the three aggregate price increases above, we have:

	Billion
Crude oil	$16.3
Natural gas	3.9
Coal	3.6
NGL	2.9
Total	26.7

This will be the annual cost of fuel increases to consumers in 1976, the first full year in which all decontrol impacts are felt. During 1976, refunds to taxpayers are estimated at $12.3 billion.

Nevertheless, energy prices will have risen $27 billion, directly adding over 1½ percentage points to the price level of a $1.6 trillion GNP. If ripple effects were to enlarge the price increases by 50%, as CRS and JEC econometric modeling experiments indicate, the cost of decontrol would be amplified to over $40 billion, or 2½ percentage points of inflation, a large figure relative to the most optimistic tax offset estimates. "Energy shock", the impact of sudden energy price increases on macroeconomic variables such as employment and GNP, will be unavoidable. Even with the offset of recycled income taxes and the WPT, sudden decontrol will result in ½ to a full percentage point higher unemployment and as much as 2 percentage points lower real GNP.

THE LIBRARY OF CONGRESS,
CONGRESSIONAL RESEARCH SERVICE,
Washington, D.C., August 13, 1975.

To: Hon. Edward M. Kennedy and Hon. Ernest F. Hollings.
From: Economics Division.
Re: Removal of Tariff Surcharge.

This memorandum is in response to your request for an estimate of the savings to fuel users stemming from the court decision prohibiting the imposition of the $2 tariff surcharge levied by the Administration. The figures estimated here are annual rates, and represent actual and potential savings inasmuch as the tariff surcharge(s) have not been in place for a long enough period for the effect of higher oil fuel prices to flow through fully to coal and intrastate natural gas.

Tariff removal will prevent coal and gas price increases which are just beginning to happen and which would not be fully effective for several months. Therefore some of the savings to fuel users estimated below represent avoidance of costs which have not yet accrued but could accrue over the next several months if the tariff surcharge(s) remain in force.

A key assumption made here is that tariff removal will/would result in one for one price reductions by fuel producers to end users, an assumption open to considerable question.

1.0 Crude oil import surcharges:

The President levied tariff surcharges on imported crude oil totaling $2.00 per bbl. These were composed of a $1.00 levy in February and a second $1.00 imposed in June. In addition, a 21c/bbl duty had been in force for two years, and was imposed on about half of our crude oil imports. Both the two $1.00 levies and the 21c levy were invalidated in the recent court decision.

With crude imports averaging 4.1 mil. bbls/day (mbd), savings may be calculated as:

For the $2 surcharge: 4.1 mbd × 365 × $2.00=$3.00 bil annually.

For the 21c levy: 2.0 mbd X 365 X $0.21=$.15 bil.

1.1 Imported product duty:

Imported refined products are treated differently under the over-turned duties than unrefined crude oil. A 63c/bbl duty had been in force for two years and an additional 60c had been imposed in June, with the addition of the second $1.00 crude surcharge. Product imports presently flow at 2½ mbd.

Savings from the removal of a total $1.23 per refined barrel are:

2.5 mbd × 365 × $1.23=$1.12 billion yearly.

1.2. Import duty effect on uncontrolled domestic crude:

Imported crude oil is the energy price leader for all domestically produced fossil fuels. Uncontrolled domestic crude prices are determined under the price umbrella of the landed cost of foreign crude.

The 2.9 mbd of uncontrolled domestic crude are now, after a 2–3 month equilibration period beginning to sell at a tariff induced $2 premium over their pre-tariff (January 1975) price, reflecting this price leadership.

Tariff removal will have an average of $2.10 per bbl ($2.00+½ of $.21), or a total of $2.10×2.9 mbd×365=$2.22 billion annually.

1.3 Total oil savings:

Summing the above estimates, import savings of $4.27 bil and total oil saving of $6.47 bil are calculated. With total oil fuel consumption running at 5.4 billion bbls/year, this amounts to $1.20 per average bbl or 2.9¢ per typical gallon of crude oil based fuel.

2.0 Unregulated natural gas savings:

Oil's price leadership determines unregulated gas prices, with some lag and some interference from price limiting contracts. With an estimated 11 billion Mcfs (1000 cubic feet) sold outside FPC regulation, and a Btu parity ratio between gas and oil of .17 bbl heavy oil fuel=1 Mcf of gas, a calculation can be made employing the $1.20/bbl saving computed in Sec. 1.4 above. One other key variable will be the fact that an estimated 30% of this gas price fluctuation will be suppressed by the action of long term contracts. Savings are estimated as 11 bMcf×.17×70%×$1.20=$1.57 billion yearly.

These are, to a large extent potential savings, since the mechanics of oil's price leadership contain lags which have caused the tariff surcharge's effect to flow through slowly, and at this time, not completely.

3.0 Coal prices:

In a manner similar to oil's price influence on unregulated natural gas, coal prices will be influenced by the tariff's removal lowering competitive oil fuel prices. Price limiting contracts play a role in slowing oil induced coal price hikes.

Imperfect substitutability will be an additional factor here, causing oil-coal pricing to be less than a one-for-one relationship. An arbitrary assumption made in this light is that, at least for the near term, only 50% of the oil price change will impact coal. In terms of Btu parity, one ton of coal equals about four bbls of heavy oil fuel. 1975 domestic coal consumption is estimated to be 600 million tons. Hence, savings are computed as 600 mil tons×$1.20×4×50%=$1.44 billion. This represents, once more, a largely potential saving—the avoidance of future higher coal prices that are just starting to equilibrate upward to tariff-increased, OPEC-determined oil price parity levels.

4.0 Summary:

Total energy price reductions, both actual decreases and the avoidance and rollback of increases which are beginning to take place, of an estimated $9.5 billion annually may be realized by tariff removal. If fully passed on to energy users, this saving could repeal ⅔ of a percentage point of recently past and near future inflation.

No doubt even small inflation rollbacks and avoidance will have salutary effects on employment and real income.

LAWRENCE KUMINS,
Analyst in Energy Economics.

THE LIBRARY OF CONGRESS,
CONGRESSIONAL RESEARCH SERVICE,
Washington, D.C., September 2, 1975,

To: Hon. Edward M. Kennedy and Hon. Ernest F. Hollings.
From: Economics Division.
Re Post Embargo Macroeconomic Impact of Energy Price Increases and Implications Regarding Old Oil Decontrol.

1.1 Introduction:

This is in response to your request for an examination of the nation's experience with energy price increases, and a delineation of implications which can be drawn from this history with regard to the present decontrol matter. Most of this analysis is based on CRS simulations using the Data Resources Inc. (DRI) quarterly macroeconomic model. Variables on which attention was centered are prices, GNP and unemployment. The time period focused on was 4th quarter, 1973, to 2nd quarter, 1975. (Because of time constraints, these results must be viewed as preliminary, since complete crosschecking for internal consistency has not been completed, but we do not anticipate any serious adjustments will be necessary.)

This analysis suggests, in broad terms, that increases in energy prices were the primary force causing the recession to be as deep as it has been. But for those increases, the recession appears likely to have been, at most, a mini-recession.

There is no hard proof that future price increases will have similar effects, but our estimates are based on the likelihood of comparable forces generating comparable results.

None of the estimates is intended to provide precisely accurate figures. But this paper attempts to present the approximate order of magnitude of past and prospective changs in prices, incomes and employment.

2.1 The magnitude of energy price increases:

Since late 1973, not only oil fuel prices, but coal and unregulated natural gas prices have risen, under oil fuels' price leadership. These price increaes, totaling $51 billion, are recapped below. They are the principal propellant behind 1974's and the first half of 1975's energy price inflation.

2.1.1 Domestic crude oil increases:

Crude oil prices were originally controlled under Cost of Living Council (CLC) regulations at $4.25 per bbl. "New" oil was decontrolled in August, 1973. It began to rise and has continued to increase subsequently without letup.

Under the $2.00 tariff surcharge, uncontrolled domestic crude sold for over $12.50 at the end of the second quarter of 1975. An average of 3 million bbls per day (mbd) were involved over the 4th Q 1973—2nd Q 1975 time frame. At an annual rate, costs here may be computed as: 3 mbd × 365 × ($12.50−$4.25), or a total of $9.0 bil per year.

2.1.2 Old oil increase:

Without analytically detailed rationale, CLC, just before its merger into FEA, increased "old" oil prices by $1.00 per bbl, from $4.25 to $5.25. About 5.5 mbd were involved during the period under consideration. Here costs are estimated roughly at an average annual rate of $2.0 billion (5.6 mbd × 365 × $1.00).

2.1.3 Gasoline Dealer Margins

The Emergency Petroleum Allocation Act, now expired, gave the FEA authority to regulate fuel dealers' margins. Early on, FEA raised gasoline dealers margins from a traditional 7¼¢ per gallon to 11¢. Subsequently, this figure eroded slightly to average an estimated 10¢ over our analytic time frame. About 100 million gallons annually are affected. A simple cost estimate here is 100 mil gallons × (10.0¢−7.25¢)=$2.8 billion annually, on average.

2.2.1 Imported crude and refined products:

Foreign oil increased from a pre-embargo $4.00 or so per bbl, to a 2nd Q 1975 average price to $14.00 under the new tariffs. Roughly, 6.5 mbd of crude and foreign refined products embodying this expensive crude are involved. An easy cost calculation to make here is:

6.5 mbd × 365 × ($14.00−$4.00)=$23.7 billion, again at an average annual rate.

3.1 Unregulated natural gas:

Oil has a clear cut role as energy price leader. As such, it has escalated unregulated natural gas prices. About 11 tril. cubic feet (or billion Mcf's) are involved in intrastate sales not jurisdictional to the FPC—either directly by producers at the wellheld or by interstate pipelines to intrastate customers. Prices have increased from about 55¢ per Mcf (1000 cubic ft.) to an estimated $1.40 current average. Absolutely no data is available at present on intrastate prices, and these figures represent crude estimates made on the basis of fragmentary press reports. Nevertheless, they probably are of the correct order of magnitude. Using them, we can make a rough estimate of gas' contribution to energy price inflation as:

11 bil Mcf × ($1.40−$.55=$9.4 bil at an average annual rate.

4.1 Coal prices:

In a similar manner to gas, coal is influenced by oil's price leadership. According to Federal Power Commission Form 423 statistics, covering about 60% of domestic coal consumption, coal prices climbed from an average of $9.10 per ton in October 1973 to $17.51 in April 1975 (the latest data available). Extrapolating this to roughly 450 million tons of annual domestic consumption of boiler fuel type, oil-competitive coal, we can calculate 450 million tons × ($17.51−$9.10)=$3.8 billion.

5.0 Consolidation:

In a rough way, the estimates made above delineate energy's inflationary contribution during the post embargo period under analysis. The estimated components are summed up here:

	Billion
Domestic uncontrolled crude	$9.0
Old oil increase	2.0
Gasoline dealer margins	2.8
Imported oils	23.7
Unregulated natural gas	9.4
Coal	3.8
Total	50.7

We can estimate that the dollar value of energy price increases was running at an annual rate of $51 bil at the end of our time frame. It is safe to say that, as this raw material increase flows through the economy the total inflationary contribution will be larger than $51 billion worth of annual inflation, and the energy shock drag on other macroeconomic variables will be proportionately larger.

6.1 Measuring energy shock:

Because post embargo macroeconomic statistics are history, the key question is what would have happened to the economy with virtually no energy price increases. To simulate this, the DRI quarterly macro model was run with virtually stable energy prices for the period already well documented with historical or actual macro data. The output of the model, simulating an economy with stable energy prices, can be compared with what actually happened under OPEC cartel energy pricing, which was allowed to infiltrate this country's energy markets.

6.2 Assumptions about energy prices:

Energy price changes are introduced into the DRI model via the Wholesale Price component for energy. For the simulation summarized below, the rate of increase for this component for the WPI was held to under 8 percent per year. The actual rate of increase was, of course, much higher. The 8% figure was estimated to be the secular trend in energy price increases during recent pre-embargo years.

6.3 Energy shock measured:

The results of the simulation of how key macro variables would have behaved without energy shock are compared with actual historical data below on a key variable basis.

6.3.1 Current dollar GNP:

Table 1 compares actual GNP with forecast GNP under energy price assumptions spelled out in Sec. 6.2. Note that this estimate implies that, without OPEC cartel energy price increases, current dollar GNP would have been over $100 billion higher (7% above actual) than it in reality was. This represents lost GNP due to the impact of higher energy prices.

TABLE 1.—CURRENT DOLLAR GNP (BILLIONS OF DOLLARS PER YEAR), WITH/WITHOUT ENERGY PRICE INCREASE

Quarter	With price increase	Without price increase	Percent lost
4, 1973	1,344	1,354	0.76
1, 1974	1,359	1,370	.81
2, 1974	1,384	1,386	.17
3, 1974	1,416	1,421	.33
4, 1974	1,431	1,458	1.90
1, 1975	1,416	1,489	5.10
2, 1975	1,440	1,541	7.04

6.3.2 Real GNP:

Real GNP, adjusted for inflation and stated in 1958 dollars, gives a more accurate picture of the economic performance, especially during periods of inflation. Table 2 compares actual data to data estimated on the basis of the above energy price assumptions.

TABLE 2.—1958 DOLLAR GNP (BILLIONS OF DOLLARS PER YEAR), WITH/WITHOUT ENERGY PRICE INCREASE

Quarter	With price increase	Without price increase	Percent lost due to price increase
4, 1973	846	855	1.1
1, 1974	831	851	2.5
2 1974	827	851	2.9
3, 1974	823	858	4.2
4, 1974	804	867	7.8
1, 1975	780	874	12.0
2, 1975	783	895	14.2

6.3.3 Unemployment:

Table 3 contains a tabulation of estimated unemployment compared with the actual. Note that by the second quarter of this year, as the lagged effects of energy shock are worked out, unemployment would have been 3.8 percentage points lower than it actually was. This implies that about 3.5 million more people would have been employed without energy shock.

TABLE 3.—UNEMPLOYMENT RATE WITH/WITHOUT ENERGY PRICE INCREASE

Quarter	With price increase	Without price increase	Percent points due to price increase
4, 1973	4.8	4.4	0.3
1, 1974	5.2	4.6	.6
2, 1974	5.1	4.8	.3
3, 1974	5.5	5.0	.5
4, 1974	6.6	5.2	1.4
1, 1975	8.4	5.2	3.1
2, 1975	8.9	5.1	3.8

6.3.4 Prices:

The broadest measure of price levels and changes in the GNP deflator, a price index which represents virtually all goods and services bought and sold. We have estimated what this price index would have been without energy price increases in Table 4 below.

TABLE 4—GNP DEFLATOR WITH/WITHOUT ENERGY PRICE INCREASES

Quarter	With price increase	Without price increase	Percent increase due to energy prices
4, 1973	158.9	158.4	0.3
1, 1974	163.6	161.1	1.6
2, 1974	167.3	162.9	2.7
3, 1974	172.1	165.6	3.9
4, 1974	178.0	168.2	5.8
1, 1975	181.6	170.4	6.6
2, 1975	183.9	172.3	6.7

Generally speaking, the nation's broadest price measure would be 6.7% lower had it not been for energy price increases.

7.1 Measuring the ripple effect:

Having measured the general order of magnitude of energy price increases above in Sec. 5.1, we can compare it to the overall dollar value of inflation due to energy price increases. Given the estimate that the total effect of energy shock was to raise the GNP deflator 6.7%, we can estimate that the dollar value of energy shock inflation was 6.7% of the 2nd Quarter 1975 current dollar GNP of $1440 billion (annual rate), or $96.5 billion. This represents total inflationary impact after most lags are worked out. It is composed of the primary inflationary component plus ripple.

With the primary effect estimated at $51 billion, we can say that the ripple factor is $96.5 bil./$51 bil. or about 1.9. By multiplying the amount of energy price increase by this 1.9 factor, total macroeconomic impact can be estimated at the end of about 6 quarters necessary for full impact to be felt.

8.1 Some extrapolations and implications for the future:

There is an overwhelming and dangerous temptation to generalize and speculate about the future impact of decontrol on energy price increases, based on the above analysis. A previous Economics Division paper prepared at your request estimates that energy prices will be $21 billion higher in 1976 under sudden decontrol (in a tariff-less environment) than they would be with extension of current price control which expired August 31.

8.2 Speculation on inflationary effect of decontrol:

This $21 billion worth of higher energy prices can be directly attributed to decontrol. With a 1.9 ripple factor, it becomes about $40 billion of inflationary contribution. In a 1976 economy with a $1.5 trillion GNP, the general price level will be raised by roughly 2.7 percentage points.

8.3 Speculation on unemployment:

We estimated that the $51 billion primary energy price increase resulted in 3.8 percentage points of unemployment after a 6 Quarter lag. If the $21 billion has proportionate effects, it is implied that decontrol's inflationary contribution will cause unemployment to be 1½ percentage points higher, equivalent to the loss of more than a million more jobs what would otherwise have been the case.

LAWRENCE KUMINS,
Analyst in Energy Economics.
WARREN E. FARB,
Economist.

THE LIBRARY OF CONGRESS,
CONGRESSIONAL RESEARCH SERVICE,
Washington, D.C., September 5, 1975.

To: Hon. Edward M. Kennedy and Hon. Ernest F. Hollings.

From: Economics Division.

Re: Comparison of OPEC Price Increase Impact With and Without Price Controls on Old Oil (Exclusive of Costs of Decontrol on Old Oil).

This is the response to your request for a brief comparison of the nation's energy bill under an OPEC price increase situation with and without price controls on old oil and natural gas liquids.

If OPEC raises its price by $1.00/bbl, new domestic crude production would also rise $1.00, because it is not controlled; old oil would not rise $1.00/bbl since it is controlled. However, if old oil were not controlled, this price-fixed crude would rise $1.00, matching the OPEC rise. However, this $1.00 rise in old oil does not include the extra costs that would come from decontrol of old oil, where the controlled price of $5.25 would rise to the uncontrolled tariff free price of new oil at $12.00.

In order to simplify, the impact of a $1.00 per barrel OPEC price hike has been considered here as a start. If one wishes to evaluate a larger OPEC escalation, say $2.00, he can simply multiply by 2 or whatever the appropriate factor might be for other increase estimates. This is done on Table 2.

Basic data used here are:

(a) Oil consumption:

5.2-mbd old plus 2.9-mbd new plus 6.7-imported: Total, 14.8-mbd.

(b) NGL:

1.6-mbd production.

.7 Btu parity ratio with oil.

(c) Coal:

500 million tons competitive with oil fuels.

50% responsive in short run to OPEC price escalation.

4 to 1 Btu parity ratio to oil.

(d) Natural Gas—Unregulated sales are 10 trillion cubic feet by both producers and otherwise FPC jurisdictional pipelines. Parameters are:

.17 Btu parity ratio.

70% responsive in short term.

Without price controls, all oil will increase by $1.00 under a $1.00 OPEC price increase. Costs here will be 14.8 mbd of oil×365×$1=$5.4 billion. With price controls, only 9.6 mbd will increase, costing 64.9% of $5.4 billion (9.6 mbd controlled divided by 14.8 mbd uncontrolled) or $3.5 billion. This $3.5 billion translates into about $0.65 per barrel in the controlled old oil situation.

NGL is estimated to increase proportionately on a Btu parity basis with oil fuels. Here costs should be $.4 billion (Btu parity .7×1.6 mbd of natural gas×365×$1) without controls, and nearly negligible because of the nature of NGL price controls.

Coal would behave in a manner fairly well related to crude oil, under the above base data assumptions. With full decontrol, coal prices will rise by (500 million tons×50%×4×$1) about $1.0 billion. With price controls, this figure would be reduced to $.65 billion.

A similar calculation is in order for natural gas. Here the full decontrol cost is estimated at 10 billion mcf×.17×70%×$1.00=$1.2 billion. Controls reduce this by 35%, to about $.8 billion.

In summary, this tabulation is made:

TABLE I.—$1.00 OPEC PRICE INCREASE EFFECT ON U.S ENERGY BILL

Fuel	Without controls on old oil	With controls on old oil
Crude	$5.4	$3.5
NGL	.4	.0
Caol	1.0	.7
Natural gas	1.2	.8
Total	8.0	5.0

TABLE II.—HYPOTHETICAL COST OF SELECTED OPEC PRICE INCREASES WITH AND WITHOUT OLD OIL PRICE CONTROLS (TABLE II BELOW EXTENDS THE EFFECTS ESTIMATED IN TABLE I ON A PROPORTIONATE BASIS)

Size of OPEC increase dollar per barrel	Cost without controls (billions)	Cost with controls (billions)
$1.00	$8.0	$5.0
$1.50	12.0	7.5
$2.00	16.0	10.0
$2.50	20.0	12.5
$3.00	24.0	15.0

Source: Derived from table I.

THE LIBRARY OF CONGRESS,
CONGRESSIONAL RESEARCH SERVICE,
Washington, D.C., September 9, 1975.

To: Hon. Edward M. Kennedy and Hon. Ernest F. Hollings

From: Economics Division.

Re: FEA Paper, *The Effects of Decontrol*, dated August 18, 1975.

This paper is in response to your request for a critique of the FEA August 18 study on old oil decontrol, cited above. Some of the areas where criticism may be made are addressed below. One general comment: I note that all forecasts presented by the FEA are derived from processes not described in their paper. There is no way that their methodology may be checked. Their prognostications emanate from a model whose parameters and mechanics are unknown to the reader, and no doubt contain numerous assumptions about which there may not be widespread agreement.

These assumptions are neither implicit nor explicit in the FEA paper. Furthermore, the model(s) generate forecasts that give the appearance of mathematical precision. For example, if the import price is $15.00 in 1985, and there are no controls, the prediction that domestic crude production will be 9.975 mbd (million barrels/day) gives the impression that forecasts can be made with exactness to the last one thousand b/d, ten years into the future. This illusion of mathematical precision in forecasting is, of course, questionable. To give the impression that oil consumption can be predicted as a function of various price levels, to the 1000th bbl is certainly tenuous. Moreover, to use this procedure to form the basis and justification for decision-making which will, over time, redistribute hundreds of billions of dollars from energy users to energy producers is hazardous.

Another point should be made here at the outset. The FEA paper, from time to time, refers to the "free market price of crude." But the fact is there is presently no free market for crude. Crude prices are largely, if not entirely, determined by the OPEC cartel on non-market bases with world and U.S. prices bearing no resemblance to free market prices. To discuss the "free" crude market is unrealistic and possibly misleading at best.

1.1 The economic impact of decontrol:

The FEA has estimated the cost of decontrol, and states that its cost is almost nil. Their analysis is based on a number of arguable assumptions. These are delineated here.

1.1.1 Tariff surcharge repeal offsets decontrol costs:

FEA asserts that the tariff repeal will offset most of decontrol's cost. Tariff repeal, however, is by no means certain. But more importantly, tariff repeal is not germane to decontrol—the two are independent with costs and benefits that are separate and should be measured separately. Under continued price controls, the savings of tariff repeal would have been flowed through to consumers, lowering prices about 3c/gal on average across the product mix. With decontrol, prices will be higher than they would have been by about 5.4c/gal (discussed later in this paper). Because prices may only increase 2.4c/gal with immediate decontrol, it does not mean that decontrol only costs 2.4c/gal.

Because there should be a 3c/gal rollback from tariff repeal, and this has not accrued to fuel users under decontrol, fuel users are 3c/gal less well off. This extra 3c/gal is therefore an opportunity cost to consumers, raising total decontrol costs to 5.4c/gal. But this opportunity cost is a real cost as well. Fuel prices rose throughout the first half of this year. With decontrol/no tariff, the country has, in effect, already paid for 3c of decontrol in the earlier part of 1975. And under decontrol/no tariff, this 3c—which should have flowed through to consumers in price reduction—will not.

It is further possible that one time cost pass-throughs of banked costs have raised some product prices, particularly gasoline, to the decontrol level already. While under price controls, these price increases would be rolled back after banked costs are used up; with decontrol these increased prices, which originally derived from banked costs, will probably remain. If they remain after banked costs are fully amortized, they then become costs legitimately attributable to decontrol—even though some product prices may not increase at all.

1.1.2 Other fuel's price increase:

The September 2, 1975 Economics Division paper prepared at your request delineated how coal and unregulated natural gas prices increased under oil fuel's price leadership in the post embargo environment. Recent history has documented these increases well, delineating energy market mechanisms which tend to equalize other fuels' prices with oil on a Btu equivalent basis. FEA has chosen to relegate these forces to the background, stating that long term contracts and over-pricing of residual fuel will eliminate any increase. While it is true that most gas and coal are under long-term contract, prices under these contracts are not really fixed, and substantial and frequent contract price escalation (escalator clauses are common practice in coal and gas contracts) is common. To overlook this potential for price increases is extremely optimistic.

1.1.3 Old oil production:

There is a great deal of confusion regarding exactly how much old oil is being produced now. And FEA has not helped clarify this matter because the most recent published figures on the old/new production ratio are last February's (61% old). Additional confusion is added by strange seasonal variation in this ratio—it is low in winter and highest in summer. For example, we estimate that current old oil production is about 5.2 mbd, 65% of the current 8.0 mbd production.

Some oil industry critics are also concerned that the drop in oil production during the past 4–5 months (about 400,000 b/d) has been caused by producers withholding old oil production in expectation of decontrol. Because old oil's value will more than double without controls, substantial incentive exists to withhold. If significant holdbacks are taking place, the 5.2 mbd old oil estimate could prove low by up to 300,000 b/d.

1.2.1 Macroeconomic impacts:

FEA's macro estimates of decontrol's impact are very small because they are derived from small initial fuel price increase estimates. They also embody a 90% windfall profits tax, which we found to have an effective rate of only about 66% for 1976 and an average rate of about 45% for the 5 years that the Finance Committee's proposal would be in effect. We assume that FEA has rebated only 45% of the $5.3B oil price increase estimated by FEA and not the $12.3B rebate spelled out in the Senate Finance Committee proposal. This, however, is not clear.

2.1.0 An alternative decontrol cost estimate:

Below are estimates of the individual cost elements of decontrol and some estimates of decontrol costs macro implications, made under what we believe to be more realistic assumptions.

2.1.1 Old oil price increase:

In a tariffless environment, old oil will converge on the landed cost of foreign oil, assumed to be $12.50/bbl. Old oil is controlled at about $5.25. In 1976, old oil production is estimated to decline 200,000 b/d, in line with its historically slow fall off. Costs to fuel users in 1976 (a leap year) will be 5.0 mbd × 366 × ($12.00 − $5.25) = $12.4B. With 1976 consumption at 5.5 billion bbls, this will add $2.25 to the average barrel of refined oil products (or about 5.4¢/gal).

2.1.2 Natural gas liquids (NGL):

NGL is price controlled under regulations very different from crude controls. As a result, NGL products such as propane, butane, ethane, etc., are underpriced well below market clearing levels. While FEA, which administers this price control program, has no idea of what NGL prices actually are, they are estimated to be at least $5.00/bbl below their market clearing level. With production at 1.6 mbd in 1976, costs here will be 1.6 mbd × 366 × $5 = $2.9 B.

With significant natural gas curtailments a certainty this winter, demand for these fuels will be substantial because of their close substitutability for gas. This could drive propane prices as high as 45¢/gal ($19.00/bbl) increasing this cost component substantially.

It should be noted that FEA ignores this cost element completely.

2.1.3 Natural gas:

About 10 B Mcfs (1000 cubic ft) of gas art sold outside FPC regulation, either in the intrastate market or as non-jurisdictional sales of interstate pipelines. Most of it is under long term contract and for this reason it has been assumed that 30% of the rise to Btu parity with oil fuels' price leadership will be suppressed. Using a gas/oil parity ratio of .17, this calculation can be made:

10B Mcf × $2.25 × .17 × 70% = $2.7 B

Gas is competitive with a wide variety of oil and NGL-based fuels, especially in the present curtailment situation wherein many industrial and commercial gas users will be forced to switch to light fuels. It is therefore likely that the full decontrol impact, less contractual price constraints, will affect gas in 1976 and cost the $2.9 billion estimated above.

2.1.4 Coal:

The FEA contention that coal is competitive only with residual fuel oil is well taken. But to say that residual has reached its full world price under FEA controls is a possible oversimplification speaking toward lax controls. A more accurate characterization of the situation would be:

About ⅓ of residual is imported as a refined product.

Of the other ⅔s, 60% is refined from old oil.

This 60% of the ⅔s domestic residual will increase by $6.75 (decontrol differential) per bbl under decontrol.

Hence residual will increase ½ (⅔) × $6.75, or about $1.70/bbl.

With 1976 oil competitive steam coal consumption estimated at 450 million tons, an estimated Btu equivalence ratio of 4 to 1 with residual, and long-term contracts and coal's lower rate of substitutability with oil suppressing ½ of 1976's price rise, this calculation may be made:

450 mil. tons × 4 × $1.70 × ½ = $1.5 B.

2.2.1 Macro effects:

In Sec. 2.1 above, about $20B of increased 1976 energy costs were forecast under sudden decontrol. Recapping costs estimated in Section 2.1, we have:

	Billion
Crude oil price increases	$12.4
NGL price increases	2.9
Unregulated natural gas price increases	2.7
Coal price increases	1.5
Total	19.5

Some of this increased cost has already occurred during the 2nd and 3rd quarters of 1975 through the workings of the tariff surcharge acting as a proxy for decontrol. Replacing the tariff with decontrol simply means that prices which went up before decontrol due to the defunct (although it is not defunct with 100% certitude) tariff, stayed up because of decontrol. Without decontrol and with the courts overturning the tariff, pricing regulations, if properly enforced, would have caused tariff derived price increases to be rolled back. They will not be under decontrol, and the costs which were attributable to the levies prior to September 1, now become attributable to decontrol.

Our September 2 paper for you, Macro-Economic Impact of Energy Price Increases and Implications Regarding Old Oil Decontrol, measured the effect of post-embargo energy price increases. It showed that, during the 3rd Q 1973—2nd Q 1975 time frame, $51B in energy prices caused $97 B worth of inflation and 3.8 percentage points of unemployment. Proportionately (if proportionality exists), we can say that over a 6 quarter or so period, with $20 B in energy price increases, no windfall profits tax since none has been enacted, 1½ percentage points of unemployment could be anticipated, as well as 2.7 percentage points of inflation as measured by the GNP deflator.

It should also be noted that FEA denies the existence of ripple effects. The September 2 CRS paper on this subject indicated that very substantial ripple effects were associated with the post embargo pricing experience.

3.1.0. The impact of doing nothing:

Section 2 indicates the cost of decontrol could be in the area of $20 B in primary energy price inflation, $40 B in total inflation and 1¼ million lost jobs. The FEA paper states that a 1977 six-month embargo, if no action is taken, will cost $24 B in lost GNP and 700,000 jobs.

4.1.0 Effects of decontrol on imports:

FEA has forecast import reductions based on production increases and demand reduction under the decontrol/no tariff plan.

4.1.1 Supply increases:

Supply at various price levels has been estimated with the Project Independence Evaluation System. A long run supply elasticity of +.93 (a 10% price increase yields 9.3% more production) is estimated, which seems high. Aside from the vicissitudes of precise forecasting with models mentioned earlier, there is the problem of making reliable estimates for 10 years hence regarding oil production, whose time shape does not dovetail well with real oil prices. Estimating price/supply response is further complicated by a history of stable prices and increasing production, as well as recent experiences with declining production and increasing prices, which yields few, if any, opportunities to measure historic price/supply relationships meaningfully. Again, a chief criticism of the FEA paper is that the assumptions and parameter estimates supporting supply projections are not available for scrutiny and there is no way in which to assess their validity.

4.1.2 Conservation:

Based on some not well quantified long run price elasticity estimates, and overlooking income elasticity (the fact that over a 10 year period people's incomes rise and they are able to buy more) FEA forecasts are implicitly made. Again, the actual mechanics and parameters underlying these estimates are not spelled out.

4.1.3. Net import savings:

The FEA estimates these savings elements to be the key benefits in 1977 from no tariff/decontrol:

Demand Reduction—480,000b/d saved.

Increased production (at $12.50/bbl import price)—191,000b/d more production.

Total Import Saving—671,000b/d.

This .671 mbd amounts to about 245 million bbls/year saved—a significant saving of oil as well as $3.1B in balance of payments savings. However, with 1977 decontrol cost still close to $20 B, these import savings average $82 for each bbl of foreign oil not consumed. The cost-benefit ratio here is not all that favorable.

LAURENCE KUMINS,
Analyst in Energy Economics.

WOODCOCK, SCHULTZE, AND SAWHILL CRITICIZE IMMEDIATE DECONTROL

Mr. KENNEDY. Mr. President, as chairman of the Energy Subcommittee on the Joint Economic Committee, I am releasing letters from Leonard Woodcock, president of the United Auto Workers; John Sawhill, former Federal Energy Administration director and now president of the New York University; and Charles Schultze, former director of the Bureau of the Budget and now a senior associate at the Brookings Institution.

These letters describe the serious economic consequences that will flow from the immediate decontrol of energy prices. By one stroke of the pen, by signing the 6-month extension now on his desk, the President could avoid the consequences of decontrol, consequences that will mean higher unemployment and higher prices for the citizens of Massachusetts and of the Nation.

It is evident that the costs of decontrol simply cannot be absorbed without massive dislocations to our economy, dislocations which not only mean cutting short economic recovery but also which insure double-digit inflation.

In Massachusetts, the effect of decontrol is to raise the direct costs of oil alone by nearly $250 million. When that impact ripples through the economy, we find it means nearly a $500 million cost to the State's economy.

In the Nation as a whole, the Library of Congress has found that the cost of decontrol—even with tariffs removed—would be $21 billion in direct costs and nearly $40 billion in total costs. This is more than $300 more for each family in Massachusetts and elsewhere in direct higher energy bills next year and double that amount when the costs of other products go up as well.

While the specific estimates differ as to the exact dollar costs—all observers concur that immediate decontrol will have dire economic consequences.

I ask unanimous consent that these letters be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

SEPTEMBER 4, 1975.

Hon. EDWARD M. KENNEDY,
Chairman, Subcommittee on Energy Economics of the Joint Economic Committee, U.S. Congress, Washington, D.C.

DEAR SENATOR KENNEDY: The nation must not be subjected to the rapid rise in oil prices that can be expected to occur if the President does away with controls by successfully vetoing the pending six-month extension. The UAW has urged the President not to veto that bill; as of today, he has not acted upon it, but reports indicate he will go ahead with his threat. In that event, it is imperative that the Congress override that veto, in order to prevent the predictable economic penalties and consequent human suffering.

It is ironic—in fact, tragic—that this possible action by the President might be taken now, when the economy finally shows some signs of recovery. The need now is for government actions which will stimulate and assist the recovery, not those which will obstruct it. This Committee has undoubtedly seen, so it is not necessary to repeat here, estimates (such as those recently prepared for the House Subcommittee on Energy and Power) showing the unemployment and inflation that would occur under the President's program. Certainly, the auto industry would be hard hit; it would not be alone, the entire economy would be affected. Large numbers of workers—some of whom have only recently been called back to work after long periods of unemployment—would be without jobs.

The country needs a national energy policy to deal with the fundamental problems involved. Over 18 months ago, the UAW put forth a comprehensive proposed "National Energy Program" built on five essential principles:

1. Providing a planned approach to energy decision-making.

2. Assuring democratic control of energy-related activities.

3. Diversifying our sources of energy.

4. Giving due regard to protection of the environment.

5. Improving conservation of energy utilization.

That Program has been presented in detail to the Joint Economic Committee (my 2/19/75 testimony) and other congressional committees. An essential feature of that Program is the establishment of a National Energy Production Board which would be charged with planning and executing a vigorous program to develop the nation's energy resources. I hope that this Committee will give favorable consideration to those proposals, because the Congress must adopt an energy policy that will be comprehensive and deal with the longer term—as well as the immediate—issues.

In the absence of such policy, we cannot accept the Administration's panacea of uncontrolled price. (It is noteworthy that just last week the Federal Power Commission made steps in that direction with regard to natural gas.) In a recent interview, the President is reported as having complained about the lack of warning concerning the economic disaster that occurred this past year. The UAW issued such a warning to the President at last year's "economic summit"; unfortunately, it was ignored. We sincerely hope our present warnings are not similarly ignored by the President or Congress: While the Congress is developing a satisfactory energy policy, controls must be retained—and in many areas strengthened—in order to avoid the disruptions that the President's program will cause.

Sincerely,

LEONARD WOODCOCK,
President, UAW.

DEAR SENATOR KENNEDY: In response to your request on behalf of the Joint Economic Committee, I am submitting this attached analysis of the economic effect of immediate oil decontrol. Since the economic impact of decontrol will depend on the world price of oil, I have included several alternatives, each one incorporating a different assumption about the future price of OPEC oil.

The analysis of the additional costs paid by energy users has been carried out in some detail, quarter-by-quarter over the next three years. The estimates of the inflation and unemployment consequences, however, are based on judgemental factors, using rough rules of thumb.

Unlike the estimates now being prepared by the Congressional Budget Office and several other groups, they are not based on a comprehensive economic model of the United States' economy.

Cordially,

CHARLES L. SCHULTZE.

ECONOMIC IMPACT OF OIL DECONTROL

The President has stated that if the current price controls on "old" domestic oil expire, he will remove the existing special fees on imports of crude and refined oil. I have estimated the increased costs which would be paid by users of energy under three alternative scenarios:

(1) Immediate decontrol, tariff removal, *no* increase in world oil prices.

(2) Immediate decontrol, tariff removal, *$1.00 per barrel* increase in world oil prices.

(3) Immediate decontrol, tariff removal, *$1.50 per barrel* increase in world oil prices.

Table 1, attached, summarizes the estimates of added costs to energy users of immediate decontrol under each of the three alternative scenarios. About 80 percent of these added costs would be paid by consumers, either directly for such products as gasoline and heating oil, or indirectly through higher costs for products which use oil and competitive fuels in their production. The remaining 20 percent would be paid by federal, state, and local governments, and by purchasers of U.S. export goods.

According to these estimates U.S. energy users would pay a significant, but not a huge increase in costs if decontrol were accompanied by tariff removal and if no increase in OPEC prices were forthcoming. An OPEC price increase substantially raises the cost of energy products, because with controls removed, and OPEC price increase raises not only import prices but also the price of the 60 percent of U.S. oil consumption which is produced domestically.

The unemployment effect of these added energy costs would depend on whether or not fiscal and monetary policy was used to affect the depressing influence of higher energy price. Because consumers have to pay more for energy, they have less to spend on other things. Hence consumer purchases decline. The added increases of domestic and foreign oil producers will not be immediately respent on purchasing of investment goods or U.S. exports. Jobs lost in the consumer goods industries will not be replaced by jobs in the investment goods or export industries. Higher energy prices also raise the dollar value of economic transactions which have to be financed and therefore increase the demand for money. Unless the Federal Reserve responds by raising the growth rate of the money supply, interest rates will rise, further depressing economic activity.

It is my rough judgement that scenario 1 (no OPEC price rise) would raise the unemployment rate by 0.2 percent after one year and by 0.3 to 0.4 percent after two years if no offsetting monetary and fiscal policies were carried out. The consumer price index would be increased by perhaps 0.5 to 0.6 percent one year from now and by 0.7 to 0.8 percent two years hence. About two-thirds of the price rise represents the direct effect of higher energy prices; the remainder is a conservative estimate of indirect effects through increases in wage rates induced by higher energy prices.

At the other end of the scale, scenario 3 ($1.50 OPEC increase) would probably entail an unemployment rise of 0.4 percent one year from now and a rise of 0.8 percent two years hence. The unemployment effect might be reduced thereafter, as the OPEC nations begin to spend some of their higher receipts on U.S. exports. The consumer price index would be increased by perhaps 1.5 percent by a year from now and by 1.8 to 2.0 percent after two years.

I strongly believe that some form of decontrol of "old" oil is necessary if the nation is to achieve its energy objectives. But that decontrol should be gradual. Moreover, U.S. domestic oil should, at least for the near future, be insulated from OPEC price increases, by the imposition of a ceiling on "new" oil. In my judgement the President's proposal of last month, for a 39 month decontrol period and a ceiling on new oil prices forms the basis for a desirable compromise. If the 39 month decontrol period could be lengthened to 48 or 60 months, and the new oil ceiling set at $11.50 with a 5¢ per month increase, much of the good effects of decontrol could be attained while substantially reducing the harmful side effects. Under such an approach, relatively modest monetary and fiscal actions could offset the remaining harmful effects on economic output, while the overall inflationary consequences would be small.

TABLE I.—ADDED COSTS PAID BY ENERGY USERS WITH IMMEDIATE DECONTROL AND TARIFF REMOVAL

Period	(1) No OPEC price increase	(2) $1 OPEC price increase	(3) $1.50 OPEC price increase
1976: 1st quarter	4.5	8	10
1976: 3d quarter	7.0	13	16
1977: 3d quarter	9.0	16	20
1978: 3d quarter	10.0	18	22

Assumptions: See text.

ASSUMPTIONS

The estimates in Table 1 are based on the following major assumptions:

(1) Increases in the price of crude oil are passed on dollar-for-dollar to final purchasers. It takes one year for this pass-through to be completed, with somewhat more than 50 percent taking place in the first half year.

(2) Domestic coal prices ultimately increase (on a Btu basis) by one-half of the dollar rise in average crude oil prices. Because of long term contracts the increase in coal prices occur gradually over a three year period and it takes one more year to pass the coal prices through to final users.

(3) No allowance is made for price increases in inter-state natural gas. Intra-state natural gas prices (on a Btu basis) rise by 75 percent of the dollar increase in average crude oil prices. It takes two years for this to occur, and one more year for a complete pass-through to final users.

(4) Rising prices for oil are assumed to reduce oil consumptions by an amount roughly offsetting the upward influence of economic recovery.

(5) Even with no decontrol the quantity of "old" oil will gradually decline, at 8 percent per year.

NEW YORK UNIVERSITY,
New York, N.Y., September 3, 1976.

Subject: Energy Pricing Policy
Hon. EDWARD M. KENNEDY,
Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR KENNEDY: I appreciate this opportunity to express my views on energy prices to the Joint Economic Committee. The subject is a difficult one; yet, it is important that the issue be resolved quickly so that consumers and businessmen can plan for the future with some assurance about the level and direction of energy prices.

There is no question that United States energy prices must increase to provide the necessary incentives for new domestic production and to discourage unnecessary and wasteful consumption. The alternative to high energy prices is for this country to become increasingly more dependent upon the rest of the world—particularly the Middle East and Africa—for oil. The energy crisis is not a crisis of supply, but a crisis brought on by our increasing dependence on unstable political regimes for a vitally important natural resource.

The real issues surrounding the current energy price controversy are:

1. How rapidly should energy prices rise?
2. Who should benefit and who should bear the cost of energy price increases?
3. What type of price regulation is needed in the future?

1. RATE OF PRICE INCREASE

FEA's Project Independence report concluded that a $8 per barrel price for petroleum (in 1975 dollars) would result in imports of about 12 million barrels per day by 1985 or about fifty percent of domestic demand.

On the other hand, if the price were $12.50 per barrel, imports would fall to about 3.3 million barrels per day or less than fifteen percent of domestic demand. The problem is that the higher price—which would do much to reduce our vulnerability to foreign imports—would slow down the rate of economic growth. Thus, we are presented with a dilemma. We cannot move rapidly to reduce petroleum imports by raising prices unless we are willing to sacrifice economic growth, and at a time when our economy is only in the early stages of a recovery, it is very difficult to take any action which will retard this recovery. These contradictory policy objectives—reducing energy vulnerability and accelerating economic recovery—have made it extremely difficult for Congress and the Administration to resolve the question of petroleum price controls. The Congress has opted for economic recovery and the Administration for reducing energy imports.

The solution appears to be a compromise designed to phase-in price increases over a period of time and thereby avoid the inflationary impact of sudden price changes. This solution would also help the independent segment of the industry (refiners and marketers) who would otherwise find it difficult to compete with those major oil companies who have substantial amounts of low-cost domestic crude.

2. DISTRIBUTION OF COSTS AND PROFITS

Higher oil prices can mean either windfall profits for the energy industry or greater tax revenues for the government, depending on whether the higher prices come about as the result of price decontrol or through the imposition of energy taxes such as a tax on gasoline. Congress must decide on the extent to which the energy industry needs the windfall profits which would result if the controls on "old" oil were removed. In making this decision, Congress must be cognizant of the fact that they removed one important source of capital for oil companies when they eliminated the depletion allowance last spring. At the same time they must also recognize that the costs of oil exploration and production have increased sharply in the last few years.

A gradual approach to price decontrol which permitted prices to increase to a ceiling level of $10–$11 a barrel over a period of several years would prevent the industry from realizing large windfall profits and, at the same time, give them the additional capital necessary to develop new sources of energy. If the Congress feels that prices for certain products (e.g. gasoline) should be even higher than would occur under a gradual decontrol plan, it could enact selective product taxes such as a gasoline tax and use the revenues to fund public transportation and increased energy research and development. Such a tax would be refunded to low-income groups and others who would suffer undue hardship.

3. FUTURE PRICE REGULATION

Many in the oil industry have argued that we should return to a "free market." The fact is, however, that there is no free market for oil. U.S. oil prices today and in the foreseeable future will be set by the OPEC cartel, and—because oil is such an important energy source—the level of oil prices will determine prices for other fuels as well. The question, then, is not whether we have a "free" market or a controlled market, but whether U.S. energy prices are set by the U.S. government or by the cartel managers.

The present two-tiered system of price controls has caused distortion in the market place. The solution, however, is not to abandon price controls, but to modify the system of regulation. The U.S. should move towards a single price for oil by (1) setting a ceiling price for new oil and (2) gradually increasing the quantity of oil permitted to sell at the higher price. In the past I have advocated that the rate of decontrol be set at 12–15 percent per year beginning in 1972 when the present control system was established. The 12–15 percent figure would conclude with the production decline rate from existing fields. The rationale for this approach is that it provides an incentive for producers to invest in secondary and tertiary recovery since any incremental production which reduces the decline rate can be sold at the "new oil" price.

I hope that Congress will consider the whole question of oil price decontrol within the broader context of all energy price regulation. Changes in oil prices will impact other energy prices as well, and it is important that we develop a national energy pricing policy as part of our over-all energy program. Congress might want to take a careful look at the price regulatory activities of the FPC and those of the FEA and consider whether some combination of these functions would lead to a more rational approach.

I appreciate the opportunity to comment on these questions and would be happy to provide further elaboration if you feel that would be helpful.

Sincerely,

JOHN C. SAWHILL.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

DIETHYLSTILBESTROL

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of the unfinished business, S. 963, which the clerk will state.

The legislative clerk read as follows:

A bill (S. 963) to amend the Federal Food, Drug, and Cosmetic Act to prohibit the administration of the drug diethylstilbestrol (DES) to any animal intended for use as food, and for other purposes.

The Senate resumed the consideration of the bill.

The PRESIDING OFFICER. The pending question is on the amendment by the Senator from Colorado (Mr. HART). The time on this amendment is limited to 10 minutes, to be equally divided and controlled by the Senator from Colorado and the Senator from Nebraska (Mr. CURTIS), with a vote thereon to follow immediately.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum. I ask unanimous consent that the time not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, what is the pending business?

The PRESIDING OFFICER. The amendment of the Senator from Colorado (Mr. HART), and the time limit is 10 minutes, to be equally divided between the Senator from Colorado and the Senator from Nebraska.

Mr. KENNEDY. I thank the Chair.

Mr. GARY W. HART. Mr. President, just briefly summarizing the purpose of my amendment, which is a substitute to the amendment of the Senator from Nebraska, it attempts to combine the best efforts of the committee to suspend the use of the chemical DES during the time that FDA will assume its authority and responsibility under the law to advise this Congress and the American people as to the actual long-range effects of DES as a carcinogen.

During that period, because there is a substantial body of technical and scientific evidence that the cancer-producing effects of this product are substantial, it is my purpose to see that that substance is withheld from the market under the specific terms of the amendment, and require the FDA to report back to Congress and to the American people about its actual long-range effects.

I think this would accomplish both what the committee is trying to do and what the distinguished Senator from Nebraska is trying to do, in requiring the appropriate administrative agencies to advise us as to the very detailed technical and scientific background of this drug, and would get Congress out of the business of legislating product by product, chemical by chemical, or substance by substance, which I think none of us wants Congress to be engaged in.

That is the purpose of the amendment, and I hope my colleagues will support it. I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. CURTIS. Mr. President, I yield myself 3 minutes.

I shall oppose the Hart substitute. If it should prevail, I shall vote against the amendment as amended.

Mr. President, the committee bill bans the use of diethylstilbestrol in cattle feeds, or bans it in interstate commerce, which is the way they reach it. The substitute offered by the distinguished Senator from Colorado does the same thing. So if you wish to ban the use of diethylstilbestrol, you can do it either by voting for the committee language or for the language offered by the distinguished Senator from Colorado (Mr. GARY W. HART).

Let me state why we have the Curtis amendment. For 20 long years, diethylstilbestrol has been used as a supplement for cattle feed, and for all the days during this debate, I have challenged the proponents of the legislation to point to one single case of cancer in human beings where the medical authorities said that it was caused by eating beef that had been fed DES, or that it was likely to have been so caused. There is no such case.

There is not any. They have confused the record in any way possible for human ingenuity to confuse it. They have talked about the evils of diethylstilbestrol when taken orally by human beings. That is not the situation here.

They cannot provide the name and address of a single cancer patient where medical authorities have said that it was likely caused by eating beef that had been fed diethylstilbestrol.

We realize that all of us want to take proper action with any substance that would cause cancer. Therefore, instead of Congress sitting as a medical board or a scientific board, the Curtis amendment asks that the Secretary of HEW analyze and assemble all the studies that are available by the first of June of next year and recommend to Congress what we should do.

The Curtis amendment would not postpone action for more than a year. It has gone on for 20 years now.

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. CURTIS. I reserve the remainder of my time.

Mr. GARY W. HART. Mr. President, I yield the remainder of my time to the manager of the bill, the distinguished Senator from Massachusetts (Mr. KENNEDY).

Mr. KENNEDY. Mr. President, I am going to support the amendment of the Senator from Colorado. It seems to me that this is a compromise which carries forward the central thrust of the legislative purpose that brought this matter to the floor, and is also sensitive to some of the concerns that have been presented by Members of this body about requiring the best, most effective, and latest information from the research on DES. I think it is a sensible and responsible amendment, and I am hopeful that the Senate will accept it.

Mr. President, we debated this issue at some length yesterday. There are just one or two final comments I wish to make.

The point is made by the Senator from Nebraska that the record is confused, that there is all kinds of different information that has been brought forward on the floor and during the course of our committee's deliberations. But there is one point that is not confused, Mr. President, and that is that DES causes cancer.

DES causes cancer, and there will be nothing said, as there has been nothing said during the course of the debate, by the Senator from Nebraska, the Senator from Idaho, the Senator from Florida, or any of those who have voiced their opposition, that has challenged that fact.

When I listened to the Senator from Nebraska saying, "Name one case; give me the name of one person who contracted cancer because he or she ate any kind of meat that was fed DES," I thought he could have said the same thing, Mr. President, 20 years ago to the thousands of mothers who took DES during the period of the 1950's to prevent miscarriages.

The fact is, I can name more than 220 cases. There were more than 220 Americans who developed cancer because their mothers took DES during the period of their pregnancies in order to avoid miscarriages.

Then the Senator from Nebraska says, "We know that this matter is so significant and we still have not had any kind of results that have shown that people contracted cancer from this; why should we be willing, at this time, to go ahead and ban it?"

Mr. President, this body has authorized $869 million for the war on cancer. The distinguished director of that agency recognizes the danger of this matter, and has urged that there be a ban.

The PRESIDING OFFICER. All of the time of the proponents has expired. The opponents have 2 minutes remaining.

Mr. CURTIS. Mr. President, of all these 220 cases, not one of them arose from eating beef that had been fed diethylstilbestrol. The challenge remains unanswered. No one can point to a single case of cancer where medical authorities say that it was likely to have been caused by eating beef that had been fed a supplement with diethylstilbestrol.

Another thing: The Food and Drug Administration can ban DES tomorrow. They can do it if the Curtis amendment is adopted. They are the proper agency to do it. What we are asked to do here today is for Congress to legislate directly on these items. Congress is asked to act as a medical board or a scientific board.

So far as the Hart amendment is concerned, it outlaws DES and then says, "Let us waste some money and have a study."

If we want information, let us get it and then act. If we are going to act anyway in the face of a total lack of evidence calling for such action, then why waste the taxpayers' money on a further study?

I appeal to the Senate to defeat the Hart amendment; if it prevails, to defeat the Curtis amendment, as it would then be amended.

The PRESIDING OFFICER. All time has expired.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Mississippi (Mr. EASTLAND), and the Senator from Kentucky (Mr. HUDDLESTON) are necessarily absent.

I further announce that the Senator from Indiana (Mr. BAYH), the Senator from Alaska (Mr. GRAVEL), the Senator from Florida (Mr. CHILES), and the Senator from Minnesota (Mr. HUMPHREY), are absent on official business.

I also announce that the Senator from Alabama (Mr. ALLEN), and the Senator from Michigan (Mr. HART) are absent because of illness.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from New York (Mr. BUCKLEY), the Senator from Utah (Mr. GARN), and the Senator from Oregon (Mr. PACKWOOD), are necessarily absent.

I further announce that, if present and voting, the Senator from Utah (Mr. GARN) would vote "nay."

The result was announced—yeas 54, nays 35, as follows:

[Rollcall Vote No. 384 Leg.]

YEAS—54

Abourezk
Beall
Bentsen
Biden
Brooke
Bumpers
Burdick
Byrd, Robert C.
Cannon
Case
Clark
Cotton
Cranston
Culver
Fong
Glenn
Hart, Gary W.
Hartke
Haskell
Hatfield
Hathaway
Hollings
Inouye
Jackson
Javits
Kennedy
Leahy
Long
Magnuson
Mansfield
Mathias
McClellan
McGovern
McIntyre
Metcalf
Mondale
Moss
Muskie
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Stafford
Stevenson
Symington
Taft
Tunney
Weicker
Williams

NAYS—35

Baker
Bartlett
Bellmon
Brock
Byrd, Harry F., Jr.
Church
Curtis
Dole
Domenici
Eagleton
Fannin
Ford
Goldwater
Griffin
Hansen
Helms
Hruska
Johnston
Laxalt
McClure
McGee
Montoya
Morgan
Nelson
Nunn
Pearson
Scott, William L.
Sparkman
Stennis
Stevens
Stone
Talmadge
Thurmond
Tower
Young

NOT VOTING—11

Allen
Bayh
Buckley
Chiles
Eastland
Garn
Gravel
Hart, Philip A.
Huddleston
Humphrey
Packwood

So Mr. GARY W. HART's amendment was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KENNEDY. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order, please.

Mr. KENNEDY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KENNEDY. As I understand, under the previous order, we are to have a yea-and-nay vote on the Curtis amendment, as amended. If the Senator is agreeable, I will be glad to ask unanimous consent to vitiate the order for the yeas and nays.

Mr. CURTIS. I feel that that should be done. It would just be a repetition of the last vote and would take the time of the Senate.

Mr. KENNEDY. With that understanding, Mr. President, I ask unanimous consent that the order for the yeas and nays on the Curtis amendment be vitiated.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. KENNEDY. Mr. President, I yield myself 30 seconds on the Bellmon amendment.

The PRESIDING OFFICER. Under the previous order, the question is on agreeing to the amendment of the Senator from Nebraska.

Mr. KENNEDY. I ask unanimous consent for 2 minutes, to be equally divided between the Senator from Oklahoma and myself.

The PRESIDING OFFICER. Action must first occur on the Curtis amendment.

The question is on agreeing to the amendment of the Senator from Nebraska (Mr. CURTIS), as amended.

The amendment was rejected.

(Additional statement submitted in connection with Mr. CURTIS' amendment No. 692.)

Mr. TOWER. Mr. President, I want to commend my good friend, the distinguished Senator from Nebraska, for offering this amendment to S. 693. I believe, as do a number of my colleagues, that it is better to move cautiously in a dimly lit room instead of plunging recklessly without any light at all.

I think this amendment, when adopted, will shed some much-needed light on the subject of DES as a growth stimulant in cattle. While some of my colleagues have pointed to what they consider undeniable proof that DES traces may later show up in beef, I think that the paucity of research on the subject suggests we ought to illuminate the subject at least a bit more.

At a time when world food needs are great, we ought to do all we can to maximize our use of food resources. One way to do this is to divert uneeded feed grain acreage into production for human consumption. DES can help us do this. The use of this hormone can save about 80 pounds of feed for every 100 pounds of weight gain in cattle, a savings of about 7.7 billion pounds of feed each year.

Mr. President, this is an incredible amount of feed grain to throw away needlessly. As a matter of fact, a little arithmetic shows that the amount saved by the use of DES as a cattle growth stimulant is almost four million tons—roughly equivalent to the amount of feed grain we are exporting to the Soviet Union.

I would agree with those of my colleagues who are hesitant to allow use of DES as a substitute for cattle feed, that the evidence available is not totally favorable to its use. The point is, the evidence does not point us in either direction with much assuredness. And that is precisely the point of the Curtis amendment to this bill.

It is my understanding that this amendment allows additional research evidence to be entered in the RECORD, by requiring the Secretary of HEW to assemble all data available, and to submit a report to Congress following the conclusion of current FDA study.

Mr. President, as I said before, I think a little more light needs to be shed on this subject, because no one is totally convinced of one point of view or another At the very least, I think we owe it to ourselves, to the American consumer, and to the American cattleman, to consider all the relevant research bearing on the problem.

Let us look at the facts. I have already mentioned the savings in use of feed grains that would accrue from further use of DES. Let us look at some other aspects.

Some of my colleagues cite an imminent danger from the use of DES in cattle. Where is the imminent danger, Mr. President? There has not been a single instance, in over 20 years of using DES, in which anyone has ever been harmed by it. That is a fact that does more than discredit the imminent danger theory. It discredits the hysteria of those who use that argument.

Some of my colleagues swear the traces of DES show up in red-meat tissue. They even marshal some scientific evidence that this is so. Well, let us straighten this out a little. Yes, DES is retained in beef cattle for up to about 7 days. But the fact of the matter is that all traces of DES—all traces, Mr. President—are gone by the 10th day after withdrawal of the additive. The Food and Drug Administration already requires withdrawal 14 days prior to marketing, which is a very wide margin of safety indeed. Now, that is a fact, and it certainly does discredit the allegation.

Mr. President, the use of spurious arguments and alleged scientific evidence is distressing to me, not so much because it does not benefit our discussion today, but because it goes hand in hand with an attempt to paint the proponents of DES as some kind of monsters who would visit harm on the consumer of beef products in the United States. I resent such efforts to muddy the waters, and I think we can proceed without the hysteria which has accompained so much of the anti-DES argument outside this body.

I think the prudent course of action for this body is to plot a course of caution and concern. I think we ought to marshal the resources of our scientific community to determine precisely the effects of DES, its benefits and its costs. I think this is the aim and purpose of this amendment, and I heartily endorse this approach.

Mr. Presdient, I will say this right now. If evidence is found, at the conclusion of the estrogen project of the Center for Toxicological Research Division of FDA, that indicates a link between use of DES as a cattle growth stimulant and danger to consumers, then I will be the first to urge its removal from commerce. Like my colleagues who support this amendment, I do not take a back seat to anyone in this body when it comes to protection of America's health.

But I also do not take a back seat in this body to anyone when it comes to acting prudently in legislating. I do not believe in covering over issues with layers of statutes, and I think this is precisely what will happen here today if this amendment is not agreed to. Only by turning on the light in this dimly lit room will we be able to move through it without hazard, either to our ranchers or to our beef consumers.

SUPPORT FOR CURTIS AMENDMENT

Mr. DOLE. Mr. President, I understand the importance to the livestock industry of continued use of DES as a feed ingredient and growth stimulant. The livestock business is, after all, the most economically important industry to the people of Kansas.

But the issue here is not the well-being of the livestock industry. The issue is public health and safety—and any possible threat to it due to the use of DES in livestock feed.

However, after reviewing this matter carefully, I have concluded that there is no justification for banning the use of DES in livestock feed. For after more than a decade of research, there has been no showing that this use has caused, or is causing, or will cause a single case of cancer. Further, the courts overturned the FDA ban on DES use—on the grounds of the lack of substantive proof, not just procedural rules.

For these reasons, Mr. President, this Senator must support the Curtis amendment.

DETAILED RESEARCH

The focus on the possible health effects of DES has been long and intense. The findings have not indicated a danger.

A small percentage of beef livers in USDA testing were found to contain up to two parts per billion of DES. However, DES never has been found in the muscle—red meat—tissues. There has been no report showing a harmful effect from eating meat from DES-treated cattle despite 20 years of use.

DES has been found in small numbers of livers from DES-fed beef up to 7 days after withdrawal of the additive, but never in any animal tissue or organ after 10 days withdrawal. FDA regulations now require that DES-containing feed be withheld for 14 days prior to marketing just to be absolutely certain that no health hazard exists.

Scientists know something about the relationship of dosages of DES administered to pregnant women against the incidence of vaginal cancer in their daughters. Measuring this information against the residue levels found in some cattle livers, it has been calculated that banning DES might prevent one vaginal cancer in the entire U.S. population in 5,000 years.

Scientists also point out that men synthesize about 900,000 times as much estrogen in their bodies per year as they might consume in DES from liver. Women synthesize up to 4,750,000 times more estrogen per year than they might consume from beef liver.

All evidence indicates that there is no risk whatsoever involved in eating meat from cattle given DES, and this Senator for one believes that the U.S. Senate should not take an action that is completely unfounded in hard data.

COURT RULING

Mr. President, before the Senate votes on this amendment, I believe we should consider the court case decided last year in which the FDA ban on the use of DES in livestock feed was overturned. In that case, the court stated:

> In the instant case, the Commissioner expressly denied the presence of any public health hazard in the order of withdrawal.

On the contrary, the FDA apparently tried to apply an overall rule that DES should be banned because it is a known carcinogenic. But this rule, the Delaney clause, was shown to be invalid because DES is passed on through the system of livestock and constitutes no danger to the public.

As I pointed out earlier, no residue of DES whatsoever—even with detection possible on the order of one in a billion—has ever been found in any part of a beef carcass, including the liver, after 10 days of withdrawal from DES-mixed feed. Under the present strict rule of a 14-day withdrawal prior to slaughter, this Senator can see no danger at all to public health from the feed use of DES.

As the Washington Post article yesterday pointed out, if the Senate votes the Curtis amendment down today, it will be the first time in history that the Congress has overruled he FDA. While I am not unduly concerned about the track record of FDA, I do believe that we must have some kind of order in Government and that the Senate should be responsive to that order, which it helped create.

The Food and Drug Administration has come up with no new findings that would dispute the extensive amount of research that prompted the court finding in 1974.

So a ban on DES imposed by Congress would simply be an arbitrary action based only on fears that are not founded on facts. This Senator would hope that the Senate will refrain from doing what the court last year expressly decided was unjustified.

CIRCUMVENT ADMINISTRATIVE PROCEDURES ACT

Mr. President, as mentioned previously, this bill, S. 963, in its unmodified form, would circumvent the Administrative Procedures Act. That is because this bill would do what the FDA could not do under the Administrative Procedures Act—APA.

The fact that FDA did not follow the procedures required by law was well pointed out in two court cases, Hess and Clark against FDA and Chemetron Corp. against the Department of HEW.

Under the law, as explained in these hearings, FDA could have banned DES as a livestock feed ingredient by eminent danger to public health or by holding hearings to show that it should be taken off the market.

As the courts pointed out, the FDA stressed that:

> . . . The Commissioner has no reason to believe that the use of DES implants has presented a public health hazard . . .

It has been repeatedly stated that DES passes on through the system of a beef animal. The amount of DES residue found in some beef livers has been so incredibly minute—2 parts per billion—that the testing method used to detect it was questioned by the court as possibly leaving the residue itself—page 1000, Chemetron against HEW.

POST EDITORIAL MISINFORMED

So being unable to show an imminent danger to public health, FDA was faced with the choice of holding a public hearing where the proposed ban could be challenged and where the facts of the case could be assessed in a fair manner. FDA apparently judged that it would be unsuccessful with this approach.

Contrary to the Washington Post editorial this morning, the main factor in FDA's ban on DES being overturned in court was probably not its "juridically inept way." I do not have any strong feelings about the juridical aptitude of FDA, but the facts of the situation show that FDA simply had a weak case.

For its testing system was new and of uncertain validity. It could not show that there was any public health danger in spite of the emotionalism and fear that has surrounded this issue. In other words, it did not have a case strong enough to go to public hearings, as required by law.

So if this bill is adopted in its present form, it would do what FDA could not do under the law and the court system: It would circumvent the Administrative Procedures Act.

AMENDMENT PERMITS FDA ACTION

But as this Senator understands the amendment we are considering, it would not prohibit or ban FDA from following the procedures presently set forth under the Administrative Procedures Act. Possibly the Senator from Nebraska is able to clarify this and what FDA could do under his amendment.

In fact, as I understand, the Food and Drug Administration is presently working on getting its facts in order to hold a public hearing. That is what the law requires and I believe the U.S. Senate should stand behind the law, not circumvent it.

CONSUMER BENEFIT FROM DES

Furthermore, consumers would actually lose from the feed-use ban that S. 963 would provide.

DES feeding saves, on the average, 81 pounds of feed for each 100 pounds of gain in beef steers. On an annual basis, the saving is 7.7 billion pounds of feed. In terms of corn, the saving is equivalent to releasing more than 1.5 million acres of corn land for production of other grains and foodstuffs.

In steers, the edible carcass—dressed yield—is the same whether DES is fed or not. More lean meat is produced from DES-fed steers than from non-DES-fed steers by an average of 33.5 pounds per 1,000 pounds. The amount of carcass water and bone is no greater in DES-fed steers than in non-Des-fed steers. Less carcass fat is produced on DES-fed steers than on non-DES-fed steers by an average of 24 hours per 1,000 pounds.

In other words, DES helps livestock producers give consumers more of what they want—reasonably priced beef in larger quantities.

This is done with no demonstrated health hazard to consumers. And I might add that the stockmen I have talked to in Kansas would never use DES if there was ever any reasonable doubt about the safety of it.

But that is not the issue here. The issue in this bill appears to be an arbitrary prohibition unfounded and unsupported by factual data.

The Curtis amendment would not preclude the further research of this issue. On the contrary it requires the Secretary of HEW to collect and analyze the data which in my opinion would be in the best interests of consumers and stockmen alike.

I would hope the Senate will agree to this amendment.

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to vote on the amendment of the Senator from Oklahoma.

Mr. KENNEDY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KENNEDY. Mr. President, as I understand it, we just had a vote on the amendment of the distinguished Senator which passed. That was an amendment to the Curtis amendment, am I correct?

The PRESIDING OFFICER. It was a substitute for the Curtis amendment.

Mr. KENNEDY. It passed. We were just voting, therefore, on the Curtis amendment de novo, or as amended?

The PRESIDING OFFICER. As amended. We were voting on the Curtis amendment, as amended.

Mr. KENNEDY. In other words, those who support the Hart amendment would vote "yea" in favor of the Curtis amendment, as amended, if they had voted that way, to be consistent. I do not expect the Chair to put an interpretation on the characterization of the vote, but as I understand, that would be consistent with the vote taken previously. Did the Chair announce the vote for the Curtis amendment?

The PRESIDING OFFICER. The Chair has announced the result.

Mr. KENNEDY. Mr. President, I move to reconsider that vote and hope that we will reconsider the vote.

I ask for a vote on the reconsideration of the Curtis amendment.

The PRESIDING OFFICER. The question is now on the motion of the Senator from Massachusetts to reconsider the vote on the Curtis amendment, as amended.

The motion was agreed to.

The PRESIDING OFFICER. The question now recurs on the Curtis amendment, as amended.

Mr. Curtis' amendment, as amended, was agreed to.

Mr. KENNEDY. Mr. President, is there time remaining on the Bellmon amendment?

The PRESIDING OFFICER. There is no time on the Bellmon amendment. Under the previous order, the question is now on that amendment.

Under the previous order, the Senate will now proceed to vote on the amendment by the Senator from Oklahoma. The yeas and nays have been ordered. The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Mississippi (Mr. Eastland), and the Senator from Kentucky (Mr. Huddleston), are necessarily absent.

I further announce that the Senator from Alaska (Mr. Gravel), the Senator from Indiana (Mr. Bayh), the Senator from Florida (Mr. Chiles), and the Senator from Minnesota (Mr. Humphrey), are absent on official business.

I also announce that the Senator from Michigan (Mr. Hart), and the Senator from Alabama (Mr. Allen), are absent because of illness.

I further announce that, if present and voting, the Senator from Minnesota (Mr. Humphrey), would vote "nay."

Mr. GRIFFIN. I announce that the Senator from New York (Mr. Buckley), the Senator from Utah (Mr. Garn), and the Senator from Oregon (Mr. Packwood), are necessarily absent.

I further announce that, if present and voting, the Senator from Utah (Mr. Garn), would vote "yea."

The result was announced—yeas 28, nays 61, as follows:

[Rollcall Vote No. 385 Leg.]

YEAS—28

Bartlett
Beall
Bellmon
Byrd,
  Harry F., Jr.
Curtis
Domenici
Fannin
Ford
Goldwater
Hansen
Helms
Hruska
Johnston
Laxalt
McClure
McGee
Montoya
Morgan
Nunn
Pearson
Scott,
  William L.
Sparkman
Stevens
Stone
Talmadge
Thurmond
Tower
Young

NAYS—61

Abourezk
Baker
Bentsen
Biden
Brock
Brooke
Bumpers
Burdick
Byrd, Robert C.
Cannon
Case
Church
Clark
Cotton
Cranston
Culver
Dole
Eagleton
Fong
Glenn
Griffin
Hart, Gary W.
Hartke
Haskell
Hatfield
Hathaway
Hollings
Inouye
Jackson
Javits
Kennedy
Leahy
Long
Magnuson
Mansfield
Mathias
McClellan
McGovern
McIntyre
Metcalf
Mondale
Moss
Muskie
Nelson
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Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Stafford
Stennis
Stevenson
Symington
Taft
Tunney
Weicker
Williams

NOT VOTING—11

Allen
Bayh
Buckley
Chiles
Eastland
Garn
Gravel
Hart, Philip A.
Huddleston
Humphrey
Packwood

So Mr. BELLMON's amendment was rejected.

Mr. **KENNEDY**. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. **HATHAWAY**. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

APPOINTMENTS BY THE VICE PRESIDENT

The **PRESIDING OFFICER** (Mr. MORGAN). The Chair, on behalf of the Vice President, pursuant to Public Law 84-689, appoints the following Senators to be delegates to the North Atlantic Assembly, to be held in Copenhagen, Denmark, September 21–27, 1975: Senators PELL, Chairman, KENNEDY, BAYH, EAGLETON, TUNNEY, LEAHY, JAVITS, GRIFFIN, and STEVENS.

DIETHYLSTILBESTROL

The Senate continued with the consideration of the bill (S. 963) to amend the Federal Food, Drug, and Cosmetic Act to prohibit the administration of the drug diethylstilbestrol—DES—to any animal intended for use as food, and for other purposes.

The **PRESIDING OFFICER**. The bill is open to further amendment.

Mr. **McCLURE**. Mr. President. I send an amendment to the desk.

Mr. **KENNEDY**. May we have order, Mr. President.

The **PRESIDING OFFICER**. The Senate will be in order. Senators will take their seats.

The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Idaho (Mr. McCLURE) proposes an amendment:

On page 2 following line 12 add the following: For the purposes of subsection (q) the term "administering" shall mean by ingestion in the food or introduction into the digestive tract of the animal.

Mr. **McCLURE**. Mr. President, I shall be very brief. I think the issue has been fairly well discussed up to this point.

All my amendment would seek to do is to differentiate between the means by which DES has been or might be administered to animals.

The prohibition as defined in my amendment would prevent DES's introduction into the food or into the digestive tract of the animal, but would not prevent the implants which are sometimes now used as one of the means of using this growth-stimulating hormone.

The reason I have done this—and I am hopeful that perhaps the sponsors of the legislation would accept this amendment—is that the residues which have been identified in the internal organs of beef animals have occurred only where that administration of the drug has been in the feed. There is not any case of which I am aware in which the implants have caused any kind of residues in the meat or the internal organs of the beef animal.

For that reason I hope the limitation that would allow the prohibition which has now been voted by the Senate to apply only to feed but not to apply to that other tool, the other use of this tool, in the fattening of animals might be found acceptable by the proponents of the legislation since there is, to my knowledge, no evidence, absolutely no evidence, of any residues in the meat or the organs of the animals treated in this manner.

Mr. President, I reserve the remainder of my time.

The **PRESIDING OFFICER** (Mr. LEAHY). The Senator from Massachusetts has 30 minutes.

Mr. **KENNEDY**. Mr. President, basically this is the same issue we have been considering earlier during the debate yesterday and again this morning, and that is the question of the use of DES as a food additive.

Let me just point out, Mr. President, that according to the studies we have put in the RECORD yesterday—at least one which we were able to examine—did indicate that the traces of DES were showing up in beef when it was also being used in the way that would be provided for by the McClure amendment, that is, by implantation.

This is certainly consistent with the history of the use of DES. First, it was used as a feed additive in chickens; then it was used as an implantation in chickens, and it showed up in the chickens, and then it was banned in the chickens.

It is used as a food additive, and now, under the McClure amendment, he would say, "Well, all right, even though under the Hart amendment it would be banned in terms of a food additive, let us still use it in terms of implantation."

The study which we put in yesterday—and I will reinsert it today—show that implantation was one of the methods which was used in cattle and the tests showed residues and traces of DES.

So I would say this is basically the same issue, and I think the reasons we have stated earlier still hold for this amendment.

I fail to see, with the presentation which has been made by the Senator from Idaho, how he has been able to really distinguish either on the basis of any tests or any other means why implantation should be a satisfactory and safe way of administering DES.

So, Mr. President, are we going to permit it, given the tests which show that even at the time of implantation there is DES residue in the tissue of meat. I fail to find what possible justification there should be or there could be for using implantation.

The track record has shown that DES has also appeared in the tissue of various animals and, it seems to me, the same reasons that justified the Senate's earlier position justify this one.

I reserve the remainder of my time.

Mr. **McCLURE** addressed the Chair.

Mr. **KENNEDY**. Mr. President, I yield to the Senator from Pennsylvania.

The **PRESIDING OFFICER**. The Senator from Pennslvania.

Will the Senate Chamber be in order, and the galleries be in order?

The Senator from Pennsylvania.

Mr. **SCHWEIKER**. Mr. President, I join with the chairman of our Health Subcommittee as the ranking Republican member in saying that this amendment, in essence, would still gut the bill. To ban one use of DES and permit it to be used another way is another method of circumventing the purpose of the bill. To permit DES to be used would destroy the intent of the bill.

I strongly oppose this amendment. It is not at all different from the other issue in terms of total impact. It would be very adverse to what we are trying to do and would totally circumvent the intent of the bill.

We know now that DES is a carcinogen; we know now, 20 years too late, that a number of young ladies are dying in this country from vaginal cancer because their mothers took DES to prevent miscarriages.

Having learned that tragic lesson and having seen the effect on a segment of our population, I would hate to think we continue to commit——

Mr. **ROBERT C. BYRD**. Mr. President, may we have order in the Senate?

The **PRESIDING OFFICER**. The Senate will be in order, the Senate galleries will be in order.

The Senator from Pennsylvania.

Mr. **SCHWEIKER**. I would hate to think we continue to make the same mistake.

We see the mistakes of DES. We have had witnesses before our committee, one of whom was a teenager who did not know if she was going to live or die because she had vaginal cancer. Her life was measured in minutes, a tragic result of what the medical profession once thought was a good medicine and good treatment. I know her mother took it in good faith.

Knowing now, 20 years later, that the female offspring of the recipients of DES medication now have vaginal cancer, it seems tragic to me that we keep debating and prolonging and finding other ways of continuing to feed carcinogens to our people.

In addition, I am sure we do not know the implications of eating DES in beef liver or beef as opposed to a mother's taking it directly as a medicine. By the same token 20 years ago nobody knew it would do anything but have a positive and helpful medicinal effect. So we know now, 20 years too late, that a number of young women are dying in this country because we did not know then.

How many times must we learn and retell this lesson? How many more women will have to die because we do not have the courage to face up to this issue?

The PRESIDING OFFICER. May we have order in the Senate, please?

Mr. SCHWEIKER. I think this body should be aware that because the offspring of mothers who used DES are dying of vaginal cancer, the National Institutes of Health have conducted some other studies. The other studies are horrible, too. The study on mice has shown the male offspring could become sterile from the use of DES and that some of the female offspring could possibly be sterile.

So let us be fully aware of the dangers.

I think that to delay and find another way of doing something in view of a very clear-cut warning of what we are doing to a segment of our population, unknowingly, unsuspectingly, is a tragedy.

Pediatricians in this country see a danger and are now telling pregnant women not to eat beef liver 3 months into their pregnancies. The point is that the doctors are now aware of the mistake we made, they are now aware of the possible implications and they are advising pregnant women not to eat beef liver.

So it is not that the medical profession is not re-alerted and does not know, and yet there are many, many people who do not know and we surely do not know what the implications are.

So I strongly oppose this amendment. It would gut the bill. I hope we can defeat it.

Mr. McCLURE. Mr. President, I have stood in this Chamber for the last day and a half now listening to the arguments that somehow even a low level of residue is in the internal organ.

The tragedy of this whole thing is that nobody is listening to facts.

The Senator from Pennsylvania makes a very fine emotional appeal concerning the dangers of cancer and his own bill calls for therapeutic doses of medicinally administered DES.

What we have been seeking to do is to allow something that is infinitely, infinitely smaller in its effects.

Not one case has ever been suggested as a result of either the feeding or implantation.

We lost that vote and I do not intend to go back into it, but I did think that perhaps the Senate would at least agree to a separation of the two issues of using the synthetic hormone in feed and using it in an implant, because there is absolutely no evidence of any residues in marketed meat from the implants.

None, not one bit, no study, no evidence, no memorandum, no statement, nothing.

Then we are to be told it has to be taken away from us.

The stockmen of this country, as many people know, are in trouble financially. They are in trouble because of interference of Government in their business, the burden of wage and price controls, and they have not yet recovered from the distortions of the markets caused by that and other governmental policies. Now we have to heap on them an additional burden that is not supported by one scintilla of scientific evidence.

There was a factsheet distributed yesterday and today with regard to the DES rsidues in meat and it cites 1971 and 1972 studies. I am sure that the sponsors of this legislation know that in 1971 and 1972 there was a 48-hour withdrawal order and since that time the withdrawal order has been increased to 14 days in feed.

But again, that issue is directed toward the question of feed and not toward the question of implantation.

Again, I would reiterate that if there were anybody to listen at all, if the Senate were interested in facts and not emotions, there is no evidence at all to suggest that the implantation caused any residues is marketable meat or precious little of it, as far as the feeding of it was concerned.

I recited yesterday the Senate menu had on it yesterday, as a matter of coincidence, baby beef liver on the weight watcher diet for the day. One would have to eat 75,000 of those lunches every day for 50 years to get the same amount of synthetic hormone as the sponsors of this bill permit under the terms of the bill if it is done for medical purposes—75,000 lunches every day for 50 years. That was under the residue which does build up, or can in some instances build up, in certain internal organs, including livers, when it is used as feed. But that does not happen where there is an implant.

Will the sponsors of the legislation listen to any kind of reason? No; they come up with some kind of an emotion that says, "Gosh, this might cause cancer."

All right, let us stop a moment.

If I assume from what they are saying they are prepared now to ban every substance that comes in contact with the human being that might cause cancer or has been shown to be a suspected carcinogen. I assume, then, that these gentlemen who are so anxious to protect human health in this country will join with me in looking at the Federal Register of June 23, 1975, in which there appears to be about 108 pages of suspected carcinogenic agents.

This is published by an agency of Government which they helped create, the Occupational Safety and Health Administration, under the Department of Health, Education, and Welfare.

Let us just understand what we are talking about if we are going to apply this to protect human health, as the sponsors of this legislation say they want to do, equally and impartially across the board without respect to who uses it, who markets it, how it is used, or for what purpose.

If we are concerned about the fact that it is possible somebody might get cancer, take my wristwatch away from me. It has a phosphorescent dial that might cause cancer.

But let us go into this list for a moment and find out what kinds of substances might cause cancer in a way which is much more directly related, and the evidence is much more direct and persuasive, than the evidence with regard to DES implants.

We will start the list with acetic acid. Has anyone ever heard of that? Get it out of our offices, off our shelves, and out of our drugs. Do not allow anybody to have contact with it. It might cause cancer.

We can end that with zinc chloride. I am sure we have better drugs today than we had when I was a young man who got afflicted with a case of poison oak. But I was very thankful to have some zinc chloride to soothe the itching and burning of that particular affliction. But it might cause cancer. We have to get off the shelves and out of the ointment. We cannot have it any more, say the sponsors of this legislation.

If one is not interested in acetic acid or zinc chloride, look at some of the other things. Ammonia? No, the housewives cannot use ammonia any more to clean their houses, kitchens, or sinks, because ammonia is a suspected carcinogenic agent. Get it out of the house. It is unsafe. Do not allow people to have it any more.

Phenobarbital. Those who find it necessary to induce sleep will find that also on the list. "You cannot have that any more. It might cause cancer."

Benzene? "You cannot have any kind of a benzene derivative in your house or cigarette lighter. It might cause cancer." After all, we are protecting human health, are we not? We are concerned about human beings. We do not want anybody coming up with cancer, no matter how ridiculous the case may be.

Let us look for a moment at such things as benzoquinone. How many people rely on that drug? "You cannot have it any more," say the authors of this legislation, "it might cause cancer."

Boric acid? How many people have used boric acid innocently, not knowing that they have exposed themselves to cancer? It is on the list.

That list, incidentally, if any Senator would like to look at it, is in the Federal Register of June 23, 1975. I hope everyone will make a note of it because I am sure we are all scared to death by now. It starts on page 26390 and goes clear over to page 26496.

Mr. STONE. Will the Senator yield?

Mr. McCLURE. I am happy to yield to the Senator from Florida.

Mr. STONE. Does the Senator from Idaho make the point by this that that which is a curse in a large amount can be, and often and frequently is, a blessing in a small amount and is totally irrelevant in an insignificant amount?

Mr. McCLURE. The Senator is absolutely correct. That is the point the Senator from Florida has tried so eloquently to make in the last couple of days, and a point which I have tried to make.

I guess maybe I have reached my point of intolerance on this legislation when the sponsors and the administration will not even recognize that the implants have never in any test shown any residues, but they still say it is carinogenic and, therefore, it must be bad.

Mr. STONE. In other words, if the Senator will further yield, the arguments in favor of banning DES in raising cattle are that there might be an infinitesimal residue in the meat products. Yet, where they cannot establish where there is even an infinitesimal residue in the meat products, still they want to ban it because if there had been any residue then it might be harmful if you ate 50,000 carloads of it.

Mr. McCLURE. That seems to be the logic which motivates the people pushing this bill and in opposition to my amendment.

Let us look at the list a little more. Bracken fern is on the list. How many of our friends who go on expeditions into the hills know that they can no longer lie among the bracken fern? They will get cancer.

Cadmium? It is a dye used in many things, in clothing, in all kinds of textiles as well as foods. There are many of the dyeing agents that are on the list because they are suspected of being carcinogenic agents.

Carbon tetrachloride? Get that out of the house. It is a dangerous substance. Most of us have known that in confined circumstances it could be dangerous, but did we know it might cause cancer? Is the Senator from Maine ready to ban carbon tetrachloride from all houseuses? After all, we do not have to have it. It is only a convenience to people to have carbon tetrachloride. We can get along without it.

The Senator from Massachusetts makes the statement that we balance medical risks, so maybe he would be willing to overlook the fact that both chloroform and ether are on the list. Maybe people could learn to take operations without the benefit of either chloroform or ether, or some of the other substances that might be used in substitution for them. But I assume that we balance those medical risks and say, "Well, we will take the risk of cancer because the other risk is greater."

Coal oil is on the list; crude oil is on the list; petroleum is on the list; all petroleum derivatives are on the list. Are we going to ban them? You cannot have them in your car. You surely cannot have them in your kitchen because they might cause cancer.

Mr. STONE. Will the Senator further yield?

Mr. McCLURE. Yes.

Mr. STONE. If petroleum derivatives are on the list, how will we fertilize to grow crops at all?

Mr. McCLURE. There might possibly be, since it is a carcinogenic agent, some possible ingestion of that agent into the food we eat and some time years from now we may find somebody who is able to point to some effect because of it and, therefore, we must ban it, apparently.

Ethyl alcohol. That is grain alcohol. We have to take alcohol out. I do not care whether it is in the bourbon and water or the scotch and soda that the guy is going to drink, or the martini or vanilla extract, we have to remove it all because grain alcohol is suspected as being a carcinogenic agent. The evidence is far more persuasive on that subject than it is on the one that we are dealing with today.

Ethylene glycol is on the list. You cannot have antifreeze in your car any more because if you spill it, you might get cancer.

You might even have a boilover; who knows? And you might get cancer. The evidence on that subject is far more persuasive than it is on the one we are dealing with now.

The old familiar formaldehyde is on the list. That would have to be banned. The laboratory workers certainly cannot be subjected to that any more.

And take your shoes off, if you happen to wear leather shoes, because tannic acid is on the list. It might be carcinogenic; and you do not know how much exposure you have had already, wearing shoes as you have. Maybe some of our friends who do not wear shoes are immune from that source, unless they wear leather pants or skirts, or a leather belt.

Gold is on the list. We have heard for years that you cannot eat the gold. Now I have found out why. It is on the list.

There are those who have gold fillings that the dentists put in their mouths. They did not have to; they could have used silver instead. But now gold is a suspected carcinogenic agent. There is more rationale to banning gold fillings than DES implants. Yet the committee, in its wisdom, has said we must eliminate those.

Mineral oil; how many people in one way or another have used mineral oil without knowing the great hazard to their health this great committee of Congress has overlooked, because we have not yet moved to ban mineral oil? As I recall, it is still prescribed.

Lest you be worried about what happens in your home otherwise, do not do a thing to stop moths from infesting your closets, because mothballs and moth flakes are on the list. If you get that familiar odor when you open the chest, do not wear those clothes, because you might get cancer.

Let us look at other articles of clothing. The mylar is on the list. Nylon is on the list. The possibility of getting cancer from wearing nylon is greater, the evidence is stronger, than if we had DES implants. But we are going to move to bar DES implants, and these other hazards, though greater hazards, will be OK'd by this great committee looking after the safety of the American people.

Paraffin, penicillin-G, novocillin, polyethylenes, urethanes. They are all on the list. Radium, of course, is. Saccharine is. Silicone rubber and butyl rubber are there, so do not buy any more tires or drive on any more highways; you might get cancer.

Rotenone, steroids, sulfadiazine, are all on the list.

Teflon; how many of you cook your food in utensils lined with teflon, or shave with an instrument covered with teflon? You might get cancer; they might have to be banned.

Turpentine. The list goes on and on, over a hundred pages of detailed, cross-indexed substances which might cause cancer—every one of which has better evidence to sustain its barring from human contact than does the subject of DES implants.

I indicated at the outset that I was a little reluctant to agree to the unanimous consent request that we fix a time certain for the vote on this amendment, because I know that in this body of intelligent people there are a good many Senators who would not have voted as they voted on the last issue had they been here during the debate. I can look around now and see five Members, counting the Presiding Officer—five Members here who will know something more about the issue than if they had not been here, who might be persuaded that the actions taken in the suggested rejection of my amendment are to the benefit of the health of the American people. Five Members out of 100 who will come in, a majority of them, supposedly, voting secure in the knowledge that they have done something virtuous to protect the health of the American people, while remaining hidden in this great list of all these substances around us, infinitely more dangerous than the substance we now seek to ban.

I do not seek to ban all these other substances, because I realize that the benefits far outweigh any possible measurable risks. Yet we are asked, as to this particular substance, this out of all the others, to act in a wave of emotion, to prove to someone that we care about whether or not they get cancer. Yet the only cases of cancer that have been brought in were the ones where a medical therapeutic dose was administered, and is being approved by this legislation.

I ask, Is that logic or is it emotion? I hope the Senate will accept my amendment, and at least reduce the illogic of the action of the Senate today.

Mr. President, I reserve the remainder of my time.

Mr. ROBERT C. BYRD. Mr. President, could we get an agreement that the vote would occur on the amendment by Mr. McClure at 2 o'clock p.m. today and a vote on final passage occur immediately therafter?

I make the request that paragraph three of rule XII be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask——

Mr. PERCY. Is that a 10- or a 15-minute vote?

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the second vote be a 10-minute rollcall vote.

Mr. PERCY. Mr. President, reserving the right to object, would it be possible to have the first vote a 15-minute vote?

Mr. ROBERT C. BYRD. The first vote would be a 15-minute rollcall vote.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Will the Senator ask for the yeas and nays on his amendment?

Mr. McCLURE. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. McCLURE. Mr. President, with some reluctance I did not object to that unanimous-consent request because I know that immediately when that happens everybody leaves. I am only going to talk to the proponents of the bill and I have no hope of convincing them.

The PRESIDING OFFICER. Who yields time?

Mr. HATHAWAY. Mr. President, in answer to some of the arguments made by the Senator from Idaho, first of all I would like to point out that here we are trying to outlaw DES as a cattle feed, and yet we are supporting its use as a morning-after pill, that we recognize and I am sure the opponents do also that DES does have some therapeutic benefits, that it has been found to be successful in breast cancer and in prostatic cancer, and that we cannot ban DES altogether. It is for reason that we put in the provisions that are in the second part of this bill pertaining to the warning and the circumstances under which DES could be prescribed as a morning-after pill.

But even Frank Rauscher, Director of the National Cancer Institute, indicated that those provisions were not effective, that despite the benefits for breast cancer and prostatic cancer, he would advocate removal altogether.

Second, I would like to point something out, with respect to the Senator from Idaho's allegations that we are trying to remove a drug that is only a minimal-risk drug. He indicates from reading the Federal Register that there are 103 agents suspected of being carcinogenic; I do not believe that there are any in that list that have been proven to cause cancer in human beings. If there are, I would like to know what they are.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. HATHAWAY. I am happy to yield.

Mr. McCLURE. Many of these on this list have been proved to cause cancer in some instances, in some applications. Many of them have.

Mr. HATHAWAY. In human being or in animals?

Mr. McCLURE. I would say in both.

Mr. HATHAWAY. If the Senator will reveal to me which ones they are, I will be grateful.

Mr. McCLURE. I am not sure we have time to go through the whole list.

Mr. HATHAWAY. Either we can cover them or take them up and make them the subject of future legislation to ban those also. I do not think the Senator can make the argument that because we are not banning those we should not ban this. We will get to those later.

Mr. McCLURE. My point simply is this: That the very minute exposure of human beings to many of the items, maybe nearly all the items on this list, is such a small risk that it can be ignored; but even that small risk is greater than the risk you can demonstrate with respect to DES implants.

Mr. HATHAWAY. Will the Senator answer my question as to which ones on the list of 103 have been found to cause cancer in human beings?

Mr. McCLURE. I would be glad at another time and another place to sit down with the Senator and go through 103 pages, and we will talk about them substance by substance.

Mr. HATHAWAY. Just name one of them in the 103 that has been found to cause cancer in human beings, and that is the reason we have the DES bill before us today. We have found that it has caused cancer in human beings, and some of those human beings have passed away as a result of it, and that is the only reason this bill is being pushed today.

It is not a question of DES suspected of causing cancer in human beings. We know it causes cancer in human beings. We do not know how much it takes of the DES to cause this cancer. Maybe it will turn out that studies will indicate that the amount that is fed to beef cattle and then ingested by human beings will not be a sufficient amount even if ingested over a 100 year period to cause cancer. If that is so, then I would presume that DES would be allowed as a cattle feed. But we do not know that yet.

Mr. McCLURE. The Senator is willing to allow DES to be prescribed and ingested in a quantity which if it were fed would require 73,000 lunches of baby beef liver every day for 50 years to equal the amount of the therapeutic dose, and the Senator is willing to allow the therapeutic dose, but he is not willing to allow it to be used in feed. Again there is absolutely no evidence at all that the implant causes any cancer.

Mr. HATHAWAY. I gave the Senator the reason we are allowing it. Perhaps he was not listening at the time when I first arose.

The Senator is talking about the morning-after pill; is that correct? The Senator is referring to the morning-after pill?

Mr. McCLURE. Yes.

Mr. HATHAWAY. We are allowing the use of that, and would continue to allow the use of that because we know DES is helpful with respect to breast cancer, and we know that it is helpful with respect to——

Mr. McCLURE. Is the Senator using DES in a dose in the morning-after pill to be helpful in breast cancer?

Mr. HATHAWAY. No.

Mr. McCLURE. No.

Mr. HATHAWAY. The problem is this. It is out in the marketplace for breast cancer and prostatic cancer. The fact it is out in the marketplace means it would be very difficult to enforce its use with respect to those purposes only.

Recognizing that difficulty in enforcement, we have put in this provision that says that it can only be used in certain circumstances for the morning-after pill, and that the warning has to be given to the woman and has to be signed by her or by her guardians if she is underaged.

As I mentioned, Frank Rauscher, who is Director of the Cancer Institute, says that does not work. Then, despite the benefits that we are receiving from DES for breast cancer and for prostatic cancer, he would advocate a total removal of DES altogether. That may be very well what would be done.

Mr. McCLURE. Mr. President, will the Senator yield further?

Mr. HATHAWAY. I am happy to yield further.

Mr. McCLURE. The Senator says that because it is useful in some other instances, we cannot ban it; therefore, we will allow its use in the morning-after pill. That is nonsense. If the Senator really thought it was dangerous in the morning-after pill, we would ban it in the morning-after pill also.

Mr. HATHAWAY. The point is this. It is out in the marketplace for breast cancer and for prostatic cancer. That means it is out in the marketplace, and it can be used then as a morning-after pill. We feel we cannot control it well enough. Because it is out in the marketplace, even though it is only supposed to be used for breast cancer or prostatic cancer, we know as a practical matter it will be used for other purposes. So in order to protect the women who may use it, we have made these provisions in the law that it only can be prescribed in certain circumstances, and there has to be a warning and the person has to sign a statement.

As I mention for the third time, if this does not work, we are going to ban it altogether, despite its therapeutic benefits.

Mr. PASTORE. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. HATHAWAY. I am happy to yield to the Senator from Rhode Island.

ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION AUTHORIZATIONS, 1976

Mr. PASTORE. Mr. President, on behalf of the Senator from Washington (Mr. JACKSON), the chairman of the Committee on Interior and Insular Affairs, and myself, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 3474.

The PRESIDING OFFICER (Mr. LEAHY) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H.R. 3474) to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. PASTORE. I move that the Senate insist upon its amendment and agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. PASTORE, Mr. SYMINGTON, Mr. MONTOYA, Mr. JACKSON, Mr. CHURCH, Mr. HASKELL, Mr. JOHNSTON, Mr. GLENN, Mr. BAKER, Mr. CASE, Mr. FANNIN, Mr. HATFIELD, and Mr. MCCLURE conferees on the part of the Senate.

DIETHYLSTILBESTROL

The Senate continued with the consideration of the bill (S. 963) to amend the Federal Food, Drug, and Cosmetic Act to prohibit the administration of the drug diethylstilbestrol—DES—to any animal intended for use as food, and for other purposes.

The PRESIDING OFFICER. Who yields time?

Mr. McCLURE. Mr. President, I yield myself such time as I may consume.

Mr. President, I repeat only one other thing which I mentioned yesterday.

The head of the National Cancer Institute made this statement, and he made this statement in the hearings before the committee:

> . . . physicians who have responsibility for treating emergency pregnancies should not be deprived of what appears to be a useful medical tool. . . .

The Senator from Maine did not look at that particular one. He was looking at the treatment of breast cancer and other kinds of cancer as being a useful medical tool. That is not the significant part of the statement. Let me complete what he said.

> particularly so since there is a considerable accumulation of evidence which indicates the risks to . . .

Humans are so small as to be undetectable, and those risks are the risks attributable to the medicinal use of this hormone, not its use as a feed supplement or an implant, and the feed supplements or implants are so infinitely smaller, as we have indicated already that the implants, as I have already indicated, are not even detectable as any residues in the meat in animals.

Still we must ban it even though there is no way to detect any presence, but it might be there.

I say to the Senator from Maine and the other sponsors of this legislation that if that is really the way they are going to vote, that it might be dangerous if it is there, then ban every one of the substances on 103 pages of the Federal Register.

Mr. President, I reserve the remainder of my time.

Mr. HATHAWAY. In answer to the Senator's argument, I read from page 39 of the hearings in 1975, where Dr. Rauscher makes this statement:

> It should be recognized that there is no health advantage to the exposed individual as is the intent when the drug is used therapeutically. The law prescribes that substances like DES which have been shown to be carcinogenic can be used as feed additives providing no residues appear in any of the edible portions of the animal at the time of slaughter.
>
> The NCI remains fully supportive of these requirements.
>
> Senator KENNEDY. Residues are now appearing.
>
> Dr. RAUSCHER. That is correct.
>
> Senator KENNEDY. You want to end that?
>
> Dr. RAUSCHER. Indeed.
>
> Senator KENNEDY. You want DES out of beef?
>
> Dr. RAUSCHER. That is our recommendation.

So I would say that Dr. Rauscher is pretty unequivocally committed to the provisions of this bill.

Mr. President, I do not have any further remarks to make at this time. I think that the matter has been argued quite extensively both yesterday and today.

I reserve the remainder of my time.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McCLURE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATHAWAY. Mr. President, I yield 1 minute to the Senator from West Virginia.

Mr. ROBERT C. BYRD. I thank the distinguished Senator from Maine.

UNANIMOUS-CONSENT AGREEMENT—VETO OF H.R. 5901

Mr. ROBERT C. BYRD. Mr. President, on tomorrow, the Senate will vote at 3 p.m. to override the President's veto of the 6-month extension of oil price controls. I have a request which I understand has been cleared with Mr. MAGNUSON and Mr. BROOKE, who will be handling the matter of the override of the President's veto on the education bill, H.R. 5901.

I ask unanimous consent that immediately following the first vote, on the attempt to override the President's veto—and that will have to do with the oil price controls—there be a 20-minute limitation for debate on the override of the President's veto of H.R. 5901, the education bill; that the time be equally divided between Mr. MAGNUSON and Mr. BROOKE, and that a vote then occur on the override of the President's veto of H.R. 5901.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT UNTIL 10:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 10:30 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, have any orders been entered for the recognition of Senators on tomorrow?

The PRESIDING OFFICER. None.

Mr. ROBERT C. BYRD. I thank the Chair.

Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized under the standing order on tomorrow, there be a period for the transaction of routine morning business, with statements therein limited to 5 minutes each, such period not to extend beyond 11 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT—S. 1849

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at 11 a.m. tomorrow, debate begin on the override of the President's veto of S. 1849; that there be a time limitation of 4 hours for that debate, the time to be equally divided between Mr. JACKSON and Mr. FANNIN; and that my request for a time limitation of 4 hours be changed to read not to exceed 4 hours, so that the vote will still occur at 3 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

DIETHYSTILBESTROL

The Senate continued with the consideration of the bill (S. 963) to amend the Federal Food, Drug, and Cosmetic Act to prohibit the administration of the drug diethylstilbestrol—DES—to any animal intended for use as food, and for other purposes.

Mr. HATHAWAY. Mr. President, I am prepared to yield back the remainder of my time on the amendment.

Mr. McCLURE. Would it be the intention to have the recess until 2 o'clock? With that understanding, I yield back the remainder of my time.

Mr. ROBERT C. BYRD. That is the intention.

The PRESIDING OFFICER. All time has been yielded back.

RECESS UNTIL 2 P.M.

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess until 2 p.m. today.

The motion was agreed to; and the Senate, at 1:41 p.m., recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. HANSEN).

DIETHYLSTILBESTROL

The Senate continued with the consideration of the bill (S. 963) to amend the Federal Food, Drug, and Cosmetic Act to prohibit the administration of the drug diethylstilbestrol—DES—to any animal intended for use as food, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment by the Senator from Idaho. The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Kentucky (Mr. HUDDLESTON), and the Senator from Mississippi (Mr. EASTLAND) are necessarily absent.

I further announce that the Senator from Indiana (Mr. BAYH), the Senator from Florida (Mr. CHILES), the Senator from Alaska (Mr. GRAVEL), and the Senator from Minnesota (Mr. HUMPHREY) are absent on official business.

I also announce that the Senator from Alabama (Mr. ALLEN) and the Senator from Michigan (Mr. HART) are absent because of illness.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from New York (Mr. BUCKLEY), the Senator from Utah (Mr. GARN), and the Senator from Oregon (Mr. PACKWOOD) are necessarily absent.

I further announce that, if present and voting, the Senator from Utah (Mr. GARN) would vote "yea."

The result was announced—yeas 31, nays 58, as follows:

[Rollcall Vote No. 386 Leg.]

YEAS—31

Baker
Bartlett
Bellmon
Brock
Byrd,
Harry F., Jr.
Church
Curtis
Dole
Domenici
Fannin
Ford
Goldwater
Hansen
Helms
Hruska
Johnston
Laxalt
McClure
McGee
Montoya
Morgan
Nunn
Pearson
Scott,
William L.
Stennis
Stevens
Stone
Talmadge
Thurmond
Tower
Young

NAYS—58

Abourezk
Beall
Bentsen
Biden
Brooke
Bumpers
Burdick
Byrd, Robert C.
Cannon
Case
Clark
Cotton
Cranston
Culver
Eagleton
Fong
Glenn
Griffin
Hart, Gary W.
Hartke
Haskell
Hatfield
Hathaway
Hollings
Inouye
Jackson
Javits
Kennedy
Leahy
Long
Magnuson
Mansfield
Mathias
McClellan
McGovern
McIntyre
Metcalf
Mondale
Moss
Muskie
Nelson
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Sparkman
Stafford
Stevenson
Symington
Taft
Tunney
Weicker
Williams

NOT VOTING—11

Allen
Bayh
Buckley
Chiles
Eastland
Garn
Gravel
Hart, Philip A.
Huddleston
Humphrey
Packwood

So Mr. MCCLURE's amendment was rejected.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendments to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. KENNEDY. Mr. President, I ask unanimous consent to have printed in the RECORD certain material in connection with DES.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Sept. 8, 1975]

ACTION AGAINST DES

The Senate is expected to vote today on legislation involving the controversial drug DES (diethylstilbestrol). The two most important parts of the bill, which is sponsored by Sen. Edward M. Kennedy (D-Mass.) and Richard S. Schweiker (R-Pa.), involve the use of DES as a growth stimulant fed to cattle and its use as a contraceptive for women. In both instances, the debate has been persisting for years, a period of time in which countless Americans have been exposed to possible dangers that, with a measure of diligence, the Food and Drug Administration might have spared them.

The vote on banning DES in cattle feed is expected to be close. That the outcome is uncertain suggests that the cattle industry has been making another lobbying effort to support a business-as-usual position. Actually, the DES business is anything but usual. The evidence against the drug—it is known to cause cancer in laboratory tests with animals—is so strong that it was already banned once by the FDA, after years of delay that saw the industry being favored by one administrative leniency or another: Ironically, when the FDA finally did accept the overwhelming evidence against DES, it acted in such a juridically inept way that in January 1974 a federal court set aside the ban on a procedural issue. Because the agency has not caused itself to reinstitute the ban against DES, it is clear that the responsibility rests with Congress. Little new ground needs to be cleared. In 1972, the Senate voted for an immediate ban, but the House failed to act. It was also in 1972 that Dr. Frank J. Rauscher Jr., the director of the National Cancer Institute, said of DES: "Anything that increases the carcinogenic burden to man ought to be eliminated from the environment if at all possible—and in this case it is possible."

DES as a contraceptive also has a long history. The Senate bill proposes a number of restrictions that appear to have aroused much less controversy than DES in cattle feed. These restrictions deserve support because evidence suggests that the drug, instead of being used only in emergency situations, is being used routinely. The Senate bill requires that DES be used only in such emergencies as rape, that the patient give written informed consent and that this consent be recorded (without the patient's name) with the FDA. These measures hold promise of protecting large numbers of women against a drug which, according to many health authorities, is now being administered and used far too casually.

METABOLIC FATE OF ORAL DIETHYLSTILBESTROL IN STEERS

(By P. W. Aschbacher[1] and E. J. Thacker[1,2]
U.S. Department of Agriculture[3])

SUMMARY

The metabolic fate of diethylstilbestrol (DES) in steers was studied by giving single oral doses of ^{14}C-DES and sacrificing the animals 24, 48, 72, 120, 168 and 240 hr. after dosing (two steers per time interval). Total recovery of ^{14}C averaged 97% of the dose, with a range of 90.0 to 103.7%. Of the total ^{14}C recovered from steers slaughtered 120 and 168 hr. after dosing, 98.5 and 99.5%, respectively, were in the excreta. For all animals, fecal excretion was two to three times that in the urine, and the gastrointestinal contents were the major reservoir of excreted ^{14}C. A minimum of 85% of the ^{14}C in feces was characterized as free DES by thin-layer chromatography (TLC). The ^{14}C in the urine was not free DES; but after incubation with β-glucuronidase-aryl sulfatase enzyme, a minimum of 85% was recovered as free DES (characterized by TLC). The concentrations of ^{14}C were always higher in the liver, kidney and bile-gallbladder than in any other tissue analyzed. ^{14}C-DES was recovered from hydrolysates of liver extracts and of bile-gallbladder extracts from several steers. Isotopic dilution procedures were the basis for these identifications. One of the liver samples from which ^{14}C-DES was recovered came from a steer that was slaughtered 168 hr. after dosing with ^{14}C-DES. Approximately 22% of the ^{14}C in this liver sample was identified as ^{14}C-DES, and this is an equivalent concentration of the order of 0.1 ppb DES. Analysis that employed gas-liquid chromatography detected DES (0.9 to 1.2 ppb) in the livers from one steer slaughtered 72 hr. and another 120 hr. after ingestion of DES had ceased, but these analyses did not detect DES in livers of two steers slaughtered 168 hr. after DES ingestion had ceased.

INTRODUCTION

Several investigators have reported no increase in estrogenic activity in edible tissue from steers slaughtered 48 hr. after diethylstilbestrol (DES) feeding had stopped (Preston *et al.*, 1956; Turner, 1956; Umberger, Curtis and Gass, 1959; Wiberg and Stephenson, 1957). Recently, however, Donoho *et al.* (1973), using derivatization and gas-liquid chromatography (GLC), found DES (or its conjugate) at the 1 ppb range in livers of steers slaughtered 72 hr. after withdrawal of DES (20 mg/day) from the feed. In a study in this laboratory, radioactivity was detected in feces of sheep for 7 days after dosing with ^{14}C-DES (Aschbacher, 1972). The ^{14}C in a 7-day composite sample of feces from these sheep was characterized as DES. Earlier studies with ^{3}H-labeled DES in steers have shown excretion patterns and distribution of ^{3}H-DES, but interpretation of these data is uncertain because of the low recovery of total radioactivity (Hinds *et al.*, 1965; Mitchell, Neumann and Draper, 1959).

The objective of the study reported here was to quantitatively determine the metabolic fate of orally ingested DES in steers given ^{14}C labeled DES.

MATERIALS AND METHODS

Chemicals. Diethylstilbestrol labeled with ^{14}C in the number one carbon of one ethyl side chain (^{14}C-DES) was obtained from Amersham-Searle Corp. in two lots. The specific activities were 4.28×10^8 and 4.77×10^8 dpm/mg, and the supplier indicated radiopurity as greater than 98%, based on paper and thin-layer chromatography (TLC). The ^{14}C-DES was shipped in benzene solution ($\approx$3.2 mc/ml), and upon receipt was further diluted with benzene ($\approx$1 mc/ml). Radiopurity was evaluated in our laboratory by TLC and isotopic dilution, and these procedures are described later in the section on isolation and characterization of ^{14}C-labeled compounds. Tritium-labeled DES (^{3}H-DES) used for isotopic dilution was also obtained from Amersham-Searle Corp.

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[1] Agricultural Research Service, Metabolism and Radiation Research Laboratory, Fargo, North Dakota 58102.

[2] Technical assistance of B. R. Lewton is gratefully acknowledged.

[3] Reference to a company or product name does not imply approval or recommendation of the product by the U.S.D.A. to the exclusion of others that may be suitable.

Nonradioactive DES was obtained from J. T. Baker Co. and nonradioactive DES-monoglucuronide was obtained from Aldrich Chemical Co.

Experimental Animals. Hereford and Angus-Hereford steers were purchased at a local stockyard and were acclimated to the laboratory premises for a minimum of 6 weeks before use. Their diet during the acclimatization period and the experiments was a 50:50 mixture of alfalfa, hay, s-c grnd pelleted, mn 15% protein, IRN 1–100–121, and a pelleted concentrate mixture (34% oats, grain, grnd, IRN 4–08–471; 30% barley, grain, grnd, feed gr, IRN 4–08–343; 19% corn, yellow, grain, grnd, IRN 4–02–992; 15% soybean, seeds, solv-extd grnd, mx 7% fiber, IRN 5–04–604; 1% TM salt and 1% calcium phosphate, dibasic, commercial, IRN 6–01–080) fed free choice. The steers weighed from 230 to 386 kg when they were dosed with ^{14}C-DES.

Experimental Protocol. For 14 days, each steer was given 20 mg of *trans*-DES daily (10 mg morning and evening). Immediately after this period, at approximately 9:00 am. each steer was given a single dose of *trans*-^{14}C-DES (1.45×10^9 to 2.52×10^9 dpm ^{14}C; 10 mg of DES) prepared as previously described (Aschbacher, 1972). No DES was given after the radioactive dose. All DES was given via a gelatin capsule with a balling gun.

The day before dosing with radioactive DES, the steers were placed in metabolism stalls (Aschbacher, 1970), where they remained until sacrificed. All feces and urine were collected when steers were in the metabolism stalls. During the first 72 hr. after dosing with ^{14}C-DES, the feces and urine were allowed to accumulate 12 hr. before being refrigerated; thereafter, the accumulation period was 24 hours. Urine was collected via a large rubber funnel strapped to the steer. Jugular blood samples were taken six times during the first 48 hr. after dosing with ^{14}C-DES and at 24-hr. intervals thereafter. Steers were sacrificed 24, 48, 72, 120, 168 and 240 hr. after receiving ^{14}C-DES (two steers at each interval). In general, the specific activity of the ^{14}C-DES dose (and therefore total ^{14}C) was increased with increasing interval from dosing to sacrifice. These procedures were carried out with one steer at a time from November 1971 to August 1972.

In February 1972, a steer was subjected to the procedures described above, except that no ^{14}C-DES was given. The steer was sacrificed 48 hr. after the cessation of DES feeding, and the samples from this steer established practical background values for interpretation of tissue residues.

When the steers were sacrificed, samples of the following organs and digestive tract contents were taken: liver, kidney, adrenals, heart, lung, gallbladder with bile, spleen, lean muscle (round), visceral fat, dermal fat, large intestine, small intestine, omasum, rumenoreticulum, large intestinal contents, small intestinal contents, omasal contents, rumenoreticular contents and abomassum with contents. The gastrointestinal (GI) contents were separated from the tissues only to facilitate sample preparation, and the quantities of ^{14}C in the tissue and contents were combined when expressing the amount in a section of the tract. After the leg bones and pelvic and pectoral girdies were removed, one-half of the eviscerated carcass was ground, mixed and sampled.

^{14}C Assays. Measurement of ^{14}C was by liquid scintillation; an external standard was used for quench correction. Urine and blood plasma were assayed directly (0.5 ml) in a commercial liquid scintillation solution (Instagel, Packard Instrument Co.). In Preparation for assay, samples of tissues, gastrointestinal contents and feces were freeze-dried. ^{14}C assays of dried samples (in triplicate) were accomplished by a combustion technique (Model 305 Oxidizer, Packard Instrument Co.) in which the CO_2 from 100 to 300 mg of dry sample was trapped for liquid scintillation counting.

Backgrounds were established by combusting similar quantities of paper. Samples with very low activity were grouped and reassayed to avoid possible memory effect in the oxidizer instrument, which could occur if samples of widely different activity were assayed in sequence. To determine significant differences from background, we compared means of gross counts from samples with means of paper blanks, using a *t*-test with a 0.01 level of probability. Only net counts significantly above background were converted to dpm and reported.

Isolation and Characterization of ^{14}C-Labeled Compounds. Samples for characterization of ^{14}C compounds were stored at −15 C or, in some cases, freeze-dried and stored at 3 C. Maximum storage time before characterization was 17 months. A 2.4- × 16-cm column of Porapak Q (Waters Associates Inc.) was used to recover ^{14}C compounds from urine. The column was poured in methanol and then washed with 50 to 100 ml of water. After as much as 500 ml of urine was passed through the column, the column was washed with water until the eluant was clear, and then the ^{14}C compounds were eluted with methanol (Bradlow, 1968). The eluate was monitored for radioactivity with a flow cell packed with insoluble glass bead scintillator (Model 317 Tri-Carb Flow Monitor, Packard Instrument Co.). Quantitation was by conventional liquid scintillation.

^{14}C-containing compounds were extracted from feces and GI contents with methanol, and dried bile-gallbladder was extracted with either methanol or diethylether:ethanol (70:30). Livers were extracted once with acetone (1 ml per gram fresh tissues), followed by two extractions with acetone:water (80:20).

Two procedures were used to isolate conjugates of DES and free DES from the extracts. Once procedure involved partitioning between chloroform and a pH 10.5 aqueous carbonate buffer (51 g $NaHCO_3$ 21 g NaOH/liter) and between chloroform and 0.1N NaOH, as previously described (Aschbacher, 1972) and discussed (Coffin and Pilon, 1973). The other procedure used the Porapak Q column as described, except that elution was by a stepwise water:methanol gradient (0, 30, 50, 80 and 100% methanol). Conjugates were eluted with 50 to 80% methanol, whereas free DES required 100% methanol.

The ^{14}C-DES as purchased and the ^{14}C compounds recovered from steers dosed with ^{14}C-DES were examined by TLC. The TLC systems used 0.25 mm of silica gel on 5 X 20 cm glass plates (Brinkmann Instrument Inc.) with hexane:diethylether: dichloromethane (4:3:2) or *n*-propanol:water (8:1) as the solvent mixtures. The first solvent system produced useful R_f valves with free DES and the latter with DES monoglucuronide. For comparative R_f values, unknown radioactive compounds were chromatographed side by side with known nonradioactive compounds. Radioactive bands were located with a radiochromatogram scanner (Model 7200, Packard Instrument Co.), and nonradioactive standards were visualized under UV light.

Suspected conjugates were hydrolyzed by incubating overnight in a 0.05m sodium acetate buffer, pH 4.75, at 38 C with - μl/ml of β-glucuronidase/aryl sulfatase (Calbiochem). Before hydrolysis, ^{14}C compounds were recovered from urine with a Porapak Q column or from liver and bile-gallbladder by extraction. ^{14}C compounds were isolated from the hydrolysate by passing the hydrolysate through the Porapak Q column or by extracting the hydrolysate with ether, followed by partitioning as described above. Hydrolysates of liver and bile-gallbladder were dissolved in a water:methanol mixture (3:7), and this was partitioned against hexane to remove lipids.

For isotopic dilution studies, approximately 500 mg of stable DES was added to the fraction suspected of containing ^{14}C-DES. This mixture was dissolved in either warm methanol (100 mg/ml) or warm benzene (10 mg/ml). Crystals that formed in the methanol at refrigerator temperature and in the benzene at room temperature were harvested on a fritted glass funnel and washed twice with 2 ml of cold methanol:water (2:1) or cold benzene. The crystals were dried overnight in a vacuum oven at 80 C. Approximately 10 mg of crystals was weighed into a scintillation vial with a balance accurate to 0.05 mg and the specific activity determined. The rest of the crystals were then redissolved, and the procedure was repeated until a constant specific activity was achieved. In some instances, ^{3}H-DES was added to the unknown sample; and constant ^{3}H to ^{14}C ratios from succeeding crystallizations were taken as proof of the presence of ^{14}C-DES. ^{3}H-DES of approximately 200 dpm/mg was prepared for isotopic dilution procedures by diluting high specific activity. ^{3}H-DES with nonradioactive DES and recrystallizing from hot benzene.

All values for percentages of ^{14}C characterized as DES are actual amounts present at the end of the procedures, with no correction for possible procedural losses.

Gas-Liquid Chromatographic (GLC) Analyses for DES. With some steers, the parts of the kidney and liver not freeze-dried for ^{14}C assay were frozen and shipped to the Animal and Plant Health Inspection Service,[4] where they were analyzed for DES by a procedure similar to that described by Donoho *et al.* (1973). This procedure utilizes extraction, hydrolysis, partitioning, derivatization and quantitation by GLC.

RESULTS AND DISCUSSION

Radoactivity of ^{14}C-DES. Radiopurity evaluation of the ^{14}C-DES agreed with information provided by the supplier. TLC (hexane: diethylethe:dichloromethane) revealed only radioactive bands corresponding to *cis*- and *trans*-DES. Discrete bands containing 1% of the activity applied to the TLC plate would have been discernible. Isotopic dilution procedures produced constant specific activities that were at least 97% of the calculated specific activities if all the ^{14}C was in DES.

^{14}C Levels in Blood Plasma. Figure 1 shows the average concentrations of ^{14}C in blood plasma at various intervals after an oral dose of ^{14}C–DES. Radioactivity was always present in the sample taken 4 hr. after dosing, and plasma radioactivity in one animal was maximum at 4 hr. after dosing. With one exception, radioactivity in the 36-hr. sample was lower than that in the 24-hr. sample. Radioactivity in all samples taken 120 hr. after dosing approached background levels (1 to 5 net cpm in a 0.5-ml sample).

Excretion of ^{14}C. Table 1 shows the average cumulative ^{14}C excretion after a dose of ^{14}C-DES. Excretion via feces was two to three times that in urine. The rate of excretion was relatively rapid during the first 48 hr. after dosing; thereafter, excretion decreased rapidly so that during the interval from 144 to 168 hr. after dosing, the percentage of the dose excreted was 0.43±0.61 (average of four animals±standard deviation of the mean). There was considerable variation among steers in the average daily quantity of feces eliminated during the collection period (table 2), and the rate of excretion of ^{14}C appeared to be related to the rate of elimination of feces. Steer 36 eliminated the least feces and also had a relatively slow rate of ^{14}C excretion.

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[4] Appreciation is expressed to A. J. Malanoski and R. M. Simpson for chemical assays.

TABLE 1.—CUMULATIVE EXCRETION OF ^{14}C FROM STEERS AFTER AN ORAL DOSE OF ^{14}C-DES [a]

[Table copy illegible]

TABLE 2. *Average daily elimination of feces (dry weights) per kilogram body weight*

Steer no.:	g
31	9.8
42	8.0
28	10.3(0.1)
41	5.2(1.3)
29	8.6(0.4)
40	9.2(3.4)
34	7.3(0.8)
37	8.1(1.2)
33	5.3(1.2)
36	4.2(1.5)
39	7.8(1.0)
38	9.6(1.4)

[a] Data are from time steers were dosed with ^{14}C-DES until slaughtered. Dry weights are based on freeze-dried samples. Numbers within parentheses indicate standard deviation of the mean.

The concentration of ^{14}C in some tissues of steer 36 (data presented later) was also relatively high.

Methanol extracts of feces from each of three steers (0- to 24hr., 0- to 48-hr. and 144- to 168-hr. collections) were partitioned for isolation of DES. Over 85% of the ^{14}C in these feces samples was recovered in the fraction where free DES would be expected, and this ^{14}C migrated as free DES on TLC (hexane: ether: dichloromethane). Only 4 to 7% partitioned into carbonate buffer, where polar conjugates would be expected. Apparently, the majority of the ^{14}C excreted in the feces was as free DES.

The nature of the ^{14}C in urine depended upon the history of the sample before analysis. The majortiy of the ^{14}C was eluted from a Porapak Q column with 50% methanol if the urine had been allowed to accumulate for 12-hr. periods during collections and then was stored at −15 C before column chromatography. These ^{14}C compounds remained at the origin of a TLC plate with a hexane: ether: dichloromethane solvent system but migrated similarly to DES monoglucuronide with a propanol:water solvent. When these urine samples were thawed and held at 22 C for 18 hr. before chromatography, most of the ^{14}C was eluted with 100% methanol and was characterized as free DES by TLC. The proportion of ^{14}C in urine characterized as free DES appeared to increase when the urine had been allowed to accumulate (during collections) for 24-hr. periods before cooling. However, this observation was confounded because the 12-hr. collection periods were always during the first 72 hr. after dosing, and the 24-hr. collection periods were always more than 72 hr. after dosing.

A high percentage of the ^{14}C in urine was also characterized as free DES after incubation with glucuronidase/aryl sulfatase enzyme. Composite samples of urine from each of three steers (0- to 72-hr., 0- to 120-hr. and 0- to 168-hr. collections) were analyzed. From 85 to 95% of the ^{14}C in the urine samples was recovered after hydrolysis, and when this was subjected to TLC (hexane: ether:dichloromethane), 93 to 96% of the ^{14}C spotted on the TLC plates was found in the bands corresponding to *cis*- and *trans*-DES. In the 0- to 168-hr. sample, a definite band containing approximately 6% of the activity spotted on the plate remained near the origin. When the solvent system was propanol:water, all activity migrated with the solvent front, and no band corresponding to DES monoglucuronide was observed. Apparently, a small amount of ^{14}C in this sample was more polar than DES but less polar than DES monoglucuronide.

Distribution of ^{14}C at Time of Sacrifice. The distribtuion of ^{14}C at time of sacrifice is shown in table 3. Total recoveries averaged 97% of the dose and varied from 90.8 to 103.7% for individual steers. Obviously, the GI tract was the major reservoir of unexcreted ^{14}C at all times.

The chemical nature of the ^{14}C in the GI tract of one steer sacrificed 48 hr. after dosing with ^{14}C-DES was determined. Over 95% of the ^{14}C in the GI tract contents of that steer was extractable with methanol. After partitioning, 78% of the ^{14}C in the rumenoreticular contents was recovered in the fraction where DES would be expected. This ^{14}C migrated as free DES on TLC. Results were similar when extracts of omasal and abomasal contents were subjected to partitioning and TLC analysis (91 and 74% characterized as free DES, respectively). Only 50% of the ^{14}C in the small intestinal contents was characterized as free DES, and 38% was partitioned into pH 10.5 carbonate buffer from chloroform. The ^{14}C in the carbonate buffer migrated similarly to DES monoglucuronide on TLC. In the large intestinal contents, however, partitioning and TLC analysis indicated that 95% of the ^{14}C occurred as free DES. Apparently, the polar metabolites found in the small intestine were conjugates (probably predominantly glucuronides), and these conjugates were hydrolyzed in the lower tract and excreted as DES (Fischer, Kent and Weissinger, 1973; Fischer and Weissinger, 1972).

TABLE 3.—DISTRIBUTION OF ^{14}C IN STEERS AFTER AN ORAL DOSE OF ^{14}C-DES [a]

[In percent of dose]

Location	Hours from dose to sacrifice					
	24	48	72	120	168	240
Rumenoreticulum	38.00	19.40	2.74	0.69	0.90	[b] ND
Omasum	13.30	5.09	1.83	.20	.04	ND
Abomasum	.59	.77	.18	.02	.03	ND
Small intestine	3.10	2.13	.65	.10	.05	<.01
Large intestine	8.38	6.86	1.30	.29	.39	ND
Feces and urine	29.68	67.45	95.05	94.55	95.65	90.9
Organs and carcass	.96	.29	.26	.01	<.01	<.01
Total recovery	94.0	102.0	102.0	95.9	97.1	90.9

[a] Each value is an average of two steers. Value for gastrointestinal tract includes contents and tissues.

[b] ND = not detected.

Table 4 indicates the residues of ^{14}C-DES equivalents in the various tissues at the time of sacrifice. The values are expressed as ppb DES equivalents and were computed by dividing the ^{14}C concentration of fresh tissue by the specific activity of the ^{14}C-DES given that particular animal. At least two factors must be considered when interpreting these data. One is that the values apply only to the radioactive dose of DES and do not quantitate DES residues from stable DES ingested before the radioactive dose. The second factor is that the numerical values are based entirely on ^{14}C assays and do not distinguish between ^{14}C-DES and other ^{14}C-labeled compounds; or expressed in another way, the values are the maximum possible DES residues from the ^{14}C-DES dose.

A portion of the ^{14}C in several tissues was confirmed to be contained in DES molecules. Acetone extraction recovered over 90% of the ^{14}C in the livers of two steers slaughtered 48 hr. after dosing with ^{14}C-DES. After these extracts had been hydrolyzed, the recovery of free ^{14}C-DES was confirmed by isotopic dilution (46 and 36% of the ^{14}C in the livers of steers 28 and 41, respectively). Extraction of the liver of steer 36 (slaughtered 168 hr. after dosing with ^{14}C-DES) recovered 62% of the ^{14}C in the liver, and ^{14}C-DES (22% of the ^{14}C in the liver) was identified by isotopic dilution after hydrolysis.

Examination of bile-gallbladder extracts from steers 31, 42, 41 and 36 provided little, if any, evidence for the presence of free ^{14}C-DES (TLC and column chromatography). Over 80% of the ^{14}C was extracted by either methanol or ether:ethanol. Bile-gallbladder extracts from steers 31 and 36 were hydrolyzed, and 80 and 43%, respectively, of the ^{14}C in the bile-gallbladder was recovered as ^{14}C-DES (isotopic dilution).

All quantitation of the ^{14}C recovered from tissues represents the actual amounts recovered, with no corrections for nonspecific procedural losses. Therefore, these values represent minimum estimates of the actual quantities present. Losses of ^{14}C from bile-gallbladder extracts of steer 36 were large because it was necessary to repeat the hydrolysis step, and additional column chromatography and partitioning steps were necessary before adequate purification for isotopic dilution was attained. Our data give little insight as to the nature of the ^{14}C in tissues that was not recovered as ^{14}C-DES. In some cases, the solubility characteristics of a portion of the ^{14}C indicated it was not ^{14}C-DES (24 to 30% of the ^{14}C in the three livers examined). The extremely low concentrations (mass) of the ^{14}C compounds present in tissue extracts made it impossible to collect the spectral data necessary for characterization of these compounds.

Tissue samples (25 analyzed) from the control steer did not contain radioactivity discernible from background, with one exception. The large intestinal tissue had 108 dpm/g of fresh tissue. This calculates to 0.58 ppb DES equivalents by using the average specific activity of all ^{14}C-DES doses (range 0.43 to 0.74 ppb).

TABLE 4.—CONCENTRATIONS OF ^{14}C IN STEER TISSUES (EXPRESSED AS DES EQUIVALENTS) AFTER AN ORAL DOSE OF ^{14}C-DES

[Table copy illegible]

Approximately 85% of this activity could be extracted, but solubility characteristics indicated that this ^{14}C was not present as DES; however, the total amount available was only 9,000 dpm, and thus definite conclusions concerning the nature of this ^{14}C are impossible to make. We suspect the sample was contaminated with an unknown ^{14}C-containing compound somewhere in the preparation for ^{14}C analysis. Because contamination of a control sample with ^{14}C from another compound was possible, it seemed reasonable to discount the significance of a single sample that had ^{14}C concentrations near the lower limits of detectability. However, contamination of liver, kidney or bile-gallbladder samples with ^{14}C did not appear to be an important factor when levels were above 0.1 ppb DES equivalents because the relationships among these issues were similar within an animal; i.e., bile-gallbladder was highest, with liver and kidney of the same order of magnitude.

Samples from internal organs other than liver and kidney occasionally showed radioactivity slightly above background, but there was no indication of preferential accumulation in these organs. Radioactivity in some samples from steers sacrificed 240 hr. after dosing could be distinguished from background (scintillation vial as assayed contained 3 to 10 cpm above background); however, no attempt was made to characterize this ^{14}C.

The GLC assay detected DES in liver and kidney of one steer sacrificed 72 hr. after DES ingestion stopped and in the liver of one steer sacrificed 120 hr. after DES ingestion stopped (table 5). DES was not detected by GLC analyses in any muscle samples or in samples from steers sacrificed 168 or 240 hr. after DES ingestion stopped. GLC analysis failed to confirm the presence of DES in the liver of steer 36; however, Donoho *et al.*, (1973) indicate that this assay has a sensitivity of about 1 part/billion. The ^{14}C data indicated a level of DES below 1 ppb in this liver.

GENERAL DISCUSSION

From our data, we estimated that the major part (not less than 85%) of the DES fed to steers is excreted either as DES or as a conjugate of DES. The extent of alteration of the DES moiety, if it occurred, was small (less than 15%) when compared with the total intake. The conjugate(s) is readily hydrolyzed with glucuronidase aryl sulfatase enzyme and probably also by microbial action (Fischer and Weissinger, 1972; Fisher *et al.*, 1973). The fact that most of the DES ingested is excreted as the intact DES molecule means that DES will appear in feedlot waste when DES is fed to cattle, and thus the possibility of uncontrolled ingestion of DES exists because under some conditions cattle may ingest feedlot wastes. Also, the presence of DES in feedlot wastes should be considered when disposing of these wastes.

TABLE 5.—DES IN TISSUE OF STEERS AFTER ORAL DES AS DETERMINED BY CHEMICAL ASSAY

[In PPB DES]

Hour from last DES given until sacrifice	Steer No.	Liver	Kidney	Muscle
24	42			[a]ND
72	40	0.9	1.2	ND
120	34	1.1	ND	ND
	37	ND	ND	ND
168	33	ND	ND	ND
	36	ND	ND	ND
240	39	ND	ND	ND

Note: [a]ND equals not detected.

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PHARMACOKINETICS, MEAT, AND MILK RESIDUES

(By Prof. Carl Ritter, University of Pennsylvania)

There are two pharmacokinetic points of great interest to the dairy farmer who has a sick cow: how fast will the drug you have chosen solve the problem, and how long must he wait after dosing is stopped before he can sell milk from that cow. The pharmacokinetic factor involved, in both therapeutic use of the drug and in removal of residues, is the rate at which the drug is eliminated from the cow. If, for example, you have chosen the correct antibiotic to kill bacteria involved in a localized infection, then you must choose the proper dose and dose interval so an adequate amount of antibiotic gets into body fluid at the site of infection.

The simplest way to give the antibotic for quick distribution is by the intravenous route. Such an injection yields maximum plasma levels of antibiotic very quickly. After the injection, the plasma level decreases in two phases—a very rapid one which represents movement from plasma to other body fluid compartments, and a slower one which represents movement from fluid compartments, back into plasma, and excretion. The main factor controlling each of these losses is a concentration gradient, first between plasma and extravascular fluid, then between extravascular fluid, plasma, and fluid being excreted. This process is described by the relationship between the concentration in the plasma at time t, (C_t), and the concentration at time zero (C_o): equation 1. $C_t/C_o = e - k_e t$ where k_e is the elimination constant, and t is the time of measurement.

The elimination constant has been determined for most antibacterial drugs which have been found to be useful in cattle, and some of that was reported at an earlier meeting of the A.C.V.T. by Daalgaard-Mikkelsen (1).

A detailed pharmacokinetic analysis of four penicillins and one cephalosporin was published in December, 1973 by Ziv and his colleague (2), which point up the very special nature of the concentration terms in equation 1. These workers injected 10 mg/kg of benzylpenicillin, phenoxymethyl penicillin, ampicillin, cloxacillin or cephaloridine to a lactating cow or ewe, and measured the amount of each antibiotic in serum as a function of time after dosing.

The two components of this curve described by alpha and beta indicate distribution from plasma, and then equilibration and loss from the body via excretion. The constant controlling the length of time chemotherapeutic concentrations will be maintained is that controlling excretion, beta. These rate constants and the biological half life based thereon are shown in Table 1.

TABLE 1

	Benzyl-penicillin	Phenoxymethyl-penicillin	Ampicillin	Cloxacillin	Cephaloridine
β (hr^{-1})	1.8	1.0	0.6	0.6	1.1
$t_{1/2}$ (hr)	.385	.693	1.16	1.16	.63

A second important bit of information obtainable from graphs such as Figure 1, is the volume of distribution of the drug. For this purpose, each of the two components of the curve are extrapolated to time zero. This concentration (mg/ml) is divided into the total dose (mg) to yield the volume. Giving 10 mg/kg of benzylpenicillin to a 560 kg cow yields a concentration for the rapidly equilibrating fraction of 0.0635 mg/ml. The volume of distribution is: 5600 mg/.0635 mg/ml=88.189 L, or kg. Expressed as percent of body weight this is 88.189/560 =15.7%. For the slowly equilibrating fraction, the volume of distribution would be 18.4%. The rapidly equilibrating fraction, called the plasma has its V_p, while the slowly equilibrating fraction, called the total volume, has its **V_t**, shown with the concentration —s A and B in Table 2.

TABLE 2

	Benzyl penicillin	Phenoxymethyl penicillin	Ampicillin	Cloxacillin	Cephaloridine
A mg/ml	0.0635	0.0384	0.0488	0.0624	0.058
V_p percent of body weight	21.1	31.0	31.6	22.5	29.7
B mg/ml	0.0543	0.0170	0.0142	0.0266	0.0092
V_t percent of body weight	32.0	46.5	63.2	33.7	54.0

Of these five antibiotics, ampicillin has the lowest concentration, when the plasma concentration for the slowly equilibrating component is extrapolated to zero, and the largest volume of distribution.

In order to be transferred across biological membranes, a compound must be both unbound and unionized. Each of these five antibiotics is partially protein bound, but ampicillin and cephaloridine are mostly free (about 90%) in the serum. Penicillin derivatives are weak acids, thus they will be distributed into ionized and unionized fractions dependent upon their pK_a, which is 2.7 for the free COO group of benzylpenicillin, phenoxymethyl penicillin, ampicillin and cloxacillin and 3.4 for that of cephaloridine, and 7.2 for the free $-NH_2$ of ampicillin, as well as the pH of the serum. The unionized form of ampicillin is present in 40 times greater amount than that of cephaloridine and 400 times greater in amount than that of the other three penicillins. The ability of the unionized form of a compound to dissolve partition itself between oil and water correlates well with its ability to cross biological membranes. The five antibiotics described here have oil to water partition coefficients near 2.0. However, when all three factors are considered, ampicillin has better permeability properties than do the others.

TABLE 3

	Benzyl-penicillin	Phenoxymethyl-penicillin	Ampicillin	Cloxacillin	Cephaloridine
(1) percent unionized in serum	0.001	0.001	0.4	0.001	0.01
(2) percent unbound in serum	66.0	20.0	86.0	24.0	94.0
(3) $\log_{10}$ (oil to water partition coefficient)	1.76	2.0	2.17	2.44	1.87
(1)×(2)×(3)	0.116	0.040	74.65	0.058	1.58

The milk may be looked upon as being one site of antibiotic excretion. It is slightly acid, pH 6.8, and like plasma, contains a lot of protein. In testing the idea that movement of a drug across a membrane might be controlled by a pH gradient across that membrane. It is advantageous to attain equilibrium conditions, where the serum level is fairly constant, so the concentration of unionized drug on both sides of such a membrane can become equal. Ziv, Sulman and Shani approximated such conditions by giving single or multiple intramuscular injections of each of these antibiotics and measuring the antibiotic concentrations in protein-free ultrafiltrates of serum and milk. The ratios of these concentrations in milk ultrafiltrates to serum ultrafiltrates were then compared to the calculated ratios, expected if the distribution were under the control of pH. The experimental and calculated ratios were close enough to support the proposal that the distribution was via nonionic diffusion, and was determined by the pH gradient.

TABLE 4

	Benzyl-penicillin	Phenoxy-methyl-penicillin	Ampicillin	Cloxacillin	Cephaloridine
Observed minimal and maximal ratios of milk to serum ultrafiltrate.	0.13 to 0.26.	0.18 to 0.25.	0.24 to 0.30.	0.25 to 0.30.	0.24 to 0.28.
Calculated ratios of milk to serum ultrafiltrate.	0.20	0.20	0.26	0.20	0.25.

So far, it looks as though, if you have used ampicillin to treat the cow, assuming that the bacteria are sensitive to it, you are likely to be successful, for it clearly penetrated, in useful amounts, through most body fluids. However, if the infection you have been treating is in the mammary gland, the pH gradient is in the wrong direction to cause much of the drug to be taken up into the gland, unless you have used ampicillin. Even this compound gets into the mammary gland in rather small amounts.

TABLE 5

	Benzyl-penicillin	Phenoxy-methyl-penicillin	Ampicillin	Cloxacillin	Cephaloridine
Recovery in milk, percent of dose	4×10^{-4}	2×10^{-4}	8×10^{-2}	1×10^{-3}	1×10^{-4}

The USDA specifies that following ampicillin therapy milk be discarded for eight days and cows not be sold for slaughter for six days (3). Starting with a dose of 560 mg, and initial blood level of 0.0543 mg/mi at the last dose, and using β ($1.8\ hr^{-1}$) as the elimination constant, the serum concentration after six days (144 hours) would be less than 10^{-49} mg/ml. After two days the serum concentration would be 1.6×10^{-39} mg/ml, ($\text{Ln}\ C_t=\text{Ln}\ 0.0543-Bt$), and the milk concentration would be .08% of that!

In 1971, Herbst (5) reported several cases of a clear-cell adenocarcinoma in the vagina of young women whose mothers had received large doses of diethylstilbestrol (DES) during pregnancy. This information was supplemented by Greenwald and his coworkers (6) who obtained case histories on five such patients and were able to establish that large doses of either stilbestrol or dienstrol (an isomer of DES, see Figure 2) had been taken by the mothers of the cancer patients during the interval of from 3 to 4 months after conception. The doses of estrogen taken varied between 5 to 125 mg/day.

This information caused immediate concern, for, in addition to its use in therapeutics, DES was being used extensively on steers in feed lots to increase feed efficiency. It became very important, quite suddenly, to know all about the pharmacokinetics of DES in the bovine species, especially when such animals were in feedlots. Such information is beginning to be available.

The story of DES pharmacokinetics is best begun with experiments done in the rat. The pathway of DES in the rat has been worked on by a substantial number of investigators, and was pretty well completed by L. J. Fischer (7, 9). Working at St. Mary's Hospital in London, Fischer injected ^{14}C–DES (.05 mg/kg) into rats and showed that the ^{14}C appeared in both feces (73%) and in urine (5%). Then, in rats whose bile ducts were cannulated, and which were injected with .05 or 10 mg/kg ^{14}C–DES, 94% of the ^{14}C appeared in the bile and 2% in the urine in a 24 hour period. The biliary ^{14}C was analyzed and shown to consist of 72% DES monoglucuronide (DESB) and 25% unidentified metabolites. The investigators then infused DESG into the duodenum of biliary cannulated rats and showed that 71% of the ^{14}C was excreted into the bile in 24 hours. The same excretory pattern was seen following infusion of bile containing DES metabolite from rates injected with ^{14}C–DES. These experiments showed that DES is largely eliminated in the feces as DESG, and that it undergoes an enterohepatic circulation (7).

This same group of workers led by A. G. Clark (8) showed that pretreatment of rats with a β-glucuronidase inhibitor or gastrointestinal sterilization with neomycin inhibited DESG absorption from the duodenum, 90 and 98% respectively. However, neomycin did not alter the absorption of ^{14}C–DES. Thus, in rats, the mechanism of the enterohepatic cycle is via bacterial β-glucuronidate hydrolysis of DESG to DES and glucuronic acid. Fischer (9) has more recently done experimentation on ^{14}C–DES and DESG absorption by instilling appropriate solutions into isolated loops of rat intestine proximal, distal and the cecum, then sampling the intestinal contents to measure loss of ^{14}C. Most free DES left the intestinal loop, proximal or distal, within one hour, while approximately 80% of the DESG remained after two hours. This light absorption of DESG was lost after lincomycin pretreatment of the intestine.

Then in 1972, Aschbacher reported an experiment in which he followed the routes of ^{14}C–DES loss and the rate of loss in adult male sheep (10). In this experiment, DES was fed daily at three dose levels—100, 4 and 3 mg—to sheep which weighed 35–45 kg. Then on day eight, a part of the DES which was given contained ^{14}C. During the first 2 days after dosing, frequent collections of urine, feces and blood were made, and expired air was sampled. Then, at sacrifice portions of most visceral organs were sampled, as was the whole eviscerator carcass.

About 90% of the ^{14}C was lost in the feces. The chemical nature of this ^{14}C was determined to be free DES. Urinary excretion was about 10%, and consisted of DES monoglucuronide, and other substances.

In December of 1974, Aschbacher and Thacker reported their analyses of the fate of ^{14}C–DES in steers (11). They gave 230–386 kg steers 20 mg DES daily for 14 days, then at 9 AM on day 15 they gave each steer 10 mg of ^{14}C–DES; dosing was stopped, and all excreta were collected periodically, as was venous blood. The steers were sacrificed in pairs at 24, 48, 72, 96, 120, 168 and 240 hours after receiving the ^{14}C–DES and extensive organ and eviscerated carcass samples were collected. Both ^{14}C counting and recovery of the ^{14}C-containing chemicals from all tissues were done.

Between the first and second after dosing, the body level fell about 50%. Figure 5 shows replotted blood level data on the same time scale. The rate of loss from the blood is very similar to the rate of loss from the whole body in urine and feces. About 50% of the ^{14}C left the blood between the first and second day.

The delay in DES loss, compared to penicillin loss after an IV injection is partly due to the route of DES administration (oral) and probably other factors such as the enterohepatic cycle.

The excretion of DES is mostly by the feces (70%) and less by the urine (20%). When tissue ^{14}C was added to urinary and fecal ^{14}C, the authors were able to account for all of the DES that they administered from 24 to 240 hours. Seventy-two hours after ^{14}C–DES, 0.26% of the dose (.026 mg) was associated with visceral organs and carcass, while the remainder had either been excreted or was associated with the gastrointestinal tract, Table 6.

TABLE 6.—DISTRIBUTION OF ^{14}C IN STEERS AFTER AN ORAL DOSE OF ^{14}C–DES[1]

[In percent of dose]

Location	Hours from dose to sacrifice					
	24	48	72	120	168	240
Rumenoreticulum	38.00	19.40	2.74	0.69	0.90	ND
Omasum	13.30	5.09	1.83	.20	.04	ND
Abomasum	.59	.77	.18	.02	.03	ND
Small intestine	3.10	2.13	.65	.10	.05	<.01
Large intestine	8.38	6.86	1.30	.29	.39	ND
Feces and urine	29.68	67.45	95.05	91.55	95.65	90.9
Organs ad carcass	.96	.29	.26	.01	<.01	<.01
Total recovery	94.0	102.0	102.0	95.9	97.1	90.9

[1] Each value is an average of two steers. Value for gastrointestinal tract includes contents and tissues.

[2] ND=not detected.

The distribution of DES in various parts of the steer was obtained by converting the amount of ^{14}C found to concentration, using the known specific activity of the labelled DES. These concentrations from visceral tissues, muscle and whole eviscerated carcass are shown in Table 7. From 48 hours on, there was no measurable DES in muscle, while some remained in liver and kidney through 240 hours.

The authors stated that the sensitivity of their methods are about .05 ppb (.05 $\mu g/L$). This is 0.19×10^{-9} M.

TABLE 7.—CONCENTRATIONS OF ^{14}C IN STEER TISSUES (EXPRESSED AS DES EQUIVALENTS) AFTER AN ORAL DOSE OF ^{14}C-DES [1]

		PPB DES equivalents									
		Liver		Kidney		Bile-gallbladder		Muscle		Carcass	
	Steer No.	Assey	Standard deviation	Assey	Standard deviation	Assay	Standard deviation	Assay	Standard deviation	Assay	Standard deviation
Hours from dosing until sacrifice:											
24	31	3.4	0.34	5.5	0.13	112	1.0	0.10	0.14	0.31	.04
	42	4.3	.30	1.9	.06	125	1.9	.08	.02	.25	.004
48	28	3.1	.06	4.5	.11	65	6.2	(2)	(2)	.14	.02
	41	2.0	.35	2.0	.08	64	5.2	(2)	(2)	(2)	(2)
72	29	1.1	.03	2.5	.09	21	1.9	(2)	(2)	(2)	(2)
	40	.34	.07	.36	.01	8.5	.44	(2)	(2)	.08	.04
120	34	.57	.01	.90	.10	11	.04	(2)	(2)	(2)	(2)
	37	.11	.04	.07	.01	2.5	.02	.11	.01	(2)	(2)
168	33	.13	.04	.75	.01	.44	.02	(2)	(2)	(2)	(2)
	36	.37	.07	.21	.03	12.0	.44	(2)	(2)	(2)	(2)
240	38	.08	.04	.09	.02	.08	.04	.04	.01	(2)	(2)
	39	.08	.04	.09	.02	(2)	(2)	.04	.02	(2)	(2)

[1] DES equivalents were calculated by dividing the dpm per gram fresh tissue by the specific activity of the dose for that steer. See discussion in text.

[2] Not detected.

Figures 4 and 5 show that the approximate half life of DES is one day. From this an approximate k_e can be calculated: $-.693/+\frac{1}{2} = -k_e$, $k_e = .693$ day $-^1$. Starting with a 10 mg dose of DES, assuming that it was *all* absorbed, the amounts shown in Table 8 should remain as total body levels at various time intervals:

TABLE 8

	Total amount remaining, mg	Total number of moles
Days after DES:		
1	5	17×10^{-6}
2	2.5	8.5×10^{-6}
10	.010	4.2×10^{-8}
20	9.5×10^{-6}	3.5×10^{-11}
30	9.3×10^{-9}	3.5×10^{-14}

The total amount of estrogen in a steer is unknown (to me), but the normal plasma estrogen level in a lactating dairy cow is about 10^{-11} Molar. Thus about 20 days after the conclusion of DES treatment, the estrogen level should be in the range to which we who eat slaughtered dairy cows, are normally subjected.

Diethylsilbestrol is often administered in the form of subcutaneous pellets to steers arriving at feedlots. Then a 4 month feeding of grain diets is begun and 60 days before slaughter the DES implants must, by law, be removed.

Absorption from such implants was recently reported upon by Rumsey, Oltjen and Kozak (12) at the U.S.D.A. Ruminant Nutrition Laboratory. Their method was, basically, to measure the percent of DES remaining in implants as a function of time after administering them to steers. In this way, the loss of DES, and its absorption by the steer, was determined.

They were able to fit the equation

$$C = 11.6e^{-.014t}$$

to the loss of stilbestrol from the implant. In this case, the rate of loss from the implant equals the rate of absorption by the steer. Table 9 derived through use of their equation shows day by day DES absorption.

TABLE 9

Days after administering DES implant	Amount of DES remaining (miligrams)	Daily amount absorbed (miligrams)
0	11.6	
1	11.44	0.16
2	11.28	.16
3	11.12	.16
4	10.97	.15
28	7.84	
29	7.72	.12
84	3.58	
85	3.53	.05

Usually, 2 pellets are administered. Thus, the amount of DES absorbed per day will be at most 0.32 mg.

If the pellets are removed after 85 days, when the total dose was 0.1 mg, and the k_e for excretion from the steer was 0.693 day^{-1}, then after waiting 60 days, the steer will contain:

$$\begin{aligned} Ln\ C_t &= Ln\ 10.1 - 0.693\ (60) \\ &= -2.3 - 41.58 \\ &= -43.38 \\ C &= 1.45 \times 10^{-19}\ mg \end{aligned}$$

Clearly, this seems to be a "safe" residue level.

If, in the worst possible situation, the implants were removed after one day, and the steer was killed for meat its carcass would contain .32 mg. This much DES would probably have a measurable estrogenic effect on an animal that ate the carcass. However, such an animal would have to eat all of the carcass. For a sustained estrogenic effect the dose would have to be repeated daily.

Given the pharmacokinetics of DES release from implants by steers, and the likelihood that about half of a given dose of DES is excreted by the steer each day, then if established withdrawal periods are adhered to, it seems most unlikely that enough residual DES could be consumed to have *any* biological effect.

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[Telegram]

LITTLE ROCK, ARK.

Senator EDWARD KENNEDY,
Chairman, Senate Committee on Health,
Washington, D.C.

The NCTR is functioning as the coordinator of all hormone research in the FDA. There are several research projects underway which are designed to determine the biological effects of estrogen especially any carcinogenic effects. There are several research projects being conducted at NCTR and at unversities under contract to NCTR. Those are designed to study estrogens which are used as animal drugs from which a potential for residues exist when used in food producing animals. There are specific studies underway comparing the hormonal and carcinogenic similarities of DES and the natural steroid harmone estrodial. These studies are designed to answer the following questions.

1. Does DES produce its carcinogenic properties by the same biological mechanism as natural estrogenic hormones.

2. Does DES have any carcinogenic properties other than its estrogenic activities.

3. Does DES only represent a carcinogenic hazard when administered at levels which result in a hormonal imbalance.

4. What levels of natural estrogenic substances are present in the food derived from flesh producing animals.

5. Does DES alter the total estrogenic levels present in tissues of animals administered DES.

6. Are bioassay animals which are infected with mammary tumor virus appropriate for assessing the safety of animal drugs.

7. Can we utilize the non-human primate the chimpanzee, as an appropriate surrogate for evaluating the estrogenic effects of DES on immature, pregnant and post reproductive women.

In addition NCTR is collecting the world's literature on DES and will prepare monographs for general distribution in Nov. 1975 NCTR also is sponsoring a 2nd annual symposium on estrogens where the status of scientific knowledge on DES will be reviewed by scientists from around the world.

The large scale rodent bioassay experiments (15,000 animals) on DES began in

Feb. of 1975. It will be over 2 years before the final reports of these studies will be available. Many of the questions regarding the safety of DES will be answered at that time. But additional research needs have been identified.

The controversy surrounding DES has resulted from a lack of definitive scientific data applicable to animal growth promotants in general and the deficiency is not peculiar to DES. Eliminating DES will simply shift the controversy to potential replacement compounds. More specific details of the NCTR are found in the record of the House Appropriation hearings.

MORRIS CRANMER, Ph. D.,
Director, National Center Toxicological Research.

FATE OF RADIOCARBON IN BEEF STEERS IMPLANTED WITH ^{14}C-DIETHYLSTILBESTROL

(By T. S. Rumsey,[1] R. R. Oltjen,[1] A. S. Kozak,[1] F. L. Daniels,[1] and P. W. Aschbacher [2,3])

SUMMARY

Eight beef steers averaging 302 kg. body weight and consuming a 70% concentrate diet *ad libitum* were implanted with diethylstilbestrol (DES) ear implants containing monoethyl-l-^{14}C-DES. Two implanted steers and an untreated control steer each were slaughtered at 30, 60, 90 and 120 days after implantation. Feces, urine and blood sampled during the implant periods, tissue, bile and gastrointestinal tracts obtained from slaughtered steers, and the residual implants retrieved from the ears at slaughter were analyzed for radiocarbon content. The concentration of radioactivity in blood plasma and the excretion of radioactivity indicated an initial rapid but variable absorption of DES from the ear implants followed by a slow continual absorption of DES from 14 days after implanting to the end of the 120-day study. All implants were retrieved at slaughter; the residual implants retrieved at 120 days accounted for 16 to 19% of the administered radioactivity.

Radioactivity was not distinguishable from background in muscle tissue but was greater than background in spleen, adrenal, lung, kidney and liver tissues and in the contents of the small and large intestines for all steers. The concentration of total radioactivity in liver tissue of the steers, calculated as ppb DES equivalents, either approximated or was below the detectability limits (.5 ppb) of the routine gas chromatographic method for DES analysis; however, thin-layer-chromatography and isotope dilution techniques presumptively identified a part of the total radioactivity in liver tissue as being associated with DES or conjugates. The remainder of the radioactivity was not identified. The percentage of total radioactivity in the liver presumptively associated with DES and conjugates did not vary relative to length of implant period. Gas chromatography-mass spectrometer analysis of hydrolyzed liver extracts resulted in measurable quantities of *cis* and *trans* DES for the two livers that contained the highest concentrations of total radioactivity. The study suggested that as a result of the recommended use of DES ear implants, DES and its conjugates in animal tissue generally would not be detectable by current routine residue methods but may be detected by more sophisticated laboratory techniques.

INTRODUCTION

In residue studies with diethylstilbestrol (DES) implants in cattle, the mouse uterine assay has been used as an analytical tool with a sensitivity of approximately two parts per billion (ppb). These studies showed an increase in the excretion of estrogenic substances associated with the use of DES implants but did not detect the presence of tissue residues after implant administration (Stob, 1956, 1966). The recent development of gas chromatography (GLC) techniques lowered the detectability level of DES in tissue to .5 ppb, which subsequently resulted in a re-evaluation of residue problems associated with the use of DES as a growth stimulant. Although tissue residues do not appear to be detectable in implanted cattle under practical feedlot conditions when the GLC method is used (Rumsey *et al.*, 1974), the fate of DES in the animal has not been determined by using radiocarbon-labeled DES implants.

The present study was conducted to determine the excretion patterns of radioactivity from ^{14}C-labeled DES implanted in the ear of beef steers and to determine if tissues of these steers, particularly liver and muscle, contain radioactivity that may be associated with the DES molecule.

EXPERIMENTAL PROCEDURE

Animal phase

Eight beef steers averaging 302 kg body weight were fed *ad libitum* a conventional finishing diet composed of 50% corn, grain, cracked, mx 4% foreign material, IRN–4–02–861; 15% ground alfalfa hay, S–C, gr 1 U.S., IRN 1–00–079; 15% timothy hay, S–C gr 1 U.S., IRN 1–04–896; 10% soybean, seeds, solv-extd grnd, mx 7% fiber, IRN 5–04–604; 9% sugarcane, molasses, nm 48% invert sugar, mn 79.5 degrees brixs, IRN 4–04–696 (cane molasses); 1% trace mineral salt; and 1.6 g of vitamin A premix (250,000 IU/g) per 100 kg of diet. Each steer was accustomed to the diet for at least 30 days before being accustomed to a collection crate for the total collection of urine and feces. Water was available at all times. A 24-hr control collection of urine and feces was obtained and jugular blood was sampled. Each steer was then implanted with ^{14}C–DES [4,5,6] ear implants by using the Hess and Clark pellet implanter. The implants were palpated *in situ* to assure their placement in the ear. The labeled implants differed from the commercial implants in that the labeled implants were tan in color; whereas, commercial implants are white.

After implantation, two steers each were slaughtered after implant periods of 30, 60, 90 and 120 days. One steer assigned to each time period received two ^{14}C-DES implants in the right ear. The second steer for each time period received one ^{14}C-DES implant in each ear except for steer 477 (120 days) which was smaller and received only one implant in the right ear. All implants were administered by the same veterinarian to minimize variation associated with implant procedures. Steers 312, 445 and 477 received implants with a stated specific activity of 59 mCi/mMole of DES, and the other five steers received implants formulated at a later date with a stated specific activity of 49 mCi/mMole DES.

After implantation, all steers were maintained in collection crates for 21 days, removed from the crates and placed in individual pens, and then returned to the crates on days 22 to 28 of each subsequent 28-day period. This pattern was not changed except to make certain that for each steer a 7-day collection period immediately preceeded its respective slaughter date. While the steers were in the crates, feces and urine were collected and sampled on a 24-hr basis. While the steers were out of the crates, feces and urine were not sampled, but the individual pens were cleaned twice daily for the purpose of maintaining sanitation and minimized coprophagy. Excretion of daily radioactivity during each 21-day period in the individual pens was estimated as the average for the 7-day collection periods before and after each 21-day period. Blood samples were collected daily for the first 7 days after implantation and then weekly for the duration of the study. All steers were slaughtered at the end of their respective implant periods along with nonimplanted control steers that served as a source of samples for determining background levels of radioactivity. The control steers were maintained in individual pens on the 70% concentrate diet.

At slaughter, the ears of each implanted steer were removed from the carcass, and the residual ^{14}C-DES implants retrieved. The gastrointestinal (GI) tracts with contents were separated anatomically into the rumen, omasum, abomasum, small intestine and large intestine. Care was taken to minimize cross contamination between GI tract sections. The tissue and contents for each GI tract section were separated and weighed. A representative aliquot of contents from each GI tract section was oven dried and ground for analysis. The total tissue for each GI tract section was oven dried and ground before sampling for analysis.

The gall bladder was separated from each liver, and the bile was measured, frozen and lyphilized. The liver, adrenals, lungs, spleen, heart and ears from each steer were weighed. The organs, shaved ears, and 4.5 kg of rib eye muscle were ground, and aliquots were frozen and lyophilized. The remaining fresh material from each liver was frozen in plastic bags.

Analysis of samples

Radiocarbon Analysis. All urine and blood samples were analyzed for total radioactivity according to procedures used by Rumsey and Schreiber (1969). All dry samples were analyzed for total radioactivity by combustion (Thomas-Ogg Combustion flask, Cat. No. 6514-F20. R. 11. Thomas Co., Philadelphia Pa. 19105). The $^{14}CO_2$ that resulted from combustion was trapped in 9 ml of a mixture of ethanolamine and ethylene glycol monomethyl ether (1:7 v/v), and 8 ml of the trapping solution was mixed with 10 ml of 2, 5-diphenyloxazole in toluene (8.25 g/l) for liquid scintillation counting. Duplicates of all samples were analyzed. The background radioactivity across all types of control samples ranged from 39 to 44 counts per minute (cpm). Radiocarbon analysis was quantitated by adding known amounts of ^{14}C-DES to control samples obtained from non-implanted steers and comparing the cpm minus background in these samples to the known disintegrations per minute (dpm) that were added. The overall efficiency of the blood and urine analyses approximated 70%, and the efficiency of the combustion procedure approximated 75%. The implanted steers in this study were slaughtered in pairs, and the radioactivity in tissues from each pair were statistically compared with control tissues obtained at the same time from a non-implanted steer.

All residual implants were cleaned under a magnifying glass. Usually, the cleaning consisted of removing, with the aid of forceps, a thin tissue film that had encapsulated the implants *in situ*. The residual implants were dissolved in 50 ml of benzene, diluted 1 to 100 with additional benzene, and analyzed for radioactivity by mixing 0.1 ml of the diluted DES-benzene mixture in 8 ml of the enthanolamine-ether solution and 10 ml of the toluene counting solution. Total radioactivity in the liver tissue extracts prepared for GLC analysis was determined in the same manner as that in the dissolved implants.

GLC and Mass Spectroscopy Analysis. All liver and kidney tissue samples were analyzed for DES by using the GLC method described by Donoho *et al.* (1973) and modified by APHIS[7] (R. M. Simpson, J. E. Spaulding and A. J. Malanoski, *personal communication*). Duplicates of the liver and kidney tissue samples were independently analyzed with the same analytical technique by the Washington, D.C., APHIS Laboratory and the authors' laboratory. The lower limit of quantitation was .5 ppb for the GLC tissue method. Analytical recovery approximated 65% when DES-monoglucuronide was used as a standard and recovery of free DES stand-

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Footnotes at end of article.

ard approximated 90%. Standard curves were obtained routinely by adding varying levels of free-DES to tissue samples from control animals. All residual implants were analyzed by GLC.

In addition to the routine GLC analysis, a set of liver extracts prepared in the same manner as for the routine GLC analysis was analyzed by using an LKB-9000 GLC-Mass Spectrometer.[8] The extracts were concentrated 10-fold before injection. The GLC column was packed with 3% OV-210 on 90-100 Anakrom ABS, and the spectrometer was tuned to monitor m/e 462. The lower quantitation limit for standards approximated .1 ppb.

Thin-layer Chromatography. Two one-dimensional thin-layer chromatography (TLC) systems were used to determine the proportion of total radioactivity in liver extracts that had TLC characteristics similar to those of DES. In both systems, plates coated with 250 microns of silica gel G (Anelalabs, New Haven, Connecticut) were used. In one system, hexane, diethylether and dichloromethane (4:3:2) were used as the solvent, and in the second system, 5% ethanol in redistilled chloroform was used. The plates were counted with a Beta Camera (Model 6000, Baird Atomic, 33 University Road, Cambridge, Massachusetts 02138).[9] Samples of all livers were extracted and prepared as for GLC analysis up to the point of derivatization. Each prepared extract was concentrated fivefold, and 100 µl were spotted for each TLC determination.

Each benzene-implant solution was analyzed by two-dimensional TLC systems and some of the residual implants were analyzed on a third two-dimensional system. In all systems, TLC precoated with 250 µ of silica gel G were used. In the first system, benzene and ether (19:1) were used as the first solvent and dichloromethane and ethanol (19:1) as the second.

In the second system, hexane, diethylether and dichloromethane (4:3:2) were used as the first solvent and redistilled chloroform and ethanol (19:1) as the second solvent. In the third system ethyl acetate, hexane saturated with water and ethanol (16:3:1) were used as the first solvent and hexane, diethylether and dichloromethane (4:3:2) as the second. A part of each benzene-implant solution was diluted to contain approximately 8 x 10^4 dpm/µl, and 2 µl were spotted on a TLC plate. The developed plates were exposed to X-ray film. Each zone containing radio-activity was scraped and counted in 15 ml of the diphenylrxazole counting solution.

Isotope Dilution. Radioactivity presumptively associated with lice or conjugated DES was determined in liver tissue from all steers as described by J. E. Patrick and K. I. H. Williams (*personal communication*).[10] About 200 to 250 g of homogenized liver tissue were used for each determination. In general, the procedure involved the addition of ^{3}H-DES glucuronide as an internal standard (230,000 dpm, specific activity of 59 mCi/mMole) and 50 mg of unlabeled carrier DES to each sample, followed by extraction with aqueous methanol (1 g liver:1 g methanol). The extraction was repeated twice. The extracts were combined, evaporated, diluted with water (pH: 3.5) and extracted three times with 200 ml of ethyl acetate. The combined ethyl acetate extracts were evaporated and partitioned between sodium acetate buffer (pH 5.2), which contained the conjugated DES fraction, and chloroform, which contained the free DES fraction. The conjugated fraction was hydrolyzed with Glusolase, (a mixture of B-glucuronidase and arylsulfatase), the free DES was extracted with ethyl acetate, and 50 mg of carrier DES was added to the extract. The DES resulting from hydrolysis of the conjugated fraction and the DES in the free fraction were chromatographed separately by thick-layer techniques (1 mm silica gel plates in 40% ethyl acetate/cyclohexane), eluted with acetone and recrystallized in benzene to a constant specific activity. The crystals were counted for both ^{3}11 and ^{14}C content. For further conformation, the crystals were converted to their diacetate derivative with acetic anhydride/pyridine. The derivative was chromatographed by thick layer (1 mm silica gel in 25% ethyl acetate/cyclohexane), eluted with acetone and recrystallized in 95% ethanol to a constant specific activity.

Footnotes at end of article.

RESULTS

Animal performance and implant retrieval data are shown in table 1. Daily gain ranged from zero to 1.1 kg per day and averaged .6 kilograms. Initial implant weight ranged from 15.5 to 17.2 mg/implant except for the 15.0 mg implant which the smallest of the steers received. Average implant weight was 16.0 milligrams. GLC analysis of a control unlabeled implant, a small amount of powder remaining from the manufacture of the 59 mCi/mMole implants and a chip from one of the 49 mCi/mMole implants indicated that the implants contained the prescribed level of DES. However, analysis for total radio-activity of the powder and chip indicated the presence of only 76 and 80%, respectively, of the prescribed level of radioactivity.

On the basis of total implant weight, the residual implants retrieved at the end of 30, 60, 90 and 120 days represented 58, 55, 50 and 23% of the original implant weight, repectively (retrieved implant weight ÷ initial implant weight × 100). On the basis of GLC analysis, the residual implants contained 36, 30, 27 and 14% of the original DES dose for the respective times. The DES content of the individually retrieved implants measured by GLC ranged from 44.8 to 81.1% and averaged 65.3%. The average DES content of the residual implants based on analysis of radioactivity was 68.2%.

The estimated recovery of administered radioactivity as a percentage of total radioactivity based on manufacturer specifications of specific activity is shown in table 2.

TABLE 1.—BODY WEIGHT, PERFORMANCE, IMPLANT WEIGHT AND COMPOSITION OF RESIDUAL IMPLANTS FOR STEERS IMPLANTED WITH ^{14}C-DES

Days after implantation and steer No.[1]	Initial weight (kilograms)	Daily gain (kilograms)	Total weight of implants, µg[2]		GLC analysis of retrieved implants, percent DES
			Initial	Retrieved	
30:					
312	362	0.4	[3] [4] 34.2	15.2	53.0
591	336	.0	[5] 27.6	20.9	70.7
60:					
445	268	.6	[3] 33.4	18.3	62.2
595	286	.5	32.6	18.1	76.9
90:					
565	295	.7	32.9	19.6	75.6
559	328	.5	32.1	13.1	69.6
120:					
477	231	.7	[3] 15.0	3.4	57.6
536	311	1.1	32.2	7.2	53.8
Average	303	.6			65.3

[1] Steers No. 312, 445 and 565 received 1 implant in each ear; steers No. 591, 595, 559, and 536 received 2 implants in right ear; and steer No. 477 received 1 implant in right ear.

[2] The implant formulation contained 88.24 percent DES.

[3] Steers received implants with stated specific activity of 59 µCi/mMole of DES. The specific activity was 49 for the other steers.

[4] 1 implant was slightly crumbled when implanted; however, all pieces appeared to be recovered at slaughter.

[5] A chip broke off the implant before administration, and only the large piece (11 µg) was implanted.

IMPLANTING BEEF STEERS WITH ^{14}C-DES

TABLE 2.—RECOVERY OF ^{14}C IN RESIDUAL EAR IMPLANTS, EXCRETA AND GASTROINTESTINAL TRACT OF STEERS IMPLANTED WITH ^{14}C-DES

Days after implantation and steer No.	Percent of implanted radioactivity				
	Feces	Urine	Ear[1]	GI tract[2]	Total
30:					
312	21.3	22.8	33.6	0.2	77.9
591	9.5	10.5	65.2	.1	85.3
60:					
445	25.8	11.3	47.9	.1	85.1
595	17.6	14.3	52.4	.1	84.4
90:					
565	15.8	21.0	48.3	.1	85.2
559	28.0	17.4	33.5	.1	79.0
120:					
477	35.6	22.9	19.2	.1	77.8
536	28.9	26.4	16.5	.1	71.8
Average recovery					80.8

[1] Includes the analyses of residual implant and ear tissue.

[2] Includes the analyses of GI tract tissue and contents.

Although radioactivity was measurable above background in blood, kidney, liver and bile, it represented less than .1% of the administered dose and therefore was not included in the table. The estimated total radioactivity excreted from 30, 60, 90 and 120 days was 32, 35, 41 and 57% respectively. Estimated recovery of the specified dose averaged 81% for all steers in the study. However, if a correction is made based on the analyses of the powder and chip, total radioactivity excreted would be 41, 45, 52 and 73% for 30, 60, 90, and 120 day implant periods, respectively, and average recovery would be 103%.

TLC analyses of residual implants that were in the solid form for 65 days compared with those in the solid form for up to 160 days indicated less than 1.0% difference in radioimpurities. These results suggested little if any autodegradation of ^{14}C-DES in the solid implants. However, in all implants, material distinct from standard DES appeared to make up from 3 to 5% of the radioactivity.

Figure 1 shows the concentration of radioactivity in blood plasma with time after implantation and the excretion of radioactivity in feces and urine. Radioactivity in blood declined during the first 3 weeks to a plateau that continued for the duration of the study. Similar patterns were noted for urine and feces except that the marked decline in radioactivity ended in approximately 7 days, and a gradual decline occurred from approximately 176 µg DES equivalents per day at 14 days to 60 µg at 120 days. Approximately 1.3 times more radioactivity was excreted in the feces than in the urine. At about 1 week after implantation, a temporary increase in radioactivity was noted in the blood, urine and feces.

Radioactivity was consistently measured above background in the small and large intestines but not in the rumen, omasum and abomasum, which is consistent with biliary secretion of DES.

The concentration of radioactivity in various muscle tissues and organs is shown in table 3. In general, radioactivity was not distinguishable from background in the muscle tissues and heart. Low concentrations of radioactivity were measured in the tongue, spleen and adrenals; and in most steers, lung tissue contained a radioactivity content of the same magnitude as that of liver and kidney tissues (table 4).

Liver and kidney tissues contained similar concentrations of radioactivity; and when calculated as ppb DES equivalents, the concentrations either approximated or were below the detectability level of the GLC method for DES. The ppb equivalents were determined from the dpm per gram for each steer using the manufacturer specific activity of the DES given to that steer. Because of the low calculated levels of DES equivalents, negative results for GLC analyses of liver and kidney tissues were not a surprise. The concentration of radioactivity per gram of dry matter in bile was approximately 130 times greater than that in liver and kidney tissues.

The presumptive identification of part of the radioactivity found in liver tissue is shown in table 5. Quantitative differences between techniques are not completely understood at this time. On the basis of two TLC systems, from 2.3 to 12.8% of the radioactivity in liver after extraction and hydrolysis migrated similar to standard DES, and the calculated DES equivalents were quite low (.01 to .09 ppb). A plot of the TLC scanning data for each system is shown in figure 2 as an average of all steers. In both systems, a noticeable amount of radioactivity in liver tissue moved ahead of *cis* and *trans* DES. When isotope dilution techniques were used, from 11.5 to 52.5% of the radioactivity in liver tissue was presumptively associated with the DES molecule; this gave a concentration of DES equivalents of from .03 to .36 ppb. More than 99% of the presumptively identified radioactivity was associated with the conjugated form. The proportion of total radioactivity in liver characterized as DES and its conjugates by isotope dilution was similar to the proportion of total ^{14}C extracted from livers by the routine GLC method. Of the seven hydrolyzed liver samples that were analyzed by GLC-mass spectroscopy, two samples contained identifiable *cis* and *trans* DES (>.1 ppb) and one sample appeared to contain a trace but was not quantifiable.

TABLE 3.—RADIOACTIVITY IN TISSUES OF STEERS IMPLANTED WITH ^{14}C-DES

Days after implantation and steer No.	Radioactivity, dpm/g dry matter											
	Muscle tissue						Organ tissue					Amount needed to be significant above background at $P<.05$
	Right shoulder	Left shoulder	Right cheek	Left cheek	Brisket	Rib	Heart	Tongue	Spleen	Adrenal	Lung	
30:												
312	(1)		96	102			119	96	202	273	453	59
591									107	153	500	65
60:												
445				86				102	89	159	186	59
595			89				99	83	139	235	4,636	62
90:												
565								127	103	347	1,068	65
559								138	116	317	297	66
120:												
477			72						76	131	335	62
536								136	124	216	1,175	66
Average								85	120	229	1,081	63

[1] Not distinguishable from background.

IMPLANTING BEEF STEERS WITH ^{14}C-DES

TABLE 4.—ANALYSIS OF BILE, LIVER AND KIDNEY OBTAINED AT SLAUGHTER FROM STEERS IMPLANTED WITH ^{14}C-DES

Days after implantation and steer No.	Radioactivity above control, dpm/g dry matter			DES analysis b, GLC, ppb[2]	
	Bile	Liver[1]	Kidney	Liver	Kidney
30:					
312	82,717	(0.51)884	(0.55)1,228	<0.5	<0.5
591	147,270	(.49)539	(.49)715	<.5	<.5
60:					
445	67,298	(.42)727	(.53)918	<.5	<.5
595	130,335	(.57)766	(.45)805	<.5	<.5
90:					
565	193,908	(.69)865	(.55)898	<.5	<.5
559	53,612	(.52)663	(.37)736	<.5	<.5
120:					
477	17,420	(.24)391	(.17)381	<.5	<.5
536	67,177	(.32)402	(.33)621	<.5	<.5
Average	94,967	(.47)655	(.43)788		

[1] Values in parentheses represent total radioactivity calculated as ppb DES equivalents in wet tissue.

[2] Lower limit of quantitation was .5 ppb.

TABLE 5.—IDENTIFICATION OF ^{14}C IN LIVER LF STEERS IMPLANTED WITH ^{14}C-DES

Days after implantation and steer No.	^{14}C with TLC characteristics similar to DES		^{14}C harvested with DES during isotope dilution and recrystallization studies		^{14}C extracted for GLC-mass spectroscopy analysis		
	Percent of total ^{14}C	DES equivalent in wet tissue, ppb	Percent of total ^{14}C	DES equivalent in wet tissue, ppb	Percent of total ^{14}C	DES equivalent in wet tissue, ppb	DES determined by mass spectroscopy, ppb wet tissue[2]
30:							
312	2.4	0.01	24.3	0.15	11.0	0.07	0.12
592	10.9	.05	37.8	.19	29.1	.14	[3] T
60:							(4)
445	4.1	.02	27.8	.14	14.0	.07	
595	5.5	.03	36.3	.21	26.4	.15	<.10
90:							
565	12.8	.09	52.5	.36	52.3	.36	0.
559	4.2	.02	21.4	.11	19.3	.10	<.10
120:							36
477	2.3	.01	11.5	.03	9.2	.03	<.10
536	10.2	.03	23.1	.07	28.6	.09	<.10
Average	6.6	.03	29.3	.16	23.7	.13	

[1] More than 99 percent of the harvested ^{14}C was associated with the conjugated fraction.

[2] Lower unit of quantitation was 0.1 ppb.

[3] Trace amount but not quantifiable.

[4] Sample not analyzed by mass spectroscopy.

Discussion

The continual absorption and effectiveness of DES ear implants in feedlot cattle over a 150-day period has been demonstrated by Hale *et al.* (1959). In their study, absorption was based on the weight and DES analyses of residual ear implants retrieved from the ears. A similar absorption pattern for a different commercial source of DES ear implants was shown over the usually recommended 120-day feeding period (Rumsey *et al.*, 1974). Stob (1956) showed an increased excretion of estrogenic materials by cattle after the administration of DES ear implants. Thus, the literature suggests that a small amount of DES continuously enters the animal body as long as residual implants are present: approximately 150 to 175 days. Negative residue data, however, indicate that the concentration of any DES in tissue resulting from the continual absorption

from implants is below the detectability limit (.5 ppb) of the current GLC residue method (Rumsey *et al.*, 1974).

The absorption of the laboratory-prepared ^{14}C-Des ear implants in the present study appeared to be similar to that of the commercial ear implants. There was no apparent difference between animals administered two implants in one ear or one implant in both ears. On the basis of circulating levels of radioactivity and excreted radioactivity, a slow, continual absorption of ear implants occurred from about 14 days after implantation to the end of the 120-day study. Part of the ^{14}C-DES was unabsorbed at the end of 120-days and was retrieved as residual implants. Absorption was greater and more variable before 14 days, probably as a result of absorption being influenced by tissue rejection of the implant, the exact location of the implants *in situ* relative to blood vessels, and the variation in hardness of the implants. The initial rapid and variable absorption after implanting would explain why DES was measured in some hydrolyzed extracts (Rumsey *et al.*, 1974) obtained from livers during the first 28 days after implantation under feedlot conditions.

The apparent low recoveries of administered radioactivity were unexpected and difficult to explain. The low recoveries are explainable on the basis of GLC and radiocarbon analyses of a small amount of powder left after the implants were formed and a small chip from one implant. However, the low recoveries did not prevent determining the excretion patterns or describing the distribution among various tissues in this study. Of the tissues sampled, spleen, adrenal, lung and liver tissues consistently contained measurable concentrations of radioactivity. Tongue tissue contained barely measurable concentrations of radioactivity. Spleen and adrenel tissues contained one-half to one-third the concentration that was found in liver and kidney tissues, and lung tissue contained two times the concentration of radioactivity found in liver and kidney tissues.

Radioactivity in spleen, adrenal and lung tissues was higher in steers implanted with ^{14}C–DES than in orally ^{14}C–DES treated animals (*Rumsey et al.*, 1975) that had concentrations of radioactivity in liver tissue similar to those in the present study. The spleen, adrenal and lung tissues were not found to be a cite of radiocarbon accumulation after oral administration of ^{14}C–DES; however, the excretion curve for radioactivity after oral administration contained both a rapid and low phase and the proportion of radioactivity in the liver presumptively identified as being associated with DES decreased with time after oral administration. Possibly the slower continual rate of DES administration by ear implants compared with the rate by oral administration of ^{14}C–DES allowed a greater part of the radioactivity to become associated with the slower phase of depletion; and thus, radioactivity was retained at a relatively higher level in the spleen, adrenals and lungs of implanted cattle. Also, the distribution of radioactivity in ^{14}C–DES-implanted cattle represented a more complete equilibrium among tissues than in orally treated cattle, regardless of chemical form.

In the present study, liver tissue was selected for residue identification. The radioactivity data for bile and fecal material of implanted cattle, like that of orally treated cattle, indicated that the liver was involved in the excretion of the largest part of DES. The concentration of total radioactivity in liver tissue, calculated as ppb DES equivalents, approximated or was below the sensitivity limits of the GLC residue method. This low level explains why residue results were negative both in this study and in the feedlot study reported by Rumsey *et al.* (1974). However, presumptive identification of radioactivity in liver tissue suggested that at least a part of the total radioactiviy in liver issue was associated with the DES molecule, primarily in the conjugated form.

The actual quantities of radioactivity identified as being associated with DES should not be considered as absolute but should be interpreted qualitatively because of the inherent analytical difficulties in quantitating such small amounts. That is to say, the results of two chromatography techniques indicated that part of the radioactivity in liver tissue behaved like DES or its conjugate, and two liver samples that contained the highest levels of radioactivity gave a positive mass spectrometry identification of *cis* and *trans* DES after hydrolysis of the tissue extract.

The presumptively identified part of total radioactivity did not vary relative to length of the implant period but appeared to vary randomly. The random metabolic variation as noted by the identified part of radiocarbon would add to the variation caused by differences in absorption rate. On the basis of this study and implant absorption data collected under feedlot conditions (Rumsey *et al.*, 1974), it appears that the variation in absorption rate of implants is apparently a major problem in the use of implants.

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Stob, Martin. 1966. Hormone residues in tissues of treated animals. *In* Hormonal Relationships and Applications in the Production of Meats, Milk and Eggs. National Academy of Science, Publication 1415.

FOOTNOTES

[1] ARS, Nutrition Institute, Ruminant Nutrition Laboratory, Beltsville Agricultural Research Center, Beltsville, Maryland 20705.

[2] ARS, Metabolism and Radiation Research Laboratory, State University Station, Fargo, North Dakota 58102.

[3] The authors gratefully acknowledge the advice and assistance of Mr. R. M. Simpson and Drs. J. F. Spaulding and A. J. Malanoski of U.S.D.A. Animal and Plant Health Inspection Service in setting up the GLC procedure for tissue analysis of DLS and for duplicate analysis of tissues, the assistance of Dr. G. Samuelson for implanting the cattle and the assistance of Mr. E. E. Williams and Mr. D. F. Hucht for sample preparation and radiocarbon analysis.

[4] Monoethyl-1-^{14}C-diethylstilbestrol was obtained in crystalline form in two separate batches from Amersham-Seatle Corp., Arlington Heights, Illinois. Radiochemical purity of both batches exceeded 98% as determined by paper chromatography in benzene: petrol (80 to 100 Ci:methanol:water (5:5:7:3 by volume) and by thin-layer chromatography on silica gel in chloroformmectone (3:2 by volume).

[5] Crystalline ^{14}C-DES was formulated into implants (88.24% DES. 10.29% hydropenated peanut oil and 1.47% calcium stearate) by the Chemical Research Laboratory of Hess and Clark; the specified weight and thickness tolerances established for Hess and Clarks' commercial DiBESTrol-C implants (17 mg ± 10% and .267 to .29 cm) were used. A radiochemical purity check by the Hess and Clark Laboratory indicated 97 to 98% purity.

[6] Mention of a tradename, proprietary product or specific equipment does not constitute a guarantee or warranty by the U.S. Department of Agriculture and does not imply its approval to the exclusion of other products that may be suitable.

[7] Animal and Plant Health Inspection Laboratory of U.S.D.A., Washington, D.C. 20250.

[8] Analysis conducted at the Dow Chemical Analytical Interpretive Laboratory, Midland, Michigan 48640.

[9] Analysis conducted at the Hazleton Laboratory, Fairfax, Virginia.

[10] The isotope dilution analysis was conducted by J. E. Patrick and K. I. H. Williams at the Worcester Foundation for Experimental Biology, 222 Maple Avenue, Shrewsbury, Massachusetts 01545. A detailed outline of their work was contained in a final report which was presented to the authors of this paper as a personal communication.

HEARING EXCERPT

Senator **Proxmire**. May I add, Mr. Chairman, there are, I think, three issues which might arise on the part of those who oppose this amendment, and I would like to leave the answers to some of the questions with you.

One claim is that DES residues are only apparent in livers. Since what we eat is mostly muscle tissue, why worry? Why not jut ban the livers?

I have some very interesting information indicating that DES residues are present in other parts of the animal.

Senator **Kennedy**. Certainly if it is in the blood stream it would naturally contaminate the other parts of the animal.

Senator **Proxmire**. Yes, indeed; and we found when we got this more sensitive test it is at a somewhat lower level, one-quarter to one-ninth of the concentration that is found in the liver, but it is found in the kidneys, the musculature.

A second claim is that DES produces more healthful meat because it reduces the amount of fat.

The answer there, I think, is a convincing answer, but as far as health is concerned, DES makes no contribution that is significant.

The third claim is that estrogenic hormones are naturally present in the human body as well as in many plants and animals which humans eat, and the answer is that natural hormones are vastly different from DES in level and potency.

I have this documented, and I would appreciate it if this information could be included in the record.

Senator **Kennedy**. It will be included in the record.

(The information referred to follows:)

EXCERPT FROM COMMITTEE REPORT

LIVERS—FEED SURPLUS

Claim: DES residues are only apparent in livers. Since what we eat is mostly muscle tissue, why worry? Why not just ban the livers?

First, liver is a useful nutritious food. Why ban it?

Second, in the two cases where DES residues were found in parts of the carcass other than the liver (musculature and the kidney) it was at levels $\frac{1}{4}$ and $\frac{1}{6}$ the concentration in the liver. Thus if we assume, conservatively, that DES occurs in the musculature at $\frac{1}{10}$th the levels in the liver it would show up in the musculature at a level of $\frac{1}{5}$th part per billion when it was present in the liver at 2 parts per billion. This one-fifth level is too low to be detectable but too high to be acceptable according to FDA's own scientists who urge withdrawal of DES until it can be detected at one part per trillion.

FATS

Claim: The use of DES produces more healthful meat because it reduces the amount of fat.

Reply:

A study in the Journal of Animal Science, November 1960, reported that DES-fed cattle actually had more fat at age 6 months than cattle not fed DES.

A USDA study in 1955 (number 2444–55 (42)) concluded that while the non-DES cattle were slightly fatter than the DES-fed cattle, there was no difference between the two groups in either marbling or intramuscular fat. This is important, since external, removable fat is not eaten. The only fat with any relation to the healthfulness of the meat is that which is found within the meat itself. And the USDA study found no difference in the amount of internalized fat between DES and non-DES cattle.

CONSUMER PROTECTION PROGRAMS

May 27, 1970.

To: M. A. Nelson, DVM, Director, Central Consumer Protection Region

Subject: Biological Residue Findings.

This memorandum is in reference to cattle tissue samples which had a diethylstilbestrol residue violation.

Sample No. 417–5.

Collection date: Apr. 23, 1970.

Findings (parts per billion): Liver, 90; muscle, 10.

Origin identification: Dale Christensen, Minden, Nebr.

One of the attached procedures must be successfully completed before cattle from the premise are eligible for routine slaughter. Both procedures require the completion of three successive lot analyses in compliance to allow the cattle to move freely to any slaughter plant in the future. A lot consists of the number of cattle routinely shipped to slaughter by this individual at any one time.

The Officer in Charge in whose circuit the violation occurred, should make every effort possible to contact the owner or grower from which the cattle originated. He should inform them of our actions to be taken and the reason for such actions. In any event, he must advise a responsible establishment official of the problem and suggest that the owner or grower be advised of the circumstances by this official. It is the slaughter establishment's responsibility to notify the antemortem inspector of any cattle on its premise that are from this origin.

J. S. STEIN, DVM,
Director, Slaughter Inspection Division.

MASSACHUSETTS GENERAL HOSPITAL,
Boston, Mass, March 10, 1975.

Hon. EDWARD M. KENNEDY,
Senate Health Subcommittee,
Washington, D.C.

DEAR SENATOR KENNEDY: I am writing in response to your question that I have recently received regarding my opinion on the continued use of DES in cattle feed, in view of the facts that have just emerged about residues being encountered once again. In my opinion it is unwise for women who may be pregnant to ingest food that could contain DES residues, even though these residues may be quite small in comparison to the dosages that were prescribed during pregnancy in the past. No one know the smallest dose or shortest duration of exposure to DES that might endanger a human female fetus. At the same time, we do not know what dosages, if any, may be safe. In light of our current knowledge I feel it is medically unwise for DES to be part of the food supply available to the American public.

Very truly yours,
ARTHUR L. HERBST, M.D.

Mr. HRUSKA. Mr. President, I rise to express my strong opposition to S. 963 in its present form. This opposition is to both title I and title II of this bill.

Title I would have been improved measurably by the passage of the Curtis amendment which would have allowed further use of DES in beef production until such time as definitive scientific evidence could be produced. It is regrettable that the Senate did not adopt the amendment. However, that was defeated. In view of the defeat, title I is totally unacceptable. The reasons for such have been thoroughly outlined in the foregoing debate. Hence, my opposition to title I.

As to title II, there are at least two reasons why it is defective and should be rejected. First, there has been no showing of a need for change from the present organization of the Food and Drug Administration. In fact, not a single line or word of testimony on the provisions of title II appears in the printed hearings on S. 963. Second, the substance and text of title II, as written, embraces a free-lance legislative effort based on imagination and pure theory which is highly unworkable and unacceptable by commonly held principles of legislative and governmental theory as well as practice. Notable, is the area of necessity for accountability of governmental entities.

Title II would basically establish the Food and Drug Administration as an independent agency by giving it a statutory basis. A commissioner of FDA would be appointed by the President for a 5-year term. A deputy commissioner and general counsel for FDA would also be appointed by the President. All functions currently administered by the Secretary of Health, Education, and Welfare dealing with the Food and Drug Administration would be transferred to the Commissioner of Food and Drugs. FDA would still technically be a part of HEW, but it would be granted the administration and enforcement of all the laws under its jurisdiction. In essence FDA would be granted the status of a superagency with severly limited accountability for its actions.

Mr. President, is the creation of yet another governmental superagency with all its corresponding restrictions of individual freedoms what the citizens of this country want? I think not. In fact, the people of this country are demanding a responsible and reasonable Government; one that lets them go about their business without unnecessary interference. President Ford has promised the American people and directed the various agency heads to review their regulations and eliminate those that are needless and those whose benefits to society do not outweigh their detriment. At a recent meeting with members of the Cabinet and commissioners of the 10 independent regulatory agencies, the President said:

> I think it is quite obvious that I feel very deeply that we must seriously consider the costs to the American consumers of all government activities, and this, of course, includes regulatory agencies. Regulatory reform is a theme that arose repeatedly in the course of last fall's Economic Summit Meeting. It is a theme that is finding, as I travel around the country, growing public attention and support, both in popular and economic literature, in the Executive Branch, in the Congress, and, I am pleased to note among the government regulators themselves.

The American people are telling us, in clear and concise terms, that they want less government regulation, not more. The President is striving to cut down on Government regulation. What is the Congress doing? We are considering a proposal that, if passed, would establish yet another superagency. This is not what the times and people are calling for.

Mr. President, the need to elevate the Food and Drug Administration to what is basically the status of an independent agency escapes me. What is the practical effect or benefit that will result from such action? There is none. What will happen, however, is that the FDA will be less accountable for its actions and the effective administration and coordination of programs within the Department of Health, Education, and Welfare will be disrupted. Indeed, this would seem to be the objective of the committee in submitting this legislation for our consideration. The committee report specifically states that it is its intention that FDA have no requirements imposed on review or clearance of its actions by any HEW officials, the Office of Management and Budget, or any other office of the executive branch. To whom would the FDA then be accountable? It would seem that the sponsors of S. 963 would have us give the FDA blanket authority to do whatever it pleases without providing for that important system of checks and balances that the framers of our Constitution went to such great efforts to insure would exist at all levels of our Government.

Mr. President, I find it curious indeed that the hearings on this legislation, hearings that cover more than 300 printed pages, contain no testimony, whatsoever, on title II. Notwithstanding its impact upon FDA, HEW, and several other agencies that would be affected by this measure, there is not a single line or word from any of them in the printed hearings. They were not asked for their views. Why were the agencies that will be seriously affected not consulted and given the opportunity to present their views? I cannot answer that question.

I can state that the Department of Health, Education, and Welfare is opposed to granting an independent statutory authority to the Food and Drug Administration.

This is shown in a July 11, 1975, letter addressed to the Senator from Pennsylvania (Mr. HUGH SCOTT) by Mr. Caspar Weinberger, then Secretary of HEW. This letter was inserted in the CONGRESSIONAL RECORD by the Senator from Massachusetts during the debate on yesterday following an inquiry by this Senator from Nebraska as to the complete absence of any testimony whatsoever in the record as to title II. I ask unanimous consent that the portion of that letter relating to title II be printed at this point in my remarks. It is as follows:

> Title II of S. 963 would statutorily establish the Food and Drug Administration (FDA); create the positions of FDA Commissioner, Deputy Commissioner, and General Counsel as Presidential appointees with the advice and consent of the Senate with five-year fixed terms, and vest specific statutory authority for carrying out the Federal Food, Drug, and Cosmetic Act in the FDA Commissioner rather than in the Secretary of HEW, who now delegates such authority to the Commissioner.
>
> We view the practice of vesting authority at subordinate levels as inconsistent with the basic accountability of the Secretary of Health, Education, and Welfare for the effective administration and coordination of all programs within this Department. Although we believe that no useful purpose is served by establishing FDA in law, and by statutorily mandating a Presidential appointment with Senate confirmation of the FDA Commissioner, we would nevertheless not object to such provisions. However, we do oppose specifying the term of the appointment to be five years. The concept of a fixed term could create potential problems of the accountability of the FDA Commissioner to the Assistant Secretary for Health and the Secretary of HEW.
>
> Similarly we oppose the establishment of the FDA Deputy Commissioner and General Counsel as Presidential appointments with Senate confirmation and five-year terms. The Presidential appointment of lesser officials, with resulting grade inflation, is unnecessary and undesirable. As we have already mentioned, such fixed terms would result in diminished internal accountability and responsibility among key agency officials. We also oppose the provision which would permit the establishment of twenty-five supergrade positions in the FDA as being inconsistent with the Department's responsibilities to manage the utilization of such positions in all of our programs.

HEW is properly concerned that its ability to administer and coordinate its programs would be seriously undermined. With the passage of the recent Federal pay increases, the Congress received a great deal of criticism for the vast number of supergrade positions that have evolved in the past few years, yet we now are considering a measure that would establish yet another 25 such positions. HEW also takes issue with this portion of S. 963, as being disruptive of its ability to manage the utilization of such positions in all of its various programs. Mr. President, normally the Members of this body are conscientious in eliciting the views on both sides of an issue from all parties interested therein. I can only wonder why this course was not followed in this instance. Obviously, there were parties, such as HEW, who would have appreciated the opportunity to be heard and to let their opposition be aired before the public.

The uncontrolled power that this measure would transfer to FDA is awesome. Currently, the Secretary of HEW can administratively delegate to FDA those functions he deems appropriate within his discretion. If this measure is passed, administration of the following legislation would be transferred to the jurisdiction of the Commissioner of Food and Drugs:

(1) The Federal Food, Drug and Cosmetic Act (21 U.S.C. 301 et seq.), the Filled Milk Act (21 U.S.C. 61–63), the Federal Import Milk Act (21 U.S.C. 141 et seq.), the Tea Importation Act (21 U.S.C. 41 et seq.), and the Federal Caustic Poison Act (44 Stat. 1406), the Fair Packaging and Labeling Act (15 U.S.C. 1451 et seq.).

(2) Sections 301 (Research and Investigations); 308 (International Cooperation); 311 (Federal-State Cooperation); 314(f) (Interchange of Personnel with States); and 315 (Health Education and Information) of the Public Health Service Act (42 U.S.C. 241, 242(f), 243, 246(f), and 247) relating to the functions of the FDA.

(3) Sections 354 through 360f of the Public Health Service Act (42 U.S.C. 263b through 263n) relating to electronic product radiation control.

(4) Section 361 of the Public Health Service Act (42 U.S.C. 264) relating to interstate travel sanitation (except interstate transportation of etiological agents under 42 C.F.R. 72.25), milk and food service sanitation and shellfish sanitation.

(5) Section 351 of the Public Health Service Act (42 U.S.C. 262) relating to regulation of biological products.

(6) Section 302(a) of the Public Health Service Act (42 U.S.C. 242(a)) relating to medicinal and scientific requirements of the United States for controlled substances.

(7) Section 303 of the Public Health Service Act (42 U.S.C. 242(a)) relating to protection of confidentiality in research on controlled substances.

(8) Section 4 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (84 Stat. 1241) with respect to the safety and effectiveness of drugs or approval of new drugs to be used in treatment of narcotic addicts.

(9) Section 303(f) of the Controlled Substances Act (21 U.S.C. 823(f)) regarding qualifications of practitioners wishing to conduct research with Schedule I controlled substances and the merits of the research protocol.

(10) Provisions of the Controlled Substances Act (21 U.S.C. 801 et seq.) which relate to administration of the Federal Food, Drug and Cosmetic Act (21 U.S.C. 301 et seq.).

(11) Section 409(b) of the Federal Meat Inspection Act (21 U.S.C. 679(b)) relating to the detention of meat products.

(12) Section 24(b) of the Poultry Products Inspection Act (21 U.S.C. 467f(b)) relating to the detention of poultry products.

(13) The Egg Products Inspection Act (21 U.S.C. 1031 et seq.).

(14) Amendments to the foregoing statutes subsequent to the Reorganization Plan No. 1 of 1953 (which established the Department).

(15) The issuance of all regulations pursuant to authorities cited in paragraphs (1) through (14).

(16) Sections of Executive Order 11490 (emergency preparedness) which relate to food, drugs, and biologicals.

(17) Authorizing and approving miscellaneous and emergency expenses of enforcement activities.

(18) The Federal Advisory Committee Act to make determinations that advisory committee meetings may be closed to the public for those committees under the administrative jurisdiction of the Commissioner of Food and Drugs.

The transfer of the administration of these acts would effectively eliminate discretionary powers of the Secretary of HEW over them and give unfettered authority for their administration to the Commissioner. Is that the effective system of checks and balances that the American people are demanding that we insure for them?

No matter how good the intent, the fundamental facts of Government regulation are increased prices, increased redtape, and increased delay. At some point, Mr. President, we must ask whether the added benefits are worth these added costs. If we ban a food additive fewer people may get cancer at age 70, but also more people may die of poor nutrition at age 30. It is a proven fact of economics that increased food prices cause people to skimp on their diets.

More regulation causes higher prices. If a drug banned from the market until proven effective according to some bureaucrat's whim, how do we know that the added delay in introducing new drugs will not kill more people than it saves? I can hear the hue and cry that will be raised when an effective cancer drug will one day be lawfully marketed. People will want to know what took so long? How will the American people react when they learn that the drug's introduction was delayed 5, 10, or even more years until proven effective according to the FDA's rules and regulations? What are we going to say to all the relatives and friends of people who died of cancer in the meantime?

There is no law that can be passed by Congress. Mr. President, that will remove life's risks and uncertainties. All that Congress can do is to pass a law reducing risk in one direction but only at the expense of increasing risk in another direction. We are deceiving the American people if we tell them that we can, at the same time, reduce the risk of all death and disease in all directions.

It is my judgment, Mr. President, that we have long since passed the point where the American people have been getting a good exchange under the rules and regulations passed by the FDA under its present owners. The bargain will only get worse if we multiply those powers and vest them in a totally new, untried, and unseasoned authority.

Mr. President, there is only one way to describe this legislation—it is unneeded, unwise, and expensive. No opportunity for comment was given the affected agencies. Further governmental spending and high-priced bureaucrats will result. The administration and coordination of the Department of Health, Education, and Welfare will be disrupted. A superagency that has the potential of greatly affecting the life of every American would be established without providing effective accountability of its actions. No meaningful purpose such as economy, efficiency, or deregulation would be accomplished.

As a result of all these negative aspects of S. 963, Mr. President, I oppose passage of this bill and I urge my colleagues to do the same.

Mr. NELSON. Mr. President, the bill, S. 963, to ban the sale of DES as an animal feed additive and to impose strict labeling and other restrictions on the use of DES as a human drug, is deficient in several respects, in my opinion. Therefore, I will vote against it for the following reasons:

First, legislating on an individual item basis establishes a bad precedent. Congress has given Federal agencies—in this case, the FDA and the USDA—broad authority to regulate food, food additives, animal drugs, and human drugs. Congress should not be addressing itself to individual items, which are the regulatory purview of appropriate agencies.

There are thousands of chemical agents in foods, drugs, pesticides, and the manufacturing process. The responsibility for regulating the introduction or removal of these agents has been assigned to appropriate regulatory agencies. The Congress has oversight responsibility, but does not have the expertise to make independent scientific judgments on these thousands of agents. Interference in this process can only be justified in cases of inexcusable failure by the agency to act in compliance with the law. No such case has been established respecting DES.

There are a total of 3,000 food additives regulated by the FDA, and more than 3,600 prescription drugs—approximately 2,500 approved new drug applications—NDAs, and 1,137 abbreviated NDAs.

The report of the Labor and Public Welfare Committee on DES states that—

> In general, the Committee does not believe that the general problem of misprescribing and overprescribing of drugs in the United States can be properly corrected on an individual drug basis. The Committee finds this an unusual situation which should not be considered a routine precedent, i.e., legislating on individual substances that are the regulatory purview of a federal agency . . . underexisting statute. The Committee is taking this unusual action because it believes that the FDA has not responded adequately under existing law to protect the public health and safety with respect to regulation of DES, either as a feed additive or a drug. The Committee believes there is larger need indicated by the DES problem, a need to reevaluate the Food, Drug and Cosmetic Act relative to the FDA's authority to deal with similar complex problems.
>
> Inherent in the DES issue are the overriding problems of providing for limited use of some substances under unique circumstances, based on benefit to risk, and controlling use of substances in such circumstances.
>
> In this regard, the Committee intends to consider whether legislative changes in the law are necessary in order to provide for more effective regulation by the Federal agency in future such circumstances.

There is no dispute over the potential carcinogenic dangers of DES either as a feed additive if residues remain in human food or as a drug if used over long periods of time. The scientific evidence indicates clearly that such dangers are real. I have no quarrel with the need to immediately eliminate the hazard altogether and/or regulate usage so that any benefits override any risks, and such benefits are safe and effective, as the food, drug and cosmetic law requires, under the "Delaney" clause and the drug sections.

If Congress begins to legislate what should be item-by-item regulatory action, a precedent is established for interest groups to seek special congressional treatment for individual substances. Congress does not have the scientific expertise nor the time to make such regulatory judgments on individual entities.

The FDA has taken steps to regulate both DES as a feed additive and drug.

At the present time, action with respect to the feed additive is pending by the FDA to—

First, declare the existing test methods invalid and establish new test methods; and second, hold public hearings on the cancellation of DES.

A chronology of FDA regulatory action regarding the feed additives is as follows:

1955—FDA approved DES implant pellets as a beef, lamb and poultry fattener, based on the absence of detectable residues in meat.

1957—FDA permitted DES implants for sheep.

1958—FDA suspended approval of DES for poultry, based on findings of residues.

Dec., 1971—FDA changed procedures for control of DES residues, by requiring a 7-day withdrawal period for all cattle fed DES as opposed to earlier requirement of a 48-hour withdrawal.

Dec. 9, 1971—FDA issued an order revoking regulations pertaining to the use of DES in feeds pursuant to section 512(i) of the Food, Drug and Cosmetic Act (the "New Animal Drug" section prohibiting any animal drug that "induces cancer when ingested by man or animal"). Effective date was to be Jan 1, 1973.

May 3, 1973—FDA ordered withdrawing approval of new drug applications for DES in implant form.

Oct. 25, 1973—FDA order denied hearings on withdrawal of approval of new animal drugs applications for DES implants.

Jan. 24, 1974—U.S. Court of Appeals for the District of Columbia vacated FDA orders withdrawing approval of use of DES in animal feed or as implants.

March 27, 1974—FDA proposed revoking test methods for determining DES residues. (The currently-approved methodology for detecting residues is based on 1963 test methodology at levels detecting residues at 10 parts per billion. New test methods have subsequently been developed, and different tests from the 1963 type are actually being used by the USDA to detect residues, at lower parts-per-billion levels. Hearings will be held on this proposal in the future and a new methodology regulation issued.)

Feb. 11, 1975—USDA ordered changing Federal meat inspection requirement to extend the length of time prior to slaughter (from 7 to 14 days) that cattle and sheep must be withdrawn from feed containing DES. These proposals are still being reviewed and the DES industry has been asked to provide data showing that 14 day withdrawal periods are safe. The industry has not yet provided this data.

In addition, the FDA also is reviewing comments on a proposal issued July 19, 1973, setting forth statistical tools to define a required level of sensitivity for detecting residues of carcinogenic substances used in food animals. A final document on this matter is expected in the future, affecting detection methodology for all carcinogens, not just DES.

According to FDA Commissioner Alexander Schmidt, M.D., in testimony before the Senate Health Subcommittee, February 27, 1975, on the DES bill:

> A major issue is the level of sensitivity necessary for an adequate method of analysis for a carcinogen in edible tissue. In the *Federal Register*, July 19, 1972, the FDA published a proposal setting forth the principals by which any method for analysis for an animal drug for which a zero tolerance is established would be determined. That proposal has resulted in substantial scientific discussion and disagreement.
>
> It is unquestionably one of the most important as well as one of the most complex proposals ever issued by the FDA.
>
> The agency concluded that it is absolutely essential that a final order with respect to this proposal be published before holding any hearing (by the agency) on DES.

FDA, supported by testimony from the Director of the National Cancer Institute, Dr. Frank Rauscher, supports a ban of the feed additive, and is moving appropriately toward this end.

As regards DES as a drug for human use, it was used in the 1950's to prevent miscarriages in women having difficulty carrying pregnancies to term.

In 1968, nine cases were documented of vaginal cancer in female offspring of mothers previously treated with DES.

In 1973, FDA began reviewing an application to approve DES as a morning-after pill.

March 1973, FDA notified doctors that it had approved DES as a morning-after pill, but only for "emergency" situations in 10 25-milligram tablet dosages per packages. Definition of "emergency" include rape, incest, or comparable medical emergency. Such approval, however, was not finalized until March 1975.

Current regulatory status requires that the morning-after drug contain a patient package insert, describing a 5-day regimen for its use, and a warning; that informed consent of patients be obtained by physicians dispensing the drug; and that all other 25-milligram DES drugs be removed from the market. A new regulation, just signed by the FDA Acting Commissioner, requires an additional warning concerning the possible development of vaginal tumors in the daughters of women who received DES for treatment during pregnancy.

There are other approved prescription drug uses for DES. All other DES tablets, containing from one-tenth of a milligram up to 5 milligrams, approved for uses other than as a morning-after pill, must carry a warning on both the container and package insert, stating: "This drug product should not be used as a postcoital contraceptive."

Other uses include: replacement therapy in estrogen deficiency; treatment of cancer of breast in certain patients; treatment of cancer of prostrate in males.

The National Institute of Environmental Health Sciences—one of the National Institutes of Health—has developed a method of testing the toxic effects of DES on unborn animals, and is experimenting to determine how and when damage to offspring of DES-treated female mice occurs. The experiment will be useful in studying factors associated with transplacental carcinogenesis.

Because there are benefits and risks in many substances like DES, the regulations of such matters should be handled administratively rather than by specific legislation, which must be changed as new scientific information arises that could affect the use of substances.

For this reason, I believe this legislation is an unwise precedent.

Mr. GRIFFIN. Mr. President, after careful consideration, I have decided to vote against this legislation—not because I favor the use of DES as a food supplement for animals, but because I believe there already exists a better and more responsible way to decide the question raised.

The Food and Drug Administration now has power to regulate or prohibit the use of DES in food for animals to be eaten by humans. Indeed, there are indications that FDA is likely to go further than this bill would go in that regard. The legislation before us prohibits the introduction of DES into interstate commerce but it would fail to provide an effective remedy against those who actually feed the drug to animals.

Furthermore, in their desire to prevent use of DES, the promoters of this legislation have gone too far and would even prohibit its use in ways that would be beneficial, including its use for the treatment of certain cancers.

Experts at FDA have been, and are, studying DES very carefully. They have concluded that its use on an emergency basis as a postcoital contraceptive is "safe and effective." They report no evidence to date which indicates any discernible risk of cancer to individuals who have taken the drug for that purpose.

Senators are not practicing doctors or scientists. Precisely because we have neither the time nor the expertise to judge the safety or effectiveness of each drug and product on the market, we have established a Food and Drug Administration to make professional evaluations.

Never before has Congress bypassed the FDA in the way proposed by this legislation with respect to a single drug. Unless we are prepared to provide ourselves with the necessary professional staff and laboratory facilities to take over the functions of the FDA, I believe we should leave this decision to the scientists and experts at FDA.

Mr. WILLIAMS. Mr. President, I am pleased to join my colleagues in support of S. 963, the Food, Drug, and Cosmetic Act Amendments of 1975.

The primary purpose of this bill is to effectively deal with the devastating effects that the drug diethylstilbestrol—DES—has had on the health of many Americans. Most of us have been distressed to learn in recent years that DES is a known cancer causing agent in women. As such I think that we must all agree upon the urgent need to do everything possible to remove it from the Nation's food supply and to sharply restrict its use as a drug.

Although the FDA took administrative action to remove DES from cattle feed in 1973, certain legal obstacles prevented this action from taking effect and to this day that product is still used in producing beef for human consumption. The evidence is clear and conclusive that DES has a definite link to cancer in humans. This fact is supported by numerous scientific studies and American women have been warned against eating beef liver during the first trimester of pregnancy—because of its carcinogenic effect—by Dr. Frank Rauscher, the Director of the National Cancer Institute. Over 20 nations have banned the importation of U.S. beef which was raised with DES and in my view nothing short of a complete ban on DES in cattle will enable the United States to live up to its own commitment of safety to its own populuous.

When the Senate Labor and Public Welfare Committee first began hearings on DES—more than 2 years ago—it first learned of the possibility of vaginal cancer in the daughters of mothers who had taken DES to prevent miscarriages during their pregnancy. In our recent hearings on the subject the committee learned that the number of reported cases of this kind of DES-caused cancer had risen from 9 to 220. It appears clear, therefore, that DES is a potent, lethal human carcinogen in certain cases. Yet, despite this convincing evidence the FDA had approved this drug—which has several legitimate therapeutic uses for men and postmenapausal women—as a "morning-after" contraceptive pill in emergencies such as rape and incest. And it is most disturbing that the doses required in morning-after pill treatment exceed the dosages that have caused cancer in the daughters of women in the past several years. Thus, while there is a need for a safe morning-after contraceptive agent for these kinds of emergency situations, the FDA in approving DES for this use, has not adequately defined the nature of the emergency nor has it established adequate guidelines for use of this drug in such situations. It is my view that this situation could lead to continued misuse and overuse of DES beyond its limited indications and that is precisely the problem which this bill is designed to correct.

With respect to DES in beef, S. 963 prohibits the introduction of DES into interstate commerce for purposes of administering the drug to any animal intended for use as food and, further, the bill stipulates that DES may not be administered to any animal whose product is intended for use as food.

In regard to the use of DES as a drug for humans, the bill amends the Food, Drug, and Cosmetic Act to consider the drug as misbranded unless its packaging and labeling adheres to a series of guidelines as follows:

> The first of these six directives require that the drug's label bear the following three statements:
>
> (1) Warning—This drug may cause cancer; (2) this drug may not be used as a contraceptive after sexual intercourse except in cases of rape or incest or a comparable medical emergency; (3) this drug may not be taken unless a patient or patient's legal guardian has given his written consent after full verbal disclosure by the attending physician of the risks, benefits, and alternative methods of treatment.
>
> The second guideline directs that each capsule or tablet be prepackaged by the drug producer in units which contain the appropriate number of capsules or tablets for the desired course of treatment. It also requires that the three bold-faced statements mentioned above be placed conspicuously on the label next to the capsules or tablets so that the patient may have an opportunity to read them during the entire prescription period.
>
> The third guideline directs that the bold-faced statements mentioned above must be twice as large in size as any other words and statements required by law.
>
> The fourth item listed in this section of the proposed bill requires that a multi-copy "informed consent form" be part of the drug's label. (This form is defined later in subsection (2)(a) of the proposed bill to mean a form that will be issued by the Secretary of the Department of Health, Education, and Welfare, approved by the National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research (*The Commission*), and fully explained by the attending physician to the patient. The form must then be completed by the attending physician and the patient or the patient's legal guardian. According to his proposed subsection (q) (2) (A) of the Act, if *The Commission* fails to take action within 60 days after the Secretary of HEW submits the proposed informed consent form, it shall be considered approved.
>
> The fifth guideline set forth in this section of the bill requires that a copy of each completed informed consent form, along with a written record of the attending physician's prescription, be submitted by the physician to the Secretary of HEW, in whatever form and whenever the Secretary may require, but not fewer than four times a year. It further states that the completed form and prescription record are required to contain both the attending physician's license number and the name of the State which issued the license.
>
> The sixth and final directive requires that a copy of each prescription for this drug which has been presented to a pharmacist be submitted by the pharmacist to the Secretary of HEW, in whatever form and whenever the Secretary may require, but not fewer than four times a year. It further requires that each prescription submitted contain both the attending physician's license number and the name of the State which issued the license.

Mr. President, this is a comprehensive and sensible approach to a tragic and very delicate problem. I regret that this action is necessary, but the FDA has not moved quickly enough in this area and a congressional response is vitally necessary at this time.

In order to give the FDA a stronger hand in matters such as this, I am proud that title II of this bill contains a provision which I authored, to strengthen that public health agency responsible for consumer safety, by giving it and its top officials a long-overdue statutory mandate. When I first began looking into this situation I was surprised to find that the Food and Drug Administration was merely an administrative creation but had no clear statutory charter. While I believe that FDA derives many benefits from being within the Department of Health, Education, and Welfare, it is also a regulatory agency and must have a base to be able to vigorously prosecute violations of the law. It must not be administratively reshuffled in the HEW structure and submerged in layers of bureaucracy as was the case when only a few years ago it was submerged in an entity known as the Consumer Protection and Environmental Health Service—and this was done without congressional approval, by mere publication of notice in the Federal Register.

Title II of this bill would keep FDA in HEW while at the same time guaranteeing it a legal base and other strengths needed by a regulatory entity. Under the bill FDA is established as an agency within the Department of Health, Education, and Welfare and its three top officials—the Commissioner, the Deputy Commissioner, and the General Counsel—are subject to Presidential appointment with advice and consent of the Senate for 5 year terms. The Commissioner is given the powers previously vested in the Secretary—but delegated to the Commissioner under current practice—and thus the FDA's real authority is neither contracted or expanded with respect to the laws currently under its jurisdiction. In addition, the Commissioner is given the actual power to direct and supervise all personnel of the FDA, promulgate regulations, prepare budget estimates, and legislative recommendations—subject to Secretarial and OMB review, and perform other incidental functions necessary to the operations of the agency. Any functions previously vested in the Secretary which were nondelegable to other officials are transferred to the Commissioner, but he may not delegate these functions to anyone else in the agency.

Mr. President, I believe that title II of this bill is most important so that one of the vital regulatory agencies of the Federal Government is fully accountable to the American people without being undermined in an already layered HEW bureaucracy. The advantages of a connection with HEW, together with some measure of independence, will go far toward assuring a better protected American public.

Mr. EAGLETON. Mr. President, I am voting against S. 963, because I am convinced that it is both bad policy and bad precedent for the Senate to seek to ban DES through a legislative enactment. As a matter of policy, I do not believe that this body ought to undertake to serve as a scientific review board, particularly when the facts of the matter have not been fully developed as part of an orderly administrative process. It establishes a precedent that almost surely will be resurrected in the future as the proponents and opponents of various questioned substances seek direct congressional intervention.

The Food and Drug Administration has the responsibility of passing upon the safety of drugs administered to animals intended to be used as food, in much the same manner as it acts on drugs for humans. In early 1973, the FDA sought to meet that responsibility by issuing an order prohibiting the use of DES as a growth supplement mixed in the food of cattle. Later that year, the ban was broadened to include the implantation of DES under the animal's skin, another method of stimulating growth. In January 1974, the U.S. Court of Appeals for the District of Columbia lifted the FDA's ban and ruled that the agency had proceeded erroneously by failing to provide a hearing on the issue for parties affected by the outlawing of DES.

Immediately after the court's decision was made known, the Commissioner of FDA announced that the agency would try again to ban DES, and this time it would hold hearings and otherwise follow the procedural requirements ruled mandatory in this case by the court. This pledge has been repeated several times. And there the matter stands today, over a year and a half later.

It is clearly the responsibility of the FDA to renew the proceedings in this matter, Mr. President, and to provide an opportunity for the exposition of the disputed scientific issues so that a final decision on the merits can be made. But instead of being pressed by Congress to carry out its responsibility, the agency is relieved of it by this bill. I think it is likely that the FDA will view today's action by the Senate as an invitation to further delay any administrative proceedings with respect to DES. If this be the case, and if the House fails to act on S. 963—just as it failed to act when the Senate passed a similar bill in 1972—then there will be nothing done about the potential hazards of this carcinogen for at least another year and a half, until after the end of the 94th Congress late next year.

Moreover, passage of S. 963 establishes an unfortunate precedent for congressional consideration of food and drug items on an individual basis. You can be sure that the next time the pharmaceutical companies or the food producers disagree with an FDA ruling on their products, or the true believers in some claimed miracle cure seek to distribute their panacea despite a failure to win FDA approval, they all are going to cite the DES bill in arguing that Congress ought to take their particular case out of the hands of the FDA. Surely, no one believes that these public health matters ought to be decided in a political context by Congress. Yet, that is the precedent established by today's vote on S. 963.

The Food and Drug Administration has its faults, Mr. President, but it is a far superior forum than the Congress for the resolution of public health issues of this kind, which ought to be decided on the basis of the best available scientific opinion. Today's action does nothing to improve the FDA, rather it undermines the agency's authority and diminishes its responsibility in an important area of regulation. There is a very real prospect that any short-term gains that may be realized if the ban on DES should be expedited through this legislation, will be more than offset by the resultant weakening of the agency that we have to depend on to protect the public against hazards in food and drugs.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

Mr. ROBERT C. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

ORDER FOR NO FURTHER LEGISLATIVE BUSINESS TODAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of this bill today there be no further legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TODAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the order for the recognition of the Senator from Virginia (Mr. WILLIAM L. SCOTT) for 45 minutes, there be a period for the transaction of routine morning business for the rest of the day, with no limitation on time.

The PRESIDING OFFICER. Without objection, it is so ordered.

DIETHYLSTILBESTROL

The Senate continued with the consideration of the bill (S. 963) to amend the Federal Food, Drug, and Cosmetic Act to prohibit the administration of the drug diethylstilbestrol—DES to any animal intended for use as food, and for other purposes.

The PRESIDING OFFICER. The question is, Shall the bill pass? The yeas and nays have been ordered, the Clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Kentucky (Mr. HUDDLESTON) is necessarily absent.

I further announce that the Senator from Indiana (Mr. BAYH), the Senator from Florida (Mr. CHILES), the Senator from Alaska (Mr. GRAVEL), and the Senator from Minnesota (Mr. HUMPHREY) are absent on official business.

I also announce that the Senator from Alabama (Mr. ALLEN) and the Senator from Michigan (Mr. HART) are absent because of illness.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from New York (Mr. Buckley), the Senator from Utah (Mr. Garn), and the Senator from Oregon (Mr. Packwood) are necessarily absent.

I further announce that, if present and voting, the Senator from Utah (Mr. Garn) would vote "nay."

The result was announced—yeas 61, nays 29, as follows:

[Rollcall Vote No. 387 Leg.]

YEAS—61

Abourezk
Baker
Beall
Bentsen
Biden
Brooke
Bumpers
Burdick
Byrd, Robert C.
Cannon
Case
Church
Clark
Cotton
Cranston
Culver
Eastland
Fong
Glenn
Hart, Gary W.
Hartke
Haskell
Hatfield
Hathaway
Hollings
Inouye
Jackson
Javits
Kennedy
Leahy
Long
Magnuson
Mansfield
Mathias
McClellan
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Sparkman
Stafford
Stennis
Stevens
Stevenson
Symington
Taft
Tunney
Weicker
Williams

NAYS—29

Bartlett
Bellmon
Brock
Byrd, Harry F., Jr.
Curtis
Dole
Domenici
Eagleton
Fannin
Ford
Goldwater
Griffin
Hansen
Helms
Hruska
Johnston
Laxalt
McClure
McGee
Morgan
Nelson
Nunn
Pearson
Scott, William L.
Stone
Talmadge
Thurmond
Tower
Young

NOT VOTING—10

Allen
Bayh
Buckley
Chiles
Garn
Gravel
Hart, Philip A.
Huddleston
Humphrey
Packwood

So the bill (S. 963), as amended, was passed, as follows:

S. 963

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—CANCER PREVENTION

Sec. 101. Section 301 of the Food, Drug, and Cosmetic Act is amended by adding at the end thereof the following new subsection:

"(q) The administering of the drug diethylstilbestrol (DES) to any animal intended for use as food or any animal the product of which is intended for use as food until the Secretary makes a determination, based on scientific evidence and acting through the National Cancer Institute of the National Institutes of Health, that the drug DES is safe and presents no significant health hazard and does not contribute unreasonably to man's carcinogenic burden. For purposes of this subsection, the Secretary of Health, Education, and Welfare is directed to accumulate and analze all data related to the public health aspects of the use of diethylstilbestrol (DES) as a growth promotant in animals intended for use as food, and to report to the Congress the results of such accumulation and analysis, together with his recommendations as to the appropriate course of action to be taken with regard to such use of DES. Such data shall be made available to the Secretary of Agriculture, who shall make an independent and concurrent report to the Congress with the Secretary of Health, Education, and Welfare as to the appropriate course of action to be taken with regard to such use of DES. Such report shall be submitted within four months after the final report on the DES portion of the Estrogen Project of the National Center for Toxicological Research (NCTR) Division of the Food and Drug Administration, and shall include the results of all studies on DES completed as of the date of completion of the NCTR studies".

Sec. 102. Section 502 of the Food, Drug, and Cosmetic Act is amended by adding at the end thereof the following new subsection:

"(q) (1) If it is, or purports to be, or is represented as a drug composed wholly or partly of diethylstilbestrol (DES), unless—

"(A) its label bears the following statements:

"(1) Warning—This drug may cause cancer;

"(2) This drug may not be used as a contraceptive after sexual intercourse except in cases of rape or incest or a comparable medical emergency;

"(3) This drug may not be taken unless a patient or patients legal guardian has given his written consent after full verbal disclosure by the attending physician of the risks, benefits, and alternative methods of treatment; and

"(B) each and every capsule or tablet is prepackaged, by the drug producer, in units which contain the appropriate number of capsules or tablets for the desired course of treatment and the statements required by subsection (q) (1) (A) of this section are conspicuously placed on the label next to the capsules or tablets so as to permit the patient an opportunity to read the statements during the entire prescription period. The letters contained in the statements required by subsection (q) (1) (A) of this section are twice as large in size as any other words and statements required by this Act; and

"(C) there is a multicopy 'informed consent form' which is deemed part of the label for the purpose of this Act; and

"(D) a copy of each and every executed informed consent form and a written record of each and every attending physician's prescription for such drug is submitted by the attending physician to the Secretary at such times and in such form as the Secretary may require but not less than four times a year. Each and every executed informed consent form and prescription record submitted to the Secretary shall contain both the attending physician's license number and the name of the State which issued such license number; and

"(E) a copy of each and every prescription for such drug which has been presented to a pharmacist is submitted by the pharmacist to the Secretary at such time and in such form as the Secretary may require and not less than four times a year. Each and every prescription submited to the Secretary shall contain both the attending physician's license number and the name of the State which issued such license number.

"(2) (A) For the purpose of this subsection an 'informed consent form' means a form issued by the Secretary and approved by the National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research (hereinafter in this subsection referred to as the 'Commission') and is fully explained by the attending physician to the patient and is thereafter executed by the attending physician and patient or the patient's legal guardian. If the Commission fails to take action within sixty days after the Secretary submits the proposed informed consent form, it shall be deemed approved.

"(B) Drug producers shall not be held liable for misbranding under subsection (g) (1) (D) and (E) of this section.

"(C) No patient names or other identifying information shall appear on any informed consent form, prescription, or report submitted to the Secretary. No patient name or other identifying information shall be submitted to or collected by the Secretary.".

TITLE II—FOOD AND DRUG ADMINISTRATION

SHORT TITLE

Sec. 201. This title may be cited as the "Food and Drug Administration Act".

ESTABLISHMENT OF FOOD AND DRUG ADMINISTRATION

Sec. 202. The Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.) is amended by adding at the end thereof the following new sections:

"FOOD AND DRUG ADMINISTRATION

"Sec. 903. (a) There is hereby established within the Department of Health, Education, and Welfare an agency to be known as the Food and Drug Administration (hereinafter referred to as the 'Administration').

"(b) The Administration shall be headed by a Commissioner of Food and Drugs (hereinafter referred to as the 'Commissioner') who shall be appointed by the President, by and with the advice and consent of the Senate, for a term of five years. A Commissioner is eligible for reappointment only once. The Commissioner shall be responsible for the effective administration of the laws subject to his jurisdiction.

"(c) The President shall appoint by and with the advice and consent of the Senate a Deputy Commissioner and General Counsel for the Administration for terms of five years each.

"POWERS OF THE COMMISSIONER

"Sec. 904. (a) In order to fulfill his duties under the laws subject to his jurisdiction, the Commissioner is empowered to—

"(1) direct and supervise all personnel of the Administration,

"(2) employ experts and consultants in accordance with section 3109 of title 5, United States Code, and compensate individuals so employed for each day (including traveltime) at rates not in excess of the maximum rate of pay for grade GS–18 as provided in section 5332 of title 5, United States Code, and, while such experts and consultants are so serving away from their homes or regular place of business, to pay such employees travel expenses and per diem in lieu of subsistence at rates authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently;

"(3) appoint advisory committees composed of such private citizens and officials of the Federal, State, and local governments as he deems desirable to advise him with respect to his functions under the law subject to his jurisdiction, and to pay such members (other than those regularly employed by the Federal Government) while attending meetings of such committees, or otherwise serving at the request of the Commissioner, compensation and travel expenses at the rate provided for in paragraph (2) of this subsection with respect to experts and consultants;

"(4) promulgate such regulations as may be necessary or appropriate to carry out the functions vested in him and for the efficient enforcement of the laws subject to his jurisdiction;

"(5) utilize, with their consent, the services, personnel, and facilities of other Federal agencies and of State and private agencies and instrumentalities with or without reimbursement therefor;

"(6) enter into and perform such contracts, leases, cooperative agreements, or other transactions as may be necessary or appropriate in the conduct of the work of the Administration and on such terms as the Commissioner may deem appropriate, with any agency or instrumentality of the United States, or with any State, territory, or possession, or any political subdivision thereof, or with any public or private person, firm, association, corporation, independent testing laboratory, or institution;

"(7) accept gifts and voluntary and uncompensated services, notwithstanding the provisions of section 665(b) of title 31, United States Code;

"(8) designate representatives to serve or assist on such committees as the Commissioner may determine to be necessary or appropriate to maintain effective liaison with Federal agencies and with State and local agencies and independent standard-setting bodies carrying out programs and activities related to the protection of consumers against injury resulting from the use of products subject to his jurisdiction;

"(9) construct such research or test facilities as may be necessary to carry out the purposes of the laws subject to his jurisdiction, (A) after fully utilizing the personnel, facilities, and other technical support available in other Federal agencies, (B) when authorized by the Congress to plan, design, and construct such facilities, and (C) subject to the appropriation of funds for this purpose by the Congress;

"(10) conduct public hearings anywhere in the United States to further the purposes of the laws subject to his jurisdiction;

"(11) prescribe personnel policies for the Administration, including selecting, appointing, fixing compensation of, hiring, firing, promoting, and transferring of employees, subject to the civil service and classification laws;

"(12) undertake such other activities as are incidental to enforcement of the laws subject to his jurisdiction; and

"(13) except as provided in section 905(a)(2) delegate any of his functions and duties under the laws subject to his jurisdiction to other officers or employees of the Administration.

"(b) Nothing in this section shall be construed to prevent the Commissioner from undertaking any activities previously performed by the Secretary through the Food and Drug Administration.

"FUNCTIONS OF THE COMMISSIONER

"SEC. 905. (a)(1) All functions of the Secretary of Health, Education, and Welfare administered through the Food and Drug Administration are transferred to the Commissioner of Food and Drugs.

"(2) Functions of the Secretary to suspend the approval of an application because of an immanent hazard to health, pursuant to sections 505(e), 512(e), and 512(m) are transferred to the Commissioner of Food and Drugs and shall not be delegated.

"(b) The Secretary of Health, Education, and Welfare may by regulation delegate such additional functions to the Commissioner as he from time to time deems appropriate.

"(c)(1) All personnel, property, records, obligations, commitments, and unexpected balances of appropriations, allocations, and other funds, which are used primarily with respect to any office, agency, bureau, or function transferred under the provisions of this section are transferred to the Commissioner of Food and Drugs. The transfer of personnel pursuant to this subsection shall be without reduction in classification or compensation for one year after such transfer, and this provision shall not be construed to impair the authority of the Commission to assign personnel during this period to carry out the functions of the Administration most effectively.

"(2) Any commissioned officer of the Public Health Service who, upon the day before the effective date of the Food and Drug Administration Act, is serving as such officer primarily in the performance of functions transferred by that Act to the Commissioner may, if such officer so elects, acquire competitive status and be transferred to a competitive position in the Administration subject to paragraph (1) of this subsection, under the terms prescribed in section 15(b)(3)-(8)(A) of the Clean Air Amendments of 1970 (84 Stat. 1676; 42 U.S.C. 215).

"(d) The Civil Service Commission shall establish criteria in consultation with the Commissioner when preparing competitive examinations for positions in the Administration.

"(e) All laws relating to any office, agency, bureau, or function transferred under the Food and Drug Administration Act shall, insofar as such laws are applicable, remain in full force and effect. And orders, rules, regulations, permits, or other privileges made, issued, or granted by any office, agency, or bureau or in connection with any function transferred by that Act, and in effect at the time of the transfer, shall continue in effect to the same extent as if such transfer had not occurred until modified, superseded, or repealed. No suit, action, or other proceeding lawfully commenced by or against any office, agency, or bureau of any officer of the United States acting in his official capacity shall abate by reason of any transfer made pursuant to that Act.".

COMPENSATION: ADDITIONAL POSITIONS

SEC. 203. (a)(1) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(60) Commissioner of Foods and Drugs.".

(2) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new paragraphs:

"(98) Deputy Commissioner, Food and Drug Administration.

"(99) General Counsel, Food and Drug Administration.".

(b) Section 5108(c) of title 5, United States Code, is amended by—

(1) striking out the word "and" at the end of paragraph (10);

(2) striking out the period at the end of paragraph (11) and inserting in lieu thereof a semicolon and the word "and"; and

(3) by adding immediately at the end of such subsection the following new paragraph:

"(12) The Commissioner of Food and Drugs, without regard to this chapter (except section 5114), may place twenty-five positions in the Food and Drug Administration in GS-16, GS-17, and GS-18.".

EFFECTIVE DATE; INITIAL APPOINTMENT OF OFFICERS

SEC. 204. (a) This Act shall take effect ninety days after the Commissioner first takes office, or on such prior date after enactment of this Act as the President shall prescribe and publish in the Federal Register, but in no event later than one hundred and eighty days after enactment of this Act.

(b) Any officers provided for in this Act may (notwithstanding subsection (a)) be appointed in the manner provided for in this Act at any time after the date of enactment of this Act. Such officers shall be compensated from the date they first take office at the rates provided for in this Act. Such compensation and related expenses of their offices shall be paid from funds available for the functions to be transferred to the Commission pursuant to this Act.

The title was amended to read as follows:

A bill to protect the public health by amending the Federal Food, Drug, and Cosmetic Act to prohibit the introduction or delivery for introduction into interstate commerce of the drug diethylstilbestrol (DES) for purposes of administering the drug to any animal intended for use as food, and for other purposes.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TECHNICAL AND CLERICAL CORRECTIONS

Mr. KENNEDY. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of S. 963.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

The PRESIDING OFFICER. Pursuant to the previous order, the Chair recognizes the Senator from Virginia (Mr. WILLIAM L. SCOTT).

Mr. ROBERT C. BYRD. Mr. President, there will be no more rollcall votes today, and upon the completion of the order recognizing the Senator from Virginia (Mr. WILLIAM L. SCOTT), Senators may speak on any subject and for any length of time during the remainder of the day.

PRIVILEGE OF THE FLOOR

Mr. WILLIAM L. SCOTT. Mr. President, I ask unanimous consent that Mr. Charles J. Conneely, of the professional staff of the Committee on Armed Services, may be present on the Senate floor during my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

A TRIP TO THE MIDDLE EAST

Mr. WILLIAM L. SCOTT. Mr. President, during the August recess I made a factfinding trip to the Middle East on behalf of our Senate Armed Services Committee. Mr. Charles J. Conneely, a member of the professional staff of the committee, went with me and I believe a report on the talks we had with the political and military leaders of the Middle Eastern nations would be helpful to the Senate at this time.

Among the leaders with whom we had private discussions were Prime Minister Rabin of Israel; King Khalid of Saudi Arabia; President Assad of Syria; King Hussein of Jordan; and President Sadat of Egypt. In each instance at the beginning of the conference we indicated that we were on a factfinding mission on behalf of the Armed Services Committee and solicited any comments the Chief of State of a given nation felt should be taken back to the committee and to the Senate. Let me add that in addition to the leaders mentioned above we also talked with other top officials of the countries visited and with the American Ambassadors and their staffs. For example, in Israel we talked with the Defense Minister, Mr. Peres; in Saudi Arabia with Crown Prince Fahd; in Jordan with both Crown Prince Hassan and Prime Minister Rifai; in Egypt with the Premier, Mr. Salem, as well as top military leaders like General Gamassy, the Minister of War; General Sharon in Israel and General Azhari in Iran, whose position is equivalent to the Chairman of our Joint Chiefs of Staff.

We left Washington on August 2 and first went to Israel where we spent 4 days of the approximately 3-week trip. Our conference with Prime Minister Rabin lasted approximately 45 minutes and our discussions with the Defense Minister about an hour and a half. General Sharon hosted a dinner meeting for us during which we discussed various Middle Eastern matters.

We also visited the Golan Heights, an Air Force base and obtained information which should be of value to the Senate in determining what action we should take on the interim peace agreement between Israel and Egypt, the question of military and economic aid and other matters relating to the Middle East.

Without directly quoting any of the individuals, they expressed a need for Israel to have naturally defensible borders such as the Golan Heights; a desire to have a peace agreement with all of the Arab nations, even though this presented many difficulties; a particular concern regarding the Palestine Liberation Organization, or PLO, and the possibility of a renewed conflict in the Middle East which could lead to a general war. The opinion was expressed that Israel needed commerce with other countries of the world and a feeling of security so that friendly relations could be carried on with the bordering nations.

During periods of discussion there seemed to be optimism that peace could be attained, but also there was a general confidence in the ability of the military forces of Israel. The PLO seemed to pose a problem to Israel, a feeling that it was a shadowy organization and concern was expressed about a Palestinian nation on the west bank of the Jordan River. There was talk about terrorists being trained in Libya and Lebanon, as well as other parts of the Arab world. There was the general feeling that the United States should furnish military equipment to Israel and, in fact, it was suggested that we grant $1 billion in military assistance, loan $½ billion for military equipment and provide $1 billion in economic aid to Israel per year. There were some complaints that we did not furnish our latest military equipment and that Syria was given the best Soviet equipment, including MIG–23 aircraft.

While all of the Israeli officials both civilian and military seem to have great confidence in their armed forces, the civilian leaders spoke of the desire for peace and that the momentum for peace be carried forward. In discussing naturally defensible borders, an opinion was expressed that the Golan Heights between Israel and Syria might be shared so that neither nation would have troops overlooking the valleys of the other nation; in addition, that there might be a buffer zone, a demilitarized area, even consisting of the entire Sinai peninsula between Israel and Egypt, with a reservation that Israel needed to obtain oil through the Gulf of Aquaba and water from the Jordan River. Our discussions came back from time to time to terrorist activities, and the Communist influence in the Middle East.

On the whole, we found Israel to be a progressive nation with emphasis placed on education, on acquiring technical knowledge, with great confidence in the nation's ability and readiness for any military action that might arise.

IRAN

We next visited Iran, arriving there in the late evening, preceding a religious holiday. However, General Azhari, chief of the supreme commander's staff, indicated to Ambassador Richard Helms that he had to leave the city the following morning and asked us to stop by his home for a conference. Ambassador Helms and I did visit with General Azhari from 10 p.m. until midnight. The following day we had conferences at the embassy with the Ambassador and his staff.

Concern was once again expressed regarding the Communists stirring up strife in the Middle East, specifically in Oman, a small nation at the southeastern end of the Arabian Peninsula. We are told that Iranian troops were assisting the established Government of Oman, and that a Russian satellite government in Oman could cut off the supply of oil to the free world, inasmuch as there is a narrow strait between the Gulf of Oman and the Persian Gulf, leading into the Indian Ocean.

General Azhari spoke very highly of the United States, but concern was expressed that sometimes we did not appear to understand the plight of the Palestinians. A question was posed as to how our countrymen would feel if they had been removed from their homeland. It was brought out that the Palestinians had been loyal citizens of their country prior to being removed from it.

Concern was expressed about the Soviet Union fomenting trouble in portions of Pakistan, Afghanistan and Iran, encouraging people with a common heritage living in portions of these countries to establish a new independent country separate from the existing nations. It was suggested that the Soviets would like to have a separate country created which they could control and which would provide access to the Indian Ocean.

Relationship between Iran and the other Arab nations was discussed, and it was mentioned that there was a good relationship at this time between Iran and Iraq as well as with Egypt and Saudi Arabia. Discussion was also had about Communist activity in Yemen and concern was expressed about the United States cutting off the supply of arms to Turkey. We were told that Turkey apparently had learned a lesson and that they would be more hesitant to take aggressive action against other nations in the future; that they were sensitive to the dope problem and were trying to see that poppies not get into illicit trade coming into the United States.

It was brought out during the discussions that Iran is paying for the military advisers from the United States who are attempting to train their troops and that this payment even goes to the extent of computing the amount of retirement pay our military personnel receive, and with slight exceptions, our military assistance was without cost to the United States.

Lieutenant General Brett, defense adviser to the Ambassador, indicated the American contingent was attempting to help the Iranians acquire a knowledge of American equipment so that they could learn to repair aircraft and other equipment within a specific time limitation and become independent of U.S. instructors regarding equipment they purchased from us. He mentioned that, while Iran did acquire military equipment from other nations, roughly 80 percent comes from the United States. During discussions of the Indian Ocean, it was brought out that there was a considerable French presence as well as some Australian, Pakistani, and Indian naval forces.

If one single factor were singled out regarding our visit to Iran, it was the concern expressed regarding the possible carving out of a new puppet state from portions of Iran, Pakistan, and Afghanistan, which would permit Russian access to the Indian Ocean.

BAHRAIN

We spent less time in Bahrain, a city state, on the Persian Gulf, than any of the Middle East countries visited. However, we did have an opportunity to talk with the American Ambassador, with Admiral Bigley, commander of the Middle East Fleet, and with the Foreign Minister of Bahrain. Concern was expressed over a number of matters, the first of which was the United States favoring Israel against the Arab world. It was pointed out that Israel occupied three countries and that Bahrain, as well as most nations in the Arab world, wanted to be friends with the United States. The Foreign Minister appeared to be anti-Communist, concerned about the Communist threat, and one who wanted to keep the sea lanes open for trade of all kinds, but with a particular concern with oil.

Bahrain has docking facilities for an American flag ship and two destroyers. We were told that the nations in the Persian Gulf would prefer to have no warships from any nation, not bordering on the Gulf, headquartered in that area but that because Russia had some ships in Iraq there was little opposition to us having ships at Bahrain. The Foreign Minister spoke very highly of the United States and said he particularly welcomed our visit and hoped other Members of Congress would visit his country.

Once again concern was expressed about Soviet supported insurgents in Oman, about a Soviet naval base in Somalia, and the possibility that the Soviets might come through the general area of Iran, Pakistan, and Afghanistan to set up a puppet government, giving them access to the Indian Ocean. There was, however, obvious resentment to us showing favoritism toward Israel and a desire that we take a more evenhanded position between the Arab world and Israel. Israel was pictured as an aggressive nation while the Arab world was peace loving. The Foreign Minister seemed pleased that we were going to visit Saudi Arabia, Syria, Jordan, and Egypt, in addition to the countries we had already visited.

Perhaps the chief argument made was that the United States should adopt an evenhanded approach to the Middle Eastern situation and the concern that Congress would not have the knowledge which could be gained by a visit to the Middle East countries and conferences with the leaders.

Admiral Bigley indicated that there were very limited repair facilities in

Bahrain, merely public facilities for minor repairs and no specific facilities of any kind for the United States. He stated, however, that there were good repair facilities in Pakistan which were available for use by the United States. He mentioned observing Russian ships which left Berbera in Somalia just before a recent visit by Senator BARTLETT and a delegation from the House of Representatives.

SAUDI ARABIA

Our next visit was to Saudi Arabia where we were first briefed at the American Embassy and later visited with King Kahlid, Crown Prince Fahd, and other Saudi Arabian officials. We were told that the King was a very devout man. He treated us cordially, expressed his desire for friendship with our country and pointed out that no Communist country had diplomatic relations with Saudi Arabia. The country does appear to have very limited educational industrial advantages. Apparently this is recognized by the political leaders, as King Kahlid indicated he wanted peace in the Middle East so that he could concentrate on raising the living standards of his people.

We saw evidence of the American influence in the automobiles and in the shops of Saudi Arabia. Contrary to most of the countries visited almost all of the cars were American made and many were standard sized cars. In fact, we learned that gasoline sells for 13 cents a gallon.

We also learned that our Army Corps of Engineers, and others, are supervising the construction of low-income housing, vocational education buildings, and other facilities within Saudi Arabia.

We were told that a labor force of roughly 40,000 people were being brought into this country from the outside to assist with construction work, that Saudi nationals were being sent to other countries to obtain the necessary knowledge so that they could teach in the schools, and that foreign nationals, preferably Americans, were being brought into the country to assist in upgrading the educational standards.

It appears that the political leadership is not inclined to compromise its principles, that it does not have the military manpower to materially assist in the event of the outbreak of another war in the Middle East, but would provide considerable financial assistance and would consider cutting off the supplies of oil to unfriendly nations. While both King Kahlid and Prince Fahd were cordial, the King might have been a little more informal and more general in his conversation than the Crown Prince, but both are strong anti-Communists and are also strongly anti-Israel. They are also pro-Egypt, pro-Jordan, and pro-Arab.

Concern was expressed about us cutting off arms to Turkey and about not providing Hawk missiles to Jordan. They seemed to feel that the responsibility for solving the Middle East situation rested with the United States; that we had inherited a British problem. I did gather that they were looking to us to settle the Middle East situation to their satisfaction and felt that we could influence the Israeli Government to do what we felt was proper. They stated that it was Russian policy to stir up strife and to divide nations because it helped world communism. They indicated a desire to purchase U.S. arms and wanted our most sophisticated weaponry.

However, they stated that any weapons we furnished would be for defense because they had no extra territorial ambition, but only a desire to defend their own country and to improve the standard of living of their citizens. Toward the conclusion of our meeting with King Kahlid, I said with a smile that I hoped that the King would use his influence to see that the world price of oil was not unduly increased and he laughlingly replied,

> You help us obtain peace in the Middle East and we will help you with your economic problems.

Mr. President, that is my only direct quotation of this talk.

In summary, the Saudis feel that the leaders of all the Arab nations are good people, they are concerned about world communism, they are concerned about Communists stirring up strife throughout the world but particularly in the Middle East. They consider Israel to be an aggressor nation and they feel that the United States has a major role to play in obtaining peace in the Middle East. They feel that we should attempt an evenhanded policy, not preferring one side over the other.

SYRIA

We next visited in Syria, where we had detailed discussions with President Assad, the American Ambassador and his staff, and also talked with a number of Syrian people as well as some Palestinians living in Syria. They referred to the friendship of the Syrian people for the United States and the feeling that their nation had been mistreated over the years. Israel was compared with a spoiled child that was accustomed to getting whatever it wanted and it believed that all it needed to do was to ask and the United States would provide its every need.

We were told that over the years a number of nations had mistreated Syria, that their land had been taken from them at one time or another by Western nations and that they were sensitive about such treatment. It was felt that Israel would continue to exist as an independent nation, a view expressed by the political leaders of all of the Arab nations we visited, but that it should move back to its 1967 boundaries, that there should be an area separating Israel and the Arab nations policed by an international group, that there should be a Palestinian State with territory of its own separate and apart from Israel. We were told that the city of Quneitra on the Syrian side of the Golan Heights, had been shelled and substantially destroyed by Israeli artillery, forcing all of its inhabitants to leave, but later when Israeli troops occupied the city, they completed the destruction so that Syrians could not later reoccupy the city.

The Ambassador and I spoke with the President of Syria for approximately an hour and a half. He was most cordial and spoke through an interpreter in a relaxed, friendly, informal manner, regarding a great variety of subjects. President Assad indicated that Syria wanted real peace in the Middle East and that anything we had heard to the contrary was untrue and was intended to affect the American people and the American leadership in a false manner. We were told that Syria could not accept the continued occupation of any portion of its territory and the President referred to the increasing area occupied by Israel outside of its territory and the continued occupation of large portions of Syrian territory.

He indicated that the possibility of an attack was greater when Israel was occupying foreign territory than if it gave up the occupied territory. It was indicated that the PLO were the ones to negotiate with regarding the Palestinian question and to define the rights of the Palestinians. We were given to understand that the PLO was the only organization that could claim to speak for the vast majority of Palestinians. We were advised that Syria had not been given the vast amount of arms by the Russians that had been indicated but that they did receive arms from the Soviet Union. The President emphasized on several occasions that he wanted friendship with the United States, a better relationship than existed today, that he would like to purchase arms from the United States but when he could not obtain the necessary arms from us he had no choice but to obtain them from the Soviet Union.

In summary we gathered that Syria wants peace but that it will not agree to the continuing occupation of any portion of its territory.

JORDAN

Jordan was the next country visited. The Ambassador met us and we went directly to the headquarters of the chief of staff of the armed services, where the first concern expressed related to Hawk missiles. We were told that the United States, through the executive branch, had promised to sell Hawk missiles to Jordan and that the necessary funds for the purchase were being obtained from Saudi Arabia. However, concern was expressed regarding an effort by some Members of Congress to hold up this sale. It was brought out that the Hawk missile is a defensive weapon, a ground to air heat-seeking missile, and that the reliability of agreements by the United States was being jeopardized by the failure to comply with the commitment made by the executive branch. It was brought out that Jordan has no air defense system, that it is dependent upon this agreement with the United States for its overall defense from air attack.

The traditional friendship of Jordan with the United States was stressed and it was pointed out that Jordan often championed our point of view with the Arab allies and was sometimes subjected to criticism for wanting to remain a staunch friend of our country. In fact we were told the Jordanians had been asked, "What has your friendship for the United States done for you?" The Jordanians expressed a desire for an evenhanded policy by the United States in the Middle East. This is a phrase we heard many times in visits to the various Arab nations.

On a subsequent day we visited with Crown Prince Hassan, a young man of 27 who seemed particularly well versed on economic matters. We also visited with Mr. Rifai who apparently wears three hats; that of Prime Minister, Foreign Minister, and Defense Minister. He holds degrees from both Columbia and Harvard, speaks excellent English and was very cordial and frank in his conversations. Once again the primary concern related to the Hawk missile sale. The agreement made on behalf of the American Government and the concern about recent congressional statements in this regard.

The PLO problem was discussed in some detail and an indication was given that they had been refugees more than once due to the various wars that had occurred in the Middle East and sympathy was not felt for these people.

Later we visited with King Hussein. He is a very mild mannered man, appeared to feel very deeply about the matters we were discussing and perhaps somewhat hurt. He spoke of the great friendship of the United States, the fact that he had defended our country at various times and had been criticized by others for it.

Mr. President, at this time I ask unanimous consent to have printed in the Record a letter dated August 25, to me from King Hussein, in which he reiterates many of the matters we discussed.

There being no objection, the letter was ordered to be printed in the Record, as follows:

The Royal Palace,
Amman-Jordan,
August 25, 1975.

Hon. William Lloyd Scott,
The Capitol, Washington, D.C., U.S.A.

Dear Senator, I write to you in our capacity as a representative of the great American people. In all of my years at the helm of Jordan I have been a long time believer in the fundamental principles and ideals which your forefathers adopted to create the greatest and strongest nation of all times. As true friends of America, my country and my people were, for two decades, the only supporters the United States had in the Arab World. We have always been openly proud of our friendship and voiced it with courage. We felt that we shared with you the belief in the basic right of peoples to freedom, justice, dignity and a better life.

My country has continuously adopted a moderate non-aggressive policy which we hope we will be enabled to continue to pursue. We have contributed greatly to maintaining stability and moderation in our area, and served the cause of peace in the Middle East in every possible way. We depended on your friendship and support in our various endeavours to prevent the polarization of the Middle East conflict between the superpowers. We cooperated very closely with your government, at considerable cost to my country and its people, in our common search for a just and lasting peace in the Middle East.

Yet now, my country, its government, people and armed forces, find ourselves on the horns of a dilemma. Can we preserve the friendship which existed between the United States and ourselves and which we cherished so much, or are we going to be left with no other alternative than to seek another course?

What brought matters to this sad crossroad is the opposition in some Congressional quarters, which we sincerely believe to be unwarranted, to the sale of fourteen batteries of Advanced Hawk missiles to Jordan. I hope you will bear with me as we review some of the facts.

Jordan is the only state in the area without an air-defence system of any kind. The fourteen Hawk batteries are the minimum requirement for our legitimate self-defence, as was established by the American Military Delegations which visited Jordan for the purpose of studying our air-defence requirements. The system we agreed with your government on is a very modest one compared to what our neighbours have, and, we feel, will in no way affect the balance of power in the Middle East, which is overwhelmingly in Israel's favour. The Hawks will be used to defend the area of our capital and a few of our major fixed installations.

We in Jordan have always looked to the United States for military equipment, and relied on you as our friends who generously helped us whenever possible, and within the limits of our ability, to purchase arms for our legitimate self-defence. We have had to be strong to survive, since weakness invites aggression. We do feel threatened, and the record of Israel's expansion since its creation in 1948 justifies those fears.

Perhap not everyone knows that our capital city of Amman is within range of the American built Israeli heavy artillery, and that all our vital points are at the mercy of American built Israeli aircraft, which are free to violate, as they continuously do, our airspace as they please.

This situation, and the recent opposition by some congressional quarters to the sale of the Hawks to Jordan has distressed, dismayed and worried me to the point that I felt it necessary to write to you and infringe on your valuable time.

The matter is in your hands now. If your decision to provide Jordan with the urgently needed fourteen batteries of Advanced Hawk missiles is a positive one, then no one will be more pleased or satisfied than I, your old and traditional friend.

But if your decision is a negative one, I regret to inform you that I would have no other choice but to seek the best comparable system, which is available only in the Soviet Union. It would be a tragic decision on your part if you chose to push your friend and ally to adopt such a course—one which I am duty-bound to follow with the greatest of sorrow. As a friend, allow me to say that such a development will not only affect your interests in the Middle East, but will also incur irreparable damage to the United States credibility and reliability, not only in the Arab World, but perhaps throughout the world. It would indeed be tragic to have anything occur which would cast doubt upon your role as a peace-maker in the area.

Finally, it is common knowledge that the United States has granted Israel billions of dollars worth of arms over the years, especially since the 1973 war, and is now about to consider an additional Israeli request for more billions of your tax payers money. We understand this is to be spent on some of the most sophisticated and offensive weapons in the U.S. Arsenal, such as the F. 15 Eagle class of aircraft, and the Lance ground to ground missile. As a result the United States might well be accused of adopting a policy of double-standards, and not the even-handed constructive policy which is needed if you are to play an effective role in establishing peace in the Middle East.

Please forgive my candor, but I write as a true friend who is doing his utmost to preserve our traditional ties and close association.

I hope you will kindly accept my warm regards and personal best wishes.

Yours sincerely,

Hussein-I.

Mr. WILLIAM L. SCOTT. Mr. President, I believe this letter speaks for itself. However, other matters were mentioned by the Jordanian leaders. One was Jordanian forces assisting the established government of Oman, engineers attempting to help with problems in North Yemen, that Saudi Arabia was providing money and that Jordan was helping with the technical knowledge and supervision in countries outside its territory.

The King reiterated the need for continuous progress toward peace and that we should not stop the progress he hoped we were making. Once again there seemed to be no resistance to the continued existence of Israel as a sovereign nation but only a question as to how great the boundaries should be and how peace could be negotiated. Fear was expressed that in the event of another war, the Israeli occupied lands would extend still further and a greater problem would be created in the Middle East. Fear was also expressed that in another war Israel might go through Jordan to invade Syria and that without the Hawk missile there would be no defense strong enough to stop such an invasion.

During our informal conversation, King Hussein acted as though he were talking with friends, with people he could trust and reiterated from time to time his great respect for our country. He stated that there was a need for neutral nations to police a zone around any boundaries established between the Israelis and Arabs, that neutral observers might be necessary for several years but he hoped it would be for only a short period. The opinion was expressed that Israel was building a military machine far superior to anything seen in the Middle East and yet was requesting $2½ billion per year from the United States to further increase its military capacity. The Jordanians appeared to be very sensitive, and very depressed with this thought. They appeared to desire a warm close relationship with the United States and to have a great deal of frustration in that we were giving so much to Israel and were hesitant even to sell them Hawk missiles for cash.

EGYPT

We next went to Egypt and met with the Ambassador who briefed us on the history of the Israeli-Arab controversy. Later we visited with President Sadat at his residence in the desert along the Mediteranian Sea. The President received us in an informal manner at the door of his residence and we engaged in informal conversations for approximately an hour. Later we met with General Gamassy, deputy prime minister, minister of war and commander and chief of the Egyptian military forces and with the prime minister. Their emphasis was that they wanted defensive weapons of all kinds from the United States, that they would prefer American weaponry to that of any other country and would pay cash for it. Just as in Jordan, the indication was that the funds would be provided by Saudi Arabia. However, it was indicated that weapons were being purchased from both England and France because they could not be obtained from the United States.

It was indicated that Egypt, with its 38 million people and its culture, was a major leader of the Arab world. They spoke very highly, however, of other Arab nations and their leadership and admitted there were terrorists within the PLO but most of the members of the PLO were responsible people and stated that the Arab world had agreed that the PLO was the spokesman for the Palestinian people. It was estimated that between 200,000 and 300,000 Palestinians would return to their homeland if given an opportunity, an estimate that coincided with one made by Jordanian officials.

The Egyptian leaders appeared very pleased that there were no more Russians assisting them in Egypt and this had been true since July of 1972. I indicated an impression, received from other Arab leaders, that the Arab world was reconciled to the continued existence of Israel as a sovereign nation and the Egyptian officials stated that this was true and they wanted only to live in peace. They also indicated a desire for us to act in an evenhanded manner and expressed an opinion that it was wrong to give weapons to Israel and not be willing to sell defensive military equipment to the Arab nations, that it was incompatible with their desire for friendship for us to give weapons to their enemies and not be willing to sell them to the Arab nations. It was felt that Egypt, because of its strategic location with one-third of the population of the entire Arab world, with its culture and its history, had to be a leader of the Arabs and that Egypt was the key to peace in the Middle East.

There was a strong denial that the Soviet Union influenced their decisions and an indication that Israel feared peace and had sabotaged the 1974 peace talks. Concern was expressed once again about the Soviet influence, that terrorists were being trained in Libya, Lebanon, and South Yemen. We were given to understand that the Communists were reaching the schoolchildren in South Yemen with their propaganda and that this indicated an effort to communize the country by indoctrinating the young people.

There was an indication that the Soviets would not be successful in Oman or Libya but might be successful in other parts of the Middle East. There was an indication that peace could be achieved on a step-by-step basis but that a general overall settlement must be made in Geneva, participated in by all of the nations of the Arab world.

Yassar Arafat, the leader of the PLO was pictured as a moderate even though there were some terrorists within the PLO. It was indicated that the terrorists within the PLO could be controlled in some nations but could not be controlled in others, that the national policies in the nations where the terrorists resided had an effect upon the ability of the PLO leadership to control them.

It was mentioned that there had been four wars with Israel, three of them started by Israel, and that in every war, Israel gained territory. This was similar to the expession we heard in Syria. It was considered that the interim agreement then under consideration would tend to ease tension but only temporarily.

An indication was made that Egypt was willing to accept criticism from the rest of the Arab world if movement toward peace continued. It was also indicated that the United States gives Israel more than it needs both militarily and economically, that there should be a balance of forces in the Middle East, and that it appeared we were attempting to make Israel the policeman of the Middle East when there was no need to do this.

President Sadat indicated that he very strongly desired peace, but he did not want to take any offensive action, that he desired to build up his country and to raise the standard of living.

When asked whether the Libyan Government could deal with the Soviet influence, the response was "what government?" An indication was given that their was one-man rule in Libya and that Russia had influence because of this factor.

There was also concern about the PLO needing arms and money and being susceptible to Soviet influence, that should there be a State of Palestine, the Soviet Union would attempt to make it a Soviet State but that the Communists would prosper by continued unrest and instability in the Middle East, and that a settlement of the differences among the Middle Eastern nations would be a deterrent to further Soviet encroachment.

CONCLUSION

In conclusion, these are the things we found, Mr. President. I have attempted to present them factually, for all of us have a concern and I believe a desire that permanent peace be obtained in the Middle East.

There is a lot of hatred in the Middle East, paradoxically mixed with a desire on behalf of the people and their leadership to work out peace agreements, to keep the momentum rolling toward peace. Our country has been helpful over the years to the Israeli nation and perhaps there is a reason for this. I can understand the people of this country being sympathetic with a people who have been scattered throughout the world over the ages, who have a desire for a national homeland. This homeland has now been achieved and the Arab world, in my opinion, is sincere in saying that it is reconciled to the continued existence of Israel as a sovereign nation. This is not entirely of their own choosing, because Israel has been successful in the various wars that have been fought. I believe that today, Israel constitutes the superior military force in the Middle East. In a short war they would prevail, in my opinion, over the Arab world. But, in the long run, it appears to be in the interest of all of the people of the Middle East to work out a permanent settlement to this controversy that has raged for a generation. The phrase "evenhanded treatment" does appear to be a reasonable one for us to adopt because if neither nation, or group of nations, working together is superior to the other, then I believe that the chances for peace are enhanced.

I do not like the idea that we would provide many millions of dollars to the Egyptians when Egyptian officials indicated that Egypt could obtain the necessary funds from Saudi Arabia to purchase for cash all of the defensive weapons they need. Certainly I do not approve of us providing $2½ billion, or anything approaching that amount, each year for Israeli assistance. I do not believe these funds are needed by the Israelis. I believe it would make them so far more advanced over the Arab nations than they presently are and that their very strength might constitute a threat to peace.

Certainly such a vast outlay would be unfair to the American taxpayer. We were told by responsible Israeli leaders that they would agree to the entire Sinai peninsula being demilitarized so that there would be a great block of sand between Egypt and Israel and yet when an interim agreement was negotiated it included a line drawn near the passes in the Sinai with the suggestion that U.S. personnel help man the electronic devices.

I believe that it is wrong to put the personnel of our Nation, one of the great powers, between these two nations that have fought several times in the past and could well engage in fighting again. It is possible that a terrorist or group of terrorists would get into this area and would cause difficulty. It is possible that the United States in its efforts to be fair to both sides might report some apparent activity on the part of one side or the other. In other words, we would be in the middle of a very difficult situation. It would seem preferable to me to let the United Nations observers, who are supposed to be a part of this, have their numbers increased somewhat by recruiting from the small nations of the world.

There is much less chance of misunderstanding, or of the parties who are policing an action participating in a war, if the policemen or the observers, those charged with the responsibility of overseeing the peace agreement, come from the smaller nations. This is what the United Nations has done in the past, I believe it is an idea which should be continued. It seems to me that it is very dangerous to have a major power in the Middle East attempting to participate in a policing operation when the other major world power is also present stirring up strife between the parties to a conflict.

In my opinion, the good offices of our Nation could best be used by encouraging the parties themselves to compromise their differences. They are the ones that must live with any peace agreement that is finally decided upon but I do not believe that we should attempt to write a peace agreement for them. I do not believe that we should attempt to buy peace in the Middle East with the American dollar.

Repeating somewhat, I wonder if it would not be best for us to merely use our good offices to bring the conflicting parties together and let them make their own decisions, decisions with which they will have to live. Would not decisions they made voluntarily, without the carrot of billions of American dollars held before them, in additional armaments, be more lasting? It is a problem with which we will have to cope and I hope the background information on our trip to the Middle East and the detailed discussions with the political and military leaders of this important area of the world will be of assistance.

Mr. PERCY. Mr. President, will the distinguished Senator yield?

Mr. WILLIAM L. SCOTT. I am glad to yield.

Mr. PERCY. I ask unanimous consent that, following the completion of the speech of the distinguished Senator from Virginia and any questions and response to that, the Senator from Illinois be recognized for a period not to exceed 7 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PERCY. Mr. President, I wish to commend my distinguished colleague. I saw a reference in a press release by the Democratic candidate for Senator from New Hampshire, Mr. Durkin, that the Senate was recessing for a vacation in August.

Having been through the Middle East on an intensive 23-day trip in January, I can assure anyone who is going on a vacation that that is not the way to spend your vacation. It is hard work. When you are there, the moment you arrive at another embassy, an ambassador is ready to work you over and put you through the paces. In addition the crowded schedule the distinguished Senator had, he undoubtedly added many meetings that took him far into the night.

I noticed in many of these meetings that they go on right through to midnight and then start again early in the morning.

I commend my distinguished colleague for going and obtaining knowledge firsthand in many areas of the world, to see for himself. This is the only way we can judge. Anyone who characterizes these trips as junkets has no concept of the responsibilities of a Senator. Many times legislation is decided by one vote. We vote on billions of dollars and the potential loss of tens of thousands of lives in this area, and we require firsthand information so we can make informed judgments.

The distinguished Senator from Virginia has said that there must be momentum for peace, and I certainly concur with that. I came back from the Middle East deeply concerned that we might lose that momentum, and I was disheartened at the breakdown of shuttle diplomacy in March.

I think what has been arrived at now in the interim agreement will be fully debated on this floor, and the Senator from Virginia will be far better equipped today than he would have been before his trip to ask the kinds of questions that should be asked, based on firsthand information, and certainly expressing the concerns being expressed to us by many of our constituents.

As the distinguished chairman of the Foreign Relations Committee knows, we have spent many hours questioning Secretary Kissinger and Secretary Sisco about the agreement in executive session. It appears that the presence of U.S. volunteers, which the Senator from Illinois did not like at all, was absolutely crucial and essential; otherwise there probably would have been no agreement. All of that will be brought out on the floor.

The distinguished Senator from Virginia visited Bahrain, and very few Senators have been down the gulf to visit those countries. I would like to ask this question. We have a problem involving the lease on naval facilities there in Bahrain. It is a fine government. We have had a wonderful working relationship with them. They are asking that we increase the rental we pay.

Can the distinguished Senator advise the Senator from Illinois—because there was no agreement at the time I was out there—whether an agreement has been reached or whether it is still being negotiated?

Mr. WILLIAM L. SCOTT. Well, we heard of this agreement. The consideration was being substantially increased, but I do not know the details of any agreement. I was told they would prefer that there be no foreign ships. Ships of littoral nations in the gulf, yes, but that there be no nation that would have any warships in the Persian Gulf except nations bordering on the Persian Gulf. But inasmuch as Russia had its warships in Iraq, then they wanted the United States to have something there in the Persian Gulf as a countermeasure. But this was something said in passing, along with other remarks. We did not go into specific details on it.

Mr. PERCY. I thank my distinguished colleague.

The distinguished Senator from Virginia has used the term "even-handed approach." These are almost fighting words to the American Jewish Community. I have used those words and have been pummeled because of them.

But I think the distinguished Senator from Virginia would recognize and would be the first to testify, having come back, that unless we are fair to both sides, unless we consider the interests of both sides, unless we are able to walk in the shoes of both parties, the United States could never have played the role it has played, and it is in Israel's interest that the United States have credibility in the Arab world. If we did not have credibility there, we would not be any more help in promoting peace there than the Soviet Union or China are today. The United States is unique in that we are able to deal with both sides and go back and forth and somehow bring about an agreement.

I think the use of those words not only courageous, but I think an accurate indication of the position the United States must take.

Mr. WILLIAM L. SCOTT. Let me say to the Senator that the phrase did not originate with me. I heard it all over the Arab world and I used it first as a factual presentation.

But I, too, feel that it is reasonable for us to treat the nations of the Middle East in an even-handed way.

Mr. PERCY. I was most interested in my colleague's comment on Saudi Arabia. Certainly, I think we are very grateful that Saudi Arabia has so solidly supported the American position in these negotiations, and this is extremely important, and certainly, the comments on oil, that if we do find peace in the Middle East, they will help us with economic problems reinforces the understanding attitude Saudi Arabia has had.

It has not been in the forefront of those pressing for ever-higher oil prices. It realizes there is a limit where one might destroy the very economies they depend on.

During my trip all the Arab oil-producing countries I visited told me that if we conserve and cut back, restrain our demand, they will not then increase their revenue—which in effect would penalize us for conserving—but will maintain the incentive for us to conserve, because outside of Saudi Arabia all the countries need to conserve their reserves because they are being depleted.

I would like to comment on the hour and a half which the distinguished Senator from Virginia spent with the President of Syria, a man who wishes for peace and is friendly to the United States. I have been disappointed that he has not been supportive of our most recent efforts, but we know he must deal with more extreme elements in his country whose views he has to take into account.

But I do believe he wants peace there when he says that. When we look at this area in Quneitra that has been leveled, and then look up and see Israel farming the land nearby, it is also easy to believe the Syrians mean it when they say there is going to be no real peace until they have their lands back.

Mr. WILLIAM L. SCOTT. I believe we might say that was a city of approximately 50,000 inhabitants that has been destroyed.

Mr. PERCY. And was leveled. I think it was a very poor political decision by Israel and some members of the military in Israel have told us they felt the order given to level that city was stupid.

It is now a showcase. The Syrians take every visitor to see it.

I think Israel could work out with Syria some quid pro quo. They could give the land mine maps, show where the mines are around Quneitra. Certainly a modest amount of real estate negotiated back, with some assurances from Syria, so they could begin farming that land and rebuild the city would be in everyone's interest.

But I also must say, as I said to the Governor of Golan who was there at the time and to the Foreign Minister, that the city can be rebuilt, but they must take into account that when Israel was created 6.5 million people had been exterminated; they should see Auschwitz and see what could be done to—those people cannot be brought back, but Quneitra which is bricks and mortar can be rebuilt.

So the emotional roots of the creation of Israel by the United Nations must be understood also by our Arab friends.

The new willingness of Arab leaders to acknowledge Israel's right to exist as a nation is significant progress.

My final comment is that I do think that President Sadat is a remarkable man who has stood up to the Soviet Union, who threw 8,000 Soviets out in 48 hours, who has not taken armaments because of the conditions laid down, not replenished the lost militia he had at the end of October 1973. He refused to knuckle under. I think that takes courage and guts.

I pay tribute to my colleague for the

remarkable trip which he has taken and a very forthright report.

Mr. WILLIAM L. SCOTT. Mr. President, I appreciate the distinguished Senator's comments, and I am going to ask unanimous consent that I may proceed for an additional 15 minutes.

Mr. SPARKMAN. Will the Senator yield?

Mr. WILLIAM L. SCOTT. I am glad to yield to the distinguished chairman.

Mr. SPARKMAN. I congratulate the Senator from Virginia. He has made a tremendous presentation.

By the way, following on the suggestion of the Senator from Illinois with reference to his making this arduous effort, and I know that it is, I have done a great deal of that myself and I have always contended that Members of Congress, both Houses, ought to travel, both at home and abroad, and that they would have better legislation if they did that.

I commend the Senator for having taken advantage of the recess to make this trip and to give us this report.

I want to say just this with reference to something that the Senator from Illinois has just said and the Senator from Virginia agreed with, and that is with reference to President Anwar Sadat.

I feel that over the past considerable period of time, the last few years, Sadat has come out as one of the great men of the world. I think the even-handedness with which he handles things has been a very fine statesmanlike undertaking.

Something was said about his ridding himself of the military and the technicians that the Soviet Union had in there, the fact that he no longer looks to the Soviet Union for arms and help. I think those are all encouraging signs.

By the way, just yesterday, along with the Senator from New Jersey (Mr. Case), the ranking minority member of the Committee on Foreign Relations, we had quite a long session—Senator Percy knows about it—with high officials in the State Department with reference to this Sinai situation. I said to one of them, "Senator Aiken told me at one time that young man back yonder, many years ago, came to this country as a student under one of the fellowship arrangements and that his name was Anwar Sadat, is that true?"

He said, "Yes, it certainly is true."

He said that it had a lasting influence upon him and that he refers to it frequently about the things that he learned when he was in the United States as a young man.

I think he is to be praised for the leadership that he has exercised. The Mideast situation is a most difficult situation.

Senator Percy can bear witness to that, and the very difficult times we have had in the Committee on Foreign Relations in connection with this problem. But somehow or another I remain optimistic. I believe that in time, with the cooperation and coordination of a leader like Sadat, with the leaders on the other side, it will be worked out.

By the way, with reference to these listening stations proposed in the Sinai and the placing of American technicians there, I do want to point out one thing: this is requested by both sides. In other words, we are not intervening or interfering. We are not in there supporting Israel. We are not in there supporting Egypt. If we go in, we will be in there at the request of both Egypt and Israel.

I would join the Senator in his statement that he would rather see the United Nations handle it. The United Nations peace-keeping force has done a tremendous job in many places, but particularly in the Middle East.

By the way, there is a United Nations force in there. Where these listening stations are to be placed is in the general area of the United Nations outposts. That is where the technicians would be.

There is another thing I would like to say. I do not know what decision our committee will reach, but I do believe it is well to keep in mind that these technicians who are proposed to go in there to operate highly sophisticated electronic warning systems are trained in that operation. We cannot just pick up a person from anywhere and put him on that equipment. There are things to be taken into consideration. I hope none of us will close our minds until we have heard the story throughout.

I commend and congratulate the Senator from Virginia.

Mr. WILLIAM L. SCOTT. Mr. President, I appreciate the comments of the distinguished Senator.

Before yielding to my distinguished chairman of the Committee on Armed Services, let me say that in every nation we went to, we prefaced our request for comments by saying we were there on a fact-finding trip on behalf of the Committee on Armed Services. They opened up. We asked if they had anything they would like for us to take back to the Committee on Armed Services. We appreciated their telling us. This seemed key to getting them to be frank and candid with us.

I would also add for the record, and I have mentioned this privately to the Senator from Mississippi, that when the Senator was hospitalized a couple of years ago, King Hussein called at the hospital and wanted to see him, saying that he thought very highly of him personally. I repeat that so the distinguished Senator will know about it.

I am glad to yield.

Mr. STENNIS. Mr. President, I certainly thank the Senator for yielding to me, for his very fine words and these words of salutation from King Hussein.

Mr. President, first, I want to thank the Senator from Virginia for making this trip, for his interest in the subject matter to begin with, and, further, for his sense of obligation and duty to inform himself and to help inform all of us here in the Senate.

I also thank him for his very fine spirit of complete dedication and perseverance when he sets out on a mission of this kind or any other kind. Certainly, he has been an asset to the committee. I am proud of the work he has done.

The remarks of the Senator from Virginia were very revealing. They were based on a factual basis, as he said. He not only learned a great deal, but he is imparting it to us, and not just the facts and knowledge alone but his impressions and his judgment based on those facts. That is where the value really comes in.

The Senator will be helpful to our committee, as he is helpful here in the Chamber.

In a discussion with the Senator about how he would proceed in getting his information and impressions in a forceful way to the most responsive group, I am proud that he selected the Senate Chamber as a forum. In that way, he shares his knowledge and conclusions with the press, with the news media, and all the people of the Nation. That is one of the things which makes this Senate so great, that it is such a place where a Member can come and make his contribution.

I call the attention of every Member of this body to the Senator's factual report, his observations and conclusions. We are certainly taking them quite seriously in the committee. I look forward to his presence at the hearings this week which will relate to this area and which will meet some of these problems.

Again, I am grateful for the comments of the Senator.

Mr. WILLIAM L. SCOTT Mr. President, I appreciate the kind remarks of the chairman of the Committee on Armed Services. I will say that, should we be in executive session in the Committee on Armed Services, there are quotations which could be made, but I thought it better not to quote any of these principles. I just wanted to give the substance of what had been said. We did this on both sides of the Suez Canal. There are other items we could mention which I believe could be helpful.

Again, I appreciate the comments of the distinguished Senator.

Mr. STENNIS. I heartily agree with the Senator in not making those direct quotations now. It is better that he proceed as he did. I thank the Senator very much.

Mr. THURMOND. Mr. President, I commend the distinguished Senator from Virginia (Mr. William L. Scott) for making the trip to the Mideast and visiting the various countries in that area of the world during the recess of Congress.

It is apparent from the report that Senator Scott has delivered on the floor of the Senate today that he talked with the heads of a number of nations and conferred with other officials, American and indigenous officials, and that he gained a fine overview of what is occurring in that critical part of the world.

Senator Scott has delivered a very full and comprehensive report upon his trip, and it is well worth reading by every Member of this body. While I may not agree with him as to all his recommendations, I appreciate his taking the trip and conferring with so many important officials and bringing back to us much valuable information.

Senator Scott is an active and valuable member of the Committee on Armed Services, and I have had the pleasure of serving on this committee with him. He has made many fine contributions to the work of the committee, and I congratulate him upon his deep interest in Armed Services matters, and his vision and knowledge and importance of keeping this country well prepared. He agrees, as do I, that the strength of our Armed Forces is the key to averting a war.

As the ranking Republican member on the committee, I highly appreciate his contributions to the work of the committee and everything he has done to promote the preparedness of our defense establishment in order to keep this country free.

Again, I commend Senator SCOTT for his excellent report, which I am sure will be read with great interest not only by the Members of this body but also by all who are privileged to read the CONGRESSIONAL RECORD.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. There will now be a period for the transaction of routine morning business.

PROPOSED INTRODUCTION OF BILL

Mr. HOLLINGS. Mr. President, on behalf of myself, the distinguished Senator from Ohio (Mr. GLENN), and the distinguished Senator from Georgia (Mr. TALMADGE), I send to the desk a bill, and ask unanimous consent that it be considered as having been read twice and be placed on the calendar. This unanimous consent request has been cleared with the distinguished minority leader (Mr. SCOTT).

Mr. FANNIN. Mr. President, reserving the right to object, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PERCY. Mr. President, I aks unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection it is so ordered.

ORDER OF BUSINESS

Mr. PERCY. Mr. President, I would be happy to yield to the distinguished Senator from South Carolina if he would like to make a comment before I begin. My comments are very short, but I am asking under a unanimous-consent agreement that I have 7 minutes.

Mr. HOLLINGS. Is that the case, Mr. President? I thought I had the floor.

The PRESIDING OFFICER. That was the case before the Senator from South Carolina came to the Chamber. The Senator from Illinois had requested that he be recognized for 7 minutes following the remarks by the Senator from Virginia (Mr. SCOTT).

Mr. HOLLINGS. Could I ask unanimous consent to be recognized after the distinguished Senator from Illinois?

The PRESIDING OFFICER. Yes, indeed.

Mr. PERCY. Mr. President, I shall not unduly inconvenience my distinguished colleague from South Carolina. I have a group of constituents waiting to talk with me, so I shall be very brief indeed.

VETO OF THE OIL PRICE CONTROL EXTENSION

Mr. PERCY. Mr. President, I would like to comment on the veto of the oil price control extension, and indicate that I have decided to vote to sustain the President's veto of the 6-month extension of oil price controls .

I am not voting for instant decontrol, which could cause hardship for American consumers and producers by disrupting the fragile economic recovery. I am, rather, voting to sustain the veto with the feeling that the President and Congress can now move rapidly to reach a compromise and thus establish a much needed and long overdue national energy pricing policy.

For too long the American people have lived with uncertainty while the invisible energy crisis, marked by over-dependence on foreign oil and over-consumption, has worsened. This public uncertainty about national energy policy has been nutured by the dispute between the President and Congress that has seemed at times to place political interests above the public interest.

Mr. President, having worked in industry for 25 years, and having been looking at the outside and then looking from the inside at the Government's operations, it is my belief that it is better to get an adverse decision, and get a decision, than to sit there month after month, year after year, not knowing what the Government policy is going to be. Uncertainty is disruptive, expensive, inefficient, and costs the Federal Government a great deal of money because the extra cost and inefficiency of industry cuts down their revenues and the taxes they pay to the Government.

This vote I consider a no-win choice between threatening economic recovery and avoiding policymaking. It is a choice that no one wanted. To sustain the veto is to chance a return to the destructive cycle of higher prices and fewer jobs. To override the veto is to fall asleep in the eye of a storm and ignore the immediate energy crisis. We are running out of energy at home, yet we squander it as though there is no tomorrow. We are dangerously reliant on expensive foreign oil, yet we act as if our national financial resources are inexhaustible.

For months we have heard promises of compromise from both the administration and congressional leaders, but we have seen nothing but confrontation. The President vetoes congressional bills and Congress vetoes Presidential proposals.

There are no winners but plenty of losers in this confrontation. The American people will be the losers if electricity blackouts, gas curtailments, oil shortages, lost jobs, and extortionate foreign oil prices become the legacy of inaction by the 94th Congress. The politicians will be the losers, too, when the voters who already are far ahead of us in their understanding of energy problems look back contemptuously at their stumbling leaders at election time.

We need a comprehensive compromise instead of continued confrontation. We need gradual decontrol of the price of domestic oil with a price ceiling and a windfall profits tax. I supported the President's 39-month decontrol plan that was unwisely rejected by the House of Representatives. We need to revive this plan or consider a similar one with the option of lengthening the decontrol period.

I commend the distinguished Senators, some of whom are on the floor today, including the distinguished Senator from Arizona (Mr. FANNIN), who saw fit to take the initiative to write a letter, who are strong supporters of an expanding oil program in this country, and ask the producers, distributors, and suppliers of petroleum products in this country to restrain themselves by not taking advantage of the situation during the period of decontrol, because the wrath of the public and the political officeholders will be very great indeed if they take advantage of this decontrol period. I have talked with the heads of our oil companies, who I think are responsible and responsive citizens, and will see to it that we are not going to have erratic price changes during the decontrol period.

The President wants such a plan and the congressional leadership wants such a plan. Phased decontrol promises to provide a positive incentive for increased production and a stable environment for new investment without seriously affecting consumer prices and economic recovery.

Our distinguished majority leader himself has supported phased decontrol and after meeting with President Ford called his attitude "considerate, helpful, and conciliatory." In this atmosphere, we should be able to forge an acceptable compromise quickly.

The action of the Democratic conference to reject compromise and insist on a veto override vote defies attempts at conciliation. The action exemplifies the regrettable confrontation politics that has characterized this Congress to date.

The action of the Democratic conference is the reason we are faced with a choice that nobody wanted. It is the reason I must vote to sustain the President's veto. Apparently, only the shock of a sudden price decontrol and the threat of economic setbacks will convince the Democratic conference to compromise. The time for political posturing is past. The time for practical problem-solving is now.

We must confront the energy crisis now, primarily because the sun is setting on the era of oil and gas. The U.S. Geological Survey reports that our energy bottle on the shelf is only one-third full and warns that our undiscovered fossil fuel reserves are only one-third as extensive as estimates revealed a year ago.

We must find new ways to burn coal cleanly and to harness the energy of the Sun, the wind, and the tides. We must stop wasting precious energy on inefficient transportation and poorly constructed houses and commercial buildings. Along with these vital pursuits, we must price oil and gas to reflect their true value and increasing scarcity.

The American people realize that the days of cheap energy are gone forever. The Harris Survey reported in July that a decisive 54 to 22 percent majority of Americans favored decontrol of domestic oil prices if the action would encourage more domestic oil production. When will the majority in Congress recognize that domestic oil subsidies must be ended? We need the impetus of increased oil prices to slow our wasteful consumption rate and increase domestic oil production.

Mr. President, I support the gradual elimination of controls on domestic oil prices over a period of 3 to 5 years. I believe the best way to assure that outcome is to shock Congress into action by the reality of instant decontrol. There are risks in pursuing this strategy, but they are far less perilous than the risks that accompany inaction.

Unhappily faced with the choice that nobody wanted, I will vote to sustain the President's veto.

Mr. **FANNIN** subsequently said. Mr. President, I commend the distinguished Senator from Illinois for the conclusion he has reached, after a very forthright study I note he has gone through in determining just what would be best for the consumers of this country, what would be the best for the economy of this country, and what would best lead to a free market in the months and years ahead. He he stated his case extremely well, and I think followed the recommendations that have been made by others who have had extensive experience and have made studies in regard to what——

The **PRESIDING OFFICER**. The Senator's time has expired.

KISSINGER ADDRESSES THE UNITED NATIONS

Mr. **PERCY**. Mr. President, I ask unanimous consent to have printed in the Record at this point a reaction that I had to Secretary Kissinger's speech at the United Nations, and a series of articles that I have picked at random commenting on the Secretary's presentation at the special session of the United Nations.

There being no objection, the material was ordered to be printed in the Record, as follows:

Percy Reaction to Secretary Kissinger's Speech at the U.N.

Senator Charles Percy said this afternoon, in reaction to U.N. Ambassador Moynihan's speech on behalf of Secretary Kissinger, "The speech should accomplish the purpose of the President and the Secretary of State to achieve an atmosphere for constructive negotiation with those nations desiring reform of the international economic system." The Senator applauded the pragmatic approach of the speech which addressed the realities of economic development and laid aside the rhetoric of confrontation. The Senator sighted the new proposals for the IMF, the expansion of funding through the development banks, the efforts to stabilize foreign exchange earnings and the $200 million international fund for agricultural development as positive initiatives backed in hard cash.

"We should be creating the type of commodity arrangements which will help the market system price more effectively," the Senator said. "We should be committing ourselves to similar effort in respect to the functions of the transnational corporations. The corporations have and will serve the broader, social goals of economic development in the world. They have been the source of a vast amount of economic growth and form a reservoir of capital and technology. The challenge is not to destroy their creativity but to funnel their energy to achieve the economic goals of the developing countries."

Percy said that he felt the speech was sensitive to the needs of the poorest of the poor countries, but he would like to see all of the industrial countries commit themselves to increasing the level of grant assistance to those nations most seriously affected by the rise in oil costs and food costs.

"It is to these one billion people in some 45 countries that the world has a numanitarian debt. It is to these people that we must direct more real economic resources. We can never have world order if the present income disparities continue to exist," the Senator said.

[From the Christian Science Monitor, Sept. 5, 1975]

Kissinger's Economic Plan For Third World "Cheap"

(By David R. Francis)

Washington.—Surprisingly, U.S. Secretary of State Henry A. Kissinger's new economic plan for the third world is cheap.

The Secretary's speech to the UN Special Assembly Monday included some two-dozen proposals. These could direct sizable financial resources to the developing countries. But the amount of money Congress would have to appropriate to implement the various proposals is small.

A high World Bank official exclaimed: "Whatever Kissinger gives in that speech is just an illusion. There is no money. It is merely a gimmick."

That comment was a conscious exaggeration for effect. Dr. Kissinger did announce that President Ford will ask Congress for $200 million for a new international fund for agricultural development—provided that other nations kick in another $800 million. Some other proposals could cost something.

Nevertheless, it is true that the grandiose-sounding list of proposals has little financial content.

That does not mean the Kissinger scheme is not welcome to the third-world representatives attending the annual meeting of the World Bank here. To the contrary, it was seen as a major breakthrough toward their demand for a "new international economic order."

From the third-world standpoint, the speech did several things:

It was the culmination of a major shift in U.S. policy from confrontation with the third world to a position of "let's talk."

A World Bank official noted that the speech "opens the door to negotiations." It offers promise that a whole array of negotiations may lead to more concessions from the United States and other industrial nations.

The speech gives a signal to other well-to-do countries to think harder about what can be done to help the poor nations.

It recognizes that the world has changed—that the third-world countries are no longer docilely accepting their poverty.

Further, it implicitly admits that some parts of the international economic system do work against the interests of the poor lands.

It shifted attention from foreign aid to other changes in the system that could be helpful for the third world.

But the Kissinger speech did not go nearly as far as the third-world intellectuals would like. Said one World Bank official: "It confuses demands for institutional reform with marginal concessions."

There probably were several factors in the administration's dramatic shift away from stonewalling third-world demands. One was that the United States found itself increasingly isolated in world economic affairs. Moreover, the third-world complaints were reaching a high level of decibels. The speech, commented one foreign-aid expert, was a "diplomatic quieter."

Congress and the nation are still in no mood to step up traditional foreign-aid payments. However, some groups of senators and representatives have been pressing for other types of assistance for the third world, particularly in the food reserves and food-supply area.

Recognizing congressional thinking, Dr. Kissinger's proposals aim to help through other methods, such as encouraging private investment, using International Monetary Fund gold stocks, altering tariff structures, encouraging the flow of technology, and so on—all measures that bear few direct costs to the U.S. Treasury.

For instance, Dr. Kissinger talked much about the new IMF development-security facility that would provide as much as $2.5 billion a year, up to a total of $10 billion, to help developing countries cover shortfalls in export earnings as a result of commodity fluctuations.

However, as far as World Bank officials can tell, there is no new money there from the industrialized nations. The scheme would merely make use of IMF gold and perhaps other resources of the fund.

Third-world officials are delighted to have use of the IMF gold. But they would like to have extra funds on top of that.

Nevertheless, it is reckoned that now the United States has changed its direction, the administration will be drawn by the negotiating process into offering more resources, more system changes, to benefit the third world.

Whether the third world can maintain its relative unity on economic issues now that the United States is no longer as broad a target for rhetoric remains to be seen.

[From the Washington Post, Sept. 5, 1975]

Zaire Aid Offered to Angolans

United Nations, September 4.—Zaire offered today to take in as many as 400,000 Portuguese refugees from Angola, who would be allowed to "work and live normally in Zaire until the situation in Angola becomes normal."

The offer was made in a speech by Zaire's Foreign Minister Mandungu Bula Nyati, to the special U.N. General Assembly on economic cooperation. Nyati's speech also contained the session's first public attack by one of the poor nations on the "egotism" of the oil-producing countries.

The refugee offer came just before a massive airlift of some 200,000 to 300,000 Portuguese from Angola was expected to begin. The operation, for which the United States has donated two DC–8 aircraft—fewer than the Portuguese would have liked—is expected to begin "within the next week," U.S. officials said.

France, Britain and West Germany have also offered aircraft to join chartered Portuguese airliners in making daily runs to Lisbon from Nova Lisboa in Angola.

The Zaire offer was "a multiracial gesture delivered in all sincerity," one U.S. official said. But he estimated that there are not many more than 400,000 Portuguese whites in all of Angola, and added, "Not many of them want to go to Zaire—I doubt if more than 2,000 of them would take up the offer."

One reason for the reluctance, said the U.S. official, who has recently returned from Angola, is that many white Angolans remember the problems of Belgians in Zaire, the former Belgian Congo, at the end of the colonial era. In addition, Zaire has expelled a number of Portuguese traders from border areas over the last two years, the official said.

"But President Mobuto realizes that he needs trained people, and this is a serious offer," he added.

At the United Nations, the Zaire minister broke the united front of the Third World nations with his public attack on the oil producers within the bloc.

The poor nations, he said, "pay very dearly for their oil . . . and they are supposed to pay the oil-producing countries in strong currencies."

The assembly's negotiation of the economic differences between rich and poor proceeded behind closed doors. The United States agreed to present the complex proposal for new agencies and funds for the Third World contained in its Monday speech in the form of a working paper that would be submitted to the assembly's one working committee.

Secretary of State Henry A. Kissinger is to attend the public debate Friday, while the work of substantive compromise between the Western and Third World proposals begins in the closed working group.

[From the New York Post, Sept. 4, 1975]

THIRD WORLD VERSUS SOVIET IN UN

(By Michael J. Berlin)

"The Russians don't seem to be aware of what is happening here," said the Third World diplomat, shaking his head as he emerged from the General Assembly chamber after Soviet Ambassador Yakov Malik had added his contribution to the speechifying at the UN's special session on economic cooperation.

"They are unprepared to enter the dialogue, and they leave an open path for the West."

The Malik speech, full of the usual talk of disarmament and detente, went out of its way to emphasize the absence of any Soviet offers of material assistance to the poor nations.

"It is not the Soviet Union who for ages used to plunder the national wealth of former colonial possessions," Malik said.

"Therefore, the Soviet Union does not bear—I specially underline it—does not bear any responsibility whatsoever for the economic backwardness of the developing countries, their present hard situation particularly under the conditions of the aggravation of the economic crisis of the world capitalist economy."

In many ways, the Soviet position—although it endorsed the economic ideology of the poor nations in general terms—was less responsive to the specific demands of the Third World than that of the U.S. and other Western nations.

The Russians were more cautious than the Americans on the creation of buffer stocks to stabilize the price of commodities exported by poor nations, and on reform of the world monetary system.

Part of the reason lies in the statistical fact that the Soviet bloc is not a major factor in multilateral trade aid and monetary arrangements.

The U.S., meanwhile, continued to get public praise from quarters that would have been considered unlikely not long ago during the bitter confrontation with the Third World.

Yugoslavia, for example, praised the U.S. proposals to the Assembly as a "contribution to the search for concrete solutions"—while making the reservation that their worth remains to be determined by an examination of the fine print.

The U.S. has not yet decided on how to transform the contents of Monday's Kissinger speech into written proposals before the Assembly's single working committee.

That committee began work yesterday by agreeing—with U.S. endorsement—that the compromise negotiations would use the Third World position paper as the basis for discussions.

But American representative Jacob Myerson said he was "frightened" by the suggestion that next Monday be the deadline for new proposals.

[From Newsday magazine, Sept. 4, 1975]

SHARING THE PIE WITH THE WORLD'S POOR

This is the fourth day of the United Nations' special session on economic development, and to the surprise of almost everybody the rich and poor nations are still talking civilly to each other. The subdued rhetoric is in part attributable to the new policy initiatives presented in a speech written by Henry Kissinger and delivered by Ambassador Daniel Moynihan on opening day of the special session. Those proposals clearly disarmed the so-called nonaligned nations, which had come to New York very much aligned against what they consider the trickle-down economic policies of the industralized world in general and the United States in particular.

The developing countries want a bigger piece of the global economic pie, and now the U.S. has formally acknowledged not only that they're entitled to it but that the industrialized countries will suffer along with them if they don't get it. "An economic system thrives if all who take part in it thrive," wrote Kissinger. "The reality is that the world economy is a single global system of trade and monetary relations on which hinges the development of all our economies."

The specifics of Kissinger's proposals are outlined in excerpts from his speech appearing on today's and yesterday's op-ed pages. Their thrust is that the best way of assuring the developing nations a semblance of economic parity is to increase the size of the economic pie. And that means improving the developing countries' access to capital, technology and markets.

But can Kissinger be trusted? And can the U.S. itself be counted on to follow up on his fine speech? Unexpectedly, these have become the dominant themes at the UN's special session. Iran's Jamskid Amouzegar summed up the doubts of many when he said: "Proposals may appear brilliant on paper, but when and how they are implemented—that is the question."

Unfortunately, there's plenty of room for skepticism. Kissinger has been saying all the right things for some time now, but U.S. policy toward developing nations hasn't changed much. And President Ford told the International Monetary Fund this week that "a strong U.S. economy is the best contribution this nation can make to another nation." That might easily have been interpreted by Third World representatives as a reaffirmation of the trickle-down theory of economic prosperity.

So you can't blame the poor nations for wondering whether the President will back up Kissinger's fine words. If he doesn't, the Third World will draw its own conclusions about U.S. trustworthiness. And you can't blame them for that either.

[From the Wall Street Journal, Sept. 5, 1975]

THIRD-WORLD DILEMMA—ZAMBIA, HIT BY EXPENSIVE OIL, CHEAP COPPER, TRYING TO CHANGE ONE-COMMODITY ECONOMY

(By Bowen Northrup)

LUSAKA, ZAMBIA.—Beneath Zambia's dry brown plains lie buried riches that have helped build this city's broad boulevards and high-rise buildings and have enabled the elite among its citizens to dress in Italian shoes and well-cut Western clothes.

The riches are copper. An abundance of the mineral has in past years provided more than 92% of Zambia's revenues and made this land of 4.2 million people one of the wealthiest of African countries.

But in recent months Zambia has found that so much reliance on a single commodity also can be a curse. Sixteen months ago, copper was selling at prices of up to $1.50 a pound on world markets. Now it is down to 63 cents, hardly enough to cover the cost of production. As a result, a healthy balance-of-paymnets surplus has turned into a nasty deficit, and Zambian government revenues are slipping.

Copper, like so many other commodities, is devilishly sensitive to boom and recession. Unfortunately for Zambia, the slump in prices comes on the heels of a fourfold increase in the price of oil and higher prices on all the other imports the country needs.

Zambia is the very model of a Third World nation in a fix. Scores of other developing nations have similar or worse problems. They lack their own petroleum and depend for revenues on one or a few raw materials; and the current commodities turndown has them caught in an economic vise.

KISSINGER'S PROPOSALS

The dilemma of the have-not nations was confronted on Monday by Secretary of State Henry Kissinger in a long message to a special, 12-day session of the United Nations General Assembly. Among the proposals made by Mr. Kissinger was one to create a new loan facility of up to $10 billion under the International Monetary Fund to ease developing nations through crises caused by violent savings in the price of commodities.

Without such a fund the poorer nations will remain at the mercy of international lending institutions. As long as export earnings decline, commercial banks will be a primary source of money for increasingly expensive imported oil. Some bankers are even voicing the fear that many future loan requests will have to be turned down.

Mr. Kissinger's message was in response to demands by the developing nations for a new economic order between industrialized and developing nations that would give some recognition to Third World producers and perhaps stabilize their incomes.

Many of these nations, spurred on by the impact of the Organization of Petroleum Exporting Countries (OPEC), would like to use the economic clout of cartels. Zambia, for example, is a member with Zaire, Peru and Chile of CIPEC, the Council of Copper Exporting Countries.

Despite sizable production cuts, the council doesn't have the sway in world markets that OPEC has. CIPEC can't influence the copper scrap market, which accounts for about 40% of world sales, and in any case the four council nations only account for about 40% of world exports.

Zambia, though, isn't as badly off as many other nations whose economies are even more tenuous. These nations are widely known as the "most seriously affected." There are 41 of them, all poor and two-thirds in black Africa.

Economists think all these nations need enlightened planning to cope with fluctuating revenues. "You've got to put a bit in your pocket in the good years and pull it out in the lean years," says an economist for a copper company in Zambia.

Like other poor nations, Zambia hasn't been doing that very well. "Nobody worries much when everything is fine and dandy," says K. H. Dickenson, general manager of Barclays Bank of Zambia Ltd. "Everything is in a state of flux. One day they've got money. The next day they haven't."

In a way, Zambia's problems are its own creation. With so much mineral wealth at its command, it has been negligent in developing other resources, particularly agriculture. For example, the country now produces less wheat and tobacco than it did before independence a decade ago. President Kenneth Kaunda recently complained that only one-third of 1% of the land is now under cultivation, with disastrous results for the balance of payments.

"Why do we need to import food to the value of 45 million Kwacha (about $70 million) each year when we have the soil and the people to farm it?" he asked. Meat is one example of Zambia's costly food bill. Affluent city dwellers clamor for beef, but only 90,000 head of cattle a year are produced in Zambia. In one recent three-month period the nation had to fly in 860,000 tons of beef from neighboring Botswana.

Some Zambians are even buying up such expensive imports as frozen frogs legs. But the food import problem also extends to such staples as rice, which has to be brought from Malawi.

A CATCH-22 SITUATION

To try to reorder Zambia's priorities, the ministry of planning and finance has assigned its director of planning, Windsor Nkowani, to create new agricultural settlements in the hinterland and stimulate both agriculture and manufacturing. Mr. Nkowani hopes to do this through the establishment of "intensive development zones" in each of Zambia's eight provinces.

But Mr. Nkowani is facing an uphill struggle because of a Catch 22. The development zones, which are needed to diversify the economy away from copper, are mostly still on paper because the sagging earnings from copper mean a shortage of government development funds.

Zambia, warns one economist, is facing a "big government revenue problem." In a normal year the earnings from copper provide 45% to 50% of government revenues. "But this year we're not going to be paying (the government) anything" because of operating losses, says a spokesman for one copper concern. For example, Roan Consolidated (Copper) Mines Ltd., one of the two big government-controlled copper companies (the other is Nchanga Consolidated Copper Mines Ltd.) recently reported a fiscal third-quarter loss of $2.3 million.

Non-copper development projects could be financed by investment funds. And Mr. Kissinger, in his speech, proposed an international investment trust for developing nations. But in Zambia, investment still means copper. Recently Zambia made two borrowings on the Eurocurrency market. Both went to the government copper companies: $100 million to Nchanga and $60 million to Roan.

A DWINDLING SURPLUS

Perhaps, though, this merely illustrates the startling suddenness of the copper crisis. In mid-1974, the balance of payments surplus was $202 million. By year's end, the surplus had dwindled to $28.9 million.

The slide continues. The first five months of this year produced a deficit of $108.9 million. Unless copper prices unexpectedly improve dramatically in the near future, a large deficit for all of 1975 is inevitable.

Zambia's immediate problem is how to pay for its imports. So far, its international credit standing has remained high, and bankers have worked out a scheme that allows Zambia a six-month delay in paying for essential imports like oil and mining machinery. But, says one banker, "I think the big test will come when they try to raise their next big loan."

This is the crux of the problem now facing many developing countries. These nations borrowed heavily on the Eurocurrency market last year to finance their mounting oil bills. This year, with oil prices even higher and export earnings even lower, they will be going back again to the commercial banks, with last year's loans still unpaid.

At the meeting of the International Monetary Fund in Washington, which ends today, bankers are expressing concern that they are close to their lending limits for many nations. And the bankers are openly asking whether many of the poorer nations could ever hope to repay their loans.

Zambia's problems aren't helped by chronic congestion at the ocean ports used by the landlocked county. Copper exports are being delayed by up to six months and imports of vitally needed mining equipment also are being held up.

The ports are Dar es Salaam, the capital of Tanzania, and Lobito, in Angola, through which nearly half of Zambia's copper exports have been shipped. The civil strife in Angola has worsened the blockage and this week Nchanga and Roan declared a 20% force majeure cutback in copper exports, partly because of the hold up in Lobito. Zambian officials are now considering diverting shipments from Lobito entirely.

The Zambians could use the port of Beira in Mozambique. But this would mean crossing the Rhodesian border, which Zambia refuses to do. Zambian hostility to the white-ruled governments of Rhodesia and South Africa is putting "a terrific burden on the economy," an economist says.

That burden is now beginning to affect Zambians in rising prices and shortages. Taxi and air fares are up. Flour, cooking oil and sugar often are hard to find. Despite official statistics that urban inflation in Zambia was 9.2% last year, a foreigner in Lusaka says prices have been rising by 20% to 25%.

Until now, Zambians have been cushioned from extreme inflation by an elaborate system of government subsidies, particularly for food. This year's food subsidies alone will cost the government nearly $148 million.

But Mr. Kaunda has warned Zambians that with declining revenues, the subsidies will have to be cut. Last December the government took its first step by increasing prices for bread, cooking oil and detergents. But after three days of national protests, the increases were promptly cancelled. "It was only putting off the evil day," says Mr. Dickenson of Barclays Bank.

Mr. PERCY. I should only like to add that Congress has worked very closely with the Secretary in the development of our policy. The Secretary said at luncheon with us the other day that it is the best example he has yet seen of the Congress and the executive branch of the Government working together. Much credit goes to some of my distinguished colleagues who were on an advisory committee, the United Nations General Assembly Devoted to Development and Economic International Economic Cooperation. I ask unanimous consent to have printed in the RECORD at this point the names of the members of that advisory committee, who have worked with the Secretary and the Department of State in the development of a policy that I think is an imaginative policy, innovative, and has taken the initiative at the United Nations, and not left us where we are simply reacting to everyone else.

There being no objection, the names were ordered to be printed in the RECORD, as follows:

UNITED NATIONS GENERAL ASSEMBLY DEVOTED TO DEVELOPMENT AND INTERNATIONAL ECONOMIC COOPERATION

Senator Gale McGee, Senator Mike Gravel, Senator Hubert H. Humphrey, Senator Dick Clark, Senator John Glenn, Senator Robert Morgan, Senator Jacob B. Javits, Senator Charles H. Percy, Senator Robert Dole, Senator Henry Bellmon, Senator Bob Packwood, Senator Pete V. Domenici.

Mr. PERCY. They are reacting to United States leadership, and that is the position this country should be in at the United Nations and in every other world forum.

Mr. President, I ask unanimous consent that a summary of the U.S. proposals and statements of policy presented at the seventh special session be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

U.S. POSITION PAPER: SUMMARY OF UNITED STATES PROPOSALS AND STATEMENTS OF POLICY PRESENTED AT THE SEVENTH SPECIAL SESSION, SEPTEMBER 4, 1975

I. INTERNATIONAL TRADE

Proposals

1. That a Development Security Facility be established within the International Monetary Fund to stabilize overall export earnings of developing countries from commodities and manufactured goods.

2. That a Consumer-Producer Forum be established for every key commodity to promote efficiency, growth, and stability of markets. Copper should be given priority.

3. That in keeping with the Tokyo declaration, rules on non-tariff barriers should be adapted to provide special consideration for developing countries.

Statements of policy

The United States intends to sign the Tin Agreement.

The United States is participating actively in negotiations on coffee.

The United States will join in the cocoa and sugar negotiations.

The United States will support liberalization of IMF financing of buffer stocks to assure that this facility is available without encumbering other drawing rights.

The United States will put into effect its generalized tariff preferences on January 1, 1976.

The United States will undertake in the Multilateral Trade Negotiations to lower tariffs on manufactured and processed goods of developing countries.

The United States will seek early agreement in the Multilateral Trade Negotiations to reduce tariffs on tropical products.

The United States will join with others in negotiating supply access commitments as part of the reciprocal exchange of concessions.

II. TRANSFER OF REAL RESOURCES FOR FINANCING THE DEVELOPMENT OF DEVELOPING COUNTRIES AND INTERNATIONAL MONETARY REFORMS

Proposals

1. That an International Investment Trust be created to increase the flow of private resources to developing countries.

2. That the capital of the International Finance Corporation be at least quadrupled to increase the flow of private resources to developing countries.

3. That a major new international effort to expand raw material resources in developing countries be undertaken and that the World Bank and affiliates play a fundamental role in bringing together public and private investors with host governments in developing countries.

4. That developed countries provide technical assistance and expertise to developing countries ready to enter long-term capital markets.

5. That bilateral support for training and technical assistance be increased to help de-

veloping countries find and exploit new sources of fossil fuel and other forms of energy.

Statements of policy

The United States will seek authority to join the African Development Fund.

The United States will join in increasing the resources of the Inter-American Bank to $6 billion.

The United States will join in a large replenishment of the resources of the International Development Association.

The United States will participate in negotiations for replenishment of the Asian Development Bank.

The United States will contribute to the UN Revolving Fund for Natural Resources Exploration.

III. SCIENCE AND TECHNOLOGY

Proposals

1. That an International Energy Institute be created to assist developing countries in energy development.

2. That an International Center for Exchange of Technological Information be established for the sharing of research findings relevant to developing countries.

3. That there be a major expansion of multilateral support for community health service delivery in developing countries, using para-medical personnel.

4. That an organization be created to coordinate and finance assistance to improve the productivity, and competitiveness with synthetics, of non-food, agricultural, and forestry products.

IV. INDUSTRIALIZATION

Proposals

1. That an International Industrialization Institute be established to accelerate industrialization in developing countries.

2. That international standards of conduct be defined to establish reciprocal rights and obligations on the part of enterprises and of host governments.

3. That the productive role of transnational enterprises be facilitated by the adoption of agreed standards including the prohibition of restrictive business practices, harmonization of tax treatment, promotion of arbitral procedures to settle investment disputes, and investment insurance programs.

Statement of policy

The United States will participate in bilateral consultations to identify and resolve potential investment disputes concerning transnational enterprises.

V. FOOD AND AGRICULTURE

Proposals

1. That a World Food Reserve system be created, as a matter of urgency, with the United States holding a major share.

2. That post-harvest food losses be cut in half by 1985 through a comprehensive program in developing countries.

3. That the capacity of the Consultative Group for International Agricultural Research and the International Agricultural Research Centers be expanded.

4. That a new international fund for agricultural development be established at an early date.

Statements of policy

The United States will increase university based technical assistance and research in agriculture of developing countries.

The United States will seek $200 million from Congress as a contribution to the International Fund for Agriculture Development provided that others will add their support for a combined goal of at least $1 billion.

The United States is asking Congress for authorization to double our bilateral agricultural assistance this year to $582 million and urges other affluent nations to increase their contributions as well.

VI. RESTRUCTURING OF THE ECONOMIC AND SOCIAL SECTORS OF THE UNITED NATIONS SYSTEM

Proposal

That 1976 be dedicated as a year of review and reform of the entire UN development system, with an intergovernmental committee formed at this Session to begin work immediately.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. FANNIN. Mr. President, I ask unanimous consent that I be allotted an additional 2 minutes?

The PRESIDING OFFICER. Is there objection?

Mr. FANNIN. Is there objection of the Senator from South Carolina?

Mr. HOLLINGS. No, I have no objection.

Mr. FANNIN. It will just be a couple minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FANNIN. Here is a former businessman, one of the leading businessmen of our Nation, who is now fortunately serving in the U.S. Senate. He takes the position that a thorough study as to what is involved is necessary, and I am very pleased to have this opportunity to speak on his record and to commend him for the decision he has made and for the forthright way, as I stated, in which he has arrived at that decision.

I feel we are working toward a free market. We know we have many problems to contend with.

He has taken that into consideration. In his suggestions as to how we should overcome these obstacles, I think he has come up with some very fine illustrations of what could be done.

I again express my appreciation to the distinguished Senator from Illinois for the leadership he is giving in this project.

Mr. PERCY. I appreciate very much the comments of our distinguished colleague, and I express deep appreciation to our colleague, the Senator from Arizona and our colleague, the Senator from South Carolina for his understanding.

Mr. HOLLINGS. Very good.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

NATURAL GAS EMERGENCY ACT OF 1975—S. 2310

Mr. HOLLINGS. Mr. President, I send to the desk again a bill (S. 2310) on behalf of myself, Mr. GLENN, and Mr. TALMADGE, and I ask unanimous consent that it be considered as having been read twice and placed on the calendar.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, from all available evidence, supplies of natural gas will be critically short in many areas of the Nation this winter. Several pipelines are experiencing such severe supply shortages that even their highest priority customers are now subject to curtailment. In many States, industrial plants that must use natural gas in producing their goods may be forced to close. Other operations that use natural gas may not have enough time to convert to alternative fuels by this winter. The heavily industrialized Middle Atlantic States are served by one principal pipeline and are recognized by the Federal Power Commission as the Nation's "premier disaster area." In the absence of prompt remedial action, we may be faced with the loss of thousands of jobs resulting from the unavailability of natural gas to essential industrial users.

The Commerce Committee recently reported S. 692, a bill to comprehensively reform the Natural Gas Act, and this measure is now awaiting Senate floor consideration. It deals with the long-term solutions to the natural gas problem, but it appears unlikely that it can be considered and passed by both Houses in time to have any impact for this winter. Therefore, to assist in meeting the projected natural gas shortages this winter, it is essential to consider emergency legislation on an urgent basis.

At the request of the Chairman of the Federal Power Commission. legislation was recently introduced, S. 2244, to permit high priority industrial users to purchase natural gas to the intrastate market. This proposal will likely result in extremely high prices for onshore natural gas with no guarantee that the customers in greatest need will be able to obtain the necessary natural gas supplies to alleviate their curtailments. Further, this legislation does not deal directly with the issues of unemployment resulting from natural gas curtailments.

Therefore, I am today introducing natural gas emergency legislation to more equitably deal with this winter's natural gas shortages. This proposal was drafted with the vital assistance of Senators GLENN and TALMADGE, as well as Congressman DINGELL, chairman of the House Commerce Subcommittee on Energy and Power. We believe this to be a better approach than that recommended by the Federal Power Commission for alleviating the imminent shortages of natural gas facing the Nation. Prompt enactment of this bill will also ameliorate the potential unemployment impact of natural gas shortages. The principal features of this bill are these:

First. The Federal Power Commission is to designate those interstate pipelines that are in real trouble. These are the pipelines that are unable to meet the natural gas requirements of customers who cannot use alternative fuel and whose supply requirements of natural gas must be met in order to avoid substantial unemployment or impairment of the public health, safety, or welfare. Such "priority" interstate purchasers would be able to compete with intrastate buyers for the onshore production of new natural gas. No purchaser, in inter- or intra-state commerce, may pay a price for new onshore natural gas that exceeds the generally prevailing price in that production area for contracts entered into or renewed during the period from August 1, through August 31, 1975. This provision assures that producers onshore will not suffer rollbacks of their current unregulated natural gas sales prices, but this provision also prevents new natural gas prices from shooting upward and placing a heavy burden on the Nation's frail economy as the enormous demands of both the inter- and intrastate markets are unleashed upon the limited supplies available for sale onshore.

Second. In the case of natural gas produced from the Outer Continental Shelf, priority interstate purchasers are provided special assistance in obtaining new natural gas supplies to meet their supply shortage. If an OCS producer receives a reasonable offer to buy natural gas from an interstate priority purchaser, he must sell to that purchaser. This provision assures that the pipeline systems in greatest need are afforded an option to purchase new natural gas from the OCS. These priorities do not apply to new OCS production that is the subject of a previous advance-payment arrangement.

Third. The Federal Power Commission is required to take prompt action to assure that adequate supplies of natural gas are available in amounts certified as necessary by the Secretary of Agriculture for essential agricultural, food processing or food packaging processes. Heretofore, there has been no special priority established by the FPC for the agricultural use of natural gas. This bill changes that policy in an effort to implement programs of expanded food production to stabilize food prices to the consumer and provide adequate supplies of food.

Fourth. The use of natural gas by electric generating systems is prohibited if the Administrator of the Federal Energy Administration determines that such powerplants have the reasonable capability and necessary plant equipment to burn petroleum products or coal. This prohibition would be implemented if such natural gas previously used by a powerplant could be directly or indirectly made available to priority interstate purchasers. The powerplants and their natural gas suppliers losing natural gas under this provision, would, unlike arrangements under existing law, be fully compensated. Powerplants incurring additional costs for burning alternative fuels as well as all others suffering losses would be compensated by the priority interstate purchasers benefiting from this regulation.

Fifth. The Secretary of the Interior is required to order the production from designated natural gas fields at the maximum efficient rate. He is also authorized to order natural gas production at the temporary emergency production rate in order to increase supplies of natural gas to priority interstate purchasers. Extensive safeguards are provided to protect States' rights, and the property interests of producers. Full compensation is provided for any damage that may occur as a result of production at temporary emergency production rate, and compensation for such natural gas is at the new natural gas rate provided for in the bill.

Mr. President, I urge my colleagues to carefully study this emergency natural gas proposal. This bill seeks to increase new natural gas production for this winter. It would allocate gas to the consumers in greatest need in order to minimize unemployment impacts on the economy. It would prohibit the use of natural gas as a boiler fuel by electric utility generating systems, where the gas could be made available to priority users at full compensation to the electric utility; all this would be achieved within a framework of equity and a minimum of interference by regulatory agencies. I believe this is the best hope for being able to cope with the natural gas shortages that are about to descend upon the Nation.

I hope that in the near future this matter can be considered and passed on the floor of the Senate and that immediately thereafter the Senate can take up legislation dealing with a long-term solution to the natural gas problem.

I further ask unanimous consent that the text of the bill be printed in the RECORD at this point as well as the section-by-section description of the bill.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 2310

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Natural Gas Emergency Act of 1975".

PURPOSES

SEC. 2. The purposes of this Act are to establish temporary emergency authorities for minimizing the detrimental effects on employment, food production, and public health, safety, and welfare caused by natural gas supply shortages.

DEFINITIONS

SEC. 3. As used in this Act—

(1) The term "Administrator" means the Administrator of the Federal Energy Administration.

(2) The term "Commission" means the Federal Power Commission;

(3) The term "essential user" means a user or class of user who satisfies criteria to be established by the Commission, by rule, as indicative of a user for which no alternative fuel is reasonably available and whose supply requirements must be met in order to avoid substantial unemployment or impairment of food production or the public health, safety, or welfare.

(4) The term "Federal lands" means any land or subsurface area within the United States which is owned or controlled by the Federal Government or with respect to which the Federal Government has authority, directly or indirectly, to explore for, develop, and produce natural gas, including any land or subsurface area located on the Outer Continental Shelf.

(5) The term "intrastate commerce" means commerce between points within the same State not through any place outside thereof.

(6) The term "interstate commerce" has the same meaning as such term has in section 2(7) of the Natural Gas Act (15 U.S.C. 717a(7)).

(7) The term "Outer Continental Shelf" has the same meaning as such term has in section 2(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1331(a)).

(8) The term "new natural gas" means natural gas which was not, prior to September 9, 1975, committed by contract to interstate or intrastate commerce and any natural gas committed by contract to intrastate commerce which contract, on or after September 9, 1975, terminates and is not renewed.

(9) The term "person" includes any governmental entity.

(10) The term "pipeline" means a person engaged in the transportation by pipeline of natural gas.

(11) The term "priority interstate purchaser" means any interstate pipeline (or a person acting on behalf of an interstate pipeline) which the Commission, taking into account any existing curtailment plan of such pipeline and the natural gas supplies available to such pipeline, determines is, to a significant extent, unlikely to obtain supplies of natural gas adequate to meet the requirements of essential users under any agreement (without regard to whether such agreement is for interruptible or firm service) to supply natural gas to such user by:

(A) such pipeline; or

(B) a person to which such pipeline supplies natural gas for purposes of resale.

(12) The term "supply emergency period" means the period, or any part thereof, which begins on the date of enactment of this Act and end on July 1, 1976.

ACCESS BY PRIORITY INTERSTATE PURCHASERS TO NATURAL GAS

SEC. 4. (a)(1) The Commission shall, not later than the end of the fifteen-day period which begins on the date of enactment of this Act, and shall as necessary throughout the supply emergency period, upon petition or upon its own motion, designate priority interstate purchasers.

(b) The Commission shall, by rule, not later than the end of the fifteen-day period which begins on the date of enactment of this Act, establish an area ceiling price applicable to any first sale of new natural gas (except first sales of new natural gas produced from lands located on the Outer Continental Shelf) for each area in the United States in which natural gas is produced. The Commission shall designate areas to which such ceiling prices shall apply. Such ceiling price shall, to the maximum extent practicable, approximate the average sales price, as determined by the Commission, for contracts entered into or renewed during the period from August 1, 1975, through August 31, 1975, for natural gas produced in the area and sold in intrastate commerce.

(c) No producer may charge and no purchaser may pay a price for the first sale of new natural gas occurring after September 8, 1975, which price exceeds the applicable area ceiling price established by the Commission.

(d) Any new natural gas produced from lands located on the Outer Continental Shelf shall be sold in interstate commerce.

(e)(1) No new natural gas produced from lands located on the Outer Continental Shelf may be sold in interstate commerce unless—

(A) the purchaser has been designated by the Commission as a priority interstate purchaser; or

(B) the producer has filed a notice of a proposal to sell new natural gas (whether in the form of an offer to sell or a proposed contract to sell such gas) with the Commission at least fifteen days prior to sale.

(2) The Commission shall, by rule, prohibit the sale in interstate commerce from lands located on the Outer Continental Shelf of any new natural gas to any person other than a priority interstate purchaser if, within the fifteen-day period specified in paragraph (1)(B), a priority interstate purchaser offers

to purchase such new natural gas under terms and conditions which the Commission determines are substantially similar to or identical with the terms or conditions of such proposal to sell to which the notice prescribed by subparagraph (B) pertains.

(3) Paragraph (2) of this subsection shall not apply to sales of new natural gas by a producer to a pipeline in the case of an advance payment financing arrangement between such producer and such pipeline entered into prior to September 9, 1975, whereby such pipeline has been granted a right of first refusal, option or other priority claim to natural gas produced from a property as consideration for advance payments made to such producer to finance exploration or development.

(f)(1) Any priority interstate purchaser may purchase new natural gas produced from lands located other than on the Outer Continental Shelf, provided the price of the first sale of such new natural gas does not exceed the applicable area ceiling price established by the Commission pursuant to subsection (b) of this section. Any such first sale price shall be deemed just and reasonable for purposes of section 4 of the Natural Gas Act and any such sale to a priority interstate purchaser shall not require certification under section 7 of such Act.

(g) If the Commission determines that natural gas could have been produced or sold, or both, but was not purchased or sold, or both, during the period that this Act is in effect, such natural gas may not at any time thereafter be sold at a price above that permitted under this Act.

(h) A priority interstate purchaser shall obtain priority only to the extent necessary to meet the requirements of essential users and the Commission shall take such steps as are within its authority under the Natural Gas Act to assure that any additional supplies of new natural gas obtained by a priority interstate purchaser are made available to essential users.

(i) The Commission shall encourage voluntary agreements that are not inconsistent with this Act to sell or exchange natural gas or other arrangements that increase the supply of natural gas available to priority interstate purchasers.

AVAILABILITY OF GAS FOR AGRICULTURAL USERS

SEC. 5. (a)(1) Notwithstanding any other provision of law or of any natural gas allocation or curtailment plan in effect under existing law, the Commission shall, by rule, upon petition or upon its own motion prohibit any interruption or curtailment of natural gas supplies, and take such other actions under authority of the Natural Gas Act and this Act as the Commission determines to be necessary and appropriate, to assure to the maximum extent practicable the availability of sufficient quantities of natural gas for use for any essential agricultural, food processing or food packaging purposes as determined by the Secretary of Agriculture, for which natural gas is necessary, as determined by the Secretary of Agriculture including, but not limited to, irrigation pumping, crop drying and use as a feedstock or process fuel in the production of fertilizer and essential agricultural chemicals in existing plants (for present or expanded capacity) and in new plants.

(2) No prohibition pursuant to paragraph (1) of this subsection may be inconsistent with the goals of substantially minimizing unemployment attributable to interruption of natural gas supplies or with maintaining natural gas supplies to residential users, to small users, to hospitals, or for products and services vital to public health and safety.

(b) For purposes of this section, the Secretary of Agriculture shall not determine any use of natural gas to be necessary if such gas is to be used as a boiler fuel to serve (1) expanded capacity of existing facilities, (2) an existing facility for which natural gas supply contracts have expired, or (3) new facilities. The Secretary of Agriculture shall certify to the Commission the volumes and identify the users, of natural gas determined to be necessary for essential agricultural, food processing, or food packaging purposes.

PROHIBITION OF USE OF NATURAL GAS AS BOILER FUEL

SEC. 6. (a) The Administrator shall, by rule, prohibit any powerplant from burning natural gas if he determines that—

(1) such powerplant had, on September 1, 1975 (or at any time thereafter), the capability and necessary plant equipment to burn petroleum products;

(2) the burning of petroleum products by such plant in lieu of natural gas is practicable;

(3) petroleum products will be available during the period the order is in effect; and

(4) natural gas made available as the result of such prohibition could be available, directly or indirectly, to a priority interstate purchaser.

A rule under this subsection shall not take effect (A) until a date which the Administrator of the Environmental Protection Agency certifies is the earliest date on which such plant can burn, in compliance with the Clean Air Act (including any applicable implementation plan) and with applicable State environmental protection laws, petroleum products which the Administrator determines, under paragraph (3), are available, or (B) if the Commission certifies to the Administrator that the prohibition under this paragraph will impair the reliability of service in the area served by the plant.

(b)(1) The Administrator shall, by, rule, prohibit the use of natural gas by any powerplant if the Administrator determines—

(A) that alternative supplies of electric power are available to the electric power system of which such powerplant is a part;

(B) that the generation of such alternative supply of electric power will not result in an overall increase in consumption of natural gas; and

(C) natural gas made available as the result of such prohibition could be made available, directly or indirectly, to a priority interstate purchaser.

(2) A rule under this subsection shall not take effect if the Commission certifies to the Administrator that the prohibition would impair the reliability of service in any area served by those affected electric power systems.

(c)(1) The Administrator shall exempt from any rule under this section the burning of natural gas for the necessary processes of ignition, startup, testing, and flame stabilization by powerplants.

(2) Subject to paragraph (1), of this section the Administrator may make a rule under subsection (a) or (b) of this section apply to all natural gas burned by the powerplant to which such rule applies or may specify the periods and amounts of natural gas to which such rule shall apply.

(d) Nothing in this section shall impair any State or Federal requirement relating to health, safety, or environmental protection.

(e) The Administrator shall, by rule, prohibit the sale, directly or indirectly, to any person other than a priority interstate purchaser of natural gas made available as a result of rules under subsections (a) and (b) of this section.

(f)(1) If the application of a rule under this section results in a sale of transferred gas by a curtailed user or a supplier of a curtailed user to a person other than such curtailed user or a supplier of such user, such seller may not charge an amount for such transferred gas which exceeds the amount he would have charged such user or supplier (as the case may be). In addition, the person to whom such sale is made shall compensate the curtailed user, and any supplier of such curtailed user, in an amount which is equal to any net increase in such user's reasonable costs for replacement fuel or replacement power, and any net increase in such supplier's reasonable costs and any other losses which are incurred by such supplier, as a *result of* the application of the order issued under this section. Such compensation shall be in an amount agreed upon by the parties, or (if the parties are unable to agree) in an amount determined by the Commission in accordance with the provisions of this section.

(2) For purposes of this subsection—

(A) The term "curtailed user" means a powerplant to which a rule under this section is applicable.

(B) The term "transferred natural gas" means natural gas which a curtailed user does not consume by reason of a rule under this section and which is made available to another person.

(C) A person is a supplier of a curtailed user if he sold natural gas to such user, or sold natural gas to any person for resale (directly or indirectly) to such user.

(g) This section shall not apply to any powerplant of which the maximum daily use of natural gas does not exceed fifty thousand cubic feet.

(h) For purposes of this section, the terms "powerplant" and "petroleum product" have the same meanings as such terms have under section 2 of the Energy Supply and Environmental Coordination Act of 1974.

(i) Section 2(f)(1) of the Energy Supply and Environmental Coordination Act of 1974 is amended by striking out "June 30, 1975" and inserting in lieu thereof "June 30, 1976".

(j) This section (other than subsection (i)) does not affect any authority under the Energy Supply and Environmental Coordination Act of 1974.

PRODUCTION OF GAS AT THE MAXIMUM EFFICIENT RATE AND TEMPORARY EMERGENCY PRODUCTION RATE

SEC. 7. (a) Except as provided in subsection (c) of this section, the Secretary of Interior shall, by rule, require natural gas to be produced from fields, designated by such Secretary, at the maximum efficient rate of production, or at the temporary emergency production rate determined for such field. The Commission shall, by rule, prohibit the sale of quantities of natural gas, in excess of that which would be produced at the maximum efficient rate, produced from a field, pursuant to a rule or order to produce at such field's temporary emergency production rate, to any person other than a priority interstate purchaser.

(b)(1) Within forty-five days after the date of enactment of this Act, the Secretary of the Interior, by rule, shall determine the maximum efficient rate of production and, if any, the temporary emergency production rate, for each field on Federal lands which such Secretary determines produces, or has the capacity to produce, significant quantities of natural gas.

(2) Each State or the appropriate agency thereof may determine the maximum efficient rate of production and, if any, the temporary emergency production rate, for each field (other than a field on Federal land) within such State which the State or appropriate agency determines produces, or has the capacity to produce, significant quantities of natural gas.

(3) If, at the end of the forty-five-day

period which begins on the date of enactment of this Act, a State or the appropriate agency thereof has not determined the maximum efficient rate of production or the temporary emergency production rate for any field (other than a field on Federal land) within such State, which field the Secretary of the Interior determines produces, or has the capacity to produce, significant quantities of natural gas, the Secretary of the Interior may, by rule, specify the maximum efficient rate of production or the temporary emergency production rate for any such field.

(c) (1) The authority under subsection (a) to require production from any field at such field's temporary emergency production rate may be exercised only if natural gas made available as a result of the exercise of such authority could be made available, directly or indirectly, to a priority interstate purchaser.

(2) If loss of ultimate recovery of crude oil or natural gas, or both, occurs or will occur as the result of an order to produce at the temporary emergency production rate, such loss shall be deemed a taking by condemnation, and the owner of any property right diminished by such taking may bring an action in an appropriate United States District Court to recover just compensation from the United States or any person obligated to indemnify the United States.

(3) The Administrator shall require that any priority purchaser who purchases natural gas supplies made available through the exercise of authority under subsection (a) to require production in any field at such field's temporary emergency production rate, provide adequate assurance of indemnification of the United States for any liability which the United States may incur by reason of action taken pursuant to the authority of subsection (a) and such order may, in addition, require the posting of bond by such purchaser as assurance of indemnification.

(d) For purposes of this section—

(1) The term "maximum efficient rate of production" means the maximum rate of production of natural gas which may be sustained without loss of ultimate recovery of crude oil or natural gas, or both, under sound engineering principles.

(2) The term "temporary emergency production rate" means the maximum rate of production for a field—

(A) which rate is above the maximum rate of production established for such field; and

(B) which may be maintained for a temporary period of less than ninety days without reservoir damage and without significant loss of ultimate recovery of crude oil or natural gas, or both, from such field.

(e) Nothing in this section shall be construed to authorize the production from any Naval Petroleum Reserve subject to the provisions of chapter 641 of title 10, United States Code.

(f) Natural gas produced from a field in excess of that quantity which would have been produced at the maximum efficient rate of production (as defined in subsection (d) (1)) of such field, pursuant to a rule or order issued under the authority of subsection (a), may be sold for a price equal to the area ceiling price for the applicable area pursuant to section 4 of this Act as if it were new natural gas.

PIPELINE INTERCONNECTIONS

SEC. 8. To carry out the purposes of this Act, the Commission may, by rule, direct any pipeline to establish a physical interconnection between any specified facility of any other such pipeline. The Commission shall apportion equitably the costs of any such interconnection to the pipeline, to priority interstate purchasers initially benefiting therefrom, or to both.

PENALTIES

SEC. 9. (a) (1) Any person who is determined by the Commission, Administrator, or Secretary, after notice and an opportunity for a presentation of views, to have violated a provision of this Act or any rule or order under this Act (for which such Commission, the Administrator, or the Secretary has responsibility), shall be liable to the United States for a civil penalty of not more than $10,000 for each violation, and if any such violation is a continuing one, each day of violation constitutes a separate offense. The amount of any such penalty shall be assessed by the Commission, the Administrator or the Secretary by written notice. In determining the amount of such penalty, the Commission, the Administrator, or the Secretary (as the case may be) shall take into account the nature, circumstances, extent, and gravity of the violation committed and, with respect to the person found to have committed such violation, the degree of cupability, any history of prior offenses, ability to pay, effect on ability to continue to do business, and such other matters as justice may require.

(2) Such civil penalty may be recovered in an action brought by the Attorney General on behalf of the United States in the appropriate district court of the United States or prior to referral to the Attorney General, such civil penalty may be compromised by the Commission, the Administrator, or the Secretary, as may be applicable. The amount of such penalty, when finally determined (or agreed upon in compromise), may be deducted from any sums owed by the United States to the person charged. All penalties collected under this subsection shall be deposited in the Treasury of the United States as miscellaneous receipts.

(b) A person is guilty of an offense if he willfully violates a provision of this Act or rule or order under this Act. Upon conviction, such person shall be subject, for each offense, to a fine of not more than $25,000, imprisonment for a term not to exceed five years, or both.

ENFORCEMENT

SEC. 10. (a) The Attorney General, at the request of the Commission, the Administrator, or the Secretary (as the case may be), may bring an action for equitable relief to redress a violation by any person of a provision of this Act, or a rule or order under this Act. Any other person may bring a civil action alleging a violation of a provision of this Act or rule or order under this Act.

(b) The district courts of the United States shall have jurisdiction with respect to any civil action brought under subsection (a). The court shall have the power to grant such equitable relief as is necessary to prevent, restrain, or remedy the effect of such violation, including declaratory judgment, mandatory or prohibitive injunctive relief, and interim equitable relief, and the courts shall further have the power to award (A) compensatory damages to any injured person or class of persons, (B) costs of litigation including reasonable attorney and expert witness fees, and (C) whenever and to the extent deemed necessary or appropriate to defer future violations, punitive damages.

(c) A rule or order prescribed under this Act is subject to judicial review to the extent authorized by, and in accordance with, chapter 7 of title 5, United States Code, except that (A) the second sentence of section 705 thereof is not applicable, and (B) the appropriate court shall only hold unlawful and set aside such a rule or order on a ground specified in subparagraphs (A), (B), (C), or (D) of section 706(2) thereof.

RULEMAKING

SEC. 11. The Commission, the Administrator or the Secretary, in addition to the authorities specifically granted herein, shall have authority to issue rules and orders applicable to any person which the Commission, the Administrator or the Secretary (as the case may be) determines are necessary or appropriate to carry out the purposes of this Act.

EXPIRATION

SEC. 12. Sections 4 (except subsection (g) thereof)), 5, 6, 7, 8, and 11 of this Act shall expire on midnight June 30, 1976.

NATURAL GAS EMERGENCY ACT OF 1975—SECTION-BY-SECTION DESCRIPTION

SECTION 1. SHORT TITLE

Section 1 states that the bill may be cited as the "Natural Gas Emergency Act of 1975".

SECTION 2. DECLARATION OF PURPOSE

Section 2 states that the purpose of the bill is to establish emergency authorities to minimize the detrimental effects upon employment, food production, public health, safety, and welfare caused by natural gas shortages.

SECTION 3. DEFINITIONS

"Administrator" is the Administrator of the Federal Energy Administration (FEA) or its successor;

"Commission" is the Federal Power Commission (FPC).

An "essential user" is a user of class of user of natural gas (1) who, in accordance with criteria established by rule of the FPC, is determined to be a natural gas user for whom no alternative fuel is reasonably available, and (2) whose supply requirements must be met in order to avoid substantial unemployment of impairment of the public health, safety, or welfare.

"Federal lands" are lands, including subsurfaces, located within the United States 1) which the Federal Government owns or controls or 2) with respect to which the Federal Government has authority, directly or indirectly, to explore for, develop and produce natural gas. Federal lands include the Outer Continental Shelf as defined in section 2(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1331(a)). The definition of Federal lands is particularly relevant to the section 7 of this bill.

"Intrastate Commerce" is defined as commerce between points within the same state so long as such commerce does not pass through any place outside such state.

The bill uses for its definition of "Interstate commerce" the definition provided in section 2(7) of the Natural Gas Act (15 U.S.C. 717a(7)). That Act defines interstate commerce as "commerce between any point in a State and any point outside thereof, or between points within the same State but not through any place outside thereof, but only insofar as such commerce takes place within the U.S."

"New natural gas" is defined as either (1) natural gas that has not been committed to intrastate or interstate commerce by a contract made prior to this bill's date of enactment or (2) natural gas committed to intrastate commerce by a contract which, on or after date of enactment terminates and is not renewed.

"Person" includes any governmental entity.

"Pipeline" means a person engaged in the transportation by pipeline of natural gas.

"Priority interstate purchaser" is defined as an interstate pipeline which the FPC determines is, to a significant extent, unlikely to obtain natural gas adequate to meet the requirements of essential users under any agreement (without regard to whether such agreement is for interruptible or firm service) to supply natural gas to such user by: (i) such pipeline; or (ii) a distribution company to which such pipeline supplies natural gas for purpose of resale. In designating a "priority interstate purchaser" the FPC is to take into account the pipeline's existing curtailment plan, if any, and the natural gas supplies available to such pipeline.

"Supply emergency period" is the period, or any part thereof, beginning on the date of this Act's enactment and ending on July 1, 1976. (Note, however, that sections 4 (except subsection (g)), 5, 6, 7, and 8 of the Act expire on midnight June 30, 1976.)

SECTION 4. ACCESS BY PRIORITY INTERSTATE PURCHASERS TO NATURAL GAS

Section 4 provides for the designation of "priority interstate purchases" by the FPC, for the establishment of area ceiling prices for the first sale of new natural gas, and for the manner of sale of new natural gas produced on lands located both on and off the Outer Continental Shelf.

a. Designation of priority interstate purchasers

The FPC is directed to designate priority interstate purchasers at a time not later than the end of the fifteen-day period after the bill's date of enactment, and as necessary throughout the supply emergency period, upon petition or its own motion. A priority interstate purchaser is defined in section 3.

Section 4(h) provides that such a priority interstate purchaser obtains priority only to the extent necessary to meet the requirements of essential users. The FPC is directed to take steps, as authorized by the Natural Gas Act, to assure that any additional supplies of new natural gas obtained by a priority interstate purchaser are made available to essential users.

b. Establishment of area ceiling prices

Section 4(b) directs the FPC to establish ceiling prices for the first sale of new natural gas (except first sales of natural gas produced from lands on the Outer Continental Shelf) for areas designated by the FPC. To determine the area ceiling price, the FPC must first ascertain as best it can the average sales price for contracts entered into or renewed during the period from August 1, 1975, through August 31, 1975, for natural gas produced and sold in the designated area. The FPC is then directed to set as the ceiling price for natural gas an amount which approximates, to the maximum extent practicable, the average sales price for such contracts during that period.

No producer may charge and no purchaser may pay a price for the first sale of new natural gas occurring after September 8, 1975, that exceeds the applicable area ceiling price. If the FPC determines that natural gas could have been produced and sold, but was not produced and sold during the period that this section is in effect, such natural gas may not thereafter be sold for more than the ceiling price applicable to the area, notwithstanding the expiration of the bill.

c. Sale of natural gas produced from lands located on the Outer Continental Shelf

Subsection (d) provides that all new natural gas produced from lands located on the Outer Continental Shelf are to be sold in interstate commerce. However, conditions for such sale are specified, which give priority for such sales of new natural gas to priority interstate purchasers.

No new natural gas produced from lands located on the Outer Continental Shelf (except as provided in Section 4(e)(2), discussed below) may be sold in interstate commerce unless the purchaser is a priority interstate purchaser or a person acting on his behalf. Such natural gas can be sold to a non-priority interstate purchaser only if the natural gas producer has filed notice of an offer or proposed contract to sell natural gas with the FPC at least fifteen days prior to sale, and no priority interstate purchaser offers to purchase the gas under terms and conditions which the FPC determines are substantially similar to those of the proposals to sell to a non-priority interstate purchaser. Moreover, if within this fifteen-day period a priority interstate purchaser offers to purchase such new natural gas under terms and conditions which the FPC determines are substantially similar to those of the sales proposal filed with the FPC, the FPC shall, by rule, prohibit the sale to any person other than a priority interstate purchaser or person acting on his behalf.

By virture of 4(e)(2), these restrictions on the sale of new natural gas produced from lands located on the Outer Continental Shelf do not apply to sales of new natural gas by a producer to a pipeline where there is an advance payment financing arrangement between such producer and such pipeline which grants the pipeline a right of first refusal, option, or other priority claim to natural gas produced from a property as consideration for advance payments made to such producer to finance exploration or development.

d. Sale of natural gas produced from lands located other than on the Outer Continental Shelf

The Act does not give similar priority to priority interstate purchasers for new natural gas produced on lands located other than on the Outer Continental Shelf. But an advantage for obtaining new supplies of natural gas is given to priority interstate purchasers. The bill provides that any priority interstate purchaser or person acting on his behalf may purchase new natural gas from lands not on the Outer Continental Shelf, provided the price of the first sale does not exceed the applicable area ceiling price established by the FPC. This puts the priority interstate purchaser in a competitive position with intrastate purchasers—both are subject to the applicable area ceiling price—and gives him a competitive edge over interstate pipelines that are not priority purchasers. Any such first sale price is deemed just and reasonable for purposes of section 4 of the National Gas Act of 1938, and any such sale to a priority interstate purchaser shall not require certification under section 7 of that Act.

SECTION 5. AVAILABILITY OF GAS FOR AGRICULTURAL USERS

Section 5 is designed to assure, to the maximum extent practicable, the availability of natural gas that is necessary for essential agricultural, food processing or food packaging purposes. To effectuate this objective, the Secretary of Agriculture is directed to designate essential agricultural, food processing or packaging purposes for which natural gas is necessary; and the FPC is empowered to prohibit any interruption or curtailment of natural gas supplies for such uses.

a) Designation by the Secretary of Agriculture of Essential Agricultural Users

In designating essential agricultural and food processing or packaging purposes, the Secretary of Agriculture must comply with the following guidelines. First, Section 5 (a) (1) provides that such essential purposes include, but not limited to, irrigation pumping, crop drying, feedstock or process fuel in the production of fertilizer and essential agricultural chemicals in existing plants (in their present or expanded capacity) and in new plants.

Second, the Secretary of Agriculture shall not determine any use of natural gas to be necessary if such use is as boiler fuel to serve (1) the expanded capacity of existing facilities, (2) an existing facility for which natural gas supply contracts have expired or (3) new facilities.

Third, the Secretary of Agriculture shall certify to the FPC the volumes and identities of users of natural gas determined to be necessary for essential agricultural, food processing or food packaging purposes.

b) FPC Authority to Prohibit Interruption of Natural Gas Supply to Designated Agricultural Users

The bill requires the FPC to assure that the necessary natural gas is available for the purposes designated essential by the Secretary of Agriculture. Not withstanding any other provision of law or of any natural gas allocation or curtailment plan in effect under existing law, Section 5 (a) (1) directs the FPC to prohibit any interruption or curtailment of natural gas supplies for uses designated essential under this section and take such other actions authorized by the Natural Gas Act which the FPC determines to be necessary and appropriate. The FPC is to act by rule, upon petition or its own motion.

Finally, Section 5(a) (2) provides that any action taken by the FPC under this section must be consistent with (1) the goals minimizing unemployment attributable to interruptation of natural gas supplies and 2) the maintenance of natural gas supplies to residential users, small users, and hospitals and for products and services vital to public health and safety.

SECTION 6. PROHIBITION OF THE USE OF NATURAL GAS AS BOILER FUEL

Section 6 requires the FEA Administrator to enact rules prohibiting or curtailing, under circumstances specified in the bill, the use or burning of natural gas by power plants. The FEA Administrator is further required to enact rules providing that natural gas made available by such prohibition or curtailment must be sold to priority interstate purchasers.

a. Prohibition or curtailment of natural gas uses by powerplants

Section 6(a) provides that the Administrator of the Federal Energy Administration shall, by rule, prohibit any powerplant from burning natural gas if he determines that

(1) such powerplant had, on September 1, 1975 (or at any time thereafter), the capability and necessary plant equipment to burn petroleum products or can readily obtain such capability and equipment;

(2) the burning of petroleum products by such plant in lieu of natural gas is practicable;

(3) petroleum products will be available during the period the order is in effect; and

(4) natural gas made available as the result of such prohibitation could be available, directly or indirectly, to a priority interstate purchaser.

A rule under this subsection would not take effect until the date certified by the Administrator of the Environmental Protection Agency as the earliest date which such plants can burn available petroleum products in compliance with the Clean Air Act (including any applicable implementation plan) and with applicable State environmental protection laws. In addition, a rule under this subsection would not take effect if the FPC certified to the FEA administrator that the prohibition would impair the reliability of the service in the area served by the powerplant.

Section 6(b)(1) provides that the FEA Administrator shall, by rule, prohibit the use of natural gas by any powerplant if the Administrator determines—

(A) that alternative supplies of electric power are available to the electric power system of which such powerplant is a part;

(B) that the generation of such alternative supply of electric power will not result in an overall increase in consumption of natural gas; and

(C) natural gas made available as the result of such prohibition could be made available, directly or indirectly, to a priority interstate purchaser.

A rule under this subsection is not to take effect if the FPC certifies to the FEA Administrator that the prohibition would impair the reliability of service in any area served by those affected electric power systems.

The bill specifies two exemptions from this section. First, the FEA Administrator is directed to exempt from any rule under this section the burning of natural gas for the necessary processes of ignition, start-up, testing, and flame stabilization by powerplants. Subject to this exemption, the FEA Administrator may make a rule which prohibits the use of all natural gas burned by the powerplant or which prohibits such use for periods of time or for specified amounts of natural gas.

As for the second exemption, section 6 does not apply to any powerplant whose maximum daily use of natural gas does not exceed 50 Mcf.

b. Transfer of prohibited or curtailed natural gas to priority interstate purchasers

The bill requires the FEA to adopt a rule providing that natural gas made available as a result of this section shall not be sold to any person other than a priority interstate purchaser or a person acting on behalf of such purchaser—e.g. a person operating a gathering facility.

The price paid by priority interstate purchasers for such transferred natural gas shall not exceed the amount charged to the user or supplier whose use is curtailed or prohibited by section 6. Moreover, the person to whom such sale of transferred natural gas is made is required by the bill to compensate the curtailed user and his supplier. Such compensation is to be in an amount equal to any net increase in reasonable costs and any other losses incurred by the user or supplier as a result of the order issued by the FEA resulting in the transfer. Such compensation shall be in an amount agreed upon by the parties, or if the parties are unable to agree, in an amount determined by the FPC.

"Curtailed user" means a powerplant to which a rule under this section is applicable.

"Transferred natural gas" means natural gas which a curtailed user does not consume by reason of a rule under this section and which is made available to another person.

A person is a supplier of a curtailed user if he sold natural gas to such user, or sold natural gas to any person for resale (directly or indirectly) to such user and would include at least the producer, pipeline and distribution company.

c. Other provisions

Nothing in this section shall be interpreted to impair any State or Federal requirement relating to health, safety or environmental protection.

For purposes of this section, the terms "powerplant" and "petroleum product" have the same meaning as such terms have under section 2 of the Energy Supply and Environmental Coordination Act of 1974.

Section 2 (f) (1) of the Enegry Supply and Environmental Coordination Act of 1974 is amended by striking out "June 30, 1975" and inserting in lieu thereof "June 30, 1976".

This section (other than subsection (i)) does not affect any authority under the Energy Supply and Environmental Coordination Act of 1974.

SECTION 7

Section 7 provides for the production of natural gas at the "maximum efficient rate of production rate" and in some cases the "temporary emergency production rate" for fields which produce or can produce significant quantities of natural gas.

a. Definitions

"Maximum efficient rate of production" is the maximum rate of natural gas production which may be sustained without loss of ultimate recovery of crude oil or natural gas (or both) under sound engineering principles.

The term "temporary emergency production rate" is defined as the maximum rate of production for a field

(1) which rate exceeds the maximum rate of production for the field; and

(2) which may be maintained for a period of less than ninety days without reservoir damage or significant loss of ultimate recovery of crude oil or natural gas, or both, from such field.

b. Designation of "maximum efficiency rate" and "temporary emergency production rate" of gas producing fields

Within 45 days after the bill's enactment, the Secretary of the Interior must determine, by rule, the maximum efficient rate of production and, if any, the temporary emergency production rate, for each field on Federal lands which the Secretary determines produces or can produce significant quantities of natural gas.

Each State may determine the maximum efficient rate of production and, if any, the temporary emergency production rate, for each field within the state other than on Federal land which the State determines produces or can produce significant quantities of natural gas. If, 45 days after the enactment of this act, a State has failed to make such a determination, the Secretary of the Interior may specify the maximum efficient rate of production or the temporary emergency production rate for any field located in that State which the Secretary of the Interior determines produces or can produce significant quantities of natural gas. This action by the Secretary of the Interior is by rule made on the record after an opportunity for a hearing.

c. Gas production at the maximum efficient rate and temporary emergency production rate

The Secretary of the Interior must, by rule, require natural gas to be produced from designated fields at the maximum efficient rate of production or at the temporary emergency production rate determined for such field.

Natural gas produced from a field in excess of the quantity which would have been produced at the maximum efficient rate of production of such field pursuant to a rule issued by the Secretary may be sold for a price equal to the area ceiling price for the applicable area pursuant to section 4 of the Act as if it were new natural gas.

Section 7 sets out guidelines for the imposition of the temporary emergency production rate. First, the FPC is directed to enact a rule providing that when natural gas is produced at a field's temporary emergency production rate, gas produced at the maximum efficient rate must be sold to a priority interstate purchaser or person acting on behalf of such purchaser.

Second, the authority to require production at a field's temporary emergency production rate may be exercised only if natural gas made available as a result could be made available (directly or indirectly) to a priority interstate purchaser or person acting on behalf of such purchaser.

Third, any loss of ultimate recovery of crude oil or natural gas or both which occurs as a result of an order to produce at the temporary emergency production rate shall be deemed a taking by condemnation. The owner of any property right thus diminished may bring an action in the appropriate United States District Court to recover just compensation from the United States or any person obligated to indemnify the United States.

Fourth, the Secretary must require that any priority purchaser who purchases natural gas supplies made available through the Secretary-ordered gas production at a field's temporary emergency production rate to provide adequate assurance of indemnification of the United States. Such indemnification is to include any liability which the United States may incur by reason of the Secretary-ordered production. The Secretary may, in addition, require the posting of bond by such purchaser as assurance of indemnification.

d. Effect on other laws

Nothing in Section 7 shall be construed to authorize the production of natural gas from any Naval Petroleum Reserve subject to the provisions of chapter 641 of title 10, United States Code.

SECTION 8. PIPELINE INTERCONNECTIONS

For the purposes of minimizing the detrimental effects caused by natural gas shortages, Section 8 empowers the FPC to direct a pipeline to establish a physical interconnection to any specified facility of any other pipeline. The FPC shall apportion equitably the costs incurred by the connection to the pipeline or priority interstate purchasers who indirectly benefit from the connection, or to both.

SECTION 9. CIVIL AND CRIMINAL PENALTIES

Any person who is determined by the Commission, Administrator, or Secretary of Interior to have violated a provision of the bill or any rule or order under the bill is liable to the United States for a civil penalty of not more than $10,000 for each violation. If any violation is a continuing one, each day of violation constitutes a separate offense. A person may be found in violation of the bill only after notice and an opportunity to present his views. In determining the amount of such penalty, the Commission, the Administrator, or the Secretary of the Interior shall take into account the nature, circumstances, extent, and gravity of the violation committed; as well as the degree of culpability, any prior offenses, the ability to pay, effect of a penalty on the ability to continue to do business, and such other matters as justice may require, the amount of any such penalty shall be assessed by the Commission, the Administrator, or the Secretary of the Interior by written notice.

The civil penalty may be compromised by the Commission, the Administrator, or the Secretary as the case may be or the civil penalty may be recovered in an action brought by the Attorney General on behalf of the United States in the appropriate United States district court. The amount of such penalty, when finally determined under either procedure, may be deducted from any sums owed by the United States to the person charged. All penalties collected under this subsection shall be deposited in the Treasury of the United States as miscellaneous receipts.

The bill also provides for criminal penalties for willful violation of the Act. A person is guilty of an offense if he willfully violates a provision of the bill or rule or order issued under the bill. Upon conviction, such person shall be subject, for each offense, to a fine of not more than $25,000, imprisonment for a term not to exceed five years, or both.

SECTION 10. ENFORCEMENT

Section 10 gives the Attorney General, at the request of the Commission, the Administrator, or the Secretary of the Interior the authority to bring an action for equitable relief to redress a violation of a provision of the bill, or a rule or order under the bill. Any other person may bring a civil action alleging a violation of a provision of the bill or rule or order under the bill.

Jurisdiction and Venue.—The district courts of the United States are given jurisdiction with respect to any civil action brought under subsection (a). The court shall have the power to grant such equitable relief as is necessary to prevent, restrain, or remedy the effect of such violation, including declaratory judgment, mandatory or prohibitive injunctive relief, and interim equitable relief. The courts further have the power to award (A) compensatory damages to any injured person or class of persons, (B) costs of litigation, including reasonable attorney and expert witness fees, and (C) punitive damages, whenever and to the extent deemed necessary or appropriate to deter future violations.

A rule or order prescribed under the bill is subject to judicial review to the extent authorized by, and in accordance with, chapter 7 of title 5, United States Code. However, (A) the second sentence of section 705 thereof is not applicable; and (B) the appropriate court shall only hold unlawful and set aside such a rule or order on a ground specified in subparagraphs (A), (B), (C), or (D) of section 706(2) thereof.

SECTION 11. RULEMAKING

Under Section 11 the FPC shall have authority to issue rules and orders applicable to any person which it determines are necessary or appropriate to carry out the purposes of the bill in addition to the authorities specifically granted by the bill.

SECTION 12. EXPIRATION

Sections 4 (except subsection (g)), 5, 6, 7, 8, and 11 of this Act are to expire on midnight June 30, 1976. Section 4(g) provides that if the Commission determines that natural gas could have been produced and sold, but was not produced or sold, during the period from date of enactment through June 30, 1976, then that new natural gas may not at any time thereafter be sold at a price higher than that permitted under section 4. Because of the need to have this provision in effct to prevent any withholding of production, it does not expire on June 30, 1976.

Mr. HOLLINGS. Mr. President, I yield to our distinguished colleagues from Ohio and Georgia at the present time and ask unanimous consent that at the conclusion of their remarks I be recognized.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GLENN. I thank the distinguished Senator from South Carolina.

I rise in support of the Natural Gas Emergency Act that has been sent to the desk.

Mr. President, natural gas supplies are critically short; extensive curtailments are imminent. These curtailments will have a drastic impact on employment. For example, in my State of Ohio it has been predicted that natural gas curtailments may mean the loss of 40,000–60,000 jobs this winter. The same conditions prevail in many other States.

During the first quarter of 1975, the State of Ohio experienced its largest firm curtailments, totaling 68.8 billion cubic feet compared with 35.6 billion cubic feet in the previous quarter.

I say to my colleagues that that is simply unacceptable. Without prompt action, our great Nation faces the loss of hundreds of thousands—perhaps more—of industrial jobs and the shattering of our already fragile economy.

It is for these reasons that Senators HOLLINGS and TALMADGE and I have submitted this bill, the Natural Gas Emergency Act.

I emphasize that this bill is predicated on an emergency and terminates in 10 months. It is not a panacea. It will not stop curtailments. But it will minimize the severe economic dislocations and maximize deliverable supply to priority users.

The imminent shortage in our major fuel source—about 40 percent of all domestic energy—means that industrial plants in many States could be forced to close. The stone, glass, clay, and primary metals industries in Ohio, for instance, employs 114,900 people and will be drastically affected by curtailments. These industries are concentrated in 33 of Ohio's 88 counties.

According to the Federal Energy Administration, 29 percent of Ohio's industries use gas and employ 996,000 people. Hence, the potential for bleak job layoffs is great.

Further, agricultural processing would be hindered by curtailments, thereby hiking food prices to the consumer while simultaneously driving more farmers out of the market.

The purpose of this bill is to minimize shortages while ensuring fair and equitable distribution of natural gas. During the next 10 months, designated pipelines serving distressed customers would be given advantages not now accorded them in their efforts to obtain gas supplies.

The considerations of greater public interest dictate that low priority natural gas users be curtailed. Interstate pipeline reserves declined for the seventh consecutive year in 1974 and this trend clearly hampers full employment. We must recognize that our energy assets—whether they be coal, natural gas, oil, hydroelectric capability, et cetera—are national assets, not just the monopoly possession of one or a group of States. If, as has been predicted, whole sections of America are thrown into severe economic dislocation through natural gas shortages, that is a national problem, not a sectional dilemma. Our Nation is comprised of economically interdependent parts, and the shock wave of profound economic distress is one locale reaches throughout the land in reduced demand.

If we are to preserve our economy this winter, we must get more gas to high priority industrial and agricultural users served by interstate pipelines.

Mr. President, there are six basic provisions of this bill, and I will not go into them in detail, as does the statement of the distinguished Senator from South Carolina. But they may be summarized as follows:

No. 1, interstate pipelines that are designated as serving distressed areas, would be permitted to buy onshore gas at the intrastate price.

No. 2, offshore gas from the Outer Continental Shelf would be furnished on a priority basis to interstate lines declared to be serving distressed areas.

No. 3, agricultural interests designated in the bill would be given priority.

No. 4, conversion of fuel would be required for electrical generating systems that can be changed from gas to oil or coal.

No. 5, the maximum efficient rate of production could be mandated by the Secretary of the Interior or a State for wells that are not producing at that rate.

No. 6, interconnections between certain pipelines where the absence of such tie-ins interferes with distribution patterns can also be mandated.

I might add here that trade organizations and others we have spoken to with a primary interest in distribution patterns and shortages this winter, feel that criteria established through this bill can go a long way toward enabling them to get over the hump this winter. They face a shortage of natural gas and are, of necessity, passing the shortage on to their customers.

It has been often noted, Mr. President, that the absence of visible shortages is one of the main reasons for public skepticism about an energy crisis that threatens our country and economy. There was a brief flourish of acceptance during the winter of 1973–74, during the Arab embargo, but it faded once full tanks returned.

Now, as we move from summer to autumn, an even longer shadow looms for millions of American working people and their families. Natural gas—once thought to be the clean-air panacea and fuel of the future—is no longer abundantly available. Interstate pipelines that once had no trouble servicing customers are issuing notices of very significant cutbacks.

The Federal Energy Administration estimates that 14 States—New York, New Jersey, Maryland, Virginia, North Carolina, South Carolina, Pennsylvania, Ohio, Kentucky, West Virginia, Delaware, Missouri, Iowa, and California—face major shortages within a matter of weeks if nothing is done now to get gas to them. Potentially hundreds of thousands of our citizens, depending on the severity of winter and state of the economy, will be forced from their jobs and businesses and, in some cases, even schools will be closed.

This devastating prospect touches more than these individuals. It affects us all.

The furnace of America's industrial output may soon be banked by the inability to fuel with natural gas. Instead of putting out the "help wanted" sign, the only sign that signals true economic recovery, many firms plan to shut their gates or scale down production dramatically. An economy reeling from nearly 8 million unemployed cannot stand such a tragic turn of events.

Our working people know the danger. Recently, for instance, nearly 1,000 AFL–CIO and UAW representatives gathered in my State's capital, Columbus, for 2 solid days of energy seminars. Labor and business have joined in warning of dire consequences. They are not crying "wolf." This is the real thing.

Capitol Hill is awash with ideas on natural gas—how to encourage its development, how to find new sources, how to regulate its price.

But these proposals do very little about this winter. And that is the important period—this winter. We face the real possibility—even as Congress debates natural gas—of witnessing massive unemployment triggered by the inability to get fuel for plants.

To allow major industrial sections of the country to die on the vine while some States burn natural gas for even wasteful purposes cannot continue. This is an Emergency Act to cover an emergency period.

Energy resources are national in nature, not the jealously guarded property of one State or a cluster of States. That holds just as true for Ohio coal as for Southwestern gas. The ripple effect of unemployment will wash away any immediate prospect for recovery from this recession unless we immediately pass this emergency legislation.

We have spent much of the month of August working out details of this bill because it is so time critical, and I am pleased we can introduce it in both the Senate and House.

This bill addresses what I consider one of our most critical needs today, getting natural gas to States that face enormous economic chaos this winter.

Mr. President, I cannot urge too strongly the immediate consideration of this bill. I hope the Senate gets to this matter very early, hopefully within the next few days, because even at best we are faced with a very time-critical situation. Because of the time required to get this through and to the President, and then to allow the bill's impact to take effect, this is something that cannot be delayed. We absolutely must have the effects felt by early November to have any chance of success for this winter—and this winter is the critical time period.

I thank the distinguished Senator from South Carolina for yielding to me. I look forward to working with him and hope to get this bill passed as quickly as we possibly can. It is important not only for our States, the 14 involved States, but for the total economy of this Nation, this winter, as we are just coming out of a recessionary time period.

Mr. TALMADGE. Mr. President, the level of natural gas curtailments now projected to occur during this next winter and spring will likely cause major disruptions and loss of production among our Nation's agriculture and food processing industries unless prompt legislative action is taken to provide these industries with priority access to available natural gas supplies.

The emergency bill I am cosponsoring for introduction today will provide that priority, and, I hope that it will be enacted promptly so that the farmers of Georgia and elsewhere in the Nation, along with our food processing industries, will be assured of the natural gas supplies they will need over the next year for fertilizer, farm chemicals and in the processing of food for American consumers.

The bill we will be introducing today, if enacted into law, would require the Federal Power Commission to take prompt action to assure that adequate supplies of natural gas are available in amounts certified as necessary by the Secretary of Agriculture for essential agricultural, food processing, or food packaging processes. Included under this priority would be the uses of natural gas in irrigation and crop drying operations, fertilizer and farm chemical production, and in poultry, meat, and dairy food processing operations, among others. The priority provided under this bill would make it possible for those nitrogen fertilizer manufacturers who wish to expand their production capacity to obtain the gas needed to meet their feedstock and process fuel requirements, such as Columbia Nitrogen Corp., in Augusta, Ga.

To date the Federal Power Commission has provided no special priority for the use of natural gas for agriculture or food processing purposes. This bill would change that policy in an effort to assure both farmers and consumers that food production in this country will not be disrupted due to natural gas curtailments. I intend to do all I can to help secure earlier enactment of this bill.

Mr. President, I believe that it is essential to our Nation's welfare that the Congress move promptly with respect to the passage of this legislation. I believe it is obvious that many months will be involved before Congress completes its deliberations on S. 692, and longer-term changes needed in our Nation's natural gas policy. But, in the meantime, short-term emergency steps must be taken, in my judgment, if we are to minimize the unemployment and disruptions that otherwise will likely occur if we fail to address the problem of expected natural gas curtailments this next winter and spring.

Mr. President, I ask unanimous consent to have printed in the Record an outline of the principal features of this bill.

There being no objection, the material was ordered to be printed in the Record, as follows:

Principal Features of Bill

The other principal features of this bill are:

(1) The Commission is to designate those interstate pipelines that are in real trouble. These are the pipelines that are unable to meet the natural gas requirements of customers who cannot use alternative fuel and whose supply requirements of natural gas must be met in order to avoid substantial unemployment or impairment of the public health, safety or welfare. Such "priority interstate purchasers would be able to compete for the onshore production of new natural gas with intrastate buyers. No purchaser, in inter- or intrastate commerce, may pay a price for new onshore natural gas that exceeds the generally prevailing price in that production area for contracts entered into or renewed during the period from August 1, through August 31, 1975.

This provision assures that producers onshore will not suffer rollbacks of their current unregulated natural gas sales prices, but this provision also prevents new natural gas prices from shooting upward and placing an enormous burden on the nation's frail economy as the enormous demands of both the inter- and intrastate markets are unleashed upon the limited supplies available for sale onshore.

(2) In the case of natural gas produced from the Outer Continental Shelf, priority interstate purchasers are provided special assistance in obtaining new natural gas supplies. If an OCS producer receives a reasonable offer to buy natural gas from an interstate priority purchaser, he must sell to that purchaser. This provision assures that the pipeline systems in greatest need are afforded an option to purchase new natural gas from the OCS. These priorities do not apply to new OCS production that is the subject of a previous advance-payment arrangement.

(3) The use of natural gas by electric generating systems is prohibited if the Administrator of the Federal Energy Administration determines that such powerplants have the reasonable capability and necessary plant equipment to burn petroleum products or coal. This prohibition would be implemented if such natural gas previously used by a power plant could be directly or indirectly made available to priority interstate purchasers. The power plants and their natural gas suppliers losing natural gas under this provision, would, unlike under existing law, be fully compensated. Power plants incurring additional costs for burning alternative fuels as well as all others suffering losses would be compensated by the benefitting priority interstate purchasers.

(4) The Secretary of the Interior is required to order the production from designated natural gas fields at the maximum efficient rate. He is also authorized to order natural gas production at the temporary emergency production rate in order to increase supplies of natural gas to priority interstate purchasers. Extensive safeguards are provided to protect States' rights, and the property interests of producers. Full compensation is provided for any damage that may occur as a result of production at temporary emergency production rate and compensation for such natural gas is at the new natural gas rate provided for in the bill.

Mr. HOLLINGS. Mr. President, I thank the distinguished Senator from Ohio.

As has been noted in the media, we have been engaged in hearings on shortages and the energy crisis since 1965 and 1966. We have been trying to update the Natural Gas Act, which was enacted in 1938 for many, many years. The U.S. Constitution has been amended more than the Natural Gas Act.

But, finally, coming to this winter's crisis, our good and distinguished astronaut friend from Ohio started going around, working with all parties, to try to get us to land safely this winter. I cannot commend him highly enough.

The fact is that we have worked with the administration. There is no implication that this is an administration bill. But, we have tried to minimize the objections of the administration—looking, of course, to this bill being signed into law.

The Senator from Ohio has been a leader in working with the House Members, the staff of the Committee on Commerce, the offices of various interested Senators from the 14 States affected. I think we have what is characterized in the parliamentary sense as something that can fly—something that we can pass in a very prompt fashion. It is something to which the natural gas industry can work with and it will permit the several States faced with a crisis to forestall unemployment consequences from gas shortages to a great extent, if not entirely, this winter, if this particular initiative is promptly enacted. I thank the distinguished Senator from Ohio.

I also wish to thank the Senator from Georgia. He worked at great length on this matter, especially since accelerating inflation in this Nation is caused by the increasing prices of food and fuel. And we find that the food prices are rising because of the rise in fuel prices. The Senator from Georgia also wanted to make certain that we have a priority for fertilizer, for agricultural products to maintain national food production. In particular he helped us hammer out section 5 of the bill which assures the availability of natural gas for agricultural users.

MESSAGE FROM THE PRESIDENT

A message from the President of the United States was communicated to the Senate by Mr. Marks, one of his secretaries.

EMERGENCY PETROLEUM ALLOCATION EXTENSION ACT OF 1975—VETO MESSAGE FROM THE PRESIDENT—(S. DOC. NO. 94-102)

The Presiding Officer (Mr. HANSEN) laid before the Senate the following message from the President of the United States:

To the Senate of the United States

I am today vetoing S. 1849, which would extend price controls on domestic oil another six months. I am taking this action because:

1. An extension of price controls would increase our dangerous and growing dependence on imported oil.
2. It would increase the export of jobs and dollars from our economy.
3. It would jeopardize our future economic stability and national security.
4. It would retard conservation of energy.
5. It would postpone the badly needed development and production of new domestic energy.
6. It would negate the possibility of long-range compromise on this problem because of expected Congressional reluctance to tackle the issue of higher oil prices in an election year.

Since 1971, America's bill for imported oil has climbed from just over $3 billion annually to $25 billion today—a 700% increase. This $25 billion could provide more than one million jobs for Americans here at home. We cannot delay longer.

Last January in my State of the Union Message, I proposed to the Congress a comprehensive energy program to make the United States independent of foreign oil by 1985.

The need for such a program grows with each passing day. Right now, the United States is dependent on foreign oil for almost 40 percent of its current needs. If we do not act quickly to reverse this trend, within 10 years, we will import more than half of the oil we need at whatever price is demanded by foreign producers who can cut off our supply any time they want to.

The more foreign oil we import, the more dollars and the more jobs we lose from our economy. And as American jobs and dollars flow out of the country, so does our economic and national security.

The 1973 embargo cost us more than $15 billion in Gross National Product and threw hundreds of thousands of persons out of work. It dramatically showed our vulnerability. Another disruption would be even more costly in dollars and jobs—and could throw us into a new recession.

The detailed legislative program I sent to the Congress last winter involved tough measures to put us immediately on the road to energy independence. It would have conserved the energy we now have and accelerated development and production of more energy here at home.

Because this program would have increased energy prices somewhat until new domestic supplies were developed, I also proposed tax legislation to prevent undue profit-taking by oil companies and to return energy tax dollars to American consumers to offset the slightly higher prices they would pay.

Since I could not gamble with our Nation's security while waiting for the Congress to act on my comprehensive program, I raised the import fees on each barrel of foreign crude oil in February as an interim measure to reduce imports.

The Congress still has not acted. Throughout these months, I have compromised again and again and again to accommodate Congressional requests.

I delayed putting the second dollar fee on imported oil for 90 days, finally imposing it June 1. I delayed the third dollar indefinitely. Still, the country has seen no Congressional action.

In my State of the Union message last January, I announced a decision to remove the ceiling on price-controlled domestic oil April 1, permitting it to rise from $5.25 per barrel to the free market price. This action would have immediately stimulated production and development of needed additional energy supplies and also encouraged conservation. At the request of Congressional leaders, I postponed such action to give them time to work out a different solution.

After nearly six months without Congressional passage of a decontrol bill or any other positive legislation, I proposed in early July a compromise 30-month phased oil decontrol plan. This program represented an effort to meet the concerns raised by many members of Congress and showed the Administration's willingness to compromise. The House of Representatives rejected this plan.

I made another effort to reach a solution before the August Congressional recess by submitting another decontrol plan, which would have gradually phased out price controls over a 39-month period and put a price ceiling on all domestic oil.

I believe this decontrol plan went more than halfway to meet concerns raised by the Congress. Although it would achieve energy objectives more slowly than warranted, I offered it in the spirit of compromise, because action was desperately needed.

Instead, the House also rejected this compromise attempt and Congress passed this bill which would simply extend the pricing and allocation authorities for another six months. This proposed action would only ensure the continued growth of our dependence on foreign oil.

I cannot approve six more months of delay—delay which would cost needed jobs and dollars and compound our energy and economic problems.

From my experience in the Congress, I am well aware that it will be easier to pass the tough legislation needed to begin solving the energy problem this year rather than during the 1976 election year. The six-month price control extension contained in the bill I am vetoing would postpone possible action until at least the Spring of 1976 and in all likelihood would mean an indefinite delay in our efforts to begin solving this problem.

Despite last minute attempts made in good faith by the Democratic and Republican leadership, their effort to achieve a compromise in the Congress has failed. It is clear that too many Members of the Congress have not come to grips with the decontrol issue—much less the overall energy problem.

We must have a national energy program before we have a national energy emergency. Our time to act instead of react grows shorter with each day and with each delay.

Without price controls on domestic oil, we can reduce dependence upon imported oil by reducing domestic consumption by more than 700,000 barrels per day within two years. We can reduce dependence in the long run by increasing domestic production by nearly one and one-half million barrels per day by 1985. By continuing controls, imports will increase because of a lack of incentives to spur domestic production and the energy problem will get worse and worse.

If my veto is sustained, I still will accept a 45-day extension of price controls to provide time to work with the Congressional leaders who have assured me that they will seek an acceptable compromise during this period. If this further compromise fails, however, I will take the following actions to ensure an orderly transition from Government controls to the free market:

—I will remove the previously imposed $2 per barrel import fees on crude oil and a 60 cents fee on petroleum products.

—I will again press the Congress to enact a windfall profits tax with plow back provisions and to return the money collected to the American consumer.

—I will propose legislation to provide a gradual transition from price controls for small and independent refiners.

—I will propose legislation to provide authority to allocate liquified petroleum gases, such as propane, to supply these important fuels at reasonable prices to farmers, rural households and curtailed natural gas users.

—I will seek authority to provide retail service station dealers legal remedies to protect their interests against unwarranted actions by the major oil companies.

Since January, I have gone more than halfway in order to reach a responsible compromise. Obviously, we have talked and delayed long enough. We must act now to protect not only ourselves, but future generations of Americans. I urge Members of the Senate and the House to sustain my veto and get on with the job of meeting this problem head-on.

The continued failure of Members of the Congress to enact a National Energy Program puts us increasingly at the mercy of foreign oil producers and will certainly result in Americans paying substantially higher prices for their fuel.

GERALD R. FORD.

THE WHITE HOUSE, *September 9, 1975.*

THE PRESIDENT'S VETO OF THE EMERGENCY PETROLEUM ALLOCATION ACT OF 1972

Mr. HOLLINGS. Mr. President, I shall speak now of the veto by the President of the Emergency Petroleum Allocation Extension Act, the override of which will be voted upon by the Senate at 3 o'clock tomorrow.

I do not think there is sufficient time tomorrow—11 a.m. to 3 p.m., a 4-hour period—to debate something so important as this vote. Frankly, I think that our distinguished President has outmaneuvered us in bringing the debate off the Senate floor and into the White House. Every headline says that the President has conferred, that he has a new group there every day. He has been doing it for 5 days, and he has talked to them. Everybody comes out talking about a compromise. There has been no compromise. There has been total insistence. "Compromise" is misleading. The issue has been so obfuscated before the country that it is hard to get our eye back on the target.

The exchange between the distinguished Senator from Arizona (Mr. FANNIN) and the distinguished Senator from Illinois brings the matter into focus, and I believe we should discuss it for a little while.

For one thing, we sent to the President of the United States S. 1849, the Emergency Petroleum Allocation Act of 1972. One of the assistants has handed me a newspaper ad that says that America ought to get mad. I am trying to get friendly, because I am trying to persuade people right now. I probably will be mad by tomorrow morning or tomorrow afternoon, just before 3 o'clock, if things continue as they have.

The Emergency Petroleum Allocation Act was hammered out in a very good conference of House Members and Senators. It has been continued for various 6-month periods because, generally speaking, the conditions and circumstances with respect to the OPEC monopolistic cartel and the controls over which we have no control persist.

I note that the distinguished Senator from Arizona, with unanimous agreement of the conferees, signed this conference report, as did the distinguished occupant of the Chair, the Senator from Wyoming (Mr. HANSEN). I refer to the wisdom with which this bill was enacted, specifically with reference to the flexibility provided therein to the President of the United States, so that the President would be able to implement a mandatory allocation program, and so that emphasis should be given to the matter of inflation, with which that particular group of distinguished conferees was concerned.

I would say that the rate of inflation is even greater, in September of 1975, than it was in November of 1973, when the conferees were worried about inflation, when they were worried about allocations, when they were worried about the OPEC cartel.

This report was signed by these Senators I have just referred to plus the Senators from Washington (Mr. MAGNUSON and Mr. JACKSON) the then Senator from Nevada, Senator Bible; the Senator from Idaho (Mr. CHURCH); the Senator from Montana (Mr. METCALF); the Senator from Oregon (Mr. HATFIELD) and the then Senator from Kentucky, Mr. Cook.

Since I have the ears of these two gentlemen, I want to talk a little with them to see if I cannot change at least the vote of the Senator from Arizona. Because unless he can show me that circumstances have changed, this is what the gentleman said in this conference report in November 1973:

> Initially, it should be said that the conferees are in unanimous agreement that, due to various factors, the self-regulatory laws of supply and demand are not currently operating in the petroleum market.

Did you hear that exchange a moment ago with the Senator from Illinois?

Mr. FANNIN. Will the Senator give the date of the report he is referring to?

Mr. HOLLINGS. The date of this report is November 10, 1973.

Mr. FANNIN. I rest my case.

Mr. HOLLINGS. That was November 10. I want to find out whether those particular deleterious circumstances or occasions have not become only exacerbated since November 1973. The inflation is exacerbated. The OPEC cartel is exacerbated. We have had a $2 excise tax illegally imposed. There are more people unemployed now than we had in November 1973. The problems have compounded.

When they were talking a minute ago, the gentlemen went on to say he was a head of a corporation. One thing he could tell us as head of that corporation is how they really would regard the national interest and how they would look and hold back on price increases. That is not what is in this report, and I quote from the report:

> In the face of the present shortage, large integrated oil companies understandably protect their own interests first. As shortages deepen, and all figures and analyses available seem to indicate that they will, it is unreasonable——

Mr. President, this is what the Senator from Arizona and the Senator from Wyoming said——

> it is unreasonable to expect businessmen to share their limited supplies with their competitors. Indeed, some have argued that it may be inconsistent with their obligations to shareholders to do so.

The same applies to prices. These corporations, I am sure, are not eleemosynary or charitable institutions. Certainly they are not pro bono publico. We can understand that report language. But now that controls are coming off, we find that businessmen are all pro bono publico; they are all going to work, get along, and there will be no price increases or any other deleterious results.

Mr. President, obviously, circumstances have not changed except to worsen—except to worsen. What was passed and found as a workable measure, what was employed by President Richard Nixon after he signed it into law in December of 1973 to raise old oil is now called unworkable. If the media would only report the whole story. It is a mystery why they do not. Some time, some day, the people are going to have to find the truth.

The present law, with all the flexibility written in by the wisdom of the Senators from Arizona and Wyoming, and voted on with approval of the Senator from South Carolina and others, grants the President the authority to raise the price on old oil unilaterally.

Using this same authority, President Nixon raised old oil prices from $4.25 to the present $5.25. All he had to do was justify the action under the provisions of this law, Public Law 93–159, which says that "The President or his delegate may amend such regulation so long as such regulation, as amended, meets the requirement of this section." He can exempt from the requirements of paragraph 2, such oil or products as he chooses. He can go right into a 39-month, 34-month, a 41-month period, or decontrol it immediately. However, his own anti-inflation program prevents this action at the present time because he cannot comply with his own executive order, No. 11821.

This order was issued by the President last fall, because of his concern over inflation. It provides—

This order was issued by the President last fall, November 27, 1974, because of his concern over inflation. It provides that any Executive order, amendment, directive, or statement has to include what we would call an economic impact statement covering the impact on consumers, the effect on competition, the effect on supplies, in general, the effect on inflation. Not being able to justify this increase, the President of the United States, in his veto, says to Congress, "You justify it. You come back in 45 days with a compromise." And that compromise obviously would have us endorsing the phaseout principle. This is Mickey Mouse kind of government, replete with confusion about his trying to compromise and veto, veto. Do you remember in January when he came and said he was going to decontrol everything and put on his excise tax? He has been talking from January to September about compromise and all I have seen is vetoes. All I have seen is vetoes. And everybody knows, with oil-State Senators and oil-State Representatives joining together with the administration, that we cannot override these vetoes. The only legislation we have enacted was oil depletion repeal and we really got that by because he had to sign the tax credits and the tax rebates.

When we have another of those "must" bills, we are going to pass an energy bill that way, if that is our only choice and chance to get it through Congress.

Mr. President, going back to the basic issue, the circumstances have not changed. No. 1, since October 1973, we have been engaged in an economic war. The OPEC cartel and the Arab bloc in the Middle East, after the Yom Kippur war, declared economic war upon the oil consumers of the Western World and Japan as well. Most particularly, they referred to the United States. They said, in essence, "Old oil has only cost us 10 cents a barrel to produce and ship, and while we are getting 20 times that amount"—or $2 a barrel at the world price—"we are going to, ipso facto, raise that price without regard to supply and demand, arbitrarily, as a cartel." At that time they raised it to $10.20.

Since then it has gradually risen to $13.50 which now is the world market price.

But since 1973, we have been engaged in that economic war—and at first, President Ford was on our side in that war.

If you remember at that particular time there was a leftover energy czar. There have been dozens of czars around, some left in, some under and this one was left over. Mr. Sawhill came out with the idea of increasing gasoline prices in order to deter consumption, in order to discourage reliance upon foreign imports.

Mr. Sawhill said we ought to raise the gasoline tax. To get the price of a gallon of gas up in this war, that that was the approach to use. Putting this into perspective, at the same time we were having economic summit meetings and the main theme from the administration was that inflation was enemy No. 1, and that we already had too much inflation due to the unsupportable, arbitrary, high prices of international oil as caused by this OPEC cartel.

President Ford who at that time—September and October—came to Anderson, and Rock Hill, and Greenville, S.C., campaigning for candidates, reiterated the same feeling.

So when Mr. Sawhill came up with the recommendation of high price, he was not around town 30 more days.

In October the President reiterated these stands in many talks.

You know, they all wondered about that vote in the early part of the year by the Ways and Means Committee. All those House Members last year were running on the same program against inflation. That is why they did not want to increase the prices of gasoline. We have been against this enemy, inflation, since the word go, since at least October 1973, when the Arab cartel struck.

Mr. President, the Business Advisory Council on the 11th day of December, was told by the President that the reason for the impending unemployment, which was just beginning to be discerned for the first time, was due to the high prices of oil, the result of the OPEC cartel.

President Ford, the country, and Congress were hand-in-hand down the road in battle against the OPEC cartel. They were the cause of inflation, hence they were the enemy.

Then on December 31 of last year the President vetoed the cargo preference bill. In the Commerce Committee we had had various indications from hearings and other information that the United States was in jeopardy with respect to the importation of oil products. That could have put up the prices inordinately high, but even paying those prices we might not even be able to get delivery, because less than 6 percent of the oil delivered into the United States came in American bottoms.

So by a strong vote in the House and Senate we sent this bill to the President saying that 30 percent of the oil imported into the United States should come in American bottoms so that in a national emergency we would have this carriage capability. President Ford said, "I veto this bill, because it is highly inflationary."

It would have added—and it is generally agreed by everyone with respect to that particular measure, never disputed although we have used it in our debate many times—that it would have added 12 cents a barrel onto the cost of oil. It would have increased it 12 cents a barrel.

Then Secretary of State Henry Kissinger discussed the question with the President and we started just exactly what the Senator from Virginia and the distinguished Senators from Mississippi and others discussing here today, the Middle East war all over again. The Secretary of State forgot the economic war and got back into the Middle East war, and he says, "Now, the way to solve that is to join them."

By late January, the special message came to the Joint Assembly of the House and Senate, and the President of the United States came out for decontrol and a $3 per barrel excise tax. What was highly inflationary on December 21, 30 days later was suddenly highly desirable.

The rest is history. Of course, Congress was caught off base. The President was, too, as you remember, because he got on his plane and started touring all over the country with those exotic dishes in Atlanta, Houston, and Kansas City.

Then, late in February, we took a vote and we still voted the President down on this particular score by resolution disapproving the tariff. The President vetoed that, and we were never able to summon enough strength to override that veto, and we have been into the veto contest ever since, always with the media saying the same thing—"What has the Congress done?"

Later in my remarks I am going to review the 19 bills and resolutions we have voted on and passed in Congress since that January. The point is when we, the Congress, act it is not action; when the President acts it is action.

We took a different action. We took a different action with respect to that excise tax which has now been found by the court to be illegal. But we did take action.

But let us return to the OPEC cartel and the economic war. In July of this year, a column appeared in the New York Times by William V. Shannon entitled, "President of Oil."

I ask unanimous consent that the article in its entirety be included at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PRESIDENT OF OIL

(By William V. Shannon)

WASHINGTON, July 19.—The oil problem is essentially political in nature and can only be overcome by the power of Government. But the United States has been unable to cope with the problem because the Nixon and Ford Administrations insist upon treating it as an economic issue that can be resolved by the natural play of market forces.

Because of the sudden, huge increase in the price of oil, the inflation and the recession were both made much worse than they would otherwise have been. As long as President Ford persists in his mistaken policies, the United States will continue to suffer severe economic damage in lost jobs and depreciated currency.

Mr. Ford follows the judgment of the major international oil companies on oil problems in the same way that he amiably heeds the advice of other big businesses on the problems that interest them. This is partly because, like Mr. Nixon before him, he is heavily dependent on the oil industry as part of his political base. He is also a stolid believer in the business ideology of rugged individualism, free markets and price competition—virtues that exist more clearly in his mind than they do in the practices of the international oil industry.

But, basically, Mr. Ford plods ahead with his disastrous policies because he does not know any better. No one who knew Gerald Ford and his dreary, negative record during a quarter-century in the House of Representatives would ever have chosen him to lead the nation in meeting a complex and unprecendented situation.

There are many men in both parties in Congress who much better understand the real nature of the oil problem. But because the solutions require sacrifice, it is almost insuperably difficult to put together a two-thirds majority in support of legislation.

The fundamental fact is that there is no oil shortage and no energy crisis. Rather, there is a political crisis. The oil-exporting countries have become cohesive enough to blackmail the wealthy industrial countries by raising the price of oil to an extortionate level, keeping it there, and threatening to raise it still higher.

In this crisis, no one is defending the interests of American consumers. Although five of the seven major international oil companies are American-owned, their interests and the nation's interests are not identical.

With the world market now glutted with oil, these American companies help the Arab countries allocate and rationalize the cutbacks in production that are necessary to keep prices from falling. As business partners of the Arabs in the Middle East and as producers of oil in the United States, these companies have no incentive to keep the price of oil down. On the contrary, they are the propaganda and political protagonists inside this country for the cartel.

President Ford is now urging Congress to abolish the price ceiling of $5.25 a barrel on oil from wells that were producing before 1973. This so-called "old oil" provides 40 per cent of U.S. supplies. The rest of native oil is selling at the world cartel price of about $13 a barrel.

Since companies produce both old and new oil, they are getting an average price for their total output of roughly $7.50 a barrel. This is triple the price of only two years ago. Yet the companies have the audacity to say that they need to get the extortionate world price for all their oil if they are going to have any "incentive" to search for and produce additional oil in this country.

The United States ought to have the political will and toughness to refuse to be blackmailed. It should stabilize the price of domestic oil, old and new, at $7.50 a barrel as provided in a bill sponsored by Representative John Dingell, Michigan Democrat. It should then make a concerted effort to break the world cartel price.

The Arab countries supplied only 1.3 million barrels of oil a day to this country in the first quarter of this year, less than 8 per cent of total U.S. oil requirements. By conservation, the U.S. could promptly reduce oil consumption by that amount. A sustained cutback of this magnitude would be a significant political signal to the cartel.

> Gasoline consumption could be limited by law to the present level of consumption. As the economy recovered and as Detroit produced more fuel-efficient cars, gasoline consumption could gradually be reduced from present levels by steeply rising gasoline taxes.
>
> The United States could adopt a much firmer policy toward Saudi Arabia and Iran than merely getting some of its depreciated dollars back by selling them military equipment and petrochemical plants. They should both be treated the way one treats any blackmailer.
>
> As the world's strongest economic power and greatest single user of petroleum, the United States could face down the cartel and win. But not as long as its President espouses the policies of the American division of the world oil cartel.

Mr. HOLLINGS. I will quote from the article.

> The United States ought to have the political will and toughness to refuse to be blackmailed. It should stabilize the price of domestic oil, old and new, at $7.50 a barrel as provided in a bill sponsored by Representative John Dingell, Michigan Democrat. It should then make a concerted effort to break the world cartel price.
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>
> Gasoline consumption could be limited by law to the present level of consumption.

I divert just a second from the quotation to add this is what we have been doing: Conservation, automobile fuel economy bills; take the use of natural gas out from boiler fuel use; building insulation bills, and so forth. This has been the congressional approach of action:

> As the economy recovered and as Detroit produced more fuel-efficient cars, gasoline consumption could gradually be reduced from present levels by steeply rising gasoline taxes.
>
> The United States could adopt a much firmer policy toward Saudi Arabia and Iran than merely getting some of its depreciated dollars back by selling them military equipment and petrochemical plants. They should both be treated the way one treats any blackmailer.

That is what we are into. We have a priority in the Mideast war of seeing that Israel is sustained as a free country, but a priority before that is seeing that the United States is sustained as a free economic unit.

We are in an economic war and we better put first things first and keep our eye on the target—our own well-being.

Finally, and I quote from the Shannon article:

> As the world's strongest economic power and greatest single user of petroleum, the United States could face down the cartel and win. But not as long as its President espouses the policies of the American division of the world oil cartel.

That is what we have got from the President of the United States.

It was Harry Truman who said that the American people have only one lobbyist—President of the United States. Our Chief Executive, rather than lobbying for the economic good, is lobbying for the American division of the world oil cartel, lobbying for the other side in an economic war.

Let us be specific, the President has extended the image of being against inflation. In fact, he has vetoed, amongst many vetos, five bills that we can refer to: The farm bill, the emergency jobs bill, emergency housing bill, the education appropriation bill, and the health services bill.

We have got to give the President credit. Generally speaking, he has been on our side and he has been concerned, to some extent, about inflation, but it is only the way he approaches this particular problem. We have got to get people back to work. Despite this deficit we talk about and the excessive Government spending, he does not recommend doing away with unemployment compensation which costs us $20 billion.

In order to turn the economy around, he signed into law $32 billion in tax rebates and deferrals. Since these measures are vital, but cost money we have been generally at the same level of Federal spending even with the $60 to $69 billion deficit.

But then instead of continuing to turn the economy around, he vetoes these progressive measures. First, on May 1 he vetoes the $1.86 billion farm bill—let us give him credit and say he would have saved $1.8 billion from the farm bill. In his message he said that any spending programs could easily raise the Federal deficit to an intolerable level, and that we must hold the budget line if we are all to enjoy the benefits of a prosperous, stable, noninflationary economy.

On May 28, the President vetoed the emergency jobs bill, saying it "would run the risk of contributing to a new round of inflation later on." That is $3 billion.

On June 24, the President vetoed the emergency housing bill and said:

> It would require substantial Government outlays in future years when the economy may be operating at full capacity with inflationary forces at or approaching their peaks.

That saved $5.07 billion.

On June 25, the President vetoed the $7.48 billion Education Appropriations Act, and I think that veto was overridden on the House side today. Quoting from the veto message:

> Too much to ask the taxpayers and our economy to bear.

On June 26, the President vetoed the health services bill, a $300 million authorization, and I quote again from his veto message, the President said:

> It would lock us into a permanent policy of excessive spending and make the Federal budget a primary cause of inflation for years to come.

Now, Mr. President, let us add that up and see where we are. We add up $1.8 billion, $3 billion, $5.07 billion, $7.48 billion, $0.03 billion for a total of $17.38 billion.

The President has a lot of publicity and a lot of mileage out of that, rightly or wrongly, and that question should be determined in a different debate.

But let us assume that is what he really meant, he wanted to save us from inflation.

Then why did he come with a veto at 2 o'clock this afternoon, and give us $40 billion worth of inflation?

The Library of Congress survey has been before the Senate. It was in the record when we debated the matter of windfall profits tax in July and early August.

They have all been able to try to attack it, but the figures are all listed there. There is no question.

I am talking about the year 1976, decontrolled oil is going up $16.3 billion.

Intrastate natural gas, Mr. President—it is intrastate—$3.9 billion.

Coal will go up $3.6 billion and natural gas liquids $2.9 billion for a direct increase of $26.7 billion and with the 50 percent ripple effect, or $13.3 billion we have a $40 billion price tag. I would also note that the Library has found a real ripple effect of 90 percent has been operating in our economy.

And we are there, we are in an economic war.

One says, "Well, Senator, you have referred to the President a lot, what about Congress and congressional spending?"

Let me hasten to add that as Pogo, we met the enemy, and it is us, to an extent. I think we have gone a long way now to correct this with the Budget Committee. But if we take figures in our minds, everybody is Bicentennial all around this country, from the beginning of the Republic up until 1962, 181 years, it took us to get to the $100 billion budget.

It took us only 9 short years from 1962 to 1971 to get to that $200 billion level.

I hope Mr. Roy Ash is listening. He used to always say 5 or 4 years, to try to get himself out and not be associated with it, writing articles for the Wall Street Journal. But it took us only 3½ years, and I was a Member of the Senate at that particular time and President Nixon was in, to get to that $300 billion budget and it took us less than a year to jump to $365 billion, or a billion dollars a day, under President Ford.

Now, we had, on the congressional side, to begin to take hold of ourselves. It was all disconnected, uncoordinated, no oversight, and no responsibility, and that, again, is another debate.

The point is, we have on our desk a weekly report, the Senate Budget Scorekeeping Report, week to week, by our own Budget Committee, and we voted down the military procurement bill because it was not within the budget, we voted down the school lunch program and sent it back because it was not within the budget, and the Congress is doing its very level best now to confront that enemy, inflation. But the President joins the enemy.

Now, we put in $100 billion in the last year and a half or 2 years—let us put it in general terms. What has been the impact in the last 2 years by the OPEC cartel which the President wants us to join in his veto?

Since October 1973, there has been another study by the Library of Congress to the effect there has already been a $96.5 billion impact, $96.5 billion blow to the American economy, with the cost of an additional 3.5 million men and women unemployed, an unemployment rate of 3.8 percent higher than would have been the case without the price rise and a price rise itself of 6.7 percent.

The Senator from Illinois (Mr. Percy) referred to the businessmen and what they would do in his years of experience in business. The Senator from Arizona and the Senator from Wyoming (Mr. Hansen), the distinguished occupant of the chair, and other Senators, Democrat and Republican, had this to say when we passed the matter of the Emergency Petroleum Allocation Act. I read from their unanimous wording:

> In the face of the present shortage, large integrated oil companies understandably protect their own interests.

I am asking the Senator from Illinois about this:

> As shortages deepen, and all studies indicate that they will, it is unreasonable——

And the Senator from Illinois has a different experience with businessmen:

> Unreasonable to expect businessmen to share their limited supplies with their competition. Indeed, some have argued that it would be inconsistent with their obligations to shareholders to do so.
>
> Accordingly, this legislation requires a mandatory allocation program.

That is what we had signed into law. The Senator from Illinois and I voted for it. President Nixon signed it into law. We had some extensions. What has changed, other than the conditions of unemployment worsening from November 1973? And inflation is worsening, the consumer price index is worsening. All of these economic and business indicators say now we have about an 8 or 9 percent unemployment. Last month inflation jumped to 15 percent.

They should strengthen the bill rather than veto it. We should override the President and make sure we have at least this which has worked well. The only thing I could get out of Frank Zarb, I will say to the distinguished Senator, is he says it is a two-tier system.

That might be a little bit of an administrative hiatus. They have many administrative hiatuses. But I will say what is worse than coming in with decontrol is all the $40 billion worth of inflation and trying to put in a complicated excess profits tax, trying to administer the excess profits tax and getting completely out of hand. We cannot take it away once the inflationary factors come into the business market.

As between the two, assuming it is a problem with the two-tiered system, at least the independents are there and not being squeezed out now. They will be if the President prevails. Read the Oil News for August 18. It stated that Sun Oil Co. will do away with the jobber, that they will sell franchises directly to the filling station operator.

Do you know who is joining us in this fight to continue this very good piece of legislation? We passed it in the Senate by 62 to 29 and the House by 303 to 117. Do you know who is joining us? That little filling station operator who deals directly. They are not going to bite the hand that feeds them. That oil jobber has been building up the market for the big interests running up to the North Sea. Everybody has been invited to go to the North Sea, but I hope we can get everybody back from the North Sea.

These are the people who are joining us now, because they see they have taken the decontrol to put them out of business and they will never be the same. Obviously, I think one of the worst things that can possibly happen is for us to sustain the President's veto.

Mr. PERCY. I am very happy to respond to my distinguished colleague. I know the depth of his feelings. These are not absolute matters that any one of us can prove, but we have inclinations.

I have seen agriculture operate under controls for some 40 years. There are probably 120 crops, always the sickest. There are the six or seven crops we try to control. We never hear about soybeans or a lot of other crops that were always in the free market. Some years they would be high and some years they would be low. But it was always corn, wheat, cotton, and tobacco which seemed to be in trouble. They were the ones we were propping up with artificial controls. When we went into price and wage controls in Phase I I do think it was successful. I was for it then. I thought it was a bold, imaginative move. But I evidenced skepticism in the chamber as to whether or not we had enough computers in Washington and enough bureaucrats down here to be wiser than the marketplace over a period of time. Over a period of time that proved true. The inequities, the injustice, caused the consumer to end up behind the eight ball in phases II, III, and IV, which turned out to be failures.

Mr. HOLLINGS. When the Senator says marketplace, does he mean free marketplace?

Mr. PERCY. I think there is no substitute for the free market.

Mr. HOLLINGS. Does the Senator contend it is a free marketplace with the OPEC cartel?

Mr. PERCY. No, I would not say that is a free market. But I want to say this: I want to make very certain we are doing everything we conceivably can to wean ourselves away from dependence on them, to stimulate our exploration and development in this country.

I have taken a firm position against overnight, immediate decontrol. I said in a speech I gave in the Chamber today that I prefer decontrol over a period of 3 to 5 years. I have urged the oil companies to face up to this situation, to work out a compromise that will be equitable, and which will develop a national policy that we can all agree on. They should have restraint and they should exercise restraint. They should recognize that the wrath of the Congress and the wrath of the American people will be brought upon them if they suddenly and precipitately take advantage of this. I do not think they will.

I must say this to my distinguished colleague: I believe so deeply that we have underpriced petroleum products for so long, that they have been relatively so cheap, that I introduced legislation that would have placed a 30-cent tax on gasoline in order to boost the price up so that relatively speaking we can afford mass transit, we can afford other alternates, and the development of other forms of energy.

I also did that, taking into account that we are running a huge $70 billion deficit this year. One of the quickest and easiest ways to raise needed revenues is a per-gallon tax on gasoline, which is $1 billion for every penny, exempting 500 gallons for every driver so that no one is put at a hardship who needs it for essential driving. But after that, if they want to drive, then they will pay a higher tax to do so.

The Senator from Illinois also suggested a tax up to $1,000 on the gasoline guzzling dinosaurs who consume gasoline inefficiently and ineffectively.

So the Senator from Illinois has tried to be consistent. I did not want to be put into this position of having to vote on this. I had hoped a compromise could be worked out.

Senator Mansfield came out of the White House saying the President had been conciliatory and reasonable, that he felt a compromise could be worked out. I was particularly elated.

It appears as though the compromise is not possible unless the Democrats have it put right to them, with the power of the veto, which I intend to vote to sustain. I think it will be sustained. I think when we are faced with that situation, we will then have to get down to business.

Certainly, the Senator from South Carolina is one of the first to know that we have been arguing and debating about this for many, many months. The crisis has been with us since October 1973 when we had an oil embargo placed on this country. To this day we have not worked out a policy that would conserve energy on any mandatory basis. It is mainly voluntary.

The Senator knows that is really trying to appeal to human nature when you are just appealing to people who are really not convinced that there is a crisis and they are not willing to make the sacrifice unless the Congress is willing to bite the bullet.

Mr. HOLLINGS. Mr. President, I ask my distinguished friend from Illinois to hear me out just 1 minute. Because as of this minute, we have an energy problem, but we do not have an energy crisis. It is the President's action that makes it a crisis.

You can go down and buy gas; you can start up your industries; there are no long lines now, other than what has already been caused by the $96.5 billion impact of OPEC. But before I get to OPEC and the gradual decontrol, which the present law provides for, I want the Senator to criticize this, as a business leader.

I want the Senator from Illinois to let me assume, for a moment, that I am chairman of the board. I want to show him why his 30 cents a gallon gasoline tax cannot work. Or the Senator may disagree with me, and perhaps he can convince me.

Let me assume, now, that we have the Standard Oil Co. of South Carolina, and I am chairman of the board, and all those within hearing of my voice are the board of directors. I get you all into the room, and I say:

> Now we are not, as the Senator from Arizona and the Senator from Wyoming found in November of 1973, we are not pro bono publico. We are not an eleemosynary corporation. We are in this for profit, and

we have to protect our shareholders. That is our responsibility.

We have a finite supply. We are in the oil business, and all the surveys, geological and otherwise, say we have only 30 years. I am chairman of the board. We did not organize this business to go out of business in 30 years. I am chairman of the board, talking to the board of directors. I say the best we can do is make every effort to withhold our domestic supply, be very cautious that it does not become depleted first, and mainly fill our orders with foreign oil.

Oh, yes, one fundamental point. Foreign oil costs more, but we get more for it. It is not costing us any money; we are paying for it and making a profit. We are not losing on foreign oil.

In addition to protecting our supplies, we ought to take our profits and go overseas to Indonesia, Nigeria, and Venezuela, and develop new sources of supply. That is good business judgment. We ought to go into the new markets, if we can, in the newly industrialized areas, as the fourth world becomes the third world, and then the second world, get into those new markets and compete.

But above all else, let us not kill the goose that laid the golden egg. Let us not break the OPEC cartel. That might be the policy of the United States of America, but it is not the policy of Standard Oil of South Carolina. We never had it so good.

The Alaska pipeline and fields were developed, over the life of the field, on $4 a barrel, while the supply lasts. That North Sea oil that they are flying everyone up to look at was developed at $3.75 a barrel. We are getting $13.50. As long as we do not have that free market, as long as we have that OPEC arbitrary foreign cartel, as long as we have got the Arab Congress controlling this thing, let us make sure we do away with the United States Congress control. Let us run all around with these speakers, to the Chambers of Commerce, the business clubs in Chicago and everywhere else, and holler "Free enterprise, out with controls, deregulation; I know from my experience as a businessman that making every commodity subject to the free market forces is always the best, a free market rather than politicians trying to mess into it."

So what we are going to do is talk one way, as they used to say in the Farm Administration, but that is not what we are going to do. We are going along with OPEC. We are going to give Kissinger the free enterprise award, because he is on their side. We are going to re-elect the President, and if we can beat that bunch of bums in Congress we have it made, because we have never seen so many profits.

I am chairman of the board, and the Senator from Illinois is my director. I want him to criticize that.

Mr. PERCY. I think the Senator from South Carolina, as a former Governor of his State, would make a very good chairman of the board. I think he has made a very good case, looking to the interests of his stockholders, his employees, his customers, and his friends. But if I were chairman of the board——

Mr. HOLLINGS. Is that not why they are 500,000 barrels behind in domestic refinery production, despite the fact that all new oil has been decontrolled, and they have knocked all the rest of your industries off the Fortune 500 first list? Is that not why domestic production is down 500,000 barrels and imports are up 500,000 barrels?

Mr. PERCY. If I could go through a little bit of legislative history, to what we did on the Subcommittee on Multinational Corporations of the Committee on Foreign Relations, on which I serve, revealed that the oil companies were paying virtually no Federal income taxes, and had not for more than 20 years.

It so happened that the State Department, the Treasury, and the oil companies worked out a deal with the Arab countries 20 some years ago that, instead of giving them foreign aid, what they did was classify royalties as taxes. The countries imposed a tax on the revenue of the oil companies, and we gave a dollar-for-dollar credit. That gave them a credit against the U.S. taxes, and they were not paying any taxes. It was perfectly legal, but any company would like to have that deal. We took the charts up and revealed it, and obviously, as the Senator knows, we have worked to eliminate that, because that gave them all this incentive to drill abroad and not try to drill at home. So we have removed that incentive.

Now, what are you doing as chairman of the board of the Standard Oil Co. of South Carolina? You are sitting there looking at the bottle on the shelf which is your reserve, and suddenly the U.S. Geological Survey comes in with a report and says, "Wait a minute, we thought we had undiscovered reserves that would last us anywhere from 24 to 60 years in this country, if we were solely dependent on our domestic supply; but we have just discovered something. We do not have that much. The bottle is only a third full."

Mr. HOLLINGS. Right.

Mr. PERCY. If we were only to rely on our domestic sources, we would be out in between 8 and 20 years, at the present rate of consumption.

What should that say to us? To pass some very strict, tough conservation program, that is fair to everyone, but that says to everyone in this country, "We are depleting a resource."

What would you do as chairman of the board of this company? Rawleigh Warner, the chairman of the board of Mobil Oil, was in here yesterday for lunch with some of us. What have they done?

Well, they explored, they developed, but they also bought Montgomery Ward and Container Corp., Chicago companies. They are looking to the future, when the bottle may be one-tenth full, and they are diversifying their interests, and also diversifying them because the oil companies have become the whipping boys of Congress, and as long as they are being whipped and publicly flogged as hard as they are, they do not intend to stay just in that business.

So we have some of the attention and some of the effort, but our rhetoric, we might say, went away from the oil business and exploration into other things.

Also, by the creation of ERDA—the Senator from Maine (Mr. Muskie) contributed immensely to the creation of ERDA—we have created an Energy Research and Development Administration which is setting out to develop whole new sources of energy, pouring money into coal, coal gasification, solar energy, and all the new forms of energy, including nuclear energy, to make us less dependent on oil.

So what would you do, if you were chairman of the board and saw all this emphasis to get us away from petroleum and fossil fuels, depleting the reserves?

You would be acting in the interests of your shareholders, and I think the general public as well, by moving in a number of different directions.

What we want to do is develop the resources. We want the American people to cut down and conserve; and possibly if the price does edge up for some of these petroleum products, it is probably in our best interests, because when you go out digging deeper for coal and developing new resources, you are getting this country less dependent on the kind of boycott, embargo, and you might say blackmail in foreign policy that we have been subjected to.

If we do not think a crisis exists in the face of all those things, I do not know what exists.

Mr. HOLLINGS. Mr. President, I say to the Senator from Illinois——

Mr. PERCY. I thank the Senator for the opportunity to express my views, which I had no intention of doing.

Mr. HOLLINGS. The Senator from Illinois has just talked about blackmail, which I discussed at length, in the OPEC cartel. I put in the Record Bill Shannon's articles in the New York Times, which I am sure the Senator read, outlining this in detail.

The Senator talked as chairman of the board, again of the depleted resource, which I agree with and which I had stated. Now the Senator says that in order to be able to compete they have to go into Montgomery Wards and Container Corp., and that is an understandable, good business decision.

What assures the Senator from Illinois, as a U.S. Senator, that when we go to decontrol and we give all of these high prices and profits that they are not going to buy more Montgomery Wards and Container Corporations? Does the Senator think they are going out and use it all to develop domestic resources when there are only a 30-year supply left?

Mr. PERCY. I would hope they would not put the money, the capital that they accrue, under the mattress or in their sock.

Mr. HOLLINGS. Not under the mattress.

Mr. PERCY. I would hope they put it to work because we are capital short in this country.

Mr. HOLLINGS. That is right.

Mr. PERCY. We need, desperately capital for expansion and growth.

Mr. HOLLINGS. Expansion and growth of the oil business, not all of them.

Mr. PERCY. In other places they get them.

Mr. HOLLINGS. I see, other business. So this is a general business relief act we should pass here?

Mr. PERCY. What I am coupling my request with and the position I am taking is that we are going to pass an excess profits tax, we are going to pass a tax that will fairly scoop off whatever unfair revenue is at the top, but take into account, if they do invest in exploration, if they do invest in development, the credit would be given to them for that.

Again, I thank our distinguished colleague.

Mr. HOLLINGS. I thank our distinguished colleague from Illinois.

I thought it was most amusing in July, or I guess it was almost the first day of August, when we were debating the excess profits tax. We noticed, I say to my Senator friend from Illinois, that out in the hallway there was that same crowd that I saw opposing the removal of the oil depletion loopholes. They were out there in March struggling when we were voting 40–41, 42–43 to repeal depletion. I walked out into the reception room in August, and I saw the same faces of the lobbyists, lawyers, and the other interests.

Does the Senator know what they were lobbying for then? They were lobbying for that excess profits tax bill because it created one whale of a kitty. Out of that kitty it started up with the first year of $8.6 billion going to the Government, with only $7.7 billion to the industry, but then by the fifth year—this is the version of the Committee on Finance—the Government only received $800 million and the corporations got $11.8 billion. So, they were very anxious for that so-called excess profits tax.

Back to the gradual decontrol, with every new barrel of oil sold it releases to the market the old barrel, which I have been using a $19 figure for its sale. I noticed our distinguished colleague from Washington (Mr. JACKSON) used a $21 figure. But it amounts to a tremendous economic boom when one sells that new barrel of oil. He is not only getting $13.50 uncontrolled, but in an economic sense on the balance into the books he is getting nearer $20.

Is that not incentive enough? If not, how much is enough?

Really, when we use the analysis that the Senator from Illinois and I both are agreeing to, the finite nature of our commodity, on the one hand, and on the other hand, that they are not in the business to help out the United States in its economic crisis but rather to take economic advantage of it, it is up to them to keep that OPEC cartel going.

If we can drag our feet on domestic refinery production, if we can generally hold the line and keep their imports up, keep their production up, keep their profits up, we are just what Bill Shannon says, the American division of the Arab oil cartel. That is what it is, and that is what the President supported in his 2 o'clock veto today.

He has to listen to Alan Greenspan and Bill Simon who have been saying that inflation is public enemy No. 1, and he has to look at those July figures.

He must be saying to himself:

"All right. We have not compromised that gallon of gas, any more than Senator PERCY would have. It has gone from 35 cents to 62 cents. We have compromised 9 million in unemployment. We have compromised into $69 billion deficit spending. We had a $47 billion deficit right at the end of the fiscal year here in July. We have compromised a $2 and $3 program that even the Court says is illegal.

"I look around for the increased production and the lessening of reliance on foreign imports, and it is not working. It is not working. I am in the dark. I said I have been traveling around, and I am placing Henry Kissinger in Middle East politics, and I better grab somebody and keep using the word 'compromise' and tell the Congress 'Let us get together' so that next year when it all falls down around me, I can say that is what we worked out together, the Congress and I."

He is not going to ask me to marry this inflationary monster. This is what you call a shotgun wedding, and I am not going to respond to it.

Mr. PERCY. Mr. President, will the Senator yield for a final comment?

Mr. HOLLINGS. Yes.

Mr. PERCY. I cannot help but recall the night that we, in all of our wisdom in this body, tried to solve the meat problems of this country. All we had to do was pass a law and freeze the price of beef, and that would solve it. We did it for 90 days. I remember, it was around 11 o'clock at night. I said from anything I know about the marketplace and the economy of the country hundreds of thousands of people will figure ways to get around the controls that we impose tonight, and we are going to regret the day that we do this.

What happened?

In the city of Chicago, inside of a matter of a few weeks, Mayor Daley had to hire 250 additional employees, and he does not mind hiring 250 extra people once in a while for the Democratic organization, and I imagine they are all good solid Democrats, but 250 to just go out and try to police the black market that was created because suddenly we had legislated prices, we had made it look real good for the American public; we were going to do something about the high price of meat.

The only thing is people could not buy meat because who is going to send meat to the market, what producers are going to send cattle now when they are frozen at prices that are unproductive for them?

We took the action then. I can remember the very Senators on the other side of the aisle who were pleading that this was the answer. Before the 90 days was up they were the ones screaming "Let's take this price freeze off."

That is the kind of trouble we get into when, with our wisdom, we try to regulate what should happen in the market economy.

Over a period of time, there is no way and no one who has the wisdom—we do not have enough computers to do it.

Mr. HOLLINGS. Wait a minute.

Mr. PERCY. We cannot outwit millions of decisions made every day at the marketplace.

Mr. HOLLINGS. There the Senator does excel.

Mr. PERCY. I think we should try, and I think we should stop it. The only way I know of to put the feet of the Democratic Party to the fire right now is to sustain the President's veto, have a program that then, with the majority of the leadership on that side, they are going to have to come up with something that will pass Congress.

We cannot keep going on month after month, year after year, and say we cannot have a policy, because that is the position we are in right now. We are in a no-action, do-nothing sort of a framework of mind. When we start doing things, we do the wrong things and not the right things. That is the judgment of the Senator from Illinois.

Mr. HOLLINGS. Mr. President, will the Senator yield there?

Mr. PERCY. I yield the floor.

Mr. HOLLINGS. Now, the Senator said 250 employees were hired. That is where the Senator from Illinois excels. He has been a business leader. I do not know how many they had in Bell & Howell or the board of Chase Manhattan.

Mr. PERCY. Those were extra.

Mr. HOLLINGS. How many extra? It is not a shortage of people. It is a shortage of dollars that is confronting us. We are in an economic war, with that $40 billion additional inflation.

How is the mayor of Chicago going to make up the heating of public buildings in Chicago, the cost for the garbage trucks, and picking up the garbage and everything else, other than by raising the taxes which the taxpayers are already overburdened, so he is going to throw the increased tax burden on them and increase the cost for fuel and energy, all the way around. I am not worried about 250 employees, in a city like Chicago.

I admit that that is a problem, but not the other problem.

Mr. PERCY. But that is just one city, and there was a meat shortage and a black market all over the country inside of a matter of a few weeks.

Mr. HOLLINGS. But had not the program been working, generally speaking? We held the line as much as we could on the cost and the allocations.

Nobody is really complaining about the program. We have had hearings on this matter. The only complaint is Mr. Zarb, and he said in Washington that he did not like to run a two-tier system.

The Senator from Illinois said that the President gradually decontrols. He gradually decontrols this now with every barrel of old oil on one hand—the flexibility for him to do the same thing in the Petroleum Allocation Act.

The implication is that we tied the President in and that he is in control. We have given him all the flexibility, but he refers to inflation, and this is what he says in his message. He said that he vetoed the emergency farm bill because of an inflationary economy and that it would cost $1.8 billion. On May 28 he vetoed the emergency jobs bill, which would run the risk of contributing to a new round of inflation. That is $3 billion. On June 24, he said the emergency housing bill would start a new round of inflation, at approximately $5 billion. On June 29, he talks again about saving the taxpayers of Chicago $7.8 billion.

I hope the Senator will not leave, because there is another question. On July 26, there was the health services bill, for $.03 billion, for a total of $17.38 billion, trying to fight inflation. And this afternoon, with a veto, he gives the country $40 billion.

What does the Senator have to say to that? The Senator cannot go along and sustain that veto. We have to fight this battle together. We need help from all sides. The business leadership of this country has been coming in here—for example, Paul Ignatius of the airlines. I could name the business leaders who testified before the Committee on Commerce, who said, "Save us from the President of the United States on this particular measure. Will you help us?"

Mr. PERCY. The Senator from Illinois was not leaving the floor because of his disinterest in the subject. It is a subject of great interest. But I have a constituent from Illinois who wants to talk about this subject.

I have just finished a meeting with one of the largest airlines in the world, all of whom, if they get an increase in fuel prices, will have great difficulty. But they simply feel that the present program is not working. They support the President's program and hope we will sustain the veto.

I told them the position I already had taken on the floor of the Senate, and they were very gratified about that. When we look at the surveys and see that better than half the public say that if decontrol would increase production, they would favor it, I think the American people, as a whole are pretty sophisticated about how this market works. I feel that they do not think that the continued control, regulation by Congress in the marketplace, month after month, year after year, is the right way to run our market, the right way to run our economy, the right way to run our country. Although I have not taken a referendum on it, I think that when I cast my vote, the people of Illinois, for the most part, will understand.

When I proposed a gasoline tax and mandatory regulations on heavy, gas-guzzling dinosaurs, this was not the most popular thing to do. I could not get a single cosponsor of the proposed legislation which would provide a 30-cent gasoline tax. But I happen to think it is right, and there was very little criticism in my State of Illinois. People want to see us do something about this energy crisis.

Mr. MUSKIE. Mr. President, will the Senator yield?

Mr. HOLLINGS. I yield.

Mr. MUSKIE. If the Senator is looking for people who would criticize that position, I invite him to come to my State.

The Senator speaks of holding the Democratic Party's feet to the fire, but he is really asking us to put the feet of the consumers in my State and his State to the fire and then blow the fire out for many. If the Senator does not believe that to be true, I suggest that he come to my State. I will take him into homes which are so cold in the winter that one would think there had been no fire for days and weeks on end.

Mr. PERCY. If the Senator will yield for clarification on that point, I point out that that is why the Senator from Illinois put the tax right on gasoline, so that it would not be spread across the board and go on hitting fuel and petrochemicals and other things that would be spread into the cost of living. Gasoline is a flexible item, and demand for gasoline will vary with the price.

Mr. MUSKIE. The Senator is going to support a position tomorrow—he said he is—that is going to increase the price of petroleum products across the board—gasoline, heating fuel, industrial fuels. On three counts, the Senator would be hard put to find an approving voice in my part of the country. I have not been in Illinois recently. He would not find an approving voice in my part of the country.

The second point I make in response to the Senator is this: The reason he is supporting the President's veto is to put our feet to the fire. For what purpose? To rescue the President? When the President vetoes—and he has done it—what he has done is to culminate the fruition of the program he asked us to endorse early this year. What does he need to be rescued from—his own program?

He said he was going to impose three $1 increments of the import fee on oil imports. He asked Congress, in addition, to impose a $2 excise tax, and he announced that he was going to decontrol, fully decontrol, not over 39 months, not by the end of this year, but by April 1 of this year, the price of old oil.

So, by vetoing, he has achieved what he wanted. What does he have to be rescued from? Was the policy wrong when he announced it early this year? Is it wrong to veto and bring on the consequences from which he now wants to be rescued? The President has what he wanted. Congress has resisted him for all these months.

The question now is whether the congressional position or the President's position can be sustained tomorrow. The President wants the headlines tomorrow to say, "President Ford Wins Victory." Then, what is wrong with giving him the victory that he asked for in his State of the Union message in January—complete decontrol—and letting him take the consequences? There is evidence that he is beginning to feel a little uneasy about these consequences.

Mr. PERCY. Mr. President, will the Senator yield on that point?

Mr. MUSKIE. I will yield in a moment.

There is evidence that he is beginning to feel uneasy about those consequences. He wants to be rescued. He is asking us to rescue him. Why else would he offer to give us 45 days to think the matter out? If he was so certain that decontrol was the right answer in January and in February, is he shaky about it now? You can bet your boots he is.

His economists cannot be telling him that much different from what economists are telling the Budget Committee about the economic consequences of decontrol. His economists cannot be giving him conclusions that are that much different from those of the Congressional Budget Office, whose analysis I put in the RECORD yesterday.

The vote tomorrow involves not just energy crisis but also inflation and jobs. It is as simple as that.

The President is beginning to understand that, with unemployment very slow to recover, with his own budget projection of 3 to 4 years, the 7 percent and more unemployment, with a resurgence or apparent resurgence of inflation, perhaps he was wrong to recommend decontrol in January and February. I think he is wrong.

Senator HOLLINGS has done an excellent job, as he has been doing right along, putting his finger on the elements of this issue. We have had price increases in energy, the highest over a similar period of time over the history of our use of oil in this country, so high that people in my State are keeping their thermostats—not at 68; they are lucky if they can get them up to 60. It was estimated in a recent story in my State that the cost of energy, if all of these proposals for decontrol and higher OPEC prices and everything go through, will amount to 30 percent of the gross income, on the average, of Maine citizens.

If the Senators think that is an invitation to wasteful uses of energy, if they think that is an invitation to wasteful consumption, they should come up to my State and try it; come up to my State and look at the consequences with respect to inflation.

I will tell them something: I have spent a lot of time in my State this year, because I am running for reelection next year. I want to know what the people are saying. I have spent 1 out of 3 days up there. We are being criticized, we in Congress, because we do nothing effective to stop the President's energy policy. We are not being criticized because we do not have a policy. We are being criticized because we have not done anything to stop his.

The people fully understand. The Senator from Illinois speaks about the sophistication of the voter. The people in my State fully understand what the President wants to do to them. As a matter of fact, he came up on Labor Day weekend and told them. He expressed sympathy, but did not change his policy an iota.

As I traveled over the State, I had people say to me, "Look, you have a Democratic majority. Why can't you override those vetoes? The President is raising energy prices and he says he is going to veto the bill. Why can't you override it?"

If the Senators are under the mistaken idea that in my part of the country, at least, criticism of Congress on energy implies approval of what the President is trying to do, they had better take another look at public opinion, especially if this veto is sustained and the consequences follow.

I will tell the gentlemen, I would not want to be in the shoes of the gentlemen who are going to support the President tomorrow if I planned to run for reelection at any time. If they support the President tomorrow and if his policy—and that is his policy, decontrol—is allowed to go full force into the future, they are the gentlemen who will be held accountable in my part of the country.

I do not intend to be held accountable in my part of the country.

With respect to decontrol of old oil, the issue is very clear. Old oil is the one means available to us to ease the transition into the future of higher energy prices that is surely coming, to buy us time to adjust, to impose the pressure of time on OPEC countries, to buy us time to develop alternative sources of energy. And the President and the gentlemen who support him want to throw that time away. They want to throw it away.

They want to say to these people who are barely eking out a marginal living, "You cannot have the time to adjust your incomes to a high-energy-cost economy. You cannot have that time."

They are saying to those who are unemployed and who are waiting for recovery and are looking for jobs, "You cannot have those jobs until we have raised the price of oil, raised the price of energy. You have to wait, continue to stand in the unemployment lines a little longer, and at the same time pay higher prices for the necessities of life. You cannot have that time."

That is what the President said today to those who are finding rising prices intolerable—and they are rising again. They are saying, "Sorry, brother, eat it. Eat it. Because we are going to unleash another wave of inflation on you."

What were the CBO figures yesterday? Let me repeat them. The CBO projects the following economic costs of the President's decontrol plan by the end of 1977: a loss of 600,000 jobs; a 4-percent increase in prices; and a 20-percent reduction in the growth of GNP.

These figures are bad enough, but they are based upon two extremely optimistic assumptions about the future price of oil: one, the removal of the $2 per barrel tariff on imported oil; and, two, a limitation on OPEC price increases of $1.50 per barrel over the next 2 years. If those two optimistic assumptions are borne out by our experience, then the losses I spelled out are pretty reasonably measured.

Six hundred thousand more unemployed. What will that do to the budget, I ask Senator HOLLINGS? The distinguished Senator from Illinois has been one of the leaders in support of the new budget process. He knows as well as I do that the budget deficit is attributable, directly attributable, to recession, unemployment, the consequent loss of Federal revenues, and the consequent costs of unemployment. The effect of the President's veto will be to deepen the recession, increase unemployment, increase the impact to the President's budget, and force it into a higher deficit, not just this year, but next year and through 1977 and 1978. That is what the President's policy is inviting.

I hope my good friends on the other side of the aisle, and any other Senator who is contemplating supporting the President's veto message tomorrow, bear in mind these consequences. They are not phantom. They are very real. Every economist who has come before the Committee on the Budget—and we do not restrict our witnesses to those who have one particular economic philosophy—is in agreement that these kinds of consequences are going to flow. If we want to accept them, we must expect to be held accountable, because we will be.

I say thank you to my good friend from South Carolina who is emerging, I think, as one of the most articulate, eloquent, and informed spokesmen in this field of energy. I cannot understand why the press has not gotten the message. He certainly has made it very clear—to me, at least. It may be that the two of us are wearing blinders. But I do not really think so. I think we have put the finger on the heart of this issue this afternoon. I hope that, somehow, two-thirds of the Senators in attendance and voting tomorrow will vote to override what is, I think, a grossly mistaken veto.

Mr. HOLLINGS. Mr. President, the Senate should not have the idea that we have not been or at least attempted to be objective in this whole battle against inflation. When the Senator from Illinois came upon the floor, I interrupted my comments relative to those contributing factors. I said, like Pogo, we have seen the enemy and it was partly us, and I outlined in detail how congressional and congressionally approved spending by the President had accelerated into a soaring spiral upward, but that we had finally taken hold of ourselves, Mr. President, on that score, with the Committee on the Budget, under the leadership of our capable friend from Maine.

He has hurt some feelings, I am positive, around this Senate body. Nobody in the "club" likes to offend anyone. Certainly no one likes to call on another man's pocketbook or his vote with respect to what priorities economically he thinks should be given first order.

But the Senator from Maine has stood foursquare in a comprehensive set of hearings on every facet of the economy, and then stood foursquare on the floor opposing not only the military procurement bill because it was in excess of the agreed-to budget figures by the Senate but also the school lunch conference report which exceeded the figures agreed to by the Senate.

I think he stands again this afternoon in the same stead as the keeper of the conscience on congressional spending or certainly on policies approved by Congress that would cause additional spending, additional inflation, more recession, more unemployment, and further economic chaos in this country.

So he is not speaking, as he has referred just a moment ago, as views having been well-taken in visits around his own State but as views taken from a comprehensive vantage point of having listened to all of the economists, bankers, business leaders, chambers of commerce, labor leaders, retail merchants, politicians, and the like. He has singled this out in a very cogent way, pointing up what is the real issue.

The Congress is beginning to bring into focus its program and in the interest of time since—I see other colleagues want to address the Chair—I ask unanimous consent that an article "Taking Stock" be included in the RECORD at this particular time.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TAKING STOCK

Now that the President and Congress are both in recess, this is a good time to take stock: the President's program on energy—and the Congress' program.

The President opted for the price approach: i.e., allow prices to increase on oil and gas. This would cause America to use less, less would be imported, and profits would encourage domestic production. On January 20, the President announced a $3 excise tax on each barrel of imported oil to be applied in $1 increments, and he declared that price controls on old oil would go off April 30, 1975. The President has applied two of the three dollars excise tax and has extended the April date to August 31, 1975 for decontrol. When Congress tried to remove the authority to impose an excise tax, the President vetoed it. Trying to turn from a short supply of oil and gas to a plentiful supply of coal, the Congress passed a Strip Mining Bill, but the President vetoed it. A bill by Congress requiring better insulation in construction was vetoed by the President. Two-thirds of the natural gas burned under industrial boilers is wasted. A bill to convert these boilers from gas to coal, thereby increasing the supply of natural gas for this winter, was vetoed by the President. The extension of controls over old oil with a price rollback on the cost of new oil was vetoed by the President. The President has been steadfast in his insistence upon raising the price and hoping for conservation. This is the indirect approach. You continue to raise prices, and continue to hope. Gasoline has gone from 35 cents a gallon in October of 1973 to 62 cents. What are the results? Instead of conserving, Americans are using more gasoline than before. Instead of increasing domestic production, refinery output is down 500,000 barrels of oil a day. Instead of decreasing foreign imports, imports are up 500,000 barrels a day. Obviously, the marketplace cannot distinguish between the President's increases and the OPEC cartel increases. Instead of conservation, the President and OPEC are putting us on the road to further inflation, further recession and further unemployment.

The Congressional alternative has been to apply the discipline of realistic regulation. The Congress has passed through either House—and in some cases both Houses—regulations to gradually change the American way of life. The change is from oil and gas to coal. The change is from the gas-guzzling auto to the gas saver. The change is from wasteful industrial and home construction to proper insulation. The change is to mandatory conservation, such as the 55 mile-an-hour speed limit and other requirements that directly conserve. You don't have to sit and hope under the Automobile Fuel Economy bill that passed the Senate. Applying this regulation to the 1977 model, 270,000 barrels of oil per day would be saved—equal to the output of our Elk Hills Reserve. By 1980, this same measure conserves 880,000 barrels a day; by 1985 we will conserve two million barrels a day, or the output of the Alaska Pipeline. The following are the measures acted upon in whole or in part by the Congress in the Spring and Summer of this year:

1. Disapproval of the excise tax—H.R. 1767—vetoed, March 4.

2. Repeal of the oil depletion allowance—H.R. 2166 enacted into law—$3 billion gain for the taxpayers.

3. Strip Mining Act—H.R. 25—vetoed.

4. Standby Energy Authorities Act—S. 622—in conference.

5. Six month extension of price control authority—in S. 1849—passed the Senate and House. Earlier extension with price rollback to Jan. 1, 1975—H.R. 4035—vetoed.

6. Strategic Reserves Act—H.R. 49—in conference.

7. Naval Petroleum Reserves Development Act—H.R. 49—in conference.

8. Coal Conversion Act Extension—vetoed earlier in H.R. 4035 and now in S. 1849—passed the Senate and the House.

9. Automobile Fuel Economy Act—passed the Senate as S. 1883 and contained in H.R. 7014 on the House floor.

10. Coastal Zone Act Amendments for Energy Facilities Siting—S. 586—passed the Senate.

11. Offshore Drilling Amendment—S. 521—passed the Senate.

12. Appliance Labeling Act—passed the Senate as S. 349 and also contained in H.R. 7014—on the House floor.

13. Natural Gas Act Amendments—S. 692—on the Senate calendar.

14. ERDA Authorization—S. 598—passed the House and the Senate—provides $3.2 billion for the next year for development of coal gasification, solar energy, geo-thermal energy, nuclear energy, etc.

15. Railroad Rehabilitation Act—S. 1730—passed the Senate.

16. Energy Production Mobilization Board S. 704—to be reported to the Senate in September.

17. Industrial Conservation Act—S. 1908—to be reported to the Senate in September.

18. Energy Policy Council—S. 580—passed the Senate three times.

19. Omnibus Energy Bill—H.R. 7014—contains many of the previously cited Senate-passed measures plus a provision for revised oil pricing—likely to pass the House in September.

S. 1849, which has passed Congress by over a two-thirds majority in both Houses, extends the President's price control authority. If he vetoes this and the law expires August 31, the Library of Congress Economic Survey indicates that fuel costs will be increased some $40 billion annually. This will cause the Consumer Price Index to go up between one and three percent and unemployment to increase over 500,000 jobs. The entire welfare bill costs $30 billion. And here the Administration is contending for a $40 billion annual impact.

We're in economic war with the Arabs. Instead of fighting back with increased costs for our food, weaponry and technology, instead of holding the line on inflation with controls, the President asks us to join the enemy with total decontrol. No one has ever asked for decontrol of old gas—just new gas. Why the big rush to decontrol old oil? There is more than enough incentive with new oil at $13.50 a barrel. We have plenty of gasoline. The economy is beginning to turn around. America has an energy problem, yes, but we don't have an energy crisis. Only the President's threat of decontrol makes it a crisis.

Now let's suppose the President signs the bill extending controls. Then Congress can complete the program with a natural gas bill in September and the institution of an Energy Production Board. As in World War II when Governor James F. Byrnes was a war mobilizer, we can now, in this economic war, institute an Energy Production Board.

The Board would correlate and coordinate the various initiatives by industry to produce and distribute supplies fairly, to cope with shortages, and would generally equalize the burden of mandatory conservation for all America. Last year this time the President and the Congress were in step with his WIN program. This stood for "Whip Inflation Now." It was voluntary. The trouble was that it didn't work on a voluntary basis. Now it must be required. This is what the Congress is attempting to do. It isn't easy. In addition to the opposition of the White House, we have many oil state Senators and Congressmen who oppose us at every turn. But if the President will come back home and work with the Congress instead of the OPEC cartel we can keep this economy turned around and start working to cut the deficit.

Mr. HOLLINGS. That points out the 19 different initiatives taken by the U.S. Senate thus far.

Now, having taken hold of ourselves in the budget processes and restrictions, Mr. President, how do we get our hands on the other facet of this enemy, on the real enemy now; namely, the OPEC cartel, the big oil company, and the President of the United States? They have joined hands in reelecting the President, on the one side, keeping OPEC going as strongly as ever, on the other side, and, generally, making the most grandiose profits that could possibly be imagined by big oil, on the third side. That is exactly what we are trying to confront.

Mr. PERCY. Mr. President, will the Senator yield?

Mr. HOLLINGS. Wait a moment. If the Secretary of State had come back and said: "In this economic war we have kept our eye on the target and rather than going up $2 a barrel we have gotten along with the Arabs and the cartel and they recognize it is wrecking the economy of Britain and France; the West German mark is down, Italy is hanging on by a loan and we are in a dickens of a fix, and we expect to put it down $2 a barrel; instead of getting $13.50, we will take $11.50 or $9.50."

If he had come back with that and the Secretary of State had said, "Now we are all talking, we are in this economic war, we have done some good," that would have been all right.

In contrast, what has the poor fellow done? He has paid off everybody and irritated the principal enemy, the OPEC cartel. The Arabs and all are now complaining. Saudi Arabia, Syria, Iran, and all the rest are saying they bought a split in the Arab bloc. They are complaining and he has agitated them, he has annoyed them. So now I think they will go ahead on September 24 and increase a barrel of oil by $2.

I will be glad to yield to the Senator from Illinois.

Mr. PERCY. The President said in his veto message today:

> The detailed legislative program I sent to the Congress last winter involved tough measures to put us immediately on the road to energy independence. It would have conserved the energy we now have and accelerated development and production of more energy here at home.
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> * * * * *
>
> The Congress still has not acted. Throughout these months, I have compromised again and again and again to accommodate Congressional requests.
>
> I delayed putting the second dollar fee on imported oil for 90 days, finally imposing it June 1. I delayed the third dollar indefinitely. Still, the country has seen no Congressional action.
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> * * * * *
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> Despite last minute attempts made in good faith by the Democratic and Republican leadership, their effort to achieve a compromise in the Congress has failed. It is clear that too many Members of the Congress have not come to grips with the decontrol issue—much less the overall energy problem.
>
> If my veto is sustained, I still will accept a 45-day extension of price controls to provide time to work with the Congressional leaders who have assured me that they will seek an acceptable compromise during this period.
>
> If this further compromise fails, however, I will take the following actions to ensure an orderly transition from government controls to the free market:
>
> * * * * *
>
> Since January, I have gone more than halfway in order to reach a responsible compromise. Obviously, we have talked and delayed long enough. We must act now to protect not only ourselves, but future generations of Americans. I urge Members of the Senate and the House to sustain my veto and get on with the job of meeting this problem head-on.
>
> The continued failure of Members of the Congress to enact a National Energy Program puts us increasingly at the mercy of foreign oil producers and will certainly result in Americans paying substantially higher prices for their fuel.

To repeat, the President says:

> If my veto is sustained, I still will accept a 45-day extension of price controls to provide time to work with the congressional leaders who have assured me that they will seek an acceptable compromise during this period.

The President has no intention of just instantaneous decontrol. He is a man, as Senator Mansfield has aptly said, of compromise, of compassion, and of understanding. He has walked the final mile; he has gone a mile beyond that. But Congress is controlled by the Democratic Party. The Democratic Party and its congressional leadership must take responsibility for inaction.

I sympathize with the distinguished majority leader, the assistant majority leader, the Speaker of the House, the Whip of the House, the majority side, simply because there is so much division among the majority party, they simply cannot come up with a program. But I earnestly hope when the veto is sustained—and I feel it will be sustained—that we can move ahead in a spirit of compromise. The President has said he will accept the 45-day extension of price controls which should give us ample time to work out a program of what the President is doing, rather than just simply saying, "I have got the power of the veto. I cannot legislate; I cannot pass laws, but what I can do is use the pressure the Constitution gives me and the influence the Constitution gives to me to see that Congress does its duty."

Now, 2 years after the warning that we had in the October 1973 war it is about time Congress faced up to this issue and developed a national energy policy.

Mr. HOLLINGS. Mr. President, the President's veto message must be written up by gnomes who have no touch with realism. Here is what the President came forward with as his detailed program. I will tell you what he came in with. He came in and said $3 excise tax and decontrol by April 1. That was his program, because when we got to better insulation in connection with housing we sent it to the President and he vetoed that bill.

When we got to the boiler fuel conversion to coal, he vetoed that in June.

When we got to the matter of eliminating the excise tax that he imposed, which the court has found illegal, he vetoed that.

On the strip mining, we were going

to try to change from shortages of oil and gas to coal abundance, and we are the Saudi Arabia of coal, so we passed the bill to get the people mining and he vetoed that particular bill.

On the automobile fuel economy, the witnesses came, it passed the Senate, he said to wait 5 years.

Now, what has the President done, other than to play international politics with Henry and the Arabs and the big oil companies to insure his reelection? All these things, again and again.

The matter of a price rollback was vetoed by the President.

The allocation bill, which has generally worked to stabilize and turn the economy around and save what now the Library of Congress insures will cost in 1976 $40 billion. Now he vetoes that and talks about a program.

His program has been to get reelected, to get along with big oil and the Arabs.

Now, back to that OPEC crowd. Secretary Kissinger did not deal with them, he agitated them, and he encouraged them. The President has encouraged them. The finance ministers in Saudi Arabia and Iran both came to Washington and said, "Why should you complain of high prices and inflation when your President is recommending a further increase of prices?"

In fact, the language in the record is absolutely clear, the only real increases we have had thus far as of September 23 or 24, when the OPEC meets again—have been at the hands of the President of the United States. Illegally, according to the courts of the United States and by veto—if we sustain him tomorrow. And what has he said? "Look, fellows, if you go along with my program I will start acting legally, I will take it off if you give me decontrol."

That sounds like old Watergate to me.

"I will start acting legally," the President says, "if you go along with me back there, and my decontrol." Which he promised big oil and the Arab sheiks, and all the rest of it, to further exacerbate this economic war.

Mr. President, I ask unanimous consent that the letter to the President of the United States dated August 8, 1975, signed by the distinguished Senator from Massachusetts and myself be printed in the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, D.C., August 8, 1975.

The President,
The White House,
Washington, D.C.

Dear Mr. President: Both of us strongly urge you to reconsider your imminent decision to veto S. 1849, the oil price control extension legislation. The signing of this legislation is essential in order to prevent the severe shock to the economy that will result from the meteoric rise in the price of oil, natural gas, and coal if the present system of controls expires on August 31.

We do not understand how an Administration so consistently dedicated to fighting inflation can impose such unacceptable new inflation on the American consumer. The serious increases in the wholesale price index for July and the Consumer price index for June make clear that inflation in the cost of fuel is now an extremely serious problem for the economy. If you allow price controls to expire on August 31, you will be rubbing salt into the already open wound. You will be igniting a new round of inflationary fuel price increases throughout the economy, thereby compounding the serious problem of inflation that now exists.

In our view, a veto in these circumstances would be economically irresponsible on inflation grounds alone. It would also be completely inconsistent with the Administration's anti-inflation record, as stated again and again in your own words this year:

On May 1, you vetoed the Farm Bill, because, you said, "New spending programs could easily raise the Federal deficit to an intolerable level . . . . We must hold the budget line if we are all to enjoy the benefits of a prosperous, stable, non-inflationary economy."

On May 28, you vetoed the Emergency Jobs Bill, because, you said, the bill "would run the risk of contributing to a new round of inflation later on."

On June 24, you vetoed the Emergency Housing Bill, because, you said, "it would require substantial government outlays in future years when the economy may be operating at full capacity with inflationary forces at or approaching their peaks."

On June 25, you vetoed the Education Appropriations Act, because, you said, the increased spending in the bill was "too much to ask the taxpayers—and our economy—to bear."

On July 26, you vetoed the Health Services Bill, bcause, you said, it "would lock us into a permanent policy of excessive spending and make the Federal budget a primary cause of inflation for years to come."

In your vetoes of each of these five major bills passed by Congress—bills in critical areas like farms, jobs, housing, education and health—your opposition was based squarely on the fear of the inflationary consequences that might follow from the enactment of such legislation. In your own words, you specifically cited the fear of future inflation.

Yet, the evidence of the potential inflationary consequences of these bills was at best conjectural. We in Congress approved the bills as an essential part of our legislative program for recovery from the recession. Before acting, we had received substantial expert economic evidence that the measures could accomplish their anti-recessionary purpose without contributing to inflation in any significant way.

But there is no disagreement that oil price decontrol will lead to serious and unacceptable new inflation. If decontrol takes place, the price of oil and other goods may go up by as much as $40 billion to American consumers in 1976, which means an average $200 increase in the price of fuel for each man, woman and child in the nation. These inflationary price increases will take effect, whether or not the Administration supports a tax rebate program to offset part of the shock of decontrol on the nation's growth and unemployment. In other words, even if we act to reduce the recessionary effects of decontrol, there is nothing that can be done to neutralize the serious inflationary effects of decontrol.

The most important test so far of the Administration's anti-inflation policy is at hand. The conclusion is clear. If the Administration is serious about preventing inflation, if your past veto messages were not just rhetoric, then you cannot allow the present system of oil price controls to expire. You cannot allow oil prices to rise by the exorbitant and highly inflationary amounts that will result from decontrol.

With a single stroke of the pen, Mr. President, you can do more to fight inflation now than all of your past vetoes combined. We urge you to sign the bill.

Respectfully,

Ernest F. Hollings.
Edward M. Kennedy.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the Library of Congress Research Survey, the Economics Division, dated September 2, 1975, entitled "Post Embargo Macroeconomic Impact of Energy Price Increases and Implications Regarding Old Oil Decontrol" be printed in the Record at this point.

There being no objection, the survey was ordered to be printed in the Record, as follows:

Post Embargo Macroeconomic Impact of Energy Price Increases and Implications Regarding Old Oil Decontrol

1.1 Introduction:

This is in response to your request for an examination of the nation's experience with energy price increases, and a delineation of implications which can be drawn from this history with regard to the present decontrol matter. Most of this analysis is based on CRS simulations using the Data Resources Inc. (DRI) quarterly macroeconomic model. Variables on which attention was centered are prices, GNP and Unemployment. The time period focused on was 4th quarter, 1973, to 2nd quarter, 1975. (Because of time constraints, these results must be viewed as preliminary, since complete crosschecking for internal consistency has not been completed, but we do not anticipate any serious adjustments will be necessary.)

This analysis suggests, in broad terms, that increases in energy prices were the primary force causing the recession to be as deep as it has been. But for those increases, the recession appears likely to have been, at most, a mini-recession.

There is no hard proof that future price increases will have similar effects, but our estimates are based on the likelihood of comparable forces generating comparable results.

None of the estimates is intended to provide precisely accurate figures. But this paper attempts to present the approximate order of magnitude of past and prospective changes in prices, incomes and employment.

2.1 The magnitude of energy price increases:

Since late 1973, not only oil fuel prices, but coal and unregulated natural gas prices have risen, under oil fuels' price leadership. These price increases, totaling $51 billion, are recapped below. They are the principal propellant behind 1974's and the first half of 1975's energy price inflation.

2.1.1 Domestic crude oil increases:

Crude oil prices were originally controlled under Cost of Living Council (CLC) regulations at $4.25 per bbl. "New" oil was decontrolled in August, 1973. It began to rise and has continued to increase subsequently without letup.

Under the $2.00 tariff surcharge, uncontrolled domestic crude sold for over $12.50 at the end of the second quarter of 1975. An average of 3 million bbls per day (mbd) were involved over the 4th Q 1973—2nd Q 1975 time frame. At an annual rate, costs here may be computed as: 3 mbd × 365 × ($12.50–$4.25), or a total of $9.0 billion per year.

2.1.2 Old oil increase:

Without analytically detailed rationale, CLC, just before its merger into FEA, increased "old" oil prices by $1.00 per bbl, from $4.25 to $5.25. About 5.5 mbd were involved during the period under consideration. Here costs are estimated roughly at an average annual rate of $2.0 billion (5.6 mbd × 365 × $1.00).

2.1.3 Gasoline dealer margins:

The Emergency Petroleum Allocation Act, now expired, gave the FEA authority to regulate fuel dealers' margins. Early on, FEA raised gasoline dealers margins from a traditional 7¼¢ per gallon to 11¢. Subsequently, this figure eroded slightly to average an estimated 10¢ over our analytic time frame.

About 100 million gallons annually are affected. A simple cost estimate here is 100 mil gallons × (10.0¢ − 7.25¢) = $2.8 billion annually, on average.

2.2.1 Imported crude and refined products:

Foreign oil increased from a pre-embargo $4.00 or so per bbl, to a 2nd Q 1975 average price of $14.00 under the new tariffs. Roughly, 6.5 mbd of crude and foreign refined products embodying this expensive crude are involved. An easy cost calculation to make here is:

6.5 mbd × 365 × ($14.00 − $4.00) = $23.7 billion, again at an average annual rate.

3.1 Unregulated natural gas:

Oil has a clear cut role as energy price leader. As such, it has escalated unregulated natural gas prices. About 11 tril. cubic feet (or billion Mcf's) are involved in intrastate sales not jurisdictional to the FPC—either directly by producers at the wellhead or by interstate pipelines to intrastate customers. Prices have increased from about 55¢ per Mcf (1000 cubic ft.) to an estimated $1.40 current average. Absolutely no data is available at present on intrastate prices, and these figures represent crude estimates made on the basis of fragmentary press reports. Nevertheless, they probably are of the correct order of magnitude. Using them, we can make a rough estimate of gas' contribution to energy price inflation as:

11 bil Mcf × ($1.40 − $.55) = $9.4 bil at an average annual rate.

4.1 Coal prices:

In a similar manner to gas, coal is influenced by oil's price leadership. According to Federal Power Commission Form 423 statistics, covering about 60% of domestic coal consumption, coal prices climbed from an average of $9.10 per ton in October 1973 to $17.51 in April 1975 (the latest data available). Extrapolating this to roughly 450 million tons of annual domestic consumption of boiler fuel type, oil-competitive coal, we can calculate 450 million tons × ($17.51 − $9.10) = $3.8 billion.

5.0 Consolidation:

In a rough way, the estimates made above delineate energy's inflationary contribution during the post embargo period under analysis. The estimated components are summed up here:

	Billions
Domestic uncontrolled crude	$9.0
Old oil increase	2.0
Gasoline dealer margins	2.8
Imported oils	23.7
Unregulated natural gas	9.4
Coal	3.8
Total	50.7

We can estimate that the dollar value of energy price increases was running at an annual rate of $51 billion at the of our time frame. It is safe to say that, as this raw material increase flows through the economy, the total inflationary contribution will be larger than $51 billion worth of annual inflation, and the energy shock drag on other macroeconomic variables will be proportionately larger.

6.1 Measuring energy shock:

Because post embargo macroeconomic statistics are history, the key question is what would have happened to the economy with virtually no energy price increases. To stimulate this, the DRI quarterly macro model was run with virtually stable energy prices for the period already well documented with historical or actual macro data. The output of the model, simulating an economy with stable energy prices, can be compared with what actually happened under OPEC cartel energy pricing, which was allowed to infiltrate this country's energy markets.

6.2. Assumptions about energy prices:

Energy price changes are introduced into the DRI model via the Wholesale Price Index component for energy. For the simulation summarized below, the rate of increase for this component of the WPI was held to under 8 percent per year. The actual rate of increase was, of course, much higher. The 8% figure was estimated to be the secular trend in energy price increases during recent pre-embargo years.

6.3 Energy shock measured:

The results of the simulation of how key macro variables would have behaved without energy shock are compared with actual historical data below on a key variable basis.

6.3.1 Current dollar GNP:

Table 1 compares actual GNP with forecast GNP under energy price assumptions spelled out in Sec. 6.2. Note that this estimate implies that, without OPEC cartel energy price increases, current dollar GNP would have been over $100 billion higher (7% above actual) than it in reality was. This represents lost GNP due to the impact of higher energy prices.

TABLE 1.—CURRENT DOLLAR GNP (BILLIONS DOLLARS PER YEAR) WITH/WITHOUT ENERGY PRICE INCREASES

Quarter	With price increase	Without price increase	Percent lost
4–1973	1,344	1,354	0.76
1–1974	1,359	1,370	.81
2–1974	1,384	1,386	.17
3–1974	1,416	1,421	.33
4–1974	1,431	1,458	1.90
1–1975	1,416	1,489	5.10
2–1975	1,440	1,541	7.04

6.3.2 Real GNP:

Real GNP, adjusted for inflation and stated in 1958 dollars, gives a more accurate picture of the economic performance, especially during periods of inflation. Table 2 compares actual data to data estimated on the basis of the above energy price assumptions.

TABLE 2.—1958 DOLLAR GNP (BILLIONS PER YEAR) WITH/WITHOUT ENERGY PRICE INCREASE

Quarter	With price increase	Without price increase	Percent lost due to price increase
4–1973	846	855	1.1
1–1974	831	851	2.4
2–1974	827	851	2.9
3–1974	823	858	4.2
4–1974	804	867	7.8
1–1975	780	874	12.0
2–1975	783	895	14.2

6.3.3 Single Unemployment:

Table 3 contains a tabulation of estimated unemployment compared with the actual. Note that by the second quarter of this year, as the lagged effects of energy shock are worked out, unemployment would have been 3.8 percentage points lower than it actually was. This implies that about 3.5 million more people would have been employed without energy shock.

TABLE 3.—UNEMPLOYMENT RATE WITH/WITHOUT ENERGY PRICE INCREASE

Quarter	With price increase	Without price increase	Percent points due to price increase
4–1973	4.8	4.4	0.3
1–1974	5.2	4.6	.6
2–1974	5.1	4.8	.3
3–1974	5.5	5.0	.5
4–1974	6.6	5.2	1.4
1–1975	8.4	5.2	3.1
2–1975	8.9	5.1	3.8

6.3.4. *Prices:*

The broadest measure of price levels and changes is the GNP deflator, a price index which represents virtually all goods and services bought and sold. We have estimated what this price index would have been without energy price increases in Table 4 below.

TABLE 4.—GNP DEFLATOR WITH/WITHOUT ENERGY PRICE INCREASES

Quarter	With price increase	Without price increase	Percent increase due to energy prices
4–1973	158.9	158.4	0.3
1–1974	163.6	161.1	1.6
2–1974	167.3	162.9	2.7
3–1974	172.1	165.6	3.9
4–1974	178.0	168.2	5.8
1–1975	181.6	170.4	6.6
2–1975	183.9	172.3	6.7

Generally speaking, the nation's broadest price measure would be 6.7% lower had it not been for energy price incrases.

7.1 Measuring the Ripple Effect:

Having measured the general order of magnitude of energy price increases above in Sec. 5.1, we can compare it to the overall dollar value of inflation due to energy price increases. Given the estimate that the total effect of energy shook was to raise the GNP deflator 6.7%, we can estimate that the dollar value of energy shock inflation was 6.7% of the 2nd Quarter 1975 current dollar GNP of $1440 billion (annual rate), or $96.5 billion. This represents total inflationary impact after most lags are worked out. It is composed of the primary inflationary component plus ripple.

With the primary effect estimated at $51 billion, we can say that the ripple factor is $96.5 bill./$51 bil. or about 1.9. By multiplying the amount of energy price increase by this 1.9 factor, total macroeconomic impact can be estimated at the end of about 6 quarters necessary for full impact to be felt.

8.1 Some extrapolations and implications for the future:

There is an overwhelming and dangerous temptation to generalize and speculate about the future impact of decontrol on energy price increases, based on the above analysis. A previous Economics Division paper prepared at your request estimates that energy prices will be $21 billion higher in 1976 under sudden decontrol (in a tariffless environment) than they would be with extension of current price controls which expired August 31.

8.2 Speculation on inflationary effect of decontrol:

This $21 billion worth of higher energy prices can be directly attributer to decontrol. With a 1.9 ripple factor, it becomes about $40 billion of inflationary contributions. In a 1976 economy with a $1.5 trillion GNP, the general price level will be raised by roughly 2.7 percentage points.

8.3 Speculation on unemployment:

We estimated that the $51 billion primary energy price increase resulted in 3.8 percentage points of unemployment after a 6 Quarter lag. If the $21 billion has proportionate effects, it is implied that decontrol's inflationary contribution will cause unemployment to be 1½ percentage points higher, equivalent to the loss of more than a million more jobs what would otherwise have been the case.

Lawrence Kumins, Analyst in Energy Economics.

Warren E. Farb, Economist.

Mr. HOLLINGS. Mr. President, that is the one that shows, for example, that we are going up some $96.5 billion since the Arab-declared economic war in October 1973.

We did have the President with us last fall. He was with his colleagues going around the country to hold the line, but he is leading the way, yes, he has vetoed a few bills, Mr. President, to the tune of $17.3 billion, but this oil decontrol is costing $40 billion. So he is the leader, the inflation leader in America.

Mr. President, I ask unanimous consent that another survey, the report by the Economics Division of the Library of Congress dated September 5, 1975, entitled "Comparison of OPEC Price Increase Impact With and Without Price Controls on Old Oil"—exclusive of costs of decontrol on old oil—be printed in the RECORD at this point.

There being no objection, the survey was ordered to be printed in the RECORD, as follows:

Comparison of OPEC Price Increase Impact With and Without Price Controls on Old Oil (Exclusive of Costs of Decontrol on Old Oil)

This is the response to your request for a brief comparison of the nations' energy bill under an OPEC price increase situation with and without price controls on old oil and natural gas liquids.

If OPEC raises its price by $1.00/bbl, new domestic crude production would also rise $1.00, because it is not controlled; old oil would not rise $1.00/bbl since it is controlled. However, if old oil were not controlled, this price-fixed crude would rise $1.00, matching the OPEC rise. However, this $1.00 rise in old oil does not include the extra costs that would come from decontrol of old oil, where the controlled price of $5.25 would rise to the uncontrolled tariff free price of new oil at $12.00.

In order to simplify, the impact of a $1.00 per barrel OPEC price hike has been considered here as a start. If one wishes to evaluate a larger OPEC escalation, say $2.00, he can simply multiply by 2 or whatever the appropriate factor might be for other increase estimates. This is done on Table 2.

Basic data used here are:

(a) Oil consumption: 5.2-mbd old plus 2.9-mbd new plus 6.7-imported: total, 14.8-mbd.

(b) NGL:

1.6-mbd production.

.7 btu parity ratio with oil.

(c) Coal:

500 million tons competitive with oil fuels.

50% responsive in short run to OPEC price escalation.

4 to 1 btu parity ratio to oil.

(d) Natural Gas.—Unregulated sales are 10 trillion cubic feet by both producers and otherwise FPC jurisdictional pipelines. Parameters are:

.17 Btu parity ratio.

70% responsive in short term.

Without price controls, all oil will increase by $1.00 under a $1.00 OPEC price increase. Costs here will be 14.8 mbd of oil x 365 x $1 = $5.4 billion. With price controls, only 9.6 mbd will increase, costing 64.9% of $5.4 billion (9.6 mbd controlled divided by 14.8 mbd uncontrolled) or $3.5 billion. This $3.5 billion translates into about $0.65 per barrel in the controlled old oil situation.

NGL is estimated to increase proportionately on a Btu parity basis with oil fuels. Here costs should be $.4 billion (Btu parity .7 x 1.6 mbd of natural gas x 365 x $1) without controls, and nearly negligible because of the nature of NGL price controls.

Coal would behave in a manner fairly well related to crude oil, under the above base data assumptions. With full decontrol, coal prices will rise by (500 million tons x 50% x 4 x $1) about $1.0 billion. With price controls, this figure would be reduced to $.65 billion.

A similar calculation is in order for natural gas. Here the full decontrol cost is estimated at 10 billion mfc x .17 x 70% x $1.00 = $1.2 billion. Controls reduce this by 35%, to about $.8 billion.

In summary, this tabulation is made.

TABLE I—$1 OPEC PRICE INCREASE EFFECT ON U S ENERGY BILL

Fuel	Without controls on old oil	With controls on old oil
Crude	$5.4	$3.5
NGL	.4	.0
Coal	1.0	.7
Natural gas	1.2	.8
Total	8.0	5.0

Note—Table II below extends the effects estimated in table I on a proportionate basis

TABLE II.—HYPOTHETICAL COST OF SELECTED OPEC PRICE INCREASES WITH AND WITHOUT OLD OIL PRICE CONTROLS.

Size of OPEC increase (dollars per barrel)	In billions	
	Cost without controls	Cost with controls
$1	$8.0	$5.0
$1.50	12.0	7.5
$2	16.0	10.0
$2.50	20.0	12.5
$3	24.0	15.0

Source: Derived from table I.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the "Impact of Veto of Price Control and Allocation Authority" be printed at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Impact of Veto of Price Control and Allocation Authority

LEGISLATIVE SITUATION

The Congress sent S. 1849 to the President on August 28, 1975. This legislation, which extends the petroleum price control and allocation authority embodied in the Emergency Petroleum Allocation Act of 1973, passed the Senate by a vote of 62–29 and the House by 303–117. The price control and allocation authority of the Allocation Act expired on August 31, 1975. The President has repeatedly announced his intention to veto any extension of the Allocation Act unless the Congress accepts an oil policy which involves elimination or drastic reduction in Federal regulation of the oil industry and an end to price controls over some definite time period.

If he wishes to do so, the President must transmit to the Congress his veto of S. 1849 on or before midnight, Tuesday, September 9. A vote in the Senate to override the veto of the President is expected to be the first order of business following receipt of such a veto message.

The Administration is still hopeful that an agreement can be obtained with the Congress on oil decontrol. However, independent of the form of the agreement which finally emerges, compelling arguments exist for the continuation, at least temporarily, of the fundamental price control and allocation authority embodied in the Allocation Act. It is now clear that the only way that this authority can be retained is by overriding the President's veto of S. 1849.

OIL PRICE IMPACT

If Mr. Ford's veto of the Emergency Petroleum Allocation Act is sustained, its direct effect will be to increase the average price of gasoline, fuel oil and other petroleum products about 7 cents per gallon.

Temporary market conditions and "jawboning" in the Administration—together with, perhaps, collusion by the major oil companies to reduce the political impact of decontrol—may postpone its full price impact on consumers for a period of time. Notwithstanding any such "restraint", however, the higher prices of crude oil will inexorably be translated into higher retail prices. If crude oil cost increases are tilted more heavily towards gasoline prices—as has been the case in the past—gasoline price increases of from 10 to 12 cents per gallon are very likely.

With the expiration of price controls, domestic oil will cost U.S. consumers at least $16 billion more annually than if controls are retained—an increase equivalent to the rise in the cost of all domestic fuels during 1974.

A secondary effect of sharply rising domestic oil prices will be to pull up the prices of coal and that natural gas which are not subject to price controls, because oil is the only practical alternative for industrial consumers of these fuels, which are in short supply. These higher prices for fossil fuels will be passed through to consumers in their electric rates and in the prices of every product or service that depends upon fuels for energy or industrial raw materials.

A major price increase will worsen unemployment and undermine financial stability in industries that are already disproportionately distressed, like automobiles and the airlines, resulting in lost production, lost income for workers and higher costs for the support of the unemployed.

ANALYSES OF ECONOMIC IMPACT

The Bankers Trust Company of New York has estimated that "coupled with a moderate rise in the foreign price of oil, the sudden decontrol of old oil prices would next year transfer about $35 billion per annum away from consumers to energy producers, the Federal government and OPEC nations".

A study prepared by the Library of Congress found that energy price increases could trigger a $40 billion inflationary contribution to the domestic economy next year, triggering an increase of 2.7 percentage points to the rate of unemployment. This would mean a job loss of over one million.

Using macroeconomic models developed by Chase Econometrics, the staff of the Subcommittee on Energy and Power of the House Commerce Committee has estimated that sudden decontrol coupled with an OPEC price increase implemented this fall—an increase which nearly all analysts expect to materialize—will, by the end of 1976—

reduce real GNP by $28 billion ($51 billion in current dollars);

add 640,000 to the ranks of the unemployed;

increase the Consumer Price Index by 2.7 points; and

reduce housing starts by 280,000 units and automobile sales by 950,000 units.

The House Commerce Committee study further delineates substantial shifts in profitability among industries. Profitability in the mining sector—which includes crude oil production—is drastically increased at the expense of nearly all other segments of the economy. Some of the largest losses in profitability are projected for the—

primary metals;
manufacturing;
textiles;
paper;
transportation; and
commercial sectors of the economy.

The net result of these impacts will be an increase in inflation—perhaps to double digits—rising unemployment—to over nine percent—a larger Federal deficit, and effective cancellation of the stimulus provided by the Tax Reduction Act of 1975.

COMPETITIVE IMPACT

By putting independent refiners and distributors at a disadvantage amounting to several dollars per barrel relative to the integrated major oil companies for the crude oil upon which their products are based, decontrol will cause a permanent structural change in the industry—in the direction of increased market concentration. Rising crude oil costs and consumer resistance to higher product prices will tighten the squeeze on refining and marketing margins. The major integrated companies, unlike the independents, will be able, however, to offset any reduced margins in "downstream" operations with higher profits on crude oil production. The end result would be a serious blow to the competitive position of the independent sector.

The squeeze between crude oil prices and the market will also lead the majors to pressure their independent branded dealers. To this end station rents will be increased, other contract terms will be revised to the disadvantage of the dealers, and thousands of distributors who cannot move more product at a lower marketing cost per gallon will be put out of business.

MANAGING POTENTIAL SHORTAGES AND PRICE IMPACTS

The only existing authority to prevent or mitigate the adverse impacts of rising oil prices and to allocate scarce supplies has been the Emergency Petroleum Allocation Act. Overriding the veto is the only immediate, practical way to restore this authority.

The severe shortages of natural gas which are projected for this winter will place enormous pressure on the supply and price of substitutes for natural gas: fuel oil and propane. Substantial increases in propane prices accompanied by shortages are almost certain to occur, and, without the Allocation Act, no Federal authority will exist to prevent, for example, rural residential consumers of propane and farmers from suffering severe hardship.

Meanwhile enomous profits will accrue to the major integrated oil companies. No mechanism is in place for taxing and returning these enormous windfall profits to consumers. Once controls have definitely been ended by Congress' failure to override a veto of the Allocation Act, the enthusiasm of pro-industry members of Congress and of a pro-industry Administration for such a tax will greatly diminish or disappear altogether. The prognosis for enactment of an effective windfall profits tax will therefore become very uncertain.

Regardless of any "understanding" between the Administration and the Congressional leadership for subsequent reimposition of controls (which would then be phased out), failure to override the veto would (a) weaken or remove the support of industry and pro-industry Members for any compromise, and (b) severely undermine Congress' bargaining stance in writing such a compromise.

ADMINISTRATION OPTIONS

The Allocation Act currently grants the President ample authority to raise the price of old oil, or to formulate regulations phasing out the old oil price category entirely, without any requirement of Congressional assent. But the Administration's own guidelines for preparation of inflation impact statements require an analysis justifying any such moves. Administration representatives have admitted that such an analysis cannot be made. Because of this, the Administration is presently insisting upon all or nothing—congressional collaboration of gradual decontrol, or total immediate decontrol. It is clear that the Administration cannot utilize the Allocation Act to raise old oil prices and provide a justification that satisfies its own guidelines. Because of this the Congress is being asked to let the Act expire and, at the same time, to acquiesce to total imposition of an oil policy which benefits only the largest integrated oil firms.

Existing regulations under the Allocation Act already provide for an automatic increase in crude oil prices, as domestic supplies of "old" oil at $5.25 per barrel are depleted and replaced by higher price new oil and imported oil. Under these regulations, the average price of crude oil to U.S. refiners would move up toward the new oil price at a rate of about 6 percent per year—even if there were no OPEC price increase and no scheduled decontrol, and even if the illegal import fee is removed. Over the last 2½ years crude oil prices have increased by more than 2½ times. A further 6 percent annual increase in the average price of crude oil is the most our economy can safely absorb. Total, immediate decontrol will mean an average price increase of well over 25 percent—four times as high—over one, two or three months, and prices will thereafter rise in perfect synchronization with any OPEC price increase.

Instead of seeking collaboration with the Congress to establish a reasonable pricing policy within the framework of the legislative process, the Administration has chosen to present a series of decontrol plans which must be accepted or rejected without amendment. These plans have been rightly rejected, because they are inadequate and unwise. Because of the Administration's tactics, the consumers of this country are now faced with the worst of all possible options—immediate decontrol. Only the prevention by the Congress of the implementation of this option will preserve an opportunity for an orderly development of policy in which both the Executive branch and the Congress contribute on equal footing.

SUMMARY

The Administration is proposing that the Congress ratify a situation in which—

a rising rate of inflation is rekindled;

economic recovery is severly threatened;

a substantial concentration of economic and financial power in the largest integrated oil companies is virtually certain;

U.S. energy prices will be set not by a free market but by a cartel of foreign governments;

domestic production will not be substantially increased, domestic oil consumption will be only marginally curtailed (other than as a result of the economic slump) and, therefore, no progress towards greater energy independence will result at all commensurate with the damage that will be done; and

any realistic opportunity for the Congress to collaborate with the Administration in the enactment of a rational and equitable oil pricing policy will be lost through Congressional default.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that an analysis by the Economics Division of the Library of Congress of the FEA decontrol estimates, dated September 9, 1975, be printed in the Record at this point.

There being no objection, the paper was ordered to be printed in the Record, as follows:

Congressional Research Service,
Washington, D.C., September 9, 1975.

To: Hon. Edward M. Kennedy, Hon. Ernest F. Hollings.
From: Economics Division.
Re: FEA Paper, The Effective of Decontrol, dated August 18, 1975.

This paper is in response to your request for a critique of the FEA August 18 study on old oil decontrol, cited above. Some of the areas where criticism may be made are addressed below. One general comment: I note that all forecasts presented by the FEA are derived from processes not described in their paper. There is no way that their methodology may be checked. Their prognostications emanate from a model whose parameters and mechanics are unknown to the reader, and no doubt contain numerous assumptions about which there may not be widespread agreement.

These assumptions are neither implicit nor explicit in the FEA paper. Furthermore, the model(s) generate forecasts that give the appearance of mathematical precision. For example, if the import price is $15.00 in 1985, and there are no controls, the prediction that domestic crude production will be 9.975 mbd (million barrels/day) gives the impression that forecasts can be made with exactness to the last one thousand b/d, ten years into the future. This illusion of mathematical precision in forecasting is, of course, questionable. To give the impression that oil consumption can be predicted as a function of various price levels, to the 1000th bbl is certainly tenuous. Moreover, to use this procedure to form the basis and justification for decision-making which will, over time, redistribute hundreds of billions of dollars from energy users to energy producers is hazardous.

Another point should be made here at the outset. The FEA paper, from time to time, refers to the "free market price of crude." But the fact is there is presently no free market for crude. Crude prices are largely, if not entirely, determined by the OPEC cartel on non-market bases with world and U.S. prices bearing no resemblance to free market prices. To discuss the "free" crude market is unrealistic and possibly misleading at best.

1.1 THE ECONOMIC IMPACT OF DECONTROL

The FEA has estimated the cost of decontrol, and states that its cost is almost nil. Their analysis is based on a number of arguable assumptions. These are delineated here.

1.1.1 TARIFF SURCHARGE REPEAL OFFSETS DECONTROL COSTS

FEA asserts that the tariff repeal will offset most of decontrols' cost. Tariff repeal, however, is by no means certain. But more importantly, tariff repeal is not germane to decontrol—the two are independent with costs and benefits that are separate and should be measured separately. Under continue price controls, the savings of tariff repeal would have been flowed through to consumers, lowering prices about 3c/gal on average across the product mix. With decontrol, prices will be higher than they would have been by about 5.4c/gal (discussed later in this paper). Because prices may only increase 2.4c/gal with immediate decontrol, it does not mean that decontrol only costs 2.4c/gal.

Because there should be a 3c/gal rollback from tariff repeal, and this has not accrued to fuel users under decontrol, fuel users are 3c/gal less well off. This extra 3c/gal is therefore an opportunity cost to consumers, raising total decontrol costs to 5.4c/gal. But this opportunity cost is a real cost as well. Fuel prices rose throughout the first half of this year. With decontrol/no tariff, the country has, in effect, already paid for 3c of decontrol in the earlier part of 1975. And under decontrol/no tariff, this 3c—which should have flowed through to consumers in price reduction—*will not.*

It is further possible that one time cost pass-throughs of banked costs have raised some product prices, particularly gasoline, to the decontrol level already. While under price controls, these price increases would be rolled back after banked costs are used up; with decontrol these increased prices, which originally derived from banked costs, will probably remain. If they remain after banked costs are fully amortized, they then become costs legitimately attributable to decontrol—even though some product prices may not increase at all.

1.1.2 OTHER FUEL'S PRICE INCREASE

The September 2, 1975 Economics Division paper prepared at your request delineated how coal and unregulated natural gas prices increased under oil fuels price leadership in the post embargo environment. Recent history has documented these increases well, delineating energy market mechanisms which tend to equalize other fuels' prices with oil on a Btu equivalent basis. FEA has chosen to relegate these forces to the background, stating that long term contracts and overpricing of residual fuel will eliminate any increase. While it is true that most gas and coal are under long-term contract, prices under these contracts are not really fixed, and substantial and frequent contract price escalation (escalator clauses are common practice in coal and gas contracts) is common. To overlook this potential for price increases is extremely optimistic.

1.1.3 OLD OIL PRODUCTION

There is a great deal of confusion regarding exactly how much oil is being produced now. And FEA has not helped clarify this matter because the most recent published figures on the old/new production ratio are last February's (61% old). Additional confusion is added by strange seasonal variation in this ratio—it is low in winter and highest in summer. For example, we estimate that current old oil production is about 5.2 mbd, 65% of the current 8.0 mbd production.

Some oil industry critics are also concerned that the drop in oil production during the past 4–5 months (about 400,000 b/d) has been caused by producers withholding old oil production in expectation of decontrol. Because old oil's value will more than double without controls, substantial incentive exists to withhold. If significant hold backs are taking place, the 5.2 mbd old oil estimates could prove low by up to 300,000 b/d.

1.2.1 MACROECONOMIC IMPACTS

FEA's macro estimates of decontrol's impact are very small because they are derived from small initial fuel price increase estimates. They also embody a 90% windfall profits tax, which we found to have an effective rate of only about 66% for 1976 and an average rate of about 45% for the 5 years that the Finance Committee's proposal would be in effect. We assume that FEA has rebated only 45% of the $5.3B oil price increase estimated by FEA and not the $12.3B rebate spelled out in the Senate Finance Committee proposal. This, however, is not clear.

2.1.0 AN ALTERNATIVE DECONTROL COST ESTIMATE

Below are estimates of the individual cost elements of decontrol and some estimates of decontrol costs' macro implications, made under what we believe to be more realistic assumptions.

2.1.1 OLD OIL PRICE INCREASE

In a tariff-less environment, old oil will converge on the landed cost of foreign oil, assumed to be $12.50/bbl. Old oil is controlled at about $5.25. In 1976, old oil production is estimated to decline 200,000 b/d, in line with its historically slow fall off. Costs to fuel users in 1976 (a leap year) will be 5.0 mbd x 366 x ($12.00–$5.25) = $12.4B. With 1976 consumption at 5.5 billion bbls, this will add $2.25 to the average barrel of refined oil products (or about 5.4¢/gal).

2.1.2 NATURAL GAS LIQUIDS (NGL)

NGL is price controlled under regulations very different from crude controls. As a result, NGL products such as propane, butane, ethane, etc., are underpriced well below market clearing levels. While FEA, which administers this price control program, has no idea of what NGL prices actually are, they are estimated to be at least $5.00/bbl below their market clearing level. With production at 1.6 mbd in 1976, costs here will be 1.6 mbd x 366 x $5 = $2.9 B.

With significant natural gas curtailments a certainty this winter, demand for these fuels will be substantial because of their close substitutability for gas. This could drive propane prices as high as 45¢/gal ($19.00/bbl) increasing this cost component substantially.

It should be noted that FEA ignores this cost element completely.

2.1.3 NATURAL GAS

About 10 B Mcfs (1000 cubic ft) of gas are sold outside FPC regulation, either in the intrastate market or as non-jurisdictional sales of interstate pipelines. Most of it is under long term contract and for this reason it has been assumed that 30% of the rise to Btu parity with oil fuels' price leadership will be suppressed. Using a gas/oil parity ratio of .17, this calculation can be made: 10B Mcf x $2.25 x .17 x 70% = $2.7 B.

Gas is competitive with a wide variety of oil and NGL-based fuels, especially in the present curtailment situation wherein many industrial and commercial gas users will be forced to switch to light fuels. It is therefore likely that the full decontrol impact, less contractual price constraints, will affect gas in 1976 and cost the $2.9 billion estimated above.

2.1.4 COAL

The FEA contention that coal is competitive only with residual fuel oil is well taken. But to say that residual has reached its full world price under FEA controls is a possible over-simplification speaking toward lax controls. A more accurate characterization of the situation would be:

About 3/5 of residual is imported as a refined product.

Of the other 2/5s, 60% is refined from old oil.

This 60% of the 2/5s domestic residual will increase by $6.75 (decontrol differential) per bbl under decontrol.

Hence residual will increase ½ (2/5) x $6.75, or about $1.70/bbl).

With 1976 oil competitive steam coal consumption estimated at 450 million tons, an estimated BTU equivalence ratio of 4 to 1 with residual, and long-term contracts and coal's lower rate of substitutability with oil suppressing ½ of 1976's price rise, this calculation may be made: 450 mil. tons x 4 x $1.70 x ½ = $1.5 B.

2.2.1 MACRO EFFECTS

In Sec. 2.1 above, about $20B of increased 1976 energy costs were forecast under sudden decontrol. Recapping costs estimated in Section 2.1, we have:

Crude oil price increases	$12.4B
NGL price increases	2.9B
Unregulated natural gas price increases	2.7B
Coal price increases	1.5B
Total	19.5B

Some of this increased cost has already occurred during the 2nd and 3rd Quarters of 1975 through the workings of the tariff surcharge acting as a proxy for decontrol. Replacing the tariff with decontrol simply means that prices which went up before decontrol due to the defunct (although it is not defunct with 100% certitude) tariff, stayed up because of decontrol. Without decontrol and with the courts overturning the tariff, pricing regulations, if properly enforced, would have caused tariff derived price increases to be rolled back. They will not be under decontrol, and the costs which were attributable to the levies prior to September 1, now become attributable to decontrol.

Our September 2 paper for you, Macro-Economic Impact of Energy Price Increases and Implications Regarding Old Oil Decontrol, measured the effect of post-embargo energy price increases. It showed that, during the 3rd Q 1973–2nd Q 1975 time frame, $51B in energy prices caused $97B worth of inflation and 3.8 percentage points of unemployment. Proportionately (if proportionality exists), we can say that over a 6 quarter or so period, with $20B in energy price increases, no windfall profits tax since none has been enacted, 1½ percentage points of unemployment could be anticipated, as well as 2.7 percentage points of inflation as measured by the GNP deflator.

It should also be noted that FEA denies the existence of ripple effects. The September 2 CRS paper on this subject indicated that very substantial ripple effects were associated with the post embargo pricing experience.

3.1.0 THE IMPACT OF DOING NOTHING

Section 2 indicates the cost of decontrol could be in the area of $20B in primary energy price inflation, $40B in total inflation and 1¼ million lost jobs. The FEA paper states that a 1977 six-month embargo, if no action is taken, will cost $24B in lost GNP and 700,000 jobs.

4.1.0 EFFECTS OF DECONTROL ON IMPORTS

FEA has forecast import reductions based on production increases and demand reduction under the decontrol/no tariff plan.

4.1.1 SUPPLY INCREASES

Supply at various price levels has been estimated with the Project Independence Evaluation System. A long run supply elasticity of +.93 (a 10% price increase yields 9.3% more production) is estimated, which seems high. Aside from the vicissitudes of precise forecasting with models mentioned earlier, there is the problem of making reliable estimates for 10 years hence regarding oil production, whose time shape does not dovetail well with real oil prices. Estimating price/supply response is further complicated by a history of stable prices and increasing production, as well as recent experiences with declining production and increasing prices, which yields few, if any, opportunities to measure historic price/supply relationships meaningfully. Again, a chief criticism of the FEA paper is that the assumptions and parameter estimates supporting supply projections are not available for scrutiny and there is no way in which to assess their validity.

4.1.2 CONSERVATION

Based on some not well quantified long run price elasticity estimates, and overlooking income elasticity (the fact that over a 10 year period people's incomes rise and they are able to buy more) FEA forecasts are implicitly made. Again, the actual mechanics and parameters underlying these estimates are not spelled out.

4.1.3 NET IMPORT SAVINGS

The FEA estimates these savings elements to be the key benefits in 1977 from no tariff/decontrol:

Demand Reduction, 480,000b/d saved.

Increased production (at $12.50/bbl import price), 191,000b/d more production.

Total Import Savings, 671,000b/d.

This .671 mbd amounts to about 245 million bbls/years-saved—a significant saving of oil as well as $3.1B in balance of payments savings. However, with 1977 decontrol cost still close to $20 B, these import savings average $82 for each bbl of foreign oil not consumed. The cost-benefit ratio here is not all that favorable.

LAURENCE KUMINS,
Analyst in Energy Economics.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that an advertisement appearing in this morning's Washington Post and other newspapers throughout the country, signed by those from the Farmers Union, the Women's Political Caucus, the former Consumer Advisor to the President, organized labor, the Energy Policy Task Force Chairman, and various other leaders in the various sectors of our society, be printed in the RECORD at this point.

There being no objection, the advertisement was ordered to be printed in the RECORD, as follows:

Get Mad, America, Get Mad

If Congress doesn't override the President's veto tomorrow, your family's fuel bill will go up $300 next year. And it will keep going up until you get mad!

For the last few years, the politicians and the oil companies have been pushing the people of this country around.

And we've been letting them get away with it.

They pushed us with a phoney fuel shortage in 1973, and we let them get away with it.

They pushed us with unbelievable gasoline price increases in 1974, and we let them get away with it.

And President Ford just did it again—by vetoing a bill that would have extended price controls for at least another six months.

But this time, we're not going to let them get away with it. Because some of us are starting to get mad.

Mad enough to form the Energy Action Committee and initially try to rally Congress to override Ford's veto when they vote on it tomorrow.

Right now we're just a handful of citizens—consumers and businessmen and labor leaders and scientists and artists. But if this ad makes enough people mad, we're going to be a whole lot more.

So now somebody's watching the politicians and the oil companies! Now somebody's telling the people what's going on in language they can understand.

Because oil price de-control is not a complicated thing only the experts can understand. It affects everybody. And it can be explained most simply in dollars-and-cents.

For instance. If congress does not override President Ford's veto tomorrow, the oil companies will have a free hand to raise the price of their oil—and they're already making record profits. And that alone could end up costing a family of four up to $300 per year more for fuel.

The impact of that on our economy could easily make it $600 more per year—and here's how.

1. A new wave of inflation can be expected, because the availability and cost of energy is so critical to our economy. The ripple effect of higher prices, especially for food, could cause up to $30 billion in inflationary impact on the economy. It will drastically increase production costs for farmers and result in higher food costs for consumers. It will wipe out the stimulus of the tax cut. It will drain consumer spending power for all other goods and services and badly hurt economic recovery as well.

2. Up to 500,000 jobs will be lost because of the reduced demand for all other goods and services. Especially hard hit will be the transportation industry, where fuel is a major expense. And other sectors that can't pass on the new costs, such as universities, will have to find other ways to cut down operating expenses.

3. Profit losses for every business but oil can be expected. And even some oil businesses won't be so good—if you're an independent. Elimination of controls will mean that many independents will be squeezed out of business—including independent service station operators—because of the cost and supply advantages that only the big oil companies will have.

4. And another crippled winter—because propane prices to farmers and rural residents will steeply rise and supplies of propane will be very tight to household consumers.

What can you do about it? Join us. Because we intend to expose the oil deals, name the names and lead the fight for change. We've got a lot of work to do, and we need a lot of people to do it.

People to help us educate and communicate the facts to the American people in local newspapers, local radio, local TV—to let them know that energy policies should not be set by the oil monopolies.

People to knock on doors in every neighborhood in the country to make sure every homeowner knows what's going on.

People to help start winning some victories for a change.

There's really nothing very complicated or confusing about oil price de-control.

You're either for it or you're against it.

If you're for it, then you're for billions of additional profits for the oil companies which will mean higher prices, inflation, unemployment and fuel shortages for the rest of us.

But if you're against it, then you're for us. We want to get your name. We want to get you to wear our button. And we want to get your help.

But most of all we want you to get mad.

Get mad enough to work with us: The Energy Action Committee.

Barry Commoner, author of "The Closing Circle," environmentalist, Washington University.

Tony Dechant, President, Nat'l. Farmers Union.

Charles Dyson, Chairman, Dyson-Kissner Corporation.

Frances Farenthold, former Chair, Nat'l. Women's Political Caucus.

Carol Tucker Foreman, Executive Director, Consumer Federation of America.

Aaron Henry, President, Mississippi State NAACP.

Norman Lear, Producer, "All in the Family" & other television programs and motion pictures.

Paul Newman, actor.

Esther Peterson, former Consumer Advisor to the President.

Robert Redford, actor.

Miles Rubin, Chairman of the Board, Optical Systems Corporation.

Floyd E. Smith, President, Int'l. Ass'n. of Machinists and Aerospace Workers, AFL–CIO.

Glenn E. Watts, President, Communications Workers of America, AFL–CIO.

Lee C. White, former Chairman, Federal Power Commission; Chairman, Energy Policy Task Force.

Harold Willens, National Chairman, Businessmen's Educational Fund.

Leo Wyler, Chairman of the Board, TRE Corporation.

Titles for identification only.

Get mad enough to send for this button!

To: The Energy Action Committee, Suite 901, 1012 14th Street NW., Washington, D.C. 20005.

☐ Now I'm mad. Please send me a Get Mad Button.

☐ I want to help in any way I can.

Name ________________________________
Street ________________________________
City ________________________________
State____________________ Zip__________

Because of the time required to secure appropriate approvals, which may be necessary, we cannot solicit contributions or ask you to write your Congressman.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that a resolution adopted yesterday by the Democratic Conference be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Resolution

Whereas the Senate has passed many elements of a national energy program, especially in the conservation area, but has not yet considered other basic elements thereof, and

Whereas it is incumbent upon the Congress, subsequent to successfully overriding the veto of S. 1849, to immediately complete action on a national energy program, therefore

Be it *resolved* by the Democratic Conference that immediately after the veto of S. 1849 has been successfully overridden by the Senate, this body shall immediately proceed to consider and process expeditiously the following emergency items, to the exclusion of all other business, except Conference Reports, until their consideration is completed:

1. Energy production mobilization board.
2. New domestic oil pricing legislation.
3. Emergency natural gas legislation.
4. H.R. 7014 as soon as the House of Representatives completes consideration thereon.
5. Permanent natural gas legislation.

Mr. HOLLINGS. Mr. President, yesterday afternoon the Democratic conference unanimously adopted this resolution which I presented, stating that in the event we override the veto of the President on S. 1849, we proceed immediately to the consideration of five fundamental and basic energy measures which have been debated, and which should be acted upon expeditiously. We agreed that we will give them priority over everything excepting conference reports.

One is the Energy Production Mobilization Board.

Mr. President, if I had been king for a day we would have introduced that one in January and passed it within a day. We have tried along this line for several years, with good support from both sides of the aisle. The Republican members on the Atomic Energy Commission, the appointees to the Federal Power Commission, even Paul McCracken, former chairman of President Nixon's Council of Economic Advisors, thought that we ought to have an energy policy council.

I have sponsored that proposal for the last 4 years. It has passed the Senate three times, foreseeing this particular energy problem and the condition that we would find ourselves in unless we had a central authority and a coordination of the various agencies and departments of Government.

More than anything else, we should have one central collection unit for information. In many instances we legislate in the dark because we do not have the information at hand.

That has been fought by the administration and by Members on the House side.

Now we do have an energy production mobilization board bill that is to be reported to the Senate within the next 10 days, according to the chairman of the Interior and Insular Affairs Committee (Mr. JACKSON).

We will have to put in new domestic oil price legislation as No. 2.

The emergency natural gas legislation is on the calendar. That was introduced today. We will take up H.R. 7014 as soon as the House of Representatives completes action on it.

Then, of course, we will take up permanent natural gas legislation.

We are not just trying for a confrontation or impasse, as it has been characterized in the media. We have been plodding along. That is the way the Congress works. It could not just pass one overall omnibus bill. We have already provided for research and development through the ERDA bills. We have tried to turn industry around from oil and gas to coal. We put in industrial conservation. We put in home conservation. We put in automobile conservation with a fuel economy bill. We have come around with labeling acts. We have tried to train the pricing to the structure where the less you use the lower the rate, rather than the more you use the less the rate, as it is in America today.

We have put in all of these things, working around the clock, late at nights and on Saturdays. We have not been dilatory. At the present time, we do have control over it, but we need the energy production board to be appointed by the President as in World War II when we had the War Mobilization Board. My former associate, a former Senator from South Carolina, Senator Jimmy Byrnes, was the war mobilizer. We now need an energy mobilizer in this particular war.

I would hope we could get that board and it would not just be operated out of the back pocket of Mr. Morton or whoever. There has been no continuity with all the changes in energy leaders. Zarb has it now but there have been dozens over the past few years. There has been this running thing, like a weekend store, to find out where it is. The President has kept it in the White House for the past 2 weeks.

I hope tomorrow we will be able to override that veto and move forward with the completion of the congressional program.

Mr. FANNIN. Mr. President, the Senator from Arizona realizes the lateness of the hour, and that the debate will continue with regard to this particular veto message; it starts tomorrow at 11, and the vote will not come until 3. But I commend the distinguished Senator from South Carolina for his great interest in our energy problem and his desire to reach the goals we all desire. He may have a different opinion as to what we can do, as to what the President should do, and as to the responsibilities of Congress. This is good for debate; and I think it is proper that we should debate these issues, and tomorrow, starting at 11 o'clock, this will continue.

But I do feel there are a couple of items that I should ask to have placed in the RECORD at this point. One, entitled "Watching Washington," by Gene Kinney, is an editorial from the Oil and Gas Journal of September 1, 1975, which does give a different opinion than that expressed by the distinguished Senator from South Carolina. This is his explanation of what is involved. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WATCHING WASHINGTON WITH GENE KINNEY

CONGRESS GETS CUSTOM-TAILORED STUDIES OF DECONTROL

The Congressional Research Service arms members of Congress with the facts and figures with which to view the world with alarm.

Faced with decontrol of oil prices Sept. 1, Sens. Edward M. Kennedy (D-Mass.) and Ernest F. Hollings (D-S.C.) turned to this "independent" source in the Library of Congress to find out the impact on energy consumers.

The answer: $40 billion annually, a figure calculated to scare congressmen into overriding the President's planned veto of the bill extending controls 6 months.

Lawrence Kumis, analyst in energy economics for CRS, breaks down the $40 billion cost this way: $16.3 billion for decontrolled oil, $3.9 billion for increases in natural gas, $3.6 billion more for coal, and $2.9 billion for natural-gas liquids. Total direct cost: $26.7 billion.

What about the other $13.3 billion? Well, that will come from the "ripple" effect as airlines and other businesses add their 50% markup to fuel-cost increases.

The Federal Energy Administration, by contrast, puts the best possible face on decontrol with removal of the import fees. It reckons the net impact of higher old oil and lower uncontrolled-oil prices at $5.3 billion.

Kumins arrives at his more alarming result, in the time-honored manner of political economists, by careful choice of assumptions. He assumes that (1) the $2/bbl fee will remain (it won't), pushing $5.25/bbl oil to $13.50; (2) 50% of coal will jump to the equivalent price, although that volume not under long-term contract already competes with resid at world prices; (3) 70% of the 11 trillion cu ft in unregulated gas sales will suddenly rise by the amount of the average crude-price hike, although unregulated gas already reflects the new-oil price; and (4) natural-gas liquids prices will double.

All this will add 2¼% to inflation because of two other assumptions: (1) the benefits of increased producer revenues will be lost by falling through a hole in the economy, and (2) there is no market out there to deter full pass-through of all direct costs plus the ripple.

This "study" is in a class with another which recently found U.S. oil prices to be higher than necessary; $6.50 was said to be high enough to elicit adequate supply. Why? That was the price in western Canada, and Canada (already curtailing exports to avoid a shortage) had plenty of oil!

As the computer experts say, garbage in . . . garbage out.

Mr. FANNIN. I also have here an advertisement that appeared in today's Wall Street Journal. No extensive remarks have been made about what some of the independent refiners have said about what should be done. This particular advertisement is entitled:

PETROLEUM REFINERS AND MARKETERS URGE AN END TO PRICE AND ALLOCATION CONTROLS

The advertisement reads:

We, as petroleum refiners and marketers, wish to go on record to urge the United States Congress to sustain President Ford's veto on Senate Bill 1849, which extends the massive, cumbersome system of price and allocation controls now in effect.

The present regulations discourage competition and investment, provide subsidies and hidden benefits to some oil companies and cause inefficiencies and shortages.

We believe that it is unfair to force consumers to bear the enormous costs of the current regulations and that the supply of oil will be greater and its distribution more equitable in a free market.

That advertisement is by Amerada Hess Corp., of Woodridge, N.J., and Koch Industries, Inc., of Wichita, Kans. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the advertisement was ordered to be printed in the RECORD, as follows:

PETROLEUM REFINERS AND MARKETERS URGE AN END TO PRICE AND ALLOCATION CONTROLS

We, as petroleum refiners and marketers, wish to go on record to urge the United States Congress to sustain President Ford's veto on Senate Bill 1849, which extends the massive, cumbersome system of price and allocation controls now in effect.

The present regulations discourage competition and investment, provide subsidies and hidden benefits to some oil companies and cause inefficiencies and shortages.

We believe that it is unfair to force consumers to bear the enormous costs of the current regulations and that the supply of oil will be greater and its distribution more equitable in a free market.

AMERADA HESS CORP.,
Woodridge, N.J.
KOCH INDUSTRIES, INC.,
Wichita, Kans.

Mr. FANNIN. Mr. President, this is an expression by these particular companies. I think it is good that we have this information available to us as we approach the vote on this subject.

The Senator from Arizona is fully cognizant of the challenge that we face with respect to what we do with the petroleum industry. I think the Senator from South Carolina is aware that the Senator from Arizona has been working on different programs for some years. I would just say that the Senator from Arizona has worked in the petroleum industry for over 20 years, and is interested in other types of energy. We have had extensive experience in my State and in California on geothermal steam, a project in which the Governor, now the Senator from Arizona, was involved.

We have accomplished much in recent years in solar energy, which is an example of what can be done with all of us working together.

The Senator from South Carolina has questioned us somewhat this afternoon. We will all have an opportunity tomorrow, for 4 hours, to generally discuss this subject, and I think that is good. I feel there will be much brought forth that will be helpful to Senators in making their decisions. That is what we all want, the exchange of ideas.

I thank the Senator for yielding time to me. It is late, and I feel we will be going on from 11 o'clock tomorrow, and I shall be here and ready to engage in any debate necessary.

Mr. HOLLINGS. I thank the Senator. Mr. President, we have one other distinguished colleague who has some further comments. But let me say there is no one who has had greater experience than the Senator from Arizona. No one is more conscientious in what he believes, and there is no one I respect more. I served as Governor of my State while he served as Governor of his State.

I only ask that we stick with the Senator from Arizona. He submitted this bill, the Emergency Petroleum Allocation Act, back in 1973, with a unanimous report.

Mr. FANNIN. But that was for a period of time.

Mr. HOLLINGS. For an extended period of time.

Mr. FANNIN. But this has all been thoroughly covered.

Mr. HOLLINGS. Has it corrected those conditions?

Mr. FANNIN. It has not been corrected. Some of the conditions do not exist today that existed then; some are worse, and some are better. I would say to the Senator from South Carolina that tomorrow we have 4 hours. It is 5 minutes after 6. The Senator from Arizona does have an appointment, or had an appointment, at 6 o'clock. I would just say that I would be glad to go further into this matter at 11 o'clock tomorrow.

Mr. HOLLINGS. I shall be glad to go into it. I do not wish to belabor my colleague, or hold him on the floor. It is just that inflation, from November 1973 until September 1975, has worsened. Unemployment, from November 1973 to September 1975, has worsened. Domestic refinery production, from November 1973 to September 1975, has worsened. The allocations have worsened. The consumer price index, retail price index, wholesale price index, inflation—everything that prompted Congress to act and President Nixon to sign it into law in November 1973—has worsened. I just want to get President Ford to support the Senator from Arizona in this measure that he found necessary in November, 1973 and certainly must find necessary now.

Mr. FANNIN. If the Senator will yield, I think the Senator realizes it has not worked, and some of the problems we have now are more serious and more severe. The Senator from Arizona is trying to work with the other Members of the U.S. Senate, the House of Representatives, and the President, to try to find some solutions. This is all we are asking for, to be given time to do so.

I think we have overstretched the length of time in which this should be done, but let us let bygones be bygones from the standpoint of the timing, and look forward to what we can do in the future.

Mr. HOLLINGS. It has not worked with big oil, with a big President, and with big OPEC. That is who it has not worked for. But it has worked generally on the streets.

Go to a party tonight, relax, eat dinner, enjoy yourself with your family. Employment is rising, unemployment is decreasing, and we are trying to hold the line and turn the economy around.

There is no real crisis out there right now. All we know is that with the President's veto of this thing, we will have an additional $40 billion inflationary impact to succumb to.

Mr. FANNIN. That is the Senator's opinion.

Mr. HOLLINGS. The Library of Congress opinion.

Mr. FANNIN. Oh, yes, I have covered that in my remarks, and I will elaborate on it tomorrow, and be very pleased to discuss it.

Mr. MOSS. Mr. President, will the Senator yield?

Mr. HOLLINGS. I yield to the distinguished Senator from Utah.

Mr. MOSS. Mr. President, I appreciate the colloquy that has been held by my colleagues. I, too, recognize that it is late, so I shall be very brief in the remarks I make tonight. But I do feel constrained to say what I do say tonight, so that it will appear in the Record, and hopefully my colleagues and many others may have a chance to read it in the morning before we do proceed to vote as to whether or not the Senate will override the President's veto, which he has now sent to this body, on the extension for a mere 6 months of the oil price controls and allocations bill.

As my colleagues were discussing, this is simply a period of extension in which we can finally come to an agreement, a compromise, if you want to call it that.

Certainly I have been producing a compromise which I have been urging now for 45 days, hoping to get the President's attention and have him consider it. I serve, Mr. President, as chairman of the Energy Task Force of the Budget Committee, and in that capacity, our task force has held extensive hearings on the energy situation as it exists now, and on the possible impact of the termination of price and allocations controls.

On that basis, I joined with those of my colleagues who serve on that task force in sending a letter to all of the Members of the Senate, and I would like to read that letter into the Record, Mr. President.

This is addressed to "Dear Colleague," and it has gone to every Senator in this body.

> Presidential veto of the bill to extend oil price controls for six months will result in immediate decontrol, which will be a dramatic setback if not a stifling of the nation's economic recovery. The CBO analysis released last week indicates that decontrol would boost inflation by nearly 2% by the end of 1977, reduce the projected growth of production by 20%, and add 600,000 people to the unemployed rolls. The analysis also indicated that retail prices would increase nearly .5% higher than otherwise by the end of this year, over 1.5% by the end of 1976, and nearly 2% higher by the end of 1977. The impact on wholesale prices would be even larger. The CBO analysis estimates a minimum increase of 7¢ per gallon in retail gasoline prices by May 1976. If percentage profit margins are imposed, the retail price increase could amount to 13¢ per gallon. If natural gas prices are decontrolled, the economic impacts would be greatly exaggerated.
>
> In July, the Energy Task Force of the Senate Budget Committee, held public hearings to consider economic and budgetary implications of recent and prospective actions in the energy field. Witnesses appearing before the Task Force were almost unanimous in recommending against immediate decontrol.
>
> CBO analysis confirms that immediate decontrol would force inflation and unemployment to exceed the Budget Committee's targets, if current fiscal and monetary policies are retained. The impact on unemployment would be even greater in 1977 when the full effect is felt. Damage to the economy might be twice as great if natural gas prices are decontrolled.
>
> It might be possible to offset the reduction in purchasing power of higher energy prices. But a deficit increase ranging up to $16 billion might be required in FY '76 alone to offset the impact of immediate decontrol of oil and natural gas prices. Moreover, experts indicate a full fiscal and monetary offset will be difficult to achieve if the economy experiences too great an energy shock, which immediate decontrol portends. Even with some tax reductions, the added costs cannot be redistributed equitably.
>
> It is clear that immediate decontrol of energy prices would put the inflation and unemployment goals implicit in the First Concurrent Budget Resolution beyond reach. Moreover, if domestic oil and gas prices are uncontrolled and permitted to move in response to the change in the price of imports, each $1 increase in the cost of imported oil would cost consumers an additional $5.3 billion for oil and at least another $1.7 billion for other fuels.
>
> I believe that prompt resolution of the energy conflict between Congress and the President is required. The United States must increase its domestic production and conservation of energy supplies. But immediate decontrol is not the best way to do that. There is an urgent requirement for decision to eliminate uncertainty, for producers and consumers alike, and to make a start on an effective energy program. Under the circumstances which now confront us, I urge that we vote to override the President's veto.

Besides my own signature, the signature of Senator Walter F. Mondale and Senator James Abourezk appear on that letter.

Mr. President, this is simply a plea to our colleagues to take additional time. Another 30 to 60 to 90 days would enable us to come to a satisfactory conclusion, I am sure, with the executives, and to work out a long period of decontrol on a phased basis so that the economy would not suffer this abrupt shock. We would not have a sudden increase in unemployment. We would not be pushed back into the trough of recession from which we are just beginning to emerge now.

I think it would be tragic if at this point, simply on the insistence of the President, we let all of the controls go and not start back.

I am sure the President wants some kind of phased decontrol, but for some reason he has seen fit now to veto the bill, and I think it is incumbent upon Congress to say we need at least a little more time to finish the job on which we are embarked.

EDUCATION APPROPRIATIONS

Mr. HOLLINGS. Mr. President, I ask unanimous consent to have printed in the Record a statement by the distinguished Senator from Michigan (Mr. Philip A. Hart) relating to the veto of the education appropriations bill and the vote tomorrow in the Senate on the attempted override of the veto.

The PRESIDING OFFICER. Without objection, it is so ordered.

Statement by Senator Philip A. Hart

Recognizing our resources are not unlimited, we are almost daily faced with hard choices on continuing old programs or enacting new ones, on whether or how much to fund these programs. By these choices, consciously or unconsciously, we are setting priorities for the country; we are deciding what is most important to us. The education appropriations bill provides the Congress a chance to make a conscious choice in favor of the young and the future.

Certainly no one would question the traditional role of public education in this country or the importance of education to the fulfillment of personal and national potential. The dispute is rather on the need for limiting the budget deficit and which programs can and should be cut.

In my book, a vote to override the President's veto would not be a vote for inflation as he suggests. In fact, the final levels of the bill, as Chairman Flood of the House Appropriations Subcommittee on Labor-HEW so aptly noted, reflect an increase over last year's appropriations' levels of only 3.6% which does not even compensate for the 9% rate of inflation.

There are various ways of reducing the budget deficit, among them limiting outlays by cutting Pentagon spending or increasing revenue by closing tax loopholes such as the tax shelters presently being considered in Ways and Means. Also, the independent Congressional Budget Office estimates our economy is operating at $230 billion below capacity, which leads to some questions about the wisdom of so severely limiting domestic spending, especially job producing spending.

Of one thing I am sure, however, and that is budget cutting should not be done at the expense of Federal aid to education, particularly under present economic and social conditions. It is not a time to cut aid to higher education when increased costs are already forcing large tuition increases and when many students and their families hit by inflation and unemployment are finding it ever more difficult to pay even the old rates. It is not the time to cut aid to elementary and secondary schools when these same economic conditions are making it increasingly difficult to raise funds on the state and local levels. Last week's papers carried the account of the dilemma of my State of Michigan which is faced with the choice of an overwhelming deficit or delaying by one month one-half the scheduled October 1 payment of $200 million to local school districts. The thinking now is to delay the payment. While Michigan is especially hard hit by unemployment and its accompanying recession I am confident other Senators could tell very similar stories. It is not the time to cut emergency aid to schools to ease the desegregation process in the face of news reports from Boston and Louisville and when other cities, including Detroit, have just or are still working out acceptable desegregation plans in the Courts.

Therefore, I urge my colleagues to consider carefully the priorities of need and traditional national commitment and you will then, I hope, vote to override.

NEW YORK'S FINANCIAL CRISIS

Mr. JAVITS. Mr. President, during the past few months, people across the Nation have become increasingly familiar, unhappily for us, with the financial plight of New York City. New York's difficulties inspired scores of editorial cartoons which depicted the city as a unique example of fiscal irresponsibility and urban decay. This, of course, was tragic in the ears of our own people in New York, 8 million of them, in New York State over 18 million, and I have little doubt to the people in many of the larger cities in the country almost similarly affected to New York.

But the laughter at editorial cartoons, et cetera, has quickly faded away with the realization that the problems which afflict New York are not unique but are present in almost every American city to some degree.

New York City and New York State have now acted resolutely; it is now the administration and the Congress which must act.

The Legislature of the State of New York in the law passed by the Governor only last night provided $2,300,000,000 to New York City for the purpose of insuring that it would not go into default, Mr. President, through December or into December of this year.

The State legislature and the Governor of the State of New York are to be highly commended for their bipartisan legislative achievement in preventing the financial collapse of New York City, and they did it because they realized, notwithstanding the risk to the State, and the risks are very real, that the financial condition of New York City was directly related to the financial condition not only of our State but many other cities, even to States throughout the United States.

It is now evident that avoiding default in New York is directly related to the financial stability of cities and States throughout the entire Nation. In short, if New York City defaults, the ripple effect throughout our national economy will be devastating.

Now, Mr. President, the question is, what will the Members of Congress do and what will the President do?

So far, they have even refused to consider any Federal plan, just to consider it, really to help the city.

It seems to me they should now recognize that the State's accomplishment to save the city, taken at such great risk in terms of its own credit, is about the outermost limit of self-help by the State of New York to the city of New York and that the time has come for the administration and the Congress to do their share to help the largest and greatest city in the United States and in the world out of default.

With the Municipal Assistance Corporation's sale of bonds to raise $2 billion for the city, and the State's effort to provide an additional $2.3 billion last night, New York City can move ahead now until the end of December without the dire threat of immediate default. However, if the situation is to be really meaningful to other cities and States, the Federal Government, including Congress and the President must now do their part to help the city through June of 1976, which is the earliest date upon which it can really get on top of its problem.

The action taken in Albany last night will really help our country only if it serves as a catalyst for a Federal effort which will be extended to all cities and States truly needing it. I will continue to work with the administration, my colleagues in Congress, and the people of my State for positive action to save New York City.

For my part, I will continue to work with the administration and my colleagues in Congress, and with the legislature and people of my State, for positive action to save the city.

Mr. President, the shock waves of a New York City default which can be by no means considered now to have been avoided, except in the terms of the month's interval which we have been given by the literally heroic action of the Governor and the Legislature of the State of New York, would reverberate throughout the country with telling effect.

The interest rate on municipal bonds has already jumped two or more points and some cities have been unable to market bonds at any price. Several mayors have recently declared that it might be in their cities' ultimate self-interest to purchase Big Mac bonds now, lest a New York City default permanently cripple the Nation's municipal bond market for every city regardless of credit rating.

A New York City default could result in a grim financial toll among the Nation's cities. Its most immediate and damaging effect would naturally strike New York's own citizens. Municipal payrolls could go unmet, thereby jeopardizing the safety of 8 million people. Welfare checks would not be honored, depriving the bare essentials of life to hundreds of thousands of recipients. Let us never forget that millions everywhere identify New York with the United States of America; in this way *it is even* more than a capital city.

Before we allow New York City to plunge to the unknown depths of financial default, it would be wise to explore the implications such an act would have on the American financial system, both public and private, and on cities across the Nation as well as on the citizens of New York City. I ask unanimous consent that an article from the New York Times of September 7, 1975 by A. H. Raskin be printed in the Record to detail the full scope of the problem which confronts New York City and the Nation as a whole. The article sums it up as follows:

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the New York Times, Sept. 7, 1975]

If the City's Finances Blow Up, the Shrapnel Will Travel Far

(By A. H. Raskin)

If New York City finds its tin cup empty and has to default on any part of its multi-billion-dollar debt, the scope and intensity of the resulting dislocations would probably far exceed the cumulative damage to the national economy of all the defaults suffered over the years by more than 6,000 other cities.

There is near unanimity on that point among Federal, state and municipal officials, bankers, economists and businessmen, though on little else. Many "experts" believe Washington would minimize damage by shoring up injured banks. Others are just as convinced that default would topple many economic dominoes all over the country.

Here, to the extent it is possible to foresee, is the effect default would have on the city itself, on the state and on the nation:

THE CITY AND STATE

Payless pay days for 330,000 municipal employes, establishment of a scrip system instead of money wages, thousands of new Civil Service dismissals and court orders scaling down union agreements are all possibilities. So could thousands of city suppliers and contractors have their payments withheld and orders canceled. There also would be the likehood of a moratorium for a year or longer on any payments of interest or principal to upwards of 100,000 holders of municipal bonds and notes, among them some of the country's largest banks, brokerage houses and insurance companies.

Some real estate operators with marginal office or apartment buildings have already warned that a city default would force them to default on mortgage payments, further weakening the status of banks heavily burdened with the city's own notes and bonds. Loans to individuals and corporations, now tight, would become even harder and costlier to get. Large businesses might move out and others might decide not to come.

Consolidated Edison, biggest of all the city's direct suppliers of services, provides a case study of the probable impact on metropolitan commerce. Its bill for lighting the city's streets and buildings comes to $120-million a year. It gets another $90-million from the Metropolitan Transportation Authority for furnishing power to run the subways.

"We couldn't survive very long if the city stopped paying us," says Charles F. Luce, the Con Edison chairman. "It would be unthinkable to shut off the meters at City Hall so we would have to petition the courts at once to give us a priority on electricity payments or we'd be drained dry.

"But even if we got our bills paid, as I think we would, what worries us most is the ruboff of a city collapse on our own ability to market securities. Despite the best financial results we have had in years, we had to pull back an $80-million bond issue last month, at least partly because of the impact of New York's fiscal crisis."

There is a difference of opinion, at least in public, about whether the city can stop its payments to holders of its securities, while paying all its civil servants and other day-to-day commitments. Corporation Counsel W. Bernard Richland has already expressed his own view that any realistic appraisal of civil priorities would require paying police, firemen and other employes before giving scarce funds to coupon clippers.

However, that is not the view of the man who in practical terms will make the initial decision—City Controller Harrison J. Goldin, whose office writes all the city checks. At a heated meeting last Tuesday Mr. Goldin told the city's top leaders ". . . these securities are backed up by the city's full faith and credit. That is a legal obligation, and this controller will obey the law."

Governor Carey and his chief aides are convinced that New York State would have to begin defaulting on its obligations within a month after the city did. The state's credit already has been undermined to some extent by the collapse earlier this year of the Urban Development Corporation as well as by the city's near-collapse.

Wall Street sources report that no underwriting syndicate could be formed to market a new bond issue planned for the market this week by the State Housing Finance Agency. James Lebenthal of Lebenthal & Co., a major dealer in tax-exempt municipals, tells of buying back last week at an effective interest rate of 12.5 per cent a New York State note that his firm had sold two weeks earlier for 5.35 per cent. The note is scheduled to mature in two months.

Says Felix G. Rohatyn, chairman of the finance committee of the state-sponsored Municipal Assistance Corporation: "If state agencies can no longer roll over their debt, they would have to cancel $1.5-billion in construction now underway, including much that is nearing completion, a host of contractors would be pushed into bankruptcy and the cost would be high in joblessness. The story would be much the same for cities and counties throughout the state."

THE NATION

The satisfaction that many ranking officials in the Ford Administration and Congress initially took in New York City's financial difficulties as a product of "welfareism gone mad" has shifted in the last two weeks to an awareness than the contagion of a New York default could undermine the credit standing of all cities and states and shatter the fragile web of confidence on which rests much of the hope for reviving the national economy.

Some cities like Buffalo have had to withdraw bond issues for lack of takers at any price. Many others have found interest rates running two or more percentage points above what they would have considered reasonable in the light of high credit ratings. Still others have simply stayed out of the market, despite pressing need for cash to build sewers, roads or other civic projects.

"These things proceed irrationally," says the executive vice president of a major investment house. "If New York City defaults and the state follows, it will be like a smallpox epidemic. It may affect only a few communities at first, but there is danger that the whole market will be quarantined and that investors will not want even the best city or state securities no matter how high the interest."

That is not a universal judgment, however. Thus, Jay O. Tepper, Connecticut's Commissioner of Finance and Control, predicts that default might actually stabilize the municipal bond market by establishing operating rules.

Perhaps the most ironic aspect in the speculation over possible municipal default is the virtually unanimous agreement on one crucial point, based on the record of the 4,770 cities and counties that stopped paying on their debt in the Great Depression. It is that in the long run New York City will have to pay all its creditors in full, with accumulated interest. The courts would probably stretch out the timetable for payment, but default represents no cheap way to evade responsibility for total discharge of obligations.

Growing recognition of that fact is making many mayors and their Congressional allies clamor for re-establishment of some counterpart of the old Reconstruction Finance Corporation, which helped cities as well as banks and industrial corporations clamber back to solvency in the Depression years.

Mr. JAVITS. Mr. President, it is a dire moment of emergency. We have been saved from the worst by a spirit of enormous self-sacrifice and the willingness to take great risks in the Legislature of the State of New York. But whether we in New York, and certainly as important the country and the major cities of the country will be similarly saved, depends exclusively, Mr. President, upon the Federal Government, the Congress, and the President.

Now, Mr. President, the point has been raised of—

> Well, you cannot help New York unless you help everybody else.

We are delighted, Mr. President, to say that we identify ourselves with any other city or State which is taking similar risks or is in similar peril and we wish to be treated the same way. But inaction is not treatment, Mr. President. And those that have as dire a situation as we deserve as much as we do to have help. But again, I say inaction and telling us the situation is being monitored, et cetera, is not help.

It is that, Mr. President, that I lay before the Congress of the United States and the people of the United States in all wisdom and in all fairness right now. If New York goes down, Mr. President, a lot of States and cities will follow. New York is by no means out of the woods. On the contrary, it has just gotten a reprieve. Mr. President, that reprieve is a cost which my State cannot pay again. Three-quarters of a billion dollars for which it is committing itself strains it almost beyond endurance. So I give notice in time that if this is really to be done and done effectively before we have to pour in really billions because the whole municipal loan situation in the country has disastrously sunk, it is time now that the administration changes tune—it is just as involved as we are in terms of the security, safety, and credit of our Nation, including the Treasury of the United States—and takes effective action.

There are many courses—whether it is guarantees or subventions of interest, or taking off our hands, for example, some $800 million in mortgages on real property, called Mitchie-Lamma mortgages. There are a lot of ways to do it. But there will not be any way except hard cash if we go down. That is the reason, Mr. President, that I make this statement tonight.

PROGRAM

Mr. ROBERT C. BYRD. Mr President, the Senate will convene tomorrow at 10:30 a.m. After the two leaders or their designees have been recognized under the standing order, there will be a period for the transaction of routine morning business with statements therein limited to 5 minutes each, such period not to extend beyond the hour of 11 a.m.

At 11 a.m., debate will ensue with respect to the override of the President's veto of S. 1849, the bill extending oil price controls for 6 months. There will be 4 hours of debate, to be equally divided between the Senator from Arizona (Mr. FANNIN) and the Senator from Washington (Mr. JACKSON). A vote on the override of the President's veto will occur at the hour of 3 p.m.

On the disposition of that vote, there will be 20 minutes of debate, to be equally divided between the Senator from Washington (Mr. MAGNUSON) and the Senator from Massachusetts (Mr. BROOKE), on the President's veto of the education bill; and at the expiration of that 20 minutes, a rollcall vote will occur on the override of the President's veto of the education bill.

So there will be at least two rollcall votes tomorrow. What the business will be following the rollcall vote on the second veto, remains to be seen.

ADJOURNMENT UNTIL 10:30 A.M. TOMORROW

Mr. MOSS. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 10:30 a.m. tomorrow.

The motion was agreed to; and at 6:15 p.m. the Senate adjourned until tomorrow, Wednesday, September 10, 1975, at 10:30 a.m.

NOMINATIONS

Executive nominations received by the Senate September 9, 1975:

DEPARTMENT OF THE INTERIOR

Thomas S. Kleppe, of North Dakota, to be Secretary of the Interior, vice Stanley K. Hathaway.

NATIONAL STUDY COMMISSION ON RECORDS AND DOCUMENTS OF FEDERAL OFFICIALS

The following-named persons to be members of the National Study Commission on Records and Documents of Federal Officials (new positions):

Lucius D. Battle, of the District of Columbia.

Herbert Brownell, of New York.

Ernest R. May, of Massachusetts.

EXTENSIONS OF REMARKS

METRIC CONVERSION ACT

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 8, 1975

Mr. FRASER. Mr. Speaker, although I was unable to be present for the vote on the Metric Conversion Act, H.R. 8674, because of my commitment to serve on the U.S. delegation to the United Nations this fall, I would like to express my support for the measure.

In past sessions of Congress in which I served, I have introduced metric conversion legislation and I remain convinced of its importance. Our Nation is rapidly moving toward utilization of the metric system even without the benefit of Federal legislation. It is essential that Congress assume a leadership role in this inevitable conversion. The Metric Conversion Act will give direction and a sense of purpose to the metric conversion programs now underway in education, trade, commerce, and other sectors of our economy.

The legislation which the House passed Friday, declares a national policy of voluntary conversion to the metric system in the United States. A 25 member U.S. Metric Board will serve as the coordinating mechanism, consulting with industry, labor, educators, business, consumers, Federal, State, and local agencies and other groups that will be affected by metrication. The Board will gather and disseminate information on the extent of metric system usage and evaluate the costs and benefits of such usage.

My home State of Minnesota has already taken an active role in metrication efforts. At this point I would like to insert into the RECORD Minnesota's plan for metric education which was passed by the Minnesota State Board of Education in February 1975 and a copy of a resolution supporting conversion passed in March 1975 by the University of Minnesota Senate.

The resolution follows:

MINNESOTA PLAN FOR METRIC EDUCATION

One of the basic skills needed by all citizens in our society is the ability to make, use and interpret measurements of many sorts. The United States is moving in the direction of adopting the Le Systeme International d'Unites (SI) of metric weights and measures. Subsequently, the Minnesota Legislature passed an act, Minnesota Laws, 1974, Chapter 474, Metric Implementation Standards, which delineated a purpose, policy, and implementation for metric conversion, when conversion to metric units is officially legislated into federal policy.

Pursuant to Chapter 474, Sections 3 and 4, the Commissioner of Administration, shall have general supervisory authority over implementation, and shall, with the Commissioner of Education, collectively plan for the development and implementation of public education to the metric system of weights and measures by M-Day." Said plan follows:

A. INSERVICE TRAINING OF TEACHERS

1. A developing and, in certain academic areas, an ongoing project is presently instituted with about 50% of elementary and secondary mathematics teachers having undergone the aforementioned training under Minnesota Department of Education (MDE) guidance in 1972. By M-day, plus one year, 90% of elementary and secondary teachers in Minnesota public schools shall have undergone related training in metric measurements.

2. Inservice material shall be available for teachers not already trained in metrics. (To be accomplished by December 31, 1975.)[*]

3. The Minnesota Department of Education shall actively encourage all teachers and school administrators to familiarize themselves with metric usages by July 1, 1976, and to include metrication on agendas for teachers' meetings. School and district educational administrators shall also be encouraged to foster metric education in their schools and districts according to the metric plan as delineated under C.1. of this document.

B. PRESERVICE TRAINING OF FUTURE TEACHERS

1. Minnesota Department of Education shall contact all teacher-preparing institutions in Minnesota and urge pertinent Education Department to teach metric education to all future teachers. (To be accomplished during the fall of 1974.)

2. Minnesota Department of Education shall initiate action which will lead to the inclusion of metric education as a requisite for the Education's approval of programs leading to certification of elementary teachers and secondary mathematics teachers. All applicants for teaching certificates shall be able to measure metrically and be familiar with common metric terms and ideas. (Such initiation to be accomplished by July 1, 1975.)

C. CLASSROOM IMPLEMENTATION

1. Timetable for implementation:

Activity and initiated by target dates

50% of teachers teaching metric and customary side by side: primary, 1974–75 school year; intermediate, 1975-76 school year; secondary, 1975–76 school year.

90% of teachers teaching both systems side by side and 50% of teachers teaching metric as predominant system: primary, year following M-Day; intermediate, M-Day plus two years; secondary, M-Day plus two years.

90% of teachers teaching metric as predominant system and of teachers teaching customary system only incidentally: primary, M-Day plus four years; intermediate, M-Day plus five years; secondary, M-Day plus five years.

90% of teachers teaching customary system only incidentally: primary, M-Day plus eight years; intermediate, M-Day plus eight years; secondary, M-Day plus eight years.

2. At the earliest possible time following approval of this Plan by the Commissioners of Administration and Education. It shall be submitted to the State Board of Education for adoption into regulations and directives and implementation, and shall, thereafter, be forwarded to teachers and school administrators for further implementation.

RICHARD L. BRUBACHER,
Commissioner of Administration.
HOWARD B. CASMEY,
Commissioner of Education.

A RESOLUTION ON METRICATION, STATE OF MINNESOTA, MINNESOTA STATE BOARD OF EDUCATION

Whereas, the Congress of the United States has made a finding that—(A) the metric system of measurement is in general use in industrially developed nations and its use is increasing: and, (B) increased use of such metric system in the United States is inevitable, and such a metric system will become the dominant system of weights and measures in the United States; and

Whereas, the Minnesota Legislature has directed the Commissioner of Education and the Commissioner of Administration to develop and implement a plan of public education on the metric system of weights and measures and has directed the Commissioner of Education to implement such plan; and

Whereas, a Minnesota Plan for Metric Education has been developed and approved by the Commissioner of Education and the Commissioner of Administration; and

Whereas, the use of the Systeme International (SI) has been accepted as the measurement system to be used;

Therefore, be it resolved that the Minnesota State Board of Education endorse the provisions of the Minnesota State Plan for Metric Education, namely that school and district educational administrators encourage metric education in their schools and districts, that in-service opportunities in metrication be made available for teachers, that teacher-preparing institutions in Minnesota be urged to teach metric concepts to future teachers, and that the metrication timetable be adopted to insure that 90% of the teachers will be teaching the customary system of weights and measures only incidentally by 1984;

And be it further resolved that copies of this resolution and the Minnesota Plan for Metric Education be forwarded to the Governor, to the Commissioner of Administration, to each Superintendent of Schools, to the Presidents of all teacher-preparing institutions in Minnesota nad be made available to the teachers in Minnesota.

IV. REPORT OF THE SENATE COMMITTEE ON EDUCATIONAL POLICY

CONVERSION TO THE INTERNATIONAL SYSTEM OF UNITS

Exclusive of the United States and countries presently converting, the International System of Units (Systeme Internationale des Unites, SI) is currently used by all but 0.2 per cent of the world's population. In 1974, Congress has authorized the appropriation of ten million dollars per year for three years to further metric education in the United States, in recognition of the inevitability of increasing use of the modern metric system. It is likely that in 1975 Congress will pass legislation for an orderly completion of the process of metric conversion begun by industry. The use of SI in the future will not be confined to the sciences, but it will be the language of quantitative descriptions in all of society. Many primary and secondary schools have begun the essential process of acquainting students with measurements in SI terms.

It is the obligation of a community of scholars to do their part in assuring that University students become knowledgeable about this aspect of the culture of the world and of ours. Therefore, the Senate of the University of Minnesota resolves that the International System of Units should be used as extensively as is practical in the University's educational and scholarly activities. The Senate recommends that the faculty make use of all opportunities afforded in the selection of texts, equipment, the assignment of papers or problems and in research activities, to increase student exposure to use of the Metric system.

WILLARD HARTUP,
Chairman.

Approved March 6, 1975.

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[*] Note: M-day is the date of federal legislation enactment or July 1, 1976, whichever is earlier.

WHY IS U.S. EDUCATION AT LOW?

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 8, 1975

Mr. COLLINS of Texas. Mr. Speaker, on yesterday's front page of the Washington Post I read an important story by Bart Barnes. It raised the basic question about why is U.S. education sinking to a new low. The story sums up the factual results from the SAT scholastic tests given to high school seniors. Here is the story in the Post by Barnes:

> Scores of verbal and mathematical aptitude tests taken by nearly 1 million college-bound high school seniors dropped sharply this year to the lowest level in more than two decades.
>
> The decrease is a subject of increasing concern among educators and it comes at a time when college faculties are complaining that each year they are being sent students less proficient in reading and writing than the year before.
>
> This year's senior scores on the Scholastic Aptitude Tests (SAT)—a requirement for admission at many colleges throughout the nation—capped a 12-year decline that began in 1963, according to the sponsors of the tests, the College Entrance Examination Board.
>
> But the drop for the class of 1975—10 points on the verbal test and 8 points on the math—was the largest since the scores began to decline.
>
> This year's average scores—434 on the verbal test and 472 on the math test—are the lowest since the college board began computing averages in the mid-1950s, a spokesman said. Tests are scored on a scale of 200 to 800, and the drop in averages since 1963 is 44 points on the verbal exam and 30 points on the mathematical.
>
> College board staffers said they have been studying and analyzing the declining scores for the past few years and they are convinced the slump is not the result of technicalities in the tests.
>
> "The decline seems increasingly real to us," said Carol Halstead, a college board staffer. "There is a decline in the verbal and mathematical reasoning ability among those who choose to take the SAT." (About one third of the nation's high school seniors take the exam.)

Why were the grades the lowest since the tests began over 20 years ago? My first observation would be schoolbusing. The emphasis of the courts has been to achieve racial balance rather than to build scholastic achievement.

The next falacy is the ease of college financing. Anyone from a low-income family has a good college finance plan available. The requirement to get the college money is not based on good scholastic records with an ambitious desire created to study hard. We need this incentive.

The need for discipline in school becomes more apparent. Today HEW demands lengthy reports from schools on disciplinary action. HEW is punishing the teachers and administrators who are maintaining order and respect in their schools. No youngster should be allowed to disrupt the education of others who want to study.

It was interesting to read Barnes' statement that grades in schools last year were the highest ever. This means our standards of excellence are dropping and this is probably due to community pressure. Teachers are giving higher grades for learning less.

The emphasis in America to bring everyone down to average is lowering our future potential. Lets turn around and strive for excellence that rewards and encourages academic achievement.

MAKING THE PIPER PAY

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 8, 1975

Mr. SYMMS. Mr. Speaker, in recent weeks and months, there has been growing public discussion about the role of the Federal regulatory agencies in American economic life. To my way of thinking, such discussion is healthy; if anything, it is way past time that the American people were informed about the cost of Federal regulation to the consumer and the inhibitions such regulation places upon the producer of goods and services in this country.

Not the least of these inhibitions is the fact that defending oneself against a civil suit filed by a Federal regulatory agency is often the most costly course of action one can take. Even if a businessman wins his case in court, he must pay his attorney's fees and litigation costs, expenses that are often far in excess of the fine he would have paid if he had pleaded "no contest," or the price of preventive compliance, or both. Moreover, if a businessman is successful in clearing himself of one charge, he still faces the possibility that an agency, or an inspector of an agency, will continue to search for violations in an effort to bring about eventual compliance and achieve vindication.

In the face of such pressures, it is little wonder that some businessmen simply choose to close up shop, and lay off their employees, rather than "fight city hall," so to speak. Others have been encouraged to practice such things as "preventive overcorrection" or "reverse discrimination" in order to ward off being dragged into court. And still others, those who choose to stand up for their rights, are resentful at a system which causes them to pay for both their prosecution—through the use of their tax dollars—and their defense. In essence, what Federal regulation has developed into, for those who choose to stay in business, is compliance by coercion rather than compliance based on the merits of the case.

Putting the emphasis back on the merits of the case is essential if the abuses of governmental overregulation are ever to be curbed. Accordingly, I would like to recommend to my colleagues an editorial which appeared in the August 4, 1975, issue of the U.S. News & World Report and to insert it in the RECORD at this time. The comments contained therein are worthy of the consideration of every Member of this House.

[From the U.S. News & World Report, Aug. 4, 1975]

MAKING THE PIPER PAY

(By Howard Flieger)

Has "Big Government" finally grown beyond the realm of reason?

Many people think so, including some who are themselves a part of Government.

It is one thing for Uncle Sam to come to the aid of companies or communities in times of emergency. It is quite another thing for his agents, clad in the armor of federal law, to poke into every nook and cranny of the free-enterprise system—very often doing more harm than good.

President Ford, who has ordered a thorough restudy of the regulatory bureaucracy, recently told a group of businessmen:

"Over a period of 90 years, we have erected a massive federal regulatory structure encrusted with contradictions, excesses and rules that have outlived" any value they had.

Though they have attracted scant attention so far, a couple of pieces of legislation are pending in Congress that have for their purpose new rules to make the controllers from Washington think twice before they undertake to tell every enterprise in the country what it can and cannot do in hiring, firing, pricing, production, competing—you name it.

At first glance, a bill by Sen. James B. Pearson (Rep.), of Kansas, to create an Economic Adjustment Administration would seem to add one more layer to the bureaucracy. But that is the wrong impression.

Actually, what the Senator proposes is a Government office which would unify a host of federal programs now spread around so many departments that one rarely knows what the other is doing—often victimizing those they are supposed to help.

The Senator's bill would compensate out of the Federal Treasury those individuals, communities and firms that are financially injured by all this bureaucratic activity.

Another bill, by Rep. Philip M. Crane (Rep.), of Illinois, is more simple and direct. It would require the Government to pay the legal expenses of those it wrongly prosecutes.

Here is just one example of the type of absurdity he wants to discourage.

In 1961, four major salt-producing companies were charged with conspiracy to fix the price of rock salt.

One year later, a federal jury found them innocent. By then, however, the firms had spent $775,000 in legal fees to defend themselves against the charge. That is more than five times the maximum fine of $150,000 they would have been subject to if the jury had returned a verdict of guilty.

When you think about something such as this one case, it is no wonder that honest and innocent companies often plead "no contest" to charges lodged against them by the Government's regulatory agencies.

And it is no wonder that some regulators feel no compulsion whatever to be sure they know what they're talking about before they make such accusations.

Says the Illinois Congressman:

"Such legislation would knock out the element of intimidation that causes many companies to give in, even when they are right, rather than fight an expensive legal battle.

"To me, this is very important; the Government has unlimited resources behind it in a court case, but a company or individual does not. To fight a case and win may well be a Pyrrhic victory for a small businessman; he can win the legal fight but, in the process, lose the economic war and go bankrupt."

Both measures are intended for the relief of victims of bureaucracy. True, they contain no relief for the taxpayers. They must foot the bill for the Government's mistakes.

But that might not be a bad idea.

The enthusiasm of the regulators to throw their weight against private business might be cooled a bit if they knew in advance that any errors in judgment by them would cost the very taxpayers they are supposed to protect.

THE NATIONAL LAWYERS GUILD: THE TERRORIST ADVOCATES

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 8, 1975

Mr. McDONALD of Georgia. Mr. Speaker, in recent weeks, both in public and private, distinguished members of the legal profession and others have voiced objections to provisions in H.R. 6044, a bill to amend title 28 of the United States Code to provide for the investigation and prosecution of disciplinary proceedings against members of the bar of the courts of the United States.

Most frequently these objections are based on the fact that each bar association already has an adequate authority by which those attorneys who seek to turn a trial into a political charade can be disciplined. This argument against Federal usurpation of the disciplinary power of the bar would be much more persuasive if we indeed saw the various bar associations disciplining those of their members who, as a group, seek to bring the American system of justice to an end.

In July, Guild Notes, the official publication of the National Lawyers Guild—NLG—published material from its Prison Task Force that advocated revolutionary armed struggle in our prisons. This document detailed how by use of the Guild logo, papers supporting armed struggle politics are carried into the prisons.

Support for armed struggle is not a new philosophy for the National Lawyers Guild, yet nevertheless it has been largely ignored by the leadership of the bar associations.

Two years ago, the House Committee on Internal Security, in a staff study on the NLG reported:

> The NLG took a particular interest in prison work subsequent to the 1971 convention noting that it was critical to support prisoner militancy as lawyers have relatively free access to jails and penitentiaries. There was a difference of opinion in the NLG, however, as to whether their prison work should be merely supportive or given top priority. At the guild's national executive board meeting in February 1972, one faction took the position that the prisoner is the "revoluntionary vanguard" who will "lead us in the streets." The currently prevailing view in the NLG was expressed in a 1973 resolution citing prisons as an exaggerated reflection of the "capitalist" system so that any prison-related work by the NLG would be making a contribution to the revolutionary movement in general.

From my reading of the NLG's national newspaper last month, it is apparent that these extreme Marxist views are not only unchanged, but unchallenged by responsible members of the bar.

The prison task force issue arose over the publication, "The Midnight Special," initiated by the NLG's New York City chapter in 1971 and circulated among prison inmates. With its circulation grown to 4,500, the adverse impact of "The Midnight Special" on prison discipline and security is considerable. However, the New York City NLG chapter, strongly influenced by old left NLG members, has disassociated itself from the publication and is urging the NLG nationally to follow its example.

The bay area prison task force in defending "The Midnight Special" once again underscores the characterization of the National Lawyers Guild as a revolutionary organization, falling more and more under extreme Maoist influence. Beginning with a quotation from George Jackson's "Blood in My Eye," "The ultimate expression of law is not order—it is prison." The NLG's bay area prison task force analysis of the role of the MS reads in part:

> The analysis presented here finds its basis in the view that the fundamental struggle in the world today is against American imperialism. We understand imperialism as a two-headed system with one aim—the subjugation and control of the majority of the people of the world for the benefit of a few.
>
> Prisons are the ultimate weapon of domestic social control, and the place where imperialism most clearly reveals itself as a unified world-wide system of oppression. * * *
>
> Because many prisoners are people who have resisted subjugation, they are potentially a strong revolutionary force. * * * They know that they will only regain their freedom and their dignity in a different changed society, and they have very little left to lose in this one.
>
> The MS is a major tool in the fight against the isolation which is the basic destructive tool of the prison system. * * * Only lawyers and legal workers have relatively free access to prisoners. * * *
>
> Those who feel that the Guild should sever ties with the MS argue that it is essentially a political organ and that it expresses a particular political line, i.e., armed struggle, which has no place within a broad-based legal organization like the Guild. In the context of prisons, however, the dichotomy between legal questions and political questions loses much of its meaning. * * *
>
> A strictly legalistic prison project divorced from the politics and daily lives of prisoners would be useless. The MS is the only existing extensive communication link between prisoners and with the outside; it has historical ties with the Guild, depends on the Guild logo for access to prisons and provides a basis for Guild members to do prison work.
>
> Like other Guild publications, the MS actively solicits material from members of the Guild. * * * The Special's greatest value, both to the Guild and to prisoners, lies in the fact that it is a paper which prisoners write and through which they can communicate and develop their own politics. The significance of the Special is greatly enhanced because under the Guild logo it gets inside prisons where all other political papers are banned.
>
> Because the MS is a voice of the prison movement, it carries articles and poems that speak in the voices of prisoners. Some of these voices express the politics of armed struggle. * * * Many prisoners, continually subject to armed aggression by the state, believe that change can only be brought about through warfare and that conditions demand that the struggle be armed. * * *
>
> Members of the Guild who insist that the politics of armed struggle have no place in a Guild publication ignore this organization's history and self-definition. The Guild is not merely a legal organization—it is not the ACLU or the ABA; we hold ourselves out as a progressive legal group. Further, this view ignores the reality that armed struggle has existed in the past, continues in the present and will increase in the future. Many people within the Guild consider the strategy of armed struggle to be an integral part of any revolutionary struggle. The Guild itself has not only defended but actively supported the armed actions at Attica and Wounded Knee and has in some sense joined these struggles. Preventing people from having a forum to discuss and develop these politics will cripple people's ability to distinguish adventurist actions from a valid revolutionary strategy of armed struggle.
>
> It should be pointed out that the Guild calls itself a broad-based political organization, which means that it does not put forth only one line or censor differing views. The Guild must make room for those who believe in revolution and armed struggle, * * *.
>
> The fact that armed struggle politics are discussed in a paper bearing the Guild logo may in the future bring some pressure from the government on the Guild as an organization. * * * The Guild has come under attack from the government before as a result of taking principled political stands and should expect such attacks again and be prepared to resist them aggressively. * * *

The present extent of the NLG is reflected in its list of chapters and national projects, as follows:

President: Doron Weinberg, 1714 Stockton, San Francisco, CA 94133 [415/433–6790].

Vice-President: Mary Joyce Johnson, 388 7th St., NE, #3, Atlanta, GA 30308 [404/874–0727].

Treasurer: Jeanne Mirer, 595 Massachusetts Ave., Cambridge, MA 02139 [617/661–8898].

NLG National Office, 853 Broadway, Rm. 1705, New York, NY 10003 [212/260–1360].

NATIONAL PROJECTS

Criminal Jury Trial Rights, 715 S. Parkview, Los Angeles, CA 90057 [213/382–6308].

National Immigration Project, same address as above [213/380–3180].

National Labor Committee, c/o Kingsley Clarke, 2963 E. 88th St., Chicago, IL 60617 [312/734–8276].

Military Law Office 2588 Mission St., #220, San Francisco, CA 94110 [415/285–4484].

Summer Projects Committee, c/o National Office.

International Committee, c/o Joan Anderson, 619 S. Bonnie Brae, Los Angeles, CA 90057 [213/484–8280].

Legal Workers Organizing Committee, c/o Handleman & Twohig, 186 E. 11th Ave., Columbus, OH 43201 [614/294–1636].

People's Law School Clearinghouse, 1427 Walnut Street, Philadelphia, PA 19102 [215/563–3055].

CHAPTERS

Hutchins Hall, Ann Arbor, MI 48104.

Antioch Law School, 1719 Newton St., NW, Washington, DC 20010.

P.O. Box 1931, Athens, GA 30601 [404/546–7953].

P.O. Box 937, Atlanta, GA 30303 [404/872–2930].

109 Townes Hall, 2500 Red River, Austin, TX 78705.

c/o A. Pinter, 703 E. 37th St., Baltimore, MD 21218.

J. Lord O'Brien Hall, P.O. Box 88, SUNY, Buffalo, NY 14260 [716/636–2161].

21 E. Van Buren, No. 601, Chicago, IL 60605 [312/939–2492].

c/o Roger Lee, 228 Klotter, Cincinnati, OH 45219.

c/o Tony Walsh, 2108 Payne Ave., No. 600-A, Cleveland, OH 44114 [216/687–1838].

299 E. 11th Ave., Columbus, OH 43201 [614/294–2263].

1764 Gilpin, Denver, CO 80218 [303/320-4071].

c/o John Gould (U. Conn), 73 Mozart St., CT 06110.

c/o Ann Noel, 828 Anderson Rd., Davis, CA 95616 [916/756–8436].

c/o Les Babich, 1000 College, Des Moines, IA 50311.

506 Monroe, Detroit, MI 48226 [313/963-0843].

c/o Johnson & Ellis, 115 S. Main St., Gainesville, FL 32601 [904/376–3297].

c/o Bruce Ellison (Hofstra), 102-20 67th Dr., Forest Hills, NY 11375 [516/889–2421].

815 Hawthorne, Houston, TX 77006 [713-524-0391].

c/o Jane Fox, 212 Dey St., Iowa City IA 52240 [319/337–3702].

c/o Cathy Connealy, 223 E. 9th St., No. 103, Kansas City, MO 64106 [816/842–0300].

c/o Richard Peyton (U. Ky), 411 Pennsylvania, Lexington, KY 40508 [606/259–0756].

Doug McGee, 945 Mulberry St., Louisville, KY 40217].

Univ. of Wisconsin Law School, Madison, WI 53706 [608/251–1234].

Gail Marshall, 457 St. Johns St., Portland, ME 04102 [207/774–5446].

595 Massachusetts Ave., Cambridge, MA O2139 [617/661–8898].

c/o Keith Secular, U. of Miami School of Law, P.O. Box 248087, Coral Gables, FL 33124 [305/284–4551].

c/o Sara Joan Bales, 704 W. Wisconsin Ave., Suite 309–W, Milwaukee, WI 53233 [414/273–1040].

c/o Steve Slatkow, P.O. Box 37, Pacific Grove, CA 93950 (Monterey).

108 Washington St., Newark, NJ 07102 [201/622–4545].

P.O. Box 2328, Santa Fe, NM 87501 [505/982–4679].

Mona Yardumian, 1921 Napoleon Ave., New Orleans, LA 70015 [504/891–3407].

853 Broadway, Rm. 1701, New York NY 10003 [212/673–4970].

NYU Law School, 40 Washington Square South, New York, NY 10012 [212/691–1887].

c/o Northeastern Law School, 400 Huntington, Boston, MA 02115.

c/o Ed Jones, Northwestern School of Law, 10015 S.W. Terwilliger, Portland, OR 97219.

c/o Drew Kershen, 630 Parrington, Norman, OK 73069 [405/325–2304].

1427 Walnut St., Philadelphia, PA 19102 [215/LO 3–3055].

c/o Vic Arrow, P.O. Box 975, Tempe, AZ 85282.

505 Court Place, Pittsburgh, PA 15219 [415/285–5066].

Rutgers Law School, 180 University Ave., Newark, NJ 07102 [201/648–5102].

Rutgers Univ. Law School, 5th & Penn Sts., Camden, NJ 08102 [609/964–1766].

Rick Teitleman, 3522 Arsenal, St. Louis, MO 63115 [314/772–6198].

c/o Tom Bowden, 2751 Imperial Ave., San Diego, CA 92102 [714/239–9137].

Ed Danielski, 5123 Long Branch Ave., San Diego, CA 92107 [714/223–8661]. (USD)

588 Capp Street, San Francisco, CA 94110 [415/285–5066].

c/o Doug Rippey, 900 M St., Fresno, CA 93721 [209/233–6571].

255 E. William St., San Jose, CA 95112 [408/292–0174].

411 Smith Tower, Seattle, WA 98104 [206/622–5144].

712 S. Grandview, Los Angeles, CA 90057 (S. Cal.) [213/380–3180].

Temple Univ., 1427 Walnut St., Philadelphia, PA 19102 [215/787–7861].

Twin Cities, P.O. Box 7193, Powderhorn St., Minneapolis, MN 55407 [612/721–3938].

Valparaiso, c/o Tom Ruge, 802 Brown, Apt. 3, Valparaiso, IN 46383 [219/464–3932].

c/o Maureen Phelan, RFD #2, Bethel, VT 05032.

Corky Freedam, Villanova Law School, Villanova, PA 19807.

300 Atlantic Bldg., 930 F St., NW, Washington, DC 20004 [202/783–1060].

Wayne Law School, Detroit, MI 48202 [313/577–4833].

Box 98, Yale Law School, New Haven, CT 06515.

OTHER NLG PROJECTS

Attica Brothers Trial Office, 110 Pearl St., Buffalo, NY 14202 [716/842–1170].

Coalition to End Grand Jury Abuse, 930 F St., NW, Rm. 300, Washington, DC 20004 [202/347–9338].

The Guild Practitioner, c/o Meiklejohn Library, P.O. Box 673, Berkeley, CA 94701 [415/848–0599].

People's College of Law, 2228 W. 7th St., Los Angeles, CA 90057 [213/388–8171].

Shelter Force, 31 Chestnut St., East Orange, NJ 07018.

Wounded Knee Legal Defense/Offense Committee, P.O. Box 918, Council Bluffs, IA 51501 [712/328–9406].

NLG NATIONAL EXECUTIVE COMMITTEE

The three national officers, plus the following:

National Office: Adam Bennion, George Conk, Bob Gibbs, Mary Alice Theiler.

Northeast: Amy Gladestein, 230 Baltic St., Brooklyn, NY 11201 [212/855–9194]. Lee Goldstein, 32 Rutland St., Boston, MA 02118 [617/734–1860].

Mideast: John Quigley, Ohio State University School of Law, 1659 N. High St., Columbus, OH 43210 [614/422–1764]. Sandy Smales, c/o Legal Services for Northwestern Pa., 121 W. 10th St., Erie, PA 16501 [814/459–4209].

Midwest: Susan Kaplan, 1022 W. Wolfram, Chicago, IL 60657. Steve Lubet, 2041 N. Dayton, Chicago, IL 60614 [312/649–8576.] Jane Fox, 212 Dey Bldg., Iowa City, IA 52240 [319/337–3702].

Southwest: Scott Keating, 1764 Gilpin, Denver, CO 80218 [303/320–4071]. Vernell Pratt, 501 W. 12th St., Austin, TX 78701 [512/476–6201].

Western: Mike Withey, 2200 Smith Tower Bldg., Seattle, WA 98104 [206/MU 2–1948]. Conci Bokum, 711 E. San Fernando, San Jose, CA 95112 [408/295–1134]. Kathy Stout, 843 E. Kensington, Los Angeles, CA 90026 [213/628–7908].

National Finance Committee Representative to the NEC: Frank Handelman, 49 W. 96th St., #6–E, New York, NY 10025 [212/222–7612].

Transitional NEC Representatives: Jim Larson, 1256 Market Street, San Francisco, CA 94102 [415/864–3131]. Pam Britton, 209 Lincoln Place, #4–A, Brooklyn, NY 11217 [212/638–4440]. Jim Reif, 521 12th St., #3–R, Brooklyn, NY 11215 [212/768–0221].

The revolutionary intentions of the members of the National Lawyers Guild are plain. As the staff study of the House Internal Security Committee reported:

> The current political orientation of the NLG is exemplified by statements at its 1971 convention to the effect that "we are a body of radicals and revolutionaries who propose to carry the struggle for social change into our lives and our professions"; a statement by Attorney William Kunstler that "I want to bring down the system through the system"; and a statement concerning the NLG members' role in the prison movement which was described as: "to relieve physical and political conditions with an eye toward the destruction of the capitalist prison system."

Let us encourage the responsible members of the bar associations to use the disciplinary powers already at hand to meet the revolutionary challenge of the National Lawyers Guild.

WHY NUNN'S SUPPORT OF REAGAN IS A POLITICAL BLUNDER

HON. PIERRE S. (PETE) du PONT

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. DU PONT. Mr. Speaker, perhaps no other question quite captures the interest of the American people, or the American press, as does the question of who will get the major parties' nomination to run for President.

While it might be said that the Democrats have a more difficult chore narrowing their field of hopefuls in the primaries, speculation about Republican contenders' chances is at least as lively.

An article which appeared in the Louisville Times July 30 by political columnist Bill Billiter illustrates this very point.

I would like to share with my colleagues Mr. Billiter's assessment of the situation in the State of Kentucky.

WHY NUNN'S SUPPORT OF REAGAN IS A POLITICAL BLUNDER

(By Bill Billiter)

Former Gov. Louie B. Nunn's surprising decision to back Ronald Reagan for President is a political blunder. Here's why:

Reagan, the former governor of California and one-time movie actor, is over the hill politically. By contrast, President Ford's popularity is high and continuing to rise, according to public-opinion polls.

All the evidence indicates that President Ford will handily win the early presidential primaries, including the opening one March 2 in New Hampshire and the March 9 Florida primary.

There will have been presidential primaries in 19 states prior to the May 25, 1976 Kentucky primary. By that time, Reagan will probably just be a joke—if he, indeed, has not withdrawn by then.

President Ford's moderate conservatism is in tune with the philosophy of the average Kentucky voter—Democrat and Republican alike. Reagan's arch-conservative views are unlikely to win him many Kentucky converts.

President Ford's popularity is the one solid thing the GOP has going for it in the 1976 congressional elections. Even Republicans who regard Mr. Ford as too liberal are not likely to vote against him.

In short, I predict that Mr. Ford will win overwhelmingly in the Kentucky Republican presidential primary. Not the least of his support will come from U.S. Rep. Tim Lee Carter, of Tompkinsville. Carter, the most influential Republican in the most Republican part of Kentucky—the 5th District—is a devoted backer of Mr. Ford.

While Reagan is good at telling right wingers what they like to hear, he is less than magic with rank-and-file Kentucky Republicans. I cite as proof the unenthusiastic reception Reagan got last year when he came to Louisville as the featured speaker at a fund-raising dinner for then Sen. Marlow Cook. Although Reagan's visit was heralded well in advance, an embarrassingly small crowd showed up. The event, in fact, reminded me of a funeral.

By contrast, President Ford's visit in behalf of Cook caused some genuine political excitement. People crushed against each other trying to shake Mr. Ford's hand. It was a big event, and Kentucky Republicans loved it.

Part of the magic, of course, is the fact that any President will draw a crowd. That factor also will be in Mr. Ford's favor next spring in the presidential primaries.

Reagan will have to compete with the power of the presidency, and that's no small job. Moreover, Reagan no longer has his movie-idol good looks. His attempts to look young are grotesque: His hair has an unnatural color and his face appears to be heavily made up. (Reagan has publicly denied that he dyes his hair and uses actor's makeup.)

One of the better political stories about Mr. Ford is his alleged pot shot at Reagan's vanity. "Ronald Reagan doesn't dye his hair," the President reportedly said. "Ron is just prematurely orange."

Whatever his reasons, Nunn's option for Ronald Reagan was a bad political bet. Kentucky Republicans are conservative, sure. But they are not about to oust an incumbent Republican President in favor of an aging movie actor.

JOSEPH REICHBART—A DEDICATED COMMUNITY LEADER

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. SOLARZ. Mr. Speaker, as our Bicentennial approaches, more and more we take occasion to celebrate our country's beginnings—and particularly those uniquely American institutions of government at local, State, and National levels which constitute the bedrock of our democracy. And this is as it should be, because our past is certainly glorious and it is certainly prolog to our future.

However, it occurs to me that it would be also appropriate to recognize more frequently those present-day achievements and those present-day individual contributions that best exemplify the practicalities and strengths of our form of government. For it is this kind of accomplishment today on which we will continue to build our tomorrows.

I was prompted to these thoughts by a bit of news that touches on my own life. I learned recently that Joseph Reichbart is stepping down as president of the Seaview Association—having given 10 years of selfless and dedicated service in that position. Now, Seaview happens to be where my family and I own a house and spend our summers—a summer community of some 350 homeowners located in Fire Island, N.Y. The Seaview Association is a voluntary property owners' association and its president and directors manage the affairs of our little unincorporated town.

For 10 years Joseph Reichbart, a distinguished practicing attorney in New York City, has freely given of his time and energies to maintain a quality of life in Seaview that all of us who live there cherish.

Seaview is a settled community in the midst of the First Island National Seashore—created by act of Congress at about the time Mr. Reichbart became its president. During Mr. Reichbart's tenure, a time of transition in which our community doubled in size, his extraordinary capacity to maintain a flexible community that offered full family recreational facilities while still preserving to a large extent, the natural environment that makes our location—so close to New York City and yet so far removed—so attractive to the public.

On a day-to-day basis, he dealt wisely and effectively with such mundane problems of local governance as water supply, garbage disposal, sidewalk repair, and provisions for local medical services. At the same time, and with foresight and imagination, he helped shape public policy with respect to beach erosion, hurricane protection, public access and conservation of the great beach that is this national seashore's extraordinary asset.

The boldest idea in man's history is that he can govern himself in freedom. It takes moral leadership and individual responsibility at the local level to make that idea a reality. Joseph Reichbart is living proof that democracy can live and thrive in the small communities of America.

RANCHO LOS ALAMITOS: A REMINDER OF CALIFORNIA'S PAST

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. ANDERSON of California. Mr. Speaker, southern California is often thought of as a region with no sense of history. Other parts of our Nation are identified with a sense of the past: New England and the east coast with visions of the Revolution; the South with the graciousness of plantation life or the battles of the Civil War; the Great Plains and the West with visions of covered wagons and great cattle drives.

However, southern California conjures up pictures of Hollywood, or of our present day urban sprawl. This image is completely unjustified, for no portion of the United States has such a varied, colorful history as southern California.

In the district I represent, one historic landmark in itself represents the entire history of the region: from the early days of Indian settlements, through the Spanish land grant period, Mexican rule, the brief period of the California Republic, and finally the arrival of our own Nation, and California's annexation into the Union. Rancho Los Alamitos is indeed a symbol of all phases of California's past.

Rancho Los Alamitos is located on a bluff overlooking the Pacific Ocean, in what is now the city of Long Beach. In its earliest days, this location was the site of the Gabrielino Indian village of Puvugna. From this village, the dominant religion of the southern California Native Americans first spread. For here, the old legends state, the god Chinigchinich first appeared to his people, and gave them a code of moral, civil, and religious laws that lasted for thousands of years, well into the period of Spanish domination.

Unfortunately, the Indian culture of southern California is little known because most of the Gabrielino tribes disappeared before our own ancestors realized the beauty and significance of that culture. Religious and cultural disruption by Europeans, coupled with the Gabrielino's own lack of resistance to European diseases, led to their almost complete disappearance.

However, before the white man appeared in the region, southern California was the most heavily populated area in the entire Continental United States. The mild climate, abundant resources, and proximity to the sea then, and now, attracted people like a magnet. The entire coastal and interior regions, as well as the islands which stand off the coast, supported a large population which engaged in brisk commerce and industrious trade.

Puvugna was one of the largest villages in the region, and was of great religious significance to the Native Americans of all southern California. Annual feasts were held here and huge piles of discarded shells can still be seen as a monument of those days. A small freshwater spring which once flowed on the site was probably the original attraction to the settlers.

However, the heyday of the Gabrielino culture was doomed when Juan Rodriguez Cabrillo, a Spanish explorer, first sailed up the California coast in 1542. He landed at the island of Santa Catalina, and proceeded up the coast. The Vizcaino expedition, 60 years later, reported that the natives of the region were clean, industrious, highly religious, and very intelligent. Both these expeditions were received with warm welcome by the Gabrielinos.

After the famous missions of California were founded by Padre Junipero Serra and Padre Fermin Lasuen, the colonization of Alta—Upper—California began. It is indeed fitting in this year of Bicentennial celebration that in 1775, 200 years ago, the first California land grant was given by the Spanish viceroy to one Manuel Butron, a soldier stationed in Monterey.

On October 21, 1784, a huge concession of land was given to a retiring soldier from La Villa de Sinalo, in Mexico. Manuel Perez Nieto, driving his stock before him, traveled north from San Diego and eventually settled in Rancho Los Nieto, near the present day city of Whittier. However, his cattle range extended for 167,000 acres, from the Pacific Ocean well inland across the grassy plains.

In 1804, old Manual Nieto died, leaving his rancho to his wife and children. Presently, they divided the estate into five separate holdings, and his son, Juan Jose, took possession of the section marked by a small grove of cottonwood trees—Los Alamitos—surrounding a small spring. This was the same area where the earlier Puvugna settlement had stood, and it became the center of the Rancho Los Alamitos, named after the stand of trees.

About 1806, Juan Jose Nieto built a small adobe home on the site, the forerunner of the handsome estate that now stands there. He lived on the ranch for many years, raising sheep and cattle, until he sold it to Gov. Jose Figueroa for $500—about 2 cents an acre.

When the Governor died in Monterey 15 months after the purchase, his brother, Francisco, took charge of the ranch until it was sold to Abel Stearns, a shrewd Yankee trader, in 1842 for the price of $6,000. He planned to use the rancho as a summer home for himself and his lovely wife, the former Arcadia Bandini, who was only 12 years old at the time of their wedding.

Rancho Los Cerritos, located next to the Stearn's holding and also originally a part of the old Nieto rancho, was soon purchased by John Temple, another Yankee interloper. Stearns and Temple were good friends, and rodeos, fiestas, and other festivities were often held on El Cerrito—The Hill—which is now the rich oilfield of Signal Hill.

California became a part of the United States in 1848, and was admitted to the Union in 1850, and a new era began.

The drought of the 1860's, beginning in 1862 and lasting for 3 rainless years, brought disaster to Rancho Los Alamitos and Rancho Los Cerritos. Stearns was foreclosed from his property and Temple had to sell. A San Francisco money lender named Michael Reese took possession of Los Alamitos in 1866.

Los Cerritos was then purchased by successful ranchers from northern California, including Llewellyn and Jothan Bixby.

In 1878, John W. Bixby, a cousin of Jothan's, leased a portion of Los Alamitos, and soon purchased the entire rancho from the heirs of Michael Reese in 1881.

John Bixby, who had purchased the property in a partnership with Jothan Bixby and I. W. Hellman, set about repairing and rebuilding the old rancho. Before he died at the age of 39 in 1887, he had restored much of the old adobe, and had developed beautiful grounds and gardens.

His widow, Susan, leased the ranch, and her son, Fred Bixby, was sent to military school. In 1898, however, after graduating from the University of California, Fred Bixby resumed ranching on the land.

In 1906, Susan Bixby passed away, and Fred moved his family back to the rancho. In 1910 he divided the rancho with his sister, Susan, but retained the rancho headquarters.

Under Fred Bixby's direction, successful sheep ranching continued on his share of the land. In 1931, the Bixby Home Property Trust was formed, placing the house and headquarters buildings in trust along with more than 100 acres of surrounding land.

Rancho days continued until 1952, when Fred H. Bixby passed away. His wife, Florence, died in 1961.

By 1968, only 7½ acres of Rancho Los Alamitos remained, due to various condemnations, sales, and the explosive growth of the city of Long Beach. At that time the trustees of the Bixby Home Trust decided that the rest of the rancho should be preserved as a historical site. Thus, the remaining rancho land was given to the city of Long Beach for preservation.

Today, the public is able to enjoy the historic rancho as a remnant of California's early days, and a reminder of the rich past our area enjoys. The Bixby manor is a beautiful, well-preserved monument from Spanish colonial days, surrounded by lush gardens.

The lands of Rancho Los Alamitos have been a focal point in the local history of Long Beach, from the days of the Puvugna Indians through Spanish colonial times and Mexican domination, to the coming of the United States and local development. Today, it still stands—a living reminder of a glorious past.

Today, Fred Bixby is survived by his two daughters, Catherine Bixby Hotchkiss and Elizabeth Bixby Janeway. His son, Fred Bixby, Jr., passed away in 1972 at the age of 62.

Lewellyn Bixby's descendants are still active in civic and business affairs in Long Beach. Lewellyn "Bix" Bixby, Jr. is president of the Bixby Land Co. and a member of the Long Beach Harbor Board of Commissioners. His son, Lewellyn Bixby IV, is vice president of the land company. Both men, and their wives—both named Elizabeth—are residents of Long Beach.

RURAL HOUSING PROBLEM—AND A SOLUTION

HON. JIM SANTINI

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. SANTINI. Mr. Speaker, one of the most acute problems that is confronting the elderly Americans living in the rural and intercity areas is the dismal lack of housing. Certainly, this problem has demonstrated itself to be of serious and immediate concern to every community in the State of Nevada, but Nevada is hardly alone in this dilemma. All of us must strive for solutions to this critical problem.

A very positive example of senior citizens and State and local governments getting together to provide a local solution was initiated this month in the small community of Hawthorne, Nev. As a member of the House Select Committee on Aging, I did want to share this positive example with my colleagues in the hope that other communities which are confronted with this serious social need could consider adaptation of the impressive and innovative program from Mineral County, Nev. This program is lucidly set forth in the following editorial from the Nevada State Journal. I hope the impressive achievement of Mineral County may serve as a guideline and example for other Members' districts. The article follows:

[From the Nevada State Journal, July 29, 1975]

RURAL HOUSING PROBLEM AND A SOLUTION

The Mineral County Board of Education has embarked on a daring and unique program which will benefit both ends of the age spectrum.

Made aware of the lack of low cost housing in Mineral County, the school board approved a program to allow high school students to create housing.

The plan, which has the approval of the Nevada State Board of Education, will allow vocational students to construct low cost housing duplexes at the rate of about one each semester. Bookkeeping classes will keep the books while learning about financing and mortgages, home economics classes will be involved in interior design, art classes will do exterior design and journalism classes will do public relations work.

Mineral County has donated some land for the project and financing for the first unit has been arranged.

The project can also prepare a student for a future career. A vocational student who participates for two years can continue for another two years at the Naval base at Babbitt and become a journeyman.

A ground breaking ceremony for the first unit will take place Sunday.

It's an event of which officials from other Nevada counties might take note. An opportunity to benefit both young and old at the same time does not occur with great regularity.

PUBLIC DISTRICT OF FREE ENTERPRISE

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. ARMSTRONG. Mr. Speaker, a few weeks ago, I called attention to results of a Gallup Poll showing the credibility gap for free enterprise. According to that survey, a huge number of Americans are losing confidence in the great free economic system which has made possible such material abundance in this Nation and which continues to be an essential cornerstone of our total system of free institutions.

Recently, I have learned of another, and even more disturbing survey which shows, among other things, that one out of three Americans now believes the capitalistic system is on the decline and that 2 out of 3 Americans favor basic changes in our economic system. I hope my colleagues will study the results of a nationwide survey conducted for the Peoples Bicentennial Commission and consider seriously the ominous implications of such trends of public opinion:

RESULTS OF A NATIONWIDE PUBLIC OPINION POLL CONDUCTED BY HART RESEARCH ASSOCIATES FOR THE PEOPLES BICENTENNIAL COMMISSION

One out of three Americans believes that our capitalist system is on the decline.

Two out of three Americans favor basic changes in our economic system.

As we approach our Bicentennial as a Nation, a majority of the American public are calling for basic changes in our economic system that are as sweeping as the changes our founding fathers called for in our political system 200 years ago.

The P.B.C. commissioned Hart Research Associates to conduct a Nationwide telephone poll of 1,209 Americans on the week of July 25, 1975 on issues relating to our economic system and possible alternative solutions. Mr. Peter D. Hart, of Hart Research Associates, is a former vice president with Louis Harris Associates and Oliver Quayle and Company. His clients include the *Washington Post* and CBS News with whom he serves as a key election night analyst.

KEY FINDINGS

33 percent of the public believe that our capitalist economic system has already reached its peak in terms of performance and is now on the decline, while only 22 percent believe that it has not yet reached its peak and is still getting better.

57 percent of the public agree with the statement that both the Democratic and Republican parties are in favor of big business rather than the average worker, while only 35 percent disagree.

58 percent of the public believe that America's major corporations tend to dominate and determine the actions of our public officials in Washington, while only 25 percent believe that public officials in Washington tend to dominate and determine the actions of America's major corporations.

49 percent of the public agree that big business is the source of most of what is wrong in this country today while 45 percent disagree.

49 percent of the public feel that it would do more good than harm to develop a political movement to challenge the influence of big business, while 39 percent feel it would do more harm than good.

41 percent of the public are in favor of making a major adjustment in our economy to try things which have not been tried before, whereas 37 percent favor minor adjustments and only 17 percent favor keeping the economic system as it is and allowing it to straighten itself out.

A majority of those who voiced an opinion on the issue favored public ownership of oil and other natural resources.

A majority of the public favors employee ownership and control of U.S. companies—employees owning all of the company stock and determining broad company policies, including the selection of management. In addition, 74 percent of the public favors a plan whereby consumers in local communities are represented on the boards of companies that operate in their local region.

56 percent of the public say they would definitely support or probably support a presidential candidate who favored employee control of United States companies.

POLL RESULTS SUMMATION

The American public has clearly lost confidence in our economic system. In every major area of performance except one, the public gives American business an overall negative rating in terms of performance. This disenchantment goes beyond just the immediate economic situation of the country with one out of three people believing that the capitalist system itself is on the decline. In terms of the political process, the public goes further, with a majority feeling that both the Democratic and Republican parties are in favor of big business rather than the average citizen. A majority of the public also feels that America's major corporations "tend to dominate and determine the actions of our public officials in Washington."

Finally, by a plurality of 49 percent to 45 percent, the American public feels that "big business is the source of most of what is wrong in this country today." This deep-seated opposition to big business is reflected in the fact that by a margin of 49 percent to 45 percent, the American public favors a "political movement to challenge the influence of big business."

This lack of confidence in big business has led a plurality of 41 percent of the public to favor major adjustments in our economy "to try things which have never been tried before." When asked about specific major adjustments, 66 percent of the public said that they favored employee ownership and control of U.S. companies.

Up to now there has been virtually no public discussion or debate on the question of employee ownership and control of U.S. companies, and no major elected officials have come out in support of such a proposition. Moreover, at present there are only a handful of U.S. companies that are employee owned and controlled. Despite these facts a majority of the American people are in support of this fundamental and sweeping change in the ecoonmic system of this country.

The Hart Poll indicates that on the eve of the Bicentennial, a majority of the American public favor basic changes in our economy that will promote democratic participation at the work place and direct employee control over company policies.

This public opinion survey represents the first step in a year long "Common Sense" campaign by the Peoples Bicentennial Commission. We believe that it is time to extend democratic principles and individual rights to the economic life of the nation. We are at a critical turning point in history where the old cliches in support of both capitalist and socialist doctrines are inadequate to meet the needs and aspirations of the American people.

We advocate a new economic system where each company is democratically owned and controlled directly by the employees, with each firm operating competitively in a free market economy.

According to the Hart Poll, 67 percent of the American public feel that there has been too little discussion about the concept of employee ownership and control of U.S. corporations.

COMPLETE HART POLL RESULTS

THE NATION'S ECONOMIC HEALTH

55 percent of the public now term the nation's economic health as "poor" or "below average," while just 10 percent rate the health of the economy as "above average" or "excellent." The remaining 30 percent with an opinion saw it as "average."

VIEWS ON THE CAPITALIST SYSTEM

33 percent of the public believe that our capitalist economic system has already reached its peak in terms of performance and is now on the decline, while only 22 percent believe that it has not yet reached its peak and is still getting better, and another 30 percent believe that it is neither improving nor on the decline.

RATING THE PERFORMANCE OF AMERICAN BUSINESS

69 percent of the public give American business a negative rating in "keeping profits at reasonable levels," while only 26 percent give business a positive rating.

55 percent of the public give American business a negative rating in "providing good quality products," while 43 percent give business a positive rating.

59 percent of the public give American business a negative rating in "enabling people to make full use of their abilities" while only 35 percent give business a positive rating.

72 percent of the public give American business a negative rating when it comes to "really caring about the individual," while only 25 percent give business a positive rating.

84 percent of the public give American business a negative rating when it comes to "keeping down the cost of living," while only 12 percent give it a positive rating.

50 percent of the public give American business a negative rating when it comes to "safeguarding the health of workers and consumers" while 46 percent give it a positive rating.

75 percent of the public give American business a negative rating when it comes to "preventing unemployment and economic recessions" while only 18 percent give it a positive rating.

The public gives American business a negative rating in every category of performances except one; paying good wages and salaries.

55 percent of the public give American business a positive rating when it comes to "paying good wages and salaries" and 41 percent give it a negative rating.

THE EFFECTIVENESS OF ANTITRUST LAWS: PAST AND FUTURE

63 percent of the public believe that antitrust laws have been "only somewhat effective" or "of little effect" in the past in "keeping corporations from getting too big," while only 31 percent believe they have been "very effective" or "fairly effective."

In terms of the future, once again, a majority of the public, 55 percent believe that anti-trust laws will be "only somewhat effective" or "of little effect," while only 31 percent believe that they will be "very effective" or 'fairly effective."

WHAT IS WRONG WITH OUR ECONOMIC SYSTEM

72 percent of the public agree that "profits are the major goal of business even if it means unemployment and inflation," while only 24 percent disagree.

66 percent of the public agree that "generally people don't work as hard as they could, because they aren't given enough say in decisions which affect their jobs," while only 29 percent disagree.

67 percent of the public agree that "company management and stockholders are the people who benefit most from increased productivity," while only 27 percent disagree.

58 percent of the public agree that "local community interest and needs are not represented in making company policy," while 31 percent disagree.

61 percent of the public agree that "there is a conspiracy among big corporations to set prices as high as possible," while only 32 percent disagree.

56 percent of the public agree that "the increases that labor unions have gotten for workers are too large" while 36 percent disagree.

57 percent of the public agree that "both the Democratic and Republican parties are in favor of big business rather than the average worker," while only 35 percent disagree.

49 percent of the public agree that "big business is the source of most of what's wrong in this country today," while 45 percent disagree.

DOES WASHINGTON CONTROL CORPORATIONS, OR DO CORPORATIONS CONTROL WASHINGTON

58 percent of the public say that "America's major corporations tend to dominate and determine the actions of our public officials in Washington," while just 25 percent believe that the reverse is true and that "public officials in Washington tend to dominate and determine the actions of our major corporations."

WHO BENEFITS FROM PROFITS

68 percent of the public believe that "profits mainly benefit stockholders and management," while only 23 percent believe that the reverse is true, and that profits mainly "improve the general economic prosperity of everyone."

ARE MAJOR CORPORATIONS LOYAL TO THE UNITED STATES

54 percent of the public say that if "corporations had an opportunity to sign a contract (with a foreign country) which would be profitable to the corporations but harmful to the interests of the United States," the corporations "would sign such a contract, while only 31 percent believe that the corporations "would not sign the contract."

HOW MUCH CHANGE IN OUR ECONOMY IS NEEDED

When asked which of three alternatives they favored to improve the economy, a plurality of 41 percent of the American people favor "making a major adjustment to try things which have not been tried before." By way of contrast, a smaller 37 percent favor "making minor adjustments to correct for current problems." Only 17 percent feel that the economic system ought to be "kept as it is, allowing it to straighten itself out."

SUGGESTIONS FOR CHANGING THE ECONOMY

Only 25 percent of the American public feel that it would do "more good than harm" to "eliminate all welfare and aid benefits except social security," while 67 percent feel that it would do "more harm than good."

A plurality of 44 percent of the American public feel that it would do "more good than harm" to "institute public ownership of oil and other natural resources" while 42 percent feel that it would do "more harm than good."

44 percent of the American public feel that it would do "more good than harm" to "institute a regulation where by companies can grow only to a certain size," while 47 percent feel that it would do "more harm than good."

66 percent of the American public feel that it would do more good than harm" to "develop a program in which employees own a majority of the company's stock," while only 25 percent feel that it would do "more harm than good."

27 percent of the American public feel that it would do "more good than harm" to "limit all inheritances to $100,000," while 59 percent feel that it would do "more harm than good."

A plurality of 49 percent of the American public feel that it would do "more good than harm" to "develop a new political movement to challenge the influence of big business," while a smaller 39 percent feel that it would do "more harm than good."

74 percent of the American public feel that it would do "more good than harm" to "institute a plan whereby consumers in local communities are represented on the boards of companies that operate in their local region," while only 17 percent feel that it would do "more harm than good."

13 percent of the American public feel that it would do "more good than harm" to have "government ownership of all major companies," while 81 percent feel that it would do "more harm than good."

52 percent of the American public feel that it would do "more good than harm" to "institute a plan in which employees determine broad company policy," while only 38 percent feel that it would do "more harm than good."

CHOOSING BETWEEN THREE DIFFERENT ECONOMIC SYSTEMS

In exploring different approaches for our economy, the American public was given three types of companies and asked which one they would like to work for.

66 percent of the American people would favor working for a company that is employee owned and controlled. Only 8 percent of the public say they would want to work for a company that is owned by the government. Just 20 percent of the public say they would like to work for the now-dominant type of American business, the outside investor owned and controlled corporation.

WOULD EMPLOYEE OWNED AND CONTROLLED COMPANIES IMPROVE THE ECONOMIC CONDITION OF THE COUNTRY

50 percent of the American public feel that employee owned and controlled companies—where the people who work in the company select the management, set policies and share in the profits—would improve the condition of the economy, while only 14 percent say that such an arrangement would worsen the economy's condition. 29 percent feel the institution of employee ownership and control of companies would not make much difference in terms of the country's economic condition.

WHAT IS THE POSSIBILITY OF HAVING EMPLOYEE OWNED AND CONTROLLED COMPANIES WITHIN THE NEXT TEN YEARS

44 percent of the American public believe that there is a "great possibility" or "some possibility" that our country will have employee owned and controlled companies within the next ten years, while 49 percent believe that there is "little possibility" or "no possibility."

WOULD YOU SUPPORT A CANDIDATE FOR PRESIDENT WHO FAVORED EMPLOYEE OWNERSHIP AND CONTROL OF U.S. COMPANIES

56 percent of the American public would "probably support" or "definitely support" a candidate for President who favored employee ownership and control of U.S. companies, while only 26 percent said they would "probably not support" or "definitely not support" such a candidate 18 percent volunteered that their presidential decision would be based on other factors or were not sure.

GENERAL DISCUSSION ABOUT EMPLOYEE OWNERSHIP AND CONTROL OF U.S. COMPANIES

67 percent of the American public feel that there has been "too little discussion" about employee ownership and control of U.S. companies, while only 10 percent feel that there has been "too much," and just 9 percent feel that there has been "about the right amount."

(NOTE.—"Not sure" response percentages are excluded from the above data.)

CELEBRITY STATUS CONFERRED BY PRESS TO A YOUNG WOMAN WHO ATTACKED THE PRESIDENT

HON. CLAIR W. BURGENER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. BURGENER. Mr. Speaker, I was simply appalled at the celebrity status conferred by the press on a young woman whose sole claim to fame is an armed attack on the President of the United States.

Certainly, an attempt on a President's life is a most newsworthy event. But the real news content of the story, it seems to me, is the effect on the President and the Presidency—not the personality of the would-be assassin.

To dwell on the personality of the attacker, to make her the object of attention, is to reward the act with the very thing a would-be assassin may seek—attention, notoriety, and celebrity status.

The cover of Newsweek and Time this week may well provide unbalanced individuals with proof that they can become celebrities if only they can succeed in getting close enough to actual murder to draw attention to themselves.

Assassination of a President is something most of us lived through. The events of 1963 are fresh in the memory of everyone who is over 21.

The tragedy we shared in November of 1963 was not only a personal tragedy, it was a violation of the entire concept of our Republic. One bullet or bullets nullified the ballots of all of us, whether we voted for or against the President.

With the series of traumatic events that have recently hit this country—a President assassinated, a President driven from office by an unpopular war, a President forced to resign—the thing most devoutly to be wished is that this President succeed without harm in leading us as one Nation to the 1976 election, where we can again select leadership at the polls in our traditional constitutional process.

The coverage given to this attacker could spark the demented mind of another would-be assassin. I hope that the American people will write to those publications which covered the personality of the attacker with an emphasis far above the effect of the attack and the fact of the incident, to express some disapproval of such coverage.

For my part, I am sending a copy of this statement to both Time and Newsweek in the hope that it will stimulate consideration of the role they should play in reporting such a tragic event.

EULOGY—ANDREW J. VIGLIETTA

HON. JAMES J. DELANEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. DELANEY. Mr. Speaker—

I think continually of those who were truly great—
The names of those who in their lives fought for life,
Who wore at their hearts the fire's center.
Born of the sun they travelled a short while towards the sun,
And left the vivid air signed with their honors.

I have just learned of the passing of one of this country's finest journalists—Andrew J. Viglietta of the Newhouse chain. He was my friend.

Perhaps no group of men in any business better appreciates the value of the Press than those of us on Capitol Hill. Newspapers are indispensable in our business—bringing our programs to constituents, bringing truth to the people. They do this because of the quality of the men who work on them—those who write, and edit, and publish.

I first met Andy Viglietta during the 1930's when he was covering political affairs as a young reporter on the Long Island Star. I was working in the Queens County District Attorney's Office then and saw Andy daily. Through all the trials and cases he was there, eager to bring the story to the public. Many were the nights we spent waiting together for the jury to bring in its verdict.

Shortly after I joined the House of Representatives, Andy came to the Newhouse Office here in Washington—working first with the Star-Journal and then with the Long Island Press. He understood legislation as well as any legislator. He covered the Washington scene for four decades.

Andy always asked the right questions: hard-hitting, direct, precise questions without any curves of innuendo. When he wrote, he gave his readers the full story, with all the background, complete to the minute it went onto the presses. His inherent wisdom and vast experience combined to give him acute insight. He respected confidence, but always served the truth.

Above all, Andy lived life to the full and enjoyed it at all times. Intensely human, he was loved and respected by all who knew him and I vividly recall the many warm and enjoyable evenings spent at gatherings he hosted.

Andy was my friend. I will always cherish our friendship. I extend my deepest sympathy to his wife, Mary, and to all the members of his family.

ACTS ADOPTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA AND TRANSMITTED TO THE SPEAKER—AUGUST 1 TO SEPTEMBER 5

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. DIGGS. Mr. Speaker, during July and August the Council of the District of Columbia adopted a number of pieces of legislation, in addition to those which I reported in the Congressional Record of August 1. They are summarized below.

The House Committee on the District of Columbia has in its files Council committee reports and copies of acts which have been transmitted to the Speaker, for the information of Members who may wish further detail:

Acts Adopted by the Council of the District of Columbia, and Where Necessary, Transmitted to the Speaker of the House of Representatives Between August 1 and September 5, 1975

Act 1–35. Emergency Act in effect for 90 days continuing rent control, which was due to expire on July 26, 1975. Act 1–35 continues for 60 days, the provisions of Regulation 74–20, and incorporates the provisions of Bill 1–157 60 days after the effective date of Act 1–35. (On July 29, 1975, the Council enacted Bill 1–157 as permanent legislation. It must lie over with Congress for 30 legislative days—until about November 2, 1975.) Passed by the Council July 22, 1975. Signed by the Mayor July 25, 1975. As an emergency Act did not have to be transmitted to the Speaker under the Home Rule Act.

Act 1–36. Establishing an Office of Aging and a Commission on Aging. Passed by the Council July 1, 1975. Signed by the Mayor July 25, 1975. Bill 1–106. Transmitted to the Speaker on August 1, 1975.

Act 1–37. Amending D.C. Code 16–308 to facilitate step-parent adoptions by exempting them from the requirement that the adoption petition contain specified statements concerning race and religion. Adopted by Council July 15, 1975. Signed by the Mayor August 4, 1975. Bill 1–122. Transmitted to the Speaker August 12, 1975.

Act 1–38. Amending various sections of Title 31 D.C. Code to eliminate ethnic references relating to education. Adopted by Council July 15, 1975. Signed by the Mayor August 4, 1975. Bill 1–52. Transmitted to the Speaker August 12, 1975.

Act 1–39. Amending Section 738 of the Home Rule Act (P.L. 93–198) to change the name of Advisory Neighborhood Councils to Advisory Neighborhood Commissions. Adopted by Council July 1, 1975. Signed by the Mayor August 4, 1975. Bill 1–90. Transmitted to the Speaker August 12, 1975.

Act 1–40. Amending the District of Columbia Law Revision Commission Act (P.L. 93–379) by adding three members to the Commission. Adopted by the Council on July 15, 1975. Signed by the Mayor August 8, 1975. Bill 1–123. Transmitted to the Speaker September 5, 1975.

Act 1–41. Emergency Act in effect for 90 days amending D.C. Code Section 1–1507 to postpone the August 21, 1975 deadline for publishing the Municipal Code of the District of Columbia. Passed by the Council July 29, 1975. Signed by the Mayor August 13, 1975. As an emergency Act, it does not need to be transmitted to the Speaker for 30-day layover.

Act 1–42. Amends Revenue Act of 1975 (Act 1–34) to require banks, savings and loan associations, and public utilities to file a declaration of estimated tax. Adopted by the Council July 29, 1975, signed by the Mayor August 13, 1975. Bill 1–156. Transmitted to the Speaker September 5, 1975.

Act 1–43. Amends the District of Columbia Unincorporated Business Franchise Tax Act (D.C. Code Section 47–1557(d)(a)(15)) to permit up to 55% of the net income of the business to be deducted as services rendered by the individual owners or members of the unincorporated business. (The present law is 20%). Adopted by the Council August 5, 1975. Signed by the Mayor August 13, 1975. Bill 1–169. Transmitted to the Speaker September 5, 1975.

Act 1–44. Ninety day emergency act. Amends D.C. Code Sec 47–651(a) to extend the time within which the Council must act to establish tax incentives for the rehabilitation of property. Adopted by the Council July 29, 1975. Signed by the Mayor August 15, 1975. Bill No. EA 1–11. As an emergency act, it did not have to be transmitted to the Speaker.

Act 1–45. Amending the District of Columbia Minimum Wage Act of 1966. (D.C. Code 36–401 ff) mainly to cover private household workers, setting a wage of at least $2.50 an hour. Adopted by the Council July 29, 1975. Signed by the Mayor August 15, 1975. Bill 1–116. Transmitted to the Speaker September 5, 1975.

Act 1–46. Rent Control. Act 1–46 makes permanent the law set out in Emergency Act 1–45. Passed by the Council July 29, 1975. Signed by the Mayor August 15, 1975. Bill 1–157. Transmitted to the Speaker September 5, 1975.

Act 1–47. Supplemental Budget Act. Amends Act 1–28, the Fiscal Year 1976 Budget Act, resulting in a $4,000,000 reduction in the budget. Passed by Council July 29, 1975. Signed Aug. 15, 1975. Budget acts are forwarded to the President for submission to Congress and enactment by Congress as an appropriation bill.

Act 1–48. Amends the D.C. Unemployment Compensation ACT (D.C. Code 46–301ff) to remove the exception of pregnant women from receiving unemployment compensation benefits. Passed by the Council July 29, 1975. Signed by the Mayor August 15, 1975. Bill 1–101. Transmitted to the Speaker September 5, 1975.

Act 1–49. Amends Act 1–29 relating to payments for public assistance. Passed the Council on July 29, 1975, and was presented to the Mayor August 8, 1975. Although the Mayor had requested the amendment to Act 1–29, he neither approved nor disapproved Act 1–49. Bill 1–155. Transmitted to the Speaker September 5, 1975.

Act 1–50. Amends D.C. Code Section 31–1701ff, the District of Columbia Public Post-Secondary Education Reorganization Act. Passed by the Council July 29, 1975. Signed by the Mayor August 25, 1975. Bill 1–115. Transmitted to the Speaker September 5, 1975.

CORPS OF ENGINEERS VISITOR PROTECTION ASSISTANCE

HON. JOSEPH P. VIGORITO

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. VIGORITO. Mr. Speaker, today I am introducing legislation which would authorize the Secretary of the Army, acting through the Chief of Engineers, to contract with States and their political subdivisions for the purpose of obtaining increased law enforcement services at water resource projects under the jurisdiction of the Department of the Army.

According to a study in response to S. 75 of the Water Resources Development Act of 1974—Public Law 93–251—released recently by the Secretary of the Army to the Congress on Visitor Protection Services at Corps of Engineers Lakes, there is a serious law enforcement problem at many corps lakes. Criminal occurrences such as petty offenses and misdemeanors exist at extensive levels at the majority of corps controlled lakes. The overall estimated cost of crime and damage to the man-made and natural environment at the lakes exceeds $12 to $17 million annually.

The corps' response to this increased level of criminal activity has not been sufficient. The study reveals that due to an undermanned staff, adequate visitor, and resource protection is not being provided by the corps at many of the lakes.

With increased public visitation and the resulting rise in environmentally destructive acts and criminal activity, State and local governments have struggled to bridge the gap between inadequate corps protection and the needed law enforcement services. Although State and local law enforcement agencies are spending over twice as much on visitor protection at the lakes as the corps, the study discloses that State and local response to misdemeanors, felonies and property damage offenses is not sufficient.

Due to an absence of adequate corps reimbursement and an increased need for service to their own constituencies, local law enforcement agencies have lacked the necessary staff and funding to patrol the lakes areas.

In my own congressional district several local governments in the Shenango Valley River Lake area have said that Federal assistance was needed in policing Corps of Engineers recreation areas. The reservoir has been the scene of several incidents of public disturbances and drownings, both of which heightened the public awareness of the need for greater police protection. But due to the inability of the corps to contribute to the cost of providing police protection, the local governances have shouldered the major part of the burden.

The stated goal of Corps of Engineer involvement in recreation and resource management is to increase the corps capability to plan, develop, and manage the natural resources available at its lakes for optimum and diverse public recreation opportunity for present and future generations. Public safety, personal security, and environmental protection are fundamental to people achieving a fulfilling recreation experience while visiting a corps lake.

With this objective in mind, it is time to ease the financial strain local governments are presently facing in attempting to secure public safety in corps areas and at the same time provide protection for their own constituents. A contracting authority available to the corps would solve this dilemma. Local law enforcement agencies would be allocated the funds needed to provide the desired level of protection.

This plan is feasible and workable. As a result of the cooperative law enforcement program, initiated by Congress through Public Law 92-82 in 1971, the U.S. Forest Service contracts with State and local law enforcement agencies to provide specific visitor protection services in many U.S. forests. Since the program was implemented it has been maintained with relatively few administrative or management problems. With this legislation a similar program can be initiated to obtain increased law enforcement services at water resource projects under the jurisdiction of the Department of the Army.

WORKPLACE NOISE: A DANGER TO AMERICAN WORKERS

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. MIKVA. Mr. Speaker, the dangers of workplace noise to the health and well-being of millions of American workers cannot be overstated. The effects of noise take many forms, both physiological and psychological. Noise results in permanent hearing loss, interference with speech communication, stress reaction, disturbances of sleep, decreases in productivity and other harmful effects. In fact, only 3 years ago the Environmental Protection Agency concluded in a report that more than one-third of all Americans suffer some detrimental effects of noise pollution.

At the workplace, where loud machinery often operates all day long, the effects can be disastrous. Tempers flare and calm situations become crises. Impairments in hearing result. Such workplace noise brings anxiety, bizarre bodily sensations and, ultimately, personality disintegration, if noise is allowed to continue unabated.

Efforts are being made now, however, to reduce noise. The EPA's Office of Noise Abatement and Control has begun to produce some fine work in the workplace noise arena. Further, the EPA has recently challenged the Occupational Safety and Health Administration's new regulations for workplace noise as inadequate and ineffective. It is my hope that this conflict will be resolved quickly and that tough workplace noise pollution standards will emerge.

Mr. Speaker, I have heard it said that noise control standards will be costly to implement. To the contrary, the improved morale, increased productivity, reduced absenteeism, fewer strikes, and less worker turnover which will result, will offset most of the costs of noise abatement. Further, additional savings will be realized from eliminating or reducing hearing protection, audiometric testing, compensation payments, insurance premiums, and medical costs.

Mr. Speaker, I hope that recent passage by the House of the Noise Control Act Extension—H.R. 5272—will further encourage all Federal agencies to redouble their efforts to reduce workplace noise.

GUN CONTROL LEGISLATION

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. RANGEL. Mr. Speaker, how many more attacks like the one on Friday last will be made before the Congress enacts a comprehensive gun control law? I believe that we have seen enough tragedy in this Nation as a result of this weapon.

The Attorney General has come up with a proposal which falls short of what is needed to remedy the problem. A total ban on the sale, manufacturing, and possession of handguns is the only answer. Anything else and the Congress would not be adequately discharging our responsibility to the people.

A recent editorial by one of our local television stations highlights the need for a much more far-reaching bill than the Attorney General has suggested. I insert the full text of that editorial at this point in the RECORD so that my colleagues may study it as we approach the issue of gun control legislation. The editorial follows:

THE LEVI GUN LEGISLATION

Through the years, there have been countless attempts to develop gun control legislation which would be supported by a majority of the two houses of Congress, and thus become the law of the land.

The latest attempt, prepared by Attorney General Edward Levi, will undoubtedly raise all of the old arguments, because it goes in directions which are acceptable and unacceptable to all sides of the argument.

The people who oppose gun control think it is wrong to have any hindrance in the way of law abiding citizens who want to own guns. They think that all efforts should be directed toward the criminal, in the way of mandatory prison terms for those who use a gun in the furtherance of a crime.

On the other hand, those who believe that the American people should be disarmed believe that all handguns should be, at the very least, registered by the government. Most gun control advocates go even farther, and suggest that after a grace period in which guns could be turned in without penalty, the government should confiscate them.

The Levi legislation has some excellent parts. On the positive side, it would ban the importation or domestic manufacture, assembly and sale of cheap "Saturday Night Specials." It would create 500 new Treasury Agents who would work in the nation's ten largest cities to break up the black market in guns, and it would change the criminal code by imposing mandatory prison terms for those convicted of using dangerous weapons in committing a crime. Those, in the judgment of the Management of WPIX, are proposals which deserve widespread support.

Unfortunately, there is another aspect of the legislation which we believe will rightfully doom it to an early death in the Congress. The bill would require that all would be purchasers of a gun fill out a form which would be sent to the local police, who would request an FBI check on the name. We believe that to be an unwarranted infringement on the personal liberty of the American people.

The problem with guns is not that the average person has them, but that criminals have them, and we think it unfortunate that Attorney General Levi has not limited his bill to dealing with the criminal element

What's your opinion? We'd like to know.

MIAMI/DADE COUNTY, FLA., DESIGNATE HADASSAH MONTH

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. FASCELL. Mr. Speaker, the city of Miami, Fla., and the Metropolitan Dade County governments have declared September 15–October 14, 1975, as Hadassah Month in honor of the Jewish women's organization which has been so active in promoting health and education projects in Israel for more than 60 years.

Hadassah began as the dream of Miss Henrietta Szold, of Baltimore, Md., in 1912. Since that time it has grown to an organization of several hundred thousand members with chapters throughout the United States. The numerous chapters in the Greater Miami area have been among the most active of these.

Hadassah's best known activities have revolved around the support of Hadassah Hospital in Jerusalem—one of the outstanding medical facilities in the world. Other projects include a number of additional health facilities in Israel, including research programs, home health services, fellowships for doctors, immunization programs, and medical training of Asian and African doctors and nurses.

In addition, the organization supports a number of educational programs, including a community college, day care centers, and vocational training centers.

I know our colleagues will want to join me and the city of Miami and Metropolitan Dade County in saluting these outstanding women who have worked so hard and have achieved such success.

D. L. HARRISON OUTSTANDING EDUCATOR

HON. DAVID R. BOWEN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. BOWEN. Mr. Speaker, the field of education in Mississippi recently suffered a great loss in the death of D. L. Harrison, fondly known to all his friends, neighbors, and students as "Prof" Harrison.

This man served his State and his community, Calhoun City and Calhoun County, for almost five decades in providing outstanding educational, athletic, civic, and moral leadership for several generations of young people. Because of his firm guidance and inspiration, many of his students were inspired to success in life, and many would not have achieved their goals had it not been for Professor Harrison's encouragement and the educational foundation he helped provide for them.

His death was a great personal loss to me, as well as to his family and loved ones and the legion of friends, coworkers, and students from the 70 years of his very productive life.

He served as superintendent of the Calhoun, City, Miss., public schools for 36 years until his retirement in 1972 and then continued his service in private education. In addition to his many professional capacities and duties over the years, including serving as a member of the State textbook purchasing board, Professor Harrison was an outstanding athletic coach, as well as being a great teacher and administrator.

The 1949 Calhoun City High School girls basketball team won the State championship of Mississippi under his coaching, and this signal athletic accomplishment is still recalled with great community spirit more than a quarter of a century later in Calhoun City.

Professor Harrison was a leader in his community's civic affairs, and as a steward, Sunday school teacher, and lay leader for many years in the Lewis Memorial United Methodist Church in Calhoun City, he provided moral leadership for the congregation and community.

Perhaps the greatest tribute that has ever been paid an educator in that part of Mississippi was given Professor Harrison last summer, when more than 800 people gathered for a special "Harrison Homecoming," appropriately enough held at the D. L. Harrison Football Field of Calhoun City High School. People came from all over the United States to pay their respects to a man who had done so much for them personally, and for their community, their State and their Nation. The mayor of Calhoun City, Dr. L. D. Webb, summed it all up when he told the crowd that over the years as he observed and worked with Professor Harrison:

> I have always been amazed at the ways he could motivate students.

Professor Harrison was, and is, a legend in Calhoun County, for his unique talents and ability to motivate young people. His loss is education's loss, not only in Calhoun County, but in these whole United States, for it is dedicated educators and leaders such as Professor Harrison who provide the fundamental schooling and moral leadership that our young people need to achieve success in life, to be of service to their fellow men, and to fulfill the opportunities that America offers.

All of us who knew Professor Harrison loved and respected him. I want to pay him the respect of this tribute on the day the House of Representatives has so forcefully spoken out on the need to support education in this country and to provide all our children with the basic opportunities they deserve and need.

HOW TO DEAL WITH AIR POLLUTION ALERTS

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. ANDERSON of California. Mr. Speaker, the Sierra Club recently mailed to all California Congressmen a copy of the California Air Resources Board factsheet entitled "Self Help for Oxidant Episodes," detailing actions one should take in the event of air pollution alerts.

I would like to submit for the RECORD a copy of this fact sheet, as well as a few of the comments of Carl Pope, Sierra Club air quality consulant. I believe he states the issue clearly and eloquently when he says:

> This is not civil defense literature, no information for Californians in case of an earthquake, flood, or some other unexpected natural disaster. It is the stuff of daily life for millions of citizens. Whatever amendments you may adopt to the Clean Air Act, this condition will persist for years. But if the proposals of those who feel that it is asking too much of the automakers, public utilities, and industry to conduct their business in a nonpolluting fashion are adopted, this condition will persist and worsen in the years ahead.
>
> The choice is yours.

The factsheet follows:

SELF HELP FOR OXIDANT AIR POLLUTION EPISODES

The following actions are recommended to be taken by:

Sensitive persons with chronic lung disease or asthma, the elderly, the chronically ill and the exerising young at Stages 1, 2 and 3.

Healthy adults who feel effects at Stage 1, 2 and 3.

The general public at Stage 3.

Avoid strenuous outdoor physical activity (athletic activities, jogging, etc.) during an episode. Avoid exertion or excitement which increases your breathing rate and the body's oxygen needs. Plan other diverting activity for the young.

2. Remain indoors until the episode is terminated. Keep doors and windows closed, if possible. (Indoor concentrations of oxidant may be about one-half of the outdoor levels.) Use your air conditioner if you have one, to recirculate indoor air and keep cool. High temperatures may add stress to the pollutant effects. An activated charcoal system can further reduce oxidant levels.

3. Do not smoke (and avoid places where others are smoking). Pollutants from smoking make the health challenge worse!

4. Avoid aerosols, dusts, fumes, and other irritants. Reduce to a minimum domestic activities, cooking, hobbies or occupations which produce them.

5. Avoid traffic congested areas where pollutants are being generated, if you must be outside.

6. Avoid contact with persons suffering from respiratory infections.

7. Plan your activities. During air pollution seasons, listen to forecasts and postpone unnecessary activities on "episode" days. Most "peak values" of oxidant occur between mid-morning and late afternoon, but in Eastern portions of the Los Angeles basin they occur into the evening. Use other hours for your exercise and other outdoor activities. Obtain sufficient rest and sleep.

8. Expect onset or increasing severity of symptoms with Stage 2 or Stage 3 episodes (coughting, wheezing, phlegm, shortness of breath, chest discomfort, pain).

Follow your physician's treatment advice or consult him again. Know what medications to use for specific symptoms. Maintain fluid intake.

Know the location of your nearest emergency treatment facility in case your doctor advises increased therapy (veneilation assistance, oxygen treatment, etc.).

EPISODE CRITERIA LEVELS

Oxidant, as Ozone:
Averaging Time: 1 Hour.
Stage 1: .20 parts per million.
Stage 2: .35 parts per million.
Stage 3: .50 parts per million for one hour and predicted to persist for one additional hour.

These statements are based on recommendations of the Air Quality Advisory Committee representing physicians and health authorities advisory to the California State Health Department.

HOUSE RESOLUTION 335

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. FISHER. Mr. Speaker, as a cosponsor of House Resolution 335, I would like to express my support for this measure. It would establish a 10-member select committee to investigate the problem of U.S. servicemen still identified as missing in action in Southeast Asia, and the need for additional international teams to determine whether there are still prisoners of war there.

In my own district, as well as in communities throughout the country, there are families which still have not received a full accounting of their sons and husbands who are listed as missing in action. As a father myself, I can well imagine the anguish and uncertainty that the families of these missing men must have to live with. Wives want to know if their husbands are still alive. Parents and brothers and sisters do not know whether to mourn or to look forward to a reunion.

Since the fall of South Vietnam, we have been left without even the mechanism provided under the Paris accords for answering some of our questions about these missing men. The administration does not seem to be doing much to obtain an accounting of these men; the Congress should do what it can to solve this disturbing dilemma. I am pleased to be associated with this bill which will look at ways to obtain answers and to vote for it.

TIME FOR NEW UNDERSTANDING—THE UNITED STATES AND THE REPUBLIC OF KOREA

HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 8, 1975

Mr. SIKES. Mr. Speaker, it has been my pleasure to become well acquainted, first in this country and later in the Republic of Korea, with the Honorable Chin Hwan Row, a distinguished member of the National Assembly. I have learned to appreciate his leadership and his friendship, and I am privileged to submit for reprinting in the RECORD a speech by this outstanding leader entitled "Time for New Understanding."

The article follows:

TIME FOR NEW UNDERSTANDING—THE UNITED STATES AND THE REPUBLIC OF KOREA

A special and close alliance—economic, diplomatic and military—with the United States remains and will remain the cornerstone of the highest national policy of the Republic of Korea.

As the stabilizer in the Northeast Asia, the alliance has recently acquired a new dimension of importance for both the United States and Korea.

On the other hand, ever since 1945, the highest policy objective of the North Korean communists has been to drive a wedge between the United States and the Republic of Korea in order to undermine the mutual bond of trust and friendship that has been underpinning the stability and peace in the Far East.

Any discussion of the status of human rights in Korea should first take account of the historical perspective.

Korea for centuries was a Confucian monarchy without provisions for popular participation in the government. For 36 years it was a colony administered by a Japanese bureaucracy.

The absence of a tradition of a loyal opposition colors the views and actions of its critics. Cooperation and compromise, unfortunately, have not characterized Korean politics.

In the nuclear age, we are obliged to recognize that the issue of war and peace involves human rights and lives.

Therefore, the prevention of war and the attainment of peace is the highest moral as well as political concern of the government in Seoul.

The South's development has been confronted at every stage of the past quarter century by hostile Pyongyang regime demonstrably prepared to thwart at almost any cost democratic growth in the Republic of Korea.

The government of President Park Chung Hee is prosecuting only those who actively and knowingly participated in the organized and violent attempts to overthrow the constitutional government.

Unless one is prepared to call Communist saboteurs and those agents who participated in the violent revolutionary conspiracies as prisoners of conscience, no political prisoners are being tried.

It is the position of the government that certain emergency steps are required by the need to prevent widespread demonstrations and social disorders that could be exploited by the North and might invite a new invasion.

Editorial writers and commentators here have said that North Korea's Kim Il-sung in April may not have received the green light from Peking for any military offensive against the Republic of Korea.

That is a matter of speculation.

What is important is that no other Communist nation, whether China or Russia, can tell North Koreans to give up their dream of "national liberation by conquest" in favor of stability and peace in East Asia.

Notwithstanding Peking's recent public call for "peaceful unification" of Korea, it is well to recall that Huang Hua, the senior Chinese delegate to the United Nations once gloated from the sidelines: "the world is progressing amid turbulence . . . people want revolution. . . . The present world situation is excellent."

Our Korean nationalism ordains that unification be the ultimate goal for the nation. But the 50 million Koreans in the peninsula must not be forced into another fratricidal bloodshed, even in the name of unification.

In Japan, there are more than 300,000 followers of Kim Il-sung who are engaged in covert acts to disrupt South Korean social fabric at the behest of Pyongyang.

Under the circumstances, it is not always simple to sift those idealistic critics motivated by personal or patriotic concern from those Communists operating under the order of North Korean regime.

North Koreans have committed a number of provocative and hostile acts, against the Republic of Korea and the United States. Most recently, North Koreans have built tunnels in the supposedly demilitarized zone of the Korean frontier.

If the Baltimore Harbor Tunnel were under the control of the Russians, wouldn't Washington consider certain emergency measures? The two distances are identical.

In Korea today, the survival of the Republic of Korea requires certain sacrifices. Neither can the U.S. Marine Corps conduct its basic training with the popular consent of the trainees.

The people and the government of the Republic of Korea are searching for the balance between individual freedom and collective responsibility which can create a better life for all as well as ensure the survival of the nation.

It is Pyongyang, not the government in Seoul, which forced a realistic rather than idealistic approach upon the Republic of Korea.

My appeal is not intended to justify in any way certain limited deprivations of human rights but only to suggest the relative weakness in modern Korea of the democratic tradition and the problems the government in Seoul is confronted with.

There is no lake, even a bathtub, in the Republic of Korea where red fish may swim.

Economically, the Republic of Korea is one of the very few underdeveloped countries which have pursued private-enterprise capitalism and international cooperation as its economic orientation.

A country which 20 years ago had been horribly ravaged, today stands close to becoming self-reliant. I am proud to note that our country has grown to become the 12th ranking trading partner of the United States. The United States has invested more than $2 billion in equity and credit. More than 100 American corporations are engaged in mutually rewarding business undertakings in the Republic.

The nation has established a world-wide reputation for overcoming seemingly insurmountable obstacles.

For this, President Park deserves praise and commendation. This much of success in the economic field would not have been possible without political stability and confidence in the political leadership.

The leadership indispensable for today's Korea has to be bold enough to call for difficult demands upon the citizens and to undertake national survival programs which cannot, at the beginning, always be popular with the so-called "coffee-shop critics."

National development requires psychological confidence in the present and the future. President Park's leadership has provided the confidence.

I urge the American public, and their elected representatives, to avoid extreme—obsession with stability, excessively pragmatic policies or excessively moralistic ones—in dealing with their most steadfast ally, the Republic of Korea.

I also hope the American people accept diversity in general and refrain from treating Republic of Korea's choice—a choice of not its own but one forced upon her by North Korea—of a growth model as a provocation or betrayal.

It is time for a new understanding and insight.

The people and the government of the Republic of Korea are seeking a delicate and difficult balance and path that provides national security and economic well-being and a blending of the historical tradition with Western-style democracy.

The most tragic alternative for the American public would be to emasculate their position in Asia by undermining the strength and trust of the government of their ally, in the troubled waters of the Far East in these uncertain times.

CONGRESSMAN DANIELSON SALUTES EL GRITO PLANNING COMMITTEE

HON. GEORGE E. DANIELSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. DANIELSON. Mr. Speaker, on Saturday, September 13, in the city of Pico Rivera which it is my privilege to represent, the El Grito Planning Committee will begin to observe its Sixth Annual Commemorative Celebration of Mexican Independence Day.

On that day, the planning committee has scheduled a festive parade to be followed by a program, entertainment and other events which will emphasize the rich Mexican cultural heritage of those of my constituents who have been blessed with such a background.

On the following Monday, September 15, the day preceding Mexican Independence Day, a separate ceremony will be held at the Pico Rivera City Hall in remembrance of "El Grito," or "Shout of Freedom."

As our Nation prepares to observe its 200th birthday in celebration of our freedom, how fitting it becomes to observe with Mexico and with Americans of Mexican ancestry, a mutual joy and appreciation of friendship. I ask my colleagues to join me in saluting Mary Guzman, directora of the El Grito planning committee, as well as those students, staff, parents and community

volunteers of the El Rancho Unified School District who sponsored this observance.

A FLOWER FOR OUR NATION'S BIRTHDAY

HON. J. EDWARD ROUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. ROUSH. Mr. Speaker, I would like to include in the CONGRESSIONAL RECORD an essay by one of my constituents pleading her case for a special national flower for our Nation's birthday. Ruth Lehman Baulkey composed the following: "A Flower for Our Nation's Birthday."

As the United States approaches its 200th anniversary, it is still without a national floral emblem. Past attempts to select a national flower have bogged down in Congress or have failed to capture the total imagination of the people.

Two national polls have been taken, one by the American Nature Association in 1929 and another by the Florists' Telegraph Delivery Association in 1959. The winner in both cases was the rose, although 1929's top choice was the wild rose which probably was not greeted enthusiastically by florists.

In 1919, Representative Edward Taylor of Colorado introduced a bill to make the columbine the national flower. Would-be legislation then lay relatively dormant until a burst of activity in the 1960's. The rose was officially introduced, and the late Senator Everett Dirksen of Illinois took his well-known stand for the marigold. Other introductory actions were taken on behalf of the carnation, the shasta daisy, and the corn tassel.

To my knowledge, one flower has been overlooked. It is a flower rich in symbolism and tradition. Someone wrote that the national flower should be available the year round and thus be able to thrive indoors as well as out. I do not agree. I believe it is enough that it grows abundantly in the backyards of America, that it blooms every spring, coming as a reminder. The flower I suggest is the lilac.

The lilac is prominently mentioned in the songs and literature connected with our American heritage. "Green Grows the Laurel" was a love song once known throughout the British Isles. It was a patriotic song to the Irish, who brought it to America. In this country, it became "Green Grow the Lilacs" and was popular with cowboys, soldiers, and settlers in the early West. Lynn Rigg's play of the same title later became the basis for the first collaboration of Rodgers and Hammerstein—the musical "Oklahoma."

Walt Whitman's poem "When Lilacs Last in the Dooryard Bloom'd" depicts the Nation's sorrow over the slaying of its President. It is also a tribute to that President. To Lincoln's coffin, when it passes, the poet gives his "sprig of lilac," "lilac blooming perennial. . . ."

Amy Lowell's poem "Lilacs" is another classic piece which supports the lilac's role in American life. Culled from its lines:

You [lilacs] are everywhere.
You were everywhere.
You tapped the window when the preacher preached his sermon,
And ran along the road beside the boy going to school.
You stood by pasture-bars to give the cows good milking,
You persuaded the housewife that her dish pan was of silver.
And her husband an image of pure gold.

* * * * *

You are of the green sea,
And of the stone hills which reach a long distance.
You are of elm-shaded streets with little shops where they sell kites and marbles,
You are of great parks where everyone walks and nobody is at home.

* * * * *

You are brighter than apples,
Sweeter than tulips,
You are the great flood of our souls
Bursting above the leaf-shapes of our hearts.

* * * * *

You are the smell of all Summers,
The love of wives and children,
The recollection of the gardens of little children,
You are State Houses and Charters
And the familiar treading of the foot to and fro on a road it knows.[1]

Amy Lowell knew lilacs.

Some might argue the lilac is not a flower in the ordinary sense but a flowering bush or shrub. This characteristic of the plant actually lends itself to the desired symbolism, however. The lilac is firmly anchored in the soil. It cannot be easily uprooted.

Also significant symbolically is the structure of the flower itself. The lilac is not a single blossom. Its bloom consists rather of many small blossoms clustered together to make up the whole, suggesting our Federal Union of States.

Whatever flower is finally designated, its color will be important. Traditionally, of course, the United States is identified with the colors red, white, and blue. No one flower truly bears the markings of all three. Yet should an artist mix these hues on his palette, the color spread on the canvas would be the purple of the lilac.

CHILD HEALTH DAY AND CHILDREN'S HOSPITALS

HON. PIERRE S. (PETE) du PONT

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. DU PONT. Mr. Speaker, October 6 will be Child Health Day. This is the day that Congress has set apart in recognition of the importance of our children's health. I think its importance cannot be overstressed. Insuring the well-being of our children is the protection of our most precious national resource.

Many individuals and groups contribute to the maintenance and improvement of our children's health. However, I think that children's hospitals merit special recognition on Child Health Day.

For years these facilities have made it possible for children to obtain a quality of medical attention unequalled in any other facility.

For that reason, I am introducing a concurrent resolution urging the American people to give special emphasis and recognition to the people who have made a lasting contribution to the children's hospitals of the United States, the dedicated staff, and unselfish trustees of such hospitals and the thousands of citizen volunteers who made these hospitals so successful.

Mr. Speaker, I include a copy of the resolution at this point in the RECORD:

CONCURRENT RESOLUTION

Whereas, the Congress has authorized and requested the President to issue annually a proclamation setting apart the first Monday in October of each year as Child Health Day.

Whereas, Child Health Day will be celebrated on October 6 of this year: Now therefore, be it

Resolved by the House (the Senate concurring), That it is the sense of the Congress that in celebration of Child Health Day, on October 6, 1975, the American people give special emphasis to the recognition of persons who have made a lasting contribution to the children's hospitals of the United States, especially the dedicated staff, and unselfish trustees of such hospitals and the citizen contributors to such hospitals.

DAIRY PRODUCERS' BILL OF RIGHTS

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. PEYSER. Mr. Speaker, the dairy farmers of America are in grave financial difficulty. Although, on impulse, the solution seems to be to increase the support price, this typically has resulted in higher consumer prices and a reduction in the demand for milk. Increasing the support level for milk, therefore, has not necessarily helped dairy farmers in the long run.

One of the problems facing a preponderance of dairy producers and virtually ignored by Congress is the ever-increasing control by dairy cooperatives of the production and marketing of milk. The rapidly expanding co-op power adversely affects members and nonmembers alike. Because many of the larger dairy co-ops have become business entities unto themselves, their No. 1 concern is market concentration—controlling milk from production to processing. Tremendous and often unethical pressure is brought to bear on nonmembers to join these large co-ops, on haulers and processors to service members only and on co-op members themselves to abide by the decisions of the board of directors and moreover, to remain members. Any trace of the democracy that was a hallmark of the co-op movement is diminishing as co-ops grow in size and power and dominate the producers and market order. In all too many instances co-ops are distorting the market, insuring higher consumer costs and above all, ignoring the needs of their farmer members.

This is not to say that all or even most co-ops are employing these practices. On the contrary, smaller co-ops and those which "play it straight," are also being squeezed out and pressured by the most powerful cooperatives. In just too many instances these large co-ops are ignoring the needs of their farmer members as well as crippling the rest of the industry.

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[1] From *The Complete Poetical Works of Amy Lowell*, published by the Houghton Mifflin Company, copyright 1955. Used with permission.

Dairy farmers have worked too hard for too long to merely acquiesce to the threats and coercion of these large co-ops. It is time that Congress interceded on behalf of the farmers to insure that their rights are protected and that free enterprise can once again be a reality in the dairy business.

For this reason I am introducing the dairy farmers bill of rights. This bill in no way terminates or eliminates dairy cooperatives. It does, however, restrict the predatory and monopolistic tendencies of the very largest co-ops while insuring that the cooperatives will be run in a truly democratic fashion.

Dairy farmers have to fend for themselves in the difficult struggle to survive the ruthless tactics of these super co-ops. Congress must act quickly to guarantee the farmers their basic rights. I urge you to support this legislation.

The main provisions of this bill would make it illegal for cooperatives to:

First, obtain sole ownership of or purchase a milk processing plant for more than $500,000 without the prior approval of a majority of the members;

Second, enter into membership contracts for longer than 1-year periods;

Third, contract with a milk hauler and thus require the hauler transport only co-op milk;

Fourth, coerce, intimidate, or interfere with a processor of milk with regard to the purchase of milk from nonmembers;

Fifth, coerce, intimidate, or interfere with any producer of milk with regard to the marketing of milk;

Sixth, discriminate against any processor regarding the price charged for milk;

Seventh, offer any inducement or reward to a milk producer to induce the producer to join the co-op; and

Eighth, make false or misleading reports about the finances, management, or activities of milk producers or handlers.

Additionally cooperatives will be required to provide members with a simplified annual financial statement prepared by an independent CPA and also provide members with a simplified monthly statement indicating how much milk was sold; amount received; class, grade, and the blend price for milk in the marketing order.

SUPPORT OF H.R. 100

HON. DAWSON MATHIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. MATHIS. Mr. Speaker, the House will be considering H.R. 100, which will grant full-time National Guard technicians full service retirement, in the near future, and I want to urge my colleagues to support this much needed and overdue legislation.

In 1968 legislation was passed to bring these technicians into the civil service retirement plan. This was a big step, but the technicians were only given 55-percent credit for all the years prior to 1969. During this period the technicians were paying into social security, and upon being placed under civil service, more than 50 percent of them lost their social security because they did not have the necessary 40 quarters to qualify. That means that a majority of the technicians, as they then existed, will probably never become eligible for Federal old age survivors benefits and their contribution into social security will be lost.

H.R. 100 will make it possible for the technicians to receive full credit for their service prior to the Technicians Act of 1968. It will also give those dedicated full-time technicians their just due and will enhance our military readiness in that it will enable the World War II era technicians to retire, thus freeing slots for younger men more able to go into combat if mobilized.

"WITHOUT WATER, PEOPLE DIE; WITHOUT PEOPLE'S CONCERN, A RIVER DIES"

HON. AL ULLMAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. ULLMAN. Mr. Speaker, when debating the future of Hells Canyon, we tend to think in terms of how humans will derive the greatest benefits, and in thinking along these lines, I am afraid that we are not giving enough attention to the natural inhabitants of the canyon. Now it may seem like a strange thing for an elected representative of the people to be arguing for the unique plant and wildlife of Hells Canyon, but the people in the Pacific Northwest, and many people across the country are concerned about the future of the canyon and its inhabitants.

I wish that all of my fellow Members could have the opportunity to take a trip through the last free-flowing section of the Snake River in Hells Canyon to see what I mean. Modern man has a peculiar view of his relationship with nature—he usually feels a sense of superiority over what he considers a cold and inanimate force. I say that modern man's view is peculiar because the Indians who inhabited the Snake River area knew nature for so much more as a greater entity deserving respect and wise use. In fact, I suppose that we moderns are the first to hold ourselves to be separate and above nature. The Ancient Greeks scorned this view, and had a name for such a malady—hubris, or overwhelming pride or self-confidence. Both the Greeks and the Native Americans showed great concern for people with this dangerous disposition of the mind for they knew that man was just as much a part of nature as any animal or river, except that he had been blessed with the splendid gift of the mind. While an animal or a river could not reason or think, a man could, and as a result, he had the greater powers with which he could alter the balances of nature. But with these great powers came the burdens of responsibility—the burdens that we have failed to accept in recent centuries with the increase in our power to alter the land.

In times gone by, man has been confined by the forces of nature, and this has posed a great obstacle which man has struggled against. Now he has overcome the great obstacle, and while we cannot totally control nature, we can, at least, destroy her.

This is precisely the case with the Snake River—man has used his great capacity to think for wise and creative purposes, such as irrigation and hydroelectric projects that have put thousands of acres of wasteland under cultivation and have enabled us to live more productive lives. But we are now at the point where our technology and our desires for greater comfort threaten to make us hubristic. Further construction of dams in Hells Canyon will imperil the continued existence of an area that required millions of years to create and has been home for numerous species of plant and animal life, which will suffer irrevocable harm if this natural habitat is flooded.

I have often spoken of Hells Canyon as being unique—this is because I am at a loss of words when it comes to describing this fascinating corner of the world. More than 6,000 feet separate the rim from the canyon floor, and the resulting changes in temperature between top and bottom approximate the same change one would see if traveling thousands of miles from north to south through the temperate zone. Instead of migrating north and south, the animals in Hells Canyon travel up and down the canyon walls.

The zone along the river bank is an important grazing zone that deer, elk, bighorn sheep, and game birds are dependent upon for winter range. If the proposed hydroelectric dams are allowed to flood the canyon, riverine animals such as the beaver, mink, and otter will lose their homes and vanish from this section of the Snake. The proposed flooding will also destroy the traditional nesting sites and feeding grounds along the bank for such migratory birds as the Canadian goose.

While it is conceivable but unlikely that these animals will find new homes, flooding of the Canyon will destroy the famous anadromous fish upstream and seriously impair the runs downstream. Such action will destroy forever the migrations of salmon and steelhead upstream and on upstream tributaries.

We have made great gains in recent years in repairing damage inflicted upon the river and canyon. Bighorn sheep have been successfully reintroduced into Hells Canyon and the water quality has improved as a result of the diligent work of scientists and the power companies.

The final decision now rests with the Congress. We shall have the opportunity to see how we perceive nature and how man views himself. A friend of the Snake once said that he "learned that a great river influences the lives of the people in its watershed just as surely as the acts of those people influence the life of the river. Without water, people die. Without people's concern, a river dies."

BIGGER BUREAUCRACY THREATENS REPUBLIC

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. ABDNOR. Mr. Speaker, during the August recess I personally visited and held meetings in 28 of the 46 South Dakota counties I represent and members of my staff conferred with constituents in most of the others. Mother Nature has dealt far more kindly with my State's rural vistas this year and crops, with the exception of corn which was punished by drought, were far more bountiful in 1975 than in 1974.

South Dakotans are most certainly concerned about the economy and the energy problem and what the Congress is or is not doing about them. Because their livelihood is so dependent upon agriculture, they were very concerned about the current controversy surrounding grain exports.

Underscoring these very real worries, however, is an even more pervasive dread, and this is the ever-increasing Federal Government encroachment in the day-to-day determination of how they will live. "Everytime I turn around, Jim, there's a new set of rules and a new set of papers I have to fill out. Is it ever going to end?" is a question I was asked over and over.

In its edition of Saturday, August 23, the Rapid City Daily Journal published a very thoughtful editorial enunciating these concerns, and I would like to share it with my colleagues because it sets out what each of us should have in the back of our own minds every time we consider a piece of legislation: Just how much of the people's freedom does this bill take away:

BIGGER BUREAUCRACY THREATENS REPUBLIC

The Constitution of the United States was written by men who understood tyranny and had a healthy skepticism of government. Checks and balances were built in to fragment power even in a government where the people would choose their own decisionmakers.

The concept of rule by the people is being eroded, however, by the growth of appointed officials to decisionmaking agencies that are not accountable to the people through election. This trend of government by unelected bureaucracy increases the potential for abuse of power.

The bureaucratic growth rate in government is exceeding the population growth. The appointive staff of the federal government is now over 3 million while our national elected officials include 100 senators, 435 representatives, one president and one vice president, a total of 537.

This number ratio is even more meaningful when it's considered that policymaking in all too many cases is shifted to appointive agencies and appointed servants. The rules and regulations promulgated by these agencies are increasingly removing decisionmaking from the private to the public sphere.

For evidence, one need only examine the Federal Register, a daily government publication containing a complete record of the latest rules and regulations of these agencies.

The sheer bulk of the Register indicates the trend. During the 1960s, a year's worth of Registers totalled approximately 15,000 pages. Even in 1970, one would have only have to wade through 20,000 pages of eye-squinting type (which hardly anyone does) to learn how the bureaucrats thought it best for us to conduct our lives.

Only four years later, that same reader would be confronted by more than 46,000 pages including more than 20,000 separate regulations. This year there should be well over 50,000 pages covering 25,000 separate regulations.

And many individuals and firms are unaware of the regulations until they find they are in violation.

The trend reflected in these regulations points toward a society in which the individual is allowed increasingly less control over his or her daily life. Important decisions on how to live, which should be personal decisions, are being usurped by a government which sees no limit to its powers.

Big government is unequipped to take into account unique factors involved in transactions between 50 states, 30,000 localities and 200 million citizens. As each of the hard and fast regulations prove inapplicable or unresponsive to a new situation, new regulations, exceptions and redefinitions are enacted in a never-ending struggle to keep pace with the real world.

This concept of government by government is a threat to our republic since the power of a republic is in its intelligent people armed with disciplined freedom.

The cure for bureaucratic despotism lies in taking power from the self-styled experts and returning it to elected officials responsible to their electorate.

Booming bureaucracy should not be allowed to usurp the people's power.

THE SEARCH FOR A NEW ECONOMY

HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. YOUNG of Georgia. Mr. Speaker, Dr. Carlton B. Goodlett, president of the National Newspaper Publishers Association, addressed the annual convention of the Southern Christian Leadership Conference on August 12, 1975, at Anniston, Ala.

The NNPA is the organization for the black press of America.

Dr. Goodlett's perception of "The Search for a New Economy" deserves the attention of Congress and the Nation, and so it is presented here for the RECORD:

THE SEARCH FOR A NEW ECONOMY

(By Carlton B. Goodlett)

The Southern Christian Leadership Conference has come to Anniston at a time of great importance. The political, economic and moral life of the nation are in crisis; Congress in responding to the Watergate debacle is reasserting its full power as an equal in our tripartite division of the federal government. The economy is in disarray, experiencing simultaneously an inflation and a recession; and knowledgeable economists, meeting recently in San Francisco, have proclaimed that the present crisis cannot be solved by previously accepted economic therapy. If we are to save ourselves from a cycle of recurring economic crises which have exploded upon the capitalist world scene in the last twenty to twenty-four months, many economists feel that the U.S. economic and political practices must move toward a social democracy comparable to the Scandinavian countries.

As a behavioral scientist, I have long been disturbed by the American contradiction between creed and deed. Scratch the patriotic surface of Mother, Flag, Church and the Law and my country is revealed as a racist society; from the genocide of the Red Man until this very hour, her social dynamics have been propelled by the myth and the evil of white supremacy.

THE DREAMER

A professor once asked each of his classes: "Can a dream alter the face of the earth?"

The Book of Genesis tells the story of Joseph, the dreamer, whose brothers conspired against him to slay him:

"And they said one to another, Behold, this dreamer cometh. Come now therefore, and let us slay him, and cast him into some pit, and we will say, Some evil beast hath devoured him; and we shall see what will become of his dreams . . .

"And Reuben heard it, and he delivered him out of their hands; and said, Let us not kill him. And Reuben said unto them, Shed no blood, but cast him into this pit that is in the wilderness, and lay no hand upon him; that he might rid him out of their hands, to deliver him to his father again.

"And it came to pass, when Joseph was come unto his brethren, that they stripped Joseph out of his coat, his coat of many colors that was on him; And they took him, and cast him into a pit . . ."

The prophetic and intriguing theme of your convention, "Towards a Non Violent Economy," reveals that SCLC, unlike Joseph's brothers, appreciates the important role of the dreamer in the societal equation. The troubled present requires that women and men not only dream the unacceptable dream but also dare to translate the vision into unpopular words which might fall on frightened ears.

Your conference theme is a great personal challenge, for I have long suspected that hidden below the verbalized social conscience of Black America's educated tenth, especially black churchmen, is the subconscious ideation that they have failed to give human substance to the biblical admonition, "Ye shall know the truth, and the truth shall set you free." As a behavioral scientist, I should like to share some thoughts on the crisis confronting the leadership cadres of Black America, who for 112 years have tiptoed as if in a trance, without protest, in the never-never-land of integration, a transitional zone, walking between physical slavery and full freedom. Under the mandate of your conference theme, let us explore the nightmare of the black experience, search for the vision of being creators of better tomorrows, and challenge ourselves to begin the adventure of putting our personal safety and our insecure possessions on the line, leaving this place with the determination, re-enforced by the bonds of brotherhood: SCLC will accept no compromise!

Our founding fathers foresaw with profound understanding such deliberations as yours today, when they wrote:

"We hold these truths to be self-evident: that all men are created equal, and that they are endowed by their creator with certain inalienable rights. Among those are life, liberty and the pursuit of happiness; that to secure these rights governments are instituted among men deriving their just powers from the consent of the governed; that whenever any form of government becomes destructive of these ends, it is the right of the people to alter or to abolish it, and to institute new government laying its foundation on such principles and organizing its powers in such form as to them shall seem most likely to effect their safety and happiness.

"Prudence indeed will dictate that governments long established should not be changed for lightly transient causes, and accordingly all experience has shown that mankind are more disposed to suffer while evils are sufferable than to right themselves by abolishing the forms to which they have become accustomed. But when a long train of abuses and usurpations pursuing invariably the same object evinces a design to reduce them under absolute despotism, it is their right, it is their duty, to throw out such government and to provide new guards for their future security."

Today, out of the mess of a Watergate, out of the nightmare and carnage of a Vietnam, out of the covert mischief of a CIA and an FBI that does violence to the concept of a free democratic society, SCLC, with human resources reaching millions, must be determined to initiate and sustain the development of a new political, social and economic system which will provide for the people, through the instrument of government, those basic needs and services collectively which they never could hope to attain through individual efforts. As we move toward a vision of the new mosaic demanded by these troubled times, let us pray that out of this assemblage a faithful few will obey the call to venture!

Celebrating his 90th birthday in San Francisco, W. E. B. Du Bois was asked, "Where now do we Negroes stand in America?" and answered in these rapier-like words:

"If we aim to be Americans and do only what America does, think what she thinks and say what she says, we are a stupid people; if on the other hand we are determined to reach the highest standards of the world, and broaden and lift those standards by developing the best part of our Negro culture, erased from our souls by blood and slavery, by poverty and insults, we may, led by Africa, yet save the world. On the other hand, if we are bribed by high salaries to our gifted while our masses starve, by privilege to our rich while our millions crawl, by publicity for our fools while our leaders and our youth rot in jail, we are lost. This nation, by its mad plunge into lying, stealing and murder, will drag us as a part of it down to an age . . . of eternal night."

Our colleges, universities and religious institutions have not prepared many of us to live questioning, inquisitive lives; after exposure to the world's storehouse of knowledge gained through four years in higher education, few of us have moved into the laboratory of life, dedicated to the proposition that change, once worshipped in the college adventure, is just as inevitable in the laboratory of life where men and women must harness the processes of change or be swept out into the Sargasso Sea of *status quo.*

BLACK AMERICA

One precious thread is woven throughout the fabric of the black experience: the fact that black people have and belong to each other. Throughout their American Experience, black men have been caught up in the semantics of "individual freedom" as opposed to "freedom for the black masses." Our unquestioning acceptance of the myth of individual versus mass freedom has permitted the white majority to deal with blacks as "the tenth American," when in truth our strength lies in the collective concept that we are 11% or 12% of America, numbering millions.

We are, indeed, somebody: we are a nation whose population is roughly 25 million, the second most numerous aggregation of blacks within the confines of a nation on the face of the earth—second only to Nigeria with its 61 million. Only two of Africa's 52 nations are more populous than Black America: Nigeria and Egypt. There are 157 nations whose populations are smaller than Black America's, and only 25 nations whose populations are larger. Closer to home, of the 36 nations of both North and South America, only three are bigger than Black America: White USA (184,000,000), Brazil (91,000,000) and Mexico (45,000,000.)

16 metropolitan areas have black populations in excess of a quarter of a million; America's 25 largest cities each have black populations of more than 100,000, comprising 33.8% of their total population; America's 50 largest cities have black populations equalling 22.7%. If you recall your ancient Greek history, we are rapidly developing into black city-states. Already, more than a third of Black America lives in the 25 largest cities.

Professionally and academically, we have outstanding upward mobility for our educated tenth, with 7,500 physicians, 4,000 attorneys, 2,900 dentists, tens of thousands of teachers and academicians. 727,000 black youths are now attending institutions of higher learning (460,000 more than attend such institutions in Great Britain, with her population of 55 million!)

And despite the economic disparity between White and Black America, Black America is still the ninth wealthiest nation in the non-socialist world: in 1974, blacks earned $58 billion and spent $52 billion, providing a residuum of economic power which can be used for internal growth and development.

However, let us consider our liabilities: The third annual listing of Black Enterprise's top 100 Black Businesses in 1974 indicates a total black business of $668.45 million. Black Enterprise shows the neurosis exhibited by blacks who attempt to interpret every statistic as a laudatory example of "making it big" in White Capitalist America. It is an insult for 25 million blacks, with an awesome $58-billion income, to brag with the bellow of a bull elephant, when in fact black businesses possess the economic muscle of a midget mouse.

We approach the time, all pleas to the contrary, when the economic system called Capitalism must be judged as irrevocably stacked against the masses of black people. W. E. B. DuBois wrote: "I saw clearly . . . that the solution of letting a few of our capitalists share with whites in the exploitation of our masses would never be a solution of our problem, but the forging of eternal chains."

While Black America's upper middle class has apparently been slowly and hopefully making it in racist White America, the other side of the coin is a dreary terrain of bleak hopelessness. Today the black masses are poorer than ever before. In 1930, a black family of four earned $2,100 as its median income and a white family $3,100. The latest figures by the Department of Labor reveal that today's white family of four's median income is $7,800 while that of the black family is $4,100. While the nation braces itself for a 9% general unemployment, blacks are hovering on the brink of disaster, with an estimated 27 to 30% unemployment.

Alcohol, Hard Drugs and Narcotics: 50% of Black America is twenty years of age or younger and face stark, hopeless todays and tomorrows. 48 to 52% of black teenagers (three times the national average) are unemployed, out of school, many with police records, and 32% irretrievably lost in the narcotics traffic.

We must not ignore the present plight of our youth, in Black America. One hand of the economic establishment beckons our intellectually and economically privileged youth to the halls of its finest in academia—Harvard, Yale, Vassar and so forth; these blacks, graduating from Wharton's School of Finance, Harvard School of Business Administration and Stanford School of Business Administration, have bought hook, line and sinker the concept of Black Capitalism. Meanwhile, the other hand of the economic establishment, the Mafia and the syndicate, has reached into the black ghettos, literally destroying the reservoir of black potential for survival and revolutionary leadership. The solution won't wait. I am told that in the last three years more than 30-odd massacres have occurred in the black communities of Detroit in which gangs numbering between three and eleven have been massacred by other blacks in struggles over narcotics distribution territories. Remember, no black exercises any control in the narcotics traffic.

We fail to heed, at our peril, the warning of Samuel Yette in his book, "The Choice: Black Survival-USA," that blacks in America are being systematically programmed, by institutional individual operations, for genocide. In 1970 more blacks between the ages of 20 and 30 committed suicide than any other group, including American Indians; and the majority of black suicides are black females.

The time is not far distant, if I may be a Jeremiah, when blacks will have to make that choice made in 1842 by China which led to the Chinese Opium Wars, when China would no longer supinely allow the West—Germany, France and Great Britain—to systematically destroy her ancient civilization by imposing narcotics upon her as a way of life. The Chinese lost that war, in quantitative terms, but they saved the soul of China. Can you not envision a day when the black mothers will rise in indignation, and in all their wrath declare war on those insidious beasts in the white society who prey upon their children, the hope of our tomorrow?

In search of refuge from racism, 65 to 70% of the drug abuse in the nation today is in Black America, and thousands of blacks, predominantly the poor, squander between $5 and $6 billion a year—10% of the total income of Black America!—on alcohol, wreaking untold ravages upon the individual and the black family. Even that mass killer among blacks, hypertension, can be attributed to the destructive effects of racism.

THE QUOTA SYSTEM

The Black Church and the Black Press must raise their voices above those several black leaders, anointed in the main by the white community, who vociferously proclaim their opposition to a *quota system,* and bow before the mystical formulation called *"positive affirmative action."* Let there be no mistake about it: blacks who have met every call of our nation in peace and war, and earned every privilege for citizenship, as a matter of right, demand governmental guarantees against institutional racism. We live in a quantitative society. The only way that the victims of racism can be assured equity is for the government (national, state and local) to *quantify* the rights, responsibilities and opportunities for all citizens.

Thomas Jefferson, writer of the Constitution, had difficulty dealing with black male slaves, and finally decided that the black male was two-thirds of a man. This year, at the first Charter Convention of the Democratic Party in our nation's history, a coalition of labor, the big city politicians and ethnic groups, particularly Catholics and wealthy liberal Jews, found it impossible to come to grips with the quota system. Quotas are accepted in every modality of our lives when they have to deal with the rights and privileges of black people and their allies.

Hundreds of thousands, yea, millions of students are bused to schools daily in America; bussing becomes distasteful only when we bus to remove inequities forced upon blacks and their allies to obtain equity in the educational process. Our Jewish friends might look upon the quota system as the roof over their heads, but to Black America it is the floor under our feet, below which we shall not fall, and our position, irrespective of their adamant opposition, will be pursued with all vigor and due speed.

RACISM

The second reconstruction: Since the founding of the NAACP in 1909 and the National Urban League in 1910, Black America was involved in the frustrating task of undoing the evils of the Plessey vs. Gerguson Supreme Court Decision which destroyed the prophetic promise of full democratic rights established by the 14th, 15th and 16th Amendments. Then, with the May 19, 1954, Supreme Court Decision declaring segregation in public education unconstitutional, the period of the Second Reconstruction began, and since that day Black America has been on the move: 1955 brought us the Montgomery Freedom Walk and the founding of Southern Christian Leadership Conference; 1962, the Philadelphia Selective Patronage Campaign; 1963, the March on Washington with Martin Luther King's incomparable "I Have a Dream"; 1964, the founding of OIS; and 1966, Meredith's Mississippi Walk with the birth of "Black Power." The tragic, cataclysmic murder of Dr. Martin Luther King, founder of SCLC, signalled the end of the first phase of the Second Reconstruction.

A second April, 1968, milestone was the publication of President Johnson's Commission on Civil Disorders report, which identified the true sickness that has afflicted the nation since its founding, racism. The civil rights activities during the previous 14 years were seen as a mere treadmill exercise attempting palliative measures for the amelioration of the malignant symptoms of a racist society. Unfortunately, the nation was only momentarily bestirred by the revelation of its malady; now, the Kerner Report (as have President Truman's "To Secure These Rights") and the annual reports of the U.S. Commission on Civil Rights," has become another museum piece, which appeared on the horizon as a burning comet and faded away leaving behind a darkness more oppressive, now that we have glimpsed the truth.

Racism non-excised, like cancer, can and will destroy the nation. Let us consider the Kerner Report's four areas of racism:

First, Employment: Government, labor unions and private citizens must provide full equity in the job market as a fundamental right; every citizen must have an economic base placed under him below which he or she will not be allowed to fall.

Second, Housing: We must permit no more windfalls for the construction and savings and loan institutions by the evil practice of "great demand and limited supply." A decent home is the right of every American citizen. Moreover, the federal government must never again be the prime mover in the development of segregated islands of white suburbia at the expense of blacks and others who are forced to inhabit the decaying core cities. The government at all levels: city, county, state and federal, must outlaw "red-lining."

Third, Education: The nation must stop spending millions of dollars for frills in higher education. We must no longer countenance a Supreme Court desegregation decision which is a mockery down as "with all deliberate speed." The policy of allowing the perpetrators of segregation in education (de facto and de jure) to construct the timetable for ending it has the potential success of allowing the king rat to be guardian of the cheese bin.

Fourth, Administration of Justice: In the aftermath of Watergate, we still emphasize that ours is a nation of laws and not men; to guarantee the preservation of a democratic society, political know-nothings still mouth the nostrum "Law and Order," forgetting that justice is the prerequisite for "Law and Order." We must reject a system of law enforcement which favors the higher socio-economic levels of our society. We know the deadly aspects of racism. Historically, the nation has never lacked knowledge about the evil effects of racial discrimination or racism. Can a socio-economic-political system dedicated to the exploitation of human and physical resources destroy racism?

We ask a second challenging question: Is it possible for a black man, an outsider in a racist society, ever to use the instruments of law (honed to protect the values of white racial superiority in a capitalist society) to bring about the administration of justice for the wretched and exploited of that society?

We are reminded of the plight of the Israelites held in bondage in Babylon, from the 137th Psalm:

"By the rivers of Babylon, there we sat down, yea, we wept, when we remembered Zion.

We hanged our harps upon the willow in the midst thereof.

For there they that carried us away captive required of us a song; and they that wasted us required of us mirth, saying,

'Sing us one of the songs of Zion.'

How shall we sing the Lord's song in a strange land?"

To paraphrase this biblical question, How can the sons and daughters of slaves sing the songs of freedom and forge the instruments of liberation while enduring the tempo of a racist society? How can black judges, even, render decisions of justice forged at the hands of white supremacists while they dwell in a racist land?

POLITICAL RACISM

Government is one of the greatest sponsors of racism in America; it provides an umbrella under which all the racist take cover in the shade.

It is anticipated that by the end of this decade at least ten of America's 14 largest cities will be presided over by black mayors. But, is this an opportunity or a punishment? The cities are being inundated by a tidal wave of crime, their jobs are disappearing, their housing is being destroyed faster than it is being built. Tax loopholes, FHA loans and highway subsidies have encouraged suburbanization. With the loss of manufacturing and a commercial tax base, plus the loss of upper income households, the once-affluent cities can't maintain minimum services. No central city government now possesses the indigenous resources necessary to provide a decent level of social services for its inhabitants. Will black mayors be able to serve and develop viable cities and metropolitan areas of commerce, learning and culture, or will they be presiding over the death-knell of that sociological concept known as a city? Will blacks be able to serve the masses of all races, colors and creeds, or in most instances have black faces been substituted for white faces to continue the same old political jig—in which the instruments of government deny to the poor and needy those circumstances and services which have always gone to the rich and the greedy? Black political leaders have become excellent politicians and specialists in the art of compromise; but most of them lower their political aspiration level to their shoetops, rather than to the mountaintop of full participation in government; they must never be allowed to forget that they were placed in high office to continue the thrust for survival of the masses—yea, even for their liberation! They must be catalytic agents to force political and economic change, to free the masses from the special interests—those forces which unhesitatingly use our economy, our courthouses and our schools to maintain the status quo.

International Racism: Where is the voice of the Black Church calling for justice for the oppressed blacks of Southern Rhodesia, South Africa and Nimibia, warning Secretary of State Kissinger and President Ford that 25 million blacks are incensed at the revelations in the report labeled "Operation Tar Baby," which revealed that our country's foreign policy is in collusion with the racist governments in Southern Rhodesia and Southern Africa?

Racism-USA and apartheid-Southern Africa are both visible manifestations of the evil methods employed by the multinational corporations, whose power staggers the human imagination, a juggernaut destroying all individual freedom and creativity in its path, a cloud blinding the sunlight of human liberation on all of the continents. Ten international bankers and no more than 300 corporations (predominantly US) control 65% of the productive capacity of the USA, and between 35 and 45% of the productive capacity of the non-socialist world. These individual monsters thrive on exploitation of the mineral resources in the Third World and the institutional and intellectual and human resources of the entire world. They have one god: "an ever-expanding profit." Black America, as the 26th largest nation, has a responsibility to recognize the deadly truth and catalyse the masses on all continents to sustained action—against greed and human exploitation.

BLACK RESOURCES

Have you ever been disturbed by the fact that blacks in America, after enduring 300 years of slavery and 112 years of crypto-freedom, have never developed a revolutionary class? Not only must we engage in persistent agitation, but Black America at this crucial hour, in this search for relevance, must find a Black Ideology and a Black Agenda. Perhaps we must have the vision and the daring to question the holy cow, Integration, as a viable social phenomenon. Let us inventory our black resources, out of which we shall develop a black ideology and then a black agenda:

Education: Education is a bedrock upon which a people must build for survival. Our sons and daughters must be imbued to seek educational excellency and dedicate their lives to the service of the teeming black masses. Our youth must never forget that there is a nation to be led, and an eternal struggle to be waged against racism.

The Black Family: In all ages when men were the victims of both physical and psychological slavery, the strength for survival has been the family. The black family as a unit has been a balm and a refuge in time of distress; we must not be brainwashed by the nonsense of a Moynehan. It is the family institution which must reach out and rescue the lost black youth, and strengthen the resolve of the black male to walk tall and assume the rightful position of leadership in the common struggle for survival and liberation.

The Black Press: In time of stress, the Black Press has been the sole conduit to convey the alarm or to sound the promise of hope. Without its press, Black America would resemble a giant whose spinal cord has been severed leaving a complete interruption, with no transmission from the brain to the vital organs.

The Black Sororities and Fraternities: More than 600,000 of the educated black elite are members of the Pan-Hellenic Council, composed of members of our national sororities and fraternities. For too long, the Pan-Hellenic elite have given truth to E. Franklin Frazier's description of the "black bougeoisie." We are the best educated, the most economically advantaged and unfortunately in far too many instances the most psychologically insulated from the responsibilities which higher education places upon the apex of the 25-million black pyramid. In terms of the utilization of the educated mind inquisitively to examine and re-examine the demands of change upon the socio-economic-political system, the Pan-Hellenic elite have failed.

The above observations on black fraternities and college sororities do not include the vast reservoir of black organizational manpower and womanpower found enlisted in black fraternal organizations supported by the black masses, and numbering in millions of members, such organizations as the various orders of the Masonic Lodges and Eastern Star, the Knights of Tabor, the Pythians, the Woodmen of the World and the Elks. These organizations are capable of amassing tremendous manpower and economic resources directed toward common programs and common causes. Their only need is an ideology as a precursor to their development of agendas in a common struggle to recharter the black experience.

The Black Church: Too often, the black church has done nothing more than ape the white church. It must become a revolutionary force, using its financial resources to build the whole man, rather than squandering them in fine buildings and ostentatious charades by some black preachers.

The Black Muslims have played a vital role in the revolution for survival and liberation. Never have so few blacks in America been able to accomplish so much, economically and spiritually, through the development of psychological nationhood. They have set themselves apart and built themselves a black agenda. The Black Muslim banner is the only one which waves over a program espousing the dignity and beauty of blackness and the possibility of accomplishing through togetherness that which blacks cannot accomplish alone.

The Black Church has a prophetic mission to play in black survival. Christianity is a revolutionary religion. We charge black churchmen to espouse the revolutionary zeal of early Christianity, when the acts of the church reinforced the characterization of Jesus Christ as the first great socialist and Christianity as the earliest form of socialism, as reflected in the Acts' description of the first church:

"And they continued steadfastly in the apostles' doctrine and fellowship, and in breaking of bread, and in prayers.

"And all that believed were together, and had all things common; and sold their possessions and goods, and parted them to all men, as every man had need.

"And they, continuing daily with one accord in the temple, and breaking bread from house to house, did eat their meat with gladness and singleness of heart . . ."

SOUTHERN CHRISTIAN LEADERSHIP'S MISSION

When Martin Luther King began to relate the black civil rights crusade with the world peace struggle, and vigorously condemned the Vietnamese War which eventually resulted in the squandering of $150 billion and over a half a million (500,000 wounded and 55,000 dead) of our finest young manhood, he became a hated and feared opponent of those occupiers of the nation's highest political and economic positions. His crusade for both economic and political rejuvenation of the masses in opposition to the political and economic greed of the upper classes, undoubtedly, led to his untimely death.

However, the March of the Poor on Washington, the implementation of the 1965, '70 and '75 Civil Rights Voting statutes in the deep south, and now, the search for an evolutionary yet revolutionary economic policy through nonviolence are examples of Ralph Abernathy's continuing the SCLC mandate to serve a suffering humanity. Moreover, Abernathy has moved SCLC's frontier across the seas into the world peace movement, and as Chairman of the International Commission Against Racism, Neo-Colonialism and Apartheid, SCLC's leader is in the vanguard of millions who struggle against all economic, social and political manifestations of racism. Abernathy's call for a general, worldwide, complete and total disarmament reflects the assessment by SCLC of the clearly delineated truth: that an expenditure of $270 billion a year for armaments blights and permanently deters the possibility that the physical and material resources of the Spaceship Earth can be utilized at home or abroad for employment, education, health, housing and other life enrichment needs of the people.

SCLC must add its voice to that of the millions of people represented by the 26 nations who attended the recent San Francisco World Citizens Assembly and unanimously adopted a plan for complete control of armaments proliferation (the San Francisco Disarmament Plan) which involves a progressive reduction of world armament expenditures over a 5-year period of 50% and restricts expenditures for new military weapons and equipment (i.e. from $270 billion to $135 billion.) These monies saved will be utilized for international development ($14.5 billion) and national development ($121.5 billion) by the fifth year.

When SCLC, in the embodiment of King, began to speak pragmatically of utilizing religious commitments in the destruction of economic and political racism, King fell victim of the greed of a society which worshiped economic rights more than it cherished human rights. Brethren, after 112 years of blight upon the black experience, does the truth not dawn upon us as it has upon the black masses—that the nation needs a change in its social, economic and political direction?

In this crucial hour, when the majority of the nation's economists and political scientists recognize the current inflation and recession as a tolling of the bells for laissez-faire capitalism, with the warnings of post-Watergate, can SCLC not visualize the sordid sickness that infects the nation as we move covertly and without organized opposition toward constitutional fascism? The body politic as a human organism does not countenance a vacuum. Those three cardinal defenders against facism: a strong Communist Party, a vibrant, creative Socialist Party, and a labor movement ingrained in the masses of the people, do not exist in America today. The Communist Party numbers less than 50,000; since the death of Norman Thomas the Socialist Party has been somnabulent. The organized American labor movement has become a part of the establishment. There will be other Watergates, because who or what force exists in the nation to deter them?

We must move this nation toward a Democratic Socialist society, a symbiosis between capitalism and socialism, with a democratic form of government, where the people have the right to vote and change their government, to bring about public ownership of public utilities, transportation, banks, mass industries, and government control of the minimum essentials required for equalizing the opportunities of all people to enjoy the benefits of democracy.

The black masses, enduring the ravages of a depression in which 35 to 40% of the employable black adults still countable are unemployed, have finally lost faith in an economic system which for 112 years post-Emancipation has offered them recycles of the first-fired-last-hired, hopeless, bleak tomorrows of economic nothingness; they have tried the system and found it wanting. Even though the black masses cannot articulate the new economic world a-coming, they know there must be something better than this, and call it what you may, they are ready for it.

We have no illusions about the possibilities of 25 million blacks, representing the black tail, wagging the white dog. Yet, 25 million blacks, finally clearly visualizing the ultimate disaster offered by capitalism for black colonials in capitalist America, led by SCLC and the educated tenth, using their moral, mental and physical resources in serious analysis and studies of economic-political alternatives which will be transmitted by the Black Church and the Black Press to the black masses numbering more than 20 million people: such a unified, dedicated black vangaurd for change residing in the belly of the beast would create an irresistible process in the body politic that would force the total nation to seek and develop viable economic alternatives.

This black vanguard, rejecting capitalism as the result of the battle scars of the 100-year post-Emancipation treadmill struggle leading nowhere, would become the redemptive catalytic force in America with which the millions of non-blacks who are ill-housed, ill-fed, without adequate medical care, unemployed and under-employed, might coalesce to create an irrestible tide forcing meaningful changes in the economic and political life of the nation, so as to create a social democratic society, one that does not suffer recurrent periods of mass under and unemployment; a society committed to comprehensive medical care for all of its people, a society dedicated to educating every child to his maximum potential for services to the task of life enrichment; a society in which the fruits and the genius of agriculture are used to adequately nourish the entire nation, a society where the forces of labor become an ally of the people in the struggle against multi-national corporations and massive concentration of personal and institutional wealth. Such a society would end the squandering of our national resources in a senseless meglomania of armaments cycled upon rearmaments.

The preceding portrait of words must become the grand design into which is poured the muscles, sweat, labor and dedication of the American people, a people's crusade to develop prosperity and plenty at home as well as peace in the world community. Failure to capture and activate such a grand design will result in the ultimate victory of the Watergate syndrome—that monolithic concentration of government, political power and oppression sustained by the military-industrial complex whose ultimate goal is fascism in the United States of America.

As I near the end, we call to witness three words of a great black newspaper publisher, Frederick Douglass. In the declining years of his life Douglass was asked, "What would be your final words to colored Americans in their struggle for their freedoms?" And he replied: "Agitate! Agitate! Agitate!"

SCLC's charge and challenge for the future is to become a mighty sword in the battle not only against economic racism but all manifestations of this deadly disease, to harness the materialistic drives of our society to a humanistic philosophy that demonstrates in the real world the Judeo-Christian ethic—that man is, indeed, his brother's keeper. SCLC, the handiwork of black preachers, nurtured locally and nationally by the black religious community, can aspire to nothing less than to create in a small measure, on earth, the promises of Heaven—a land of milk and Honey.

SCLC: Do you dare to venture, to use all of your mental, physical and spiritual resources to be a catalyst in humanity's eternal struggle against all forms of social, political and economic tyranny?

To know the truth, but yet remain immobilized to develop programs reflecting individual and group commitment, reminds us of a quote from The Talmud:

"If there is no knowledge there is no understanding. If there is no understanding there is no knowledge."

To this, I would add: If there is both knowledge and understanding, but no commitment to action, then knowledge and understanding, like seeds unsown, will lie unsprouted forever in the sterile granaries of the mind.

A STUDENT'S ANALYSIS OF WELFARE REFORM

HON. GILBERT GUDE

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. GUDE. Mr. Speaker, I would like to share with my colleagues an excellent position paper written by Jonathan S. Naimon, a Montgomery County, Md., high school student who participated in my 1975 summer high school intern program. The author, along with 37 other high school students from the Eighth District of Maryland, spent 3 weeks on and off the "Hill" seeing and experiencing the governmental process. Under the direction of my college intern, Lisa Stark, a senior at Cornell University, and the assistance of Bruce C. Miller, my Montgomery College intern, the young people were introduced to the "inner workings" of government through field trips, seminars, lectures, and individual research.

Each student was asked to select an issue of current interest, conduct research to determine the pros and cons of the issue, distill this information, and present a convincing argument in one direction or the other. From these I have chosen one paper that is an interesting study on the complex subject of welfare reform. Written by Jonathan S. Naimon, of Northwood High School, the author advocates a comprehensive federally directed and funded welfare program.

Worthy of honorable mention were fine papers submitted by Catherine Zusy of Walter Johnson High School on control of foreign investments in the United States, and two opposing views on the strip mining issue by Teresa Bergamini of Magruder High School and Jeffrey M. Gordon of Kennedy High School. The other interns who participated in the program were Richard Burke, of Magruder High School; Maureen Britti, of Wheaton High School; David Brown, of Springbrook High School; David Buckingham, of Landon School; Nancy Cameron, of Montgomery Blair High School; Richard Carlquist, of Wooton High School; Lawrence Culleen, of Rockville High School; Philip S. Dobrydnio, of Paint Branch High School; Rebecca Fine, of Springbrook High School; Mary Helm, of Immaculata Preparatory; Doron Henkin, of Bethesda-Chevy Chase High School; Douglas Henne, of Montgomery Blair High School; Geoffrey Henry of Georgetown Preparatory School; Joan Keeney, of Holy Cross Academy; Louis Kiernan, of Gonzaga High School; Lynda Kobun, of Bethesda-Chevy Chase High School.

Larry Lewack, of Paint Branch High School; Alex Lewis, of Peary High School; Nan Lowe, of Sidwell Friends School; Steven McGonegal, of Winston Churchill High School; Judy Mendelsohn, of Kennedy High School; Ardith Myers, of Woodward High School; Jonathan Nimer, of Walter Johnson High School; Stephanie Kennan, of Walt Whitman High School; Susan C. Pecoraro, of Holy Names; Claire Reinburg, of Holy Cross Academy; Laura K. Rhodes, of Walt Whitman High School; Kay Sternenberg, of Gaithersburg High School; Herbert Tyson, of Wooton High School; Jeffrey Yates, of Churchill High School; Mary Wagley, of Gaithersburg High School; Debbie Winshel, of Sherwood High School; Sandra Fogelman, of Holton Arms School; Joyce Kittredge, of Winston Churchill High School.

The text of the winning paper is as follows:

SHOULD THE WELFARE SYSTEM BE REFORMED?

(By Jonathan Sandberg Naimon)

In 1969 the President's (Heineman) Commission on Poverty stated, "Millions of persons in our society do not have a sufficient share of America's affluence to live decently. They eke out a bare existence under deplorable conditions." The criticality of this problem has not changed in the past six years.

I believe that the current welfare system in the United States should not be reformed. It should be abolished as poverty is a critical problem in our America.

WHAT IS POVERTY?

The Congressional Quarterly stated in 1972 that "The government calculates the poverty level at approximately $4,000 per year for a family of four." Since 1972, the United States has experienced skyrocketing prices and the cost of living has gone up dramatically. Many now put the poverty line at $6,500 per year for a family of four.

How Widespread is this Condition of Poverty?

The Washington Post reported (March 31, 1973, p. A3) ". . . the number of officially designated poor people (is) now about 25 million." Roger Freeman, of Stanford University, clarified the current scope of the problem, stating, ". . . one American family in ten is now held to be poor." Clearly, the specter of poverty is widespread.

HOW CRITICAL A PROBLEM IS POVERTY?

The harms caused by having an income less than the equivalent of $1000 a person per annum are described below.

Perhaps the greatest harm that poverty causes is malnutrition and hunger. The Labor Research Association noted in January 1973 that ". . . there are still 26 million Americans living at or below federally defined poverty levels and who, therefore, cannot afford to purchase an adequate diet." Some opponents of public assistance say that many people in middle income families eat substandard diets. However, the malnutrition problem is not limited to too much snacking. The periodical "Current History" quoted Senator Hollings in November 1971 ". . . almost 15 million Americans continue life on or near the edge of starvation."

The Heineman Commission believes, "The physical condition of the homes and neighborhoods in which the poor live and the crowding that often occurs have severe effects on health (vermin infestation and peeling lead paint) as well as on social and behavioral patterns." In his yearly Economic Report of the President, United Auto Workers president Leonard Woodcock stated that ". . . without subsidies decent housing is beyond the reach of those at the lower end of the . . . scale." Contrary to widely held beliefs, all of HEW and HUD's housing programs and projects do not provide adequate housing for the poor. When queried on what percentage of poor people utilize HEW or HUD projects, Joseph Westerner, senior assistant for legislative affairs of HUD, said "Very, very few. I don't know the percentage." Therefore, most poor people suffer from the significant inadequate housing related problems mentioned in this paragraph's first sentence.

Poverty evidently causes psychological harm. Thomas Langer said in "Welfare in Review", "poor children seem to have a higher incidence of serious disorders such as psychosis, and appear more isolated, mistrustful, and anxious who are not poor."

Poverty causes health problems. Most poor people are not covered by health insurance. Their illnesses are a great financial strain on society (treatment or burial expenses) as well as on the poor themselves. The deprivation of health necessities continues despite public health clinics and existing programs. Despite many recent attacks on the medical profession, the deprivation of medical care does cause significant harm. Again quoting the Heineman Commission (Poverty Amid Plenty), "Poor families have four times more disabling heart disease and six times more nervous disorders and mental illnesses than the population at large. The poor also have three times as many orthopedic ailments and eight times as many visual defects. Nearly half of the poor pregnant women in this country receive no prenatal care, and a child born to poor parents is (consequently) twice as likely as the average new-born to die before his first birthday. Fifty percent of poor children are not immunized adequately, and sixty-four percent have never seen a dentist."

Clearly, poverty is a problem with many significant harms. There is not much disagreement that the present welfare system is not effective. I feel that the status quo has certain important flaws that preclude tinkering to improve the system and, figuratively, cry out for fundamental change.

The first major defect of our current welfare situation is inadequate benefits. The Labor Research Association, in Economic Notes, notes, "States set their own 'need standard' for eligibility and in all but four states welfare payments are well below the official poverty level of $3972 a year. . . . Moreover, 38 states pay less than their own official 'need standard'." Benefit levels are so low that many families that do get assistance have to survive under substandard if downright unhealthy living conditions. The Heineman Commission states, "The following figures indicate low living standards borne by AFDC (Aid to Families with Dependent Children) families: 11.2% had no private use of a kitchen; 24% had no hot and cold running water; 22.5% had no private use of a flush toilet; 22.4% had no private use of a bathroom with a shower or tub; 30.1% had not enough beds for all family members; 24.8% had not enough furniture so that everyone could sit down while eating; 45.8% had no milk for the children sometime in the past six months because of lack of money; and 17.4% had children who stayed home from school sometime in the past six months due to lack of clothes or shoes."

The second major defect of the present welfare system is that it has not solved the problem of providing an adequate diet for poor persons through its food stamp program. The reason for this is threefold.

The use of food stamps requires one to admit in public (at stores) that one is taking government assistance. To many of the poor, this is downright degrading. (The Protestant work ethic is as strong in the poor as in the middle class.)

Food stamps have to be bought once a month on a lump-sum basis. Often they cost nearly as much, or more, than a monthly welfare check. In months that poor people utilize food stamps, other needs (rent, clothes, medical care) have to be forgotten because there is not much money left.

Food stamp benefits are too low. Senator George McGovern, at the 1971 Economic Opportunity Amendment hearings, estimated that the $106 a month comes out to 29¢ a meal for each person. Despite his dubious dexterity with figures, his arithmetic was right that time. In my estimation, no one can live on as little as that purchases.

The third major defect with the current welfare programs is that they do not encourage people to work. In most states, a man can not receive welfare benefits if he works and is poor, even if he has many dependents. In those states that one can get welfare and work at the same time, one usually will not end up with more money if one works.

The fourth major flaw in the present welfare system is that it encourages men to leave the households of their dependents to secure benefits for them. Thus, the standard "man-in-the-house" rule removes a father figure from thousands of households. The lack of a father figure has been cited by some as a reason for the widespread delinquency of juveniles in poor areas.

The fifth major, and perhaps fatal flaw with the present system is its inadequate coverage. Bruno Stein, a professor of economics at NYU proves this, stating, "Public assistance reaches about ⅓ of the population under the poverty line." Thus, we see that under the current system benefits do not reach ⅔ of those who need them.

In summation, it has been established that poverty is harmful and the present system is bad.

WHY SHOULD THE FEDERAL GOVERNMENT POUR MILLIONS INTO YET ANOTHER SOCIAL WELFARE PROGRAM?

I believe that charity and compassion to the unfortunate are marks of those who follow the Judeo-Christian tradition, and, in the same vein, a charitable and compassionate society is a civilized and a good one. The Bible even "forces" people to be charitable, in Leviticus, Chapter 19, Lines 9 & 10, it says, "When you reap the harvest of your land, you shall not reap all the way to the edges of the field, or gather the gleanings of your harvest. You shall not pick your vinyard bare, or gather fallen fruit of your vinyard, you shall leave them for the poor and the stranger, I am the Lord and your God."

WHO ARE WE BEING CHARITABLE TO THOUGH OUR TAX DOLLARS?

Currently, 64% of those who receive welfare grants are children, 10% are mothers of small children or unemployed people out looking for work, 15% work part time, and 10% are aged. According to William Raspberry (who gave us the above mentioned figures), only 1% of the current welfare recipients are excluded from the aforementioned categories and are therefore justly classified as chislers. The small number of people who can work but collect welfare because they are lazy should not stop the Congress from enacting a comprehensive program to replace the current welfare mess.

WHY SHOULD THE FEDERAL GOVERNMENT SHOULDER THIS BURDEN INSTEAD OF STATES AND LOCALITIES?

As was previously stated (page 4, line 6), states can't even meet their own minimal poverty level standards. E. A. Mosher, director of the National League of Cities, said, "Current inflationary pressures, inefficient local government, structure, and particular local economic conditions add further to the difficulty of raising adequate revenues to meet ever increasing service expenditures." Clearly, government inefficiency will not be eliminated by letting the state's and localities handle assistance to the poor. On the urgency of getting federal help to the cities, Senator Muskie said, "The harsh reality is that no matter how hard they try there is no way without outside help the cities can raise the kind of money they need to meet the rising cost of government." By this process of elimination, the federal government has to shoulder the burden, as states and localities can not.

PROPOSED SOLUTION

1. A guaranteed minimum annual income of $4000 per year for a family of four or $1000 per dependent.
2. A negative income tax sliding from 25% for someone who earns $1000 a year (for a family of four) to 50% for someone who makes $8000 a year (for a family of four).
3. A capital gains tax at nearly the same rate other earnings are taxed (85%).
4. A greater overseas profits tax (50% of corporate rate).
5. An excess profits tax as President Ford suggests. The Office of Management and Budget and the Council of Economic Advisors will calculate what a just profit is.
6. Internal Revenue Service control over the program.

THIS MEANS THAT

1. If the head of a family of four made no income at all, the family would get $4000 that year. If an aged or disabled person living alone made no income at all (this case is more prevalent than the former) they would get $1000.
2. If someone makes $1000 a year (for a family of four), they would receive the difference between $4000 and 25% of their income. They would not pay any taxes. (3750 in addition to the 1000 they earned). Similarly, if someone made $5000 a year (for a family of four), they would pay no taxes and receive the difference between $4000 and 40% of their income.

There would be no tax brackets. Each person's taxation would be figured out in relation to following graph. (Not reproduced in the RECORD.)

ADVANTAGES OF THE PROPOSED PLAN

Due to the minimum guaranteed annual income, benefit levels will be adequate nation-wide, not only in the few localities that can afford to pay currently. As a result, many poor people may be able to afford housing, food, and medical care.

Due to the lack of stringent eligibility requirements such as the "man-in-the house" rule, fathers will not be encouraged to leave their homes. Hopefully the presence of a father figure will do something to stem the tide of juvenile delinquency in our cities.

Due to the system's being administered by the IRS, inadequated coverage will not be a major problem. All those that file a tax return and who are poor will be covered.

Most importantly, there will be a work incentive. Under the proposed plan, one will end up with more money if one works more.

In summary, poverty is a critical problem in America today. The present welfare system is not and can not solve the problems of poverty. A guaranteed annual income/negative income tax system is a simpler, more equitable, and viable alternative that should be enacted.

AN ANNIVERSARY

HON. J. EDWARD ROUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. ROUSH. Mr. Speaker, I would like to call attention to the foster grandparent program. This week the ACTION program will be celebrating its 10-year anniversary, with a conference being held here in Washington.

Let me take a few seconds to tell you about the foster grandparent program. The program is for lower income elderly Americans 60 years and older. These "grandparents" spend 5-day weeks, 4 hours a day, working with physically handicapped, disadvantaged, or retarded children.

I am particularly proud of the fact that a city in my district, Fort Wayne, Ind., was one of the 20 original programs. Representing our project at the conference in Washington this week are the project director Martha Gibson and 77-year-old Mrs. Dewey Dellart, one of the original foster grandparents. Our program works with retarded children at the Johnny Appleseed workshop. In this program, Mrs. Dellart works with two youths, teaching them to cook in a special training program.

The foster grandparent program provides an excellent opportunity for low-income older adults to contribute usefully to their communities in the retirement years and to enjoy self-respect, respect from others, and the satisfaction that comes from being needed and making others happy. I hope you join me in celebrating their successes and wishing them more of the same in the future.

HON. LEONARD P. WALSH, U.S. DISTRICT COURT JUDGE, HONORED AT PORTRAIT PRESENTATION

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. FRENZEL. Mr. Speaker, just a few days before the summer recess, the U.S. court for the District of Columbia met in the ceremonial courtroom for the presentation of a portrait of Judge Leonard P. Walsh.

Judge Walsh retired not long ago and his former law clerks and other friends commissioned a portrait of the judge which was given to the United States for display in the U.S. District Court Building at John Marshall Place, Washington, D.C.

One of the guests and speakers at the presentation was Judge George MacKinnon of the U.S. Court of Appeals for the District of Columbia Circuit. Judge Walsh and Judge MacKinnon have been lifelong friends and were teammates on the famous University of Minnesota football teams of 1925, 1926, and 1927. Another famous Minnesotan, Chief Justice Warren E. Burger was unable to attend but forwarded a letter of warm personal greetings. President Gerald R. Ford also forwarded his congratulations to Judge Walsh for his "21 years of dedicated service on the bench."

Mr. Speaker, for the many friends of Judge Walsh in the Congress and on the Federal bench, I wish to insert a pertinent portion of the transcript from the portrait ceremony, wherein the portrait was accepted with appreciation and ordered to be hung in the U.S. District Court "as a token of respect and admiration":

PROCEEDINGS

Judge CORCORAN. Honored guests, trustees of the Judge Walsh Portrait Fund, members of the family of Judge Walsh, ladies and gentlemen:

This Court has been called into special session today for the purpose of receiving from the former law clerks and from others of his friends a portrait of Judge Leonard P. Walsh.

It is a gratifying experience for his fellow judges on this Court to be able to participate in this ceremony. It must be extremely gratifying as well for his family and his friends to know he is being honored today in this special proceeding.

On behalf of the Court, I particularly want to welcome the Judge's wife, Mrs. Leonard Walsh; his secretary, Miss Katharine Smith; his children Bill Walsh and Toby Kazinski, who are present here today.

I also see in the audience members of the United States Court of Appeals, members of the District of Columbia Court of Appeals, and of the Superior Court. On behalf of this United States District Court, I extend to you a warm welcome to participate in this special proceeding.

While we were in the robing room a few moments ago, I was handed this envelope and I want you to participate in enjoying it with me. It is a colored photograph of our President and it is autographed as follows:

"To Judge Leonard P. Walsh, with best wishes and congratulations for 21 years of dedicated service on the bench," signed Gerald R. Ford.

Judge WALSH. Thank you.

Judge CORCORAN. We had hoped to be honored by the presence of the Chief Justice of the United States, who wanted to pay his personal respects to Judge Walsh, but Chief Justice Burger has been called out of town and is unable to attend.

He did, however, send a note to our Chief Judge, William Jones, and I would like to make it a part of this record. This is written on the letterhead of the Supreme Court of the United States, from the Office of the Chief Justice, addressed to the Honorable William B. Jones, Chief Judge, United States District Court, and it reads as follows:

"Dear Bill: I deeply regret that a change in date of a meeting in New York makes it impossible to be present when Len Walsh's portrait is presented to your court.

"I have known and worked with Len nearly 25 years and hold him in the highest regard. He is one of those rare judges richly endowed with uncommonly good common sense and a talent for letting the lawyers try their cases yet never losing control of what is going on. I well recall how superbly he performed 20 years ago as Chief Judge of the predecessor court to the present Superior Court. In his short tenure there he brought the court's work up to date and left it in spendid condition when he came to the District Court.

"Please give him my warm personal greetings and my regrets that the New York meeting will keep me away on Thursday.

"Sincerely,"

We are happy to have as our guest today, and sitting with us on the bench, Judge George MacKinnon of the United States Court of Appeals for the District of Columbia.

Judge MacKinnon is here as one of Judge Walsh's oldest and closest friends. Their friendship extends back some 50 years to the days when they were teammates on the famous University of Minnesota football teams of 1925, '26 and '27.

No man knows Judge Walsh better than Judge MacKinnon. No man is better qualified to speak about Judge Walsh.

The Court recognizes Judge MacKinnon.

Judge MACKINNON. May it please the Court. Judge Corcoran, judicial colleagues of the federal bench, my old friend Len and Mrs. Walsh, members of the family, Miss Smith, Trustees of the Foundation, ladies and gentlemen:

My participation in this pleasurable occasion is with deep feeling and personal pride from having known Leonard Patrick Walsh personally and intimately for 51 years, since we first met as the first two candidates for the freshman football team to step on the practice field at the University of Minnesota in 1924.

Through the years, that chance meeting ripened into a continuous friendship which has persisted with increasing dual attachment to this day.

I do not know what it is, but there is something about those relationships which begin in early manhood and are continued through life that weld men together like hoops of steel and sometimes closer than brothers.

As one sees his friend emerge into manhood and into the public community, you see him confronted with the many and varied trials and tribulations of this life, his family, his profession, and the always present personal problems.

You see him struggle with those problems one by one. They become your problems. You see him surmount them and move on to other problems and higher challenges.

Through this period, day by day and year by year, your mutual attachment grows stronger. You acquire a sense of common identity.

Aristotle said, "A friend is a single soul in two bodies."

This can be particularly true when your friend, as with my friend Len, has an all-encompassing capacity for inciting lasting, warm personal friendships.

This is something I am sure he was born with. It is the warp and woof of his very being. In a sense, he does not make friends, he recognizes them. And this inherent trait is all-expansive.

Myriads of people recognize it, are attracted by it and then succumb to its permanent effects.

This exuding invitation to friendship has been without limits, as one recognizes in traveling around in Len's past byways and having so many people from all walks of life so frequently inquire as to his well-being.

The motivation behind this portrait presentation today initiated by his former law clerks and the large number of people assembled here today are mute testimony of how some of those whose life has touched his view his continuing friendship.

Also, from my own standpoint and a relatively small group of surviving men who played football together at the University of Minnesota longer ago than I would like to state, this friendship is greatly enhanced by the almost unbelievably strong common bond that we played football together for the famous Dr. Clarence Spears—a great person and a great coach of players and men.

Judge Walsh once said of him, "He taught me more than football." Doc never sacrificed a boy's education for a better chance at football victory. Playing football for him was something special.

When you made the grade and played on a team for him, you acquire a mutual respect for your teammates' abilities and a pride of achievement that was contagious and everlasting. You felt you were teamed with men whose accomplishments had satisfied the highest standards as players and men.

I know there have been a few other coaches with similar qualities, but not many. The situation most similar to the one I describe I find among those men who played for Knute Rockne.

Shortly before he died, Dr. Spears wrote to a former captain, who had played for him, Bob Kay, a leading lawyer in West Virginia, and I quote him:

"My greatest pride is in the accomplishments of players I coached in life after football. Not that I developed character, but my judgment and selection of players to invest time and work on paid dividends as football players and as men of accomplishment after graduation."

When you played football for a man with such standards in the days before the game lost its traditional character by commercialized rule changes designed to satisfy the spectators by substituting platooned bit players for iron men, when a victory over Michigan or a tie with Notre Dame was more cherished than a first round draft choice, you developed a different set of values that led to eternal friendships based on mutual respect instead of squabbles over differing pro salaries.

In memory of those happy days of yore and just to see another of his favorites and shake his hand, Doc would like to be here today. He would feel proud and rightly so of Len's accomplishments.

I feel I am speaking for Doc and the men who played for him with Len at Minnesota.

To illustrate the strong bond of respectful affection that is engendered under such circumstances, one of our mutual teammates of long ago, who lives in a distant city, when I saw him just recently, remarked, "If a man can love another man on this earth, I love that Len."

Judge Walsh also applied his warm personal qualities to judicial administration. That was one of the reasons he was recognized nationally as an outstanding Chief Judge of the Municipal Court of the District of Columbia.

This led to his appointment to the United States District Court where he demonstrated that rare judicial talent of being able in a large number of cases to satisfy both sides of a lawsuit.

But I do not propose to present a judicial biography of Judge Walsh's 21-year tenure on the bench. That is well known to all here and others may speak to it.

I speak to his human qualities and to his unlimited capacity for the close companionship of people. He likes people and people like him. He has also been most fortunate in having Dottie and Bronia to help him during different periods in his life, and he has had an incomparable assistant in the person of Katharine Smith.

They all made major contributions to Len's success.

So it is that I join with the many friends of Judge Walsh in thanking his former law clerks for the pleasure of this portrait which will adorn one of the rooms of this court and serve as a fitting tribute to his service as a judge and a constant reminder of an enduring friend, whose retirement has made us all realize how greatly we value his companionship and how acutely we miss the personal warmth of those daily meetings, now too infrequent.

Thank you.

* * * * * *

Judge CORCORAN. With the concurrence of all my brother Judges of this Court, it is the order of this Court that this portrait of Judge Leonard P. Walsh be accepted with sincere thanks by the Court, and it is further

Ordered, that the portrait of Judge Walsh remain and be displayed in this Court in perpetuity as a token of respect and admiration for this outstanding Judge; and it is further

Ordered, that a transcript of these proceedings be prepared and presented to Judge Walsh together with the letter from the Chief Justice of the United States.

Ladies and gentlemen, following the adjournment of this Court, Judge Walsh will return to the well of the Court to receive his friends.

THE SBA HELPS THE SMALLEST OF THE SMALL BUSINESSMAN

HON. BURT L. TALCOTT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. TALCOTT. Mr. Speaker, the Small Business Administration is often maligned; but more often it provides deserving and needed assistance to the small businessman. On rare occasions a grateful businessman will take the time to express his appreciation. Seldom is such appreciation so eloquently and sincerely expressed as by Mr. Gary M. Koeppel of the Big Sur area in my congressional district.

I visited the scene of the tragic flood and mud slide along Highway 1, near Big Sur, in California, in February of 1973. I was tremendously impressed by the unparalleled magnificence of the sea, the coast, and the mountains after a storm; by the awesome power of Mother Nature which washed out huge trees like toothpicks and roads like ribbons; by the selflessness of the many public employees who came out of secure homes in the dead of night and the foulest of weather and danger to help their fellow citizens—one young husband and father was lost in the tons of mud—and by the resilience and faith of the people of the area.

One lady said, "Mr. Talcott, my parents taught me that after a disaster we should pick up our shovel and hoe and dig ourselves out; but this time, even our shovel and hoe were washed away and covered with tons of mud. We have nothing left. We need help."

Mr. Koeppel's business—an art and craft gallery and studio—and home were both washed away by the water, mud, and debris.

I insert a copy of his letter to Mr. Tom Kleppe, Administrator of SBA. I also recommend that, for one of the most magnificent drives on this planet, you drive down Highway 1 from Carmel to Morro Bay, past Big Sur and San Simeon. When you do, stop in at the Coast Gallery—you will be glad you did. The article follows:

JULY 13, 1975.

Mr. THOMAS KLEPPE,
Administrator, Small Business Administration, Washington, D.C.

DEAR MR. KLEPPE: I would like to thank the Small Business Administration Disaster Loan Department for the persistently patient help in granting and administering my disaster loan in 1974.

In February of 1973, a flood and highway washout at Lafler Canyon in Big Sur took the life of a highway employee and inundated my business, the Coast Gallery, and my studio.

Everything I owned was gone, including most of my property, 50,000 cubic yards of which slid into the sea, leaving me with airspace.

After CalTrans reconstructed Highway 1 and a new drainage system, with my Small Business Administration disaster loan I was able to rebuild my gallery and my studio.

Although I am presently horrified by the growing horde of bureaucrats in our country, I can say that your staff was helpful, efficient, courteous, and most punctual with the loan disbursement.

I also wish to commend Congressman Burt Talcott's concern and liaison efforts with your agency in obtaining my loan.

Today, the new Coast Gallery, a unique building-in-the-round—made entirely from used materials, including two old redwood water tanks, stands quietly and proudly on the Big Sur coast, in part symbolic of the helping hand to the little man, which was the founding spirit of the Small Business Administration.

Therefore, I, an artist and gallery owner—the smallest of the small businessmen, wish to thank you and your agency for your excellent assistance.

Enclosed you will find a line drawing of the rebuilt and reborn Coast Gallery.

With sincerest thanks,

GARY M. KOEPPEL,
Artist-Owner.

PRESERVING OUR CULTURAL HERITAGE

HON. LEO C. ZEFERETTI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. ZEFERETTI. Mr. Speaker, for many decades, a theory widely held among observers of the American scene was that at all costs the "melting pot" must be encouraged to melt faster. What this translated into was that the various immigrant groups in our country should be encouraged in every way to divest themselves of their ethnic background and homogenize themselves into a distinctively "American" culture. The prevailing belief held firm—that the more the immigrants clung to their old country ways, the harder it would be for them to become Americans.

As a result of this belief, millions upon millions of immigrant children were bombarded with propaganda which had the effect of denigrating their ethnic and cultural background. Many Anglicized their names. Some shied away from their religious faith. And, a good number tried to leave any vestige of the old country behind.

Now, we have become aware that this process of "Americanization" is neither necessary nor even conducive to creating a better America. We have finally come to realize that virtually all immigrants who choose to become true Americans can do so without yielding the richness of their old country background. In fact, we have discovered to our increasing delight that the mere diversity of the groups composing our Nation is one of our greatest strengths. Our country and its total culture are the poorer whenever any of our ethnicity and cultural diversity is exchanged for certain elements in American culture, elements which, today, are not as strong, vibrant or binding as those of the old countries.

It is, therefore, surely in the best interest of our Nation to encourage the preservation and continuation of old country culture, customs, beliefs, habits of dress, diet, and other distinguishing characteristics of people. And, it is in the interest of our Nation to begin reversing the well-meaning process of Americanization so widely endorsed and accepted in the past.

For these reasons and many more, I am deeply pleased to have been able to lend my support to the introduction and passage of the American Folklife Preservation Act in the House, a bill that will encourage the study, retention, and presentation of our country's folk heritage. It provides for the establishment of an American Folklife Center in the Library of Congress, empowered to support dissemination, exhibition, and performance of American folklife. And, with the cooperation of other agencies, the Folklife Center will be able to make certain that the information it gathers will filter down to our Nation's schools, museums, and libraries for all to see and enjoy.

I can think of no better time than now, on the eve of America's Bicentennial, our 200th anniversary, to insure that the American Folklife and Preservation Act is further passed and signed into law. We are a nation of immigrants who have cooperated to build America into a strong and viable Nation. It is this fact that we must no longer ignore, but celebrate through the enactment of the American Folklife Preservation Act.

ON THE BOTTLE BILL

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. HARRINGTON. Mr. Speaker, a constituent recently brought to my attention an excellent article on efforts undertaken by the State of Vermont to rid the roadside of litter and in the process institute a far-reaching bottle recycling program.

The article, entitled "On the Bottle Bill," was written by Charles Morrow Wilson and appeared in the spring issue of Vermont Life. I recommend that my colleagues take a moment to read about the successes of the Vermont program. The text of the article follows:

ON THE BOTTLE BILL

(By Charles Morrow Wilson)

When John Wesley pointed out that "Cleanliness is, indeed, next to godliness," he was preaching about dress. He did not mention roadside cleanliness but the odds are that he was all for that, too. Certainly the great evangelist stood for environmental cleanliness as a boon for what he termed the spiritual and aesthetic. He insisted that all three classifications of cleanliness are attainable by "highly practical means."

Vermont was a bit backward about taking in the Wesleyan Church (or the Methodist Societies) but not about embracing John Wesley's advocacy of cleanliness. By the records, and beginning with the Republic of Vermont years (1777–1791) the working mood of successive legislatures has repeatedly been one of cleaning up, or at least trying to.

This precedence and persistence reemerged about four years ago with the enactment of one of the most *avant-gard* clean-up laws in American legislative history. This "public act" is now variously known as the Bottle Bill, the Returnable Containers Law, or more formally, Public Act No. 252, ***Relating to Beverage Containers and a Trash Removal Fund.***

Call it what you choose, the initial focus is on reducing, and in time obliterating, roadside litter. This carries the experienced acceptances: 1) that throw-away beverage containers are a principle factor of roadside litter, 2) that an effective remedy has to be preventive, and 3) that any really effective clean-up effort must be part and parcel of the solid waste problems which prevail in Vermont and the nation at large.

Historically the *Returnable Beverage Containers Law* was a direct outgrowth of Vermont's yearly Green Up Day—when citizens, schools and other civic groups join forces in "delittering" roadsides and other public lands. But with all deference to its objective and attainment records, one annual Green Up Day simply isn't enough. Like the tiny "pat" of restaurant butter, the sample is okay (so now bring us some butter), but certainly not sufficient. Keeping the roadsides clean is a year-around and perennial job. Although there are seasonal variances, as a rule the maximum tourist-and-travel months (June into November) are highest in roadside littering.

During December, 1973, the Governor's Highway Litter Evaluation Committee completed and turned in a painstaking and well-balanced report on the many characteristics and problems of roadside litter. The ten persons who served on the voluntary committee included state officials directing environment protection works, a town manager, the president of the Vermont Retail Grocers Association, and a professional conservationist, among others. The Vermont highway commissioner, his assistant and thirteen district engineers actively helped. The findings included the following:

All types of public roads suffer infestation by automobiling litter bugs. By averages the local or township roads are the worst littered. Although proportionately the least victimized the Interstates (four-laners) are by no means litter free. However, as with auto accidents, the most persistent roadside messing occurs within a comparatively few miles of the messer-uppers' living places.

Whatever the time or place, tossed-away beverage containers are the nucleus of roadside uglification. They make up anywhere from a third to more than half of the litter totals.

Obnoxious as it is, roadside litter has implicit values which can contribute and are contributing to cleaner and greener roadsides.

In Vermont, as elsewhere, salvage collecting and the interrelated recycling industry are rapidly changing from the once lowly trade of picking up after a throwaway society to a highly beneficial industry.

It's high time. Our landfills, more forthrightly known as public dumps, can't last forever. At best they aren't good enough. They can't be hidden away completely, or avoid being a damaging nuisance to resident neighbors or adjoining property owners, or to the passing public.

Fortunately a larger proportion of the hard wastes and burnables are finding valid market places. In Vermont as elsewhere, the common waste papers which only yesterday brought begrudged pittances of a few dollars a ton are finding eager buyers at anywhere from five to nine times the former amounts. Prices for scrap metals, glass and many other solid wastes are catapulting.

No less fortunately, beverage containers are serving as bellwethers for the awakening industry of wastes savings and use.

According to our State Tax Department about 185 million returnable beverage containers are sold in Vermont during a given year. About 60 percent of these are beer bottles or cans; most of the rest are soda or soft-drink containers. Currently the returns or cash-ins of soda containers are close to 90 percent of the total sold but returns of beer containers are somewhat less impressive.

There is a bit of sudsy irony here. Thus far the most clamorous opposition to the returnable containers law has been from the brewers and distributors of the malted beverages and the stores, particularly the small or "Mom and Pop" stores which are, or believe they are, heavily dependent on beer sales and profits.

Meantime, and no doubt with good cause the brewers continue to list containers as one of their most crucial and imperilling problems. Their almost unanimous preference is for using non-returnable containers and adding the ever-increasing costs to the wholesale and utlimately, the retail prices. They oppose having to salvage the metal containers or the laborious chore of culling, washing and relabeling the returned bottles. The position of the soft drinks bottlers and distributors is substantially different. Their Vermont business is at least averagely good. Recovery of bottles permits an average of four additional uses or "trips." Some, such as the old-liner Coca-Cola, are using the same bottles as many as seven times. This reusing now changes from thrifty to essential. It is open knowledge that even with mass or large quantity production the standard small Coke bottles cost between 12 and 15 cents apiece. Here, obviously, is an example of a container which costs more than the contents, and therefore demands reuse.

The Coke story opens the door to a vast and troubling vista of ever-rising container costs. It is a vista of very basic importance to the anti-litter laws, present and future, and to the proliferation of assaults on the consumer's wallet.

Recently while drooling through the "deli" department of the supermarket, I was seduced by a miniature mountain of my favorite chomping material—home-baked, oven-warm Italian-style bread. From the bakery manager I pried out the admission that the bread which retails at 49 cents a pound costs the store 39 cents at ovenside. About 20 percent of the overall cost is the very special, heat-retentive aluminum wrapper. On a pound-for-pound basis the heavy wrapper foil costs almost six times as much as the ingredients.

This horrendous example of extravagance relates to the total litter and trash removal problem and to doubly soaking the hard-used consumers. The one-two-socko routine of paying for the containers and paying again for having the garbage or trash man haul them away is as ludicrous as it is punitive.

All this is a national quandry and proliferating hallmark of a Throwaway Society. Vermont, beginning with an important handle of the momentous litter problem, is seeking to make purposeful intervention against the economic mayhem of packaging wastes.

The too-little-read text of the "Bottle Bill" provides a meaningful overture. The statute seeks to tie the reduction of roadside litter with coordinated plans for reducing its source. The bill is aimed at helping municipal and township authorities effect removal and disposal of trash at township level, in all instances with the approval of the local governments.

During the first year of its enforcement, July 1, 1972, to the same day of the following year, the state collected from all beverage distributors 4 mills for each container sold for resale in Vermont. Half of this levy was distributed to the townships on a per capita basis for their use in acquiring and maintaining trash disposal facilities. The rest was allocated to the Secretary of the Agency of Environmental Conservation for future recycling centers. The Secretary was directed to develop plans for the establishment of recycling centers in principal towns and regions of smaller towns, in all instances with the foreknowledge and consent of the respective townships and their governing bodies. The projected plans were strongly predicated on private enterprise for operating the facilities.

The statutory definition of containers excludes liquid foods, such as milk, fruit, vegetable or meat juices. There is no fixed limit of the amount of beverage container deposits. Following the trial or "kickoff" year the statute specifies the prevailing system of cash refunds for containers duly returned to the retailer, who is reimbursed by the distributor. The distributor makes the initial advance both of the deposit monies, and a handling fee or "cushion" for the retailer—in the amount of one cent per container recovered. The consumer does the final forking over—by way of the retail price structure. But she or he is at least nominally compensated by the cash-ins and further rewarded by the public-good participation in keeping the roadsides cleaner and greener.

Meanwhile at least a dozen Vermonters are qualifying as pioneers in the new era of private-enterprise salvage, which relates to the growing story of returnable containers. These are no stereotyped junk men. Two of the leading spirits are women, Mrs. Joan Barnes of Bennington and Mrs. Merril McClares of the St. Johnsbury area. Ron Perkins of Wilder and the White River area, a Dartmouth graduate and longtime public health official, is setting up his own recycling works and activating a municipal program for Woodstock. Fred Hirsh of Burlington is the prevailing maestro of paper salvage. His special knacks include supplying baling equipment and pickup services to stores and supermarkets. More and more Vermont merchants are discovering that systematic recovery of paper and other wrappers and packing materials is turning out to be their most profitable departments.

Old-time township civic pride is also joining in the little publicized crusade against litter and real-life example, let's take a quick look at the historic tree-happy Township of Stamford (near Bennington). Back in 1970, State Health officers ordered Stamford Village (pop. 757) to abide the prevailing law against the open burning of trash. The recommended changeover was to a 20-acre land fill plus tractor and equipment, suitable for a town of 2,000 or more residents.

Stamford just couldn't afford that. Mrs. Janice Farinon, then the chairwoman of the board of selectmen, went shopping for an enclosed incinerator. (See also, "A Report on People Power," page 14). It had to be operable by the local two-man road crew and small enough to fit into the pintsize town barn and abide a fuel budget not exceeding $5 per week. Across in New York State, the Chairwoman located a slightly used thermal midget which the township could buy and install for $18,000 plus another $12,000 obtainable via the state. A special town meeting approved the purchase.

Late last May, the incinerator was put to work changing the three-times-weekly garbage and trash collections to half-barrels of sterile ashes. Stamfordite Bob Pedercini has taken over the combined trucking, sorting, delivery and selling of the recovered salvages. The Tom Thumb operation is thereby practically self-supporting and working like a charm.

One reminder here is that Vermont's legislated efforts to clean up its roadsides are turning out to be multilateral and versatile contributors to environment protection. The remainder is further sharpened by the fact that whereas most public laws live by public sufference, the so-called Bottle Bill has to live by public participation. There is steadily growing evidence that most Vermonters are participating positively.

QUESTIONNAIRE ON NATIONAL ISSUES

HON. BARBER B. CONABLE, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. CONABLE. Mr. Speaker, we have recently completed tabulating the replies of constituents in the 35th Congressional District in New York to my annual questionnaire on national issues, and I would like to share the results with my colleagues. The question dealt with pollution control, the right to strike by Government employees, revenue sharing, Government regulations, energy, spending, health insurance, the performance of Government institutions, and the Nation's primary needs. As usual, I found the results informative and hope others will, also.

The following are the results expressed in percentages of replies or order of priority:

RESULTS OF 1975 CONGRESSIONAL QUESTIONNAIRES OF CONGRESSMAN BARBER B. CONABLE

[Answers in percent]

1. Do you favor delay of stronger environmental pollution controls in order to improve conservation of energy?

Yes	62.0
No	38.0

2. Should government and postal employees have the right to strike

Yes	28.6
No	71.4

3. The Federal revenue sharing program provides $6 billion a year for State and local governments to use as needed. Should the program be continued?

Yes	74.9
No	25.1

4. Do you believe there is too much government regulation of business and industry?

Yes	59.7
No	40.3

5. Many proposals have been made to cut our oil and gas consumption to reduce our dependence on imported oil. Which means do you favor?

	Percent
A heavy tax on large autos	31.7
Limit use of gasoline for recreation	17.9
Raise gasoline taxes	9.4
Ration gasoline	21.1
Increase the tariff on imported oil	19.9

6. With record Federal budget deficits projected, priorities should be set for spending. What order of priority would you assign to spending for the following:

1. Crime Prevention.
2. Education.
3. National defense.
4. Health Services.
5. Environmental protection.
6. Housing.
7. Transportation.
8. Welfare.

7. A national health insurance program may be considered by Congress. What do you favor?

	Percent
A plan of complete health care financed from taxes and administered by the Federal Government	19.7
Complete care with employers and employees sharing the cost of private insurance and the Federal Government paying for those not employed	26.4
A plan covering catastrophic illness, financed from taxes	23.1
No new national program	30.8

[In percent]

8. How do you rate the performance of these Federal offices or institutions?

The President:	
Good	42.9
Fair	41.0
Poor	16.1
Congress:	
Good	8.1
Fair	43.2
Poor	48.7
Social Security Administration:	
Good	19.0
Fair	45.8
Poor	35.2
Postal Service:	
Good	24.7
Fair	35.8
Poor	39.5
Veterans Administration:	
Good	30.2
Fair	51.9
Poor	17.9

9. What is the Nation's No. 1 need?

(1) Improved economy.
(2) Honest government.
(3) Energy conservation and development.
(4) Crime prevention.
(5) Less government spending.

FOOD STAMP PROGRAM NEEDS REFORM

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. SPEAKER. Mr. Speaker, I have been greatly concerned over the tremendous growth of the food stamp program. It has not been directed to help the poor and needy but the flexible standards have brought many middle-income individuals—most of them nonneedy—into the benefits of the program. Despite the spiraling cost and the real abuses in this program, there are advocates in and out of Congress who want to add millions of people to receive food stamps. We simply cannot afford further expansion of this food stamp welfare program.

I have cosponsored H.R. 8145, the National Food Stamp Reform Act of 1975 to bring needed reforms. It is essential that we cut the cost of this program and eliminate the waste while still providing aid to the truly needy. I wish to enter into the CONGRESSIONAL RECORD an excellent editorial from the Chicago Tribune, September 2, 1975, entitled "The Food Stamp Fiasco." This editorial points out the many weaknesses in the food stamp program and the urgent need for reform:

[From the Chicago Tribune, Sept. 2, 1975]

THE FOOD STAMP FIASCO

President Ford had his ears pinned back last winter when he sought to raise the price, recipients are required to pay for food stamps, and perhaps his critics were right. Raising the price to everybody, including the genuinely needy, was a clumsy way of calling attention to a disgrace that demands immediate attention.

With nearly one out of every 11 Americans getting food stamps paid for at least in part by the taxpayer [in Puerto Rico, the figure is one out of every two], the extent of the fiasco is apparent to almost everybody. Many of us have seen the program abused at first hand: neighbors who seem to have money to spend freely standing ahead of us at the checkout counter to buy steaks with food stamps; or people loading up on snacks with food stamps and explaining blandly that they're for a beach party.

Food stamps have become a way of life at most of our colleges, even among students from wealthy families, and taxpayers are being forced to support strikes by paying for food stamps for strikers [the steps are being taken to correct both of these abuses]. Last week's U.S. News & World Report tells of outright fraud in the use of food stamps and of a thriving black market where $1 in food stamps will bring about 80 cents in cash, which can then be used for liquor, drugs, or anything else. Secretary of the Treasury Simon recently called the food stamp program "a well-known haven for chiselers and ripoff artists."

Food stamps were conceived back in the 1930s and revived in 1964 as a double-barreled program to provide a market for farm products and "to provide for improved levels of nutrition among economically needy households." Food stamps are provided on the basis of a family's size and income. A family of four is entitled to a monthly allotment of food stamps worth $154. The amount it pays for them rises from zero if its income is $30 a month or less to $138 if its income approaches $540 a month; beyond that, it is ineligible.

The program has long outlived its first purpose; the problem has become one of a food shortage and rising prices [and while critics wail about relatively small sales of grain to the Soviet Union, almost nothing is said about the vastly greater effect on prices caused by the food stamp program].

Whatever food stamps have done to achieve improved nutrition has been dwarfed by the cost of abuses and waste. In the last 10 years, the number of people receiving food stamps has multiplied nearly 50-fold from an average of 424,000 in 1965 to nearly 19 million this year. The cost in federal money alone has soared even faster, from about $85 million to $4.9 billion, and this year's cost is expected to be about $6.6 billion. The states pay another $250 or $300 million in administrative costs. What's more, this has happened during a decade in which other welfare costs have grown almost as fast. And as if this weren't enough, Sen. George McGovern says that most of those eligible for food stamps under present rules are not even getting them; if they applied, the cost would rise by another $12 billion or so.

These appalling figures and conspicuous abuses tend to obscure what may be the most wasteful aspect of all: Instead of providing "improved levels of nutrition," food stamps are used in large measure to buy status or convenience foods which often provide less nutrition than the cheaper staples that would have been used without food stamps.

This tendency is documented in a study recently made for the American Enterprise Institute by Kenneth Clarkson of the University of Virginia. The study concludes that "if problems of malnutrition are to be reduced, an alternative solution appears to be necessary." It suggests food labeling as to nutritive value, educational programs, and a distribution program handled by local communities.

Whatever the best solution, the present program must be tamed before it gets any more out of hand. Tighter restrictions have already been proposed by New York Sen. James Buckley and Congressmen Philip Crane and Robert Michel of Illinois. When the taxpayers provide money to improve nutrition, they have every right to expect that every dollar they spend will provide a dollar's worth of nutrition and not squandered thoughtlessly. And if the people who need the nutrition can't use the money wisely, then some other way of improving nutrition must be sought.

Quote

There is nothing inherent in the food stamp program that requires, or even encourages, the purchase of nutritious foods.... Recipients may use the stamps to purchase expensive foods that are no more nutritious than the cheaper foods they would have bought with a lower food budget. Steak is no more nourishing than pot roast. Canned vegetables are no more nutritious than fresh. Prepared TV dinners of frozen, breaded, precooked chicken may be less healthful than a vegetable-chicken stew. And the substitution of soft drinks and snack foods for milk and vegetables . . . is a positive disservice to children.—*Yale Brozen, professor of economics at the University of Chicago, in his foreword to "Food Stamps and Nutrition," published by the American Enterprise Institute.*

"GOOD TRY ON AID": H.R. 9005

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. BINGHAM. Mr. Speaker, during the recess a number of favorable editorials have appeared around the country in support of H.R. 9005, the International Development and Food Act of 1975, which was reported from the House International Relations Committee on August 1.

Many of these editorials point out that for the first time the committee has separated economic and military aid into separate legislation.

Beyond that step, the new bill begins the fulfillment of pledges of assistance made to the poor countries by the United States at such meetings as the World Food Conference and the Special United Nations Session on Development, now underway in New York City.

An editorial which makes that point appeared on August 11 in the New York Times. Of H.R. 9005, it says:

> Taken as a whole, the Committee's exceptional legislative effort deserves support on the House floor and emulation in the Senate.

Because H.R. 9005 is expected to come to the floor of the House this week, I am including the editorial from the Times in the Record at this point for the information and use of the Members:

Good Try on Aid

The international development bill voted out of the House International Relations Committee last week constitutes a major step toward improving the nation's battered foreign aid program. It is also the beginning of a good-faith effort to fulfill the United States commitment to the fight against world hunger.

The bill carries forward the task of sharpening and clarifying the focus of international economic assistance begun by Congress in 1973. Its most dramatic departure is to separate economic aid from military security assistance for the first time in almost three decades. It also strengthens the priority which the 1973 act set on focusing assistance efforts on the world's poor, involving them in the development process and giving special attention to aid programs for small farmers. Nearly three-quarters of all the development assistance provided in the bill is for countries with per capita incomes of $275 a year or less.

The emphasis on basic development is carried further by the bill's massive concentration on food and nutrition aid. Not only does it approve the Ford Administration's entire request for food production assistance but it also authorizes the use of all loan repayments to support agriculturally related activities, including $200-million for the International Fund for Agricultural Development. There are additional provisions designed to strengthen the capacities of American institutions to promote increases in agricultural production abroad, as well as amendments to the Food for Peace Act to make it support more directly this country's over-all developmental goals.

The committee's action has finally disproved the fear that developmental assistance could not make it through Congress on its own merits, but needed to be dragged along on the heels of America's global security interests. That political strategy has perpetually undermined the economic development aspects of foreign aid programing and has cost the program almost all of the broad support it once enjoyed among the American people.

Beyond that, the bill demonstrates the existence, at least in some influential places in Washington, of an inclination to place hard coin behind America's rhetorical commitment to participate in the effort to develop a reliable world food system and to combat world hunger. The United States has taken a thumping from some Third World spokesmen because of this country's apparent reluctance to move on its commitments to the World Food Council. The committee's action is a solid move away from that embarrassment.

Taken as a whole, the committee's exceptional legislative effort deserves support on the House floor and emulation in the Senate.

CRIME IN THE SUITES

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. ROSENTHAL. Mr. Speaker, America is experiencing a corporate crime wave that is costing taxpayers upwards of $40 billion a year. Yet, it is difficult to pinpoint responsibility, enforcement is lax, and punishment is rare.

Existing statutes and law enforcement efforts are inadequate to cope with crime in the suites. New approaches are needed. With that in mind, I have joined with three colleagues—Senator LEE METCALF, Congressman TOBY MOFFETT, and Congressman THOMAS DOWNEY—and two leading public interest advocates—Ralph Nader and Mark Green—in writing to Attorney General Levi, urging the establishment within the Department of Justice of a special division on corporate crime.

It is essential there be no doubt that "the Government means business with business," our letter states. "This is especially true as the Office of Special Prosecutor begins to disband."

This new division should be charged with investigating and prosecuting a wide range of business crimes, from mail fraud to regulatory offenses to the illegal distribution of political contributions or bribes, here or abroad, by corporate officers of their agents.

I am inserting in the Record at this point our letter to the Attorney General plus an editorial from today's New York Times that points up the urgency for beginning work "to limit the extent and the effect of corporate crime."

The editorial declares that—

> The high cost to society of corporate crime—whether in higher prices to consumers or in erosion of respect for law—makes highly desirable the kind of analysis of law and upgrading of effort that have been requested of the Attorney General.

The material is as follows:

August 22, 1975.

Hon. Edward H. Levi,
Attorney General,
Washington, D.C.

Dear Mr. Attorney General: As you are no doubt aware, an unprecedented wave of corporate illegality has been sweeping the business community. The Special Prosecutor's office, to date, has successfully prosecuted 18 individuals and 18 companies—Phillips Petroleum, 3M, American Airlines, Goodyear Tire, among others—for violations of the campaign finance laws. The Securities and Exchange Commission has sued eight firms for their failure to disclose, as required under the securities laws, the existence of political slush funds at home and bribes abroad. Admitted foreign law violations include a $4 million payoff by Gulf Oil to South Korea, a $1.25 million bribe by United Brands to reduce export taxes in Honduras, and a $450,000 bribe by the Northrop Corporation to two Saudi Arabian generals to obtain lucrative arms contracts. There have been numerous and confirmed reports of payoffs to foreign political parties by major American companies, especially oil firms. And Lockheed, for example, has acknowledged paying $22 million in foreign bribes in the past five years and, nurepentant, says it will neither disclose the recipients nor cease the practice.

Further, the Internal Revenue Service obtained an indictment of 3M for tax fraud relating to its slush fund, and is currently investigating three other companies for similar violations. The Civil Aeronautics Board has uncovered how Braniff Airways failed to record the sale of 3626 ticket sales in order to finance its illegal campaign giving. And press reports have disclosed how aerospace firms seeking Pentagon contracts have lavished valuable benefits on procurement officials; Northrop had Defense Department personnel to its duck hunting lodge 144 times between 1971 and 1973—activities that appear to violate Executive Order 11222, which reads, "No employee shall solicit or accept, directly or indirectly, any gift, gratuity, favor, entertainment, loan, or any other thing of monetary value from any person, corporation, or group which—1) has, or is seeking to obtain, contractual or other business or financial relationship with his agency . . ."

It is difficult to believe that these cases are mere aberrations. Some of the most important and established corporations in the country were involved, firms apparently no more or less prone than other firms to prevailing political and commercial pressure. These companies involve such diverse industries as aerospace, food processing, oil, sewing machines, airlines, banking, and office supplies. Indeed the prevalent rationales for these crimes—it's the way business is done abroad; if we don't do it, our competitors will—lead to the conclusion that this pattern of illegality is customary and pervasive.

This conclusion is corroborated by the general empirical data which exist on business crime and morality: in the 18 months ending in December, 1974, the FBI announced that white collar convictions were up 30 percent; Public Citizen's 1974 Staff Report on White Collar Crime reports that frauds and embezzlements have increased 313 percent since 1969; in a study by the Corporate Accountability Research Group of the presidents of *Fortune*'s top 1000 firms, 60 percent of the 110 respondents agreed that "many price-fix;" the U.S. Chamber of Commerce has reported that white collar crime costs Americans at least $40 billion annually; in a recent poll by University of Georgia professor Archie Carroll three-fifths of corporate executives say that young managers in business would commit unethical acts to exhibit their loyalty to superiors. "At Carthage," said Greek historian Polybius, in words still echoing two millennia later, "nothing which results in profits is regarded as disgraceful."

In short, we are in the midst of a corporate crime wave.

Can existing statutes and law enforcement efforts adequately contain "crime in the suites"? At a minimum, it certainly didn't deter the spate of firms who have been forced publicly to admit their guilt. The penalties imposed in these cases do not seem calculated to deter others in the future: since the firms prosecuted by the Special Prosecutor paid an average fine of $7,000, and earned an average $77,000 a minute, it took each about six seconds to pay their debt to society. The SEC, blaming its limited resources, has settled nearly all its cases simultaneous with filing them, and has not demanded immediate and full disclosure and restitution (although that may ensue); indeed, with very few exceptions, the officials responsible for illegal failures to disclose and for foreign payoffs are either still ensconced within their respective firms or have left long ago, escaping altogether individual responsibility. Only in the area of corporate law enforcement can so many law violators blend into their institutions and escape punishment. This legal escapism led Woodrow Wilson in 1910 to lament that "You cannot punish corporations" and it led law professor Christopher Stone, in his 1975 book on corporate behavior *Where the Law Ends*, to observe that "we have arranged things so that the people who call the shots do not have to bear the full risks."

To reform this historic failure to pinpoint and punish corporate illegality, new approaches are needed to show that the government means business with business. This is especially true as the office of Special Prosecutor begins to disband. As the nation's chief law enforcer, we urge you to consider the following proposals:

We believe you should recommend to the President that he submit a reorganization plan to the Congress, in accordance with the provisions of 5 U.S.C. 901 et seq., to establish within the Justice Department a Division on Corporate Crime. This Division should be delegated authorty to investigate and prosecute a wide range of business crimes, from mail fraud to regulatory offenses to the illegal distribution of political contributions or bribes, here or abroad, by corporate officers or their agents. (Antitrust enforcement would remain within the Antitrust Division.) The complexity and pervasiveness of corporate crime, as well as the ingenuity of its perpetrators, justify that the Justice Department create a special division to focus on this area—rather than deal with it piecemeal, if at all. The Assistant Attorney General in charge of the Corporate Crime Division (AAG) would be nominated by the President, subject to confirmation by the Congress. To insulate the Division from the kind of political pressures that could engulf and eviscerate it, the AAG should not be a member of the President's party and he or she should not have run for public office within the past six years.

Prior to the creation, or consideration, of a Corporate Crime Division, your office could create a special task force to survey the adequacy of existing laws to deter corporate crime. As the nation's chief law enforcer, what new legislation do you consider necessary to reduce the level of business fraud? Would you support "percentage fines," as the Common Market provides for antitrust violations, where the law violator would pay a fine scaled to the overcharge or to gross profits? Then, rather than fines being mere wrist slaps or the cost of doing business, the penalty would fit the crime.

As a part of such a task force, could you provide an analysis of the ways the following provisions of the U.S. Code could be enforced against corporate crime? We recognize that many of these provisions have not been directed to this area of law enforcement, but this may be due merely to prosecutorial tradition. To what extent do you think these provisions could be helpful to a committed Corporate Crime Division?

18 U.S.C. 610 bans political contributions by corporations and national banks and 18 U.S.C. 611 bans contributions by government contractors;

18 U.S.C. 201 prohibits the bribery of public officials, which can of course be the consequence of illegal slush funds;

18 U.S.C. 203 prohibits compensation for services rendered by members of Congress in relation to any matter in which the government has an interest;

18 U.S.C. 205 forbids an officer or employee of the United States in the legislative, executive or judicial branches of government from acting as an agent or attorney prosecuting a claim against the United States;

18 U.S.C. 152, which prohibits concealing assets or falsifying records of a bankrupt, and 18 U.S.C. 153, which prohibits the embezzlement or destruction of records of a bankrupt by a trustee, receiver or custodian, could very well be violated if a corporation—either before or after filing bankruptcy—made any illegal or disguised political contributions or bribes;

18 U.S.C. 241 makes it illegal for two or more persons to conspire to "injure, oppress, threaten, or intimidate" anyone in the exercise of any right or privilege guaranteed by the Constitution or laws of the United States; illegal political contributions and attempts to influence the policies of the federal, state or local government could injure, oppress, threaten or intimidate our most basic rights—to be able to pick our elected officials in accordance with duly adopted election laws;

18 U.S.C. 286 prohibits conspiracy to defraud the United States or any of its departments by seeking payment for false claims, and 18 U.S.C. 287 makes unlawful the submission of a false claim to an officer of the armed forces with knowledge of falsity;

41 U.S.C. 5 et. seq., 41 C.F.R. 1–1 et. seq., 16 U.S.C. 2301 et. seq. and 32 C.F.R. 1 et. seq., altogether, require that a contractor's books be open to government audit and bar contingent fee arrangements in soliciting government contracts; a bribe or political contribution paid in order to influence or obtain a contract may well fall within this prohibition;

18 U.S.C. 953 bars citizens of the United States from directly or indirectly attempting to influence a foreign government or its agents in any dispute or controversy with the United States—which, at a time when foreign relations are so enmeshed with economic controversies, might apply to some recent multinational activity;

18 U.S.C. 1961 et. seq., title 9 of the Organized Crime Act of 1970, makes it illegal for any person (defined as a legal entity capable of holding property) who has received any income "derived directly or indirectly from a pattern of racketeering activity . . . to use or invest, directly or indirectly, any part of such income, or the proceeds of such income, in acquisition of any interest in, or the establishment of or operation of, any enterprise which is engaged in, or the activities of which, affect interstate or foreign commerce;" while these provisions primarily aim at gambling and narcotics money used to infiltrate legitimate business, its broad language may well provide a remedy against any repeated contamination of legitimate business by money derived from other illegal activities.

Although secret and disguised payments by corporate intermediaries to foreign officials in order to obtain contracts or concessions is reprehensible and usually a violation of some foreign law, it may not be a violation of U.S. law. We urge you to support new legislation to prohibit the collection of a fund for making illegal payments to domestic and foreign officials or political figures for commercial purposes. Penalties should include substantial fines and jail sentences, to be scaled upwards for recidivists. With crimes not of passion but of the balance sheet—where sophisticated businessmen carefully calculate the benefits and risks of law violation—substantial sanctions can succeed as a deterrent.

With deploring frequency, federal district court judges often treat convicted white collar felons with far more leniency than they do "street felons." Thus a *Judge* Charles Renfrew "sentences" price-fixers to give penitent speeches. The Justice Department should, at a minimum, conduct sentencing seminars for judges to educate them about the enormous cost of corporate crime, to persuade them that such law violations are not technical *malum prohibition* but serious offenses against the community—and to sentence accordingly.

In addition, a task force examining the adequacy of existing corporate law enforcement could also study the utility of "behavioral sanctions" for business felons. For example, a businessman who conspired with competitors to fix the price of bread could be sentenced to work in a bread factory and deliver, for free, bread to poor communities; a doctor who defrauded medicare would have to work in a municipal hospital serving indigents. In these examples, law violators would be paid prison wages but would not waste their talents by languishing in prison. We believe that a serious study should be undertaken of whether a combined system of behavioral sanctions and large fines could both deter corporate crime, rehabilitate the violator and serve the bilked community.

With billions of taxpayer dollars involved in Pentagon procurement annually, the potential for waste and corruption is apparent. Would you recommend that the Defense Department issue regulations forbidding procurement officials from receiving anything of value—e.g., a week's "seminar" in Bermuda—from defense contractors? Violations would then disqualify the defense firm from the contract and suspend the procurement official from his office. Travel and accomodations should be paid for by the U.S. government, not by companies who try to ingratiate themselves to officials who may, in turn, make judgments on subjective rather than technical criteria. In addition, for the award of contracts involving more than $1 million, we believe that procurement officials should log in a public information office their meetings with soliciting companies. This provision can at least alert competitors, if not the press, to what may be the massive, personalized lobbying for a major contract.

Under 15 U.S.C. 46, the Federal Trade Commission has broad authority to investigate "the organization, business, conduct, practices and management of any corporation engaged in commerce" and, under 15 U.S.C. 45, may declare designated practices an unfair method of competition; the Supreme Court has held that such "unfair" competition includes far more than only antitrust violations. *F.T.C.* v. *Sperry & Hutchinson*, 405 U.S. 233 (1972). If a corporation seeks to obtain a foreign contract by bribes rather than merit, its competitors may be severely and unfairly disadvantaged—and a pressure may be felt throughout the industry to go along. Thus the cliche that "everybody does it." Would you recommend that the FTC investigate the pattern and prevalence of this activity, and issue rules to forbid it?

When many of the leading companies in society violate the law, when pillars of respect become pillagers of the community, what lesson is learned by our citizens? Disrespect for the law breeds more disrespect—especially when insignificant penalties make business crime a profitable enterprise. "If the word 'subversive' refers to efforts to make fundamental changes in a social system," sociologist Edwin Sutherland wrote more than two decades ago, "business leaders are the most subversive influence in the United States." To render this judgment obsolete requires bold action by the Congress as well as the Executive Branch. We trust you share our concern for the growing cost of business crime, and hope that you also share our proposals of what to do about it. We look forward to hearing your views on this problem, as well as what you think the justice Department can be doing to correct it.

Sincerely yours,
Senator Lee Metcalf,
Representative Benjamin Rosenthal,
Representative Toby Moffett,
Representative Thomas Downey,
Ralph Nader,
Mark Green,
Corporate Accountability Research Group.

Corporate Crime

A Senator, three Representatives and Ralph Nader have urged the Ford Administration to establish a new division in the Department of Justice to deal with corporate criminality, to review existing laws and to take other steps to control what they view as "a corporate crime wave." It is not necessary to adopt the specific proposals or the rhetoric of the petition to agree that it is time to begin working urgently to limit the extent and the effect of corporate crime.

Each week brings a fresh disclosure of dubious corporate practice. The acknowledgement by Lockheed, a company operating by grace of a historic Federal bailout, of payment over the last five years of $22 million in foreign bribes, or "kickbacks" as the company prefers to call them, is current news. Before that, the Watergate Special Prosecutor conducted successful prosecutions of eighteen companies and a roughly similar number of corporate executives for campaign finance violations. Over on the regulatory side of the street, the Securities and Exchange Commission has filed suits against eight firms for failing to disclose the facts that they maintained political slush funds at home or that they practiced bribery abroad.

The harm to society from such wrongdoing is substantially less obvious than street crimes against people, but it is no less real and every bit as damaging. Massive, secret and illegal campaign contributions—seeking, as they do, disproportionate impact on elections and bloated influence thereafter—distort the political process and dilute each citizen's political birthright. Similarly, the spectacle of the country's business élite buying up foreign officials in the name of profit undermines the moral foundations of the society.

Yet, wrist slapping is the usual and anticipated responses to corporate criminality. In their letter to the Attorney General, the concerned legislators calculated that in paying an average fine of $7,000, the firms prosecuted by the Special Prosecutor paid off their fines with about six seconds of corporate activity. Most of the executives prosecuted are either still presiding over their companies or are now living in extraordinarily comfortable semi-retirement. And, it is still not clear that foreign bribery even constitutes criminal conduct under the laws of the United States.

The permissive treatment of corporate crime has many roots. Some stem from the lavish contributions corporations make to Congressional campaigns, others from the preoccupation of the Justice Department's Criminal Division with its battle against organized crime, and still others from the fact that judges in cases involving business leaders sometimes tend to see their peers rather than felons in the dock.

But the high cost to society of corporate crime—whether in higher prices to consumers or in erosion of respect for law—makes highly desirable the kind of analysis of law and upgrading of effort that have been requested of the Attorney General. Tolerance of corruption in high places in industry, labor or government is bound ultimately to foster lawlessness throughout the society.

THE FOSTER GRANDPARENT PROGRAM: ONE DECADE OF LOVE

HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. YOUNG of Georgia. Mr. Speaker, one of the most inventive and successful social programs in the Nation—the Foster Grandparent program—marks its tenth anniversary this week. All people associated with the program deserve the congratulations, gratitude, and support of the Congress.

The Foster Grandparent program draws on one of our greatest resources—our senior citizens—who use their wisdom, love, experience, and talent to make life better for needy children throughout the Nation.

One of the original 20 Foster Grandparent programs was in the city of Atlanta, where Foster Grandparents continue to provide effective services. The original Atlanta program serves the children at Grady Memorial Hospital, and today 85 Foster Grandparents, ranging in age from 63 to 83, regularly participate. One of the most outstanding original Foster Grandparents from Atlanta is Mrs. Daisy Bell Spear, and she is here in Washington this week to receive richly deserved congratulations.

For the Record, the following is a description of the Foster Grandparent program:

Foster Grandparent Program

The Foster Grandparent Program is ten years old. It is the first federally approved program to offer "a retirement to instead of a retirement from."

The success of the Foster Grandparents is by now renowned. They have, by the thousands, helped youngsters who truly needed the love and care that only a grandparent can give.

The program has gone more than just one way: for as much as the children have benefited, it can be said that the Foster Grandparents have benefited equally.

It hasn't taken long for any Foster Grandparent, whose life might have seemed incomplete, to learn that no matter what their age, they are useful to others as well as to themselves.

With the success of the Foster Grandparent Program, other programs were developed to use this great natural resource, the Older Americans. These, too, have now demonstrated their own success. But the Foster Grandparent Program with a natural affection for children started it all.

A MUTUAL NEED

Jerry is a pleasant-faced youngster of 11. He has muscular dystrophy and has been a patient in a medical center since just after birth. Two other children born to his parents died of the same illness. His parents have not visited him for many years. He is a frail child who needs love and attention.

Diane is 9, a cerebral palsy patient, mentally retarded, who comes from a family of seven children. Her mother, who finds it difficult to take care of the children, never comes to visit her. Diane spends her time in bed or a wheelchair. Let an adult pass by who looks at her, and her face lights up. She reaches out for love and attention.

Helen French is 68 years old. She has two daughters and nine grandchildren, all of whom have moved out of the city where she lives. She is lonely and has very little to occupy her time. She loves children.

David Horowitz has almost no family. Before his retirement he worked for the Veteran's Administration and the General Accounting Office. At one time he worked at an orphan asylum and in children's camps. His pension is inadequate, and he would like to do something where he could not only earn additional income, but also be helpful.

How often does one hear the complaint from older people that they feel alone, useless, and bored, that their life has little meaning left?

How often does one hear of lonely children institutionalized or otherwise disadvantaged who desperately need care, love and attention on a one-to-one basis?

A COMMON SOLUTION

The answer to both of these problems can often be the same: The Foster Grandparent Program.

Because it brings such great benefits to two large groups of people, this program has been called one of the most meaningful programs ever developed. It does achieve a number of goals:

The Foster Grandparent Program provides the opportunity for low-income older adults to contribute usefully to their communities in the retirement years and to enjoy self-respect, respect from others, and satisfaction that comes from being needed and making others happy.

The Foster Grandparent Program is a source of individual attention and personalized care to children with special needs in a variety of residential and community settings, helping these children to grow physically, socially, emotionally, and mentally.

The Foster Grandparent Program helps improve the attitude of society, including attitudes of older persons, toward old age.

The Foster Grandparent Program demonstrates the willingness and capacity of retired persons to participate reliably and creatively in community service on a part-time basis.

The Foster Grandparent Program stimulates positive change in the field of group care for children.

WHO ARE FOSTER GRANDPARENTS?

They come from all walks of life. In the past they have worked as nurses and clerks; bookkeepers and truck drivers; housewives and teachers; seamstresses, farmers and carpenters. They live in large cities and small towns. They are men and women who meet the three requirements for participation in the program: age of 60 or over, low income, and good health. There are no educational requirements.

WHAT DO THEY DO?

Before entering service, Foster Grandparents receive 40 hours of orientation. They become an integral part of the child care team, working under direct supervision of qualified staff. They also participate in regularly scheduled in-service training sessions. Although most Foster Grandparents serve children in institutions, the program was recently extended to serve children outside institutions.

In most cases, the program calls for four hours per day, five days a week, each day divided between two children. In the course of their relationships with the children they became almost like true grandparents—reading, talking, playing with the children, and, above all, giving them personal attention, tenderness and love.

For their service, Foster Grandparents receive a small stipend and are reimbursed for transportation costs. They receive a meal each day they serve and an annual physical examination at no cost.

WHAT DO CHILDREN DO FOR THEIR FOSTER GRANDPARENTS?

"He makes me feel young," says Mrs. Rosia Bassinger, 70, of her foster grandchild John, age 4. "I learn so much from him. He makes me do things I wouldn't ordinarily do. We have catches, even play basketball. He calls me Grandma."

"I was lonely at home. I wanted something to do," says Mrs. Pauline Culmer, whose husband died in 1964. Things have changed for her since she met her 4-year-old foster grandchild Andy, who didn't talk at all at first. Now he sings songs all the time and knows the alphabet.

Jennie Lara is a former teacher and lives in San Ysidro. Her teaching skills are beginning to emerge again at Hillcrest. She just last week taught a child to understand time, and she also has taught a retarded child, who was staying at Hillcrest, to read.

"I try to give the retarded more love," she says. Jennie's ride on the bus from San Ysidro is a two-hour trip, but, she says, "it is very much worth it."

Mrs. Marie Dathlefsen, 77, says of her two children, Rose Ann, 16, and Johnny, 6: "They give me a reason to get up each morning."

The therapeutic benefits of the program are expressed by Lelia Hinton, 67: "When I used to wake up in an empty house I felt I was the only person in the world who was alone. Then one day I discovered the Foster Grandparent Program. Even my doctor noticed the difference. This program turned me around, gave me something to live for."

A retired railroad worker sums up what being a Foster Grandfather did for him: "Well, I was lonely. My wife died 14 years ago. I had always worked hard and when I retired I didn't have anything to do. Now I've got this to do every day. He, incidentally, played a part in a unique and unplanned aspect of the Foster Grandparent Program. While working with the program, he became acquainted with a Foster Grandmother. They eloped.

FOSTER GRANDPARENTS SOMETIMES PERFORM MIRACLES

Vanessa, the little girl in a wheel chair, seemed to have permanently clenched fists. Then came Violet Anderson who became her Foster Grandmother. "When I first came," she recalls, "Vanessa, bless her heart, would always keep her hands closed. I worked with her and kept opening her hands and taught her how to hold crayons, and now just look at her." Vanessa affectionately smiles at her grandmother and proudly shows off her coloring skills.

"To have a youngster reach out his arms to you is so wonderful," says Foster Grandmother Carrie Sanger of a child who at one time did not know how to accept affection.

"They are wonderful people. . . ." "They are beautiful people . . ." "They give the children extra love and warmth. . . ." "They wear the title of Grandma and Grandpa with pride." These statements are some of the remarks made by people who come in contact with Foster Grandparents.

Experts in the field have similar comments: "Foster Grandparents is the best thing known to combat the pernicious influence of neglect. Every institution or agency caring for children could benefit from the work of a Foster Grandparent in every child care unit," wrote Dr. Maria Piers, director of the Erikson Institute for Early Childhood Education. Booz, Allen Public Administration Services, Inc., a management consulting firm in Washington, D.C. did a cost-benefit study of the Foster Grandparent Program. The team concluded that "it would be difficult to find a federal program that is as productive as the Foster Grandparent Program." The researchers discovered that host institutions consider Foster Grandparents to be more consistent, reliable, and effective than other types of volunteers.

There can be no more qualified experts to judge Foster Grandparents than the children they serve. Here is what one of them, a juvenile offender confined in a correctional school, wrote his "grandmother": "I am really proud that they let you be my grandmother. When I needed help you were there to listen. I'm going to miss you very much when I leave here. I have tried to be good and I must admit I have done a lot better. I love you like my real grandmother."

Any public or non-profit private agency or organization may apply for a Foster-Grandparent Program grant. ACTION is authorized to make grants to pay not more than 90 percent of the total cost of development and operation of Foster Grandparent projects. Many state legislatures have appropriated additional funds to enlarge the Foster Grandparent Program. Sponsoring agencies and other community organizations also support the program in various ways.

SHE AIN'T NO METER MAID, SHE'S A COP

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. BINGHAM. Mr. Speaker, the barriers against employment of women in previously all-male jobs are steadily beginning to collapse and fall. This is a cause both for gratification, and for a recommitment of our energies to insure that hopeful beginnings are quickly expanded.

One of the areas which is finally yielding to the principle of equality is that of our uniformed services. Only a few years ago, the image of a uniformed female police officer doing anything but patiently copying out license plate numbers on parking tickets would have seemed pure fantasy—for some the stuff of dreams, for others a nightmare. Yet today, policewomen—if you will pardon me for avoiding the sheer awkwardness of female policepersons—are proving to be every bit as effective as policemen on patrol; as Assistant Chief Bouza of the Bronx states:

> Women on patrol is an idea whose time has come.

That this idea's time has finally come is due only in part to the coercive force of our equal opportunity law; it is due in equal part to the flexibility and fairness of such New York City police officers as Chief Anthony Bouza, and—of course—to the ability of policewomen themselves. I look forward to the day when New York City's experiment with 400 policewomen on patrol will have become institutionalized; when our fight against sexual discrimination will have given us a city and a Nation where a policewoman on patrol will be as unremarkable as a male nurse, or a woman doctor.

The following article, "Women in Policing," was written by Assistant Chief Anthony V. Bouza, commanding officer of the Bronx Field Services Area for the New York City Police Department. It appeared in the September issue of the FBI's Law Enforcement Bulletin:

WOMEN IN POLICING

(By Anthony Bouza)

EARLY HISTORY

The role of women in the New York City Police Department (NYCPD) underwent many changes between the employmnt of the first full-time matron in 1888—probably just in time to help out with the Great Blizzard—and the emergence of the female patrol officer of 1975.

Over what has been almost a century of existence within the ranks, women have participated in, or led the way into, what can only be described as a revolutionary social transformation.

Their entrance into police ranks was slow—somewhat accelerated by the rising waywardness of youth during and after World War I, and the department's meeting this challege through the use of women. And the assimilation process was unsteady. In 1920, women police officers were divided into two employee classes: matrons, the custodians of female prisoners; and policewomen, the youth-clerical specialists. By 1937, these were merged into one title, policewomen.

Entrance into this elite women's corps wasn't easy. The pay was good—equal to the male's—and the benefits shared by all were generous. The number was kept at about 300 and the competition was very keen. There were separate tests and separate eligibility lists. While a male might take the police entrance test with many thousands of candidates, he still had excellent odds going for him since it could be expected that many of the male candidates were not seriously interested in police work, yet there would be many hundreds appointed from among all the candidates.

The women, realizing that their competition would be razor sharp, and that the numbers appointed would be very small (about 50 over a 4-year period), didn't bother to vie for the jobs unless they were extraordinarily confident and well enhanced intellectually. Typically, 1,000 or more well-prepared women took these separate tests, and the winnowing process produced a very superior cadre of employees.

Two models of women officers developed: the compliant model and the competitive model. The compliant were placed on a pedestal, relegated to specialized tasks or clerical functions and decidedly compartmentalized. They occupied the youth and detective units, staff and headquarters posts, and the policewomen's bureau. A system of rewards existed that contained such recognition for a few policewomen as the detective's gold shield (which carried with it pay increases that could reach as high as a lieutenant's salary appointments as director of the policewomen's bureau, and even as a deputy commissioner). The unstated conditions for women required acceptance of their limited police role—with the department contributing occupational security, and a not inconsiderable reward system.

The strength of this arrangement could be appreciated from the perspective of experience. Its power was such that all but two policewomen were compliant enough to accept the conditions. Felicia Shpritzer and Gertrude Schimmel were anything but willing to surrender to the charms of such an alluring situation. They were the competitive model. They fought for the right to be occupationally fulfilled, to develop to the limits of their capacities, to assume as much responsibility as their talents could encompass, and to enjoy the exercise of as much power as their abilities could garner. They would not be content with a perch on a pedestal—they insisted on descending into the arena and participating competitively in the struggle. Theirs was an instinctive and unself-conscious rebellion that arose from their sense of fairplay and need to perform, and which surfaced a full decade before the feminine consciousness was to be aroused, organized, and shaped into what is today called Women's Lib.

Shpritzer and Schimmel's actions, although seen then as the vaulting ambitions of a disaffected duo, were to flower into a blessing for the department. As a result, the department was dragged into early compliance with what later became the law and into a position of reluctant leadership of what also became a widespread and militant social issue. Their pioneering fight for job equality had, by the early seventies, created an environment and a realization in the New York City Police Department which prepared it for the sudden application of the Civil Rights Act to police departments.

LEGAL FRAMEWORK

Title VII of the Civil Rights Act of 1964 prohibits discrimination on the basis of race, creed, color, sex, or national origin with respect to compensation, terms and conditions, or privileges of employment. It was amended by the Equal Opportunity Act of 1972 to include public employees, including police departments. Employers were permitted to discriminate on the basis of sex only if that characteristic was a bona fide occupational qualification for the job, and this pointedly excluded subjective assumptions or stereotypes relating to "the weaker sex."

If the hiring involved sex appeal or if community standards of morality or propriety required it (such as restroom attendants), sexual distinctions could be made in employment. Women could also be excluded if they simply couldn't perform the job (play a position on a male professional football team, for example), but this had to be demonstrated.

The law anticipated the resistance by excluding stereotype assumptions relating to sex (such as the "weaker sex" syndrome associated with women); preferences of coworkers; job tradition; inadequate travel and comfort facilities available to accommodate both sexes; or other obvious excuses devised to circumvent compliance.

Police administrators were left with the choice of hiring women or proving that a bona fide occupational qualification existed that precluded the use of women. The dilemma for those opposed to hiring women was to find and describe police work in which it could be demonstrated that women could not perform.

SERVICE MODEL

The commonplace view that police are service agencies is supported by the Bronx experience. In 1974, there were 447,060 radio patrol car runs in that borough and the total number of FBI Index Crimes was 70,521. Even allowing for the existence of a wide range of other crimes we can see that the commonly used formula that police agencies are 80 percent service agencies (and that the rest involve enforcement and other factors) holds up on inspection.

NATIONAL EXPERIENCE

Under the impetus of the Equal Opportunity Act of 1972 amendment to the Civil Rights Act of 1964, a few police departments created hospitable environments for female employees. The Washington, D.C., police began to employ them in large numbers and, more importantly, in frontline patrol situations. A followup study comparing the performance of 86 women with 86 men showed "generally similar" results.

In Miami, Chief of Police Bernard L. Garmire openly recruited females and wrote a highly favorable article on their performance in the June 1974 issue of the FBI Law Enforcement Bulletin.

New York City, impelled by a confluence of forces that included the man (then Police Commissioner Patrick V. Murphy), the historical backdrop, and the law moved vigorously into the full adoption of the principle that women could be used interchangeably with men in police work.

While this was going on, a court decided in April 1975, that the Chicago Police Department had to undertake broader minority employment and compelled the hiring of 200 additional officers, mostly blacks and women, in order to achieve consonance with the law. That a court order like this could come at a time of budget problems and possible layoffs of full-duty officers simply illustrates the hardship that a policy of resistance can create. Clearly, other departments would be put to the test.

Two stories appearing in the same May 4, 1975, issue of the New York Times reflected the dilemma of police priorities. In one the priorities of the Los Angeles Police Department were called into question after 511 youngsters were arrested for smoking marihuana at a rock concert. The other reported the successful assimilation of 35,000 women into the U.S. Army, in every position but frontline combat. The Army was not resisting an idea whose time had come.

NEW YORK CITY

By the spring of 1972, the New York City Police Department had undertaken a study, with the Police Foundation, of the effectiveness of women on patrol—with focus on their participation in neighborhood police teams. The policewoman's traditionally unique gold and blue shield was replaced with the male officer's white shield and the androgynous term "Police Officer" was adopted for all. Height requirements were ended for all and a ladies' list was "unfrozen" and hundreds were quickly appointed. The ranks of the females more than doubled, in a very brief time, to over 700.

The physical training was made relevant to on-the-job performance, stressing self-defense and search and seizure situations, and a career path that required heavy doses of patrol experience in high activity precincts was inaugurated for all. This also served to equalize the risks among the men since, before its adoption, one could be stuck in a busy precinct for 20 years while a brother officer would spend his career in a slow and safe command. Thus, persistent efforts required to grapple with issues of social justice were having radial effects that benefited employees beyond the target population. The obverse of this lies in the limiting effects on the freedoms of all when the rights of the few are trampled.

Although the females had all entered under the old understanding, having taken the test while the flower of compliancy for security was still in bloom, they enthusiastically accepted the new understanding and assumed their new roles of police officers with elan and verve. They donned their uniforms, shed their typewriters and steno pads, and took to the streets.

The impetus lent by the battles waged and won by Schimmel and Shpritzer gave the department a headstart. In 1963, they won the right to take promotional exams, and they were both promoted to sergeant in 1965. By 1975, a decade later, we had 23 female superiors—1 inspector (Schimmel), 1 captain, 5 lieutenants (Shpritzer being 1), and 16 sergeants. The fear that the elite corps of women would overwhelm the upper ranks, as they applied their talents to departmentwide competitive exams for sergeant, lieutenant, and captain, never materialized. The fear foundered on the shoals of the woman's family role, cultural tradition, mores, and the distractions of the home that the males did not have to face with such immediacy.

Many persons fear that opening the police rolls to women will inevitably lead to an overwhelming flood. The actual experience belies this expectation. Twenty-seven percent of all comers to a test given with no height requirements on December 15, 1973, were female. Of the first 6,000 names on the list (the realistically viable candidates), only 677, or 11 percent, had typically feminine first names. Military preference, we found, had created this distortion. Despite a heavy minority recruitment effort, the fears of some officers (mirroring the concern about women monopolizing the upper police ranks) again failed to materialize. The specter of an all (or even half) female force could be put to rest, for a time anyway.

THE BRONX EXPERIENCE

By the midseventies, the New York City Police Department had 725 women on the rolls, of which 400 were on patrol. Eighty had been sent to my command, the Bronx, in 1973, and they were assigned among all of the 11 precincts there. Almost a third were concentrated in one precinct, the 46th, to promote equal treatment, generate peer pressure, avoid privilege, encourage reinforcement, establish identity, and to study the impact of such a large group on a formerly all male work environment.

This group, although consisting of less than 3 percent of the 3,000 police officers in the Bronx, had, by 1975, amassed 64 medals for heroism or exceptional performance among them. They worked around the clock in the worst ghettos of the city and received their assignments on the basis of a colorblind and sex-blind policy.

Although, at first, they wore short skirts, they were permitted (actually encouraged) to wear trousers. The key to uniform policy became functionality. Guns (they can carry the standard 6-shot, 4-inch barrel model if they can demonstrate control or, alternatively and more frequently, the 5-shot, 3-inch barrel model) are carried on the hip. Hair is off the collar for both sexes and neither can wear earrings.

Car driving failures have occurred more frequently with women than men, and it is vital to the process of successful integration that all failures, whatever their form, be meticulously recorded and frankly faced. A female superior was reduced in rank on the basis of her failure to perform to standards. The credibility of the agency would be lost if the experiment were "made to succeed."

The existence of a legally mandated position of matron has proved troublesome. Women have been notably reluctant to seek inside jobs that would take them from patrol. The result has been that they have been forced to accept this assignment on a rotating basis.

The training needs of new female recruits are, together with the needs of the rest, very large and very real. Extensional training that carried female recruits beyond the classroom and which supports them in the field situation is critical to the development of the necessary confidence.

By the middle of 1975, the presence of women in police ranks had become commonplace, despite a substantial amount of resistance from men. The appearance of feminine first names on department reports or in news accounts of arrests or rescues was no longer a curiosity. They were performing, and they were gaining a grudging, and very hard won, acceptance.

PROBLEM AREAS

The employment of women on patrol raises many problems, real and fancied. Some administrators subvert, undermine, or defeat the process of successful assimilation in a hundred subtle ways. They "understand" that women can't be used in plainclothes work or assigned with men as steady partners, or assigned together, or not given certain posts. They interject problems of restroom or sleeping facilities or otherwise overreact to minor obstacles in accommodating mixed personnel.

The existence of the female stereotype as the weaker sex—emotional, unaggressive, and indecisive—is as fatal to her progress as certain Negro character myths were to the raising of black consciousness and pride. Male protectiveness is another of the ostensibly well intentioned but counterproductive practices.

The police stereotype that features a tough masculine image, and which focuses on physicial strength, is another barrier to equality. Males bring a whole baggage of unfavorable myths, images and symbols to the issue of female equality. Too many civilian review boards have sprouted from the soil of complaints produced by the proclivity of male police for physical domination over a situation. Had the possibilities of conflict management, issue resolution, and negotiation been fully and professionally explored earlier, many police confrontations that ended in violence may have taken a different turn. Some persons feel women have unique contributions to make in police encounters charged with emotion.

But, women create many nagging questions in the minds of many of their fellow male officers: Can we curse? Should we open doors for her? Should we initiate friendliness or wait? What limits are there on friendship? Is there a double standard—one for men and one for women? Who drives the patrol car? What about the female boss? Will women overwhelm us with their numbers? How do command officers handle a refusal of a male officer to patrol with a female? (An absolute refusal to tolerate generalized prejudice of any type—whether reflected in refusal to patrol with a white, a black, an Italian, or a Jew—is essential. Specific problems can be addressed, but generalized prejudice cannot be accepted.) What about pregnancy? (In New York, a woman officer can work up to the day she delivers a baby—a rare case—but she is taken off patrol on announcing her condition. She gets leave without pay during her absence, up to a limit of 18 months.) What about police wives? (This is a media-created issue exploiting the news value of a few demonstrations and a few colorful outbursts. Despite the disclaimer of wives that safety for their officer husbands is their principal concern, it is thought likely that the romantic possibilities with female officers are an underlying cause of their unrest.) How do you cope with tendencies to provide excessive back-up personnel for women officers? (The need wastes away with time as women prove themselves.) What about male resistance and resentment? (It, too, subsides as the ladies demonstrate their ability to handle all assignments.)

It is one of the most apparent truisms of police work that male police officers develop strong personal bonds as partners on assignment. A platonic, but terrifically intense, relationship is forged on the crucible of shared danger, as well as long hours and soul-revealing moments spent together. With the propensity of this relationship, the intrusion of sex—as represented by a female partner—is likely to have amorous possibilities.

PARTICIPANT'S POSITIONS

A recent survey of females on patrol revealed that they were confident of their ability to perform all aspects of the patrol function, that they'd rather work on the street than in the station house, that they acknowledged their physical limitations but were confident of their ability to cope—either through persuasion or through the display of superior force—that the initial male resistance was subsiding and that acceptance was growing, that they felt accepted and respected by the public, and that they can drive automobiles as well as males.

A simultaneous survey of male officers reflected an overwhelming rejection of using women on patrol, a sense that female physical limitation was the key issue—with safety the primary factor—a belief that women lack aggressiveness, initiative, and "street savvy," that the public sees them as novelties and objects of curiosity and that this will soon wear off—with dangerous consequences—that women have a role in specialized cases (sex crimes, family disputes, children, clerical tasks, etc.), that women are poor drivers, and that men are willing to accept her as an equal only when she has proven herself capable in a physical confrontation.

The chasm is clearly discernible. It is being spanned, but the bridge is still composed of many tentative and fragile strands.

EVALUATIVE STUDIES

The New York City Police Department has undertaken two formal studies of female officer performance, in addition to the ongoing, real-life, day-to-day evaluation and observation that these officers, together with their male counterparts, experience.

In the first, a cohort of 165 males and 165 females, who were recently assigned to patrol, was examined. No great effort was made to match these employees carefully, and the period October 1973 to March 1974 was chosen as the most convenient period for examination. The results demonstrated no statistically significant difference between the sexes in the usual measures of police performance: arrests, summonses, radio runs, sick time, evaluations, etc.

The second cohort, 80 males and 80 females, involved pairs that were matched on the basis of ethnicity, age, marital status, education, appointment date, and prior employment. The only variables remaining were sex and physical size. This group graduated from the Police Academy in March 1974, and the study was undertaken by an independent agency under a Law Enforcement Assistance Administration grant of $150,000.

The data gathered to date reveal no significant differences between the sexes in summons or arrest activity or in disciplinary or sick records. Five thousand five hundred hours of observation of personnel in the cohort have been scheduled but not yet made. This lengthy scrutiny will allow on-the-job analysis of performance.

CONCLUSION

The successful integration of women into police work will require the firm commitment of police leaders. The desire to give the process a fair chance must be clearly and universally visible to all police personnel. Objectivity is critical and failures must be recorded as meticulously as successes. We must acknowledge that males fail too—but that this is not a compelling argument for discontinuing their use.

In any given 100 cases, males may fail in 10. That females will fail in a different set of 10 cases is not a very compelling argument for discontinuing their use either.

This has been a very personal account, flowing from my experience, predisposition, and convictions. My feeling, after 2 years of watching a large number of women in police work, is that they can be used interchangeably with men. They have worked out extraordinarily well in the Bronx. Part of this may be due to the women seeing themselves as pioneers in a momentous social struggle and taking extra pains to succeed. There have been problems and even failures, but the successes have been overwhelming; not that they occurred, but that they were so sweeping and convincing.

I have heard no compelling argument against the use of women on patrol after 2 years of heated and constant debate. Women add another dimension to police operations. Because of generally less physical prowess than men, they are more likely to rely on their tact and ingenuity in confrontations. They can cool, defuse, and deescalate many heated situations. While the controversy rages over the ability of women in police work, the final results are still not in. I believe, however, that women are doing the job. Women on patrol is an idea whose time has come.

PRESIDENT ADDRESSES CALIFORNIA STATE LEGISLATURE

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. RHODES. Mr. Speaker, crime has become one of the major problems for all our citizens, from our urban areas to our back country. On Friday, in Sacramento, President Ford addressed the California State Legislature and outlined a comprehensive attack on this challenge to our society.

He pointed out that combatting criminal activity is the job of all of us. I urge that my colleagues read carefully this commonsense approach to the crime problem, and that this Congress consider enabling legislation so that we can turn back the wave of lawlessness that has made our streets unsafe, and brought terror into the lives of innocent victims.

Text of the President's address is as follows:

REMARKS OF THE PRESIDENT TO THE CALIFORNIA STATE LEGISLATURE

Governor Brown, Mr. Speaker, Mr. President, members of the State Legislature, distinguished guests, ladies and gentlemen:

It is indeed an honor to come before the California Legislature. You represent more Americans than any other legislative body, except the Congress of the United States, with which I have had some acquaintance over a good many years.

Almost half of California's delegation in the current Congress are alumnis of this legislature. I cannot take time to salute all of them by name, but from veterans like the able Majority Whip, John McFall, to respected newcomers like Bob Lagomarsino, they are really an outstanding group.

In 25 years that I served in the Congress, I made many friendships with former State Senators and assemblymen from Sacramento whose constituents have consistently sent them back to Washington.

Although they represent a wide spectrum of political persuasions and interests, they were almost without exception able, hard working legislators who quickly reached positions of great importance and great influence in the House of Representatives, where they could make California's voice heard and, believe me, they did.

As a delegation that is now the largest in the Congress, Californians were often able to temporarily put partisanship aside on matters of great concern to your State as well as to our Nation.

This, after all, is the way our two-party system works at its best. I, long ago, came to admire California legislators from afar, and I thank you very, very sincerely for this opportunity to meet in this historic chamber.

Since California is almost a model of the whole United States, in its diversity of industry and agriculture, its urban and rural interests, its internal and international trade and commerce, its steady growth and the attendant challenges in transportation, education, employment and human needs, almost any national problem would be an appropriate one to discuss in California context.

Any subject that is of major importance to Californians is also of deep concern to all Americans.

In the 13 months I have served as President of all of people, my priority goals have been set by the circumstances which confronted our Nation, and still do: To work steadily and prudently toward peace and the reduction of conflicts which threaten peace globally or regionally without weakening either our defense or our resolve; to reverse the current recession and to revive our free economic system without reigniting, the inflationary forces, and through such Federal stimulants and incentives as will create productivity and permanent private jobs and genuine economic growth; to develop a comprehensive short- and long-term program to end our growing dependence on foreign sources of energy and provide the abundant and sure energy supply that is essential both for jobs and to competitive production for the future; and finally, but certainly not least, to encourage among all Americans a greater spirit of conciliation, cooperation and confidence in the future of this great country and the institutions of self-government which for 200 years have served to create a more perfect union.

Today, I could devote my time to any one of these goals because all are of concern in Sacramento, as well as in Washington. California has a very vital stake in peace and the important breakthrough we have just made in diffusing the time bomb that has been ticking away ominously in the Middle East.

California is blessed above many, many States when it comes to energy resources. But by the same token, Californians are exceptionally aware of the importance of power to make things move, to make things grow.

I have decided, however, to discuss with you today another subject on my agenda, one that affects every American and every Californian, one in which the role and the responsibility of State officials is even greater than that of the Federal establishment; that is, the truly alarming increase in violent crime throughout this country.

Crime is a threat so dangerous and so stubborn that I am convinced it can be brought under control only by the best concerted efforts of all levels of Government, Federal, State and local, by the closest cooperation among Executive, Legislative and Judicial Branches, and by the abandonment of partisanship on a scale comparable to closing the ranks in wartime against an external enemy.

I come to California not only to plead for this kind of Federal, State and local citizen coalition against crime, but to praise the progress you have already begun in California.

California has long been a leader in both law enforcement and criminal justice. The rate of increase in violent crimes here remains less than the national average. For the first quarter of this year, serious crime rose 18 percent for the Nation as a whole. It rose only 13 percent in California, but both figures, I am sure we agree, are far, far too high.

The rate for forcible rape was down, but murder was up 22 percent in California and robbery up 23 percent. What is more distressing, my good friend, Evelle Younger, tells me that nearly four out of every ten persons convicted of using firearms to kill someone, or to rob someone, were given probation. Approximately 2300 persons convicted of violent crimes involving firearms are returned to the streets of California each year without serving a prison sentence.

Clearly, the billions of dollars spent at all levels of Government since 1960 have not done the job of stemming the rise in crime. The reported crime rate has doubled, and unreported crimes have probably multiplied even more.

As a former lawmaker among active lawmakers, let me put before you three simple propositions about crime. First, a primary duty of Government is to protect the law-abiding citizens in his peaceful pursuits of life, liberty and happiness.

The Preamble to our Constitution at the Federal level puts the obligation to insure domestic tranquility in the same category as providing for the common defense against foreign foes.

The American Revolution was unique in its devotion to the rule of law. We overthrew our rulers but cherished their rules. The founding fathers were dedicated to John Locke's dictum that "Where there is no law, there is no freedom." One of them, James Madison, added his own corollary, "If men were angels, no government would be necessary."

While it is true that not all men nor all women are angels, it is also true that the vast majority of Americans are law-abiding. In one study of ten thousand males born in 1945, it was shown that only 6 percent of them perpetrated two thirds of all crimes committed by the entire sample.

As for serious crimes, most are committed by repeaters. Another study in a major metropolitan area showed that within a single year, more than two hundred burglaries, 60 rapes and 14 murders were the work of only ten individual criminals.

This brings me to my second proposition. If a primary duty of Government is to insure the domestic tranquility of the law-abiding majority, should we not put as much emphasis on the rights of the innocent victim as we do on the rights of the accused violators?

I am not suggesting that due process should be ignored or the legal rights of defendents be reduced. I am not urging a vindictive attitude toward convicted offenders. I am saying that, as a matter of public policy, the time has come to give equal weight on the scale of justice to the rights of the innocent victims of crimes of terror and violence.

Victims are my primary concern and I am sure that is your primary concern. They should be the concern of all of us who have a role in making or executing or enforcing or interpreting the criminal law, Federal, State or local. The vast majority of victims of violent crime in this country are the poor, the old, the very young, the disadvantaged minorities, the people who crowd our urban centers, the most defenseless of our fellow citizens.

Government should deal equally with all citizens but if it must tilt a little to protect any element more than any other, surely it should be those who cannot afford to be robbed of a day's food money, those who lack the strength to resist, those who even fear the consequences of complaining.

My third proposition is this: If most serious crimes are committed by repeaters, most violent crimes by criminals carrying guns, if the tiny majority of habitual lawmakers can be identified by modern data-keeping methods, then is it not mandatory that such offenders, duly tried and convicted, be removed from society for a definite period of time rather than returning to the streets to continue to prey on the innocent and the law-abiding majority.

Although only a very limited number of violent crimes fall under Federal jurisdiction, I have urged the Congress to set an example by providing for mandatory prison terms for convicted offenders in such extraordinarily serious crimes as aircraft hijacking, kidnapping and trafficking in hard drugs. I also advocate mandatory sentences for persons found guilty of crimes involving use of dangerous weapons, and for repeat offenders, with or without a weapon, whose crimes show a potential or actual cause of physical injury. There will, of course, be sensible exception but they must be minimal.

I hope all 50 States will follow suit. Far too many violent and repetitive criminals never spend a day in prison after conviction. Mandatory sentences need not be severe. It is the certainty of confinement that is presently lacking. We will never deter crime, nor reduce its growth if potential lawmakers feel they have favorable odds of escaping punishment.

The more experienced in crime they get, the better their odds of not suffering the consequences. That is wrong and it must be reversed, and the quicker, the better.

The temptation to politicians—and I trust we are all politicians here, and proud of it—I am—is to call for a massive crackdown on crime and to advocate throwing every convicted felon in jail and throwing the key away.

We have heard such cries for years and crime continues to gain on us. The problem is infinitely more complex than any updated vigilante mentality can cope with. We have to confess, you and I, that we do not know all of the answers. But as with other stubborn national problems, my philosophy is that we must take one sure step at a time.

It is simply intolerable to stand still or slip backwards. It is simply impossible to devise a swift cure-all or a quick fix.

In a talk to my alma mater and to yours, Mr. Governor, the Yale Law School, last April, and again in a detailed message to the Congress in June, I outlined the first steps which I believe must be taken to get a handle on the rising crime rates. I will not rehash these points today, except to thank the California Legislature for moving somewhat faster than Congress has on some of my recommendations, such as mandatory prison sentences for crimes involving firearms and hard drug pushing.

I told the Congress, not as a cop-out, but as a Constitutional fact of life, that the Federal effort in the fight against crime really depends on the massive support from the States—which quite properly have sole jurisdiction in the exercise of most police powers.

I said the Federal Government could, however, set an example to reform of the Federal Criminal Code, which is progressing, and through the Law Enforcement Assistance Administration and other programs including general revenue sharing.

I want to give it to you straight about these programs. They were pushed by the minority in the Congress during the Johnson Administration and I am somewhat proud of my association with the innovative Federal measures and the proof that if an idea is good enough, it can prevail even if the minority espouses it.

I have asked the Congress to extend general revenue sharing, which expires at the end of next year. Under it, California has received about ten percent of the total Federal funds turned back to the States and to subdivisions.

California's share now adds up to more than $2 billion and will be closer to $3 billion by the expiration date.

This is money that you in California are relatively free to use where you think California needs it most.

Frankly, the Congress isn't too happy about such liberty on your part and would rather tell you how they want it spent. I leave it to your good judgment to help us continue this program for another five years. I have recommended that it be extended for a five-year period, and with added money on an annual basis.

I should say, and, in fact, warn you, there are many enemies in the Congress who don't want it extended and the consequence is there is an unfortunate delay. And I detect that there is a feeling of complacency on the part of Governors, State Legislators, Mayors and county officials. I warn you, all of those who have received these funds and used them effectively—and I think you have—get moving, because the enemies are working and I don't detect the proponents are pushing.

Don't get caught napping when that expiration date comes up much more quickly than you suspect it might.

As for LEAA, I must say candidly that it hasn't done as much to help curb the rising crime statistics as we had hoped. But it has encouraged experimentation and pilot projects in law enforcement and criminal justice which, if they work, can be adopted by other States. Some of the outstanding ones have been funded for California's own Department of Justice dealing with organized crime and criminal intelligence and to Sacramento and San Diego counties for programs on juvenile delinquency, white collar crime, fraud, drugs and career criminals.

The drug problem in America could make several speeches by itself. Here, again, we have a small number of deliberate criminals who destroy the domestic tranquility of millions and millions of decent citizens. What is particularly outrageous is the tragedy they bring to young people who should be learning to face life, not run from it.

Here in California, according to the latest figures I have seen, less than one out of every five convicted hard drug pusher ever served time in prison. One way to keep a convicted murderer from killing anybody else, or to keep a hard drug pusher from ruining any more lives, is to lock them up for a reasonable but certain term of imprisonment.

Loss of Liberty is both a deterrent to crime and a prevention of repeated crime, at least while the defendant is behind bars. Prisoners should be treated humanely, and we cannot expect judges, Mr. Chief Justice, and juries, to convict and sentence persons to places of confinement that are cruel and degrading.

But I consider it essential that we reduce delay in bringing arrested persons to trial, sharply limit the prevailing practice of plea bargaining caused by congested prosecutor and court calendars, and significantly an increasing proportion of those convicted of violent crimes and repeated crimes who actually serve time in prison.

I commend the State of California for its ongoing efforts in these areas, as well as for your program, or programs, to prevent juvenile crime and to rehabilitate youthful first-time offenders.

One of the worst aspects in the current rise in crime rates has been that almost half of all arrests are persons under 18 years of age. While imprisonment is clearly the way to put hardened criminals out of business for a period of time, it is obviously not the best way to deal with the very young.

Simply sending them home has not proved a satisfactory solution, either. We do not have all the answers, but we must spare no efforts to find them quickly.

The Federal Department of Justice has embarked on an urgent pilot program to divert first offenders and, in appropriate cases, prevent them acquiring the lifelong stigma of a criminal record.

Another aspect of the crime program that I have submitted, I asked the Congress to write into the revised Federal criminal code the stronger provisions to allow Federal action against organized crime, wherever it rears its ugly head.

The leaders of organized crime do not recognize State or, for that matter, national boundaries. It will take all of our law enforcement resources to fight this giant conspiracy against domestic tranquility and prevent its spread.

Like other vexing problems facing California and the Nation, we will not conquer crime with a single roll call or a stroke of the Governor's or President's pen. But, we must do what we can and we must work together here and now for the sake of our children and our grandchildren.

It was really for this reason that I wanted to discuss crime today and the common front that we must create against it. Peace in our neighborhoods and places of business is almost as important as peace in the world.

Keeping the peace is as heroic and essential on the part of those policemen and policewomen who work the night shift as it is on the part of our military personnel and civilian technicians standing watch around the world.

The courage and devotion of some for the safety and survival of all have brought us through 200 years as a Nation, and it will carry us forward to an even brighter future.

Nowhere is the community of interest and the necessity of close collaboration between the Federal Government and the States of the Union more obvious than in the field of crime control.

There is no more universal longing among our people than to be free of fear and safe in their homes and in their livelihoods.

There is no issue even, in a spirited campaign year already beginning, in which we would seek to serve the people, can work harder without partisanship or without demagoguery, to bring about visible progress.

I have not brought along any patent medicine that cures all human ills to peddle here in California. I have come simply to pledge to you my unrelenting efforts to reduce crime in cooperation and consultation with you and with all who have America at heart.

In moving against crime, with compassion for the victims and evenhanded justice for the violator, California can be the pace setter for the Nation, as you have been in so many other challenges.

The genius of California has enriched all America beyond the wildest expectation of our goal-seeking ancestors. But, I am not here to sing, "I love you California," either I will save that for future visits, and I hope there will be many, because I love your people.

For today, it is enough to ask your help on this complex but fundamental problem that confronts us all. If we fail to insure domestic tranquility, any other successes we may have as public officials will be forgotten.

Peace on 10th Street in Sacramento is as important to the people who walk and work there as peace in the Sinai Desert.

One man or woman, or child, becomes just as dead from a switchblade slash as from a nuclear missile blast. We must prevent both.

Thank you very much.

INTERNATIONAL DEVELOPMENT AND FOOD ASSISTANCE ACT OF 1975

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. FINDLEY. Mr. Speaker, the International Development and Food Assistance Act of 1975, H.R. 9005, will come before the House shortly, and I am happy to say that this innovative foreign assistance legislation has been receiving wide public support since being reported by the International Relations Committee just before the August recess.

As the Atlanta Journal & Constitution has correctly noted, this legislation seeks "to upgrade the form of American aid for helping the world's hungry nations" and to supply U.S. agricultural development assistance in a manner most suited to local needs.

A major provision of this bill will place in the Foreign Assistance Act a new title XII. Under this provision the great ability of America's land-grant and other U.S. universities to promote increased agricultural production will be more effectively used in our assistance to food-short developing countries.

The following appraisal of H.R. 9005 in the Atlanta Journal & Constitution of August 17, 1975, should be of interest to Members:

Better Foreign Aid

When Congress convenes after its August recess it will consider a proposal designed to upgrade the form of American aid for helping the world's hungry nations.

Some international development authorities have cautioned against returning to the old practice of trying to export high-technology farming systems to countries where the best potential for fighting hunger may lie in better use of human labor.

The pending bill, contained in an amendment to the general foreign aid bill working its way through the House, recognizes some of these and other nuances necessary for effective agricultural development aid.

Under the proposed amendment, eligible U.S. universities, where requested, will work out cooperative agreements for improvement of agricultural education in developing countries. And these programs, according to the bill's sponsor, Rep. Paul Findley, R-Ill., will be "adapted to local conditions, needs and customs."

With the new and more sensible approach to foreign aid, promising a greater likelihood that the money will accomplish what the program was intended to do there is bound to be more support in Congress.

The Findley amendment, for example, has attracted support from 95 cosponsors in the House, including liberals and conservatives in both parties.

Perhaps soon, U.S. foreign aid will be back on the right track, drawing increased interest and financial support in Congress and with the voters across the nation.

POLL SHOWS OVERWHELMING SUPPORT FOR HANDGUN BILL

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. MIKVA. Mr. Speaker, the results of a poll on handgun control that was recently completed in the Chicago metropolitan area indicate overwhelming support for proposed legislation that would ban the manufacture, sale and distribution of handguns.

More than 21,000 Chicago area residents participated in the poll, and 83 percent said they favor such legislation, which has been sponsored by Mr. ROSTENKOWSKI and me.

The poll was a simple yes-no questionnaire circulated by a variety of organizations and in businesses that reach a broad spectrum of the public—including drycleaners and taxicabs. Hopefully, the following results will provide the impetus for House Judiciary Committee's Subcommittee on Crime to report a strong handgun control bill.

The Chicago area—and the rest of the Nation—is ready for the Congress to pass legislation to curb the use of these daily killers.

The results of handgun poll *follow:*

Organizations	Yes		No		Total
	Number	Percent	Number	Percent	
Checker and Yellow Cab companies	8,616	83	1,795	17	10,411
Chicago Retail Druggists	5,479	78	1,547	22	7,026
Chicago, Suburban League of Women Voters	1,821	96	78	4	1,899
Chicago Retail Cleaner & Tailors Association	1,087	85	184	15	1,271
United Methodist Church	436	94	30	6	466
Individual roll-takers	232	86	37	14	269
Total	17,671	83	3,671	17	21,342

Distribution of the poll by the above groups does not necessarily indicate that the group has taken a position on handgun control.

The results of the poll are particularly noteworthy and valuable because they reflect opinions given voluntarily by typical citizens. They are not the result of a campaign mobilized by a particular special interest group.

In the past the highly organized and well financed gun lobby has had a disproportionate impact on Congress and consideration of handgun control matters.

But now, thanks to polls, grassroots organizations throughout the country and the efforts of individuals keenly interested in seeing the unlawful use of handguns terminated and the possession of handguns curtailed, the full measure of public opinion is finally being crystallized on this issue. The chances for passage and acceptance of meaningful handgun control legislation are better than ever.

The bill that has been sponsored by Mr. ROSTENKOWSKI and me, known as the Handgun Crime Control Act of 1975, would ban the manufacture, sale, and distribution of handguns in the future. The Armed Forces, police, and authorized pistol clubs would be exempt and the bill would not require confiscation of handguns now owned.

I wish to commend the people responsible for conducting the poll. Congress and the rest of the Nation owe them a debt of gratitude. If an effective bill is passed to end the availability of the deadly handgun, their efforts will not have been in vain.

H.R. 5901

HON. JAMES G. MARTIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. MARTIN. Mr. Speaker, today, after long deliberation, I voted to override the President's veto and pass H.R. 5901, the education appropriation. I had earlier voted against passage of the bill and the conference report, and had voted against successful amendments to increase the spending level and for unsuccessful amendments to decrease the spending level. This is only the fifth time that I have decided to change my position in nearly 3 years.

It would have been simple to adhere to the consistency of a negative vote by supporting the veto. That would not increase the number of those angry at my earlier vote—who will not by appeased by today's vote. That would avoid angering those who supported the earlier vote. That would have supported the President. That would have been a symbolic objection.

But the situation is not the same.

School has started: public school budgets were adopted as of July 1; college students are enrolled in dependent expectation of the student and work-study funds essential to their college career. As a practical matter, the show is already on the road.

The situation has changed.

When this bill was before us in July, there was still time to consider modifying specific features of the bill. This had occurred with earlier appropriations which had been vetoed. Now there is not time.

On each vote I must ask myself: "Would my vote be the same if it alone determined the outcome?" "How would I vote if the issue were close?" That is a standard which should always apply. Consequently, I could not cast the symbolic vote, or the consistent vote, or any vote other than that dictated by my best judgment. That is the only standard that can be defended.

That judgment is as follows:

First. The bill is $561 million over fiscal 1975. This enormous sum is, however, just 8 percent over the level for 1975. That increase is no greater than the 8.6-percent rise in the cost of living. In fairness, our fiscal problems are not created by 8-percent increases in departmental appropriations. They result from the 20-percent increases, the 30-percent increases, and the new programs stacked on top of old programs.

Second. Certain portions of this bill are specifically opposed. Unfortunately, the circumstances of time pose too great a risk to the desirable portions to warrant delaying these funds to extract the offending parts. The only way now to delete or reduce such programs without jeopardizing the ongoing education system is to support efforts by the President specifically to impound and delete those particulars.

Third. Technically, as Chairman MAHON has noted, were this veto to be sustained, the congressional rules pertaining to "continuing appropriations" would result in very little actual reduction in spending levels and, therefore, very little actual savings.

In conclusion, while I do not believe my position was wrong—to vote against this bill in July—but I am persuaded it would be wrong to continue that position at this time. At the earlier time, economies were theoretically possible, justifying a negative vote. Today, as a practical matter, they are not.

AID INCREASE PLEDGED BY INDUSTRIALIZED NATIONS

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. FRASER. Mr. Speaker, H.R. 9005, the International Development and Food Assistance Act, soon will be before the House. We are in a period in which the developed nations are considering anew the problems faced by the less developed nations. The United Nations, for the second development decade, set 0.7 percent of gross national product—GNP—as the target for official development aid. During the period 1964–66 our development assistance was 0.5 percent of our GNP. Since then there has been a steady decline to the present level of 0.25 percent of GNP. This is less than 3 cents out of every $10.

It is interesting to compare our efforts with those of the other industrialized nations. During the last 10 days the developed nations have spoken to this issue at the Seventh Special Session of the

General Assembly. On the whole, they have committed themselves to the 0.7 percent of GNP level and have stated their intention to increase the amount of their aid. The following are excerpts from their speeches:

Excerpts of Speeches

Excerpts of speeches by:

Mr. Rumor, Italy:

"As far as the volume of aid is concerned, the Community has confirmed its determination to achieve the target of 0.7 per cent of gross national product for public aid set in the International Strategy for the Second Development Decade, and to adopt as the common aim of its members an effective increase in official development assistance, taking into account their respective economic capacities to contribute. In this connection, I wish to stress the considerable increase which has recently taken place in Community aid."

Mr. Gensher, Federal Republic of Germany:

"The Federal Government realizes that an increased flow of capital, from both official and private sources, is absolutely essential if the developing countries are to achieve the necessary growth rates; and this applies quite particularly to the least developed countries, which as a rule will derive less value adduced from improvements in the field of trade than those countries that are richly endowed with major commodities or that already have an industrial basis.

"The official aid afforded by the Federal Republic of Germany also increased in 1974, which was a difficult year.

". . . Apart from increasing the volume of capital transfers, we must also improve the terms. Loans made available by the Federal Republic of Germany carried an average interest rate of 1.85 per cent in 1974. The money made available to the countries most seriously affected by the economic crisis is provided by the Federal Government on International Development Association terms. In other words, at an interest rate of 0.75 per cent for a period of 50 years."

Mr. Frydenlund, Norway:

"As far as my own country is concerned, Norway expects to reach the target of 0.7 per cent of its gross national product this year, all on a grant basis, and my Government is committed to increasing this gradually to 1 per cent by 1978.

"We would also be ready to join the developing countries in looking for more automatic ways of transfer of resources, making the implementation of their development plans less dependent on fluctuating political will in the developed countries. For this reason we have supported the link between the special drawing rights of the International Monetary and development financing."

Mr. Kimura, Japan:

"Japan will assuredly continue all efforts to improve its development assistance with a view to attaining the targets set forth in the International Development Strategy for the Second United Nations Development Decade. Japan will also make serious efforts to improve the terms and conditions of its aid, taking account of the 1972 recommendation of the Development Assistance Committee of the Organisation for Economic Co-operation and Development (OECD). To this end, we are determined to make the utmost effort to increase our grant aid and more concessional loans."

Mr. Norgaard, Denmark:

"We shall continue to increase the Danish aid programme and we expect to reach the 0.7 per cent target by the end of this decade. We shall pursue our policy of channelling a very large part of our total assistance through multilateral agencies."

Mr. Sauvagnargues, France:

"The fact remains that financial transfers are still based fundamentally on voluntary efforts by industrial countries and other countries with considerable financial resources. That is why—and I attach particular importance to this—respect for the objectives of aid decided upon in the framework of the Second Development Decade should receive special attention. France, for its part, intends to reaffirm its determination to keep its transfer of resources in line with stated intentions."

Mr. Callaghan, United Kingdom:

"British aid has always been given primarily to those in the greatest need. In 1974 we committed 70 per cent of our total bilateral aid to countries with a *per capita* income of less than $200. We shall concentrate our aid on the poorest even further in the future. This will affect not only the distribution of British aid but also the terms on which it is given. The grant part of United Kingdom aid commitments in 1974 was 86 per cent, and we have decided that our aid to the poorest countries will in future normally be given as outright grants, instead of as loans."

Mr. Lidbom, Sweden:

"Against this background we find it essential that the Assembly clearly reaffirm the goals and commitments of the Second Development Decade strategy, particularly the 0.7 per cent target for official development assistance. The lack of political will to attain these targets cannot be compensated for by a proliferation of new funds and other institutional arrangements."

Mr. MacEachen, Canada:

"We pledge to continue and to increase our programmes of development assistance. This year our disbursements will exceed $900 million, and they will grow significantly in the years ahead. We are determined to achieve for official development assistance the official United Nations target of 0.7 per cent of our gross national product and to move towards it by annual increases in proportion to gross national product."

FOSTER GRANDPARENTS 10TH ANNIVERSARY

HON. SAM GIBBONS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. GIBBONS. Mr. Speaker, it is indeed a pleasure for me to be able to bring to the attention of my colleagues, as we approach the 10th anniversary of foster grandparents, the success of the program, especially in my district.

Tampa's program is one of the 20 original projects. I have been impressed with it over the years and have been pleased to lend my support for its continued operation in the face of possible phasing out. Foster grandparents, as you may know, has a two-fold purpose: It enables senior citizens to supplement their incomes while at the same time providing a close adult-child relationship. There is one major requirement to become a foster grandparent and that is to love children and love working with children. Of equal importance, of course, are the benefits of love and personal attention to the children served.

Grandparents are a very special segment of our Nation's population. Almost all of us have fond memories of our grandparents as warm, wonderfully magic people who seem to know just about everything. But because of our country's increasing mobility and shrinking family relationships, it sometimes appears that we are trying to phase out this segment of our society. That is where foster grandparents stepped in 10 years ago and gave some of these people a purpose—a new-found pride and renewed self-confidence. It has helped to improve the attitude of society, including the attitudes of older persons, toward old age.

I have received numerous letters over the years expressing appreciation for my continued efforts on behalf of the program. These letters come not only from those who administer the program locally and from its senior participants, but also from many relatives of the children served who are unable themselves, for a variety of reasons, to give the type of attention provided by foster grandparents.

Of the 53 people serving the Tampa, Fla., area, I would like to pay particular tribute to three people who have been participating since the program's inception. They are Miss Marie Hartos, Mrs. Bertha Tyner, and Mr. Steve Williams. I am sure these individuals have been an inspiration to the others who have followed and each will receive a plaque in appreciation of their service.

Miss Hartos will be in Washington this week, along with Project Director Leonard Buckwell, to join in the celebration with officials of ACTION and others who have contributed to the success of the program nationwide. Miss Hartos not only fulfills the program requirement of woking 4 hours a day, 5 days a week but devotes about 800 hours a year to hospital work locally. I salute you and the many others who have joined in to make foster grandparents the success that it is.

EGEDIO "GENE" CERELLI

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. DENT. Mr. Speaker, it is not often that one gets the opportunity to honor a successor, honestly, openly and with pride, but this Saturday, September 13 will be one of those times for me.

For it was at this time last year that the Westmoreland County Conference of Economic Opportunity honored me with their Humanitarian Award. I greatly appreciated the efforts of the WCCEO in honoring me, and I further appreciate the fact that they have chosen a worthy successor to the award in Egedio "Gene" Cerelli, chairman of the Pennsylvania Turnpike Commission.

Gene Cerelli is one of those people who work tirelessly behind the scenes of many efforts, not for glory or profit, but, instead for the efforts themselves. It is often that these "backstage" workers form the backbone of an achievement; Gene Cerelli has forever been at the heart of such achievements.

Probably the major factor leading to Gene Cerelli's involvement is that quality known as sympatico by us Italians. And Gene can claim a stronger heritage than I can, as he was born in Rome, Italy, in 1925. His family immigrated to this country soon afterward, settling in Jersey City, N.J., where Gene was an outstanding high school athlete, including a stint as the Golden Gloves heavyweight boxing champion of the State of New Jersey.

He served in my branch of the service, the Marine Corps, during World War II, where he received the Purple Heart at the battle of Iwo Jima.

Gene has been an active member and leader in the United Electrical Radio and Machine Workers, as well as an important political leader in Westmoreland County and throughout the Commonwealth of Pennsylvania. It is through his political involvement that Gene Cerelli has become known, yet it is also through this political involvement that Gene has been able to devote so much of his talent to helping the needing and deserving people of Westmoreland County, especially through the offices and facilities of the Westmoreland County Conference of Economic Opportunity.

I would like to wish Gene Cerelli the best, knowing that he deserves much more, for his very fine activities on behalf of all people, but most especially on behalf of those who most needed his help.

CEDERBERG RELEASES POLL RESULTS

HON. ELFORD A. CEDERBERG

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. CEDERBERG. Mr. Speaker, once again it is my honor to bring to the attention of my colleagues the results of my annual poll of the people of Michigan's 10th Congressional District. This year's results should be of particular interest since they directly address issues with which the Congress has been dealing this year.

I want to take this opportunity to thank the thousands of people in the 10th District who participated in this year's survey. With the sessions of the Congress extending the year round, I find these annual questionnaires an excellent vehicle for obtaining the thoughts of the people of my district on the pressing issues we face. I was also pleased to have the additional thoughts of the hundreds of my constituents who included separate messages on the issues raised in this year's poll, and on other matters which will come before us in this year.

I offer the results of this year's survey to my colleagues and hope that they will find in them solid evidence of the thinking of those whom we strive to represent:

POLL RESULTS

1. In the year since the Congress established the U.S. Rail Association to develop a plan to reorganize the railroads, additional economic difficulties have arisen. Large cutbacks in passenger and freight service may result. Which policy do you favor?

	Percent
(a) Bolster the railroads with federal funds to maintain service	29.42
(b) Sell off unprofitable lines to local governments or businesses	33.87
(c) Curtail service to the extent needed for profitable operations	31.85

2. There is some debate over whether government farm policy should continue to encourage full production and export markets or return to the controlled production and subsidy programs of the pre-1971 period. What do you feel the government role should be:

	Percent
(a) It should regulate the number of acres planted	1.38
(b) It should impose marketing quotas	2.38
(c) It should continue on the present course of encouraging production and open markets	89.22
(d) It should return to price supports and the control of farm production	4.32

3. Regarding the Social Security System:

(a) Should it continue to be financed exclusively by payroll taxes (rather than be partially subsidized by general taxes)?

	Percent
Yes	48.46
No	28.85
Undecided	10.91

(b) For those who have just entered the labor market, do you believe future benefits will be worth present costs?

	Percent
Yes	21.80
No	42.98
Undecided	13.78

(c) Should there be an increase in the amount of money social security recipients may earn before their benefits are reduced?

	Percent
Yes	69.07
No	16.40
Undecided	5.73

4. Do you believe that those environmental restrictions already legislated but not yet in effect on autos and coal-burning facilities should be postponed because of the energy and economic situation?

	Percent
Yes	65.13
No	24.47
Undecided	5.51

5. Are you willing to lower your standard of living if it will help reduce our nation's dependence on foreign oil?

	Percent
Yes	68.13
No	18.04
Undecided	8.91

6. In order to conserve our present energy supplies and reduce dependence on foreign oil, do you favor:

	Percent
(a) Imposition of a gasoline tax	9.70
(b) Import tariffs on foreign oil	12.86
(c) Import quotas on foreign oil	14.40
(d) Gasoline rationing	18.96
(e) Development of alternative energy sources (such as solar, geothermal, fusion, etc.)	77.44

7. What provisions would you support in the area of health insurance?

	Percent
(a) No new health insurance program at this time	41.73
(b) Catastrophic health insurance for everyone to cover extraordinary medical expenses	26.55
(c) Replace private health insurance carriers with a federally administered program for everyone, regardless of means or age, supported by Federal tax revenues	17.26
(d) Private health insurance with Government paying the premiums for those unable to pay	17.56

8. President Ford wants *no* new spending program in 1975, except to develop energy. Do you support this position?

	Percent
Yes	77.98
No	13.07
Undecided	4.11

9. Do you believe that the Federal Government should decrease its budget deficit?

	Percent
Yes	82.20
No	7.78
Undecided	4.75

10. Federal spending involves your tax dollars. Should we spend *more, less* or the *same as* presently on the following:

(a) Defense:	
More	24
Less	34
Same	42
(b) Education:	
More	23
Less	33
Same	44
(c) Welfare and poverty programs:	
More	15
Less	55
Same	30
(d) Crime control:	
More	56
Less	12
Same	31
(e) Foreign aid:	
More	3
Less	82
Same	15
(f) Aid to U.N.:	
More	4
Less	75
Same	21
(g) Mass transportation:	
More	41
Less	31
Same	28
(h) Social security:	
More	23
Less	16
Same	61
(i) Veterans benefits:	
More	14
Less	23
Same	63
(j) Energy research and development:	
More	76
Less	6
Same	18
(k) Environment:	
More	30
Less	30
Same	40

(NOTE.—Due to blank responses and multiple answers to some questions, totals in some instances may be more or less than 100%.)

OUTBREAK OF DISEASES

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. SYMMS. Mr. Speaker, we are continuing to see some of the real costs of "environmental extremism," and some of the hasty actions by the EPA that have been based on less that factual information. Recently, Mr. Robert Morris, chairman of Velsicol Chemical Corp., made a statement about the EPA's restriction on pesticides and the increased difficulties this presents in controlling diseases. Mr. Morris' statement is as follows:

STATEMENT ON OUTBREAK OF DISEASES

(By Robert M. Morris)

The current outbreak of sleeping sickness in the Chicago area may be a far greater threat to the human and animal species than is currently being acknowledged, unless other communities follow the Chicago Board of Health's lead and order spraying to control the mosquitoes that have spread the disease from Mississippi, up the central corridor to Illinois, Indiana, Kentucky, Wisconsin, North Dakota and Minnesota.

This disease and others are now running rampant. They had been brought under control during the past 30 years by DDT, the most effective insecticide yet developed by man. These diseases are only one example of what can happen when nature gets the upper hand. The results can be more devastating than anything science fiction has ever dreamed up.

DDT, aldrin, dieldrin—three major insecticides used to protect mankind, as well as life-sustaining foods and animals—have been banned by the Environmental Protection Agency. Now, EPA has issued a "notice of intent to suspend" chlordane and heptachlor—two of the safest, most effective, broad spectrum, least expensive insecticides on the market.

The EPA, along with environmental activists groups, have released a continuous propaganda barrage to remove all pesticides from the market because of an alleged threat of extinction to certain species of birds that nature already may have marked for extinction. If only they would be as concerned about the fate that awaits the human species when these pesticides have been removed.

What are these same well-intentioned, but foolish environmentalists doing about controlling this outbreak of sleeping sickness in the heart of the nation?

If they don't give a damn about the people, how about the horses that are dying of the disease in Wisconsin? Don't they suppose that mosquitoes feeding on these infected animals will also infect people?

And how about the pinkeye disease among cattle in Wisconsin which has become widespread because there is no effective insecticide to control the flies that are spreading the disease.

And what about malaria which is on the increase in the United States?

And what about the millipedes that are invading Southern Indiana?

And what about the armyworm infestation in Wisconsin that has devoured whole fields of oats?

And then there is the fire ant infestation of nine Southern states and Texas which entomologists fear will spread to the West Coast.

What about the school children who are about to return to classes next week in Sugarland, Texas, a suburb of Houston, where 20 fire ant mounds have been discovered under the swing set in the play area?

Or the high school students who will be using the practice and playing field at John Foster Dulles high school in Houston where fire ant mounds have been discovered? Or, for that matter, the spectators, since fire ant mounds have been spotted under the stands?

We are fortunate in the northern states that the imported fire ants have not become acclimated to our cooler environments as yet, because insects have developed some remarkable resistances to not only their environments, but to pesticides as well.

What about those persons who are highly allergic to the sting of this vicious insect which can produce coma and in some cases, even death?

Velsicol Chemical Corporation is a manufacturer of pesticides. While we had no role in developing or manufacturing the Nobel-prize winning insecticide, DDT, we do produce chlordane and heptachlor, two pesticides which the environmentalists are currently trying to have removed from use. We are concerned that the scare tactics used by the environmentalists and the EPA could lead not only to a ban of chlordane and heptachlor, but all petsicides.

But more so, we are concerned about the pestilence that has been unleashed as a result of the ban of DDT and the following campaign of fear that has resulted in the cut-back, and in some cases, ban on, spraying with the products that are still available. To stop the spread of disease that is now rampant, the public and local government officials must continue spray and treatment programs and petition the EPA to release DDT for use in those affected areas, where alternates are just not effective.

THE ECONOMIC CASE AGAINST GOVERNMENT-RUN GAMBLING

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. KEMP. Mr. Speaker, there has been growing interest in recent months over the feasibility of authorizing various government-run gambling operations—off-track betting, State and city lotteries, gambling on major team sporting events, et cetera.

This renewed interest in government-run gambling operations stems from the rapidly rising costs of government—where elected officials are not sufficiently willing to either hold down expenditures or raise the taxes necessary to offset those expenditures.

A number of cities and States, including our Nation's Capital, are considering such proposals. And, interest on the national level has resulted in the creation of the Commission on the Review of the National Policy Toward Gambling.

On March 14, I offered a statement before that Commission—as a former professional athlete and as a Federal legislator—on my views toward legalized gambling, especially on major team sports events.

In that statement, I made the following comments:

> I believe legalized gambling on such events would place unconscionable burdens on the players and coaches, would be destructive of the present goals of sports, would be an unnecessary intrusion by government in private conduct and commercial enterprises, and could be costly to government.
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> The agency (administering the gambling program) would have to be prepared to lose money, as well as to make it. This is an important consideration for several reasons. First, it means illegal bookmakers would not necessarily be unemployed as a result of government-run gambling, because while a government agency would have to limit the size of bets or trim odds to avoid potential losses, illegal bookmakers could continue to "lay off" bets to a central organization to minimize their risk of loss. Secondly, to the degree that the government agency loses money, it would have to either be subsidized with tax dollars or admit error and abandon the venture. While countless Americans might feel that it is a matter of individual moral conscience to bet and gamble, I doubt they would be too pleased with their own tax dollars going to subsidize such behavior. And, if government set up this machinery, then lost money, then withdrew, it could be irreparably harmful to sports.

Two recent articles have come to my attention which also set forth the case against government-run gambling. I think both are worthy of the attention of my colleagues and of the Commission.

The August 23 edition of the Sporting News, the international sports weekly, carried a lead editorial based upon the findings of one of the western New York area's top sports writers and columnists, Phil Ranallo of the Buffalo Courier-Express. He has studied the government-run off-track betting system in New York and has found it wanton—an economic and social disaster of no small consequence. It has not put illegal bookmakers out of work; they remain as active as ever with the big-money bettors. Economic revenue has been miniscule. I commend Phil Ranallo for the work he did in providing the basis for his conclusions:

[From the Sporting News, Aug. 23, 1975]

HUCKSTERS HARD AT WORK

Advocates of legalized betting on team sports stress that such action would merely rechannel current wagering volume. Instead of lining the pockets of illegal bookies, the losers would be pumping funds into financially distressed local governments. There would be no need to recruit new bettors, nor would there be any effort to do so.

That same theory was espoused by New York State's Off Track Betting Corp., which first set up shop in New York City and now is doing business in Upstate New York. There are some 40 parlors in the Buffalo-Rochester area as the result of legislation enacted 15 months ago. Have these emporiums lured veteran horse-players away from their favorite bookies? Has the legalized operation refrained from advertising for new customers?

The answer to both questions is an emphatic no, according to Phil Ranallo, Buffalo Courier-Express columnist and a veteran observer of the betting scene. Writes Ranallo: "The bookmakers in the Upstate region are still doing a flourishing business. The bookies still have for clients all of the big-money bettors, who refuse to patronize the OTB shops—due to the five percent surtax ripoff in the shops." As for revenue accruing to the city of Buffalo, Ranallo states, "It would not enable Mayor Makowski to pay his fare on a bus."

Meanwhile, the Western Regional OTB is not accepting defeat. "For several months now," Ranallo reports, "the Western Regional's slogan has been, 'Put a little fun in your life'—by betting horses at the 40 OTB shops in the region." Recently, the OTB promoters have been making a stronger pitch for new patrons. Ranallo relates, through "the Bet Mobile, a bus with which OTB hopes to 'educate' people in the region, show them how to 'put a little fun in their lives.'" Now, says Ranallo, OTB has "reached the sorry point where it is going into the streets—like the medicine men of yore—to solicit bettors."

Is there any reason to believe the results would be different if government-sponsored betting on team sports were introduced?

Mr. Speaker, another rational and convincing case against government-run gambling was featured in Business Week of August 4. This article makes three conclusions as a result of extensive studies in the subject field. First, the "estimates" of public officials "of the amount that people are now gambling illegally are grossly exaggerated, perhaps twentyfold." Second, legalized gambling is "an inefficient and inequitable way to raise revenue." Third, legalization "has not, and never will, cut down on organized crime as its proponents claim."

I include this article also:

THE ECONOMIC CASE AGAINST STATE-RUN GAMBLING

The overweening conceit which the greater part of men have of their own abilities is an ancient evil. . . . That the chance of gain is materially overvalued, we may learn from the universal success of lotteries.—Adam Smith (1776).

The pleasures of gambling are likely to engender a restless, feverish character, unsuited for steady work as well as for the higher and more solid pleasures of life.—Alfred Marshall (1890).

It is usually agreed that casinos should, in the public interest, be inaccessible and expensive.—John Maynard Keynes (1936).

As states and cities find themselves strapped for cash and unable to raise taxes readily, they are yielding to the temptations of legalized gambling to fill their empty coffers. Economists today may not share the moral and philosophical views of gambling that their intellectual ancestors held, but they nonetheless believe that state-run gambling is a big mistake.

The politicians obviously do not agree. In 1963, New Hampshire introduced the first legal lottery of this century, and other states soon followed. Four states initiated lotteries last year, and the Delaware lottery that began last January brought the total number of state lotteries to 13. Legislation is pending all across the country for more legalized gambling: 12 new state lotteries, casino betting in nine states, off-track betting in five states, and sports betting in three.

Last year, state and city treasuries received an estimated $400-million from government-run gambling. New York City's Off-Track Betting Corp. contributed $58-million to the city and $18-million to the state. These numbers are a minute contribution in solving the financial woes of the city and state, but say OTB President Paul Screvane, "The big revenues and the big blow to organized crime will come when we get numbers and sports betting."

Economists, who much prefer hedging to wagering, are willing to give odds that Screvane is wrong. They are hitting several points hard:

Politicians' estimates of the amount that people are now gambling illegally are grossly exaggerated, perhaps twentyfold. Thus, the net revenue to states in tapping the illegal gambling market is only a fraction of what proponents of legalization project.

Legalized gambling is an inefficient and inequitable way to raise revenues. Economists regard the money taken by a state from bettors and not returned to them in winnings as no more nor less than a tax—and a high tax at that. In lotteries, it ranges from 45% to 50% of each bet, at OTB about 20%.

Legalization has not, and never will, cut down on organized crime as its proponents claim. Economists deny the premise that cutting off profits from illegal gambling will undermine the ability of organized crime to finance other illegal activities such as narcotics and loan-sharking.

Two years ago, the Twentieth Century Fund and the Fund for the City of New York set up a task force to study legalized gambling, and its recent report carries a stinging attack on the anticrime argument. Economist Henry Rowen of Stanford University and Jess Marcum, an expert on the mathematics of gambling, served as consultants and are largely responsible for the task force's findings.

"The idea that profits from gambling are used to finance loan-sharking and narcotics is ridiculous," says Rowen. "It is based on the faulty premise that these other activities need permanent subsidies or that they entail large start-up costs and are unable to generate profits on their own." Adds Marcum: "No bookies has been hurt by the lottery, and the only one that has been put out of business by OTB has been the small-time candy store bookie—an unsavory but harmless individual."

SUPPORTING EVIDENCE

Confirmation of these views comes from the Commission on the Review of the National Policy Toward Gambling, set up under the 1970 Organized Crime Control Act. This year's first interim report of the commission concludes: "The Dept. of Justice statistics, together with some independent data, suggest that a substantial—perhaps major—share of gambling is controlled by persons only slightly, if at all, connected with organized crime."

Marcum argues that some advocates of legalization trot out the "organized crime" argument to bamboozle the electorate, much as a racetrack tout proclaims his "sure thing." He and Rowen maintain, and the data seem to support them, that the argument is a sure loser. And the public has been the big loser when it comes to lotteries, most economists contend. Says Harvard's Roger E. Brinner: "The 45% to 50% state take is much too high. And the poor are paying."

Brinner's analysis of the Massachusetts lottery shows that low-income groups spend a far higher percentage of their income to buy lottery tickets than higher-income groups do. And his finding appears to be confirmed by surveys taken in Pennsylvania, New York, and New Hampshire. Sam Rosen of the University of New Hampshire, an early critic of his state's lottery, says: "It's a very regressive tax, and it just doesn't raise much revenue." Rosen notes that operating expenses, including advertising and commissions to agents, are heavy. It costs the state an average 30¢ or so to gain $1 in set revenue from its lottery, compared with about 2¢ to collect $1 of tax revenue. Says Rosen: "If the state needs revenue, then let's have a broad-based, efficient tax, and not gimmicks."

A POOR BET

Because the state's take from each bet is so large, a lottery is clearly a very poor bet. Actuarially, a 50¢ lottery ticket is worth only about 25¢. Why, then, do people buy them? The question of why people gamble has fascinated economists since the days of Adam Smith. Most economists have concluded that the gambler was acting irrationally even when he made a fair bet—say, even money for the correct call on the toss of a coin. Following the lead of Alfred Marshall, one of the giants of economics, they theorized that this was true because of what is termed the diminishing marginal utility of money: An extra dollar gives its holder less utility, or benefit than the retention of a dollar he already possesses. Thus, even at fair odds, gambling could not be explained on economic grounds and had to be attributed to base motivations and psychological compulsions.

However, a famous 1948 article by Milton Friedman and Leonard Savage argued that, for certain income groups, notably the poor, the marginal utility of money increases rather than diminishes. Friedman and Savage said, in effect, that these groups, striving desperately to move to a higher income level, have little to lose from gambling but a lot to gain if they hit it big.

For such people, playing the lottery may not be irrational even if the game is stacked against them. For them, it seems to offer the only hope of acquiring a large lump sum of money. And it appears that state governments are exploiting that hope to the hilt. Initially, New York's advertising campaign for the lottery appealed to civic pride, stressing that the lottery was helping to finance education. Now, lottery ads simply urge people to buy a ticket so they can strike it rich.

NO GOLD MINE

The fact remains, however, that revenues from state lotteries have fallen far short of projections, in some cases by as much as 50%. And as sales have leveled off, lottery commissions are intent on finding new gambling gimmicks. New Jersey, for example, has gone to a daily lottery and has introduced a legal version of the old clandestine numbers game. Edward J. Powers, director of New Hampshire's lottery says: "The lottery has to be merchandised, promoted, and improved. It's like razor blades or detergents—you always have to come up with something new."

The hard sell by states irks Daniel Suits of Michigan State University, who is heading a major gambling study at the University of Michigan's Survey Research Center. Michigan, which has the nation's most successful lottery, provides special incentives to lottery vendors to increase sales. Supermarket checkout counters are plastered with signs that implore customers to take their change in lottery tickets. And although federal law bans lottery advertising on radio and television, Michigan's lottery bureau buys time on a Canadian TV station that can be picked up by Michigan residents. "The government has become a pusher," says Suits. "And they're not pushing fire or police protection—only dreams."

Lotteries are not the most popular form of gambling. The forms of gambling that provide more action and participation are far more popular: playing the horses, betting on sports events, the numbers game, and casino gambling. Aside from the estimated 2 million compulsive gamblers in the U.S., most people gamble because it is entertaining, say the experts.

The total amount of money that people bet illegally is in the billions of dollars—how many billions, no one knows precisely. Most estimates, cited by advocates of legalized gambling, range from $50-billion to $250-billion a year, with operators raking in $5-billion to $20-billion in net profits. But Marcum and Rowen put the total figure for wagers at only about $23-billion in 1973, with the operators netting around $1.7-billion. They concede that if all gambling was legalized, many more people would bet. But, says Rowen, "the idea there's $10-billion to $20-billion net out there that is going to illegal operators and could be going into state treasuries is nonsense."

WHICH WHEEL IN TOWN?

Most private operators give the bettor far more generous odds than a state-operated games does. In Las Vegas, the casinos retain 5.2c of every dollar wagered at a roulette table. On sports betting, the bookie's take is about the same. Slot machines pay back 75c to 95c for every dollar. Thus, if states should move onto this turf, they could not hope to get anywhere near the 45c to 50c per dollar that they get from lotteries, where they encounter no private competition.

Milton Friedman shares Adam Smith's dislike for gambling, but he also shares the master's faith in the free market, free from any form of government control. "Gambling is certainly not a meritorious taste," says Friedman, "but if people want to gamble, let them."

Friedman would legalize all betting, not by turning it into a state monopoly but rather by leaving it in the hands of the private sector. This would make gambling revenues subject to normal taxes, as well as cut down on police corruption. He argues that it is flatly wrong for a government to propagandize gambling and thus try to change people's values. Most economists do not share Friedman's libertarian views, but they do agree that governments has no business "making book."

Mr. Speaker, I ended a section of my statement before the Commission with this conclusion:

> Professional sports have been, in my opinion, highly successful enterprises in large measure because they have not been subject to the burdens of government regulation which affect nearly all other segments of our economy. Sports, by definition, rest on abilities to compete, player against player, team against team, and for a few, league against league. The maintenance of this competitiveness, arising from the aspirations of players, coaches, and teams, has been a constant forethought within professional sports. Such practices as the players draft, which allows teams which finished poorly in prior seasons to have the best selections for next season's rookies, is such a measure, and it was devised by the leagues without any assistance from government.

Mr. Speaker, I see no reason to alter that conclusion.

PRESIDENT FORD PLAYS IN PEORIA (AND PEKIN)

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. MICHEL. Mr. Speaker, during our August recess, President Ford visited the district which I represent, making two separate appearances, the first in the city of Pekin, to participate in the dedication of the Everett Dirksen Memorial Library, and the second in nearby Peoria in a public meeting. There, he answered questions from the audience and followed up on themes developed earlier in the day long session by top administration spokesmen.

It was a good visit, both for the President and for the people of my home area, and the theme that seemed to be felt by all was that here was a leader, unpretentious and unassuming, dedicated and competent, struggling with issues of amazing complexity, and making decisions in the American way.

That thought permeates the editorial comment from the local papers which analyzed the visit. At a time when the restoration of confidence in political leadership is a vital national issue, it is an important thought.

I would like, therefore, to have printed here in the Record, a number of editorials relative to the President's visit to Pekin and Peoria:

[From the Pekin Daily Times, Aug. 16, 1975]

The Editor's Letter

(By F. F. McNaughton)

It will be an unforgettable memory to have a President of the United States come to Pekin; and twice in so short a time!

Gerald Ford and Everett Dirksen were fast friends. Senator Dirksen, now deceased, would have been proud to see Gerald Ford come to Pekin as A President.

Of course, I remember Dirksen as a city councilman.

Then his first run for Congress, and losing. But he won the next time.

In my office, I have an enlarged picture of Dirksen and myself; both, that day, were making talks for O. J. Sommer at the Sommer Bros. Seed Company. We were standing by the seed cord samples.

Next, Everett took a trip to Europe, and widened his views. And from that, Everett McKinley Dirksen became a statesman.

Gerald Ford has just taken a trip thru Europe. He has been there before, but this time, he took a swing thru the nations that Russia has tied to them—the satellite nations.

President Ford is growing.

[From the Peoria Journal Star, Aug. 19, 1975]

The Reason for the Visit

(By C. L. Dancey)

In all the fuss and feathers of a presidential visit it may be a bit too easy for many to forget what it is all about in the first place—the dedication of the Dirksen library's congressional leadership research center at Pekin.

And in the crowded conditions of a presidential visit, many folks will not see that portion of the library and those who do will not get a chance to fully appreciate it.

That's too bad, too, because wholly aside from the uses of the facility for scholarship, the display design has much to offer all citizens.

It consists largely of mural-size photography from the life of the late Sen. Everett M. Dirksen with "captions" in easy to read letters, largely chosen for "flavor."

The result is not only a visual presentation of one man's amazing career and personal growth but an exceptionally vivid and crisp presentation of a half century or more of American life.

From the childhood pictures, the high school football team, to the handsome young soldier of World War I, through the "baker boy" to the political career you can almost see the man grow—but you can also see a background that is the panorama of a changing age.

The designers, Jack Hackler and associates, caught the flavor in both picture selection and the shrewdly chosen bits of information that go along with them—like Dirksen's high school annual which "diagnosed" the diseases and cures of each senior. (Dirksen's diagnosis: "Big Worditis". His cure? None. It was pronounced incurable. And so it was.)

How times change and yet are the same comes through also in the student poll on "the worst youth problem of our time" in 1940. Top poll result: "acne."

Let me just put it this way.

I would be an especially sharp-eyed critic of any effort to portray the career of Everett M. Dirksen, simply because as a newspaperman over the same span in the same town, I covered so much of it.

I covered, as a reporter, many early congressional campaign speeches and interviews. I was the reporter who covered his tearful (and now famous) announcement of retiring from politics for health reasons. I was in Washington waiting with key Dirksen staffers and Mrs. Dirksen while the private caucus took place in which he was first chosen Senate minority leader after a hard fight with Rogers Morton.

My favorite such memory, aside from some frank education about politics and parliamentary maneuver in his back office, was not the convention speech where he pointed his finger at Dewey and thundered: "You led us down the road to defeat once before!"

My favorite was the time in a noisy and disorderly presidential convention in Chicago when he took the podium, simply picked up a glass of water, and leisurely drank it—taking something like five minutes. The TV cameras were on him close up and thousands of people surrounded the dais, and he just stood there and calmly drank the glass, very slowly. I forget how many tens of thousands of dollars worth of coast-to-coast all-three-networks time he used to drink one glass of water before saying a word—but when he spoke they were ready to listen, as was the previously disorderly floor of the convention, itself.

That's cool.

It seemed to me that Everett Dirksen was a bright young man who worked incredibly hard—with joy—all his life, always learning, and never forgetting anything. He got smarter every passing day. He grew all his life.

It's easier to ridicule, disagree, and put down Big Time politicians, especially, but the truth is that unless you are willing to work and learn and use experence day by day by day as they do, you'd better not try to compete.

I saw John F. Kennedy, whom nobody would accuse of not being bright, learn something about that the hard way when he was a youngish senator—and Dirksen taught him the lesson. He maneuvered him into a hopeless position, and then shot him down on a major piece of legislation that was Kennedy's baby.

(And I saw the warmth between the same two men a few years later when Kennedy was president. He was a learner, too.)

You have to be as bright as those fellows, have accumulated all the unforgotten lessons of as much varied experience as they, and work your head off, unceasingly, to really keep up with them. Because that's what they do.

Not many of us are willing.

We'd rather take it easier—and scoff.

And you get an idea of the breadth of that experience, the amazingly "changing times" of the historic period, and the continuing active participation—and growth—of Dirksen from the Hackler design.

Many who go to this dedication would find profit in returning at some later date to take a good look at the facility which is the focus for it all when they have more time and less crowd.

It's worth spending some time on.

[From the Peoria Journal Star, Aug. 20, 1975]

Ford Is a New Model

(By C. L. Dancey)

Two things about the President's visit particularly interested me: the flavor of the administration as reflected in members of it, observers of it, and co-workers of it, and the direct comparison of this Presidential visit to the same street corner in Pekin, Ill., to the like visit of the former President.

At the dedication, President Ford spoke with a unique mixture of natural modesty and confidence—neither of which personal and human qualities his predecessor was able to achieve.

Over all, from beginning to end, the gathering in Pekin was good humored and relaxed on this occasion, and when the President arrived he fitted into that atmosphere as comfortably as an old shoe.

He talked and acted like an old friend of Senator Dirksen's and the family and friends on the podium—among friends. There was no pretension and neither was he patronizing. He didn't "stop his galluses" nor "put on side."

There was a natural modesty about him and certainly in his words as he spoke of being the junior partner in the Ev and Gerry show.

President Ford was not intense about anything. He gave the impression of a fellow trying to do a job, and figuring that he's prepared to do it as good as anybody can.

There was no sign of a political "act."

Ford was just—himself.

You never had that impression of Richard Nixon in front of a crowd. There was strain in him when he was most affable, and a great intensity in him when he was trying to make a point.

It showed in his people. The difference shows in Ford's people, too. They are outspoken.

What also shows is that there is not only an "open presidency" but that this example helps bring about an "open administration" in a very vital way. That is, they talk to each other.

It has been so easy for the vast federal establishment to pursue parochial "good ideas" each in its own separate compartment or jurisdiction—with no regard or interest in how it might affect other key policies, practices or interests.

Costly projects working at cross purposes, in fact, and incredible—seemingly insane—contradictions in government activities have come to be the mark of the federal government.

Much of it stems from a similar, catch as catch can approach in Congress, with each "category" pursued independently of others—and no sane, coordinate policy—but if an administration can't coordinate how can Congress be expected to?

It's apparent from talking to three levels of people involved and such close observers as Sen. Percy that Ford's people talk to each other and try to make some coordinate sense out of what each is doing in his special field, and that they all talk as well to members of Congress. (They don't tell you this, but they can't discuss matters without reference to this or that intercommunication regarding it!)

Communication has not just been opened between Congress and the President, but the lines have been opened throughout the administration, between the branches, and with the President and with the Congress.

That is the most hopeful development in the federal establishment in many a year.

It may be more a product of the Watergate episode than of any current "engineering", but clearly it is a style that fits President Gerald Ford to a tee.

And that—as they say—"couldn't hurt."

[From the Peoria Journal Star, Aug. 20, 1975]

Ford's Peoria Dialogue

(By Tim Pugh)

President Gerald Ford was no ham in Peoria yesterday. There was none of the over-acting which might have been expected from a man who was obviously "playing in Peoria" as a prelude to a run for the presidency next year.

Ford's appearance at the Peoria Hilton to close his "presidential town hall meeting" was low key—almost flat compared to the way Earl Butz had kicked the thing off.

The President said he came to Peoria "not just to be heard but to look, listen and learn," and that seemed to be exactly what happened.

Neither he nor any of his top administrators who were on stage all day long before he arrived said anything very new, but all of them must have left with a real sense of what is on the minds of the people of Central Illinois who "had at them" in a way few Americans have ever been able to talk to our leaders in Washington.

Ford himself said he was "certain this conference will be long-remembered in the history of verbal communication". I hope he is more correct about that than Abraham Lincoln was when he said men would not long remember what he said at Gettysburg, because Ford's Peoria Dialogue is the kind of thing this country has always needed.

It is simply extraordinary for a President and his top cabinet officials to stand up before anybody who wanted to come and try to field their questions—loaded or not—for a whole day.

The wonder is that a lot of people didn't go away mad. Even the battler Butz and the equally combative labor leaders who tried to face him down seemed to end up understanding each other a little better.

Understanding is really what the whole affair was about. And the fact that the NAACP's John Gwynn couldn't get Ford to change his position on "busing" doesn't mean the President didn't gain some more insight about this problem which so bugs black people.

Ford and people from Washington heard an awful lot about the things that bug different people out this way. And we had a face-to-face opportunity to listen to their ideas about how they hope to solve a lot of these problems.

That's the way America was always supposed to work, and it sure feels good to see it really beginning to work that way.

[From the Peoria Journal Star, Aug. 21, 1975]

The Cool Grass Roots

(By C. L. Dancey)

To appreciate whether this visit here was useful to the national administration or not, one has to consider what the standard conditions of their life and operations are back in Washington.

And to appreciate the "coverage," you have to consider the standard conditions of the Washington press, too.

Although the visitations seem ever closer and closer together, it was certainly clear that, by and large, Pekin and Peoria have not become blase about presidents of the U.S.

The press corps in Washington has—but they are uniquely situated, and may not appreciate the extent to which this divorces them from the other 241,000,000 Americans whose connection is far more "normal."

It may be fashionable to be blase among the "radical chic" and in cafe society and among what we call celebrities in 1975—which is anybody who gets his name in the papers or his face on TV nationally, whether as a buffoon, a criminal, or for real accomplishment.

But it is still not the climate of the vast grass roots of this nation, and it could be a needed breath of fresh air to those people even for a day to perceive the difference.

The same problems confronted them here, and the same pluralism in approach to our many problems, surely. But the atmosphere is very different in many ways.

Washington is so high that the issues, data, and mental calculations in which they engage can get to seem abstract—without roots—like a classroom exercise.

Relevance is an important aid in classroom exercises if it can be achieved, and it is even more important in the climate of decision making. It is a real world and real people whose lives are involved, and largely action-oriented people dealing in direct things not the thin and brittle layer of Word People and Idea People to which the concentration at government level is heavily exposed.

That came through unless these people are completely insensitive, and there was every indication that they are not.

Also, remember, Washington is a "kook magnet," and it is hard to imagine anybody as well-known as the President speaking on a street corner in Washington—or any big city—without a special outpouring of the screwballs and special interests and "activists" against everything.

They probably, in fact, get a false impression in these parts that in some curious fashion we don't have so many of the "street theater" types.

We do. We have our full share. But in a Pekin or a Peoria, the size is such that a realistic proportion can be recognized, whereas in the giant cities their same proportions submit to extra visibility. They make themselves look like a much bigger part of the population than they are.

If it seemed exaggerated the other way here, that's probably just as well. It could counter-balance the excessive appearances and presence in Washington—and New York, etc. It could give some notion of the truth that there are still an awful lot of "normal" people with normal concerns and healthy attitudes toward life itself.

There were fewer real "hangups" visible here, in short.

There is a massive difference between questions and problems approached as questions and problems—instead of dealt with as matters for religious fervor or rabid emotionalism.

Regardless of weather, Pekin, Peoria, Des Moines, and even Minneapolis must have seemed like dealing with "cool" people instead of hotheads and crackpots; people whose concern is real but not phychotic.

That's a pretty important reminder for them to take back to Washington with them.

SOMETHING'S SIZZLING ON CATFISH HILL

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. PICKLE. Mr. Speaker, surely one of the real pleasures in life is eating fried catfish. And nowhere in the world is that dish prepared any better than by my good friend, Clarence Washington.

Mr. Washington operates Catfish Hill Restaurant in the tiny hamlet near Garfield, Tex., just out of Austin and beyond Bergstrom Air Base. I had the distinct pleasure of enjoying his fare during the August recess.

Clarence Washington is a genuine entrepreneur. At the time when many are looking toward retirement, Clarence started anew and took up catfish farming and became a successful restaurateur with the help of a local bank and the Farmer's Home Administration.

Mr. Washington is ably assisted in all duties by his wife and delightful family.

Texas Parade magazine recently did an excellent feature on Mr. Washington which I would like to insert in the RECORD. Catfish farming is more than a supplemental income matter for many farmers. This article tells how one man has tried to do his best. The article follows:

Something's Sizzling on Catfish Hill

(By Lin Sutherland)

It's a pleasure to drive just east of Austin on a late spring day. Everything shows promise of fertility and renewal. The mesquites wave their delicate green tendrils and Hereford cattle rest among firewheels and Indian paintbrush. Onion Creek rushes with clear water from recent rains. What a pleasure to drive through this fresh, rolling country, to see the horses romp and watch the spring calves scamper behind their mothers. What a pleasure to know I'm about to taste what is reputed to be the world's best catfish.

One mile past Garfield I come to a sign: "Catfish Hill Restaurant and Fish Farm." An arrow directs me south onto a roughly paved road. I follow the road past two peeling wooden houses, a bridge, more wildflowers and two scissortails clutching the top wire of a fence. At the entrance to Catfish Hill I spot a sign decorated with a two-and-a-half foot long blue channel cat: "Open Every Day Except Tuesday—12 noon to 10 p.m. Fresh Eggs." Around a bend to the top of a rise and there stands Clarence Washington. He wears a felt rancher's hat, blue shirt and khakis, and is surrounded by 3 dogs and 150 chickens. He is tall and loose, has one gold tooth, and is colored the deep brown of a much-polished piece of leather. He is 62, and despite the jowls that puff just behind his high cheekbones, he looks 10 years younger.

We drive a rutted dirt road from the house, past the barns and more chickens, top out on a hill and approach Washington's restaurant. It is one story brick (built by Washington, himself), and it overlooks his 213 acres and 16 rainwater tanks that hold more than 50,000 catfish. A stone path connects the restaurant and a shed that houses a cement tank about eight feet long. Inside, dark, speckled catfish cruise the water. They're big—half the length of a grown man's arm—and their whiskers and bug eyes occasionally break the surface of the shallow water.

"People come from all over to eat my catfish," Washington says. "There's more people from Louisiana come here than regular Texans, 'cause they know what farm-raised fish is all about. Some folks come here to eat this fish four days in a row. It ain't goin' to hurt 'em none. My fish ain't like anybody else's. My fish are the best in the world.

"Anyone can raise fish," he continues, "but the flavor isn't just in the raisin", its in the water. A fish is 90 per cent water. Nowadays you take a fish out of a polluted river like the Colorado, and your hands stink for two days after cleanin' him. And when you fry him up, he tastes like mud. Them river cat are trash fish: they eat trash all their lives and when you eat them, you eat trash.

Clarence Washington has been a catfish connoisseur since he was a kid in 1924 and used to fish the mudholes on Sandy Creek, near Elgin, Texas. "I used to catch those fish outa Sandy Creek and put 'em in a bucket and feed 'em cornbread. I've always liked messin' around with fish. In 1962, when I bought this place, there was one fish tank on it. But those fish in that tank were better than any I'd ever fished before."

Washington at first tried to farm his 213 acres, but that proved unsuccessful. He couldn't figure why his crops kept failing until he attended a catfish farming seminar in Austin. One speaker, a soil conservation expert, stressed that catfish not only reflect the flavor of the water in which they were raised, but also the soil. The best catfish farming soil, the expert said, was alkaline clay: rotten for crops, but great for catfish. Washington's hill, it turned out, was exactly that—layer upon layer of alkaline clay and crystal salt.

After receiving instructions in catfish sexing, Washington caught three female and two male catfish on his trot line and put them in a tank of rainwater. From March til June he fed them catfish chow. In June, he recalls, "I sat down beside the bank, crumbled up some soda crackers and spread them out over the water.... You never seen the likes of eyes and whiskers. It looked like you could walk on 'em."

In the next three years he dug 11 more tanks, bought a $10,000 dump and installed aerators. "At first I thought I'd sell my fish to fish markets," he says, "but the cost for feed alone is 30 cents per pound of fish, and the fish markets don't offer you no more'n 37 cents a pound, gutted and gilled. That's a 40 per cent waste of fish and a seven cent profit. A man wouldn't even break even. I was compelled to build a restaurant, you see, I had no choice. But it worked out alright, and now I don't have any competition anywhere in Texas. Even if a catfish restaurant opened up right down the road I still wouldn't have any competition anywhere in Texas. I still wouldn't have any competition 'cause I got the best combination—rain water and this sorry ol' alkaline soil. Nature put this clay hill out here and it was up to me to find out what it was good for."

We walk to the restaurant. It's afternoon, and except for us, the place is empty. Washington built the restaurant himself: one huge room, high ceilings, lots of windows. The tables are covered with white cloths and a breeze blows through the brown-checked curtains. Through the screen door I see valleys and ponds. The only sounds are birds and cicadas. On the wood-panelled wall hangs a photograph of Texas Congressman Jake Pickle greedily eyeing a plate brimming with fried catfish. Washington walks to the door of his restaurant and looks at his valley. "You know, nature provides. Long as I got wind, I got oxygen for my catfish. And rainwater—it's like nothing else. It's sweet. It's perfect water.

"All my life," he continues, still staring out the door, "I wanted to own enough land to make a living on. I quit school when I was 13 and I been farmin' all my life. Had eight kids and I just wanted to build a homestead for them." He pauses, then chuckles and nearly shouts: "Hey, you gotta taste some of this fish I've been talking about. You can't just talk about my fish. You gotta eat 'em."

I follow him into a tiny kitchen that gleams with stainless steel. He reaches into the refrigerator and takes out one of the 30-odd catfish he had dressed earlier in the morning. To maintain absolute freshness, he dresses only what he expects to sell that day. "One to one-and-a-half pounds is eatin' size," he says as he dips the fish into the meal. "That's about eight to 10 ounces dressed. How much salt you like?" Washington drops the fish into a deep fryer and the aroma is so delicious I have to sit down to savour it. But that's not catfish I'm smelling. Clarence Washington's catfish don't have any smell, only those trashy catfish from the river smell. The aroma I'm enjoying comes from the batter—milk, eggs and cracker crumbs—sizzling in peanut oil.

Washington brings me a big oval plate overflowing with the fish, crispy gold hush-puppies, french fries, cole slaw and salad. "Now you just hold here," he says, "and pinch right here and pull . . ." the meat falls away from the bone, milky white and glistening with moisture. Those hush puppies are just all right, too. I eat. I don't talk. Washington sits beside me and smiles and watches, understanding completely that conversation has taken a decidedly inferior position. He brings me ketsup and tartar sauce. I ignore them and use just a drop of juice from a lemon. The fish is good. Sweet. Clean-tasting.

As I near the bottom of my plate Washington begins again to speak of Catfish Hill. He lets people fish from his big tank, he says, but restricts the catfish catch. He must be careful not to deplete his own supply. Catfish do most of their growing from May to October and have little interest in food or breeding during the winter months. In the summer he feeds his fish three percent of their body weight a day.

"Last year," he says, "I had a real setback. It rained and rained and my reservoir tank overflowed. I lost 7,000 fish. It flooded and nature took those fish. Well," he says, pausing for a suitable philosophical emphasis, "at least nature didn't take me."

After I glean the last remnants of meat from the bones and briefly consider eating the crispy tail, Washington stands and we walk down the hill to the fish tank with 150 chickens following hopefully. He throws a canful of fish chow into the water. It begins to wave and boil with feeding fish.

"Me and Mama Washington been running this place by ourselves for a long time," he says. "We do all the cleanin,' dressin', cookin' and servin'. I think I'm gonna have to start lookin' for someone to help us out some.

"We don't do no advertising, you know. I sell beer, too, but I don't put that on my sign. I like it the way it is—no bad actors, no rowdies. My place is off the road on purpose. It's a quiet place, a family place. Besides, the people who eat my fish are my best advertising. People come from all over the country, sayin' somebody else told them I served the best catfish in the world. Why just the other day Congressman Jake Pickle wrote me this letter, 'Clarence Washington,' he says, 'one thing I hate about living in Washington is that I can't get no Washington catfish.' "

No doubt about it. Clarence Washington serves what's got to be the best catfish in the world.

A BAPTIST VIEW OF DEMOCRACY

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. COLLINS of Texas. Mr. Speaker, in the Baptist Church folks speak up on every subject. In my Berean Bible Class at the Park Cities Baptist Church in Dallas, we had an inspiring lesson by Dr. E. N. Jones of the Dallas Baptist College. You will agree with most of the highlights of his message:

"Scriptural basis is found in Proverbs 4:1–5, 8:35–36; 22:6; and 31:25–29. The old adage, 'the hand that rocks the cradle rules the world' comes to mind."

Children need parents for guidance and direction in laying that good foundation. To be nurtured in reverence and love toward God provides a developing child with a treasure more valuable during his lifetime than gold or silver.

In the light of today's leniency in child rearing the Scriptures make a surprising suggestion as to how this nurture and guidance are to be administered. Proverbs 13:24 states:

> He that spareth the rod hateth his son.

The revised version chooses different words:

> If you don't punish your child you don't love him. If you love him you will correct him.

Recently someone sent me a clipping from a newspaper in Steubenville, Ohio, quoting a statement made more than 200 years ago by a British historian, Professor Alexander Tyler:

> A democracy cannot exist as a permanent form of government. It can only exist until the voters discover that they can vote themselves largess from the public treasury. From that moment on, the majority always votes for the candidates promising the most benefits from the public treasury with the result that a democracy always collapses over loose fiscal policy, always followed by a dictatorship. The average age of the world's greatest civilizations has been 200 years.

Here is what James S. Kemper, president of Kemper Insurance Cos., says on the American destiny:

> The current signs are not good. Twenty years ago the United States stood alone and unchallenged as the richest and most powerful nation on earth. The average citizen of this country was the envy of the world, with more personal freedom and more material possessions than had ever been dreamed possible. Today the average citizen is frustrated, disillusioned and angry at all of the institutions which he perceives as controlling the destiny of the nation, and we are relinquish-

ing our position as Number One in power and influence.

The key measurement of economic health is the productivity of the system. For decades the United States was the most productive nation in the world. But in the period between 1960 and 1973, among the seven largest industrial nations of the Western world we had the lowest average annual rate of growth in productivity. At the same time, and as a direct cause, we had the lowest rate of capital formation among all of those countries except Great Britain. We have apparently lost the economic discipline to invest enough of our gross national product in the capital goods and technology which would enable us to increase our productivity at a rate sufficient to maintain the economic standards of our society. Where has the money gone?

One of the most disturbing aspects of our economic picture is that much of the press, and those politicians who look for highly visible and politically vulnerable targets, find it profitable to attack corporate management and to make business the scapegoat for economic problems. Of course business needs to be regulated; its activities require surveillance in the public interest, as do those of labor unions and even consumer organizations; but it is a disservice to the national welfare and the welfare of the average citizen to deliberately create distrust of the corporate system.

But somehow we must find a way to impose upon ourselves the kind of voluntary discipline and respect for priorities. Approaching our 200th anniversary, we have a clear choice—to confirm the predictions of those who say a democracy cannot survive for longer than 200 years, or to renew and reaffirm the national will to carry our destiny as the leader of a free and better world.

Does it not appear that we in America need:

First. To take more seriously the rearing of our children, and

Second. Be on the alert constantly to identify subtle pro-Communist propaganda in the respected American media?

THE STRASBURG, VA., NORTHERN VIRGINIA DAILY SUPPORTS H.R. 3249, THE FINANCIAL DISCLOSURE ACT

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. KASTENMEIER. Mr. Speaker, I wish to call to the attention of my colleagues the editorial in the May 31, 1975, Northern Virginia Daily, of Strasburg, Va., which endorses H.R. 3249, the Financial Disclosure Act:

FULL DISCLOSURE

Common Cause, which keeps track of such things, is responsible for this report of the present status of the pending bills calling for financial disclosure for public officials, aptly referred to as the "glass pockets" bills.

The Senate has twice passed such legislation, but on each occasion the bills have fallen victim to House reluctance to go along.

House Bill No. 3249 and Senate Bill No. 181 are currently before these two bodies. In actions on previous tries to get similar legislation on the books, 350 senators and representatives are on record as favoring such legislation.

The proposed bills would require all elected officials, candidates for federal offices, and persons in government making more than $25,000 annually or enjoying a job grade level of GS16, and generals and admirals, to file comprehensive disclosure statements. Members of the immediate families of the above would also be covered by the requirement.

The reason for the clamor for disclosure by public officials is too well known to require detailed explanation. Suffice it to say it's a sad commentary on the tenor of our times that a recent poll by the Republican National Committee showed that 64 percent of the 2,000 persons surveyed believed that "government officials run the government for the benefit of a few special interests, not for the common good."

There are many arguments against requiring public officials to bare their souls, but these are usually most forcibly advanced by those who would be most directly affected—public officials themselves. But, we have never seen a single argument against disclosure which was as convincing as the always present danger that public officials could be caught in a genuine conflict between the possibility of private gain and their duty to serve the public interest.

In matters of this kind the paramount issue—the public good—must eventually prevail. The public good obviously requires elimination of conflicts of interest by officials.

Since we cannot depend upon individual officials to assert individual responsibility in this matter, a broad legislative requirement for full disclosure is the only answer.

EQUALITY VERSUS FREEDOM

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. MICHEL. Mr. Speaker, one of the difficult issues in a democracy is the rationalization of the desire for equality and freedom at the same time. The two are in large part mutually exclusive, and a democratic government must, if it is to mean anything, somehow strike a balance between them.

Recent history suggests that it is the egalitarian theme that predominates the thinking of most modern political leaders, who appear, in my view, to have misread Jefferson's statement that "all men are created equal," into a demand that all men be made equal by government action.

Men are created equal, but from the moment of that creation, they begin becoming unequal. It is, therefore, only by coercion that they may be subsequently equalized. That is the goal of theoretical communism, but the American system has been based on the attainment of equality that is merely proximate, and where freedom, the freedom to be different, is preserved as a goal.

But the times are difficult for freedom, and so I think we need to be reminded of its importance. An excellent essay on the subject appeared recently in the Peoria Journal Star, written by its erudite editor, C. L. Dancey. It is an important statement, and so I would like to have it printed here in the RECORD, as food for thought for my colleagues:

WHITHER ARE WE GOING?

"What sort of despotism democratic nations have to fear" was a question probed by the famous Alexis de Tocqueville in the early eighteen hundreds when he wrote his massive work on American democracy.

The Frenchman found America to be vibrant, energetic, and massively productive but he also had a vision of where it might end up pursuing some of its "ideals" farther and farther. His vision of the future:

"Over this race of men stands an immense and tutelary power, which takes upon itself alone to secure their gratifications and to watch over their fate. That power is absolute, minute, regular, provident and mild. . . . For their happiness such a government willingly labors, but it chooses to be the sole agent and the only arbiter of that happiness; it provides for their security, foresees and supplies their necessities, facilitates their pleasures, manages their principal concerns, directs their industry, regulates the descent of property, and subdivides their inheritances.

"Thus it everyday renders the exercise of the free agency of man less useful and less frequent; it circumscribes the will . . .

"The principle of equality has prepared men for these things; it has predisposed men to endure them and often to look on them as benefits. . .

"It covers the surface of society with a network of small, complicated rules, minute and uniform, through which the most original minds and the most energetic characters cannot penetrate, to rise above the crowd. The will of man is not shattered, but softened, bent, and guided; men are seldom forced by it to act, but they are constantly restrained from acting.

"Such a power does not destroy; it does not tyrannize, but it compresses, enervates, extinguishes and stupefies a people, till . . . reduced to nothing better than a flock of animals of which government is the shepherd."

James Madison said it simpler when he commented that the one trouble with democracy was that when people discovered they could put their hand in the other fellow's pocket by their use of it, the fabric of functional society would be systematically destroyed because they would constantly "find good reasons" to do so.

Will Durant has pointed out, based on his life-long study of the rise and fall of civilization and the whole story of man, that freedom and equality are opposing principles, since equality is not the state of nature and requires more and more artificialization and coercion; man tends to prize freedom when he has equality, and to prize equality when he has freedom; hence, societies surge away from one and toward the other, until their very "success" becomes oppressive.

The grass is always greener.

And Caspar Weinberger, leaving office as secretary of health, education and welfare in 1975, warns us that growing government and its "good causes" inevitably gobbles up more and more of our freedoms so that it now becomes clear that ever bigger government is the biggest threat to American society that exists.

The test before us is whether mankind just swims with the tide and reacts to events or whether man can think and save himself from what seems like destiny.

The danger is that it may be we can only use our brains to support by rationalization our desires—and hence we really are the slaves of destiny.

If that is true, we will never face up to the larger picture, the sum total of accumulated projects, and thereby go blandly down the road that de Tocqueville envisioned, that Madison feared, that Durant generalized as standard procedure, and that Weinberger has warned us against.

PERSONAL EXPLANATION

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. SOLARZ. Mr. Speaker, from August 30 through September 3 I was in Cuba on an official factfinding mission, as a member of the House International Relations Committee, to explore conditions which might lead to a possible termination of the current blockade and a resumption of relations between the two nations. Because of the existing blockade it was necessary to return to the United States via Jamaica and I did not arrive in Washington on Thursday until after the House had concluded its business. Had I been present on Wednesday and Thursday I would have voted in the following manner:

SEPTEMBER 3

Rollcall No. 490—Rousselot amendment to the Intergovernmental Personnel Act—H.R. 4415—striking section providing for a 75–25 percent ratio of Federal-State contributions for IPA grants—"nay."

Rollcall No. 491—Rousselot amendment to the Intergovernmental Personnel Act—H.R. 4415—to strike section pertaining to participation of employee organizations—"nay."

SEPTEMBER 4

Rollcall No. 493—adoption of House Resolution 524 to consider the National Emergencies Act—H.R. 3884—"yea."

Rollcall No. 494—passage of the National Emergencies Act—H.R. 3884—"yea."

TWENTY-FOUR MILLIONAIRES PAID NO FEDERAL INCOME TAX

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. VANIK. Mr. Speaker, the IRS just released the "Preliminary Statistics of Income for Individuals for Tax Year 1973." This document will prove to be very useful to the Ways and Means Committee which is currently considering tax reform.

The table on page 5 shows that in 1973, there were 24 individuals with adjusted gross income of over $1 million who paid no Federal income tax. Seven of these individuals had a total AGI of $17,783,000—or an average of $2.54 million apiece—for which they did not have returns with taxable income. There were also 17 millionaires who avoided any tax after calculating their tax deductions and credits. Thus, a total of 24 individuals with an adjusted gross income of $1 million and over paid no Federal income tax.

There were 54 individuals with adjusted gross incomes of between half a million and $1 million who paid no Federal income tax.

There were 292 individuals with adjusted gross income of between $200,000 and $500,000 who paid no individual income tax.

Mr. Speaker, this is only the tip of the iceberg. There are many wealthy individuals who only pay a few dollars in tax and thus are not included in this "no-tax" list.

The Congress must devise a more equitable tax system to insure that all Americans bear some proper support of their Nation's activities.

NATURAL GAS EMERGENCY ACT OF 1975

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. DINGELL. Mr. Speaker, today I am introducing on behalf of myself and my colleague, the chairman of the Interstate and Foreign Commerce Committee (Mr. STAGGERS), a bill entitled "The Natural Gas Emergency Act of 1975." Companion legislation is simultaneously being introduced in the Senate by Senators HOLLINGS, GLENN, and TALMADGE.

The purpose of this bill is to deal with the critical shortages of natural gas which threaten to create severe unemployment in many sections of the Nation served by the interstate pipeline system. The bill is not intended as a permanent response to our ongoing natural gas problem. It is intended only as an emergency response to an impending crisis.

The purpose of the bill is to establish temporary emergency authorities for minimizing the detrimental effects on employment; food production; and public health, safety, and welfare caused by natural gas supply shortages.

The bill would designate as priority purchasers those interstate pipelines which cannot meet the requirements of natural gas users who do not have access to alternative fuels and whose supply requirements must be met in order to avoid substantial unemployment or impairment of food production or the public health, safety, or welfare. Priority purchasers are granted priority access to all new gas supplies produced from the Outer Continental Shelf. The price of this gas would not be affected by the bill.

In addition the bill would require the Federal Power Commission to establish area rates for all new natural gas produced onshore. These rates would be based upon the average sales price for sales made in intrastate commerce during the month of August 1975. Sales of new onshore natural gas in interstate or intrastate commerce could not exceed the applicable area rate. Priority interstate purchasers are granted access to this gas and may pay the applicable area rate.

The bill does not disturb the right of purchasers to purchase gas in intrastate commerce. Moreover, by freezing intrastate gas prices, the bill protects intrastate purchasers from the increase in demand which will result from granting priority interstate purchasers access to gas which had previously been reserved for the intrastate market.

Additional provisions of this bill: Grant priority to agricultural uses of natural gas essential for maintenance of food production; prohibit use of natural gas as a boiler fuel by powerplants where alternative fuels or alternative power supplies are available; require production of natural gas producing properties at their maximum efficient rates and, where production may be sustained for a short period at a rate in excess of the maximum efficient rate without damage to the reservoir, require production at such higher rate; and authorize interconnections between pipelines to carry out the purposes of the act.

Stiff enforcement and penalty provisions as well as a grant of supplemental rulemaking authority to the FPC round out the bill.

The text of the bill follows:

H.R. 9464

A bill to assure the availability of adequate supplies of natural gas during the period ending June 30, 1976

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Natural Gas Emergency Act of 1975".

PURPOSES

Sec. 2. The purposes of this Act are to establish temporary emergency authorities for minimizing the detrimental effects on employment, food production, and public health, safety, and welfare caused by natural gas supply shortages.

DEFINITIONS

Sec. 3. As used in this Act—

(1) The term "Administrator" means the Administrator of the Federal Energy Administration.

(2) The term "Commission" means the Federal Power Commission;

(3) The term "essential user" means a user or class of user who satisfies criteria to be established by the Commission, by rule, as indicative of a user for which no alternative fuel is reasonably available and whose supply requirements must be met in order to avoid substantial unemployment or impairment of food production or the public health, safety, or welfare.

(4) The term "Federal lands" means any land or subsurface area within the United States which is owned or controlled by the Federal Government or with respect to which the Federal Government has authority, directly or indirectly, to explore for, develop, and produce natural gas, including any land or subsurface area located on the Outer Continental Shelf.

(5) The term "interstate commerce" means commerce between points within the same State not through any place outside thereof.

(6) The term "interstate commerce" has the same meaning as such term has in section 2(7) of the Natural Gas Act (15 U.S.C. 717a(7)).

(7) The term "Outer Continental Shelf" has the same meaning as such term has in section 2(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1331(a)).

(8) The term "new natural gas" means natural gas which was not, prior to September 9, 1975, committed by contract to interstate or intrastate commerce and any natural gas committed by contract to intrastate commerce which contract, on or after September 9, 1975, terminates and is not renewed.

(9) The term "person" includes any governmental entity.

(10) The term "pipeline" means a person engaged in the transportation by pipeline of natural gas.

(11) The term "priority interstate purchaser" means any interstate pipeline (or a person acting on behalf of an interstate pipeline) which the Commission, taking into account any existing curtailment plan of such pipeline and the natural gas supplies available to such pipeline, determines is, to a significant extent, unlikely to obtain supplies of natural gas adequate to meet the requirements of essential users under any agreement (without regard to whether such agreement is for interruptible or firm service) to supply natural gas to such user by:

(A) such pipeline; or

(B) a person to which such pipeline supplies natural gas for purposes of resale.

(12) The term "supply emergency period" means the period, or any part thereof, which begins on the date of enactment of this Act and ends on July 1, 1976.

ACCESS BY PRIORITY INTERSTATE PURCHASERS TO NATURAL GAS

SEC. 4. (a) (1) The Commission shall, not later than the end of the fifteen-day period which begins on the date of enactment of this Act, and shall as necessary throughout the supply emergency period, upon petition or upon its own motion, designate priority interstate purchasers.

(b) The Commission shall, by rule, not later than the end of the fifteen-day period which begins on the date of enactment of this Act, establish an area ceiling price applicable to any first sale of new natural gas (except first sales of new natural gas produced from lands located on the Outer Continental Shelf) for each area in the United States in which natural gas is produced. The Commission shall designate areas to which such ceiling prices shall apply. Such ceiling price shall, to the maximum extent practicable, approximate the average sales price, as determined by the Commission, for contracts entered into or renewed during the period from August 1, 1975, through August 31, 1975, for natural gas produced in the area and sold in intrastate commerce.

(c) No producer may charge and no purchaser may pay a price for the first sale of new natural gas occurring after September 8, 1975, which price exceeds the applicable area ceiling price established by the Commission.

(d) Any new natural gas produced from lands located on the Outer Continental Shelf shall be sold in interstate commerce.

(e) (1) No new natural gas produced from lands located on the Outer Continental Shelf may be sold in interstate commerce unless—

(A) the purchaser has been designated by the Commission as a priority interstate purchaser; or

(B) The producer has filed a notice of a proposal to sell new natural gas (whether in the form of an offer to sell or a proposed contract to sell such gas) with the Commission at least fifteen days prior to sale.

(2) The Commission shall, by rule, prohibit the sale in interstate commerce from lands located on the Outer Continental Shelf of any new natural gas to any person other than a priority interstate purchaser if, within the fifteen-day period specified in paragraph (1) (B), a priority interstate purchaser offers to purchase such new natural gas under terms and conditions which the Commission determines are substantially similar to or identical with the terms or conditions of such proposal to sell to which the notice prescribed by subparagraph (B) pertains.

(3) Paragraph (2) of this subsection shall not apply to sales of new natural gas by a producer to a pipeline in the case of an advance payment financing arrangement between such producer and such pipeline entered into prior to September 9, 1975, whereby such pipeline has been granted a right of first refusal, option or other priority claim to natural gas produced from a property as consideration for advance payments made to such producer to finance exploration or development.

(f) (1) Any priority interstate purchaser may purchase new natural gas produced from lands located other than on the Outer Continental Shelf, provided the price of the first sale of such new natural gas does not exceed the applicable area ceiling price established by the Commission pursuant to subsection (b) of this section. Any such first sale price shall be deemed just and reasonable for purposes of section 4 of the Natural Gas Act and any such sale to a priority interstate purchaser shall not require certification under section 7 of such Act.

(g) If the Commission determines that natural gas could have been produced or sold, or both, but was not purchased or sold, or both, during the period that this Act is in effect, such natural gas may not at any time thereafter be sold at a price above that permitted under this Act.

(h) A priority interstate purchaser shall obtain priority only to the extent necessary to meet the requirements of essential users and the Commission shall take such steps as are within its authority under the Natural Gas Act to assure that any additional supplies of new natural gas obtained by a priority interstate purchaser are made available to essential users.

(i) The Commission shall encourage voluntary agreements that are not inconsistent with this Act to sell or exchange natural gas or other arrangements that increase the supply of natural gas available to priority interstate purchasers.

AVAILABILITY OF GAS FOR AGRICULTURAL USERS

SEC. 5. (a) (1) Notwithstanding any other provision of law or of any natural gas allocation or curtailment plan in effect under existing law, the Commission shall, by rule, upon petition or upon its own motion prohibit any interruption or curtailment of natural gas supplies, and take such other actions under authority of the Natural Gas Act and this Act as the Commission determines to be necessary and appropriate, to assure to the maximum extent practicable the availability of sufficient quantities of natural gas for use for any essential agricultural, food processing or food packaging purposes as determined by the Secretary of Agriculture, for which natural gas is necessary, as determined by the Secretary of Agriculture including, but not limited to, irrigation pumping, crop drying and use as a feedstock or process fuel in the production of fertilizer and essential agricultural chemicals in existing plants (for present or expanded capacity) and in new plants.

(2) No prohibition pursuant to paragraph (1) of this subsection may be inconsistent with the goals of substantially minimizing unemployment attributable to interruption of natural gas supplies or with maintaining natural gas supplies to residential users, to small users, to hospitals, or for products and services vital to public health and safety.

(b) For purposes of this section, the Secretary of Agriculture shall not determine any use of natural gas to be necessary if such gas is to be used as a boiler fuel to serve (1) expanded capacity of existing facilities, (2) an existing facility for which natural gas supply contracts have expired, or (3) new facilities. The Secretary of Agriculture shall certify to the Commission the volumes and identify the users, of natural gas determined to be necessary for essential agricultural, food processing, or food packaging purposes.

PROHIBITION OF USE OF NATURAL GAS AS BOILER FUEL

SEC. 6. (a) The Administrator shall, by rule, prohibit any powerplant from burning natural gas if he determines that—

(1) such powerplant had, on September 1, 1975 (or at any time thereafter), the capability and necessary plant equipment to burn petroleum products;

(2) the burning of petroleum products by such plant in lieu of natural gas is practicable;

(3) petroleum products will be available during the period the order is in effect; and

(4) natural gas made available as the result of such prohibition could be available, directly or indirectly, to a priority interstate purchaser.

A rule under this subsection shall not take effect (A) until a date which the Administrator of the Environmental Protection Agency certifies is the earliest date on which such plant can burn, in compliance with the Clean Air Act (including any applicable implementation plan) and with applicable State environmental protection laws, petroleum products which the Administrator determines, under paragraph (3), are available, or (B) if the Commission certifies to the Administrator that the prohibition under this paragraph will impair the reliability of service in the area served by the plant.

(b) (1) The Administrator shall, by rule, prohibit the use of natural gas by any powerplant if the Administrator determines—

(A) that alternative supplies of electric power are available to the electric power system of which such powerplant is a part;

(B) that the generation of such alternative supply of electric power will not result in an overall increase in consumption of natural gas; and

(C) natural gas made available as the result of such prohibition could be made available, directly or indirectly, to a priority interstate purchaser.

(2) A rule under this subsection shall not take effect if the Commission certifies to the Administrator that the prohibition would impair the reliability of service in any area served by those affected electric power systems.

(c) (1) The Administrator shall exempt from any rule under this section the burning of natural gas for the necessary processes of ignition, startup, testing, and flame stabilization by powerplants.

(2) Subject to paragraph (1), of this section the Administrator may make a rule under subsection (a) or (b) of this section apply to all natural gas burned by the powerplant to which such rule applies or may specify the periods and amounts of natural gas to which such rule shall apply.

(d) Nothing in this section shall impair any State or Federal requirement relating to health, safety, or environmental protection.

(e) The Administrator shall, by rule, prohibit the sale, directly or indirectly, to any person other than a priority interstate purchaser of natural gas made available as a result of rules under subsections (a) and (b) of this section.

(f) (1) If the application of a rule under this section results in a sale of transferred gas by a curtailed user or a supplier of a curtailed user to a person other than such curtailed user or a supplier of such user, such seller may not charge an amount for such transferred gas which exceeds the amount he would have charged such user or supplier (as the case may be). In addition, the person to whom such sale is made shall compensate the curtailed user, and any supplier of such curtailed user, in an amount which is equal to any net increase in such user's reasonable costs for replacement fuel or replacement power, and any net increase in such supplier's reasonable costs and any other losses which are incurred by such supplier, as a result of the application of the order issued under this section. Such compensation shall be in an amount agreed upon by the parties, or (if the parties are unable to agree) in an amount determined by the Commission in accordance with the provisions of this section.

(2) For purposes of this subsection—

(A) The term "curtailed user" means a powerplant to which a rule under this section is applicable.

(B) The term "transferred natural gas" means natural gas which a curtailed user does not consume by reason of a rule under this section and which is made available to another person.

(C) A person is a supplier of a curtailed user if he sold natural gas to such user, or sold natural gas to any person for resale (directly or indirectly) to such user.

(g) This section shall not apply to any powerplant of which the maximum daily use of natural gas does not exceed fifty thousand cubic feet.

(h) For purposes of this section, the terms "powerplant" and "petroleum product" have the same meanings as such terms have under section 2 of the Energy Supply and Environmental Coordination Act of 1974.

(i) Section 2(f)(1) of the Energy Supply and Environmental Coordination Act of 1974 is amended by striking out "June 30, 1975" and inserting in lieu thereof "June 30, 1976".

(j) This section (other than subsection (i)) does not affect any authority under the Energy Supply and Environmental Coordination Act of 1974.

PRODUCTION OF GAS AT THE MAXIMUM EFFICIENT RATE AND TEMPORARY EMERGENCY PRODUCTION RATE

Sec. 7. (a) Except as provided in subsection (c) of this section, the Secretary of Interior shall, by rule, require natural gas to be produced from fields, designated by such Secretary, at the maximum efficient rate of production, or at the temporary emergency production rate determined for such field. The Commission shall, by rule, prohibit the sale of quantities of natural gas, in excess of that which would be produced at the maximum efficient rate, produced from a field, pursuant to a rule or order to produce at such field's temporary emergency production rate, to any person other than a priority interstate purchaser.

(b)(1) Within forty-five days after the date of enactment of this Act, the Secretary of the Interior, by rule, shall determine the maximum efficient rate of production and, if any, the temporary emergency production rate, for each field on Federal lands which such Secretary determines produces, or has the capacity to produce, significant quantities of natural gas.

(2) Each State or the appropriate agency thereof may determine the maximum efficient rate of production and, if any, the temporary emergency production rate, for each field (other than a field on Federal land) within such State which the State or appropriate agency determines produces, or has the capacity to produce, significant quantities of natural gas.

(3) If, at the end of the forty-five-day period which begins on the date of enactment of this Act, a State or the appropriate agency thereof has not determined the maximum efficient rate of production or the temporary emergency production rate for any field (other than a field on Federal land) within such State, which field the Secretary of the Interior determines produces, or has the capacity to produce, significant quantities of natural gas, the Secretary of the Interior may, by rule, specify the maximum efficient rate of production or the temporary emergency production rate for any such field.

(c)(1) The authority under subsection (a) to require production from any field at such field's temporary emergency production rate may be exercised only if natural gas made available as a result of the exercise of such authority could be made available, directly or indirectly, to a priority interstate purchaser.

(2) If loss of ultimate recovery of crude oil or natural gas, or both, occurs or will occur as the result of an order to produce at the temporary emergency production rate, such loss shall be deemed a taking by condemnation, and the owner of any property right diminished by such taking may bring an action in an appropriate United States District Court to recover just compensation from the United States or any person obligated to indemnify the United States.

(3) The Administrator shall require that any priority purchaser who purchases natural gas supplies made available through the exercise of authority under subsection (a) to require production in any field at such field's temporary emergency production rate, provide adequate assurance of indemnification of the United States for any liability which the United States may incur by reason of action taken pursuant to the authority of subsection (a) and such order may, in addition, require the posting of bond by such purchaser as assurance of indemnification.

(d) For purposes of this section—

(1) The term "maximum efficient rate of production" means the maximum rate of production of natural gas which may be sustained without loss of ultimate recovery of crude oil or natural gas, or both, under sound engineering principles.

(2) The term "temporary emergency production rate" means the maximum rate of production for a field—

(A) which rate is above the maximum rate of production established for such field; and

(B) which may be maintained for a temporary period of less than ninety days without reservoir damage and without significant loss of ultimate recovery of crude oil or natural gas, or both, from such field.

(e) Nothing in this section shall be construed to authorize the production from any Naval Petroleum Reserve subject to the provisions of chapter 641 of title 10, United States Code.

(f) Natural gas produced from a field in excess of that quantity which would have been produced at the maximum efficient rate of production (as defined in subsection (d)(1)) of such field, pursuant to a rule or order issued under the authority of subsection (a), may be sold for a price equal to the area ceiling price for the applicable area pursuant to section 4 of this Act as if it were new natural gas.

PIPELINE INTERCONNECTIONS

Sec. 8. To carry out the purposes of this Act, the Commission may, by rule, direct any pipeline to establish a physical interconnection between any specified facility of any other such pipeline. The Commission shall apportion equitably the costs of any such interconnection to the pipeline, to priority interstate purchasers initially benefiting therefrom, or to both.

PENALTIES

Sec. 9. (a)(1) Any person who is determined by the Commission, Administrator, or Secretary, after notice and an opportunity for a presentation of views, to have violated a provision of this Act or any rule or order under this Act (for which such Commission, the Administrator, or the Secretary has responsibility), shall be liable to the United States for a civil penalty of not more than $10,000 for each violation; and if any such violation is a continuing one, each day of violation constitutes a separate offense. The amount of any such penalty shall be assessed by the Commission, the Administrator or the Secretary by written notice. In determining the amount of such penalty, the Commission, the Administrator or the Secretary (as the case may be) shall take into account the nature, circumstances, extent, and gravity of the violation committed and, with respect to the person found to have committed such violation, the degree of culpability, any history of prior offenses, ability to pay, effect on ability to continue to do business, and such other matters as justice may require.

(2) Such civil penalty may be recovered in an action brought by the Attorney General on behalf of the United States in the appropriate district court of the United States or prior to referral to the Attorney General, such civil penalty may be compromised by the Commission, the Administrator, or the Secretary, as may be applicable. The amount of such penalty, when finally determined (or agreed upon in compromise), may be deducted from any sums owed by the United States to the person charged. All penalties collected under this subsection shall be deposited in the Treasury of the United States as miscellaneous receipts.

(b) A person is guilty of an offense if he willfully violates a provision of this Act or rule or order under this Act. Upon conviction, such person shall be subject, for each offense, to a fine of not more than $25,000, imprisonment for a term not to exceed five years, or both.

ENFORCEMENT

Sec. 10. (a) The Attorney General, at the request of the Commission, the Administrator, or the Secretary (as the case may be), may bring an action for equitable relief to redress a violation by any person of a provision of this Act, or a rule or order under this Act. Any other person may bring a civil action alleging a violation of a provision of this Act or rule or order under this Act.

(b) The district courts of the United States shall have jurisdiction with respect to any civil action brought under subsection (a). The court shall have the power to grant such equitable relief as is necessary to prevent, restrain, or remedy the effect of such violation, including declaratory judgment, mandatory or prohibitive injunctive relief, and interim equitable relief, and the courts shall further have the power to award (A) compensatory damages to any injured person or class of persons, (B) costs of litigation including reasonable attorney and expert witness fees, and (C) whenever and to the extent deemed necessary or appropriate to deter future violations, punitive damages.

(c) A rule or order prescribed under this Act is subject to judicial review to the extent authorized by, and in accordance with, chapter 7 of title 5, United States Code, except that (A) the second sentence of section 705 thereof is not applicable, and (B) the appropriate court shall only hold unlawful and set aside such a rule or order on a ground specified in subparagraphs (A), (B), (C), or (D) of section 706(2) thereof.

RULEMAKING

Sec. 11. The Commission, the Administrator or the Secretary, in addition to the authorities specifically granted herein, shall have authority to issue rules and order applicable to any person which the Commission, the Administrator or the Secretary (as the case may be) determines are necessary or appropriate to carry out the purposes of this Act.

EXPIRATION

Sec. 12. Sections 4 (except subsection (g) thereof)), 5, 6, 7, 8, and 11 of this Act shall expire on midnight June 30, 1976.

PERSONAL EXPLANATION

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. PATTEN. Mr. Speaker, due to official business in my district yesterday morning, Monday, September 8, I was unable to attend the legislative session. Had I been present, I would have voted in favor of the energy conservation in buildings bill, **H.R. 8650**; and **H.R. 6673**, legislation to establish an American Folklife Center.

TO CONTROL OR NOT TO CONTROL

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. BROWN of Ohio. Mr. Speaker, it is time for the Congress to decide what it wants to do on energy policy. Months of indecision have taken us beyond a simple failure to solve a problem. Now we are actually making it worse. The entire oil industry is in turmoil because the 94th Congress can not decide what rules that industry must follow.

In a recent editorial, the Wall Street Journal assessed the impact of the congressional inaction and noted several facts which tend to indicate decontrol would not be the disaster the doomsayers would have us believe. In the hope that it may help to nudge my colleagues off dead center on energy, I insert the editorial to be reprinted here:

An Intramural in Oil

Price controls on oil officially died on September 1, but their fingernails continue to grow. Arguing that it still hasn't finished up work on July and August, the Federal Energy Administration is still running the "entitlement" program, which amounts to requiring crude-rich oil companies to pay piles of money to crude-poor companies so everyone is even. And with the argument that it probably didn't find all the violations that occurred under controls, FEA wants to expand its bureaucracy of snoopers to 2,200 from about half that.

Worse than that, the industry is still menaced by the prospect of a retroactive resumption of controls, an example of an *ex post facto* law that probably has our forefathers twitching in their tombs on this eve of the American Bicentennial. Government control of today's prices is bad enough. Government control of yesterday's prices is not even a practice of the Soviet Union.

Cowering under the threat, the refineries are paying for their domestic crude oil with what amounts to a blank check. If Congress next week overrides President Ford's prospective veto of the bill extending price controls on oil for six months, the refineries will fill in the blanks at the controlled price of $5.25 a barrel for old oil. If the veto is sustained, the blanks will be filled in at the going market price, with those refineries who have not raised retail prices being stuck with the difference. They can hardly expect to go to their customers and ask for extra cash to pay for the incompetence of the 94th Congress, for at the end of that line is the American consumer, who does not pay with blank checks.

That these gentlemen's agreements between suppliers and refiners haven't come flying apart, with prices jacked up at retail the moment controls came off, is further evidence to us that FEA has not been controlling prices at retail. The market has. All the mountain of FEA regulations has accomplished has been to reduce the efficiency of the oil industry and the U.S. economy, redistribute wealth *within* the oil industry, and discourage holders of controlled crude from selling it. The controls have been a boon to the OPEC oil cartel for, however you slice it, an end to controls will mean more domestic supplies of crude and less need to import the cartel oil.

If, as the Democrats in Congress are now confidently predicting, the President's veto is not sustained, it will only be the result of unreasoning panic among the President's supporters. The idea has been successfully peddled that decontrol will mean a leap in retail product prices and a "shock" to the economy that will mean more inflation and more unemployment. No peddler of this idea, though, is willing to tell us why the oil industry did not long ago raise prices at retail as rapidly as FEA regulations allowed. The "banked costs" or price increases allowed by FEA but barred by the market, totaled $1.5 billion as controls ended.

The contradictions in the arguments of the oil controllers are best exemplified by the full-page advertisements taken in this newspaper and others by the independent refiners, in which they reprint an article by Joseph Kraft, the syndicated columnist. Mr. Kraft declaims against the "oil lobby," by which he means those oil companies that are being forced by the government to give away free oil to their competitors, not the oil lobby that reprints his column. In the same breath, Mr. Kraft argues that consumer prices will go up and that the independents will be "clobbered" by their competitors. Yet if consumer prices do leap up, the independents will be able to maintain their profit margains, which hardly amounts to a clobbering.

It can't go both ways. Either prices will go up and the independents will continue to do handsomely, or prices will be held steady by market competition and the independents will be squeezed. The fact that the independent oil lobby, which must in this case include crude-poor Mobil Oil Corp., is screaming for continuing control is further indication that it expects product prices will not rise.

If President Ford can find a few courageous Senators willing to join those 25 or so stalwarts in order to sustain his veto, the fraud will have been exposed. The American consumer will benefit by decontrol. Prices at retail won't shoot up and shock the economy. New domestic supplies of crude will be forthcoming and OPEC will no longer enjoy this back-door subsidy. The only parties that will be roughed up are those engaged in this intramural oil industry battle who will no longer enjoy free gifts from the government.

PUERTO RICAN PRISONERS IN THE DOMINICAN REPUBLIC

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. BADILLO. Mr. Speaker, last Thursday, I released the texts of letters I have sent, along with a group of my colleagues, to Secretary of State Henry Kissinger, Attorney General Edward Levi and Representative Otis Pike in regard to the unconscionable treatment of three U.S. citizens, Puerto Rican nationals, by the Government of the Dominican Republic. There has been very little notice of this grave miscarriage of justice by the American press, and still less acknowledgment by the Government. I would, therefore, like to submit the text of the statement I issued at the time the letters were sent, and the texts of the letters themselves.

The Members who joined with me in signing the letters to Secretary of State Kissinger and Attorney General Levi are Representatives Bella Abzug, Shirley Chisholm, Robert Drinan, Michael Harrington, Helen Meyner, Robert N. C. Nix, James Oberstar, Charles Rangel, and G. William Whitehurst.

The Members who joined with me in signing the letter to Representative Pike include Representatives, Shirley Chisholm, Robert Drinan, Michael Harrington, Helen Meyner, Parren Mitchell, Robert N. C. Nix, Charles Rangel, and G. William Whitehurst.

Statement by Representative Herman Badillo, September 4, 1975

Three Puerto Rican nationals, U.S. citizens, are being used by the CIA-linked Balaguer regime as an instrument for the repression of political dissidents within the Dominican Republic, and the United States is standing idly by while three of its citizens are illegally victimized.

The background is this: On June 1, Angel Gandia, Johnney Sampson and Raul Garcia were in a fishing boat that ran out of gas off the coast of the Dominican Republic. The three were arrested and held incommunicado for twenty days. Yet, it is reported that within hours of their capture, representatives of the F.B.I. had informed the owner of the boat, in San Juan, that his boat had been taken. Within days, the presence of these "outside agitators" was used, because they are members of the Puerto Rican Socialist Party, as an excuse to begin a round-up of 400 to 500 Dominican dissidents. And yet a group of Americans and Puerto Ricans, including a Puerto Rican Assistant Secretary of State, who attempted to see the prisoners during this time were refused permission to do so. While in the Dominican Republic, they were told by a high functionary at the American Embassy that the three were being held by the Dominican Air Force, but when presented with this information the U.S. Department of State officially denied any knowledge of the case and refused to intervene. During the period they were being held without charges being brought against them, they were tortured and forced to sign a confession.

The first public acknowledgement that the men were being held came on June 23 at a press conference, where the confession was read, and the men were not allowed to answer reporters' questions. That same day, Angel Gandia suffered a severe heart attack and was left to suffer without medical attention for three days.

When David Scribner, attorney for one of the defendants returned to the Dominican Republic, he was detained by the police at the airport for several hours and questioned about his activities. The trial, on July 30th, was witnessed by a team of American and Puerto Rican legal observers, including New York Criminal Court Judge John Carro, Hal Mayerson, a New York attorney who is present this morning to answer any further questions you may have, and a representative of the Puerto Rican Bar Association. They agreed that the trial was a travesty. The charge brought was "attempting to overthrow the government," but the only evidence presented was the prisoner's repudiated confession. The courtroom was an armed camp, the judge was a former Air Force officer appointed by Balaguer, and the entire trial and conviction took four hours—and the men have been sentenced to 30 years at hard labor.

The case is now being appealed, but the United States government has been idly standing by. President Balaguer has it legally within his power to sign a deportation order for these men, but he shows no indication of doing so. It seems to us that, considering the close links between the Dominican Republic and the United States government, that if Secretary of State Kissinger were to make the proper representations to President Balaguer we would quickly see these American citizens returned to their homes. And so we are sending a letter to the Secretary of State requesting that he do so immedately.

At the same time, we are writing to Attorney General Levi to request an investigation of the possible involvement of the F.B.I. in the matter, with particular emphasis on the question of the Bureau's seeming participation in foreign intelligence operations. It seems odd, to say the least, the speed with which the Bureau in San Juan knew what was happening in the Dominican Republic.

Finally, we are requesting that Congressman Pike, Chairman of the Select Committee on Intelligence, investigate what role the Central Intelligence Agency has played in this matter. It would be extremely unlikely that the CIA was not aware of each step in this gross miscarriage of justice.

If three Americans had been taken captive by any country where these close links did not exist, the hue and cry would have been heard around the world, as it has been in the past. I question our government's inaction, despite pressure from many quarters, and I now urge it to act quickly to restore some semblance of even-handedness to the treatment of these unjustly imprisoned citizens.

TEXT OF LETTER TO SECRETARY OF STATE HENRY KISSINGER

DEAR MR. SECRETARY: We are writing to express our concern for the fate of Angel Gandia, Johnney Sampson and Raul Garcia, three Puerto Rican nationals who were sentenced to 30 years at hard labor by a court in the Dominican Republic nearly one month ago, on July 31st. Yet, to the best of our knowledge, the United States has not yet publicly declared its intention to see that its citizens receive the protection of their government and are returned as soon as possible to Puerto Rico.

As you are aware, the history of their confinement, trial and imprisonment is antithetical to all precepts of American justice. The three prisoners were tortured while being held incommunicado for twenty days without charges being brought against them, lawyers were refused interviews with the prisoners, and were themselves subjected to intense harassment, one of the defendants was refused medical treatment for three days after suffering a serious heart attack, and the trial, according to American and Puerto Rican observers, was a travesty, where the only evidence presented was the defendants' own forced confession. And now, President Balaguer has not indicated any intention of signing an order to deport these men, even though it is within his power to do so.

We are therefore urging that the United States government make appropriate—and immediate—representations to the government of the Dominican Republic in order to end the illegal treatment of these American citizens.

Thank you for your prompt attention to this critical matter.

Sincerely,

HERMAN BADILLO, M.C.

TEXT OF LETTER TO ATTORNEY GENERAL EDWARD LEVI

DEAR MR. ATTORNEY GENERAL: We are writing to express our deep concern about the possible involvement of the Federal Bureau of Investigation in the case of Angel Gandia, Johnney Sampson, and Raul Garcia, the three Puerto Rican nationals who were sentenced to 30 years at hard labor in the Dominican Republic nearly one month ago, on July 31st.

On June 1, these three American citizens were arrested when their fishing vessel ran out of gas off the coast of the Dominican Republic, and they were held incommunicado for twenty days before their lawyers were allowed to see them. Yet, it has been reported that, within hours of their capture, the owner of the boat, in Puerto Rico, was informed by representatives of the F.B.I. that the boat had been taken and its occupants arrested.

We are therefore requesting that the Department of Justice immediately take steps to investigate the role of the F.B.I. in this affair, with particular attention to what seems to be the agency's involvement in foreign intelligence.

Sincerely,

HERMAN BADILLO, M.C.

TEXT OF LETTER TO CONGRESSMAN OTIS PIKE

DEAR CONGRESSMAN PIKE: We are writing to express our concern over the total inaction of the Department of State and other official government channels in the case of Angel Gandia, Johnney Sampson and Raul Garcia, the three Puerto Rican nations who were recently sentenced to 30 years at hard labor after a "kangaroo" trial in the Dominician Republic.

It is inconceivable to us that these three men were allowed to be held incommunicado for 20 days without charges being brought, that they were tortured, that they were denied counsel until the day before the trial, and that they have not yet been returned to Puerto Rico, although it is within the power of President Balaguer to sign a deportation order.

Given the close links between the Balaguer regime in the Dominican Republic and the Central Intelligence Agency, it is difficult to believe that the CIA has not played some role in this gross miscarriage of justice. We are therefore requesting that you, as Chairman of the House Select Committee on Intelligence, immediately initiate an investigation into the part the CIA has taken in these events.

Thank you very much.

Sincerely,

HERMAN BADILLO, M.C.

THE NATIONAL SOCIETY OF PUBLIC ACCOUNTANTS HONORS MASSACHUSETTS STUDENT

HON. THOMAS P. O'NEILL, JR.

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. O'NEILL. Mr. Speaker, for the sixth year in a row, the National Society of Public Accountants—a professional membership organization representing independent accountants primarily serving a small-business clientele—has awarded a number of scholarships to deserving students who are pursuing accounting studies. Each year NSPA grants a Distinguished Scholar Award to an outstanding recipient. This year, that award has gone to a Boston, Mass., resident, Jerrold J. Stern, a student at Northeastern University in Boston.

This commitment to the future of the accounting profession is one of the most important contributions made by the National Society of Public Accountants through the NSPA Scholarship Foundation.

One hundred and nineteen scholarships have been awarded over the course of this program. The support for this activity comes principally from the individual NSPA membership—some 15,000 practicing accountants—throughout the country.

I commend the National Society of Public Accountants for its awareness to the needs of America's youth and for its assistance to the growth and improvement of the profession of public accounting.

I again congratulate Mr. Stern and all of the 22 students selected for NSPA scholarships for the 1975–76 academic year, and insert in the RECORD a news release describing the program, the selection procedures and the winners as follows:

NSPA SCHOLARSHIP FOUNDATION ANNOUNCES 1975–76 WINNERS

The National Society of Public Accountants Scholarship Foundation has awarded 22 scholarships in the amount of $400 each for the 1975–1976 academic year.

The Scholarship Foundation was formed in 1969 by the National Society's Board of Governors in order to encourage high caliber individuals selecting accounting as a career. During the past six years, a total of 119 scholarships have been awarded. The Foundation receives the majority of its funds through individual contributions from the 15,000 members of the National Society of Public Accountants.

In announcing the winners, John A. Krancus, Chairman of the NSPA Scholarship Foundation Board of Trustees, said: "It is a pleasure for the Board of Trustees to present these grants to such an outstanding group of individuals. Based on their past performances, I am certain that each one will be a credit to the accounting profession."

The Foundation presents a "Distinguished Scholar Award" to the applicant judged to be the most outstanding in competition with accounting students from across the nation. The recipient of the 1975–1976 Distinguished Scholar Award is Jerrold Stern of Boston, Massachusetts. Mr. Stern is a junior at Northeastern University. In addition to the $400 scholarship grant, Mr. Stern will receive a check in the amount of $100 and a plaque designating him as the Scholarship Foundation Distinguished Scholar.

The 22 students receiving scholarships for the 1975–1976 academic year are:

NAME, HOMETOWN, AND SCHOOL

Jerrold J. Stern, Boston, Massachusetts, Northeastern University.

James M. Tilley, Needham, Massachusetts, Northeastern University.

Keith W. Jackson, Mt. Pleasant, Pa., Pennsylvania State Univ.

Karen Uebelhoer, Alden, New York, Bryant & Stratton Bus. Inst.

Faye M. Hawkins, Brodnax, Virginia, Virginia State College.

Jane M. Olmstead, Annandale, Virginia, University of Tennessee.

Martin L. Katz, Columbia, S.C., Univ of South Carolina.

Kenneth Pinkstaff, Jr., Thomaston, Georgia, Univ. of Tennessee.

William L. Browning, Elk Grove Vil., Il., University of Oklahoma.

Deborah M. Knipper, Dayton, Ohio, University of Dayton.

Renda J. Burkhurt, Knoxville, Tenn., University of Tennessee.

Keith A. Steele, Gulfport, MS., Miss. State University.

Susan K. Hastings, Rapid City, S.D., Nat'l Coll. of Business.

Carol M. Kraft, Fargo, North Dakota, Valley City State Coll.

Carolyn Gohlke, Bryan, Texas, Texas A&M University.

Kenneth J. Marchetti, Raton, New Mexico, New Mexico State Univ.

Steven J. McLaws, Oakley, Idaho, Idaho State University.

Tucker S. Thompson, Kenai, Alaska, University of Portland.

David E. Nolte, Canoga Park, CA., Whittier College.

Chong Pak Wong, Los Angeles, CA., Univ. of Southern Calif.

Nam Kien Doan, Laie, Hawaii, Bringham Young University.

Kin-Wai Wong, Laie, Hawaii, Brigham Young University.

These individuals are the final selections from over 700 students who submitted applications to the Foundation. All applicants were judged for scholastic achievement, financial need, demonstrated leadership ability and extracurricular activities.

CALIFORNIA ADMISSION DAY

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. ANDERSON of California. Mr. Speaker, today is a day of special significance to the native and adopted sons and daughters of California. For it was on this day, 125 years ago, that California was admitted as the 31st State of the Union.

California's history goes back many years. Recent archeological discoveries indicate that the earliest known human inhabitants of the Americas lived in the Golden State. California is the most populous State in the Union. In fact, even before the white man came, it was the home of more native Americans than any other State area.

The first European settlers in California were Spaniards, who came from the South through Mexico, then under Spanish rule. In this year of Bicentennial celebration, it is interesting to note that in 1775—200 years ago—the first Spanish land grant was given to Manuel Butron, a soldier stationed in Monterey.

That was the beginning of the era of great ranchos, after a series of missions had been established throughout the length of the State—many of which still stand today. The names of many of those first families of California, such as Figueroa, Sepulveda, Dominguez, Machado, are still found in various places in California, as a continual reminder of our State's past.

Probably the most famous part of the State's history began with the discovery of gold near Sutter's Mill. The gold rush that resulted from that discovery changed the nature of our State, and began the first migration of people into California.

The flood of immigrants from all walks of life poured into the goldfields seeking their fortunes. Most were disappointed, but some found true wealth in agriculture, which remains to this day California's biggest industry.

Gold was discovered in 1848, and the rush was on in earnest in 1849. The State's admission to the Union came a year later, in 1850. But, before that, for a brief time, the California Republic existed as a self-governing nation. Thus California is one of the two States which were once independent nations.

Today, the lives of Californians are as varied as the State's geography. The Golden State offers a beautiful coastline, rugged mountains, gentle valleys, deserts, and year-round snow covered areas—all within easy traveling distance of each other. Our cities reflect nature's diversity, for no two cities are as proud, prosperous, or different as Los Angeles and San Francisco.

The gold mines closed down long ago. Agriculture, aerospace, shipping, and industry are the centers of economic life today. California is also one of the few States which contributes to our vital domestic production of petroleum. Practically speaking, it has no gold, but with bright sunshine, diverse natural beauty, and friendly people, California is still the "Golden State."

HEALTH CARE IN OUR NATION

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. MICHEL. Mr. Speaker, a recent poll conducted in the Chicago Daily News sheds some important light on the attitudes people have about the medical profession and the health care delivery system we have in this country today.

As we consider important legislation affecting health, I feel it would be of value to my colleagues to be aware of this research, and so I insert the articles reporting it to be printed here in the RECORD:

[From the Chicago Daily News, July 11–12, 1975]

Our Health-Care Pulse

A new Daily News poll shows most Chicago-area residents are generally satisfied with their medical care and consider their doctor to be a compassionate person. But the poll also shows:

Two out of five area residents say their doctors fail to keep their appointments on time.

And one out of five thinks the doctor doesn't spend enough time with him during office visits.

The poll also showed people unhappy about doctors' failure to make house calls.

Of city residents, 68.8 per cent said their doctors won't make house calls. (The figure was 65.2 for the suburbs).

Of those polled, four out of five said they thought the doctor should make house calls.

The poll, taken this week, went into how people felt about their doctors, malpractice suits, a doctor's right to strike, the cost of drugs, healh insurance and a tax-paid national health service.

Attitudes toward doctors will be covered in this article. The other subjects will be covered Monday and Tuesday.

Area residents were asked: Do you consider your doctor a compassionate man? They responded:

Yes, 87.9 percent.

No, 5.4 percent.

Don't Know, 6.7 percent.

The matter of compassion may be more important than it appears at first glance. Dr. Judah Folkman of New York suggests in an accompanying article that compassion is something a doctor owes to his patients.

And a recent Time magazine article reported that studies show "that the patient who is treated with compassion is likely to feel that whatever the result, his doctor has done his best." It is the patient who feels slighted who is likely to sue, the studies found.

Questions asked in The Daily News poll went into areas covering compassion and slight.

A strong indication of how people feel about their doctors came to light when they were asked how they felt about how much he earned. The results:

He earns too much, 16.8 percent.

Too little, 3.1 percent.

About the right amount, 46.7 percent.

Don't know, 33.4 percent.

(Some comments: "He works darned hard." . . . "He deserves the money because of the years of education and training." . . . "Too many of them are getting rich.")

Areas where patients perhaps feel slighted? They were asked if their doctors made house calls and they responded:

CHICAGO RESIDENTS

Yes, 10 percent.

No, 68.7 percent.

Don't know, 8.5 percent.

(The remainder of the response was made up of people who said they had no doctor—12.8 per cent in the city and 1.3 per cent in the suburbs.)

SUBURBANITES

Yes, 21 percent.

No, 65.2 percent.

Don't know, 12.5 percent.

But do residents of the Chicago area think their doctor should make house calls? They responded:

Yes, 79.2 percent.

No, 12.7 percent.

Don't know, 8.1 percent.

(A great number of persons, especially city dwellers, suggested they wouldn't want their doctors to make house calls at night because they would fear for his safety. Others commented they thought doctors should make house calls in genuine emergency cases.)

Do residents think their doctors spend enough time with them when they visit him? The response:

Yes, 72 percent.

No, 20 percent.

Don't know, 8 percent.

(Some comments: "Not when you consider how much I pay him." . . . "He's always in a hurry." . . . "Lots of times I leave his office with questions unanswered.")

Does the doctor keep his appointments on time? Residents responded:

Yes, 56.4 percent.

No, 39.6 percent.

Don't know, 4 percent.

Finally, those polled were asked if they thought doctors had a right to strike by not taking care of people except in emergencies. The area residents' response:

Yes (has right to strike), 16.4 percent.

No, 64.8 percent.

Don't know, 18.8 percent.

(A number of persons volunteered that they thought doctors could not strike because of the Hippocratic oath they took upon becoming doctors. The oath, taken by some doctors these days, does not mention striking or withholding of services.)

[From the Chicago Daily News, July 14, 1975]

Forty-Nine Percent Favor National Health Insurance

A new Daily News poll shows that 84.4 per cent of Chicago area residents think their health insurance is adequate—and 81.1 per cent think they have received good service from their health-insurance companies.

Even so, the poll also found that:

Forty-nine per cent of area residents think there should be a national health-insurance program paid for by tax money.

And 58.4 per cent think the government should do more to regulate medical care.

Poll results also shed some light on why health-insurance premiums are rising. Asked if they or anyone in their immediate families had had major medical expenses in the last three years, those polled responded:

Yes, 42 percent.
No, 58 percent.

In short, two out of five Chicago area families have had major medical expenses in the last three years.

The poll found that 93.2 per cent of area residents said they had health insurance (including Medicare), while 5.4 per cent said they were without coverage and 1.4 per cent said they didn't know whether they were covered.

Asked if they considered their coverage adequate, they responded:

Yes, 84.4 percent.
No, 9.2 percent.
Don't know, 6.4 percent.

Asked if they had had good service from their health insurance, they answered:

Yes, 81.1 percent.
No, 5.9 percent.
Haven't had any service, 13 percent.

(The greatest number of complaints about service seemed to come from people on Medicare and Medicaid. Their complaints usually were about poor service on payment of claims.)

Would those polled favor a national health-insurance program paid for by taxes? They responded:

Yes, 49 percent.
No, 32.8 percent.
Don't know, 18.2 percent.

(Here the comments were often emotional and quickly volunteered and included: "Let the government keep its nose out of medical care." . . . "Look what a mess the government in England made." . . . "We need better medical insurance because dental bills aren't covered now." . . . "Some governments in Europe have good medical care programs.")

Those polled, asked if the government should do more to regulate medical care, answered:

More than it does, 58.4 percent.
Less than it does, 9.9 percent.
About the same as it does, 20.3 percent.
Don't know, 11.4 percent.

(Here the emotional response seemed to come from those who opposed government regulation. They said such things as: "The government will mess things up." . . . "We have enough regulations now." . . . "The doctors and hospitals are doing all right as they are.")

[From the Chicago Daily News, July 15, 1975]

DOCTORS SHOULD PAY FOR MISTAKES, BUT

Seven out of 10 Chicago-area residents believe a patient who is disabled by a doctor because of a mistake in surgery is entitled to damages, a Daily News poll shows.

But a far greater number—more than 9 out of 10 polled—say they've never even considered suing a doctor.

Just as segments of the poll reported Saturday and Monday reflected that people believe their doctors are compassionate, so did the respondents show compassion for their doctors.

For example, one man commented his son had died on an operating table during a tonsillectomy. He blamed the boy's death on improper actions by a doctor during administration of an anesthetic. But the man added:

"I never thought of suing.

"It seems to me there's a difference between human error, which caused my son's death, and gross negligence."

Others polled volunteered similar sentiments. Said one man:

"A doctor shouldn't be held liable for a mistake unless he was blatantly irresponsible."

Also, more than half of those polled said they favor the new Illinois law, which limits damages in malpractice suits to $500,000.

Asked if they thought a patient disabled by malpractice was entitled to damages, area residents responded:

Yes, 71.7 percent.
No, 10.3 percent.
Don't know, 18 percent.

Do they consider the new law limiting damages to $500,000 a good law? They answered:

Yes, 55.4 percent.
No, 18 percent.
Don't know, 26.6 percent.

Asked if they ever considered suing a doctor, they responded:

Yes, 5 percent.
No, 94.5 percent.
Don't know, .5 percent.

Area residents approved of one way doctors could be relieved of some of their workload. Asked if they would like to see specially trained nurses take over more of doctors' routine duties, they answered:

Yes, 84 percent.
No, 14 percent.
Don't know, 2 percent.

(Many pointed out that nurses already are performing many of the doctors' routine duties.)

But respondents rejected another proposal that might ease a doctor's workload. Asked if they'd be willing to pay for the right to have telephone consultations with their doctors, they answered:

Yes, 31.4 percent.
No, 54 percent.
Don't know, 14.6 percent.

The Daily News asked Chicago-area residents two questions about prescription drugs—and found that most think drugs cost too much and that they should be sold by other than brand names. The questions and responses:

How do you feel about the prices of prescription drugs?

They're about right, 18.5 percent.
They should be lower, 74.5 percent.
Don't know, 7 percent.

Do you think drugs should be sold by their chemical or generic names rather than by brand?

Yes, 61.5 percent.
No, 13.5 percent.
Don't know, 25 percent.

GREAT PARLIAMENTARIAN PASSED AWAY DURING THE RECESS

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. SOLARZ. Mr. Speaker, while the Congress was on recess, Pinchas Sapir, a great parliamentarian passed away. Mr. Sapir, who was a member of Israel's Knesset at the time of his death, had held, during the course of his many years of public service, several of the most important positions in Israel's Government and politics, among which were Minister of Finance, Minister of Trade and Industry, and Secretary General of Israel's largest political party, the Labor Party.

Despite his tremendous influence and power in Israel, Mr. Sapir never became as well known in the United States as some of his countrymen. His lack of recognition in this country is the result of his decision to play primarily a domestic role in the building of his nation by dedicating himself to developing its economic and social programs, while leaving to others the implementation of its defense and foreign policies. This lack of recognition in our country is unfortunate for Pinchas Sapir's personal history and accomplishments epitomize the essence of the State of Israel.

Pinchas Sapir was born in 1907 in Poland and, thus, grew up surrounded by the anti-Semitism that was then prevalent in Eastern European society. His reaction to the oppression of his childhood was the response of the founding generation of the state of Israel, which sought to escape the discrimination and prejudice of their birthplace, not just by establishing another nation, but by creating a new society founded on the principles of justice and equality.

Armed with this vision, he along with his fellow Jewish settlers threw themselves into the arduous agricultural work of turning neglected wasteland into orchards and gardens. It was during this period that Mr. Sapir began his political life. He became active in the Kfar Saba Worker's Union and was once jailed by the British for his efforts on behalf of his coworkers. In the 1930's, Mr. Sapir became active in several Histradut projects to improve the living conditions of the settlers in what was then Palestine. His success in these programs caused Ben Gurion to pass on to him various organizational and defense responsibilities on the eve of Israel War of Independence.

After the war and a period of a few years in which he served as Director-General of the Defense Ministry, Mr. Sapir served in several cabinet posts which made him perhaps the most important man in shaping Israel's domestic policy which has turned a land devastated by centuries of neglect into the site of a productive modern nation. From his positions he also helped formulate the social policies of his country which, despite the constant cost of war, have resulted in a system of benefits for its needy far more generous than those of other, more prosperous countries. Mr. Sapir's impact on the economy of his country has been so profound that at his funeral Prime Minister Yitzchak Rabin said:

> Wherever we turn in this country, we shall find the imprint of Sapir's work. There is not a single sector of development, construction and creative activity in which Sapir didn't have a hand.

In conclusion, I would like to say that Pinchas Sapir was above all a man of peace. He reacted to the persecution of his youth by endeavoring to build a society in which there was no oppression. In his life's work he cooperated with others to building an economy from which all could share. He clearly personified the ideals of his generation of Zionists and the nation they did so much to form. It is for these reasons that we should honor his memory and continue to support his countrymen who carry on his works.

HOUSE OF REPRESENTATIVES—*Wednesday, September 10, 1975*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Let us search and try our ways, and turn again to the Lord.—Lamentations 3:40.

Almighty and Eternal God, who art the Creator of the world and by whose mercy the work of Thy creation is renewed day by day, in Thy presence we bow our heads in prayer acknowledging our dependence upon Thee and praying that the decisions of this day may merit Thine approval and receive Thy blessing. Let Thy Spirit guide us in all our endeavors on behalf of our beloved country.

Keep us physically strong, mentally awake, morally straight, and religiously alive that we may do our duties and carry our responsibilities with honor to ourselves, to our Nation, and to Thee.

Inspire us to make our laws just, our economic life sound, our social life motivated by good will, our moral life clear and clean and our religious life deep and true that all people may enjoy the benefits of faith and freedom; to the glory of Thy holy name and the good of our human family. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Heiting, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate insists upon its amendments to the bill (H.R. 3474) entitled "An act to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. PASTORE, Mr. SYMINGTON, Mr. MONTOYA, Mr. JACKSON, Mr. CHURCH, Mr. HASKELL, Mr. JOHNSTON, Mr. GLENN, Mr. BAKER, Mr. CASE, Mr. FANNIN, Mr. HATFIELD, and Mr. MCCLURE to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 963. An act to protect the public health by amending the Federal Food, Drug, and Cosmetic Act to prohibit the introduction or delivery for introduction into interstate commerce of the drug diethylstilbestrol (DES) for purposes of administering the drug to any animal intended for use as food, and for other purposes.

The message also announced that the Vice President, pursuant to Public Law 84–689, appointed Mr. PELL, chairman; Mr. KENNEDY, Mr. BAYH, Mr. EAGLETON, Mr. TUNNEY, Mr. LEAHY, Mr. JAVITS, Mr. GRIFFIN, and Mr. STEVENS to be delegates, on the part of the Senate, to the North Atlantic Assembly, to be held in Copenhagen, Denmark, September 21 to 27, 1975.

The message also announced that Mr. PROXMIRE, Mr. PASTORE, Mr. STENNIS, Mr. MANSFIELD, Mr. BAYH, Mr. CHILES, Mr. JOHNSTON, Mr. HUDDLESTON, Mr. MCCLELLAN, Mr. MOSS, Mr. MATHIAS, Mr. CASE, Mr. FONG, Mr. BROOKE, Mr. BELLMON, and Mr. YOUNG be appointed as conferees, on the part of the Senate, on the bill (H.R. 8070) entitled "An act making appropriations for the Department of Housing and Urban Development, and for sundry independent executive agencies, boards, bureaus, commissions, corporations, and offices for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes," in lieu of Mr. MCCLELLAN, Mr. PROXMIRE, Mr. PASTORE, Mr. STENNIS, Mr. MANSFIELD, Mr. BAYH, Mr. CHILES, Mr. HUDDLESTON, Mr. JOHNSTON, Mr. MOSS, Mr. YOUNG, Mr. MATHIAS, Mr. CASE, Mr. FONG, Mr. BROOKE, and Mr. BELLMON.

WE MUST RETAIN OIL PRICE CONTROLS

(Mr. MOTTL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOTTL. Mr. Speaker, it was a great disappointment to me that President Ford has chosen to veto the bill that would extend oil price controls for 6 months. I urge my colleagues in Congress to join with me and override the veto.

Removal of oil price controls would place us in another inflationary spiral that would build upon itself for years into the future.

It would cause sharp increases in the price of oil products. Even the giant oil companies admit that.

The increased cost of oil would cause havoc to our economy.

It would increase unemployment.

It would bring the airline industry to the brink of disaster.

It would increase the cost of transporting vital commodities like food and result in higher prices for the housewife.

It would force utility rates to skyrocket.

In short, decontrol of oil prices would be playing into the hands of the giant oil cartel which at times seems bigger than our own Government.

Inflation would run wild.

I ask my colleagues to do what is right for our country—override President Ford on this veto.

A BILL TO PROTECT CONSUMERS AGAINST ESCALATING POWER RATES

(Mr. EVINS of Tennessee asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EVINS of Tennessee. Mr. Speaker, I have today introduced a bill that concerns the future of the Tennessee Valley Authority and offers protection to the agency's power consumers against rapidly escalating electric power rates.

The bill, which amends the TVA Act, has three provisions as follows:

One. The TVA Board of Directors would be expanded from three to five members in order to provide greater diversity and broader vision at the top management level;

Two. All meetings of the TVA Board of Directors would be required to be open to the public, thus assuring continuation of the "open door" policy which the Board only recently adopted; and

Three. Electric power rates could not be increased by TVA more often than once every 2 years, and appropriate public hearings would be required prior to each proposed rate increase. This provision is vitally important in view of the incredibly rapid escalation of TVA power rates in recent years—14 rate increases in 8 years totaling more than 125 percent.

These changes in the TVA Act are vital and important to provide some protection for the people of the Tennessee Valley region against further rapid escalation of power rates, and to provide better management of the agency which is rapidly losing its image as a low-cost power yardstick throughout the Nation.

Joining me as cosponsors of this bill are a number of our colleagues from the Tennessee Valley region, including the entire Tennessee House delegation—Representatives JAMES QUILLEN, JOHN DUNCAN, MARILYN LLOYD, ROBIN BEARD, ED JONES, and HAROLD FORD—as well as Representative TIM LEE CARTER of Kentucky and Representative JAMIE WHITTEN of Mississippi.

I urge the appropriate committee to expedite hearings on this bill and to report this bill to the House for early consideration in the public interest.

MAJORITY LEADER THOMAS P. O'NEILL, JR., SAYS REPUBLICAN PROGRAM IS THE BEST REASON FOR CONTINUED DEMOCRATIC CONTROL OF CONGRESS

(Mr. O'NEILL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'NEILL. Mr. Speaker, the Republican legislative program announced by the distinguished minority leader is the best reason I can think of for continued control of the Congress by the Democratic Party—which is the party of the people and not of big business and special interests.

There is not a single new idea in this package. In some instances, it follows the well-worn Republican pattern of picking up a Democratic innovation about 20 years later and announcing that it is something new.

I must say that this program is replete with all the Republican platitudes that I have ever heard in my entire career in public service. This program stands for the protection of big business and their interpretation of the free enterprise system.

President Ford and the Republicans in the House have this much in common—they can never seem to catch up with the needs and wants of the American people.

This program appears to be the work of an ad hoc committee appointed by the minority leader of former Congressmen who were all defeated in the last election.

This program is consistent in one respect. I see where the Republicans have chosen Kansas City for their convention next year. The last time they were there they chose Herbert Hoover. He would be comfortable with this program. The Grand Old Party, the Republican Party, has not changed since.

DEPARTMENT OF STATE UNAWARE OF WHAT ITS POLICY ON CHILE IS?

(Mr. McDONALD of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McDONALD of Georgia. Mr. Speaker, on May 15, 100 Members of this body and myself addressed a letter to the Secretary of State posing certain questions relative to our policy in Chile. On May 29 we were informed that a substantive reply would be forthcoming shortly. Again, on July 29 we were informed that an early decision would be reached on a reply. On July 30, I personally spoke with the Assistant Secretary of State for Inter-American Affairs, Mr. Rogers, as to just when I could expect an answer to our letter and I was again assured of speedy action. Three and one-half months have now gone by. How long, may I ask, does it take the Department of State to gather itself together to respond to one letter? Perhaps, the answer is that the Department is not certain what U.S. policy toward Chile is and, therefore, do not know how to respond? We are still waiting, but for how long?

REPLY TO THE MAJORITY LEADER ON THE REPUBLICAN LEGISLATIVE AGENDA

(Mr. RHODES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RHODES. Mr. Speaker, I was amused at the remarks of my genial friend, the majority leader. I gathered from the remarks that the majority leader does not exactly approve of the Republican legislative program. In many ways I think this is probably the best portent of success that the program has had yet. I did not expect the gentleman to approve it. I would have been disappointed if he had.

As a matter of fact, there is much that is innovative. The fact that it calls for a balanced budget in 3 years is certainly innovative, because the Democrats have controlled the Congress for the last 32 years, with a few years' exceptions.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. RHODES. I do not yield now.

The fact that the gentleman from Massachusetts also saw fit to call attention to the fact that the Republican Convention will be held in Kansas City causes me to reflect on several points. One of them is that as fas as I know Kansas City is not a bankrupt city, but is one of our more progressive municipalities.

As far as convention sites go, it is perhaps appropriate that the party that ran New York into the hole should meet there amid the governmental ruins of their operation. The city's dilemma is illustrated by the fact that the Statue of Liberty is now holding a tin cup. The Democrats should feel right at home. They have run Uncle Sam a half trillion in hock, and they have made New York into sad city. Perhaps, in all honesty, since the purveyors of fiscal irresponsibilities will be gathering there—they should really call this the Debt-ocratic Convention.

My hope is that we will adopt the Republican legislative agenda so that the sad plight of New York City does not become the fate of our Nation.

NEWSWEEK AND TIME MAGAZINES GLORIFICATION OF ATTEMPTED ASSASSIN LYNETTE FROMME

(Mr. SYMMS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SYMMS. Mr. Speaker, I would like to take one moment today to express my disappointment and disgust with the editors of Newsweek and Time magazines.

In my opinion, their glorification of attempted assassin Lynette Fromme by placing her picture on the front covers of these respective magazines was the height of editorial indiscretion. Ultimately, the only effect this kind of sensationalism can have is to provide an incentive for every kook and fanatic in this country to take pot-shots at our leaders for the sake of publicity.

I ask this question of the Members of the House. Is this responsible journalism? I hold up for all to see the editorial pictures on the front of these two national magazines that go into so many homes. It seems to me it would be much more appropriate if a young lady can make this kind of attempt on the life of a political President of the United States, she should be given a fair trial and if found guilty be put to death. I would urge the Members of this body to consider the seriousness of this attempt. I would further urge these two magazines who are always screaming for "freedom of the press" to start showing a little responsibility.

Mr. ASHBROOK. Mr. Speaker, will the gentleman yield?

Mr. SYMMS. I yield to the gentleman from Ohio.

Mr. ASHBROOK. At least they had sense enough to put the nude in the center.

Mr. SYMMS. I had not got that far. I was too disgusted to read further.

THE 1974 ANNUAL REPORT OF THE FEDERAL PREVAILING RATE ADVISORY COMMITTEE—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94-247)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Post Office and Civil Service and ordered to be printed with illustrations:

To the Congress of the United States:

In accordance with section 5347(e) of title 5 of the United States Code, I hereby transmit to you the 1974 Annual Report of the Federal Prevailing Rate Advisory Committee.

GERALD R. FORD.

THE WHITE HOUSE, *September 10, 1975.*

REPORT ON THREE NEW DEFERRALS IN 1976 BUDGET AUTHORITY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94-248)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Appropriations and ordered to be printed:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report three new deferrals totaling $50.3 million in 1976 budget authority. In addition, I am transmitting two supplementary reports revising information provided in earlier deferrals. Only one of these supplementary reports reflects an increase—$19.2 million—to the amount of outlays previously deferred. The five reports involve the Departments of Agriculture, Treasury, and Health, Education, and Welfare.

All of the items contained in this message are routine in nature and do not significantly affect program levels. The details of each deferral are contained in the attached reports.

GERALD R. FORD.

THE WHITE HOUSE, *September 10, 1975.*

PERMISSION FOR COMMITTEE ON RULES TO FILE PRIVILEGED REPORTS

Mr. YOUNG of Georgia. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midmight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 9005, INTERNATIONAL DEVELOPMENT AND FOOD ASSISTANCE ACT OF 1975

Mr. YOUNG of Georgia. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 707 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 707

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9005) to authorize assistance for disaster relief and rehabilitation, to provide for overseas distribution and production of agricultural commodities, to amend the Foreign Assistance Act of 1961, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on International Relations, the bill shall be read for amendment under the five-minute rule by titles instead of by sections. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Georgia is recognized for 1 hour.

Mr. YOUNG of Georgia. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio (Mr. LATTA), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 707 provides for an open rule with 2 hours of debate on H.R. 9005, the International Development and Food Assistance Act of 1975. The rule further provides that the bill be read for amendment by title instead of by section.

H.R. 9005 is a bill of far-reaching vision and represents a significant departure from foreign assistance legislation of the past. It separates the usual feature of joint military and economic authorizations which tended to be used for purely political purposes. It significantly shifts priority to the most pressing problems of the poor majority in poor countries: food and nutrition, health and population planning, education and human resource development. It establishes a special fund to provide for international disaster assistance and authorizes the President to appoint a special coordinator for such purposes.

It amends the Agricultural Trade Development and Assistance Act of 1954, better known as the Public Law 480 program, so as to provide better and more effective distribution of food aid abroad and to lessen the amount of food aid under title I which may be allocated for solely political purposes. The President is authorized and encouraged to seek agreement on a system of national food reserves.

It authorizes loan repayment receipts to support the international fund for agricultural development and enlists the capabilities of U.S. land-grant universities to assist in creating agricultural production in developing countries. The bill authorizes $1.354 billion for fiscal year 1975 and $1.523 billion for fiscal year 1977 for overall assistance.

Mr. Speaker, this bill is the kind of foreign assistance which will truly affect progressive economic benefits throughout the world, and I urge the adoption of House Resolution 707 in order that we may discuss, debate and pass H.R. 9005.

Mr. LATTA. Mr. Speaker, I know of no objection to this rule, but I would like to take just a couple of minutes to point out that this bill is not all that meets the eye.

There are two items that are omitted. No. 1, military assistance is not included, and this makes the bill unlike past foreign aid bills which have come to the House; and, No. 2, aid to the Middle East is not included. The White House, when they sent down its request, indicated that certain requests for Middle East aid would not be sent down at this time. We can expect these two large items later on.

So we are really not voting on this year's foreign assistance bill here today. There's more to come. This is the first installment for foreign aid for fiscal 1976, and we will have more later on.

I might also point out that the administration supports this bill in general, and I cannot quite understand its position. I do not support it at all.

However, according to information made available to the Rules Committee on September 5, the administration objects to certain authorizations contained in the bill for population programs, American schools and hospitals abroad, disaster relief, international organizations and programs, and the authorization for use of foreign aid loan repayments which altogether exceed the Presidents' budget requests by $414,000,000.

Moreover, the administration does not support the food aid provisions that set a minimum quantity level for title II of Public Law 480, section 208, set a 30-percent limit on the amount of Public Law 480 title I sales available to countries not seriously affected by food shortages (section 207), and cancel loan repayments on credit sales if local currency counterpart is used for development purposes (section 205).

Notwithstanding all of those objections, the administration supports the bill in general. Apparently there is hope when this bill gets to the Senate or to conference, some of these things will be deleted. But I am not that optimistic, Mr. Speaker, so I oppose the legislation, as I have done in the past.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman.

Mr. BAUMAN. I thank the gentleman for yielding.

There is nothing in this that will waive points of order?

Mr. LATTA. There are no waivers.

Mr. BAUMAN. If the gentleman will yield further, I would like to direct the gentlemans' attention to page 46, section 103(e), use of loan reflows.

It occurs to me that the gentleman is aptly qualified, perhaps, to answer this. Was there any testimony regarding whether or not this provision in the bill conflicts with existing budget control law which sets up a procedure by which backdoor spending no longer will be permitted?

Mr. LATTA. We had no testimony before the Committee on Rules, on any such conflict.

Mr. BAUMAN. If the gentleman will yield further, the gentleman does not know whether it would?

Mr. LATTA. We had no such testimony, and there were no requests for waivers. If the gentleman believes it does, he might make a point of order at the appropriate time.

Mr. BAUMAN. I thank the gentleman.

Mr. YOUNG of Georgia. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. ASHBROOK. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 358, nays 41, not voting 34, as follows:

[Roll No. 504]

YEAS—358

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Annunzio
Armstrong
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Barrett
Baucus
Beard, R.I.
Beard, Tenn.
Bedell
Bell
Bennett
Bergland
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Carney
Carr
Carter
Casey
Cederberg
Chappell
Chisholm
Clausen, Don H.
Clay
Cleveland
Cohen
Collins, Ill.
Conable
Conte
Conyers
Corman
Cornell
Cotter
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Diggs
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Oreg.
du Pont
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Eshleman
Evans, Colo.
Evans, Ind.
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Tenn.
Forsythe
Fountain
Frenzel
Frey
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Green
Gude
Guyer
Hagedorn
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Harkin
Harrington
Harris
Harsha
Hastings
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson

Hicks
Hightower
Hillis
Hinshaw
Holland
Holt
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Hungate
Hyde
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Koch
Krebs
LaFalce
Lagomarsino
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lujan
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McHugh
McKay
Madden
Madigan
Maguire
Mahon
Mann
Martin
Mathis
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Michel
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Moore
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Neal
Nedzi
Nichols
Nix
Nolan
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Railsback
Randall
Rangel
Regula
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Risenhoover
Roberts
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Scheuer
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shriver
Shuster
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steelman
Steiger, Wis.
Stokes
Stratton
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Udall
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Waxman
Weaver
Whalen
White
Whitehurst
Wiggins
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wydler
Wylie
Yates
Yatron
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—41

Ambro
Archer
Ashbrook
Bauman
Bevill
Byron
Clancy
Clawson, Del
Collins, Tex.
Conlan
Devine
Dickinson
Duncan, Tenn.
Evins, Tenn.
Flynt
Grassley
Haley
Hansen
Hutchinson
Ichord
Kindness
Krueger
Landrum
Latta
Lott
McDonald
Montgomery
Moorhead, Calif.
Natcher
Passman
Quillen
Rousselot
Runnels
Satterfield
Shipley
Snyder
Stephens
Stuckey
Symms
Taylor, Mo.
Whitten

NOT VOTING—34

Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Brown, Ohio
Burke, Fla.
Cochran
Coughlin
Crane
Derwinski
Dingell
Esch
Fary
Ford, Mich.
Fraser
Hébert
Jarman
Jones, Okla.
McClory
McKinney
Macdonald
Mills
Mollohan
Nowak
Pepper
Rees
Ruppe
Steiger, Ariz.
Teague
Ullman
Van Deerlin
Vander Jagt
Wolff
Wright
Young, Alaska

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Anderson of Illinois.

Mr. Teague with Mr. Cochran.

Mr. Dingell with Mr. Andrews of North Carolina.

Mr. Nowak with Mr. Young of Alaska.

Mr. Pepper with Mr. Ruppe.

Mr. Mollohan with Mr. Esch.

Mr. Wolff with Mr. Andrews of North Dakota.

Mr. Van Deerlin with Mr. Vander Jagt.

Mr. Wright with Mr. Brown of Ohio.

Mr. Rees with Mr. Coughlin.

Mr. Ullman with Mr. Burke of Florida.

Mr. Ford of Michigan with Mr. Fary.

Mr. Fraser with Mr. Crane.

Mr. Jones of Oklahoma with Mr. Macdonald of Massachusetts.

Mr. McClory with Mr. Mills.

Mr. Steiger of Arizona with Mr. McKinney.

Mr. Derwinski with Mr. Jarman.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that he will take unanimous-consent requests from the Members but not for speeches.

CIVILIAN CONSERVATION CORPS ACT OF 1975

(Mr. DUNCAN of Oregon asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. DUNCAN of Oregon. Mr. Speaker, I am reintroducing today, with a list of welcomed cosponsors, the Civilian Conservation Corps Act of 1975, a bill I submitted earlier this year.

The motivations that led to the creation and introduction of this legislation have not dissipated. Unemployment rates still skyrocket at over 20 percent among the Nation's youth, and there still remains a great need for additional capital investments in the natural resources of this country, its recreational facilities, its rangelands, its timberlands, and its water resources.

Carl Rowan, the Washington Post columnist, questioned six of the Nation's top police administrators from six of the Nations' top cities, asking them one simple question:

"If you had to recommend one thing, one action the country could take to combat the rise of crime, what would it be?"

All six of these officials agreed that efforts to reduce unemployment in the central cities among young men, especially minority young men under the age of 25 years, would be one of the most effective means of reducing the crime rate.

My bill would make, if enacted, great inroads into this area, and I believe offer alternatives to these young men—alternatives they do not now have.

This bill has been modeled after what many consider to have been one of the best agencies created in the thirties to fight unemployment and the depression. It gives priority in employment of Corps members from areas having a high rate of unemployment for 3 consecutive months.

I believe this bill should enjoy the support of rural areas where most of the resources needing work are located, and the support of urban areas where most of those needing employment are located.

I have sent copies of the legislation to every State resource agency, to organized labor, environmental, and industry groups across the country, and have received hundreds of letters of encouragement and support. Not one voice of opposition has been raised.

I would welcome further sponsors to this bill, and will reintroduce the bill as required to accommodate such of the Members as may indicate their interest. I have discussed it with the leadership, and the chairman of the concerned committee, and look forward to early hearings.

PARLIAMENTARY INQUIRY

Mr. BAUMAN. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BAUMAN. If the gentleman from Maryland is disposed to make a point of order against the consideration of this bill because of any provisions it contains contrary to Public Law 93–344, the Budget Control Act, when would that point of order lie?

The SPEAKER. It will depend on when the motion is made to go into the Commitee of Whole. It would lie at the time the motion is made.

Mr. BAUMAN. Mr. Speaker, then I would like to make a point of order.

The SPEAKER. As soon as the gentleman from Pennsylvania(Mr. MORGAN), makes his motion, the Chair will recognize the gentleman.

INTERNATIONAL DEVELOPMENT AND FOOD ASSISTANCE ACT OF 1975

Mr. MORGAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9005) to authorize assistance for disaster relief and rehabilitation, to provide for overseas distribution and production of agricultural commodities, to amend the Foreign Assistance Act of 1961, and for other purposes.

POINT OF ORDER

Mr. BAUMAN. Mr. Speaker, I make a point of order against the present consideration of the bill H.R. 9005 on the grounds that on page 15 of this bill, in section 302(e), lines 6 to 17, there is contained a provision which in essence changes the law governing repayments on previous foreign assistance loans making these sums available for certain purposes without reappropriation by Congress. At the present time the proceeds from repayments of these loans are returned to the Treasury for later reappropriation by the Congress.

Apparently this provision allows at

least $200 million in loan reflows, as the report refers to them, to be respent without either authorization or further appropriation by the Congress each year.

It would be my contention that this provision violates Public Law 93–344, section 401(a), the Congressional Budget Act of 1974, which in effect prohibits the consideration by the House of any bill or resolution which provides any new spending authority. In effect this is backdoor spending without authorization and appropriation each year by the Congress.

The **SPEAKER**. Does the gentleman from Pennsylvania desire to be heard on the point of order?

Mr. **MORGAN**. I do, Mr. Speaker.

Mr. Speaker, I rise in opposition to the point of order.

Mr. Speaker, the proposed section 103 of the Foreign Assistance Act of 1961 contained in section 301(a) of House Resolution 905 as reported, which authorizes the repayment on prior year foreign aid loans to be made available for specific purposes, does not in effect appropriate funds and, therefore, is not subject to a point of order under clause 5 of rule XXI. The funds referred to in section 103 will not be available for reuse unless they are appropriated.

The committee does not intend that these funds be exempt from the appropriation process, as can be seen from the following language. The clear language of the bill, Mr. Speaker, proposed in section 103 specifically provides that amounts repaid are authorized to be available for use and authorized for appropriation. It does not provide that they be available for use as an appropriation.

The **SPEAKER**. The Chair would like to address a question to the gentleman from Maryland.

Is the gentleman raising a point of order under the Budget Act for the purpose of preventing the consideration of the legislation, or is he attempting to make a point of order that this is an appropriation on a legislative bill?

Mr. **BAUMAN**. Mr. Speaker, I am making the point of order for the express purpose of preventing the consideration of the bill, inasmuch as the public law to which I have referred says that it shall not be in order for either House to consider a bill which contains such a provision.

I would, therefore, in response to the statement of the chairman of the committee, refer to the committee report on page 46 which says:

> The third subsection added to section 103 authorizes repayments on prior year aid loans to be made available for specified purposes.

This would remove it from the appropriation process.

The **SPEAKER**. The Chair is ready to rule. The gentleman from Maryland is making the point of order that the portion of the bill under section 302(e) constitutes new pending authority and violates section 401(a) of the Budget Act, Public Law 93–344.

The Chair has reviewed the language shown in the bill and in the report which shows that it is subject to the appropriation process because the whole intent and thrust is predicated on the words "are authorized to be made available." In other words, the reflow funds are to be appropriated by the Committee on Appropriations and by subsequent legislative actions and not as a result of the passage of this bill.

The Chair, therefore, overrules the point of order.

Mr. **BAUMAN**. Mr. Speaker, if I may be heard further, my contention was that this particular provision in and of itself authorizes the continuing appropriation each year, as the report indicates that it does, and that section 401 (a) of Public Law 93–344 prevents consideration of any bill which permits that.

The **SPEAKER**. If that is true, this is still not in violation of 401. This is still an "authorization" subject to action each year of the Committee on Appropriations.

The Chair overrules the point of order.

Mr. **BAUMAN**. Mr. Speaker, a parliamentary inquiry.

Would a point of order later lie against this section, based on its being an appropriation, when we are considering this bill under the 5-minute rule?

The **SPEAKER**. At the proper time later in the consideration of the bill under the 5-minute rule that will be a matter for the Committee of the Whole and not for the Speaker.

Mr. **BAUMAN**. I thank the Chair.

The **SPEAKER**. The question is on the motion offered by the gentleman from Pennsylvania (Mr. MORGAN).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 9005, with Mr. PRICE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The **CHAIRMAN**. Under the rule the gentleman from Pennsylvania (Mr. MORGAN) will be recognized for 1 hour and the gentleman from Michigan (Mr. BROOMFIELD) will be recognized for 1 hour.

The Chair recognizes the gentleman from Pennsylvania.

Mr. **MORGAN**. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the bill before the House today is H.R. 9005, the International Development and Food Act of 1975.

It is one of the best bills ever to come from our committee:

It is the first foreign assistance bill in my memory which came from the committee without a dissenting vote, and without an opposing minority report.

It is a bill which was written in the committee during many long sessions and on a bipartisan basis, which has gained administration support.

It is a bill which has received editorial praise in newspapers from Trenton and Minneapolis to Memphis and Houston.

It is a bill which has gained strong support from a wide range of civil and religious groups.

Why has this measure been so generally approved?

Because, I think, this bill is a far-sighted attempt to express America's leadership in helping poor people in poor countries to improve their lives.

Further, this bill contains only development assistance.

There is not a cent of military aid in the bill.

There is not a cent of security-type aid in the bill.

In the past our committee always has opposed splitting economic and military aid into two bills.

We believed that a combined bill was the best means of insuring passage.

Today times have changed. It is clear that each bill can stand best on its own merits.

I know that a number of members on both sides of the aisle who once voted for foreign assistance stopped doing so because of opposition to American policies in Indochina.

That era is over. The bill before us is only development assistance—assistance directed at poor people in poor countries.

THREE PURPOSES OF THE BILL

Basically, H.R. 9005 does three things:

First, it carries on the "new directions" reforms in foreign assistance which Congress began in 1973.

Second, it coordinates the overseas distribution of the Public Law 480 program with the goals of the new directions.

Third—and most important—it authorizes appropriations for development assistance for fiscal years 1976 and 1977 and for the transition quarter.

Let me give details on each of these purposes:

THE "NEW DIRECTIONS"

Two years ago our committee decided to scrap the foreign aid program as it had been operating.

Reforms adopted in 1973 by Congress redirected the program in new directions to assist the poor majority in poor countries with their most pressing problems:

Problems of food production, nutrition, and rural development.

Problems of health and population planning.

Problems of practical education.

Since that time our committee has been working closely with the Agency for International Development, which administers these programs. We want to make sure that the will of Congress is being put into practice.

At this point, I can report that a good deal of progress has been made.

A number of industrial development and prestige projects have been canceled.

Much aid has been redirected to give assistance to the neediest people in the neediest countries.

More and more programs are being carried out through private organizations.

The AID Agency has cut its own staff by some 1,000 people over the past few months. By early next year it will be one-half the size it was in 1968.

This bill carries on the reforms of 1973 by amending the Foreign Assistance Act of 1961. It reaffirms and clarifies the new directions for the AID program, and adds some new features:

First, a new title has been created for disaster assistance, to insure that it will be used entirely for humanitarian relief purposes and not for political purposes.

Second, a new stress has been placed on helping poor countries with problems caused by high energy prices, to lessen their dependence on Middle Eastern oil.

Third, the bill authorizes an expanded effort to develop and spread technology tailored to the needs and abilities of the less developed countries. This is called intermediate technology.

Fourth, we have eliminated or reoriented funding categories in the act which represent more traditional approaches to development aid; and

Fifth, we have created a new title—title XII—which provides for an expanded program of agricultural research and extension. Under this provision, the experience and talents of American land-grant universities and other schools will be used to help poor countries grow more food. This is the "Freedom from Hunger" proposal introduced by Representative **Paul Findley** and cosponsored by more than 90 Members of the House.

PUBLIC LAW 480

H.R. 9005 also amends the Agricultural Trade Development and Assistance Act of 1954—better known as Public Law 480, food-for-peace.

In the last Congress the Committee Reform Act of 1974 gave the Committee on International Relations jurisdiction over the oversea distribution aspects of Public Law 480.

Working closely with the House Agricultural Committee, we have proposed a series of amendments to Public Law 480. These amendments have several purposes:

They update certain aspects of the law in the light of the new era in which the United States is no longer overloaded with farm surpluses, but rather faces a challenge of worldwide food shortages.

They put greater attention to the humanitarian use of U.S. food aid.

They provide for using food aid to promote self-help development of agriculture by the countries receiving the food.

These amendments are included in title II of the bill before us today. Let me speak in more detail about three changes:

First, the bill establishes a 1½ ton annual minimum for Public Law 480, title II, humanitarian grant programs. Of that amount not less than 1 million tons is to be distributed through nonprofit voluntary agencies—such as CARE, Church World Services, and Catholic Relief Services.

This provision will help guarantee a steady flow of food for the child feeding and other humanitarian programs conducted abroad by our voluntary agencies. In the past those programs have suffered from shortages and uncertainties in their supplies.

Second, H.R. 9005 writes into permanent law an improved version of the 70–30 provision in the Foreign Assistance Act which expired at the end of 1975.

It requires that at least 70 percent of Public Law 480 title I concessional sales go to countries "most seriously affected" by the shortage of enough food.

Third, the bill provides authority for Public Law 480 food grants to poor countries—within certain limits—for programs in which these countries use the proceeds of food sales for self-help food-related projects.

This is designed to make Public Law 480 an incentive to—rather than discouraging—farm output in the needy countries.

It should be pointed out that H.R. 9005 does not authorize any new appropriations for Public Law 480. It does not exceed the size or cost of Public Law 480 as already programed for this year.

It does not add anything to fiscal 1976 foreign aid costs or increase grain shipments abroad.

It does, however, seek to give a more humanitarian and effective pattern for those food shipments which are going forward.

AUTHORIZATION OF APPROPRIATIONS

At this point let me turn to the principal purpose of this bill—the authorization of appropriations.

H.R. 9005 authorizes $1.35 billion for fiscal 1976 and $1.52 billion for fiscal 1977.

It also contains an authorization for the transition quarter which is one-fourth the fiscal 1976 amount.

In addition, the bill authorizes the use of loan reflows for development purposes.

Until 2 years ago the proceeds of former U.S. aid loans—such as old "Point Four" loans—went back to the AID agency and were used again on the revolving fund basis.

This bill contains a provision which restores the use of these reflows—but only for specified purposes.

Two hundred million dollars would be a contribution by the United States to the International Fund for Agricultural Development.

This is a proposed new fund of $1.25 billion to help poor countries increase food production. It is the outcome of the World Food Conference.

The administration has pledged $200 million to the fund if other countries—including the oil-producing nations—contribute their share.

In his speech at the United Nations last week Secretary Kissinger indicated that the President will be asking Congress to make the $200 million available this year—contingent upon the response of other countries.

The balance of the reflows could be used for expanded programs of agricultural research or similar aid.

The estimated amount of these repayments in the current fiscal year is $353 million.

It must be pointed out that use of these reflows is in no way "backdoor spending." The amounts must be appropriated—as they always have been in the past.

REASONS FOR AID

One criticism which has been leveled at this bill is that it does not contain enough funds for development aid—given the needs of the poor countries.

At present, the United States stands 14th among 17 industrialized nations in the percentage of its gross national product which it provides in development aid.

This bill will not advance that ranking.

Further, it must be remembered that from 80 to 90 percent of all the funds in this bill will be spent right here in the United States, for products and services.

Moreover, much of our aid is in the form of loans which must be—and are being—repaid, and in dollars.

For example, loan receipts last year totaled $405 million. As a result, the net impact of AID activities in fiscal year 1974 was only $126 million.

Against these far from excessive costs, let us weigh the many benefits of our foreign assistance.

We have a huge stake in peace throughout the world. The gap between the rich and the poor nations, and between the rich and poor within nations, is an invitation to conflict.

Our security assistance to friends and allies abroad not only provides a critical margin for their security; it does so also for our own security—at a fraction of what it would cost us to have an effective forward defense by ourselves.

We have an increasing need for raw materials and energy from abroad. We consume 40 percent of the world's output. It is, therefore, in our self-interest to be on good terms with the developing countries, who hold 60 percent of the world's land surface and control resources to which we must have access for our own economic growth.

We also need the cooperation of the developing countries to solve problems that increasingly cross national boundaries—narcotics control, terrorism, environmental pollution, and many others.

We need the markets of the developing countries. Our trade surplus with these countries was $2.3 billion in 1973 and, excluding trade with oil exporting nations, was $5.6 billion.

Our highest motive for giving assistance to poor people in poor countries is—of course—because we know it is the right thing to do.

While hundreds of millions in the world go hungry, we cannot hoard our abundance.

While hundreds of millions need medical care and education and help in population planning, we cannot refuse to provide our know-how and technical skills.

While hundreds of millions of poor people need help to become more productive and to lead more satisfying lives, we cannot withhold our fair share of resources.

I urge, therefore, that the Members of the House read the committee report, listen to the debate, and then vote overwhelmingly for H.R. 9005.

Mr. BROOMFIELD. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 9005, the International Development and Food Assistance Act of 1975.

For the first time in many years, Mr. Chairman, we have a truly innovative and economic foreign aid bill which will insure the effective use of a reasonable amount of dollars with strong emphasis on food assistance programs.

We have turned the corner finally with a program that recognizes the realities of what our aid can accomplish overseas as well as the constraints of our domestic economy.

This bill marks the end of that era which saw a lavish outpouring of dollars sometimes on grandiose schemes which we often could not afford and which frequently did not work.

H.R. 9005 emphasizes programs that will help the rural poor of the developing nations to help themselves. These are the kinds of programs people will support. The Harris poll shows that 79 per cent of all Americans favor foreign aid programs aimed directly at the working poor in the world's poorest countries.

Let us discuss that point. I cosponsored this bill because most of the money in it goes for agricultural projects and programs to help improve the production level of poor farmers and because of policy changes which assure that this objective will be met.

The major Public Law 480 policy changes in this bill are self-help provisions, aimed at poor farmers in poor countries. Another major policy change is title XII, initiated by my distinguished colleague from Illinois (Mr. FINDLEY) and which I proudly cosponsored. His famine prevention amendment will help small farmers by giving them the benefit of the best thinking of our land-grant colleges. Still another congressional initiative is the section providing for intermediate technology, rather than big tractors, combines, and the like for small farmers.

In addition to our authorization for bilateral agricultural projects and programs, the bill authorizes the use of $200 million in foreign aid repayments for the International Fund for Agricultural Development, which was highlighted in the American address given recently at the U.N. Special Session on development. This Fund will be heavily endowed by the oil-rich countries, who are expected to triple our contribution.

One of the reasons we should vote for the bill is because it is in our own interest to do so. About half of all our strategic raw material imports come from the countries that receive aid in this bill. As President Ford put it:

> A world of economic confrontation cannot be a world of political cooperation.

We need to maintain access to these strategic materials and to maintain an economic climate in which they are available. I think the Members should also know that even with our outlays to import these strategic materials, the United States still had a surplus balance of payments with developing countries—$1.6 billion surplus in 1973 and $2 billion surplus in 1974.

One of the reasons for this surplus balance of payments is that our foreign aid loans are being paid off. We will get back around $350 million this year—and I would like to point out that the repayment record on foreign aid loans is about 98 percent, a record most banks would envy. We should remember too, that these payments come from some of the very poorest countries in the world.

The way we have set up this development and food assistance program makes sense from the point of view of reaching poor people. It also makes sense from the point of view of where the money is actually spent. Just so there is no misunderstanding about it, let me explain that in this development bill we are not asking you to send money overseas. We are asking you to authorize money, most of which will be spent right here in the United States. It is American goods and services that are being shipped overseas. The money stays home. It is spent in your States and it supports many commercial enterprises, and over 200 colleges and universities. At a time when so many Members of this House are concerned about jobs, they should be aware of the jobs that are supported by this program.

It is important that we keep this focus in mind as we consider a modest amount for development assistance.

Basically, there should be no real controversy over the International Development and Food Assistance Act. The administration supports House passage of H.R. 9005 and is seeking no amendments on the floor of the House. The bill is carefully drafted—it is a tight bill. It is one your constituents can support.

I urge your support of H.R. 9005.

Mr. BROOMFIELD. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois (Mr. FINDLEY).

Mr. FINDLEY. Mr. Chairman, the famine prevention and freedom from hunger section of this bill, I feel deeply, has great promise for actually ending the specter of famine worldwide. I say that because it marshals a very unique resource in this Nation, the land-grant university expertise and the expertise which is found in other similar universities throughout the country.

It has been over a century since the original Morrill Act was adopted by this Congress, and during that century our agriculture was transformed from a backward state, lagging behind European countries, to one of unexampled advance and progress, the envy of the entire world.

One of the central reasons for this spectacular development over the past century has been the deliberate program of higher education of the small farmers of the Nation.

This was brought about first through classroom education funded in part under the Morrill Act. The original Land Grant Act was followed by other acts which made possible the establishment of research stations and then the extension service which brings education on a continuing basis to every county of the Nation, to the farmers and homemakers of every county of the Nation.

Inspired by this record, a number of us put together during the past year the proposal which is known as the famine prevention program, and under it the institutions which have had this century-long experience, this century-long success story in the continuing education of farmers, will be enabled to help other countries still in the developing stage, hopefully, to establish similar institutions within their own borders which will bring classroom research and extension education to the small farmers of those countries.

No one is suggesting that the same system which flourishes here in the United States can be transferred intact to any other part of the world. It will have to be adapted to the educational level, to the needs, and to the ecology of that particular region; but education of farmers is a good investment wherever it occurs.

The whole thrust and purpose of this part of the bill which is now before us is to encourage developing countries to take seriously the continuing education of farmers.

I would like to express my appreciation to chairman of the full committee, the gentleman from Pennsylvania (Mr. MORGAN), the gentleman from Michigan (Mr. BROOMFIELD), the gentleman from Wisconsin (Mr. ZABLOCKI), and to the other members of the committee as well as to the members of the committee staff and to the staffs of the land-grant universities and the Land-Grant Association nationally, as well as to Senator HUMPHREY, if I may be permitted to mention his name, and others in the other body who have worked closely in the day-by-day development and refinement of this idea during the past 9 months. It has been a splendid example of creativity at the congressional level and a fine example of cooperation on a bipartisan approach.

A wise philosopher once observed, "If you give me a fish, I will eat today. If you teach me to fish, I will eat forever."

Perchance, Jonathan Baldwin Turner was motivated by such a thought when he called for the education of the "workers" of our society.

Mr. Turner was born in Massachusetts in 1805. Graduating from Yale, he moved to Jacksonville, Ill., in 1833 to teach at Illinois College. During his days there, he became involved in the movement for public education. As early as 1848, Mr. Turner was calling for a State agricultural or industrial college. He early came to recognize the necessity for a scientific education of the practical man, if he was ever to take the place which belonged to him by virtue of the importance of his occupation.

Consolidating his ideas on public education, Mr. Turner addressed the Illinois Teacher Institute in 1852 in Griggsville, Ill., on the need for such a system in all the States. Mr. Turner called for the creation of colleges where the leading object would be, without excluding scientific and classical studies, to teach such branches of learning as are related to agriculture and mechanic arts to the sons and daughters of the farmer and workingman.

Calling for an Institute of Science "to operate as the great luminary of the national mind, from which all minor institutions should derive light and heat, and toward which they should also reflect back their own," Mr. Turner said that a "university for the industrial classes in each of the States" should be created. The university should establish subordinate institutions "to apply existing knowledge directly and efficiently to all practical pursuits and professions in life, and to extend the boundaries of our present knowledge in all possible practical directions."

He continued by calling for "annual experiments and processes in the great interests of agriculture and horticulture—instruction should be given—to facilitate the increase and practical application and diffusion of knowledge." Agricultural and mechanical research should be conducted and the process thoroughly and practically tested and explained, so that their benefits might be at once enjoyed, or the expense of their cost avoided by the unskilled and unwary." Knowing about loss of production because of the lack of farmer information, Mr. Turner stated that:

> It is believed by many intelligent men that from one third to one half the annual products of this State are annually lost from ignorance on the above topics. And it can scarcely be doubted that in a few years the entire cost of the whole institution would be annually saved to the State in the above interests alone, aside from all its other benefits, intellectual, moral, social, and pecuniary.

Others have made similar estimations about agricultural production in the developing nations today. Is it not then time to apply the prairie wisdom of Mr. Turner to the education of the world farmer? Is it not time to take his concept of applied research and the continual education of the farmer to the less developed nations?

Mr. Turner maintained that:

> If every farmer's and mechanic's son in this State could now visit such an institution but for a single day in the year, it would do him more good in arousing and directing the dormant energies of mind than all the cost incurred, and far more good than many a six months of professed study of things he will never need . . . to know.

Title XII, the famine prevention program, is designed to take that necessary education to the small farmer, to teach him the things he needs to know about increased production, agricultural production, tailored to his own county and region.

Mr. Turner's idea was shared by others as evidenced by the farmer pressure to create such a university. Similar ideas of men like Clemson and Morrill created pressure for the Land-Grant Act of 1862. These institutions have helped raise the standard of living of our own rural residence and our ability to produce agricultural foodstuffs.

Born out of our need for public education of agricultural arts, the concept is now ready for systematic testing in the developing nations. The famine prevention provisions are geared to educate farmers in less developed countries so that they will adopt more advanced agricultural technology to increase production.

Just as Mr. Turner indicated the need for local research and farmer education, so does title XII emphasize the need to develop the educational concept tailored to the needs of the host community.

Title XII would create the tool whereby Mr. Turner's seed could be planted anew in the world. The challenge is to take the concept and expand its potential via long term relationships between agricultural scientists and educators in U.S. universities and universities, research and extension units in the developing countries which will bring knowledge directly to the small farmer. Such exchanges would facilitate advancement of agricultural research, teaching, and extension activities. U.S. universities could help to establish new land-grant type universities where needed, work with established universities that want to upgrade their staff teaching, research, and extension efforts, or improve coordination between teaching at the university with research and extension efforts in a Ministry of Agriculture.

This sustained approach would give Jonathan Baldwin Turner's humanitarian concept a chance to work in less developed countries. It has worked in this country as evidenced by our surplus production. Let us now work to insure production of enough throughout the world.

Discussing the role of early agriculture education and research in our own country, Secretary of Agriculture James Wilson—1897-1913—observed that—

> The future holds important discoveries still to be made.

The goal of famine prevention is to make these discoveries and apply the results to the needs of the developing nation.

Dr. Knapp, the founder of our own extension service once observed that:

> What a man hears, he may doubt; what he sees, he may possibly doubt, but what he does himself, he cannot doubt.

Our goal with title XII is to create this opportunity in less developed countries.

The famine prevention program offers a new focus in our attempt to prevent famine in the world. It provides funds for American universities to research and help establish ways of increasing food production in the third world countries. These projects include:

First. Building human and institutional resources which reach directly small farmers in developing countries;

Second. Strengthening research in developing countries by supporting international agricultural research centers; and

Third. Aiding long-term research on various food problems.

It has been long established that an infant deprived of nutrition or stimulation will never develop to full mental capacity. Feeding the physical needs of the body must precede the nourishment of the mind with information. This bill is designed not only to give immediate food aid, but with the famine prevention program, to give long-term ability to produce for one's own needs. Let us emphasize the need to increase the knowledge of the rural and farm resident of the developing nation.

About two-thirds of the population of the developing countries is economically active in agriculture as compared to one-seventh in developed—non-centrally planned—economies. Thus, a ready-made audience is waiting for a self-help program to improve their ability to feed themselves. The famine prevention program is intended for the benefit of the small and subsistence farmer. Improving his marginal productivity offers a chance to stabilize his ability to feed adequately himself and his neighbor.

American-style agricultural techniques usually cannot be directly transplanted to foreign countries, but must be adapted to local circumstances. The famine prevention proposal is speaking of a concept, the concept of transferring an idea of the education of farmers and rural residents in the improved techniques of production, distribution, and the preservation of food. The promotion of adequate agricultural educational institutions and systems tailored to the needs of the developing country and the continuing education concept of extension will be fruitful in attacking the killer of man—famine.

Food comes from both the land and the waters of the Earth; therefore it is my intent that the provisions of this act shall apply to coastal and inland waters as well as to rural areas, and that the benefits of this act shall apply equally to the poor, small scale fisherman as well as to the poor, small scale farmer.

As only approximately 8 percent of our world's land area is suitable for crops and approximately 65 percent is suitable for grazing, it is my intention that animal health education be a part of the extension activity proposed in the famine prevention program. Coupled with activities relating to crop culture, horticulture, and fish culture, improvements in the world's supply of protein and other valuable nutrients should be achieved.

The role of animal industry as a source to utilize roughages and turn this crop, otherwise unharvestable, into human protein food is limited by our knowledge to curb diseases of animals. Some 75 percent of the world's people live in regions where they are largely dependent upon animals for transport, agricultural power, and fertilizer, as well as protein.

Efforts through farmer education to improve the animal health and husbandry should have a role in increasing the efficiency of the production of edible protein and the reduction of disease transferable to man. Increased knowledge of animal husbandry should have a profound effect on tropical production.

The act authorizes land-grant and land-grant type universities to provide the expertise. This is based on the committee's desire that the universities must have "demonstrable capacity" and experience with extension activities and their interrelationship with teaching and research. The definition extends eligibility to such universities as Texas A. and I., Texas Technological University, California State University at Fresno, California Polytechnical State University at San Luis Obispo, and California State University at Chico, to mention just a few.

The needs of the developing nations include bringing directly to the farmer the results of regional and local agricultural research. The American land-grant and similar institutions have domestically been doing this for years.

Now the challenge is to take Jonathan Baldwin Turner's idea from the prairie and into the world, adapting it to the needs and capabilities of farmers in developing nations.

The starving of the mind of an infant or the body of an adult is a cruel form of inhumanity. It can and must be attacked via emphasis on the ability of the people to take care of their needs. In turn, our own economy and stability will increase with the promotion of stability in developing nations. The adequately fed world resident can then devote his talents toward improving mankind's other needs. On the other hand, a malnutrition problem of crisis proportions in developing nations must be recognized by the entire world community as a threat to world peace and stability. We as a part of the world community can ignore this crisis only at our own peril.

Armed with methods to increase the agricultural productivity capabilities in the developing nation, the extension education and research must also direct efforts toward the uplifting of nutritional knowledge and food preservation. Emphasis should be directed toward tailoring the abilities, products and needs of the developing nation.

The efforts of the famine prevention program should be directed toward making the "green revolution" work via continuous farmer education. The green revolution must become a revolution of sufficiency—enough. The program is a policy that does not necessarily promise or predict plenty, but a policy which promotes enough—enough to insure an adequate diet. Famine prevention is a policy and program to promote an adequate level of nutrition to prevent famine and promote world peace through self-sufficiency and freedom from hunger.

The stunted and deprived child calls for efforts to achieve an adequate diet. He is not concerned with surpluses nor the call to abundance. His needs are merely sufficiency. And this provision is geared toward this goal—adding self to sufficiency.

Some may worry that this would have an adverse impact on our American farmer. I would point to the positive effect the Marshall plan and other foreign assistance plans have had in the past. Japan, once the object of our aid, is now the U.S. farmer's biggest customer. The subsistence farmers are not now purchasers for cash of American farm products. We are talking instead of the needs of the poorest of the poor. The hungry will not understand our rhetoric about abundance and concern over limiting their production. Rather, as their production improves, a better diet will be desired and insured.

In fact, farm organizations have given their support to this measure.

William J. Kuhfuss, president of the American Farm Bureau Federation, has stated publicly his support for the famine prevention concept. Officials of National Farmers Union have also expressed their support.

To my knowledge no national farm organization has expressed criticism of any aspect of the proposal.

The National Association of State Universities and Land-Grant Colleges participated closely in the development of the famine prevention proposal and has expressed its enthusiastic support.

Land-grant and similar universities have of course played an important role for years in development work overseas.

Six land-grant universities, for example, helped to establish nine successful land-grant-type universities in India. Other universities have undertaken successful projects in other countries.

The universities—and our Government—have learned by this experience. This proposal profits from that experience.

Universities were handicapped in the past by the short-term character of contracts and by the difficulty of working under rules and regulations established generally for AID programs, but which seemed inappropriate for university work.

The language of this program should largely correct these problems. It makes possible long-term contracts. It gives to universities a more prominent role in the formulation and implementation of programs in individual foreign countries. And equally important, it gives universities—through membership control of the Board for International Agricultural Development, specified in the bill—an important role in the development of policies and monitoring of program execution.

Under the bill, universities actually become a partner with the Administrator of the Agency for International Development in the formulation and execution of all aspects of university responsibility under the famine prevention program.

As Dean Bentley, College of Agriculture, University of Illinois has said:

> Our U.S. land-grant university system today is the product of three historic legislative acts—Morrill's Land-Grant Act of 1862 which first created the concept of a federal-state partnership in higher education, the Hatch Act of 1887 which strengthened this partnership concept through federal funding of the state agricultural experiment stations, and the Smith-Lever Act of 1914 which carried the partnership a step further through the creation of the federal-state Cooperative Extension Services.
>
> Now, through the Famine Prevention Program, the Congress of the United States has the opportunity to permanently add the needed fourth dimension to the partnership—dimension of international cooperation in higher education in agriculture to help find ways to fight the growing dangers of hunger and famine which may eventually threaten all of us. And there are few among us today who would doubt but what this Act, when fully and properly implemented, will earn its place with the Morrill, Hatch, and Smith-Lever Acts as one of the most forward-looking legislative provisions of its time.

Dr. Clifford R. Wharton, Jr., president, Michigan State Univeristy supported the famine prevention program by stating:

> This represents an important step in further strengthening our ability to deal with one of the most pervasive and persistent problems of our world—famine and the adequacy of agricultural production.
>
> My own background of experience convinces me that the mode of approaching problems of hunger, food production and nutrition as proposed by Congressman Findley is worthy of support. The proposed Title XII represents a new initiative, a new approach which will effectively involve the valuable food and nutrition research, institution building and extension experience which exists at our American universities of the land-grant tradition. The amendment will provide a number of clear-cut advantages which should have practical and constructive value.
>
> Interest in the problems of food and agricultural production has waxed and waned over the years, more often than not in response to the intensity of the acute evidences of famine or food shortages. Again today there is a flurry of interest, but we must remember that even when the issue is not in the spotlight, millions of humans remain on the brink of starvation.
>
> Therefore, one lesson which emerges most forcefully from past history is the critical importance of recognizing the need for sustained, permanent funding in this area. Agricultural research and the institutions required to transmit the new technologies or knowledge generated can never be fully successful with a funding pattern that itself fluctuates from feast to famine. We learned that lesson, I hope, with respect to U.S. agriculture many years ago—though there are times when I wonder whether we do not forget the source of the cornucopia which has made it possible for our agriculture to jump from each farmer feeding himself and 14 others less than a generation ago to feeding 52 today.

This bill provides for the wise use of foreign agricultural money. It is a low-cost program, despite its prospects for high benefit, and is therefore one which can be supported by all. In the September 1 address to a special session of the United Nations General Assembly by Representative Daniel P. Moynihan on behalf of Secretary Kissinger, the delegates were told that:

> We are supporting legislation in Congress to enable our universities to expand their technical assistance and research in the agricultural field.

The administration supports the self-help, teach-me-to-fish concept. The challenge of world hunger must be met. It can with an attack on all fronts, including the revolution of sufficiency, the policy of enough. It is time to apply Jonathan Baldwin Turner's idea, born and nurtured on the prairie, to help the people of the world.

Here are my answers to key questions on the famine prevention program:

What is the major purpose of the famine prevention program?

The major objective is to educate farmers in less developed countries so they will adopt more advanced agricultural technology and increase production.

What is the difference between the famine prevention program and past university-aid institution building contract projects?

Past contracts helped establish and assist other colleges and universities and Ministries of Agriculture in some countries. However, growth and advancement in agricultural research, teaching and extension is a continuous process. The need for a local problem-solving system that will help local farmers is still present in many developing countries, even where universities have been working. The basic goal of the Famine Prevention program is to build the institutions to solve that country's problems so it can achieve independence in food production and freedom from hunger. These past assistance programs with universities have been funded from year to year and many U.S. university staff have worked on two year assignments or less. It has been difficult to build continuous efforts and advance the internal capability for agricultural production under these circumstances. Lack of continuity among U.S.

assistance teams has been a problem in past university contract projects. (9, p. 51)

How would the famine prevention program be different?

This act would provide the means for U.S. universities to build a staff for continuing work in international agricultural development. The means would be available to establish long term relationships between agricultural scientists and educators in U.S. universities and universities, research and extension units in the developing countries. Such exchanges would facilitate advancement of agricultural research, teaching, and extension activities. U.S. universities could help to establish new land-grant type universities where needed, work with established universities that want to upgrade their staff teaching, research, and extension efforts, or improve coordination between teaching at the university with research and extension efforts in a Ministry of Agriculture.

If the goal is to make each country independent in food production, would this endanger our international trade in agricultural products?

Although the goal is to make each developing country independent in food production, this would not mean that every country would produce all the agricultural products its citizens would need or want. But each country would try to expand its output of food products which it can produce to the greatest economic advantage, selling what it does not need and buying other products that it cannot produce economically. Expanding production of agricultural products, the goal of the Famine Prevention Program, could actually result in a larger volume of international trade in agricultural products.

Where do the OPEC countries fit into the Famine Prevention Program?

The main purpose of the Famine Prevention Program is to help each less developed country develop its food production capacity to the fullest extent. Funds provided to U.S. universities under this program would be used only to assist those countries who cannot afford to pay for assistance from U.S. universities. It should be recognized that some OPEC countries are contracting with U.S. universities for assistance in building agricultural schools and colleges, developing research stations, and extension services. An awareness and coordination of such efforts along with the work performed by U.S. universities under the Famine Prevention Program would be desirable.

How do the international research centers fit into this program?

The international research centers have made some major scientific advancements and part of their support has come from U.S. aid funds. It is now recognized, however, that for these discoveries to be applied and adopted by the farmers in food-deficient countries, that institutions carrying out applied research and extension demonstration work with farmers must be strengthened.

How would changes in Government affect such U.S. and foreign universities' relationship?

Americans working in a foreign country are affected in different ways by changes in the local government, or by changing relationships between the U.S. and the host country. During the disruptions in Indonesia in 1967, the diplomatic relations with the U.S. were broken off but the University of Kentucky staff working at an Indonesian university were asked to stay and continue their work. In India, political differences between the U.S. and Indian government resulted in a closing down of the university institution building projects along with other AID efforts in that country. It is hoped that by establishing close working relationships between U.S. and foreign universities, with a minimum for central government involvement that scientific and professional cooperation could continue, even if minor political differences between the two countries should arise.

Will U.S. consumers get any benefit from the Famine Prevention Program?

Helping to increase food production in all countries will have long range benefits to American consumers. Helping to increase the output of those agricultural products that we cannot produce in this country such as coffee or bananas will help assure a supply that can be purchased through international trade. By boosting world output of agricultural products as populations and demand goes up, we are helping to keep food prices stable. Otherwise, the long-run price of food would certainly increase if past trends in population and demand continue.

Does Public Law 480 offer a means to finance technical assistance?

Public Law 480 involves an agreement between the U.S. government and the recipient country. Such agreements can include provisions to require efforts to increase domestic food output, and research to expand agricultural output. Although the intent is written into law, actual accomplishments under this provision are limited.

Does the U.S. own any foreign currencies acquired under Public Law 480 that could be used in famine prevention?

Only a few of the developing countries have U.S.-owned local currencies that could be useful in famine prevention or agricultural development programs. Use of such currencies must be agreed upon by the host country and the U.S. government. Where such currencies are still available, they could be used for some development projects with approval from the host country.

Why should we boost food production overseas when we may have a surplus of our own farm commodities to sell?

Although large output seems likely in 1975, the surplus will be much too small to solve the world's hunger problem. U.S. farmers will benefit most during the year ahead from an expanding export market. A program to boost output in developing countries could actually result in expanding trade with these countries as their level of local agricultural production and income increases.

On what basis will participating universities in U.S. and overseas be involved under the Famine Prevention Program?

Criteria will be established that will recognize those nations that are most seriously affected by food shortages, in need of improving their agricultural productivity, and are receptive to assistance through establishing relationships between U.S. universities and their agricultural teaching, research, and extension institutions. U.S. universities will be selected on the basis of past experience, interest, and competency to establish assistance programs with overseas universities and related institutions.

If U.S. is to help less developed countries improve their agriculture, is there any evidence that agricultural workers in the developed countries are any more productive than agricultural workers in less developed countries?

Yes, the difference in average agricultural output per workers between 11 less developed countries and 9 older developed countries in one study was 83.5 percent. (11)

What was the major cause of the difference?

Human capital investment alone accounts for over one-third while land resources per worker account for only two percent of the difference. In spite of the limitations in land resources in the less developed countries, they could achieve levels of output per worker comparable to the European levels of the early 1960's through a combination of investment in (1) human capital, (2) in agricultural research, (3) industrial capacity to make modern technical inputs, and (4) labor intensive enterprises such as livestock and perennial crops. (11)

Why have developed countries gained in productivity?

The fundamental source of the widening imbalance in world agriculture has been the lag in shifting from a natural resource-based to a science-based agriculture. In the developed countries, better educated producers and technical inputs have become the dominant sources of rising output. (11)

Why are schooling and agricultural extension work both important in improving agricultural output?

Productivity differences in agriculture are increasingly a function of investments in the education of rural people and in scientific and industrial capacity rather than natural resources endowments. The one inescapable implication of the analysis of different countries is the importance of literacy and schooling among agricultural producers and of technical and scientific education in the agricultural sciences. (11)

What positive results can be shown from past contracts where U.S. universities have worked with foreign universities?

Among 25 university contract projects analyzed in one study, ten began research projects under U.S. university contract assistance programs, five made significant improvements in their research efforts, and five made some improvement in selection of important problems. Ten host institutions had existing extension activities at the beginning of projects and fourteen others initiated them during the project. Five of the institutions started graduate teaching programs and five were getting underway or were planned for the near future. On 17 projects on which data were available, the number of staff members with advanced degrees (Master's of Ph.D. degrees) increased, suggesting an upgrading of the quality and capability of the staff. Resident student enrollments at most of the twenty-five institutions increased very rapidly. Extension activities consisting of field days, campus programs, demonstrations, short courses, training programs for extension workers attached to Ministries of Agriculture, and information services, increased at the contract project institutions. Most of the institutions appear to have increased the number and strength of their relationships with the various segments of their societies—a key part of the U.S. land-grant university philosophy. (9)

How many U.S. universities have assisted in past foreign assistance efforts to develop institutions for agricultural teaching, research, and extension?

From 1951 to 1975, thirty-seven U.S. universities worked in forty-three countries under 88 rural development contracts with USAID or its predecessor agencies. Approximately 70 percent of these contracts involved relationships with degree-granting institutions in the less developed countries including some research and extension and relationships with Ministries of Agriculture. The remaining contracts involved other projects with Ministries of Agriculture, technical training schools, research and extension. However, the type of institution building university-to-university relationship has been tapering down in recent years. From an average annual expenditure of $36 million for these projects from 1960 to 1970, the yearly obligation by 1975 was expected to run about $6.5 million. USAID efforts in recent years have placed more emphasis on specific problem solving efforts.

Is there still a role for U.S. universities in improving agriculture in developing countries?

Accelerating agricultural production in developing countries involved research; investment in the institutions, and facilities and installations to facilitate the production and marketing processes; and technical and management assistance in handling production and marketing decisions. (7) The university in a developing country has a role to play in education, research and extension, either directly or in cooperation with other institutions performing these functions. The U.S. university with its experience in the agricultural sciences can provide a stimulus through relationships that have proved to be productive in the past.

Do foreign universities see any need for extension programs to assist local people with their problems?

The locations of extension services in the land-grant type university as we have in this country may not always be the usual or acceptable system. However, one Nigerian university official observed that Nigerian universities like their counterparts in other developing countries, are faced with the problems of identifying more closely with their environment. He emphasized that the university must attempt to enter every home, town, city and rural area through research, teaching and dissemination of knowledge and skills. There is evidence that officials of other African universities see a need for their institutions to serve the needs and aspirations of their people. (3)

Does an agricultural extension service have any place in the system for improving food production in the developing countries as it has in this country?

A Chilean rural sociologist studied adoption of agricultural innovations in rural Chile. He concluded that informal associates, commercial sources, and agricultural extension were the three most important sources of information in the various stages of the adoption process among the Chilean farmers interviewed. (4) It should be recognized that agricultural extension has a direct contact with farmers to provide information and educations, but also an indirect contact through the associates of the farmer, and the commercial sources who also influence his decisions. Another study showed that of twenty-three institutions studied in developing countries, only 11 had extension programs that could be rated useful. (9, p. 38)

WHAT ROLE HAS THE LAND-GRANT UNIVERSITY HAD IN IMPROVING U.S. AGRICULTURAL PRODUCTION?

In response to requests from U.S. foreign aid missions in the 1960's, the U.S. Department of Agriculture summarized the role of research and education in improving U.S. agriculture:

"Access to public land, new knowledge through research and education facilities and the availability of credit—helped the nation build up its agricultural production capacity.

"Public expenditures for agricultural research and education have increased greatly during the last 50 years, but the total still is equivalent to only about one percent of the total value of farm products marketed. These expenditures have yielded high returns. Research and education were essential in achieving the reductions in real costs per unit of agricultural production.

"The development and diffusion of new knowledge about agricultural technology accounts for about half of the five-fold increase in U.S. agricultural output since 1870. Increased use of production inputs, chiefly capital goods, accounts for the other half. Obviously, expenditures for education and research have yielded very high returns.

"Basic education is required for improved farming and the successful functioning of cooperatives as well as for intelligent participation in the economic and political affairs of rural communities. . . . A simple economical elementary education is essential so that youth may become the skilled workers of the next generation."

The essence of this report is that the land-grant university has had a role in developing new knowledge and in disseminating it to help increase agricultural output. But for this process to occur, youth require a basic education so they can be skilled workers and participants in the rural society. (13)

M. L. Wilson, Undersecretary of Agriculture during the 1930's made these observations about the contribution of the land-grant university to agricultural development:

The greatest contribution has been the development of the high competence of farm people—their education in the colleges and their training and involvement in extension and farm organizations in learning **how** to make wise decisions based on known alternatives and through research in providing the scientific basis for the present high production and efficiency of American agriculture. (2)

Pavelis found that public investment in agricultural research and extension was the most important factor in influencing growth in real farm output, which increased at an average rate of 1 percent per year, and in farm efficiency which increased 1.75 percent per year from 1929–72. From 81 to 83 percent of the general tendency for increased real farm output and from 60 to 70 percent of the increase in farm productivity is explained by research and extension activities.

He concluded that public research and extension positively influenced the rate and character of technological change, general agricultural growth and farm production efficiency. (8)

Isn't research the most important in building programs to increase food production?

Research is important but should not be the only part of any famine prevention effort. U.S. universities have contributed to greater U.S. agricultural productivity by programs that emphasized resident teaching to develop agricultural scientists and teachers (including extension workers). Programs to build agricultural productivity overseas must also foster both research and extension. Earlier university contract projects have provided evidence that extension programs and research at universities can both be improved. But an analysis of 23 institutions shows that about half were performing useful research and extension and about half were not. (9, p. 38) The Famine Prevention Program would encourage university cooperation to improve both capacity for research and extension to boost agricultural output.

Can we assume that just because the land-grant type of university with teaching, research, and extension functions has worked so well in the United States to increase the knowledge and ability of farmers to adopt scientific technology that it will work in all other agriculturally developing countries?

The exact form of organization for teaching, research, and extension should be flexible for each country to decide how they want to carry out their educational and scientific effort to increase food production. The key is that certain functions must be performed to develop and transfer the knowledge, develop the technology and adapt it so that it is integrated into a system of acceptable and workable practices. When the whole system is present, the developing agricultural countries should be able to increase the productivity of their land, capital resources, and farm workers. (5)

Will education of the farmers produce the desired increase of production?

Programs for bringing about agricultural development need to concentrate on not just education that will convince and encourage farmers to change, but also programs to insure that farmers will be able to purchase the inputs necessary to bring about the change, and a delivery system that puts sufficient quantities at the right places and at the right times. Extension workers play a key role by demonstrating to the farmer the potential profitability and dependability of the improved technology. (6)

Although the foreign university may benefit from direct association, is there any benefit to the U.S. university?

Yes, a linkage between the U.S. and foreign university can benefit both the university and U.S. agricultural productivity. If knowledge and experience acquired by U.S. universities were limited only to this country, decline in quality of staff and courses of study would occur. Work to discover technologies for agricultural development in less developed countries has become a part of the system for increasing U.S. production as well. For example, the genetic materials for a new rust resistant winter wheat variety developed at North Carolina State University originated from materials imported from Brazil. Later the parent material was used at the University of Nebraska to develop another disease-resistant higher yielding variety with good protein quantity and quality. (7)

Numerous studies emphasize that a full understanding of the culture, resources, and economy of foreign countries helps a university to attract a better faculty, expands research opportunities, improves the content of courses, and enriches the university experience for faculty and students. (1)

Will a new law that would involve U.S. universities working with foreign institutions divert their efforts from their major responsibilities?

A key feature of the Famine Prevention Program is to provide permanent funding for international involvement to promote agricultural development through direct interchange between U.S. and foreign universities. With permanent funding such as now carried out for agricultural research and extension, U.S. universities can build a permanent staff of persons with interests in international agricultural development. In this way the land-grant university can develop a fourth dimension in international agriculture along with its long established responsibilities in resident teaching, research, and extension.

Does the Famine Prevention Program support the resolutions of the World Food Conference?

One of the main resolutions of the Conference was for developing and developed countries to increase their food production.

Another resolution includes a series of action recommendations that would stimulate growth and output in the developing countries. These included new price and tax policies that would increase incentives to produce more, larger investments to increase land and water availability, improvement in supplies of inputs including credit, fertilizers, pesticides and seeds, a reorganization of economic and social structures to improve production incentives, and better education, training and health measures to enable the farmer himself to be more fruitful.

Ambassador Edwin M. Martin, U.S. Coordinator of the World Food Conference observed that basic to all these actions to boost production is a strengthening of national research and educational institutions and improving their linkage with international, regional, agricultural industry and university research activities with those agencies able to transmit research results to farmers.

The Famine Prevention Program aims to strengthen those educational institutions that deal with problems of agricultural production and build cooperative relationships between U.S. and foreign universities that could provide knowledge for increasing output in both the developing and developed countries.

What evidence do we have that extension services are useful in developing countries?

A study completed in 1971 covering Central and parts of South America concluded:

Many people interviewed felt that extension had contributed a great deal, indirectly, by introducing new technologies to subsistence farmers and opening the door for latter-day change agents.

Farmers themselves, at least those on the smaller farms in reasonably accessible areas, are disposed to identify extension as a primary source of acquiring new technology. Rosado and Laboy found that three-quarters of the farmers named the extension service as the important source for introducing and keeping them informed about new practices. (12)

Do the extension services need further assistance to improve their present situation?

Rice pointed out that there is practically no pre-service or in-service training provided by the extension services in Latin America. There is also a small number of trained agriculturalists available to train the extension workers. (12) A further study of 29 developing countries also revealed that more than half have limited training programs for their field workers.

Mr. MORGAN. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from Indiana (Mr. HAMILTON).

Mr. HAMILTON. Mr. Chairman, I rise in support of H.R. 9005, the International Development and Food Assistance Act of 1975.

This bill constitutes a major step toward improving this country's foreign aid program and it is a logical culmination of efforts begun in Congress in 1973 to change the character and focus of what economic assistance we are able to provide to other nations.

I believe this bill should be supported because:

First, it separates development and security assistance and deals exclusively with economic and food aid programs;

Second, it concentrates on basic development dilemmas, in particular food and nutrition aid;

Third, the bill gives highest priority to development and food aid for poor people in poor countries;

Fourth, the bill contains several provisions which reaffirm, and potentially increase, the role of private agencies in implementing the economic aid programs;

Fifth, the bill provides authorization of a little more than $1.3 billion for fiscal year 1976, a figure which is modest compared to the vast sums we were spending on foreign aid during our long involvement in Indochina—sums that we no longer need to expend; and

Sixth, the bill provides an important opportunity for Congress to support the often-stated American commitment to the creation of a more effective and reliable world food system to combat hunger and malnutrition.

SEPARATING DEVELOPMENT AND SECURITY AID

For over a quarter of a century, Congress considered foreign aid legislation which included both economic aid to help poor States cope with development and military and political aid to provide arms and defense against communism and to bolster weak, but friendly, governments around the world. In recent years, foreign aid legislation, in general, and economic aid bills, in particular, have suffered from increasing opposition in Congress to certain military and security related aid, especially aid to Indochina.

This bill focuses exclusively on three items:

First, the development assistance program carried out by the Agency for International Development;

Second, international disaster relief assistance; and

Third, policy changes in the Public Law 480 food aid program.

The decision to include no military aid or security-oriented economic aid in this bill derives, in part, from the premise that an economic and food aid bill can survive on its own and that mixing economic and military aid tends to frustrate the goals of development and food aid and undermine the effectiveness of the entire economic aid effort.

CONCENTRATION ON FOOD AID AND NUTRITION

A second noteworthy feature of this bill is its heavy emphasis on the problems of global food production, food distribution, food prices and food security. Reflecting congressional interest in and concern over issues raised at the 1974 World Food Conference in Rome and events such as the Russian wheat sale and starvation in the African Sahel, this bill authorizes more money for agriculture, rural development and nutrition than any other activity.

Helping others help themselves feed themselves is an issue of tremendous concern to all of us given the pessimistic trends in available resources around the world and the dislocations that annual vagaries in the weather seem to place on food availability in certain places at certain times.

This bill amends Public Law 480 to make it a more effective means of trying to get food production in poor countries increased and of trying to tie food aid more closely and effectively to ongoing development aid concerns. By providing that at least 70 percent of food aid must go to countries "most seriously affected" by food shortages and global inflation, the bill assures that food aid cannot be used for political purposes to the degree it has been used in the past when at times over half of all food aid was poured into Indochina.

EMPHASIS ON POOR PEOPLE IN POOR COUNTRIES

In addition to the major concentration of this bill on food and nutrition aspects of development, this legislation continues, in light of reforms enacted by Congress in 1973, to focus bilateral development aid on solving the most pervasive problems of the poor in areas of agriculture, rural development population planning, nutrition, health and education.

Seventy-two percent of the development assistance provided for in this bill is for countries with per capita income of $275 a year or less.

Instead of continuing to accept the often-criticized theory that the benefits of economic aid and growth will "trickle down" to the poor, this new program operates from the premise that the poor need to be involved directly in development, to participate in economic progress and to receive the benefits from their own contributions to their societies. Congress should support this modest commitment to helping the rural poor achieve a better and more rewarding life.

ROLE OF PRIVATE AGENCIES

Another important aspect of this bill is the inclusion of several provisions which strengthen the role of private groups in implementing aid programs. The concept of reducing the foreign aid bureaucracy in the government has wide appeal.

There have been reductions in personnel at AID, but the corollary of this effort and the most effective way of improving the performance of development aid programs is to rely to a greater degree on those people and agencies best equipped to carry out the intent of our food and development aid programs.

Under this bill, some food aid will be distributed by private agencies and a technical assistance program for the development of cooperatives in poor countries will be administered by private groups. These two examples are only some evidence of a reinforced commitment to let the private sector participate to a greater extent in implementing our economic aid programs.

FUNDING LEVELS

This bill authorizes $1.354 billion to be appropriated for fiscal year 1976 and $1.523 billion for fiscal year 1977. These levels, though slightly larger than the administration requests, are nonetheless lower than programs of previous years inflated by large programs for states in Indochina.

During 1973, the United States was tied for 12th place, among developed countries, in terms of official development assistance as a percentage of economic capacity measured by gross national product. While there may be a debate on whether or how this performance might be improved upon, there can be little debate that the funds authorized in this bill are designed to achieve worthy goals and that the concentration of funds on food and nutrition and problems of the rural poor goes to the heart of what development should be about.

Although we can no longer devote financial resources to foreign aid in the fashion we have done at times in the past, I think we all realize that we need to help others help themselves to the degree of available resources and to the degree that others are willing and able to make serious commitments and give higher priorities to economic development and increased food production.

Mr. Chairman, H.R. 9005 is a significant and important step in the right direction. The priorities it sets and the modest and attainable goals it seeks reflect a greater sophistication on what development is all about.

H.R. 9005 recognizes that we live in an interdependent world and that the developed world needs to respond to the plight of the poor and the problems of scarce food resources.

I urge my colleagues to consider carefully this new development and food aid bill and I hope that they will agree that modest and well-directed economic aid programs can indeed stand on their own feet and should be supported.

Mr. MORGAN. Mr. Chairman, I yield 7 minutes to the distinguished gentleman from Wisconsin (Mr. ZABLOCKI).

Mr. ZABLOCKI. Mr. Chairman, this bill represents another in the series of measures through which the Congress is reasserting itself in our Nation's foreign affairs.

Unlike so many proposals that come to this floor, this bill was not drafted downtown. It was drafted by the Committee on International Relations in intensive markup sessions under the leadership of our chairman, Mr. MORGAN.

Chairman MORGAN once again demonstrated his ability and dedication by presiding over all-day sessions in which this bill was written and amended.

The measure carries forward the "New Directions" in foreign assistance which was begun in 1973 when Congress approved the Foreign Assistance Act of that year.

Through that bill, the entire direction of our foreign aid was changed.

No longer would we be trying to do all things for all people with foreign assistance. Under the "new directions," the Congress has targeted the most pressing problems of the poor majority in poor countries.

There were some in Congress who doubted that such a change was possible. There were reports from the Agency for International Development that some of its bureaucrats thought it would be "business as usual" once the bill was passed.

Our committee has not allowed that to happen. We have continued to monitor very closely the progress the Agency has made in scrapping its old ways of doing things and adopting new ones.

Although progress is not as rapid as we would hope, there clearly has been progress.

Dan Parker, the Administrator of AID, and John Murphy, his Deputy, are conscientiously trying to put the congressional mandate into practice.

They have moved to concentrate the Agency's efforts on the most pressing problems of the poor: Food production, rural development, nutrition, health, population problems, education, and the practical development of human resources.

Although it is as yet too early to claim wide successes for the "new directions" policies, there are instances of real progress that point the way for the future:

For example, in the Dominican Republic, tens of thousands of farmers with less than 5 acres of land under cultivation have—for the first time in their lifetimes—become eligible for farm credit to buy needed inputs such as seed, fertilizer, and hand tools.

In Nepal, malaria incidence among children a few years ago was as high as 63 percent in some areas. Through an AID program, the malaria cases have been greatly reduced, benefiting an estimated 5.9 million people.

In human terms this means a more productive life, improved earning power, and more normal physical and mental development for a significant portion of Nepal's population—particularly its children.

In Guatemala, a new approach to rural primary schools has been developed. It emphasizes practical experience and farming skills. The result has been dramatically improved test scores and reduced dropout rates in 27 pilot schools. Within the next 5 years this program will be extended throughout the entire country.

In Kenya, the impact of a corn breeding project funded by U.S. assistance is being widely felt—particularly on small farms. Use of improved seeds has increased corn production by 50 percent in that country.

As a result Kenya is now self-sufficient in corn. And some 86 percent of the production comes from small, family-type farms.

These are just a few examples of the kind of progress which is possible when foreign assistance is carefully applied to clear-out, people-related problems.

But I would be less than candid, if I did not point out the many problems which remain.

An estimated 800 million persons in the poor countries, suffer from malnutrition.

For the poorest people in the poorest countries, life expectancy is almost 30 years less than the life expectancy of our American people.

In those countries 1 of every 5 children dies before the age of 5. The infant mortality rate is four times higher than in the United States.

An estimated 85 percent of the people in developing countries have no regular access to even rudimentary health services.

Illiteracy and lack of even minimal practical skills dooms millions to unproductive and unrewarding lives.

The "New Directions" policy embodied in this bill does not envision that our foreign assistance will solve all those problems. But we can help poor people make a beginning at solving them.

To do anything less is to abdicate our responsibilities as a world leader, and as a nation blessed by God with abundance.

I urge the members of the committee to support this bill at the levels of funding recommended by the Committee on International Relations a humanitarian effort in the interest of promoting peace in the world by resolving the nagging problems of famine, health, and illiteracy.

Mr. BROOMFIELD. Mr. Chairman, I yield such time as he may consume to the gentleman from Kansas (Mr. WINN).

Mr. WINN. Mr. Chairman, the bill before us, in my judgment, provides an innovative and proper approach to the future.

It offers us a way to deal with the major food and population growth crises of time. These will be enduring crises indeed unless we find ways to help deal with them, to reduce them from crises to major problems.

The committee has worked long and hard on this bill. And it has worked in an unusual, collaborative and open fashion with the administration. This is not an administration bill. It began as a committee bill, and was refined in collaboration with knowledgeable officials in AID, the Departments of State and Agriculture. It is a joint effort and, I believe, an exceptionally good bill.

The bill draws together our efforts to meet the food crisis in a new and constructive way. Title II gives a new thrust to the use of Public Law 480 food and fiber overseas. It strongly enourages the use of the proceeds of Public Law 480 sales to foster agricultural development abroad, to help these countries meet more of their own basic food needs. It supports the establishment of a system of national food reserves to meet food shortage emergencies.

A new title XII, "Famine Prevention and Freedom From Hunger," stresses the role that our great land grant and other universities must play in helping in agricultural research and development of these countries. The fund of skills, knowledge and experience here is enormous. It is essential that we bring it to bear fully and put it to work on the food crisis of our time. This is an area where the United States can, and should, move forward and can do so at limited cost.

The population planning and health sections of the bill give new emphasis to low-cost, integrated delivery systems especially in rural areas and for the poor. This is the crux of the problem. Most of the people, and the population growth, of the developing countries are here. There is much we do not understand, or do not understand as well as we should, in this area, and renewed emphasis is to be given to research that will offer better answers and approaches.

The committee added funds, $29 million for population planning and health. It is an area worthy of adequate funding.

The overall sum authorized by the bill, $1.3 billion, is not large. It will mean that our contribution to development remains at about 0.25 percent of our gross national product. It is an adequate sum.

The bill deserves wide support.

Mr. BROOMFIELD. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio (Mr. WHALEN).

Mr. WHALEN. Mr. Chairman, I rise in support of H.R. 9005. One of the principal thrusts of this measure is in the area of food production and nutrition. For this purpose $628.8 million, or about 46 percent, is authorized for fiscal year 1976, and $760 million, or about 50 percent, is projected for fiscal year 1977.

The recent World Food Conference served to point up a danger of which we are all now very much aware, that there can be a shortage in the world's food supply. In recognition that such might be the case, the House Committee on International Relations in drafting H.R. 9005 has focused on the need to increase world food production. A portion of these funds will be used to increase agricultural production in Latin America, an area of the world in which I have a particular interest.

We already are witnessing there the results of our aid programs which have recognized that the small farmers of the world are the best untapped resource available for expanding food production.

Mr. Chairman, permit me to cite two specific examples in Latin America. In Costa Rica AID began a program in 1970 under which the amount of credit available to small farmers has increased by 160 percent, corn production by 35 percent, and self-sufficiency in rice production has been achieved.

In Guatemala, an integrated rural development project has increased the income of 15,000 farm families, provided 50,000 jobs for rural workers, and credit for 11,000 farmers. Cooperatives and extension agencies have trained 50,000 farmers in those modern agricultural practices that increase production.

Mr. Chairman, let me now turn for a moment to East Asia. With this bill we have our first opportunity in over three decades to contribute to peaceful development in that part of the world.

East Asia depends on imports for much of the food its people eat. Yet East Asia has the potential to produce sufficient food to meet its own needs and to create marketing systems which benefit the poor.

Of the funds which H.R. 9005 calls for in fiscal year 1976, over $43 million, or 42 percent of the funds proposed for east Asia, are for food production and nutrition programs. In fiscal year 1977 over $79 million, or 55 percent of the funds proposed for east Asia, are for these purposes. These funds will be used to increase the small farmers' ability to grow more food.

Let me mention three specific projects in east Asia which will benefit from this funding.

First, in Indonesia a flood control irrigation project will benefit about 26,000 families in one of the poorest regions of Java.

Second, in the Philippines, the Bicol River Basin loan will finance the construction and improvement of farm-to-market roads in an area of 1 million people and 312,000 hectares of rice and corn land.

Third, in Thailand, which is the only country among U.S. aid recipients which meets its requirements for food from its own production, depleted land reserves combined with a high population growth rate threaten its present self-sufficiency in food. Seed production and resettlement schemes for those rural poor will help Thailand maintain that self-sufficiency.

These are but a few examples of the ways in which foreign aid funds are used in east Asia.

In conclusion, Mr. Chairman, the program which H.R. 9005 proposes stresses investments in irrigation, farm-to-market roads and cultivation of new lands. We will also see more emphasis on food production for domestic markets, a greater concern about food distribution patterns, and a growing effort to change patterns of land ownership and to encourage cooperative activity among small farm operators. By providing funds for agricultural credit, small farmers in many countries will be able for the first time to buy fertilizers, seeds, and pesticides.

In these and in other ways the funds proposed in this bill will be used to increase food production throughout the world. In so doing the funds authorized by H.R. 9005 will contribute to solving the problem of a world food shortage. Thus, Mr. Chairman, I urge my colleagues to vote affirmatively for this measure.

Mr. MORGAN. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. BADILLO).

Mr. BADILLO. Mr. Chairman, H.R. 9005, the International Development and Food Assistance Act of 1975, is a measure all of us can support. It separates, definitively, military and economic aid, and ensures that no less than 70 percent of the food made available under Public Law 480, the food for peace program, goes to nations most in need of assistance. The bill also adds a new section, entitled "Famine Prevention and Freedom From Hunger," to the Foreign Assistance Act which provides for the establishment of vitally important international food reserves. In addition, it contains provisions for sharing our expertise and agricultural know-how through the involvement and active cooperation of land-grant colleges with recipient nations, thus enabling them to arrive at better methods of food production and improved utilization of their resources. All these objectives, moreover, were achieved strictly within the congressionally established budgetary framework. Passage of this measure will consequently in no way affect the funding of other high priority programs.

The bill authorizes appropriations totalling $1,354,150,000 for fiscal year 1976 and $1,523,850,000 for fiscal year 1977 for such worthwhile programs as agricultural and rural development and nutrition; population planning and health and education and human resource development. Substantial as these sums appear, they actually represent only abcut one-seventh of what Americans spend annually on alcoholic beverages and only about one-fourth of what they expend on tobacco and tobacco products.

Mr. Chairman, almost 800 million people throughout the world presently suffer from malnutrition.

For the poorest of them life expectancy is 30 years less than for those of us who are fortunate enough to live in the United States.

Infant mortality rates for their children are four times higher than those that prevail in this country.

Fully 85 percent of them have no access to health services.

I am very pleased to see that Congress is taking the initiative in assuring that we do our share toward improving the lot of those less fortunate, and am gratified that the much-needed economic development and nutrition program are being considered on their own merit and not as adjuncts to expensive, wasteful and often ill-advised military aid. I urge my colleagues to give their overwhelming support to this legislation.

Mr. MORGAN. Mr. Chairman, I yield 5 minutes to the gentlewoman from New Jersey (Mrs. MEYNER).

Mrs. MEYNER. Mr. Chairman, over 200 years ago the great English poet John Donne wrote:

> No man is an island entire of itself.
> Every man is a part of the whole.
> Any man's death diminishes me,
> Because I am involved in mankind.

I am involved in mankind, and because we are all involved in mankind and in womankind, humankind, I rise in enthusiastic support of H.R. 9005. I believe that the bill represents a splendid expression of America's humanitarian spirit and long-standing commitment to a stable world order. Its sensible and imaginative new approaches sharpen the economic focus of our foreign assistance program, placing emphasis for the first time not only on the needs, but also on the inherent capabilities of the world's poor.

The most immediate need of the poor is for the food they must have to survive. This bill provides not only for a generous and orderly program of direct food aid, but more importantly, focuses on the need for rural development, so that ultimately the poor will be able to help themselves. It is helping people to help themselves.

In this context, I would particularly like to stress the new emphasis on the work of the private voluntary agencies. I have been alarmed by the alienation many Americans feel toward our foreign assistance programs. The integration of private voluntary agencies to a much greater extent will not only provide for more efficient administration, but will also involve Americans personally at all levels in solving these problems. It is grass roots participation at its best.

Among the provisions designed to increase the role of private agencies are:

First, an extension of the role of U.S. universities and agricultural research to help improve the production in the poorer countries.

Second, the provision of a minimal level of 1 million tons of Public Law 480 food for distribution abroad by private agencies and the world food program.

Third, the earmarking of $20 million over a 2-year period for technical assistance for the development of cooperatives in the poor countries.

Just let me end by saying that we cannot forget in the words of Willy Brandt that—

> Morally it makes no difference whether a man is killed in war or condemned to starve to death by the indifference of others.

That is why I rise in support of H.R. 9005.

Mr. BROOMFIELD. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. GILMAN).

Mr. GILMAN. Mr. Chairman, I rise in support of H.R. 9005, the International Development and Food Assistance Act of 1975.

It is often said that there is no "constituency" for foreign assistance, or that assistance programs are not very popular with the American people.

However true that may have been in the past, I believe that the bill before us today, H.R. 9005, represents the kind of foreign assistance bill that the American people want and can support.

My beliefs are based partially on two recent polls which have been taken concerning the question of foreign aid, by Louis Harris and Associates for the Chicago Council on Foreign Relations and by Peter Hart Associates for the ODC.

The Harris survey found that the American people generally subscribe to the goals of raising the world standard of living, and of combating world hunger.

It found that the Marshall plan of aid to Europe, the founding of the Peace Corps and the sending of emergency food to Bangladesh were widely cited as "proud moments" in American history by those surveyed.

At the same time, however, that survey found that a majority of people were skeptical about just how much benefit economic aid had brought to intended recipients in the past.

But, despite such misgivings a majority of the American public—52 percent, with 39 percent opposing—generally favored giving economic aid for the purposes of economic development and technical assistance.

More important, a strong majority—79 percent of the pubic—declared that it would favor the giving of economic aid if it could be assured that the aid ended up helping those who were truly in need . . . the people of the poor countries.

These are even more remarkable results when one considers that the Harris poll was taken during the most severe economic recession that had faced the country since the Great Depression.

The results of the Harris survey, released earlier this year, is supported by an earlier poll conducted by Peter D. Hart Associates for the Overseas Development Council—ODC—in 1973, which found that despite widespread lack of knowledge of the true dimensions of world poverty, more than two-thirds—68 percent—of the public supported the principle of the United States providing foreign assistance to the poor countries, with only 28 percent opposed.

Once again there were misgivings about the effectiveness of U.S. Government aid, as against U.S. private voluntary assistance and expressing concern about getting assistance to those who need it the most in the poor countries.

It seems clear from these two surveys that the "new directions" program embodied in this bill is precisely what the American people want in a foreign assistance measure.

It is directed at the neediest people in the neediest countries. It is aimed at getting assistance directly to the people who require it to help solve their problems of agricultural production, malnutrition, health, population, and education.

These are the essence of the reforms in foreign assistance which the Congress made in 1973 and which have begun to be implemented in programs administered by the Agency for International Development.

As a result, increasing amounts of assistance are having a direct and beneficial impact on the lives of the poor throughout the world.

The aid reforms of 1973 are an accomplishment of which the Congress justly can be proud. But we have been remiss in communicating information about the "new directions" in foreign assistance to our constituents.

H.R. 9005 is a significant departure from previous foreign assistance measures in separating for the first time since the Marshall plan of some 25 years ago, economic and military assistance, affording the Congress the opportunity to vote on development aid for poor countries on its own merits, without unnecessarily politicizing food aid.

H.R. 9005 also properly places emphasis on global food production, on food distribution, human resources and on nutrition which is not only responsive to the recommendation of last year's World Food Conference, but which also reflects the increasing global attention to these serious problems.

Other laudable provisions of this measure are the authorization of the use of dollar receipts from previous aid loans to support the International Fund for Agricultural Development and the Findley amendment, which creates a greater role for land-grant colleges in helping small farmers in foreign countries improve their own food production, increasing their future self-sufficiency and in lessening their reliance on and need for U.S. economic aid.

Finally, I fully endorse the provision in H.R. 9005 that links the Public Law 480 Food for Peace program to incentives to recipient countries to use local currency proceeds from Public Law 480 food sales for the same agricultural developmental purposes as stressed in the AID programs and the requirement that at least 70 percent of Public Law 480 food be sent to nations experiencing acute food shortages.

Foreign aid, the late Secretary of State George Marshall said, should not be "directed against any country or doctrine but against hunger, poverty, desperation and chaos. Its purpose should be revival of a working economy in a world so as to permit emergence of political and social conditions in which free institutions can exist."

Mr. Chairman, H.R. 9005 embodies the spirit of that enlightened approach, and hopefully, will be a step in alleviating the criticism of American foreign policy that is so often heard in world bodies and in other halls of government.

I urge, therefore, that my colleagues support this legislation and then make efforts to inform their people about its worthy objectives.

There is a constituency for the kind of foreign assistance represented by H.R. 9005. It is our humanitarian American people.

Mr. **MORGAN**. Mr. Chairman, I yield 5 minutes to the gentlewoman from Illinois (Mrs. COLLINS).

Mrs. **COLLINS** of Illinois. Mr. Chairman, I rise in support of this bill.

Today we are considering one of the most important legislative proposals of the year, the International Development and Food Assistance Act of 1975. This bill represents the U.S. interests in international humanitarian aid and, for the first time since the Marshall plan, separates humanitarian assistance from military aid.

Its provisions respond positively to the world food crisis in its various dimensions, fulfills pledges made by the United States at the World Food and Population Conferences, and increases substantially the focus of U.S. assistance on the rural poor by primarily supporting labor-intensive small-farm agriculture in the world's undeveloped countries and makes full use of multilateral channels and voluntary agencies which distribute clothing, food, medicines and other vital commodities to the world's needy. In addition, it—

Amends the Agricultural Trade Development and Assistance Act to require that priority be given to those countries most seriously affected by food shortages;

Ties U.S. assistance efforts to self-help programs in recipient countries; and

Stipulates that no more than 30 percent of food aid provided on a concessional—"easy credit terms"—basis may be allocated to countries not on the United Nations list of those most seriously affected by the current food and energy crisis;

The bill also requires the President to submit to Congress each year an assessment of (1) global food production and needs, (2) self-help efforts by recipient nations, steps being taken to encourage other donors to increase their food assistance, and the relationship between Public Law 480—the food for peace program—food assistance and other assistance provided to each country by the United States and other donors.

Included in this bill is language providing for: First, congressional veto of humanitarian aid if it does not comply with congressional intent; second, an annual estimate of domestic crop production and need as well as estimates of expected exports; third, the encouragement of lesser developed countries to institute integrated health and population programs—instead of simply handing out birth control devices; and as has already been emphasized, fourth, increased funding for reimbursing private voluntary organizations—such as CARE, and Catholic Relief—for the cost of shipping relief supplies abroad.

Mr. Chairman, foreign assistance is an effective development tool to be used in the building of stronger economies in the poor countries of the world. This, in turn, benefits the whole world. For example, the U.S. economic assistance program has:

First. Provided farmers in Asia and Africa high-yielding varieties of rice and wheat—significantly increasing food production in these grain-deficit regions;

Second. Provided high-protein foods to nearly 45 million children around the world;

Third. Assisted with remarkable success in the control of diseases such as malaria, smallpox, measles, and cholera;

Fourth. Provided family planning services to millions of people in overcrowded lands;

Fifth. Distributed more than 140 million textbooks in the developing countries and financed the construction of nearly 300,000 classrooms; and

Sixth. Provided emergency relief in more than 420 foreign natural disasters.

By strengthening the economies of poor countries, U.S. foreign assistance develops markets for U.S. goods and insures access to vital raw materials. Almost 40 percent of U.S. requirements for strategic commodities is fulfilled by imports from developing countries. As a percentage of total U.S. consumption, developing countries provide 95 percent of our tin, 75 percent of our manganese, 45 percent of our cobalt, and 43 percent of our bauxite.

In 1973, the United States had a total balance of trade surplus with the developing countries of $1.6 billion. In 1974, the United States had a balance-of-trade deficit of $3.1 billion—but a $2 billion surplus with the developing countries which also provide profitable investment opportunities for U.S. interests. In 1973, one-fourth of all U.S. foreign investments went into developing countries.

Interdependence between the United States and the developing world is increasing more and more because we need their resources and markets and they need our capital and technical expertise. By raising the national income of these countries, foreign assistance expands their ability to purchase U.S. goods. At the same time, increased trade between the United States and developing nations help to insure U.S. access to raw materials.

The fiscal year 1976 International Development and Food Assistance Act is focused on the needs of the world's poor. Seventy-two percent of the funds in H.R. 9005 are designated for countries with annual per capita incomes below $275 and 89 percent is earmarked for countries with per capita incomes below $500.

Mr. Chairman, I particularly support the high priority which this bill gives to population planning and health. Over 15 million of these funds are for health and family planning programs in Africa. This level of assistance is in keeping with congressional concern for the suffering of the poor in Africa and with the impediments to economic development which result from inadequate health care. This amount of aid is almost double the amount provided Africa in fiscal 1974; but is equal to that of 1975.

Given the widespread endemic health problems of that continent—recently intensified by a severe drought—our foreign aid funds will be used primarily to help meet the health needs of the continent's rural population. In African countries, as in other developing nations, a national health delivery system is critically needed to bring the impoverished rural majority into the mainstream of health services.

These funds will be used to continue programs already underway, to initiate new programs in countries seriously affected by the Sahel drought, and to support regional health organizations. An important case in point is the multidonor effort to control river blindness in the Volta basin of West Africa. This disease affects some 1 million people; as many as 60,000 may be blind. The land area in which the disease occurs is extensive; it is underproductive as a result.

In recent years there has been a growing recognition in Africa of the relationship between the health of mothers and children and family planning, especially child spacing. Our foreign assistance funds are supporting initiatives by African governments to design and carry out integrated health programs for mothers and children. Work in this field is in progress in Ghana, Kenya, Liberia, Tanzania, Zaire, Togo, Cameroon, and Botswana. This program—as the others I have described here—has been given a rapidly expanding goal—that of reaching out to serve the rural poor. Only with foreign assistance will achievement of such a goal be possible.

The strong majority of the American people favors giving economic aid. A recent survey of the Chicago Council on Foreign Relations, conducted by the Harris organization, found that 79 percent of the U.S. public supports the type of aid program represented by H.R. 9005—economic assistance which helps poor people living in poor countries.

Foreign economic development assistance constitutes less than one-tenth of one percent of our gross national product and only 0.3 percent of the Federal budget. Indeed, U.S. development assistance has steadily decreased in recent years. In 1963, for example, U.S. official development aid was $3.6 billion, while aid in 1973—in constant 1963 dollars—was $1.6 billion.

It is, therefore, not surprising that the United States lags far behind more industrialized countries in percentage of GNP allocated for official development assistance. A recent study released by the Organization for Economic Cooperation and Development ranks the United States 14th out of 17 aid-giving industrialized nations—behind such countries as Denmark, the Netherlands, Belgium, Sweden, and New Zealand.

Foreign assistance can help alleviate instability bred by the frustration and anger of poverty. We cannot ignore the hunger, disease, and ignorance which afflicts the majority of humankind.

In conclusion, Mr. Chairman, this bill breaks new ground for our foreign assistance programs. Our committee worked very hard during the month of July to put this legislative package together. While it is not totally perfect, it is a gigantic step in the right direction. I urge all of my colleagues to support it.

Mr. BROOMFIELD. Mr. Chairman, I yield 5 minutes to the gentleman from Delaware (Mr. du Pont).

Mr. du PONT. Mr. Chairman, we have entered an era in international politics which many are calling "the new cold war." This is not the Cold War as we usually think of it—the conflict between East and West, between Communist and non-Communist. It is the growing discord between the have-nots and the haves, the developing and the developed. It is a heated dialogue phrased in terms of economics: "equitable distribution of wealth," "cartels," and "boycotts" are part of the current language. It reflects the growing disparity between the standards of living within the have and the have-not nations. The "new cold war" is the struggle for the scarce resources of the world.

In order to mitigate this growing conflict between the have and the have-not nations, the United States must play a responsible role in helping the poorer nations to develop the resources available to them. This approach is encapsulated in the International Development and Food Assistance Act, H.R. 9005, of which I am a cosponsor. Not only does H.R. 9005 provide for immediate and short-term disaster relief and food distribution, it also stresses assistance which is designed, over the long-term period, to encourage aid recipients to promote their own agricultural and rural development. There are built-in incentives in the bill which link immediate food grants to development aid by permitting the use of foreign currency generated by the sale of certain agricultural commodities for development programs. These development programs are to be directed toward the poorest sectors of the population. Foreign assistance is not to be a simple transfer of funds from the United States to other nations but a serious effort to transfer to these countries the economic aid and technical know-how which will enable them to build their own capacity for extracting resources, for producing food and energy, and for training the necessary manpower to participate in future development.

Many of these projects will only gradually show results, coming to fruition after a number of years. In many instances, their yield will be difficult to measure or even to detect. However, their goal is a valid one and one which the United States should not abandon. The United States which remains the world's leader in terms of technology, production, and wealth, must aid other nations to develop their resources or be faced with an increasing imbalance in world prosperity which could risk destabilizing the international arena.

It is appropriate to ask, however, whether or not the United States will ever be able to aid in the development of additional resources as quickly as they are needed. Resources which are already limited undergo further pressure as world population increases. Although, during the past 20 years, productivity in agriculture has improved considerably, it has not been able to keep pace with the even greater productivity in human life. At the present rate of growth, the world population of 3.8 billion people could double in 35 years to more than 7 billion. In terms of food production alone, this will require a doubling of output in a little more than a generation. Since the developing countries account for 83 percent of the world's population increase, programs need to be strengthened in these nations to promote population planning. A long-term solution to the problem of scarce resources, therefore, must include not only the technical and economic aid to expand a nation's capacity to increase its own production, but also must offer possibilities for slowing down the rate of population growth.

H.R. 9005 would authorize $248.1 million for fiscal year 1976 and $280.6 million for fiscal year 1977 for population planning and health programs. For fiscal year 1976 $165 million or 67 percent of this would be directed toward population planning while $187 million would go for the same purpose next year. I am particularly asking for your support for this section of the bill, for it proposes the only way to alleviate growing demands upon scarce international materials.

The section directed toward population planning describes two approaches to the problem of rapid population growth. One approach is to integrate health and population services, providing prenatal and postnatal care of mother and infant. Where high infant mortality exists, women reproduce frequently in order to insure that at least a few children will survive. Studies have shown that improvement in the survival rate of young children relieves a mother of the need to bear additional offspring. The fewer pregnancies she has, the better are the chances that both she and her children will enjoy good health. The second approach is through population planning programs which disseminate birth control information. Only countries which request population aid receive it and none of these countries may apply U.S. population program funding toward abortions under the provisions of this act. Since the international conference on population at Bucharest in 1974 which issued a statement supportive of population planning, describing it as a means to improving the quality of life in all countries, AID has received a large number of requests for population programs. These requests require funding far greater than what this bill will provide, for creating and enlarging existing population planning programs. It would be unfortunate if the United States, which was an early champion of family planning, would have to refuse to these applicants the first step toward population planning—the availability of information and the means to space births. For the United States to set a goal of providing only 10 percent of the 400 million fertile couples in the developing countries with birth control devices for a year, costing on the average of $2, it requires $80 million alone in funding. Another $30 million is needed for technical services and support; $10 million for education and information; $14 million for training of personnel; $7 million for the collection of demographic data; $16 million for the study of fertility behavior and control. The United States also hopes to pledge $25 million to the United Nations Fund for Population Activities. These figures which do not include administrative costs, already total more than $165 million.

Population planning programs have been effective in the past. In countries where rigorous programs have existed, the national birth rate has shown a significant decrease. This success deserves continued U.S. support. I would ask your support, therefore, for section 304, population planning and health, of H.R. 9005.

The International Food and Development Act offers this country a three-pronged approach for combatting the problem of scarce resources. It proposes direct and immediate food and disaster relief for those nations presently suffering from shortages and natural calamities. It encourages those same nations to develop their capacity for producing their own resources in the future. It also offers to them the means to modify their population growth rate in the realization that no matter how much they produce, if the population consuming the world's resources is increasingly greater, the quality of life for people everywhere will never improve. Through H.R. 9005, the United States can hope to add its own voice to the increasing calls for fashioning a new economic order. Economic and development aid will prove much more effective, however, in working to provide adequate world resources than will rhetoric or cartels.

Mr. MORGAN. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. EDGAR).

Mr. EDGAR. Mr. Chairman, I rise in strong support of the committee bill and would just like to compliment the committee and its chairman in separating bullets and food and for giving us an opportunity, as Members of the House, to vote on the humanitarian aspects of our foreign assistance. I think this is a significant day in the life of the Congress, and I rise in support of the bill.

Mr. MORGAN. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Chairman, in the 7 years that I have been a Member of this House, I have never voted for foreign aid. I opposed it not because I was opposed to the concept, but simply because I thought the past authorization and appropriation bills were such a mishmash of economic and political and military programs that virtually no intelligent policy judgment could be made by anybody who was casting his vote on a foreign aid bill.

I personally tend to favor a good portion of the economic aid programs which we have in past bills, which helped the countries who most needed it with respect to their agricultural problems, their health problems, and their education problems and the like.

Some of the aid programs and the way that some of the aid programs have been administered through some of the international banks have left me with some doubt, but I have, nevertheless, felt that, in the main, the economic programs were largely constructive and good.

The problem was, as virtually every other speaker has indicated, that they were always tied in the past to massive amounts of military and political assistance. I am not opposed to all military and political assistance. I think that it has a role to play, and I think we have to be responsible enough to recognize that; but I am very pleased that the committee has seen fit to separate the two so that we can make some decent policy judgments on matters of this kind.

Therefore, Mr. Chairman, for the first time in my 7 years in this House, I intend to vote for a foreign aid bill this afternoon.

Mr. Chairman, the International Development and Food Assistance Act which we have before us today, H.R. 9005, is a major departure from past foreign assistance bills in that it separates economic and humanitarian provisions from military assistance programs. I support this new approach to foreign aid legislation and urge that this bill be passed today.

There are other aspects of this bill which I am highly in favor of—the new policy on international disaster assistance strengthens the ability of the United States to respond to international tragedies, the kind of foreign aid which Americans have constantly supported above all others. This bill attempts to meet the desperate agricultural needs of the world's poorest countries by increasing our contributions of both food and agricultural development funds. At the same time, it severely restricts the use of food aid for political purposes, a practice I have found objectionable in the past. H.R. 9005 also encourages these needy nations to develop self-help programs to the best of their ability and seeks to provide a major requirement for this kind of effort, a low-cost program for the education of small farmers.

These and other positive proposals contained in this foreign assistance bill, along with the absence of those objectionable aspects of foreign aid which I have opposed in the past, have brought me to the conclusion that these new directions in foreign aid be supported and accepted by Congress today.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the gentlewoman from New Jersey (Mrs. FENWICK).

Mrs. FENWICK. Mr. Chairman, I thank my distinguished colleague, the gentleman from Michigan (Mr. BROOMFIELD), for yielding.

Mr. Chairman, I rise in support of this bill.

It has, perhaps, none of the sweep and magnanimity of the Marshall plan. It is more modest; it is more appropriate to the times; but I hope it has some of that spirit.

I hope, too, that it proves of similar benefit to the people of this Nation. I think we all recognize the enormous value of the Marshall plan to the people of this country at a time when we had the only viable economy, to all intents and purposes, in the western world. It was appropriate then that we should take those great steps in restoring the economies of others.

Today we are in a more mutually interdependent world, and we have in H.R. 9005 a bill that is suited to that situation. It is more modest. It addresses itself to increasing the productivity of those nations where productivity is low. It has the virtues that have been so eloquently described by my other colleagues today.

Mr. Chairman, I think this bill will be somewhat like the Marshall plan and of similar value to the people of this country. All of us hesitate, in knowing the deficit we face, to borrow still more money for any purpose whatsoever.

But I think it is clear that our citizens will receive, as this bill promotes a more stable world order, a more productive world, a more peaceful world, benefits far beyond the immediate confines of this bill.

Mr. MORGAN. Mr. Chairman, I yield 7 minutes to the gentleman from New York (Mr. SOLARZ).

Mr. SOLARZ. Mr. Chairman, this bill represents a significant departure from previous Foreign Assistance Acts and, as such, it merits the serious consideration of those Members of the House who have traditionally been unsympathetic toward our foreign aid programs.

For the first time in the contemporary history of the House, this legislation splits off the economic and humanitarian assistance from the military and security supporting assistance provisions of our foreign aid program. Consequently the Members of the House will have an opportunity for the first time in the course of the last three decades to consider the question of development assistance on its own merits.

I would suggest that this legislation represents a large step forward toward the institutionalization of international idealism. Throughout the bill its emphasis is on foreign aid, not for political purposes, but for humanitarian objectives.

I think it is important to point out in this regard that 72 percent of the development assistance provided for in this legislation is earmarked for countries with per capita incomes of less than $275 a year and 89 percent is earmarked for countries with per capita incomes of less than $500 a year.

The United Nations development program, by comparison, earmarks only 85 percent of its funds for nations with per capita incomes of less than of $500 a year. So even by the standards of the United Nations development program we are providing a greater percentage of our development assistance budget to the poorest nations of the world than the U.N. itself. I think it is fair to say, therefore, that this bill provides foreign assistance to the genuinely poor, rather than just to the politically important, nations of the world.

There are, I think, a number of other significant aspects of this legislation worth mentioning this afternoon.

In title II of the Public Law 480 program, for the first time this legislation authorizes a minimal contribution of 1.5 million tons of free agricultural commodities to the millions upon millions of hungry people around the world.

In title I of the Public Law 480 program, the legislation continues and strengthens the provision first adopted in 1973 providing that at least 70 percent of the food made available under title I has to go to those countries which are on the U.N. list of those countries which are most seriously affected by the current world economic crisis.

In addition, the bill also establishes a $20 million fund for intermediate technology designed to provide the people of the underdeveloped nations of the world with the kind of skills and equipment which are a precondition for meaningful economic progress.

I might also add that the bill has a famine prevention program to encourage the land-grant colleges in our country, which have done so much to increase agricultural productivity at home, to use their experience and resources to increase agricultural productivity abroad.

I realize that at a time when we have an unemployment rate of 8.6 percent, at a time when we have an inflation rate of 9.6 percent, and at a time when we have a backlog of unmet social needs, there are those who contend that we should not be authorizing as much money as we are in this legislation and instead of trying to solve the problems of other countries around the world we ought to concentrate on solving our own problems here at home. This is an argument which has some merit and a lot of appeal, but I would suggest that in the long run it is ultimately a shortsighted one, because the fact is that the United States, for better or worse, cannot survive as an island of plenty in a world of deprivation.

The fact is that we depend on the developing nations of the world not only for much of our exports but for much of our imports as well. The U.S. investment in the developing nations of the world is now up to $28 billion a year, and the LDC's now consume about one-third of our total exports. Abandoning our efforts to help the poorest nations of the world help themselves would, therefore, not only be callous but counterproductive as well.

Under these circumstances, I think it is somewhat ironic to contend, as some do, that we are doing too much for the developing nations of the world when we are really doing too little. The fact of the matter is that out of the 17 most economically advanced nations in the world, the United States ranks 14th in terms of the percentage of its gross national product which it earmarks for development assistance.

Back in 1970, the United Nations established, as a goal for the developed nations of the world, an objective of seven-tenths of 1 percent of their gross national product as the amount of money which they should be contributing to development assistance throughout the underdeveloped world.

In that year, the level of our development assistance was three-tenths of 1 percent.

In the legislation before us today, it has dropped to one-tenth of 1 percent of our gross national product.

To be sure, if we add in the other development assistance we provide through the Public Law 480 program, through international financial institutions, through the Peace Corps, and through economic assistance that will soon be forthcoming for Israel and Egypt, the total level of our development assistance, taking into account all of the development programs we have, will come to a grand total of about three-tenths of 1 percent of our gross national product, which is still well under the seven-tenths of 1 percent called for by the United Nations in 1970.

When we adopted the Marshall plan, we provided 2.2 percent of our gross national product for development assistance. The OPEC countries are currently providing 2 percent of their gross national product for development assistance and they have pledged to increase that to 6 percent of their gross national product. Consequently, I think it fair to say that in terms not only of our capacity, but of our obligations, we should be doing more rather than less—not so much because it is in our interest to do so, although it is, but because it is right.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BROOMFIELD. Mr. Chairman, I yield 15 minutes to the gentleman from Pennsylvania (Mr. SHUSTER).

Mr. SHUSTER. Mr. Chairman, I certainly wish that I could rise here today in support of this legislation. In fact, I think that any human being gets a much more comfortable feeling when he can speak in favor of supporting a program which tries to reduce the suffering of the world, and I think any human being feels a deep sense of reservation and hesitation when he is confronted with what he believes to be a necessity to speak out against such programs, not because the programs are necessarily all wrong. In fact, there must be much right with wanting to help other people in the world, but I believe that it is more right to concern ourselves with the problems which face the people of America.

I oppose this legislation for three reasons. The first deals with the question of: Are our foreign aid programs actually working? We have heard much today about there being a new direction to our foreign aid programs. We have heard that now we are going to put more emphasis on helping foreign nations actually produce their own food, and we are going to put more emphasis on education.

I would suggest that if we go back and review the history of our foreign aid program for the past 20 years, we would find the emphasis has always been on attempting to teach people of other nations how to improve their productivity and agricultural output. This bill does not represent any significant new direction. It is the direction that our policy has taken for the past 30 years.

Indeed there is a difference in this legislation, which is that it separates military and economic aid, and I commend the committee for that. I think it gives us a clear choice. But what that also suggests is that our economic aid program must stand on its own and not rely on any appeal to support military foreign aid to help bring through its passage. This change means that our foreign economic aid must be put under a more searing glare.

I would suggest that there is a very real question as to whether our foreign economic aid program has worked. I would refer the Members to a book written just 2 years ago by William and Elizabeth Paddock. Professor Paddock is from the University of Iowa in the field of agricultural development. The Paddocks spent over a decade of their life in Latin America. At one point they were great proponents of foreign aid and yet after going there on a mission which they thought would be to write a story on how successful our foreign aid programs were, they came back quite dismayed and shaken and instead they wrote a book entitled "We Don't Know How." It is subtitled "An Independent Audit of What They Call Success in Foreign Assistance," published by the Iowa State University Press.

I might just share with the Members the introduction to that book:

> After 25 years, $150 billion, and the dedicated efforts of thousands of well-trained technicians, has the United States learned how to carry out an effective development project in an undeveloped nation? No, say the Paddocks—who have ample ammunition to back up their conclusions. Conclusions they did not expect to reach when they began their 25,000-mile trek to visit what reportedly were some of the most effective development efforts of the U.S. Government and private organizations.

They go on to point out that time after time they found discrepancies in what was reported back home by the Peace Corps, AID, the State Department, the Inter-American Development Bank, the Rockefeller Foundation, and various groups espousing foreign aid; discrepancies between the glowing reports of the projects in foreign countries and then the sad failures which the Paddocks discovered first-hand. The Paddock book is but one pebble in a mountain of evidence that our foreign aid program has not worked.

Second, I would suggest that the foreign aid program does not focus sufficiently on the overriding fundamental humanitarian problem facing us internationally today, and that is the problem of the population explosion. I think it is commendable that something between 10 and 20 percent of these foreign aid dollars are allocated to family planning. Yet I would suggest that is but a drop in the bucket and totally inadequate. The other 80 percent is money which is going down a rathole unless we find a humanitarian and moral way to bring about a very substantial reduction in the explosive world population growth. We are told now we can expect a doubling of the world population every 35 years and this means starvation for millions in the under-developed world. Indeed I think I could be persuaded to support some form of foreign aid if it were aimed at this critical problem of finding a way to stabilize the population of this globe on which we live. We all have a great stake in this objective.

Third, and most importantly, I urge defeat of this bill to spend several billions of dollars on foreign aid, because I suggest that while it is right to help other people of the world, it is more right to help our own people. My oath of office was to support the Constitution which includes the "general welfare" of the American people. Any action which hurts the American people, even though it may help some foreign country, is a violation of that constitution oath.

I suggest that we need to get our priorities straight. Our priorities are to concern ourselves with facing the problems of America. Certainly we need not go through the litany of our unemployment problems, the deficit, the inflation which is staring us in the face. These are all well known to all of us.

I wonder, at least speaking for this Congressman, how can I in good conscience vote to spend several billions of dollars to give away to foreign nations, to foreign peoples, when we cannot solve the problems we have here at home?

Mr. Chairman, I have voted against many, many spending programs, some being of substantial merit, because I believe America could be destroyed unless Government spending is reduced. We must achieve economic stability in America. We must reduce runaway spending or face the consequences of more inflation and recession. How can I in good conscience vote to spend billions of dollars in foreign aid; indeed, billions of dollars which we do not have and which we will have to borrow from the American people to create at Government printing presses? It is because of this most troublesome question, a question which I consider just as moral an issue as the issue of helping those who are suffering in other parts of the world, that I believe we must squarely face the harsh reality that we do not have the money to spend and give away to foreign countries, even though we would like to do it.

I would conclude by suggesting, Mr. Chairman, that there is nothing wrong with wanting to be a good neighbor. I think as Americans we certainly want to be good neighbors with the other nations of the world, but I would suggest that one can be a good neighbor, particularly when one is having great difficulty in his own economic household, one can be a good neighbor without turning over his wallet to his neighbor.

Let us get our own house in order before we try to solve our neighbors' problems.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. SHUSTER. I yield to the gentleman from Illinois.

Mr. FINDLEY. Mr. Chairman, I want to express my appreciation of the conviction with which my friend and colleague spoke about the bill now before us. I read the same book that troubled him, "We Don't Know How," by William Paddock. After reading it I talked at great length with Mr. Paddock and examined his experience and it was partly out of that discussion that the idea of the famine project amendment was born.

It does have some new elements I am sure that the gentleman would want to recognize.

First of all, it makes possible long-term agreements which previously had not been possible.

Second, it gives for the first time a role of great prominence to land grant university specialists who have had this long experience in improving the education of farmers in this country. It gives a role of great prominence to these specialists in the formulation and carrying out of programs for the better education of farmers abroad. I just wanted to call that to the gentleman's attention.

Mr. SHUSTER. Mr. Chairman, I thank the gentleman and I yield back the balance of my time.

Mr. AMBRO. Mr. Chairman, I rise in opposition to the International Development and Food Assistance Act of 1975 (H.R. 9005). Proponents of this bill, while praising it highly, make some paradoxical points which, in my view, undermine both the reasoning behind this legislation and its thrust.

For example, much is made of the involvement of private agencies in carrying out development aid. This means clearly that the United States and its official agencies are not providing a direct link between the gift of the American people and recipients of this aid. At a time in our history when the third world or emerging nations are almost universally raising their voices in opposition to practically everything the United States desires in the United Nations, we are providing development aid and food aid to the people of those third world nations.

Whether we accept or not the Biblical stricture to turn the other cheek, it seems to me to be sheer lunacy not to attempt, through the people of these less than friendly nations, to achieve better relations with them by having them understand that the American taxpayer is assuming an overwhelming burden to provide help to them. The battle cry that humanitarian precepts should not in any way be tied to political relations is one that makes little sense. To turn our back completely on self-help is to structure a policy which is self-defeating. "The people" do not know that the United States and its taxpayers are giving, and they docilely accept the antagonism of their government toward this Nation.

The point I make above is merely one that leads to a more significant concept which I believe should prevail, and which is why I oppose this bill. That concept is that the United States should and must develop an economic/foreign policy. I would like at this point in the Record to insert an article that was written for districtwide distribution on this larger topic very recently, and which, for the most part, outlines my views with respect to the lack of a comprehensive and effective macro structure:

[From the Huntington Long-Islander, Sept. 4, 1975]

Do We Have Foreign-Economic Policy?

(By Congressman Jerome A. Ambro)

While our domestic concerns quite correctly turn to the absence of both a national energy policy and a national economic policy, we must understand that we have no foreign/economic policy that is discernible either.

We do have a Secretary of State who admits that economics does not interest him. We do have a President who mouths the necessity for a supply and demand approach to everything including international economics and we do have a system of government which looks to the existing administration for leadership in the international field. We do have, therefore, a scatter-shot approach to foreign policy which reacts to the brush fires that start in one or another place in the world, but which provides no comprehensive plan for offsetting the problems that are inflicted on the United States by groups of nations who don't care one whit about our survival.

Two glaring examples come immediately to mind: The OPEC nations band together and artificially inflate the price of oil causing catastrophic inflation and shortages not only in this nation but throughout the industrialized world; the Communist block nations constantly probe this country's resolve and will by orchestrating revolutions and wars in every part of the world. And yet, even in the face of the horrors inflicted on us by OPEC and the antagonism that has never really abated by the Communist Block, we refuse to establish a policy which can utilize our food, our technology, our arms, and our investment opportunities to offset increasing oil prices and Communist block hostility.

I believe that we must, as a nation, approach this situation by making use of every tool at our command against countries and doctrines which attempt to undermine our national wellbeing. I believe that a portion of a national policy should play off the sale of technology, of arms and of food to both the OPEC and Communist nations in order to turn around this untenable situation. When dealing with the OPEC cartel (nations that have amassed billions of dollars of western society's monies by artificially increasing the price of oil, thereby causing inflationary spirals that undermine the economic viability of the Western nations), we have in our grasp bargaining tools: their desire to purchase from us technology and arms and food and, most especially, their desire to invest in the west of the billions that they have stolen from us. Why not use each one of these levers in the most effective way possible to offset artificially increased oil prices?

The same principle applies to sale of grain and feedstocks to the Soviet Union, for not only is this inflationary at home; but, with out attaching to this sale the kinds of strings that work in America's best interests, we become the prisoner of the highly questionable concept of detente. Is detente the reason why we refuse to bargain with the Soviet Union and the Communist block nations by utilizing our resources and playing them against the difficulties that Russia causes in the Middle East; in Southeast Asia, in Chile, in Portugal, in Italy and elsewhere? Or, is a militant political philosophy, which refuses to understand that the simplistic economic theories of supply and demand and of laissezfaire no longer apply when dealing with the OPEC countries and the Communist block nations, to blame in the White House's refusal to create a foreign/economic policy?

Certainly, the precepts of this nation have always meant that our compassion for the needy, the struggling, the hungry and the deprived take the form of free aid. That which has been articulated here does not intrude on that view. But, we must have compassion for our own needy, our own struggling, our own hungry, and our own deprived whose numbers are increasing daily because of the lack of reciprocal compassion on the part of the OPEC nations and the Communist block. The development of a policy that recognizes these two groups, especially, as our political, philosophical and economic antagonists is the only salvation.

Since we have no economic/foreign policy, since I believe the eclectic approaches to economic aid merely serve to put off the day when such a policy is developed, since we are not only turning the other cheek with respect to most nations that this bill helps but are indeed encouraging continued hostility, and since the cost of this bill is huge, I oppose it.

One last point. Proponents of the bill, as I said earlier, continue to suggest that if the United States in some way ties humanitarian aid to political influence, aid recipients will be outraged. But it seems strange to me that just recently our new Ambassador to the United Nations outlined to the third world this pending legislation, clearly with the view toward enticing them into being more receptive in that international body to American ideals and principles. This violates the view that we should not tie humanitarian gifts and political influence together in the minds of those who insist that we should not do it.

Our United Nations Ambassador's speech, however, eased this Nation into doing precisely that, and although it was a first step, neither his speech nor this bill approaches in any way the kind of economic/foreign policy that must be developed. So, we have proponents of this bill saying two things that oppose each other: First, that humanitarian aid must not be tied to political influence. To assure that, we will involve large numbers of private agencies to distribute economic aid. Second, that American aid will be forthcoming, and we would like the unfriendly governments of these nations to know that and, thereby, become more receptive to America's own desires in the international forum. This seems to me to be, in the first case, international masochism, or, in the second case, sheer hypocrisy.

Last, the President adopts a policy of pressuring the Congress into doing his bidding with respect to energy policy by outrageously calling for a sudden decontrol of oil prices. If we must play that game, why not call on the President and the State Department to develop for us an economic/foreign policy by refusing him this most unacceptable and costly piece of legislation?

Mr. DRINAN. Mr. Chairman, the International Development and Food Assistance Act of 1975, H.R. 9005, constitutes a welcome response to the ever-worsening world food situation, as well as an acknowledgement of America's role as a major food producer in a world where thousands starve to death each week.

This crisis in the world food supply situation is a result of the coalition of several factors. In 1972 and 1973 droughts and storms damaged crops in Africa, India, the Soviet Union, and parts of the United States and China. Added to these natural disasters was a worldwide energy crisis which drastically raised costs of food production and distribution, and caused a severe shortage of fertilizer.

As food supply was drastically curtailed, demand continued to escalate. In the lesser developed countries, demand appears in the form of rapidly increasing population—2.4 percent annually in these countries, as compared with 1.1 percent in the developed nations—which can be traced to the fact that children are a form of economic security in poor countries. In the wealthy nations, demand for grain also increases steadily. Each U.S. citizen now consumes on the average 1,850 pounds of grain in the form of livestock products a year, as compared with 400 pounds annually in poor countries. The food-rich nations battle bulging waistlines as the poor literally eat dirt to fill their stomachs. Worldwide distribution of foodstuffs grows ever more skewed, feeding a volcano of simmering economic instability.

Third world nations have indicated that a continuation of such a maldistribution is intolerable; U.S. citizens have evidenced their concern through increased contributions to food relief organizations. A recent Harris poll found that 79 percent of the public supports a foreign aid program which helps the poorest segment in developing countries. It is up to Congress to legislate a program which will incorporate measures for both the immediate alleviation and eventual eradication of world hunger.

Previous U.S. food aid and developmental programs have operated primarily on the basis of political expediency, ignoring the long-term goal of self-sufficiency as well as actual need of recipient countries. Signaling a new sense of international responsibility, H.R. 9005 addresses itself to reforms in three major areas: First, clarification of the purposes of the food aid program; second, response to the actual developmental needs of recipient countries within an international context; and third, the need for increased and stabilized amounts of food aid.

A most significant feature of the bill is the separation of developmental aid from military assistance and political considerations. Failure to clarify the priorities of these disparate objectives has led to numerous abuses in the past. For example, until 1970 Taiwan received as much economic aid as did India. In 1975 the administration planned to send two-thirds of Public Law 480 shipments to Southeast Asia, Chile, and other countries with which it had a "special" political relationship. The congressional amendment which prevented this mockery of the concept of foreign aid required that 70 percent of concessional food aid would be allocated to countries designated by the United Nations as most seriously affected by the world economic crisis. The 70 percent minimum is retained in H.R. 9005, with further restrictions on the President's authority to waive the percentage requirement.

Several provisions of the bill point in a new direction by responding to the actual developmental needs of recipient countries. Previous experience has demonstrated that the huge, cost-intensive methods of food production in industrialized countries are ill-suited to most developing nations, where small farms and a large labor force are the rule. In this context, the innovative provisions in H.R. 9005 which would authorize $20 million for the development of intermediate technology and $20 million for the establishment of cooperatives in developing countries are especially commendable. A new consciousness of the necessity for international cooperation in the face of the hunger crisis is evidenced in the arrangement whereby $200 million in developmental loan payments would be contributed to the International Fund for Agricultural Development.

In the area of food allocation, the bill would set a minimum annual food aid level at 1.5 million tons, with at least one million to be distributed through nonprofit voluntary agencies and the world food program. According to a GAO report, necessary stabilization of commodity allocation would enhance the stature and effectiveness of the donation program as well as diminish procurement costs.

Unfortunately, this minimum level of food aid falls far behind our assistance capabilities as well as the need for such assistance. U.S. food aid commitments have ranged from 16 million tons in 1964 to 3.3 million tons in 1974. The World Food Conference recommendation for food aid was targeted at 10 million tons, and further documentation suggests that annual actual need totals 14–15 million tons or more.

It has been pointed out that it is in the best interests of political stability and economic development to assist developing nations, which are responsible for one-third of our 1974 exports as well as providing much of our raw materials. However the moral obligation to assist to the fullest extent possible those, who through an accident of birth, are condemned to a lifetime of mind-crushing poverty, stands far and above the economic and political factors.

Many U.S. taxpaying citizens have a greatly exaggerated idea of how much this country spends on developmental assistance. In 1974 the United States ranked 14th among 17 industrialized nations in amount of assistance as percentage of GNP. The real U.S. developmental assistance for 1975 amounted to no more than one-tenth of 1 percent of our GNP—a cost to each citizen of less than 2 cents a day. In fact, when actual cash flow amounts are taken into account, the developing countries receive little real assistance. In his book "Bread for the World," Arthur Simon states:

> In 1974 poor countries paid back $8.4 billion in debt retirement to donor nations—almost as much as they received in new assistance. Add to this the $20 billion trade deficit of non-oil-exporting poor countries for 1974, and the rich nations become net recipients of money from the poor ones.

This appalling situation illustrates the urgent necessity for a reform in food aid policy and for increases in food aid to combat the starvation which faces hundreds of thousands of people a year.

H.R. 9005 has made some important and innovative steps toward a coherent and responsible national food aid policy—but food aid must be increased. This imperative is dictated not through a sense of charity, but through a sense of justice and responsibility to mankind as a whole.

Mr. **VANDER VEEN**. Mr. Chairman, I rise in support of H.R. 9005, the International Development and Food Assistance Act. I want to commend the chairman and members of the International Relations Committee for developing this innovative legislation. It represents a major effort to change the direction of our Nation's foreign aid program.

Mr. Chairman, our foreign aid program has been justifiably criticized in the past. Too often American aid to developing countries was used for projects which enriched the elites, but did not benefit the masses of the poor. Our food aid frequently achieved the opposite of its goals. It undermined the will of native farmers to increase their own production. In Africa, we provided soybeans for protein to one country, while the peanut crop of an adjacent country rotted for lack of markets. There have been many deficiencies in our foreign aid program.

But these mistakes must not discourage us. We should not, we must not, give up our efforts to aid the poorest nations of the world. On the contrary, recent events clearly illustrate our moral obligation. Starvation in Bangladesh and devastating drought in west Africa show that our assistance is imperative. The World Food Conference emphasized the desperate plight of the world's poor. We must respond.

This bill, I believe, recognizes our past mistakes. It takes an imaginative new approach to meeting our obligations to the developing world. For the first time in 25 years, economic assistance has been separated from military and security aid. Importantly, food aid has been depoliticized. Seventy percent of this aid will be used for humanitarian purposes in the poorest countries, not for political purposes. Food aid will be administered to provide incentives for self-help. Poor countries will be encouraged to meet their own nutrition needs. Food and nutrition aid is strongly emphasized in the bill. Almost half of the total funds will be used for these programs. The disaster assistance provision reconfirms our Nation's commitment to assist those victimized by natural and manmade disasters. Development assistance will be redirected to help deal with such key problems as population planning and health.

Other provisions also demonstrate the new direction this bill provides for our foreign aid program. But I think the point is clear: This bill reaffirms our commitment and obligation to aid the poorest countries of the world. I support this precedent-setting legislation. I urge that the House act favorably on it.

Mr. **PREYER**. Mr. Chairman, today we vote on the authorization of a new foreign aid program. While we are spending no money with this vote, we are committing ourselves to an effort which will eventually involve the spending of hundreds of millions of dollars.

The budget request of the President calls for spending about 1½ percent of our budget in the area of international relations. Most of the people in my district believe we should spend less and a great many believe we should spend nothing at all on foreign aid.

This is because many of my constituents—just as many of those of my colleagues—believe that we should not send money overseas and that there have been too many mistakes in our foreign program.

I will vote to reduce the amount of aid but I will vote for this authorization because I believe it is in the interest of the security of my country for me to do so. Foreign policy should be that weapon with which we avoid wars that require other kinds of more expensive weapons.

While I am satisfied that this vote is necessary, I believe just as strongly that there is merit in much of the criticism of this program and I realize an obligation to explain this vote beyond the simple justification just mentioned.

First, let me point out that foreign aid money is not sent across the seas. Almost all of it is spent in this country. It is spent here through contracts with American businesses and educational institutions and through sales agreements with American farmers.

More than $10 million in foreign aid money has been spent in my congressional district in the last 3 years and many millions more has been spent in other parts of North Carolina. In 1973, for instance, North Carolina farmers and processors received an estimated $22,044,000 for grain and other agricultural commodities distributed to people in developing countries.

So when we vote against foreign aid, we vote to cut off money spent—not in some foreign land—but in our own backyards, providing jobs for our own people.

A more serious question, however, is the value of the program.

U.S. foreign assistance programs have been characterized by many failures, by aid to countries with governments repulsive to our own, and by projects that never reached the average citizen of the recipient nation.

The authorization bill represents considerable success in dealing with those problems.

The committee has junked the administration bill and drafted their own, with a strong bipartisan effort to reform this part of national policy. For instance, they have moved away from large-scale transfers of capital to other countries for construction projects and industrial development and concentrated, instead, on the most pressing problems of the poor majority in poor countries: food and nutrition, health and population planning, and education. Nearly three-quarters of all the development assistance provided in this bill will go for countries with per capita incomes of $275 a year or less.

This bill recognizes that we cannot go on forever helping these countries. It emphasizes efforts to assist other nations to develop the capacity to look after themselves so that dependence on others such as the United States, can be ended.

I am confident that the appropriations bill for foreign aid will be lower than the President's request; so we can be pleased that we are cutting the budget.

Most importantly, we can vote for this authorization bill with the assurance that this House has done much to create a new, more realistic foreign aid program that will accomplish something good and that will strengthen the efforts of the free world to remain free and to become self-sufficient.

Mr. **GUDE**. Mr. Chairman, I rise to express my strong support for H.R. 9005, the International Development and Food Assistance Act of 1975. Members of the committee have already supplied data on the bill and many details in support of it, and rather than adding more statistics, let me make several simple points.

First, I think we must all acknowledge the International Relations Committee has done a superlative job of analyzing and restructuring the foreign aid program over the last several years. Recognizing the limitations inherent in then existing programs, the committee in 1973 authored a major restructuring of our aid program into functional categories: Agriculture, population planning and health, education, and so forth, in order to insure that our funds were going to deal with real problems and not end up in the hands of inefficient or corrupt officials.

This year's bill strengthens and refines those categories of development assistance and attempts an ambitious effort to see that our food assistance—an item of increasing world importance—goes only to the neediest nations rather than to those it suits our political interests to serve.

Any restructuring of this magnitude is bound to cause the inevitable adjustment problems as our aid administration and those of the recipient nations begin to cope with the new rules. I am confident, however, that in the long run the committee's work will stand as one of the most significant foreign policy actions of the postwar era.

Second, the committee has decided, quite wisely in my view, to separate military from economic aid. As one who has long had major reservations about our military aid programs, I welcome this separation and the opportunity it provides to scrutinize all aspects of our aid programs more carefully.

Third, I note in particular the administration's support for this bill, despite several provisions in it that I expect they would rather not see. The President and the Secretary of State have a clear understanding of the vital importance of development assistance which provides true economic development unburdened by political strings, and they seem willing to work with us in achieving that objective. The recent address delivered by our United Nations Representative, Ambassador Moynihan, is the most telling sign yet that the administration recognizes better than many of us the changing international economic balance and the importance of working within the developing new structure of international trade and finance in order to help shape it in the interests of both our citizens and those of the developing states. A mature approach to international relations requires an acceptance of these changes, and Ambassador Moynihan's remarks, delivered on behalf of Secretary Kissinger, show the administration's understanding of this point.

Fourth. Of particular importance in this bill is section 107 providing a stimulus to the development of intermediate technology. With a plentiful supply of labor, but shortage of arable land, capital and technological skills, most underdeveloped actions can ill afford development in either agriculture or industry which parallels that of the large, labor-saving type of enterprise which is integral to the giants of the Western World. As Barbara Ward so well stated:

> We cannot continue with the old colonial theory that we can succeed by using the same type of industrialization that occurred in the United States and the U.S.S.R.

For example, to use new industry to provide employment in an agricultural society is evidently pure and simple an impossible task. A country with only three-fourths of its work force in agriculture—Africa averages 90 percent—with its labor force increasing at 2.5 percent—a typical rate for developing countries—would require an annual increase of 10 percent in the nonagricultural sector to absorb the new laborers. Such a rate is double the rate of nonfarm jobs created in any country in the last two decades. One example which shows the reality of this hypothesis is found in Kenya, where the labor force increased by 126,000 in 1969, while only 27,000 new jobs were created.

If we turn to agricultural development as a source for new jobs, on the other hand, we must confront the mechanization bias of developing governments, the idolatry of the tractor. Idolatry may seem to be an overkill term, but I am reminded of a Western observer who visited Russia during the days of economic development following the revolution. On attending a motion picture, he found the audience applauding a roaring tractor which appeared center screen as the hero of the piece. Despite the preference of developing governments, then, capital and technology-intensive mechanization is hardly an appropriate tool for the many small subsistence farmers in the underdeveloped world.

If our foreign aid program is to succeed, it must translate American talent and money into small farm, labor intensive economies—an agricultural economy which complements human efforts with back sprayers, simple threshers, and hand plows and harrows. Such support of and reliance on the small farmer has the advantages of working within the existing socal framework and value system, avoiding the creation or support of a class of rich landowners and thus keeping power more evenly distributed, and of maintaining the incentive of personal ownership in the production process.

Obviously a single sector response is not the complete answer. Another useful development approach is to encourage the creation of village and small-scale industries. Such industries include traditional arts and crafts and the production of light industrial items such as textiles, bicycle parts, furniture, art objects, shoes, soap, and matches which can be manufactured by using labor-intensive, capital-saving techniques outside of the heavly populated urban centers. Here again we are talking about the development of technology appropriate to the environment in which it is to be placed, and it is the kind of approach exemplified by the intermediate technology section which will move in this direction.

Also of significance in this bill is the resolution that the United States should increase its contributions to multilateral aid agencies and the addition of the Findley amendment concerning land-grant universities, of which I am a cosponsor. The most immediate and obvious advantage of multilateral assistance is that it is relatively more removed from political considerations than is bilateral assistance. The sad evidence is that much of our aid, including much given to our poitical friends or to those of our Public Law 480 food aid, has been given to our political friends or to those governments which we feel strategically obligated to support rather than those countries which are in need. H.R. 9005 includes a number of restrictions to prevent this from happening in the future, but we should also recognize that in many ways the most effective restriction is to channel more aid through multilateral agencies.

It is the critical question of world food supplies and their sufficiency over the long run which prompted my colleague the gentleman from Illinois (Mr. FINDLEY) to introduce his bill, H.R. 2436, later added by the committee as an amendment to H.R. 9005, which provides for the development of land-grant type universities in agriculturally developing nations.

Despite our efforts in the years ahead many countries throughout the world will not be able to produce enough food to feed their own people. Among these are some nations which have the capacity to produce much more than they do now. Simply because it lacks knowledge of the latest relevant agricultural developments, a country may not be able to check the advances of famine. However, with sophisticated research it could significantly increase its food output and thus avoid serious agricultural disaster. It is for the reasons of educating farmers in other countries and keeping them informed of new developments that the Findley amendment was adopted. Seeing the success enjoyed by existing research programs, there is every reason to expand this approach to involve more areas in more programs. Not only is the sharing of ideas and information essential if hunger is to be wiped out, but additional research in fields previously out of the financial range of these programs ought to be initiated. There are many problems related to food production, distribution, storage, marketing, and consumption that remain unsolved. There is little sense in constantly giving away food to a nation without encouraging and providing the means to create agricultural growth. The Findley amendment would help to achieve these goals, and I am pleased to see it included in this bill.

Finally, I hope the events of the past few years have clearly demonstrated that there are solid reasons of self-interest for giving foreign aid. The United States is becoming increasingly dependent on natural resources imported from abroad, many of them from underdeveloped countries. The Arab oil embargo illustrated graphically our vulnerability to a cutoff of vital resources. Clearly it is in our interest to promote good will, stability, and economic development in the third world. Continued progress there will assure open international markets and continued access to the raw materials on which our own economy depends. Thus, there should be little question that passage of this bill is in our own interest as well as that of the developing nations.

Mr. DIGGS. Mr. Chairman, I rise in support of H.R. 9005, the International Development and Food Assistance Act of 1975.

The implications of H.R. 9005 for the developing world and for U.S. interests there in an increasingly interdependent world, are many. This is clearly illustrated by the situation in Africa—a continent which has 26 out of the 41 countries officially identified by the United Nations as most seriously affected by worldwide economic crises, as well as 16 out of the 25 least developed countries.

The United States, not only has humanitarian obligations with respect to the developing world, but must be mindful of the implications of increased economic interdependence and of the finiteness of our domestic supply of raw materials which demands new dependence on developing nations as the source of our supply. Africa, for example, has all of the world's 53 most important minerals, including 42 percent of the world's cobalt, 34 percent of the bauxite, and 17 percent of the copper. In addition, 22 percent of U.S. graphite imports come from Malagasy Republic.

It has been emphasized in testimony before the committee and the Subcommittee on International Resources, Food and Energy that, over the long run, the critical question in solving world food problems is the improvement of agricultural production in the developing countries where the world's reservoir of unexploited food production is located, bringing development assistance to the small farmer and a more equitable distribution of food resources. Toward this end, H.R. 9005 relates U.S. assistance to efforts by recipient countries to increase their own agricultural production, with emphasis on development of labor-intensive, small-farm agriculture, in addition to providing increased authorization levels for food production and nutrition assistance.

The situation in the Sahel is perhaps illustrative of the need for food production assistance in developing countries and the beneficial impact of the measures in H.R. 9005.

Of course, much has been written and said about the drought in the Sahel and its effect on food production. The drought grew in intensity over seven years through 1973, affecting tens of millions of people of which as many as one hundred thousand may have died. It ravaged crops in most of the Sahel and cut livestock herds by some 40 percent.

As the need grows to increase food production throughout the world, that need becomes even more apparent in the Sahel.

Specifically, funds to increase food production will be used for such projects in the Sahel as a land use inventory in Mali; grain production and marketing improvements in Upper Volta, Niger, and Senegal; seed multiplication and production in North Cameroon and Niger; and water resources management and crop protection for the region as a whole.

It is only through the continuation of programs such as these that the effects of the drought in the Sahel can be overcome and the countries of the region begin to meet their own basic food needs over the long term.

The bill also provides that development loan repayments may be used for development purposes. Specifically, $200 million of these reflows would go directly to help fund the U.S. contribution to the new International Fund for Agricultural Development. This is particularly critical in support of Secretary of State Kissinger's recent announcement in his well-received speech at the United Nations that the administration would seek such authorization.

Finally, I would like to point out the provision for U.S. support for international organizations and programs. Such multilateral programs are critical if our bilateral efforts to assist in the development of poor countries is not to be undermined. The implications of any reduction or termination of U.S. contributions to multilateral organizations, such as the United Nations Development Program—UNDP—the United Nations Educational, Scientific, and Cultural Organization—UNESCO—and the International Labor Organization—ILO—can be critical to the developing countries, while representing an action far in excess of Israel's own reaction to recent political events in ILO and UNESCO.

It should be noted that Israel remains a firm supporter of UNDP, contributing about $1.2 million to that organization and receiving projects valued at $5 million during the period 1972–76. Currently, Israel itself is a recipient of 51 UNDP projects, including three executed by UNESCO and nine by ILO, with no indication of any intention to reduce or terminate its contributions to UNDP. Any such action by the United States would clearly provide a signal to the developing world, contrary to Kissinger's recent statement indicating that he understands and is willing to consider the needs of the developing world.

In addition, Africa, for example, has indicated its interest in good relations with the United States on many occasions. Nigeria's willingness to sell oil to the United States during the OPEC oil boycott in the aftermath of the Yom Kippur war proved immensely helpful to this country. Most recently at the Organization of African Unity—OAU—meeting in Kampala, the African states blocked a resolution advocating Israel's expulsion from the United Nations. Such events point out the critical role African states can play on issues of importance to the United States.

I hope, upon consideration of these issues, you will join me in support of this bill.

Mr. COHEN. Mr. Chairman, I intend to vote against final passage of the foreign aid bill with considerable regret.

In many ways, this foreign aid bill is a vast improvement over those that have preceded it. It contains no encumbering provisions for military aid. It deals only with economic development aid, disaster relief and food aid. It provides for integrated population and health programs aimed at the people who need them most. And it directs considerable aid toward farm programs to upgrade the productivity and the standard of living of the world's rural poor.

But, however much it may be incumbent upon us to provide an adequate level of foreign aid to nations in need, the fact remains the bill in its present form is $123 million above President Ford's budget request. The administration request for this fiscal year is itself $525.8 million—or 76 percent—above the level of aid appropriated last year.

At a time when millions of Americans remain out of work and when excessive Government spending continues to feed the inflation which has eroded the paychecks of those who do have jobs, it is irresponsible for Congress to exceed the President's proposed budget by so great an amount.

Last winter, I voted in the House to cut the permissible budget deficit from the proposed $68 billion. I believe we in Congress have a responsibility to keep the deficit within reasonable bounds. It now appears that even the $68.8 billion limit will be exceeded.

I sincerely hope that House and Senate conferees will exercise the restraint the situation demands and cut the excess expenditures from the foreign aid bill. If this is done, I will happily support the conference report when it is brought back to the House for a vote.

Mr. BIESTER. Mr. Chairman, I rise in support of H.R. 9005, the International Development and Food Assistance Act, of which I am a cosponsor.

I welcome the change in the House's approach in considering foreign assistance. Wisely, I believe, we have separated foreign economic from military aid. Both these program categories have been allocated billions of dollars over the years and, quite understandably, have been the focus of intense examination and evaluation by public officials and concerned citizens alike. While one can argue that foreign assistance, be it economic or military, may have related political objectives for our country, the impact each has on a recipient nation is a totally different story. Mixing food and fighter planes may have made some sense at one time, but it seems abundantly clear now that these commitments must be analyzed on their own merits. Tying the two together confuses very different elements and neither practically nor honestly allows for discussion on the merits of each thrust of our foreign policy. Legitimate reservations with regard to one should not jeopardize acceptance of the other because they have been combined into a single bill. Encouragingly, this is not the case this year and, hopefully, it will not be again.

This year's assistance legislation builds upon the constructive revisions of the 1973 Foreign Aid Act which implemented a more functional approach to assistance. Underlying this is a commitment on our part to channel aid to nations and efforts where the need is greatest and where self-help intiatives can be set into motion. As such, we focus on food and nutrition, education, human resources, population planning, health, and rural and agricultural development.

Almost 90 percent of the authorizations contained in this bill will go to nations having per capita incomes less than $500 per year.

Major features of the bill before us, which authorizes a total of $1.4 billion in fiscal year 1976 and $1.5 billion in fiscal year 1977, include consolidation of disaster relief provisions, guidelines for Food for Peace allocations to poor countries and contributions to international food reserve efforts, involvement of U.S. universities in cooperative agricultural developmental activities with third world nations, and increased attention to international organizations and multilateral activities.

It is not insignificant that a major theme running through the legislation is food and agricultural production, for no other single component of our assistance goes to the very core of developmental problems in the emerging nations. Beyond the urgent need to meet immediate short range demands to ward off starvation, we must be forthcoming in helping formulate and implement efforts which will better enable these nations to approach self-sufficiency in fulfilling their own food requirements. Once the developing nations can more adequately cope with the most basic of human needs—that for bodily sustenance—they can begin to step forward to undertake the other types of developmental projects which can lead to more diversified and broadening international relationships.

Without denying the need for capital and industrial development, our experience in the past has demonstrated, in my estimation and that of others, that our own priorities have been misdirected as to what we conceive to be the fundamental needs of the developing world. Our assistance dollars have not always found their way to those people and those projects which are most deserving and which may well hold the best prospects for laying the kind of foundation for progress that has been so lacking. This legislation follows our most recent "new directions" reforms to reflect a first-things-first perspective. Those other large scale projects—which are undeniably important—will not necessarily be overlooked and can be realized through private, international, and other governmental efforts.

I support H.R. 9005 and respectfully encourage my colleagues to do the same. The bill, in spirit and specifics, reflects a healthy attitude on the part of our Government, realistically geared to the third world situation and what our role should be in its development. It embodies elements and an outlook in which the American people can take pride.

Mr. ANDERSON of Illinois. Mr. Chairman, I rise in strong support of H.R. 9005, the International Development and Food Assistance Act of 1975. At the outset I want to commend the International Relations Committee on the masterful job it has done in pulling together the components of our development and food aid programs under its revised jurisdiction, and in splitting off the security assistance programs. The latter step is one which has long been recommended by numerous aid reform task forces, commissions, and outside groups.

This legislation authorizes $1.4 billion for foreign economic assistance in fiscal 1976 and $1.5 billion in fiscal 1977. This bill carries forward and expands on the new directions charted in the 1973 foreign assistance act of concentrating aid on the neediest nations and providing incentives for self-help development efforts. Moreover, it continues to channel increased funds into multilateral agencies. I think it is of particular significance to note that 72 percent of the aid authorized by this bill is directed to countries with per capita incomes of less than $275 a year, and 89 percent to countries with per capita incomes of less than $500. Nearly half the funds authorized in this bill are aimed at food and nutrition programs, and at least 70 percent of the Public Law 480 food assistance must go to those nations most seriously affected by food shortages as designated by the U.N. Moreover, the bill requires recipients of Public Law 480 food assistance to use the proceeds from sales to aid their poor and for agricultural and rural development. None of these proceeds may be used for defense procurements or internal security.

In addition, U.S. proceeds from repayment of prior year aid loans will be earmarked for our contribution to the new International Agriculture Development Fund, with remaining funds to be used for bilateral food and nutrition programs. Of the 1.5 million tons of food distributed annually through the Public Law 480 commodity donation program, at least 1 million tons are to be allocated through voluntary agencies and the world food program. And the bill also authorizes the President to negotiate the establishment of food reserves to guard against shortages.

Mr. Chairman, I particularly wish to commend my colleague from Illinois (Mr. FINDLEY) on his contribution to this legislation in the famine prevention section. Under the new provisions contained in this bill, assistance will be provided to land grant and certain other universities to work cooperatively with agricultural institutions in the developing countries on their food problems. This new program will be administered by a new Board for International Agricultural Development. I think this additional tool for assisting developing countries can make a substantial contribution to their efforts to develop their own food production capabilities.

Mr. Chairman, in addition to the numerous new provisions relating to food assistance, this bill provides $50 million in disaster assistance in both fiscal 1976 and 1977, and expands on our programs for human assistance, including population planning and health, education and human resource development; and technological aid.

In conclusion, I enthusiastically endorse this legislation and urge my colleagues to vote for it.

Mr. BEVILL. Mr. Chairman, I rise in opposition to H.R. 9005, the so-called International Development and Food Assistance Act.

Since coming to Congress, I have always been opposed to foreign aid, and the way in which it robs us of the ability to finance our domestic needs.

And despite the name attached to the current proposal, it is simply another one of those foreign aid giveaways.

This proposal before us is merely another attempt to add millions of dollars to the already staggering and deplorable foreign aid program.

This bill may go by another name and the context may try and avoid a connection with our past and present foreign spending policies, but it is simply another effort to justify pouring more of our dollars into foreign countries.

In my opinion the taxpayers of this Nation resent this unjustifiable spending.

The current proposal calls for $1.4 billion to be funneled into foreign countries for the fiscal year 1976 with that figure increasing by another $100 million in 1977.

What makes this bill and all similar foreign aid proposals so senseless is the failure of repayment by countries which have benefited from our foreign aid program including soft loans.

A look back should make it evident to everyone that we cannot buy friends.

We pour billions of dollars into other countries' economies and what happens?

The nations we aid in hopes of comradeship soon begin to speak out against what they label as the "imperialistic policies of the United States."

Europe offers the perfect example.

Ravaged and torn by the greatest war mankind has ever experienced, the continent was a picture of destruction in the mid 1940s.

The United States stepped in and practically rebuilt Europe.

Many of the European nations literally owe their existence to our country and its generosity.

And yet today, these same countries we helped save and rebuild verbally attack our system and what we stand for.

If these countries had reimbursed the United States, their attacks could be better explained.

But the sad fact is that of the countless countries we have rescued since the Marshall plan went into effect, only a very small fraction have ever reimbursed the United States.

A more recent example is the fact that seven members of the Organization of Petroleum Exporting Countries currently owe the United States $2.7 billion.

Since 1947, OPEC nations have received over $8½ billion in aid from the United States.

These are the same countries which have contributed to our inflation, our capital shortage and our general economic distress, by quadrupling the price of oil.

There is no question these OPEC nations could repay their outstanding debts to the United States and reimburse us for the foreign aid given them when they were in need.

The time has come for the United States to begin putting our country's interest first.

We have been the most generous Nation on Earth.

Our foreign aid giveaway programs including soft loans are more than all of the other countries of the world combined.

America has certainly done its share. We cannot continue to let deficit spending run wild in our economy.

And the bill we are debating today would do just that—send our budget even farther away from a balanced structure which this Congress has set as a goal for itself and which the people of this Nation have a right to expect.

The habit of giving away our natural resources is so ingrained in the minds of governmental bureaucrats who dish out the taxpayer's money for foreign aid that they seem to be unable to comprehend the effect.

They simply continue to ask for more, which is what this bill does. The passage of this bill will authorize an unnecessary expenditure of $2.9 billion that we in effect will have to borrow to give away.

I urge you to help put an end to this useless spending of American dollars abroad when there are so many worthwhile projects here at home that are being delayed due to lack of funds.

The working people of this country have carried the burden of foreign aid for too long.

And today they are looking to us here in the Congress to stop these giveaway programs and get our economic house in order.

We should ask ourselves one question, "Would passage of this bill be to the best interest of our Nation?"

I urge you to vote against this giveaway program.

Mr. BROOMFIELD. Mr. Chairman, I have no further requests for time. I yield back the balance of my time.

Mr. MORGAN. Mr. Chairman, I have no further requests for time.

The **CHAIRMAN.** Pursuant to the rule the Clerk will now read the bill by titles.

The Clerk read as follows:

H.R. 9005

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "International Development and Food Assistance Act of 1975".

TITLE I—INTERNATIONAL DISASTER ASSISTANCE

INTERNATIONAL DISASTER ASSISTANCE

SEC. 101. The Foreign Assistance Act of 1961 is amended—

(1) by amending the chapter heading for chapter 9 of part I to read "CHAPTER 9—INTERNATIONAL DISASTER ASSISTANCE";

(2) by repealing section 491;

(3) by inserting immediately after the chapter heading for such chapter 9 the following new sections:

"SEC. 491. POLICY AND GENERAL AUTHORITY.—(a) The Congress, recognizing that prompt United States assistance to alleviate human suffering caused by natural and manmade disasters is an important expression of the humanitarian concern and tradition of the people of the United States, affirms the willingness of the United States to provide assistance for the relief and rehabilitation of people and countries affected by such disasters.

"(b) Subject to the limitation on appropriations in section 492, and notwithstanding any other provision of this or any other Act, the President is authorized to furnish assistance to any foreign country or international organization on such terms and conditions as he may determine, for international disaster relief and rehabilitation, including assistance relating to disaster preparedness, and to the prediction of, and contingency planning for, natural disasters abroad.

"(c) In carrying out the provisions of this section the President shall insure that the assistance provided by the United States shall, to the greatest extent possible, reach those most in need of relief and rehabilitation as a result of natural and manmade disasters.

"SEC. 492. AUTHORIZATION.—There is authorized to be appropriated to the President to carry out section 491, $25,000,000 for each of the fiscal years 1976 and 1977. The President shall submit quarterly reports to the Committee on Foreign Relations of the Senate and to the Speaker of the House of Representatives on the programing and obligation of funds under this section.

"SEC. 493. DISASTER ASSISTANCE—COORDINATION.—The President is authorized to appoint a Special Coordinator for International Disaster Assistance whose responsibility shall be to promote maximum effectiveness and coordination in responses to foreign disasters by United States agencies and between the United States and other donors. Included among the Special Coordinator's responsibilities shall be the formulation and updating of contingency plans for providing disaster relief.";

(4) by redesignating section 452 as section 494 and inserting it immediately after section 493;

(5) by redesignating sections 639A and 639B as sections 494A and 494B, respectively, and inserting them immediately after section 494; and

(6) by repealing section 639.

Mr. MORGAN (during the reading). Mr. Chairman, I ask unanimous consent that title I be considered as read, printed in the RECORD and open to amendment at any point.

The **CHAIRMAN.** Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The **CHAIRMAN.** Are there any amendments to title I? If not, the Clerk will read.

The Clerk read as follows:

TITLE II—FOOD AID TO POOR COUNTRIES

POLICY

SEC. 201. Section 2 of the Agricultural Trade Development and Assistance Act of 1954 is amended by adding at the end thereof the following:

"In furnishing food aid under this Act, the President shall—

"(1) give priority consideration, in helping to meet urgent food needs abroad, to making available the maximum feasible volume of food commodities (with appropriate regard to domestic price and supply situations) to those countries most seriously affected by food shortages and inability to meet immediate food requirements;

"(2) continue to urge all traditional and potential new donors of food, fertilizer, or the means of financing these commodities to increase their participation in efforts to address the emergency and longer term food needs of the developing world; and

"(3) relate United States assistance to efforts by aid-receiving countries to increase their own agricultural production, with emphasis on development of labor-intensive, small-farm agriculture.".

WORLD FOOD CONFERENCE TARGET

SEC. 202. The Agricultural Trade Development and Assistance Act of 1954 is amended by inserting immediately after section 2 the following new section:

"SEC. 3. Pursuant to the World Food Conference recommendation that donor countries provide a total of at least ten million tons of food assistance annually, the President is urged to maintain a significant United States contribution to this goal and to encourage other countries to maintain and increase their contributions as well.".

EXERCISE OF AUTHORITIES

SEC. 203. Section 103 of the Agricultural Trade Development and Assistance Act of 1954 is amended—

(1) by amending subsection (a) to read as follows:

"(a) take into account efforts of friendly countries to help themselves toward a greater degree of self-reliance, including efforts to increase their own agricultural production, especially through labor-intensive, small-farm agriculture, and to reduce their rate of population growth;";

(2) in subsection (b), by inserting "and in section 106(b)(2)" immediately after "section 104"; and

(3) in subsection (d), by striking out the second proviso and inserting in lieu thereof "*Provided*, That this exclusion from the definition of 'friendly country' may be waived by the President if he determines that such waiver is in the national interest and reports such determination to the Congress.".

FOREIGN CURRENCIES FROM OVERSEAS SALES

SEC. 204. Section 104 of the Agricultural Trade Development and Assistance Act of 1954 is amended—

(1) by inserting immediately after "the House Committee on Agriculture" each time it appears "and the House Committee on International Relations"; and

(2) by repealing subsection (c).

USE BY FOREIGN COUNTRIES OF PROCEEDS OF SALES OF AGRICULTURAL COMMODITIES

SEC. 205. Section 106(b) of the Agricultural Trade Development and Assistance Act of 1954 is amended—

(1) by inserting "(1)" immediately after "(b)";

(2) by adding at the end thereof: "In negotiating such agreements with recipient countries, the United States shall emphasize the use of such proceeds for purposes which directly improve the lives of the poorest of their people and their capacity to participate in the development of their countries."; and

(3) by adding at the end thereof the following new paragraphs:

"(2) Greatest emphasis shall be placed on the use of such proceeds to carry out programs of agricultural development, rural development, and nutrition in those countries which are undertaking self-help measures to increase agricultural production, improve storage and distribution, and reduce population growth in accordance with section 109 of this Act, subject to the policies, procedures, restrictions, and other provisions applicable to funds provided under section 103 of the Foreign Assistance Act of 1961, pursuant to agreements between the United States and foreign governments under which uses of such proceeds shall be made for such purposes. Such uses shall be deemed payments for the purpose of section 103(b) of this Act and shall be described in the reports required by section 408 of this Act and section 657 of the Foreign Assistance Act of 1961.

"(3) In entering into agreements for the sale of agricultural commodities for dollars on credit terms, priority shall be given to countries which agree to use the proceeds from the sale of the commodities in accordance with the country's agricultural development plan which—

"(A) is designed to increase the access of the poor in the recipient country to an adequate, nutritious, and stable food supply;

"(B) provides for such objectives as—

"(i) making farm production equipment and facilities available to farmers,

"(ii) credit on reasonable terms and conditions for small farmers, and

"(iii) farm extension and technical information services designed to improve the marketing, storage, and distribution system for agricultural commodities and to develop the physical and institutional infrastructure supporting the small farmer;

"(C) provides for participation by the poor, insofar as possible, in the foregoing at the regional and local levels; and

"(D) is designed to reach the largest practicable number of farmers in the recipient country.".

SALES AGREEMENTS WITH DEVELOPING COUNTRIES

Sec. 206. Section 109(a) of the Agricultural Trade Development and Assistance Act of 1954 is amended by adding at the end thereof: "In taking these self-help measures into consideration the President shall take into particular account the extent to which they are being carried out in ways designed to contribute directly to development progress in poor rural areas and to enable the poor to participate actively in increasing agricultural production through small farm agriculture.".

ASSISTANCE TO MOST SERIOUSLY AFFECTED COUNTRIES

Sec. 207. Title I of the Agricultural Trade Development and Assistance Act of 1954 is amended by adding at the end thereof the following new section:

"Sec. 111. Not more than 30 per centum of the food aid commodities provided under this title shall be allocated to countries other than those most seriously affected by inability to secure sufficient food for their immediate requirements through their own production or commercial purchase from abroad, unless the President certifies to the Congress that the use of such food assistance is required for humanitarian food purposes and neither House of Congress disapproves such use, by resolution, within thirty calendar days after such certification. In determining which countries are most seriously affected, for the purpose of this section, the President shall be guided by the United Nations designation of countries as 'Most Seriously Affected' by the current economic crisis. A reduction below 70 per centum in the proportion of food aid allocated to most seriously affected countries which results from significantly changed circumstances occurring after the initial allocation shall not constitute a violation of the requirements of this section. Any reallocation of food aid shall be in accordance with this section so far as practicable. The President shall report promptly any such reduction, and the reasons therefor, to the Congress.".

CONTINUITY OF DISTRIBUTION UNDER TITLE II

Sec. 208. Section 201 of the Agricultural Trade Development and Assistance Act of 1954 is amended—

(1) by inserting "(a)" immediately after "Sec. 201."; and

(2) by adding at the end thereof the following new subsection:

"(b) The minimum quantity of agricultural commodities distributed under this title shall be one and a half million tons and the minimum distributed through nonprofit voluntary agencies and the World Food Program shall be one million tons in each fiscal year, unless the President determines and reports to the Congress, together with his reasons, that such quantity cannot be used effectively to carry out the purposes of this title: *Provided,* That such minimum quantity shall not exceed the total quantity of commodities determined to be available for disposition under this Act pursuant to section 401, less the quantity of commodities required to meet famine or other urgent or extraordinary relief requirements.".

LIMITATION ON USE OF FOREIGN CURRENCIES

Sec. 209. Title II of the Agricultural Trade Development and Assistance Act of 1954 is amended by adding at the end thereof the following new section:

"Sec. 206. Except to meet famine or other urgent or extraordinary relief requirements, no assistance under this title shall be provided under an agreement permitting generation of foreign currency proceeds unless (1) the country receiving the assistance is undertaking self-help measures in accordance with section 109 of this Act, (2) the specific uses to which the foreign currencies are to be put are set forth and agreed to by the United States and the recipient country, and (3) the currencies are used for purposes specified in section 103 of the Foreign Assistance Act of 1961, in accordance with the limitations, restrictions, and other provisions applicable to funds provided under such section. The President shall include information on currencies used in accordance with this section in the reports required under section 408 of this Act and section 657 of the Foreign Assistance Act of 1961.".

ADVISORY COMMITTEE

Sec. 210. Section 407 of the Agricultural Trade Development and Assistance Act of 1954 is amended by inserting immediately before the period at the end of the first sentence ", or their designees".

REPORTS TO THE CONGRESS

Sec. 211. Section 408 of the Agricultural Trade Development and Asisstance Act of 1954 is amended—

(1) by inserting "(a)" immediately after "Sec. 408."; and

(2) by adding the following new subsections:

"(b) In his presentation to the Congress of planned programing of food assistance for each fiscal year, the President shall include a global assessment of food production and needs, self-help steps which are being taken by food-short countries under section 109 (a) of this Act, steps which are being taken to encourage other countries to increase their participation in food assistance or the financing of food assistance, and the relationship between food assistance provided to each country under this Act and other foreign assistance provided to such country by the United States and other donors.

"(c) Not later than October 1 of each calendar year the President shall submit to the Congress a revised global assessment of food production and needs, and revised planned programing of food assistance for the current fiscal year, to reflect, to the maximum extent feasible, the actual availability of commodities for food assistance.".

INTERNATIONAL FOOD RESERVE SYSTEM

Sec. 212. The Agricultural Trade Development and Assistance Act of 1954 is amended by adding at the end thereof the following new section:

"Sec. 412. The President is authorized and encouraged to seek international agreement for a system of national food reserves to meet food shortage emergencies and to provide insurance against unexpected shortfalls in food production, with cost of such a system to be equitably shared among nations and with farmers and consumers to be given firm safeguards against market price disruption from such a system.".

Mr. MORGAN (during the reading). Mr. Chairman, I ask unanimous consent that title II be considered as read, printed in the Record and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

AMENDMENT OFFERED BY MR. HYDE

Mr. HYDE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Hyde: Page 9, line 17, after "President", strike out "shall" and insert in lieu thereof, "may".

Mr. Chairman, on page 9 of the bill the proviso is made that in determining which countries are most seriously affected by inability to secure sufficient food for their immediate requirements, the President shall be guided by the United Nations designation of countries as most seriously affected by the current economic crisis.

My amendment simply takes the word "shall" out and says that he "may" be guided by the United Nations designation of countries. In talking to staff and reading the committee report, it appears that emphasis is placed on the word "guidance" as freeing the President from any straitjacket, any mandatory requirement that he must follow the list of nations most seriously affected that is provided by the United Nations.

It seems to me that if we are attempting to give the President flexibility, no harm is done and certainly an ambiguity is removed by substituting the word "may" for "shall".

Since the United Nations has become dominated by third world countries whose judgments and interests are increasingly antithetical to our own, many people are unwilling to delegate to this body any more authority or influence other than advisory. My amendment makes this position abundantly clear. Let the President have the final determination with such congressional review and oversight as is otherwise provided.

Mr. MORGAN. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Pennsylvania.

Mr. MORGAN. Mr. Chairman, as far as this side of the aisle is concerned, I think the gentleman's amendment improves the bill, and we have no objection to the gentleman's amendment.

Mr. HYDE. I thank the distinguished chairman of the committee.

Mr. BROOMFIELD. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Michigan.

Mr. BROOMFIELD. Mr. Chairman, we also agree that this amendment improves the bill, and we have no objection.

Mr. HYDE. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. Hyde).

The amendment was agreed to.

Mr. CONTE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise today in support of the International Development and Food Assistance Act, H.R. 9005. This bill takes a dramatic new step toward relief of those nations and people most in need. I feel that it expresses the desire of Congress and the American people to share not only our food resources, but also our agricultural technology.

This is not a giveaway program, but one formulated to enable chronic food shortage areas to develop their agricultural capabilities toward greater self-sufficiency. This bill insures that until such time as they are able to provide for themselves, America will do its best to see that the effect of famines and other natural disasters are minimized.

I support this bill because development and food assistance programs have worked in the past and I believe they have the potential to do even more in the future. U.S. economic assistance has provided Asian and African farmers with high yield wheat and rice. Our food grants and loans have given children around the world the protein necessary to develop into full adulthood. This aid has helped to control diseases, to provide family planning services, textbooks, and emergency disaster relief. We have a record we can be proud of, but we must support a further program of relief and development that will carry out the objectives of our "new directions" in foreign policy.

Mr. Chairman, the programs in this bill go directly to the heart of the developing nations' nutritional and agricultural needs. Seventy-two percent of the funds in the International Development and Food Assistance Act are designed for nations whose annual per capita incomes are below $275 and over 80 percent to those with incomes under $500. Title II gears our food aid so as to give top priority to those nations most in need. It also authorizes and encourages the President to negotiate an international agreement on a national food reserve system to alleviate spot shortages in the future. Planning ahead in this manner is what our aid program needs.

The development assistance provided for in title III is necessary to aid in the eventual self-sufficiency of nations now facing shortages of food. This section makes a two-pronged attack on hunger; first technological assistance to increase production, and family planning to slow the ever-increasing demand.

The newest section is a concept I have supported for many years and recently cosponsored. It is entitled "Famine Prevention and Freedom from Hunger." This section recognizes the great contribution that land-grant and other American universities have made in agricultural technology for so many years. American universities have long been active in research designed to aid those countries so much in need of increased production. However, to step up or even to maintain the current activities, American colleges need long-term Federal funding. This funding would be aimed at strengthening the ability of these schools to develop means by which they can improve production in developing countries.

It is important to note as well, the benefits that can come to our farmers and consumers as a byproduct of the collaboration between foreign and American universities. Advances made through this research, although aimed at developing nations, will also be useful to our economy.

In conclusion, Mr. Chairman, let me urge all of my colleagues to support this program for "new directions" in foreign aid. New directions that I hope will help alleviate suffering and hunger. Programs that will stimulate production and self-sufficiency in those countries now facing famine, malnutrition and poverty.

Mr. LEGGETT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I wish to join the many Members who are rising in support of the International Development and Food Assistance Act of 1975, H.R. 9005. This bill reaffirms the "new directions" policy we established for foreign assistance in 1973. The basic aim of those reforms was to concentrate increasing amounts of our assistance directly on the most pressing needs of the poorest people in poor countries. I am convinced that most of the American people will support foreign aid if they believe that it genuinely helps poor people, rather than primarily lining the pockets of the wealthy and only occasionally "trickling down" to those at the bottom of the economic heap.

I would note also that the exclusion of security assistance authorizations from this bill, even if it is due only to the administration's inability so far to submit its recommendations in this area, makes it easier for me and perhaps many Members to support this bill. I am sure we will all give the other proposals the closest scrutiny when they come before us later this year.

One of the key facets of the "new directions" has been an increased emphasis on agricultural and rural development. It is clear that hunger and food shortage is one of the harshest of the realities facing many of the world's poorest peoples. Both U.S. and world stocks of some grains, such as wheat, have been declining dramatically, particularly since 1972. With the increasing interdependence of world food markets, it is equally clear that Americans have, in addition to their traditional humanitarian concern, a direct and vital interest in increasing the quantity of food produced in the world.

One of the innovations included in this bill—title XII—is designed to make greater use of the capabilities of our land-grant and other agricultural colleges and universities to increase world food production. This title, which was originally introduced as a separate bill by Congressman FINDLEY and cosponsored by myself and about 100 other Members, is designed to increase agricultural productivity worldwide by doing a better job of getting the results of research to the farmers of the developing countries.

Famine and hunger in the world, however, are the result, not only of inadequate food production, but also of natural and other disasters. There has been a growing number of natural calamities in the world in recent years. Title I of this bill would provide a new focus on U.S. assistance to the victims of natural disasters, and a more clear-cut source of funding for this assistance.

I observed first hand the effects of one of the world's major current disasters this summer during the visit of the Special Subcommittee of Armed Services to Somalia. That country has experienced a devastating drought the last 2 years, which has affected upwards of 2 million of the Somali people. The drought has led to the drying up of large range areas, great loss of livestock, increases in imports and significant deterioration of Somalia's balance of payments. This calamity has created large numbers of destitute people and has caused a significant exodus from affected rural areas to relief camps and cities and towns. According to the Somali Government, almost a million people are facing starvation and have been directly or indirectly receiving relief assistance.

We have economic assistance programs with many countries in Africa, but Somalia is not now one of them, no doubt in large part for political reasons. Although the Somalis' supposed "Soviet" orientation may have resulted in their permitting the Soviets access to some military facilities, that should not be a bar to the United States responding to their genuine humanitarian needs. I give credit to the State Department for recognizing this fact and providing the Somalis $10 million of food assistance for drought relief in fiscal 1975. This is a clear instance of the need to approach the aid program from a humanitarian rather than a political standpoint. Furthermore, the Department has informed me that it is considering resuming a modest program of economic aid to Somalia in fiscal year 1976. I encourage the Department in this endeavor, and I hope that it will meet with the approval of my colleagues. In my view, this is the type of approach which was envisioned by the "new directions" policy of 1973.

I urge my colleagues to support this bill as representing the right kind of foreign aid program for America to pursue in the 1970's.

AMENDMENT OFFERED BY MR. LITTON

Mr. LITTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LITTON: Page 7, line 5, strike out "and nutrition" and insert in lieu thereof "nutrition, and population planning", and in lines 10 and 11, strike out "section 103" and insert in lieu thereof "sections 103 and 104".

Mr. LITTON. Mr. Chairman, today I am offering this amendment to H.R. 9005, the International Development and Assistance Act of 1975, in order to attack one of the critical problems facing the developing countries of the world—a problem which thus affects this Nation of ours and all of mankind. Although the amendment is concise and simplistic, the possibilities it offers for an enlightened, humanistic international assistance program are far-reaching.

My amendment is meant to provide stimulus to the developing countries of the world to come to grips with the real problems of hunger, malnutrition, and starvation. No one who has lived or traveled in these countries of Eastern Asia, Africa, and parts of South America will deny that a food crisis exists. My encounters in six African nations on the way to the World Food Conference in Rome presented real life portraits of famine that would grieve any of us in these Chambers. Many of us have had such firsthand experiences.

Being a firm believer that this is a world of people, rather than strictly a world of nations, I feel that it is the responsibility of the United States to do everything in its power to alleviate such suffering. My amendment does not "slap hands" reaching for the U.S. food assistance "cookie jar." It is not meant to deprive peoples of food; it is meant to finally confront the other half of the critical food problem. Yes, not only is a food problem the result of a shortage of food, but also is due to an excess of people. The countries of the world that suffer most from hunger also produce the most people each year. The vicious circle becomes ever more vicious. Thus far, the U.S. answer to the crisis has been to toss increasing amounts of food to these hungry mouths. That is a shortsighted, unimaginative approach. Of course, there are also the educational and developmental remedies which have been attempted, but they are slow and extremely intangible to the actual populations. A high-ranking member of the Agency for International Development told me just this week that in 20 years these sorts of programs will enlighten the native people of the developing nations to the extent that they will have their populations under control. Twenty years. With the gravity of the situation which exists today, what will be the population and hunger condition of countries such as Bangladesh, Zaire, and Indonesia 20 years from now?

A nation which the United States has in the past had extremely close contact with—the Philippines—shows the highest projected population increase rate in the next 25 years, according to statistics from the 1975 World Population Data Sheet of the Population Reference Bureau, Inc. Think of how many missionaries, educators, and humanistic organizations have given their most devoted assistance to this island nation. The Philippines has experienced more Western influence than any nation receiving Public Law 480 assistance. It is obvious that well-intended efforts at enlightenment have not worked as well as we had hoped. We are kidding ourselves to think that they will be drastically more effective in the future.

Since the World Food Conference in Rome my passions on this issue have burned intensely. They are ignited with each conference of the underdeveloped countries. The statements that have come from the Organization of African Unity meeting in Uganda and the Non-Aligned Countries Conference in Lima, Peru, incense most Americans. I join the protest of such ingratitude. But still, I am keeping my head and offering an amendment which emphasizes the desire of Congress to encourage population planning as a self-help instrument. Loans and sales payments will be forgiven for launching population planning programs. This is a positive incentive I offer in my amendment. Certainly, direct population solutions are equal in importance to learning the concept of crop rotation, the fundamentals of windmill construction, or the variety of ways to poach an egg. These are the sorts of incentives that H.R. 9005's Agriculture Commodities text addresses.

Line 8 of page 7 of H.R. 9005 presently includes the reduction of population growth as a goal as does section 104 of the Foreign Assistance Act of 1961 which is being amended by H.R. 9005. Certainly, the inclusion of a substantive monetary incentive plan is one of the most direct ways I know to induce a positive response.

I hope my amendment will receive the favorable consideration of this body.

Mr. MORGAN. Mr. Chairman, will the gentleman yield?

Mr. LITTON. I yield to the gentleman.

Mr. MORGAN. Mr. Chairman, I want to congratulate the gentleman on his amendment. I think it is an excellent amendment.

This section permits the use of proceeds to carry out programs of agricultural development, rural development, and nutrition; and I think the gentleman adding population planning is constructively broadening the provision.

Mr. Chairman, we have no objection to the gentleman's amendment.

Mr. LITTON. Mr. Chairman, I thank the gentleman for his remarks.

Mr. BROOMFIELD. Mr. Chairman, will the gentleman yield?

Mr. LITTON. I yield to the gentleman.

Mr. BROOMFIELD. Mr. Chairman, we certainly join with the majority in accepting the amendment.

Mr. LITTON. Mr. Chairman, I thank the gentleman for his remarks.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri (Mr. LITTON).

The amendment was agreed to.

Mr. DELLUMS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I take the well simply to raise a question with the distinguished chairman of the Committee on International Relations.

In reading from the report that accompanies this legislation, I note that under the heading, "Additional Views of Hon. MICHAEL J. HARRINGTON," a member of the committee, it states in part as follows:

> In 1976 only three Latin American countries will receive food assistance under Title I: Chile, Haiti and Honduras. Chile, with a per capita GNP of $795 will receive 85 percent of the total Title I assistance for all of Latin America. Honduras, with a per capita GNP of $271, will receive 10 percent of the total and Haiti, recently termed an "island of hunger" with a per capita GNP of $113, will receive a mere 5 percent of the total Title I food aid for all of Latin America. In 1975, moreover, Chile received 83 percent of the total Title I food aid for Latin America.

The gentleman from Massachusetts (Mr. HARRINGTON) goes on to point out that Haiti and Honduras are both currently on the U.N. "most seriously affected list" and that, according to a recent report, 300,000 Haitians are in imminent danger of starvation. He continues as follows:

> Another MSA, El Salvador, is currently receiving no assistance whatsoever under Title I. And the Dominican Republic, currently experiencing the worst drought in 43 years, was also considered ineligible for Title I assistance.

He points out further that—

> Clearly, it is ultimately self-defeating to enact a food aid bill that fails to ensure the provision of food to those areas in greatest need of immediate food assistance.

Quoting the gentleman from Massachusetts (Mr. HARRINGTON) still further, he says as follows:

> Furthermore, it seems to me that there is something inherently wrong with a food aid bill that aims at using food to strengthen a political alliance with a regime that is, at present, the most ruthless dictatorship in the Western Hemisphere.
>
> From 1970 to 1974 absolutely no food aid whatsoever under Title I was provided to the Allende regime. Thus, the massive infusion of Title I aid amounting to $57.8 million in 1975 and $55.1 million in 1976 is merely the administration's technique of circumventing last year's congressional ceiling of $25 million on total economic assistance to Chile.

My question to the distinguished chairman of the committee is, No. 1: Is there any validity to this statement?

No. 2: What is the justification for Chile's receiving well over 80 percent of the food aid allocation when Honduras, Haiti, and several other nations, by the U.N.'s definition of "most seriously affected" nations, obviously warrant a greater percentage of the food allocation in this bill?

Mr. MORGAN. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to the distinguished chairman of the committee.

Mr. MORGAN. Mr. Chairman, of course, it is important that the gentleman read the rest of the report to understand this. It is true the additional views of the gentleman from Massachusetts (Mr. HARRINGTON), in the third paragraph on that page, state that only three Latin American countries will receive food assistance under title I.

That is not the whole picture, however, because under title I, which covers sales, and under title II, which covers donations, 21 countries will receive food aid in Latin America.

Getting back to Chile, it is true, of course, that Chile did not have title I food sales for 4 years—since before Allende. Today, there are many poor people in Chile. They are in need of food—and that is why title I is being renewed. We are not doing this because of a change of government there. There are many hungry people there, people who are seriously hungry.

We tried to keep the political factors out of this bill, and we want to distribute food to people who actually need the food. That is why Chile is receiving more food under title I. That is under sales, of course.

Mr. DELLUMS. Mr. Chairman, may I ask the distinguished chairman of the committee this specific question:

Given the fact that it is well known that a substantial number of Haitians are living very desperate lives and that Honduras is also a very seriously affected country, can we justify the very high percentage of the title I sales to Chile when apparently there are other countries that could obviously benefit from a higher percentage of the total allocation?

Mr. MORGAN. Mr. Chairman, under title I of Public Law 480, Haiti does, insofar as its budget permits, purchase as much food as it can. It also gets some food under title II, under the grant program. I certainly am sympathetic with seeing that Haiti gets more food assistance from this country. I agree with the gentleman in that respect.

The **CHAIRMAN.** The time of the gentleman from California (Mr. Dellums) has expired.

(On request of Mr. Morgan and by unanimous consent, Mr. Dellums was allowed to proceed for 1 additional minute.)

Mr. MORGAN. To continue to answer the gentleman from California (Mr. Dellums), in Haiti the average annual income is around $113 a year, and if any country ever needed food on a grant rather than sale basis, this is it.

Mr. DELLUMS. Mr. Chairman, I thank the gentleman.

Mr. WINN. Mr. Chairman, I rise to strike the requisite number of words.

Mr. Chairman, I have already spoken to this subject in my earlier support of H.R. 9005.

Since then, I have received a letter that I would like to share with the Members from Mr. Roger L. Mitchell, the vice president for agriculture for Kansas State University.

Kansas State, as many of the Members know, has done an outstanding job in the agricultural field and has worked for many, many years along this line.

After Mr. Mitchell compliments the gentleman from Illinois (Mr. Findley) and me for our cosponsorship of the Findley famine prevention bill, he says:

> Those of us involved in international agricultural work feel this concept's incorporation into title XII of the International Development and Food Assistance Act of 1975 can have several positive benefits in helping other countries more nearly feed themselves:
>
> 1. It separates economic and military assistance for the first time.
>
> 2. It emphasizes research targeted to needs of small farmers.
>
> 3. It provides longer term funding of such efforts.
>
> 4. It makes more effective use of our land grant universities in the international arena.

Then he points out that nearly 100 Kansas State faculty have been involved in the programs in the past 20 years, first in their work in India and now in Nigeria.

He also points out that approximately $17 million has been expended to assist those countries improve their food supply, and he urges that we support this bill.

I thank the Chairman.

AMENDMENT OFFERED BY MR. LITTON

Mr. LITTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Litton: Page 13, immediately after line 7, insert the following new section:
>
> LIMITATION WITH RESPECT TO POPULATION GROWTH
>
> Sec. 213. The Agricultural Trade Development and Assistance Act of 1954 is amended by adding immediately after section 412 the following new section:
>
> "Sec. 413. No agricultural commodities may be provided under title I or title II of this Act for distribution in any country whose rate of population growth is greater than the world population growth rate average as such rates are set forth in the most recent United Nations Demographic Yearbook unless the President determines (1) that such country is making reasonable and productive efforts to stabilize and control its rate of population growth at a rate which does not exceed the world population growth rate average, or (2) that an extreme emergency exists in such country which requires that commodities provided under title I or title II of this Act be distributed in such country for humanitarian reasons. For purposes of this section, an extreme emergency exists in a country if the agricultural productivity of such country has been seriously impaired by a natural disaster or other event for which such country could not be expected to be prepared.".

Mr. LITTON. Mr. Chairman, this amendment addresses the real problem of world hunger.

We all recognize, I am sure, that world hunger is caused by two things: too many people and not enough food.

We can do something about food. We are not able to do too much about too many people in many countries of the world.

In traveling in some of the poorer countries of the world, I found time and again that in those underdeveloped countries which have difficulty in feeding themselves they have no interest whatsoever in addressing themselves to the problems of population growth. Oftentimes they are offended at any suggestion that they ought to consider that problem.

I think we have a responsibility, as one of the leading food producers of the world, to suggest to some of the less-developed countries that they must take some positive action in this regard.

What my amendment does is simply say that the United States will continue to be a compassionate, concerned, and humanitarian nation willing to face its responsibilities of helping other less developed countries of the world but we expect them to do something too, we expect them to do something with regard to their population. This amendment says only one thing, that we will help those countries that are willing to help themselves. It approaches welfare on a worldwide basis, on the same basis that many approach welfare here in the United States.

Someone has suggested that we should not tie strings to giveaways to countries around the world. But I would suggest that if we tie strings to the money we give away in the United States, to the cities and towns and people, then I see no reason why we should not tie strings to the money we give to other countries.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. LITTON. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Chairman, I would ask the gentleman from Missouri if it is not true that if we keep on buying food for countries without making them do something about their population growth that we may really indeed allow them to get in such a situation of having such a large population that scores of millions of people may die of starvation instead of millions now? And that the kind of thing that we are doing is suggesting to them that they have to come to grips with reality?

Mr. LITTON. The gentleman from Maryland is correct.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. LITTON. I yield to the gentleman from California.

Mr. DELLUMS. Mr. Chairman, I understand the thrust of the gentleman's amendment but would the gentleman not agree with me that here we are in the United States with less than 8 percent of the world's population and yet we are consuming, as the authorities have pointed out, between 35, 40 or maybe even 50 percent of the world's resources, is it not rather hypocritical for us to take this kind of a policy toward the poorer nations throughout the world when the United States with some 210 million people is consuming massive amounts of the world's resources, we are consuming 8 times more milk, 10 times more steel, and the list can go on ad infinitum? So I think it would be rather hypocritical for this country to go on record as saying to the underprivileged countries and the underdeveloped nations of the world that we are going to penalize them with respect to their rate of population growth when, I repeat, we in this country are consuming almost half of the world's resources with our greed and glutinous consumption patterns. I believe that if we are going to try to change them, then maybe we ought to talk about this country changing its consumption patterns rather than hypocritically saying to the countries of the world that if they have babies they will starve to death because we do not want to give them food.

Mr. LITTON. In reply to the gentleman from California, let me state that I think one of the kindest things that could have been done to us would have been if the Arabian countries of the world would have suggested to us that there was a marked shortness in oil, and that they were going to raise the price of oil from $2.35 a barrel to $13 a barrel in 10 years and we should start conserving energy and finding alternative sources. I believe that would have been the proper way to have approached that situation, and all I am suggesting through my amendment is that we do something similar as the leaders in the world food production.

Mr. SHUSTER. Mr. Chairman, will the gentleman yield?

Mr. LITTON. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Chairman, I commend the gentleman from Missouri on offering his amendment. I think the amendment attacks a very fundamental problem. I would point out further that the amendment which is being offered in no way says that we are penalizing foreign nations as such in that the population growth rate in this Nation of ours is below that which we would like to see in other lands.

Mr. LITTON. The gentleman is correct, it is about 0.9 percent.

Mr. SIMON. Mr. Chairman, will the gentleman yield?

Mr. LITTON. I yield to the gentleman from Illinois.

Mr. SIMON. Mr. Chairman, I like the thrust of what the gentleman from Missouri has to say, and further, that the gentleman from Iowa also has another amendment, however, it seems to me that there are other considerations, for example the percentages that developing countries spend on armaments and other things, so that we really ought to go back to the committee in order to indicate some kind of foreign aid formula that ties in exactly with what the gentleman is doing here. I do feel that there is great importance to the thrust of what the gentleman is pointing out here but it would seem to me that we ought to have this considered by the committee further on this matter. I will vote against the amendment right now, but I think the gentleman is right that there is merit in tying in economic assistance with a number of these areas.

Mr. SOLARZ. Mr. Chairman, will the gentleman yield?

Mr. LITTON. I yield to the gentleman from New York.

Mr. SOLARZ. Mr. Chairman, I have to confess that in a number of respects I am rather sympathetic to the gentleman's amendment since I was one of the cosponsors of an amendment adopted in our committee which increased by $29 million the authorization level for family planning programs.

This is a concept to which I am very much committed, and I think the gentleman is right in suggesting in the long run the only way we are going to solve this global problem of malnutrition is through some kind of meaningful population-planning program. But I have a feeling that however well-intentioned the amendment may be, it is a matter of hard reality that it is not going to accomplish its purposes.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. SOLARZ was allowed to proceed for 2 additional minutes.)

Mr. SOLARZ. I think most of these countries which have a rate of growth in excess of the world average in point of fact will reject our development assistance rather than accept the mandated family-planning programs that we would insist on.

Second, I think it is important to point out that there are a variety of ways to achieve the objective of population control. A number of experts in this area have suggested that one of the main reasons families throughout the developing world have so many children is a form in effect of social security or old age insurance. They have a lot of children because they have a very high infant mortality rate, and they have to make sure they have enough kids so that enough will survive so that when the parents get old, they will have children to take care of them.

One of the ways to deal with that aspect of the problem is to provide adequate nutritional programs to the young people of these developing countries. If we cut off our title I and title II Public Law 480 programs, thereby reducing the amount of nutritional assistance available, we will have the effect of increasing the forces which tend to produce an increase in the rate of population growth, so I think if this amendment were adopted, it could actually be counterproductive in terms of the laudable objectives which the gentleman seeks to achieve.

Mr. LITTON. I suggested to the leaders of 84 nations at the World Food Symposium in Paris 3 months ago, that the attitude of the American people is changing with regard to world food giveaway programs. Many years ago we had granaries that were full and we had 40 million idle acres. Now the granaries are empty and the acres are not idle. Most consumers will not complain about paying more for food because of our world food giveaways if they think those receiving the food need it and are trying to help themselves.

I think there is going to come a time when the housewives of this country are going to object to paying more for food as a result of food giveaways going to countries that are doing absolutely nothing to solve their own problems. This means there will be less support for world food aid in this country in the future if developing countries receiving the food are not willing to help themselves.

I have to first direct my compassion to the 23 million Americans whose income is at a poverty level. Many of them are awfully hungry. The aged, the unemployed who genuinely want to help themselves, the sick, and the population struggling to overcome the natural oppressions of their ghetto environments feel this hunger and deserve the assistance they need to achieve the respect they are striving for. I am certain that it is difficult for them to watch the ships leave the docks bound for countries which most of us cannot pronounce to nations that have scoffed at our generosity in open forums such as the Organization of African Unity in Uganda and the World Food Conference in Rome.

Those who simply hold out their hands, rather than using them for labor they might find on the next block, are a group that must be dealt with in other ways. Those lined up simply for the food and welfare doles in this country should also feel stronger strings and positive incentives toward self-help. If not, as former HEW Secretary Caspar Weinberger stated, by 1985 one-half of the American people will be supporting the other half. That prospect frightens me. So, for those who argue that we should practice what we preach, I echo "Amen." For anyone who says let us not ask of others what makes sense for all of mankind, I respond, "let us not demand universal folly." Let us announce to the world our belief in self-help. That message must travel across this nation to all of the countries of the world. Then, let us show the beautiful spirit of our proud Nation by rewarding those who are willing to try harder to help themselves.

Providing help to others, whether they be people or countries, should include with it ways and incentives for those receiving the help to be able to help themselves in the future. To do less is to make the recipient dependent on the giver and the giver less able to help others in need in the future.

Mr. FINDLEY. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I certainly applaud the objectives the gentleman has expressed. I have long supported measures to provide funds for population education programs, both here in this country and abroad, and I continue to.

I see three problems with the language now pending before this committee. First of all, it applies to both title I and title II of Public Law 480, which means it would apply as well to the dollar credit sales of food products as to the donation of food products. Is it really prudent for us to deny dollar credit sales to a particular country simply because its population growth rate is too high?

The second problem I see is that the amendment defines extreme emergency in a very tight way. It is possible that an emergency could be induced by one regime which suddenly would be out of office, and the successor regime would be prevented from receiving AID benefits because of this restrictive amendment.

The third objection I see is the reference to growth rate instead of population birth rate. A lot of countries are making advances in the medical science field which has the effect of increasing the population growth rate. Of course, while a nation should be commended for reducing its death rate, it should also tackle the question of birth rate. Because of the death rate factor, it would be possible for a nation to reduce its birth rate while at the same time experiencing a growth in population. This amendment would be far better if it dealt with just birth rate instead of population growth rate.

For these three reasons, the gentleman's amendment should be rejected.

Mr. WHALEN. Mr. Chairman, I rise in opposition to the amendment and I move to strike the requisite number of words.

Mr. Chairman, I, too, sympathize with the objectives of the gentleman from Missouri with respect to the need for effective population control programs. However, I object to his amendment on two counts.

First, I am concerned about the use of the average as the criterion to determine whether or not a nation shall be eligible for economic assistance. An average is a composite of figures which are above it and below it. Since every nation cannot be below the average in terms of its population growth, certain countries will be penalized. As the gentleman from New York (Mr. SOLARZ) has so effectively pointed out, most of those nations which will be above the world average are the poor nations for the reasons which he so clearly cited.

Second, as the world average falls, certain nations, even though they have reduced their own population growth rate, will be denied aid because they fall below the average.

I just do not think this is an effective way of dealing with the problem of population control and therefore I urge the defeat of the amendment.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. WHALEN. I yield to the gentleman from New York.

Mr. BINGHAM. Mr. Chairman, I associate myself with the remarks of the gentleman from Ohio and those speakers who previously opposed the amendment. I have had a little experience with food aid programs and in my experience the effort to hit countries over the head to get them to take steps that are not directly related to the use of the aid almost invariably fails. I think this would be very poorly received by the countries of the world as a way of trying to use food aid to force countries to adopt policies which in many cases are still very sensitive matters, matters which they consider very much within their own domestic prerogatives.

I have been very strongly in favor, as the gentleman knows, of increasing our programs to help nations with population control programs, but to try to tie the two together and say that we will withhold food from those countries which do not do as we say I think would be a terrible mistake and counterproductive.

Mr. WHALEN. I thank the gentleman from New York.

Mr. MORGAN. Mr. Chairman, will the gentleman yield?

Mr. WHALEN. I yield to the gentleman from Pennsylvania, the chairman of the committee.

Mr. MORGAN. Mr. Chairman, I thank the gentleman for yielding.

I think this amendment would punish the poor people for the mistakes of their governments. I think it would make it even more difficult for the poorest countries to finance their population control programs.

Also, under the amendment, we would have to be both the judge and the jury and say whether the poor countries will get aid for improving population control or whether they have to stay where they are and go hungry and perhaps even starve to death.

I think the amendment would be counterproductive and I think it should be defeated.

Mr. WHALEN. I thank the gentleman.

Mr. BROOMFIELD. Mr. Chairman, I too rise in opposition to the amendment and move to strike the requisite number of words.

The Executive branch is very much opposed to this amendment. It seems to reverse our current congressional stated policy in title X of the Foreign Assistance Act, programs relating to population growth, which states that every nation is and should be free to determine its own policy and procedures with respect to problems of population growth.

I agree with the chairman of the committee. I think this amendment would be counterproductive.

Mr. SYMINGTON. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, I certainly commend my friend and colleague for addressing himself to an extremely serious problem, the rapidly advancing population growth rates in various parts of the world. Something useful must and should be done in that regard.

I understand the population of Mexico passes that of the United States in 40 years at the current projected rates of the two countries. The United Nations has established an agency to aid countries interested in taking advantage of the latest methods and ideas in family planning.

I understand the Government of Mexico has decided to accept this kind of advice and help. Such multilateral attention to population growth through U.N. programs is both wise and necessary. However, Mr. Chairman, denial of food assistance by the United States based solely on population growth is ill-advised. I worked for our Food for Peace program 14 years ago. One thing that we were most careful to observe was that we should not try to export a philosophy that we would not adopt here at home.

I think it could be argued either that we were calling for a double standard or establishing as a general principle that food that is available should be denied any families which do not adapt to cultural norms as perceived by our Government. Thus a principle that applied overseas could be applied here at home, and food stamps might be made available only to those families who managed to keep their numbers down. I think that is a dangerous concept and I think we invite that consideration should we endorse an amendment of this kind.

Moreover, Mr. Chairman, there is a valid point in the old Spanish saying, which translated into English reads: "Hunger is a bad adviser."

Hunger, indeed, is a bad adviser. Statistics show that nations which suffer a high infant mortality rate, usually correlated with low nutrition, if not hunger and famine, generally have a very high fertility rate. Perhaps it is an unconscious effort to overcome the tragic conditions food deficits create. Moreover, conditions like that exist now in many countries, and need no "natural disasters" for emphasis.

It is also shown, I believe, that countries with low protein diets frequently number among those with the very highest population growth. The facts suggest; indeed they establish that starvation is not the answer, unless we mean it should be the ultimate answer, a result not contemplated by the author of the amendment.

Finally, there may be situations in which our foreign policy would be adversely affected by such a rigid construction of one form of aid, the very form in fact which does actually reach people and does not wind up in Swiss bank accounts. Today the President is empowered to examine a wide variety of considerations in determining whether we should aid a nation; our national security, global strategy, trade arrangements with a special emphasis on raw materials, and a hundred other factors, factors that would justify aid to countries even though they may not have been able to adopt or adapt in a practical fashion to a family planning program we would endorse. India has tried for 25 years to elicit the cooperation of its people in this regard and has been unable to do it. This amendment would require not only an effort, but a successful "productive" effort. What may seem "reasonable and productive" effort to the American bureaucrats overseeing such a program, might and I think in many cases would appear nothing short of cultural imperialism to the countries concerned. That would not be in the best interest of our foreign policy, and inasmuch as Public Law 480 deals with foodstuffs over and above those consumed here at home and sold for dollars abroad I am not persuaded it would be of any benefit to our farm policies either.

Mr. Chairman, for those reasons and with a deep appreciation for the concern that motivated the amendment, I must reluctantly oppose it.

Mr. DEVINE. Mr. Chairman, I move to strike the requisite number of words.

I rise in support of the amendment.

Mr. Chairman, I will not take the full time, but I think the Members on the floor, and there are not many here, should understand just exactly what the amendment says. The gentleman from Missouri, I think, makes a very good point there. A lot of people get up and say, "I appreciate the thrust of the amendment. I think the idea is good, but I am not going to support it."

I take the opposite point of view, because I think these countries that expect to receive benefits from our Nation, I do not care what it is, commodities, food, military aid or other aids, should not object to reasonable guidelines and that is all the amendment does. It sets down guidelines under which other countries can benefit from the largess of the American people.

The amendment of the gentleman from Missouri does not put it hard and fast. It sets forth the guidelines in the most recent United Nations Demographic Yearbook and it outlines three other conditions; unless our President feels that such country is making reasonable and productive efforts to stabilize and control its rate of population, or that an extreme emergency exists in such country which requires that commodities provided under title I or title II of this act be distributed in such country for humanitarian reasons.

I think it is a very logical amendment. It does the right thing and it does provide guidelines and it should be supported.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri (Mr. LITTON).

The amendment was rejected.

AMENDMENT OFFERED BY MR. HARRINGTON

Mr. HARRINGTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HARRINGTON: Page 10, immediately after line 2, insert the following new section 208 and redesignate existing sections 208 through 212 as sections 209 through 213, respectively:

LIMITATION ON SALES TO CERTAIN COUNTRIES

SEC. 208. Title I of the Agricultural Trade Development and Assistance Act of 1954 is amended by adding at the end thereof the following new section:

"SEC. 112. No agricultural commodities may be sold under this title in any fiscal year to any country in Latin America with a Gross National Product per capita which exceeds $650 unless (1) the President reports to the Congress the reasons why such commodities should be sold to such country in such fiscal year, and (2) neither House of Congress, within 30 days (excluding any day in which both Houses are not in session) after receiving such report, adopts a resolution stating in effect that it objects to such sale.".

Mr. HARRINGTON. Mr. Chairman, first let me apologize to the members of my committee. I think that this amendment would perhaps take on more legitimacy if it had been offered during the course of the extended—and, I would say comprehensive—debate which took place on what I considered to be, on the whole, a very worthwhile piece of legislation, and very well done. My absence from many of those sessions, I hope, will in no way be construed as any lack of interest, at least in this part of it.

Mr. Chairman, I rise really, as I have indicated, perhaps just to raise the consciousness concerning a situation which has been alluded to in debate earlier today by the gentleman from California (Mr. DELLUMS), and possibly others. I make specific reference to the fact that in this otherwise generally laudable economic foreign aid bill, we are devoting a very sizable portion, 85 percent of it, to the hemispheric aid package to one country.

That country is Chile. That country was the subject, in the course of last year's foreign aid debate, of a restriction imposed by the Congress limiting amounts of aid, economic and military, to $25 million. We find ourselves, though, with a Food for Peace program outside the framework of our control, despite last year's aid limitations, stemming in large part from the ability of the Interagency Staff Committee to juggle figures. It is important, though, to protest that we are distorting once again the ostensible humanitarian purposes of this program. That has been expressed for about 20 years in a variety of ways, and more recently reaffirmed in suggesting that the purpose of this program is to define goals and help those countries most in need of it.

I suggest that whether one measures need based on caloric intake, on per capita income, or on the comparative needs that exist in other countries, that the allocation of 85 percent of our total hemispheric effort in Title I Food for Peace assistance to one country is not consistent with any of the congressional mandates.

The amendment I have offered today deals narrowly with the hemisphere, but it is based on the experience we had with the food-for-peace program in both Vietnam and Cambodia. In that instance, a sizable portion of both titles I and II food-for-peace assistance was allocated to just two countries in a backdoor effort to fund a war. In this instance, it is not a war we are funding, but a regime that has been recognized by a variety of sources across the world as not only repressive, but impervious to criticism of how it deals with human rights. This country has become, moreover, because of relaxations in our military aid program, a major purchaser of American military hardware—exceeding, in fact, Brazil by $10 million as the major purchaser of that hardware in 1974.

While I appreciate the humanitarian intent of this bill, one is still led to the conclusion that through the provision of additional currency to the junta we are indirectly subsidizing the Chilean Government. We are aiding that country's arms purchases through food-for-peace in a way that distorts the original purposes of the program.

So today I offer an amendment which basically restricts aid to countries in Latin America having a per capita income in excess of $650 and directs this aid toward the most needy sector of this hemisphere. The amendment further allows the President, if he so chooses, to justify the hemispheric aid package before the Congress, at which point this body may determine whether or not the rationale of it is, in fact, sensible.

I do not like to see, under the guise of what I have indicated is an otherwise essentially laudable effort, aid given in a way that deprives the most needy and rewards the most insensitive when it comes to the broad humanitarian concerns which underlie the scope of this program.

Mr. BROOMFIELD. Mr. Chairman, will the gentleman yield?

Mr. HARRINGTON. I will yield to the gentleman.

Mr. BROOMFIELD. I thank the gentleman for yielding.

Will the gentleman comment on this: The gentleman mentioned a per capita GNP of $650 and, as I understand it, Israel has a per capita of $2,732. It is also receiving aid. Why is the gentleman singling out countries in Latin America?

Mr. HARRINGTON. I tried to direct that question to myself just preceding this debate, and the best I can do, in response to the gentleman from Michigan (Mr. BROOMFIELD), is to suggest that my interest in this particular area is perhaps comparatively stronger than my ability, I suppose, to deal with the global inadequacies of the program.

As I have indicated, I addressed what is most important to me.

Mr. MORGAN. Mr. Chairman, I rise in opposition to the amendment.

I assume this amendment is directed toward Chile, because the author of the amendment picks the GNP figure of $650, which is the annual average for the residents of Chile.

I just want to say that Chile really needs food because its own agriculture is in bad shape. But because of the sharp decrease in copper prices and production, and the steep rise in the cost of oil and other imports, Chile has no foreign exchange to pay for such food and needs credit. We are not the only country in the world that is helping Chile with its financial and food problems. It is recognized in many of the democratic countries around the world that Chile really needs help. Reducing the amount of food that will go to Chile will not help the poor people of Chile. The food shortage in Chile, of course, will lead to higher prices, and it will hurt the poor people the most.

I felt when we brought this bill out that it was a nonpolitical bill, that it was a humanitarian development assistance bill.

Political type amendments, such as this, aimed at a particular country, should be more appropriately heard when legislation dealing with other kinds of aid is brought to the floor sometime later this year.

I would hate to see this amendment adopted here, singling out a country, and making it more difficult for the poor people of that country, because of a bad record of a previous administration in that country, and our legislation, to get food for their kids. I would hope that the amendment will be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. HARRINGTON).

The amendment was rejected.

AMENDMENT OFFERED BY M'DONALD OF GEORGIA

Mr. McDONALD of Georgia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McDONALD of Georgia: Page 5, line 21, insert "and" immediately after the second semicolon; in line 23, strike out "; and" and insert in lieu thereof a period; and on page 6, strike out lines 1 through 6.

Mr. McDONALD of Georgia. Mr. Chairman, section 103 of the Agriculture Trade Development and Assistance Act of 1954 (Public Law 480) authorizes the President to make sales agreements only with those countries that are friendly to the United States. It further specifies that "friendly country" shall not include—

(1) any country or area dominated or controlled by a foreign government or organization controlling a world Communist movement, or (2) . . . any country or area dominated by a Communist government, or (3) . . . any nation which sells or furnishes or permits ships or aircraft under its registry to transport to or from Cuba or North Vietnam . . . any equipment, materials, or commodities so long as they are governed by a Communist regime . . .

This third specification of a nonfriendly country, however, is followed by a proviso granting the President the authority to waive the prohibition on sales agreements with countries trading with Cuba or North Vietnam if the trade involves medical supplies, nonstrategic raw materials for agriculture or nonstrategic agricultural or food commodities, and if the President finds that such agreement would be in our national interest.

Paragraph (3) of section 203 of H.R. 9005 amends this by deleting the above proviso for a waiver under the specified circumstances and substituting a much broader waiver authority. The new language is:

Provided, That this exclusion from the definition of "friendly country" may be waived by the President if he determines that such waiver is in the national interest and reports such determination to the Congress.

Thus H.R. 9005 would allow the President to by-pass the prohibition on agreements with countries trading with Cuba and North Vietnam, even if they are supplying these countries with strategic military equipment.

My amendment is quite simple: it deletes this new waiver provision and restores the old one.

Thus my amendment would prevent subsidies, in the form of various agricultural supplies or commodities, to countries supplying such things as military materials to Cuba and North Vietnam. Keep in mind that it would not prevent trade with such countries, however laudable, such a prohibition may be. Nor would it prohibit subsidies to countries supplying Cuba and North Vietnam with certain nonstrategic materials, however commendable that prohibition may be.

It would simply prevent our Government from forcing U.S. taxpayers to subsidize certain agriculture agreements with countries supplying military equipment to the Communists in Cuba and North Vietnam.

The necessity for such an amendment should be obvious, particularly in regard to Cuba. Fidel Castro has, is, and by his own statements and actions will continue to export revolution to other countries. Exporting revolution means employing any methods possible to establish a Communist-style dictatorship in the target country. For example, Cuba has been training Communist terrorists who have recently conducted bombings in Puerto Rico and New York City. This has been substantiated not only by the Federal Bureau of Investigation but also by the Governor of Puerto Rico, Rafael Hernandez-Colon.

Cuba continues its aggression and intervention in the internal affairs of other countries, and remains a serious threat to the security of the countries of North and South America. And this is not to mention Cuban Premier Fidel Castro's continued disregard for human rights and continued inhumane treatment of political prisoners.

While it seems obvious that a waiver of the prohibition against agreements with countries trading with Cuba would not be in our national interest, it is also obvious that the President cannot be trusted to grasp this fact. His foreign policy, under direction of Henry Kissinger, includes the goal of establishing "friendly" relations with Communist countries in general, and apparently, Cuba in particular. For example, at the meeting of the Organization of American States in Costa Rica during July, the United States not only voted to make trade with Cuba easier, but actively encouraged other countries to do so.

Thus it is clearly up to Congress to protect the American taxpayer from being forced to subsidize countries supplying Cuba and North Vietnam with military equipment.

Mr. BINGHAM. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, first of all, let me point out to the committee that what the language in the committee bill does is to give the President the authority to waive certain restrictions which have been in Public Law 480 legislation for some years.

I, for one, am prepared to leave that authority to waive with the President of the United States. I think that the provisions that are in the law were adopted at a different time. They were adopted when we were engaged in a struggle with North Vietnam, and we were trying actively to prevent countries from trading with North Vietnam.

That situation does not prevail today. We have an embargo of our own against North Vietnam, which is questionable, but we are not actively engaged in trying to persuade countries to sell or not to sell industrial commodities to North Vietnam.

The same thing is true with respect to Cuba. We have abandoned our position as a nation in trying to persuade other countries not to trade in industrial commodities with Cuba.

We maintain our own embargo. Again, I think that is a questionable policy, but that is not the issue here. The issue is whether we want to continue to try to force other countries not to trade in industrial commodities with Cuba and North Vietnam. I submit, the conditions that existed when those provisions were put into the law have passed by.

The gentleman from Michigan (Mr. Broomfield) raised a question as to what countries would be affected by this.

I happen to know of one country that has been affected by this type of provision. It has some ships that sailed under its registry and got a few dollars for it as a means of national income, and those ships stopped at Cuba and North Vietnam. This country was Somalia.

U.S. aid to that country was actually discontinued because of the fact that these ships, which they had no effective control over, were stopping at these ports.

That country, as a result of that prohibition of aid, felt that we in the United States were discriminating against them. The step we took brought about the opposite effect of what was intended, it did not stop the Somali from having their ships going to those ports, all it did was have them turn more and more to look for help from the Communist side.

So I would say that the purposes of these provisions in the law have not been effective, they have been counterproductive. But, more than that, they are today anachronistic. For goodness sakes, let us leave the matter in the hands of the President to determine whether the waivers should be granted.

Mr. SOLARZ. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to add a few brief words to the thoughtful remarks of the distinguished gentleman from New York (Mr. Bingham).

A few years ago, pursuant to this rather anachronistic provision in the law, Bangladesh, which was then in the midst of one of its periodic famines, sought agriculture assistance from our country in order to mitigate the consequences of the famine which was then ravishing that country.

We said to them that we would be happy to give them assistance under title I of Public Law 480 but only if they were willing to stop selling jute bags to Cuba which the Cubans use, I think, to put their rice or their sugar in after it has been harvested for export elsewhere.

It seems to me that it was most unbecoming of a great and powerful nation like the United States to say to a poor country like Bangladesh that, in spite of the fact that it had millions of people who were on the verge of starvation, we were not going to give them any agricultural assistance unless they stopped trading with Cuba.

Yet, at that time, we had started trading with China, we had been trading for years with the Soviet Union, and we have lifted the embargo on trade between subsidiaries of American corporations operating from third countries with Cuba. To me, Mr. Chairman, this is not only incongruous but anachronistic as well. I think the entire legislation ought to be repealed but so long as it remains on the books we ought to give the authority to the President to use the waiver power which, at the moment, is rather limited.

I might also tell the Members, in addition, that the administration has advised us that they support very strongly the provisions contained in the bill which this amendment seeks to delete because they believe that the President ought to have a waiver authority with respect to our ability to sell title I food to other countries, even if they trade with Cuba, which is broader than the waiver authority which exists at the present. The existing waiver authority applies essentially to agricultural products, it does not apply to manufactured products. The administration has announced it will use the waiver with respect to the sale of agricultural products by third countries to Cuba, but it will not be able to use the waiver authority under the existing legislation for manufactured goods because the waiver authority does not go that far. This legislation extends the waiver so that the administration can consistently waive the prohibition on the sale of title I food to other countries that trade with Cuba not only for agricultural goods but all the goods that they produce.

Lastly, Mr. Chairman, let me say that in Lima on July 29, the OAS voted to lift the embargo of Cuba, and they said at that time, and I quote from their declaration, that "in the context of coexistence we cannot justify any more a boycott against Cuba."

There are at least three countries in Latin America, Chile, Haiti, and Honduras, which receive title I assistance from the United States, who also sell manufactured goods to Cuba or who may be selling them to Cuba and which, if we do not reject this amendment, and if the language in the bill is not adopted, will not be eligible to receive title I assistance unless they cut off their trade with Cuba, regardless of the OAS declaration rejecting a multilateral embargo of Cuba. I would submit, therefore, that the adoption of this amendment would seriously prejudice our relations with other countries throughout the Western Hemisphere at the same time that it clearly would be a step backward in terms of our emerging effort to establish a normalization of relations in the Caribbean.

(By unanimous consent, Mr. Brown of Ohio was allowed to speak out of order.)

SENATE SUSTAINS PRESIDENT'S VETO OF S. 1849

Mr. BROWN of Ohio. Mr. Chairman, I have just been informed that the Senate has voted to sustain the President's veto of S. 1849, which would have extended the Emergency Petroleum Allocation Act for another 6 months until March 1, 1976. I applaud the Senate's sound judgment and political courage in its rejection of the legislation and its obvious intent to delay further the resolution of the oil pricing issue. With this action, the groundwork has been laid for the acceptance of a gradual decontrol plan, and the Congress must now move in that direction.

On Monday, I introduced legislation (H.R. 9425) which would extend the EPAA until October 20. Passage of this legislation would prevent any market dislocations while the details of a gradual oil price decontrol plan are worked out. The President has indicated a willingness to accept such an extension provided a compromise decontrol plan will be put into effect. I urge the House to expeditiously consider this legislation.

We have all heard the arguments surrounding decontrol several times on this floor. But the fact remains that only with decontrol will our domestic oil supplies increase and the hammerlock of OPEC pricing and supply policy be broken. A gradual decontrol plan will allow us to ease back to a free market situation where we will have the economic incentives to conserve petroleum and increase production. Those are the keys to freeing ourselves from the whims of OPEC.

Avoiding politically sensitive decisions is what the Congress seems to do the best. Certainly no one wants higher energy prices. But I think that the American people are ready to accept slightly higher prices for energy independence. The Senate today has demonstrated the statesmanship required in making a tough decision that moves toward solving our vast energy problems. It is time for the House to follow suit and enact a 45-day extension and a compromise gradual decontrol plan.

I hope, Mr. Chairman, we will do that as soon as possible.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia (Mr. McDonald).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. McDONALD of Georgia. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

The CHAIRMAN. Are there further amendments to title II? If not, the Clerk will read.

The Clerk read as follows:

TITLE III—DEVELOPMENT ASSISTANCE

POLICY

Sec. 301. Section 102 of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new subsection:

"(c) Assistance under this chapter should be used not simply for the purpose of transferring financial resources to developing countries, but to help countries solve development problems in accordance with a strategy that aims to increase substantially the participation of the poor. Accordingly, greatest emphasis shall be placed on countries and activities which effectively involve the poor in development, by expanding their access to the economy through services and institutions at the local level, increasing labor-intensive production, spreading productive investment and services out from major cities to small towns and outlying rural areas, and otherwise providing opportunities for the poor to better their lives through their own effort.".

FOOD AND NUTRITION

Sec. 302. (a) Section 103 of the Foreign Assistance Act of 1961 is amended—

(1) in subsection (a), by inserting: "$628,800,000 for the fiscal year 1976 and $760,000,000 for the fiscal year 1977," immediately after "1975,"; and

(2) by adding at the end thereof the following new subsections:

"(c) Assistance provided under this section shall be used primarily for activities which are specifically designed to increase the productivity and income of the rural poor, through such means as creation and strengthening of local institutions linked to the regional and national levels; organization of a system of financial institutions which provide both savings and credit services to the poor; stimulation of small, labor-intensive enterprises in rural towns; improvement of marketing facilities and systems; expansion of local or small-scale rural infrastructure and utilities such as farm-to-market roads, land improvement, energy, and storage facilities; establishment of more equitable and more secure land tenure arrangements; and creation and strengthening of systems to provide other services and supplies needed by farmers, such as extension, research, training, fertilizer, water, and improved seed, in ways which assure access to them by small farmers.

"(d) Foreign currency proceeds from sales of commodities provided under the Agricultural Trade Development and Assistance Act of 1954 which are owned by foreign governments shall be used whenever practicable to carry out the provisions of this section.

"(e) Dollar receipts from loans made pursuant to this part and from loans made under predecessor foreign assistance legislation are authorized to be made available for each of the fiscal years 1976 and 1977 for use, in addition to funds otherwise available for such purposes, for the purposes of supporting the activities of the proposed International Fund for Agricultural Development (a total of $200,000,000 of such receipts may be used only for such purpose), undertaking agricultural research in accordance with section 103A, and making loans for other activities under this section. Such amounts shall remain available until expended.".

(b) Section 203 of the Foreign Assistance Act of 1961 is repealed.

AGRICULTURAL RESEARCH

Sec. 303. Chapter 1 of part I of the Foreign Assistance Act of 1961 is amended by adding after section 103 the following new section:

"Sec. 103A. Agricultural Research.—Agricultural research carried out under this Act shall (1) take account of the special needs of small farmers in the determination of research priorities, (2) include research on the interrelationships among technology, institutions, and economic, social, and cultural factors affecting small-farm agriculture, and (3) make extensive use of field testing to adapt basic research to local conditions. Special emphasis shall be placed on disseminating research results to the farms on which they can be put to use, and especially on institutional and other arrangements needed to assure that small farmers have effective access to both new and existing improved technology.".

POPULATION PLANNING AND HEALTH

Sec. 304. Section 104 of the Foreign Assistance Act of 1961 is amended—

(1) by inserting "(a)" immediately before "In";

(2) by inserting "$248,100,000 for the fiscal year 1976 and $280,600,000 for the fiscal year 1977," immediately after "1975,";

(3) by adding at the end thereof the following new sentence: "Not less than 67 percent of the funds made available under this section for any fiscal year shall be used for population planning."; and

(4) by adding at the end thereof the following new subsection:

"(b) Assistance provided under this section shall be used primarily for extension of low-cost, integrated delivery systems to provide health and family planning services, especially to rural areas and to the poorest economic sectors, using paramedical and auxiliary medical personnel, clinics and health posts, commercial distribution systems, and other modes of community outreach; health programs which emphasize disease prevention, environmental sanitation, and health education; and population planning programs which include education in responsible parenthood and motivational programs, as well as delivery of family planning services and which are coordinated with programs aimed at reducing the infant mortality rate, providing better nutrition to pregnant women and infants, and raising the standard of living of the poor.".

EDUCATION AND HUMAN RESOURCES DEVELOPMENT

Sec. 305. Section 105 of the Foreign Assistance Act of 1961 is amended—

(1) by inserting "(a)" immediately before "In";

(2) by inserting "$89,200,000 for the fiscal year 1976 and $101,800,000 for the fiscal year 1977," immediately after "1975,"; and

(3) by adding at the end thereof the following new subsection:

"(b) Assistance provided under this section shall be used primarily to expand and strengthen nonformal education methods, especially those designed to improve productive skills of rural families and the urban poor and to provide them with useful information; to increase the relevance of formal education systems to the needs of the poor, especially at the primary level, through reform of curricula, teaching materials, and teaching methods, and improved teacher training; and to strengthen the management capabilities of institutions which enable the poor to participate in development.".

TECHNICAL ASSISTANCE, ENERGY, RESEARCH, RECONSTRUCTION, AND SELECTED DEVELOPMENT PROBLEMS; INTERMEDIATE TECHNOLOGY

Sec. 306. The Foreign Assistance Act of 1961 is amended—

(1) by repealing sections 106, 107, and 241; and

(2) by inserting immediately after section 105 the following new sections:

"Sec. 106. Technical Assistance, Energy, Research, Reconstruction, and Selected Development Problems.—(a) The President is authorized to furnish assistance, on such terms and conditions as he may determine, for the following activities, to the extent that such activities are not authorized by sections 103, 104, and 105 of this Act:

"(1) programs of technical cooperation and development, particularly the development efforts of United States private and voluntary agencies and regional and international development organizations;

"(2) programs to help developing countries alleviate their energy problems by increasing their production and conservation of energy, through such means as research and development of suitable energy sources and conservation methods, collection and analysis of information concerning countries' potential supplies of and needs for energy, and pilot projects to test new methods of production or conservation of energy;

"(3) programs of research into, and evaluation of, the process of economic development in less developed countries and areas, into the factors affecting the relative success and costs of development activities, and into the means, techniques, and such other aspects of development assistance as the President may determine in order to render such assistance of increasing value and benefit;

"(4) programs of reconstruction following natural or manmade disasters;

"(5) programs designed to help solve special development problems in the poorest countries and to make possible proper utilization of infrastructure and related projects funded with earlier United States assistance; and

"(6) programs of urban development, with particular emphasis on small, labor intensive enterprises, marketing systems for small producers, and financial and other institutions which enable the urban poor to participate in the economic and social development of their country.

"(b) There is authorized to be appropriated to the President for the purposes of this section, in addition to funds otherwise available for such purposes, $99,550,000 for the fiscal year 1976 and $104,500,000 for the fiscal year 1977, which amounts are authorized to remain available until expended.

"SEC. 107. INTERMEDIATE TECHNOLOGY.—Of the funds made available to carry out this chapter for the fiscal years 1976, 1977, and 1978, a total of $20,000,000 may be used for activities in the field of intermediate technology, through grants in support of an expanded and coordinated private effort to promote the development and dissemination of technologies appropriate for developing countries.".

COST-SHARING

SEC. 307. Section 110(a) of the Foreign Assistance Act of 1961 is amended by inserting immediately before the period at the end thereof the following: "and except that the President may waive this cost-sharing requirement in the case of a project or activity in a country which meets the United Nations' criteria for relatively least developed countries".

DEVELOPMENT AND USE OF COOPERATIVES

SEC. 308. Section 111 of the Foreign Assistance Act of 1961 is amended to read as follows:

"SEC. 111. DEVELOPMENT AND USE OF COOPERATIVES.—In order to strengthen the participation of the rural and urban poor in their country's development, high priority shall be given to increasing the use of funds made available under this Act for assistance in the development of cooperatives in the less developed countries which will enable and encourage greater numbers of the poor to help themselves toward a better life. Not less than $20,000,000 of such funds shall be used during the fiscal years 1976 and 1977, including the period from July 1, 1976, through September 30, 1976, only for technical assistance to carry out the purposes of this section.".

INTEGRATING WOMEN INTO NATIONAL ECONOMIES

SEC. 309. Section 113 of the Foreign Assistance Act of 1961 is amended by striking out "Sections 103 through 107" and inserting in lieu thereof "Part II".

DEVELOPMENT ASSISTANCE

SEC. 310. Chapter 2 of part I of the Foreign Assistance Act of 1961 is amended—

(1) by amending section 209(c) to read as follows:

"(c) It is the sense of the Congress that the President should increase, to the extent practicable, the funds provided by the United States to multilateral lending institutions and multilateral organizations in which the United States participates for use by such institutions and organizations in making loans to foreign countries.";

(2) by amending section 214—

(A) in subsection (c)—

(i) by inserting "and for each of the fiscal years 1976 and 1977, $25,000,000," immediately after "$19,000,000,", and

(ii) by adding at the end thereof the following new sentence: "Amounts appropriated under this subsection may not be used to furnish assistance under this section in any fiscal year to more than four institutions in the same country, and not more than one such institution may be a university and not more than one such institution may be a hospital."; and

(B) in subsection (d), by inserting "and for each of the fiscal years 1976 and 1977, "$7,000,000," immediately after "$6,500,000"; and

(3) in section 223—

(A) by striking out "June 30, 1976" in subsection (i) and inserting in lieu thereof "September 30, 1978"; and

(B) by adding at the end thereof the following new subsection:

"(j) Guaranties shall be issued under sections 221 and 222 only for housing projects which (1) except for regional projects, are in countries which are receiving, or which in the previous two fiscal years have received, development assistance under chapter 1 of part I of this Act, (2) are coordinated with and complementary to such assistance, and (3) are specifically designed to demonstrate the feasibility and suitability of particular kinds of housing or of financial or other institutional arrangements on a pilot basis. Of the aggregate face value of such guaranties hereafter issued, not less than 90 per centum shall be issued for housing suitable for families with income below the median income (below the median urban income for housing in urban areas) in the country in which the housing is located. The face value of guaranties issued with respect to housing in any country shall not exceed $5,000,000 in any fiscal year.".

FAMINE PREVENTION

SEC. 311. Chapter 2 of part I of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new title:

"TITLE XII—FAMINE PREVENTION AND FREEDOM FROM HUNGER

"SEC. 296. GENERAL PROVISIONS.—(a) The Congress declares that, in order to prevent famine and establish freedom from hunger, the United States should strengthen the capacities of the United States land-grant and other eligible universities in program-related agricultural institutional development and research, consistent with sections 103 and 103A, should improve their participation in the United States Government's international efforts to apply more effective agricultural sciences to the goal of increasing world food production, and in general should provide increased and longer term support to the application of science to solving food and nutrition problems of the developing countries.

"The Congress so declares because it finds—

"(1) that the establishment, endowment, and continuing support of land-grant universities in the United States by Federal, State, and county governments has led to agricultural progress in this country;

"(2) that land-grant and other universities in the United States have demonstrated over many years their ability to cooperate with foreign agricultural institutions in expanding indigenous food production for both domestic and international markets;

"(3) that, in a world of growing population with rising expectations, increased food production and improved distribution, storage, and marketing in the developing countries is necessary not only to prevent hunger but to build the economic base for growth, and moreover, that the greatest potential for increasing world food supplies is in the developing countries where the gap between food need and food supply is the greatest and current yields are lowest;

"(4) that increasing and making more secure the supply of food is of greatest benefit to the poorest majority in the developing world;

"(5) that research, teaching, and extension activities, and appropriate institutional development therefor are prime factors in increasing agricultural production abroad (as well as in the United States) and in improving food distribution, storage, and marketing;

"(6) moreover, that agricultural research abroad has in the past and will continue in the future to provide benefits for agriculture in the United States and that increasing the availability of food of higher nutritional quality is of benefit to all; and

"(7) that universities need a dependable source of Federal funding, as well as other financing, in order to expand, or in some cases to continue, their efforts to assist in increasing agricultural production in developing countries.

"(b) Accordingly, the Congress declares that, in order to prevent famine and establish freedom from hunger, various components must be brought together in order to increase world food production, including—

"(1) strengthening the capabilities of universities to assist in increasing agricultural production in developing countries;

"(2) institution-building programs for development of national and regional agricultural research and extension capacities in developing countries which need assistance;

"(3) international agricultural research centers;

"(4) contract research; and

"(5) research program grants.

"(c) The United States should—

"(1) effectively involve the United States land-grant and other eligible universities more extensively in each component;

"(2) provide mechanisms for the universities to participate and advise in the planning, development, implementation, and administration of each component; and

"(3) assist such universities in cooperative joint efforts with—

"(A) agricultural institutions in developing nations, and

"(B) regional and international agricultural research centers,

directed to strengthening their joint and respective capabilities and to engage them more effectively in research, teaching, and extension activities for solving problems in food production, distribution, storage, marketing, and consumption in agriculturally underdeveloped nations.

"(d) As used in this title, the term 'universities' means those colleges or universities in each State, territory, or possession of the United States, or the District of Columbia now receiving, or which may hereafter receive, benefits under the Act of July 2, 1862 (known as the First Morrill Act), or the Act of August 30, 1890 (known as the Second Morrill Act), which are commonly known as 'land grant' universities and other United States universities which—

"(1) have demonstrable capacity in teaching, research, and extension activities in the agricultural sciences; and

"(2) can contribute effectively to the attainment of the objectives of this title.

"(e) As used in this title, the term 'Administrator' means the Administrator of the Agency for International Development.

"SEC. 297. GENERAL AUTHORITY.—(a) To carry out the purposes of this title, the President is authorized to provide assistance on such terms and conditions as he shall determine—

"(1) to strengthen the capabilities of universities in teaching, research, and extension work to enable them to implement current programs authorized by paragraphs (2), (3), (4), and (5) of this subsection, and those proposed in the report required by section 300 of this title;

"(2) to build and strengthen the institutional capacity and human resource skills of agriculturally developing countries so that these countries may participate more fully in the international agricultural problems-solving effort and to introduce and adapt new solutions to local circumstances;

"(3) to provide program support for long-term collaborative university research on food production, distribution, storage, marketing, and consumption;

"(4) to involve universities more fully in the international network of agricultural science, including the international research centers, the activities of international organizations such as the United Nations Development Program and the Food and Agriculture Organization, and the institutions of agriculturally developing nations; and

"(5) to provide program support for international agricultural research centers, to provide support for research projects identified for specific problem-solving needs, and to develop and strengthen national research systems in the developing countries.

"(b) Programs under this title shall be carried out so as to—

"(1) utilize and strengthen the capabilities of universities in—

"(A) developing capacity in the cooperating nation for classroom teaching in agriculture, plant and animal sciences, human nutrition, and vocational and domestic arts and other relevant fields appropriate to local needs;

"(B) agricultural research to be conducted in the cooperating nations, at international agricultural research centers, or in the United States;

"(C) the planning, initiation, and development of extension services through which information concerning agriculture and related subjects will be made available directly to farmers and farm families in the agriculturally developing nations by means of education and demonstration; or

"(D) the exchange of educators, scientists, and students for the purpose of assisting in successful development in the cooperating nations;

"(2) take into account the value to United States agriculture of such programs, integrating to the extent practicable the programs and financing authorized under this title with those supported by other Federal or State resources so as to maximize the contribution to the development of agriculture in the United States and in agriculturally developing nations; and

"(3) whenever practicable, build on existing programs and institutions including those of the universities and the United States Department of Agriculture.

"(c) To the maximum extent practicable, activities under this section shall (1) be designed to achieve the most effective interrelationship among the teaching of agricultural sciences, research, and extension work, (2) focus primarily on the needs of agricultural producers, and (3) be adapted to local circumstances.

"(d) The President shall exercise his authority under this section through the Administrator.

"Sec. 298. Board for International Agricultural Development.—(a) To assist in the administration of the programs authorized by this title, the President shall establish a permanent Board for International Agricultural Development (hereafter in this title referred to as the 'Board') consisting of seven members, not less than four to be selected from the universities and one of the seven shall be selected from a non-land-grant university. Terms of members shall be set by the President at the time of appointment. Members of the Board shall be entitled to such reimbursement for expenses incurred in the performance of their duties (including per diem in lieu of subsistence while away from their homes or regular place of business) as the President deems appropirate.

"(b) The Board's general areas of responsibility shall include, but not be limited to—

"(1) participating in the planning, development, implementation of,

"(2) initiating recommendations for, and

"(3) monitoring of,

the activities described in section 297 of this title.

"(c) The Board's duties shall include, but not necessarily be limited to—

"(1) participating in the formulation of basic policy, procedures, and criteria for project proposal review, selection, and monitoring;

"(2) developing and keeping current a roster of universities—

"(A) interested in exploring their potential for collaborative relationships with agricultural institutions, and with scientists working on significant programs designed to increase food production in developing countries,

"(B) having capacity in the agricultural sciences,

"(C) able to maintain an appropriate balance of teaching, research, and extension functions,

"(D) having capacity, experience, and commitment with respect to international agricultural efforts, and

"(E) able to contribute to solving the problems addressed by this title;

"(3) recommending which developing nations could benefit from programs carried out under this title, and identifying those nations which have an interest in establishing or developing agricultural institutions which engage in teaching, research, or extension activities;

"(4) reviewing and evaluating memorandums of understanding or other documents that detail the terms and conditions between the Administrator and universities participating in programs under this title;

"(5) reviewing and evaluating agreements and activities authorized by this title and undertaken by universities to assure compliance with the purpose of this title;

"(6) recommending to the Administrator the apportionment of funds under section 297 of this title; and

"(7) assessing the impact of programs carried out under this title in solving agricultural problems in the developing nations.

"(d) The President may authorize the Board to create such subordinate units as may be necessary for the performance of duties, including but not limited to the following:

"(1) a Joint Research Committee to participate in the administration and development of the collaborative activities described in section 297(a)(3) of this title; and

"(2) a Joint Committee on Country Programs which shall assist in the implementation of the bilateral activities described in sections 297(a)(2), 297(a)(4), and 297(a)(5).

"(e) In addition to any other functions assigned to and agreed to by the Board, the Board shall be consulted in the preparation of the annual report required by section 300 of this title and on other agricultural development activities related to programs under this title.

"Sec. 299. Authorization.—(a) The President is authorized to use any of the funds hereafter made available under section 103 of this Act to carry out the purposes of this title. Funds made available for such purposes may be used without regard to the provisions of sections 110(b), 211(a), and 211(d) of this Act.

"(b) Foreign currencies owned by the United States and determined by the Secretary of the Treasury to be excess to the needs of the United States shall be used to the maximum extent possible in lieu of dollars in carrying out the provisions of this title.

"(c) Assistance authorized under this title shall be in addition to any allotments or grants that may be made under other authorizations.

"(d) Universities may accept and expend funds from other sources, public and private, in order to carry out the purposes of this title. All such funds, both prospective and inhand, shall be periodically disclosed to the Administrator as he shall by regulation require, but no less often than in an annual report.

"Sec. 300. Annual Report.—The President shall transmit to the Congress, not later than April 1 of each year, a report detailing the activities carried out pursuant to this title during the preceding fiscal year and containing a projection of programs and activities to be conducted during the subsequent five fiscal years. Each report shall contain a summary of the activities of the Board established pursuant to section 298 of this title and may include the separate views of the Board with respect to any aspect of the programs conducted or proposed to be conducted under this title.".

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

Sec. 312. (a) Section 302 of the Foreign Assistance Act of 1961 is amended—

(1) in subsection (a), by inserting immediately before the period ", and for the fiscal year 1976, $194,500,000 and for the fiscal year 1977, $219,900,000";

(2) in subsection (b)(1), by striking out "$51,220,000" and inserting in lieu thereof "$61,220,000";

(3) in subsection (b)(2), by inserting "and for use beginning in the fiscal year 1976, $27,000,000," immediately after "fiscal year 1975, $14,500,000,"; and

(4) in subsection (d) by striking out "1974 and 1975, $18,000,000" and inserting in lieu thereof "1976 and 1977, $20,000,000".

(b) Section 54 of the Foreign Assistance Act of 1974 is amended by striking out "part III" and inserting in lieu thereof "part I".

ASSISTANCE TO THE CAPE VERDE ISLANDS

Sec. 313. Section 496 of the Foreign Assistance Act of 1961 is amended—

(1) by striking out "$5,000,000" and inserting in lieu thereof "$7,750,000";

(2) by striking out "$20,000,000" and inserting in lieu thereof "$17,250,000"; and

(3) by adding at the end thereof the following new sentence: "Notwithstanding the provisions of section 620(r) of this Act, the United States is authorized to forgive the liability incurred by the Government of the Cape Verde Islands for the repayment of a $3,000,000 loan on June 30, 1975.".

SUPPORT OF REIMBURSABLE DEVELOPMENT PROGRAMS

Sec. 314. Section 661 of the Foreign Assistance Act of 1961 is amended by striking out "in each of the fiscal years 1975 and 1976" and inserting in lieu thereof "in the fiscal year 1975 and $2,000,000 in each of the fiscal years 1976 and 1977".

TRANSITION PROVISIONS FOR INTERIM QUARTER

Sec. 315. Part III of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"Sec. 665. Transition Provisions for Interim Quarter.—There are authorized to be appropriated for the period July 1, 1976, through September 30, 1976, such amounts as may be necessary to conduct programs and activities for which funding was authorized for fiscal year 1976 by the International Development and Food Assistance Act of 1975, in accordance with the provisions applicable to such programs and activities for such fiscal year, except that the total amount appropriated for such period shall not exceed one-fourth of the total amount authorized to be appropriated for the fiscal year 1976 for such programs and activities.".

Mr. MORGAN (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of title III be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection

to the request of the gentleman from Pennsylvania?

Mr. BAUMAN. Mr. Chairman, reserving the right to object, I have a point of order against language in the section. I presume that would come at this point.

The CHAIRMAN. The gentleman will still have an opportunity to press his point of order.

Mr. BAUMAN. I withdraw my reservation of objection, Mr. Chairman.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

POINT OF ORDER

Mr. BAUMAN. Mr. Chairman, I make a point of order.

The CHAIRMAN. The gentleman from Maryland will state the point of order.

Mr. BAUMAN. Mr. Chairman, I make a point of order against the language of section 302, page 15, lines 6 through 17, on the ground that it violates clause 5 of rule XXI of the House of Representatives which forbids the inclusion in any authorization bill of an appropriation which is beyond the jurisdiction of an authorizing committee and reserved only to the Appropriations Committee.

As a second ground for my point of order, I point out that the language cited seeks to reappropriate an existing fund by the device of creating a new authorization for a proposed international fund for agricultural development, which at this point is not even in existence under current law.

I cite to the Chair Cannon's Precedents, volume 7, paragraph 2146:

> A proposition to reappropriate or make available an appropriation previously made or to divert such appropriation to any purpose other than that for which originally made is equivalent to a direct appropriation and is not in order in connection with a bill reported by a committee without authorized jurisdiction to report appropriations.

The CHAIRMAN. Does the gentleman from Pennsylvania desire to be heard on the point of order?

Mr. MORGAN. Yes, Mr. Chairman, I rise in opposition to the point of order.

Mr. Chairman, this is the same point of order which was made before the beginning of the debate.

Proposed section 103(e) of the Foreign Assistance Act of 1961—contained in section 302(a) of H.R. 9005, as reported—which authorizes repayments on prior year foreign aid loans to be made available for specified purposes, does not, in effect, appropriate funds and hence is not subject to a point of order under clause 5 of rule XXI. The funds referred to in section 103(e) will not be available for reuse unless and until they are appropriated. The committee does not intend that these funds be exempted from the appropriation process as can be seen from the following:

> (1) *The clear language of the bill*—Proposed section 103(e) specifically provides that amounts repaid "are authorized to be made available . . . for use" (i.e., and authorization for appropriation); it does not provide that they shall be available for use (i.e., an appropriation).
>
> (2) *Prior practice*—Proposed section 103(e) merely reinstates (with modifications irrelevant to the issue at hand) the provisions applicable to foreign aid loan reflows in fiscal years prior to FY 1976 (see sec. 203 of FAA of 1961) which, in language identical to that contained in proposed section 103(e), authorized foreign aid loan reflows to be made available for certain uses. Reuse of reflow funds under the old law was subject to the appropriation process (see e.g., the Foreign Assistance Appropriation Act, 1975) and, accordingly, so will reuse under the new law.
>
> (3) *The committee report*—The report of the Committee on International Relations on H.R. 9005 (Report 94-442) makes clear that the advantage of authorizing foreign aid loan reflows to be made available for the specified purposes is that certain programs can be carried out without appropriation of any *new* funds. Amounts previously appropriated for foreign aid loans which are repaid to the United States can be reappropriated for foreign aid purposes instead of taking money out of the U.S. Treasury for such purposes. Although loan reflow funds appropriated under section 103(e) will be supplemental to amounts appropriated from the U.S. Treasury, they are still funds which must be appropriated by Congress.

The CHAIRMAN. Does the gentleman from Maryland desire to be heard further?

Mr. BAUMAN. Mr. Chairman, the gentleman from Pennsylvania is correct in part. I had made a previous point of order on different grounds relating to the Budget Control Act at the beginning of consideration of this bill, but the gentleman has not answered all my contentions as embodied in Cannon's Precedents which I cited to the Chair, that even though this language may be within the purview of clause 5 of rule XXI, it seeks to reappropriate funds previously appropriated as well as funds presently being appropriated at some future date, and therefore this language exceeds the authority of this committee and impinges on the exclusive jurisdiction of the Appropriations Committee.

The CHAIRMAN (Mr. Price). The Chair is ready to rule.

The Chair concurs with the statement of the chairman of the full committee, the gentleman from Pennsylvania (Mr. Morgan), and feels that this language follows previously established precedents on at least one or two other occasions and particularly that cited in chapter 25, section 3.3 of Deschler's Procedures which reads:

> Language in an amendment to a bill reported by the Committee on Banking and Currency increasing the authorization for loans and grants for technical assistance and providing that "receipts from such repayments shall be credited to the appropriation available for assistance under this section" where the receipts so credited could not be reused without further appropriation thereof was held not to be an appropriation within the purview of clause 4 Rule XXI. 109 Cong. Rec. 12722, 88th Cong. 1st Sess., June 12, 1963 [H.R. 4996, Area Redevelopment Act amendments, 1963].

Based on these precedents, the Chair overrules the point of order.

POINT OF ORDER

Mr. BAUMAN. Mr. Chairman, if I may be heard further, I make a further point of order.

The CHAIRMAN. The gentleman will state the further point of order.

Mr. BAUMAN. Mr. Chairman, I make a point of order against the language on lines 16 and 17, page 15:

> Such amounts shall remain available until expended.

I do so on the basis of Cannon's Precedents, volume 7, section 2145, which says:

> A proposition to render an annual appropriation available until expended is in effect an appropriation for succeeding years and is not within the jurisdiction of a committee other than the Committee on Appropriations.

I cite the ruling of Speaker Gillett on July 27, 1921 on almost the exact same question where a previously existing appropriation was sought to be made available beyond the fiscal year in a bill reported by an authorizing committee, rather than by the Appropriations Committee.

I point out that the pending authorization is only for 1976 and 1977, that the new language I have indicated seeks to employ loaned funds to be repaid during these years and there is no likelihood or probability that this money can be expended during the 1975–76 years and, in effect, I make a point of order that this procedure circumvents the appropriation process and is not in order.

Mr. MORGAN. Mr. Chairman, I again rise against the gentleman's point of order. This language occurs in lines 16 and 17 and is definitely subject to annual appropriations. I have again reviewed other parts of the act, Mr. Chairman. These can be used in the available time and are subject to an annual appropriation.

Mr. BAUMAN. Mr. Chairman, if I may be heard further, the gentleman has again failed to address my point. My point of order is based on the precedents of the House that clearly show that this language is written in a manner which extends this authorization beyond the purview of this committee, and by so doing infringes upon the jurisdiction of the Appropriations Committee and their right in the future to control these loan funds. Therefore, I contend it is not within the rules of the House.

The CHAIRMAN (Mr. Price). The language which the gentleman points out in the point of order, "Such amounts shall remain available until expended," in the first place, that language is common in many authorization bills. It enables the Committee on Appropriations, when it appropriates these funds, to make the money available until it is expended, without legislating in an appropriations bill. "Such amounts" refers back to the word "authorized" on line 8 on page 15. Since the funds must again be appropriated by the Appropriations Committee for this language to apply, the precedent cited by the gentleman from Maryland is not applicable. The Chair overrules the point of order.

AMENDMENT OFFERED BY MR. LONG OF MARYLAND

Mr. LONG of Maryland. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Long of Maryland: Page 21, immediately after line 19, insert the following new section 310 and redesignate existing sections 310 through 315 as sections 311 through 316, respectively:
>
> ACCELERATED REPAYMENT BY OPEC COUNTRIES OF FOREIGN AID LOANS
>
> Sec. 310. Chapter 1 of part I of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:
>
> "Sec. 116. Accelerated Repayment by

OPEC Countries of Foreign Aid Loans.—It is the sense of the Congress that the President should immediately enter into negotiations with each member of the Organization of Petroleum Exporting Countries which has any outstanding debt to the United States arising out of any loan made under this part, in order to arrange for accelerated repayment of each such debt. The President shall report to the Congress—

"(1) not more than 6 months after the date of enactment of this section, on any steps taken to initiate the negotiations described in the preceding sentence; and

"(2) not more than 12 months after such date of enactment, on the results of any such negotiations.".

Mr. LONG of Maryland. Mr. Chairman, seven oil-rich OPEC nations owe the United States almost $2.7 billion in foreign assistance (Public Law 480), and Export-Import Bank loans. My amendment calls on the President to take steps to accelerate these OPEC nations' repayments of their outstanding loans.

The need for my amendment is obvious. By the quadrupling of oil prices and threats of new increases, the OPEC nations have contributed to our inflation, our chronic capital shortage and general economic distress, while piling up substantial balance of payments surpluses. Morgan Guaranty Trust of New York estimates that the external financial assets of all the OPEC countries will rise to almost $200 billion by the end of 1976. Since 1946, the members of OPEC have received over $8½ billion in aid from the United States, with $78 million in aid proposed for fiscal year 1976.

The seven OPEC members which have significant amounts of United States loans outstanding—Indonesia, Iran, Venezuela, Algeria, Ecuador, Nigeria, Saudi Arabia—will receive an estimated $60 billion in 1975 in total oil revenues. Surely, these OPEC nations could accelerate their payment of their outstanding U.S. loans.

To those who argue that we cannot change the terms of repayment of loans, I would point out that since 1956 the United States has participated in 35 debt reschedulings in which more than $1.3 billion in U.S. loan repayments have been postponed. Indonesia, a member of OPEC, has benefited from four reschedulings of U.S. loans amounting to $311 million. If loans can be stretched out through rescheduling, why cannot repayments be accelerated? Accelerated repayments of this $2.7 billion outstanding loans would bolster our balance of payments, which showed an $11 billion deficit in 1974, mainly because of oil payments. These funds would also help, at least marginally, to ease our chronic capital shortage, lower interest rates and provide needed capital for energy exploration, housing, education, help to the elderly health services, and other pressing domestic needs.

Mr. Chairman, I urge the committee to support my amendment today. Adoption of this amendment will give clear notice to the administration of the Congress feeling that the administration should at least make an honest try to get oil countries to whom we have loaned money in their time of need to repay us in our time of need. Therefore, I urge adoption of my amendment. I would like to include tables that show the amounts of loans outstanding and other evidence.

First. The OPEC oil-producing countries with substantial amounts of U.S. loans outstanding.

PRINCIPAL OUTSTANDING FROM U.S. LOANS (AS OF JUNE 30, 1974)

[Dollar amounts in millions]

Country	Foreign assistance loans	Export-Import Bank loans	Public Law 480 loans repayable in dollars	Total
Indonesia	$333.2	$117.2	$640.9	$1,019.3
Iran	187.1	779.7	46.9	1,013.7
Venezuela	102.7	111.0	0	213.7
Algeria	0	102.5	6.4	108.9
Ecuador	86.0	12.2	15.5	113.7
Nigeria	77.1	23.7	0	100.8
Saudi Arabia	27.8	13.1	0	40.9
Total	813.9	1,159.4	709.7	2,683.0

Second. Debts in arrears.—Principal and interest due and unpaid 90 days or more—on loans and other credits by the U.S. Government. Source: Treasury Department, table as of December 31, 1974.

THE SEVEN OPEC OIL COUNTRIES WITH SUBSTANTIAL U.S. LOANS OUTSTANDING

Principal and Interest due and unpaid 90 days or more

[In dollars]

Indonesia	$441,819
Iran	42,066,979
Venezuela	2,245,644
Algeria	6,613
Ecuador	581,634
Nigeria	2,494,668
Saudi Arabia	386,799
Total	47,782,337

Third. Reschedulings.—A list of the 35 reschedulings over the last 20 years. Indonesia, an OPEC oil-rich country, has benefited from four of these reschedulings in which $311 million in U.S. loan repayments have been rescheduled or stretched out. Total loan repayments from all donors and other creditors which were rescheduled for Indonesia in these reschedulings exceeded $2.5 billion.

INTERNATIONAL DEBT RESCHEDULING EXERCISES, 1959-75

[Dollar amounts in millions]

Year and country	Total amount rescheduled	Amount of U.S. debt rescheduled	Consolidated period	Terms	Comments
1956—Argentina	$500.0	0	Arrears to June 30, 1956	No grace, 9 yr—3½ percent	
1959—Turkey	400.0	0	5 yr, 5 mo	No grace, 12 yr—3 percent	Only U.S. commercial debt rescheduled.
1961—Brazil	300.0	0	4 yr, 7 mo	6-mo grace, 5 yr—various percents	Eximbank rescheduled $305,000,000 in separate arrangement.
1962—Argentina	240.0	0	2 yr	No grace, 6 yr—various percents	Eximbank extended a $72,000,000 refinancing loan in 1963.
1964—Brazil	200.0	$44.5	2 yr	2 yr grace, 5 yr—various percents	Eximbank only.
1965—Chile	96.0	43	2 yr	2 yr grace, 5 yr—various percents	
1965—Turkey	220.0	15	3 yr	5 yr grace, variable	
1965—Argentina	76.0	18	1 yr	2 yr grace, 5 yr—various percents	Eximbank only.
1966—Ghana	170.0	.511	2 yr, 7 mo	2½ yr grace, 7½ yr—various percents	Eximbank only.
1966—Indonesia	247.0	51	1½ yr	3 yr grace, 8 yr—3-4 percent	Interim rescheduling.
1967—Indonesia	95.0	23	1 yr	3 yr grace, 8 yr—3-4 percent	Interim rescheduling.
1968—India	300.0	27	3 yr	62 percent grant element	
1968—Peru	58.0	0	1½ yr	1-1½ yr grace, 4 yr—various percents	Only U.S. commercial debt rescheduled.
1968—Indonesia	85.0	22	1 yr	3 yr grace, 8 yr, 3-4 percent	Interim rescheduling.
1968—Ghana	100.0	.141	3½ yr	2 yr grace, 7¼ yr—6 percent	Eximbank only.
1969—Peru	70.0	0	2 yr	1 yr grace, 4 yr—8-9 percent	
1970—Indonesia	2,100.0	215	All maturities	30 yr—0 percent	Incorporates 1966-67 and 1968 rescheduling.
1970—Ghana	25.0	0	2 yr	Variable	Eximbank only.
1971—India	92.0	9	1 yr	62 percent grant element	
1971—Yugoslavia [1]	59.0	59	2 yr	2 yr grace, 10 yr—5 percent	
1971—Egypt [1]	145.0	145	4.5 yr	27 mo grace, 5 yr—6.6 percent	No grace on CCC credits.
1972—Cambodia	2.0	0	1 yr	2 yr grace, 8 yr—3 percent	
1972—Chile	160.0	65	1 yr, 2 mo	2 yr grace, 6 yr—5-6 percent	
1972—Pakistan	234.0	51	2 yr, 2 mo	2 yr grace, 3 yr—5 percent (maximum)	
1972—India	153.0	29	1 yr	59 percent grant element	Continuation of 1971 agreement.
1972—Cambodia	2.5	0	1 yr	2 yr grace, 8 yr—3 percent	
1972—Turkey	114.0	0	All maturities	5 yr grace, 25 yr—3 percent	Proceeds assigned to United States as partial reimbursement for U.S. establishment via grants of European monetary fund.
1973—Poland [1]	32.0	32	2 yr	4 yr grace, 8 yr—6 percent	
1973—Pakistan	103.0	23	1 yr	2 yr grace, 3 yr—5 percent (maximum)	Temporary and partial extension of 1971 agreement.
1973—India	187.0	29	1 yr	55 percent grant element	Continuation of 1970 and 1971 agreement.
1974—Ghana	290.0	0	Pre-1966 commercial	10 yr grace, 18 yr—2½ percent	Incorporates 1966-68 and 1970 rescheduling.
1974—Chile	367.0	136	2 yr	80 percent at 3 yr grace, 7 yr—various percent	
1975—Chile	240.0	83			
1974—Pakistan	650.0	210		4 yrs, 62 percent grant element	
1974—India	194.0	45		1 yr—62 percent grant element	
35 reschedulings	7,896.0	1,324.1			

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[1] Bilateral.

Note: The concept of "grant element" is a mesaure of concessionality of lending terms. It compares a loan on given terms with a hypothetical loan at 10 percent with no grace period; the lower the grant element (expressed as a percentage), the closer the rescheduling terms are to this hypothetical loan.

Mr. MORGAN. Mr. Chairman, will the gentleman yield?

Mr. LONG of Maryland. I will be glad to yield to the chairman of the committee.

Mr. MORGAN. Mr. Chairman, I think the objective behind the gentleman's amendment is certainly laudable, to require nations with large oil fund surplusses to repay loans so the the funds can be used to assist more needy nations. But has the gentleman done any research as to how many OPEC countries are involved here in owing us money?

Mr. LONG of Maryland. Indonesia, $1,019,300,000; Iran, $1,013,700,000; Venezuela, $213,700,000; Algeria, $108,900,000; Ecuador, $113,700,000; Nigeria, $100,800,000; Saudi Arabia, $40,900,000.

I might point out that Iran, one of the richest OPEC countries, still owes the United States $36 million in past due debts incurred right after World War II according to a General Accounting Office report.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. MORGAN, and by unanimous consent, Mr. LONG of Maryland was allowed to proceed for 1 additional minute.)

Mr. MORGAN. If the gentleman will yield further, I think the gentleman's figures are far out of line. The gentleman is adding Public Law 480 money, and other credits, where the gentleman's amendment only applies to development loans.

Under the gentleman's amendment, the figure the gentleman read for Venezuela is way out of line and, of course, the same for Ecuador.

Mr. LONG of Maryland. In the case of outstanding loans for Venezuela, $102.7 million is outstanding in foreign assistance loans, $111 million in Export-Import Bank loans, and none of it in Public Law 480 loans.

Mr. MORGAN. The figure we have for Venezuela, is only $41.5 million, not the figure the gentleman has just read.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. LONG of Maryland was allowed to proceed for 1 additional minute.)

Mr. LONG of Maryland. I am not quite clear what the gentleman's point is on this. These are figures on loans outstanding. The source is the Treasury Department.

If the gentleman is talking about the payments that are overdue, that is another question. I am asking that we try to get the repayments accelerated, even though it may not be overdue at this time. As a matter of fact, there are substantial sums that are overdue right now from these seven countries—a total of $47.8 million.

Mr. MORGAN. The gentleman is reading figures that are not covered by his amendment. The gentleman is including Public Law 480 and Export-Import Bank loans. They are not covered by the gentleman's amendment.

The gentleman is going far afield in citing these figures.

Mr. LONG of Maryland. I can give the gentleman the figures, excluding Public Law 480. From these seven countries, $813.9 million in foreign assistance loans are outstanding.

Mr. MORGAN. I think the gentleman's figures are terribly inflated.

Mr. LONG of Maryland. The Public Law 480 figures are only a small part of this. $2.7 billion is the total amount outstanding, of which only $700 million is Public Law 480. So $2 billion is the amount, excluding Public Law 480.

I do not think I have exaggerated the problem, Mr. Chairman.

Mr. BIESTER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I join with the chairman of the full committee in recognizing the laudable purpose of the gentleman from Maryland, but while his purpose is good, the impact of his amendment would be, it seems to me, detrimental to not only the interest of the countries affected, but to the interest of the foreign policy of the United States.

The impact of the gentleman's amendment would be to strike out only those nations which did not participate in the embargo against the United States.

The countries on which loans are outstanding are, in fact, the poorest of the countries who are members of OPEC. They include Nigeria. Nigeria has a per capita income of about $200 and is listed as one of the least developed countries of the world.

Not listed among those who would be affected by this are the Arab countries, the oil rich sheikdoms, against whom I fully understand the tenor of the gentleman's remarks, but they are left out of the impact of the gentleman's amendment.

So, in effect, we would be passing an amendment that would not affect those who hurt us most and would be hurting those who deserve our consideration the most and in time of the embargo protected the markets of the United States and kept some oil flowing into us.

For those reasons I, in a sense, understand the purpose of the gentleman's amendment, but I urge that it be rejected because, in effect, it hurts those who have helped us.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. BIESTER. I yield to the gentleman from New York.

Mr. BINGHAM. Mr. Chairman, I thank the gentleman for yielding. I would like to associate myself with his remarks.

I think, although the purpose of the amendment is certainly laudable, the problem with the admendment offered by the gentleman from Maryland (Mr. LONG) is that it lumps all the OPEC countries together. Actually they fall in many different categories. Some of them are indeed very rich, but they are not going to be hurt by this amendment. Some of them are very poor.

The largest amount of money outstanding, as I understand it, is from Indonesia. The fact is that Indonesia still has overwhelming developmental problems. It is certainly not in the category of Saudi Arabia or some of the wealthy Arab States.

Mr. BIESTER. Mr. Chairman, Indonesia is certainly one of the friends of the United States in the area of East Asia.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. BIESTER. I yield to the gentleman from Florida.

Mr. FASCELL. Not only that, Mr. Chairman, but this shotgun approach shoots down the very friends of the United States who helped us when we had problems. This would include Nigeria and Venezuela. I do not understand why we would want to have this amendment apply to them.

There is one other problem here. It might be all right to talk about this as a laudable objective, but to accomplish it by legislation does harm to all parties.

Rescheduling means that people get together and agree on how to do it for the benefit of both parties. What this legislation would seek to do is to reschedule by acceleration, and tells the administration that we would treat friend and foe alike.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. BIESTER. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Chairman, I wonder whether the gentleman understands my amendment.

Mr. BIESTER. I think I do, Mr. Chairman.

Mr. LONG of Maryland. Mr. Chairman, my amendment does not require that any country do anything. My amendment simply asks the administration to enter into negotiations with these countries to try to get them to do it; that is all. The administration is amply equipped to take account of the differences in the circumstances of various countries we are trying to help.

Mr. BIESTER. Mr. Chairman, the problem with the gentleman's amendment is that the countries with whom the administration might enter into negotiations all have the same kinds of difficulty in terms of payment problems. All of them were friends of the United States during the time of the embargo, and all are major suppliers to the United States at the present time, as I understand it.

These countries include Indonesia and Nigeria.

So the very countries the gentleman would provide help for are countries that are totally excluded from the impact of his amendment, totally excluded from the impact of the sense of Congress, and totally excluded from negotiation on the part of the administration.

Mr. LONG of Maryland. Mr. Chairman, if the gentleman will yield further, I wonder if the gentleman realizes that a number of these countries, including Indonesia as one of them, are not in any way having any balance of payment problems. The fact is they have enormous balance of payment surpluses.

Although a great number of people in Indonesia are poor, this is the fault of the leaders in that country who have shown no disposition to share the wealth that is extracted from us with their own poor people. No matter what we do here, they are not going to share their wealth with the poor people of their own countries.

We might as well try to get that money back to help us with our own problems.

Mr. **BIESTER**. Mr. Chairman, the gentleman is talking about one country in East Asia which is friendly toward the United States and which was friendly to us during the oil crisis, and which, in terms of the needs of the American economy and the needs of our foreign policy objectives, deserves the best of consideration from us in the field of international and economic relations.

The **CHAIRMAN**. The question is on the amendment offered by the gentleman from Maryland (Mr. LONG).

The amendment was rejected.

AMENDMENT OFFERED BY MR. HARKIN

Mr. **HARKIN**. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HARKIN: Page 21, immediately after line 19, insert the following new section 310 and redesignate existing sections 310 through 315 as sections 311 through 316 respectively:

HUMAN RIGHTS

SEC. 310. Part 1 of the Foreign Assistance Act of 1961 is amended by inserting immediately after section 115 the following new section:

"SEC. 116. HUMAN RIGHTS.—(a) No assistance may be provided under this part to the government of any country which engages in a consistent pattern of gross violations of internationally recognized human rights (including torture or cruel, inhuman, or degrading treatment or punishment), prolonged detention without charges, or other flagrant denials of the right to life, liberty, and the security of a person, unless—

"(1) the President determines that such assistance will directly benefit the needy people in such country and reports such determination to the Congress together with a detailed explanation of the assistance to be provided (including the dollar amounts of such assistance) and an explanation of how such assistance will directly benefit the needy people in such country; and

"(2) neither House of Congress adopts, within 30 days (excluding days when both Houses are not in session) after receiving such report, a resolution stating in effect that such House objects to furnishing such assistance to such country.

"(b) In determining whether or not a government falls within the provisions of subsection (a), consideration shall be given to the extent of cooperation of such government in permitting an unimpeded investigation of alleged violations of internationally recognized human rights by appropriate international organizations, including the International Committee of the Red Cross or groups or persons acting under the authority of the United Nations or of the Organization of American States."

Mr. **HARKIN**. Mr. Chairman, first of all, I would like to commend and congratulate the distinguished chairman of the Committee on International Relations for bringing this bill to the floor. I think it is a giant step forward for the House to take to separate the economic, food and development assistance from the military and security assistance provisions of the aid bill.

My amendment is a simple, straightforward human rights amendment.

As it was reported, paragraph (a) basically says that no assistance will be provided the government of any country that engages in a consistent pattern of gross violations of internationally recognized human rights. However, discretion and leeway are left to the executive branch of the Government, and here is where I disagree with those of my colleagues who want to cut off all aid to certain specific countries, because in many cases when we do that, we hurt the very people who need the aid. Those are the needy people in those countries.

Therefore, while I might oppose aid to those countries as a method of supporting their budget—for example, now I am talking about those governments that fall under these provisions of violating human rights—while I might oppose aid to those governments, if the aid is given to the needy people of those countries, then I have no opposition to this form of aid.

I have long believed that we cannot be the policeman of the world, but we can be as careful and judicious as possible in giving aid to the needy of other countries as we are in giving aid to the needy in our own country.

Recognizing this fine line, subparagraph (1) of my amendment leaves to the executive the discretion to exempt a country that may fall under the provisions of this paragraph of violating human rights. The executive can still, by showing Congress and by giving us a detailed report, go ahead and give development assistance to that country if he can spell out how that aid reaches the needy people of that country.

Subparagraph (2), after that, gives either the House or the Senate 30 days to override the decision of the executive branch of Government that such country can receive this aid and such aid is, in fact, being given to the needy of that country.

Here, I believe, we are just exercising the proper oversight that we ought to exercise in Congress in this regard.

I would like to point out that if the Executive determines that a country is not violating internationally recognized human rights, then the responsibility falls upon the appropriate committee of Congress—and that would be the Committee on International Relations—to examine this determination and to call up those from the executive branch to find out on what basis they made that decision. Therefore ultimate responsibility and oversight is still left up to the committee.

Finally, subparagraph (b) says that in making the basic determination of whether or not a country falls under the provisions of this amendment, consideration, not absolute consideration, but consideration must be given to the extent of the cooperation that was given by that country to an unimpeded investigation by appropriate agencies and international organizations such as the Red Cross, the United Nations, and the Organization of American States.

My amendment is not something that is brand new. As a matter of fact, most of the language of my amendment is exactly like that which is found in section 502(b) that was passed last year in this Congress on last year's Foreign Assistance Act.

It is basically the same language. However, section 502(b) of course goes to the security assistance, my amendment covers the rest of that part that goes to economic and food assistance to countries. My amendment differs from section 502(b) in three important areas: First, section 502(b) is only a "sense of Congress" provision; my amendment is operative as a section of a law; second, section 502(b) covers security and military assistance, my amendment covers development assistance; and third, an avenue is left open in my amendment to continue such development aid if it can be shown that such aid is going to the needy people of a country falling under the provisions of section 116, paragraph (a).

Mr. **LEVITAS**. Mr. Chairman, will the gentleman yield?

Mr. **HARKIN**. I yield to the gentleman from Georgia.

Mr. **LEVITAS**. Mr. Chairman, I thank the gentleman from Iowa for yielding to me and I commend the gentleman on offering the amendment he has, which the gentleman has discussed, and which I intend to support. While there are many laudable humanitarian purposes contained in the International Development and Food Assistance Act of 1955 which have been considered by the Committee on International Relations, we still do not actually know how many countries will receive it and what countries are going to receive it, and whether we will be bailing out any dictatorships in so doing.

Let us take the Republic of India, for example, which I understand has recently imprisoned several thousands of political opponents of the President, Mrs. Ghandi who, recently, I might add, had a law repealed under which she was accused so she could not be convicted under it, and I wonder whether under the scope of this amendment economic aid, which I understand India expects to get under this legislation, could be cut off because of the activities there in imprisoning, without just reasons, political opponents of the present administration?

Mr. **HARKIN**. To answer the question of the gentleman from Georgia, it could be shut off, unless the executive branch could show us that that aid was clearly getting to the needy people of that country.

The **CHAIRMAN**. The time of the gentleman has expired.

(On request of Mr. LEVITAS, and by unanimous consent, Mr. HARKIN was allowed to proceed for 1 additional minute.)

Mr. **LEVITAS**. Who would make that determination?

Mr. **HARKIN**. It would be up to the executive branch to make that determination, it seems to me, to decide that the aid was getting to the needy people of the country, they of course could continue the aid. However, either House of the Congress has 30 days after the report to override the decision of the executive branch.

The CHAIRMAN. The time of the gentleman has again expired.

(On request of Mr. BINGHAM and by unanimous consent, Mr. HARKIN was allowed to proceed for 2 additional minutes.)

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. HARKIN. I yield to the gentleman from New York.

Mr. BINGHAM. I would like to ask the gentleman a question or two. The first is about what the gentleman means by aid that would directly affect needy people? I think that is a definition that can cause real trouble. I sympathize with what the gentleman is trying to get at in his amendment. But, for example, what about agricultural research programs that are designed to develop hardier strains of grain, better seeds, would that fall within the category of aid that would directly benefit needy people?

Mr. HARKIN. Yes; I think it would. I am talking strictly about the kind of aid that is given directly to a government and we do not trace it and follow it down to make sure it is reaching people. But, in terms of agricultural development aid, yes.

Mr. BINGHAM. What about, for example, aid to a school to train vocational teachers? Would that be aid that would directly benefit needy people?

Mr. HARKIN. I do not know if I can answer the gentleman's question on that, I would have to defer that to the Department of State or to the committee to answer that type of question. I could not answer it without having more facts.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. WHALEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to pose a question or two to the author of the amendment if the gentleman will remain in the well for that purpose.

The gentleman's amendment proposes that aid be denied where there are gross violations of internationally recognized human rights. What worries me is who makes the determination that these gross violations do exist?

Mr. HARKIN. Again I would think this would be principally determined through the committee. I think it would be made by the Department of State, that is, the executive branch of the Government, and also the appropriate subcommittee of the Committee on International Relations. That subcommittee I believe would be the Subcommittee on International Organizations and Movements. I believe that is the proper subcommittee that is chaired by the gentleman from Minnesota. For example, they have been conducting an investigation into those areas and I believe they could adequately make that determination.

Mr. WHALEN. But the fact that the President in his request to Congress requests aid for a specific country, does not that imply that the President feels that there are no gross violations?

Mr. HARKIN. That is what I mean. The appropriate subcommittee or the committee itself could make that determination on its own, that country X falls under the provisions of this amendment and, therefore, it could call the Department of State in and say, "Why have you not placed this country under this amendment? Justify your reasons for not doing that."

Mr. WHALEN. But legislatively, how would this preclude the granting of that aid to the country that has been determined by the appropriate subcommittee to be guilty of gross violation?

Mr. HARKIN. All I can say is that I think then the executive branch would have to point out the dollar amounts and a detailed explanation of how this aid would directly benefit the needy of that country, not just simply that we are giving so much to the Government and that is it. That is all. We are following through on it, by requiring exactly a detailed description of how it is getting down to the needy people.

Mr. WHALEN. To reiterate my concern, there is no official determination of gross violations in the absence of such decision by the executive branch. Therefore, there is nothing to preclude the executive branch from saying, "We do not recognize this as such, and we are going to go ahead and grant the aid."

Mr. HARKIN. The gentleman is absolutely correct. That is where we rely upon the committee itself to make that determination. That is where we come into the dual role which I think is an appropriate role for both the executive and legislative branch to play.

Mr. WHALEN. What the gentleman is suggesting, then, is a bargaining process without any real authority granted to the Congress.

Mr. HARKIN. Of course, the real authority always lies in the committee and in this House, in the Congress. That is where the authority lies. But I think by adopting this type of amendment, again the gentleman is right: It is not so tight that it cuts everything off, and I purposely left it fairly open with that loophole that the aid could go to the needy, recognizing the fact that both the executive branch and the committee itself have appropriate roles to play in this regard.

Mr. WHALEN. I appreciate the gentleman's concern. But if the subcommittee, the full committee, and, indeed, the Congress conclude that a country is guilty of gross violations of human rights, and despite this fact the administration has requested AID funds, does it not require some legislative action to insure the fact that this country will not receive such assistance?

Mr. HARKIN. Yes, and I think again, if I understand the thrust of the gentleman's remarks, here again is where the President would say, "Yes, we are going to continue aid to that government." But then I think they would have to spell out how it gets to the needy people. Again here is where the provisions of subparagraph (2) would come into play, and then we would have 30 days to object to that determination.

Mr. WHALEN. If I may summarize, then. First, as I see it, there is no authority to determine what countries are guilty of gross violations; second, the executive branch, therefore, is perfectly free to ignore the thrust of this particular amendment if it were adopted?

Mr. HARKIN. I understand that, and I purposely left that as it is because I do not want the amendment to say that the executive can make that determination and then we are locked in. Neither should we make that determination without some input from the executive branch, and that is the dual role I am talking about.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. WHALEN. I yield to the gentleman from Illinois.

Mr. HYDE. I thank the gentleman for yielding.

I would like to ask the gentleman in the well a question. As I read his amendment, he is imposing upon the President the duty to determine that such assistance will directly benefit the needy people, and provide this Congress with a detailed explanation of the assistance to be provided; is that correct?

Mr. HARKIN. Yes; that is right.

Mr. HYDE. As one of the most outspoken advocates of slashing the President's staff, does the gentleman think the President will have adequate staff to comply with this new duty the gentleman is imposing on the White House?

Mr. HARKIN. I think there is enough staff in the Department of State to come up with this. I think if we cut the staff of the Department of State in half, they could still come up with this.

Mr. HYDE. I thank the gentleman.

Mr. WHALEN. I thank the gentleman for his responses to my questions.

Mr. FASCELL. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, the colloquy that we have just listened to demonstrates one of the major difficulties with an amendment of this kind. This is not the first time all of us have struggled with the difficulty that arises when we seek to do good things, right things, or to express a strong moral position with respect to the implementation of the foreign policy of the United States, and to use as a means of attempting to assure or to bring about a change, or at least to maintain our position, that tool which is available to us is "a program of the United States" to bring it about.

I do not know how many times we have tried to do that by legislative mandates of one kind or another without too much success.

The Subcommittee on International Organizations chaired by the distinguished gentleman from Minnesota (Mr. FRASER) has gotten very deeply involved in the whole question of human rights; the values which should be supported by the U.S. Government in its programs; and to give recognition to the factor of human rights as a matter of national policy. And I must add that considerable improvement in consideration of human rights as a matter of national policy has occurred.

How was that done? It was done in several ways. First, there was a long series of hearings highlighting the facts and our concern. Second, explicit legislative action was taken where a determination was actually made by the Congress. Third, we provided in the present law, as the sponsor of this amendment has correctly pointed out, that it is the sense of Congress that consideration of human rights is a very important ethical matter which ought to occupy a high place in the foreign policy considerations of the United States. Fourth was to bring the matter to the attention of the administration at a high enough level so that we would begin through the whole diplomatic and implementation process to get the meaning into practice. That is the place to become effective. I must give great credit to the gentleman from Minnesota. Mr. FRASER and others who joined with him in having our Government respond affirmatively. The Secretary of State has appointed a special Assistant to the Secretary of State whose sole concern are the questions of human rights—thus upgrading the concern of the United States on this very important question.

Let me conclude by saying this. This is an issue which morally does confront the United States. A balance is sometimes very frustrating and difficult to achieve in our relations with another country, between various factors of great importance to the United States and where we are going to place a particular factor in our relationship with that country. What we have been saying in the International Relations Committee and I think what we have been able to do, is to raise the recognition and consideration of human rights to the high level where it belongs as an ethical and moral factor in the foreign policy of the United States.

No one can quarrel with what the proponent of this amendment is trying to do, but I say respectfully that to mandate this in legislation is not the way to do it. Let us decide what we want to do; when we get a chance to act, let us in Congress act affirmatively as we have done in the past; and in the meantime let us keep the pressure on the administration to see that this question is considered and implemented properly, and that we also consider our other interests at the same time. That is the only reason why I would hope that this amendment is not agreed to.

Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Wisconsin.

Mr. ZABLOCKI. Mr. Chairman, I thank the gentleman for yielding. Is it not true that as recently as August of this year the Director of the AID program, Mr. Dan Parker, had again circulated a memorandum for assistant administrators and heads of offices which advocated and outlined an affirmative program in the area of human rights? There are definite steps being taken in many of the areas to influence and promote human rights. I submit it can be done properly and more effectively rather than to mandate it in legislation. The course the gentleman's amendment would require would be counterproductive.

Mr. FASCELL. The difficulty is not the concept. We are trying to do and are doing what the gentleman in his amendment is trying to do. Mandating it is not the way to do it.

Mr. HAYS of Ohio. Mr. Chairman, I move to strike the requisite number of words.

I rise in support of the amendment.

Mr. Chairman, this must be since I have been on the Committee on Foreign Affairs the one-thousandth time I have heard somebody get up, as the gentleman from Florida did, and say, "Oh, this is a good amendment. It's a great idea. It ought to be done, but it's too hard for the bureaucrats to do."

Now, that is a lot of baloney. The only reason we got this bill here really mainly, the reason they are pushing it downtown is so that bureaucracy can stay in business. God knows they do little enough now and to give them one little additional thing to do is not going to hurt them any. It may even get them to working for a change.

I will guarantee that anyone can go down and walk through that foreign aid agency and find 20 percent of them asleep, 20 percent reading newspapers, 20 percent out for coffee, 20 percent in the various men's or lady's rooms, and another 20 percent are taking a vacation; so you have darn near nobody there at any given time.

Now, what does this amendment say? It says:

> No assistance may be provided under this part to the government of any country which engages in a consistent pattern of gross violations of internationally recognized human rights.

Then it gives the President the right to go ahead and do it, but he has to say why he does it. He has to spell out whether or not the money is getting to the people.

Now, we are appropriating or going to appropriate a lot of money here and we can go home and explain it to our constituents. Why when New York is bankrupt and they are not getting what they ought to get that we are putting out this kind of money—to whom? The British Solomon Islands. They are getting a handout. Now, I am fond of the British, but on the Solomons I say they will have to take care of it.

I do not know if anyone knows Sri Lanka, but that used to be Ceylon. Do we know who is the head of that government, that miserable Bandaranaike woman, who is only exceeded in her miserableness by the head of the Government of India, to whom we are also giving a handout.

Then we are giving some to Chile. We gave some to Greece when it was governed by the colonels who were pulling people's fingernails out and doing all sorts of torture, and yet some Members may say this is imposing a terrible burden on the bureaucracy to decide these countries are doing it. It is no big burden. All we have to do is read the newspapers.

Like in South Vietnam, I remember people used to get up on the floor and say, "You know, the Government of South Vietnam is so rotten and so miserable and so horrible." I do not hear anybody saying that anymore. It still may be, but there are no Americans there to write about it. They threw them all out.

So what is wrong with this amendment? It is well-intentioned. It may do some good. The bureaucracy may enforce it a little bit. We ought to put their feet to the fire and give them a chance to try it.

The gentleman from Chicago (Mr. HYDE) talks about the President. The gentleman has been around long enough to know that when we say the President, we do not mean the President. We mean somebody the President delegates. I do not care whether he delegates Mr. Parker or anyone of Mr. Parker's 75 assistants. Somebody ought to be making the determination. Somebody ought to be cutting it off if we are going to take care of the money of the people of the United States.

Mr. ASHBROOK. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from Ohio.

Mr. ASHBROOK. Mr. Chairman, I would like to associate myself with the statement of the gentleman from Ohio. It is far beyond the time when we ought to cut off these giveaways generally but until this House is more enlightened in our own self-interest, we should at least cut off aid to repressive regimes.

I do not favor the section of the amendment which makes reference to the United Nations since the historical pattern of its action show anything but objectivity or dependability but the overall purpose is meritorious and should be supported.

Mrs. FENWICK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I hope very much that this House will not accept this amendment. It is very possible that in those countries where people are most depressed, most tortured, most miserably treated, they most need food. We are not here talking about money we are going to give governments; we are talking about food and help for people, with the distribution to be handled by such groups as the Lutherans, the Catholic Relief Services, and Care. It goes directly from the purses of our taxpayers into the mouths of those who are starving.

Herbert Hoover went to Communist Russia with food after the first World War. Have we so fallen in compassion that we care more about who is in the palace than we do about the people starving in the cities and in the fields?

This is a bad amendment. We are not here dealing with aid to governments. We are talking about suffering people, and when we have, as the Meyner amendment would have provided and this bill does provide, aid to people through agencies we can trust, there is no use talking about whether or not the government is to our liking. We are talking about people in trouble, and they need help.

Mr. TSONGAS. Mr. Chairman, I move to strike the last word.

If the author of the amendment would take the well for a moment, I would like to put a question to him.

I am sympathetic with the intent of the gentleman, but let me ask a question: Take the average person living in Ethiopia, a country with which I am familiar, in which there has been a great deal of trouble lately so that it would not qualify under this amendment and would violate internationally recognized human rights, if the amendment is invoked by either the Congress or the President, what causative effect, if any, will that have on the average citizen living in a country such as Ethiopia, positive or negative?

Mr. HARKIN. Will the gentleman rephrase the question? I am not sure I understand exactly what the thrust of it is.

Mr. TSONGAS. If we pass this amendment, are we tweaking the noses of some people we do not like and at the same time hurting the average person in the country, or are we not taking into account the average person in Ethiopia or any country the gentleman wants to name in which this amendment is involved—is that going to help him or hurt him?

Mr. HARKIN. That would hurt him. However, we have that loophole which is left here and which the gentlewoman from New Jersey who just spoke did not recognize.

That is, if the President can offer a sufficient reason for this aid, that this aid is given to the needy people in that country, then they can go right ahead with that aid.

Again, what I am opposed to is the blanket giving of this economic aid to governments where there is no follow through, where it is not getting through to the people who need it.

Mr. TSONGAS. If the gentleman was the leader of a country and we invoke this provision, he would blame the United States for it and go for whatever political domestic consumption that would be worth, so that the leadership we are worried about would not be hurt by this amendment; rather, the average person living in the country.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. TSONGAS. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. Mr. Chairman, I think I understand the gentleman's genuine concern, and I share it, but let me say to the gentleman—and I am surprised that the gentlewoman from New Jersey with her many years of experience has not recognized this fact—that we do not get down to the people in many, many countries unless the heads of the governments let us. That is where the sticking point is. We can give all the aid we want to to the people of Ethiopia, but it is going to be filtered through the government, whoever it is.

Some of it is going to stick there and the rest is going to be directed to where they want it to go or it is not going to go anywhere. So, I do not see that this amendment is going to hurt the filtering down at the bottom which we are trying to help, if the President makes a determination we will get to him. The amendment does not apply then.

I have been in the field in a good many of these cases, and I have seen some where the aid was getting through and others where it never got past the capital. I think that is what the gentleman from Iowa is trying to do, to filter out. I am not saying his amendment will do it perfectly, but I think it will help.

Mr. TSONGAS. Let me respond to that. I have been in Ethiopia for 2 years where we did have violations of human rights, and American economic aid had impact on average persons living in that country.

Mr. HARKIN. That is why I believe, if I can respond, why I believe the gentleman from Ohio is absolutely correct. It may not be the most perfect, airtight, absolute amendment in the world, but it does take a step in the right direction. It does put them on notice that we, or at least our executive branch of this Government, has to make a determination that this aid is given to the people. That is what we care about.

Mr. RYAN. Mr. Chairman, will the gentleman yield?

Mr. TSONGAS. I yield to the gentleman.

Mr. RYAN. I would like to support this amendment and I would like to say, in response to the gentleman's concern, I think it is a very real concern.

In response to what the gentleman from Ohio (Mr. HAYS) has to say, and whose comments are totally adequate, what actually happens is that when this country refuses or cannot send aid to a particular country because of the nature of the government itself, it indicates to the people themselves, "Look, we would like to help you, but you have got some meatheads in the capital who are trying to repress your rights. We would like to help you further if you can put pressure on them."

Where pressure is placed on any head of state, he is forced to say to the public that he cannot get food because of the nature and tactics of his government.

If we would have done this before now, we would have a much better kind of foreign aid program than we do have now.

Mr. BIAGGI. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment for one specific purpose, to clarify the remark of the gentlewoman from New Jersey (Mrs. FENWICK) when she stated it was not a question of who lives in the palace but where the people are, and there are very worthwhile agencies who would funnel these moneys down to the people.

The fact of the matter is that these moneys of necessity have to be funneled through the administration of the respective nations, and where the administration of that nation does not permit the moneys to descend to the people, then it should be incumbent upon us, and we, as the donor nation, have the responsibility of turning that funnel off.

Conversely, if it is administered properly, then the country should be permitted to receive these moneys.

This amendment is sufficiently flexible to deal with these circumstances.

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. BIAGGI. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. I thank the gentleman for yielding.

Mr. Chairman, we very often send in the food itself. I do agree that there have been some abuses. I have heard of packages of food marked "Gift of the American People, Not For Sale," being sold in the mountains of Peru to the Indians. Why? Because those packages of food, that rice, was delivered to the government and the government distributed it.

I am speaking on behalf of the program which allows us, wherever there is starvation and wherever we do not trust the government, to send it in the form of food directly—food, not money—and that food will be delivered to Catholic Charities, to CARE, to the Lutherans, whoever happens to be on hand, and they put it in the mouths of the people. They do not give it to the government. The government never receives it.

Mr. BIAGGI. That may well be, and I am not being critical of the agencies. The fact of the matter is that there is corruption, and the fact of the matter is that these moneys do go to the administration.

Mrs. FENWICK. If the gentleman will yield, it does not have to be moneys. It can be food.

Mr. BIAGGI. It could be moneys or food. But we are dealing with a practical situation.

I have checked with the gentleman from Florida, who, in fact, testifies that these moneys or food, go, in the most part, to the administrations. And the issue is whether or not it in fact does reach the people. If it does, we have no objection. We should have no objection to this amendment. As a matter of fact, very frankly, we are talking in terms of current abuses by certain ostensibly democratic nations—India, and the like. But let us extend this right to Russia. There is an abuse in Russia, an abuse of the people.

We have discussed that in this chamber, and the principle is fundamental. We should adhere to that principle, and there should be a check. This blank check business is out. It is inconsistent with proper government.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. BIAGGI. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. Mr. Chairman, I think the whole crux of what the gentlewoman from New Jersey (Mrs. FENWICK) was saying is that if the money is going to CARE or if the food is going to the Red Cross or if the food is going to a Catholic charity and the President so certifies, then the amendment becomes inoperative.

What we are trying to do is eliminate the short-circuiting, in cases where the food is being sent to a Catholic charity, we will say, and intercepted at some government level and confiscated and something else being done with it, and yet we just continue sending it there.

I believe this amendment would help in the area of what the gentleman is talking about, not hurt it.

Mr. MORGAN. Mr. Chairman, I move to strike the requisite number of words.

I wish to take a few minutes to point out a few things. I wish to remind the gentleman from New York that he was the author of the disaster assistance provision for Cyprus. This bill, of course, has a disaster section in it.

I know the gentleman will agree with me that during the recent crisis, both sides in Cyprus violated human rights. There was torture on each side, for instance. I wonder what determination the President would be able to make under the proposed amendment as far as Cyprus is concerned.

Mr. BIAGGI. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from New York.

Mr. BIAGGI. Mr. Chairman, I am surprised at the statement of the chairman of the committee. I would like to give the gentleman an analogy.

If I am living in my home with my family and a burglar comes into the house in the middle of the night and abuses a member of my family, that would be an atrocity and an abuse. Now, if I in defense shot and killed that burglar, would the gentleman regard me as an abusing person?

I do not think the analogy the gentleman gave is accurate. Really I do not.

Mr. MORGAN. But there have been violations of human rights.

Mr. BIAGGI. Not necessarily. Yes, that is true, but only by the initial aggressor: Turkey, in the gentleman's analogy, and the burglar who came into my home, in the analogy I cited.

Mr. MORGAN. Would the assassination of an American Ambassador be a violation of human rights? The Ambassador was not violating anyone's rights.

Mr. BIAGGI. Mr. Chairman, that was a tragic occurrence, and I certainly condemn that. But let us deal, if we may, with the total picture. That was an unfortunate incident, I am sure the chairman of the committee would agree, but it does not relate to the initial offense.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. Mr. Chairman, I am willing to use Cyprus as a perfect example of what we are talking about. My friend, the chairman of the committee, is exactly right; there were atrocities committed on both sides.

However, this amendment would not affect that if the President makes a simple statement that the aid we are sending is getting to the people. That is all we are talking about. There is nothing more to it.

Mr. Chairman, what we are really talking about is a government which short-circuits the aid and does not permit it to get to the people. I think that is what the gentleman from Iowa (Mr. Harkin) is driving at in his amendment.

Mr. MORGAN. Mr. Chairman, I just want to say to the gentleman from Ohio that there is no money in this bill for Solomon Islands.

Mr. HAYS of Ohio. Well, you have it listed in the book.

Mr. du PONT. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from Delaware.

Mr. du PONT. Mr. Chairman, I would like to follow up what the gentleman from Ohio (Mr. Hays) said on the use of the example of Cyprus. It is not just as simple as it sounds to have the President make a certification that the aid is getting through, because under this amendment somebody first has to determine that human rights were being violated.

Who makes that determination?

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. Mr. Chairman, I suppose any one of the 10,000 bureaucrats over at the AID agency, whoever is designated, would make the determination. I do not know which one it would be, but they can easily assign one.

Mr. du PONT. Mr. Chairman, if the gentleman will yield further, I cannot tell from this amendment today whether Cyprus would be eligible for aid or not. I do not think it is possible to come to that decision.

There is nothing worse than agreeing to an amendment and then having no logical conclusion for the various cases it has to deal with.

Mr. MORGAN. Mr. Chairman, I want to say that this is a humanitarian bill. I knew we were going to get some political amendments offered, but I am sorry to see it happen.

I feel that the amendment offered by the gentleman from Iowa (Mr. Harkin) has some merit, but I feel it has a political dimension which does not belong in this bill. I hope it is not adopted.

Mr. BINGHAM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I had not seen this amendment before it was offered. I listened to the debate carefully and I listened to the remarks made by the gentleman from Iowa (Mr. Harkin), whom I greatly respect. I think his intentions are entirely in accord with those of all of us.

However, the more I have thought about this matter and the more I have studied this amendment, the more I think this would be a disastrous amendment for us to adopt.

What really troubles me about it, as I look at it, is that the President, every time any assistance is offered under title I, would have a terrible responsibility. Bear in mind that these are all the types of programs that we in the committee have been trying to focus on: they are programs that do help the people.

The President is going to have to decide initially, however, or someone that he deputizes is going to have to decide whether he has to file a statement under this amendment. That means he is going to have to decide whether a country is one which engages in a consistent pattern of gross violations of internationally recognized human rights, including torture and prolonged detention without charges having been filed—there are a lot of people in this country in detention without charges—and violations of other rights, such as the right to life, liberty, and the security of their persons. There are plenty of people who feel that the United States of America should fall into this category—and with some justification.

Look around the country. Look around the world. How many countries are there which can pass the test of a clean bill of health in this regard, particularly the developing countries, which are struggling to establish their own identity?

How many democratic countries are there in Africa, for example, which practice our kind of democracy, the kind that we believe in? They are one-party states, for the most part. They are struggling to establish their own identity, and they do not share our notions as to what are essential human rights.

Mr. Chairman, I do not want to see the President required to come in to decide with respect to each country in Africa that we are sending some food to or some seed to, or which we are trying to develop better farming or to cope with their health problems or with population planning, whether or not that is a country which falls within the category of systematic violation of human rights, and, if it does, he has to submit a statement in justification of the aid.

Maybe he could justify the aid in any case, but every time he files a statement, it would be, in effect, an insult to the country concerned, and would upset our relations with that country.

By the very filing of that statement, he would have to be finding that that country is engaging in a consistent pattern of gross violations of human rights, very broadly defined.

Mr. HARKIN. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. Yes, I yield to the gentleman from Iowa.

Mr. HARKIN. First of all, I remind the gentleman that I did not mention in my amendment the word "democracy." I mentioned "human rights." I think that transcends that type or form of government, whether it is a democracy, a dictatorship, or whatever it might be.

I did not mention the word the gentleman used in his remarks.

Mr. BINGHAM. That is quite right.

Mr. HARKIN. I would also ask the gentleman whether he was in opposition last year when the House adopted section 502 (b), which, in essence, if the gentleman will read it, is almost word for word like my amendment.

Mr. BINGHAM. If the gentleman will permit me to answer—this is my time—we did that because that was political assistance. That was security supporting assistance or military assistance.

That is very different from the kind of development aid we are trying to concentrate on here.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. Yes, I yield to the gentleman from Florida.

Mr. FASCELL. The language in the present law, at section 502(b), is sense of Congress language.

Mr. HARKIN. Mr. Chairman, if the gentleman will yield further, the only difference, then, in section 502(b) is that it contains sense of Congress language, but with respect to my amendment, it is operative. In other words, the gentleman from Florida does not want an operative amendment. He only wants a sense of Congress amendment.

Mr. BINGHAM. Let me just answer one thing at a time. This is my time.

The gentleman has requested the House to adopt and to vote for a tougher provision with regard to development assistance and everybody has agreed that the committee has done a good job in concentrating on that type of assistance—than we have in regard to security development assistance.

Mr. HARKIN. If the gentleman will yield further, I recognize that, and that is why I left a loophole in it, so that if they could determine that it was going to the needy people of that country, that aid could be continued.

Mr. BINGHAM. The loophole is not good enough because the loophole only operates if the President comes in here and files a statement that a country is a consistent violator of human rights.

I think that would cause us endless trouble.

Mr. KOCH. Mr. Chairman, I support the amendment offered by Mr. HARKIN of Iowa. The purpose of that amendment is surely salutary. It ends assistance to any country which "engages in a consistent pattern of gross violations of internationally recognized human rights."

Yet, it provides that the President may determine that continued assistance is necessary and will directly benefit the needy people in such countries, providing that neither House of the Congress after is receives such a report from the President objects to furnishing such assistance. I recognize that there are those who believe that we must never end assistance to any country of a humanitarian nature, notwithstanding the inhumanity of the Government toward its own people. I take a different point of view and believe that the elimination of such aid causes inhuman governments to lessen their inhumanity vis-a-vis their own people.

And most important, this amendment provides the safeguard that not withstanding our desires to take such action, under circumstances approved by the President and not opposed by the Congress, such aid can continue. It is a wrenching step for many to oppose the delivery of economic aid to people receiving such assistance from the United States. But for those unable to take such a step under any circumstances, I say that they are failing in their responsibility to exert those pressures needed to change governments and cause them to end torture, cruel, inhuman, and degrading treatment or punishment against their own people.

One beneficiary of such aid, unless stopped by this amendment would be the totalitarian government of Chile. I am for stopping that and will vote for the amendment.

It should also be pointed out that this amendment is directed to ongoing regular programs, not to help in emergencies because of disasters, which help will surely qualify under the escape clause of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa (Mr. HARKIN).

The question was taken and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. HARKIN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 238, noes 164, not voting 31, as follows:

[Roll No. 505]

AYES—238

Abzug
Addabbo
Alexander
Ambro
Anderson, Calif.
Annunzio
Armstrong
Ashbrook
Aspin
AuCoin
Badillo
Bafalis
Baldus
Baucus
Bauman
Beard, R.I.
Bedell
Bennett
Bergland
Biaggi
Blanchard
Blouin
Boggs
Boland
Brademas
Brinkley
Brodhead
Brooks
Brown, Calif.
Broyhill
Buchanan
Burke, Calif.
Burton, John
Burton, Phillip
Byron
Carney
Carr
Chisholm
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cohen
Collins, Tex.
Conlan
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Devine
Dodd
Downey, N.Y.
Drinan
Duncan, Oreg.
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
English
Evans, Colo.
Evans, Ind.
Fisher
Fithian
Flood
Florio
Flowers
Flynt
Fountain
Fraser
Giaimo
Ginn
Grassley
Green
Gude
Guyer
Hagedorn
Hall
Hanley
Hannaford
Hansen
Harkin
Harrington
Harris
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hightower
Holland
Holt
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Hungate
Jacobs
Jenrette
Jones, N.C.
Jones, Tenn.
Karth
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Koch
Krebs
LaFalce
Latta
Lehman
Lent
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
McDade
McDonald
McHugh
McKay
Macdonald
Madden
Madigan
Maguire
Mahon
Mann
Martin
Mathis
Meeds
Melcher
Mezvinsky
Mikva
Miller, Calif.
Miller, Ohio
Mills
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Montgomery
Moore
Moorhead, Calif.
Mottl
Neal
Nix
Nolan
Nowak
Oberstar
O'Hara
Ottinger
Patterson, Calif.
Pattison, N.Y.
Peyser
Pickle
Pike
Pressler
Randall
Rangel
Rees
Richmond
Riegle
Rodino
Roe
Rogers
Roncalio
Rose
Rosenthal
Roush
Rousselot
Roybal
Runnels
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Satterfield
Scheuer
Schroeder
Schulze
Seiberling
Sharp
Shipley
Shuster
Smith, Iowa
Spellman
Spence
Staggers
Stanton, James V.
Stark
Steelman
Stokes
Studds
Sullivan
Symington
Symms
Teague
Thornton
Treen
Tsongas
Vander Jagt
Vander Veen
Vanik
Waxman
Weaver
White
Wilson, Tex.
Wirth
Wolff
Wylie
Yates
Yatron
Young, Fla.
Young, Ga.
Zeferetti

NOES—164

Adams
Anderson, Ill.
Andrews, N.C.
Ashley
Barrett
Beard, Tenn.
Bell
Bevill
Biester
Bingham
Bolling
Bonker
Bowen
Breaux
Breckinridge
Broomfield
Brown, Mich.
Brown, Ohio
Burgener
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Carter
Casey
Cederberg
Chappell
Cleveland
Cochran
Collins, Ill.
Conable
Daniel, Dan
Daniel, R. W.
Dickinson
Diggs
Dingell
Downing, Va.
Duncan, Tenn.
du Pont
Edwards, Ala.
Emery
Erlenborn
Eshleman
Fascell
Fenwick
Findley
Fish
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Frenzel
Frey
Fuqua
Gaydos
Gibbons
Gilman
Goldwater
Gonzalez
Goodling
Gradison
Haley
Hamilton
Hammerschmidt
Harsha
Hastings
Hicks
Hillis
Hinshaw
Hutchinson
Hyde
Ichord
Jeffords
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jordan
Kasten
Kindness
Krueger
Lagomarsino
Landrum
Leggett
Litton
Lujan
McCloskey
McCollister
McCormack
McEwen
McFall
Mazzoli
Meyner
Milford
Mitchell, N.Y.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Pa.
Natcher
Nedzi
Nichols
O'Brien
O'Neill
Passman
Patman, Tex.
Patten, N.J.
Perkins
Pettis
Poage
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Regula
Reuss
Rhodes
Rinaldo
Risenhoover
Roberts
Robinson
Rooney
Rostenkowski
Schneebeli
Sebelius
Shriver
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Nebr.
Snyder
Solarz
Stanton, J. William
Steed
Steiger, Wis.
Stratton
Stuckey
Taylor, Mo.
Taylor, N.C.
Thompson
Thone
Traxler
Ullman
Vigorito
Waggonner
Walsh
Wampler
Whalen
Whitehurst
Whitten
Wiggins
Wilson, Bob
Winn
Wydler
Young, Tex.
Zablocki

NOT VOTING—31

Abdnor
Andrews, N. Dak.
Archer
Burke, Fla.
Crane
Derwinski
Esch
Evins, Tenn.
Fary
Hébert
Jarman
Jones, Okla.
McClory
McKinney
Matsunaga
Metcalfe
Michel
Mineta
Mollohan
Myers, Ind.
Obey
Pepper
Ruppe
Steiger, Ariz.
Stephens
Talcott
Udall
Van Deerlin
Wilson, C. H.
Wright
Young, Alaska

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Mr. BUCHANAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, one of the reasons that I am a convert to the foreign aid program and I have come to believe it is in the national interest of the United States is because of a little known fact about this program. Many people have recognized that it is in our national interest to continue this program from the point of view of world stability, from the point of view of our interdependence in this shrinking world of which we are a part economically, politically, and militarily; but few people realize that most of the dollars in this program are actually spent at home. Eighty-five percent of the dollars involved go to American firms and institutions in forms of contracts here that help provide jobs at home and support for our institutions while the fruit of their work goes to help people in other lands.

One outstanding program, by way of illustration, is that of Auburn University in my own State of Alabama. Auburn has had a research contract with AID for some years. A few years ago the then AID Administrator Hanna pointed out that Auburn had accomplished what he described as a miracle in fish production.

In the Philippines and elsewhere in the developing world the work of Auburn research has gone to provide a major source of protein in terms of the aquaculture that they have developed in Auburn, Ala.

The greatest beneficiary, however, of this whole program has been the Southeast United States, because that same research has been applied there. In this new bill, in recognition of this kind of achievement, we have a new section of the Foreign Assistance Act of 1961 authored by the gentleman from Illinois (Mr. Findley), which in recognition of the key role of land grant universities of the United States is increasing and strengthening that role in development.

I would commend the gentleman for this section, which I coauthored when we introduced it as a separate bill. During his remarks in general debate, the gentleman from Illinois made plain that he did intend for aquaculture to be included in the definition of agriculture as treated in this important section of this bill. I ask the gentleman now to confirm that, if he will.

Mr. FINDLEY. The gentleman is very correct on this point. In fact, the universities that have operated extension services so successfully for so many years have involved themselves in aquaculture very successfully in many parts of the country. The language of the section of this bill is broad enough to cover the application of this same aquaculture expertise in other countries. I commend the gentleman for bringing this to the attention of the committee. As the author of the Famine Prevention program, I want it clearly understood that I intend it broad enough to authorize research and extension in aquaculture.

Mr. BUCHANAN. I thank the gentleman.

I would like to ask the chairman of the committee if he would join with the author of this section in agreeing that aquaculture is intended to be included within the definition of agriculture as treated in this section of the bill.

Mr. MORGAN. Yes, it is.

Mr. BUCHANAN. I thank the chairman for that legislative history. The reason I must raise this question is because the Department of Agriculture in the United States has not heretofore taken that position in its definition of agriculture. I hope that is a situation that can change, but this program spells great hope for people all over the world.

It is a vital part of the foreign assistance effort of this country, and it is illustrative of the way that we can help our institutions and our small farmers and our job holders at home through the dollars spent here to provide research and contracts for goods and services to help other people in developing countries around the world.

I commend this bill to the members of the committee as one that is tightly drawn, that is modest and that will do much good for our country and for humanity when it is passed.

AMENDMENT OFFERED BY MR. MOORE

Mr. MOORE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Moore: Page 37, after line 11 insert the following:

Sec. 316. Section 620(q) of the Foreign Assistance Act of 1961 is amended to read as follows:

"(q) (1) No assistance may be furnished under this Act to any country which is in arrears more than one hundred and eighty days on any payment to the United States of any principal or interest due on any loan or credit furnished to such country under this Act unless the provisions of this paragraph have been suspended with respect to such country in accordance with the provisions of paragraph (2).

"(2) (A) The provisions of paragraph (1) shall be suspended with respect to a country described in such paragraph if—

"(i) the President, having determined that continued assistance to such country is in the national interest of the United States, recommends suspension of such provisions with respect to such country to the Congress; and

"(ii) the Congress, by concurrent resolution, approves suspension of such provisions with respect to such country. Any recommendation submitted by the President to the Congress under clause (i) shall include a statement of the President's reasons for making such recommendation.

"(B) The Congress may attach such conditions as its approval of any suspension of the provisions of paragraph (1) as it deems appropriate, including any of the following:

"(i) Negotiation of a revised payment schedule.

"(ii) Partial payment of the amount in arrears.

"(iii) Restrictions of the type or amount of assistance which may be furnished.

"(C) A suspension of the provisions of paragraph (1) with respect to a country described in such paragraph shall be effective—

"(i) during such portion of the fiscal year during which the Congress approves suspension of such provisions with respect to such country, or

"(ii) during such portion of the first fiscal year beginning after such approval,

as the Congress may designate at the time of such approval."

Mr. MOORE. Mr. Chairman, there were some great speeches given a few minutes ago, in support of placing some sort of reform in this act. The amendment I offer this afternoon does just that, in my humble opinion.

The amendment requires that no funds may be furnished under this act to any country which is in arrears more than 180 days on any sort of grant or credit payment owed to the United States unless the President determines it is in the national interest and Congress approves by a concurrent resolution suspending this amendatory language.

According to the figures I have been shown, over 101 countries or entities are right now in arrears in repayments of loans to the United States in the sum total of $547,611,096, a sizable sum for a country that is in recession and a country that is having problems with deficit spending and inflation.

I think it is high time we stopped fooling the people of this country.

If we are going to give a grant or a gift to a country, let us call it that; let us not call it a loan and have the people of the United States think we are going to collect it. If we are going to call it a loan, let us make some effort to collect it and see to it that the loan is repaid. Let us not disguise gifts as loans.

I think today we can quite obviously no longer afford to support the entire world. We have our own problems here at home in terms of our economy, inflation, and unemployment. I think the people here at home expect us to see to it that debts owed this country are paid. Every dollar we spend right now in this bill is a dollar we do not have. It is deficit spending. That is bringing on inflation, recession, and unemployment. It is depriving our working people of this country of their standard of living, of money to feed their families, through taxation and inflation.

I think it is time we give them the protection that they deserve, the protection that we will make some effort to collect this money by having some semblance of a repayment obligation in this bill. I think that each one of the national borrowers from this country's Treasury have some obligation to repay as our citizens certainly must do when they borrow.

Mr. Chairman, I ask the Members to support this amendment.

Mr. MORGAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the existing language already in the law prohibits assistance to countries more than 6 months in arrears in payments to the United States of principal or interest on foreign aid loans.

Obviously, this provision has served its purpose well, since the percentage of loans in arrears is very, very small. Less than seven-tenths of 1 percent—less than seven-tenths of 1 percent—of all loans made by AID or its predecessor agencies were found to be in default as of March 31, 1975. This will compare favorably, very favorably, with the experience of almost any commercial bank.

Of the total of $149 million in loan payments delinquent or due as of March 31, 1975, $120 million, or 81 percent, were either paid off after that date or have been rescheduled.

The rescheduling referred to has to do with three countries, Pakistan, India, and Bolivia. This leaves less than $29 million in real delinquencies in the whole history of the foreign assistance program.

The waiver authority provided for in existing law, section 620(Q), has been used very, very rarely. Rarely has the President used this waiver authority. This is a pretty tight provision.

Mr. Chairman, with that kind of a record, I just do not think the amendment offered by the gentleman from Louisiana (Mr. MOORE) is necessary.

Mr. BROOMFIELD. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from Michigan.

Mr. BROOMFIELD. Mr. Chairman, I want to express my agreement with the chairman of our committee. I think this amendment that is being offered is totally unnecessary, and I think the record of the AID agency in collecting these payments has been very commendable.

For that reason, Mr. Chairman, I urge the defeat of the amendment.

Mr. MORGAN. Mr. Chairman, I thank the gentleman for his remarks, and I join with him in urging the defeat of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana (Mr. MOORE).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. MOORE. Mr. Chairman, on that I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. SOLARZ

Mr. SOLARZ. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SOLARZ: Page 37, immediately after line 11, add the following new section:

"SEC. 316. (a) The Congress finds that—

"(1) in 1970, at the beginning of the second development decade, the General Assembly of the United Nations recommended that by 1975 each developed nation provide official development assistance in an amount not less than 0.7 percent of its gross national product;

"(2) the level of official development assistance provided by the United States, expressed as a percentage of gross national product, dropped from 0.31 percent in 1970 to 0.21 percent in 1974;

"(3) on the basis of the percentage of gross national product devoted to official development assistance, the United States ranks fourteenth among the world's seventeen developed nations in furnishing assistance; and

"(4) an annual increase by the United States in official development assistance equal to 0.1 percent of its gross national product would reverse the decline in the amount of assistance furnished in recent years and would reaffirm this Nation's desire to aid those countries most in need of development assistance.

"(b) Accordingly, it is the sense of the Congress that—

"(1) the United States should commit itself to the goal of devoting 0.7 percent of its gross national product to official development assistance; and

"(2) beginning with fiscal year 1978, the development assistance budget of the United States should be increased annually by an amount equal to 0.1 percent of the gross national product of the United States until the objective of assistance equal to 0.7 percent of the gross national product is reached."

Mr. SOLARZ. Mr. Chairman, I think that this is basically a very good bill, but it seems to me that if there is any real criticisms that can be made of it, it is not that we are providing too much, but rather that we are providing too little, in the way of development assistance to the developing nations of the world.

In 1970, at the beginning of the second development decade, the United Nations urged all of the developed nations of the world to earmark seven-tenths of 1 percent of their gross national product as assistance for the developing nations of the world.

I regret to report that in those terms we have simply not met our obligations.

The Members may be interested to know that in terms of the totality of our development assistance we are, in the current fiscal year, providing somewhere in the vicinity of only three-tenths of 1 percent of our gross national product for development assistance to the poorest nations of the world—a figure which is well below the seven-tenths of 1 percent called for by the United Nations.

The Members may, in addition, also be interested to know that of the 17 most economically advanced nations in the world, the United States ranks 14th in terms of the percentage of its gross national product which is earmarked for development assistance. Indeed, in the course of the last few weeks, Italy, Norway, Sweden, Canada, and several other nations, have all indicated at the United Nations that they were planning, over the course of the next few years, to provide seven-tenths of 1 percent of their gross national product for development assistance to the developing nations of the world.

In an effort to bring the level of our own development assistance up to the standard called for by the U.N. back in 1970, my amendment provides that beginning in the fiscal year 1978, which is 1 year after this bill expires, it is the sense of the Congress that starting in that year we begin to increase each year, by increments of one-tenth of 1 percent of our GNP, the amount of development assistance we provide to the developing nations of the world until such time as we have reached the U.N. level of seven-tenths of 1 percent of our gross national product for such purposes.

Consequently, the passage of my amendment would cost the taxpayers of our country nothing for the next 2 years. However, it would put the administration on notice, and it would put the rest of the countries of the world on notice, that it is the sense of the Congress that beginning in 1978 we are going to move in that direction.

Mr. Chairman, I simply want to close by saying that if we look at the figures, it turns out that we now spend almost twice as much on toilet articles as we do on foreign aid; we spend three times as much on tobacco as we do on foreign aid; and we spend almost five times as much on alcohol as we do on foreign aid.

Therefore, it seems to me that in terms of both our obligations and our capacity, we could be doing a lot more than we are doing at present. If there is any criticism that can be made of this bill, it is that we ought to be spending more rather than less.

Therefore, Mr. Chairman, I ask the Members to support this amendment.

Mr. GOODLING. Mr. Chairman, will the gentleman yield?

Mr. SOLARZ. Yes; I yield to the gentleman from Pennsylvania.

Mr. GOODLING. I have one problem with respect to this amendment.

As I remember, I think we gave something like $10 million to India to help the starving people. I believe they used all of that money in order to build atomic weapons.

Is there anything in the gentleman's amendment or in this bill that would prevent that? For instance, they would get $75 million. Are we guaranteeing that this is to help the starving Indians or is there the possibility that there will be more military armaments manufactured, even though this is not a military appropriation bill?

Mr. SOLARZ. This amendment, as I think the language shows, has nothing to do with military or security assistance. It applies only to humanitarian and developmental assistance.

Mr. GOODLING. If the gentleman will yield further, that is true, and so did the $10 million and the $75 million in the bill.

Is there anything in the gentleman's amendment that will prevent their doing that which we do not want them to do, that is, using the money for military armaments rather than for what we want?

Mr. SOLARZ. All my amendment does is to establish the sense of Congress that this is the direction in which we want to move. It does not appropriate a single cent.

I must tell the gentleman that I would support him in any subsequent efforts that he might make in order to prevent the kind of eventuality he refers to.

Mr. GOODLING. If the gentleman will yield further, could I ask the chairman whether there is anything in this legislation that would prevent this money from being used as India last used it rather than as money to help themselves and their starving people?

Mr. MORGAN. If the gentleman will yield, the funds programed for India are mostly for fertilizer.

Mr. GOODLING. And that is the only way they can use it? They cannot develop atomic weapons, as they did with the last $10 million we sent?

Mr. MORGAN. No, of course not; it is for fertilizer and food.

Mr. BINGHAM. Mr. Chairman, if the gentleman will yield, I would like to say that I support the gentleman's amendment. I think that, without any binding effect on future Congresses, it would be putting the Congress on the right road.

Mr. MORGAN. Mr. Chairman, I rise reluctantly in opposition to the amendment offered by the gentleman from New York. The gentleman offered this amendment in the committee. It did not carry. The amendment has a good objection but if we go to seven-tenths of 1 percent of our gross national product by 1978, we will have a foreign aid bill that will amount to over $10 billion.

Mr. SOLARZ. If the gentleman will yield, I would just like to clarify the fact that the amendment calls only for an increase of one-tenth of 1 percent beginning in 1978, so we will not reach the seven-tenths of 1 percent figure until well into the 1980's.

Mr. MORGAN. I still feel, Mr. Chairman, that we are not in a position at this time to make this kind of a commitment. With the costs of everything increasing, and with all our security commitments at home and abroad, and then with a $10 billion economic foreign aid bill on the horizon, it may all add up to more than we could carry.

I think the amendment has a good objective, but I just do not feel at this time that it should be in this bill.

Mr. FRASER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from New York (Mr. SOLARZ).

I appreciate what the chairman of the committee has said when he indicated that this is a good amendment, but was concerned about what it might eventually provide. Let me reemphasize two things about this amendment: First, it is only a sense of the Congress amendment so it has no binding effect. Second, it does say, if we adopt it, that the United States believes that in our future planning for official development aid we are going to gradually move upward over the years ahead until we reach the agreed upon international figure of seven-tenths of 1 percent of our gross national product.

Development has been the subject of the Special Assembly of the United Nations that took place last week. I served as a delegate to that special session and listened to the speeches of our neighbors from Europe and Canada.

Here, for example, is what Mr. MacEachen of Canada said in the U.N. this last week:

> We are determined to achieve for official development assistance the official United Nations target of 0.7 percent of our gross national product . . .

The Foreign Minister from Italy speaking on behalf of the European community said:

> The community has confirmed its determination to achieve the target of 0.7 percent of gross national product for public aid . . .

The Foreign Minister from Sweden said:

> We clearly affirm the goals and commitments of the Second Development Decade strategy, particularly the 0.7 percent target for official development assistance.

Norway said:

> Norway expects to reach the target of 0.7 percent of its gross national product this year.

Denmark said:

> We expect to reach the 0.7 percent target by the end of this decade.

So we have here what is only a sense of the Congress resolution. We do not say we expect to meet it this year, we are not even going to try to meet it, nor next year, but we urge the administration in subsequent years to come in for an incremental increase in our aid programs in order that we can join our neighbors in Europe and Canada in meeting the official figure of 0.7 percent.

I think this is a good amendment. It certainly can do no harm and would clearly strengthen our role in Congress in providing some leadership in a most important matter for the world community.

Mr. SIMON. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I rise in strong support of the amendment offered by the gentleman from New York. What he is asking us for basically is leadership. The gentleman from Minnesota (Mr. FRASER) hit it right on the head. If Sweden, Norway, Denmark, and Japan are doing this right now—the Netherlands, incidentally, is at 1.2 percent—are we going to say that we have less compassion than they do? Some of my colleagues I hear are saying, "Yes." I do not think the people back home—and I come from the poorest district in the State of Illinois economically—say that.

I think we ought to look at our history just a bit. Under the Marshall plan we devoted almost 3 percent of our gross national product helping the poor beyond our borders. But then the Members of Congress and the Members of the Senate could go back to their districts and say to the Schmidts, "I am helping your relatives in Germany." They could say to the Zagnellis, "I am helping your relatives in Italy." They could say to the Thompsons, "I am helping your relatives in Great Britain."

But now the people who need help live in Bangladesh, and countries where there is no political sex appeal in this thing, but there are two things: One, our own self-interest. Keep in mind, No. 1, ultimately the defense of this Nation rests not only on bombs and bombers and submarines and ships, but in people who have food in their stomachs. To spend roughly, as I was calculating just a minute ago, 63 times as much on that as on economic assistance is not in the long-range best interests of my 2 children.

The second thing I would remind the Members is what John F. Kennedy used to remind us again and again: "The rising tide lifts all the boats." If we can help people in Indonesia and Bangladesh and other places, ultimately we are helping ourselves.

The Marshall plan, which I think we viewed as charity, has turned out to be an investment in our own economic prosperity, and the same will be true in the future for other countries. The gentleman from New York (Mr. SOLARZ) has asked us to lift the vision of this Nation, and I think he is wise. I hope we will be as wise.

Mr. FRASER. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I yield to the gentleman from Minnesota.

Mr. FRASER. I thank the gentleman for yielding.

The gentleman remarked about the security of the United States not resting in bombers and bombs and planes and tanks. I thought he might be interested in knowing that when the Soviet representative of the United Nations spoke this last week, the Soviet representative said:

> We are not responsible for the problems of the Third World, and so do not expect us to do much about them.

So the real question is whether we want, it seems to me, to distinguish ourselves, separate ourselves, from this rather cold position of the Soviet Union, or whether we will remain at the bottom of the donor list. What has happened in the United Nations is that some of the old antagonisms are melting as the United States is showing that it has the will and the capacity to come to grips with some of these particular problems.

This amendment would be enormously useful in that context.

Mr. SIMON. I thank the gentleman.

I would add that the Moynihan-Kissinger speech the other day in the United Nations was a turning point, and the adoption of this amendment would be another message to the people of the world, a very fundamental message. Again if I may refer to John F. Kennedy, I would recall for you the days when this Nation conveyed somehow the message that we cared. I think this amendment would do that and I think this bill even without the amendment would do that.

Mr. MILLER of Ohio. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I yield to the gentleman from Ohio.

Mr. MILLER of Ohio. Mr. Chairman, while we are referring to the vision which is held about the United Nations, could the gentleman tell us how many nations voted that we spend seven-tenths of 1 percent of our GNP on foreign assistance? Who are those nations? Are they the nations that would receive the aid, the recipients of the foreign assistance program? And if they are setting that value, perhaps they could set it at 10 percent. Could the gentleman tell me how many nations and whether they are the nations that would receive the assistance we would give?

Mr. SIMON. I cannot obviously give the gentleman that list of nations right now and it is probable a majority of the nations who voted are recipients. It is just the same in the community of the gentleman when perhaps a majority vote for a school bond issue or a school levy, that recipients rather than major donors in that community are the majority in the vote, but the whole community is benefited when we have a better school system. We are going to have, if we assist the poor beyond our borders, a better world and I would like to have our Nation do its part just as other nations are.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

(On request of Mr. BINGHAM, and by unanimous consent, Mr. SIMON was allowed to proceed for 1 additional minute.)

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. SIMON. I yield to the gentleman from New York.

Mr. BINGHAM. Mr. Chairman, I thank the gentleman from Illinois for yielding.

Mr. Chairman, just in further response to the question of the gentleman from Ohio, is it not true that this figure represents the kind of thinking of the developed nations, the industrial nations on the Development Assistance Committee of the OECD, which have been focusing on the problems of the developing world? In other words this figure does not come just from the developing nations, but from the developed countries as well.

As has been pointed out, of the 17 countries of the Development Assistance Committee, we rank now 14th in terms of the amount of aid we give as a percentage of GNP.

Mr. SIMON. I think that is correct. The only western European nations below us are Spain and Portugal at the present time.

Mr. Chairman, the question is on the amendment offered by the gentleman from New York (Mr. SOLARZ).

The amendment was rejected.

AMENDMENT OFFERED BY MR. M'DONALD OF GEORGIA

Mr. McDONALD of Georgia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. McDONALD of Georgia: Page 36, immediately after line 15, insert the following new section 314 and redesignate existing sections 314 and 315 as sections 315 and 316, respectively:
>
> ASSISTANCE TO COMMUNIST COUNTRIES
>
> SEC. 314. The second sentence of section 620(f) of the Foreign Assistance Act of 1961 is amended by striking out "unless the President" and all that follows thereafter through "international communism".

Mr. McDONALD of Georgia. Mr. Chairman, this amendment would prohibit our Government from forcing the American people, through their tax money, to subsidize Communist countries.

Section 620(f) of the Foreign Assistance Act of 1961 prohibits assistance to any Communist country. However, this restriction may be waived by the President if he—

> finds and promptly reports to Congress that: (1) such assistance is vital to the security of the United States; (2) the recipient country is not controlled by the international Communist conspiracy; and (3) such assistance will further promote the independence of the recipient country from international communism.

My amendment would leave the prohibition on assistance to any Communist country intact, but would delete the President's waiver authority.

Now I realize that our present foreign policy of détente means we are supposed to be friendly with the Communists. But should this friendship include subsidies? If so, this would amount to a sort of international blackmail: "Subsidize us, you capitalist warmongers, or we'll become hostile and attack."

Has our self-esteem fallen to such a level that we would meekly acquiesce to an international shakedown or protection racket?

Or is the argument that we have a humanitarian duty to help the people in Communist countries? But is not their system supposed to bring prosperity? If their people are hungry and constantly in need of capitalist assistance, is this our fault or the fault of their system?

Many Communist countries do seem to be able to send tanks to the Middle East, guns and guerrillas to Southeast Asia, and KGB agents everywhere. Possibly this explains their inability to feed their own people.

Nevertheless, whatever the merits of being "friendly" with the Communists, there is no justification for this including subsidies. If they wish to be treated on an equal basis, they can engage in trade, stop aggression and limit their arms buildup. If they are unable to compete on an equal basis without capitalist money, they can change their system. A little freedom does wonders in transforming lethargy into productiveness.

I also wish to emphasize that this amendment would not tie the President's hands in the conduct of foreign policy, at least not in regards to a rational foreign policy. He will be free to make agreements, allow trade, et cetera. The only new restriction imposed on his freedom in this area is that he will be unable to force the taxpayers to subsidize dictatorships many consider to be enemies.

Mr. ZABLOCKI. Mr. Chairman, I rise in opposition to the amendment.

The gentleman's amendment would strike the waiver authority in section 620(f). Now, over the years the President has never abused this waiver authority. Although this waiver authority has existed for many years, it has not been used except in the case of Yugoslavia. That was over a decade ago for moderate amounts of assistance, less than $2 million.

Now, we do know that there is a need at times to assist Communist countries in order to wean them away from the control over them by the U.S.S.R. or some other large Communist country. This amendment would deny the President the possible use of a lever to help those countries adopt policies independent of the Soviet Union, or to take actions which could advance important U.S. interests. That would be counterproductive.

In the month of August, with Speaker ALBERT, a group of us visited the U.S.S.R., Romania, and Yugoslavia. I cannot imagine that Yugoslavia could exist with its independent policy and positions if we had not assisted that country in the past. If we foreclose the opportunity to assist socialist governments, we will drive them into utter dependence on the Soviet Union.

Removing the waiver unnecessarily restricts the President in adapting U.S. foreign policy to changing conditions in international affairs.

The present waiver authority provides for full and prompt disclosure to the Congress of any Presidential finding to provide assistance to any of the countries enumerated in the section.

I think we have sufficient control that the Congress need not be worried. I hope we will defeat this amendment, because it, indeed, would tie the President's hands.

Mr. McDONALD of Georgia. Mr. Chairman, will the gentleman yield?

Mr. ZABLOCKI. I yield to the gentleman from Georgia.

Mr. McDONALD of Georgia. Mr. Chairman, I can recall back in the last few years of the Vietnam war when Tito of Yugoslavia stated after receiving this aid that Yugoslavia stands shoulder to shoulder with their brothers in North Vietnam in the defeat of the aggressors, the United States, in South Vietnam.

Can we honestly say that such subsidized assistance to Yugoslavia is good. Can we go to the families of those dead and missing in action in South Vietnam and say that was a benefit?

Mr. ZABLOCKI. Mr. Chairman, I might say to the gentleman, there were people in our own country that said we should stand shoulder to shoulder with some of "our brothers in North Vietnam," those people claimed to be Americans. There has been an increase in U.S. contacts in Yugoslavia, including trade and business. I think this is a very bad amendment. We should not adopt it.

Mr. SYMMS. Mr. Chairman, I rise in support of the amendment. I would like to ask the gentleman from Georgia if he could simplify this. Does this legislation, if the gentleman's amendment is adopted, mean that no Communist country would be allowed to be eligible for any of this aid?

Mr. McDONALD of Georgia. It simply means that no longer are we going to be finding ourselves in a situation where, either directly or indirectly, we will be financing and feeding an enemy at the same time we are fighting him. We have done this, certainly in the case of the war in Southeast Asia where we sent men to die in South Vietnam and ultimately wound up shipping goods to Communist countries.

It seems to me there is no reasonable basis for giving any subsidized assistance, and all this does is simply to prohibit any subsidized assistance to a Communist country.

I agree with the gentleman from Idaho and I appreciate his question. All this amendment would do is simply to remove the subsidy to the Communist countries. I think that if they have such a hot system, let them prove it to their own people.

Mr. SYMMS. I thank the gentleman. I think that sounds like a very commonsense idea. We shall decide what side we are on and support that side and not the other side; as we have been doing for the past 30 years.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. SYMMS. I yield to the gentleman from Florida.

Mr. FASCELL. Mr. Chairman, I would like to say that I agree with the statement on one account, because there is no aid in this bill for any Communist country. We are talking about sheer rhetoric. The President has never abused the authority. If this is in the bill, then we force the President to do something else because it does not make sense. We have direct prohibitions, and there is no assistance in the bill.

Mr. SYMMS. Then I am sure the gentleman would not have any objection to the amendment.

Mr. FASCELL. We can legislate and relegislate and relegislate to suit ourselves. That is political expediency of the moment, but that is not good legislation.

Mr. SYMMS. It seems inconsistent that the only area we would not want to tie the President's hands would be in giving aid to Communist countries.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia (Mr. McDonald).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. McDONALD of Georgia. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. ZABLOCKI

Mr. ZABLOCKI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Zablocki: Page 35, in line 20 strike out "and"; in line 23 strike out the period and insert in lieu thereof "; and"; and immediately after line 23 insert the following new paragraph:

(5) by adding the following new subsection at the end of such section:

"(i) None of the funds available to carry out this chapter may be obligated or expended, directly or indirectly, to support the International Labor Organization or to support any program of the United Nations Development Program which is administered by such Organization or by the United Nations Educational, Scientific, and Cultural Organization.".

Mr. ZABLOCKI. Mr. Chairman, very simply, the amendment would prohibit U.S. funds to United Nations development programs for UNESCO and ILO. The amendment would have three effects.

It would prohibit the use of any funds in the act to support, directly or indirectly, the International Labor Organization.

It would prohibit the use of any U.S. funds contributed to the United Nations Development Program, UNDP, from being used on projects carried out by the ILO.

It would prohibit the use of any U.S. funds contributed to the United Nations Development Program from being used on project carried out by UNESCO.

The question may be asked, why? What is the reason? Why should the amendment be adopted?

Mr. Chairman, I submit that the reason for the amendment is to complete the work begun by Congress when it, first, put a prohibition in the Foreign Assistance Act of 1974 against further funds to UNESCO until it rescinded its political actions aimed at Israel; and second, put a prohibition of further paying of dues to the ILO until it ceases to take such actions as admitting the PLO to observer status.

Further, this amendment would serve as a signal to the members of the United Nations, particularly those within the international organization, that the United States will no longer stand by when certain groupings of nations continue their shenanigans and harassment of our nation in the United Nations.

Mr. Chairman, although no U.S. funds can be directly channeled to either organization, there is an indirect channel through the UNDP which has given those organizations $60 million last year for projects.

Thus, the amendment would close an existing loophole.

Testimony was received by the committee from the president of the AFL–CIO, George Meany, in favor of such a ban on UNDP funding.

This amendment does not cut any money from UNDP, but simply says that it shall not use any U.S. funds for UNESCO or ILO projects. It can use the funds for other beneficial projects.

The $60 million this year could be, I submit, used for other good projects, outside any UNDP contracts with ILO and UNESCO projects.

In a sense, this amendment is a bookkeeping amendment similar to one which is still on the books barring U.S. funds in UNDP being used for Cuba.

At the same time, however, it would express in a concrete way the displeasure of the United States at UNESCO and ILO for their actions of a purely political character.

I think this is an amendment, as I said before, that gives notice to certain groupings in the United Nations that they cannot continue their harassment.

Mr. Chairman, I hope the amendment will be adopted.

Mr. BINGHAM. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I was the author of the amendment that was adopted last year that cutoff U.S. funds from UNESCO until the President can certify that UNESCO had stopped its political activities against Israel. That amendment is still in effect. I think it is having a beneficial effect. Our assessments to UNESCO were not paid. UNESCO is feeling the pressure.

But while the gentleman from Wisconsin said that this amendment will carry out the same purpose, I beg to differ: it will not accomplish the same purpose. It will not help Israel in any way. Israel is not interested in this amendment. Israel contributes to UNDP. It does not say its funds cannot go to ILO or to UNESCO projects. It benefits from the funds. As a matter of fact, it gets more from the UNDP than it contributes.

Moreover, let us distinguish between UNESCO and ILO. UNESCO engaged in a series of political activities aimed at Israel and deserved our actions of last year, which are still on the books.

The ILO, on the other hand, has done nothing comparable and it was already one of the international organizations to accept the PLO as an observer. Indeed, the United Nations General Assembly did the same thing. I deplore that these organizations did that, but they all did it. And ILO was actually the last one to take that step. It does not give the PLO a vote. It means they are there as an observer. Does that mean we should cancel our projects and try to interfere with the projects that these organizations carry on.

What kind of projects are we talking about here?

I have visited a number of projects that both of these organizations carry on in various developing countries. The ILO primarily does vocational training work. I have here a list of those projects which is very illustrative. The ILO sets up institutions to train vocational teachers. Nothing could be more important to a developing country than that type of work. The ILO does not get any money from these projects. As a matter of fact, it loses money because it does not get fully repaid for its overhead expense. The ILO acts as the contracting agency for the UNDP in carrying out that type of project.

UNESCO carries out projects, again as a contracting agency, mainly in the field of education. Adult literacy programs are carried on by UNESCO.

Does the gentleman from Wisconsin (Mr. Zablocki) really want to say that we no longer will support adult literacy programs in the developing countries because ILO accepted the PLO as an observer at its meetings? It does not make any sense.

This would hurt the countries that are being benefited by these programs. It would not hurt ILO, and it certainly would not help Israel.

So, Mr. Chairman, I plead with the Members not to go along with this amendment.

Let me make one final point. It is true that Mr. George Meany testified on behalf of an amendment of this character, but this is a personal opinion of Mr. Meany's. He has had, if I may say so, a feud with the ILO for a number of years. He has not liked the way the ILO has operated.

This amendment is not something that we have heard from the labor unions about. Your vote on this amendment can not be regarded as a prolabor or an antilabor vote. The amendment reflects the personal views of Mr. George Meany which he is entirely entitled to present and entirely entitled to hold, and he speaks for the AFL–CIO. But we should not consider this amendment as an amendment of concern to organized labor generally.

This is an amendment that would hurt the best type of program that the U.N. carries on. Of all the activities the U.N. is engaged in—and the Lord knows some of them in recent years have been deplorable—the U.N. is one outfit that everybody says is doing a good job. It does the job by contracting out to various agencies in their specialized fields.

Mr. Chairman, let us not try to interfere with this program by saying that our funds cannot be used to carry out programs for adult literacy or programs for vocational training. That would not make any sense.

Mr. FRASER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I will be brief. There are three reasons why I think this amendment would be a mistake.

First, the prospect that Israel might be the subject of a move to suspend it from the General Assembly of the U.N. has moderated substantially. The problems that Israel faced in the U.N. are substantially less than they were 3 months ago or 6 months ago. I think that to put this issue in here now and to raise the issue would do no one any service. It certainly would be of no assistance to the country of Israel.

Second, the United Nations development program is one of the least politicized programs in the United Nations. If we decide we are going to begin to politicize it, we should first remember who has the operating majorities in the U.N. It is the Third World countries, and they are not always sympathetic to our point of view.

If we decide that the UNDP can be politicized and we say that we are going to go ahead and politicize it, we can imagine what the result of that is going to be. The result will be bad. It will be bad from the point of view of the United States, and it will be bad from the point of view of the problems of development.

Let me make one last point. If this amendment is agreed to and this becomes law and if its full intent were to be carried out presumably some ILO projects in Israel could be ended. There are nine projects today in Israel from which Israel is getting the benefit, and they are administered by the International Labor Organization.

One of these projects has to do with safety controls for steam boilers and steam pressure equipment; another has to do with industrial medicine and medical service.

Another has to do with administration of regional control of industrial safety and health; another with environmental tests, and so on.

These are projects that Israel has requested. They have asked ILO to be the executing agency. ILO is administering these programs today in Israel.

If this amendment passes and if the UNDP stopped using the ILO as an executing agency, these could be stopped dead in their tracks. Who would benefit by such an action?

I think the gentleman from New York was exactly right in saying that the case of UNESCO is such, that we have cut their funds; we have cut off their funds until they straighten out.

That is a direct, specific way to deal with this issue.

To take on the UNDP and to politicize it, I think, would be a tragic disservice to Israel, to the United Nations, and to the world community.

Mr. BIESTER. Mr. Chairman, will the gentleman yield?

Mr. FRASER. Yes, I yield to the gentleman from Pennsylvania.

Mr. BIESTER. Mr. Chairman, I wish to associate myself with the remarks of the gentleman in the well and to underscore his opposition. In fact, in the long run, the adoption of this amendment would not only hurt many of our friends, but we would wind up inevitably hurting ourselves through the overpoliticization of the UNDP. We are the ones who would be the ultimate losers.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin (Mr. ZABLOCKI).

The amendment was rejected.

Ms. ABZUG. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I had intended to offer an amendment to page 36 by inserting a new section 314, which reads, in part, as follows:

> All assistance furnished under Part I of this Act to a country shall be immediately terminated if such country, on account of race, religion, color, national origin, age or sex, discriminates against, or denies entry to, any national of the United States who is involved in furnishing such assistance, or who would be so involved but for such discrimination or denial of entry.

This issue came to my attention as chairwoman of the Subcommittee on Government Information and Individual Rights of the Government Operations Committee. As a matter of fact, it was brought to my attention by another Member of this House, the gentleman from Wisconsin (Mr. KASTEN), who pointed out that, a practice existed whereby countries to whom we have furnished aid caused agencies of the Government including AID to discriminate against their own employees, albeit there were laws on the books, Executive orders, and, indeed, internal regulations prohibiting discrimination against employees by reason of sex, religion, race, national origin, age, or color.

This was accomplished by nations to whom we provided assistance, for example, by simply refusing to give visas to certain employees if they did not meet the requirements of that country. A country that discriminated against black people in this way prevented American employees who were black from entering that country under an AID program or a country that did not allow Jews to come into their country, prevented American employees who were Jewish from entering that country.

The interesting thing about our hearings was that although AID had regulations which prohibited discrimination on these grounds, they also lived by certain criteria for assignment which said that they did not recommend employees in AID programs if such assignment did not insure the possibility of effective performance in the local environment. This appears to be tacit acceptance of discrimination by the agency itself.

The details of these practices can be found in testimony given during the hearings of the Government Operations Subcommittee on April 7 and April 8.

In my proposed amendment, I was not suggesting that we dictate to other nations what their standards or what their codes should be, but rather that we should not allow other nations particularly those to whom we provide aid, to use their laws, their customs, and their practices to influence or force us in this way to discriminate against our own employees, in violation, indeed, of our own laws and regulations.

I have not received any evidence to date that those practices have changed. I wonder whether the gentleman from Pennsylvania (Mr. MORGAN), chairman of this very committee, shares my concern and is prepared to go into this question to make certain that indeed AID and the State Department, will insist that they cannot permit any country to refuse visas or use any other methods which have the effect of discriminating against our employees, and that we alone assign employees in our foreign assistance and other programs without discrimination.

Mr. MORGAN. Mr. Chairman, if the gentlewoman will yield, I have read the proposed amendment of the gentlewoman from New York with great interest and I believe the objective of her amendment is very good. I just want to say that the Committee on International Relations does not condone any discrimination against any U.S. citizen on account of race, religion, sex, or for any other reason.

Some years ago problems in this respect were called to the attention of the committee and we held hearings on this very issue. As a result we put in the Foreign Assistance Act and in the State Department authorization language to make clear that the Congress does not condone any discrimination.

As I understand, the gentlewoman from New York has held hearings on this. If she has any data to give to the Committee on International Relations we would be glad to look into it and follow through with some recommendations when we bring legislation. As I say, I think the amendment is a good amendment but I believe we should try to develop further information before we seek to write an amendment into law.

Ms. ABZUG. I thank the gentleman.

The CHAIRMAN. The time of the gentlewoman has expired.

(On request of Mr. ASHBROOK, and by unanimous consent, Ms. ABZUG was allowed to proceed for 2 additional minutes.)

Mr. ASHBROOK. Mr. Chairman, will the gentlewoman yield?

Ms. ABZUG. I yield to the gentleman from Ohio.

Mr. ASHBROOK. Mr. Chairman, I was interested in one facet of the gentlewoman's amendment, and I am just wondering about it. There are certain countries that will not allow marriages to take place, for example, unless the religion of the people involved is one that the state recognizes. I was wondering if we would get into an area here that might be just a little bit outside of our province if we should go too far in this direction. For instance, would it cover American citizens, for instance, if they wanted to get married in a certain country and that country's law did not allow them to get married?

Ms. ABZUG. Mr. Chairman, the main purpose of the amendment I had intended to present dealt with the external pressures of the nations to which we provide aid. Under it, we make clear that we are not going to succumb to discrimination in violation of our own laws in providing aid to those countries, and in providing the kind of personnel, the kind of employees that we choose to send along with our aid programs.

Mr. ASHBROOK. If the gentlewoman will yield further, I do not think I see anything in the gentlewoman's amendment that refers to external or internal pressures, you are merely talking about a country which denies our citizens basic rights, or discriminates against them.

I do not know what is meant by external pressures.

Ms. ABZUG. If a country denies entry to any national of the United States employed by the U.S. Government then they are actually putting pressure upon us by simply denying a visa to a person. If an AID program goes to X-country and we send employee Y to them, or if employee Y is going to go to that country and we cannot get a visa for that person because that person is a female, or because that person is black or Jewish these are external pressures. There is ample evidence in the record of the hearings in April on this matter.

Mrs. MEYNER. Mr. Chairman, will the gentlewoman yield?

Ms. ABZUG. I yield to the gentlewoman from New Jersey.

Mrs. MEYNER. I wish to commend the gentlewoman from New York upon her proposed amendment, concerning the spirit and the intent of it, and to say that when that amendment does come up in the future that it will certainly have my support. I think it is a good amendment.

Ms. ABZUG. I thank the gentlewoman.

The CHAIRMAN. Are there any further amendments to title III?

AMENDMENT OFFERED BY MR. ASHBROOK

Mr. ASHBROOK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Ashbrook: On page 37, after line 12, add the following new section:

"Notwithstanding any other provision of this Act, every authorization made by this Act and every allocation or limitation thereunder shall be reduced by five percent."

Mr. ASHBROOK. Mr. Chairman, certainly it is not necessary to take the entire 5 minutes. I think everybody can understand this. This amendment would result in a net reduction of roughly $144 million, as I figure it, over the next 2 years. I think there are many of us, despite the statements we have heard that we are not doing enough, who feel that possibly in our own financial and economic situation we are carrying too much of a burden. I would like to give the House an opportunity to vote on a 5-percent cut.

Mr. Chairman, I yield back the remainder of my time.

Mr. MORGAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment is just a meat-ax type of cut. It is not unusual to have amendments of this kind offered. As a straight across-the-board cut, it would affect many programs that are absolutely necessary and are authorized under this legislation.

I ask the House to defeat the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. Ashbrook).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. ASHBROOK. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

The CHAIRMAN. Are there further amendments?

Mr. de la GARZA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the only reason I take the time, and I apologize for it, is mainly to correct an error that appears in the report, because it may not seem important here, but it is to the people concerned. In the famine prevention section of the bill, section 311, it was originally intended that only land-grant universities participate. This is no longer the case. The gentleman from Illinois (Mr. Findley) has heretofore in his statement and in the report stated the fact that other universities that qualify under certain criteria would be eligible to participate under the famine prevention program.

Also I would like to add in passing that in the report it states that Texas Arts and Industries University is one of those interested. I might add that the correct name of that school is Texas A. & I. University of Kingsville, Tex., which is very important to them. The matter of the land-grant colleges as related to the other universities that are not land grant I think has been explicitly covered by the interpretation of the report and the statement of the gentleman from Illinois (Mr. Findley), who is the original author of a separate bill.

Mr. Chairman, I yield back the remainder of my time.

Mr. ROUSSELOT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to H.R. 9005, legislation which would authorize appropriations of almost $1.5 billion in fiscal year 1976 and over $1.5 billion in fiscal year 1977 for international development assistance and international disaster assistance programs. In addition, H.R. 9005 would authorize almost $340 million for the transitional quarter.

The fiscal year 1976 authorization as reported by the committee is over $190 million more than the amount authorized for fiscal year 1975, over $517 million more than the amount appropriated for fiscal year 1975, and over $61 million more than the President's budget request for fiscal year 1976. The fiscal year 1977 authorization is almost $360 million more than the amount authorized for fiscal year 1975, almost $687 million more than the amount appropriated for fiscal year 1975, and almost $63 million more than the President's budget request for fiscal year 1977.

We can no longer ask the citizens of our Nation to bear the burdens of inflation/recession as a result of deficit spending by the Federal Government. We do not have the money authorized to be appropriated in this bill to share with foreign countries, and especially when this sharing would be at the expense of our own Nation.

Achieving economic stability for the United States should be the prime goal of this Congress—a stability that can only be realized by reducing Federal spending to bring expenditures into balance with anticipated revenues. The deficit for this fiscal year alone will in all probability run over $80 billion pushing the total deficit close to, if not over, $630 billion. This will further deprive the private sector of the capital needed for job-producing programs.

I strongly urge my colleagues to join with me in voting down this legislation.

The CHAIRMAN. If there are no further amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. Price, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 9005) to authorize assistance for disaster relief and rehabilitation, to provide for overseas distribution and production of agricultural commodities, to amend the Foreign Assistance Act of 1961, and for other purposes, pursuant to House Resolution 707, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. YOUNG OF FLORIDA

Mr. YOUNG of Florida. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. YOUNG of Florida. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Young of Florida moves to recommit the bill H.R. 9005 to the Committee on International Relations.

The **SPEAKER**. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The **SPEAKER**. The question is on the motion to recommit.

The motion to recommit was rejected.

The **SPEAKER**. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. BAUMAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The **SPEAKER**. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 244, nays 155, not voting 34, as follows:

[Roll No. 506]

YEAS—244

Abdnor
Abzug
Adams
Alexander
Anderson, Ill.
Andrews, N. Dak.
Annunzio
Armstrong
Ashley
AuCoin
Badillo
Baldus
Baucus
Beard, R.I.
Bedell
Bergland
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Brademas
Breckinridge
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Buchanan
Burke, Calif.
Burke, Mass.
Burton, John
Burton, Phillip
Byron
Carney
Carr
Cederberg
Chisholm
Clay
Collins, Ill.
Conable
Conte
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniels, N.J.
Danielson
Dellums
Diggs
Dingell
Dodd
Downey, N.Y.
Drinan
Duncan, Oreg.
du Pont
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Erlenborn
Evans, Colo.
Evans, Ind.
Fascell
Fenwick
Findley
Fish
Fisher
Flood
Foley
Ford, Mich.
Forsythe
Fraser
Frenzel
Giaimo
Gilman
Gonzalez
Gradison
Green
Gude
Guyer
Hagedorn
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Hastings
Hawkins
Hayes, Ind.
Hays, Ohio
Heckler, Mass.
Heinz
Helstoski
Hicks
Hillis
Hinshaw
Holtzman
Horton
Howard
Howe
Hyde
Jacobs
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jordan
Karth
Kasten
Kastenmeier
Keys
Koch
Krebs
Krueger
LaFalce
Leggett
Lehman
Lent
Litton
Long, La.
McCormack
McDade
McEwen
McFall
McHugh
McKay
Macdonald
Madden
Madigan
Maguire
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Michel
Mikva
Miller, Calif.
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Myers, Pa.
Nedzi
Nix
Nolan
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Patten, N.J.
Pattison, N.Y.
Perkins
Peyser
Pickle
Preyer
Price
Pritchard
Quie
Railsback
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Rodino
Roe
Rooney
Rostenkowski
Roybal
Ryan
St Germain
Sarasin
Sarbanes
Scheuer
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Simon
Sisk
Smith, Iowa
Smith, Nebr.
Solarz
Spellman
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steiger, Wis.
Stokes
Stratton
Studds
Sullivan
Symington
Thompson
Thone
Traxler
Tsongas
Ullman
Vander Jagt
Vander Veen
Vanik
Vigorito
Walsh
Waxman
Weaver
Whalen
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wolff
Wydler
Yates
Yatron
Young, Ga.
Young, Tex.
Zablocki

NAYS—155

Ambro
Anderson, Calif.
Andrews, N.C.
Archer
Ashbrook
Bafalis
Barrett
Bauman
Beard, Tenn.
Bell
Bennett
Bevill
Bowen
Breaux
Brinkley
Brown, Ohio
Broyhill
Burgener
Burleson, Tex.
Burlison, Mo.
Butler
Carter
Casey
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Tex.
Daniel, Dan
Daniel, R. W.
Davis
de la Garza
Dent
Derrick
Devine
Dickinson
Downing, Va.
Duncan, Tenn.
Edwards, Ala.
Emery
English
Eshleman
Florio
Flowers
Flynt
Ford, Tenn.
Fountain
Frey
Fuqua
Gaydos
Gibbons
Ginn
Goldwater
Grassley
Haley
Hammerschmidt
Hansen
Harsha
Hechler, W. Va.
Hefner
Henderson
Hightower
Holland
Holt
Hubbard
Hughes
Hungate
Hutchinson
Ichord
Jenrette
Jones, N.C.
Jones, Tenn.
Kazen
Kelly
Kemp
Ketchum
Kindness
Lagomarsino
Landrum
Latta
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Long, Md.
Lott
Lujan
McCollister
McDonald
Mahon
Mann
Martin
Mathis
Milford
Miller, Ohio
Mills
Mollohan
Montgomery
Moore
Moorhead, Calif.
Mottl
Murtha
Natcher
Neal
Nichols
O'Brien
Passman
Patterson, Calif.
Pettis
Pike
Poage
Pressler
Quillen
Randall
Risenhoover
Roberts
Robinson
Rogers
Roncalio
Rose
Roush
Rousselot
Runnels
Russo
Santini
Satterfield
Shipley
Shriver
Shuster
Sikes
Skubitz
Slack
Snyder
Spence
Steed
Steelman
Stephens
Stuckey
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thornton
Treen
Waggonner
Wampler
White
Whitehurst
Whitten
Wiggins
Wylie
Young, Fla.
Zeferetti

NOT VOTING—34

Addabbo
Aspin
Biaggi
Burke, Fla.
Conlan
Conyers
Crane
Delaney
Derwinski
Esch
Evins, Tenn.
Fary
Fithian
Goodling
Hébert
Jarman
Jeffords
Jones, Okla.
McClory
McCloskey
McKinney
Matsunaga
Myers, Ind.
Patman, Tex.
Pepper
Rosenthal
Ruppe
Steiger, Ariz.
Teague
Udall
Van Deerlin
Wirth
Wright
Young, Alaska

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Matsunaga for, with Mr. Hébert against.
Mr. Wirth for, with Mr. Addabbo against.
Mr. Patman for, with Mr. Teague against.
Mr. Pepper for, with Mr. Delaney against.
Mr. Van Deerlin for, with Mr. Evins of Tennessee against.
Mr. McKinney for, with Mr. Goodling against.
Mr. Esch for, with Mr. Conlan against.
Mr. McClory for, with Mr. Steiger of Arizona against.
Mr. McCloskey for, with Mr. Jarman against.
Mr. Rosenthal for, with Mr. Burke of Florida against.
Mr. Ruppe for, with Mr. Crane against.

Until further notice:

Mr. Biaggi with Mr. Jones of Oklahoma.
Mr. Udall with Mr. Conyers.
Mr. Wright with Mr. Aspin.
Mr. Fary with Mr. Young of Alaska.
Mr. Fithian with Mr. Jeffords.
Mr. Derwinski with Mr. Myers of Indiana.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ZABLOCKI. Mr. Chairman, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The **SPEAKER**. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

APPOINTMENT OF ADDITIONAL CONFEREE ON H.R. 6674, THE ARMED SERVICES PROCUREMENT AUTHORIZATION ACT

Mr. PRICE. Mr. Speaker, I ask unanimous consent that an additional member of the conference committee be appointed on H.R. 6674, to authorize appropriations during the fiscal year 1976, and the period beginning July 1, 1976, and ending September 30, 1976, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes.

The **SPEAKER**. Is there objection to the request of the gentleman from Illinois? The Chair hears none, and appoints the following additional conferee: Mr. Leggett.

PETROLEUM PRICE CONTROLS VETO SUSTAINED BY SENATE

(Mr. FRENZEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FRENZEL. Mr. Speaker, today the Senate voted to sustain the Presidential veto of the extension of petroleum price controls for 6 months. I congratulate that body in its wisdom.

The day before yesterday the New York Times editorially termed the 6-month extension as a copout. The Congress, unable to formulate an energy policy, and afraid to reveal its ineptitude to its constituency, has tried to cover up its failures by attacking the President's program.

The sooner Congress is forced to make a decision the better. The veto was the only way to force a bumbling Congress into action. The sustaining of that veto was a good thing for the country.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
September 3, 1975.

HON. CARL ALBERT,
The Speaker,
House of Representatives.

DEAR MR. SPEAKER: On this date, I have been served with a subpoena duces tecum by a representative of the U.S. Department of Justice, that was issued upon application of the United States of America and signed by the U.S. Magistrate for the U.S. District Court for the Eastern District of Wisconsin.

The subpoena commands me to appear before the U.S. District Court for the Eastern District of Wisconsin on September 22, 1975, and requests a letter dated January 14, 1972 addressed to Wilbur D. Mills, Chairman, Committee on Ways and Means, as outlined in the subpoena itself, which is attached hereto.

House Resolution No. 9 of January 14, 1975, and the rules and practices of the House of Representatives indicate that no official of the House may, either voluntarily or in obedience to a subpoena duces tecum, produce such papers without the consent of the House being first obtained. It is further indicated that he may not supply copies of certain of the documents and papers requested without such consent.

The subpoena in question is herewith attached, and the matter is presented for such action as the House in its wisdom may see fit to take.

With kind regards, I am,
Sincerely,

W. PAT JENNINGS,
Clerk, House of Representatives.

The SPEAKER. The Clerk will read the subpena.

The Clerk read as follows:

[In the U.S. District Court for the Eastern District of Wisconsin, No. 74 CR 211]

UNITED STATES OF AMERICA V. NATIONAL BOARD OF FUR FARM ORGANIZATIONS, INC., ET AL.

To W. Pat Jennings, Clerk of the House of Representatives, room H–105, The Capitol, Washington, D.C.

You are hereby commanded to appear in the United States District Court for the Eastern District of Wisconsin at 225 Federal Building, 517 E. Wisconsin Avenue in the city of Milwaukee on the 22nd day of September 1975 at 11:00 o'clock A.M. and bring with you a letter dated January 14, 1972 addressed to Wilbur D. Mills, Chairman, Committee on Ways and Means re: Requested Elimination of Tariff and Quota Provisions on Importation of Raw Mink Fur Skins from Pending and Future International Trade Legislation signed Roy Harman, John Stone, and Gale Vernon.

This subpoena is issued upon application of the United States of America.

September 2, 1975.

Richard L. Daerr, Jr., Attorney for United States, Antitrust Division Department of Justice, Washington, D.C. 20530.

RUTH W. LA FAVE,
U.S. Magistrate or Clerk.

SUBPENA DUCES TECUM IN THE CASE OF THE UNITED STATES OF AMERICA VS. NATIONAL BOARD OF FUR FARM ORGANIZATIONS, INC., ET AL.

Mr. O'NEILL. Mr. Speaker, I send to the desk a privileged resolution (H. Res. 709) and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 709

Whereas, in the case of the United States of America against National Board of Fur Farm Organizations, Inc., et al. (criminal case number 74 CR 211) pending in the United States District Court for the Eastern District of Wisconsin, a subpena duces tecum was issued by the said court and addressed to W. Pat Jennings, Clerk of the House of Representatives, directing him to appear as a witness before said court on the 22nd day of September, 1975, at eleven o'clock antemeridian, and to bring with him a specified document in the possession and under the control of the House of Representatives: Therefore be it

Resolved, That by the privileges of this House no evidence of a documentary character under the control and in the possession of the House of Representatives can by the mandate of process of the ordinary courts of justice, be taken from such control or possession but by its permission; be it further

Resolved, That when it appears by the order of the court or of the judge thereof, or of any legal officer charged with the administration of the orders of such court or judge, that documentary evidence in the possession and under the control of the House is needful for use in any court of justice, or before any judge or such legal officer, for the promotion of justice, this House will take such action thereon as will promote the ends of justice consistently with the privileges and rights of this House; be it further

Resolved, That when the said court determines upon the materiality and relevancy of the document called for in the subpena duces tecum, then the said court, through any of its officers or agents, be authorized to attend with all proper parties to the proceeding and then always at any place under the orders and control of this House, and take copies of the requested document in the possession or control of the said Clerk; and the Clerk is authorized to supply certified copies of such document in his possession or control that the court has found to be material and relevant and which the court or other proper officer shall desire, so as, however, the possession of said document by the said Clerk shall not be disturbed, or the same shall not be removed from its place of file or custody under the said Clerk; and be it further

Resolved, That as a respectful answer to the subpena duces tecum a copy of these resolutions be submitted to the said court.

The resolution was agreed to.

A motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM FOR THE BALANCE OF THE WEEK

(Mr. O'NEILL asked and was given permission to address the House for 1 minute.)

Mr. O'NEILL. Mr. Speaker, I rise to give the Members the program for the balance of the week.

We have for consideration tomorrow House Resolution 335, Select Committee for Missing-in-Action Servicemen in Southeast Asia.

On the whip agenda we have taken off the bill, H.R. 7590, audit of the Federal Reserve System. That will be postponed until a later date.

We will also take up the bill, H.R. 8150, Drug Abuse Office and treatment, the rule having been granted providing for 1 hour of general debate.

We will also consider H.R. 7656, the Beef Research and Information Act under an open rule with 1 hour of debate.

In addition, Mr. Speaker, it is our intention on tomorrow to bring up the extension of oil price controls, that is, the Emergency Petroleum Allocation Act. On this, of course, it will be necessary to obtain a two-thirds vote on the rule because we must suspend the rule requiring a day's layover of the rule.

We anticipate, of course, that this rule will be adopted tomorrow, but in the event that it does not get the required two-thirds vote, we will then bring that up on Friday.

These bills will not necessarily be brought up in the order as I have mentioned them. If the extension of oil price controls, the allocation bill, is reported by the Committee on Rules at an earlier hour, then we would probably bring that up as soon as it is ready.

Mr. MICHEL. Mr. Speaker, will the majority leader yield for a question?

Mr. O'NEILL. Mr. Speaker, I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Speaker, might I inquire of the majority leader, concerning the two-thirds vote that the gentleman made reference to, is that on the rule?

Mr. O'NEILL. Yes; that is on the rule.

Mr. MICHEL. And then the passage of the measure would be by a simple majority or also two-thirds?

Mr. O'NEILL. Once we adopt the rule by the two-thirds, passage of the bill will be by a majority.

Mr. MICHEL. I understand. Would the distinguished majority leader give us any indication as to what we can expect as to Friday?

Mr. O'NEILL. If we can complete this work by tomorrow, then there will be no work for Friday.

Mr. MICHEL. If we do have prospects of finishing tomorrow, we would go rather late in favor of having no session Friday rather than adjourning early and coming in Friday; is that right?

Mr. O'NEILL. In view of the schedule, I do not anticipate that we should take that long. We hope to complete the schedule tomorrow.

We do intend to bring up the extension of price controls and the adoption of the rule, which would be by a two-thirds vote. If we fail to get it—and I would anticipate that we would get it without too much difficulty—we would bring that matter up on Friday.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I will be happy to yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, I appreciate the distinguished majority leader's yielding.

Suppose the version that we have brought out is different from the Senate's? Would that make any difference on the extension of the Fuel Allocation Act?

Mr. O'NEILL. I do not have any idea of what the provision of the Senate is.

Mr. ROUSSELOT. Does the gentleman anticipate that the legislation that would originate here would be an extension of 45 days or 60 days?

Mr. O'NEILL. That would be resolved by the committee. I would anticipate that it would be 60 days.

Mr. ROUSSELOT. If the gentleman will yield further, as I understand, there is some disagreement on that issue. My question is, why do we need to stay until Friday if there cannot be any agreement?

Mr. O'NEILL. We have to have a two-thirds vote on the rule to bring the matter up tomorrow. If the two-thirds fails, then we will bring the matter up on the following day.

Mr. ROUSSELOT. Mr. Speaker, I thank the gentleman.

REQUEST TO MAKE IN ORDER TOMORROW OR ANY DAY THEREAFTER CONSIDERATION OF THE BILL (H.R. 9524) EXTENDING EMERGENCY PETROLEUM ALLOCATION ACT OF 1973

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that it be in order to consider in the House tomorrow or on any day thereafter the bill (H.R. 9524) extending the Emergency Petroleum Allocation Act of 1973.

The **SPEAKER** pro tempore (Mr. MURTHA). Is there objection to the request of the gentleman from Michigan?

Mr. O'NEILL. I object, Mr. Speaker.

The **SPEAKER** pro tempore. Objection is heard.

THE LATE ANDREW J. VIGLIETTA

(**Mr. ADDABBO** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ADDABBO. Mr. Speaker, few men have known so well the ins and outs of government as did my close friend, Andrew J. Viglietta, the political editor of the Long Island Press, who died Monday in New York.

For almost 40 years, Andy Viglietta covered Washington for the Newhouse Newspapers, and he did it with a style and flair that was a joy to behold. And for years, until illness curtailed his activities, Andy was the host for the annual Queens Society in Washington, which would be held at the Congressional Hotel and which was universally acknowledged to be the best party in town. Congressmen, Senators, Judges and even Presidents made sure they kept themselves free for the Queens Night galas.

Perhaps the highest praise that can be given any newspaperman is to say that he covered his beat thoroughly and fairly. Andy Viglietta could be tough when it came to getting the news, but he treated people he dealt with with a decency and a gentleness that made him one of a kind. He leaves behind an army of friends, the important and not-so-important, who were exposed to his friendship and were captivated forever.

Those of us who knew Andy well over the years knew that he cared about the people he wrote about. He cared about the people he wrote for and he wanted the reader of every story to know the facts of any event as straightforward and honest as he could present them.

During the last few years, he battled mightily to overcome the devastating effects of blindness and illness, either one of which would have plunged a lesser man into the depths of despair. But as he had done all of his life, Andy fought his infirmities with a stubbornness and a cheerfulness and a reserve of pride which would not let him give up. I cannot recall the number of times that I, having suffered some little setback, would receive a call from Andy who, with all of his problems, had time to worry about others.

Andy and his wife Mary, his staunchest ally through thick and thin, were always ready with a helping hand to those who needed it.

With his death, New York has lost a man who devoted his life to seeing that the people who represented our city in Washington held true to the highest standards. God help the man who let Andy down.

I want to express the greatest personal sorrow at his passing, and I want to extend my sympathy to Mary, who might possibly be the most gracious lady in this world, and to the family and the many friends of Andy Viglietta. He was as good a man as it is possible to be, and we, all of us, will miss him grievously.

Mr. ROSENTHAL. Mr. Speaker, will the gentleman yield?

Mr. ADDABBO. I yield to the gentleman from New York (Mr. ROSENTHAL).

Mr. ROSENTHAL. Mr. Speaker, I join with the gentleman from New York (Mr. ADDABBO) in expressing sympathy and sorrow on the death of Andy Viglietta and in expressing condolences to his widow, Mary.

I have known Andy for over 20 years. He was a great friend. He was a tireless journalist and sought out truth no matter where it would take him. He was a friend of people in high places and the public in general. He was a warm and kind and truthful person. He was the best example of what an American journalist ought to be. He struck a fine balance in the responsibility to society and to individuals and at the same time making sure the public had an opportunity to know what was going on.

We shall all miss Andy. He was a great credit to journalism and to Washington and he was a good friend to all of us.

U.S. SECURITY AND THE PANAMA CANAL NEGOTIATIONS

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. WHALEN) is recognized for 5 minutes.

Mr. WHALEN. Mr. Speaker, opponents of the negotiations for a new Panama Canal Treaty have described the principal issue involved as "whether the flag flown over the Canal Zone will be that of the United States of America or that of the U.S.S.R."

Recourse to the facts about the negotiating principles causes this oft-conjured Soviet specter *to vanish*. The agreement principles signed by Secretary of State Henry A. Kissinger and Panamanian Foreign Minister Juan A. Tack for the return to Panama of full jurisdiction over its territory in which the canal is located in exchange for assurances that the United States will retain the rights, facilities, and land necessary for its operation and defense for the duration of the treaty.

Critics of the negotiating principles have not been satisfied by such clear guarantees. Instead, they continue to cling to the erroneous belief that the protection of U.S. security in Panama and the adequate defense of the canal only can be insured by asserting so-called sovereignty over a strip of land.

Nevertheless, it continues to become more evident that the protection of our interests in Panama depends upon a mutually beneficial working relationship with the Panamanian Government. Our interests only can be secured through the adoption of a new treaty to replace the Hay-Bunau-Varilla Treaty of 1903 with a document that appropriately reflects the contemporary relations between our two countries.

Those who contend that the treaty that emerges from the negotiations will be inimical to our national security are becoming more isolated in that position. The most recent indication of the inaccuracy of their view was the strong endorsement of the negotiations last week by Gen. George S. Brown, Chairman of the Joint Chiefs of Staff. I commend the general's remarks to the attention of my colleagues:

REMARKS BY GENERAL GEORGE S. BROWN, CHAIRMAN, JOINT CHIEFS OF STAFF, UPON DEPARTURE, AMERICAN EMBASSY, QUARRY HEIGHTS, CANAL ZONE, SEPTEMBER 3, 1975

President Ford asked Mr. Clements and me to come here, have a look at Zone facilities and meet with Panamanian officials. We have had a very frank and useful meeting with General Torrijos, President Lakas and their colleagues.

I assured General Torrijos that the Joint Chiefs and the Department of Defense were committed to working out a new treaty and that we fully support Ambassador Bunker's negotiating efforts.

General Torrijos discussed the situation in Panama with us at length. We told him we would report our talks, which were very helpful, to President Ford.

GRAIN ACCORD NO BARGAIN FOR U.S. FARMERS

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. SHRIVER) is recognized for 5 minutes.

Mr. SHRIVER. Mr. Speaker, in announcing a new effort to guarantee and stabilize future grain sales to the Soviet

Union, the President yesterday extended the current export lid through the middle of October. In response, George Meany, president of the AFL–CIO, and leaders of longshoremen and maritime unions agreed to lift their boycott on loading of grain bound for Soviet ports for the same period.

This so-called accord raises more questions than it answers. It delays further U.S. grain sales to the Soviet Union—a willing customer for our surplus commodities—with absolutely no indication that the Russians will agree to tailor their future buying policies to our needs. What if they do not agree?

If they do agree, what insurance do our farmers have that future sales under the new agreement would be allowed to proceed if political pressure—or union pressure—arises again?

Will required long-term commitments by the Soviets become, in effect, a permanent lid on Soviet sales?

What did the longshoremen and maritime unions give up in this deal? The courts have already ordered them to load the grain previously sold, and have directed them not to try delaying tactics, such as "sick-ins." They are merely agreeing to do what they have to do, and getting concessions from the administration in return.

Meanwhile, U.S. farmers interests are being ignored. They have planted from ditch to ditch, as urged by the Secretary of Agriculture. Our wheat farmers have produced another bumper crop, only one-third of which is needed domestically. They must have foreign markets, and they must have them now.

Latest crop reports from the U.S. Department of Agriculture show that our 1975 wheat crop, most of which is in the bin, is adequate to fill domestic needs, to provide for existing and potential export demand, and to carry over more than a hundred million bushels more than our carryover stocks of last year.

Bread prices may well go up during the next year, just as the prices for about everything else, but the fault lies not with the farmer. The net farm value in a loaf of bread runs about 15 percent of the total cost, while other costs account for the other 85 percent. Labor costs alone account for 39 percent of the price of a loaf of bread.

This Nation cannot allow any faction, be it labor unions or any other interest group, to dictate our foreign trade policy. American agriculture is our one truly bright spot in our foreign trade and balance of payments picture. We are blessed with the productive capacity adequate to provide our wheat needs three times over every year. The extended export lid endangers that capacity in the future to the extent that it discourages U.S. wheat farmers from planting all they can.

We have made great strides in freeing our agricultural economy from Government shackles. We should not retreat now. The free market system has demonstrated its superiority time and time again over the controlled system of the Soviet Union. That is the reason for these profitable export sales in the first place.

This free market system must continue, but it requires not only the freedom to produce, but also the freedom to sell. Artificial export controls are harmful to this end and should be lifted immediately.

THE LATE SIG ARYWITZ—A GREAT CALIFORNIAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. ANDERSON) is recognized for 15 minutes.

Mr. ANDERSON of California. Mr. Speaker, it is my sad duty to report that yesterday morning, Sigmund Arywitz, executive secretary-treasurer of the Los Angeles County AFL–CIO Federation of Labor, passed away at the age of 61.

Labor has lost a great leader. The working people of southern California have lost a powerful protector of their rights. And I have lost a valuable and close friend.

I am sure that all of the members of the California delegation were saddened, as I was, when I heard the news yesterday morning. Sig Arywitz was more than a political force in Los Angeles. His works and charitable contributions reflected his deep humanity, and his concern for the welfare of his fellow man. It was that quality which made him an outstanding leader.

Sig Arywitz was born in Buffalo, N.Y., on August 27, 1914. He attended New York State Teachers College, the University of Buffalo, and New York City College before coming to Los Angeles in 1936.

Although he started out as a newspaper man, Sig Arywitz soon gravitated toward the field where he would dedicate his life—organized labor. He worked on publicity for the International Ladies' Garment Workers Union during the 1930's before entering the Army in 1942.

After he received his discharge in 1945, Sig Arywitz became a member of the Provisions Houseworkers Union. In 1946 he joined the staff of the ILGWU as an organizer for the Sportswear Workers Union, Local 266.

In 1950 Sig Arywitz became a delegate to the Los Angeles Central Labor Council, and was a member of the merged Los Angeles County Federation of Labor until his untimely death.

Executive secretary-treasurer of the federation since 1967, Sig Arywitz was active in numerous civic and community affairs. He was labor commissioner of the State of California and chief of the division of labor law enforcement, department of industrial relations, from 1959 to 1967. As labor commissioner, Sig expanded the staff and offices of the department of labor law enforcement, increasing the annual recovery of unpaid wages from $2 million to $5 million. He was also responsible for the enactment of several new revisions of the California Labor Code for the protection of our State's workers.

Sig's main concern was always the benefit of the American worker, but his broad range of activities reflected his boundless energy and interests. He was vice president of the United Way, Inc., and a member of the western area advisory council of the American Red Cross. Sig also served on the senior citizens health task force of the county of Los Angeles.

His concern for civil rights was shown by his membership on the executive board of the National Trade Union Council for Human Rights; Jewish Labor Council; he was also an honorary member of the California Democratic Chicano Caucus. Sig was a member of the Labor and Industry Committee, Los Angeles Chapter of the NAACP; and was chairman of the American Trade Union Council for Histadrut.

I knew Sig Arywitz for many years, and always respected him as a man deeply committed to bettering the life of our working men and women. Sig was always active in politics, but the value of his friendship cannot be measured in those terms. I will always consider it an honor to have known Sigmund Arywitz, and I feel fortunate to have known him as a friend. Sig's energy, enthusiasm, concern for the human condition, and total integrity will long be an inspiration to us all.

My wife, Lee, joins me in expressing our sincerest condolences to Sig's lovely wife, Barbara.

Mr. Speaker, at this time I would like to yield to the gentleman from California (Mr. DANIELSON).

Mr. DANIELSON. I thank the gentleman for yielding. I also thank my colleague for taking this special order so that those of us who knew "Sig" and respected him could pay our respects.

Like all Californians, I was aggrieved to hear of Sig's untimely passing. It just does not seem possible that Siggy Arywitz, the big, strong, healthy, robust man who has led in the field of labor for so long, is now gone. I do not know when I first met Siggy. It seems as though he has always been there, leading in the field of labor and community affairs in our southern California area.

I do remember that he was there when I came back from World War II and started working in politics in the late forties, and I am glad that our colleague, the gentleman from California (Mr. ANDERSON) our former Lieutenant Governor, has read off a little more of the biography, because I now know that Sig was there in 1936, which was before I got to California.

But what did happen is one thing, and what is going to happen is another. We are all going to miss Siggy. He was not only a great labor leader but, as has been outlined by the biograhical data which has just now been put in the RECORD, he was very active and very important in all of the activities of our society, our community, and our economy in southern California, and in fact throughout the rest of the State. He was a person one could always rely on for good common sense and for good advice and for good leadership. He was known for not only being a worker in political campaigns, a leader in political campaigns, but also as an active participant in community affairs.

What is even more important to me is he was a good personal friend. I am going to miss him.

My wife joins me in expressing our condolences to Mrs. Arywitz.

I thank the gentleman from California (Mr. ANDERSON) for letting me take this time to participate.

Mr. ANDERSON of California. I want to thank my colleague for his contribution.

At this time I would like to yield to the gentleman from California (Mr. PATTERSON).

Mr. PATTERSON. I thank the gentleman from California (Mr. ANDERSON) for yielding to me.

At this point as a new Member of Congress, my knowledge of Mr. Sig Arywitz was more limited than Mr. ANDERSON'S. However, I found him to be one of the ablest and most articulate members of the union community in the labor movement in California. He devoted his life entirely to the improvement of the workingman and workingwoman in America.

I join with his family in the mourning of his untimely death.

Mr. Speaker, I wish to be associated with the remarks of the gentleman from California (Mr. ANDERSON).

Mr. ANDERSON of California. I thank my colleague for his contribution.

At this time I am pleased to yield to the gentleman from California (Mr. BELL).

Mr. BELL. I thank my colleague for yielding.

Mr. Speaker, it is with sadness that I join my colleague from California in this tribute to Mr. Sigmund Arywitz.

Sig contributed substantially to California labor, industry, life and politics. As an important leader of a strong segment of labor, his influence penetrated every aspect of living throughout California. He was always a strong supporter and great friend of mine. He was a great friend of all that stood for what was right and best for the community.

I know that I am joined by numerous national, State and local officials and their constituencies in mourning the loss of this very good man.

Mr. ANDERSON of California. Mr. Speaker, I thank my colleague, the gentleman from California.

Mr. CORMAN. Mr. Speaker, yesterday I lost a very close friend.

Sig Arywitz, a national labor leader, a civil libertarian, and a political activist died suddenly in Los Angeles on Tuesday of an apparent heart attack. His untimely passing saddens all who had the privilege of working with and knowing him.

Sig was a big, burly, loving man who lived life to the fullest. He was a true professional and executed his commitments with maximum vigor and competency. He was a dedicated student of the labor movement in this country and received his initial practical experience with the International Ladies Garment Workers Union beginning in 1949. From that 10-year experience he quickly rose to positions of great responsibility including his appointment as California's commissioner of labor in 1959 and in 1967 he assumed what was to be his last post as executive secretary-treasurer of the 500,000 member Los Angeles County Federation of Labor—AFL–CIO.

But Sig was much more than an excellent organizer and defender of the workingman's right to a fair shake. He was a warm, concerned individual with a social conscience. He fought vigorously and relentlessly for what he believed. He never compromised his principles. He never abandoned the people he represented, as a public servant or labor leader. His strong sense of social activism caused him to be a dynamic civil rights spokesman and a leader in the Los Angeles area and this is where we first worked together.

Mr. Speaker, Sig was a man of action. An individual who loved the challenge of a political election or rally or the tense, unknown nature of labor negotiations. He was a forceful spokesman for the working man and woman.

My friend will be sorely missed.

Mr. JOHNSON of California. Mr. Speaker, it is with sorrow and sadness that I rise today to pay tribute to an old, old friend, Sigmund Arywitz, who passed away suddenly yesterday.

Sig Arywitz served for many years as executive secretary-treasurer of the Los Angeles County Federation of Labor. During these years I was privileged, prior to my election to the U.S. House of Representatives, to have also been active in organized labor efforts. Accordingly I have had the privilege of knowing Sig and being familiar with his work.

Among labor leaders of our State and our Nation, he was one of the greatest. He was a man of dedication to his cause; he was a worker and a fighter with great tenacity; and he was at all times a humanitarian with deep concern and compassion for his fellowman. It was this combination of attributes which made him one of the greatest labor leaders in our Golden State's 125 years of existence.

The labor movement, of course, will miss him, but the accomplishments and advances of the movement to which he devoted his entire life will stand as a monument to his work for decades to come. Personally, I will miss Sig as a longtime, personal friend.

My wife joins me in extending to his wife, Barbara, our deepest sympathies.

Mrs. BURKE of California. Mr. Speaker, I rise to join in this tribute to a great labor leader and a great American, Sig Arywitz. Those of us who worked with him and knew him recognized the unique dedication he brought to the political arena and to government.

He was known for his outstanding ability and intellect. His service to the State of California as chief of industrial relations brought new hope and protection to working people. The safety of workers and their benefits were always foremost in his mind. His courageous leadership in bringing enforcement of labor laws into the public eye set a new precedent in labor law.

The people of California, and the Nation and the labor movement has lost a great citizen, but the workingman has lost a friend that will be mourned for time to come.

Our greatest sympathy is extended to his wife and family and we join the host of his friends who grieve his passing.

Mr. VAN DEERLIN. Mr. Speaker, I join our colleagues in mourning the untimely passing of Sigmund Arywitz. He was a truly gifted labor leader, a man whose influence was felt in many spheres of life and well beyond the borders of California, his usual base of operations. At the time of his death, Mr. Arywitz was executive secretary of the Los Angeles County Labor Federation, AFL–CIO, a post he assumed following service as California labor commissioner.

At Mr. Arywitz' urging, organized labor in California took unequivocal stands in support of human and civil rights, in addition to reflecting more traditional concerns of the labor movement.

His power for good was great, and well used. He will certainly be missed.

Mr. PHILLIP BURTON. Mr. Speaker, Mrs. Burton and I were deeply saddened to learn of the death of our dear friend, Sig Arywitz. We knew him and worked with him for almost 25 years.

Sig Arywitz was a champion of working men and women in our State and he was a fighter for economic, social, and racial justice.

He spent many years as education director of the ILGWU. In 1958, he was appointed State labor commissioner by former Gov. Edmund "Pat" Brown. In 1967, he was elected executive secretary of the Los Angeles County Labor Federation, AFL–CIO, a post which he held until his untimely death.

Sig Arywitz was a labor leader in the highest sense of that term. His ability and dedication were admired by all who knew and worked with him.

To his wife, Barbara, Mrs. Burton and I extend our most sincere sympathy. Her loss is shared by literally millions of our fellow Californians whose lives have been enriched, because Sig Arywitz was a man of strength, a man who cared, and a man who was involved in the political process to achieve the social goals in which he firmly believed.

Mr. LLOYD of California. Mr. Speaker, I have just received the sad news that a dear friend of mine, both personally and professionally, has passed away. Sigmund Arywitz, the executive secretary-treasurer of the Los Angeles County Federation of Labor, AFL–CIO, died of a heart attack at the young age of 61.

Sig was a fixture on the Los Angeles political and labor scenes. His passing leaves a tremendous void in knowledge, awareness, and action on behalf of labor union members. It will not easily be filled.

From now on, many important gatherings and meetings will not seem the same without Sig at the head table. His ability to perceive the needs and interests of labor union members, and to communicate those views to those of us in the political arena, was one of Sig's outstanding qualities.

On behalf of my colleagues in the House of Representatives, I send condolences to Sig's family and his many close friends.

Mr. HANNAFORD. Mr. Speaker, it is with deep personal sorrow that I join my colleagues in honoring the memory of Sig Arywitz. Too often we wait to pay tribute to a friend until he is no longer with us.

The accomplishments and dedication of Sig are well known to all of us. His life was devoted to securing a better way of life for the American worker. His work in the labor field, as a member of the International Ladies Garment Workers Union, as California's labor commissioner under Gov. Pat Brown, and as the executive secretary-treasurer of the Los Angeles County Federation of Labor, will serve as an example of what a talented, and dedicated person can accomplish.

All of us will miss Sig Arywitz. His passing leaves a void in the ranks of labor leaders that it will be difficult to fill. My sincere sympathy goes out to Barbara Arywitz, and all of Sig's family and friends. His loss will be a great loss, not only to the labor movement, but to the whole country.

Mr. SISK. Mr. Speaker, it was with deep regret that I learned of the passing of "Sig" Arywitz. "Sig" was truly one of the most outstanding labor leaders in the State of California and he will be greatly missed by all of us who have had the honor and pleasure to work with him over the years. His hard work and outstanding efforts have certainly had a great impact on the labor movement and most recently have resulted in several new revisions of the Labor Code for the protection of California workers. In addition to his efforts within the framework of the labor movement, which will not be forgotten, "Sig" was also most active in civic affairs and political activities. He was certainly a most unselfish individual who devoted the major portion of his time for the benefit of others.

Reta joins me in extending our deepest sympathy to Mrs. Arywitz in her great loss and hope that she will take comfort in knowing of the many people who share her loss with her.

Mr. ROYBAL. Mr. Speaker, I rise to join my colleagues in honoring the memory of Sigmund Arywitz who passed away suddenly on September 9, 1975. The death of this longtime friend came as a surprise to all of us who had the privilege to know this strong and robust man.

Over the years I have come to know Sig as a hardworking, dedicated champion of human and civil rights. As our friendship grew, so did my deep respect for the man and his ideals. His passing is a very personal loss and a great loss to the community and to the labor movement. There will be no replacing this dear friend who has brought exceptional knowledge and expertise to his field.

Sig moved up quickly in the ranks. When he came to Los Angeles, his first position was as a newspaperman. From there he went on to organized labor, which was to become his career and lifeblood. My colleagues have already outlined the positions which Sig held over the years in the labor movement, most recent of course, being executive Secretary of the Los Angeles County AFL–CIO Federation of Labor. In all of his capacities he clearly demonstrated the knowledge, concern, insight, enthusiasm, and integrity which made him a great benefactor of the workingman.

No words can adequately express the loss to those of us who knew and loved him. One thing is certain, though, Sig will be missed—both personally and professionally.

GENERAL LEAVE

Mr. ANDERSON of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order.

The SPEAKER. Is there objection to the the request of the gentleman from California?

There was no objection.

BENEFITS TO SURVIVORS OF PUBLIC SAFETY OFFICERS KILLED IN LINE OF DUTY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, I am reintroducing a bill that I had proposed in the last session of Congress that would provide benefits for the surviving dependents of a public safety officer killed in the line of duty or an apparent criminal act.

Both the House and the Senate passed legislation to this effect in the 93d Congress, but problems arose in the conference committee that were never resolved.

Eligible public service officers include reserve and professional law enforcement officers and firemen. The term law enforcement officer includes policemen, correctional officers, prison guards, probation and parole officers and officers involved in programs relating to juvenile delinquency or narcotic addiction.

In the past few years we have seen the risk of violence faced by our peace officers increasing daily, and the legislation I am proposing will give them and their families some measure of security.

This bill will also cover prison guards. The prison guard in recent years has been faced with an increase in violence within the prison system. It is obvious to all that we need prison reform, but we will always need guards and unless these men and women feel that their families will be provided for if something should happen to them we are not going to find the qualified people needed for these positions.

Crime knows no jurisdictional boundary, nor respects the color of a law-enforcement officer's uniform. Each officer, whether sheriff, deputy, highway patrolman, policeman, or prison guard, must be fully cognizant that death may come to him in the performance of his sworn duties.

I believe these guaranteed benefits would improve the quality of law enforcement by lifting the morale of those who enforce the law. Thus, this proposed legislation would have at least two positive results; direct financial benefits to the families of slain public safety officers, and improved law enforcement.

I urge that this legislation be passed as it is the moral obligation of this country to adequately compensate those who risk their lives to protect all of society.

JOHN McCORMACK REMINISCES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. O'NEILL) is recognized for 10 minutes.

Mr. O'NEILL. Mr. Speaker, the Boston Evening Globe on September 5, 1975, ran an excellent interview with our beloved former Speaker John W. McCormack. I know our colleagues would be interested in reading the article, so I am inserting it at this point. I would further like to report that Speaker McCormack is doing fine and sends his best wishes to all Members.

The article follows:

JOHN McCORMACK REMINISCES: "IT'S JUST A SPIRIT. SOUTH BOSTON IS REALLY A SPIRIT—A WAY OF LIFE"

(By Richard W. O'Donnell)

It was five years ago that South Boston's John W. McCormack announced he was retiring from politics.

For the first time in more than 40 years, his name did not appear on the ballot in that September primary as a Democratic candidate for Congress in the Ninth Congressional District.

Recently, the retired Speaker of the House of Representatives, now 84, taped a 90-minute interview for the Boston Public Library. He was interviewed by two South Boston students, John McCarthy and Mary Andruszkiwicz, and he recalled fond memories of his own youth, his political life, and famous Bostonians he had encountered over the years.

Excerpts from the interview follow:

ON SOUTH BOSTON

"There's a character to South Boston. There's something about South Boston that's indescribable. It's a wonderful place.

"If two persons met—in Hong Kong or in Rome or in some remote place, or even in the continental United States—they would naturally ask one another where they'd come from.

"If they both come from the United States, the one who came from South Boston would never say, 'I come from Boston.' He'd say, 'South Boston.' The other person would mention the city.

"It's just a spirit. South Boston is really a spirit—a way of life. Remarkable people lived over there. And there's remarkable people that live there still.

"In South Boston, the people have deep faith. For a community of its population, it sent more young men to the priesthood in the Catholic Church and more girls to become nuns in the sisterhood of the Catholic Church than any other community of its population in the United States. And, I dare say, throughout the world. Any other community would have difficulty in challenging that statement. I'm safe in saying any community throughout the United States."

ON CURLEY

"Jim Curley was a colorful man, an unusual man. I got to know him but not as well as I would have if I'd started with his generation. The same thing is true of Honey Fitz. He'd been in politics 12 or 15 years before I came along.

"Returning to Curley, he went down to Washington later on in his political career while I was Leader. We got along well.

"When I was a youngster, we lived on Mercer street in South Boston in a block of tenements. There were seven entrances, and 21 families lived in them. The common bathroom was down in the cellar—not the 'basement'—mind you. We called it the cellar. Those places had no bathtubs, electricity or anything.

"When the tide went out there were mudflats, and the odor of them—it was terrible. We didn't have that Strandway. That Strandway was all mudlined, you know, except one part we called McNary Park.

"The tide used to come right into the Old Colony Railroad, where we lived. And all out that way was mudflats when the tide went out.

"The Strandway—and that baseball park—they're monuments to Jim Curley. No question about that. He was the man who got rid of the mudflats.

"He was an amazing fellow, Curley was. Either the people loved him, or they hated him. He had some terrific campaigns. I never was of that school, where I'd want to attack somebody personally. I never was. I discussed issues. Very sharply. But I never attacked the motives of anybody.

"Curley was probably one of the 10 most eloquent speakers in the country.

"But when he ran, it wasn't a question of issues. It was a question of either they loved him, or they hated him.

"Usually, there were enough who loved him to elect him."

ON SALTONSTALL'S "SOUTH BOSTON" FACE

"It was Curley again, and that sharp tongue of his. He made a mistake, which quite often he did. When he was running against Saltonstall, as a joke, he referred to Saltonstall's South Boston face.

"That aroused the people of South Boston. They resented it, and they went out and voted for Saltonstall. After that, Staltonstall was always a great favorite of the people of South Boston.

ON CARDINAL CUSHING

"He was an outstanding churchman. He and I were very close friends. He was born in what we called the upper part of South Boston, up around Marine road, as I remember—but Upper South Boston. I lived most of my life in around Andrew square.

"Cardinal Cushing was dynamic. As a matter of fact, when he was in the seminary—before he was ordained—during the summer time they would have a month or so when they had a vacation.

"It would come around September, and he used to go out and campaign for a friend of his, Dan Casey, who later became a judge, and was a judge in one of our courts for many, many years.

"When he was a seminarian, he used to go out during the primary time and campaign. I can see him now up at the corner of Dorchester street and Broadway—up in a peddler's wagon campaigning.

"He didn't need a loudspeaker. His voice would carry a tremendous distance. He'd go out and campaign for his friends, as he did for Dan Casey. It just shows how human he was.

"Of course, he was ordained—the work he did will last forever. The name of Cardinal Cushing will always live in the hearts and minds of the people, not only of the Archdiocese of Boston, but everywhere because of the rich qualities he possessed as a priest, and as a man, and as a human being.

"Mrs. McCormack and I—we'd go out and visit the Cardinal at his residence. We had friends out in Milwaukee who were the principal owners of the Schlitz Brewery Co. For 24 years, they had a foundation. They were very charitable people. And, for 24 years, for the McCormacks, they'd send in $10,000 a year for the Cardinal's charities.

"Of course, Mrs. McCormack and I always carried the checks out to Archbishop Cushing—later Cardinal Cushing.

"We'd go out with the check every year to deliver it and have a chat with him. And no sooner would we arrive than he'd want to know, 'What about politics?'

"The first thing he'd ask would be to talk about politics. He loved politics.

"So I used to say to him every once in a while, 'Well, Your Emminence, I'm awfully glad you had the calling to the vocation of the priesthood, because if you didn't, and you wanted to be in politics, and you wanted to go to Congress, I wouldn't be there now. You'd be there.

"He loved politics. He was a remarkable man. He was a real product of South Boston.

ON SOUTH BOSTON POLITICS

"The people of the district, from a political angle, took their politics very seriously. Naturally most of them were Democrats, as the Democratic Party was the party that fought for the best interests of the poor, the afflicted, the underprivileged. And it still does, but particularly in those years when I was a young man.

"In those days, the great majority of the people in South Boston didn't have much—were not possessed of much of the worldly goods. Most of them were poor.

"I lived in a very poor section of South Boston. All my life was from Mercer street to Andrew square and Minton street. The people were on the poor side of the journey through life, even in those days.

"But they were people of deep faith. They had no fear of God; they loved God.

"And most of them were politically Democrats. The Democratic Party was the party that offered them hope, in the nature of legislation. It was only natural the people of the district would be strong supporters. They are still of the Democratic Party.

"As far as I'm concerned, it was only natural that I'd be a Democrat, I believe, not only because of the leadership of the party when I was a young man, but because of the great principles given to the Democratic Party and to our country by the founder of the Democratic Party, the immortal Thomas Jefferson.

"So it was only natural for me to be a strong Democrat, which I am today, and will be during my entire life."

ON HIS EARLY CAMPAIGNS

"So when I was a young man and had passed the bar, it was only natural that I should go into politics.

"My first election was to the Constitutional Convention. That was during the war. I think it was old Ward 11. Ward 9 was the lower end, and 10 was up around Dorchester street, and up to the Point, and down around Ninth street, and out through Andrew square, and then out to Mt. Vernon street, and then over through the Cherry Valley. And I was in Ward 11.

"So my first office was the Constitutional Convention in 1917 and '18. Then I was elected to the State Legislature in 1919, and I served in the Massachusetts House in 1920–21, and 22. Then I was elected to the State Senate. I served there for four years, from 1923 to 1926.

"Then I worked in 1928 for Congress to fill an unexpired term. My predecessor, James A. Gallivan died. I'd run against him in '26, and I didn't win. But I'd made tremendous friends, which was the foundation for winning in '28.

"A lot of people—thousands of people—wanted to vote for me, but didn't because they knew Jimmy Gallivan or he's done a favor for them.

"And they'd tell me so. And I'd tell them I was sorry to hear them say they can't vote for me, but I appreciated their frankness, and someday I hoped they might be able to vote for me for some office.

"So in the '26 fight I didn't win. And I never knew whether I'd be in politics again after that. But in '28, when Gallivan died—that was the fight that won for me.

"I ran and was elected to the unexpired term, and the next regular term. The people of the district then comprised South Boston and Dorchester. The biggest bulk of the vote came from Dorchester.

"In '28, I won handily because of that reserve vote I had of people I'd make a very favorable impression on in the '26 campaign through the manner in which I conducted it.

"I never believed in campaigning in personal attacks. I never made a personal attack upon anyone.

"You read of people discussing personalities. I feel sorry when I see them doing that. It shows one who is appealing to emotionalism, rather than to rational judgment—to good sound common sense.

"It shows a side of human nature that is foreign to me. I wouldn't want to hold public office if I had to get it over the dead bones of some opponent of mine, so to speak, or the skeleton.

"I served in Congress for 42 years. It was the people of the district who kept me there. They enabled me to be elected Leader, and then Speaker of the House.

"So I'm indebted.

"In the beginning, it's your friends that do it. Friendship in politics means an awful lot. The making of friends—anyone who is thinking of going into politics should make a lot of friends. Make all the friends you can."

ON HIS NEWSPAPER BOY DAYS

"When I started out, I had a pretty good foundation in Ward 11. That was because I sold papers there; myself and two younger brothers had a paper route on Sundays. We used to go over around Newman street and Mercer street. We had customers over in that area, and I used to go out to Rogers street and out to Andrew square and out through Mt. Vernon street—that area—on the Sunday route.

"You see, my father died when I was 13, and I was the head of the family. I made $3 a week delivering telegrams for the Western Union or the Postal Telegraph. And with the paper route I used to make $7 or $8 a week. In summer weeks, we'd make $9 or $10. That money enabled our wonderful mother to keep our family together.

"And, you know, the spirit of South Boston, the character. We had character from those wonderful mothers over there. There are wonderful mothers everywhere, but South Boston seemed to have a concentration of them. Even now!

"I had that newspaper route for several years. And when I ran, naturally anybody who was a customer of mine, you could pretty well assume would support me. They thought pretty well of me, and developed a friendship. It's a friendship that has lasted to this very day.

"Then I got a job in a broker's office and made $3.50 a week. That was fifty cents more than the telegraph company paid me. I wanted to bring the extra money home to my dear mother.

"Then I got a job in a law office for $4 a week. I was an errand boy. That's where I studied law—in a law office. And he took an interest in me—the lawyer—like a son. It wasn't easy. It was just a question of whether you had the stamina—the character.

"The character was instilled in us in the home, in the church, and in the schools in those days. You never heard of anything like teacher brutality.

"If you did anything in the classrooms, she'd say, 'Johnny, you want me to *tell your* mother'? Or do you want me to take care of the situation?'

"I'd rather have her take care of it. I'd get off an awful lot easier than with my mother and father."

ON LOUISE DAY HICKS

"All those political leaders in South Boston are good friends. Billy Bulger is class. He's really class. He's got what you call class in politics.

"Louise is a very strong character. I knew her father very well—Billy Day. He was very active in the Knights of Columbus, and was one of God's noble men. He used to be a special judge over in South Boston.

"As for Louise Day Hicks, she is a lady, a girl of strong convictions, and determination.

"You've got some fine men, young men, over there too. You've got good men in South Boston."

ON SOUTH BOSTON AGAIN

"You've got to catch the spirit of it. It's still there in South Boston. There's still a spirit. It isn't as strong down in the lower end as it used to be, but the spirit is still there.

"South Boston's a great community. A lot of columnists, or writers who are trying to sell a book, or sell a column to a paper, and whose regard for the truth is sadly lacking in their desire to make money, might say some things slurringly about South Boston. But it's not justified.

"The people of South Boston were always loyal. They always responded in large and overwhelming numbers to our country in time of war.

"And there was sort of a spirit of love of the neighbor. None of us had anything. But if some neighbor was a little worse off, my dear mother could always find something somewhere to send over.

"For the most part, the people of South Boston had always lived together with understanding minds.

"But they were also fighters. They knew how to fight when they had to.

'They had to know how to fight. To tell the truth, when I was a youngster, some people had to fight to live. It was that rough. You had to be a fighter to survive.

"Now some people in another district may say I'm prejudiced. Every other district has wonderful people. But it seems to me there's an intense concentration of marvelous souls over in South Boston."

John W. McCormack: "The name of Cardinal Cushing will always live in the hearts and minds of the people, not only of the Archdiocese of Boston, but everywhere. . . ."

RURAL RAIL PRESERVATION AND IMPROVEMENT ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. Nolan) is recognized for 5 minutes.

Mr. NOLAN. Mr. Speaker, I am today introducing the Rural Rail Preservation and Improvement Act, a bill designed to preserve and upgrade America's rural transportation system.

The deterioration and abandonment of our national railbeds is one of the most severe problems facing rural America. Many local communities are heavily dependent upon branch line services for their continued growth and livelihood. As tracks have decayed and services dwindled, rural communities have been forced to rely on more expensive, less energy-efficient means of transportation. Increased costs for transporting feed, fertilizer, and machinery to market has translated into higher food prices for all Americans.

Under the 1973 Rail Service Act, a program of continuation grants was established to assist communities in the Northeast and Midwest rail emergency region to maintain essential rail services. However, 3,000 miles of track, many of them in America's prime agricultural areas, are covered by no program of Federal assistance whatsoever.

The legislation which I am introducing today would provide for the establishment of a comprehensive national rail plan with assistance to State and local communities to upgrade and maintain branch services. A temporary 2-year moratorium on abandonments outside the Northeast region would go into effect to give State and local governments time to plan their rehabilitation program.

Under this proposal, the Secretary of Transportation would be required to develop within 300 days a comprehensive report regarding essential rail services within the Nation. This report would be subject to evaluation and hearings by the Rail Services Planning Office. These findings would then be used by the Office in the preparation of a detailed information survey and report on the impact of abandonments in States outside the rail emergency region.

If it could be shown that the economic, social, and environmental costs of abandoning a branch line would exceed the benefits, the proposal would authorize assistance to State and local governments for up to 70 percent of the cost of keeping the line in operation. This assistance would be available nationwide on the same basis that it is now available to the rail emergency region. Our bill would authorize an additional $100 million to cover the cost of this program.

Finally, to provide time to study our rural transportation network and to enable State and local governments to set up programs to utilize continuation grants, the bill would provide for a temporary 2-year moratorium on abandonments outside the Northeast Region. This moratorium could be waived whenever the abandonment request is not opposed by any State, county, or municipality served by the line.

The full text of the bill follows:

H.R. 9516

A bill to amend the Regional Rail Reorganization Act of 1973 in order to expand the planning and rail service continuation subsidy authority under such Act, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Rural Rail Preservation and Improvement Act".

NATIONAL STUDIES AND POLICY

Sec. 2. (a) Section 204 of the Regional Rail Reorganization Act of 1973 is amended to read as follows:

"REPORTS

"Sec. 204. (a) Preparation.—(1) Within thirty days after the date of enactment of this Act, the Secretary shall prepare a comprehensive report containing his conclusions and recommendations with respect to the geographic zones within the region at and between which rail service should be provided and the criteria upon which such conclusions and recommendations are based; and (2) within three hundred days after the date of enactment of the Rural Rail Preservation and Improvement Act, the Secretary shall prepare a comprehensive report containing his conclusions with respect to essential rail services within the Nation in the area outside the region, and his recommendations as to the geographic zones at and between which rail service should be provided. The Secretary may use as a basis for the identification of such geographic zones the standard metropolitan statistical areas, groups of such areas, counties, or groups of counties having similar economic characteristics such as mining, manufacturing, or farming.

"(b) Submission.—Upon completion, the Secretary shall submit the reports required by subsection (a) of this section to the Office, the Association, the Governor and public utilities commission of each State studied in the report, local governments, consumer organizations, environmental groups, the public, and the Congress. The Secretary shall further cause a copy of each report to be published in the Federal Register.

"(c) Transportation Policy.—Within one hundred and eighty days after the date of enactment of the Rural Rail Preservation and Improvement Act, the Secretary shall formulate and submit to Congress a national transportation policy. The Secretary shall consider all relevant factors in formulating this national transportation policy, including the need for coordinated development and improvement of all modes of transportation, and recommendations as to the priority which should be assigned to the development and improvement of each such mode.".

(b) Section 205 of such Act is amended by inserting at the end thereof the following:

"(e) Other Studies.—Within three hundred days after the effective date of the final system plan, the Office shall, with the assistance of the Secretary and the Association—

"(1) study, evaluate, and hold public hearings on the Secretary's report on essential rail services within the Nation, which is required under section 204(a)(2) of this title, and the Secretary's formulation for a national transportation policy, which is required under section 204(c) of this title. The Office shall solicit, study, and evaluate comments, with respect to the content of such documents and the subject matter thereof, from the same categories of persons and governments listed in subsection (d)(1) of this section but without any geographical limitations; and

"(2) prepare a detailed information survey and detailed and comprehensive studies with respect to States outside the region covering the same material required to be surveyed and studied by the Association with respect to the region under section 202(b) of this Act, including a comprehensive report to be submitted to the Commission, the Association, the Secretary, and the Congress and to be published in the Federal Register.".

REPORT AND PARTIAL MORATORIUM ON ABANDONMENTS

Sec. 3. Section 304 of the Regional Rail Reorganization Act of 1973 is amended by inserting at the end thereof the following:

"(g) Report on Abandonments and Partial Moratorium.—The Commission shall submit to the Congress within ninety days after the date of enactment of the Rural Rail Preservation and Improvement Act a comprehensive report on the anticipated effect, including the environmental impact, of abandonments in States outside the region. No carrier subject to part I of the Interstate Commerce Act shall abandon, during a period of seven hundred and thirty days after the date of enactment of such Act, all or any portion of a line of railroad (or operation thereof) outside the region, the abandonment of which is opposed by any State, county, or municipality served by that line.".

EXPANSION OF RAIL SERVICE CONTINUATION SUBSIDY AND LOAN AUTHORIZATION

Sec. 4. (a) Subsection (a) of section 402 of the Regional Rail Reorganization Act of 1973 is amended by inserting after the first sentence the following: "The operation of rail properties with respect to which the Commission has issued a certificate of abandonment within five years prior to the date of enactment of this Act and which remain in condition for rail service shall, subject to the other provisions of this section, be eligible for such subsidies.".

(b) Such section 402 is further amended by striking out "in the region" wherever appearing therein.

(c) Subsection (i) of such section 402 is amended by striking out "$90,000,000" and inserting in lieu thereof "$200,000,000".

LIMITING GOVERNMENTAL MONITORING OF OUR PRIVATE LIVES

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. MEZVINSKY) is recognized for 10 minutes.

Mr. MEZVINSKY. Mr. Speaker, the House Judiciary Subcommittee on Courts, Civil Liberties, and the Administration of Justice is now addressing one of the most significant issues that will come before the 94th Congress—what are the acceptable limits of governmental monitoring of our private lives?

Watergate-style intrusions into the privacy of innocent American citizens have served to dramatize and underscore an increasingly alarming trend in our society. More people are able to delve further into our personal affairs than ever before—whether through electronic devises, computers, or other such sophisticated snooping techniques. Government, under the guise of "national defense" or "law enforcement," has shown its predisposition to pry into what we Americans prize most highly—the sanctity of our homes, our conversations, and the most intimate details of our private lives.

This threat is being confronted by several bills now before the subcommitte. Yet, as constructive and useful as they have been, these bills have not completely addressed themselves to some of the elements of the right of privacy that I think must be included in comprehensive legislation in this area.

Today, I am submitting legislation which incorporates not only issues addressed by legislation now before the subcommittee, but which broadens it to meet other problems in this area. This legislation makes it a Federal offense when Federal, State, and other governmental officials fail to obtain a warrant for searching buildings or vehicles, for wiretapping, or for opening mail. It changes the definition of "consent" to a "knowing and explicit waiver" by the individual given in writing. This bill broadens coverage to new forms of communication and interception and outlines procedures when there is mutual consent to such an intrusion. It requires new reporting procedures, extends coverage to the opening of mail, and limits the use of military and security forces in the enforcement of civil statutes unless specifically authorized by the Constitution or act of Congress.

I urge my colleagues in the House to support this legislation. This may become one of our most significant contributions to the civil liberties of our fellow Americans.

MRS. PAULINE CULMAR, FOSTER GRANDPARENT

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. BARRETT) is recognized for 5 minutes.

Mr. BARRETT. Mr. Speaker, today marks the beginning of the celebration of the 10th anniversary of the Foster Grandparent program. This Federal program, which now comes under the ACTION umbrella, originated to encourage low-income senior citizens to contribute their time and skills to act as Foster Grandparents to dependent and neglected children. The program has proven to be an enormous success. The original 21 project areas in the United States, which were first funded in 1965, have now grown to include 157 projects in all 50 States, with more than 12,000 adults serving as Foster Grandparents.

It gives me great pleasure to honor one of my constituents, Mrs. Pauline Culmar of Philadelphia, who was one of the original 20 Foster Grandparents and is still an active member of the program. For 10 years, Mrs. Culmar has given tirelessly of her time to extend to these unfortunate young children the affection and concern that had otherwise been denied them. Through her efforts she has greatly enriched the lives of many and has provided these children with countless hours of happiness and joy, which have added to brighter and more hope-filled futures for all of them. Mrs. Culmar is a great credit not only to the city of Philadelphia but also to our Nation and I am very proud that she is a member of my constituency.

PREPARATION FOR THE SECOND BUDGET RESOLUTION FOR FISCAL YEAR 1976—BUDGET COMMITTEE HEARINGS ON THE BUDGET AND THE ECONOMY

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. ADAMS) is recognized for 5 minutes.

Mr. ADAMS. Mr. Speaker, as Members know, the Budget Committee plans to begin markups on the second budget resolution for fiscal year 1976 in late October. The second resolution is a most critical part of the new budget process: it sets revenue and spending ceilings for the balance of fiscal year 1976.

In order to obtain the most up-to-date budget data and economic analyses prior to those markups, the Committee on the Budget will hold 4 days of hearings September 29 through October 2.

The following witnesses will testify at these hearings:

September 29: Secretary of the Treasury Simon and OMB Director Lynn on updated revenue and expenditure estimates;

September 30: Congressional Budget Office Director Alice Rivlin and economists, F. Gerald Adams and Guy Noyes, on economic forecasts for the coming year;

October 1: AFL–CIO representatives, Kenneth Young and Raymond Denison; John Gilligan of the Council on National Priorities; and John Wetmore of the Mortgage Bankers Association on the economy in general, budget priorities, and housing; and

October 2: Arthur Burns, Chairman of the Board of Governors of the Federal Reserve System, on monetary policy.

In addition, Members of Congress are invited to testify on Wednesday afternoon, October 1. Members wishing to testify should contact George Gross, the committee's executive director—extension 57200—to reserve time for testimony.

The committee invites written statements from all interested persons. These statements will be printed in the hearing record. Unfortunately, the schedule for processing the second budget resolution does not permit time for more extensive hearings.

Hearings will begin at 9:30 a.m. each day in room 210 of the Cannon House Office Building. The Wednesday afternoon session for testimony from Members of Congress will begin at 1:30 p.m.

THE CHICAGO DAILY NEWS—A CENTURY OF DEDICATED JOURNALISM

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, shortly before America begins its Bicentennial year, the Chicago Daily News, a powerful voice in my city of Chicago, will celebrate its 100th birthday.

On December 23, 1875, the Chicago Daily News was published for the first time. That first issue was only four pages and was held up to ridicule by older established Chicago newspapers. Today the Chicago Daily News not only has overcome the barbs of its competitors, but is now recognized as one of the greatest newspapers in our country.

It has reached that plateau of greatness because of an early philosophy developed by its founders that the paper would be "beholden to no one."

That spirit of independence has served the paper well over the years. That same unswerving dedication to journalism is being carried on today by the distinguished publisher of the Chicago Daily News, Mr. Marshall Field, and my good friend, Emmett Dedmon, vice president and editorial director of the newspaper. They have continually shown their devotion to the city of Chicago and have upheld the highest standards of integrity in presenting the facts to Daily News readers.

These two gentlemen stand in a long line of great journalists who are a part of the Chicago Daily News history. Among the famous who wrote for the Chicago Daily News were Carl Sandburg, Ben Hecht, Robert J. Casey, one of the greatest war correspondents of all times, Eugene Field, a famed childrens poet, and hundreds of others who although not as famous were nonetheless responsible for the journalistic tradition of the Chicago Daily News. The men and women who write for the Chicago Daily News have shown that they can carry on the great tradition of the past. That tradition has seen the newspaper win 15 Pulitzer Prizes for meritorious public service and excellence. I predict there will be many more such awards in the years ahead.

While journalistic awards are indeed

a measure of a newspaper's greatness, an even greater measure of accomplishment is the acceptance of the paper by its readers. In a multinewspaper city such as Chicago, people buy newspapers by choice, not because its the only paper available. For a newspaper to survive in such a climate of competition, it cannot afford to be mediocre. The newspaper must earn, and more important keep, the respect and confidence of its readers. A newspaper can win many journalistic awards, but if people do not buy the paper, it will not survive. The Chicago Daily News has shown that it can win awards and it has proven that it can keep its readers.

In a recent Daily News story about its past and future, Marshall Field made it clear that the newspaper is not resting on its past accomplishments. He said:

> I am proud of the rich heritage of the Daily News and we are determined to continue its great traditions. We are investing heavily in the future of this newspaper, both by seeking out talented young men and women and by providing them with the most modern electronic newsroom equipment that will help them do their jobs faster and better.
>
> This is a commitment to tomorrow.

Mr. Speaker, with a record of outstanding accomplishments in the past and a dedication to the future, it is clear to me that the Chicago Daily News will be around for a long time and will continue to provide the city of Chicago with the outstanding service which has made the Chicago Daily News such a great newspaper.

TWO WEEKS TO ACCOUNTABILITY FOR THE FEDERAL RESERVE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PATMAN) is recognized for 5 minutes.

Mr. PATMAN. Mr. Speaker, I wish to report to the House that a Rules Committee vote on H.R. 7590, a bill which authorizes and directs the General Accounting Office to conduct full-scale audits of the Federal Reserve System, is now scheduled to take place in 2 weeks.

That vote will follow completion of testimony by witnesses on this measure. Three witnesses testified last week and the remaining witnesses will be heard in 2 weeks.

I am fully confident that the committee vote will be favorable and that the measure, which is cosponsored by 118 Members of the House, will be decisively approved when it reaches the floor later this month.

Mr. Speaker, H.R. 7590 is one of the most important pieces of legislation to be considered by this Congress. The bill is given this degree of recognition because it provides the only way by which the Federal Reserve, which affects every aspect of the Nation's economy and ultimately determines whether we have prosperity or depression, can be held accountable for the way in which it conducts its activities.

Those activities are financed with an enormous annual income of tax money amounting to more than $6 billion. The money is paid to the Federal Reserve by the Treasury in the form of interest on the $93 billion in Federal securities held by the System. Those securities, which have been paid for once and ought to be canceled, amount to about 20 percent of the national debt. Moreover, the Federal Reserve handles financial transactions totaling $30 trillion a year—transactions which will increase far beyond that staggering figure in the years ahead.

Mr. Speaker, despite the fact that the Federal Reserve is the economic kingpin of our financial system, it is not accountable to Congress or the administration for the way in which it spends its multibillion dollar annual income, employs some 28,000 persons, and handles an enormous and ever-growing volume of financial transactions.

This is why the Federal Reserve must be held accountable to Congress through comprehensive GAO audits. This is why so many Members of the House have placed their names on this legislation.

Mr. Speaker, it is the responsibility of Congress, which created the Federal Reserve, to hold it accountable for the way in which it functions. I am sure that Congress will live up to this responsibility.

SIGMUND ARYWITZ

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. CHARLES H. WILSON) is recognized for 5 minutes.

Mr. CHARLES H. WILSON of California. Mr. Speaker, I was shocked and saddened to learn of the sudden death yesterday of Sig Arywitz, executive secretary of the Los Angeles County AFL/CIO. For Sig, a close personal friend as well as associate, truly believed that the basic purpose of a labor union is to better the life of its members.

Sig devoted most of his life to the labor movement. During his 15 years as education director of the International Ladies Garment Workers Union, he developed a reputation as a militant fighter for civil rights, and he continued to regard this as one of the most crucial issues confronting our Nation. His dedication and determination to pursue fairness and opportunity for all continued as he assumed future leadership roles—as labor commissioner for the State of California under Gov. Pat Brown, and as executive secretary for Los Angeles County's AFL–CIO.

A forceful speaker, Sig was a frequent participant in collective bargaining, especially that involving public employees, and he was ingenuous in declaring his "bias in favor of the working people of California." But Sig's major strength was in coordinating labor's role in every southern California political campaign since he took office 8 years ago.

And so our State has lost one of its most prominent and endearing public figures. A people-to-people man, Sig Arywitz was unawed by the trappings of power but preferred instead to spend his time with the workers. In this way he learned about their problems with health, education, jobs, housing, and then he would get right out to do something to correct these conditions. Few men have done so much—and we shall miss him.

TAX BREAK URGED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WOLFF) is recognized for 5 minutes.

Mr. WOLFF. Mr. Speaker, it is not necessary for anyone to explain to this House the grave effects of the financial crisis facing our Nation on the mass transit systems, or on the working men and women in all the cities, towns, and villages who use a bus, a subway or a train to get to and from work.

While it would be ideal if the continuing spiral of fare hikes could be avoided, it does not seem possible to do this without further increasing the operating deficits of the systems themselves. And, of course, holding back on fares simply means that a savings for the commuter in this area simply means a hike for the taxpayer in another area.

Therefore, in order to help our working men and women meet the ever-increasing cost of living, I hope that this Congress will favorably consider legislation allowing individual Federal income tax deductions for the entire cost of commuting to and from work, on all forms of mass transit.

Obviously, as a New Yorker with fare increases on the subways and commuter lines such legislation has particular importance to me, and to those colleagues in my home State's delegation who today join with me in cosponsoring such legislation.

But it can be said without reservation that this legislation which we introduce today is truly national in its intent, and in its effect. Every working man and woman in every city, town, and village across our Nation who has to ride to work on a regular basis will be a beneficiary of this legislation, for obvious reasons.

Not so obvious, but perhaps of equal importance, is the fact that a system of allowing a Federal income tax deduction for commuter expenses on mass transit would also have the very positive effect of stimulating public use of mass transit.

The present situation gives Americans little, if any, incentive to stop our fatal dependence on the individual automobile—despite its gross misallocation of vital fuel resources—to get to and from work.

Mr. Speaker, the legislation being introduced today should go a long way to helping remedy not only an inequity to many millions of Americans, but it also promises to help shape the fuel consumption and travel habits of America in a most positive fashion.

I respectfully urge the attention of my distinguished colleagues on both sides of the aisle to this legislation, and I hope that they will contact my office to join with those of us who have already sponsored a measure we all hope will aid the tax-paying, working men and women of our Nation.

I now submit a copy of my legislation for the RECORD.

H.R. 9541

A bill to amend the Internal Revenue Code of 1954 to allow an individual an income tax deduction for the expenses of traveling to and from work by means of mass transportation facilities

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) part VII of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to additional itemized deductions for individuals) is amended by redesignating section 218 as section 219 and by inserting after section 217 the following new section:

"Sec. 218. Use of Mass Transportation Facilities in Going to and From Work.

"(a) In General.—In the case of an individual, there shall be allowed as a deduction all the ordinary and necessary expenses paid or incurred during the taxable year for the use of mass transportation facilities in traveling between such individual's principal residence and his principal place of employment or self-employment.

"(b) Definition.—For purposes of subsection (a), the term 'mass transportation facilities' means transit facilities which are licensed, franchised, or regulated by Federal, State, or local authorities, and which travel on prescribed routes, including subways, trains, buses, boats, airplanes, helicopters, and the like."

(b) The table of sections for such part VII is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 218. Use of mass transportation facilities in going to and from work.

"Sec. 219. Cross references."

Sec. 2. Section 62 of the Internal Revenue Code of 1954 (relating to definition of adjusted gross income) is amended by inserting immediately after paragraph (8) the following new paragraph:

"(9) Use of mass transportation facilities in going to and from work.—The deduction allowed by section 218."

Sec. 3. The amendments made by this Act shall apply with respect to taxable years ending after the date of the enactment of this Act.

HIGH SCHOOL TEST SCORES DROP TO NEW LOW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Louisiana (Mr. Waggonner) is recognized for 15 minutes.

Mr. WAGGONNER. Mr. Speaker, "innovations in education" which this body has been funding for many years have produced at least one tangible result—test scores of American high school seniors have now reached an all-time recorded low.

The scholastic aptitude tests, taken by one-third of U.S. high school seniors as an admission requirement for college, have shown a continual drop in math and language scores since 1963. Scores this year have sunk to their lowest levels.

Obviously this is shocking to all of us who are concerned about the education of our young people.

So-called progressive education programs have been taking our schools progressively downward. Basic education, reading, writing, and mathematics have suffered. Parents are rightly alarmed at the decline in the quality of education their children are receiving.

We have spent billions upon billions of dollars on education—research, teacher training, development of "innovative programs"—what do we have to show for it? Each succeeding graduating class leaves high school less educated than the one before. We have been pouring money down a rathole, and there is no light at the end of this tunnel.

How many more generations of young Americans will be sacrificed before we make a national determination to return to education which truly educates our youth?

Mr. Speaker, I insert the related news clippings:

[From the Washington Post, Sept. 7, 1975]

High School Senior Slump

(By Bart Barnes)

Scores on verbal and mathematical aptitude tests taken by nearly 1 million college-bound high school seniors dropped sharply this year to the lowest level in more than two decades.

The decrease is a subject of increasing concern among educators and it comes at a time when college faculties are complaining that each year they are being sent students less proficient in reading and writing than the year before.

This year's senior scores on the Scholastic Aptitude Tests (SAT)—a requirement for admission at many colleges throughout the nation—capped a 12-year decline that began in 1963, according to the sponsors of the tests, the College Entrance Examination Board.

But the drop for the class of 1975—10 points on the verbal test and 8 points on the math—was the largest since the scores began to decline.

This year's average scores—434 on the verbal test and 472 on the math test—are the lowest since the college board began computing averages in the mid-1950s, a spokesman said. Tests are scored on a scale of 200 to 800, and the drop in averages since 1963 is 44 points on the verbal exam and 30 points on the mathematical.

College board staffers said they have been studying and analyzing the declining scores for the past few years and they are convinced the slump is not the result of technicalities in the tests.

"The decline seems increasingly real to us," said Carol Halstead, a college board staffer. "There is a decline in the verbal and mathematical reasoning ability among those who choose to take the SAT." (About one third of the nation's high school seniors take the exam.)

There was no firm evidence to explain the decline, but several college board staffers and professors offered theories ranging from the influence of television to shifts in high school curricula away from traditional areas and into more innovative ones.

Others have speculated that the averages may be declining because the SATs are being taken by more minority students than a decade ago and studies have shown such students often don't do as well as others on standardized tests.

The speculation appears to be discounted by the fact that, in addition to a decline in average test scores, there also was a sharp drop this year in the number of students who scored over 600. The number of students earning superior scores decreased by 20 per cent to 79,100 from 1974 to 1975 while the students who did poorly—scoring below 400—increased by 8 per cent.

"More students are looking at education now as somewhat an entertainment industry. The fact that mastery of a subject area takes a good deal of time and effort has been forgotten," said Joseph Monte, the president of the National Association of College Admissions Counselors and a guidance counselor at Montgomery County's Einstein High School.

"The verbal skills of students have gone down incredibly in the last 10 years," said Dr. Shirley Kenny, head of the English department at the University of Maryland.

At Maryland, Kenny said, the basic freshman English composition program has been revamped to improve students' verbal skills and a special program has been started for students with serious deficiencies.

Of 200 students at the University of Wisconsin taking an English usage examination this year to qualify for majors in journalism, 125 failed.

"Students are not convinced they need to know how to write," said Wisconsin English Prof. William Lenehan. "But they really do need to know how."

While the failure rate on the exam was 60 per cent this year, it was 30 per cent a year ago and 25 per cent in 1971.

Dr. James Kinneavy, director of freshman English at the University of Texas, attributed the test score drop to a "dialectical tolerance" among high school teachers trained in new linguistics. This theory holds that any ethnic dialect of English is as good as standard English and hence, standard rules of grammar and punctuation are considered unimportant.

"There are enough teachers in high school who believe in this and are practicing it so that I think it's a factor," Kinneavy said.

Even at such highly selective universities as Cornell, faculty members are becoming concerned about the decrease in students' verbal ability.

"There has to be some truth in the statements that the writing experience of our students is not as rich as it used to be," said Donald Dickason, Cornell's dean of admissions and financial aid. "Our students are following the national trends, although at a slower rate."

Those seniors taking the SATs this year included 496,876 males and 499,576 females, the first time more women have taken the tests than men.

Coincidentally, although test scores were down this year, students' grades in high school had improved somewhat, the college board found.

[From the Washington Post, Sept. 7, 1975]

Some Schools in Area Returning to 3 R's

(By Donnel Nunes)

In Fairfax County, school officials are working on plans for an annual countywide old-fashioned spelling bee to encourage students to learn basic spelling skills.

In Montgomery County, an elementary reading course that used 30 letters instead of the regular 26-letter alphabet has been dropped because it failed to help students learn to read.

In Prince George's County, a predominantly conservative board of education approved (but has been unable to implement) a proposal to create three "basic alternative schools" emphasizing reading, writing and arithmetic.

These examples of a return to the basics of instruction after more than a decade of innovative experimentation are a part of a subtle but growing national phenomenon, many educators and industry observers say.

The trend is making instant best sellers of textbooks that emphasize practical applications of subjects rather than theory, educators and observers say. At the same time, school officials are cutting funds earmarked for experimental programs.

"It's a kind of feeling all over the county," said Dr. John Sullivan, the National Education Association's instruction and professional development director. "People are reaching back, back for things that maybe never existed. They want some kind of basic teaching for their children. And the school systems are responding."

The subtle but dramatic shift away from innovation toward more rudimentary and basic educational approaches is the combined result of increased parental interest, the nation's poor economy, mediocre student performances in tests, and a new awareness on the part of school officials of the shortcomings of innovative programs, educators say.

"Look, when you ask a child in the fourth or fifth grade who was the first president and he looks at you like you're crazy, it takes your breath away," said Kathleen M. Barker, a conservative member of the Prince George's County board of education.

"Parents are looking at what they knew in fourth grade and saying, "I knew that and my child doesn't," she said. "The basics have been overlooked, and just because they're old doesn't mean they're bad."

"I think there's some validity to charges that students weren't as well educated under some of the new programs," said Carl W. Hassel, Prince George's County superintendent. "Educators were not being as explicit (in the classroom) as they should have been about basic skills."

Fairfax County schools superintendent John Davis said, "Industry has found that some graduates can't spell or write out a sales slip."

Fairfax County Area 1 school supervisor Dr. Herman Howard put it more bluntly. "A student has to be able to fill out a form for a job," he said. "That's a basic life skill."

The sharp decline in federal, state, local, and private funding to finance continuued experimentation is intensifying the scrutiny all news programs are receiving in Montgomery, Fairfax, Prince George's and Prince William counties school systems, according to educators.

"State and federal aid has definitely dried up," said Dr. Donald Miedema, acting Montgomery County superintendent. "Here in Montgomery County, we have had in our school budget for years seed money for innovative programs. Two years ago it was at its all-time high (about $110,000). This year we had to cut it back to about $25,000."

NEA's Sullivan said the nation's poor economy has affected innovative education in two major ways. Huge foundations which have channeled funds to new educational programs in the past suffered in the stock market fall, where most of their endowments are tied up in stocks.

Also, Sullivan said, "the people's faith in the economy has been shaken. It's caused basic insecurity. People are worried about their jobs and other things, and they're retrenching. They're looking for the good old days."

As a result, school systems are being more closely scrutinized by parents "than they have for ten or so years," said Prince George's County superintendent Hassel.

One indication of the impact of increased parental interest is reflected in the types of textbooks registering big sales this year.

Darrel E. Peterson, chief executive of Scott, Foresman & Co., one of the nation's leading textbook publishing houses which printed the old "Dick and Jane" reading series, said that his company has had tremendous success with a basic math book, "Mathematics Around Us," for grades kindergarten through eight.

"We just made the book available in January," Peterson said of the text, which he described as very basic in approach. "In the first quarter we sold more of that series than we have ever sold in a year in a new program. It is just incredible."

Another publisher of educational books in New York, who asked not to be identified, said that his company has noted a similar trend toward more basic types of educational material. "It is definitely a national trend," he said.

In the Washington area, where only the District reports "no systematic or other effort" to restudy innovative programs, Fairfax County, for example, is devoting more time in school to drill-type instruction, in which increased memorization in spelling and mathematics is being required.

"There's going to be more drill," said Fairfax County's superintendent of schools John Davis. "It's a reflection of community demands. The community has taken a look and said, 'my youngster's been happy in school, but he can't add.' "

A mathematics program, in which very basic approaches were utilized, has been "extremely successful" in Lorton Elementary School, according to Howard. "The principal's school scored in the 80th percentile. That was the first time it had ever scored that high. Now we're studying the methods used in that program with an eye towards using it elsewhere."

Davis said that, in addition, the schools will be using "flash cards," on which words are spelled correctly and used in memory drills, as well as math "flash" cards in which a student has to supply the right answer to an incomplete but simple problem.

In Montgomery County, according to Dr. Miedema, a reading program known as the Initial Teaching Alphabet (ITA) has been "pretty much abandoned." In that system an extra four letters are added to the alphabet so that each letter has a distinctive sound, he said.

"It just didn't produce good results," he said.

In both Montgomery and Fairfax Counties, the format of report cards has been altered. "We require more traditional reporting symbols along the lines of the old ABCDF," Miedema said. "It's what the parents want."

Other systems are involved in re-evaluating existing new programs, integrating other new programs into more traditional classes, or dropping them altogether, officials in Prince George's and Prince William Counties report.

"We're not rejecting by any means what we've learned in the last ten or 15 years," said Dr. Miedema. "What we are saying, and other systems are too, is that we can have innovative programs with the basics."

THE CBS ANTIHUNTING DOCUMENTARY

(Mr. **SIKES** asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, on Friday evening, September 5, CBS television broadcast a documentary which was purported to be an in-depth examination of hunting in America. I saw only a part of this program, but what I saw left me deeply distressed at the appalling misrepresentation and obviously one-sided view of hunting in this country which it presented.

This documentary, which CBS chose to call "The Guns of Autumn," made no effort to tell the true story of hunting in America or the contributions of sportsmen whose efforts and funds have made possible much of the hunting now available in this country. Rather, it featured the hunting practices of a minute percentage of hunters both of questionable skill and sporting ethics, as these men shot tame bears at a garbage dump and semi-tame exotic wildlife in fenced-in preserves. Another segment featured the controlled harvest of 60 buffalo on an overcrowded range in Arizona, apparently attempting to pass this off as typical of hunting practiced by America's 20 million sportsmen.

A sentimental and fairly revolting aspect of the show was a scene of the death of a white fallow deer. The film footage in a documentary of more sensitive and intelligent handling, might have some meaning. Here it had none, beyond the sentimental wallowing in thoughts and scenes of death. If I wished to make a callous appraisal, I would say that the scene which showed the deer being shot several times as it lay helpless, was a staged production in which only blanks were fired at the wounded animal in order to prolong the scene of agony.

As to the question of why men hunt, or what hunting consist of there were no answers at all. If the viewer had ever hunted, or ever known anyone who did, or ever thought about it one way or another, he probably was far ahead of this documentary. He already knows there are differences between hunting and slaughtering and that there is a thing called sportsmanship which figures prominently in the minds and habits of most outdoorsmen. For many Americans, an opportunity to visit the Nation's woodlands, with or without a weapon, constitutes a release from the pressures generated by life in the cities. The sportsmen of the Nation have contributed enormously to the protection and propagation of game and fish. Without their efforts and their dollars, conservation programs would be far short of their present highly developed status.

The shooting fraternity, and outdoorsmen in general, cannot be held responsible for the practices of a small minority who abuse the privileges which go with the enjoyment of America's great outdoors. And, regardless of personal beliefs about hunting, we should resent the effort of a major television network to present their alleged documentary as typical of the attitude and actions of America's 20 million hunters.

We must seriously consider why, unless CBS attempted this program with a preconceived purpose to discredit hunters and hunting, they would go to such length to avoid a fair and truthful examination of hunting in America.

I understand CBS is now planning a followup program which it will call "Echos of the Guns of Autumn." I urge my colleagues to join with me in expressing strong concern that the public airwaves not again be abused as they were on September 5.

GOALS OF OUR FOREIGN POLICY

(Mr. **PRICE** asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PRICE. Mr. Speaker, my attention has been called to an article entitled "The Proper Goals of Our Foreign Policy," by Eugene V. Rostow, appearing in the August/September issue of the Alternative: An American Spectator.

I think that my colleagues might find this article of interest, so under the permission granted, I insert it into the Record:

The Proper Goals of Our Foreign Policy

(By Eugene V. Rostow)

(This essay is adapted from a speech given by Mr. Rostow before the Los Angeles World Affairs Council on April 4, 1975.)

Despite the flurry of bad news during the last few months, America's basic security position is strong—stronger in many ways than has been the case since 1945. We are stronger because the increasing pressures of Soviet policy and the implacable logic of the nuclear weapon have forced Western Europe, China, Japan, and many other countries to recognize that their security interests and our own are indivisible, and will remain indivisible for the indefinite future. The world is becoming smaller and more bipolar.

Yet the United States is in danger, and the danger is increasing with every passing day. How can it be that we are stronger, but feel weaker, and indeed are allowing our advantage to erode?

My explanation for the paradox is that the prevailing American perception of world politics, still reeling under the impact of Korea and Vietnam, has been deeply confused by the Orwellian vocabulary President Nixon and Secretary of State Kissinger have employed in explaining foreign policy to the American people. President Ford has not yet liberated himself from this feature of his inheritance. Therefore we must still talk of the Nixon-Ford-Kissinger foreign policy, and not yet of a Ford-Kissinger foreign policy. The atmosphere of our domestic politics is still dominated by the strange and misleading language Nixon used when he talked to us about foreign affairs.

As a result, we are passive and timid, where we should be firm and strong. We are cutting our military strength, at a time when our military and political capabilities in world politics should be increasing. We hesitate, when our willingness to act in defense of our interests should be obvious to those who would challenge them. We are retreating when we should be standing fast—when we should be consolidating our alliances, and developing new relations of cooperation with many other countries, on the firm foundation of our shared interests in security. And we are bitterly divided, when we should be a united nation, confronting grave national problems together with all the energy, optimism, and practical common sense which have always characterized American foreign policy at its best.

Our Secretary of State has spoken recently about "a crisis of authority" from which he believes the democracies of the world are suffering. I do not agree. We are indeed in a crisis. It is not a crisis of authority, in my view, but a crisis of understanding, of will, and of civic responsibility.

The only rightful source of American policy is an informed public opinion. No President, however gifted, can carry out an effective foreign policy for long without the support of public opinion. And none of us would have it otherwise. I have complete faith in the fortitude and good judgment of the American people, their instinct for reality, and their willingness to accept any burdens for the sake of the nation. It may be that we are hopelessly caught up in a mood of irrationality and illusion like that which dominated the thirties, but I do not believe it. Certainly no one could draw such a conclusion from the elections of the last decade. I see no reason to doubt our ability to restore a strong and realistic bipartisan consensus about foreign policy. In any event, I am certain that we must try with all our might to do so. If we fail, the future will indeed be ominous, for the tide of events is running strongly against our national interests in world affairs.

The key to the possibility of success in that effort is simple, but not easy. The crystallization of a sound public opinion in any democracy, and especially in our democracy, requires a frank dialogue between the government and the people—sustained, intense, detailed, and thorough. It is nearly impossible for public opinion to understand the patterns beneath the flow of events unless our leaders trust the people, and explain the world with which they have to deal in the direct and unvarnished language of Harry Truman: with the bark on, without hedging or fudging, and above all without partisan bias.

Watergate was not in my judgment Richard Nixon's only offense against the moral code of our constitutional order. Mr. Nixon's way of talking to us about foreign policy also violated the principles of democratic ethics which should govern the relationship between the President of the United States and the American people.

THE FAILURE OF DÉTENTE

As the news makes more obvious with every passing day, from Portugal and the Middle East to the fall of Southeast Asia, President Nixon did not achieve "détente" with the Soviet Union. To me the only possible meaning for that magic word is a condition of world politics dominated by the habit of full respect for the rules of the United Nations Charter regarding the international use of force. We can hope to reach that goal only by building and maintaining a stable balance of power, on the basis of which we could deter Soviet expansion and ultimately persuade the Soviet Union to respect the rules of the Charter of the United Nations.

Detente with the Soviet Union in this sense is a state of affairs every American President has sought since the time of President Franklin Roosevelt. It should always be a major goal of our foreign policy. But the promise of "detente" has not been realized. Nixon claimed that he had brought the Cold War to an end, and reached a new and stable system of world peace. The hollowness of that claim is now obvious everywhere. We are not living in a condition of "detente" with the Soviet Union. There has been no improvement in our relations with that country. The only changes that have occurred have been in the realm of public relations, not of diplomacy. Soviet policy is exactly what it has always been, except that its pressures are greater and more diverse than ever, and more difficult to deal with. Our problems in Portugal today, for example, are far more complex than those of the Berlin blockade, or the threats to Greece in the late forties. "Negotiation" has not replaced "confrontation" in the policies of the Soviet Union. That nation continues to pursue programs of expansion backed by military budgets which have been increasing at the rate of five percent a year, in real terms, and have no parallel in modern history.

Until President Ford frees us from the incubus of President Nixon's excessive claims about what he accomplished, the agony and the triumph of Watergate will have been in vain. Until President Ford takes that indispensable step, there can be no foundation for the confident, agreed, and bipartisan foreign policy we must restore as the predicate for effective national action. Until that happens, we shall not enter the post-Nixon era.

As a student in London 35 years ago, President Kennedy wrote a book called *Why England Slept*. Its thesis was that if Britain, France, and the United States had roused themselves in time, World War II, and all that flowed from it, could have been prevented. President Kennedy was surely right. But the Western powers, including the United States, are walking in their sleep, as they did during the thirties. Will it take another Pearl Harbor to wake us up? Or can we respond in time, on the basis of reason alone, to prevent another world catastrophe? It is on these questions that the shape of our future depends.

We have had several warnings already quite as clear as Pearl Harbor, notably the war of October 1973 in the Middle East. Thus far, at any rate, we have refused to recognize those events as Pearl Harbors.

The main lines of American foreign policy have been constant since President Truman's time, and they will remain constant, for reasons rooted in the nature of things, unless we should suddenly decide to commit national suicide. Each of our postwar Presidents has had a different style. They have differed in ability, in temperament, in eloquence, and in luck. But the constant themes in their policies have been far more important than the variations. The continuity of our policy reflects the continuity of our national interests, and the necessities of world politics.

How should we define the American national interest in world politics? Some discuss the problem as if foreign policy were a luxury, an optional activity we can turn on and off at will, a form of philanthropy through which we help democratic nations whose policies we approve, and refuse to assist other nations, even against aggression, because we find their social or political systems unattractive, their leaders unsympathetic, or their habits corrupt.

I should make it clear that I reject such formulations of the problem. I am convinced that foreign policy is a serious subject, a necessity and not a matter of choice, and, in these troubled times, the first and most urgent of our national priorities. Foreign policy, like other kinds of policy, is always a matter of adjusting our hopes to our capacities. As Lord Salisbury remarked a long time ago, speaking of the Boer War, "the money will have been well spent if it teaches the British public they can't have the moon just because they want it." In my view, our foreign policy should be dominated by a concern for the national interest, and only for the national interest: our national interest in the safety, prosperity, and honor of the nation, and the democratic character of its institutions.

The essence of the American national interest in world politics is a world order in which we can live and prosper as a democracy at home—a world of wide horizons, and not a nightmare. The goal we must seek, however, is not order alone, but peace. For the century between 1815 and 1914, the United States did not really need a foreign policy. We lived in a system of peace maintained by the Concert of Europe. But for the last sixty years, we have learned once again what we knew so well when the Republic was young—that peace is not a gift of nature, or a blessing conferred on us by our two oceans, but the painful achievement of politics and law. Thus since 1945 the goal of American foreign policy has been not simply to achieve and maintain a deterrent balance of power, but on that indispensable foundation to help restore a system of peace—a system at least as good, and hopefully even better than that of the nineteenth century which came to an end in 1914. That condition—the state of peace—will be realized when world politics is characterized by the expectation that the basic rules of the United Nations Charter with respect to the international use of force will be generally, and reciprocally, obeyed and enforced. The ideal of law has been the organizing principle guiding the evolution of American democracy at home. In this small, contracting, and turbulent world, it is the only possible first principle for the foreign policy af a democracy which aspires to remain a democracy. Our two broad oceans are no longer enough to protect us. Indeed, they never were. Today, they have shrunk to the size of brooks.

Thus it is no accident that under all our postwar Presidents, our foreign policy has had the same four guiding ideas. The first, which we used to call the policy of containment, is that we should seek to prevent the balance of world power from being irreversibly altered by the outward thrust of Soviet policy. The second is the policy of economic reconstruction and development. From the days of Bretton Woods, the Marshall Plan, and the Point-Four program, we have tried to build a progressive worldwide economy, embracing the developed and the developing countries alike, and, more recently, the Communist countries as well. The third has been the effort to control nuclear weapons. Starting with the Baruch Plan proposals in 1947, we have never stopped pushing for international agreements that would take nuclear weapons and nuclear science out of world politics. Finally, beginning at least in 1949, we have sought, year after year, to separate China from the Soviet Union.

Each President has had to cope with a different configuration of events. For Nixon, the event of overriding importance was China's decision to turn to the United States for protection against the Soviet Union. That decision was difficult for the Chinese Communists to make, even as a tactical zig or zag. It was a response to the steady Soviet military buildup in Siberia, and the military and political penetration of South and Southeast Asia by the Soviet Union. Soviet forces in Siberia rose from about four divisions in the mid-sixties, to 12 in 1969, and to something like 40 or 45 in 1971, when the Chinese move occurred. The Soviet mobilization on the Siberian border is the most important fact in world politics today. Soviet forces in Siberia are still increasing in size and power. Given the Chinese and Soviet rivalry for leadership of the world's revolutionary impulse, China perceived the Soviet military buildup in Siberia as a mortal threat, and turned to us as the only force on earth that could deter a Soviet attack.

Nixon responded well to the Chinese move, at least in the first instance. He explained both to China and to the Soviet Union that we wished to have equally good relations with each, and that we did not wish to enter into an alliance with one against the other. We opposed hegemonial dominance in Asia as we did in Europe, and for the same basic and eternal reasons of national security. And, Nixon made clear, there must be no war.

China's rapprochement with the United States is the most significant and potentially the most constructive change in the structure of world politics since 1949. If China, with a formidable nuclear arsenal, needed an ongoing security relation with the United States in order to prevent Soviet aggression, the lesson for Western Europe, Japan, and many smaller states was obvious. The magnetic field of world politics is being redefined. A new constellation of shared interests was manifest, based on fear rather than hope, but not less real for that. A more stable equilibrium in world politics seemed distinctly possible. President Nixon, indeed, proclaimed that such an equilibrium had already been achieved.

To this development, the Soviet response was clear-cut. The Soviets tried to show the Chinese how futile their move had been, by their full support for the spring offensive of 1972 in Vietnam. When that attack failed, Nixon was enthusiastically received in Moscow, in order to make quite certain that China and the United States were not in fact secretly allied against the Soviet Union. In this setting, the brave promises of detente were made, in May of 1972. The Declaration of Principles and the Communique issued at that time proclaimed that in conducting their relations the two governments would proceed from the common determination that in the nuclear age there is no alternative to peaceful coexistence. To fulfill that principle, they promised to work together to achieve peaceful solutions for situations of tension in many parts of the world, to exercise restraint in their mutual relations, and to negotiate and settle all differences by peaceful means. Specifically, both nations undertook to bring peace to Indochina, and the Soviet Union promised to cooperate fully with Ambassador Jarring in negotiating a political settlement in the Middle East, pursuant to the principles and provisions of the Security Council's Resolution 242 of November 22, 1967.

The state of tension in the Soviet-Chinese-American triangle and the success of our military efforts and those of the South Vietnamese forces during 1972 led to the Indochina cease-fire agreements of January 1973, which were "guaranteed" by the major powers in the Declaration of Paris in March 1973.

From the American point of view, those agreements were entirely satisfactory—on paper. Despite a few minor ambiguities around the edges, they confirmed the positions for which we and other nations had suffered so bitterly in attempting to carry out our obligations under the SEATO Treaty and the Charter of the United Nations—North Vietnam and South Vietnam were separate states, and the war in Indochina was therefore an international war, not a civil war; and North Vietnam would evacuate Laos and Cambodia, withdraw in effect from South Vietnam, and refrain from any interference, military or political, in the affairs of South Vietnam. On that basis, we should withdraw from South Vietnam, and peace would return to that tortured land. The Soviet Union promised once again to carry out the agreement it had made with us in 1962—the agreement, that is, finally to get the North Vietnamese out of Laos and Cambodia.

The Soviets have never pretended that the 1973 agreements for peace in Indochina were being carried out. And our government, weak and uncertain, did not even protest strongly against the fact that it was being cynically double-crossed by the Soviet Union as well as by the North Vietnamese. In the shadow of Watergate, Nixon and Kissinger were prisoners of their own "detente" rhetoric. They remained silent, and hoped for the best. In the grim Watergate summer of 1973, President Nixon even signed the resolution forbidding all bombing or other military activity in Indochina. Thus ended the last vestige of deterrent uncertainty about America's will to insist on the enforcement of the agreements for peace in Indochina. On a trip to East Asia during that summer, I found that to be the first question on the mind of every government in the region.

The only modern analogy for Soviet behavior in relation to the Indochina agreements of 1973 is the invasion of Czechoslovakia in contempt of the Munich agreements of 1938. That dire event was a clear signal of Hitler's intentions in the thirties. The fate of the Indochina agreements of 1973 has the same significance to the policy problems we face today.

At some point during 1973, once we had withdrawn our troops from Vietnam, perhaps not until the late summer, when Congress had passed and the President had signed the resolution forbidding all American military involvement in Indochina, the Soviets decided to strike against the risk that the Chinese-American rapproachment might genuinely restrain their ongoing programs of expansion. The main theatre they chose for their first attack was the Middle East. It has always been the pattern of Soviet policy, when disappointed or frustrated on one front, to move ahead on another.

Soviet behavior before, during, and since the Middle East war of October 1973, like their failure to carry out their promises with regard to Indochina, made nonsense of the pledges the Soviets had given to Nixon during his Moscow visit of May 1972, and their later reiteration of those pledges. Instead of pressing for a diplomatic settlement in the Middle East in accordance with the Security Council Resolution, as they had promised, the Soviets helped to prepare and equip the Arab aggression of October 6, 1973, supported the oil embargo, and urged distant Arab states to enter the fray. And, at the end, they threatened to intervene themselves in order to prevent the total destruction of the Egyptian and Syrian armed forces. Again, as they did in Indochina, Nixon and Kissinger concealed what was happening from the American people. In order to preserve the illusion of "detente," they covered up the Soviet role in the October war, both by what they said and by what they did not say. Mr. Kissinger has told us that Soviet behavior before, during, and after the October war was "not unreasonable," and "less obstructive than in 1967," and that our "detente" relations with the Soviet Union contributed to an agreed settlement.

VIETNAM IN PERSPECTIVE

I have no desire to reopen old wounds, or to engage in a great and bloody battle of recriminations over the tragic subject of Vietnam. As Churchill said in 1940, if we turn our minds to fighting over who was right and who was wrong in the period behind us, we shall have no energy left for solving the problems we must face together in the period ahead. There is blame enough, Heaven knows, on all sides.

Blame is not our problem. But understanding is, and so is responsibility. We shall be unable to head off the war that looms unless we come together quickly around a bipartisan foreign policy based on realities rather than dreams, and achieved by open, serious, and responsible debate; and I should therefore like to discuss Vietnam from that perspective.

Speaking to us about Vietnam, for example, President Nixon told us over and over again that the Democrats had put half a million troops into Vietnam, and that his task was to get them out with honor. That statement, repeated a thousand times, was gall and wormwood to every Democrat, as indeed it was intended to be. It contributed immeasurably to the decay of the bipartisan approach to foreign policy, whose consequences we see today. So far as I know, President Nixon never explained to American and world opinion what everybody on earth has suddenly remembered recently—that we entered the Indochina war pursuant to a solemn treaty of the United States, promulgated by President Eisenhower, and approved by a bipartisan vote while Nixon presided over the Senate as Vice President. The decision to use force to help South Vietnam resist the armed attacks of North Vietnam was backed by vote after bipartisan vote of the Congress, and supported by editorials and other expressions of public opinion throughout the nation at the time. But it became taboo to mention the SEATO Treaty as the basis for our policy in Vietnam and that taboo has continued under President Ford. As South Vietnam was collapsing the President and his subordinates still talked of our obligations there as if they stemmed from the executive agreements and secret diplomatic talks of 1973. That is not the case.

In the later phases of the Vietnam war—when public opinion, very sensibly, reached the conclusion that we should win or get out—many Democrats were all too happy to fall in with Nixon's way of talking about the problem. They were glad to forget the Treaty and the other national commitments we had made over the years to help South Vietnam protect itself against aggression.

But treaties of the United States cannot be so easily exorcised in world affairs. We may choose to ignore them, for shabby reasons of domestic politics. That option is not available either to our friends or to our adversaries abroad. For them American treaties and the other commitments are the cement of the world political system—the only cement there is.

What conclusions, then, should we draw from the fall of Indochina?

First, in General Stillwell's immortal phrase, our policy has taken a terrible licking. Southeast Asia is an important region of the world—not so vital, strategically, as Europe and the Middle East—but important in itself—important to naval strategy; important economically and politically; and important above all to the dynamics of the Soviet-Chinese-American triangle whose stability is the most powerful foundation for a possible structure of peace. Despite an important tactical defeat, we cannot abandon the region. The interests of a great power must be protected despite setbacks.

Second, we must move rapidly and with conviction on the diplomatic front to repair the damage to world politics implicit in the demonstration that an American treaty can be made worthless. There is a new doubt, a new uncertainty, everywhere—an uncertainty which will not be overcome by the brave words alone. As Sir Robert Thompson suggested in his bitter and passionate article in the New York Times, the events in Indochina will convince many people that the Soviet Union is a more reliable ally than the United States.

We can be certain, after Vietnam, that the Soviets will soon move again—in the Middle East or the Persian Gulf, in Portugal, or in some area we are not particularly worried about at the moment: South Korea, for example, whose independence is essential to the security of Japan, or China itself, or Western Europe.

The best diplomatic signal we could give, in the face of these events, would be a sharp increase in our defense budget, particularly for the Navy, for our ready forces, and for research and development.

On that basis, we could hope to move with conviction to restore the confident solidarity of our alliance relations, and sobriety, shall we say, in our relations with the Soviet Union.

"SPEAK FOR AMERICA"

Our foreign policy agenda is formidable in every field, from monetary and energy problems to those of nuclear weapons, alliance relations, and food. In my opinion, effective programs of action on all these subjects are within our reach, if, but only if, we soon come to a common and agreed answer to these fundamental questions: What is our foreign policy for? And what means should we use to carry it out?

I think I can claim to be the only bureaucrat who ever went up and down the country making official speeches to the effect that our most important foreign policy problem was to resolve the Jungian tension between our collective unconscious and the facts of life. Our collective unconscious preserves a beautiful vision in our minds—the vision of nineteenth-century America, isolated and aloof, without entangling alliances, and entirely neutral in the various conflicts of world power politics. We must finally liberate ourselves from this dream. The nineteenth century is over. The nations which maintained the general peace of the nineteenth century no longer have the power to do so. Unless we take our share of responsibility for the process of peace, there will be no peace. World politics will degenerate into conflict after conflict until we and other nations react, as we did four times in this century, when we felt threatened by hostile forces that would become overpowering unless we struck out against them. The basic cause of war, as Thucydides pointed out many centuries ago, is fear. What made the Peloponnesian War inevitable, Thucydides wrote, "was the growth of Athenian power, and the fear which this caused in Sparta."

We are living in the midst of a comparable process today. We are the only people on earth who can arrest that process in time to prevent war, by proceeding calmly, patiently, and steadily in the pattern of firmness and conciliation which has characterized our foreign policy since President Truman's time. To accomplish this goal will require a great national and international effort—in the first instance, an effort of thought, a debate, and then a series of votes on defense, and aid, and other hard subjects.

The United States should be the master, not the victim, of its fate. The will of our people cannot be mobilized unless the President, every official of the Executive Branch, every member of Congress, and every citizen addresses these issues with words and deeds adequate to their gravity. The dangers before us demand a sharp and dramatic turn in the direction of our policy. That turn will not come in time to prevent war unless we face the issues directly and soberly, without partisanship, in the spirit of civic responsibility which is the genius of our democratic society.

Some of you will recall Leopold Amery's great outburst in the House of Commons in 1939, to a speaker who was dithering about Britain's response to the invasion of Poland. "Speak for England," he shouted. Amery's words helped to precipitate a new state of resolve in Britain, and throughout the free world. We are at a point where Amery's cry should be heeded again. For every one of us who speaks, or writes, or votes on issues of American foreign policy today, the only rule should be "Speak for America."

EFFECT OF OIL DECONTROL ON NEW YORK STATE CONSUMERS

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, I would like to enter into the RECORD an analysis prepared by the State of New York's Washington office of the projected impact of the decontrol of old oil prices, OPEC price increases, and the removal of the President's $2 per barrel oil import fee on the average consumer in New York State.

I would urge my colleagues to note the conclusions of the report that while oil decontrol would mean significant cost increases for the consumer, increased prices would not guarantee reduced consumption of petroleum products.

The analysis follows:

SEPTEMBER 5, 1975.

To: Members of the New York Congressional Delegation.

From: James L. Larocca.

Subject: Dollar Impacts of Oil Price Decontrol.

The "Emergency Petroleum Allocation Act" expired on August 31 without the President and Congress reaching an agreement on the decontrol of old oil prices. It still seems likely that the President will veto S. 1849, which would extend the Act for six months. An effort to override the veto will probably be made early next week. The following information attempts to document the impact on New York consumers of decontrol of old oil prices, OPEC price increases, and the removal of the President's $2/bbl. oil import fee.

1. PRICES—CONSERVATION

According to the August 25 edition of *Oil Week*, an industry journal, ". . . President Ford's plan to curb consumption through higher prices is not working." This conclusion is based on a comparison of gasoline prices and consumption for the summer of 1973 and the summer of 1975.

Date, price per gallon, and consumption

August, 1973: $0.388, 304.7 million gallons per day.

July, 1975: $0.589, 300.1 million gallons per day.

These FEA statistics show a 1½ percent drop in consumption during July, 1975 from the level of August, 1973. During that period there was a *52 percent increase in the price of gasoline*, accentuated by a $.046/gal. or 8 percent increase between May and July, 1975. Even the 1½ percent drop must be discounted because August gasoline consumption is historically higher than July consumption. The figures for August, 1975, may thus show no drop in consumption for a 52 percent price increase.

These statistics clearly indicate that increased prices do not guarantee reduced consumption.

2. COST OF DECONTROL

A. The expiration of the price ceilings on "old" oil will cost New Yorkers the following amounts, calculated on annual basis; presuming an $11.50/bbl. world price for oil:

Product	Consumption (barrels)	"Old" oil [1] (percent)	Additional gross cost	Additional unit cost per gallon
Gasoline	145, 476, 190	45. 5	$413, 697, 915	$0. 067
Distillate	140, 142, 857	40. 1	351, 233, 035	. 059
Residual	160, 333, 333	7. 4	74, 154, 166	. 011
Total			839, 085, 116	

[1] Percent of the product refined from price controlled oil.

B. In the present situation (no price controls), the domestic price of oil will be equivalent to the world price, which is effectively determined by the OPEC cartel. For every additional $1/bbl. that OPEC adds to the current price, the cost to New Yorkers, on an annual basis, will be:

Product	Consumption (barrels)	Additional gross cost	Additional unit cost per gallon
Gasoline	145, 476, 190	$145, 476, 190	$0. 023
Distillate	140, 142, 857	140, 142, 857	. 023
Residual	160, 333; 333	160, 333, 333	. 023
Total		445, 952, 380	

C. In the wake of court decisions, the President has apparently decided to drop the $2/bbl. special oil import fee, which will have the following impact on costs for New Yorkers, on an annual basis:

Product	Consumption (barrels)	Imports (percent)	Reduced gross cost	Reduced unit cost (per gallon)
Gasoline	145, 476, 190	[1] 8. 0	−$14, 314, 857	−$. 002
		[2] 24. 1	−71, 171, 316	−. 012
Total			−85, 486, 173	−. 014
Distillate	140, 142, 857	[1] 19. 0	−32, 751, 385	−. 006
		[2] 21. 2	−60, 311, 879	−. 010
Total			−93, 063, 264	−. 016
Residual	160, 333, 333	[1] 85. 0	−167, 628, 499	−. 025
		[2] 3. 9	−12, 693, 589	−. 002
Total			−180, 322, 088	−. 027

[1] Percent of product imported.

[2] Percent of product refined from imported crude.

D. Constructing what now seems to be the most likely case (OPEC increase of $1/bbl. plus decontrol) yields the following sum cost increased for New Yorkers, on an annual basis:

Product	Gross cost	Unit cost (per gallon)
Gasoline	$473, 687, 932	$0.076
Distillate	398, 312, 268	.066
Residual	54, 165, 411	.007
Total	926, 165, 611	

MANDATORY RETIREMENT—DISCRIMINATION AGAINST THE AGED

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, I recently came across an article in the New York Times dealing with the question of mandatory retirement and its adverse effects not only on senior citizens, but on the productivity of the work force as a whole.

This is an issue which has come to the forefront in recent years, as senior citizens have organized themselves to combat the many features of law in variour areas that discriminate against them.

I believe Mr. Eglit's article is most effective in refuting the arguments against allowing those over the age of 65 to continue to be gainfully employed. Furthermore, he points out that the real issue is the constitutionality of removing an individual's source of income and primary satisfaction in life simply because he has reached a predetermined age.

I insert this article into the RECORD for the benefit of my colleagues. I agree with Mr. Eglit that mandatory retirement is "just another name for discrimination." The article follows:

[From the New York Times, Aug. 2, 1975]

THE GREEN IN THE GREEN PASTURES IS BROWN

(By Howard Eglit) *

Each day 4,100 men and women become "senior citizens." And for almost half of them, their 65th birthdays close the door to their jobs. They are mandatorily retired, a commonplace of work in America.

While they may go quietly, all do not go willingly. More than one-third of the men want to continue working. So do 50 per cent of the married women, and 75 per cent of the unmarried. Working, after all, is what we are about, in part because of economic necessity. In part, also, because we anchor our egos to our jobs: We are what we do.

Things were not always so. In 1890, 68 per cent of men 65 and over were actively in the work force. Today, when the average 65-year-old man has a life expectancy of eleven years, and his wife fourteen, the new generation of "young" oldsters are economic discards.

Presumably, such an ingrained system, affecting so many, has valid justifications. In fact, the mainstays of mandatory retirement are largely myths. For example, the notion is firmly held that younger workers perform better. Virtually every major study proves the contrary. Older workers are equally, sometimes more, productive; absenteeism rates are lower, work attitudes more positive.

Another myth has as its stalking horse a caricature of a senility-decimated oldster. But senility is rare; indeed, intellectual capacity, the studies now show, can increase throughout life. When physical or mental agility do slow down, the older worker compensates with increased concentration and care.

A third myth holds that employers are unable to decide who shall go and who shall stay. Actually, such decisions are made daily—this man is hired, that one fired; Joe promoted, Jim passed over. The judgments are no different for older workers. All they ask is to be judged—like others—on the basis of performance.

The final myth is two-edged. One side of it says we must make room for younger workers; the other invokes the shibboleth of "deadwood."

Obviously, the supply of jobs in this economy is limited. (Of course, even when the statistics were brighter, they excluded unwilling retirees from the numbers computation.) But ousting older workers simply shifts the burden of too few jobs; the players are changed, but the game's the same.

As for deadwood, undoubtedly people do go stale. But that happens after four years as often as after forty. Simply waiting for the forty to remove the dullard or the unbending bureaucrat is hardly a productive solution. Indeed, compulsory retirement is likely counterproductive: The 55-year-old is not going to look for another 65-and-out job. He'll stay where he's at—stale, perhaps, but at least secure.

Even if there is room for argument about the myths, that dispute should not obscure the fundamental inequity of mandatory retirement. The practice is, plain and simple, a passport to second-class citizenship.

Fortunately, the Constitution offers direction in getting to the core concern. The reasoning is straightforward, and was cogently articulated by the Supreme Court last year. The case involved two married schoolteachers, both removed from the classroom because they became pregnant. Justice Potter Stewart wrote: "The [unconstitutional] rules contain irrebuttable presumption of physical incompetency, and that presumption applies even when the medical evidence as to an individual woman's physical status might be wholly to the contrary."

The constitutionally acceptable prescription is instead individualized assessment of each woman's ability.

Recognizing the implications, Justice William H. Rehnquist and Chief Justice Warren E. Burger hastened to dissent. Demonstrating meager regard for both pregnant women and old people, they warned that the Court would have "to strain valiantly" lest its emphathy for the teachers "lead to the invalidation of mandatory retirement."

Unfortunately, what the two dissenters deplored has not yet come to pass. Numerous suits have been filed in Federal courts, but only one has succeeded—in May, 1974, a Boston panel struck down a Massachusetts law requiring state policemen to retire at fifty. The Supreme Court will hear that case in the fall, and given its record thus far of letting forced retirement rulings stand, any forecast must be hedged with pessimism. Nevertheless, the very fact that the Court is going to address the issue squarely is a signal of just how high the stakes have risen.

The prospects are brighter than the court battles indicate, however. For example, just weeks ago the Illinois House of Representatives voted 117–21 to outlaw age-based mandatory retirement in private enterprise. Similar bills have been introduced in the Congress. The senior-citizen lobby is pressing for abolition—a venture supported by the American Medical Association, which finds the practice socially unwise and physically and psychologically unhealthful.

Senior power and enlightened public opinion may yet accomplish what the courts cannot—or will not. However the end comes, it will be welcome. Mandatory retirement, after all, is just another name for discrimination, segregating the old folks from the rest of us.

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*Howard Eglit is former legal director of The Roger Baldwin Foundation of A.C.L.U. Inc., in Illinois. This is adapted from an article in The Civil Liberties Review.

COMMISSION ON UNEMPLOYMENT CAUSED BY THE DISPERSION OF HAZARDOUS INDUSTRIES

(Mr. DOMINICK V. DANIELS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DOMINICK V. DANIELS. Mr. Speaker, I am today introducing legislation to create a Commission on Unemployment caused by the dispersion of hazardous industries.

There is a growing amount of evidence that indicates that certain U.S. industries are relocating their industrial and manufacturing processes abroad in an attempt to circumvent the intent of Congress and avoid compliance with U.S. occupational safety and health laws.

This dispersion of hazardous U.S. industries poses serious problems for this country and the world community.

The flight of these industries from the United States has deprived American workers of jobs and has had an unsettling effect upon our economy.

The outflow of dollars for construction of foreign plants and the importation of goods produced by these industries abroad have serious implications for our balance of payments position.

Additionally, foreign workers are now being exposed to safety and health problems by these hazardous industries, and it is very likely that the industries are also contributing to environmental degradation, no matter where they are located.

My legislation establishes a commission to deal with these problems and to recommend, if necessary, legislative and administrative remedies.

Within the last decade in this Nation, there has been a growing awareness and concern about the human toll being extracted in the workplaces of America.

The ground swell of public concern about the magnitude of this problem culminated in the passage of the Occupational Safety and Health Act in 1970. This landmark legislation proclaimed the intent of Congress to assure a safe and healthy working place as a basic right for every American working man and woman.

At the time the act was passed, Congress had a preponderance of data on the problem of industrial accidents, but comparatively little data on the problem of occupational disease.

Research set in motion by the passage of the act has revealed a potential occupational health problem of monumental proportions. Noted public health experts testified before my subcommittee in May of 1974 that thousands of American workers are falling victim to occupationally linked diseases every year.

These estimates stagger the imagination, and they unfortunately fulfill my original prophesy that occupational disease would make the industrial accident problem seem almost trivial in comparison. However, not even I could have foreseen the potential public health hazard posed by exposure to harmful industrial materials.

Like most of my colleagues, I thought that the causes of occupational disease were locked behind factory gates. To our dismay and regret, we have discovered that disease-producing substances have infiltrated the communities in which the workers and their families live. The very air they breathe and the water they drink is contaminated by the same substances that threaten their health and their very lives when they are at work. Thus, the American worker is, in many cases, in double jeopardy.

The problem of disease in the workplace—as enormous as it is—is only symptomatic of a larger problem that poses a threat to our entire country and, indeed, the world community as a whole.

The United States has taken great strides to come to grips with the important problem of occupational disease and its larger societal implications. Other industrialized nations, beset by similar occupational safety and health problems, are looking at the progress made by the United States in this vital area. The task of motivating management to assume a responsibility for the physical and emotional well-being of workers has not been easy. We are one of the few industrialized countries in the world to have interfaced a sense of moral obligation with an appreciation for the dynamics of a production-oriented economy.

For the most part, the industrial and business sectors of our economy are to be commended for the efforts they have made to comply with the provisions of the Occupational Safety and Health Act. Recognizing that occupational accidents and disease have never been a bargain—either for industry or for the country—most American business and industrial enterprises have been, and are making, a good faith effort to provide their workers with a safe and healthy workplace.

Those industries which seek to evade their responsibilities to their workers by fleeing to countries which do not have occupational safety and health laws as effective as those in the United States deserve the kind of scrutiny my commission would provide.

There can be no sanctuary in a civilized world for industries which profit while thier workers perish.

Recent trends in the importation of asbestos textiles provide a dramatic example of the effects of industrial dispersion, or the relocation of potentially hazardous U.S. industries to countries which lack occupational safety and health laws as effective as those in this Nation.

Studies conducted by the Maryland Public Interest Research Group and the Industrial Union Department, AFL–CIO, reveal that American imports of asbestos textiles—products with known carcinogenic properties—are increasing at an exceedingly rapid rate.

Department of Commerce statistics show a steep increase in asbestos textile imports from Mexico, Brazil, Venezuela, and Taiwan. These countries supplied 50 percent of U.S. asbestos textile imports in 1973, compared to zero percent in the years 1964 to 1969.

I am perplexed by these figures since the United States has historically been a major asbestos textile producer because of our own ore deposits and our proximity to vast Canadian resources. Yet it is apparent that we are increasingly becoming an importer of the material. This information raises many questions in my mind regarding the reasons for such trends and the resultant effects they may have on our current economic problems. My commission should provide the answer to this and similar questions.

MINING IN DEATH VALLEY AND GLACIER BAY NATIONAL MONUMENTS AND IN OTHER NATIONAL PARKS AND NATIONAL MONUMENTS

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, I was amazed to read in today's Washington Star that there will soon be widespread strip mining of certain minerals in the Death Valley National Monument, in California and Nevada. Glacier Bay National Monument in Alaska is also threatened by imminent mining.

Most national parks and national monuments were created by legislation which specifically forbade mining of any sort. There have been five areas designated as national parks or national monuments, however, for which there is no such prohibition. These areas are Death Valley; Glacier Bay; Coronado National Memorial in Arizona; Mount McKinley National Park in Alaska; and Organ Pipe Cactus National Monument in Arizona. In the latter three, however, there is no present likelihood of mining, as there are no known economically recoverable mineral deposits.

The possibility of mining in our national parks and national monuments is obviously inconsistent with the purposes for which those areas have been set aside.

Mr. Speaker, I am today introducing legislation (H.R. 9540) to prohibit any mining in any area of the National Park System. I will also offer a corresponding amendment to the Coal Leasing Amendments Act (H.R. 6721), which the full Interior Committee is about to markup.

The National Park System was established to preserve, intact, the best of America's natural and historical resources. Since the establishment of Yellowstone over 100 years ago, millions of Americans and people from all over the world have gained insight and inspiration from these great national treasures.

In 1916, the National Park Service was given the responsibility of protecting these resources "in such manner and by such means as will leave them unimpaired for the enjoyment of future generations." Because Congress has considered mining to be an activity that would create an impairment, mining has generally been prohibited in National Park System areas as they are established. My bill would simply assure that this much needed prohibition be extended to those few areas from which it was excluded.

My concern is particularly directed to Death Valley National Monument and to Glacier Bay National Monument.

The act of June 13, 1933 (16 U.S.C. 447), extended the mining laws to lands within Death Valley National Monument. One of the most spectacular, and most heavily visited, natural attractions in the monument—the Gower Gulch, Zabrisky Point area—is now threatened by widespread strip mining. As the article in the Star points out, the ecology of the monument is extremely fragile, and still bears the scars left by roads and a pipeline built half a century ago, scars which may never heal. Each year, 1,200 acres of the monument are being scarred by strip mining; and unless something is done, total mining will increase by at least 50 percent in the next 4 years.

Glacier Bay National Monument is similarly endangered. The act of June 22, 1936 (49 Stat. 1817), extended the mining laws of the United States to all lands within Glacier Bay National Monument, which had previously been withdrawn from all forms of appropriation by the proclamation of February 26, 1925, which established the monument.

Glacier Bay is one of the country's most outstanding scenic wonders. It contains great tidewater glaciers and examples of early stages of postglacial forests. Within over 2.8 million acres, the national monument contains many species of wildlife and almost 200 species of bird-life.

A large portion of the national monument is now being considered for designation as a wilderness area. On June 13, 1974, President Nixon recommended that action be deferred on any wildernss designation for Glacier Bay National Monument pending completion of mineral surveys.

These mineral surveys are now underway, being conducted by the U.S. Geological Survey. Because of the current law, there is nothing to stop prospectors from following the Survey along and staking claims on the choicest land. And before Congress could even consider wilderness designation for the area, the wilderness qualities could be destroyed forever.

My bill would only affect future prospecting; it would not affect the rights of existing miners. The Secretary would, of course, retain his authority to purchase by negotiation or condemnation those existing mines; and it is my hope and intent that he will do so, particularly in those areas of Death Valley which would be most damaged by such activities.

In 1962, the Public Land Law Review Commission recommended such legislation, stating:

> There are exceptions for some types of areas in the National Park System, specifically Glacier Bay, Death Valley, and Organ Pipe Cactus National Monuments, and Mount

McKinley National Park where mining is authorized by statute. Although attempts to mine in most of these areas appear to be quiescent, the standing statutory provision for such use is an open invitation to conflict. We recommend that these provisions be repealed, and that Congress enact a general statute enumerating the types of uses and activities prohibited in all such areas now in existence or to be created in the future. With respect to outstanding rights, Congress should authorize an active program to acquire such interest upon payment of just compensation to the owners. The Commission believes this action will contribute significantly to reducing conflicts and controversy over the use and administration of these kinds of areas.

What the Commission feared is coming true; the "open invitation" has been accepted in Death Valley, and we may well face the same situation soon in Glacier Bay. We must act now.

The text of the article appearing in the Star follows:

[From the Washington Star, Sept. 10, 1975]

Strip Mining Set for Death Valley; Park Service Loses

(By Thomas Love)

Widespread strip mining is set to start soon in the most scenic portion of Death Valley National Monument, Calif., under a recent ruling by the Interior Department.

Overruling a decision of the National Park Service, Interior has ruled that no action is possible to prevent what NPS officials say will forever ruin the most popular spot in the monument which draws half a million visitors a year.

The ecology of Death Valley is so fragile that the Park Service is worried about the damage caused by the grazing of wild burros and is working on a plan to control them. Scars left by roads and a pipeline built half a century ago still mar the landscape and may never heal, according to officials at the monument.

The area of the proposed open pit mines includes Zabriskie Point and Gower Gulch, the first of which provides the best-known view in Death Valley and the second the most popular hiking trail. The area was made famous by the work of nature photographer Ansel Adams.

In a memo to Interior in June, Russell E. Dickerson, acting director of the NPS, said "immediate action on this matter is imperative to forestall the threatened location of mining claims in Gower Gulch," and he proposed prohibiting all further mining in the area.

In August, the Park Service went further and proposed legislation which would prohibit any mining in Death Valley and also Glacier Bay National Monument in Alaska. Yesterday, a spokesman for the Interior Department said there are no plans for the department to take any action to block the mining.

Michele B. Metrinko, associate Interior solicitor, ruled in July that the Park Service cannot prohibit any mining in the monument because of a law enacted in 1933.

She would not respond yesterday to questions about the decision, but a department spokesman said her ruling concluded that although the law opened the area to mining under "regulations prescribed by the secretary" of interior, that authority is limited to such areas as campgrounds and archeological sites. There is no authority to withdraw land from mining solely for scenic reasons, she said.

This decision is in conflict with the decision of the NPS solicitor who ruled that authority existed to block the mining. An attorney for a respected environmental group, who asked not to be identified because he had not read the ruling, said yesterday that he believed the law allowed Interior to withdraw any part of public land from prospecting and subsequent mining.

The Park Service memo to Interior concluded that because of various legal opinions, "we feel that scenic and recreational protection" are ample reasons to withdraw the area from further prospecting and mining. The memo also said that additional mining would jeopardize any future Park Service moves to create a wilderness area at Death Valley.

According to the legislative history of the 1933 act, mining was allowed in the monument because of the "romance and mystery" of the prospectors in the area. Environmentalists insist there is little relationship between a prospector with his burro and modern strip mining with massive earthmovers.

Although there has been some mining in the area for decades, strip mining did not start until 1971, according to James Thompson, superintendent of the monument.

He estimated that 1,200 acres of the monument are now being scarred each year by strip mining for talc and two borates—ulexite and colemanite—the latter two of which are used for insulation. The demand for the two borates is increasing at a great rate because of the energy crisis.

He said that unless something is done, total mining is expected to increase by at least 50 percent in the next four years, with most of the increase in the form of strip mining.

New mining claims, ranging from 20 to 160 acres, are increasing at the rate of 200 a year, he said. Of the 1,827 claims now filed, only about 25 percent are actually being worked, a Park Service spokesman said.

There are now four open pit mines in the area, the largest of which is 3,000 feet by 600 feet and more than 200 feet deep.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Matsunaga (at the request of Mr. O'Neill), after 2 p.m. today, through Friday, September 19, 1975, because of official business.

Mr. Kelly (at the request of Mr. Rhodes), for Friday, September 5, 1975, on account of official business as a member of the Committee on Agriculture.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Hyde) to revise and extend their remarks and include extraneous material:)

Mr. Whalen, for 5 minutes, today.

Mr. Shriver, for 5 minutes, today.

(The following Members (at the request of Mrs. Meyner) to revise and extend their remarks and include extraneous matter:)

Mr. Anderson of California, for 15 minutes today.

Mr. Gonzalez, for 5 minutes, today.

Mr. O'Neill, for 10 minutes, today.

Mr. Nolan, for 5 minutes, today.

Mr. Mezvinsky, for 10 minutes, today.

Mr. Barrett, for 5 minutes, today.

Mr. Adams, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Patman, for 5 minutes, today.

Mr. Charles H. Wilson of California, for 5 minutes, today.

Mr. Wolff, for 5 minutes, today.

Mr. Ford of Tennessee, for 5 minutes, today.

Mr. Waggonner, for 15 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Price and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the Record and is estimated by the Public Printer to cost $759.

Mr. Rhodes, and to include the Republican Legislative Agenda, notwithstanding the fact that it exceeds two pages of the Record and is estimated by the Public Printer to cost $930.

Mr. Koch, his remarks on the Harkin amendment to appear prior to the passage of the amendment.

Mr. Vander Veen, to revise and extend his remarks on H.R. 9005 today.

(The following Members (at the request of Mr. Hyde) and to include extraneous matter:)

Mr. J. William Stanton.

Mrs. Holt.

Mr. Anderson of Illinois in two instances.

Mr. Young of Florida.

Mr. Bauman in 10 instances.

Mr. Conte.

Mr. Hyde.

Mr. Symms in two instances.

Mr. Shriver.

Mr. Goldwater in two instances.

Mr. Gradison.

Mr. Snyder in two instances.

Mr. Archer.

Mr. Findley.

Mr. Frenzel in three instances.

(The following Members (at the request of Mrs. Meyner) and to include extraneous material:)

Mr. Fraser in 11 instances.

Mr. Gonzalez in three instances.

Mr. Anderson of California in three instances.

Mrs. Chisholm in two instances.

Mr. Moakley.

Mr. Carney.

Mr. McDonald of Georgia in four instances.

Mr. Stark.

Mr. D'Amours.

Mr. Lloyd of California.

Mr. Teague.

Mr. Roybal.

Mr. Edgar.

Mr. Levitas.

Mr. Neal.

Mr. Stokes in two instances.

Mr. Rosenthal.

Mrs. Sullivan.

Mr. Richmond.

Mr. Breckinridge in two instances.

Ms. Jordan.

Mr. Waxman.

Mr. Hayes of Indiana.

Mr. Harrington in 10 instances.

Mr. Brademas in five instances.

Mr. Rangel.

Mr. Ambro.

Mr. Smith of Iowa.

Mr. Conyers.

Mr. John L. Burton in three instances.
Mr. Zeferetti.
Mrs. Schroeder.
Mr. Jenrette in two instances.
Mr. de la Garza.
Mr. Downey of New York.
Mr. Downing of Virginia.
Mr. Vanik.
Mr. Badillo.
Mr. Simon.
Mr. Ottinger.
Mrs. Burke of California.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 963. An act to protect the public health by amending the Federal Food, Drug, and Cosmetic Act to prohibit the introduction or delivery for introduction into interstate commerce of the drug diethylstilbestrol (DES) for purposes of administering the drug to any animal intended for use as food, and for other purposes; to the Committee on Interstate and Foreign Commerce.

SENATE ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to an enrolled bill and joint resolution of the Senate of the following titles:

S. 331. An act to redesignate November 11 of each year as Veterans Day and to make such day a legal public holiday;

S.J. Res. 34. A joint resolution asking the President of the United States to declare the fourth Saturday of September 1975 as "National Hunting and Fishing Day"; and

S.J. Res. 125. A joint resolution authorizing and requesting the President to issue a proclamation designating Sunday, September 14, 1975, as "National St. Elizabeth Seton Day."

ADJOURNMENT

Mr. PATTERSON of California. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 46 minutes p.m.) the House adjourned until tomorrow, Thursday, September 11, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1710. A letter from the Administrator, Law Enforcement Assistance Administration, Department of Justice, transmitting the report of the Advisory Committee to the Administrator on Standards for the Administration of Juvenile Justice, pursuant to section 247 of the Juvenile Justice and Delinquency Prevention Act of 1974; to the Committee on Education and Labor.

1711. A letter from the Secretary of Transportation, transmitting the annual report of the Department of Transportation for fiscal year 1975 on its disposal of foreign excess property, pursuant to section 404(d) of the Federal Property and Administrative Services Act of 1949 [40 U.S.C. 514(d)]; to the Committee on Government Operations.

1712. A letter from the Chairman, Federal Communications Commission, transmitting a draft of proposed legislation to amend the Communications Act of 1934, as amended, with respect to Commissioners and Commission employees; to the Committee on Interstate and Foreign Commerce.

1713. A letter from the Chairman, Federal Communications Commission, transmitting a draft of proposed legislation to amend section 318 of the Communications Act of 1934, as amended, to enable the Federal Communications Commission to authorize translator broadcast stations to originate limited amounts of local programing, and to authorize FM radio translator stations to operate unattended in the same manner as is now permitted for television broadcast stations; to the Committee on Interstate and Foreign Commerce.

1714. A letter from the Administrator, Federal Energy Administration, transmitting a draft of proposed legislation to provide for the protection of franchised dealers of petroleum products from coercive business practices, and for other purposes; to the Committee on Interstate and Foreign Commerce.

1715. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting reports concerning visa petitions approved according certain beneficiaries third and sixth preference classification, pursuant to section 204 (d) of the Immigration and Nationality Act, as amended [8 U.S.C. 1154(d)]; to the Committee on the Judiciary.

1716. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in cases in which the authority contained in section 212(d)(3) of the Immigration and Nationality Act was exercised in behalf of certain aliens, together with a list of the persons involved, pursuant to section 212(d)(6) of the act [8 U.S.C. 1182(d)(6)]; to the Committee on the Judiciary.

1717. A letter from the Administrator of General Services, transmitting a prospectus proposing alterations at the Albany, N.Y., Post Office, Courthouse, and Customhouse, pursuant to section 7(a) of the Public Buildings Act of 1959, as amended; to the Committee on Public Works and Transportation.

1718. A letter from the Administrator of General Services, transmitting a prospectus proposing alterations to the Federal Trade Commission Building, Washington, D.C., pursuant to section 7(a) of the Public Buildings Act of 1959, as amended; to the Committee on Public Works and Transportation.

1719. A letter from the Administrator of General Services, transmitting a prospectus proposing alterations to the Federal office building at 101 Indiana Avenue, Northwest, Washington, D.C., pursuant to section 7(a) of the Public Buildings Act of 1959, as amended; to the Committee on Public Works and Transportation.

1720. A letter from the Administrator, Federal Energy Administration, transmitting a draft of proposed legislation to provide temporary authority for the President, the Federal Power Commission and the Federal Energy Administration to institute emergency measures to minimize the adverse effects of natural gas shortages; and for other purposes; jointly, to the Committees on Interstate and Foreign Commerce, and the Judiciary.

RECEIVED FROM THE COMPTROLLER GENERAL

1721. A letter from the Comptroller General of the United States, transmitting the results of a review of the reporting system required under the revenue sharing program; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. EDWARDS of California: Committee on the Judiciary. H.R. 6184. A bill to amend section 40 of the Bankruptcy Act to fix the salaries of referees in bankruptcy (Rept. No. 94-467). Referred to the Committee of the Whole House on the State of the Union.

Mr. EVINS of Tennessee: Committee on Small Business. Report on minority enterprise and allied problems of small business (Rept. No. 94-468). Referred to the Committee of the Whole House on the State of the Union.

Mr. FOLEY: Committee on Agriculture. H.R. 9000. A bill to amend the computation of the level of price support for tobacco; with amendment (Rept. No. 94-469). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Georgia: Committee on Rules. House Resolution 713. Resolution providing for the consideration of H.R. 5620. A bill to amend the act of August 20, 1963, as amended, relating to the construction of mint buildings (Rept. No. 94-470). Referred to the House Calendar.

Mr. YOUNG of Texas: Committee on Rules House Resolution 714. Resolution providing for the consideration of H.R. 7656. A bill to enable cattle producers to establish, finance, and carry out a cordinated program of research, producer and consumer information, and promotion to improve, maintain, and develop markets for cattle, beef, and beef products (Rept. No. 94-471). Referred to the House Calendar.

Mr. YOUNG of Georgia: Committee on Rules. House Resolution 715. Resolution providing for the consideration of H.R. 8757. A bill authorizing additional appropriations for prosecution of projects in certain comprehensive river basin plans for flood control, navigation, and for other purposes (Rept. No. 94-472). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. JONES of North Carolina (for himself, Mr. Wampler, and Mr. Rose):

H.R. 9497. A bill to amend the computation of the level of price support for tobacco; to the Committee on Agriculture.

By Mr. ADDABBO:

H.R. 9498. A bill to amend title 5, United States Code, to permit Federal, State, and local officers and employees to take an active part in political management and in political campaigns; to the Committee on Post Office and Civil Service.

By Mr. ARMSTRONG:

H.R. 9499. A bill to amend the Federal Food, Drug, and Cosmetic Act to establish certain limitations respecting the authority of the Secretary of Health, Education, and Welfare to regulate vitamins and minerals under that act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. THOMPSON (for himself and Mr. Quie):

H.R. 9500. A bill to stabilize labor-management relations in the construction industry, and for other purposes; to the Committee on Education and Labor.

By Mr. BENNETT:

H.R. 9501. A bill to provide for the establishment of the Electric Power Authority, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 9502. A bill to amend the Federal Aviation Act of 1958 relating to free or reduced-rate air transportation; to the Committee on Public Works and Transportation.

By Mr. BINGHAM:

H.R. 9503. A bill amending the Trading

With the Enemy Act to repeal the embargo on U.S. trade with North and South Vietnam; to the Committee on International Relations.

By Mr. BURLESON of Texas (for himself, Mr. Pickle, and Mr. Archer):

H.R. 9504. A bill to amend the Social Security Act so as to provide that, under certain circumstances, the entire area of a State will be redesignated as a single professional standards review organization area; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. DOMINICK V. DANIELS:

H.R. 9505. A bill to establish a Commission on Unemployment Caused by the Dispersion of Hazardous Industries; to the Committee on Education and Labor.

By Mr. DUNCAN of Oregon (for himself, Mr. Johnson of California, Mr. Ullman, Mr. Weaver, Mr. AuCoin, Mr. Hechler of West Virginia, Mr. Rodino, Mr. Roe, Mr. Wirth, Mr. Melcher, Mr. Roybal, Mr. Yatron, Mr. Roberts, Mr. Bonker, Mr. Foley, Mr. Blanchard, Mr. Mineta, Mr. Meeds, Ms. Chisholm, Mr. Richmond, Mr. Waxman, Mr. Lagomarsino, Ms. Fenwick, Mr. Carney, and Mr. Sarbanes):

H.R. 9506. A bill to establish a conservation corps in the Departments of Agriculture and Interior, and for other purposes; to the Committee on Education and Labor.

By Mr. DUNCAN of Oregon (for himself, Mr. Mazzoli, Mr. Stokes, Mr. Mikva, Mr. Ford of Tennessee, Mr. Harris, Mr. Solarz, Mr. Harrington, Mr. Rousselot, Mr. Pattison of New York, and Ms. Abzug):

H.R. 9507. A bill to establish a conservation corps in the Departments of Agriculture and Interior, and for other purposes; to the Committee on Education and Labor.

By Mr. EVINS of Tennessee (for himself, Mr. Quillen, Mr. Duncan of Tennessee, Mrs. Lloyd of Tennessee, Mr. Beard of Tennessee, Mr. Jones of Tennessee, Mr. Ford of Tennessee, Mr. Carter, and Mr. Whitten):

H.R. 9508. A bill to amend the Tennessee Valley Authority Act of 1933, to increase the number of members on the board of directors, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. FLORIO:

H.R. 9509. A bill to amend the Federal Power Act to prohibit certain full-time officers and employees of the Federal Power Commission from accepting employment or compensation from certain persons after termination of employment at the Commission; to the Committee on Interstate and Foreign Commerce.

By Mr. FRASER (for himself, Mr. Obey, Mr. Carney, Mrs. Collins of Illinois, Mr. Dodd, Mr. Harris, Mr. LaFalce, and Mr. Traxler):

H.R. 9510. A bill to regulate commerce to assure increased supplies of natural gas at reasonable prices for the consumer, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. GIBBONS (for himself and Mr. Mikva):

H.R. 9511. A bill to impose a minimum income tax on oil companies based on book earnings reported to shareholders; to the Committee on Ways and Means.

By Mr. HYDE (for himself and Mr. Rhodes):

H.R. 9512. A bill to provide that the recently enacted provisions authorizing increases in the salaries of Senators and Representatives be limited only to the increase which will take effect October 1, 1975; to the Committee on Post Office and Civil Service.

By Mr. KARTH (for himself and Mr. Nolan):

H.R. 9513. A bill to amend section 5051 of the Internal Revenue Code of 1954 (relating to the Federal excise tax on beer); to the Committee on Ways and Means.

By Mr. LANDRUM:

H.R. 9514. A bill to create a special tariff provision for imported glycine and related products; to the Committee on Ways and Means.

By Mr. MEZVINSKY:

H.R. 9515. A bill to require court orders in certain cases for the interception of all forms of communications by electronic and other devices, for all entering of real property or vehicles, for the opening of mail, and for the inspection or procurement of certain records, and for other purposes; to the Committee on the Judiciary.

By Mr. NOLAN (for himself, Mr. Bergland, and Mr. Pressler):

H.R. 9516. A bill to amend the Regional Rail Reorganization Act of 1973 in order to expand the planning and rail service continuation subsidy authority under such act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PATMAN:

H.R. 9517. A bill to authorize construction of the Little Cypress Lake and Reservoir, Tex.; to the Committee on Public Works and Transportation.

By Mr. ROYBAL (for himself and Mrs. Burke of California):

H.R. 9518. A bill to amend the Indochina Migration and Refugee Assistance Act of 1975 to provide Federal financial assistance to States in order to assist local educational agencies to provide public education to Vietnamese and Cambodian refugee children, and for other purposes; to the Committee on the Judiciary.

By Mr. STEIGER of Wisconsin:

H.R. 9519. A bill to amend the Internal Revenue Code of 1954 to provide for the withholding of State and city income taxes from the pay of members of the Armed Forces, under the direction and administration of the Internal Revenue Service; to the Committee on Ways and Means.

By Mr. SYMINGTON:

H.R. 9520. A bill to improve public understanding of the role of depository institutions in home financing; to the Commitee on Banking, Currency and Housing.

By Mr. SYMINGTON (for himself and Mr. Badillo):

H.R. 9521. A bill to designate the birthday of Susan B. Anthony as a legal public holiday; to the Committee on Post Office and Civil Service.

By Mr. TEAGUE:

H.R. 9522. A bill to prohibit the Federal courts from issuing busing orders based on race, and for other purposes; to the Committee on the Judiciary.

H.R. 9523. A bill to assure the continued dedication of the United States to quality education and the neighborhood school concept; to the Commitee on the Judiciary.

By Mr. STAGGERS (by himself and Mr. Dingell):

H.R. 9524. A bill to extend the Emergency Petroleum Allocation Act of 1973; to the Committee on Interstate and Foreign Commerce.

By Mr. ASPIN:

H.R. 9525. A bill to prohibit the introduction or delivery for introduction into commerce of the chemical compounds known as polycholrinated biphenyls; to the Committee on Interstate and Foreign Commerce.

By Mr. BADILLO:

H.R. 9526. A bill to provide for the establishment in selected cities and localities of pilot homestead programs under which publicly owned structures will be made available to tenant cooperatives for use in providing low- and moderate-income housing; to the Committee on Banking, Currency and Housing.

By Mr. BIAGGI:

H.R. 9527. A bill to amend the National Foundation on the Arts and Humanities Act of 1965 to provide that the National Endowment for the Arts shall carry out an emergency program for the employment of artists during any fiscal year in which the national rate of unemployment exceeds 6.5 percent; to the Committee on Education and Labor.

By Mr. BURGENER:

H.R. 9528. A bill to amend the Internal Revenue Code to provide an additional personal exemption for each senior citizen whose principal place of abode is in the principal residence of the taxpayer; to the Committee on Ways and Means.

By Mr. GONZALEZ:

H.R. 9529. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide a Federal death benefit to the surviving dependents of public safety officers; to the Committee on the Judiciary.

By Mr. JONES of Oklahoma (for himself, Mr. Steiger of Wisconsin, Mr. English, and Mr. Risenhoover):

H.R. 9530. A bill to amend title XX of the Social Security Act to provide that the regulations prescribed by the Secretary of Health, Education, and Welfare to impose staffing standards for day care centers thereunder shall require staff-to-child ratios of one adult for each child under 6 weeks old and (subject to State action in certain cases) one adult for each eight children between 6 weeks and 3 years old; to the Committee on Ways and Means.

By Mr. MATSUNAGA (for himself and Mr. Tsongas):

H.R. 9531. A bill to amend title 5, United States Code, to improve the basic workweek of firefighting personnel of executive agencies, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MELCHER:

H.R. 9532. A bill to amend part A of title IV of the Social Security Act and title XVI of such act, to provide for the disregarding of all income and resources deriving from reserved Indian lands in determining eligibility for or the amount of the aid or benefits payable to Indian people thereunder; to the Committee on Ways and Means.

By Mr. MIKVA (for himself, Ms. Abzug, Mr. AuCoin, Mrs. Collins of Illinois, Mr. Davis, Mr. Dodd, Mr. Eckhardt, Mr. Ford of Tennessee, Mr. Myers of Indiana, Mr. Russo, Mr. Santini, Mr. Solarz, Mrs. Spellman, Mr. Stark, and Mr. Studds):

H.R. 9533. A bill to correct inequities in certain franchise practices, to provide franchisors and franchisees with even-handed protection from unfair practices, to provide consumers with the benefits which accrue from a competitive and open market economy, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MINISH (for himself, Mr. Mitchell of Maryland, Mr. Derrick, Mr. Hayes of Indiana, Mr. Gonzalez, Mr. St Germain, Mr. Evans of Indiana, Mr. McKinney, Mr. John L. Burton, and Mr. Brooks):

H.R. 9534. A bill to revise and extend the Renegotiation Act of 1951; to the Committee on Banking, Currency and Housing.

By Mr. O'NEILL (for himself, and Mr. Edwards of California):

H.R. 9535. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to provide for the disposal of surplus real property to States and their political subdivisions, agencies, and instrumentalities for economic development purposes; to the Committee on Government Operations.

By Mr. PATTERSON of California:

H.R. 9536. A bill to provide emergency financial assistance to assure that there are adequate levels of police and fire personnel to provide for the public safety of citizens residing in areas which have been forced, due to severe financial hardship, to lay off public safety officers; to the Committee on Education and Labor.

H.R. 9537. A bill to amend the Domestic Volunteer Service Act of 1973 to provide that volunteers in foster grandparent programs may furnish supportive services to mentally retarded individiuals regardless of the age of such individuals; to the Committee on Education and Labor.

H.R. 9538. A bill to amend title II of the Social Securty Act to revise the provisions relating to automatic cost-of-living increases in benefits, and for other purposes; to the Committee on Ways and Means.

By Mr. QUILLEN:

H.R. 9539. A bill to extend the Emergency Petroleum Allocation Act; to the Committee on Interstate and Foreign Commerce.

By Mr. SEIBERLING:

H.R. 9540. A bill to prohibit mining within any area of the National Park System, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WOLFF (for himself, Ms. Abzug, Mr. Addabbo, Mr. Badillo, Mr. Biaggi, Mr. Delaney, Mr. Koch, Mr. Ottinger, Mr. Rangel, Mr. Richmond, Mr. Rosenthal, Mr. Scheuer, Mr. Solarz, and Mr. Zeferetti):

H.R. 9541. A bill to amend the Internal Revenue Code of 1954 to allow an individual an income tax deduction for the expenses of traveling to and from work by means of mass transportation facilities; to the Committee on Ways and Means.

By Mr. BALDUS (for himself, Mr. Bedell, Mr. Breckinridge, Mr. Blouin, Mr. Carter, Mr. Cleveland, Mr. Cochran, Mr. Cohen, Mr. Cornell, Mr. D'Amours, Mr. Eilberg, Mr. Hannaford, Mr. Harkin, Mr. Hastings, Mr. Kasten, Mr. Kastenmeier, Mr. Krebs, Mr. McEwen, Mr. McHugh, Mr. Melcher, Mrs. Meyner, Mr. Mitchell of New York, Mr. Oberstar, Mr. Pressler, and Mr. Riegle):

H.J. Res. 650. Joint resolution to amend section 201 of the Agricultural Act of 1949, as amended, relating to the support price of milk; to the Committee on Agriculture.

By Mr. BALDUS (for himself, Mr. Brown of California, Mr. Grassley, Mr. Simon, Mr. Sisk, Mr. Steiger of Wisconsin, Mr. Traxler, Mr. Nolan, and Mr. Vigorito):

H.J. Res. 651. Joint resolution to amend section 201 of the Agricultural Act of 1949, as amended, relating to the support price of milk; to the Committee on Agriculture.

By Mr. ROYBAL (for himself and Mr. Fithian):

H.J. Res. 652. Joint resolution authorizing the President to proclaim September 8 of each year as National Cancer Day; to the Committee on Post Office and Civil Service.

By Mr. SYMINGTON:

H.J. Res. 653. Joint resolution authorizing the President to proclaim the week beginning on the second Monday in November each year as Youth Appreciation Week; to the Committee on Post Office and Civil Service.

By Mr. TEAGUE:

H.J. Res. 654. Joint resolution proposing an amendment to the Constitution of the United States relating to the busing or involuntary assignment of students; to the Committee on the Judiciary.

By Mr. BLANCHARD:

H. Con. Res. 391. Concurrent resolution expressing the sense of Congress that it remains the policy of the United States not to recognize in any way the annexation of the Baltic nations by the Soviet Union, the President's signature on the Final Act of the Conference on Security and Cooperation in Europe notwithstanding; to the Committee on International Relations.

H. Con. Res. 392. Concurrent resolution expressing the sense of Congress with respect to the Baltic States; to the Committee on International Relations.

By Mr. FRASER:

H. Con. Res. 393. Concurrent resolution indicating the sense of Congress that every person throughout the world has the right to a nutritionally adequate diet; and that this country increase its assistance for self-help development among the world's poorest people until such assistance has reached the target of 1 percent of our total national production (GNP); jointly to the Committees on Agriculture, and International Relations.

By Mr. HAYS of Ohio:

H. Res. 708. Resolution disapproving a proposed regulation transmitted under section 316(c) of the Federal Election Campaign Act; and other matters; to the Committee on House Administration.

By Mr. BRADEMAS:

H. Res. 710. Resolution disapproving certain provisions of the regulations issued and proposed by the Administrator of General Services under the Presidential Recordings and Materials Preservation Act; to the Committee on House Administration.

By Mr. O'NEILL (for himself, Mr. D'Amours, Mr. Moffett, and Mr. Archer):

H. Res. 711. Resolution disapproving of efforts to expel Israel from the United Nations; to the Committee on International Relations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mrs. MINK:

H.R. 9542. A bill for the relief of Maribel C. Cabras; to the Committee on the Judiciary.

By Mr. OTTINGER:

H.R. 9543. A bill for the relief of Eupert Anthony Grant; to the Committee on the Judiciary.

By Mr. LONG of Louisiana:

H. Res. 712. Resolution to refer the bill (H.R. 9495) for the relief of McNamara Construction of Manitoba, Ltd. to the Chief Commissioner of the Court of Claims; to the Committee on the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 7014

By Mr. COLLINS of Texas:

Page 273, insert after line 4 the following new section:

ENERGY CONSERVATION THROUGH PROHIBITION OF UNNECESSARY TRANSPORTATION

SEC. 416. (a) (1) No person may use gasoline or diesel fuel for the transportation of any public school student to a school farther than the public school which is closest to his home offering educational courses for the grade level and course of study of the student and which is within the boundaries of the school attendance district wherein the student resides.

(2) Any person who violates subsection (1) of this section shall be fined not more than $5,000 or imprisoned not more than one year, or both, for each violation of such subsection.

(3) This section shall not apply to any person—

(A) who is a parent using gasoline or diesel fuel to transport his child to a public school; or

(B) who is using gasoline or diesel fuel for the transportation of any public school student to any school for the purpose of participating in athletic, educational, social, or other extracurricular activities approved by the local educational authorities in charge of the public school such student attends.

(b) (1) No person may sell gasoline or diesel fuel to a person which the seller of such gasoline or diesel fuel knows or has reason to know will use such gasoline or diesel fuel in violation of subsection (a) of the Act.

(2) Any person who the Administrator of the Federal Energy Administration determines violates paragraph 1 of subsection (a) of this section shall not be entitled for the six-month period beginning on the date of such determination to any allocation of gasoline or diesel fuel under any Federal law which provides for the allocation of gasoline or diesel fuel.

By Mr. JEFFORDS:

Page 306, line 1, add the following new title:

TITLE V—ENERGY CONSERVATION IN THE BEVERAGE CONTAINER INDUSTRY

DEFINITIONS AND COVERAGE

SEC. 551. For purposes of this title:

(1) The term "beverage container" means a bottle, jar, can, or carton of glass, plastic, or metal, or any combination thereof, used for packaging or marketing beer or any other malt beverage, mineral water, soda water, or a carbonated soft drink of any variety in liquid form which is intended for human consumption.

(2) The term "energy" means electricity or fossil fuels.

(3) The term "energy efficiency" means the ratio (determined on a national basis) of: the capacity of the beverage container times the number of times it is likely to be filled, to the units of energy resources consumed in producing such container (including such containers' raw materials) and in delivering such container and its contents to the consumer.

The Secretary, in determining the energy efficiency shall adjust any such determination to take into account the extent to which such containers are produced from recycled materials.

(4) The term "manufacture" means to manufacture, produce, assemble or recycle or reuse or to import into the customs territory of the U.S.

(5) The term "energy efficiency standard" means a performance standard which—

(A) prescribes a minimum level of energy efficiency for a beverage container, and

(B) includes (i) testing procedures (prescribed under section 552), and (ii) other requirements which the Secretary determines are necessary to assure that any beverage container to which such standard applies meets such required minimum level of energy efficiency.

(6) The term "manufacturer" means any person who manufactures a beverage container or imports a beverage contained into the customs territory of the United States.

(7) The term "distributor" means a person (other than a manufacturer or retailer) to whom a beverage container is delivered or sold for purposes of distribution in commerce.

(8) The term "retailer" means a person to whom a beverage container is delivered or sold for purposes other than resale.

(9) The terms "to distribute in commerce" and "distribution in commerce" mean to sell in commerce, to import, to introduce or deliver for introduction into commerce, or to hold for sale or distribution after introduction into commerce.

(10) The term "commerce" means trade, traffic, commerce, or transportation—

(A) between a place in a State and any place outside thereof, or

(B) which affects trade, traffic, commerce, or transportation described in subparagraph (A).

(11) The terms "import" and "importation" mean to import into the customs territory of the United States include reimporting a consumer product manufactured or processed, in whole or in part, into such customs territory.

(12) The term "Secretary" means the Secretary of Commerce.

TEST PROCEDURES

SEC. 552. (a)(1) The Secretary by rule—shall prescribe test procedure for determining energy efficiency of beverage containers.

(2) If the Secretary determines that (A) there exists a test procedure which has been issued or adopted by any Federal agency or by any other qualified agency, organization, or institution, and (B) such test procedure, if prescribed under this section, would meet the requirements of paragraph (1), he may prescribe such procedure under this section.

(b) No manufacturer, distributor, or retailer may make any representation—

(1) in writing (including a representation on a label), or

(2) in any broadcast advertisement, respecting the energy efficiency of a beverage container to which a rule under subsection (a) applies or costs of energy consumed by such beverage container, unless such beverage container has been tested in accordance with such rule and such representation fairly discloses the results of such testing.

(c)(1) A rule may be proposed under subsection (a) only after manufacturers of beverage containers to which the rule will apply have been afforded an opportunity to consult the Secretary.

(2) A rule under this section shall be effective on the 180th day after the date of publication in the Federal Register. A rule under this section (or an amendment thereto) shall not apply to any beverage container the manufacture of which was completed prior to the effective date of such rule or amendment, as the case may be.

ENERGY EFFICIENCY STANDARDS

SEC. 553. (a)(1) Not later than 90 days after the date of enactment of this Act, the Secretary shall, by rule, prescribe an energy efficiency improvement target for beverage containers. Such target shall be designed so that if met, aggregate energy efficiency of beverage containers which are sold in 1980 will improve by 25 per cent over the aggregate energy efficiency achieved by beverage containers sold in 1974. He shall require each manufacturer to submit such reports, respecting improvement of such products as the Secretary determines may be necessary to determine whether beverage containers of such type will achieve the degree of improvement prescribed by the energy efficiency improvement target. If, on the basis of such reports, or of other information available to him, he determines that specific beverage container types will not achieve the energy efficiency improvement target he shall (subject to subsection (c)) commence a proceeding under subsection (b) to prescribe an energy efficiency standard for such type. He shall prescribe a standard for such type if he determines—

(A) it is technologically and economically feasible to improve the energy efficiency of beverage containers of such type.

(B) that the benefits of reduced energy consumption outweigh (i) the costs of any increase to the purchaser in initial charges for, the beverage container, (ii) any lessening of the utility or performance of the beverage container, and (iii) any negative effects on competition.

For purposes of subparagraph (C)(iii), the Secretary shall not determine that there are any negative effects on competition, unless the Attorney General makes such determination and submits it in writing to the Secretary, together with his analysis of the nature and extent of such negative effects. The determination of the Attorney General shall be available for public inspection.

(b) Any energy efficiency standard shall be prescribed in accordance with the following procedure:

(1) The Secretary shall (A) publish an advance notice of proposed rulemaking which specifies (i) the energy efficiency level which he proposes to require by such energy efficiency standard, and (B) invite interested persons to submit within 90 days after the date of publication of such advance notice—

(i) written or oral presentations of data, views, and argument as to the proposed level of energy efficiency, and

(ii) a proposed energy efficiency standard applicable to beverage containers.

(2) Not earlier than 120 days after the date of publication of advance notice of proposed rulemaking, the Secretary may publish a proposed rule which prescribes an energy efficiency standard for such class of beverage containers.

(3) Subsections (c) and (d) of section 18 of the Federal Trade Commission Act shall apply to rules under this section to the same extent that such subsections apply to rules under section 18(a)(1)(B) of such Act.

(4) Not earlier than 60 days after the date of publication of the proposed rule, the Secretary may, if he makes the findings required under subsection (a), promulgate a rule prescribing an energy efficiency standard for beverage containers which rule shall take effect not earlier than 180 days after the date of its publication in the Federal Register. Such rule (or any amendment thereto) shall not apply to any beverage containers the manufacture of which was completed prior to the effective date of the rule or amendment as the case may be.

REQUIREMENTS OF MANUFACTURERS

SEC. 554. (1) Each manufacturer of a beverage container shall annually at a time specified by the Secretary supply to the Secretary relevant energy efficiency data developed in accordance with the test procedure applicable to such product under section 552.

(2) A rule under section 552 or 553 may require the manufacturer or his agent to permit a representative designated by the Secretary to observe any testing required by this part and inspect the results of such testing.

EFFECT ON STATE LAW

SEC. 555. (a) This part supersedes any State regulation insofar as such State regulation—

(1) may now or hereafter provide for the disclosure of the energy efficiency, of any beverage container.

If there is a rule under section 552 applicable to such beverage container and such State regulation requires disclosure of information other than information disclosed in accordance with such rule under section 552; or

(2) may now or hereafter provide for any energy efficiency standard or similar requirement respecting energy efficiency of a beverage container—

(A) if there is a standard under section 553 applicable to such product, and such State regulation is not identical to such standard, or

(B) if there is a rule under section 552 applicable to such product and compliance with such State regulation cannot be determined from testing in accordance with the rule under section 552.

(b)(1) If (A) a State regulation provides for a standard which prescribes a minimum level of energy efficiency for a beverage container and (B) such State regulation is not superseded by subsection (a)(2), then any person subject to such State regulation may petition the Secretary for the promulgation of a rule under this subsection which supersedes such State regulation in whole or in part. The Secretary shall, within 6 months after the date such a petition is filed, either deny such petition or prescribe a rule under this subsection superseding such State regulation. The Secretary shall issue such a rule with respect to a State regulation if and only if he finds that there is no significant State or local interest sufficient to justifiy such State regulation, or that such State regulation unduly burdens interstate commerce. In making such findings, the Secretary shall take into account the criteria set forth in subparagraphs (1), (2), and (3) of section 553(a)(1), and whether a Federal energy efficiency standard is being developed or proposed.

(2) Section 563(a) shall apply to a rule under this subsection. Any findings of the Secretary under this subsection and any action prescribing a rule or denying a petition shall be subject to judicial review as provided for in section 563(b) of this Act in the same manner as a rule under section 552.

(c) For purposes of this section, the term "State regulation" means a law or regulation of a State or political subdivision thereof.

RULES

SEC. 556. The Secretary may issue such rules as he deems necessary to carry out the provisions of this part. Section 563(a) shall apply to any rule prescribed under this section.

AUTHORITY TO OBTAIN INFORMATION

SEC. 557. For purposes of carrying out this part, the Secretary may sign and issue subpenas for the attendance and testimony of witnesses and the production of relevant books, records, papers, and other documents and may administer oaths. Witnesses summoned under the provisions of this section shall be paid the same fees and mileage as are paid to witnesses in the courts of the United States. In case of contumacy by, or refusal to obey a subpena served upon any person subject to this part, the Secretary may request the Attorney General to seek an order from the district court of the United States for any district in which such person is found or resides or transacts business requiring such person to appear and give testimony, or to appear and produce documents.

EXPORTS

SEC. 558. This part shall not apply to any beverage container if (1) such beverage container is manufactured, sold, or held for sale for export from the United States (or that such product was imported for export), unless such product is in fact distributed in commerce for use in the United States, and (2) such beverage container when distributed in commerce, bears a stamp or label stating that such consumer product is intended for export.

IMPORTS

SEC. 559. Any beverage container offered for importation in violation of section 560 shall be refused admission into the customs territory of the United States under rules issued by the Secretary of the Treasury except that the Secretary of the Treasury may, by such rules, authorize the importation of such beverage containers upon such terms and conditions (including the furnishing of a bond) as may appear to him appropriate to insure that such beverage container will not violate section 560, or will be exported or abandoned to the United States. The Secretary of the Treasury shall prescribe rules under this section not later than 180 days after the date of enactment of this Act.

PROHIBITED ACTS

SEC. 560. (1) for any manufacturer to fail to or refuse to permit access to, or copying of, records or fail to or refuse to make reports or provide information required to be supplied under section 554 or any other provision of this part;

(2) for any manufacturer to fail to or refuse to comply with requirements of section 554 (b) (3) or (b) (5) of this Act; or

(3) for any manufacturer to distribute in commerce, in the United States, any new beverage container which is not in conformity with an applicable energy efficiency standard under this title.

(b) For purposes of this section, the term "new beverage container" means a beverage container the title of which has not passed to the first purchaser for purposes of other than resale.

ENFORCEMENT

SEC. 561. (a) Except as provided in subsection (b), any person who knowingly violates any provision of section 560 shall be subject to a civil penalty of not more than $100 for each violation. Civil penalties assessed under this part may be compromised by the Secretary, taking into account the nature and degree of the violation and the impact of the penalty upon a particular respondent. Each violation of paragraph (1), (2), (3), or (6) of section 560(a) shall constitute a separate violation with respect to each consumer product and each day of violation of section 561(a) (4) or (5) shall constitute a separate violation.

(b) As used in subsection (a) of this section, the term "knowingly" means (1) the having of actual knowledge, or (2) the presumed having of knowledge deemed to be possessed by a reasonable man who acts in the circumstances, including knowledge obtained upon the exercise of due care to ascertain the truth of representations.

(c) It shall be an unfair or deceptive act or practice in or affecting commerce (within the meaning of section 5(a)(1) of the Federal Trade Commission Act) for any person to violate section 552(b).

INJUNCTIVE ENFORCEMENT

SEC. 562. The United States district courts shall have jurisdiction to restrain (1) any violation of section 560 and (2) any person from distributing in commerce any beverage container which does not comply with an applicable rule under section 553. Such actions may be brought by the Attorney General in any United States district court for a district wherein any act, omission, or transactions constituting the violation occurred, or in such court for the district wherein the defendant is found or transacts business. In any action under this section process may be served on a defendant in any other district in which the defendant resides or may be found.

ADMINISTRATIVE PROCEDURE AND JUDICIAL REVIEW

SEC. 563. (a) Rules under section 552 or 556 shall be prescribed in accordance with section 553 of title 5, United States Code, except that the Secretary shall afford interested persons an opportunity to present written and oral data, views, and argument with respect to any proposed rule. In addition, he shall by means of conferences or other informal procedures, afford any interested person an opportunity to question—

(A) other interested persons who have made oral presentations, and

(B) employees of the United States who have made written or oral presentations,

with respect to disputed issues of material fact. Such opportunity shall be afforded to the extent the Secretary determines that questioning pursuant to such procedures is likely to result in a more effective resolution of such issues. A transcript shall be kept of any oral presentation under this paragraph.

(b)(1) Any person who will be adversely affected by a rule promulgated under section 552 when it is effective may at any time prior to the sixtieth day after the date such rule is promulgated file a petition with the United States court of appeals for the circuit wherein such person resides or has his principal place of business, for a judicial review thereof. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The Secretary thereupon shall file in the court the written submissions to, and transcript of, the proceedings on which the rule was based as provided in section 2112 of title 28, United States Code.

(2) Upon the filing of the petition referred to in paragraph (1), the court shall have jurisdiction to review the rule in accordance with chapter 7 of title 5, United States Code, and to grant appropriate relief as provided in such chapter. No rule under section 552 may be affirmed unless supported by substantial evidence.

(3) The judgment of the court affirming or setting aside, in whole or in part, any such rule shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(4) The remedies provided for in this subsection shall be in addition to and not in substitution for any other remedies provided by law.

(5) Section 18(e) of the Federal Trade Commission Act shall apply to rules under section 553 to the same extent that it applies to rules under section 18(a)(1)(B) of such Act.

COOPERATION WITH OTHER AGENCIES; DELEGATION

SEC. 564. (a) The Secretary may enter into an agreement with the Federal Trade Commission pursuant to which the Commission, on a reimbursable basis, may be delegated all or part of any functions under sections 557, 561, and 562. Section 16 of the Federal Trade Commission Act shall apply to the exercise of any functions by the Commission pursuant to such agreement to the same extent that such section applies to functions under sections 5(m), 9, and 13 of the Federal Trade Commission Act.

(b)(1) The Secretary shall delegate to the National Bureau of Standards all functions under this part relating to performance of research and analyses related to energy efficiency of beverage containers developing test procedures, and energy efficiency standards, and prescribing rules under sections 552, and 553.

(2) Functions of the Secretary, other than functions described in paragraph (1), may be delegated to any officer or agency of the Department of Commerce.

(c) Whenever the Administrator requests the Secretary to prescribe a rule under section 552 or 553, with respect to a beverage container, the Secretary shall initiate a rulemaking proceeding under such section, and (subject to section 553(c)) shall not later than one year after the date of such request either promulgate a rule under such section or publish in the Federal Register a notice stating that he is not able to promulgate such rule before the expiration of such one-year period or does not intend to promulgate such rule, and specifying his reasons for not doing so.

Page 306, line 1, add the following new Title:

TITLE V—ENERGY CONSERVATION IN THE BEVERAGE CONTAINER INDUSTRY

DEFINITIONS AND COVERAGE

SEC. 551. For purposes of this title:

(1) The term "beverage container" means a bottle, jar, can, or carton of glass, plastic, or metal, or any combination thereof, used for packaging or marketing beer or any other malt beverage, mineral water, soda water, or a carbonated soft drink of any variety in liquid form which is intended for human consumption.

(2) The term "energy" means electricity or fossil fuels.

(3) The term "energy efficiency" means the ratio (determined on a national basis) of: the capacity of the beverage container times the number of times it is likely to be filled, to the units of energy resources consumed in producing such container (including such containers' raw materials) and in delivering such container and it contents to the consumer.

The Secretary, in determining the energy efficiency shall adjust any such determination to take into account the extent to which such containers are produced from recycled materials.

(4) The term "manufacture" means to manufacture, produce, assemble or recycle or reuse or to import into the customs territory of the U.S.

(5) The term "energy efficiency standard" means a performance standard which—

(A) prescribes a minimum level of energy efficiency for a beverage container, and

(B) includes (i) testing procedures (prescribed under section 552), and (ii) other requirements which the Secretary determines are necessary to assure that any beverage container to which such standard applies meets such required minimum level of energy efficiency.

(6) The term "manufacturer" means any person who manufactures a beverage container or imports a beverage container into the customs territory of the United States.

(7) The term "distributor" means a person (other than a manufacturer or retailer) to whom a beverage container is delivered or sold for purposes of distribution in commerce.

(8) The term "retailer" means a person to whom a beverage container is delivered or sold for purposes other than resale.

(9) The terms "to distribute in commerce" and "distribution in commerce" mean to sell in commerce, to import, to introduce or deliver for introduction into commerce, or to hold for sale or distribution after introduction into commerce.

(10) The term "commerce" means trade, traffic, commerce, or transportation—

(A) between a place in a State and any place outside thereof, or

(B) which affects trade, traffic, commerce, or transportation described in subparagraph (A).

(11) The terms "import" and "importation" mean to import into the customs territory of the United States include reimporting a consumer product manufactured or processed, in whole or in part, into such customs territory.

(12) The term "Secretary" means the Secretary of Commerce.

TEST PROCEDURES

SEC. 552. (a) (1) The Secretary by rule shall prescribe test procedure for determining energy efficiency of beverage containers.

(2) If the Secretary determines that (A) there exists a test procedure which has been issued or adopted by any Federal agency or by any other qualified agency, organization, or institution, and (B) such test procedure, if prescribed under this section, would meet the requirements of paragraph (1), he may prescribe such procedure under this section.

(b) No manufacturer, distributor, or retailer may make any representation—

(1) in writing (including a representation on a label), or

(2) in any broadcast advertisement, re-

specting the energy efficiency of a beverage container to which a rule under subsection (a) applies or costs of energy consumed by such beverage container unless such beverage container has been tested in accordance with such rule and such representation fairly discloses the results of such testing.

(c) (1) A rule may be proposed under subsection (a) only after manufacturers of beverage containers to which the rule will apply have been afforded an opportunity to consult the Secretary.

(2) A rule under this section shall be effective on the 180th day after the date of publication in the Federal Register. A rule under this section (or an amendment thereto) shall not apply to any beverage container the manufacture of which was completed prior to the effective date of such rule or amendment, as the case may be.

LABELING

SEC. 553. (a) (1) (A) Not later than one year after the date of enactment of this Act, the Secretary shall promulgate rules under this section applicable to beverage containers.

(B) Whenever the Secretary prescribes a rule under this section applicable to a beverage container he shall prescribe a test procedure applicable to such class under section 552. Such procedure under section 552 shall apply to such class—

(i) on the effective date of the rule under this section (without regard to section 552 (c) (2)), and

(ii) without regard to any determination required under the first sentence of section 552(a) (1).

(2) (A) If (i) before the date of enactment of this Act, the National Bureau of Standards had issued a voluntary energy conservation specification applicable to beverage containers and (ii) the Secretary determines that such specification meets the requirements of subsection (b) of this section, and he may prescribe any testing procedure included in such specification as a test procedure under section 552. In any proceeding to prescribe such a specification as a rule under this section and section 552, the second sentence of section 564(a) of this Act shall apply only to a person who did not present data, views, or arguments with respect to such voluntary energy conservation specification.

(B) Prior to prescribing any rule under this section or under section 552, the Secretary shall consult with the Federal Trade Commission.

(b) A rule prescribed under this section shall require that beverage containers bear a label which states the energy efficiency of the beverage container (measured in accordance with the test procedure and shall include the following:

(1) Subject to subsection (c) (2), data respecting the range of energy efficiency for beverage containers as determined by the Secretary.

(2) A description of the test procedure under section 552 used in measuring the energy efficiency of beverage containers.

(3) A prototype label and directions for displaying the label. The rule shall require that the label be prominently displayed, readable, and visible to any prospective purchaser at time of purchase. The rule may specify any information in addition to a statement of energy efficiency which shall be included on the label.

(c) (1) A rule under this section shall be effective on the 180th day after the date of publication in the Federal Register, unless the Secretary finds that a later effective date is in the public interest.

(2) If the range of energy efficiency for beverage containers is not known at the time of publication of a rule under this subsection, the requirement of subsection (b) (2) shall not apply until one year after the effective date of such rule.

(3) If the Secretary determines that a beverage container achieves the energy efficiency target described in Section 554, then no labeling requirement under this section may be promulgated or remain in effect with respect to such type.

(4) A rule under this section (or an amendment thereto) shall not apply to any beverage containers the manufacture of which was completed prior to the effective date of such rule or amendment, as the case may be.

ENERGY EFFICIENCY STANDARDS

SEC. 554. (a) (1) Not later than 90 days after the date of enactment of this Act, the Secretary shall, by rule, prescribe an energy efficiency improvement target for beverage containers. Such target shall be designed so that if met, aggregate energy efficiency of beverage containers which are sold in 1980 will improve by 25 per cent over the aggregate energy efficiency achieved by beverage containers sold in 1974. He shall require each manufacturer to submit such reports, respecting improvement of such products as the Secretary determines may be necessary to determine whether beverage containers of such type will achieve the degree of improvement prescribed by the energy efficiency improvement target. If, on the basis of such reports, or of other information available to him, he determines that specific beverage container types will not achieve the energy efficiency improvement target he shall (subject to subsection (c)) commence a proceeding under subsection (b) to prescribe an energy efficiency standard for such type. He shall prescribe a standard for such type if he determines—

(A) it is technologically and economically feasible to improve the energy efficiency or beverage containers of such type,

(B) the application of the labeling rule applicable to such type is not sufficient to induce manufacturers to produce, and consumers and other persons to purchase, beverage containers of such type which achieve the maximum energy efficiency which it is technologically and economically feasible to attain, and

(C) that the benefits of reduced energy consumption outweigh (i) the costs of any increase to the purchaser in initial charges for, the beverage container, (ii) any lessening of the utility or performance of the beverage container, and (iii) any negative effects on competition.

For purposes of subparagraph (C) (iii), the Secretary shall not determine that there are any negative effects on competition, unless the Attorney General makes such determination and submits it in writing to the Secretary, together with his analysis of the nature and extent of such negative effects. The determination of the Attorney General shall be available for public inspection.

(b) Any energy efficiency standard shall be prescribed in accordance with the following procedure:

(1) The Secretary shall (A) publish an advance notice of proposed rulemaking which specifies (i) the energy efficiency level which he proposes to require by such energy efficiency standard, and (B) invite interested persons to submit within 90 days after the date of publication of such advance notice—

(i) written or oral presentations of data, views, and argument as to the proposed level of energy efficiency, and

(ii) a proposed energy efficiency standard applicable to beverage containers.

(2) Not earlier than 120 days after the date of publication of advance notice of proposed rulemaking, the Secretary may publish a proposed rule which prescribes an energy efficiency standard for such class of beverage containers.

(3) Subsections (c) and (d) of section 18 of the Federal Trade Commission Act shall apply to rules under this section to the same extent that such subsections apply to rules under section 18(a) (1) (B) of such Act.

(4) Not earlier than 60 days after the date of publication of the proposed rule, the Secretary may, if he makes the findings required under subsection (a), promulgate a rule prescribing an energy efficiency standard for beverage containers, which rule shall take effect not earlier than 180 days after the date of its publication in the Federal Register. Such rule (or any amendment thereto) shall not apply to any beverage containers the manufacture of which was completed prior to the effective date of the rule or amendment as the case may be.

REQUIREMENTS OF MANUFACTURERS

SEC. 555. (a) Each manufacturer of a beverage container shall provide a label that meets, and is displayed in accordance with, the requirements of such rule. If such manufacturer or any distributor, retailer, or private labeler of such beverage container advertises such beverage container in a catalog from which it may be purchased by order, such catalog shall contain all information required to be displayed on the label, except as otherwise provided, by rule, of the Secretary. The preceding sentence shall not require that a catalog contain information respecting a beverage container if the distribution of such catalog commenced before the effective date of the labeling rule under section 553 applicable to such product.

(b) (1) Each manufacturer of a beverage container to which a rule under section 553 applies shall notify the Secretary, not later than 60 days after the date of such rule becomes effective, of the models in current production to which such rule applies.

(2) If requested by the Secretary, the manufacturer of a beverage container shall provide, within 30 days of the date of the request, the data from which the information included on the label and required by the rule was derived. Data shall be kept on file by the manufacturer for a period provided in the rule. Any manufacturer may, pursuant to rules issued by the Secretary, use independent test laboratories or national certification programs to obtain information required by this part.

(3) When requested by the Secretary, the manufacturer shall supply at his expense a reasonable number of consumer products to any laboratory designated by the Secretary for the purpose of ascertaining whether the information set out on the label, as required under section 553, is accurate. Any reasonable charge levied by the laboratory for such testing shall be borne by the United States.

(4) Each manufacturer of a beverage container shall annually at a time specified by the Secretary supply to the Secretary revelant energy efficiency data developed in accordance with the test procedure applicable to such product under section 552.

(5) A rule under section 552, 553, or 554 may require the manufacturer or his agent to permit a representative designated by the Secretary to observe any testing required by this part and inspect the results of such testing.

(c) Each manufacturer shall use labels reflecting revised energy efficiency on all beverage containers manufactured after the expiration of 60 days following the date of publication of a revised table of ranges. Such ranges may be revised by the Secretary only on an annual basis.

EFFECT ON STATE LAW

SEC. 556. (a) This part supersedes any State regulation insofar as such State regulation—

(1) may now or hereafter provide for the disclosure of energy efficiency of any beverage container.

(A) if there is any rule under section 553 applicable to such beverage container and such State regulation is not identical to such rule, or

(B) if there is a rule under section 552 applicable to such beverage container and such State regulation requires disclosure of information other than information disclosed in accordance with such rule under section 552; or

(2) may now or hereafter provide for any energy efficiency standard or similar requirement respecting energy efficiency or a beverage container.

(A) if there is a standard under section 554 applicable to such product, and such State regulation is not identical to such standard, or

(B) if there is a rule under section 552 applicable to such product and compliance with such State regulation cannot be determined from testing in accordance with the rule under section 552.

(b)(1) If (A) a State regulation provides for a standard which prescribes a minimum level of energy efficiency for a beverage container and (B) such State regulation is not superseded by subsection (a)(2), then any person subject to such State regulation may petition the Secretary for the promulgation of a rule under this subsection which supersedes such State regulation in whole or in part. The Secretary shall, within 6 months after the date such a petition is filed, either deny such petition or prescribe a rule under this subsection superseding such State regulation. The Secretary shall issue such a rule with respect to a State regulation if and only if he finds that there is no significant State or local interest sufficient to justify such State regulation, or that such State regulation unduly burdens interstate commerce. In making such findings, the Secretary shall take into account the criteria set forth in subparagraphs (1), (2), and (3) of section 554(a)(1), and whether a Federal energy efficiency standard is being developed or proposed.

(2) Section 564(a) shall apply to a rule under this subsection. Any findings of the Secretary under this subsection and any action prescribing a rule or denying a petition shall be subject to judicial review as provided for in section 564(b) of this Act in the same manner as a rule under section 553.

(c) For purposes of this section, the term "State regulation" means a law or regulation of a State or political subdivision thereof.

RULES

SEC. 557. The Secretary may issue such rules as he deems necessary to carry out the provisions of this part. Section 564(a) shall apply to any rule prescribed under this section.

AUTHORITY TO OBTAIN INFORMATION

SEC. 558. For purposes of carrying out this part, the Secretary may sign and issue subpenas for the attendance and testimony of witnesses and the production of relevant books, records, papers, and other documents and may administer oaths. Witnesses summoned under the provisions of this section shall be paid the same fees and mileage as are paid to witnesses in the courts of the United States. In case of contumacy by, or refusal to obey a subpena served upon any person subpect to this part, the Secretary may request the Attorney General to seek an order from the district court of the United States for any district in which such person is found or resides or transacts business requiring such person to appear and give testimony, or to appear and produce documents.

EXPORTS

Sec. 559. This part shall not apply to any beverage container if (1) such beverage container is manufactured, sold, or held for sale for export from the United States (or that such product was imported for export), unless such product is in fact distributed in commerce for use in the United States, and (2) such beverage container when disturbed in commerce, bears a stamp or label stating that such consumer product is intended for export.

IMPORTS

SEC. 560. Any beverage container offered for importation in violation of section 561 shall be refused admission into the customs territory of the United States under rules issued by the Secretary of the Treasury except that the Secretary of the Treasury may, by such rules, authorize the importation of such beverage containers upon such terms and conditions (including the furnishing of a bond) as may appear to him appropriate to ensure that such beverage container will not violate section 561, or will be exported or abandoned to the United States. The Secretary of the Treasury shall prescribe rules under this section not later than 180 days after thed ate of enactment of this Act.

PROHIBITED ACTS

SEC. 561. (a) It shall be unlawful—

(1) for any manufacturer to distribute in commerce any new beverage container unless there is provided with such beverage container a label meeting the requirements of Sec. 553, including any requirements as to manner of display;

(2) for any manufacturer or private labeler to distribute in commerce any new beverage container to which a rule under section 553 applies, if the label required to be provided with such a new beverage container contains misleading or inaccurate information concerning energy efficiency;

(3) for any manufacturer, distributor, or retailer to remove from any new beverage container or render illegible any label required to be provided with such product under a rule under section 553;

(4) for any manufacturer to fail to or refuse to permit access to, or copying of, records or fail to or refuse to make reports or provide information required to be supplied under section 553(d)(2) or 555 or any other provision of this part;

(5) for any manufacturer to fail to or refuse to comply with requirements of section 555 (b)(3) or (b)(5) of this Act; or

(6) for any manufacturer to distribute in commerce, in the United States, any new beverage container which is not in conformity with an applicable energy efficiency standard under this title.

(b) For purposes of this section, the term "new beverage container" means a beverage container the title of which has not passed to the first purchaser for purposes of other than resale.

ENFORCEMENT

SEC. 562. (a) Except as provided in subsection (b), any person who knowingly violates any provision of section 561 shall be subject to a civil penalty of not more than $100 for each violation. Civil penalties assessed under this part may be compromised by the Secretary, taking into account the nature and degree of the violation and the impact of the penalty upon a particular respondent. Each violation of paragraph (1), (2), (3) or (6) of section 561(a) shall constitute a separate violation with respect to each consumer product and each day of violation of section 561 (a) (4) or (5) shall constitute a separate violation.

(b) As used in subsection (a) of this section, the term "knowingly" means (1) the having of actual knowledge, or (2) the presumed having of knowledge deemed to be possessed by a reasonable man who acts in the circumstances, including knowledge obtainable upon the exercise of due care to ascertain the truth of representations.

(c) It shall be an unfair or deceptive act or practice in or affecting commerce (within the meaning of section 5(a)(1) of the Federal Trade Commission Act) for any person to violate section 552(b).

INJUNCTIVE ENFORCEMENT

SEC. 563. The United States district courts shall have jurisdiction to restrain (1) any violation of section 561 and (2) any person from distributing in commerce any beverage container which does not comply with an applicable rule under section 553 or 554. Such actions may be brought by the Attorney General in any United States district court for a district wherein any act, omission, or transactions constituting the violation occurred, or in such court for the district wherein the defendant is found or transacts business. In any action under this section process may be served on a defendant in any other district in which the defendant resides or may be found.

ADMINISTRATIVE PROCEDURE AND JUDICIAL REVIEW

SEC. 564. (a) Rules under section 552, 553, or 557 shall be prescribed in accordance with section 553 of title 5, United States Code, except that the Secretary shall afford interested persons an opportunity to present written and oral data, views, and argument with respect to any proposed rule. In addition, he shall by means of conferences or other informal procedures, afford any interested person an opportunity to question—

(A) other interested persons who have made oral presentations, and

(B) employees of the United States who have made written or oral presentations,

with respect to disputed issues of material fact. Such opportunity shall be afforded to the extent the Secretary determines that questioning pursuant to such procedures is likely to result in a more effective resolution of such issues. A transcript shall be kept of any oral presentation under this paragraph.

(b)(1) Any person who will be adversely affected by a rule promulgated under section 552 or 553 when it is effective may at any time prior to the sixtieth day after the date such rule is promulgated file a petition with the United States court of appeals for the circuit wherein such person resides or has his principal place of business, for a judicial review thereof. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The Secretary thereupon shall file in the court the written submissions to, and transcript of, the proceedings on which the rule was based as provided in section 2112 of title 28, United States Code.

(2) Upon the filing of the petition referred to in paragraph (1), the court shall have jurisdiction to review the rule in accordance with chapter 7 of title 5, United States Code, and to grant appropriate relief as provided in such chapter. No rule under section 552 or 553 may be affirmed unless supported by substantial evidence.

(3) The judgment of the court affirming or setting aside, in whole or in part, any such rule shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(4) The remedies provided for in this subsection shall be in addition to and not in substitution for any other remedies provided by law.

(5) Section 18(e) of the Federal Trade Commission Act shall apply to rules under section 554 to the same extent that it applies to rules under section *18*(a)(1)(B) of such Act.

COOPERATION WITH OTHER AGENCIES; DELEGATION

SEC. 565. (a) The Secretary may enter into an agreement with the Federal Trade Commission pursuant to which the Commission, on a reimbursable basis, may be delegated all or part of any functions under sections 558, 562, and 563. Section 16 of the Federal Trade Commission Act shall apply to the exercise of any functions by the Commission pursuant to such agreement to the same extent that such section applies to functions under sections 5(m), 9, and 13 of the Federal Trade Commission Act.

(b) (1) The Secretary shall delegate to the National Bureau of Standards all functions under this part relating to performance of research and analyses related to energy efficiency of beverage containers, developing test procedures, labeling requirements, and energy efficiency standards, and prescribing rules under sections 552, 553, and 554.

(2) Functions of the Secretary, other than functions described in paragraph (1), may be delegated to any officer or agency of the Department of Commerce.

(c) Whenever the Administrator requests the Secretary to prescribe a rule under section 552, 553, or 554, with respect to a beverage container, the Secretary shall initiate a rulemaking proceeding under such section, and (subject to section 554(c)) shall not later than one year after the date of such request either promulgate a rule under such section or publish in the Federal Register a notice stating that he is not able to promulgate such rule before the expiration of such one-year period or does not intend to promulgate such rule, and specifying his reasons for not doing so.

SENATE—*Wednesday, September 10, 1975*

The Senate met at 10:30 a.m. and was called to order by Hon. HARRY F. BYRD, JR., a Senator from the State of Virginia.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God, whose word teaches us that all labor is holy when done in Thy name, keep Thy servants close to Thee this day, that our words and our deeds may be lifted into the higher order of Thy kingdom. For problems which seem insoluble, grant wisdom beyond our human limitations. Grant us courage to make the right hard decision against the easy expediency. In times of turmoil and hostility, keep our personal lives at peace, that we may contribute to peace among the nations. Lead us and this Nation in paths of righteousness for Thy name's sake, and to Thee shall be the praise and the thanksgiving. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., September 10, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. HARRY F. BYRD, JR., a Senator from the State of Virginia, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. HARRY F. BYRD, JR., thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, September 9, 1975, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONFEREES ON H.R. 8070

Mr. MANSFIELD. Mr. President, when the Senate conferees were appointed on H.R. 8070, the HUD appropriation bill, they were listed in the incorrect order, through error. I ask unanimous consent that the order of listing be changed to conform to the list at the desk.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The conferees are as follows:

SENATE CONFEREES

William Proxmire, Wisconsin, John O. Pastore, Rhode Island, John C. Stennis, Mississippi, Mike Mansfield, Montana, Birch Bayh, Indiana, Lawton Chiles, Florida, J. Bennett Johnston, Louisiana, Walter D. Huddleston, Kentucky, John L. McClellan, Arkansas, Frank E. Moss, Utah, Charles McC. Mathias, Jr., Maryland, Clifford P. Case, New Jersey, Hiram L. Fong, Hawaii, Edward W. Brooke, Massachusetts, Henry Bellmon. Oklahoma, Milton R. Young, North Dakota.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on page 2 of the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations will be stated.

COUNCIL ON WAGE AND PRICE STABILITY

The second assistant legislative clerk read the nomination of Michael H. Moskow, of New Jersey, to be Director of the Council on Wage and Price Stability.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

The second assistant legislative clerk read the nomination of John B. Rhinelander, of Virginia, to be Under Secretary of Housing and Urban Development.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE ENERGY PROBLEM

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have the following material printed in the RECORD: a copy of the Hollings resolution, proposed by the distinguished Senator from South Carolina (Mr. HOLLINGS) to the Democratic conference on Thursday last, which was adopted unanimously; my opening remarks at a meeting with the joint House-Senate Democratic leadership on Tuesday; material which goes with that statement, and a joint statement of the Democratic leadership of Congress at the conclusion of the meeting on Tuesday last.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HOLLINGS RESOLUTION

Whereas the Senate has passed many elements of a national energy program, especially in the conservation area, but has not yet considered other basic elements thereof, and

Whereas it is incumbent upon the Congress, subsequent to successfully overriding the veto of S. 1849, to immediately complete action on a national energy program, therefore

Be it resolved by the Democratic Conference that immediately after the veto of S. 1849 has been successfully overridden by the Senate, this body shall immediately proceed to consider and process expeditiously the following emergency items, to the exclusion of all other business, except Conference Reports, until their consideration is completed.

1. Energy production mobilization board
2. New domestic oil pricing legislation
3. Emergency natural gas legislation
4. H.R. 7014 as soon as the House of Representatives completes consideration thereon
5. Permanent natural gas legislation.

OPENING REMARKS OF SENATOR MIKE MANSFIELD (D., MONTANA) AT THE JOINT HOUSE-SENATE LEADERSHIP MEETING

I asked for the meeting today to discuss where we stand on energy. The Senate will vote on Wednesday to override the veto of the six-months extension of controls. The Democratic leadership in the Senate has urged all Senators to vote to override but it is anybody's guess, at this point, how it will come out. I understand the House will vote on the matter on Thursday if we succeed in overriding in the Senate.

If we do not override, I expect that the President will want us to sit down with him without delay to work out some stop-gap. He can hardly look with equanimity on doing nothing in view of the economic chaos and hardships which will result from complete decontrol.

Assuming that we do override and controls are extended for six months, we will need to bring out an identifiable and comprehensive energy program as soon as possible. Yesterday, the Caucus adopted a resolution urging the Senate to act on a priority basis on half-a-dozen more energy bills to go with those already passed by us.

If you look at the status list in front of you, it seems that on the Senate side we have had fewer problems in getting energy bills passed. As you will note, the Senate has cleared a number of such measures on an individual basis while the House has been working on two comprehensive bills—the Ullman bill and the Eckhardt bill—which contain provisions dealing with several of the separate Senate bills.

As I see it, Congress will leave a lot of loose ends even if we override the veto and then leave the matter hanging there. Nor does it help much for one House or the other to act on various measures. Both Houses have got to pass comprehensive energy legislation within the next few weeks or the nation is going to be in serious trouble.

From the point of view of the Democrats, I think that we need to face up to what is realistically achievable in terms of a legislative program, what is realistically possible in both Houses jointly, not just in the Senate or the House alone. It is my understanding that the House Commerce Committee bill that is, the Eckhardt Bill, will be debated by the House after the vote on the veto. What are the chances of the House passing this bill next week? As far as we are concerned, we will do whatever we can on the Senate side to get through what the House can get through and I'm sure that works both ways. But we need to begin somewhere. Perhaps we can run down the list of energy bills which is in front of you and, see what we can do together to help move a group of them through without delay. The Senate leadership stands ready to make every effort to get a Congressional program of this kind to place before the President within the next few weeks. What we would like to explore, today, is how we can best work together in this effort.

ENERGY

Passed the Senate but not the House:

Auto Fuel Efficiency Standards (S. 1883): Requires a 50% improvement over 1974 autos in fuel economy by 1980, and 100% by 1985, and provides for automotive research to develop production prototypes of advanced autos.

Passed Senate July 15. Comparable provisions are contained in House-passed H.R. 6860 and in H.R. 7014 (Eckhardt bill) which House debated before recess and will continue debate on after veto override.

Coal Leasing—Strip Mining (S. 391): Makes a number of changes in the law governing leasing of Federal coal. Makes basic surface coal mining and reclamation standards applicable to Federal coal development.

Passed Senate July 31. House is marking up a clean bill in full committee. House provisions concerning coal leasing are similar to Senate-passed provisions. Question is will the House include a strip mining title. If it does, it may include the stronger version which was vetoed. Or it may report out two separate bills.

Energy Labeling and Disclosure (S. 349): Requires the energy characteristics and estimated annual operating costs of major energy-consuming household products and automobiles be disclosed to consumers prior to purchase.

Passed Senate July 11. Comparable provisions are contained in H.R. 7014 (Eckhardt bill) which House debated before recess and will consider after veto override.

Outer Continental Shelf Management (S. 521): Provides for increased production of oil and gas from the Outer Continental Shelf; establishes a Coastal Zone Impact Fund to assist coastal States in ameliorating adverse environmental impacts and controlling secondary economic and social impacts associated with oil and gas development.

Passed Senate July 30. House ad hoc committee on Outer Continental Shelf is working on this bill and plans to report out a bill in November after the Coastal Zone Management bill has passed.

Coastal Zone Management (S. 586): Provides grants or loans to coastal states from a new coastal energy facility impact fund to assist states in ameliorating adverse environmental impacts and controlling secondary economic and social impacts.

Passed Senate July 16. House full committee mark up scheduled for September 29, with bill to come to floor in late October.

Petroleum Products Fair Marketing (S. 323): Prohibits the cancellation, of a petroleum products franchise unless the dealer failed to comply substantially or, failed to act in good faith in carrying out the terms of the franchise; limits the marketing activities of all major oil companies under their direct control.

Passed Senate June 20. Congressman Dingell has stated commitment to getting a bill reported to House without mention of when. FEA administrator Zarb mentioned this concept as one of three proposals the Administration would support in the event of deregulation. The Administration has strongly opposed the bill in the past.

Passed the House but not the Senate:

Energy Conservation and Taxes (H.R. 6860) (Ullman bill): Provides for mandatory import quotas on oil to reduce our dependence on foreign oil; requires auto efficiency standards of 18 miles a gallon for 1978 and 28 miles a gallon for 1980; creates an energy trust fund to develop new energy technologies, domestic resources and more efficient public transportation; and phases in excise taxes on natural gas and oil used by business to encourage a shift to coal and nuclear power. (This measure contained the gas tax which was voted down on the House floor.)

Passed House June 19. Senate Finance has spent several weeks on this bill. Still many controversial issues have not been taken up.

Electric Car R. & D. (H.R. 8800): Passed.

Federal Buildings Energy Conservation (H.R. 8650): Passed.

Other significant Senate bills not yet passed:

Mandatory Coal Conversion (S. 1777): Requires, to the extent practicable, existing electric powerplant boilers and major industrial boilers which utilize fossil fuels to be capable of utilizing coal as their primary energy fuel. (Mark up to be scheduled after 9/22 by Interior and Public Works.)

Industrial Energy Conservation (S. 1908): Requires industrial energy efficiency to increase by 15 percent by 1980 and by 30 percent by 1985. (In mark up by Commerce.)

National Energy Production Board (S. 740): Establishes a Federal authority empowered to define and propose to Congress specific energy programs. (Pending before Interior Committee.) Mark-up begins this week.

Natural Gas Deregulation (S. 692): Establishes a national ceiling price for new natural gas based on prospective costs and a profit margin high enough to attract investment; retains the price of "old" natural gas. (Reported from Commerce Committee, on Senate calendar)

Energy bills in conference:

ERDA Authorization (H.R. 3474): Authorizes $4.7 billion for fiscal 1976 for nuclear and non-nuclear energy research and development programs.

Passed House June 20. Passed Senate amended July 31. House has not yet asked for a conference or accepted the Senate version. The controversy arises over the non-nuclear provisions especially the loan guarantee for synthetic fuels provisions.

Naval Petroleum and Strategic Energy Reserves (S. 2173, H.R. 49): Provides for the full development of the naval petroleum reserves and permits limited production of the naval petroleum reserves at Elk Hills, Buena Vista and Teapot Dome under the authority of the Secretary of the Navy; provides for the creation and maintenance of strategic energy reserves equal to 90 days of imports.

S. 2173 passed Senate July 29. H.R. 49 passed House July 8. On July 29 the Senate passed H.R. 49 substituting the Senate passed text of S. 2173. The House now has the choice of going to conference on H.R. 49 or sending S. 2173 to committee and working on that bill. Civilian petroleum reserves part of this bill is also contained in H.R. 7014 (the Eckhart bill) which is now on House floor.

Major energy bill House has had under consideration:

Energy Conservation and Oil Policy (H.R. 7014) (Eckhardt bill): Gives the President authority to impose energy conservation measures and rationing with Congressional approval in case of severe energy supply interruption; provides for a one billion barrel National Civilian Strategic Petroleum Reserve; provides for a rollback on the price of new oil and a ceiling on the price of old oil; authorizes federal programs to encourage energy conservation among big industrial users; and provides for automobile fuel efficiency standards and energy labeling and efficiency standards for other consumer products.

It appears that the House will not go back on this bill until after the veto override is out of the way.

Passed Senate only—House action not required.

The Randolph Resolution (S.R. 59).

JOINT STATEMENT OF THE DEMOCRATIC LEADERSHIP OF THE CONGRESS

(Tuesday, September 9, 1975)

The Joint Majority Leadership of the Congress met this morning to consider the status of energy legislation in view of the imminent veto by the President of the six-months extension of controls and allocation (S. 1849). If the veto is overriden in the Senate tomorrow and in the House subsequently, it is our judgment that the Congress, acting together with the President, will have an opportunity to put together in an orderly fashion a comprehensive energy program which will serve the interests of all the people of the United States.

If the veto is not overriden, and nothing further is done, restraints on the price of petroleum products will disappear. The people and many small businesses will be faced with great hardships. The country will confront a deepening economic crisis.

We hope, therefore, that the veto will be overriden in both Houses and we are exerting all possible efforts to achieve that result.

We have also considered the legislative situation on energy beyond the question of overriding the veto. Many pieces of legislation have already passed both Houses or one House or the other. Some have been vetoed; others are awaiting further action in either the House or Senate. In the meeting this morning we explored what is realistically achievable in terms of legislation on energy this year, what can be done not in one House but in both Houses. The Joint Leadership of the Congress will continue to work together to pass that legislation regardless of what happens with respect to S. 1849.

CONGRESSIONAL ACTION WITH RESPECT TO THE ENERGY SITUATION

Mr. HUGH SCOTT. Mr. President, I hope that when the Senate votes later today on the so-called decontrol bill, the veto of the President will be supported and sustained. If that happens, I think it most important that we act very promptly on the 45-day extension, as proposed by the Senator from Georgia (Mr. Nunn), the Senator from Delaware (Mr. Roth), and others. Knowing that the President would sign such an extension, I hope we could then proceed with all possible speed, rather than due deliberate speed, and that we expedite congressional action, with the hope that action would be worked out in conjunction with the executive department, so that we finally can come up with a solution of the painful energy problem, not only as to gas but the especially difficult problem of natural gas as well.

My State will be impacted by at least a 10 percent, possibly a 25 percent, shortage this year, and New Jersey is even harder hit. The entire east coast is seriously affected, as well as Ohio and other States.

We simply must do something about getting enough natural gas into the interstate pipelines to meet the needs of our people. They are not going to be satisfied with excuses. They demand action. They told us so when we went home during the nonlegislative period. I hope they will get the action they demand and that it will result from the most careful and willing cooperation between the executive and legislative branches of the Government.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business, not to extend beyond 11 a.m., with statements therein limited to 5 minutes each.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR JACKSON AT 11 A.M.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the distinguished Senator from Washington (Mr. Jackson) be recognized at the hour of 11 a.m.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

REPORT OF THE FEDERAL PREVAILING RATE ADVISORY COMMITTEE—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. Harry F. Byrd, Jr.) laid before the Senate the following message from the President of the United States, which was referred to the Committee on Post Office and Civil Service:

To the Congress of the United States:

In accordance with section 5347(e) of title 5 of the United States Code, I hereby transmit to you the 1974 Annual Report of the Federal Prevailing Rate Advisory Committee.

Gerald R. Ford.

The White House, *September 10, 1975.*

DEFERRALS IN 1976 BUDGET AUTHORITY—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. Harry F. Byrd, Jr.) laid before the Senate the following message from the President of the United States, which was referred to the Committee on Appropriations, the Committee on the Budget, the Committee on Agriculture and Forestry, the Committee on Finance, the Committee on Labor and Public Welfare, and the Committee on the District of Columbia, jointly, pursuant to the order of January 30, 1975:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report three new deferrals totalling $50.3 million in 1976 budget authority. In addition, I am transmitting two supplementary reports revising information provided in earlier deferrals. Only one of these supplementary reports reflects an increase—$19.2 million—to the amount of outlays previously deferred. The five reports involve the Departments of Agriculture, Treasury, and Health, Education, and Welfare.

All of the items contained in this message are routine in nature and do not significantly affect program levels. The details of each deferral are contained in the attached reports.

Gerald R. Ford.

The White House, *September 10, 1975.*

EXECUTIVE MESSAGE REFERRED

The ACTING PRESIDENT pro tempore (Mr. Harry F. Byrd, Jr.) laid before the Senate a message from the President of the United States submitting the nomination of Richard L. Dunham, of New York, to be a member of the Federal Power Commission, which was referred to the Committee on Commerce.

MESSAGES FROM THE HOUSE

At 10:32 a.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the bill (H.R. 1073), to extend the provisions of title XII of the Merchant Marine Act, 1936, relating to war risk insurance, for an additional 3 years, ending September 7, 1978, in which it requests the concurrence of the Senate.

ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

At 1:35 p.m., a message from the House of Representatives delivered by Mr. Berry announced that the Speaker has signed the following enrolled bill and joint resolutions:

S. 331. An act to redesignate November 11 of each year as Veterans Day and to make such day a legal public holiday;

Senate Joint Resolution 34. A joint resolution asking the President of the United States to declare the fourth Saturday of September 1975 as "National Hunting and Fishing Day"; and

Senate Joint Resolution 125. A joint resolution authorizing and requesting the President to issue a proclamation designating Sunday, September 14, 1975, as "National Saint Elizabeth Seton Day".

The PRESIDENT pro tempore subsequently signed the enrolled bill and joint resolutions.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. Harry F. Byrd, Jr.) laid before the Senate the following letters, which were referred as indicated:

Report by the Department of the Navy

A letter from the Deputy Chief of Naval Material transmitting, pursuant to law, the semiannual report of the Department of the Navy on research and development procurement actions of $50,000 and over (with an accompanying report); to the Committee on Armed Services.

Proposed Acts by the Council of the District of Columbia

Four letters from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, copies of four proposed acts passed by the Council (with accompanying papers); to the Committee on the District of Columbia.

Report by the Civil Service Commission

A letter from Chairman of the Civil Service Commission reporting, pursuant to law, on the operation and administration of section 724 of the District of Columbia Self-Government and Governmental Reorganization Act; to the Committee on the District of Columbia.

Report by the Federal Energy Administration

A letter from the Administrator of the Federal Energy Administration transmitting, pursuant to law, a report concerning changes in market shares for petroleum products (with an accompanying report); to the Committee on Interior and Insular Affairs.

Distribution of Certain Judgment Funds

A letter from the Acting Secretary of the Interior transmitting, pursuant to law, a proposed plan for the use and distribution of Western Apache judgment funds awarded by the Indian Claims Commission (with an accompanying report); to the committee on Interior and Insular Affairs.

Report of the Future Farmers of America

A letter from the Chairman of the Board of Directors of the Future Farmers of America transmitting, pursuant to law, a report of the audit of the accounts of the Future Farmers of America for the fiscal year ended June 30, 1975 (with an accompanying report); to the Committee on the Judiciary.

Proposed Legislation by the Department of Labor

A letter from the Secretary of Labor transmitting a draft of proposed legislation entitled "Construction Industry Collective Bargaining Act of 1975" (with accompanying papers); to the Committee on Labor and Public Welfare.

Proposed Legislation by the Federal Energy Administration

A letter from the Administrator of the Federal Energy Administration transmitting a draft of proposed legislation entitled "The Natural Gas Emergency Standby Act of 1975" (with accompanying papers); to the Committee on Commerce.

A letter from the Administrator of the Federal Energy Administration transmitting a draft of proposed legislation entitled "Gasoline Dealers' Protection Act of 1973" (with accompanying papers); to the Committee on the Judiciary.

PETITIONS

The ACTING PRESIDENT pro tempore (Mr. HARRY F. BYRD, Jr.) laid before the Senate the following petitions which were referred as indicated:

House Joint Resolution No. 32 adopted by the Legislature of the State of Alaska; to the Committee on Commerce:

"HOUSE JOINT RESOLUTION NO. 32

"Be it resolved by the Legislature of the State of Alaska:

"Whereas the United States Senate Commerce Committee is considering legislation to allow the federal government to set prices for natural gas produced and used in the same state; and

"Whereas the Federal Power Commission presently sets prices for natural gas produced in one state and sold in another state; and

"Whereas the proposed legislation requires the Federal Power Commission to set a uniform national price rate for natural gas sold interstate and intrastate; and

"Whereas a uniform national price rate for natural gas will tend to limit the innovative uses of natural gas produced and sold in the state, particularly in the outlying areas of the state; and

"Whereas economic scholars have suggested that the trend should be in the direction of decontrol of natural gas prices instead of an expansion of the regulation of natural gas prices; and

"Whereas the effect of setting a uniform national price for natural gas will probably be to lower the price of natural gas, which will in turn effect an increase in the demand for natural gas; and

"Whereas lowering the price and increasing the demand for natural gas will result in extending the shortage of natural gas and in delaying the introduction of new supplies of natural gas; and

"Whereas any measure which extends the present shortage of natural gas will tend to favor consumers in a preferential purchasing position and penalize potential consumers for whom gas is not available at any price; and

"Whereas any measure which will lower the price and extend the shortage of natural gas will penalize consumers outside Alaska because the high cost of delivering natural gas from Alaska will make it unprofitable to deliver natural gas outside the state;

"Be it resolved by the Alaska State Legislature that it strongly urges the United States Congress to reject any legislation which allows the federal government to set prices for natural gas produced and sold within the same state."

House Joint Resolution 105 adopted by the Legislature of the State of Alabama; to the Committee on the Judiciary:

"RESOLUTION PETITIONING THE CONGRESS OF THE UNITED STATES TO CONVENE A CONSTITUTIONAL CONVENTION FOR THE PURPOSE OF PROPOSING AN AMENDMENT TO THE CONSTITUTION WHICH WOULD PROHIBIT DEFICIT SPENDING BY THE GOVERNMENT OF THE UNITED STATES, EXCEPT IN TIMES OF NATIONAL EMERGENCY

"Whereas, an ever-increasing public debt is inimical to the general welfare of the people of the United States; and

"Whereas, the national debt is already dangerously high and any further increases will be harmful and costly to the people of the United States; and

"Whereas, a continuous program of deficit financing by the Federal Government is one of the greatest factors supporting the inflationary conditions presently existing in this country and therefore has been the chief factor in reducing the value of the American currency; and

"Whereas, payment of the increased interest required by the ever-increasing debt would impose an undue hardship on those with fixed incomes and those in lower income brackets; and

"Whereas, it is not in the best interest of either this or future generations to continue such a practice of deficit spending particularly since this would possibly deplete our supply of national resources for future generations; and

"Whereas, by constantly increasing deficit financing the Federal Government has been allowed to allocate considerable funds to wasteful and in many instances nonbeneficial public programs; and

"Whereas, be limiting the Federal Government to spend only the revenues that are estimated will be collected in a given fiscal year, except for certain specified emergencies, this could possibly result in greater selectivity of Federal Government programs for the benefit of the public and which would depend upon the willingness of the public to pay additional taxes to finance such programs; and

"Whereas, there is provision in Article V of the Constitution of the United States for amending the Constitution by the Congress, on the application of the legislatures of two-thirds (2/3) of the several states, calling a convention for proposing amendments which shall be valid to all intents and purposes when ratified by the legislatures of three-fourths (¾) of the several states, or by conventions in three-fourths (¾) thereof, as the one or the other mode of ratification may be proposed by the Congress; now therefore

"*Be it resolved by the Legislature of Alabama, both Houses thereof concurring*, That the Legislature of Alabama hereby petitions the Congress of the United States to convene a convention, pursuant to Article V of the Constitution of the United States, for the specific and exclusive purpose of proposing an amendment which would prohibit deficit spending by the Government of the United States, except in times of a national emergency.

"Be it resolved further, That the legislature of each of our sister states is urged to give the most serious consideration to the problems arising from deficit spending, and to petition the Congress of the United States to call a convention for the specific and exclusive purpose of proposing an amendment which would prohibit deficit spending by the Government of the United States, except in times of national emergency.

"Be it resolved further and alternatively, That this body strongly urges the Congress of the United States to prepare and submit to the several states an amendment to the Constitution of the United States that would prohibit deficit spending.

"Be it resolved further, That the Clerk of the House of Representatives transmit duly authenticated copies of this resolution to the President of the United States, to the President of the United States Senate, to the Speaker of the United States House of Representatives, to each member of the Alabama Congressional delegation, and to the executive authority of each of our sister states for transmittal to its legislature."

A resolution adopted by the Miami Beach City Council, Miami Beach, Fla., concerning the practice of Arab nations which boycott and discriminate against American financial institutions and other businesses; to the Committee on Foreign Relations.

A resolution adopted by the National Assembly of Women Religious relating to world disarmament; to the Committee on Foreign Relations.

A resolution adopted by the National Water Supply Improvement Association requesting additional emphasis on desalination and research and development in the other new water sciences; to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MAGNUSON, from the Committee on Appropriations, with amendments:

H.R. 8069. An act making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes (Rept. No. 94–366).

By Mr. RIBICOFF, from the Committee on Government Operations:

S. Res. 244. An original resolution disapproving the regulations proposed by the Administrator of General Services under section 104 of the Presidential Recordings and Materials Preservation Act.

ENROLLED BILL AND JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that today, September 10, 1975, he presented to the President of the United States the following enrolled bill and joint resolutions:

S. 331. An act to redesignate November 11 of each year as Veterans Day and to make such day a legal public holiday;

S.J. Res. 34. A joint resolution asking the President of the United States to declare the fourth Saturday of September 1975 as "National Hunting and Fishing Day"; and

S.J. Res. 125. A joint resolution authorizing and requesting the President to issue a proclamation designating Sunday, September 14, 1975, as "National Saint Elizabeth Seton Day".

HOUSE BILL REFERRED

The bill (H.R. 1073) to extend the provisions of title XII of the Merchant Marine Act, 1936, relating to war risk insurance, for an additional 3 years, ending September 7, 1978, was read twice by its title and referred to the Committee on Commerce.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. BURDICK:

S. 2312. A bill to amend the Tariff Act of 1930 so as to exempt certain private aircraft entering or departing from the United States and Canada or the United States and Mexico at night or on Sunday or a holiday from provisions requiring payment to the United States for overtime services of customs officers and employees. Referred to the Committee on Finance.

By Mr. HUGH SCOTT:

S. 2313. A bill to authorize the changing of the status of refugees from Indochina from that of a parolee to that of a permanent resident alien. Referred to the Committee on the Judiciary.

S. 2314. A bill to authorize the use of appropriated funds to pay the compensation of Vietnamese refugees who may be employed by the United States, and for other purposes. Referred to the Committee on Post Office and Civil Service.

By Mr. HATFIELD:

S. 2315. A bill to return the privately built and maintained reservoir known as Lake Oswego, Oreg., to its traditional status as a nonnavigable water of the United States. Referred to the Committee on Public Works.

By Mr. HARTKE:

S. 2316. A bill to amend title 38, United States Code, to provide hospital and medical care to certain members of the armed forces of nations allied or associated with the United States in World War I or World War II. Referred to the Committee on Veterans' Affairs.

By Mr. HUMPHREY:

S. 2317. A bill for the relief of Mr. Moon Kyu Kim. Referred to the Committee on the Judiciary.

S. 2318. A bill for the relief of Dr. Crispin E. See. Referred to the Committee on the Judiciary.

By Mr. CLARK (for himself and Mr. CULVER):

S. 2319. A bill for the relief of Leo Hector Peralta. Referred to the Committee on the Judiciary.

By Mr. BUCKLEY (for himself, Mr. EASTLAND, Mr. LAXALT, Mr. DOMENICI, and Mr. ROTH):

S. 2320. A bill to amend the Internal Revenue Code to provide an additional personal exemption for each senior citizen whose principal place of abode is in the principal residence of the taxpayer. Referred to the Committee on Finance.

By Mr. BELLMON:

S. 2321. A bill to amend the Voting Rights Act of 1965. Referred to the Committee on the Judiciary.

By Mr. PACKWOOD (for himself and Mr. HATFIELD):

S. 2322. A bill for the relief of Lee Mee Sun. Referred to the Committee on the Judiciary.

By Mr. MAGNUSON (for himself and Mr. PEARSON) (by request):

S. 2323. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to authorize appropriations. Referred to the Committee on Commerce.

By Mr. DOLE:

S. 2324. A bill to amend the Internal Revenue Code of 1954 to restrict access to confidential tax information. Referred to the Committee on Finance.

By Mr. CHILES (for himself and Mr. STONE):

S. 2325. A bill to amend the act establishing the Gulf Islands National Seashore to increase the amount authorized for the acquisition of private property to be included in the seashore. Referred to the Committee on Interior and Insular Affairs.

By Mr. HUDDLESTON:

S. 2326. A bill to amend the U.S. Grain Standards Act to provide for the inspection of export grain by Federal personnel, and for other purposes. Referred to the Committee on Agriculture and Forestry.

By Mr. MORGAN (for himself and Mr. GARN):

S. 2327. A bill to suspend sections 4, 6, and 7 of the Real Estate Settlement Procedures Act of 1974. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. FONG:

S. 2328. A bill for the relief of Hortensia Perdomo. Referred to the Committee on the Judiciary.

By Mr. STEVENSON (for himself, Mr. PROXMIRE, and Mr. GRAVEL):

S. 2329. A bill to amend the Export-Import Bank Act of 1945 to limit financing for sales of nuclear materials and technology to States not a party to the Nuclear Non-Proliferation Treaty, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. PEARSON (by request):

S. 2330. A bill to provide temporary authority for the President, the Federal Power Commission and the Federal Energy Administration to institute emergency measures to minimize the adverse effects of natural gas shortages, and for other purposes. Placed on the calendar.

By Mr. WILLIAMS:

S. 2331. A bill to amend section 362 of title 38, United States Code, to authorize a clothing allowance in the case of certain veterans with non-service-connected disabilities who wear prosthetic or orthopedic appliances which tend to wear out or tear the clothing of such veterans. Referred to the Committee on Veterans' Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HUGH SCOTT:

S. 2313. A bill to authorize the changing of the status of refugees from Indochina from that of a parolee to that of a permanent resident alien. Referred to the Committee on the Judiciary.

S. 2314. A bill to authorize the use of appropriated funds to pay the compensation of Vietnamese refugees who may be employed by the United States, and for other purposes. Referred to the Committee on Post Office and Civil Service.

Mr. HUGH SCOTT. Mr. President, today I introduce two bills—the Refugee Adjustment Act of 1975 and the Refugee Reemployment Act of 1975. In essence, both bills are designed to expedite the process of permanently establishing those Vietnamese and other Indochinese refugees who wish to remain in the country. To achieve this humanitarian purpose, the Refugee Reemployment Act would permit any agency of the U.S. Government to employ Indochinese aliens if they were former employees of the U.S. Government in Indochina for a period of not less than 3 years, which is the period required to attain permanent status in the Civil Service. Compensation for employment of the refugees would be derived from appropriated funds, provided the employees were certified by the Civil Service Commission and they had competently performed their duties during the period of their employment with the U.S. Government.

The Refugee Adjustment Act would allow any alien who is a native or citizen of Vietnam, Cambodia or Laos and has come to the United States as a political refugee to be reclassified as a permanent resident with the approval of the Attorney General. An alien's family would also be allowed to receive permanent resident status, provided the family is living with the alien.

I ask my colleagues' support in taking action on this legislation so that we may welcome the political refugees of Indochina into the United States, and enable those who qualify to resume their service with the U.S. Government. By doing so we will enable them to share America's heritage of which we, as Americans, are so proud.

Mr. President, I urge the adoption of these bills.

By Mr. HATFIELD:

S. 2315. A bill to return the privately built and maintained reservoir known as Lake Oswego, Oreg., to its traditional status as a nonnavigable water of the United States. Referred to the Committee on Public Works.

Mr. HATFIELD. Mr. President, today I am introducing legislation to restore Lake Oswego, a privately built and maintained reservoir in Oregon, to its traditional status as a nonnavigable water of the United States. I am joined in this endeavor by my distinguished colleague, Senator PACKWOOD, and in the House by the distinguished Representative of Oregon's First District, Mr. AUCOIN.

The Lake Oswego reservoir was constructed in the 1850's for the purpose of providing power to operate a sawmill, and later to operate the Oregon Iron and Steel Company works. A dam was placed at the lower end of Sucker Creek Swamp, near the head of the creek's cascades to the Willamette River, and a sluiceway was dug to divert water from the Tualatin River to Sucker Creek. Upon completion of the sluiceway, commercial navigation was theoretically possible across Sucker Lake, now called Lake Oswego, through the sluiceway, and up the Tualatin River, but the attempts to establish such navigation in the late 1800's failed, despite various publicity campaigns and attempts to raise capital.

In order to prevent flooding along the canal and along the lake, a dike and floodgate was later established at the head of the sluiceway, effectively obviating any further possibility of navigational use. The operation of this intake facility and the use of the water to generate power at the dam has remained basically unchanged since the turn of the century. Today, however, the dam, the diversion facilities, the lake bed, the canals above and below the dam, the powerhouse, and a strip of property around the rim of the lake and canals are owned and operated by the Lake Oswego Corp., essentially a local homeowners association. The corporation bought these private facilities in their entirety from Oregon Iron & Steel Co. in 1942. Shareholders in the corporation include approximately 600 owners of property adjacent to the corporation-owned rim. Two waterfront parks have been deeded to the city of Lake Oswego—population 19,000—and the school district, and 18 other waterfront easements to several associations which represent several thousand owners of nonwaterfront property in the area. The association members and the entire population of the city have access to the lake through easement lots. Operation of the lake, the powerhouse, and the other facilities of the corporation is a losing proposition, and all shareholders are assessed annual charges—averaging $100—for maintaining the operation. This charge also applies to each of the 18 easement entities, whose members pay a family assessment.

This reservoir has no navigable access by commercial craft—or other water craft, for that matter—to or from any "navigable water" of the United States, yet the Corps of Engineers abruptly designated Lake Oswego a "navigable water" in 1972, without field studies, without prior notice to the corporation or to the public in general, and without, apparently, much justification, for the Portland district and the North Pacific Division of the corps have since recommended rescission of this action. Unfortunately, the Chief of Engineers has refused to rescind the new classification, leaving no other recourse than this legislation.

Should the new classification be allowed to stand, public access, limited only by the size of access areas the Government may wish to establish by condemnation, could be forced, with the result of loss of operating revenues now gained by controlling all access through corporation ownership of the rim. The Federal Government would have to assume the operation of the reservoir and attendant facilities and assume all costs, which are considerable.

Lake Oswego is a completely locally owned and maintained reservoir in a residential development of long standing. I doubt that the Federal Government actually would wish to acquire the lake bed, rim, dam, diversion structures, and the powerhouse, assume all the liabilities—including a long-term water supply contract—and maintain the water safety patrol and the chemical treatment program, all at a cost of many millions of dollars, not including damages to the value of this residential development. Further, I feel strongly the Government should not do this. The entire operation is run at standards that exceed every Federal guideline, and there is simply no excuse for the kind of Federal intervention the classification of "navigable water" opens up—in fact, requires.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2315

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the artificial reservoir known as Lake Oswego, in the State of Oregon, and its canals in the City of Lake Oswego, Oregon, are hereby declared to be nonnavigable waters of the United States within the meaning of the Constitution and laws of the United States.

By Mr. HARTKE:

S. 2316. A bill to amend title 38, United States Code, to provide hospital and medical care to certain members of the armed forces of nations allied or associated with the United States in World War I or World War II. Referred to the Committee on Veterans' Affairs.

MEDICAL CARE FOR CERTAIN MEMBERS OF ALLIED WARTIME FORCES

Mr. HARTKE. Mr. President, today I introduce legislation which will authorize hospital and medical care to certain members of armed forces of nations allied or associated with the United States in World War I or World War II. This bill would provide, subject to certain conditions, that any person who served honorably during World War I or World War II as a member of the armed forces of Poland, Czechoslovakia, or any other government allied or associated with the United States during World War I or World War II would be eligible for Veterans' Administration medical services, hospital, and domiciliary care, on the same basis as an eligible veteran of the United States Armed Forces suffering from a nonservice-connected disability. This bill provides that the allied veteran must have been a citizen of the United States for a period of at least 10 years and must have served at some point under the command of the armed forces of France or Great Britain during World War I or World War II and is not entitled to services under current provisions of section 109 of title 38, United States Code.

Mr. President, this is a subject which has occasioned considerable interest and discussion in Congress both last year and this year. A brief review of the history of this legislation is, therefore, appropriate. Last year, the House Committee on Veterans' Affairs reported H.R. 13377, a similar measure which was passed by the full House on August 5, 1974, by a vote of 341 to 40. Hearings on that measure and an identical Senate measure, S. 2890, which I cosponsored with Senator RIBICOFF, were held on September 26, 1974. Administration spokesmen argued vigorously against the measure testifying that it would be "unwise—discriminatory and precedential." Subsequent to the hearing, committee members met in executive session to consider H.R. 13377, but a majority consensus to report the measure favorably was not reached prior to adjournment sine die of the 93d Congress. This year this legislation has been reintroduced in both the House and the Senate. On July 21, 1975, the House by a voice vote passed H.R. 71, a measure identical to the previously passed H.R. 13377. This measure is now pending before the committee. Administration objection to H.R. 71 in its present form is as strong this year as before, as their recent report to me received yesterday by the committee indicates. I will place the full report of the administration to H.R. 71 at the conclusion of my remarks.

Consequently, the modified measure which I introduce today is intended to meet the administration's objections while retaining the essential purpose which has found such strong support in the House of Representatives. I believe the bill introduced today will accomplish that objective and I am hopeful that in its present form it can secure approval of the committee and the full Senate and be enacted into law.

In this connection it would be appropriate to discuss what the law currently authorizes and the circumstances which gave rise to the subject matter before you.

Section 109 of title 38, United States Code, currently provides that the Veterans' Administration will provide medical care to veterans of nations allied with the United States in World War I—excluding, however, any nation which subsequently was an enemy of the United States during World War I—or World War II who are in the United States. Services are rendered to those allied veterans in the same manner as for VA beneficiaries, subject to reimbursement of expenses from the allied government concerned.

The original legislation which provided reciprocal medical care for veterans who served in the allied forces was Public Law 68–242, the World War Veterans Act, 1924. This law provided that the Veterans Bureau—predecessor of the Veterans' Administration—was authorized to furnish—

> Transportation, also the medical, surgical, and hospital services and the supplies and appliances provided by subdivision (6) hereof, to discharged members of the military or naval forces of those governments which have been associated in war with the United States since April 6, 1917.

The act specified that such benefits could only be granted if the allied governments agreed to reciprocate in the care of American veterans in their countries. This statute remained unchanged for over 20 years.

With the outbreak of World War II this provision was amended by Public Law 79–499 to include the veterans of those governments allied with the United States subsequent to December 7, 1941, and prior to the termination of the war. However, before the Veterans' Administration would supply such services it would be necessary first, that a law of the requesting government authorize the type of benefits requested for its own veterans; second, that a request that the United States provide such treatment be made by the proper officials of the allied government; and third, that the allied government reimburse the Veterans' Administration for the cost of services rendered. Fourth, and finally, no benefits would be furnished to allied veterans unless the allied governments reciprocated by furnishing benefits to veterans of the United States residing within their boundaries. These benefits were limited to those veterans from governments who were allied in both World War I and World War II and excluded veterans whose governments were allies in World War I but axis powers in World War II. Also under current provisions, hospitalization in a VA hospital may not be extended to allied beneficiaries, except in an emergency unless there are beds available surplus to the needs of veterans who served in the Armed Forces of the United States.

Mr. President, I ask unanimous consent that the present text of section 109 of title 38, United States Code, be placed in the RECORD at this point.

There being no objection, the material was ordered printed as follows:

SECTION 109—BENEFITS FOR DISCHARGED MEMBERS OF ALLIED FORCES

> (a) (1) In consideration of reciprocal services extended to the United States, the Administrator, upon request of the proper officials of the government of any nation allied or associated with the United States in World War I (except any nation which was an enemy of the United States during World War II), or in World War II, may furnish to discharged members of the armed forces of such government, under agreements requiring reimbursement in cash of expenses so incurred, at such rates and under such regulations as the Administrator may prescribe, medical, surgical, and dental treatment, hospital care, transportation and traveling expenses, prosthetic appliances, education, training, or similar benefits authorized by the laws of such nation for its veterans, and services required in extending such benefits. Hospitalization in a Veterans' Administration facility shall not be afforded under this section, except in emergencies, unless there are available beds surplus to the needs of veterans of this country. The Administrator may also pay the court costs and other expenses incident to the proceedings taken for the commitment of such discharged members who are mentally incompetent to institutions for the care or treatment of the insane.
>
> (2) The Administrator, in carrying out the provisions of this subsection, may contract for necessary services in private, State, and other Government hospitals.
>
> (3) All amounts received by the Veterans' Administration as reimbursement for such services shall be credited to the current appropriation of the Veterans' Administration from which expenditures were made under this subsection.
>
> (b) Persons who served in the active service in the armed forces of any government allied with the United States in World War II and who at time of entrance into such active service were citizens of the United States shall, by virtue of such service, and if otherwise qualified, be entitled to the benefits of chapters 31 and 37 of this title in the same manner and to the same extent as veterans of World War II are entitled. No such benefit shall be extended to any person who is not a resident of the United States at the time of filing claim, or to any person who has applied for and received the same or any similar benefit from the government in whose armed forces he served.

Following World War II a total of 49 countries were considered to be allied with the United States for the purpose of reimbursable benefits. These countries are as follows:

Australia
Brazil
Costa Rica
Dominican Republic
France
Haiti
Iraq
Luxembourg
New Zealand
Panama
Saudi Arabia
Union of South Africa
Uruguay
Argentina
Peru
Belgium
Canada
Cuba
Ecuador
El Salvador
Greece
Honduras
Lebanon
Mexico
Nicaragua
Paraguay
Syria
USSR
Yugoslavia
Chile
Philippines
Bolivia
China
Czechoslovakia
Egypt
Ethiopia
Guatemala
Iran
Liberia
Netherlands
Norway
Poland
Turkey
United Kingdom
Albania
Colombia
Venezuela

Currently reimbursable agreements and agreements for reciprocal care of American veterans are in force with British and Canadian Governments covering veterans of the armed forces of the United Kingdom of Great Britain and Northern Ireland, Canada, Australia, New Zealand, and South Africa.

The following table shows the type of case and number of cases provided to veterans of allied forces under the current agreements in fiscal year 1974:

Type of care	British	Canadian	Tota
Outpatient visits (staff and fee)	1, 245	2, 744	3, 989
Prescriptions filled	404	1, 353	1, 757
Transportation services	164	607	771
Prosthetic services	370	309	679
Laboratory services (contract)	70	220	290
Sickroom supplies and equipment	31	113	143
Dental services (outpatient)	5	23	28
Total days hospital care provide	1, 924	2, 223	4, 147
Total cost	$214, 419. 70	$223, 926. 34	$348, 346. 04

The Veterans' Administration has informed the committee that a review of the Veterans Benefits Office records where requests for care to be provided to allied beneficiaries—other than British and Canadian—are kept, disclosed no requests for care were made in the last 5 years.

In World War I and World War II citizens of many countries fought valiantly in alliance with the United States and our allies.

During World War I refugees and emigrants formed an army in France under the direction of Gen. Joseph Haller. General Haller's army fought valiantly alongside American forces. There can be no doubt that they provided a significant contribution in bringing an end to World War I.

World War II again saw thousands from Poland, Czechoslovakia, Latvia, and other countries fighting in exile. The Polish army represented the Allies' third largest fighting force, after the United States and Great Britain. Polish forces fought both in Europe and in the African campaign. The Czechoslovakian fighter wing within the Royal Air Force provided fighter escort to squadrons of the United States 8th Air Force Bomber Command during missions over Germany and air support to allied and American ground forces across Europe.

The British general, Lucian K. Truscott, said of the Polish army in exile for their part in the battle for Monte Cassino:

> The men of Poland were in the vanguard of that battle fighting with the same tenacious purpose that had ever made the name of Poland a byword among liberty-loving people.

These fighters in exile were cited by the British Admiralty for "undiminished gallantry and determination to fight on for victory in the common cause in spite of all adversities."

Upon the cessation of World War II, many veterans from Poland and other countries refused to return to their Communist-controlled countries, but instead emigrated to the United States where they have become active and productive citizens. However, they have never been eligible for veterans benefits as given to American veterans or veterans of allied governments, because their countries have not entered into reciprocal agreements with the United States.

Mr. President, the foregoing I believe establishes the background of this legislation and the strong support it has engendered so far. In recent weeks I have heard from a number of organizations including the Polish American Congress, the Polish Legion of American Veterans, the Polish Army Veterans Association, District 31 of the United Steelworkers of America, and several elected officials from the State of Indiana and elsewhere.

In particular, I want to acknowledge the persistence and dedication in this matter shown by my good friend, Congressman ANNUNZIO.

As noted previously, however, the Veterans' Administration has been and continues to be strongly opposed to this legislation for a number of reasons. Thus the bill I introduce today differs from the House-passed measure in an attempt to meet those objections. First, the Veterans' Administration noted that there is "some confusion between the eligibility provision of proposed paragraph 1 and paragraph 2," and recommended that if this legislation be given further consideration, the "provision should be clarified." The Veterans' Administration's suggestion has been followed and the eligibility provisions in paragraph 1 have been clarified to avoid any possible confusion with paragraph 2.

Second, the Veterans' Administration has argued strongly that the bill as written, discriminates among our allied veterans by singling out the veterans of two particular nations and excluding others.

The bill I introduce today would eliminate that objection by providing that the veteran of any nation allied with the United States in World War I or World War II, who meets the conditions of this bill may qualify for hospital care benefits. Although the number of these eligible veterans is relatively small and will not significantly add to the original minimal cost of the bill, their inclusion does eliminate any theoretical objection registered by the Veterans' Administration, that it is discriminatory on its face.

Finally, the bill frankly acknowledges that the need for this measure is in large part generated by the failure to date of the countries concerned to enter into reciprocal arrangements with the United States as currently authorized under section 109 of title 38. While the lack of such agreements in the past might be readily explainable in terms of international tensions and antagonisms, they require new examination in light of the expressed policy of détente and the President's recent travel to Poland and other countries. Accordingly, the Administrator of the Veterans' Administration in consultation with the Secretary of State is directed under the bill I introduce today to the maximum extent practicable, to encourage any government affected having a significant number of former members of the Armed Forces residing in that state to enter into reciprocal agreements with the United States.

Mr. President, I believe this is an important measure. The House of Representatives has estimated that this measure will not have a significant cost impact upon the VA hospital care system nor would it have any appreciable impact on the demand for services rendered by VA hospitals. Nevertheless it is an important issue to many Americans and I am hopeful that the committee and the full Senate can and will consider it in the near future.

I ask unanimous consent that the text of the bill, together with a section-by-section analysis and the Veterans' Administration report to H.R. 71 be printed in the Record at this point.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 2316

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 109 of title 38, United States Code, is amended by adding at the end thereof the following:

"(c)(1) Any person who served during World War I or World War II as a member of any armed force of the Governments of Czechoslovakia, Poland, or of any other government allied or associated with the United States, and who subsequently honorably served in or with the armed forces of France or Great Britain during the period of World War I or World War II, and who participated while so serving in armed conflict with an enemy of the United States and has been a citizen of the United States for at least ten years shall, by virtue of such service, and upon satisfactory evidence thereof, be entitled to hospital and domiciliary care and medical services within the United States under chapter 17 of this title on the same basis as an eligible veteran of the United States Armed Forces suffering from a non-service-connected disability, unless such person is entitled to, or would, upon application thereof, be entitled to, payment for equivalent care and services under a program established by the foreign government concerned for persons who served in its armed forces in World War I or World War II.

"(2) In order to assist the Administrator in making a determination of proper service eligibility under this subsection, each applicant for the benefits thereof shall furnish an authenticated certification from the French Ministry of Defense or the British War Office as to records in either such Office which clearly indicate military service of the applicant in the armed forces of one of the foreign governments referred to in paragraph (1) of this subsection, and subsequent honorable service in or with the armed forces of France or Great Britain during the period of World War I or World War II.".

Sec. 2. The Administrator, in consultation with the Secretary of State, shall, to the maximum extent practicable, encourage the government of any nation allied or associated with the United States in World War I or World War II having a significant number of former members of the armed forces of such government residing in the United States, to enter into a reciprocal agreement with the United States for furnishing services in the United States to discharged members of the armed forces of such government, as provided for in section 109 of title 38, United States Code.

Section-by-Section Analysis of S. 2316

SECTION 1

Section 1 amends section 109 of title 38, United States Code by adding a new subsection (c). Paragraph 1 of new subsection (c) would extend eligibility for hospital and domiciliary care and medical services within the United States under chapter 17 to veterans of other governments allied or associated with the United States under the following conditions:

(a) That the veteran served during World War I or World War II as a member of any government allied or associated with the United States;

(b) That the veteran subsequently honorably served in or with the Armed Forces of France or Great Britain;

(c) That the veteran participated while so serving in or with the armed forces of France or Great Britain in armed conflict with an enemy of the United States;

(d) That the veteran has been a citizen of the United States for at least ten years;

(e) That the veteran submits satisfactory evidence of the above conditions; and,

(f) That the veteran is not entitled to payment for equivalent care and services under a program established by the government concerned for such veteran who served in its armed forces in World War I or World War II.

Paragraph 2 of new subsection (c) provides that in assisting the Administrator determine eligibility under this subsection each applicant under this program shall furnish an authenticated certification from the French Ministry of Defense or the British War Office as to records in either Office which clearly indicate military service of the veteran in the armed forces of one of the foreign governments allied or associated with the United States and who subsequently honorably served in or with the armed forces of either France or Great Britain during World War I or World War II.

SECTION 2

This section provides that the Administrator of the Veterans' Administration in consultation with the Secretary of State shall encourage the government of any nation allied or associated with the United States in World War I or World War II having a significant number of former members of the armed forces of such government residing in the United States to enter into a reciprocal agreement with our government to furnish services to discharged members of the armed forces of such government as currently provided for in section 109 of title 38, United States Code.

Veterans' Administration,
Washington, D.C., September 5, 1975.

Hon. Vance Hartke,
Chairman, Committee on Veterans' Affairs, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: This will respond to your request for a report by the Veterans Administration on H.R. 71, 94th Congress, a bill "To amend title 38, United States Code, to provide hospital and medical care to certain members of the armed forces of nations allied or associated with the United States in World War I or World War II." H.R. 71 passed the House of Representatives on July 21, 1975.

The subject bill would amend section 109 of title 38, United States Code, to extend to any person who served during World War I or World War II as a member of any armed force of the Governments of Czechoslovakia or Poland, and participated while so serving in armed conflict with an enemy of the United States, and has been a citizen of the United States for at least ten years, entitlement to hospital care and medical services, and domiciliary care under chapter 17 of title 38.

There is some confusion between the eligibility provisions of the bill and proposed paragraph (2) of the new subsection (c), which provides that *in order to assist the Administrator in making a determination of proper* service eligibility, each applicant shall furnish an authenticated certification from the French Ministry of Defense or the British War Office as to records in either office which clearly indicate military service of the applicant *and subsequent service in or with the armed forces of France or Great Britain during the period of World War I or World War II.*

The eligibility provision in subsection (c)(1) does not require subsequent service in or with the armed forces of France or Great Britain. Moreover, since the bill would require the Veterans' Administration to furnish care to persons made eligible on the same basis as if service had been performed in the armed forces of the United States, it would appear to present an almost impossible task for VA hospital personnel to determine the extent of the VA medical care which can be provided, as well as determining whether the individual has a service-incurred disability. If the Committee is to give this legislation further consideration, we believe that these provisions should be clarified.

Under the bill, benefits would not be available to a person who is entitled to payment for equivalent care and services under a program established by such foreign government for persons who served in its armed forces during World War I or World War II.

Section 109(a)(1) of title 38 currently authorizes the Administrator, in consideration of reciprocal services extended to the United States and upon a reimbursable basis, to furnish hospital care, medical services, and education, training or similar benefits to discharged members of the armed forces of the government of any nation allied, or associated, with the United States in World War I (except a nation which was an enemy of the United States in World War II), or World War II, if such benefits are authorized by such government for its veterans. Section 109(b) provides that persons who served in the active service in the armed forces of any government allied with the United States in World War II, and who at the time of entrance into such service were citizens of the United States, are, if otherwise qualified, entitled to the benefits of chapters 31 and 37 of title 38 in the same manner and to the same extent as U.S. veterans of World War II, provided he is a resident at the time of filing a claim, and has not received similar benefits from the nation in whose armed forces he served.

The proposals under consideration go much further than the provisions for temporary World War II readjustment benefits. They would include many persons who were not citizens when they served and would provide basic hospital and medical benefits under our continuing program. While the need for medical benefits might appear to be most urgent, the granting of this relief would doubtless be followed by demands for other continuing benefits, such as compensation and pension.

The general policy of Congress, except as to those benefits in section 109(b) of title 38, United States Code, has been to provide benefits solely for veterans who served in the armed forces of the United States and their dependents. The extension of certain benefits (although provided on a reciprocal basis in section 109(a)) to persons who served with governments allied with the United States, but who rendered no service in the United States Armed Forces, would be a departure from this policy.

We not only believe that enactment of legislation in the form of the bill pending before you on this subject would be unwise, but it would be discriminatory and precedential. If medical benefits are provided to veterans of service with the Czechoslovakian and Polish armed forces, it could be argued that equity would require the extension of such benefits to those who served with the armed forces of Bulgaria, Estonia, Hungary, Latvia, Lithuania, Romania, or Yugoslavia, as well as to veterans of other allied forces such as Russia, China, and most of the Latin American countries, who are now United States citizens.

As a matter of policy it would be difficult to explain to nations such as Canada, Great Britain, Australia, New Zealand, and South Africa, why they should reimburse the Veterans Administration for medical treatment provided veterans who served in their armed forces while we provide such services at no cost for veterans of other allied forces.

Aside from allied veterans, many other groups who have served with, but not in, our own armed forces during war periods have through the years sought to obtain benefits reserved to veterans of the military service. Applying the policy of restricting benefits to those who had military service, legislation to include these civilian groups has generally been rejected. If an exception were made for one or more classes of allied veterans, it might prove difficult to resist demands that similar provision should be made for a variety of civilian groups who served closely with our armed forces or who did alternate service as conscientious objectors.

The President has called for the development of plans for a comprehensive national health insurance system for all Americans. Consonant with that policy, we do not believe that citizens, who are not veterans of service in the armed forces of the United States, should be provided VA medical care benefits based purely on service with some other nation's armed forces rendered prior to becoming a citizen of this country.

Accordingly, we oppose the enactment of H.R. 71.

It is not possible to estimate the cost of the bill, since we have no information as to how many individuals may qualify for benefits.

We were advised by the Office of Management and Budget in regard to a report to the Chairman of the House Committee on Veterans' Affairs on H.R. 71, containing language identical to that in the subject bill, that there was no objection to the presentation of that report from the standpoint of the Administration's program.

Sincerely,

A. J. SCHULTZ, Jr.,
Associate Deputy Administrator in the absence of Richard L. Roudebush, Administrator.

By Mr. BUCKLEY (for himself, Mr. EASTLAND, Mr. DOMENICI, Mr. LAXALT, and Mr. ROTH):

S. 2320. A bill to amend the Internal Revenue Code to provide an additional personal exemption for each senior citizen whose principal place of abode is in the principal residence of the taxpayer. Referred to the Committee on Finance.

Mr. BUCKLEY. Mr. President, in our national agenda for older Americans, there is no more crucial concern than housing. The tragic fact is that America seems to have no room for its senior citizens.

Some are forced from their apartments by rising rents, while others are driven from their homes of a lifetime by escalating taxes. Many of those who live alone dwell in fear of crime, which, more and more, is a matter of the brutal young preying upon the defenseless elderly.

In attempting to remedy these ills, both Federal and local governments have thus far failed. Rent controls, like all price controls, do more economic harm than good. "Circuit breaker" tax provisions, under which elderly homeowners pay only minimal real estate levies, are much discussed but rarely enacted. And despite all our efforts, crime is rampant in cities and suburbs and is becoming ever bolder and more impudent.

Unfortunately, there is a common tendency to deal with these problems by segregating the elderly in separate institutions. In many cases, when an individual needs special care, those residential facilities are necessary. In this regard, the nursing homes of this country have done magnificent work; and the abuses in a few should not diminish our appreciation for the great majority of them, which have given dignity and hope to many thousands of the elderly infirm.

But only a small percentage of the elderly belong in nursing homes. All too often, however, no alternative sums available to them or to their families. Financial pressures have combined with the extraordinary mobility of contemporary society to erode our traditional sense of family responsibility. In our national pursuit of a better life, usually defined in terms of quantitative income rather than qualitative appreciation of what we have, too many of us subordinate the care of our elderly relatives to other pursuits.

Let us begin to redress those mistakes. The legislation I am proposing today would assist taxpayers who are trying to keep their family, young and old, together in one household. It would provide a significant financial incentive to bring older Americans into private homes. It would encourage children to invite their parents to live with them, as was once the custom in America. Specifically, I am proposing to give a taxpayer a deduction, in the amount of $1,000, for each senior citizen, related or not, and 65 years of age or older, for whom the taxpayer provides housing, free of charge, in his or her own residence. This would be above and beyond any deduction or exemption presently allowed in the case of dependents.

This approach to the housing problems of the elderly offers several major advantages. It would be far less costly to the taxpayer than would the construction, with Federal funds, of separate housing projects for senior citizens. It would allow them a more humane and supportive atmosphere than would their segregation into unfamiliar and impersonal surroundings. By emphasizing familial responsibility toward the aged, it would turn our national attention to a neglected verity: That unless we care for one another as individuals, we lose our ability to care at all for our neighborhoods and communities, our people and our country.

There are some things we must simply refuse to accept. The dishonoring of age is one of them. Civilized societies have always valued the wisdom of the aged; but contemporary society discounts their utility. Throughout history, the young have learned from their elders the lessons of the past and the values that can be distilled only from experience and length of days. But many of today's young Americans reach maturity without exposure to the insights and fortitude of age. As one astute scholar of human development has put it, our children are the first generation in history to grow up without grandparents. It should not be surprising, therefore, that our society seems fragmented, disjointed, and coming apart at the seams.

The legislation I am introducing today will not solve all those problems. But it does reaffirm the principles by which we must be guided if we are ever to formulate enduring solutions. We must affirm our individual responsibility toward the elderly. We must allow Government to assist, but never to entirely supplant, the efforts of private citizens in caring for their families. And we must begin to examine all the present programs of the Federal Government to see whether public policy has inadvertently encouraged the dispersion of families, the separation of generation, and the segregation of the aged.

By enacting the legislation I am now proposing, by granting a special tax deduction to those who take the elderly into their own homes, the Congress can display, not only its commitment to older Americans, but also its realization that their problems require from us new approaches, fresh thinking, and a greater reliance upon the generous responsibility of the American people.

Mr. ROTH. Mr. President, I am today joining Senator BUCKLEY in cosponsoring legislation to provide a $1,000 tax deduction to taxpayers who provide housing and shelter for a senior citizen. The intent of this legislation is to encourage people to provide homes for their elderly parents, relatives, or friends as an alternative to the use of nursing homes. While nursing home care is indeed necessary in many cases, this legislation will provide additional financial relief to families who wish to provide their elderly relatives a comfortable home life. This $1,000 deduction would be in addition to the deduction presently available for dependents of a taxpayer.

I believe that our primary objective should be to reduce the premature and unnecessary institutionalization of our senior citizens. But the present Federal regulations, which provide medicare funds to pay nursing home costs, actually encourage the institutionalization of senior citizens. This legislation will provide an alternative to those families who would prefer to keep their elderly relatives in their homes but cannot now afford it.

The Federal Government has provided a number of grant and assistance programs for the elderly, including nutrition, transportation, and housing programs. But I believe that Congress has failed to provide a simple, straightforward approach to help children care for their elderly parents.

The family unit should be the most important aspect of everyone's life, and I am hopeful that this legislation will strengthen the role of the family in this country.

By Mr. BELLMON:

S. 2321. A bill to amend the Voting Rights Act of 1965. Referred to the Committee on the Judiciary.

Mr. BELLMON. Mr. President, I am today introducing a proposal to correct a legislative oversight in the Voting Rights Act extension recently enacted by Congress and signed into Public Law.

This proposal is identical to amendment No. 710 which I offered on July 23, 1975, to the Voting Rights bill, H.R. 6219. Unfortunately, it was rejected during floor debate. However, as my colleagues will recall, the floor manager of this bill was refusing to consider any and all amendments, regardless of their merit, in order to avoid a conference with the House and to secure passage before the August recess. After discussing the reasons for this proposal with numerous Senators and their legislative assistants, I have definitely concluded that this change is not objectionable to those Senators who actively sought and won the much needed extension and expansion of the Voting Rights Act.

This bill is intended to strengthen the provisions of the Voting Rights Act establishing for the first time a remedial device, bilingual elections, to guarantee that no citizen is denied his right to vote, because of his failure to speak or write the English language.

This bill will simply clarify the sections in titles II and III, defining the term "language minorities," by adding to the various groups listed—American Indians, Asian Americans, Alaskan natives, of Spanish heritage—the qualifying phrase: "and whose dominant language is other than English." This clause more properly defines those single language minorities who should be subject to protection under the Voting Rights Act. It should be emphasized that the language added by this amendment is not foreign to the bill. The phrase, "and whose dominant language is other than English," is identical to the purpose clause of the act which states:

> The Congress finds that voting discrimination against citizens of language minorities is pervasive and national in scope. Such minority citizens are from environments in which the dominant language is other than English.

In addition, it should be noted that Senator STEVENS' amendment adding this identical language to the minority group "Alaskan Natives" was eventually accepted during floor debate on the Voting Rights Act. I am merely asking that this modification be extended to all groups.

The goal of the new bilingual provisions is a good and just one—to insure that no citizen is denied the right to vote, because his dominant language is other than English. I fully support this goal and the remedial device, bilingual elections, as a means to guarantee full participation and equal voting rights. However, there is one major flaw in these provisions. Because of the failure to add the qualifying language from the purpose clause, "and whose dominant language is other than English," many political subdivisions will be forced to conduct bilingual elections even though there is no single language minority where 5 percent of the voting age citizens have a dominant language other than English.

The act, as presently written, makes the false assumption that one automatically has a dominant language other than English if he is an American Indian. Obviously, if the trigger mechanisms are not changed to conform to the purpose clause, this act will be improperly applied to many counties where it is absolutely not needed. Bilingual elections will be held in counties where there is in fact no single language minority, no 5 percent group whose dominant language is other than English. This will only frustrate the purpose of this act and further erode the the credibility of Congress. For example, two Oklahoma counties, Choctaw and McCurtin, will unnecessarily be covered by title II with no assurance that a bilingual election is needed because 5 percent of the voting age citizens have a dominant language other than English. In addition, 21 other Oklahoma counties will be required to conduct bilingual elections where there is in fact no single language minority simply because 5 percent of the voting age citizens of these counties are American Indians.

It is highly inaccurate to assume that every American Indian has a dominant language other than English. The definition of a "language minority" contained in the act demonstrates a basic misunderstanding of conditions existing in many States. I seriously doubt if there is a county in Oklahoma where 5 percent of the voting age population is not American Indians by some definition. It is incorrect to assume that because less than 50 percent of the voting age citizen registered or voted in the 1972 Presidential election that this low turnout is due to the citizens' failure to speak or write the English language. It is incorrect to conclude that because the illiteracy rate, as defined in the act, is below the national average there is another language used by these citizens. Based on these faulty premises, the remedial devices of the Voting Rights Act contained in titles II and III are triggered. It is ridiculous to force a bilingual election simply because 5 percent of the voting age citizens are American Indians without the additional assurance that their dominant language is other than English. There is no casual connection whatsoever between the trigger mechanisms contained in the act and the remedies required.

This legislative oversight can lead to an absurd result, a bilingual election with all the costs and problems inherent in such an election, when in fact only a few or none of the voting-age citizens have a language other than English.

Mr. President, I have visited with Sylvester Tinker, chief of the Osage Tribe, and other Oklahoma tribal leaders regarding this bill. In explaining its provisions to Chief Tinker, he was amazed. He proceeded to explain to me that although far more than 5 percent of the voting-age citizens in Osage County are Osage Indians, only a very few of the tribe can read or speak the Osage language. And yet, Osage County will be required to conduct bilingual elections under title III of the act. This one illustration can be multiplied and is analogous to practically every, if not all, tribes in Oklahoma. Other tribal leaders throughout the State have stated near unanimous objections to these bilingual provisions as currently written.

The following is a random sample of opinions expressed by Oklahoma tribal leaders on the need in Oklahoma for the new bilingual provisions as presently written:

> I doubt if there are many (Creeks) that could even read it (Bilingual ballot). Almost 100 percent of the Creeks can read and understand English well enough to vote.—Claude Cox, Principal Chief of the Creeks
>
> There are very few that would not be able to understand English. So few that it would be negligible. I am in complete agreement with Senator Bellmon's stand on the language issue as it relates to the printing of voting ballots in the Indian language. In the Chickasaw Tribe, we have so few (in fact, I doubt any) who cannot read and understand English that it would be significant.—Overton James, Governor, Chickasaw Nation of Oklahoma
>
> Printing ballots in the Choctaw language is just going to be a waste of funds. I would not recommend it.—Harry J. W. Belvin, Principal Chief of the Choctaws
>
> I doubt if I can find a single Indian who cannot read and write the English language. This legislation is an insult to our intelligence and to our well being. If somebody . . . would approach the tribal leaders in this area, they would give unanimous support to get this thing thrown out. As a general rule, we think the whole thing is ridiculous.—Charles James, Area Director for the Bureau of Indian Affairs, Anadarko, Oklahoma.

To lend further absurdity to this situation, one must consider the different dialects and tribal languages there are in Oklahoma. Once covered by the act a county may have to print its bilingual ballots in five, six, or seven different languages even though all the voting-age citizens speak the English language. There is only one fair way to prevent this from occurring, and this is for the Congress to adopt the language of my bill, which will insure that the costly and burdensome bilingual registration and voting mechanism will only be applied where there is an actual need to assure citizens' voting rights, because of an English deficiency.

This change will strengthen the act. The remedies and triggering provisions of the act are still intact. No instance of voting discrimination cited in either the House or Senate reports will fail to be corrected, because of the passage of this bill. I urge hasty and favorable approval of this bill.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2321

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Section 14(c) of the Voting Rights Act of 1965 is amended by striking paragraph (3) and inserting the following new paragraph in lieu thereof:

"(3) The term 'language minorities' or 'language minority group' means persons who are American Indian, Asian American, Alaskan Natives or of Spanish heritage, and whose dominant language is other than English.".

SEC. 2. Section 203 of the Voting Rights Act of 1965 is amended by striking subsection (e) and inserting the following new subsection in lieu thereof:

"(e) For purposes of this section, the term 'language minorities' or 'language minority group' means persons who are American Indian, Asian American, Alaskan Natives, or of Spanish heritage, and whose dominant language is other than English.".

By Mr. MAGNUSON (for himself and Mr. PEARSON) (by request):

S. 2323. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to authorize appropriations. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce, by request, for appropriate reference, a bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to authorize appropriations, and I ask unanimous consent that the letter of transmittal be printed in the RECORD, together with the text of the bill.

There being no objection, the bill and letter were ordered to be printed in the RECORD, as follows:

S. 2323

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 121 of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1409) is amended to read as follows:

"SEC. 121. There are authorized to be appropriated for the purpose of carrying out this Act, not to exceed $13,000,000 for the transition period July 1, 1976, through September 30, 1976, $60,000,000 for the fiscal year ending September 30, 1977, and $60,000,000 for the fiscal year ending September 30, 1978."

THE SECRETARY OF TRANSPORTATION,
Washington, D.C., July 30, 1975.

Hon. NELSON A. ROCKEFELLER,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: The Department of Transportation is submitting for your consideration and appropriate reference a draft bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to authorize appropriations.

When the National Traffic and Motor Vehicle Safety Act was passed in 1966, the highway fatality rate per 100,000,000 miles of vehicle travel was 5.7. Highway fatalities were over 50,000 and steadily climbing. Since then, substantial progress has been made. The fatality rate declined to 4.3 in 1973 and to an estimated 3.6 in 1974. The number of fatalities in 1974 was 45,534, a decline of more than 9,500 from the previous year's total. The 1974 reductions are largely attributable to the national 55 mile-per-hour speed limit and reduced highway travel in that year.

Since highway travel and speed are again climbing, whether highway fatalities can remain at a reduced level will depend partly upon the promulgation and enforcement of needed vehicle safety standards, and further increases in occupant restraint usage.

To aid these efforts, this legislation would authorize the appropriation of an amount not to exceed $13,000,000 for the transition period July 1, 1976, through September 30, 1976, and $60,000,000 for each of fiscal years 1977 and 1978. The funds would be used to conduct vehicle safety research; develop and promulgate new vehicle safety standards, amendments to existing standards, and other rules and regulations; provide consumer information; conduct defect and noncompliance testing; and enforce the provisions of the Act.

It is the judgment of this Department, based on available information, that no significant environmental or inflationary impact would result from the implementation of this legislation.

The Office of Management and Budget advises that this proposed legislation is consistent with the Administration's objectives.

Sincerely,

WILLIAM T. COLEMAN, Jr.

By Mr. DOLE:

S. 2324. A bill to amend the Internal Revenue Code of 1954 to restrict access to confidential tax information. Referred to the Committee on Finance.

THE TAX RETURN CONFIDENTIALITY ACT OF 1975

Mr. DOLE. Mr. President, three issues have commanded the greatest national attention over the past couple of years in America—the state of the economy, the energy crisis, and, most fundamentally, public confidence in Government. Working together, the administration and Congress have acted in a meaningful way to combat the recession. On the other hand, the struggle to solve the Nation's critical energy problems has faltered badly, in large part due to lack of cooperation between the legislative and executive branches.

Yet the most overriding challenge we face—more far-reaching than our pressing economic and energy concerns—is the restoration of public trust in Government and Government officials. And here the fight has hardly begun. The Congress must act now to reform Federal laws which regulate those aspects of Government which have been abused in the past. And certainly, no function of Government is in need of more reform than the Nation's income tax system. For past abuses and lax administration have raised serious doubts in the public mind about the integrity of the tax system.

I am speaking not of perceived inequities in the tax code for which the remedy is "tax reform." Such inequities involve only so many dollars and cents, and Congress has made great progress in improving the substance of the Internal Revenue Code. Rather, I speak of a more basic, procedural unfairness in the tax laws which permits supposedly confidential individual income tax returns to come into the hands of literally thousands of bureaucrats outside the IRS and which leaves open the possibility that mischievous political operatives will again attempt to gain access to such returns for partisan political purposes.

To guard against the improper use of income tax returns by Government officials, I am today introducing the "Income Tax Return Confidentiality Act of 1975, a measure which will assure every American that his or her tax return will remain confidential and immune from political misuse.

This legislation has been developed as a result of hearings held earlier this session by the Subcommittee on Administration of the Internal Revenue Code; chaired by the Senator from Colorado (Mr. HASKELL) and on which I serve as ranking minority member. Those hearings received testimony from the Senator from Connecticut (Mr. WEICKER), the Senator from Texas (Mr. BENTSEN), and the Senator from New Mexico (Mr. MONTOYA), each of whom has introduced strong tax privacy legislation. The bill I am introducing today incorporates many of the sound concepts contained in these bills and, in addition, includes new concepts which I believe are necessary in light of testimony received at the hearings.

The bill I am introducing today will insure that there will be no repetition of the highly publicized attempts to use the Internal Revenue Service for political purposes. President Ford, through issuance of Executive Order 11805 on September 20, 1974, has established strict procedures by which White House personnel may inspect tax returns. And I commend the President for this action. However, I believe we should go further to assure that future administrations not be tempted to use an individual's income tax returns for partisan political advantage. Accordingly, the legislation I offer today limits White House access to tax return information to limited tax checks on prospective Presidential appointees.

But the bill is also designed to stop the current practice of making returns available to a multitude of Government agencies not responsible for administration of the tax laws. It has been reported that last year some 30,000 returns were turned over to agencies other than the IRS and although some of these agencies may have legitimate uses for some of the information contained on tax returns, I believe the time has come to put an end to this practice of using income tax returns for purposes other than administration of the tax system or legitimate criminal investigations.

PROVISIONS OF THE BILL

CONFIDENTIAL NATURE OF TAX RETURNS

Under the bill, all Federal tax returns and items of tax return information would constitute confidential records and, except as expressly authorized by the statute, inspection and disclosure of returns and tax return information would be prohibited. This prohibition would apply to courts and administrative agencies.

Despite this general prohibition, nothing in the bill would prohibit the IRS from using returns and return information to prepare whatever statistical data it needs for its internal purposes. Also, statistical information could be published by the IRS so long as the publication does not disclose the identity of any taxpayer or return. The bill would authorize the IRS to provide "clean" statistics to other Federal agencies.

PERMITTED DISCLOSURES

Federal tax administration. The bill contemplates that tax returns and tax return information could be freely used for purposes of Federal tax administration. Nevertheless, since the bill contemplates the removal of administrative discretion as to permitted disclosures, it is necessary to specify with precision how returns and return information may be used in Federal tax administration.

In this respect, the bill follows the approach taken in the Treasury's legislative proposal last year. Thus, returns and return information would be available without written request to IRS and Treasury personnel whose official duties require such inspection and disclosure. Returns and return information would be available to Department of Justice attorneys—including U.S. attorneys—solely for use in preparation for tax litigation, but only if, first, the taxpayer is a party to the proceeding; second, the taxpayer consents; or third, the return or return information has or may have a bearing on the outcome of the proceeding.

Actual disclosure of returns and return information in a judicial or administrative proceeding, or to a grand jury, in a Federal or State tax case would be subject to the same limitations as apply to Department of Justice attorneys, except that returns and return information cauld also be used to impeach the testimony of the taxpayer or other witnesses. Also, disclosure could be made pursuant to a court order under 18 U.S.C. 3500, rule 16 of the Federal Rules of Criminal Procedure, or the Constitution.

Finally, the bill would authorize certain other disclosures necessary or appropriate for orderly tax administration. These include disclosure in connection with tax liens, disclosure under tax conventions with other countries, disclosure of tax identity information of tax return preparers to State and Federal agencies regulating tax return preparers, and disclosures to correct misstatements of fact made by a taxpayer with respect to his dealings with the IRS.

STATE TAX ADMINISTRATION

Under the bill, tax returns and return information could be inspected by, or disclosed to, a State body, agency, or commission charged with tax administration. A written request would be required. The written request would designate by name the person or persons authorized to receive the information on behalf of the State body, agency, or commission and would contain a certification that the information would be used solely for tax administration purposes. Direct disclosure by the IRS to local tax authorities would not be authorized.

The bill contains three safeguards against improper use of returns and return information by States. First, the Secretary or his delegate would be required to make an affirmative determination that the requested disclosures would not impair the administration of the Federal tax laws. Second, it would have to be established to the satisfaction of the Secretary of the Treasury or his delegate that the governing laws of the State provided adequate safeguards against disclosure of returns and return information—however and from whomever collected—for purposes other than tax administration and for substantial penalties for unauthorized disclosures. Third, the Secretary of the Treasury or his delegate would be authorized to terminate—without advance notice—any disclosure arrangement upon receiving evidence that returns or return information had been used for purposes other than tax administration.

PRESIDENT AND WHITE HOUSE PERSONNEL

No disclosure of tax returns would be made to the President or White House personnel, since there does not appear to be a legitimate reason for the White House to have access to such data. Of course, legitimate "tax checks" on prospective appointees to the executive or judicial branches would be permitted—see tax checks below.

CONGRESSIONAL COMMITTEES

Under the bill, tax returns and return information would be available, upon written request, to the Joint Committee on Internal Revenue Taxation, the Senate Finance Committee, and the House Ways and Means Committee. The written request would be required to state the purpose for which the information is requested, and to certify that the request was authorized by a majority vote of the committee's members. All disclosures would be made in executive session.

Disclosures to other congressional committees would be permitted only when made pursuant to a resolution adopted by the appropriate House of Congress, or both the Senate and the House in the case of a joint committee. The resolution would be required to state the purpose for which the information is requested, that the information sought is necessary to the performance of a function within the jurisdiction of the committee to which the disclosure is to be made, and that the information sought is not otherwise reasonably available from other sources.

CRIMINAL LAW ENFORCEMENT

Under the bill, the IRS would be largely removed from the process by which Federal criminal statutes—other than tax laws—are enforced. Generally, returns and return information would be made available to other agencies of the Federal Government—including principally the Department of Justice—for criminal law enforcement purposes only pursuant to an order from a Federal district judge authorizing such disclosure. Such orders could be issued only where the Federal district judge finds that first, there is probable cause to believe that a criminal offense has occurred; second, the information sought is necessary to the proper investigation of the offense and/or prosecution of the offender; and third, the information sought is not otherwise reasonably available to law enforcement authorities.

OTHER FEDERAL AGENCIES

The bill places substantial restrictions upon the extent to which returns and return information may be made available to other Federal agencies for investigative, statistical, or other purposes. Generally, returns and return information would not be available to other Federal agencies. Limited exceptions would be made for the Commerce Department for statistical purposes, for the Labor Department for returns of employee benefit plans, and to the Social Security Administration. Agencies such as the FTC, SEC, and the Department of Agriculture would not be entitled to receive returns or return information.

TAX CHECKS

The bill contains a special provision authorizing "tax checks" on persons being actively considered for highly compensated or sensitive positions. Consistent with the legislative proposal submitted by the Treasury last year, tax checks would be limited to prospective employees of the executive or judicial branch of the Federal Government, and then only upon written request of the President, a Cabinet officer, or the head of a Federal Establishment. The information to be disclosed would be limited to whether the individual has filed income tax returns for the last 3 years, has failed in the current or preceding 3 years to pay any tax within 10 days after notice and demand or has been assessed a negligence penalty within this time period, has been under any criminal tax investigation and the results of such investigation, and has been assessed a civil penalty for fraud or negligence.

PERSONS WITH MATERIAL OR SUBSTANTIAL INTEREST

The bill deletes the provisions of present law requiring disclosure of returns of corporations to 1 percent shareholders and requiring the IRS to indicate whether an individual has or has not filed an income tax return. However, the bill follows the Treasury recommendation last year by permitting disclosure of returns to certain persons such as partners with respect to a partnership return and the executor with respect to a decedent's return, et cetera. Essentially, this is a codification of existing regulations.

OTHER PROVISIONS—IRS REPORTS

To provide Congress with information necessary to determine whether the disclosure rules are functioning properly, the bill requires the IRS to provide a written report to the Joint Committee on Internal Revenue Taxation each year. The report must show the disclosures made to the States, to the President and other White House personnel, to Congressional committees, for criminal law enforcement, to other Federal agencies, and with respect to tax checks. Because of the confidential nature of such reports, they would be furnished in executive session and would not be disclosed except by a majority vote of the Joint Committee.

PENALTIES

Under present law, unauthorized disclosures generally constitute misdemeanors. The bill makes unauthorized disclosures a felony.

LETTER RULINGS

"Return information," which includes all information derived from a taxpayer's return, plus any information furnished by or on behalf of a taxpayer with respect to the determination of any tax will be protected under the bill. The term includes technical advice memoranda and letter rulings. However, letter rulings which have been voluntarily sought by taxpayers are to be made available for public inspection and copying, except that the IRS is to provide for a procedure for the deletion of national security information, trade secrets, and material—including financial information—that would be of significant benefit to competitors.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2324

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Income Tax Return Confidentiality Act of 1975".

Sec. 2. Section 6103 of the Internal Revenue Code of 1954 (relating to publicity of returns and disclosure of information as to persons filing income tax returns) is amended to read as follows:

"Sec. 6103. Disclosure of Tax Returns.

"(a) General Rule.—Except as provided in this title, a return of tax filed with respect to taxes imposed under this Code shall be open to inspection solely by the taxpayer who files such return.

"(b) Inspection for Federal Tax Administration Purposes.—

"(1) Department of the Treasury.—A return of tax shall be open to inspection by officers and employees of the Department of the Treasury whose official duties with respect to Federal tax administration require such inspection.

"(2) Department of Justice.—A return of tax shall, upon written request, be open to inspection by attorneys of the Department of Justice, including United States Attorneys, solely for use in connection with an investigation conducted by such attorneys or in preparation by such attorneys for a proceeding before a Federal grand jury or a Federal or State court only if—

"(A) the taxpayer whose return of tax is to be inspected consents, or

"(B)(i) such investigation or proceeding is conducted for Federal tax administration purposes,

"(ii) the taxpayer whose return of tax is to be inspected is the subject of such investigation or is or may be a party to such proceeding, and

"(iii) in the case of preparation for such a proceeding, the return of tax which is to be inspected has or may have a bearing on the outcome of such proceeding because—

"(I) treatment of an item with respect to a person who is or may be a party to such proceeding is or may be determined, in whole or in part, by reference to the treatment of an item on such return, or

"(II) the liability under this Code of any party to such proceeding for any tax, penalty, interest, fine, forfeiture, or other imposition, or offense, which is or may be the subject of such proceeding, is or may be determined, in whole or in part, by reference to such return.

"(3) Disclosure of amount of outstanding lien.—If a notice of lien has been filed pursuant to section 6323 (f), or a corresponding provision of a prior Internal Revenue law, the amount of the outstanding obligation secured by such lien is authorized to be disclosed as a matter of public record and may be disclosed to any person who furnishes satisfactory written evidence that he has a right in the property subject to such lien or intends to obtain a right in such property.

"(4) Competent foreign authority under income tax convention.—A return may be disclosed to a competent authority of a foreign government which has an income tax convention with the United States but only to the extent provided in, and subject to the terms and conditions of, such convention.

"(5) Federal and state agencies regulating tax return preparers.—Taxpayer identity information of any tax return preparer may be disclosed to any Federal or State agency charged under the laws of the United States or of any State, or political subdivision of a State, with licensing, registrations, or regulation of tax return preparers.

"(c) Inspection for Federal Nontax Law Administration Purposes.—

"(1) Criminal investigations and prosecutions.—

"(A) Except as provided in subsection (b), returns of tax filed with respect to taxes imposed under this Code shall be open to inspection by officers and employees of the United States in connection with an investigation or a prosecution of any criminal act alleged to have been committed by the taxpayer who files such return only if such officer or employee first obtains a search warrant issued by a United States district court authorizing the inspection of that return.

"(B) No warrant shall issue for the purposes of subparagraph (A) unless such officer or employee shows to the satisfaction of such court that there is probable cause to believe that the criminal act has occurred, that the information contained in the specified return of tax is necessary to such investigation or prosecution, and that no alternative source of the information contained in such return is reasonably available to such officer or employee.

"(2) Civil investigations.—

"(A) Officers and employees of the Social Security Administration and of the Railroad Retirement Board may inspect returns of tax, not including return information, filed with respect to taxes imposed under chapters 2, 21, and 22 in the manner and at the time and place, specified in regulations prescribed by the Secretary of his delegate.

"(B) Officers or employees of the Department of Labor and of the Pension Benefit Guaranty Corporation may inspect returns of tax, not including return information, filed with respect to taxes imposed by this title in the manner, and at the time and place, specified in regulations prescribed by the Secretary or his delegate, to the extent necessary for the administration of titles I and IV of the Employee Retirement Income Security Act.

"(C) Officers and employees of the Department of Health, Education, and Welfare may inspect registration statements (as described in section 6057) and information with respect to such statements for purposes of administering section 1131 of the Social Security Act.

"(3) Statistical studies.—The Secretary or his delegate shall, upon written request from the Secretary of Commerce, furnish information derived from any return of tax to officers or employees of the Social and Economic Statistics Administration of the Department of Commerce for the purpose of research and statistical studies and compilations to be conducted or prepared by such Administration as authorized by law. No such officer or employee may publish or otherwise disclose any such information except in statistical form which cannot be associated with, or otherwise identify, directly or indirectly, a particular taxpayer.

"(4) Investigation of federal appointees.—The Secretary or his delegate shall disclose to the President or to the head of any department or agency of the Federal Government, upon written request by the President or the head of such department or agency, or to the Federal Bureau of Investigation on behalf of the President or of the head of such department or agency, information derived from returns of tax with respect to an individual who is designated as being under consideration for appointment to a position in the executive or judicial branch of the Federal Government. Such information shall be limited to whether such an individual—

"(A) has filed returns with respect to the taxes imposed under chapter 1 for not more than the immediately preceding 3 years,

"(B) has failed to pay any tax within 10 days after notice and demand, or has been assessed any penalty under this title for negligence, in the current year or immediately preceding 3 years,

"(C) has been or is under investigation of possible criminal offenses under the internal revenue laws and the result of any such investigation, and

"(D) has been assessed any penalty under this title for fraud.

"(5) Consent by taxpayer.—The Secretary or his delegate may disclose to any officer or employee of the Federal Government any return of tax if the taxpayer who filed such return voluntarily consents to such disclosure.

"(d) Inspection by Committees of Congress.—

"(1) Committee on ways and means, committee on finance, and joint committee on internal revenue taxation.—Upon written request from the chairman of the Committee on Ways and Means of the House of Representatives, the chairman of the Committee on Finance of the Senate, or the chairman of the Joint Committee on Internal Revenue Taxation, the Secretary or his delegate shall furnish such committee, sitting in closed executive session, any return of tax. Such request must specify the purposes for which such returns are required and must be authorized by a record vote of a majority of the members of the committee.

"(2) Other committees.—Upon written request from the chairman of a committee of the Senate or House (other than a committee specified in paragraph (1)) specifically authorized to inspect returns of tax by a resolution of the Senate or House or, in the case of a joint committee (other than the joint committee specified in paragraph (1)), by concurrent resolution, the Secretary or his delegate shall furnish such committees, sitting in closed executive session, with any return of tax which such resolution authorizes the committee to inspect. The resolution and concurrent resolution required under the preceding sentence shall specify the purposes for which such inspection may be made and that no such inspection may be made unless there is no alternative source of the information contained in such return reasonably available to the committee.

"(3) Agents of committees and submission of information to Senate or House.—The chairman of any committee described in paragraph (1) or (2) may designate, in writing, such examiners or agents as may be necessary to inspect returns of tax at such time and in such manner as the chairman may determine. Any relevant or useful information obtained by or on behalf of such committee pursuant to the provisions of this subsection may be submitted by the Committee to the Senate or the House, or to both the Senate and the House, as the case may be. The Joint Committee on Internal Revenue Taxation may submit any information it obtains under the provisions of this subsection to any committee described in paragraph (1) which is sitting in closed

"(e) Inspection for State Tax Administration Purposes.—

"(1) In general.—Except as provided in section 4102, a return of tax shall, upon written request by the head of an agency of State government which is charged under the laws of such State with responsibility for the administration of State tax laws, be open to inspection by officers and employees of such agency be open solely in connection with their State tax administration duties.

"(2) Written request.—The written request required under paragraph (1) shall specify the officers and employees of such State agency who are authorized to inspect returns of tax on behalf of such agency and shall certify that such returns shall be used solely for State tax administration purposes and shall not be disclosed to officers and employees of local governments within the State for any purpose.

"(3) Conditions.—The Secretary or his delegate shall not permit the inspection of any return of tax under the provisions of paragraph (1) unless he determines that—

"(A) the disclosure requested under paragraph (1) will not seriously impair Federal tax administration, and

"(B) the State laws governing disclosure of returns of tax disclosed under paragraph (1) by officers and employees of such State provide adequate safeguards against unauthorized disclosure of such returns.

"(4) Termination.—The Secretary or his delegate shall not disclose any return of tax under paragraph (1) if he determines, after approving a written request under paragraph (1), that the provisions of this subsection are not being complied with by the State.

"(f) Inspection for Judicial and Administrative Proceedings Related to Tax Administration.—A return of tax shall, upon written request by the presiding officer, be open to inspection in a Federal or State judicial or administrative proceeding pertaining to tax administration, including proceedings before a grand jury, court, or administrative agency charged under Federal or State law with tax administration duties, only if—

"(1) the taxpayer whose return of tax is to be inspected consents,

"(2) the taxpayer whose return of tax is to be inspected is a party to such proceeding,

"(3) the return of tax which is to be inspected has or may have a bearing on the outcome of such proceeding because—

"(A) treatment of an item with respect to a person who is or may be a party to such proceeding is or may be determined, in whole or in part by reference to the treatment of an item on such return, or

"(B) the liability under this Code of any party to such proceeding for any tax, penalty, interest, fine, forfeiture, or other imposition, or offense, which is or may be the subject of such proceeding, is or may be determined, in whole or in part, by reference to such return,

"(4) such inspection is necessary to impeach a witness in the proceeding with respect to testimony by that witness as to a transaction with the taxpayer if the taxpayer is neither a party to, nor a witness in such proceeding,

"(5) in the case of a court proceeding, such inspection is required by order of such court pursuant to section 3500 of title 18, United States Code, or rule 16 of the Federal Rules of Criminal Procedure (in issuing such an order the court shall give due consideration to the congressional policy favoring the confidentiality of returns of tax set forth in this title), or

"(6) such inspection is required by the Constitution of the United States.

"(g) Inspection by Persons Having Substantial Interest.—

"(1) The return of tax of a person with respect to whom the return is filed shall, upon written request, be open to inspection by—

"(A) in the case of the return of a partnership, any person who was a member of such partnership during any part of the period covered by the return,

"(B) in the case of the return of a corporation—

"(i) any person designated by resolution of its board of directors, or other similar governing body,

"(ii) any officer or employee of such corporation upon written request signed by any principal officer and attested by the secretary or other officer,

"(iii) if the corporation was an electing small busines corporation under subchapter S of chapter 1, any person who was a shareholder during any part of the period covered by such return during which an election was in effect, or

"(iv) if the corporation has been dissolved, any person authorized by applicable State law to act for the corporation or any person whom the Secretary or his delegate finds to have a material interest which will be affected by information contained therein,

"(c) in the case of the return of an estate—

"(i) the administrator, executor, or trustee of such estate, and

"(ii) any heir at law, next of kin, or beneficiary under the will, of the decedent but only if the Secretary or his delegate finds that such heir at law, next of kin, or beneficiary has a material interest which will be affected by information contained therein, and

"(D) in the case of the return of a trust—

"(i) the trustee or trustees, jointly or separately, and

"(ii) any beneficiary of such trust but only if the Secretary or his delegate finds that such beneficiary has a material interest which will be affected by information contained therein.

"(2) If an individual who may inspect his own return of tax under subsection (a) or an individual described in paragraph (1) is legally incompetent, the applicable return of tax shall be open to inspection by the committee, trustee, or guardian of his estate.

"(3) If an individual who may inspect his own return of tax under subsection (a) or an individual described in paragraph (1), other than an individual described in subparagraph (C)(i) or (D)(1) of such paragraph, has died, the applicable return of tax may be inspected by—

"(A) the administrator, executor, or trustee of his estate, and

"(B) any heir at law, next of kin, or beneficiary under the will, of such decedent, or a donee of property, but only if the Secretary or his delegate finds that such heir at law, next of kin, beneficiary, or donee has a material interest which will be affected by information contained therein.

"(4) If substantially all of the property of the person with respect to whom the return of tax is filed is in the hands of a trustee in bankruptcy or receiver, and such return or returns for prior years of such person shall be open to inspection by such trustee or receiver, but only if the Secretary or his delegate finds that such receiver or trustee has a material interest which will be affected by information contained therein.

"(5) Any return of tax to which subsection (a) or this subsection applies shall also be open to inspection by the attorney in fact, authorized in writing, of any of the taxpayers or of any of the persons described in paragraph (1), (2), (3), or (4) to inspect the return or receive the information on his behalf, subject to the conditions provided for therein.

"(6) Return information with respect to any return of tax may be disclosed under this subsection and subsection (a) only to the extent that the Secretary or his delegate determines that such disclosure would not seriously impair the administration of Federal tax laws.

"(h) Reports.—Within 90 days after the end of each calendar year, the Secretary or his delegate shall report to the Joint Committee on Internal Revenue Taxation on all written requests received under this section to inspect a return of tax or for disclosure of information derived from a return of tax and his disposition of such requests. Except for disclosure requests under subsection (e), such report shall include a list of the names of all taxpayers whose returns of tax were the subject of such a request, the name of the person making such a request, and the date on which such request was received. Such report shall be confidential unless a majority of the members of such joint committee agree, by record vote, to disclose such report.

"(i) Definitions.—For purposes of this section—

"(A) Return.—The term 'return' means any tax or information return or declaration of estimated tax required by, provided for, or permitted under the provisions of this Code which is filed by, on behalf of, or with respect to any person with the Secretary or his delegate, any amendment or supplement thereto or claim for refund, including supporting schedules, attachments, or lists which are designed to be supplemental to, or become part of, the return so filed and return information collected in connection with such return.

"(B) Return information.—The term 'return information' means—

"(i) any data including a taxpayer's identity, the nature, source, or amount of his income, payments, receipts, deductions, exemptions, credits, assets, liabilities, net worth, tax liability, tax withheld, deficiencies, overassessments, or tax payments, whether the taxpayer's return was, is being, or will be examined or subject to other investigation or processing, or any particular of any data, in whatever form (whether as a report, investigative file, memorandum, or other document, including a registration statement described in section 6057) or manner received by, recorded by, prepared by, or furnished to the Secretary or his delegate with respect to a return as described in subparagraph (A) or with respect to the existence of the amount of the liability of any person under this title for any tax, penalty, interest, fine, forfeiture, or other imposition, or offense, but, for purposes of this clause, not including any such data (or particular thereof included in a document or request or correspondence for or with respect thereto) described in clause (ii) (without regard to the date limitation therein) or clause (iii),

"(ii) except as provided in subparagraph (C), any letter, advice, or other document issued by the Secretary or his delegate pursuant to a request made therefor by, or on behalf of, any person with respect to a determination of his liability for tax under this Code or pursuant to a request of an officer or employee of the Department of the Treasury acting in his official capacity, and any such request or any correspondence for or with respect to such document or any portion thereof, which is intended to be used to determine or affect the application of any rule contained in this Code, related law, or tax treaty to the facts and circumstances of a particular transaction, arrangement, or return filed or to be filed by the person to whom such document is furnished,

"(iii) any memorandum, advice, or other document issued by the Secretary or his delegate to any officer or employee of the Department of the Treasury acting in his official capacity, and any such request, or any correspondence for or with respect to such document or any portion thereof, which is intended to be used by him to determine or affect the application of any rule contained in this Code, related law, or tax treaty to the facts and circumstances of a particular transaction, arrangement, or return filed or to be filed by any person to whom such document relates or may relate, and

"(iv) any other data of the type described in clause (i) which is furnished to the Secretary or his delegate in connection with tax administration and accepted as confidential pursuant to regulations prescribed by the Secretary or his delegate.

"(C) LETTER RULINGS.—The term 'return information' does not include a letter ruling or any other written ruling provided by the Secretary or his delegate to any person with respect to the application of this Code to any transaction if—

"(i) such person requested such ruling,

"(ii) such ruling is not required by any provision of this Code, and

"(iii) before disclosure, the Secretary or his delegate removes from such ruling any information disclosure of which would be injurious to national security or would disclose trade secrets or confidential financial data of such person.

"(D) TAX ADMINISTRATION.—The term 'tax administration' means the administration, management, conduct, direction, and supervision of the execution and application of the internal revenue laws or related statutes (or equivalent laws and statutes and a State) and tax conventions to which the United States is a party and the development and formulation of Federal tax policy relating to existing or proposed internal revenue laws, related statutes, and tax treaties, and includes assessment, collection enforcement, litigation, publication, and statistical gathering functions under such laws, statutes, or conventions.

"(E) STATE.—The term 'State' means the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and the Trust Territories of the Pacific.

"(F) TAXPAYER IDENTITY.—The term 'taxpayer identity' means the name of a person with respect to whom a return is filed, his mailing address, and his taxpayer identifying number (as described in section 6109) or a combination thereof.

"(G) INSPECTION.—The terms 'inspected', 'inspection', and 'inspect' mean the visual examination of a return of tax.

"(H) DISCLOSURE.—The terms 'disclosure' and 'disclosed' means the making known to any person in any manner whatever a return."

SEC. 3. Section 7213 of such Code (relating to penalties for unauthorized disclosure of information) is amended—

(1) by striking out "misdemeanor" each place it appears therein and inserting in lieu thereof "felony",

(2) by striking out "$1,000" each place that it appears therein and inserting in lieu thereof "$5,000",

(3) by striking out "1 year" and inserting in lieu thereof "5 years",

(4) by striking out paragraph (3) of subsection (a), and

(5) by striking out paragraph (1) of subsection (e) and by redesignating paragraph (2) of such subsection as paragraph (1).

SEC. 4. Section 6106 of such Code (relating to publicity of unemployment tax returns) is repealed.

By Mr. CHILES (for himself and Mr. STONE):

S. 2325. A bill to amend the act establishing the Gulf Islands National Seashore to increase the amount authorized for the acquisition of private property to be included in the seashore. Referred to the Committee on Interior and Insular Affairs.

Mr. CHILES. I am introducing a bill today, for myself and Senator STONE, which would increase the authorization for the Gulf Islands National Seashore.

Identical legislation has been introduced in the House by Congressman SIKES, in whose district the seashore is partially located, and by the chairman of the House Interior Committee and the chairman of the House Subcommittee on Natural Parks and Recreation.

Since establishment of the seashore, prices of land have been rapidly increasing, and the Park Service has advised that due to these increased land costs additional funds will be necessary to purchase the privately owned land within the seashore area. The increased authorization provided for in this bill has now been determined by the Park Service to be necessary to purchase the land initially proposed for inclusion in the seashore.

By Mr. HUDDLESTON:

S. 2326. A bill to amend the U.S. Grain Standards Act to provide for the inspection of export grain by Federal personnel, and for other purposes. Referred to the Committee on Agriculture and Forestry.

Mr. HUDDLESTON. Mr. President, today I am introducing a bill which, if enacted, will aid in restoring the integrity of American farm exports. Despite balance-of-payments problems created by higher oil prices U.S. farm exports will be at a recordbreaking level in 1975.

I have repeatedly suggested the hypothesis that with liberal trade policies U.S. agricultural exports could substantially offset the trade deficit that will be created by the impending rise in fuel imports.

To accomplish this the United States is better endowed with resources for agricultural production than any other country. With only 7 percent of the world's land mass we have more than 12 percent of the cultivated land and nearly 9 percent of the pasture land. More importantly, in roughly the Corn Belt we have about half the world's farmland with long summers of adequate rainfall. And in the old Cotton Belt—across the Southern States—we have a third of the world's humid semitropic farmland.

Combinations of temperate climates and fertile soil make these two regions suitable for the production of many crops, especially feed grains and soybeans. Together with other productive agricultural areas such as the upper Prairie States the United States has an absolute advantage in agriculture that parallels the Middle East's advantage in petroleum.

Recent corruption in the grain trade with respect to inspection and grading has placed our farmers at a competitive disadvantage in the world marketplace. Agriculture is the central sector of our economy. Under no circumstances can we allow U.S. farm product integrity to be compromised if economic stability and growth are to be sustained.

Mr. President, the bill I am introducing today, if enacted, would amend the U.S. Grain Standards Act and title 18 of the United States Code to provide for a Federal grading and inspection system for exported grain while leaving the present private system in place for domestic purposes.

This legislation would require Federal inspection under the official standards for export grain that is sold, offered for sale, or consigned for sale, by grade and therefore required to be inspected under section 5 of the U.S. Grain Standards Act, and require a determination whether the export carrier or container is in such condition that it will not adversely affect the condition or quality of the grain.

Voluntary inspection is to be furnished by licensees employed by, or operating, official inspection agencies for other grain in the United States under the official standards or for any grain in this country under other criteria approved by the Secretary of Agriculture. Authority for USDA inspection in Canadian ports would be continued as would be regulations concerning supervisory inspections, reinspections and appeal.

The authority of the Secretary of Agriculture would be clarified relating to issuing regulations requiring operators of grain elevators to install specified sampling and monitoring devices and other equipment needed for official inspection as a condition of obtaining such inspection; as would his authority to require a determination of the condition of carriers or containers for transportation of grain for export or domestic distibution as a prerequisite to official inspection of the grain.

The Secretary of Agriculture would be required to report annually to the Senate Committee on Agriculture and Forestry and the House Committee on Agriculture concerning the viability and effectiveness of the grain inspection program and any need for further legislation. The Secretary would further be required to conduct investigations into the suitability of current official grain standards and report the findings to these committees.

The provisions of this measure delete the prohibitions on forcible assaults and related offenses from section 13(a)(8) of the U.S. Grain Standards Act and extend the comparable provisions of 18 U.S.C. 111 and 1114 to USDA personnel and official inspection personnel licensed or otherwise authorized to perform or supervise the performance of any official inspection function under the cited act; make a violation of 18 U.S.C. 111 or 1114 a basis for administrative action under section 9 of the act to suspend or revoke the license of any inspector, sampler, or other person licensed under the act; and make a conviction of such an offense a basis for denial of inspection service to any applicant as provided in section 10 of the act.

Mr. President, I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2326

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the United States Grain Standards Act (82 Stat. 761, 7 U.S.C. 75) is amended by changing subsection (i) defining the term "official inspection", subsection (j) defining the term "official inspection personnel", and subsection (m) defining the term "official inspection agency", to read, respectively, as follows:

"(i) (1) the term 'official inspection' means the determination (by original inspection, and, when requested, reinspection and appeal inspection) and the certification, by official inspection personnel, of the kind, class, quality or condition of grain, under standards provided for in this Act, or the condition of vessels and other carriers or containers of grain insofar as it may affect the quality or condition of such grain; or, upon request of the interested person applying for inspection, the quantity of sacks of grain, or other facts relating to grain under other criteria approved by the Secretary under the Act (the term 'officially inspected' shall be construed accordingly);

(2) the term 'official inspection functions' (or the term 'functions involved in official inspection') means sampling, testing, or other procedures involved in official inspection."

"(j) the term 'official inspection personnel' means persons licensed or otherwise authorized by the Secretary pursuant to section 8 of this Act to perform all or specified functions involved in official inspection, or in supervision of official inspection, with respect to grain under this Act;"

"(m) the term 'official inspection agency' means any State or other governmental agency or person designated by the Secretary to provide official inspection at specified locations;"

Sec. 2(a). Section 7 of said Act (82 Stat. 763, 7 U.S.C. 79) is amended by changing subsections (a) and (b) to read, respectively, as follows:

"(a) (1) The Secretary shall cause official inspection under the standards provided for in section 4 of this Act to be made, in accordance with such regulations as he may prescribe, by employees of the Department of Agriculture with respect to all export grain required to be officially inspected as provided in section 5 of this Act. Official inspection of export grain shall include a determination and certification whether the vessel or other carrier, or container, to be used in exportation of the grain, is in such a condition that it will not adversely affect the condition or quality of the grain.

"(2) Whenever in his judgment it will effectuate any of the objectives stated in section 2 of this Act, the Secretary is further authorized, upon request of any interested person and under such regulations as he may prescribe:

(i) to cause official inspection to be made, under the standards provided for in section 4 of this Act, by official inspection agencies with respect to any grain in the United States other than export grain required to be officially inspected as provided in section 5 of this Act;

(ii) to cause official inspection to be made by official inspection agencies with respect to any grain in the United States under other criteria approved by the Secretary for determining the kind, class, quality, or condition of grain or other facts relating to grain; and

(iii) to cause official inspection of United States grain in Canadian ports to be made under such standards or such other criteria by employees of the Department of Agriculture.

"Inspections under this paragraph (2) may be made upon the basis of official samples, submitted samples, or otherwise as provided in the regulations.

"(b) Specific sampling or laboratory testing functions involved in official inspection authorized to be performed by employees of the Department of Agriculture may also be performed under contracts with the Department of Agriculture by persons licensed under section 8 of this Act, notwithstanding other provisions in this section."

(b) The first sentence in subsection (c) of said section 7 is amended to read:

"The regulations prescribed by the Secretary shall require that reinspections and appeal inspections requested for any grain officially inspected by licensees employed by, or operating, an official inspection agency, shall be made by employees of the Department of Agriculture, whenever the Secretary considers such action necessary to assure that the official certifications of such grain will be correct; and the regulations shall include such other provisions for supervisory inspections, and for reinspections and appeal inspections and cancellation of certificates superseded by reinspections and appeal inspections, as are necessary, in his opinion, to effectuate any of the purposes or provisions of this Act."

(c) The first two sentences of subsection (e) of said section 7 are amended to read:

"The Secretary shall, under such regulations as he may prescribe, charge and collect reasonable fees to cover the estimated total cost of official inspection, and supervision thereof, except when the inspection is performed by an official inspection agency. The fees authorized by this subsection shall, as nearly as practicable and after taking into consideration any proceeds from the sale of samples, cover the costs of the Department of Agriculture incident to the performance of original inspections of export grain and United States grain in Canadian ports, and reinspections and appeal inspections of any grain, performed by employees of the Department or licensees under contract with the Department, including supervisory and administrative costs directly related thereto."

Sec. 3. Subsection (a) of section 8 of said Act (82 Stat. 764, 7 U.S.C. 84) is amended to read as follows:

"(a) The Secretary is authorized (1) to issue a license to any individual, upon presentation to him of satisfactory evidence that such individual is competent and is employed by an official inspection agency, to perform all or specified functions involved in official inspection of grain in the United States as provided in section 7 of this Act except as provided in paragraph (a)(1) thereof; (2) to authorize any competent employee of the Department of Agriculture to (i) perform all or specified functions involved in official inspection of grain in the United States, and of United States grain in Canadian ports, as provided in section 7 of this Act, or (ii) supervise the official inspection of grain in the United States, and of United States grain in Canadian ports; and (3) to contract with any person to perform specified sampling and laboratory tests and to license competent individuals to perform such functions pursuant to such contract. No person shall perform any official inspection functions for purposes of this Act unless he holds an unsuspended and unrevoked license or authorization from the Secretary under this Act."

Sec. 4. The first sentence of section 9 of said Act (82 Stat. 765, 7 U.S.C. 85) is amended by inserting, before the period at the end thereof, the following: "or has committed any act penalized by section 111 or 1114 of Title 18, United States Code".

Sec. 5. Subsection (a) of section 10 of said Act (82 Stat. 765, 7 U.S.C. 86) is amended by inserting after "section 13 of this Act," the following: "or any offense penalized by section 111 or 1114 of Title 18, United States Code,".

Sec. 6. Section 13 of said Act (82 Stat. 766, 7 U.S.C. 87b) is amended by deleting paragraph (8) of subsection (a) thereof.

Sec. 7. Section 16 of said Act (82 Stat. 768, 7 U.S.C. 87e) is amended by changing the first sentence to read as follows: "The Secretary is authorized to conduct such investigations, hold such hearings, require such reports from any official inspection agency or person, require, by regulation, as a condition for official inspection, the installation in grain elevators of specified sampling and monitoring devices and other equipment needed for the official inspection of grain, and the determination of the condition of carriers and containers of grain, and prescribe such other rules, regulations and instructions, as he deems necessary to effectuate the purposes or provisions of this Act."

Sec. 8. Said Act is further amended by adding a new section 20 to read as follows:

"Sec. 20. The Secretary shall report, not later than January 15 of each year following the year of enactment of this section, to the Committee on Agriculture and Forestry of the Senate and the Committee on Agriculture of the House of Representatives, regarding the viability and effectiveness of the official grain inspection system under this Act, with recommendations for any legislative changes he believes are necessary to accomplish the objectives stated in section 2 of this Act. The Secretary shall also conduct in-depth investigations into the suitability, for domestic and export purposes, of the official grain standards in effect on the date of enactment hereof, and report the findings to said Committees within one year from date of enactment."

Sec. 9. Section 1114 of Title 18, United States Code, is amended by inserting after "law enforcement functions," the following: "or any official inspection personnel or any officer or employee of the Department of Agriculture licensed or otherwise authorized to perform any official inspection function, or supervise the performance of any such function, under the United States Grain Standards Act,".

Sec. 10. This Act shall become effective 180 days after enactment hereof, except that any official inspection agency providing official inspection service for export grain may continue to do so after said effective date until notified by the Secretary that the service is available from the Department of Agriculture.

By Mr. MORGAN (for himself and Mr. Garn):

S. 2327. A bill to suspend sections 4, 6, and 7 of the Real Estate Settlement Procedures Act of 1974. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. MORGAN. Mr. President, I am introducing, for the junior Senator from Utah (Mr. Garn) and myself, a bill that will help to relieve the burden placed on real estate brokers, mortgage lenders, and consumers by the Real Estate Settlement Procedures Act—RESPA—and implementing regulations issued by HUD which became effective on June 22, 1975.

The Real Estate Settlement Procedures Act was passed by the 93d Congress to protect the consumer from unnecessarily high settlement charges by a number of provisions which required advanced disclosure to homebuyers of settlement costs and prohibited certain abusive practices. Unfortunately, the initial experience with the law has indicated that some of its provisions are working a hardship on both the industry and the consumer.

For example, the real estate brokers have complained that the kickback provisions of the law could be construed to outlaw their cooperative brokerage arrangements such as multiple listing service and out-of-town referrals. The lenders protest that the advance disclosure provisions place an unreasonable burden upon them and that they delay settlements, inconveniencing both the lending institutions and the consumer. Some attorneys and sellers dislike the requirement of the disclosure of the previous selling price.

During a 15-day trip throughout my State of North Carolina last month I talked with numerous people who expressed concern about excessive Government regulations and the need to cut some of the redtape which becomes more aggravating each day.

Despite President Ford's speeches about reducing redtape, a recent study found that the increasing complexity of new laws and regulations forces businessmen to spend 20 percent more time than last year filling out the 114 million or so reports that Washington demands each year. According to the Library of Congress, the annual cost of filling out and then filing all Federal forms has doubled in 10 years to $40 billion. While I believe there are a number of areas in which the Federal Government has a legitimate interest in providing reasonable regulations, some areas of private enterprise are suffering needlessly from bureaucratic rulemaking and ought to receive relief.

There are a number of steps being taken by the administration to correct problems arising from RESPA. HUD has announced several steps aimed at meeting the objections of affected parties to the RESPA regulations. They have taken the unusual step of announcing that further comments on the current RESPA regulations will be accepted through September 30, 1975. The General Counsel of HUD will then take the comments and review them in contemplation of changes in the regulations.

HUD is also looking at the statute and will probably recommend amendments based on correspondence received from Congress and the public and the Department's own experience under the law. Any legislative recommendation from HUD will have to be cleared through OMB, but little difficulty is contemplated here because the legislation does not involve the expenditure of funds.

A further step to be taken jointly by HUD and the Department of Justice involves the issuance of advisory opinions to aid industry compliance.

Moreover, Senator PROXMIRE has announced that the full Banking Committee will hold hearings on September 15, 16, and 17 on the implementation of RESPA and any amendments thereto.

A number of legislative proposals may also be introduced to modify or repeal the existing act.

One possible proposal would authorize HUD to exempt from the disclosure requirements lenders located in States or localities where the Secretary determines settlement charges are not excessive. Another possible proposal would give lenders an option of avoiding the disclosure requirements imposed by RESPA on the condition that they pay for certain settlement charges which are closely related to the mortgage transaction, including discount points in excess of 1 percent.

In addition to the outright repeal of the act, there are undoubtedly steps that can be taken both administratively and legislatively which would shape RESPA into a workable piece of legislation.

However, since proper consideration of these various alternatives should take a number of weeks, Senator GARN and I believe there should be a suspension of specific sections of the act pending further study by Congress and HUD. This would give Congress as well as HUD an opportunity to take a new look at the legislation while relieving the industry and consumer of the burdens of the act.

Specifically, our bill would suspend sections 4, 6, and 7 of the Real Estate Settement Procedures Act which require the use of a uniform settlement statement, advance disclosure of settlement costs, and diclosure of previous selling price of existing real property. These are the provisions causing the greatest hardship under the act.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2327

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That (a) section 4 of the Real Estate Settlement Procedures Act is amended by inserting "(a)" after "Section 4" and by adding the following subsection:

"(b) the provisions of this section are suspended." (b) section 6 of the Real Estate Settlement Procedures Act is amended by adding the following subsection:

"(f) the provisions of this section are suspended." (c) section 7 of the Real Estate Settlement Procedures Act is amended by adding the following subsection:

"(d) the provisions of this section are suspended." Section 2—The effective date of this Act shall be the date of enactment thereof.

By Mr. STEVENSON (for himself, Mr. PROXMIRE, and Mr. GRAVEL):

S. 2329. A bill to amend the Export-Import Bank Act of 1945 to limit financing for sales of nuclear materials and technology to States not a party to the Nuclear Non-Proliferation Treaty, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. STEVENSON. Mr. President, today, along with Senators PROXMIRE and GRAVEL I am introducing a bill to ban Export-Import Bank assistance for nuclear exports to countries which are not parties to the Treaty on the Non-Proliferation of Nuclear Weapons—NPT—unless the President determines that it is in the national interest to do so and to require that the Arms Control and Disarmament Agency—ACDA—the body charged by law with responsibility for formulating and coordinating U.S. arms control policy, be given an adequate opportunity to participate in all decisions regarding U.S. nuclear export assistance.

The purpose of the bill is to enchance America's commitment to the NPT and to insure that decisions regarding assistance for nuclear development abroad are made at the highest levels of Government with full and effective participation by those responsible for halting the spread of nuclear weapons.

Specifically, the bill would prohibit the Export-Import Bank from providing assistance for exports of nuclear materials and technology to countries which have not joined the NPT unless the President finds that the national security requires otherwise and reports that finding to the Congress at least 25 days prior to the time the transaction receives final Export-Import Bank approval.

In addition, the bill would require that the Bank notify ACDA at least 50 days prior to final approval of any decision to finance nuclear exports so that the Agency will have an opportunity to assess the transaction fully and make appropriate recommendations regarding the impact on worldwide nuclear proliferation.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD at the conclusion of my remarks.

Mr. President, this legislation is needed to encourage the widest possible membership in the NPT and to insure that decisions to finance nuclear exports do nothing to further undermine that treaty. It is also needed to insure that nuclear export decisions are made on other than a purely commercial basis and that such decisions are made with a full appreciation of the implications for the NPT and the goal of stemming nuclear weapons proliferation.

I do not need to reiterate the dangers of nuclear proliferation. I and others of my colleagues have spoken on the subject on many occasions in the past. It is well known that the potential for nuclear weapons development is spreading rapidly and that many countries presently outside the NPT are on the threshold of nuclear weapons capability. The purpose of the NPT is to forestall worldwide nuclear weapons development, and it is essential that every effort be made to bring all potential nuclear weapons states into the treaty.

Unfortunately, the United States and other nuclear exporting states have created strong incentives for countries to remain outside the NPT. Despite the obvious interest in restricting the availability of nuclear assistance to non-NPT countries and the declaration evidencing that interest which issued from the NPT Review Conference in May of this year, the United States and others continue to provide nuclear assistance to non-NPT countries.

To date, the United States has sold more than half of the nuclear reactors which it has exported to non-NPT countries. One quarter of the reactors sold by other nuclear exporting states have been sold to non-NPT countries. The most disturbing recent example is the German sale of a complete nuclear fuel cycle to Brazil.

Under the NPT, nonnuclear members agree not to acquire or develop nuclear weapons. They also agree to place all their nuclear facilities under international safeguards. They, thus, make major concessions for the purposes of averting nuclear war and severe instabilities in the world order.

Unlike the NPT members, other recipients of nuclear assistance do not disclaim future nuclear weapons development. They are free to use the technology they acquire to develop nuclear explosives. The Indian nuclear explosion makes the point.

Moreover, unlike NPT members, they are under no obligation to place all their nuclear facilities under international safeguards. The materials and technology which they retain in unsafeguarded facilities remain vulnerable to theft and diversion by terrorist groups and others and available for conversion to military uses. A form of second-class nuclear citizenship has thus been created, but the second-class citizens are those who have joined the NPT, not those who have stayed out. Non-NPT countries get the benefits of membership without the obligations. The danger to the Treaty is clear.

Increased export sales of nuclear power facilities are inevitable. Worldwide energy demands are growing. With the vastly increased cost of oil, nuclear power has become an attractive alternative. The United States has already sold 44 reactors in the world. Other nuclear exporting states have sold 42 reactors beyond their borders.

The question is whether worldwide nuclear power development will take place under international safeguards and commitments to forgo nuclear weapons or whether they will take place under circumstances which leave each country free to exercise the nuclear weapons option. By continuing to supply nuclear assistance to non-NPT countries, the nuclear exporting countries undermine the chances for a coordinated international effort to stop the spread of nuclear weapons.

A disturbing aspect of U.S. nuclear assistance to non-NPT countries is the manner in which decisions to finance nuclear export sales are apparently made. Such decisions appear to be made without an adequate opportunity for full consideration of the proliferation consequences. The process in the United States apparently denies ACDA the opportunity to make its views formally known.

A case in point is the pending Export-Import Bank proposal to finance the sale of nuclear reactors to Spain, a country which has not joined the NPT.

Under the Export-Import Bank Act, the Bank is required to notify the Congress at least 25 legislative days prior to final approval of the transaction. Such notice was given to the Congress on July 18, but I am informed that ACDA was not advised of the proposal beforehand. It was only after notice was sent to the Congress that ACDA learned of the proposal and undertook a review of the matter on its own motion. By leaving ACDA out of the process, a proposal with significant potential consequences for the NPT was set in motion without benefit of advice from the agency with the greatest potential insight into its implications.

The bill which I am introducing today will help rectify this situation. By creating a presumption against assistance for nuclear exports to non-NPT countries, and by requiring that decisions to provide such assistance be made at the Presidential level, it will strengthen the NPT and restore NPT countries to the first class status which they are intended to enjoy. By requiring that all decisions to assist nuclear exports be made with full participation by ACDA, it will reduce the disturbing tendency for such decisions to be made on a purely commercial basis without adequate consideration of the full implications. By showing that the United States is fully committed to the NPT and is prepared to grant preference to those who join, it will create a powerful incentive for countries which have thus far held back to reassess their positions.

The Eximbank's proposal to finance the sale of a nuclear reactor to South Korea provides an illustration of the possibilities. Last February the Bank notified the Congress of its intent to finance a nuclear reactor sale to South Korea. At the time, South Korea was not a party to the NPT. Shortly thereafter, I introduced a resolution to defer final approval of the transaction. Four days later the Bank withdrew the notice, and eight days later the South Korea National Assembly ratified the NPT.

Evidence of congressional willingness to support the NPT may have convinced the South Koreans that the United States was serious about its commitment to the NPT. The time is again ripe for reaffirmation of that commitment and for the United States to signal clearly to the world that it stands firmly behind the goals of nonproliferation.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2329

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2(b)(3) of the Export-Import Bank Act of 1945 is amended—

(1) by striking out the second sentence and inserting immediately after the third sentence the following: "No loan, guarantee, or other assistance shall be finally approved by the Board of Directors of the Bank for the export of goods, technology, or services involving or relating to nuclear energy production or research in any country which is not a party to the Treaty on the Non-Proliferation of Nuclear Weapons unless the President finds with respect to a specific transaction that the national security requires otherwise and reports such finding to the Congress at least 25 days of continuous session of the Congress prior to the date of final approval.";

(2) by adding at the end thereof the following sentence:

"For the purpose of this paragraph, continuity of a session of the Congress shall be considered as broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than 3 days to a day certain shall be excluded in the computation of the 25 day period referred to herein."; and

(3) by inserting the designation "(A)" after "(3)", by redesignating clauses (A) and (B) as clauses (i) and (ii), respectively, and by adding at the end thereof the following subparagraph:

"(B) No loan, guarantee, or other assistance shall be finally approved by the Board of Directors of the Bank for the export of goods, technology, or services involving or relating to nuclear energy production or research unless the Bank has informed the Director of the United States Arms Control and Disarmament Agency thereof at least 50 days prior to the date of final approval."

By Mr. WILLIAMS:

S. 2331. A bill to amend section 362 of title 38, United States Code, to authorize a clothing allowance in the case of certain veterans with non-service-connected disabilities who wear prosthetic or orthopedic appliances which tend to wear out or tear the clothing of such veterans. Referred to the Committee on Veterans' Affairs.

VETERANS CLOTHING ALLOWANCE REFORM ACT

Mr. WILLIAMS. Mr. President, in the United States today are approximately 210,000 veterans who are 80 percent or more disabled as a result of injuries or diseases suffered while serving in the Armed Forces. One of the benefits extended to these men is a clothing allowance of $175 annually to compensate them for clothing wear that may result from the use of a prosthetic or orthopedic appliance or device prescribed as part of their treatment.

These veterans, however, may not receive this clothing allowance for medical conditions that the Veterans' Administration considers nonservice connected. Such a denial is inconsistent with existing Veterans' Administration policies which relate to medical services for severely disabled veterans. The bill I am introducing today would correct this inconsistency by extending the clothing allowance to veterans who suffered disabilities of 80 percent or more during their military service, but who have subsequently developed additional medical conditions requiring the use of a prosthetic or orthopedic device or appliance, which may cause excessive wear on the clothes.

Present law already affirms this Nation's obligation to furnish its severely disabled veterans with complete medical care, free of charge, for any disability or medical condition that may develop after their discharge from the service. In providing this treatment, the Veterans' Administration makes no distinction between service-connected and non-service-connected conditions.

Thus, the law recognizes that catastrophic diseases or injuries suffered in the service can significantly affect one's overall health and can be the underlying cause of subsequent disabilities that seem unrelated to the original disability. By furnishing complete medical treatment to these men for any and all disabilities, the law further recognizes that service-connected disabilities greatly compound the difficulties of severely disabled veterans in coping with accidents or injuries that may occur following discharge.

As an integral part of the treatment for severely disabled veterans, the Veterans' Administration may provide mechanical appliances or equipment without cost to veterans. By providing the veterans clothing allowance, the law clearly acknowledges that damage to the clothes can be a direct and unavoidable consequence of this treatment. Therefore, the clothing allowance is directly related to, and, indeed, must be considered part of the complete range of medical services that the Veterans Administration provides to these men.

Yet the Veterans' Administration attempts to distinguish between service-connected and non-service-connected disabilities in determining the eligibility of severely disabled veterans for this clothing allowance, although it makes no such distinction when considering their eligibility for other medical treatment benefits. In addition, there is nothing in the legislative history which indicates why veterans who are 80 percent or more disabled because of service-related injuries or diseases should not receive the clothing allowance for additional disabilities that arise after their discharge.

The legislation that I am introducing today would involve only those who suffer from compensable diseases or injuries which render them 80 percent or more disabled. It would also apply only to those who do not already receive the clothing allowance as the result of these compensable conditions. Therefore, the total number of veterans who would be newly eligible for this benefit would be small, and the cost would be minimal.

The United States owes a great debt to its veterans. To those who have given all but their lives in the service of their country, that debt can never fully be repaid. Yet we can insure that these individuals receive the most equitable treatment possible. We can also insure that these men receive the full benefits that they deserve. I believe that this legislation is an important step toward that goal.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 5

At the request of Mr. Chiles, the Senator from Kentucky (Mr. Ford) and the Senator from New Hampshire (Mr. McIntyre) were added as cosponsors of S. 5, the Federal Government in the Sunshine Act.

S. 388

At the request of Mr. Church, the Senator from New Mexico (Mr. Domenici) and the Senator from Vermont (Mr. Stafford) were added as cosponsors of S. 388, a bill to amend titles II, VII, XVI XVIII, and XIX of the Social Security Act to provide for the administration of the old-age, survivors, and disability insurance program, the supplemental security income program, and the medicare program by a newly established independent Social Security Administration, to separate social security trust fund items from the general Federal budget, to prohibit the mailing of certain notices with social security and supplemental security income benefit checks, and for other purposes.

S. 509

At the request of Mr. Stevens, the Senator from South Dakota (Mr. Abourezk) was added as a cosponsor of S. 509, a bill to revise retirement benefits for certain employees of the Bureau of Indian Affairs and the Indian Health Service not entitled to Indian preference, provide greater opportunity for advancement and employment of Indians, and for other purposes.

S. 848

At their own requests, the Senator from Florida (Mr. Stone) and the Senator from North Carolina (Mr. Morgan) were added as cosponsors of S. 848, a bill to amend section 2 of the National Housing Act.

S. 1479

At the request of Mr. Williams, the Senator from Washington (Mr. Magnuson) and the Senator from Minnesota (Mr. Humphrey) were added as cosponsors of S. 1479, a bill to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers.

S. 1729

At the request of Mr. Bayh, the Senator from Colorado (Mr. Haskell) and the Senator from Alaska (Mr. Gravel) were added as cosponsors of S. 1729, a bill to amend title II of the Social Security Act to eliminate the special dependency requirements for entitlement to husband's and widower's insurance benefits, to provide benefits for widowed fathers with minor children, to make certain other changes so that benefits for husbands, widowers, and fathers will be payable on the same basis as benefits for wives, widows, and mothers, and to permit the payment of benefits to a married couple on their combined earnings record where that method of computation provides a higher combined benefit.

S. 1906

At the request of Mr. Church, the Senator from Tennessee (Mr. Baker), the Senator from Arizona (Mr. Goldwater), and the Senator from Washington (Mr. Magnuson) were added as cosponsors of S. 1906, a bill to amend title XVIII of the Social Security Act to require the continued application of the nursing salary cost differential which is presently allowed in determining the reasonable cost of inpatient nursing care for purposes of reimbursement to providers under the medicare program.

S. 2006

At the request of Mr. Thurmond, the Senator from California (Mr. Cranston) was added as a cosponsor of S. 2006, a bill to amend the Internal Revenue Code of 1954 to provide that members of Reserve components of the Armed Forces who are not serving on active duty or as National Guard technicians may establish individual retirement accounts.

S. 2149

At the request of Mr. Nelson, the Senator from Colorado (Mr. Haskell), the Senator from Alabama (Mr. Sparkman), and the Senator from New Hampshire (Mr. McIntyre) were added as cosponsors of S. 2149, a bill to amend the Internal Revenue Code of 1954, and the Tax Reduction Act of 1975, to make permanent certain changes made by such act in the Internal Revenue Code which affect small business.

S. 2157

At the request of Mr. Javits, the Senator from South Dakota (Mr. McGovern) was added as a cosponsor of S. 2157, a bill to amend title XX of the Social Security Act.

S. 2291

At the request of Mr. Pell, the Senator from Minnesota (Mr. Humphrey) was added as a cosponsor of S. 2291, a bill to amend title II of the Social Security Act to provide that a beneficiary shall (if otherwise qualified) be entitled to a prorated benefit for the month in which he (or the insured individual) dies.

S. 2295

At the request of Mr. Cannon, the Senator from Pensylvania (Mr. Hugh Scott) was added as a cosponsor of S. 2295, a bill to promote public confidence in the legislative, executive, and judicial branches of the Government of the United States.

S. 2299

At the request of Mr. Roth, the Senator from New York (Mr. Buckley) and the Senator from New Mexico (Mr. Montoya) were added as cosponsors of S. 2299, a bill which extends the Emergency Petroleum Allocation Act of 1973 to October 15, 1975.

SENATE RESOLUTION 240

At the request of Mr. Dole, the Senator from South Dakota (Mr. McGovern) was added as a cosponsor of Senate Resolution 240, relating to the sale of grain to the Soviet Union.

SENATE JOINT RESOLUTION 65

At the request of Mr. Inouye, the Senator from Tennessee (Mr. Brock) was added as a cosponsor of Senate Joint Resolution 65, to authorize and request the President to call a White House Conference on Women in 1976.

SENATE JOINT RESOLUTION 124

At the request of Mr. Buckley, the Senator from Maryland (Mr. Beall), the Senator from Minnesota (Mr. Mondale), and the Senator from Texas (Mr. Bentsen) were added as cosponsors of Senate Joint Resolution 124, to declare German-American Day.

SENATE RESOLUTION 244—ORIGINAL RESOLUTION REPORTED RELATING TO CERTAIN REGULATIONS PROPOSED BY THE ADMINISTRATOR OF GENERAL SERVICES

(Placed on the calendar.)

Mr. **RIBICOFF**, from the Committee on Government Operations, reported the following original resolution:

Resolved, That pursuant to the provisions of section 104(b) of the Presidential Recordings and Materials Preservation Act (Public Law 93-526), the Senate hereby disapproves the regulations proposed by the Administrator of General Services in his report to the Senate submitted on March 19, 1975.

SENATE CONCURRENT RESOLUTION 64—SUBMISSION OF A CONCURRENT RESOLUTION APPROVING U.S. PARTICIPATION IN AN EARLY WARNING SYSTEM IN THE SINAI PENINSULA

(Referred to the Committee on Foreign Relations.)

Mr. **SPARKMAN** submitted the following concurrent resolution:

S. Con. Res. 64

Whereas the threat of another major outbreak of hostility in the Middle East poses a threat to world peace and to the security and economy of the United States; and

Whereas an agreement signed on September 4, 1975 by the Government of the Arab Republic of Egypt and the Government of Israel will, when it enters into force, constitute a significant step toward a just and lasting peace in the Middle East, thereby reducing the threat to the peace and to the security and economy of the United States; and

Whereas the President of the United States on September 1, 1975 transmitted to the Government of the Arab Republic of Egypt and to the Government of Israel identical proposals for the United States participation in an early warning system, the text of which is incorporated herein, providing for the assignment of no more than 200 United States civilian personnel to carry out certain specified functions and setting forth the terms and conditions thereof; and

Whereas that proposal would permit the Government of the United States to withdraw such personnel if it concludes that their safety is jeopardized or that continuation of their role is no longer necessary; and

Whereas entry into force of the proposal is contingent upon its approval by the Congress of the United States: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that it supports and approves the identical proposals the text of which follows; and

That the President is accordingly encouraged to take such action as may be necessary to fulfill their purposes, including the use of any statutory authority of any agency of the Government of the United States:

In connection with the early warning system referred to in Article IV of the Agreement between Egypt and Israel concluded on this date and as an integral part of that Agreement (hereafter referred to as the Basic Agreement), the United States proposes the following:

1. The early warning system to be established in accordance with Article IV in the area shown on the map attached to the Basic Agreement will be entrusted to the United States. It shall have the following elements:

A. There shall be two surveillance stations to provide strategic early warning, one operated by Egyptian and one operated by Israeli personnel. (Their locations are shown on the map attached to the Basic Agreement.) Each station shall be manned by not more than 250 technical and administrative personnel. They shall perform the functions of visual and electronic surveillance only within their stations.

B. In support of these stations, to provide tactical early warning and to verify access to them, three watch stations shall be established by the United States in the Mitla and Giddi Passes as will be shown on the map attached to the agreement. These stations shall be operated by United States civilian personnel. In support of these stations, there shall be established three unmanned electronic sensor fields at both ends of each Pass and in the general vicinity of each station and the rods leading to and from those stations.

2. The United States civilian personnel shall perform the following duties in connection with the operation and maintenance of these stations.

A. At the two surveillance stations described in paragraph 1A, above, United States personnel will verify the nature of the operations of the stations and all movements into and out of each station and will immediately report any detected divergency from its authorized role of visual and electronic surveillance to the Parties to the Basic Agreement and to the United Nations emergency force.

B. At each watch station described in paragraph 1B, above, the United States personnel will immediately report to the Parties to the Basic Agreement and to the United Nations emergency force and movement of armed forces, other than the United Nations emergency force, into either Pass and any observed preparations for such movement.

C. The total number of United States civilian personnel assigned to functions under this proposal shall not exceed 200. Only civilian personnel shall be assigned to functions under this proposal.

3. No arms shall be maintained at the stations and other facilities covered by this proposal, except for small arms required for their protection.

4. The United States personnel serving the early warning system shall be allowed to move freely within the area of the system.

5. The United States and its personnel shall be entitled to have such support facilities as are reasonably necessary to perform their functions.

6. The United States personnel shall be immune from local criminal, civil, tax and customs jurisdiction and may be accorded any other specific privileges and immunities provided for in the United Nations emergency force agreement of February 13, 1957.

7. The United States affirms that it will continue to preform the functions described above for the duration of the Basic Agreement.

8. Notwithstanding any other provision of this proposal, the United States may withdraw its personnel only if it concludes that their safety is jeopardized or that continuation of their role is no longer necessary. In the latter case the Parties to the Basic Agreement will be informed in advance in order to give them the opportunty to make alternative arrangements. If both Parties to the Basic Agreement request the United States to conclude its role under this proposal, the United States will consider such requests conclusive.

9. Technical problems including the location of the watch stations will be worked out through consultation with the United States.

AMENDMENTS SUBMITTED FOR PRINTING

DEPARTMENT OF STATE AUTHORIZATIONS, 1976—S. 1517

AMENDMENT NO. 874

Mr. CULVER (for himself and Mr. Kennedy) submitted an amendment intended to be proposed by them jointly to the bill (S. 1517) to authorize appropriations for the administration of foreign affairs; international organizations, conferences, and commissions; information and cultural exchange; and for other purposes.

DIEGO GARCIA INHABITANTS REPORT

Mr. CULVER. Mr. President, the Diego Garcia issue is still with us. Just this week, press reports brought to our attention previously secret information about people who used to live on that tiny island.

So that the Congress can get the full story on this matter, without delay, and before we act on the Diego Garcia appropriation, I am today submitting an amendment which I intend to offer to the State Department authorization bill, S. 1517.

This amendment would require a report by the President not later than November 1 of this year, detailing the history of U.S. Government agreements, commitments, financial arrangements, understandings, and other relevant communications concerning the people who used to inhabit Diego Garcia. In addition, the amendment requests a judgment on the current status of any U.S. Government obligations to these people, or proposed efforts to assist them.

Throughout the Diego Garcia debate, administration witnesses assured the Congress that this island was uninhabited and had no indigenous population. This was said to be part of its appeal as a base location since there would be no problems with the local population.

Now, it turns out, those statements were at best misleading, and were technically true only because of the prior eviction of the local inhabitants.

In fact, when the British Government agreed to let the United States lease Diego Garcia for military purposes, there were over 1,200 people living and working on this small island. Many families had been there for several generations, but they were forced to resettle in Mauritius, where they now live, apparently disgruntled and impoverished.

It is not clear that the U.S. Congress was ever told about these people, or about their eviction after the Navy acquired base rights.

The pleas of these people for assistance adds a new element, and a potential irritant, to our Indian Ocean policy. Before this becomes a contentious issue, we need to know the facts.

We need to know precisely how and why and to what extent the United States was involved in this resettlement effort.

Did we demand that these people be removed so that our base could be built?

Did we subsidize the relocation, either directly or indirectly?

Have we fulfilled all of our obligations to these people, or are they likely to seek further assistance from us?

Why was the Congress not fully informed of the plight facing these people?

My staff, and others, have made numerous attempts to get the answers to these questions from various officials. But the responses so far have been incomplete and at times contradictory.

In order that the Congress can learn the whole story about this matter, I believe that legislation mandating a report is necessary.

Mr. President, I ask unanimous consent that the text of my amendment, as well as two newspaper articles on this matter, be printed in the Record.

There being no objection, the amendment and articles were ordered to be printed in the Record, as follows:

Amendment No. 874

On page 50, after line 26, add a new subsection (c) to section 455:

(c) Not later than November 1, 1975, the President shall transmit a detailed report to the Speaker of the House of Representatives and to the President of the Senate with respect to—

(1) the history of all United States Government agreements, commitments, and financial arrangements regarding persons who inhabited, or were native to, the island of Diego Garcia prior to 1972;

(2) the history of any other United States requests, understandings, and relevant communications with the Governments of the United Kingdom, or Mauritius, or the inhabitants of Diego Garcia themselves concerning these persons; and

(3) the current status of any United States Government obligation to, proposed efforts to assist, or estimated cost of assistance for, these persons.

[From the Washington Post, Sept. 9, 1975]

ISLANDERS WERE EVICTED FOR U.S. BASE

(By David B. Ottaway)

PORT LOUIS, MAURITIUS, September 8.—More than a thousand inhabitants of the Indian Ocean island of Diego Garcia, which the Pentagon told Congress was virtually uninhabited, were forcibly removed before 1972 to make way for a controversial American naval base there.

The islanders are now living in abject poverty here in Mauritius, more than a thousand miles away, and have been petitioning the British and American embassies as well as the Mauritian government for help. But Washington has rejected all responsibility for their plight, and London has placed the onus on Mauritius, which already faces serious economic problems.

Diego Garcia and other islands in the Chagos group, 1,000 miles south of India's southern tip, were part of the British colony of Mauritius before Mauritius became independent.

Britain leased Diego Garcia to the United States in 1966, and the Defense Department now plans to expand its naval and air base facilities there. The proposal has aroused controversy in Congress and elsewhere because of its implications for an enlarged U.S. military presence in the Indian Ocean.

Britain gave the Mauritian government about $1.4 million in 1972 to provide housing, social services and other resettlement assistance for the displaced Diego Garcians, but they say little of this money ever reached them.

One American relief organization attempted in 1972 to raise the issue of United States "co-responsibility" for the fate of the Diego Garcians, but the State Department replied that their problems are strictly the concern of Britain and Mauritius, and not in any way those of the United States.

The organization has thus been obliged to try to help the Diego Garcians without assistance from the U.S. government.

Almost nothing has been written, outside Mauritius itself, about the fate of the island's hapless residents. The few Western press reports that have touched on the former inhabitants have generally described them as "transient laborers" from Mauritius numbering only a few hundred.

But interviews here with several dozen Diego Garcians and others familiar with their plight revealed that there were once more than 300 families—between 1,200 and 1,400 people—living on Diego Garcia and two neighboring islets, many of them third- and even fourth-generation inhabitants.

Almost a decade ago, Britain began quietly evacuating the islanders to make way for future British and American naval, air and communications facilities, and the last Diego Garcians were ordered off the island by late 1971.

This allowed the Pentagon to tell Congress during the heated debate over the base that Diego Garcia was virtually uninhabitated and that creation of the base would not cause any indegenous political problems.

But one old man, who said he was part of the final evacuation, recalled being told by an unidentified American official: "If you don't leave you won't be fed any longer."

And the plight of the Diego Garcians is a political issue in Mauritius, where opposition groups charge that the transplanted population has been neglected and uncompensated for its losses.

In the last year, the Diego Garcians have organized and have asked Britain and the United States to press the Mauritian government to provide them with housing, land, jobs and other facilities to start a new life.

About six months ago, they drew up a formal petition and presented it to the British embassy, with copies delivered to the American embassy, Mauritian Prime Minister Seewoosagur Ramgoolam, and several opposition leaders. They also discussed their plight with U.S. embassy officials on several occasions.

[A spokesman for the State Department in Washington said that he was not aware of any petition and that the department is not considering any action "at this time." A British Embassy spokesman said the embassy here "has no knowledge" of the situation. He noted that if such an approach had been made in Mauritius, the matter would normally be taken up with the Commonwealth office in London.]

The petition is primarily a plea for help, but it also expresses the Diego Garcians' feelings about being summarily tossed off their island to make way for a military base.

"We the inhabitants of the Chagos Islands—Diego Garcia, Peros Banhos and Salomon—have been uprooted from those islands because the Mauritian government sold the islands to the British government to build a base," the petition begins.

"Our ancestors were slaves on those islands, but we know that we are the heirs of those islands. Although we were poor there, we were not dying of hunger. We were living free . . . Here in Mauritius when animals are debarked, an enclosure with water and grass is prepared for them. But we, being mini-slaves, we don't get anybody to help us. We are at a loss, not knowing what to do."

The document goes on to ask for a meeting with British embassy officials to explain their problems in detail.

"We (want to) let the British government know how many people have died through sorrow, poverty, and lack of food and care," it says. "We have at least 40 persons who have died."

It ends with an appeal to Britain to get the Mauritian government to provide them with plots of land, a house for each family and jobs, and says that if these facilities are not forthcoming, "It is preferable that we be sent back to our islands."

But the British reportedly told the islanders to address their petition to the Mauritian government, and the Diego Garcians are still waiting for assistance from some quarter while struggling to survive as best they can.

The conditions under which the islanders left Diego Garcia and their present difficulties were detailed by some of the former inhabitants in interviews at several of their homes in Roche Bois, suburb of Port Louis, where many of them now live.

One of the principal leaders is Christian Ramdas, 41, who was born on the island as were his parents, grandmother and most of his children. He said he went on vacation to Mauritius in 1965 shortly after Diego Garcia and the other islands in the Chagos group were formally split off from Mauritius to form part of the separate British Indian Ocean Territory, and was not allowed to return.

The three islands' former inhabitants, who are mostly Indo-Mauritian and speak a French dialect, originally went to the Chagos as workers on coconut plantations owned by Mauritians or by companies based on the British Seychelles Islands.

Working conditions on the Chagos Islands appear to have been close to those of slavery. The plantation workers were given food, housing and the equivalent of about $4 a month to buy clothes, tea and coffee from the company store.

Yet there was apparently a certain security on Diego Garcia which they obviously miss here on Mauritius.

"The life was easy, very easy," according to Ramdas.

"We had animals and raised chickens," said a young woman who has found work here as a maid. "We could fish off the island and we didn't need a lot of clothes."

On Mauritius, the Diego Garcians seem lost souls, living for the first time in a money economy where rent, food and clothing are priced far above their meager incomes and where they are either unsuited for the available jobs or discriminated against by employers who favor local Mauritians.

Although they apparently got along on about $4 a month in the Chagos, they say a family can hardly make ends meet on Mauritius with $65 a month.

A recent private survey of the Diego Garcians found that only 17 per cent of family heads had full-time jobs, 33 per cent were unemployed and 50 per cent worked part time.

Unskilled and uneducated, most "ilois" (French for islanders), as the Diego Garcians are called here, seem doomed to find only menial jobs, unless the local government undertakes some kind of special retraining program for them.

A Mauritian government spokesman said that two plots of land had been bought for housing sites but that the Diego Garcians themselves had rejected the idea of living in separate cities and wanted individual homes in locations of their own choosing.

Some of the men, such as Ramdas, would like to return to Diego Garcia to work on the American base and look after the church and cemetery where their relatives are buried. "We asked the U.S. Embassy to allow some of us to go back there, but there has been no reply," Ramdas said.

In the first British-American agreement concerning Diego Garcia, signed in December 1966, some consideration was given to employing "workers from Mauritius and Seychelles to the maximum extent practicable consistent with United States policies, requirements and schedules." But no specific mention was made of taking on the former inhabitants as workers.

[From the Washington Post, Sept. 10, 1975]

BRITAIN SAYS ISLANDERS WERE MOVED

(By Edward D. Nossiter)

LONDON.—The British government tonight acknowledged that it had emptied Diego Garcia of people in 1965 by closing down the island's chief source of employment, a copra processing plant.

A Foreign Officer spokesman confirmed that about 1,000 islanders were induced to leave to convert Diego Garcia into a naval base, as reported to The Washington Post yesterday. The Indian Ocean island currently houses a British-American communications center, a move that caused heated debate and controversy before gaining congressional approval.

Officials here stressed that Britain gave Mauritius, where the Diego Garcians were forced to go, about $1.4 million to resettle the refugees. There was no indication, however, that London made any attempt to learn how the money was spent or what had happened to the islanders.

The Diego Garcians on Mauritius are living in poverty and suffer a high rate of unemployment. Officials were unable to comment on the Post's report that islanders now in Mauritius had *been forbidden* to return to their former homes.

The British government is reluctant to describe its measures as "forced evacuation." That, a spokesman said, was a matter of interpretation. He perferred to say that the islanders felt they had no option because there was no work.

A private company, it was explained, had been running the copra plant until 1965. The British government then bought the plant to make way for the base. Officials observed that the factory needed extensive investment, but did not claim that the decision to shut down the plant was made on economic grounds primarily.

The spokesman observed that the Mauritius government had accepted the $1.4 million as a full and final discharge of Britain's obligation to the displaced islanders. The Diego

Garcians say they have seen little of this money.

Mr. KENNEDY. Mr. President, I am pleased to cosponsor the amendment offered by the distinguished Senator from Iowa.

I am deeply disturbed by reports that the United States, in cooperation with the British Government, evicted between 1,200 and 1,400 people from the island of Diego Garcia, to make way for the development of naval and other military facilities there. This is a serious charge, and if these reports are substantiated, it is clear that our Government has acted with a lack of human sensitivity. Furthermore, if it is also true that the administration has consistently refused any responsibility for the plight of these people, who are reportedly now living in poverty, the insult is compounded.

During the Senate debate this summer on whether to proceed with expansion of military and naval facilities on Diego Garcia, we were told that the island was uninhabited. For example, Gen. George S. Brown, Chairman of the Joint Chiefs of Staff, testified before the Senate Armed Services Committee on June 10, 1975, that Diego Garcia was "an unpopulated speck of land." But if this claim was based on the actions reported in the Washington Post yesterday, then the administration was clearly misrepresenting the case.

Mr. President, I believe that the seriousness of the charges made in the press warrant a reopening of the entire issue of the American base at Diego Garcia. If these reports are true, serious issues of executive-legislative relations are involved—issues that can only be resolved by the Congress demanding the true facts in this case.

AMENDMENT NO. 875

(Ordered to be printed and to lie on the table.)

Mr. HARRY F. BYRD, JR. (for himself and Mr. HELMS) submitted an amendment intended to be proposed by them jointly to the bill (S. 1517), the State Department authorization bill.

Mr. HARRY F. BYRD, JR. Mr. President, this amendment would eliminate a section in S. 1517 which would establish a new program for the United Nations.

The section which I propose to eliminate carries a $25 million contribution to the creation of a United Nations University.

I think this is something that the Senate would want to consider very carefully before helping to underwrite a new project for the United Nations.

The total cost to the American taxpayers for this past year, insofar as the United Nations activities are concerned, totaled more than $400 million.

NOTICE OF HEARINGS ON OUR NATION'S SCHOOLS: SCHOOL VIOLENCE AND VANDALISM

Mr. BAYH. Mr. President, I wish to announce that the Subcommittee to Investigate Juvenile Delinquency, Committee on the Judiciary will resume hearings on the problems of school violence and vandalism. The subcommittee has been conducting an inquiry into these problems for the past 2 years. The preliminary findings of our national survey indicate the incidence of violence and vandalism in our Nation's public school system has reached critical proportions. Earlier hearings include testimony from faculty, students, and administrative personnel on this growing problem. The purpose of this hearing is to address the issues of student rights and parental involvement in the school systems. This is the third day in the series of hearings by the subcommittee on this topic.

The hearing is scheduled to be held on Wednesday, September 17, 1975 at 10 a.m. in room 2228, Dirksen Office Building. Witnesses invited to testify include representatives of groups familiar with educational problems—the Children's Defense Fund, Cambridge, Mass.; the National Committee for Citizens in Education, Columbia, Md.; the National Congress of Parents and Teachers, Chicago, Ill.; and the American Civil Liberties Union, New York, N.Y.

Anyone interested in the subcommittee investigation or desiring to submit a statement for the record should contact John M. Rector, staff director and chief counsel of the subcommittee, U.S. Senate, A504, Washington, D.C. 20510 (202—224-2951).

NOTICE OF HEARING

Mr. SPARKMAN. Mr. President, I should like to announce that the Subcommittee on Housing and Urban Affairs of the Committee on Banking, Housing, and Urban Affairs, will hold a 3-day hearing—September 22, 23, and 25, 1975, on mortgage credit.

The purpose of the 3-day hearing is to receive testimony on residential mortgage credit needs of the Nation for the period 1975 to 1980; whether our existing financial system is adequate to meet these needs, and what changes need to be made in Federal laws or regulations to insure adequate mortgage credit flows for the future.

The hearing will be held in room 5302, Dirksen Senate Office Building, and will begin at 10 a.m. each morning.

NOTICE OF HEARINGS ON LEGISLATION REGARDING THE GAO

Mr. METCALF. Mr. President, on Thursday, October 2, the Subcommittee on Reports, Accounting, and Management will conduct hearings on legislation regarding the General Accounting Office.

One of the bills which we shall consider is S. 2268, the General Accounting Office Act of 1975. Title 1 of S. 2268 would amend the Budget and Accounting Act to provide the Comptroller General procedural remedies through court action to prevent the obligation or expenditure of funds in what he has reasonable cause to believe would be an illegal manner. Title 2 and title 3 deal with enforcement of access to records of non-Federal persons and organizations and Federal departments and establishments, including authority to issue subpenas. Title 4 authorizes the Comptroller General to study profits of Government contractors and subcontractors whose Government business exceeds $1 million.

S. 2268 was drafted and proposed by the General Accounting Office. Chairman RIBICOFF and Senator PERCY cosponsored the bill with me. Similar legislation, S. 3014, was before the 93d Congress, along with S. 3013, the General Accounting Office Act of 1974, which is now Public Law 93-604, and S. 2049, an omnibus bill, which was subsequently separated into S. 3013 and S. 3014.

The subcommittee will also receive testimony on S. 2206. It is my bill which provides for the appointment of the Comptroller General and Deputy Comptroller General by the Speaker of the House and the President pro tempore of the Senate, after considering recommendations from the Senate and House Committees on Government Operations. Each would serve a 7-year term. No person would be eligible for reappointment to either office if he has served in either capacity for more than 9 years. Either could be removed from office by the Senate or the House, by resolution.

The CONGRESSIONAL RECORD of July 29 includes, beginning on 25608, my introductory statement regarding S. 2206 and S. 2205, which provides for congressional selection of the Architect of the Capitol, the Librarian of Congress and the Public Printer. S. 2205 is before the Senate Rules Committee.

The hearings on S. 2268 and S. 2206 will begin at 10 a.m., on October 2, in 3302 Dirksen Senate Office Building. Interested Members of Congress and Comptroller General Staats will testify. A hearing will be scheduled at a later date for other persons who wish to testify on either or both of these bills.

Prospective witnesses, or those interested in submitting statements for the record, should communicate with the subcommittee staff, 161 Russell Senate Office Building, 224-1474—majority—or room A-602 Immigration Building, 224-1480—minority.

NOTICE OF HEARINGS ON INDEPENDENT RESEARCH AND DEVELOPMENT

Mr. McINTYRE. Mr. President, bebinning September 17, 1975, at 2 p.m., and continuing on September 24 and 29, open hearings will be held jointly by the Research and Development Subcommittee of the Armed Services Committee and the Priorities and Economy in Government Subcommittee of the Joint Economic Committee on the subject of independent research and development.

The purpose of these hearings is to examine the results of a 2-year study by the General Accounting Office, of parallel studies by DOD, other Government agencies and industry, which will provide the basis for any appropriate legislative action deemed necessary, including possible changes to the existing provisions of section 203, Public Law 91-441.

These hearings will involve appearances by the Comptroller General, the Cost Accounting Standards Board, the Department of Defense, the National Aeronautics and Space Administration, the Energy Research and Development Administration, the Office of Federal Procurement Policy, several industry associations, and other expert witnesses. These hearings will be held in room 1114, Dirksen Senate Office Building.

NOTICE OF HEARINGS ON SMALL BUSINESS TAX REFORM, SELECT COMMITTEE ON SMALL BUSINESS

Mr. NELSON. Mr. President, I wish to announce that the Select Committee on Small Business will conduct public hearings on the business tax structure as it affects smaller and independent enterprise on September 23–25. The sessions are scheduled to take place in the Finance Committee hearing room, 2227 Dirksen Senate Office Building, beginning at 9:30 a.m. each day. Earlier hearings on this subject were held on June 17–19, and an additional session relating to estate and gift tax problems of small businessmen was conducted on August 26.

Copies of the June hearings record and testimony, making recommendations to the House Ways and Means Committee on tax reform in the nature of a preliminary report on the study of these matters, is available through the Small Business Committee office, suite 424, Russell Senate Office Building. Further details as to the September hearings may also be obtained from this office.

ADDITIONAL STATEMENTS

DIRKSEN RESEARCH CENTER DEDICATED IN PEKIN, ILL.

Mr. HRUSKA. Mr. President, it was a distinct honor for me to be present at the dedication on August 19 of the Everett McKinley Dirksen Congressional Leadership Research Center in Pekin, Ill.

This magnificent center of learning will be a fitting memorial to our late and beloved colleague—Senator Dirksen. It contains Senator Dirksen's papers and mementoes from his long and illustrious career in the Congress. Students and scholars will benefit from this valuable information in the years ahead because of the forethought of Senate Dirksen.

President Ford was the speaker at the dedication ceremonies in Senator Dirksen's home town. The President eloquently recalled how successful Senator Dirksen was in his role as minority leader of the U.S. Senate:

> He was a power to be reckoned with, and he did it not by the numbers of his minority but by sheer power of his unique personality, his persuasiveness, his profound gift for friendship, and his consummate legislative skill.

Senator Dirksen was a dear friend of mine. Rabbi Sol Rosenberg of Mission Hills, Calif., also was his friend. At the dedication of the center, Rabbi Rosenberg, in his invocation, had this to say about Senator Dirksen:

> A true son of the Land of Lincoln, Senator Dirksen contributed his rare gifts of spiritual resolution and the political art in the service of the republic, both in the House of Representatives and the Senate. Although he remained the faithful, eloquent tribune of his constituency in his home State of Illinois, Senator Dirksen sustained in his public advocacy a prudent balance between meeting the needs of his state and responding to the ultimate concerns of all Americans.

Mr. President, I ask unanimous consent that the remarks of President Ford, the invocation of Rabbi Rosenberg and newspaper accounts of the events in Pekin, on August 19, 1975, be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Everett McKinley Dirksen Congressional Leadership Research Center

(The President's Remarks at the Dedication of the Center in Pekin, Illinois, August 19, 1975)

Thank you very much, Howard Baker, my dear friend Louella, Senator Chuck Percy, Senator Jennings Randolph, Senator Roman Hruska, Governor Walker, my very good and dear friend, Charlie Halleck, and, of course, my long time friend and great helper, Les Arends, Mayor Waldmeier, distinguished guests, ladies and gentlemen:

As one of the many, many Americans who knew and loved Everett Dirksen, obviously I am pleased to be in his hometown for the dedication of this great building in his honor.

I wanted to be here in a very special capacity, not as President of the United States, not as a former President of the United States Senate, but as the spokesman for a very exclusive fraternity—minority leaders of the House of Representatives and the United States Senate.

How delighted Ev would be that the dedication coincided with your third annual Marigold Festival. This city really looks beautiful today with so many thousands of Ev's favorite flowers in bloom.

And as I said a moment ago, I did want to be here representing minority leaders. Unfortunately, as Charlie Halleck and I both know, our fraternity has been overwhelmingly Republican in recent years, though we keep trying to recruit more Democrats every day. [*Laughter*]

We take some comfort, however, in the obvious fact that leading the minority in the House or the Senate is a much more demanding job than leading the majority. And, if ever a minority leader could be said to dominate either body, the House or the Senate, that man was Everett Dirksen.

He was a power to be reckoned with, and he did it not by the numbers of his minority but by the sheer power of his unique personality, his persuasiveness, his profound gift for friendship, and his consummate legislative skill.

When I was elected minority leader in January of 1965 for the House of Representatives, Ev Dirksen was already the sage and the seasoned minority leader of the United States Senate. I was the new boy, but he never put me down. Instead, he took me in.

I met almost every day and sometimes oftener with the master, and he taught me the trade. He knew as much about the House as I did, and, of course, he knew everything about the United States Senate. He knew every wheel and every cog that makes the Congress tick. And he knew a thing or two about some Presidents.

In our relationship, I was the spear carrier, and, I must say, we used to aim some sharp ones in the direction of the then occupant of the White House. But Ev's were always softened with a chuckle. And I suspect he was much more effective.

Every couple of weeks, as has been noted by Louella, we would hold a two-headed press conference that became known as the "Ev and Jerry Show." It really should have been known as "Dirksen and Company"—[*Laughter*]—the "Dirksen and Company Show"—because it is obvious, you know, who was the star.

It seems that some of the legacy of homespun humor, left in this part of Illinois by Abraham Lincoln, was reborn in Everett Dirksen. He had a little quip or he had a little story for each and every occasion, regardless of the circumstances.

He was the only politician I have ever known who could walk into a press conference like the prophet Daniel and walk out leaving the lions all purring and without a scratch on him. Isn't that right? [*Laughter*]

I learned an awful lot from Ev, and it's only fitting that others should learn from him also. The Dirksen Research Center, with mementos and papers from his long and productive career, will enable generations of students to learn more about the United States Congress and how it works.

The Senator believed, as you all know, the opportunities to examine the papers and documents of top legislators were far too limited. He had an idea for a research center long before his death. And I agreed with him, as I think most of the Members of the House and Senate would, that the study of the Congress has been far too long neglected.

Ev knew every piece of legislation, and he knew that every piece of legislation could have a lasting imprint on our society and this country. He believed more historical attention should be given to the drafting and the approval of Federal legislation. With the Dirksen papers and those of other Congressional leaders, this great center will give students in many universities and colleges in this area a very special viewpoint on American history.

One of the most fascinating areas of study in the Dirksen papers will be to trace just how influential a single dedicated man can be. His career spanned almost four decades and six Presidents. From the very first of the hundred days of President Franklin D. Roosevelt to Ev's eventful 10 years of service as minority leader in the Senate, Senator Dirksen participated rigorously in the enormous social and political changes of those years.

I have sometimes wondered whether Ev Dirksen ever regretted that he promised his mother not to pursue a career on the stage. [*Laughter*] But he got around it by playing a much larger stage, and we were lucky to have been in his company.

I think it's wonderful that the tapes of Senator Dirksen's speeches will be available to students, because his voice, as well as his presence, were part of his political magic.

The person who knew and loved him best, Louella, his wife and partner for 42 years, wrote this of Ev, and I quote: "My husband loved life. It seemed to love him also. He was awed by the beauty of the flower and the spoken word. He could cultivate them as no other man could. His flowers continue to grow. His words still echo."

I was looking through some of my old files for some of Ev Dirksen's words from the "Ev and Jerry Show" that perhaps I might include in my remarks here this afternoon. I thought maybe I could find one of his hilarious stories about his adventures as an Army balloonist in World War I or some other particularly funny observation.

Instead, I found a comment which Ev said he had pounded out on his trusty portable because he was in a special philosophical mood. It was in 1968, a few days after the assassination of Senator Robert Kennedy. There were riots and violence all across the land.

Senator Dirksen wrote this, and I think it is appropriate at this time:

The time has come to rethink our history. It should have emphasis in every school, church, and forum in the land. The legacy which is ours came from those who were here before us. Into this land they built their skills and talents, their hopes, their dreams, their tears, and their sacrifices. Today, we are the trustees of America. Upon us is a two-fold duty. The one is to those who came before us and gave us this land for our inheritance. The other is to those who shall come after us. Perhaps—as Ev Dirksen said it—three words can state the whole case—dedication, discipline, and duty.

I know that those words, spoken only as Ev Dirksen could, are somewhere in this edifice, reminding Americans of their continuing need for dedication, discipline, and duty.

Yes, Louella, his words still echo.

Thank you very much.

Note: The President spoke at 3:26 p.m. at the Everett McKinley Dirksen Congressional

Leadership Research Center, a wing of the Pekin, Illinois, Public Library.

Invocation at the Dedication of the Everett M. Dirksen Congressional Leadership Research Center, Pekin, Ill., August 19, 1975

(By Rabbi Sol Rosenberg)

As we humbly petition the blessings of the Almighty, let us now praise the life of a famous man in whose lasting memory we have gathered this day.

Lord, it is fitting that we dedicate the Congressional Leadership Research Center, bearing the name of a distinguished American, in the year of the Bicentennial observance of our nation's independence; for the late Senator Everett M. Dirksen was a sovereign spirit who perpetually celebrated the history and meaning of our country's manifest purpose and free institutions throughout his long career.

A true son of the Land of Lincoln, Senator Dirksen contributed his rare gifts of spiritual resolution and the political art in the service of the republic, both in the House of Representatives and the Senate. Although he remained the faithful, eloquent tribune of his constituency in his home State of Illinois, Senator Dirksen sustained in his public advocacy a prudent balance between meeting the needs of his state and responding to the ultimate concerns of all Americans.

As a master of political discourse, he always subjected the partisanship of his party to the governance of the general welfare of all our countrymen. The trusted advisor and confidant of presidents, and a peerless leader in Congress for almost his entire adult lifetime, Senator Dirksen shunned the apocalyptic visions of modern doomsday prophets. He countered their prefigurations of political and social upheaval with a buoyant confidence and faith in the ability of free men and women to solve the host of problems which increasingly perplex and discomfit so much humanity today.

As for me, Oh Lord, I cherish the strong bonds of friendship and association with the Senator and Mrs. Dirksen, which remain steadfast over much of my lifetime, and which inspired in me, a child of the old world, a deep understanding, love and respect for the land of my adoption.

Heavenly Father, as we his friends, associates and fellow citizens now begin these ceremonies of dedication, we pray that this repository of Senator Dirksen's works and thought will bring knowledge, clarity and inspiration to the many students, scholars and citizens who will be drawn to this rich resource of Americana in the years to come.

We invoke Thy manifold blessings and grace, Oh Lord, upon Mrs. Dirksen and her beloved family, and upon the President of the United States." Amen.

[From the Peoria (Ill.) Journal Star, Aug. 20, 1975]

President Pays Tribute to His Teacher, Dirksen

(By Jerry McDowell)

PEKIN.—The President of the United States came here yesterday to pay tribute to the man who broke him in as minority leader of the U.S. House of Representatives 10 years ago.

Gerald R. Ford delivered a 12-minute speech to an enthusiastic crowd of about 10,000 and dedicated the Everett McKinley Dirksen Congressional Leadership Research Center.

During a lighter moment on a tour of the library after his speech, Ford said the name of the center was in keeping with Dirksen's style "to say something in seven words rather than two."

Ford arrived at the speakers platform at 3:15 p.m. after grabbing outstretched hands along a barricaded route to the dedication site and sat between Dirksen's widow, Louella, and his son-in-law, Sen. Howard Baker.

"When I was elected minority leader of the House in 1965, Ev Dirksen was already the sage and seasoned minority leader of the Senate," Ford said.

"I was the new boy, but he never put me down. Instead he took me in.

"I met almost every day and sometimes oftener with the master and he taught me the trade," Ford said. "He knew as much about the House as I did, and everything about the Senate. He knew every wheel and cog that makes the Congress tick. And he knew a thing or two about presidents."

His speech was interrupted by applause twice, the loudest when Ford spoke of the relation Dirksen developed with the press.

"It seems that some of the legacy of homespun humor left in this part of Illinois by Abraham Lincoln was reborn in Everett Dirksen. He had a little quip or story for every occasion, regardless of the circumstances.

"He was the only politician I have ever known who could walk into a press conference like the prophet Daniel and walk out leaving the lions all purring and without a scratch on him."

Ford, the second President to come here in just over two years to praise "Mr. Marigold," did not stray noticeably from his prepared speech text.

Former President Richard Nixon was here on June 15, 1973, to unveil the cornerstone for the new library.

Ford said he learned a lot from Dirksen "and it is only fitting that others should learn from him also" at the library.

"The Dirksen Research Center, with mementoes and papers from his long and productive career, will enable generations of students to learn more about how the U.S. Congress works.

"The senator believed the opportunities to examine the papers and documents of top legislators were too limited. He had the idea for a research center long before his death. I agreed with him then that study of the Congress had been neglected.

"Ev knew how a single piece of legislation could have a lasting imprint on our society. He believed more historical attention should be given to the drafting and approval of federal legislation. With the Dirksen papers and those of other congressional leaders, this center will give students in the many universities and colleges in this area a special viewpoint on American history."

The first floor of the center was open yesterday with the first official tour given President Ford by the building architect, John Hackler.

The upstairs, archives section of the library, however, will not be available to the public for up to four years, after about 4,000 cubic feet of Dirksen papers are catalogued and referenced.

The president was introduced by Dirksen's son-in-law.

"We are here to dedicate not a memorial to Everett Dirksen, but rather a further evidence of a symbol of his realism and an understanding of his belief of the importance of the three departments of government," Sen. Baker said.

He said the crowd had gathered on the warm, sunny afternoon, "not for the past and not for sentimentality, but for the future utility of other generations a place to study and reflect on the greatness of the congressional leadership in the Congress of the United States."

Mrs. Dirksen also spoke briefly at the site, which local officials estimated would hold a crowd of about 10,000.

"This research center was scarcely more than a dream to Everett Dirksen in those days," she said. "Today it is a dream come true for him, for me and for all of you who have given so generously.

"It is a unique edifice in that it is a congressional research center and the only one of its kind in the country," she said.

"Many of us will not be here in years to come to see the tourists as they visit the center and to see how necessary it will become to the young people of this nation.

"I know they will read and work in it and they will get an insight into their Congress and its leaders and it will make them want to become leaders in their own right."

Also on the speaker's platform with the President were Sen. Charles Percy, Sen. Jennings Randolph of West Virginia, who was sworn into the Congress in 1933, the same year as Dirksen; Sen. Roman Hruska of Nebraska; Charles Halleck of Indiana, who was on the "Ev and Charley" show with Dirksen before it became the "Ev and Jerry Show" with Gerald Ford, Tom Dirksen, the senator's twin brother; Rep. Les Arends, former congressman from Illinois; Governor Daniel Walker; Pekin Mayor William Waldmeier; Rabbi Sol Rosenberg, who gave the invocation, Rev. James White of Pekin, who gave the benediction; John Gay, master of ceremonies and director of the dedication; Josephine Jubain, president of the Pekin Public Library Board; members of the Dirksen Library Board; and Karen Geier of Pekin, Marigold Queen.

Ford said tapes of Dirksen's speeches, which will be located at the library, will be good examples of the "political magic" he possessed.

"I was looking through my old files of some of his words from the 'Ev and Jerry show', that I could include in these remarks," the President said.

"I thought maybe I could find one of his hilarious stories about his adventure as an Army balloonist in World War I or a particularly funny joke.

"Instead, I found a comment which Ev said he had pounded out on his trusty portable because he was in a philosophical mood. It was in 1968, a few days after the assassination of Senator Robert Kennedy. There were riots and violence all across the land.

"Senator Dirksen wrote this and I think it's appropriate at this time: 'The time has come to rethink our history. It should have emphasis in every school, church and forum in the land. The legacy which is ours came from those who were here before us. Into this land they built their skills and talents, their hopes and dreams, their tears and sacrifices. Today we are the trustees of America. Upon us is a two-fold duty. The one is to those who came before us and gave us this land for our inheritance. The other is to those who shall come after us'."

He continued, "Perhaps three words can state the whole case—dedication, discipline and duty.

"I know that those words, spoken as only Ev Dirksen could, are somewhere in this edifice, reminding Americans of their continued need for dedication, discipline, and duty.

"Yes, Louella, his words still echo."

Ford said he was here "in a special capacity; not as a President of the United States, not as a former president of the United States Senate, but as the spokesman for a very exclusive fraternity—minority leaders of the United States Congress.

"Unfortunately, our fraternity has been overwhelmingly Republican in recent years, though we keep trying to recruit more Democrats every day. We take comfort in the obvious fact that leading the minority in the House or Senate is a much more demanding job than leading the majority.

"And if ever a majority leader could be said to dominate either body, that man was Senator Dirksen.

"He was a power to be reckoned with, and he did it not by the numbers of his minority, but by the sheer power of his unique personality, his persuasiveness and profound gift for friendship, and his consummate legislative skill."

After a brief tour of the library, the President went back and forth across Fourth St. to shake hands with spectators, to the dismay of Secret Service agents surrounding him.

It was his third official visit here. The first was to attend funeral services for the late senator in Glendale Memorial Gardens on Sept. 11, 1969. He also addressed an annual Lincoln Day banquet on Feb. 12, 1972.

[From the Peoria (Ill.) Journal Star, Aug. 20, 1975]

PRESIDENT PROBABLY FELT AT HOME

(By Steve Strahler)

"It's the quality of the ordinary, the straight, the square that accounts for the great stability and success of our nation. It's a quality to be proud of. But it's a quality that many people seem to have neglected."—Gerald R. Ford, Jan. 28, 1974.

PEKIN.—President Ford probably felt pretty much at home here yesterday.

A lot of square and ordinary people—possibly 10,000 of them—turned out yesterday afternoon to welcome him to the dedication of the Dirksen Congressional Leadership Research Library.

"It's a Saturday Evening Post cover," said UPI White House correspondent Helen Thomas, scanning the overflow crowd as if it were a Norman Rockwell portrait. "I like it very much. It's a sentimental journey."

It was a sentimental journey for Mr. Ford who came to honor the memory of the man who he said taught him the diplomatic skills of minority leadership.

Dirksen, in the Senate, and Ford, in the House, shared leadership of their congressional party from 1965 until Dirksen's death in 1969.

The President was flanked on the platform by Mrs. Louella Dirksen, the senator's widow, and Sen. Howard Baker, R-Tenn., Dirksen's son-in-law. Also present was Charles A. Halleck of Indiana, whom Ford unseated as minority leader in 1965, and described yesterday as "my good and very dear friend."

For these friends, Gov. Daniel Walker and Sen. Charles Percy, R-Ill., took second-row seats.

Ford's presence, however, honored more than Dirksen's memory.

"It was quite a thrill. I'm not gonna wash my hand for a week," said Mrs. Reba Klein of 804 Chestnut, who, at 67, said Ford was the first President she has touched.

"It's a tremenous feeling," said Mrs. John J. Ruschmeyer of 805 Bacon, another recipient of a presidential handshake. "This is the only country it can be done. It's a great honor to be able to respect and honor the President. It's a rare privilege."

As Ford left the library after a 10-minute tour, Mrs. Gloria Cox of 106 Twin Lakes Dr., North Pekin, jumped up and down and shrieked as he neared.

Excitement had rippled through the crowd lining Margaret and Fourth streets as the motorcade was first sighted after crossing the Pekin Bridge about 3 p.m.

"Oh, here he comes. It's him," said persons in the sun-drenched crowd, momentarily forgetting the 80-degree temperatures and high humidity, when Ford stood up through an opening in the limousine's roof and waved.

Seated next to Ford was Mrs. Dirksen.

Applause, growing louder as the crowd thickened along Fourth St., followed the auto along the eight-block route.

The motorcade was led by a Peoria police car, followed by two state police cars, all containing Secret Service agents. Then came the presidential limousine, as a police helicopter hovered overhead.

About a half-hour before Ford arrived, Pekin police conducted a search of a vacant building west of The Union Store at 357 Court.

"We thought we saw somebody up there," said Sgt. Robert Copelen as police broke down the back door, visible from the motorcade route. The search was futile.

When Ford stepped out of the car at Fourth and Broadway, greeters, restrained by barrel-supported ropes, surged forward with outstretched arms.

As he walked down the 10-foot-wide corridor, shaking hands, Ford's deeply-tanned face was streaming with perspiration.

"I wish I could have been closer," complained Kim Frazier of Pekin.

"This is the heartland of America—a great reception for a great man," said John Henry Altorfer of 7406 N. Edgewild Dr., Peoria. "It's electrifying to me."

Altorfer was defeated for the Republican gubernatorial nomination in 1968, and James Thompson of Chicago, who is seeking the 1976 nomination, termed the ceremonies "tremendous."

Some, however, said the pageant wasn't as spectacular as Richard Nixon's visit here two years ago.

"Kinda boring. Nixon was more exciting. People got beat up," said Annette C. Sheckler of Pekin, referring to the fate of some demonstrators.

Two of those demonstrators, who reappeared yesterday and carried signs reading, "Ford is Nixon's revenge against America" and "Jack Anderson for President," characterized yesterday's crowd as "friendlier."

"When we were down here two years ago for Nixon, we got kicked," said Mike and Susan Anderson of Galesburg. They said they had not been heckled or threatened by presidential supporters this time.

Nixon, then President, laid the library's cornerstone on June 15, 1973.

Other persons carried hand-lettered placards yesterday, but they were not necessarily hostile to Ford.

"I'm glad he came to Pekin ... to give us a chance to express (our views)," said Kay Vignali of Pekin Right to Life. "I just wish Mrs. Ford had come ... she was the one who came out in support of the 1973 Supreme Court decision (which declared unconstitutional laws forbidding abortion during the first six months of pregnancy)."

Another person not much impressed by Ford's visit was a neighbor of the library who could watch Ford's speech from her front porch.

"He's just a man," she said, shrugging her shoulders.

Gerald Ford would be the first to agree.

EAMON DE VALERA

Mr. METCALF. Mr. President, for more than a half a century after the Easter week uprising against the British in 1916, Eamon de Valera worked tirelessly—and fought tenaciously—for Irish liberation and the development of an independent, unified Ireland.

Jailed for his part in the rebellion, he made a dramatic escape after his death sentence had been commuted to life imprisonment. Subsequently, as President of the fledgling republic, he was sent to the United States—the land of his birth—to seek recognition and financial assistance.

Diplomatic recognition eluded De Valera on this occasion, but the rallies he held coast to coast gained the sympathetic support of the American people for Ireland's struggle for independence.

One stop along the way—in Butte, Mont.—tells the story. As described in the Anaconda Standard of July 19, 1919, more than 10,000 people came to Hebgen Park to hear an address by the provisional President, many of them arriving as much as 2 hours before the rally began to get a good seat in the grandstand. As De Valera rose to speak, the crowd gave him a 5-minute ovation.

There was a strong wind, making hearing difficult, but "at each mention of Irish freedom the audience broke forth in cheering such as had never before been heard at mass meetings in Butte."

As was his practice, to drive home the point of his Ireland-for-the-Irish crusade, De Valera's opening words were in Gaelic.

He said in translation:

> In my travels through this vast country, I have found scarcely a spot where someone does not speak this language, and I feel it my duty to reply first in that tongue. It is one distinctive mark of our nationhood.

The message that De Valera carried to the citizens of Butte and other American cities during his 18-month tour was compelling in its simplicity and universal in its applicability.

He declared:

> The question of Irish liberty is the question of liberty for the world. Tyranny and exploitation are the same against the individual as against the nation.

Following De Valera's remarks, then Attorney James Murray—later to become my distinguished predecessor, Senator Murray—presented resolutions adopted by the Irish community of Butte, calling upon the State's congressional delegation to press for the right of Ireland to self-government.

Mr. President, Eamon de Valera rose from guerrilla leader to Prime Minister and, eventually, to President of Ireland, dominating his nation's political life in the latter offices for 35 years. His was the guiding hand in eliminating one by one the rights of the crown to oversee and control Irish affairs, in drafting the republic's constitution, and in pressing forward with economic and social reform.

At the same time De Valera exercised leadership in international affairs. Twice the president of the League of Nations Assembly, in later years he played a prominent role in post World War II developments such as the Marshall plan and the Common Market.

Personally austere and often controversial—his policy of neutrality in the war and his condolence call on the German minister when Hitler died in 1945 provoked a storm of criticism among Americans—De Valera did not live long enough to see a unified Ireland.

But his persistence in the face of adversity, his courage, and his devotion to the cause of independence earned him not only the trust of the Irish but ultimately ungrudging tributes from most of his opponents as well.

Eamon de Valera was a towering figure, a revolutionary and statesman who came to personify Ireland's ideals and aspirations. All of us, Mr. President, must share a sense of loss in the death of this indomitable and extraordinary individual, whose lifetime of achievement stands as a symbol of man's will to be free.

NOTICE OF STAFF PARTICIPATION IN EDUCATIONAL EXCHANGE PROGRAM

Mr. HATFIELD. Mr. President, pursuant to the guidelines set forth by the distinguished majority and minority leaders in their July 10, 1974, Congressional Record joint statement, I wish to advise that my legal counsel, Mr. Walter H. Evans III, will participate from August 11 to October 13 in the educational exchange program sponsored by the European Community's visitors program. I am advised that this program, sponsored by the European Parliament and Commission of European Communities, closely parallels the leader grant program operated by our Department of State, and meets all criteria established by the July 10 statement. Mr. Evans will be utilizing his regular vacation time during this period.

A QUESTION OF PRIORITIES ON AGING

Mr. CHURCH. Mr. President, a few weeks ago President Ford issued a message which tersely rejected major recommendations made to him by the Federal Council on Aging.

As I said in a statement to the Senate on July 28, the President semed to take the attitude that the Council had somehow spoken out of turn by suggesting that there are serious shortcomings in present administration efforts on behalf of older Americans.

Furthermore, it seemed to me that the President was needlessly abrasive in his attitude to the Council, which came into being because of congressional insistence that a high-level unit be established to assist and advise the President on matters related to aging.

Mr. Bernard Nash, executive director of the National Retired Teachers Association-American Association of Retired Persons, is a member of that Federal Council, along with 14 other persons with longstanding concern about public issues related to aging.

He has informed me that he deems it unfortunate that the first report of the Council should have been met with so negative a response.

He has also provided an editorial which is appearing in the September AARP News Bulletin. I believe that this emphatic and compelling statement admirably expresses the concern caused by the President's action. I ask unanimous consent to have it printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

A Question of Priorities

About 15 months ago, 15 distinguished Americans were sworn in as members of the Congressionally created Federal Council on Aging, charged with advising and assisting the President and the Congress in evaluating government policies and programs designed to serve older Americans, recommending needed changes and serving as a spokesman on behalf of older citizens.

In its first report to the President recently, the Council expressed its view that "the economic plight of the elderly is of crisis proportions," requiring special attention by both the executive and legislative branches of government to offset the effects of recession and inflation.

"We continue to be distressed," the Council said, "about the apparent lack of consideration for the economic plight of the elderly as reflected in the Administration's proposals for the 1976 Fiscal Year budget. Cutbacks in federal monies for social services for the elderly and ceilings on benefit programs financed from social insurance trust funds are particularly burdensome to this age group. Many of their financial assets are tied to fixed sources, while their needs are mobile. We recommend that the President reconsider the serious effects of these fiscal proposals on the elderly of this nation with their urgent humanitarian needs."

To its reasoned and reasonable recommendations, the President responded: "The perspective and recommendations of this report are limited to a particular area of interest and advocacy. The report does not reflect the Administration's policies, which must reflect a broader range of responsibilities and priorities."

Such harsh language and brusque treatment of a report prepared by a bipartisan council composed of persons highly knowledgeable and experienced in the field of aging must be disheartening to the Council, and is surely disappointing to our Associations.

The Council is precisely charged with representing a particular area of interest, namely, the needs and concerns of the nation's growing older population. Its very purpose is to help the President and the Congress comprehend the impact of broadly defined priorities on the narrowly defined group of citizens who compose its constituency. For the President to dismiss the recommendations because they do not conform to his policies raises serious questions about his concept of the Council's role and his responsibility. Needed is a spirit of consultation and cooperation, not an attitude of confrontation.

In rejecting the Council's recommendations, the President said he was sympathetic to its concerns, but was determined "to reduce the burden of inflation on our older citizens, and that effort demands that the government spending be limited. Inflation is one of the cruelest and most pervasive problems facing older Americans, so many of whom live on fixed incomes. A reduction of inflation, therefore, is in the best interests of all Americans and would be of particular benefit to the aging."

No member of the Council and no older Americans would likely disagree with that statement. The issue is essentially one of priorities. In defining policies and programs to control inflation, the Council is asking the President to be more sensitive to the impact of his decisions on that segment of the population most severely affected.

While all Americans are burdened by rising costs of food, rent, clothing, medical care and transportation, such essentials take a larger proportion of the near-fixed income of the elderly than of the generally higher incomes of younger people in the work force. Rent, for example, takes some 30 percent of the average elderly couple's income compared with 15 percent for younger couples. Many elderly who are able to work and would like to work have been forced out of the labor market completely. Many have ceased even to look for work and no longer are counted in unemployment statistics. Even those who can find work are limited in what they can earn through the "retirement test" of the Social Security system.

When the Council suggested that the President reassess his priorities in the war on inflation, it surely had in mind his Congressionally thwarted attempt to limit inflation-bred Social Security benefit increases to five percent, rather than the 8.7 percent called for through the automatic-escalator provisions of the law. After years of efforts by our Association and others, that provision was enacted to help older citizens cope with rampant inflation.

And it also had in mind his proposed reductions in other programs designed to serve the elderly. The President's budget proposal for 1976 is actually more than $42 million below appropriations for fiscal year 1975.

Congress is now in the process of approving the 1975 Amendments to the Older Americans Act, with provisions to strengthen present social services, nutrition, research and training programs. They will place special emphasis on other services needed to enable older Americans to remain in their own homes rather than enter nursing homes.

Our Association believes that the changes are highly desirable and urgently needed. And we trust that the President will give the measure greater consideration than he did the first report of the Federal Council on Aging. The measure will demand more than words of sympathy about the needs of older Americans. It will demand an act of approval.

VIRGINIA COUNCIL ON HEALTH AND MEDICAL CARE

Mr. HARRY F. BYRD, JR. Mr. President, the Senate may soon be called upon to consider legislation relating to the Federal programs of assistance to medical students.

One of the most important aspects of the debate on this subject concerns distribution of health manpower throughout our country. There are, for example, some areas where the physician-patient ratio is far below the national average and below that needed for adequate health care.

The State of Virginia is fortunate to have an ambitious program aimed at solving the problem of maldistribution. It is a program administered by the Virginia Council on Health and Medical Care, and it has achieved much in recent years.

Fully 834 physicians have established practices in areas of need in the State of Virginia. In fact, the Virginia program has been cited by the American Medical Association for outstanding achievement, and recently 17 other States have contacted the Virginia Council on Health and Medical Care for more information on the program.

I am familiar with the council and the great work that they continue to do. I know the director of the council, Mr. Edgar J. Fisher, Jr., and I commend the council and Mr. Fisher for his great service to that organization.

Because of the relevance of this Virginia program to upcoming legislation on health manpower programs, I ask unanimous consent to insert in the RECORD at this point, a letter Mr. Edgar J. Fisher, Jr., has sent to the senior Senator from Massachusetts, Senator KENNEDY.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AUGUST 13, 1975.

Senator EDWARD M. KENNEDY,
Senate Office Building,
Washington, D.C.

DEAR MR. KENNEDY: The Richmond Times Dispatch of August 10, 1975 carried a feature story by Bill Connelly of the Media General News Service with the headline "Rural Doctor Shortage Worse." A copy of the article is enclosed. You will note that you are quoted based on hearings which your subcommittee investigating the shortage held recently. We are sure that many Virginians who have read the story must have reacted with surprise as the outlook in Virginia is not as dismal as it is perhaps in other states. It is unfortunate that during the hearings and as a result of research carried on by members of your staff, you did not learn of the rather successful work which has been carried on here in Virginia for the past twenty-five years to specifically help meet the shortage of physicians and bring about a better distribution.

You were quoted in the article as saying, "The shortage is severe. . . . No existing porgram anywhere offers a proven, or even a promising, solution." We take strong exception to your statement. You need look no further than Virginia, where you maintain a residence, to learn about one proven and successful program which has steered some 834 physicians, both family and other specialists, to areas of need. It is the Physician Referral Service administered by the Virginia Council on Health and Medical Care with the enthusiastic cooperation and support of The Medical Society of Virginia, the Schools of Medicine at Eastern Virginia, Medical College of Virginia and the University of Virginia, the Virginia State Board of Medicine, the Virginia State Department of Health and the American Medical Association.

Mr. Connelly's article pointed out that the number of counties in the United States without a physician has increased since 1963. Although Virginia statistics for 1963 are not readily available, it is my recollection that there were three counties without a physician then and only one now. So our situation has improved. Also, it should be noted that on December 31, 1963 the Virginia Council listed 91 opportunities for family physicians and 60 family physicians as being available. For other specialists there were 78 opportunities and 173 physicians available. Figures as of July 31, 1975 show that there were 188 opportunities for family physicians and 129 available. There were also 200 openings for specialists and 774 specialists listed with the Council as seeking practice opportunities in the Commonwealth. Certainly the supply of physicians for placement in our State has increased since 1963, and not worsened.

The Virginia Council, without state and federal tax support operating on contributed dollars, has developed and shared recruitment techniques, advice and suggestions with hundreds of community leaders in cities, towns, and rural communities from Chincoteague to Pennington Gap and Purcellville to Claudville, placing physicians in these towns as well as in dozens in between. In Mr. Connelly's article there was no mention of this successful program which has been singled out and recognized by the American Medical Association for special recognition.

Nowhere in the article was mention made of the increasing number of family practice residency programs which, in Virginia, have many more applicants than available places. Now, only the very best qualified applicants are accepted at The Medical College of Virginia and the University of Virginia to train as family physicians. Physicians turned out from these fine programs are setting up their practices in small communities and will continue to do so in increasing numbers in the future. This, Mr. Kennedy, provides another promising solution.

The Virginia Council on Health and Medical Care is involved in other activities, too, which hold promise for the future. For example, the deans of the three medical schools in Virginia make regular safaris into rural areas, arranged by the Council, so that they may meet with physicians, hospital administrators and community leaders, including legislators, to learn of local needs and problems and thus better determine how the medical schools can serve rural areas with physician manpower. The Council maintains a special list of communities where two, three or four family physicians can be absorbed at the same time. This helps promote the development of group practices in small communities where family practice residents can locate together. Annually the three medical schools provide the Council with the names of all their medical students broken down according to communities from which they come. This list is made available to community leaders, including legislators, throughout the Commonwealth so that contact can be made with students encouraging them to return to those areas of the state where they grew up.

The Virginia Council is involved in many other specific cooperative activities with the medical schools, the Virginia Academy of Family Physicians, the Virginia State Board of Medicine and the Virginia State Department of Health to help increase the supply of physicians practicing in Virginia. It is aggressively selling Virginia as a good place to practice to both those trained in the Commonwealth and those from outside of the state. Anyone in a position of leadership who says that, "No existing program anywhere offers a proven, or even promising, solution," has not done his homework and is uninformed. In citing the crisis of meeting the problem of the shortage of physicians it is only fair to give credit to those who are successfully coping with the problem.

It might be pointed out too that in some of the specialty categories, there is an over supply of physicians. This is particularly true with general surgeons and pathologists where the supply is far greater than the demand.

At its Annual Meeting in 1974 the American Medical Association passed a resolution encouraging all states to consider the development of organizations similar to the Virginia Council on Health and Medical Care. The Virginia Council and the Michigan Health Council were cited as the only two organizations of their kind in the country. The Michigan Health Council maintains a successful physician placement service similar to that of the Virginia Council. As a matter of fact, it was modeled after Virginia's program! During the past few months seventeen states have contacted the Virginia Council on Health and Medical Care for information and help.

Mr. Kennedy, should you wish additional information about what we are doing in Virginia, perhaps the enclosed material will be of interest and assistance. As has been the case in the past, the Virginia Council stands ready to help any state which has similar problems and would like to work on practical solutions.

Sincerely yours,
EDGAR J. FISHER, Jr.,
Director.

RURAL DOCTOR SHORTAGE WORSE

(By Bill Connelly)

WASHINGTON.—After years of trying to attract more doctors and dentists to rural America, with little success, federal health planners and politicians seem to have run out of ideas.

Despite the millions spent in various federal and state programs, the health care shortage in small towns and rural areas appears to be worsening every year.

In 1963, 98 counties in the United States had no doctor. Today, 135 counties have no doctor. The shortage of doctors in rural areas is estimated at 20,000 (based on a goal of one doctor for 1,000 people) and could go to 30,000 by 1985. The average age of practicing rural doctors is 54.

Sen. Edward M. Kennedy, D-Mass., chairman of a subcommittee holding hearings on the problem last week, offered this gloomy assessment: "This shortage is severe. . . . No existing program anywhere offers a proven, or even promising, solution."

The problem, as always, is that young doctors, dentists and other health professionals would rather practice in comfortable metropolitan areas than go to small towns where the work load is heavy, the cultural and educational opportunities limited and the medical facilities often inadequate.

Some government programs have helped to ease the shortage—young doctors serving two-year terms in the National Health Service Corps; educational loans to medical students who agree to serve in shortage areas; establishment of community and regional health centers; special programs for Indians, migrant workers and the elderly.

But no program seems to offer a long-range solution. "Given the strong cultural forces at play," Kennedy said, [the programs] were and are bound to fail. There are virtually no ways to compete with $50,000 a year and life in an affluent suburb."

Much federal and state money has gone into various "loan forgiveness" programs, in which young doctors can pay off their government educational loans by practicing for a few years in shortage areas. The House recently passed bills seeking to strengthen this approach to aiding rural areas.

But recent studies by the General Accounting Office and by a consulting firm hired by the Department of Health, Education and Welfare concluded that these loan programs have not been effective. Once young doctors and dentists set up practice and begin earning good incomes, they usually prefer to pay off the loans rather than to go to rural communities.

Most of the doctors who did pay off their loans by serving in rural areas, the studies found, admitted that they had planned to move to those areas anyway.

The average graduating medical student has an education debt of about $7,000, according to HEW. At that price, a well-paid professional finds it much easier to "buy out" of his agreement and settle in a pleasant urban or suburban community.

Donald M. McCartney of the CONSAD Research Corp. of Pittsburgh, the firm that studies HEW's loan programs, concluded that it might be more effective to finance fewer students at $20,000 to $30,000 each than to make numerous smaller loans. The larger debt would be a stronger incentive to choose rural or small town practice.

McCartney further suggested to Kennedy's health subcommittee that the government seek out the students most likely to prefer rural communities—because of family and cultural ties—and concentrate the available aid on them instead of trying for broader participation.

Other proposals advanced by witnesses at the hearings include:

Encourage medical schools to foster more respect for family doctors by strengthening their general practice emphasis.

Push for development of television and computer linkups to give rural doctors more opportunities for consultation with specialists and for continuing education with distant medical centers.

Encourage young doctors to open group practices, with government incentives, in rural and small town areas.

Still others suggested that the solution will be more complex, requiring broader efforts to help rural America develop better schools, hospitals, transportation systems, housing and cultural amenities—all of which would make rural communities more attractive to health professionals.

Few new ideas were unearthed in the hearings, but Kennedy said the subcommittee wants to develop legislation.

"Over the past decade," Kennedy said, "the federal government has expended more than $3.4 billion to support the training of health manpower. I believe that if the government is going to continue subsidizing the training of physicians, then it must do so in a manner that will ensure an adequate supply of physicians for all our citizens, rural and urban alike."

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, in 1948 the United Nations, under U.S. leadership, unanimously adopted the Genocide Convention. This was an historic occasion. It was the first human rights convention to be endorsed by the General Assembly and it represented the culmination of several years of efforts by our delegates. At that time the United States heralded the event as one "of great importance in the development of international law and of cooperation among States for the purpose of eliminating practices offensive to all civilized mankind."

The influence of the American delegation is particularly evident in the language of the convention for it embraces familiar Anglo-American legal theory and traditional American common law concepts. In light of the history of the drafting of this convention, the reluctance of the Senate to take action on this treaty has been especially puzzling.

The Senate Foreign Relations Committee has reviewed this treaty three times and each time has concluded that the arguments of the opposition have not withstood the test of time. I could not agree more. The speciousness of the critics' reasoning can be seen by an argument which was first raised in 1950. At that time it was argued that if the Senate ratified the convention and Congress adopted appropriate implementing legislation, we would be particularly vulnerable since it was obvious that the rest of the world would drag its feet on this issue.

Mr. President, it must be clear to everyone that as unrealistic as this argument was in 1950, it is ludicrous today. There are now 87 nations which have ratified the Genocide Convention and most of these nations have adopted the necessary implementing legislation. But it is the United States that is dragging its feet.

Mr. President, time is running out. Each year the number of signatories grows. While it is far too late to be among the first to ratify this treaty, I pray that the Senate will not relegate us to the last. We still have time within this Congress to act and I urge my colleagues to join me in seeing that we take prompt action.

CURRENT U.S. POPULATION

Mr. PACKWOOD. Mr. President, I wish to report that, according to current U.S. census approximations, the total population of the United States as of September 1, 1975, was 214,411,014. This represents an increase of 1,834,204 since September 1 of last year. It also represents an increase of 180,880 since August 1 of this year, that is, in just 1 short month.

Thus, in this last year, we have added enough additional people to fill three cities the size of St. Louis, Mo.

THE ISRAELI-EGYPTIAN DISENGAGEMENT AGREEMENT

Mr. JACKSON. Mr. President, I ask unanimous consent to have printed in the RECORD an address which I delivered last evening in New York on the recently concluded Israeli-Egyptian disengagement agreement.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR HENRY M. JACKSON

For the second time since the Yom Kippur War Israel has agreed to withdraw from defensive positions in the Sinai in the hope that peace, like the Israeli defense line, will be brought closer to home. But unlike the earlier disengagement with Egypt or last year's agreement with Syria, this most recent agreement involves, for the first time, the stationing of American personnel in the zone separating two hostile armies.

This is a development that many Americans and many Israelis have greeted with reservations; and I am bound to say that I am among those who are concerned at the implications of superpower involvement in the Arab-Israeli dispute. In my judgment the greatest chance for a durable peace in the Middle East lies in agreements that the parties themselves can oversee and defend—agreements that leave Israel with borders that Israel can protect and that incorporate the fundamental political reconciliation on which—alone—a lasting peace must be based. In the search for peace, a change of line is no substitute for a change of heart. The fact that even the meager understandings on movement toward a political settlement have been relegated to a secret letter from Secretary Kissinger to Foreign Minister Allon, rather than an open accord between Israel and Egypt, is a disappointment to many of us here this evening, to many in Israel and to those in Egypt who have come to understand the futility of continuing military conflict.

I believe that many of us in this country and in Israel who long for peace were prepared to press harder for an agreement between Israel and Egypt that would begin the long process of political reconciliation—an agreement that would permit Arabs and Israelis to work together, to trade with one another, to talk with one another, to see for themselves the truth about their neighbor. But the American side was unwilling to take the time and lacked the inclination to pursue such an agreement; and the result of American impatience was sustained pressure on Israel that, in the end, Israel could not resist. First, Israel was blamed for the failure of the March shuttle. Then the flow of vital military equipment to Israel, including spare parts, was cut off. Finally, uncertainties about the continuation of American diplomatic support for Israel were voiced behind the closed doors of background press briefings. The message to Israel was unmistakable: it would be necessary to settle for an essentially military disengagement with only the most limited elements of political reconciliation.

Yet in the face of these pressures—overwhelming between friends so disproportionate in size and power—Israel summoned the resources to resist last Spring, with the result that the agreement initialed on September 1st is, for all its shortcomings, better than the agreement pressed upon Israel in March. Better not only for Israel, but for the United States as well. The disengagement line is more readily defended by Israel and is therefore more stable. The duration of the agreement is longer by a good measure. And in other ways as well the new agreement is a more promising one than the proposal that Israel could not accept in March. The conclusion is unavoidable that the Israelis were wise to say "no" in March; only time can establish the wisdom of the agreement signed in September

The Administration proposal to place American personnel in the strategic Sinai passes is the most troublesome element in the new accord. Despite Administration claims that this arrangement was essential to the negotiation I remain unpersuaded that no alternative could be found. The Israelis and Egyptians are now to conduct virtually all the necessary surveillance by themselves in any case; the marginal contribution of American personnel to this purpose raises more problems than it solves. I have simply not seen sufficient evidence that all other approaches were exhausted before we agreed to go into the passes.

Our presence in the Sinai has created apprehensions at home. It is even possible that the Soviets might make the wholly unacceptable demand for a presence in a subsequent Middle East agreement. But most disturbing, our presence in the Sinai could become the precedent for a most dangerous and unwise conviction that somehow an American presence can substitute for secure borders for Israel. Should this notion gain currency it could well become a source of pressure on Israel to accept indefensible borders that would somehow be protected by an American presence. Such an approach would, in my judgment, be a mistake of historic proportions, which would rob Israel of its security and independence and put off, perhaps indefinitely, the genuine accommodation between Arab and Israeli that we are all seeking.

In expressing these reservations I wish to be clear on one point: the analogy between the stationing of American personnel in the Sinai and the errors of American policy in Vietnam—even its earliest stages—is shallow and misleading. We must not allow the mistakes of that tragic war to haunt us in the pursuit of a deliberate and measured foreign policy. We must not recoil from the responsibilities that our leadership of the free world imposes upon us. I believe, as I have indicated, that there are arguments against sending Americans into the passes, but a mistaken reference to Vietnam is not among them.

In 1970, three years before the Yom Kippur War, I urged that the total demilitarization of the Sinai was an essential element in any long-term peace between Israel and Egypt. The war of attrition, the Yom Kippur War, and the events of the two years following it have strengthened that conviction. Among the disappointments of the current agreement I count the forward movement of Egyptian military forces deeper into the Sinai and the agreed augmentation of those forces, however modest. I hope that this part of the current agreement will not become a pattern for a subsequent settlement and that, on the contrary, any final settlement will involve Egyptian as well as Israeli withdrawals from the Sinai east of the Suez Canal.

In the long run the real test of the disengagement agreement will come in the evolution of relations between Egyptians and Israelis. The larger their role in establishing a Middle East peace, and the smaller the role of the great powers, the better for all concerned.

By first pressuring Israel to withdraw from the strategic passes—and now by proposing to insert Americans into them—the Administration has assumed awesome responsibilities on behalf of the United States. The assumption of these responsibilities evolved without Congressional consultation—even, at times, over the objections of Congressional majorities. The nature of the negotiations, in which the American presence has become inextricably bound up with the agreement as a whole, has left the Congress little opportunity other than to give voice to the concerns that many of us feel.

When the issue comes before the Congress I hope to vote to approve the substance of the agreement as it has been presented to the American people. Needless to say the Congress will wish to have Secretary Kissinger and President Ford confirm that there are no secret understandings, written or oral, that have been withheld from the Congress. Full disclosure is essential, not only to retain the confidence of the American people but to assure the integrity of the agreement.

I hope to vote to support the agreement, despite the misgivings that I have shared with you this evening—misgivings that I took pains to express long before the agreement was reached. I do so in recognition of the fact that Congress has unhappily been denied an opportunity to exercise the constructive role that it would have preferred and that I am confident it would have played had it been consulted before the agreement was concluded. The issue now is, essentially, black and white, yes or no.

It is my hope that, with this agreement behind us, the next step in Israeli-Egyptian relations will be taken along a different path—along the path of political reconciliation which alone can lead to a stable and lasting peace.

ELECTION OF HON. THOMAS C. WALKER AS COMMANDER IN CHIEF OF THE VFW

Mr. THURMOND. Mr. President, on August 22, 1975, Thomas C. "Pete" Walker was elected commander in chief of the Veterans of Foreign Wars at its 76th national convention in Los Angeles, Calif.

Pete Walker is a distinguished American, who had an outstanding war record in both World War II and Korea. He is active in the affairs of his community of New London, Conn., and has served in all the important posts of the VFW at the local, State, and national levels. He is well versed in the problems which affect our Nation's veterans, and in the important issues of national security.

In his acceptance speech, Pete Walker discussed his views on some of the issues which will affect our Nation in the coming year. He is a man who speaks his convictions, and never ducks an issue.

Mr. President, in order for my colleagues to review his address, I ask unanimous consent that the acceptance speech of Pete Walker be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THIS I BELIEVE

(By Thomas C. "Pete" Walker, Commander-in-Chief, VFW)

Thank you my comrades. Thank you from the bottom of my heart for the greatest honor which can be bestowed on a member of the Veterans of Foreign Wars of the United States. I pledge to each of you here and to each and every member of our great organization, my best for the year to come.

I especially want to thank the members of my own Post who started me through the chairs and backed me all the way. To my District and the Department of Connecticut, I say thank you for your support and for telling me that I could make the highest office. And, to the Eastern Conference, my personal thanks for supporting my candidacy, and my sincere appreciation to the other three Conferences for having faith in me. I shall do my best to prove worthy of your trust and confidence.

A special thanks to the two great Past Commanders-in-Chief under whose guidance I have had the privilege to serve. Thanks to Ray Soden and to fine and outstanding John Stang. Both are fine Americans, great patriots and good personal friends.

It has long been my belief that each and every member of our great organization must understand the purposes and objectives and direction of the Veterans of Foreign Wars of the United States. It is not enough to know that we are a patriotic group that loves country above self. Of course, we do and we should never lose sight of that fact. But we have a much deeper meaning and goals. And, I believe that they must be reviewed from time to time.

You have put your trust in me by electing me your new Commander-in-Chief. And, it is important to me, as your Commander-in-Chief, that you, each member, know my beliefs. Each of you have elected me and are entitled to know the type of leaders in whom you have placed your trust and what he is thinking.

I believe the ideals and goals which have been those of the Veterans of Foreign Wars of the United States for 76 years are still the same. The lofty and pure objectives of our organization can never change. They are carved in our hearts and in marble and bronze—they can never change. Nor, should they.

I believe that the objectives of our society of men who have fought overseas for our country are the same as those as America as a whole. I do not believe that we have the corner on something sacred. Duty, country, allegiance, fidelity, patriotism are not just words common to members of the V.F.W. The preserving and defending of the Constitution of the United States from all her enemies, whomsoever is not our job alone.

I believe that the Veterans of Foreign Wars is dedicated to the objectives that deserve the undivided support of the American people. I also believe that it is our duty to keep these objectives before the American people so that they do, in fact, give their undivided support to those objectives. We can do this only by acting as we should, setting examples for our fellow citizens, especially children, and by educating the people of this great country by telling them why it is so great.

I believe that the Veterans of Foreign Wars is composed of men whose devout loyalty to the ideals of Americanism defies challenge.

It has been said that the V.F.W. is not really an organization. That it is a concept—an idea—an endless devotion—a rallying point—a center of patriotic concern and love of fellowman such as the world has never seen. I agree with that statement. For, where else can one find men and the women of the Ladies Auxiliary taking time from needed recreation, vacations and family outings to take part in community activities, safety and membership programs. We are a voluntary organization with the highest of ideals and devotion.

I believe that the honorably discharged veterans of our Armed Forces have demonstrated their loyalty to the principles of good citizenship to the degree that obligates the Federal government to assist those who are in need. I also believe that the needs of those who served range from education to compensation for service-connected disabilities, to a pension for the needy, especially the older World War I veteran, to the best hospital system in the world for those who need it, to a final resting place among other veterans if so desired.

I believe that fair and just treatment—nothing more, nor nothing less—for the nation's veterans will demonstrate to the future generations of young Americans that their sacrifices in time of war will be duly acknowledged by their grateful government. But, if this treatment is perceived to be unjust or unfair, future Americans will understand that service to country in time of war is nothing special and that our great nation will find itself in the position of having a lack of support in time of need.

I believe that there are forces in and out of government which are working to bring veterans programs to a close. I believe that we are in an era of our government caring more for the price of everything, but knowing the value of nothing. More and more we can see erosion and the chipping away at existing programs. Price tags are set. Limits are placed. Programs are eliminated. Belts are tightened to the wrong notch. Bullets are bitten, then will not fire because of dents made in the wrong places.

I believe that the Veterans of Foreign Wars can honestly point to a record of patriotic service in behalf of the veteran of this country—on the National, State and community levels—that is second to none. Second to any other service organization. Second to any other veterans organization. And, I believe that we should take credit for it. I believe that the V.F.W. has and should make its concern for veterans programs, benefits and his welfare second only to its concern for our country's welfare and security. I believe we will.

I believe if we do not, then we deserve to lose what we hold so dear. If we do not stand tall, the veteran will see compensation taxed, his hospitals second rate, his pension program lost to social welfare programs, doctors and nurses leave the employ of the VA, compensation rating regulations changed for the worse, continued high unemployment rates, especially for the younger veteran, cuts in the ability of employment officers funds, further erosion of the veterans preference in hiring, and a more disgraceful cemetery system without space or locations to bury those who, in death, are all heroes to their Maker.

I believe that if it were not for the Veterans of Foreign Wars pioneering in the establishment of practically every veterans rights, benefit and program on the records today and standing tall and telling it like it is, that veterans across this land would not have what they have today. We were the organization which worked so closely with the Congress to extend and increase the GI Bill education assistance over a Presidential veto. We were the ones who called for its continuance to be a recruiting inducement for the voluntary Armed Service. We protested cuts in the commissary system. We urged increases in disabled veterans compensation over that recommended by the administration. It was the V.F.W. which demanded reinstatement of medical care programs cut by the budgeteers. We think our World War I comrades need a pension without income limitations. We demand a National Cemetery in each and every state—not a shrine, just a small hallowed place to rest.

I believe that we could not raise our voices to be heard, either by the public, by those in political power or in the halls of the Congress of the United States if we did not have you, my comrades and sisters. I believe that we can earn the membership support of millions of overseas veterans if we will continue to do our utmost to strengthen and improve our individual Posts. I believe that our successful V.F.W. Posts provide shining examples for every community so that we can build a bigger and better national organization. I believe that our strength lies in strength of membership—be it locally, at the state level or nationally. I believe that our continuous years of growth give us the voice which is heard in all places in the land.

Turning to the security of our beloved country, these articles of faith I believe, with all the power that God gave me:

We are not secure because we are free, but we are, and will continue to be free if we remain secure.

With more to conserve, protect, and advance than any nation in the history of the world, I call upon the President and the Congress to support and sustain American military forces second to none.

I believe that never again, comrades, and I mean never, should we embark on a war and not attain victory in the shortest time possible.

This I believe, that détente has been a policy disaster both for America and for the non-Communist world, and I call upon the Administration to start telling it like it is, dealing with the Soviet Union only when a clear American interest is advanced thereby.

I believe that in the Communist scheme of events, America is their last domino.

Plain for all to see, is an American Congress so tangled up in their internal procedures that the unforgiving security needs of our country play second fiddle to personal ambition. We see Portugal in a slow motion slide into terminal Communist, both Greece and Turkey rebuffed and affronted by American policy, and our Central Intelligence Agency, as General "Dick" Walters so clearly told us, hamstrung, hampered and hassled by Congressional "show-boating."

These things, I believe, and more.

I believe that America should pay our share *only* of the dollar cost of that United Nations "Cavern of Winds."

I believe that the United States Canal, located on the Isthmus of Panama, must remain American forever, without any ifs, and, or buts.

I further believe that after Cuba expels the Soviet military presence, frees the jailed thousands whose only offense is that they stood up to Castro, pays us the millions of dollars due us for stolen U.S. companies, and stops her campaign of petty harassments against the U.S. Naval facility at Guantanamo Bay, we might begin to consider dealing with that unhappy island. But, don't hold your breath, comrades. Castro was, is, and will remain an American-hating Communist. As he won't change, we must never cave in.

I believe that the stand-by Selective Service System must be supported so that this irreplaceable national asset can be expanded in time of need.

I deeply believe that every young American owes at least one year of service to his country and, to this end, I urge that a fair and truly universal plan for national service be presented to the Congress, letting the political chips fall where they may. Never again, my comrades, should America, as was the case in Vietnam, wage a poor boys' war. We are *all* Americans, rich or poor, city or farm, black or white, and we better start acting that way, now.

I believe (and the President knows this) that our society of patriots stood by him like a rock when certain "Nervous Nellies" were second guessing him on the recovery of the container ship "Mayaguez." All concerned got a V.F.W. "well done," and while we will never go around looking for a fight, one thing is certain: we will never run away from any international mugger, large or small.

I believe that America should never leave her dead and wounded on the battlefield to the mercy of her enemies. Two young Marines—Corporal Charles McMahon of Woburn, Massachusetts, and Lance Corporal Darwin Judge of Marshalltown, Iowa—were reported left behind when the evacuation of Saigon was completed.

This cannot be; this must not be; this will not be.

These two young men symbolize the nearly 1300 earlier MIAs whose status is still in doubt. They will never be forgotten by the V.F.W. Meeting this debt of honor is the least our country can do for these hundreds of her missing sons. We will stand, shoulder to shoulder, with their tragedy-touched next-of-kin for as long as it takes.

I believe that the plan of the American Federation of Government Employees, AFL–CIO, that they will unionize the armed forces starting in 1976, would destroy, first, the armed forces, and, next, our country. This simple-minded maneuver must and will be halted. (I understand AFL–CIO leader George Meany wants no part of this effort. If he needs any help to stop this self-destruct step, he need only place a call to me.)

Comrades, my words on the travesty called "amnesty" will be brief. It was "no" yesterday; it is "no" today, and it will be "no" forever.

Any Presidential candidate, from either of our great political parties, who chooses to run on a "pro-amnesty" platform in 1976 will lose, and lose big, and he will deserve exactly what he gets.

Finally, my comrades, and from my heart:

I believe in our great organization beyond the telling of it.

We are not as some detractors would like to picture us, a group of war-story-telling, war mongers.

I believe that our faith in God, and with His guidance to permit us to work to maintain a strong national security posture and programs for the veteran, we cannot but succeed. We have an organization which truly honors the memory of our departed comrades. What a better way of honoring the dead than by helping the living. What better an organization than one in which one can associate with men whom we had the privilege to serve on the bloodstained battlefields of the world.

I believe that the title "comrade" sums up our association. "Comrade" in arms, "comrade" in peace. "Comrade" in concern for our communities, states and nation. "Comrade" in the battle to keep veterans programs from useless and stupid economy cuts. "Comrade" in thought for those who might have to follow us in battle if we give away our heritage through lack of concern. I am proud to be a comrade of yours and I will do all my best to make you proud to have me as a comrade.

I believe that your Commander-in-Chief is morally obligated to make every possible personal sacrifice that will contribute to the fulfillment of the many objectives of our organization—and in humble appreciation of the honors and duties I have inherited, I solemnly dedicate myself to this opportunity to serve each of you and the Veterans of Foreign Wars of the United States.

This, I believe.

ETHICAL PROBLEMS OF ABORTION

Mr. HATFIELD. Mr. President, one of the more difficult issues facing Congress during the coming weeks is the drafting of a resolution which would refer a constitutional amendment to the States on abortion. The Subcommittee on Constitutional Amendments has completed hearings on the many aspects of this question and hopefully will be able to resolve possible differences among themselves in order to allow the full Judiciary Committee and the full Senate to vote on the question.

Recently the Members of the Senate were furnished with copies of an article published in the Hastings Center Studies by Sissela Bok, entitled "Ethical Problems of Abortion." Although there were some helpful thoughts presented in the article, there were other assumptions in it which should not go unchallenged. Edwin H. Palmer has prepared a detailed response to the Bok article which I am asking be included in the CONGRESSIONAL RECORD for the benefit of my colleagues. Mr. President, I ask unanimous consent that the Palmer article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AN EVALUATION OF SISSELA BOK'S "ETHICAL PROBLEMS OF ABORTION," HASTINGS CENTER STUDIES

(By Edwin H. Palmer)

Prof. Sissela Bok's article on *The Ethical Problems of Abortion* evidences much that is to be commended:

1. She recognizes that there is an ethical and moral dimension to the abortion issue. Some have failed to see this, believing that abortions have no more of an ethical aspect than does the cutting of a toenail or the digging of a hole or the running of a race. But Prof. Bok spends twenty pages dealing with the moral-ethical problems.

2. Prof. Bok recognizes that legality is not the same as morality. The 1973 Supreme Court decision grants unrestricted permission for abortions during the first trimester of pregnancy. After the first trimester, the state may, if it so desires, regulate the abortions in order to protect the mother's health; and in the third trimester, the state may, if it so desires, forbid abortion, except to protect the life or health of the prospective mother. "But it would be wrong," she says, "to conclude from these decisions that no *moral* distinctions between abortions can now be made—that what is lawful is always justifiable. These decisions leave the moral issues of abortion open, and it is more important than ever to exercise them" (p. 33, col. 1).

This is a most timely and important observation in an era when many people—including columnists, Congressmen and educators—are reasoning: "Since the courts allow abortion, it must be morally permissible." Some are now even reasoning that the government should finance abortions—a position that was not seriously considered before the Supreme Court made its decision.

3. She rejects the abortionist view that "women should have the right to do what they want with their own bodies, and that removing a fetus is comparable to cutting one's hair or removing a disfiguring growth" (p. 34, col. 1). For "this view simply ignores the fact that abortion involves more than just one life" (*ibid.*)

4. After viability Prof. Bok would prohibit "all abortions save the rare ones required to save the life of the mother" (p. 44, col. 2).

5. "Between quickening and viability," Prof. Bok writes, ". . . it would not seem unreasonable to hold that special reasons justifying the abortions should be required . . . ; reasons not known earlier, such as the severe malformation of the fetus" (p. 44, col. 1).

6. Finally, Prof. Bok respects the convictions of those who have moral scruples against performing an abortion, and says that "there should never be a requirement that a physician or nurse must participate in an abortion. Even if women have a right to abortion, they have not therefore the right to force others to perform such acts" (p. 52, col. 1).

This is a refreshing restraint in contrast to some who would coerce doctors and nurses to violate their conscience by performing an abortion—often in the name of humanity (helping the poor and those who have no easy access to abortionist doctors). It would have been even more refreshing if she had also stood up for the rights of private hospitals to refuse to perform abortions without having to forfeit government aid, as the ACLU would like to see happen. For the same principle holds for a collective body as does for an individual.

In summary, Prof. Bok's article lacks the strident voice of some pro-abortionists and has some very commendable insights into the abortion problem.

She does not believe in abortion at any time for any reason, and she sets forth four reason for protecting life—reasons that center on the victim, the killer (her term), the family of the victim and all of society. In her mind these reasons do not apply at all in the early stages of pregnancy, and gradually become substantial as the unborn grows and develops. Accordingly, she believes in abortion on request for the time before quickening. But after the time of viability, she would prohibit them, except in rare circumstances. And the cut-off date she would make at 18 weeks.

Her concluding paragraph summarizes her restraint. She writes: "Abortion is a last resort, and must remain so. It is much more problematic than contraception, yet it is sometimes the only way out of a great dilemma. Neither individual parents nor society should look at abortion as a policy to be encouraged at the expense of contraception, sterilization, and adoption. At the same time, there are a number of circumstances in which it can justifiably be undertaken, for which public and private facilities must be provided in such a way as to make no distinction between rich and poor" (p. 52, col. 2).

CRITICISM

1. The most fundamental criticism of Prof. Bok's view of ethics and abortion is that she gives no normative basis for her judgments. As has been mentioned, appreciation can be expressed for several of her conclusions. But even in those cases, she lacks a pou sto, from which she can make those judgments.

She rejects out of hand different world views, often of a religious nature, as not being factual (p. 38, col 2), but then she offers her own world view and expects universal agreement with it!

The question that will not down is: Why hers and not others'? Why is hers superior to Judaism or Christianity or other religions that have endured for thousands of years?

Repeatedly, Prof. Bok uses such terms as "should," must" and "ought," or "unthinkable," "duty" and "surely," to state her ethical views, but no ultimate reason is given for her position. She states her four reasons for protecting life, especially from the 18th week of pregnancy on. But she simply sets them forth and assumes their validity. The questions arise: Why four and not three or five? Why these at all? What is the foundation for such assumptions?

This is the most fundamental criticism that can be made of Prof. Bok's position: It is an ipse dixit.

As a matter of fact, no one can ever say with validity, "You ought," "You must," or "You should," unless he posits a Supreme Being. For might does not make right; nor does a high IQ, nor religion, nor a race, nor a professorship. No human has in himself the right or authority to dictate to another. Such authority can only come from a Supreme Being, who made men, and therefore has the right to assign duties and obligations. There is only a divine imperative—only God can command. There can never be an autonomous human imperative, for all men are on an equal footing.

2. It is remarkable that Prof. Bok never deals with abortion in the light of love or justice. In fact, these terms are never even mentioned in her article. Yet the subject of the article is *Ethical Problems of Abortion.* It is incomprehensible that one can deal with ethics apart from what has been considered for two thousand years to be the two cornerstones of all ethical thought: love and justice.

Let us now examine some of the subsidiary reasoning in Prof. Bok's article.

3. Withdrawal of bodily life support. Prof. Bok writes that we must distinguish between causing death indirectly through ceasing bodily support of the fetus and actively killing the fetus outright (p. 35, col. 1); and that abortion by the saline solution, "which kills and begins to decompose the fetus," is least like cessation of support.

OBSERVATION

It is pure semantics to attempt to distinguish between indirect and direct killing in the case of abortion, as if one is more morally acceptable than the other. There is basically no moral difference between keeping food from a baby or cutting its heart out; from exposing an infant or shooting it; or at the other end of life, from depriving a patient of oxygen by removing the oxygen tent or smothering him. The motive to kill is the same and the result is the same. The method does not alter the morality.

Maybe abortion by the saline solution seems less desirable than sucking or scraping out the embryo because the unborn at time of the saline solution looks so much like an infant. But killing is killing whether you use a vacuum or a knife or salt poisoning. The technique used does not change the morality.

4. Prof. Bok distinguishes between pregnancies voluntarily and intentionally entered upon and those that are not, such as those resulting from rape and the failure of contraceptives or the careless use of them (pp. 35, 36). "Every pregnancy which has been intentionally begun creates special responsibilities for the mother" (p. 35, col. 2). Her sensitivity to the situation reflects itself in the case of parents who deliberately entered upon pregnancy that will probably result in malformation or retardation. She asks: "Can the parents "acknowledge that they meant to begin a human life, but not *this* human life? Or, to take a more callous example, suppose, as sometimes happens, that the parents learn that the baby is of a sex they do not wish? In such cases the justification which derives from wishing to cease life support for the life which had not been intended is absent, since this life *had* been intended" (p. 36, col. 1). "To sum up at this point, ceasing bodily life support *of a fetus or of anyone else cannot* be looked at as a breach of duty except where such a duty has been assumed in the first place" (p. 36, col. 2).

OBSERVATION

We can only applaud her concern for those unborn children—even the malformed and retarded—when pregnancy was planned.

But it is a great impoverishment of the ethic of love when a person feels a responsibility only for those toward whom he has consciously assumed a duty. Note that she speaks of an absence of duty, not only in regard to a fetus but to "anyone else." On this theory of duty and responsibility, which depends on an intentional, deliberate and voluntary assumption of duties, man can absolve himself from helping his neighbor in time of robbery, fire, rape, murder or accident. Then the scope of love and duty becomes most provincial. Then the definition of "brother" in the question "Am I my brother's keeper?" becomes pathetically restricted.

5. Astoundingly, Prof. Bok rejects an appeal to the humanity of the unborn in order to protect life.

OBSERVATION

a. One reason for her rejecting humanity as a basis for the sanctity of life is that there are differing views as to when humanity of the unborn begins. But diversity of opinion does not mean no one is right, anymore than a split Supreme Court decision means that both the majority and minority are wrong.

b. Prof. Bok states that "the different views as to when humanity begins are not dependent upon factual information. Rather, these views are representative of different world views, often of a religious nature" (p. 38, col. 2). But this is a pure gratuitous assumption on the part of Prof. Bok, without any substantiation at all. Some of the world's leading fetologists for example, such as Dr. H. M. Liley from New Zealand, would quickly assert that it is precisely their scientific work—performing fetological surgery, for example, or giving blood transfusions to the unborn—that has convinced them of the humanity of the unborn, and not their preconceived religious ideas. Agreement on the abortion debate will not come easily if we neglect the factual observations of the scientific world.

c. Prof. Bok rejects defending life on the basis of humanity because of the "monumental misuse of the concept of 'humanity' in so many practices of discrimination and atrocity throughout history" (p. 44, col. 1). She calls this "by far the most important reason for abandoning such efforts." In other words, in the history of the world, slavery, witchhunts and wars have been justified because the victims were not considered human.

But she has forgotten the important principle of "Abusus non tollit usus." Because someone misuses a good principle, it does not mean that it is not valid! Because an attacker misuses a knife, it does not follow that a woodcarver or surgeon should not use it.

In conclusion, Prof. Bok's essay is another reminder of how precarious the Supreme Court's position on abortion is. She lists eight different views as to when we should begin to respect life (at conception, implantation, two to four weeks after conception, when the unborn looks human, when electrical brain impulses are first detected, quickening, viability and birth itself). Then she adds a ninth!

In such a welter of confusion, and especially where we are dealing with sacredness of human life, it would be far more loving (if it is permitted to bring love into an ethical discussion!) to err on the side of caution. Suppose next year, another ethicist at the Hastings-Studies comes up with a tenth view—one that would forbid abortions at an even earlier date than Prof. Bok does. Does this mean then that Prof. Bok has been advocating and promoting all along the death of those whose lives are sacred and should have been preserved?

In the name of humanity, love and justice, let us err on the side of so many fetologists, who tell us that the unique genetic code of every individual is determined at the very start of the life of the unborn. Human life is too precious to jeopardize by following the latest faddish notion of the theoreticians.

In 1967 the New Jersey Supreme Court handed down a resounding defense of the unborn in the Gleitman v. Cosgrove case. On January 22, 1973, by a 7–2 decision the United States Supreme Court, reversing its entire history, went directly against the N.J. Court's decision. Does a five-man majority determine the truth? What about tomorrow when the present Court is replaced? And in the meantime what about the million lives each year that the Court has permitted to be done away with?

SAVING THE DOLPHINS

Mr. WILLIAMS. Mr. President, in 1972, the Marine Mammal Protection Act became public law. I was pleased to sponsor the Senate version of this important legislation, which was designed to halt the depletion of whales, seals, porpoises, and other marine mammals.

Three years after Congress passed the law, the senseless destruction of dolphins by American tuna fishermen continues at an alarming rate. A recent article in the Washington Post by Lewis Regenstein, executive vice president of the Fund for Animals, describes this tragic situation. Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SAVING THE DOLPHINS

(By Lewis Regenstein)

Dolphins and porpoises have traditionally been known for their extraordinary intelligence, their seeming love for one another and their remarkable friendliness toward man. For centuries, stories have circulated of these mammals helping primitive peoples, living along rivers or coastal areas, to catch fish, with dolphins becoming an integral part of these fishing cultures. For instance, Pliny the Elder (A.D. 32–79) has described how ancient French or Gallic fishermen used dolphins to lead them to schools of fish and then shared their catch with these friendly detaceans. According to him, the dolphins even waited in the area until the following day, to be rewarded for their efforts with bread dipped in wine.

The countless tales of dolphins cooperating with fishermen by chasing fish into their nets, once believed to be apocryphal, have now been confirmed by scientific observers. In 1878, J. Anderson described how certain Burmese villages along the Irrawady River each had their own "guardian dolphin" that "the fishermen believe purposely draws fish into their nets." In 1954, "Natural History" carried a similar account, by B. F. Lamb, of the Tapegos River Dolphin of South America. Lamb observed fishermen tapping on the side of their canoes and whistling for "their" dolphins, which appeared immediately after a miner's lamp was lit: "This same porpoise helped the fishermen in all their night fishing, scaring the fish from the deep water back to the shallows." Recently, Jacques Cousteau and his crew observed and filmed a coastal fishing tribe in Mauretania, Africa, that beats the ocean surface with sticks in order to attract dolphins, which in turn help drive schools of mullet into their nets.

U.S. tuna fishermen also use dolphins to catch fish, but they are wiping out these mammals in the process. The U.S. Pacific tuna fleet first began killing dolphins on a large scale in the 1960s, when a new "purse-seine" method of netting yellowfin tuna came into widespread use. Being warm blooded, air breathing mammals, dolphins are found on the surface of the ocean, and some species often travel with yellowfin tuna. The new fishing method involves the use of speed boats to spread huge nets around the schools of dolphins (or "porpoises" as they are called by the fishermen), which are then drawn in to land the tuna beneath the dolphins. When this happens, sometimes hundreds or even thousands of dolphins either drown or die of shock. Although most of them could jump out of the net and escape, they appear reluctant to abandon a fellow dolphin that is injured or in distress. Mothers in particular refuse to leave their infants, so often entire families remain buddled together in the net "whistling" sonar distress calls. By 1970, in just one area of the eastern tropical Pacific, an estimated 250,000 to 400,000 dolphins were being killed each year in this manner.

In order to put an end to the slaughter, Congress in 1972 passed, and the President signed, the Marine Mammal Protection Act. This law stated that its "immediate goal" was to reduce the incidental killing of dolphins "to insignificant levels approaching a zero mortality and serious injury rate," with a two year time-table for accomplishing this requirement. In addition, the law generally prohibits the issuing of a government permit for the killing of any "depleted" species. Over the protests of conservationists, the Commerce Department's National Marine Fisheries Service (NMFS), headed by Robert W. Schoning, was given jurisdiction over the problem.

It is now obvious that the main dolphin species involved in this killing are so depleted as to be in actual danger of extinction. According to an October, 1974, report compiled by the Federal Marine Mammal Commission (MMC), the killing by 1974 was continuing at a rate of at least 100,000 dolphins a year, and some authorities feel that double that figure might be more accurate. (Since NMFS has refused to place observers on most of the tuna boats, these estimates are minimal and are probably much lower than the actual mortality.) The government report concluded that the killing "represents an unacceptably high level of mortality, both in terms of the specific charge of the Marine Mammal Protection Act . . . and in terms of the overall protection and conservation policies and objectives of the Act to maintain the health and stability of the marine ecosystem."

NMFS is well aware of what is happening to the dolphins. A 1974 study prepared by NMFS reports that one dolphin species—the so-called spotter porpoise (*Stenella attenuata*)—may be "30% to 80% lower than the pre-exploitation population in the early 1950's." The report indicates that other dolphins, such as the spinner porpoise (*Stenella longirostris*), are also in grave trouble; and the Marine Mammal Commission concluded in its study that "it is clear that mortality of both [these species] must be reduced significantly in order to ensure, with reasonable probability, the safety of the basic porpoise stocks."

Still, NMFS Director Robert Schoning refuses to act to eliminate the slaughter. Under intense lobbying pressure, NMFS has issued rules and regulations largely designed to placate the powerful tuna industry, namely Ralston Purina, Star Kist, H. J. Heinz, Bumblebee Seafoods, and the American Tunaboat Association. The industry is represented in Washington, D.C. by the well-connected law firm of Covington & Burling, and by lobbyist George Steele. Besides violating the Marine Mammal Protection Act, NMFS is also in violation of the Endangered Species Act of 1973, which requires the agency to protect not only endangered species, but also any species that is "threatened"—"likely to become an endangered species within the foreseeable future throughout all or a significant portion of its range." Despite the overwhelming, incontrovertible evidence that these dolphins are moving toward extinction, none of them has been proposed for the threatened or endangered lists.

The yellowfin tuna caught by using dolphins accounts for only 10 per cent to 15 per cent of the tuna sold in the U.S. It is clear that the tuna fishermen will soon have to stop setting nets on dolphins in any event, for they are rapidly running out of these remarkable creatures. In addition, Project Monitor, a coalition of conservation and environmental groups in Washington, D.C., headed by Col. Milton Kaufman, has filed suit, through Environmental Defense Fund lawyer Richard Gutting, to force NMFS to halt substantially the killing and require government observers on the tuna boats to ensure that the law is adhered to.

In the meantime, greedy, short-sighted tuna fishermen are continuing to push these species of dolphins towards extinction, while indifferent government bureaucrats, with the responsibility for protecting them, look the other way.

THE NATIONAL COUNCIL ON AGING AND THE SOCIAL SECURITY EARNINGS LIMITATION

Mr. FANNIN. Mr. President, during the August congressional recess, the Board of Directors of the National Council on the Aging published a policy statement on the social security system. Included in this statement was the position of the Council regarding the social security earnings limitation test and in particular, the question of repeal. Because this statement is relevant to the debate over the retirement test I ask unanimous consent to have this statement printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY THE NATIONAL COUNCIL ON THE AGING, INC.

The social security retirement test should be retained but the amount a beneficiary may earn in a year without reduction in his benefits should be raised from the present $2,520 to $3,000. Benefits should continue, as at present, to be paid, without regard to the amount of earnings in the year, for any month in which earnings do not exceed one-twelfth of the annual exempt amount. Elimination of a retirement test would involve a current cost of about $5 billion, which would require additional financing. The cost would be incurred mainly by reason of the payment of benefits to persons earning about as much as, or more than, they ever earned. There would be no advantage to the great majority of those eligible for benefits. A small increase in the amount of annual earnings exempted under the test would have a correspondingly small cost, and although the increase would not affect a large number of beneficiaries and although those affected would be on the whole better off than other beneficiaries, the increase would be helpful in some cases and would tend to reduce pressures for complete elimination of the test.

To place the test on a straight annual basis, as has sometimes been proposed, would substantially reduce the incentives for retired persons to return to work. Even if provision for a monthly test were retained with respect to the year of retirement, there would be a penalty, which could be severe, paid by those who returned to work other than at the beginning of a year and also by those who, at other than the end of a year, were again forced to retire.

To revise the test, as has sometimes been proposed, to have it cover all income and not just earnings from work would be to change social security from an insurance against loss of earnings and into a form of welfare program. Incentives for saving, investment, the purchase of private insurance, and the establishment of private pension plans would be severely cut back. Also, it seems almost certain that workers would be unwilling to pay social security contributions if they knew that would not receive benefits unless they met an income test.

RUSSELL C. WILLIAMS RETIRES FROM VETERANS' ADMINISTRATION

Mr. HARTKE. Mr. President, I was happy and sad to note the retirement of a distinguished employee of the Veterans' Administration. I was happy because of the successful career that Russell C. Williams, though blinded in World War II, was able to lead as the Chief of the Blind Rehabilitation Division of the Veterans' Administration. I am somewhat sad because the VA has lost the services of this outstanding employee. On June 30, he closed out a 27-year career of service to the Nation's 65,000 blinded veterans. A fellow Hoosier, Mr. Williams was a high school basketball coach and a former pole vault champion from Dillsboro, Ind., before he was drafted into the military and blinded by a German artillery shell. Upon Mr. Williams' retirement, VA Administrator, Richard Roudebush praised him as "the man who has done more for blind people than any other individual."

While I wish Mr. Williams all the success that may come to a distinguished American upon his retirement, I remain concerned about greater employment of disabled veterans within the Federal Government. The Vietnam Era Veterans Readjustment Assistance Act of 1974 (Public Law 93–508), which I was privileged to author, established new section 2014 requiring affirmative action programs to promote maximum employment and job advancement opportunities within the Federal Government for qualified disabled veterans. We need to look no further than the success story of Mr. Williams to know that, if given a chance, a disabled veteran can perform with the highest distinction for the Government that sent them off to defend the cause of our Nation.

A story about Mr. Williams' life and career was printed in the August 21, 1975 Washington Post. I believe it would be of interest to my colleagues, and ask unanimous consent to have it printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LEADER IN THE FIGHT TO HELP BLIND VETS

(By Bill Peterson)

Russell C. Williams gets mad when he reads an article that says "this person, because of his remarkable guts and abilities, has risen above his handicap."

Russell C. Williams gets mad when someone thinks blind people "can't find their way out of their own bathroom" or that his wife is crazy to let him ride the bus alone from his suburban home to downtown Washington.

Russell C. Williams gets made when someone tells him how wonderful or how awful some president is and that he would agree "if only you could see."

Russell C. Williams can't see. He's totally blind and has been since a piece of shrapnel tore across his face in 1944 when he was an infantry sergeant in France.

But he doesn't think of himself as handicapped. On the contrary, he feels "I have been very fortunate in life."

He believes that it doesn't take some sort of a superman to overcome a handicap. Not only can the average blind person lead a relatively normal life and pursue a career, he says, but "you're a damn fool if you don't."

Williams' life is a case in point. He and his wife Jean, of 9415 Corsica Dr., have raised five active sons. He fishes, repairs bicycles, works as a handyman around home, goes to basketball games, plays a mean game of bridge, and for 16 years commuted daily to downtown Washington.

Even more noteworthy is Williams' professional career. For 27 years, he was chief of Blind Rehabilitation for the Veterans Administration and worked through the bureaucratic system to achieve change in behalf of other blind veterans.

He built up the VA's blind program from a single nine-bed unit with nine workers to a comprehensive nationwide effort with 200 employees, 81 programs and three major blind rehabilitation centers.

"Probably no other individual has contributed as much to the rehabilitation of the nation's 65,000 blinded veterans as has Russ Williams," VA administrator Richard Roudebush said when Williams retired June 30. The citation naming Williams one of the Outstanding Handicapped Federal Employees of 1974 went further: "This exceptional man has done more for the blind people than any other individual."

Williams worked within the VA bureaucracy developing new programs, lobbying for them internally and externally, using his own life as an example that they could work, according to Dr. James Folsom, his former boss. "Russ has a tenacity about him," he says. "He just doesn't give up. He'd grab ahold of an idea he believed in and he wouldn't let go."

Williams was a high school basketball coach, a former pole vaulting champion, back in Dillsboro, Ind., before he was drafted in 1942. He is still erect and athletic-looking at 57, a handsome man with wavy, steel grey hair and a commanding presence.

His sky blue glass eyes are sunken deep in their sockets. A deep, ugly shrapnel scar cuts across his left shoulder. And there are traces of scar tissue on his left cheek and above his right eye.

He vividly remembers the German artillery shell that caused the scars. "I was blind as a bat from the first scratch," he recalls.

He was understandably frightened. He wondered, "How can I tell Mom about this?" he says, puffing at a pipe in his comfortable living room. "The business of blindness scares the hell out of everyone. I knew the blindness was there, but I didn't know what could be done medically.

It was four days before a doctor from a British hospital told him: "Sergeant, there isn't a thing I can do. There's nothing left to work with."

Williams credits the doctor and the atmosphere at a VA hospital in Valley Forge, where he was later transferred, for giving him the right attitude in how to deal with his blindness.

The doctor gave him a cane and typewriter and let Williams know "you're not alone in this," he recalls. The hospital, one of the Army's first successful efforts at rehabilitation for the blind created "an environment of belief that had a profound impact on people who went through there," he says.

His injury initially depressed him, Williams concedes. "But I didn't know how to quit. I couldn't find a window to jump out of."

He decided to make the best out of the situation. He'd always been competitive. "I knew that I could compete favorably in a group," Williams says. "I decided that I could do well at Valley Forge if anyone could."

He learned Braille, how to feed himself, how to use "the long cane," now the most common method for blind people to move about but then a new concept, and regained confidence in himself.

He also met a tall, slender brunette, named Jean Riley, who was working as a Red Cross volunteer with blind veterans. They were married in May 1945. "Blindness was incidental to him as a person," she says. "You overlook it after a while. We had the same interests, the same general view of life."

Williams went to the Old Farms Convalescent Hospital near Hartford, Conn., for further help, then returned to the Valley Forge Hospital to work on its rehabilitation staff. In 1948, he was named chief of the first VA Blind Rehabilitation Center at Hines, Ill. He served there 11 years before being transferred to Washington, where he headed VA efforts in dealing with blind veterans until June 30.

During all this time, his wife declares, "I've never once heard him say, 'I wonder how things would be if it weren't for my eyes.' "

As part of his job, Williams traveled around the country alone, presented testimony to congressional committees and served as an advisor on research and development of electronic devices for the blind.

He speaks bluntly about what blindness does to people and how others react to it.

He says discrimination "is part of the business" of being blind and that many people assume that blind people can't do things. "There is an intellectual discrimination. People assume a lack of judgment," Williams says. He reaches for a glass of ice tea on the floor beside his chair as he speaks.

He recalls being in meetings where colleagues disregarded his views because they felt he lacked perspective or information about the particular issue at hand. He recalls a neighbor butting in when he was attempting to fix a yard swing, because he didn't think Williams could complete the job. "He was interferring with my pleasure and I told him so," he says.

Blind people, however, shouldn't let incidents like these "tie our hands," he adds. With "certain modifications" he feels the average blind person can lead a normal life.

Williams, for example, washes windows, fishes, repairs bikes and travels alone by plane. It takes patience, he concedes. When he fishes alone at his cabin in northern Minnesota, he rows back to the dock using someone's voice yelling to him as a guide. When he commutes by bus, he questions fellow riders, and bus drivers to make sure he takes the right bus home from his bus stop at 16th and K NW.

Some people use their blindness as a crutch. "It isn't long before blind people realize they have a tool they can use" to gain sympathy, Williams says. "Blindness is a powerful thing to throw back at someone."

Williams' philosophy at VA was to set up institutions to bring in blind veterans to build their self confidence and prepare them to deal with life.

He found the VA receptive to many of his ideas. Williams presented "just the right mix at the right time," says former boss Folsom. The VA had a large concentration of blinded veterans. Something had to be done. Their problems had to be dealt with.

"I don't think I could have developed the kind of program he did. He had a feeling for it because he was blinded himself," says Folsom. "He felt the old system that left blind people very dependent wasn't adequate . . . He'd say, 'Don't talk to me about seeing-eye dogs. Let's make people independent."

Williams was his own best salesman, he adds. "It was very important that he was able to say, 'We have a program that works, see what it has done for me.' Everyone admired the guy. When he spoke, people here listened."

The concept, Williams says, "is to bring people out of their home environments which are bound to be laden with disappointment, doubt and dissatisfaction" into a place where they can "sprout wings."

He has stressed that "a guy doesn't have to have unusual guts or ability" to succeed without sight. But to teach "if a guy sits around on his butt waiting for something to happen, it won't."

The idea is to enable the blinded veteran to return to life with reasonable expectations of what they can do and can't do.

Williams' retirement is in keeping with his teaching. He did it for the normal reasons: He was sick and tired of going downtown everyday to the same office to do the same thing. He felt someone with a fresher outlook could do a better job.

He has spent much of the summer fishing in Minnesota. However, this will change after a few months.

"I'm thinking about a new career," he says with a smile. "I don't have any particular career in mind. I'll just wait and see what comes along."

FTC SHOULD ACT TO PERMIT EYEGLASS PRICE ADVERTISING TO LOWER COST TO CONSUMERS

Mr. PERCY. Mr. President, I would like to address a serious problem that affects one out of every two Americans. The matter involves the inflated cost of eyeglasses caused by restrictions now in effect in some 36 States that forbid or prevent optometrists and opticians from advertising the prices they charge for eyeglass lenses and frames.

Inquiry into this area has uncovered evidence which demonstrates that arbitrary State laws or restrictive practices have resulted in consumers paying 25 to 100 percent more for lenses and frames.

In purely human terms, this unneeded surcharge caused by anticompetitive restrictions on price advertising too frequently has forced the indigent, the elderly, and many middle-income Americans to wear outdated and ineffectual glasses, sometimes with scratched or broken lenses. Too many citizens just cannot afford the high prices charged today for lenses and frames.

In light of the growing number of senior citizens in need of corrective lenses, we should hang our heads in shame when we hear that the elderly in Miami, Fla., for example, have been asked to will their eyeglasses to other senior citizens who cannot afford to replace outdated prescription lenses. No one should have to depend on hand-me-downs from the deceased in order to see satisfactorily.

Florida is one of those States that forbids price advertising. I understand that some Floridians purchase their glasses in neighboring Georgia and Alabama where prices are reported to be as much as 25 percent lower, because they can buy them much cheaper, without sacrificing quality. Both Georgia and Alabama permit price advertising.

There is ample documentation outside of Florida indicating that State restrictions on optical price advertising are an inflationary factor in the price of lenses and frames. Compare, for example, the prices charged to consumers in Illinois, Oklahoma, Louisiana, and California, which forbid price advertising, with those in Texas, Mississippi, Arizona, and Missouri, which permit price advertising:

Almost identical frames that cost some $30 in Oklahoma City, Okla., cost as little as $11 across the Red River in Wichita Falls, Tex. An almost identical trifocal lens that costs $54 in Oklahoma City sells for $35 in Wichita Falls.

In Yuma City, Ariz., lenses and frames can be purchased for as low as $16.90 compared with a low price of $22 found in California. An optician in Yuma City, which sits on the State line, says that not uncommonly Californians drive from as far as El Centro, 50 miles away, to take advantage of the savings in Arizona.

Lenses and frames that sell for $32 in Baton Rouge, La., cost $28.90 across the Sabine River in Texas. Trifocals which start at $48 in Baton Rouge sell for $29.90 in Texas.

Prices in Tennessee, a State with very restrictive laws banning price advertising, are as much as 35 percent higher than in neighboring Mississippi.

An officer of a large optical house told my staff that, until quite recently, he charged $6 more in Illinois for the same frames, than in neighboring Missouri. Higher volume, induced by price advertising in Missouri, resulted in lower prices, the executive said.

The pattern of higher prices in States that forbid price advertising is clear. No one really knows how many persons are not receiving satisfactory eye care as a result of the high prices which put such care out of reach for many.

The most recent study on the subject from the Department of Health, Education, and Welfare, completed in 1966, showed that optometric service is failing to reach more than half the population. The study was based on interviews from July 1963 to July 1964—a period of relative prosperity. There is reason to suspect, because of unemployment and high inflation, that still fewer Americans are currently receiving quality eye care.

Mr. President, the optical industry has no particular need for special statewide protections such as price advertising restrictions. It is currently a $3 billion a year business that is expeuted to grow to between $3.9 and $4.4 billion by 1980. Per capita expenditures for eye wear goods are expected to rise accordingly from $13.50 to $18 by 1980.

The average price markup in the industry, both at the manufacturers' and retailers' level, is between 300 and 500 percent, with the highest markups reserved for frames. For instance, a black plastic frame which may cost the retailer $2.50 is regularly sold for up to $18. Wire frames that may cost the retailer $5 are sold for $30 and more.

Optical retailers do not need restrictive laws or practices to virtually guarantee substantial price markups. They should compete on the basis of price as well as quality optical service.

It is time for the Federal Trade Commission to act to annul these State laws and practices. There is a precedent for the Commission to eliminate State restrictions which inflate consumer prices. On June 4, the FTC proposed rules that would lift State price advertising restrictions on prescription drugs. The parallel is clear. But because of what appears to be some unexplained hesitancy, the Commission did not include prescription lenses in the same category as prescription drugs.

It is time now that the Federal Trade Commission acted decisively. At a time of severe inflation and unemployment, our society cannot afford to pay the high prices caused by Government overregulation, whether those regulations begin at the State capital or the Nation's Capital.

Quality eye care at reasonable prices should be a prime health objective of our Nation. When State laws make eye care unreasonably costly, they should be swept aside.

Mr. President, to indicate the reasons underlying my call for prompt action by the FTC, and so that certain evidence compiled on this issue can be examined by all, I ask unanimous consent to have printed in the RECORD the complete text of my letter of September 4, 1975, to FTC Chairman Lewis Engman, as well as the following additional material: excerpts from a monograph by Prof. Lee Benham, of the School of Economics of Washington University in St. Louis, entitled, "The Effect of Advertising on the Price of Eyeglasses,"Journal of Law and Economics, volume XV—October 1972—pages 337–352; excerpts from the report and recommendations of the California Attorney General's Inflation Committee, March 1975, dealing with "Advertising the Price of Eyeglasses"; a statement from the California Citizen Action Group; and several illuminating and well-documented media articles on this subject: two by Nancy D. Davis and Clydene Weathersby appearing in the Baton Rouge State-Times—March 14, 1975; as well as an outstanding five-part series by Ben Blackstock of the Oklahoma Press Association which appeared in more than 125 newspapers throughout Oklahoma in February of this year.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON
GOVERNMENT OPERATIONS,
Washington, D.C., September 4, 1975.

HON. LEWIS A. ENGMAN,
Chairman, Federal Trade Commission,
Washington, D.C.

DEAR MR. CHAIRMAN: In the health care area, hardly anything impacts on quite as many Americans as the need for quality optical care. Over one hundred million citizens—almost half of the population of the United States—wear corrective lenses; and by age 50, four out of five persons wear glasses or contact lenses. The corrective lens and frame business is a $3 billion a year industry and it is growing. Per capita expenditures by users for eye wear equipment, now at $13.50, is expected to rise to $18.00 by 1980.

Quality optical care that is within the financial reach of all Americans should be a prime health objective for the nation. Not only do well-fitted corrective lenses give users a sense of personal well-being and security, but they are an important safety factor on the highway, in the factory, in recreational activities, and at home. Accordingly, we should be searching for ways to make quality optical care more readily available at more reasonable prices. It is my firm belief that arbitrary laws and regulations which prohibit or limit optical price advertising in 36 states have artificially inflated the cost of such care to too many citizens—particularly older citizens on fixed incomes—who cannot afford to purchase the lenses they dearly need.

On June 4, 1975, the Federal Trade Commission proposed new rules that would overturn state laws which prohibit the advertising of prescription drug prices. For some unexplained reason, the Commission did not include prescription lenses in the same category as prescription drugs. I believe that the underlying problem is the same and that, therefore, the FTC action should apply with similar force and effect to price advertising restrictions on lenses. The Commission should act promptly to ban all such price advertising restrictions that are not only costing Americans millions of dollars but are also resulting in less than satisfactory eye care.

According to a scholarly study by a Washington University economist, advertising restrictions have increased prices for retail lenses and frames to the consumer by from 25 to 100 percent. Professor Lee Benham's findings have been supported by research conducted by my staff, documenting substantial price differences between states that prohibit price advertising and neighboring states which allow consumers to know how much they will be paying and to comparison shop.

(These prohibitions apply, incidentally, to an industry which hardly needs government protection. Figures indicate that the average price markup for lenses and frames is 300 to 500 percent *both* at the manufacturers' and retailers' level. For instance, a black plastic frame which costs the retailer $2.50 is regularly sold at prices up to $18. Wire frames that may cost the retailer $5 are sold for up to $30. Ironically, imported frames that command higher prices from the consumer, in many cases actually cost the retailer less than comparable domestic frames.)

Consider the following examples:

The same frame that costs $30 in Oklahoma City costs $11 in Wichita Falls, Texas, where advertising of prices is permitted. The same trifocal lens that costs $54 in Oklahoma City will cost $35 in Wichita Falls. An Oklahoma woman told my staff that her husband recently purchased a pair of glasses and frames in Texas for $39 which were priced at $85 in their hometown.

In Arizona, which permits price advertising, lenses and frames can be purchased as low as $16.90. Across the state line, in California, according to a recent survey taken by the California Citizen Action Group, the lowest price for the same device would be $22, with the average price at $52.43.

The Baton Rouge State-Times reported on March 14, 1975, that a pair of single-vision lenses and frames that sell for $32 in Baton Rouge could be purchased for $18.90 in Texas. Bifocals and frames in Baton Rouge cost $43 to $80 while the price in Texas was $24.90. Louisiana forbids price advertising while Texas permits it.

The average price for lenses and frames is about 25 per cent higher in Florida, which doesn't permit price advertising, than in neighboring Alabama, which allows it. Similarly, the prices in Tennessee are as much as 35 per cent higher than bordering Mississippi. Mississippi allows price advertising, while Tennessee tightly bans it.

Even companies that do business in both anti-advertising and pro-advertising states say they are forced to charge more in the anti-advertising states. An officer of a large optical house told my staff that until quite recently he had to charge $6 more for the same frames in anti-advertising Illinois than in pro-advertising Missouri. Higher volume, induced by price advertising in Missouri, resulted in the lower price, the executive said.

From all indications, in addition to lower prices, lifting the price advertising restrictions can be expected to produce the following significant benefits:

(i) Increased competition in the optical field due to increased volume from lower prices. With the lifting of these arbitrary restrictions, efficient and cost-conscious businessmen could inform the public about their lower prices and attract more customers because of the savings.

(ii) Consumers would have necessary price information to permit them to shop around for the lowest prices for quality merchandise and service. A recent study of New Jersey optical prices showed that identical pairs of lenses and frames sold for $27 in one store and $58 in another. Short of telephoning retailers in a given retail trading zone, consumers are presently denied this valuable information.

(iii) Lower and middle-income Americans could more readily afford to purchase properly prescribed eyeglasses because of the lower costs that would accrue from price advertising. Tragically, many Americans who cannot afford today's high prices are forced to wear glasses with outdated and ineffectual, sometimes scratched or broken lenses.

I am deeply concerned as to whether adequate optical care is being received by millions of American users whose incomes lie just above the welfare line, making them ineligible for government-provided glasses. The human price being paid by the elderly with failing eyesight is too high a toll. A study by the Department of Health, Education, and Welfare showed that optometric service is failing to reach more than half the population. The study was based on interviews which took place in a period of relative prosperity during the mid-60's. How, with high inflation and unemployment, one can only surmise that this situation has worsened.

In addition to dealing with the problem of advertising restrictions, the Commission should direct its economic staff to determine whether maladministration of today's welfare system is resulting in artificially high prices for frames and lenses. In other words, is it possible—or even likely—that an unsupervised welfare support system maintains an unnaturally high floor on prices; and that, as a consequence, optometrists and opticians do not lower their prices to the general public because they might then have to charge state welfare departments less than they are now able to charge and receive in the absence of individual choice and an arms-length transaction? I ask this with full knowledge that two companies appear to control as much as 80% of the lens market.

I believe that we share a common goal to remove government regulations and policies at all levels that artificially keep prices high. Accordingly, I will look forward to receiving a report from you as to how the Commission tends to proceed in these matters at this time.

Sincerely,

CHARLES H. PERCY,
U.S. Senator.

[From the Baton Rouge (La.) State-Times, Mar. 14, 1975]

EYEGLASS BUYERS SAVE IN TEXAS

(By Nancy C. Davis)

HOUSTON.—Cost-conscious customers from Lousiana, Oklahoma, and Arkansas are crossing the state line into Texas for savings of up to 50 per cent or more on eyeglasses and contact lenses.

In Texas, one of the few states which permits advertising for eyewear, the Lee Optical chain is currently offering any combination of frames and prescription single-vision lenses carried in 10 cities, including Houston, for $18.90. Bifocals are $24.90, and trifocals are $29.90. For contact lenses the first pair is $59.50 and the second pair is $20—a total of $79.50 for two pairs.

Prices like these draw customers from as far away as Baton Rouge and Little Rock. "In Beaumont, Orange, and Texarkana about half of our business comes from out-of-state residents. They'll drive 100 or 200 miles to come to us," said Dr. C. T. Shropshire of Dallas, a director of Lee Optical and field supervisor of the firm's retail outlets.

By law, Texas firms cannot advertise optical prices in Louisiana. "We do no newspaper advertising in Lousiana, but we can't prevent broadcast advertising from leaking over the border," said W. Ed Allen of Beaumont who started with the Texas State Optical chain some 20 years ago as advertising manager. Allen said TSO also takes out yellow pages listings in some Louisiana border cities.

But when Allen speaks of TSO advertising, he is not talking about price. A 1969 Texas state law prohibits price advertising for optical dispensing houses which operate in the same office as a prescribing optometrist.

To advertise price in Texas, an optical dispensary must operate separately from an optometrist and must obtain an advertising permit from the State Board of Optometry. Prices must be filed and approved by the board in advance and must be uniform in all markets covered by the advertisement.

A majority of TSO offices employ a resident optometrist who examines eyes and writes prescriptions for an average charge of $10 per visit. Therefore, TSO advertising is limited to such phrases as "reasonable prices" and "credit available," Allen said. No mention is made of actual prices for specific eyewear.

FRAME PRICES

Frames at TSO range from as low as $7 for some plastic styles, up to $60 for more expensive metal designs. One TSO office, however, describes the "average" total cost for examination, lenses, and frames as "around $50."

The same 1969 optical law requires all Texas optometrists to divorce themselves from optical dispensing operations by 1979. Already TSO has some 20 of its 120 Texas offices set up on the "two-door" system, where a TSO dispensary is located next door to an affiliate optometrist. In many cases the optometrist joins in a partnership with TSO. Patients examined by the optometrist walk next door to have prescriptions for eyewear filled, or they can take the prescriptions elsewhere.

All Lee Optical offices operate under the "two-door" system, with independent optometrists leasing the space next door from Dr. Shropshire, not Lee Optical.

Allen, who is now public relations director for TSO, said that since the firm's founding in 1935, it has spread to nearly all Texas markets of reasonable size. "We are now seriously looking at expansion into other states and have already gone into New Mexico. We are definitely looking at the Louisiana market.

"But no matter where we go outside of Texas, I believe we will face legal problems. It's a matter of economics. The people already in business in those states will be watching out for their own bailiwick," Allen said.

EXPANSION FACTOR

He feels that successful expansion into Louisiana would depend on TSO's ability to advertise and relate the new practice to the reputation the firm has established in Texas. And he finds Oklahoma laws particularly rough from an expansion point of view. "In Oklahoma it's against the law for advertising of any type in regards to optometrics. Those people did their homework in making laws to prevent us from coming into the state," Allen said.

Asked about the possibility of mail-order eyewear, officials at both Lee and TSO said they feel it is quite impractical, since both eyeglasses and contact lenses must be fitted to the individual patient.

The question of advertising for optical services generally hinges on an ethics consideration and on the quality of care provided by those who advertise.

Dr. Chester Pheiffer, dean of the College of Optometry at the University of Houston, one of the top 10 schools of optometry in the nation, said, "Good vision care depends on the doctors, just as any other medical care depends on the doctor. Advertising doesn't necessarily modify quality, but it emphasizes materials, rather than care."

Pheiffer feels that the chain optical dispensaries can provide satisfactory prescriptions. However, he stresses the importance of having new prescriptions checked for accuracy. "The doctor should carefully examine the prescription when it comes back to see if it is what he ordered," Pheiffer said. Otherwise poor lab work can give the wearer vague feelings of tiredness or digestive problems, he said.

Advertising hurts professionalism, according to Pheiffer. He feels that materials aren't as important as the services performed by the doctor, and he cites contact lenses as an example. "The cost of materials going into contact lenses are quite cheap, but doctors can cause real problems with contact lenses, if they don't insure proper prescription and fit. Here it is the quality of the doctor's care that is important," he said.

STEP FURTHER

Pheiffer goes one step further. "If you're going to start advertising the cost of materials, then let's do it for all the professions. Dentists can advertise the cost of false teeth, and doctors can advertise the cost of injections or the price of an artificial leg."

However, Allen said, "People are entitled to know what their glasses are going to cost. We don't parallel our operations with medicine. Eyeglasses are not taken internally, and they present no threat to health, if fitted properly."

Instead, Allen feels that the optometrists and opticians working for TSO can provide better quality care, because they spend the entire day specializing in what they do best. The optometrists stick to examining eyes, taking case histories, and prescribing glasses, while the opticians spend their time filling prescriptions.

Shropshire said that the doctors who decry price advertising for optometrics are the same ones who will use **Lee's Dal-Tex Laboratory** to fill their prescriptions at a lower cost. Shropshire said he finds these doctors seldom pass the savings along to the consumer.

In fact, Shropshire said most independent Texas optometrists and opticians are not influenced to lower their prices by competition from the chain dispensaries. Independent offices generally carry prices comparable to those found in states which prohibit advertising, he said.

[From the Baton Rouge (La.) State-Times, Mar. 14, 1975]

EYEWEAR PRICES IN LOUISIANA DEFENDED; QUALITY IS PRAISED

(By Clydene Weathersby)

A pair of prescription single-vision lenses and frames which currently sell for $18.90 in Texas would cost from $32 upward in Baton Rouge.

The Lee Optical chain in Texas currently offers any combination of frames and bifocal lenses for $24.90 and trifocals for $29.90.

Bifocals in Baton Rouge cost from $43 to $80 or more, depending upon the frame, prescription and where they are purchased. Trifocals run from $48 to $100 upward.

Dr. Dalton S. Oliver, an ophthalmologist at the Oliver Eye Clinic here, said he believes quality as well as prices probably would drop if advertising of eyewear were allowed in Louisiana.

Large chains such as Lee Optical (found in 14 states) stress goods over service, he said. "Everybody wants to be exceptional and get exceptional care," he said, but the chain opticals aren't able to offer it.

MINIMUM SERVICE

A local optometrist who asked not to be identified said the opticians who dispense glasses for the large chains "are badgered to render a minimum amount of service. This is why it's bad for the public.

"If I had to pay for advertising I'd have to do the same thing—render a minimum amount of service. And I'd have to get out of the business," he said.

A local certified optician who also asked not to be identified said, "I just don't believe they can sell glasses and frames as cheaply as they say they can unless they use a cheap frame." An optician is a person who makes or dispenses glasses.

"You get what you pay for," he said. "It's bound to affect the quality of work." Such chains might use a lower quality lens as well as frames, he said, "and some prescriptions make a heck of a lot of difference how they're fitted."

Dr. Lee Benham, now at Washington University in St. Louis, did an extensive study entitled "The Effect of Advertising on the Price of Eyeglasses" which was published in 1972 in The Journal of Law and Economics.

Benham surveyed about 1,500 persons on the eyewear price question. The first sampling was done in 1963, with updating in 1970.

Benham also sampled prices of 19 opticians, optometrists and commercial firms in July 1971.

Benham concluded people who purchase glasses in states which restrict advertising pay from 25 to 100 per cent more than those in states which permit price advertising.

ARGUMENT IS 'HOGWASH'

"The argument by some ophthalmologists and optometrists that those who perform low-priced work generally do so at the sacrifice of quality is hogwash," Benham writes. "The eyeglasses which are produced in Texas are just as good as those produced, say, in Oregon.

"In many cases the same laboratories do work for those optometrists who advertise and those who don't."

Lee Optical currently offers hard contact lenses for $59.50 a pair. Dr. C. T. Shropshire of Dallas, a Lee Optical director and field supervisor of the firm's retail outlets, said this price does not include one's initial visit to an ophthalmologist or optometrist for the prescription, which usually runs from $20 to $30.

Ophthalmologists and optometrists in Baton Rouge charge from $150 to $250 for a pair of hard contacts. The fee includes the initial visit, instructions on insertion, supply kits, all followup visits, and, in some cases, insurance.

Dr. Shropshire said the Lee Optical price also includes instructions on how to insert the lenses and all follow-up visits.

However, he said if a change is needed in the prescription or fit during the adjustment period, the buyer must return to his doctor before Lee Optical's optician can make the change. Whether he is charged for subsequent visits and how much is up to his doctor.

CONTACT LENSES COST

Dr. Oliver said less than a dollar's worth of plastic is used in manufacturing a pair of contacts, but their fabrication and quality control greatly add to the cost. Also, much of the cost of the lenses is the professional services rendered by the doctor, which will probably include three or more follow-up visits.

Most ophthalmologists and optometrists in Baton Rouge have optical dispensaries located either within the same building or next door.

Capitol Optical Co. is located within the Oliver Eye Clinic building. Dr. Oliver said it is organized as a separate corporation from the clinic and said he receives only "minimal profits."

He said one reason for locating the optical dispensary within the clinic is patient convenience, particularly in difficult cases such as fitting glasses on a person with cataracts. It is also easier for clinic doctors to change a prescription and replace a lens if the patient would prefer a stronger or weaker corrected vision, he said.

"As an argument of interest," Dr. Oliver said, "if an individual decides to be his own eye doctor and suffers from a reading deficiency, he can pick out a pair of glasses from a 10 cent store for $3. Mind you though it would be of terrible quality."

"Any glasses can do no permanent harm," he said, "and there is only a very minimal danger in contacts. People in Texas take great refuge in that."

"The damage is in the existing pathology that is overlooked" in the eye exam, he said, such as "early glaucoma which is not seen until the patient has lost a great deal of vision," and that his corrected vision may be more distorted than necessary.

MEDICAL DOCTOR

Only an ophthalmologist, who is a medical doctor, is allowed by state law to use medical drops which allow glaucoma to be spotted in a routine eye examination. An optometrist may prescribe correctional lenses, but not prescription drugs, and he may not perform surgery.

One reason a major optical dispensing chain such as Lee Optical is able to offer lower prices is because of its high volume of business.

Dr. Shropshire said Lee Optical laboratories manufacture all its lens, frames and contact lenses. He said Lee Optical also sells its optical products to independent ophthalmologists, optometrists and retail outlets.

The local optician interviewed said several persons have told him recently they would buy their next pair of glasses in Texas because of the lower prices offered.

"And guess who will fix them and adjust them and who they'll complain to when they can't see out of them," he said. "I'm not complaining, but don't come throw price in my face."

[From the Oklahoma Press Association, February 1975]

Why Do Eyeglasses Cost More in Oklahoma?

PART ONE

(By Ben Blackstock)

If you wear eyeglasses and you bought them in Oklahoma you paid from 25% to 100% more ($10 to $50 on the average) than you would have paid in Texas.

Oklahoma is one of 36 states which prohibits the advertising of eyeglass prices. And, in Oklahoma, eyeglasses and contact lens can't be advertised at all.

The result is that Sooners paid an extra million dollars or more each year for eyeglasses the past 21 years.

It was in 1953 that the state legislature passed a law making it illegal to advertise eyeglasses. The argument was such a law would protect the eyes and health of the public. Advertising had to be stopped, it was argued, because some unscrupulous opticians and optometrists lied in their advertising.

Since false and misleading advertising is against the law, why did the 1953 legislature pass a law which has cost state citizens an estimated million dollars each year?

The real reason was to strangle competition.

Free enterprise is often short-circuited in the name of protecting the health of the public. An example are Oklahoma laws which give barbers and dry cleaners authority to get together in each county and set prices. Both those groups convinced legislatures of 30 years ago that price fixing and no advertising was needed to protect the public health.

The 1953 eyeglass advertising law was pushed by most state optometrists. They were sore about discount eyeglass firms from Texas setting up stores in Oklahoma. Raking up political funds from Oklahoma City and Tulsa optometrists they decided to tackle the competition. The place to do it was in the legislature. They hired influential lawyers who were either legislators, or former legislators, or who could "get things done."

In the closing days of that 1953 legislature, Oklahoma optometrists got a law which was a joy to eyeglass doctors all across the nation. Next, they wangled an opinion of the then attorney general, holding that their new law was consistent with Oklahoma's constitution. Pro advertising advocates didn't even know what was going on because attorney general opinions get little to no public notice.

The opinion was challenged in the courts. It ended up with the U.S. Supreme Court agreeing that each state had authority to protect the health of every citizen.

That was the green light.

Oklahoma's no advertising law for eyeglasses lit up optometrists in state after state. Today, 36 states have such restrictions. Only 14 state legislatures have held fast for the consumers. Among them are Texas, Iowa, Utah, Colorado, Minnesota and nine others.

Do those who wear eyeglasses in the 36 high price states see any better? Has advertising impaired the vision of residents of the 14 competitive states? Is their health worse for the fact that their citizens may shop with eyeglass advertising?

In the next article we will show that Oklahoma's eyeglass frame-up is almost a perfect conspiracy to rip off the public.

[From the Oklahoma Press Association, Feb. 1975]

Why Do Eyeglasses Cost More in Oklahoma?

PART TWO

(By Ben Blackstock)

Businessmen yell the loudest about government meddling with the free enterprise system. Yet, organized groups of these same champions of "the American system" band together to kill competition.

The eyeglass business in Oklahoma is a classic example.

Optometrists go to school to learn how to test some defects in vision. They also learn how to run an eyeglass store. They have limited training in diagnosing and treating eye disorders, such as glaucoma and many others which eyeglasses won't cure. A few optometrists fake it but the better ones know when to send a patient to a specialist.

An ophthalmologist is a medical doctor who has gone through all the six or seven years it takes to be licensed as an M.D. He has gone on in training to be a specialist in eye problems. Usually, an ophthalmologist is a sort of generalist on eye problems. Some do eye surgery for cataracts, treat glaucoma and the like. Others go on to gain the ability to deal with the more rare eye difficulties.

"You can look, deep, into a person's eyes and see all sorts of hints of other physical or even mental problems. I have to recognize if it's more than an eyesight problem. Most times it's relatively simple. Sometimes it's not. Usually, I can do something to help. Once in a while I can't. I have to know the difference."

So spoke an Oklahoma M.D. ophthalmologist.

Yet, only an estimated 35% of the public have their eyes checked by an ophthalmologist.

Another term you need to understand is optician.

An optician fills prescriptions for eyeglasses and contact lenses. He or she may not check eyesight. They are trained to grind glass, or plastic, to specific tolerances. Opticians deal in prescription numbers designating what kind of lens to prepare. If it's a single lens, it is relatively simple. If it's bifocals, a little more complicated. Tri-focals, even more so.

Contact lens orders are also filled by the optician. But he has to have extra training to be able to do that. Contact lens are usually "cosmetic," for appearance. A few are to correct defects of the cornea, a peculiar shape of the eye. In all cases an optician grinds, or otherwise prepares, the correction.

Today in Oklahoma, after 22 years of no eyeglass advertising, an optician fills eye prescriptions only for ophthalmologists.

Almost always.

An optometrist orders his own prescription from a supply house. So does an optician.

To understand why Oklahomans pay so much more for eyeglasses we have to understand what each skill and specialty can do.

Next, we will look at how optometrists have entered into a restraint of trade to guarantee fat profits for themselves and to drive opticians out of business.

[From the Oklahoma Press Association, February, 1975]

Why Do Eyeglasses Cost More in Oklahoma?

PART THREE

(By Ben Blackstock)

Back in 1947, Oklahoma optometrists got together and decided to regulate their new profession. They got the legislature to set up an official board to license optometrists. About the same time they formed a trade association.

The object of both the licensing agency and the association was to improve the health of eye care in Oklahoma.

Today optometrists run both operations out of the same office. Both the licensing board and the association have the same phone number.

They have accomplished their goals. They have controlled and killed all competition in the eyeglass business. They have stopped all advertising. They have increased their profits beyond their wildest dreams.

The public has been the loser.

The public has not gotten better eyesight.

First, the twin collusion stopped advertising.

Next, a bit at a time, they whittled down the opticians to a blathering confusion.

How did the optometrists do it?

After the advertising price ban, optometrists made it unlawful for an optician to have a lensometer in his shop. A lensometer is a sort of microscope which can detect the prescription of a broken eyeglass. Needed by opticians, it is the test of what an eyeglass is, or whether a lens grinder specialist has the correct prescription.

Lensometers may be used only by optometrists, ophthalmologists, laboratory opticians—but never by dispensing opticians.

Not content with these competition controlling laws, the optometrists moved into tax advantages. Buy them from an optician and you pay sales tax.

Optometrists have tried to get the state legislature to forbid an optician from fitting eyeglasses. They want either an optometrist to bend the frames to fit your face and ears, or take them back to the prescription-writing opthalmologists to bend them.

So far, optometrists haven't succeeded in that.

Optometrists are most often good guys. They have been carried away with controlling their competition. Some few ophthalmologists (M.D.s) have resorted to owning a share in an optician (eyeglass prescription filling) store. Some directly, some through the use of their wife's name; some through owning the building and charging a percentage rent on gross business.

Twenty years ago some ophthalmologists and most optometrists got a kickback from the optical supplier to whom they sent their business.

Today most ophthalmologists stick to practicing their profession. They let the patient get the prescription filled where they choose.

Optometrists?

They own the control. They fill 65% of the eyeglass needs of Oklahomans. Give them a little time and there won't be any opticians. If your ophthalmologist gives you an eyeglass prescription, you will have to take it to an optometrist to fill it.

Next, a study on the cost of eyeglasses in all states.

[From the Oklahoma Press Association, February 1975]

Why Do Eyeglasses Cost More in Oklahoma?

PART FOUR

(By Ben Blackstock)

Dr. Lee Benham is a Ph.D. at Washington University, St. Louis. He teaches economics there and in the Washington University Medical School. For several years, Benham has studied the cost of eyeglasses in all states.

As an economist, Benham is no automatic fan of advertising. Yet, he has written in professional journals, such as The Journal of Law and Economics (Chicago Univ.), the prices people pay for eyeglasses depends on advertising. Benham has even developed a formula to determine the price you will pay for eyeglasses:

$$C_f = C_g + C_k + C_t$$

Translated, Benham's formula means the cost you pay for eyeglasses equals the actual cost of the glasses, plus the fee (skill) of the prescriber, plus the price the sales outlet charges and, very important, your knowledge of where to buy them.

"That's where advertising comes in," Benham says. "If the customer doesn't have the benefit of advertising, his choice of where to buy his glasses is severely limited . . . if not non-existent."

Benham checked the price of eyeglasses at optometrists, opticians and commercial firms in several states. He concluded where advertising is permitted by state law, advertising was the equalizer. People pay less in states where eyeglass advertising is permitted.

Only in 14 states does the consumer get a fair shake. Benham identified these states as Arizona, Utah, Colorado, Texas, Kansas, Nebraska, Minnesota, Iowa, Missouri, Indiana, Michigan, Georgia, Alabama and Maryland.

"The restriction of eyeglass price advertising," claims Dr. Benham, "which prevents people from locating low-priced sellers more readily, is clearly a restraint of trade which results in higher prices for consumers.

"Eyeglasses which are produced in Texas are just as good as those which are produced in Oklahoma. In many cases the same laboratories do work for those optometrists who advertise and those who don't," the economist emphasized.

What can you do about the eyeglass rip off?

Well, you can go to Texas to get your glasses and have your trip expense and weekend paid for from what you save. You can even order your next glasses by mail. But your optometrist will charge you an extra $15 or $20 to give you a prescription. If you have your eyes checked by an ophthalmologist you are ahead. You can take your prescription anywhere to be filled. You can shop around . . . even in Texas.

But if you want to stop this eyeglass rip off in Oklahoma, you will have to insist to your state representative and to your state senator that they repeal the eyeglass advertising law in Oklahoma.

Next, an Oklahoma optician tells how optometrists have almost put him out of business.

[From Oklahoma Press Association, Feb. 1975]

WHY DO EYEGLASSES COST MORE IN OKLAHOMA?

PART FIVE

(By Ben Blackstock)

If you set out to find a typical middle age businessman, Doug Matthews of Oklahoma City, would easily fill the bill.

Married, the father of two children, Matthews has been a practicing optician 23 years He is considered exceptionally skilled.

His shop, by name of Texas Opticians, is located at 7505 N. May Ave., Oklahoma City. He can't be found in the yellow pages. The optometric association has seen to that.

Matthews has a nagging problem. It now threatens the future of his business and his livelihood. Thanks to clever, greedy lobbying, Matthews is prevented from advertising his goods or skills as an optician.

Oklahoma is one of 36 states which prohibit advertising of eyeglasses.

That's a pity, too, because by rough averages, Doug Matthews could save you about $25 per pair of glasses.

The bearded optician is content to make a modest profit. Routed out of downtown Oklahoma City by urban renewal, Matthews relocated. He has had it bad ever since. He ran a small ad in the yellow pages only to be threatened by the optometrist's lawyer. Today, in the Oklahoma City phone book you will find Matthews' Texas Opticians only in the white pages.

"I'm totally dependent upon the public," Matthews said. "I'm proud of my work and I'm quick to point out that doctors have a right not to advertise if they don't want to. But I think it costs the public when the legislature forbids advertising by opticians."

Matthews points out he could drop his prices even further—even as much as 20%—if he had more volume.

"And I'd still make a fair profit and a good living," he said. "I'm a businessman, not a doctor. I am to the eye doctor what a pharmacist is to a medical doctor. I fill prescriptions. I am a retail merchant. The optometrists and the legislature have screwed up the law.

"If I could advertise as they do in free enterprise states, at least the consumer would know that even if he was overcharged for a prescription only as much as $10, I could probably save him $15. That's a lot of money these days.

"Only the state legislature can correct what their forefathers did 22 years ago. They ought to step in and repeal the law which keeps eyeglasses from being advertised. It won't do any good unless we can advertise prices."

We end this series on the eyeglasses rip off by repeating, once again, that if you want a fair shake, write your legislator to change the law to permit eyeglass advertising. Competition is what keeps prices within grasp. It's what it's all about.

REPORT ON THE CALIFORNIA GENERAL'S COMMITTEE ON INFLATION

INTRODUCTION

One of the most significant problems relating to consumers is that of inflation. As the result of inflationary forces in the economy, consumers on fixed income find themselves less able to satisfy their needs in the marketplace. The problems connected with a recession are exacerbated by inflation.

On October 16, 1974, Attorney General Younger announced a new program designed to discover whether various practices now existing in the marketplace are causing higher prices to be paid than should be paid in a free competitive system and to discover whether these practices, if they exist, might be changed by action of the Attorney General and whether the laws of this state might be changed so as to cause a reduction in prices paid by consumers.

The investigation was to concentrate on the present laws affecting prescription drugs, eyeglasses, hearing aids, milk and dairy products and retail price maintenance agreements (normally referred to as fair trade agreements).

An investigative team was appointed on November 19, 1974, and 13 days of public hearings were held, 6 days in San Francisco from December 9 through December 17 and 7 days in Los Angeles from January 6 through January 14.

The committee originally consisted of seven Deputy Attorneys General. Herschel Elkins, head of the Consumer Protection Unit, was chairman. The other members were John Porter, lead attorney in the Consumer Protection Unit in San Francisco; Stephen Porter, who has had extensive experience representing the Department of Alcoholic Beverage Control and enforcing the liquor laws; Al Korobkin, who has had extensive experience representing the Board of Pharmacy, the Optometry Board and the Board of Medical Examiners; Walter Wunderlich, who has for a number of years represented the Director of Food and Agriculture, particularly in regard to the enforcement of the milk laws; Peter Shack, an anti-trust attorney who has investigated collusive prices in several industries, and Michael Spiegel, lead attorney in the Anti-trust Unit in San Francisco. . . .

The committee heard over 100 witnesses, received over 150 exhibits, examined the present laws and regulations concerning the subject discussed, contacted officials in other states and federal agencies, read case materials and articles concerning the subject matter, and examined testimony before a State Senate Committee.

The committee examined California's laws relating to sale of prescription eyeglasses and contact lenses. A majority of the committee recommends repeal of the laws prohibiting price advertising of prescription glasses and lenses, but only if additional quality protections are provided. Those protections are spelled out in the accompanying eyeglass report. . . .

It is the belief of the majority of the committee that implementation of these recommendations will reduce prices paid by consumers for needed products and services. A majority of consumers eventually need eyeglasses and contact lenses and these needs increase with age. The elderly have the greatest need for these products and the least resources to obtain them. . . .

The recommendataions of the committee to urge changes in present legislation were based upon the opinion of the committee that such changes would benefit the public by producing lower prices, preventing economic waste or providing better consumer protection. They were not, in any manner, based upon opinions that present laws were unconstitutional as written or as applied nor that present laws were in any way invalid.

ADVERTISING THE PRICE OF EYEGLASSES—MAJORITY REPORT

INTRODUCTION

It is the opinion of the majority of this committee that the California statutes currently prohibiting price and discount advertising of eyeglasses should be repealed, but only if certain amendments and additions to current California law are made. These necessary amendments and additions are set forth below. It is our belief that media advertising of eyeglass prices will foster greater competition among those who sell eyeglasses and that lower prices for eyeglasses will be the probable result.

Most eyeglasses in California are sold by optometrists and registered dispensing opticians. Optometrists are authorized to determine the powers or range of human vision and to prescribe lenses to correct visual deficiencies. In addition, optometrists are authorized to furnish or dispense eyeglasses and contact lenses pursuant to prescription. Optometrists are allowed to advertise. Section 3129 of the Business and Profession Code, however, prohibits the optometrist from advertising the price at which he will dispense eyeglasses;

"It is unlawful to advertise at a stipulated price, or any variation of such a price, or as being free, any of the following:

"The examination or treatment of the eyes; the furnishing of optometrical services; or the furnishing of a lens, lenses, glasses, or the frames or fittings thereof.

"The provisions of this section do not apply to the advertising of goggles, sun glasses, colored glasses or occupational eye-protective devices, provided the same are so made as not to have refractive values."

Registered dispensing opticians dispense eyeglasses pursuant to the prescription of physicians and surgeons specializing in the practice of ophthalmology. They also fill prescriptions of optometrists. Dispensing opticians are allowed to advertise. Section 2556 prohibits a registered dispensing optician from advertising his prices:

"It is unlawful to do any of the following: To advertise at a stipulated price or any variation of such a price or as being free, the furnishing of a lens, lenses, glasses or the frames and fittings thereof. . . ."

Sections 651 and 651.2 prohibit optometrists and registered dispensing opticians from offering to sell any commodity or render any service under the representation that the price or fee is at a discount, or that the commodity or service is free or without cost. Section 651.3 prohibits any person, whether or not licensed under the Business and Professions Code, from advertising or permitting to be advertised any representations referring to the cost, price, charge, or fee to be paid for any commodity furnished or service performed by any person licensed as a physician and surgeon, optometrist, or registered dispensing optician.

It is the pertinent provisions of the above mentioned sections which must be repealed in order to allow advertising of the price of eyeglasses.

ARGUMENTS FOR REPEAL

The basic arguments for repeal of price advertising restrictions as presented at the hearings and in the available literature are:

(1) If price is not advertised, competition is more difficult and glasses become more expensive;

(2) The prices now paid for glasses do not necessarily relate to their quality;

(3) Glasses sold in states which allow price advertising cost less than glasses sold in states which do not allow advertising;

(4) Present prices prevent many people from obtaining glasses. It seems unreasonable to allow advertising of everything but what is most significant to a consumer, price.

ARGUMENTS AGAINST REPEAL

The basic arguments for continuation of price advertising restrictions are:

(1) Price advertising will bring to California volume sellers who will cut quality and not give accurate prescriptions;

(2) Price advertising will encourage "quickie" examinations which will not uncover medical problems and which will not result in accurate prescriptions;

(3) If glasses are advertised at a price, this will result in disguised advertising of professional services;

(4) California laboratories provide better service and quality than out-of-state discount laboratories. Because Medi-Cal pays less than a paying patient, many optometrists and opticians use out-of-state labs for Medi-Cal patients and California labs for paying patients. If advertising drives prices down, quality will have to be cut for paying patients too, and California labs will go out of business;

(5) Glasses are part of a professional service and should not be price advertised. Patients cannot judge quality;

(6) Price advertising will be deceptive;

(7) The study most often quoted (Professor Benham) compared prices of unregulated states with those allowing no advertising at all. He found very little difference between states allowing advertising of price and states allowing advertising but not allowing price advertising.

ANALYSIS OF ARGUMENTS

Approximately 10 million Californians wear corrective lenses. This includes more than 85% of those over the age of 45. The studies that have been made indicate that California pays more for lenses and frames than those in states that allow price advertising such as Texas, Michigan, Maryland and Minesota. Price estimates obtained by the United States Bureau of Labor Statistics in various cities indicates higher prices where no advertising is allowed. These studies were based on detailed specifications and appear to compare virtually identical products. If quality can be controlled, and we propose methods for such control, advertising should create consumer awareness of price ranges and should cause a lowering of price. We are not proposing advertising of professional services.

The concern for proper fitting is proper but it should be noted that stores can now advertise prices for non-prescription eyeglasses and stores can, and sometimes do, display glasses for choice by the consumer without professional help. It thus seems reasonable to allow price advertising when professional help is required, when an optometrist or ophthamologist prescribes the lens.

If price advertising demeans the profession, why is advertising now allowed? Perhaps price advertising would appeal to the same consumer as advertising now does and, at least, the consumer would have a meaningful guide. Under present law, an inexperienced, uneducated, 16 year old clerk can and often does handle almost all the aspects of the sale at some dispensing opticians. That is less professional than price advertising with the controls suggested by this committee. Of course many will choose the non-advertising optician or optometrist. Factors other than price enter a consumer's consciousness. However, price of a product is important and should not be hidden from the consumer.

The change in California law would not be novel. Approximately one-fourth of our states allow price advertising. These include large states such as Michigan, Missouri, Texas, Georgia, and Indiana.

Some of the arguments of those who oppose price advertising are valid and the committee felt that price advertising should not be allowed without controls. We have suggested controls which, we believe, answer those arguments.

The remaining arguments, we believe not to be valid. They are the standard arguments used to justify high price: (1) Price sacrifices quality—when price is advertised, competition must cut corners; (2) Price advertising tends to be deceptive and stresses loss leaders and bait and switch; (3) The product or the profession will be damaged.

As to quality, consumers make that judgment constantly. Not everyone shops for the lowest cost. However, advertising does make the consumer price conscious and causes a drop in prices even by those who do not advertise. Price is not assurance of quality now. As long as there is a minimum standard, the public is protected. Price competition is the byword for a free enterprise economy.

As to deception, some advertising may well be improper just as some practices in the eyeglass dispensing field are now improper. Advertising should not be condemned because it may be abused. Present laws make those abuses illegal.

It is argued that price advertisement is demeaning. We are not recommending price advertising of services. At the present time, untrained teenagers can do almost all the work of dispensing glasses. Non-prescription glasses can be price advertised and sold with no professional help. Non-price advertising can pull in customers for the hard sell. The controls we have suggested, with price advertising, can provide better protection to the consumer with lower prices. This committee recommends repeal of price advertising restriction only if additional safeguards are established in the law to protect the health of the consumer. These changes and additions are as follows:

STANDARDS

1. At the present time California law does not provide minimum standards for the quality of ophthalmic or contact lenses. Without such standards, price advertising could easily result in unscrupulous practitioners advertising low prices for substandard and defective lenses. Since the consumer has no way of determining the quality of the spectacle lenses or contact lenses which he purchases, California law must establish minimum standards. Evidence presented at this committee's hearings indicated that the "Z 80" standards for ophthalmic and contact lenses established by the American National Standards Institute, Inc., of New York, are widely accepted by the eyeglass industry in this country as basic minimum quality standards. We also note that it may be necessary to license and regulate manufacturers, wholesalers and laboratories dealing with ophthalmic materials in order to effectively enforce any statutes providing for minimum quality standards.

VERIFICATION

2. The statutes governing optometrists and registered dispensing opticians should expressly require those licensees to verify the accuracy of all prescription lenses before delivery to the patient. This committee heard evidence that at least one optician, when faced with higher volume and an increasing number of glasses being returned to the laboratory as not meeting the prescription, was "instructed" to dispense eyeglasses without verification. The glasses were to be checked for accuracy only if the patient later complained about the glasses.

There was testimony that a patient replacing a lost or broken lens without change of prescription would probably recognize most errors. However, if a patient has not worn glasses before or has a new prescription, he may not be able to tell whether the new lens is correct. He could suffer headaches, distortion or have other side-effects without realizing that his prescription was incorrectly filled. Even the best laboratories make mistakes. Error of 7% of the prescriptions is not considered high. Some currently operating laboratories' error is more than 1/3 of the prescriptions filled and in tests in New York and in New Jersey, even a larger number of inaccuracies were noted. If advertising generates volume and if untrained personnel are fitting glasses and the prescriptions are not being verified, the potential harm may be substantially increased. Expressly requiring verification of a prescription before delivery of the eyeglasses to the patient will reduce the likelihood of such conduct. There was testimony that there now sometimes occurs substitution of less expensive tints or less expensive power of bifocals or trifocals. Verification should include these items.

QUALIFICATIONS

3. Chapter 5.5 of the Business and Professions Code, dealing with registered dispensing opticians, should be amended to provide for the licensing of the individuals who will be furnishing, fitting and adjusting spectacles and contact lenses. At the present time it is only the person or company owning the business which is licensed, while the person or persons who will actually dispense and fit and adjust prescription lenses are not licensed. It is the opinion of this committee that any person who is going to verify the prescription for ophthalmic or contact lenses, take facial measurements, and fit and adjust such lenses must be licensed by the appropriate state agency in order to protect the health and welfare of the consumer.

The only person required to have any qualifications of any kind in connection with the office of a registered dispensing optician is "the person or persons who will have charge or manage applicant's general dispensing operations." Section 2552(a). There are no educational requirements in order to serve as the "qualified manager" of a registered dispensing optician. In order to obtain a license as a registered dispensing optician, one need only submit to the Board of Medical Examiners sworn affidavits from three ophthalmologists certifying that the proposed "qualified manager" has five years of experience in fitting and adjusting prescription lenses. Section 2552(a) and section 2552(b). The statute does not require the qualified manager to be present during all of the hours of operation and does not require him to directly observe or supervise nonqualified employees who fit and adjust prescription lenses.

In summary, the existing statute governing registered dispensing opticians permits employees with no experience or education whatsoever to fill eyeglass prescriptions, take facial measurements, and fit and adjust prescription lenses, including contact lenses. We do not believe the statute's vague reference to a manager who must have five years of experience in fitting and adjusting prescription lenses comes even close to affording adequate protection to the consumer. The danger to the human eye which might result by the use of untrained personnel in order to make a profit in a low-price high-volume dispensing optician is patently clear. A total review of the statutes and upgrading of the requirements for licensure is mandatory.

SEPARATION OF OPTOMETRISTS AND OPTICIANS

Evidence received at this committee's hearings indicates the need to strengthen the statutes intended to guarantee the total separation and independence between registered dispensing opticians and optometrists. Section 2556 currently prohibits a registered dispensing optician from directly or indirectly employing or maintaining an optometrist on or near the premises used for optical dispensing. Section 655 prohibits any proprietary interest or landlord-tenant relation-registered dispensing opticians and optometrists, but only if there are referrals between registered dispensing opticians and optometrists, but only if there are referrals between the optician and the optometrist. It is the opinion of this committee that the potential harm to the consumer inherent in any such relationship between optician and optometrists is so great that proof of any specific referral should not be a requisite to the prohibition of such relationships. Elimination of the "referral" requirement of section 655(a) will strengthen the statute immensely. Endless litigation over the existence of a referral operation will be avoided, and the situation whereby an optician and a captive optometrist have a financial interest in the optometrist issuing a prescription which will be filled by his landlord-optician will be expressly prohibited.

FINANCING

5. This committee recognizes that allowing price advertising of eyeglasses could result in false or misleading advertising by some persons. It could also result in some licensees, either optometrists or registered dispensing opticians, engaging in unprofessional practices in order to maintain profits while lowering prices in order to meet competition. Indeed, problems of unprofessional conduct and misrepresentation now exist in regard to some licensees. Because the public health is directly involved, it is absolutely imperative that enough money be available to enforce the statutes which protect the public from unlawful activities on the part of optometrists and dispensing opticians. Provisions should be established whereby the Board of Optometry and the Board of Medical Examiners could use money from the general fund, if necessary, in order to enforce the statutes protecting the health of the consumer, or that a special emergency fund be made available for necessary investigations and preventions.

Minority Report on Advertising the Price of Eyeglasses

We disagree with the opinion of the majority of this committee that the statutes which prohibit advertising the price of eyeglasses should be repealed. To the contrary, we believe that media advertising of the price of eyeglasses is not in the best interests of the consumer because it will result in the deterioration of the quality of eye care received by the California consumer. Promoting the sale of eyeglasses in the same manner that one would promote the sale of a bar of soap is, in our opinion, potentially too dangerous to the eyesight of the public, especially when there is no competent evidence that media price advertising will result in lower prices for eyeglasses.

Before elaborating on our position, we wish to indicate our full support for the suggested changes and additions to the current statutory provisions governing optometrists and registered dispensing opticians, which are enumerated as items 1 through 5 in the majority report. We believe, as does the majority, that said changes and additions are urgently needed at the present time in order to protect the health of the consumer—whether or not advertising the price of eyeglasses is permitted. The majority, however, would also allow price advertising if these changes and additions are made. We would not.

It is our opinion that optometrists and registered dispensing opticians should be allowed to post their prices in their offices, so that the public may be fully advised in advance of the prices available at a particular location. We oppose, however, the concept of individuals who provide health care services "selling" their services in the newspapers, radio and television in the same manner that automobile dealers sell their product—by advertising their prices.

This state has a long history of prohibiting the commercialization of the eye care profession. *Rich* v. *State Board of Optometry*, 235 Cal. App. 2d 591, 602 (1965); *Pennington* v. *Bonelli*, 15 Cal. App. 2d 315, 319 (1936). Without this protection the consumer becomes easy prey for the unscrupulous practitioner who is a great salesman but a terrible optometrist or registered dispensing optician.

If price advertising is permitted, many optometrists and registered dispensing opticians will be forced to provide lower quality materials and lower quality services in order to meet low prices advertised by the marginal practitioner. The advertising commercialist, in order to make a profit on his "low prices," will necessarily depend on inferior materials and a high volume operation. Bait and switch sales techniques will undoubtedly go hand in hand with media price advertising in many instances, just as it does today in the traditional retail sales market. High pressure sales techniques will be increased as "competition" through price advertising increases. We feel strongly that such activities will be the natural result from media price advertising of eyeglasses, to the detriment of the health of the public.

Eyeglasses are not an isolated commodity. They are furnished in conjunction with a service performed by the licensed optometrist or registered dispensing optician. Optometrists examine the human eye for visual acuity, and assist patients in their performance of ocular exercises, visual training and orthoptics. Registered dispensing opticians take facial measurements and fit and adjust eyeglasses. It is impossible to separate these services from the "commodity" for which a price is advertised. We believe that the quality of these services will be reduced if price advertising is allowed, perhaps approaching the quality of the services being provided by the person advertising the lowest price. The consumer, who does not know that the amount of time and effort spent on such services, by the licensee may seriously affect his eyesight, will naturally be attracted by the lowest price. We think it is contrary to the public interest to put this chain of events in motion, just as it would be to allow a physician to advertise the price of surgical procedures.

For example, eye examinations may be performed in a careful and thorough manner, or they may be performed in the shortest time possible in order to meet a high volume of patients responding to an imaginative price advertisement appearing in the newspaper. Eyeglasses and contact lenses may be applied to the face quickly if the main concern is to "move the patient out." The cost may go down, but the service may be inadequate, careless and unprofessional as a result. Is placing this kind of pressure upon optometrists and registered dispensing opticians, in the name of competition and possible lowest prices, in the best interest of the consumer who is uneducated in the eye care field? We think not. We believe that the statutes prohibiting price advertising of eyeglasses protect the health of the public far more than they stifle competition or protect any vested interests. It is our opinion that health is far too valuable an asset to be placed in the hands of the commercial specialist, with the inevitable deterioration in the quality of health care.

We also wish to point out that no competent evidence was received at this committee's hearing establishing that price advertising would actually result in lower prices. The only authority cited for the proposition that price advertising of eyeglasses leads to lower eyeglass prices was an article by Lee Benham appearing in 15 Journal of Law and Economics 337 (1972). We believe the members of the committee signing the majority report agree with our position that the Benham article does not stand for that proposition with regard to states like California which allow nonprice advertising. In fact, at page 349 of his article Benham concludes that nonprice advertising is a close substitute for price advertising and that his research suggests prices are only "slightly higher" in states such as California compared with states where price advertising is allowed. It should be further noted that Benham himself admits at page 344, footnote 13, that his study does not take into account many variables, including the "unmeasured variation in type and *quality* of eyeglasses purchased." (Emphasis added.)

With no guarantee of lower eyeglass prices, and with the almost certain lowering of the quality of services accompanying the lowering of prices, we recommend that the prohibition against advertising the price of eyeglasses remain, with the exception that the posting of prices of eyeglasses in a licensee's office be allowed. We conclude by quoting from the case of *Williamson* v. *Lee Optical of Oklahoma*, 348 U.S. 483, 490 (1954):

> "We see no constitutional reason why a State may not treat all who deal with the human eye as members of a profession who should use no merchandising methods for obtaining customers."

ALVIN J. KOROBKIN,
L. STEPHEN PORTER,
Deputy Attorneys General.

[From the California Citizen Action Group]

THE SECRET COST OF SEEING: CALIFORNIA LAW PROHIBITS EYEGLASS ADVERTISING

(Excerpts)

The California Citizen Action Group has completed a sample survey of the cost of prescription eyeglasses in three major population areas of California—Los Angeles, Oakland, and Sacramento. The study reveals a wide range in the cost of both frames and lenses. . . .

Surveyors queried over fifty opticians and optometrists about the cost of frames and lenses for their personal eyeglass prescriptions.

In seeking the cost of frames, the surveyors informed a potential vendor that he/she could not afford an expensive model, but nevertheless wanted one that would be serviceable and not of such a low-grade quality that it would not last. That is, they did not seek the "cheapest" model, but rather a low-cost functional one. The price of both plastic and metal frames was sought. The range was wide. For plastic frames, one could pay anywhere from $7.00 to $40.00, with the average cost $17.20. For metal frames, the spread was from $12.00 to $70.00, with an average cost of $26.93.

With regard to lenses, the surveyors asked for the price of clear lenses, in both glass and plastic. Most of the surveyors had single-vision prescriptions, although two had prescriptions for bi-focal lenses. An attempt was made to ascertain the cost of simple hard contact lenses as well.

As for frames, the cost spread for lenses was significant. For single-vision lenses in glass, costs ran from $15.00 to $37.50, with an average of $25.50. For single-vision lenses in plastic, the range was from $18.00 to $37.50, with an average of $28.57. For bifocals, the more limited sample revealed a spread from $20.00 to $58.35, with an average of $37.23 in glass; and from $17.50 to $74.00, with an average of $44.23 in plastic. The cost of contact lenses, when available, ran from $75.00 to $250.00, with an average of $178.89.

CalCAG's study demonstrates a wide range of prices charged for prescription eyeglasses. Does the consumer know this? If the consumer took the trouble to call or visit a number of eyeglass vendors, and were able to get the information, he or she might discover the wide disparity in prices. But the consumer will not find these prices advertised anywhere, there is no source of ready information. The consumer must dig it out for him/herself.

California law prohibits the advertising of the cost of prescription eyeglasses. This is a huge obstacle to consumers being able to purchase eyeglasses at reasonable, competitive prices. We believe these laws to be unconstitutional, in violation of the First and Fourteenth Amendments of the United States Constitution.

Our offices receive frequent complaints about the high cost of glasses, with comparisons often made to prices found in other states. These persons regularly want to know where they can purchase glasses for a lower price.

The provisions of Sections 651.3, 2556, and 3129 of the Business and Professions Code of the State of California and Section 1515(b) of Title 16 of the Professional and Vocational Regulations of the State of California deprive persons needing prescription eyeglasses of the opportunity to acquire the information needed to discover the lower prices they seek. They are deprived of vital information and the media is deprived of the right to communicate this information to them. The constitutional rights of both the consumer and the media under the First Amendment of the United States Constitution are thereby denied.

These provisions prevent consumers from receiving the information necessary to shop around and compare prices. They make it extremely difficult, if not impossible, for consumers to find out where they can get the best deal for their inflation-eroded dollars. These laws effectively prevent any semblance of a free market by prohibiting the communication of information about prices, an essential element of a free market. Absent a market in which such information stimulates the competition necessary to keep prices down, the consumer is at the mercy of prescription eyeglass vendors. Unnecessarily inflated, artificial prices for prescription eyeglasses is the result.

Many other states do not have these restrictive, anti-consumer laws. Where advertising of the prices of eyeglasses is permitted, the prices are dramatically lower, ranging from 25 per cent to well over 300 per cent. The traditional, healthy element of competition keeps the prices down. It has also been shown that commercial firms are slow to come into new market areas when advertising is prohibited. This barrier to market entry serves to dampen competition and further strengthens the grip of existing interests, particularly optometrists and physicians, over this vital health need. And there is no evidence that advertising of the prices of eyeglasses significantly increases these prices: to the contrary, it forces them down.

One voiced concern of those who would maintain the current ban on advertising relates to "quality control." The spectre is raised of an invasion of hordes of shlock operators into the prescription eyeglass market if advertising were permitted. But whence this logic? What relationship is there between a ban on advertising and the quality of the product? Indeed, what quality controls now exist? There currently exist no objective standards in California for the licensing of a registered dispensing optician. If current entrepreneurs in the prescription eyeglass business fear an entry into the market of less-than-qualified operators, let us if necessary institute a meaningful licensing and monitoring system that would shake out the incompetent. (A rigorous enforcement system of high standards seems called for now, even without advertising. A recent accusation by the Board of Optometry against one unscrupulous "professional" has him charging over $200 for eyeglasses, foisting off unneeded eyeglasses and contact lenses on unwitting patients, and similar outrageous abuses of decency.) Such evidence as exists indicates there is no difference in the quality of prescription eyeglasses dispensed in states permitting price advertising and of those in states not permitting such advertising.

Another grim warning issued by the currently vested special interests is that advertising will lead to lower prices, thus driving out smaller operators with volumes that will not permit them to compete with larger outfits. Perhaps this may occur in places. But certainly there are myriad examples of the durability of local businesses and professional services, modest in scale, perhaps with slightly higher prices, but sustained, patronized, and cherished by those who prefer the convenience of a neighborhood locale, the friendliness and personal attention of a small shop, or the opportunity to foster individual and diverse enterprise. Surely we cannot anticipate the erosion of our free enterprise system by restoring competition to it.

In preventing competition and fostering high prices of prescription eyeglasses by denying consumers their First Amendment rights to critical information, California laws are not protecting the consumer and the public interest. Rather, they are inimical to the public interest, forcing higher prices and, in some cases, discouraging some from purchasing needed prescription eyeglasses. The only interests served by these laws are those of physicians, optometrists, and opticians, who profit from the unnecessarily high prices of such eyeglasses. By preventing the dissemination of vital information to the consumer, these laws strengthen the grip of these special interests over this vital health need. These laws do not foster the health, safety, and welfare of the citizens of California, but rather the welfare of these special interests.

The California Citizen Action Group urges the Legislature, the Governor, and all such policy-makers as have the interests of the individual consumer at heart to seek the excision of laws that deny us essential marketplace information and destroy competition. In these parlous times of crushing inflation and emerging depression, we cannot tolerate the unconstitutional sheltering and subsidy of special interest groups, especially at the expense of our health and welfare.

[From the Journal of Law and Economics, Vol. XV (Oct. 1972)]

THE EFFECT OF ADVERTISING ON THE PRICE OF EYEGLASSES

(Excerpts)

(By Lee Benham of Washington University)

I. INTRODUCTION

The impact of advertising on prices has long been a matter of dispute. It has been argued that the persuasive aspects and the product differentiation effects of advertising tend to raise the prices of products to consumers. On the other hand, by providing consumers with information about products and alternatives in the market, allowing them to economize on search and to locate low-priced sellers more readily, advertising may tend to lower prices to consumers. It may also lower prices by allowing sellers or producers to economize on other merchandising costs and to take advantage of economies of scale. On purely theoretical grounds, therefore, no reliable prediction can be made as to the overall effect of advertising on prices.

While there has been much discussion of this question, relatively little has been done to estimate empirically the relationship between advertising and prices. Some studies have compared prices for different brands of "homogeneous" items, some of which were advertised and some of which were not. . . .

One way to understand better the full impact of advertising on prices is to examine markets for a product in which advertising is prohibited and markets for the same product in which advertising is allowed, comparing the price structures of the two types of markets. Market organization and price structure may be significantly affected by the presence in a market of even one seller who advertises or who potentially can do so. The full impact on prices of the existence of advertising may be much greater than the price differences we observe when some producers of an item choose to advertise it and others do not.

For a variety of goods and services, especially in the service sector, advertising is frequently prohibited by cities or states. Examples are most services of physicians and dentists, prescription drugs, and eyeglasses. Unfortunately, for most such items there is little if any variation in the restrictions imposed across states. A major exception is eyeglasses: some states prohibit advertising related to eyeglasses and eye examinations while others do not. By examining the prices paid for these items by a sample of individuals in each category of states, we may gain more insight into the impact of advertising on prices.

II. ADVERTISING AND INFORMATION

The full cost of purchase (C_f) of a good to a consumer includes not only the cost of the item itself (C_g) but the cost of knowledge (C_k) concerning the location of sales outlets and prices and the cost of time and transportation (C_t) required to purchase the item:

$$C_f = C_g + C_k + C_t$$

These components of full cost are in part jointly determined. For a given frequency distribution of retail prices offered in the market, the distribution of prices paid (C_g) will depend upon the extent of consumers' knowledge of the alternative prices available and the cost of time and transportation. Past studies have shown that both the mean and the dispersion of prices paid generally decrease as the extent of search (knowledge) increases.

Insofar as advertising increases consumers' knowledge of alternative prices in the market, it will tend to decrease the mean and dispersion of prices paid. If there are economies of scale in retailing the good, then the effect of advertising in lowering mean prices should be intensified. In general, large-volume low-price sellers are dependent upon drawing consumers from a wide area and consequently need to inform their potential customers of the advantages of coming to them. If advertising is prohibited, they may not be able to generate the necessary sales to maintain the low prices. In such a situation, the cost of disseminating information to consumers will more than offset the other economies of scale. At the same time, the likelihood that small-volume high-priced retailers survive in the market will increase. Consequently, the distribution of retail prices offered will shift upward. The question under consideration here is the extent to which economies resulting from the information provided through advertising are offset by the costs of advertising and by product differentiation.

III. ADVERTISING RESTRICTIONS IN THE MARKET FOR EYEGLASSES

The advertising of eyeglasses and eye examinations is controlled in many states by various state agencies. From a predominantly laissez-faire situation in the first decades of this century, the trend has been toward increased regulation and restriction of advertising. In 1963, the year for which data on prices were available for this study, approximately three-quarters of the states had some regulations against advertising. Some states prohibited only price advertising while others allowed virtually no information concerning eye examinations or eyeglasses to be published, broadcast, or in any way distributed. Since 1963, several additional states have introduced restrictions. The following excerpts are taken from 1963 laws.

Arkansas: The following Acts are hereby declared to be unlawful Acts: . . . For any optometrist, physician, surgeon, individual, firm, partnership, corporation, wholesaler, jobber or retailer to solicit the sale of spectacles, eyeglasses, lenses, contact lenses, frames, mountings, prisms, or any other optical appliances or devices, eye examinations or visual services including vision training or orthoptics by radio, window display, television, telephone directory display advertisement, newspaper advertisement, hand bills, circulars, prospectus, posters, motion pictures, stereopticon slides or any other printed publication or medium or by any other means of advertisement; or to use any method or means of baiting, persuading, or enticing the public into buying spectacles, eyeglasses, lenses, contact lenses, frames, mountings, prisms, or other optical appliances or devices for visual correction or relief of the visual system or to train the visual system. . . .

Nothing in this Act except as expressly provided otherwise herein shall apply to physicians and surgeons, nor to persons who sell eyeglasses, spectacles, lenses, frames, mountings, or prisms at wholesale on individual prescriptions to optometrists, physicians, and surgeons. . . .

Florida: Any certificate of registration granted by the Florida state board of optometry . . . may be revoked by said board, if the person . . . is found guilty of unprofessional conduct. . . . 'Unprofessional conduct' . . . is defined to mean any conduct of a character likely to deceive or defraud the public, including among other things free examination, advertising, price advertising, billboard advertising, use of any advertising either directly or indirectly, whether printed, radio, display, or any nature which seeks to solicit practice on any installment payment or price plan.

It is unlawful for any person, firm or corporation to . . . advertise either directly or indirectly by any means whatsoever any definite or indefinite price or credit terms on prescriptive or corrective lenses, frames, complete prescriptive or corrective glasses or any optometric service; to advertise in any manner that will tend to mislead or deceive the public; to solicit optometric patronage by advertising that he or some other person or group of persons possess better qualifications or are best trained to perform the service or to render any optometric service pursuant to such advertising. This section is passed in the interest of public health, safety and welfare, and its provisions shall be liberally construed to carry out its objects and purposes.

A survey was made of several state boards of optometry concerning the sanctions used to enforce these regulations. Injunctions and suspensions of license for periods up to a year were the most common sanctions mentioned by the respondents. In some cases they said that fines were levied and licenses revoked. There appears to be careful policing and enforcement of these regulations in most states.

IV. PRICE DIFFERENTIALS ASSOCIATED WITH ADVERTISING RESTRICTIONS

The data on eyeglass and eye examination prices used in this study were obtained from a 1963 survey of a national sample of individuals. The survey examined use of and expenditures on medical services. The present study uses a subsample of 634 individuals who each underwent an eye examination and/or obtained a pair of eyeglasses in 1963. In addition to the amount spent by individuals for eye examinations and eyeglasses, detailed demographic information on each individual was included in the survey. With this information, the prices paid for eye examinations and eyeglasses could be associated with the state of purchase.

The analysis below deals principally with eyeglasses and not with eye examinations; very few states permitted advertising of eye examinations in 1963. However, 291 individuals in the survey quoted only the combined price of the examination and glasses. Since relatively little variation in the cost of eye examinations was found across states and since prices of examinations and eyeglasses were not highly correlated across states, the systematic variation in total cost examined here is assumed to reflect variation in the cost of eyeglasses.

To estimate the differential in prices associated with prohibition of advertising, two comparisons were made. First, the mean price paid for eyeglasses and the mean price paid for eyeglasses and eye examination together were calculated for individuals living in states with and without restrictions on advertising. Next, since the demographic characteristics of individuals in the sample were not uniform across the states, a simple model was used to estimate price differentials. . . .

There appears to be no single most satisfactory way to categorize states by the extent to which they restrict advertising, so two sets of estimates are presented to indicate the likely range of impact. The first set of estimates is based on all individuals purchasing eyeglasses in 1963 in states either with no restrictions on advertising or in states with complete prohibition of it.[1]

To estimate the probable upper bound of the effects of advertising restrictions, the second set of estimates is based only on individuals living in states at the extremes: Texas and the District of Columbia, extreme laissez-faire states, versus North Carolina, a state with extensive restrictions in force for a number of years prior to 1963 (hence likely to have the long-run effects of these restrictions in evidence. This latter set of estimates is likely to over-take the impact of advertising restrictions; since North Carolina had other laws which would tend to raise prices independent of advertising regulations, and the proportion of the total price difference which can be attributed to advertising restrictions cannot be determined at this stage.

In the first set of estimates, the difference in mean prices of eyeglasses between the two categories of states is $6.70, with the lower mean price found in states having no advertising restrictions. The regression estimate of the difference is similar, $7.48. The difference in price between the most and least restrictive state is much larger, $19.50 as measured by means and $18.89 as measured by the regression coefficient. Estimates using combined cost of eyeglasses and eye examinations yield the same results, although the absolute difference is somewhat smaller in one case.

Despite the shortcomings of these estimates, they serve to indicate the direction and magnitude of effect. The estimates of eyeglass prices alone suggest that advertising restrictions in this market increase the prices paid by 25 per cent to more than 100 per cent.[2] Furthermore, these estimates are likely to understate the total savings to consumers occasioned by advertising, since the search process itself is less expensive when information is more readily and cheaply available.

V. ALTERNATIVE EXPLANATIONS OF OBSERVED PRICE DIFFERENTIALS

Some have argued that in this model advertising restrictions serve only as a proxy for other restraints on competition. If this is so, then the higher prices observed in states with restrictions on advertising may be improperly attributed to the advertising restrictions. For example, interstate barriers to mobility for optometrists and opticians might account for the observed price differentials. If there are effective barriers to entry in some states, there will be an artificially low number of optometrists and opticians per capita there, and this in turn will be reflected in higher prices. If states restricting advertising also keep the number of optometrists and opticians artificially low by restrictions on entry, then the higher prices might be inappropriately attributed to advertising restrictions. . . .

Many other types of regulations, if vigorously or selectively enforced, could reduce competition and raise prices. These range from restrictions on employment of optometrists to extra-legal harassment. Unfortunately, they cannot be investigated as easily as barriers to entry because of the difficulties in classifying states according to the severity of these other regulations. *A priori* judgments concerning the effects of each regulation are quite arbitrary, and data limitations prevent the development of a model at this time to estimate the separate effects of each such regulation on prices. . . .

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[1] Several sources of information were used to determine states' restrictions on advertising. State laws were canvassed, a survey of state optometry board members was made, 1963 newspapers from several states were sampled to search for eyeglass advertisements, and optometrists in several states were contacted. The problem was to ascertain not only the restraints against advertising by optometrists but also the restraints against advertising by other sellers. In some states optometrists were prohibited from advertising but opticians or commercial firms were permitted to advertise. States were classified as allowing advertising, if any sellers were permitted to advertise. Despite the aforementioned search, it was not possible to classify several states satisfactorily. Furthermore, Ohio was excluded because cities apparently had regulatory authority over advertising; New Jersey was excluded because the individuals sampled lived predominantly near New York City, creating substantial classification problems. In addition, the original survey did not include respondents from some states. In the estimates here, states classified as having no restrictions on advertising in 1963 are Alabama, the District of Columbia, Georgia, Illinois, Indiana, Kansas, Maryland, Michigan, Minnesota, Missouri, Texas and Utah. States classified as having total prohibition of advertising are Arkansas, Massachusetts, North Carolina, North Dakota, Oklahoma, and South Carolina.

[2] A further comparison was made by sampling, through personal visits, the prices of eyeglasses at nineteen opticians, optometrists, and commercial firms in Texas and New Mexico in July, 1971. A price quote was requested for eyeglasses with a given lens and frame specification without an examination. The mean price sampled in New Mexico, a state with restrictions on advertising, was $31.70 ($n=10$) and in Texas, a state without restrictions, $25.90 ($n=9$). The difference in mean prices paid by consumers would be larger than those figures indicate, since the volume of sales in the low-priced firms in Texas is much larger than the average volume of the other outlets.

Consumers in New Mexico are apparently not completely unaware of the lower prices in Texas. A newspaper editor from Albuquerque, New Mexico told Professor Yale Brozen of the University of Chicago that some families had in the past driven from Albuquerque to Amarillo, Texas to purchase glasses, a distance of 288 miles.

The representatives of commercial firms were also asked to give their assessments of the impact of advertising restrictions. All stated that the presence or absence of advertising restrictions affected their decision to move into new market areas. Several said that they would not enter a new market unless advertising were permitted, no matter what the other restrictions.[3] Furthermore, the representatives of two large commercial firms stated that the retail prices of their own firms varied across states, with the higher prices in the states with advertising restrictions.

Data limitations prevent a fuller treatment of this question. The qualitative evidence presented hardly eliminates the possibility that the advertising variable serves as a proxy for other restrictions. Nevertheless, the available evidence is consistent with the hypothesis that restrictions on advertising reduce competition and raise prices.

Another type of argument often given by the professionals (optometrists and ophthalmologists) is that the quality of service and product supplied by the "commercial" establishments is lower than that supplied by "professionals." By implication, the average quality of eyeglasses would be lower in states where commercial establishments were more strongly represented, the states in which advertising was permitted. During the course of this study, several professionals referred to their own personal experience with low quality commercial work. Commercial representatives responded to these charges with allegations of low quality work by certain professionals. Although standards do not appear to be uniform across establishments, either commercial or professional,[4] the issue here is not that of establishing how many of these specific allegations are valid. It is rather one of determining any systematic differences in quality of products between states which allowed and states which prohibited advertising.[5] Several attempts were made to investigate this question.

The issue was first examined by investigating the source of eyeglasses by type of retail establishment. Some commercial firms produce their own eyeglasses; however, many purchase from the same sources as the professionals.[6] The professionals also purchase from the commercial firms. In 1971, one of the largest commercial firms sold only 50 per cent of its eyeglass output through its own retail outlets. The remainder was sold through professional establishments.[7] To the extent that commercial and professional firms both have the same source of eyeglasses, possibilities for quality variation are obviously reduced.

The quality issue was then raised with representatives of several large retail chains. They argued that the commercial firms were generally under more careful scrutiny by state regulatory authorities and state optometric association than the typical professional establishments and consequently had to be more concerned about quality control. They also argued that evidence on systematic quality differences would long since have been used against them in political and legal disputes, if any such evidence could be found, and that none had been so presented.

In following up this point, a search was made attempting to locate references to quality differences. No specific evidence was found to support the claim of systematic quality differences as a function of type of firm or of advertising regulations. The headquarters of the American Optometric Association, the Illinois State Optometric Association, and local optometrists were also unable to give any specific references to support these allegations. This lack of evidence does not establish the absence of a systematic difference in quality. However, it is consistent with this position particularly since the professional associations have a strong incentive to generate and use such information in their disputes with the commercial firms.

Some direct evidence on the prices of standardized products is available from two other sources. In a personal survey of retail outlets in Texas and New Mexico in which specification of frames and lenses was uniform, prices were found to be higher in New Mexico, a state with strict advertising laws.

V. CONTENT OF ADVERTISING

The results presented above are consistent with the hypothesis that, in the market examined, advertising improves consumers' knowledge and that the benefits derived from this knowledge outweigh the price-increasing effects of advertising. However, some individuals have argued that eyeglass advertising contains substantially more information than other types of advertising and that consequently these findings cannot be generalized to most other goods and services. It is true that there has been little if any advertising of eyeglasses on national television, a medium which some feel provides a less information-intensive form of advertising. However, there has been considerable local and statewide television adveristing in those states which allow advertising. One large commercial firm spends 80 per cent of its advertising budget on television.

As one means of investigating this question further, newspapers of several cities in Illinois, a state with no advertising restrictions on eyeglasses in 1963 (Illinois now has price restrictions), were examined for 1963 advertisements. During a week's search, few advertisements were found which contained any reference to price, and fewer still quoted specific prices. The proportion of eyeglass advertisements which contained price information was smaller than for most other items advertised in the newspapers, in particular clothing and furniture. This is obviously fragmentary but suggestive evidence that eyeglass advertising is not markedly more information intensive than other advertising.

Note that the relative infrequency of price advertising of eyeglasses is not necessarily inconsistent with the argument that restrictions on advertising have a significant impact on price. Only a few price advertisements may be required to inform a sufficient number of consumers so that the average purchase price is reduced substantially. Nonprice advertising may also be a close substitute for price advertising.

To examine the effect of non-price advertising on prices (my data), I re-estimated with the addition of individuals in the sample who purchased eyeglasses in states which in 1963 prohibited price advertising but allowed other types of advertising.[8] . . . The results are . . . suggest that in states prohibiting only price advertising, prices are slightly higher than in states with no restrictions, and are considerably lower than in states prohibiting all advertising. This estimate suggests that even "non-price" advertising may lower prices.

VII. WHO BENEFITS?

The discussion thus far has been concerned with the costs of advertising restrictions to consumers. The extent to which various groups supplying eyeglasses benefit from these restrictions depends upon a number of factors including the elasticity of demand for eye examinations and eyeglasses, firm size, the level of specialization within firms of differing sizes, and restrictions on entry into the state.

A crude estimate of the elasticity of demand can be obtained by comparing per capita expenditures on eyeglasses and eye examinations for the total sample population in states which restricted advertising and in those which did not. Two comparisons were made, one for the sample as a whole and one for the subset of Texas, the District of Columbia, and North Carolina. Both results suggest that the industry faces an inelactic demand, since per capita expenditures were higher in states which had higher prices (and which had restrictions on advertising).

There is in addition some evidence which suggests that the share of the market held by the large commercial firms declines when advertising is prohibited. The individuals in the sample were asked about the source of their eye examinations and eyeglasses, and responses were classified into four categories: physicians, optometrists, firms (or clinics), and unknown. The first two categories are more likely to indicate individual or small firm operations, while the third category is more likely to represent larger commercial firms. Although these figures should not be interpreted as accurate measures of the distribution of sales by firm size, the results do suggest that a larger fraction of purchases are made from "large" firms in states which allow advertising. The frequency with which the large chains were specifically named as the source also follows the same pattern. Since larger firms tend to employ fewer optometrists per volume of sale, a decline in the large firms' share of the market would appear to benefit optometrists and physicians.

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[3] (The data used in this study suggest that commercial firms have a larger share of the market in the states with lower prices. Another recent study of prices charged for frames and lenses by optometrists and by retail stores in New York showed substantially lower prices in the retail stores. The study also found that prices charged by optometrists were lower in an area with a high concentration of commercial firms (New York City) than in areas with a lower concentration of commercial firms. See A Retail Shopping Study of Optometrists and Retail Opticians, submitted by Marketing Research Dept., to N.Y. St. Optical Retailers Ass'n, January, 1968.)

[4] For example, a reporter for the CBS Television Network traveled around the country having his eyes examined in 1969. He had excellent vision and did not wear glasses. He read all the charts and answered all questions honestly. Out of the 28 eye examinations which he took he was given three prescriptions, one each from an optical firm, an optometrist, and an opthalmologist. CBS Television Network, 60 Minutes, Tuesday, October 28, 1969.

[5] Even if the commercial firms sold eyeglasses which were unambiguously lower in quality, the case for eliminating these firms through legislative action is not obviously strengthened. For many individuals, the choice may be between the low quality, low price product and no product at all. The quality issue arises in this study because of the need to compare homogeneous items across states. For a discussion of the costs and benefits of eliminating "low quality" products from the market, see Milton Friedman, Capitalism and Freedom, ch. 9 (1962).

[6] Approximately 90% of eyeglasses worn in the U.S. are made by three companies: American Optical, Bausch and Lomb, and Shuron Continental.

[7] In the small survey of eyeglass prices in Texas and New Mexico, one of the highest prices quoted was by an optometrist in New Mexico who was selling frames and lenses produced by Texas State Optical, one of the large and low priced commercial firms in Texas.

[8] These states were California, Florida, New York, Oregon, and Virginia.

Finally, advertising restrictions make it more difficult for new firms to become established, and they increase the opportunities for price discrimination.

Taken together, this evidence suggests that established optometrists and other professionals within a state are likely to benefit if advertising is prohibited, not a surprising conclusion given the enthusiasm with which they support these restrictions.[9]

THIRTIETH ANNIVERSARY OF V-J DAY

Mr. HARTKE. Mr. President, far too often in this fast paced age, it is easy to overlook dates of significant importance in the American past. One such date is V-J Day which marks the victory over Japan that successfully concluded hostilities in World War II. Recently on the 30th anniversary of V-J Day held in Seymour, Ind., on August 10, 1975, the Administrator of Veterans' Affairs, Richard L. Roudebush, had occasion to speak at that observance of what that victory should mean to all Americans. Mr. President, I believe these remarks would be of interest to my colleagues and ask unanimous consent that they be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY THE HONORABLE RICHARD L. ROUDEBUSH

I am glad to be back with you participating in your observance of V-J Day.

This is an outstanding event that you have made into a cherished tradition. I am beginning to feel myself a part of that tradition because of your kindness in inviting me to speak here again.

This is a visit that I always enjoy and I believe that if you were to keep allowing me a place on your program I would always continue to get satisfaction in seeing how well you remember and how well you observe a day that few communities still celebrate.

Surely there has been no day in the Twentieth Century more worthy of our recalling. No day in recent history gave us so much to be thankful for. No day offered so much optimism and so much hope.

This year we mark the passing of thirty years since Japan capitulated and the most widespread and destructive war in history came to an end. The youngest persons who were in that war are now middle-aged. They have sons older than they were then and . . . unfortunately . . . many of those sons have gone to war also.

But V-J Day is still very much alive in our memories and it will continue to be because it was the culmination of the most cataclysmic event in history, an event that still overpowers in size and intensity all that has happened since.

There were 15 million battle deaths in World War II and the number of civilians who died has never been calculated. American battle deaths in World War II were more than twice the combined totals of World War I, the Korean Conflict and the Vietnam war.

World War II was, of course, only one period in history and historical periods cannot be isolated from the whole flow of history. Our troubles, personal, national or global, weren't over just because the war was over and we have seen conflict and crisis in all the years since 1945.

But on that August day thirty years ago when the news of the Japanese surrender came, life was more beautiful than it had been for a long time. A great weight had been lifted from the world and there was rejoicing even by those whose lives had been so shattered by the war that they had nothing personal to be joyful about.

So the spirit of celebration that existed at that moment is one of the things that you seek to recall and revive by your annual observance of V-J Day.

There are other reasons for marking this day, however . . . more important reasons.

We mark it so that we can remind ourselves of the principles involved in our fighting such a long and costly war, what we fought for and what we gained from our sacrifice.

And we remind ourselves by this observance that we must be strong, vigilant and wise so that such a war does not envelop us again.

Finally, we conduct these annual ceremonies as a tribute to those who made our World War II victory possible and as a memorial to those who gave their lives in that great conflict.

We can never give enough credit to the brave and dedicated young men and women who served during World War II. By their service they made it possible for us to be here thirty years later . . . not only looking back on a day of triumph but sitll enjoying the existence of a free country, the advantages of its free institutions and the privileges of our personal freedom.

It is sometimes difficult for us to remember that the Nation faced the great peril it faced in the days of World War II . . . to remember that it was the announced intention of our adversaries to subjugate us and that so many other free nations had been defeated and their people enslaved.

While it seemed far-fetched for the Japanese to predict that one day the emperor would ride his white horse down the streets of Washington, Japanese control of most of the Pacific and German control of most of Europe were at one time a reality.

Millions of Americans fought and nearly three hundred thousand Americans died as the victory march of our enemies was slowed and then stopped and own victory was won.

I think the horror of World War II and the devastating effect it had on such a large number of people was brought back to us in a most telling way during President Ford's recent trip to Poland.

The President made a pilgrimage to the Nazi death camp at Auschwitz, a place where some four million persons from 17 nations had been put to death.

The President had requested the visit and knew what to expect. But still, according to news reports, he was stunned by what he saw. He was deeply moved just by being at the site of the camp more than thirty years after it had ceased to exist as a place of suffering and death.

He then wrote in a guest book: "This monument and the memory of those it honors inspire us further to the dedicated pursuit of peace, cooperation and security for all peoples."

I hope that all leaders . . . and all people . . . will be thus inspired by the recollection of war and the atrocities of war.

I hope that this observance today will be enough of a reminder to inspire us all to do a little more in the cause of peace and understanding. I hope that your perpetuation of this observance marking the end of a war will result each year in new contemplation of what must be done to keep such a war from ever happening again.

To me, this is the true purpose of such a patriotic demonstration as this parade. And if it serves this purpose, the efforts of all who have put so much into it over the years will have been worthwhile.

If it serves this purpose . . . if those who are here today, next year and the year after are really moved to make more of their citizenship . . . this observance is much more than the delightful and enjoyable community project that we all know it to be.

More than 400,000 citizens of Indiana served in World War II. Ten thousand of them did not return home.

I join with you today in paying tribute to these men who accomplished so much for all of us but who never lived to celebrate their accomplishments with us.

I join you also in expressing gratitude to those 320,000 Hoosiers living today who had World War II service. While this is a special day for all of us, it is really their day most of all.

There are some 2,000 World War II veterans in Jackson County. They rate a special salute . . . for their military service, of course, but also for the effort they have put into keeping the tradition of V-J Day alive in this community.

I don't think we can separate veterans by war, however. All Americans, all Hoosiers, all residents of Jackson County who served in our armed forces deserve our thanks and support for what they have done for America.

And I am sure all Americans will want to give them a special salute as we celebrate our Two-hundredth Birthday as a nation.

It is important that we remember the early citizens who were intrepid enough to bear arms and challenge those who oppressed us 200 years ago. But their suffering, their hardship . . . and their gallantry . . . were no greater than those of the millions of Americans who have borne arms since that time in defense of the principles for which they first fought.

It is a high honor for me to be Administrator of Veterans Affairs. I consider it a privilege to be in a position to serve those who have themselves given so much service and there is a great deal of personal satisfaction that goes with the job.

I think it appropriate that I assure you that we at VA are ever mindful of the seriousness of our responsibility and that we consider those we serve to be very special Americans.

I think it is also appropriate that I express my appreciation to you for the honor you bestow on veterans by remembering this day with a parade and other activities.

I thank you as head of VA. I thank you as a veteran of World War II.

I thank you also as a fellow Hoosier and a not too distant neighbor. It is good to live where such patriotic observances are conducted.

I hope V-J Day will continue to be a big event in Seymour and that I may be a future participant in your ceremonies.

NEW MEXICO'S ELECTRICAL ENERGY TAX

Mr. FANNIN. Mr. President, on June 17, 1975, I introduced S. 1957, a bill to prohibit State taxation on the generation of electricity distributed in interstate commerce. The purpose of S. 1957 is to alleviate a specific situation confronting Arizona which could easily spread across the Nation.

The specific situation to which I refer is New Mexico's recently enacted Electrical Energy Tax Act which became effective on July 1, 1975. This tax appears to apply both to electricity generated and consumed within New Mexico and electricity generated outside but consumed within New Mexico. However, due to tax credits available to New Mexico generators, this entire tax bill is paid by Arizonans. This is grossly inequitable.

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[9] When questioned about restrictions on advertising in the District of Columbia, an optometrist there informed me that there were none but that such restrictions would be the first item on the agenda if the optometrists ever obtained profesisonal control.

When the Finance Committee resumes consideration of H.R. 6860, the Energy Conservation and Conversion Act of 1975, I intend to offer the language of S. 1957 as an amendment thereto. I strongly urge my colleagues to join me in this effort in order not only to rid Arizona of this unfair burden, but also to make certain the other States do not follow New Mexico's lead.

Mr. President, it is noteworthy that a New Mexico newspaper, the Current-Argus of Carlsbad, N. Mex., would carry a column in opposition to the New Mexico tax measure. Mr. Carl Turner, the author of the article, is executive manager of New Mexico Rural Electrification Cooperative Association.

I believe the Turner article clearly points out the problems inherent in this recently enacted tax legislation. I would like to share Mr. Turner's article with my colleagues.

I ask unanimous consent that the article published in the Current-Argus be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FRED BUCKLES' STATE REPORT—TAX MEASURE CRITICIZED

(By Carl Turner)

(The controversial new electricity generating tax is explored in this informative guest column for vacationing Fred Buckles by Carl Turner, executive manager of New Mexico Rural Electrification Cooperative Association.)

SANTA FE.—One of the most controversial bits of legislation passed by the 1975 Legislature was the generating tax.

First introduced in the legislature about five years ago, it was originally conceived as environmental legislation. It was going to punish the Four Corners generating plants for polluting our air, using our water and coal and sending the product, electricity, to Arizona.

The original sponsor, Rep. John Radosevich, D-Albuquerque, was not reelected to the 1975 Legislature. Things were quiet for a day or so until Sen. Aubrey Dunn, D-Alamogordo, revived the idea as a method of getting some tax money to pay for the New Mexico's share of the cost of building highways on the Navajo Reservation.

Albuquerque and Farmington people had tried for some time for reconstruction of NM-44—the main link between Albuquerque and Northwestern New Mexico.

Originally, it was contemplated that severance tax money would be used for the state share but that was abandoned in favor of the generating tax gimmick.

To make the tax palatable to a majority of the legislature a unique rebate provision was planned in the legislation so that only out-of-state consumers would pay the tax.

Utilities that generate for consumption in New Mexico pay the tax but then take an equal dollar amount of credit when they pay the state gross receipts tax. Most attorneys seem to think this provision is constitutionally questionable.

Since "contitutional" or "unconstitutional" is whatever a Supreme Court says it is we will not know until the question is litigated. A legal attack on the legislation is being prepared. It will be filed in the near future.

Electric utilities in New Mexico and those in Arizona and California objected to the legislation. Although not directly affected, New Mexico utilities cautioned the legislature that the long-term result of this type of tax would be detrimental to New Mexico consumers.

One of their contentions held that the generation and distribution of electric energy is not an isolated and provincial exercise.

In an attempt to provide adequate, reasonably priced energy most utilities are interconnected across state boundaries.

Although Arizona is expected to use a great deal of power from the Four Corners Plant in the near future it is anticipated that within 10 years a large nuclear plant west of Phoenix will export power to New Mexico.

Southwestern Public Service Co., which provides power for most of the larger communities on New Mexico's East Side, is building a large coal-fired plant in Texas.

A large share of power presently used by rural electric cooperatives in New Mexico is hydrogenerated at Glen Canyon in Northern Arizona.

In the near future the major source of electric energy for Southwestern New Mexico will come out of the Four Corners Plant on the now famous Tucson Gas and Electric Co. line, move into Arizona and then back to New Mexico just west of Silver City.

If courts rule the new legislation is constitutional, then we can expect retaliatory moves from our neighboring state.

A result of the possible law suit is uncertainty on the future of NM-44. Recently a spokesman for the Navajo Tribe indicated that the first priority for the Navajos is not NM-44 but other roads, not particularly important to the Albuquerque Chamber of Commerce would be built first.

After all is said the final victim of all this push and pull is the traveler on NM-44.

The person who was going to benefit from the generating tax winds up being the victim.

LOSS OF WATER POLLUTION CONTROL FUNDS

Mr. McINTYRE. Mr. President, I know that many of my colleagues share my concern over passage of the amendment offered by the distinguished Senator from Georgia (Mr. TALMADGE) to the Public Works Employment Act. If enacted, this measure would change the formula used to allocate water pollution control funds resulting in a loss of $147 million to the hard-pressed New England area. New Hampshire alone would lose $24 million, cutting back our cleanup efforts and accompanied by the loss of a substantial number of construction jobs.

More directly upset by this possible action are the State water control agencies. Mr. William Healy, executive director of the New Hampshire Water Supply and Pollution Control Commission, has stated in a letter to Mr. James Agee the havoc wrought upon his agency. I wish to share this discussion with my colleagues.

At this time I ask unanimous consent that the text of Mr. Healy's letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AUGUST 11, 1975.

Mr. JAMES L. AGEE,
Assistant Administrator for Water and Hazardous Materials, Environmental Protection Agency, Washington, D.C.

DEAR MR. AGEE: Thank you for your letter of July 24, 1975, in which you invite comments from the states with regard to EPA's proposed new method for developing needs estimates for submittal to Congress not later than February 10, 1977.

We have reviewed your letter carefully as well as the May 6, 1975 report which accompanied the letter, titled "Cost Estimates for Construction of Publicly-Owned Waste Treatment Facilities 1974 Needs Survey" and are convinced that the decision to deviate from the current formula based on actual needs and substituting therefor a new one based upon 50% needs and 50% population is a regressive step.

It seems obvious that the logical method for determining allocations must be related directly to the cost projections associated with the known and anticipated projects for whatever time-span is involved. Population parameters, as such, have no recognizable quantitative relationship to the allocation process. Undoubtedly, it was because of this fact that Congress abandoned population as a means for distributing grant funds some time ago and turned to the direct needs survey method in developing its distribution formula for the 1973–1975 period. EPA reservations about the use of a strict population formula continue to be expressed as recently as the May 1975 report, and thus, we fail to see any significant basis for now suggesting a population factor, since it can only defeat the objective of equitable distribution of funds in relation to the actual needs. The hazards involved in preparing reliable population projections are well-known to all of us; yet EPA, not only wishes to re-introduce that discarded parameter, but would further heighten the error by using 1990 population projections.

Again, referring to the May 6, 1975 Report to the Congress, EPA concludes that there is close correlation between state and EPA cost estimates for categories I, II and IV-B (page 7, (2) Cost Estimating Technology). This was found true because of the experience state and Federal agencies have had in dealing with such estimates, plus the well-defined guidelines for preparing such information. The discrepancies and lack of "evenness" with which EPA characterized estimates for the remaining categories developed (as stated by EPA) because of lack of uniform guidelines, methodologies, assumptions, etc. This situation was especially marked in connection with the preparation of some state estimates for category VI, which, not so incidentally, is approximately two-thirds of the total estimated needs for all categories. Since the problem is one of lack of uniformity and an absence of well-defined guidelines, it is our position that EPA should direct its efforts toward relieving those problem areas rather than to propose a basis for allocations for which there is no validity.

Introduction of a third party via the consultant contract concept can only serve to further complicate matters. Moreover, it could not eliminate the need for the individual states to prepare their own estimates if no more than to provide a means for checking the work of independent consultants. Also, it is inconceivable that the consultant could prepare meaningful estimates without almost complete dependency upon the affected states; thus, we arrive at the conclusion that instead of lessening the work load for the concerned state agencies, it will actually increase under the consultant approach. It will have the further disadvantage of later placing the states in a defensive and perhaps adversary role when "alternative needs estimates" are submitted to EPA for subsequent submission to Congress. In our judgment, the introduction of a third party is fraught with problems, counter-productive, and it is quite likely to produce an atmosphere of uncertainty on the part of the Congress as to whose estimates should be relied upon.

Finally, it must be appreciated by EPA that the states have structured the NPDES permits to projected funding over future years under the existing needs method of allocation. Should the formula now be altered, most, if not all, of these permits would be automatically in non-compliance with the due dates specified therein.

As a concluding observation, we firmly believe that since Federal grant funding is the cornerstone on which the entire program is based, we have the joint obligation to devote whatever energies, funds and personnel as are necessary to prepare sound estimates of needs through which allocations can be made equitably. Any failure to accept this responsibility is bound to frustrate the realization of the water pollution control goals set forth in P.L. 92-500. The 1974 survey was far superior to the 1973 effort; thus, the present weaknesses are merely a reflection of "growing pains" and in no sense justify a drastic overhaul such as would be precipitated by the 50% needs-50% population plan.

We urge in the strongest terms possible that the states and EPA continue to work directly together retaining the needs survey rationale. The introduction of contract consultants is not warranted or likely to prove useful.

Very truly yours,

WILLIAM A. HEALY, P.E.,
Executive Director.

A TRIBUTE TO BILL COOK

Mr. HANSEN. Mr. President, I am pleased to have the opportunity to pay tribute to my friend and constituent, Mr. Willard E. "Bill" Cook, Sr., of Sheridan, Wyo., who is this year's recipient of the Time magazine Quality Dealer Award.

Bill is the 16th annual spokesman for the Quality Dealer Award program, which is sponsored by the National Automobile Dealers Association and Time magazine to honor outstanding and civic-minded automobile dealers.

Bill began his automotive career in 1934 on the credit desk with General Motors Acceptance Corp. in Great Falls, Mont. After working for a time as a sales representative for General Mills, he returned to the automobile business in 1947 as vice president of Scales Motor Co., a Ford dealership in Sheridan since 1914. Two years later, he became a partner in the dealership, and in 1954, bought out his partner.

Bill's dealership, Cook Ford Sales, has received numerous Ford Motors Co. awards, including the Distinguished Service Citation for Total Excellence and the Ford Distinguished Achievement Awards. Cook has been a representative on the Ford Regional Dealer Council and served as secretary and a director of the Rocky Mountain Ford Dealers Advertising Fund.

Mr. Cook is a former director of the Wyoming Automobile Dealers Association, a past president of the Sheridan Automobile Dealers Association, and a member of the National Automobile Dealers Association.

He is active in community affairs, having served as President of the Sheridan Salvation Army Chapter, a director of the Young Men's Christian Association, president of the Lions Club, and as an active member for 25 years of the Sheridan Chamber of Commerce.

In 1970, Bill received the Sheridan Jaycee Award for outstanding contributions to that group and to the Wyoming Jaycees. He is serving a 4-year term as a director of Whitney Benefits, Inc., a foundation whose interest-free loans have helped many Sheridan men and women obtain a college education in the past 30 years.

Bill served 2 years on the Governor's Committee on Education for the State of Wyoming, 18 years as an elected member of the board of trustees for School District No. Seven, and received the Golden Bell Award from the Wyoming School Board Association in 1968 "for outstanding service to education and youth."

He was awarded an honorary life membership in the Future Farmers of America in 1972 for his contributions to that organization, including furnishing the local chapter with a Ford pickup truck annually for 19 years.

He is a director of the Big Horn Executive Club and a former member of the Sheridan County Welfare Board. He is active in the Sheridan Country Club, the Elks, Sheridan Lodge No. 8, A.F. & A.M. and other Masonic organizations, York Rite, Scottish Rite, Kalif Shrine Order of Jesters, and is a past patron for the Order of Eastern Star.

Bill and his wife, Anne, live in Sheridan, and two of their four children work at the dealership. A son, Willard E. Cook, Jr., is secretary-treasurer, and a daughter, Judith, is cashier. Another son, Stephen, is with General Electric Corp. in Washington, D.C., and a married daughter, Mrs. Janet Atkinson, is a graduate student at the University of Wyoming.

Mr. President, Bill Cook is a highly successful small businessman and civic leader because of his willingness to work hard, to strive to please consumers, and to play an incredibly active role in the affairs of his city and his State. His outstanding success is representative of what can be achieved in this country under the free enterprise system by those willing to put forth effort.

I am delighted Bill Cook's many achievements have been recognized via this award, and I am grateful to him for his contributions to others.

FTC PROPOSED FUNERAL INDUSTRY TRADE REGULATION RULE

Mr. HARTKE. Mr. President, the Federal Trade Commission has recently proposed a trade regulation rule concerning funeral practices. This rule would require disclosure of price and other pertinent information as well as prohibit various exploitive, unfair, and deceptive practices by the Nation's funeral industry. The Commission stated that it has reason to believe that certain consumers have been exploited by some elements of the funeral industry through a variety of misrepresentations, improper sale tactics, nondisclosure of vital information, and interference with the market.

As chairman of the Committee on Veterans' Affairs, I have been and continue to be quite concerned about such practices particularly because substantial Federal benefits are paid by the Veterans' Administration for burial expenses of deceased eligible veterans. During this fiscal year, for example, VA burial benefits will exceed $143 million. Eligible veterans currently receive $250 for burial expense plus an additional $150 plot allowance if they are not buried in a national cemetery. The plot allowance, of course, was authorized by the National Cemeteries Act of 1973—Public Law 93-43—which I was privileged to author. In all, nearly 26 million veterans are currently eligible for veterans burial benefits. In the next 25 years it is estimated that benefits totaling approximately $4.5 billion will be paid by the VA. This year, for example, the families of 338,000 veterans will come into direct contact with representatives of the funeral industry. Thus it is readily apparent, to the extent there is misrepresentation, improper sales techniques, nondisclosure of vital information or interference with the market, that these are all issues of extreme importance to the committee, which I am privileged to chair.

The rule would prohibit funeral directors from:

First, picking up or embalming corpses without permission from the family;

Second, requiring those who opt for an immediate cremation to purchase a casket, and from refusing to make available inexpensive containers suitable for cremation;

Third, profiting on cash advance items—amounts paid out by the funeral home for obituary notices, cemetery charges, flowers, and the like which are reimbursed by the family;

Fourth, misrepresentation of the legal or public health necessity for or preservative utility of embalming, caskets or burial vaults;

Fifth, untruthful and unsubstantiated claims of watertightness or airtightness of caskets and burial vaults;

Sixth, bait-and-switch tactics;

Seventh, disparagement of a consumer's concern for price;

Eighth, restrictions or obstructions to advertising or other disclosure of price information;

Ninth, interferences with the offering of low-cost funerals, direct cremation services or other alternative modes of disposition preneed arrangements; and memorial society activities.

The rule would also require mortuaries to furnish to customers:

First, a fact sheet about legal requirements for embalming, caskets, and buriel vaults;

Second, a casket price list;

Third, an itemized list of prices for the services and merchandise offered for sale, with conspicuous disclosure of the consumer's right to select only the items desired;

Fourth, a memorandum, at the time funeral arrangements are made which records the items selected and their respective prices.

The rule would also require funeral homes which advertise to include in their advertisements a notice that price information is available and the telephone number to call to obtain such information.

The Federal Trade Commission, of course, has initiated public comment and plans full hearings on all aspects of the proposed rule. Thus problems with the operation of any of the particulars of the rule will be aired and subject to modification, deletion or improvements if merited. And without passing judgment on all aspects of the proposed rule, I believe it important at the onset to note my agreement with the general intent of requiring adequate disclosure of pertinent information and the prohibition of unfair practices. This has been a continuing concern of the committee, which has been evidenced by legislation reported from it on a number of occasions, particularly with reference to the VA education, housing, and insurance programs. Members will also recall that full committee hearings in 1972 exposed a number of problems and deceptive practices with respect to sales or cemetery plots specifically directed at veterans and their families.

Thus it is both consistent and appropriate that we examine closely industry practices as they relate to veterans and their families, particularly when that industry will receive several billion dollars in Federal veteran benefits in the coming decades.

Mr. President, I believe that the proposed rule covering the funeral industry practices, the statements of reason and questions to be addressed in public comments and hearings, would be of interest to my colleagues, and I ask unanimous consent that they be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Federal Trade Commission,
Washington, D.C.

[16 CFR Part 453]

Funeral Industry Practices

Notice of Proceeding, Proposed Trade Regulation Rule, Statement of Reason for Proposed Rule, Invitation to Propose Issues of Fact for Consideration in Public Hearings, and Invitation to Comment on Proposed Rule.

Notice is hereby given that the Federal Trade Commission, pursuant to the Federal Trade Commission Act, as amended, 15 U.S.C. § 41, et seq., the provisions of Part I, Subpart B of the Commission's procedures and rules of practice, 16 CFR 1.7, et seq., and § 553 of Subchapter II, Chapter 5, Title 5 of the U.S. Code (Administrative Procedure), has initiated a proceeding for the promulgation of a Trade Regulation Rule concerning Funeral Industry Practices.

Accordingly, the Commission proposes the following Trade Regulation Rule and to amend subchapter D, Trade Regulation Rules, Chapter 1 of 16 CFR by adding a new Part 453 as follows:

Sec.
453.1 Definitions.
453.2 Exploitative practices.
453.3 Misrepresentations.
453.4 Merchandise and service selection.
453.5 Price disclosures.
453.6 Interference with the market.
453.7 Retention of documents.

Authority: The provisions of this Part 453 are issued under 38 Stat. 717, as amended (15 U.S.C. 41, et seq.)

§453.1 Definitions.

For the purpose of this part, the following terms and definitions shall apply:

(a) *Funeral service industry member.* A "funeral service industry member" is any person, partnership or corporation, or any employee or agent thereof, engaged in the business of selling or offering for sale, directly to the public, funeral services and merchandise; of preparing deceased human bodies for burial, cremation or other final disposition; or of conducting or arranging funerals.

(b) *Funeral services.* "Funeral services" consist of services performed incident to: (1) the care and preparation of deceased human bodies for burial, cremation or other final disposition; (2) the arrangement, supervision or conducting of the funeral ceremony and the final disposition of the deceased including, but not limited to, transporting the remains, securing necessary permits, embalming, arranging for death notices and other funeral-related items.

(c) *Funeral merchandise.* "Funeral merchandise" consists of articles and supplies sold or offered for sale, directly to the public, or used by funeral directors incident to: (1) the care and preparation of deceased human bodies for burial, cremation or other final disposition; (2) the arrangement, supervision or conducting of the funeral ceremony.

(d) *Person, partnership or corporation.* The term "person, partnership or corporation" refers to any party, other than a state, over which the Federal Trade Commission has jurisdiction, and may include in appropriate circumstances, but is not limited to, individuals, groups, organizations, trade associations, and professional societies.

(e) *Customer.* A "customer" is any person, association, or other entity who purchases, attempts to purchase or seeks information regarding possible future purchase of funeral services and/or merchandise, without intention of resale.

(f) *Immediate cremation.* An "immediate cremation" is a disposition of human remains which includes reduction of the remains by a heating process and which does not involve formal viewing or a prior funeral ceremony with the body present.

(g) *Outer interment receptacle.* An "outer interment receptacle" is any container or enclosure which is placed in the grave around the casket to protect the casket and/or to prevent the collapse of the grave including, but not limited to, receptacles commonly known as burial vaults, grave boxes or grave liners.

(h) *Casket.* A "casket" is a rigid container which is designed for the encasement and burial of human remains and which is usually constructed of wood or metal, ornamented, and lined with fabric.

(i) *Suitable container.* A "suitable container" is any receptacle or enclosure other than a casket which is of sufficient strength to be used to hold and transport human remains including, but not limited to, cardboard, pressed-wood or composition containers and canvas or opaque polyethelene pouches.

(j) *Crematory.* "Crematory" refers to an establishment which reduces human remains by a heating process.

(k) *Defacing.* "Defacing" consists of deliberate efforts to make merchandise appear unattractive to customers including, but not limited to, displaying broken, soiled or defective merchandise.

(l) *Accounting year.* "Accounting year" refers to the particular one year period, which may but need not necessarily correspond to the calendar year, utilized by a funeral home in keeping financial records for tax or accounting purposes.

(m) *Adult funeral services.* "Adult funeral services" refers to funeral services which are provided, at retail prices, for adults, and does not include services provided for infants or small children.

(n) *Standard funeral service package.* A "standard funeral service package" is defined to include at least the following: removal of remains to funeral home; preservation, restoration, and dressing of remains; use of funeral home facilities and equipment for viewing and the funeral service; arranging for obituary notices, church services, burial permits, and transcripts of death certificates; arranging and care of flowers; use of hearse; arranging for veteran, social security, fraternal, labor union, and/or life insurance burial benefits, arranging for pallbearers; other services of funeral director and staff; and casket.

(o) *Offered for sale.* "Offered for sale" refers to making available for purchase or suggesting the availability of merchandise or services for purchase by use of any of the following: media advertising; promotional materials, including brochures, handbills or calendars; the display or stocking for sale of merchandise; or expressions, direct or indirect, of a willingness to furnish services and/or merchandise to the public for a retail price.

(p) *Memorial society.* A "memorial society" is a non-public membership association which assists members in obtaining and making arrangements for funerals, cremations, or other methods of disposition.

§ 453.2 Exploitative practices.

In connection with the sale or offering for sale of funeral services and/or merchandise to the public, in or affecting commerce as "commerce" is defined in the Federal Trade Commission Act, it is an unfair or deceptive act or practice for any funeral services industry member:

(a) [Embalming without permission] to furnish embalming, other services or merchandise without having first obtained written or oral permission from a family member or other person authorized by law to make funeral arrangements for the deceased. *Provided* that embalming without permission to satisfy requirements of state or local laws shall not be considered a violation of this provision.

(b) [Pick-up and release of corpses] (1) to obtain custody of a deceased human body without having first received written or oral authorization from a family member or other person authorized by law to make funeral arrangements for the deceased. *Provided* that obtaining custody of human remains without authorization from a family member or other person authorized by law to make funeral arrangements to satisfy requirements of state or local laws shall not be considered a violation of this provision.

(2) to refuse to release a deceased human body to a family member or other person authorized by law to arrange disposition of the body, including any funeral director acting on directions of a family member or other authorized person, when requested to do so, whether or not money is owed for services already rendered. *Provided, however,* that this provision shall be subject to any valid state or local laws respecting release or transportation of deceased bodies.

(c) [Casket for cremation] who arranges cremation services, (1) or any crematory to require customers who express interest in immediate cremation of deceased human remains to purchase a casket or to claim directly or by implication that a casket is required;

(2) to fail to make available to any customer expressing an interest in immediate cremation of deceased human remains a suitable container, as defined by this part.

(d) [Profit on cash advances] (1) to charge in excess of the amount advanced, paid or owed to third parties on behalf of customers for any items of service or merchandise described as "cash advances", "accommodations" or words of similar import on the contract, final bill, or other written evidence of agreement or obligation furnished to customers.

(2) to charge customers more than the amount advanced, paid or owed to third parties on behalf of customers for:

Cemetery or crematory charges.
Pallbearers.
Public transportation charges.
Flowers.
Clergy honoraria.
Musicians or singers.
Nurses.
Obituary notices.
Gratuities.

(3) to fail to pass on to customers the benefit of any rebates, commissions or trade or volume discounts received on any items enumerated in paragraph (d)(2). If the net cost to the funeral director for an item cannot be ascertained at the time of a particular sale, determination of the charges to the customer (the net charges paid by the funeral director) may be based on the adjustments, discounts, or rebate figures for the preceding accounting year.

(4) to misrepresent to a customer in any respect the amount advanced, paid or owed to third parties on behalf of the customer for services or merchandise to be furnished to such customer.

§ 453.3 Misrepresentations.

In connection with the sale or offering for sale of funeral services and/or merchandise to the public, in or affecting commerce as "commerce" is defined in the Federal Trade Commission Act, it is an unfair or deceptive act or practice for any funeral service industry member:

(a) [Misrepresentation of law, public health necessity, and religious customs] (1) to make any statements or claims, written or oral, which expressly or implicitly contradict, mitigate or detract from the printed disclosures which are required by paragraph (a)(2) or which are false, misleading or unsubstantiated, regarding (i) the legal necessity for embalming, a casket, or an outer interment receptacle; (ii) public health hazards associated with the failure to utilize embalming, a casket, or an outer interment receptacle; or (iii) religious requirements or customs.

(2) to fail to furnish, to each customer who inquires in person about the arrangement, purchase and/or prices of funeral merchandise or services, the following printed or typewritten statement, in clearly legible type:

[Name of funeral home]

"To avoid purchase decisions based on misconceptions about legal or public health requirements, the following statements are provided for your information. Please ask for an explanation of any statement which is not clear.

(i) Embalming is not required by law except in limited circumstances. It is not to be performed without authorization from a legally responsible individual except in those instances where it is required by law.

(ii) A casket is not required for immediate cremation. In lieu of caskets, this funeral home has available containers suitable for cremation for $———.

(iii) Purchase of a casket or of a special form of casket, such as a "sealer casket," is not required by law except in limited circumstances, but may be required by cemetery rule.

(iv) Outer interment receptacles (burial vaults or grave liners) are not required by law except in limited circumstances, but may be required by cemetery rule.

Upon request, your funeral director will provide a brief written or printed explanation of legal requirements, including public health regulations, which necessitate the use of any services or merchandise."

(3) to fail to furnish, upon customer request, a brief written, typewritten or printed explanation of legal requirements, including public health regulations, which necessitate the use of any services or merchandise.

(b) [Preservative value claims] (1) to claim, directly or by implication, that decomposition or decay of a deceased human body can be prevented by the use or purchase of:

(i) embalming; or

(ii) a casket, unsealed or sealed; or

(iii) a burial vault or other outer interment receptacle, unsealed or sealed.

(2) to make false, misleading or unsubstantiated claims, directly or by implication, of watertightness or airtightness for caskets or vaults, whether sealed or unsealed;

(3) to misrepresent the preservative or protective utility of caskets, burial vaults or embalming.

§ 458.4 Merchandise and service selection.

In connection with the sale or offering for sale of funeral services and/or merchandise to the public, in or affecting commerce as "commerce" is defined in the Federal Trade Commission Act, it is an unfair or deceptive act or practice for any funeral service industry member:

(a) [Display of least expensive caskets] whose establishment contains one or more casket selection rooms, to fail to display therein the three least expensive caskets offered for sale for use in adult funeral services, in the same general manner as other caskets are displayed. *Provided*, that if fewer than twelve (12) caskets are displayed, only one of the three least expensive caskets must be displayed.

(b) [Availability of other colored caskets] to fail to inform customers, by means of a prominently displayed written notice, that displayed caskets can be obtained in other colors, or to fail to provide caskets in other colors to customers who so request, *provided* that such caskets in other colors can be obtained from regular commercial suppliers upon twelve (12) hours notice.

(c) [Interference with customers' selection of offered items] (1) to represent, directly or indirectly, orally, visually, or in writing, that any funeral merchandise or service is offered for sale when such is not a bona fide offer to sell said product or service;

(2) to make representations, directly or indirectly, orally, visually, or in writnig, purporting to offer any funeral merchandise or service for sale when the purpose of the representation is not to sell the offered merchandise or service but to obtain leads or prospects for the sale of other funeral merchandise and/or services at higher prices;

(3) to discourage the purchase, by customers, of any funeral merchandise or service which is advertised or offered for sale by:

(i) disparaging the quality, appearance or tastefulness of any such merchandise or service which is advertised or offered for sale;

(ii) suggesting that such merchandise or service is not readily available or can only be obtained after an appreciable delay, when such is not the case;

(iii) defacing any merchandise carried for sale; or

(4) to use any policy, sales plan, or method of compensation for salespersons which has the effect, in any manner, of discouraging salespersons from selling, or has the effect of penalizing salespersons for selling, any funeral merchandise or service which is advertised or offered for sale.

(d) [Disparagement of concern for price] to suggest, directly or by implication, to any customer in any manner that the customer's expressed concern about prices, inexpensive services or merchandise or an expressed desire to save money by the customer is improper, inappropriate or indicative of a lack of respect or affection for the deceased.

§ 453.5 Price disclosures.

In connection with the sale or offering for sale of funeral services and/or merchandise to the public, in or affecting commerce as "commerce" is defined in the Federal Trade Commission Act, it is an unfair or deceptive act or practice for any funeral service industry member:

(a) [Price information over telephone] to fail to provide by telephone, upon customer request, accurate information regarding the funeral service industry member's retail prices of funeral products and services, including caskets, vaults, basic services and cremation services, if offered.

(b) [Casket price list] (1) to fail to furnish to each customer, before discussion about caskets offered for sale or the customer's selection of a casket, a printed or typewritten list, showing in descending or ascending order of price, the prices of all caskets available for purchase without requiring special ordering by the customer, together with sufficient information about each casket to enable the customer to locate and identify a casket among the others on display. The document shall also bear an effective date for prices listed thereon.

(2) to fail to include, on the printed or written list required by paragraph (b)(1) in clearly legible type, the following heading:

CASKET PRICE LIST FOR—NAME OF FUNERAL HOME

"Listed below, in order, are the prices of the caskets offered by this funeral home together with information to help you locate and identify particular caskets which are displayed. If you are interested in any of the caskets which are included on this list but are not on display, please inquire."

(3) to represent to a customer that a casket on the list is not available, when such is not the case.

(c) [Display of casket prices] (1) to fail to display prominently in or on the caskets on display the price of such caskets by card, sign or other means.

(2) to fail to display prominently prices on any casket photographs shown to customers and on any caskets shown to customers in display rooms maintained by casket manufacturers or wholesalers.

(d) [Vault disclosure and price list] (1) to fail to furnish to customers, at the time they are shown or informed as to the availability of outer interment receptacles, before such a customer has made his or her selection, the following printed or typewritten notice:

"Some cemeteries require that an outer enclosure be placed around the casket in the grave, while others do not. Where such a requirement exists, it can usually be satisfied by either a burial vault or a grave liner, which is usually less expensive than a burial vault. Outer interment receptacles are often sold by cemeteries as well as by funeral homes.

"Before selecting any outer enclosure you may want to determine any applicable cemetery requirements as well as the offerings of your cemetery and funeral home."

(2) to fail to include on the printed statement required by paragraph (d) (1), in clearly legible type, the price for each outer interment receptacle available from the funeral home for purchase by the customer, together with a brief description of each enclosure, and an effective date for the prices specified.

(e) [Price list] (1) to fail to furnish to each customer who inquires in person about the arrangement, purchase, and/or prices of funeral goods or services, prior to any agreement on such arrangement or selection by the customer or to any customer who by telephone or letter requests written price information, a printed or typewritten price list, which the customer may retain, containing the prices (either the retail charge or the price per hour, mile or other unit of computation) for at least each of the following items:

Transfer of remains to funeral home.

Embalming.

Use of facilities for viewing.

Use of facilities for funeral service.

Casket (a notation that a separate casket price list will be provided before any sales presentation for caskets is made).

Hearse.

Limousine.

Services of funeral director and staff.

Outer interment receptacles (if outer interment receptacles are sold, a notation that a separate outer interment receptacle price list will be provided before any sales presentation for such items is made).

Provided, however, that the list may include total or package prices for any standard adult funeral service package under $———. The items covered by any such single quoted price shall be specified, but need not be separately priced. However, if a customer wishes to decline one or more items, the price shall be reduced by at least the amount of savings accruing to the funeral home from the declination.

(2) to fail to include, on the printed price list specified in paragraph (e) (1), directly above the price listings, in clearly legible type, the following:

(i) the name, address, and telephone number of the funeral home;

(ii) an effective date for the prices listed thereon;

(iii) the statement "You are free to select only those items of service and merchandise you desire. You will be charged for only those items you select. In some instances, depending on the circumstances of death and/or the type of service you select, some additional services or merchandise may be come necessary. If you are required to pay for certain services or merchandise you have not selected, because they are required by other factors, an explanation shall be provided in writing by the funeral director on the memorandum of funeral services selected which you will receive."

(f) [Memorandum of funeral service selected] (1) to fail to furnish to each customer making funeral arrangements, on a written memorandum of the funeral service selected, a list, in at least the following categories, of the services and merchandise selected by the customer together with a price for each item:

Embalming.

Other preparation of the body.

Use of facilities for viewing.

Use of facilities for funeral service.

Other services of funeral director and staff.

Casket, as selected.

Other specifically itemized merchandise.

Specifically itemized transportation charges.

Specifically itemized charges for any special services required.

Specifically itemized cash advances or expenditures.

Provided, however, that there may be single prices quoted for each standard adult funeral service package whose total price is below $———, if the service and merchandise included for the package price are specified, and if the listed price reflects appropriate adjustments for any items declined by the customer, as set forth in paragraph (e) (1).

(2) to fail to include on the written memorandum, required by paragraph (f) (1), in clearly legible boldface type the following:

(i) the name, address, and telephone number of the funeral home;

(ii) the disclosure required by paragraph (e) (2) (iii);

(iii) the statement "no substitutions of agreed-upon merchandise shall be made, unless agreed to in advance, by both parties;" (iv) the statement "I have read and understood the above statements. I have also received written information regarding the prices of caskets and other merchandise and services."

(v) immediately below the statements required by paragraphs (f) (2) (iii) and (iv), the signatures of the customer and the funeral service industry member, or an authorized representative, and the date signed.

§ 453.6 Interference with the market.

In connection with the sale or offering for sale of funeral services and/or merchandise to the public, in or affecting commerce as "commerce" is defined in the Federal Trade Commission Act, it is an unfair or deceptive act or practice for any funeral service industry member:

(a) [Offering of inexpensive funerals] or any person, partnership, or corporation, directly or indirectly, to prohibit, hinder or restrict, or attempt to prohibit, hinder, or restrict: (1) the offering, or advertising of the availability of, low-cost funerals, immediate cremation or other forms of disposition, or arrangements for funeral services in advance of need by any funeral director, memorial society, or other person, partnership or corporation;

(2) contracts or arrangements between memorial societies and any funeral director or other person, partnership or corporation providing services for the disposition of deceased human bodies.

(b) [Price advertising] or any other person, partnership or corporation, directly or indirectly, to prohibit, hinder or restrict, or attempt to prohibit, hinder or restrict, the disclosure of accurate price information regarding funeral merchandise or services by any funeral director, memorial society, or other person, partnership or corporation offering services for the disposition of deceased human bodies, whether such disclosure is made by means of advertisements in print media or broadcast media, or in any other manner.

(c) [Reliance on price advertising restrictions] to change, restrict, make or fail to make any disclosure of accurate price information about any funeral merchandise or service by print media, broadcast media, telephone, leaflets, mailings, or in any other way, because of or in connection with any law, rule, regulation or code of conduct of any non-federal legislative, executive, regulatory or licensing entity or any other entity or person whatsoever, including but not limited to professional associations.

(d) [Price availability notice] to fail to display prominently, in any advertising or promotional materials in print or broadcast media of funeral merchandise or services, the following notice:

"Funeral home prices vary substantially. For information on our prices for funeral merchandise and services, call: [Telephone number.]"

§ 453.7 Retention of documents.

To assure compliance with the provisions of this part and prevent future use of the unfair and deceptive practices it prohibits, all funeral homes subject to the provisions of this part shall be required to retain and to make available for inspection by Federal Trade Commission officials, upon request, true and accurate copies of the written disclosures or price lists required by § 453.3(a) (2) and § 453.5 (b) (1), (d(1), and (e) (1), and all revisions thereof, for at least three years after the date of their last distribution to customers, and a copy of each selection memorandum signed by a customer, as required by § 453.5(f) (1), for at least three years from the date on which the memorandum was signed.

Statement of fiats-

STATEMENT OF REASON FOR THE PROPOSED RULE

It is the Commission's purpose in issuing this statement to set forth its reason for proposing this rule with sufficient particularity to allow informed comment. The precise format of such statements may vary from rule to rule depending upon the complexity of the issues involved. In this proceeding, we have determined that meaningful comment by the public will be facilitated by presenting (1) a brief statement describing the basic factual and legal premises upon which the Commission has determined to issue the rule, and (2) a series of questions designed to draw to the public's attention matters which the Commission deems particularly pertinent and those upon which comment is especially solicited.

The Commission emphasizes that neither this statement of factual and legal premises nor the questions should be interpreted as designating disputed issues of material fact. Such designations shall be made by the Commission or its duly authorized presiding official pursuant to the Commission's procedures and rules of practice.

STATEMENT

The Commission has reason to believe that:

(a) The funeral transaction has distinctive characteristics which combine to place consumers in a peculiarly vulnerable position. Funeral purchases—one of the largest single consumer expenditures—are made out of necessity, not by choice. Funeral arrangements typically must be made under extreme time pressures by buyers whose bereaved condition may render them unable to protect themselves by careful inquiry or to exercise their normal care and business judgment. Often, buyers have almost no knowledge of funeral procedures, legal requirements or restrictions and available choices and costs. By contrast, the funeral director is in the business of arranging disposition of the dead for profit, and he is familiar with procedures, legal issues, costs, alternatives, and is skilled at transacting business with buyers who are distraught, disoriented and dependent;

(b) Bereaved buyers are susceptible to and have been subjected to a variety of practices which exploit their disadvantaged position or which interfere with personal selection of funeral merchandise and services. Moreover, these practices frequently involve the creation of false expectations in the funeral purchaser concerning funeral requirements and choices or mislead the customer by misrepresenting the necessity or nature of the funeral merchandise and services purchased. Such practices include: obtaining custody of and embalming corpses without permission, refusing to release a decedent's remains upon request of surviving relatives, requiring use of a casket for immediate cremation services, profiting on cash advances, concealing the availability of less expensive caskets or caskets in other colors, and discouraging selection of particular merchandise and services offered for sale. In addition, the consumer's disadvantageous position has been used to impede personal selection of funeral arrangements by funeral service industry members who have disparaged the buyer's economic concerns;

(c) Sections 453.2 and 453.4 of the Proposed Rule are necessary to halt and prevent future use of the foregoing practices, which are unfair or deceptive within the meaning of Section Five of the Federal Trade Commission Act (15 U.S.C. Section 45, as amended).

The Commission is proceeding upon the theory that the practices prohibited by Sections 453.2 and 453.4 of the Proposed Rule are unfair if they cause substantial harm (*i.e.*, their economic and social utility to the public is substantially less than their economic and social disutility) and they result from the inequitable use of the superior bargaining position of the funeral service industry member relative to that of consumer buyers. In so doing, the Commission is mindful that its authority to examine and prohibit unfair practices in or affecting commerce has been analogized to the jurisdiction of an equity court.[1]

The Commission has further reason to believe that:

(d) Many consumers have been injured by misrepresentations concerning: the use, necessity, or preservative utility of embalming, caskets or burial vaults; public health hazards resulting from failure to use embalming, a casket or a burial vault; or religious requirements or customs;

(e) The foregoing practices are deceptive within the meaning of Section Five of the Federal Trade Commission Act (15 U.S.C. Section 45, as amended). Section 453.3 of the proposed rule is necessary to prevent the use of such deceptive practices and to avoid purchase decisions which are premised on misconceptions.

The Commission also has reason to believe that:

(f) The availability of price information for consumers has been severely restricted. A substantial number of funeral homes refuse to divulge price information by telephone or limit the amount of information obtainable at the funeral home concerning the prices of funeral merchandise and services;

(g) A widespread failure to advertise funeral prices has contributed to the lack of price information. Such failure may be attributable not only to individual reluctance to advertise prices but also to historical institutional opposition to price advertising (by industry groups and state regulatory boards) and to state laws and regulations which restrict or prohibit funeral price advertising;

(h) The inadequate availability of price data has prevented price competition from operating in the funeral industry, has severely hampered comparison of the prices and offerings of different funeral homes by consumers and has deprived consumers of material information which is essential to informed purchase decisions. Unless the Commission undertakes to require certain price disclosures and to remove all varieties of private and public restraints, consumers may continue to receive inadequate price information throughout the United States;

(i) Actions by funeral industry members to inhibit economical funeral offerings, pre-need arrangements, immediate disposition services, or memorial societies disadvantage consumers by restricting their choice of funeral arrangements and may suppress competition in the industry;

(j) Section 453.5's price disclosure requirements are necessary: (1) to prevent deception regarding funeral prices offerings; (2) to remedy the unfair withholding of information essential for informed consumer purchase decisions; and (3) to prevent future use of various unfair and deceptive merchandising techniques which exploit consumers' lack of information;

Section 453.6 is necessary to cure the unfair nondisclosure of funeral prices, whether or not due to private or official restraints, and to prevent unfair activities which restrict the funeral choices available to consumers and price competition within the funeral industry.

For the purposes of this trade regulation rule proceeding, the Commission is proceeding upon the theory that nondisclosure of funeral prices is unfair if it creates substantial harm (*i.e.*, its economic and social utility to the public is substantially less than its economic and social disutility) and it offends public policy by being basically contrary to clear national policy, as articulated by the federal antitrust statutes, and not vital to achieve important State policy goals. In light of the foregoing, the Commission has reason to believe that the widespread failure by funeral service industry members to disclose to consumers retail price information for funeral merchandise and services, whether or not due to private or official restraints, is unfair within the meaning of Section 5 of the Federal Trade Commission Act (15 U.S.C. Section 45, as amended).

In addition, the Commission has reason to believe that:

(k) The retention of documents required by Section 453.7 of the proposed rule is necessary to facilitate enforcement of the rule and to effectuate its purposes;

(l) The magnitude of the economic and emotional injuries inflicted on large numbers of particularly vulnerable consumers by the abuses identified and the frequency of their use by funeral directors in different parts of the United States are sufficient to warrant issuance of this proposed rule by the Commission.

The Commission has reason to believe the above statements based on information compiled by Commission staff during a comprehensive industry-wide investigation.

In the course of the investigation the Commission staff has received extensive documentary evidence bearing upon the issues and has consulted numerous experts, industry members and consumers. In addition, the staff has conducted independent surveys and investigational hearings; evaluated consumer complaints, pertinent State statutes and judicial rulings; and examined the findings of various industry studies. The Commission has not adopted any findings or conclusions of the staff. All findings in this proceeding shall be based solely on matter in the rulemaking record.

EFFECT OF RULE ON CONTRARY STATE LAWS

Particularly with respect to Sections 453.2 (c), 453.5 and 453.6 of the proposed rule, it is the Commission's intent in issuing this proposed rule to override contrary state or local law. The rule is an interpretation of the Federal Trade Commission Act (15 U.S.C. Section 41, *et. seq.*) and constitutes a declaration of federal law. Under the supremacy clause of the United States Constitution,[2] the rule will become the supreme law of the land on the matters it covers and within the confines of the Commission's jurisdiction, preempting all repugnant state or local laws.[3]

GENERAL LEGAL AUTHORITY

The Commission's legal authority to promulgate a Funeral Industry Practices Trade Regulation Rule derives principally from Sections 5 and 18 of the Federal Trade Commission Act (15 U.S.C. Sections 45 and 57, as amended). Section 5 declares unlawful the use, in or affecting commerce, of unfair or deceptive acts or practices or unfair methods of competition. In *FTC v. Sperry & Hutchison Co.*,[4] the Supreme Court affirmed in broad terms, the Commission's authority to proscribe not only practices which are anticompetitive or deceptive, but also practices which are unfair.[5] The Court analogized the Commission's role, in evaluating unfairness, to that of a court of equity.

Thus legislative and judicial authorities alike convince us that the Federal Trade Commission does not arrogate excessive power to itself if, in measuring a practice against the elusive, but congressionally mandated standard of fairness, it, like a court of equity considers public values beyond simply those enshrined in the letter or encompassed in the spirit of the antitrust laws.[6]

The Commission's authority to define particular practices as unfair or deceptive within the meaning of Section 5 of the Federal Trade Commission Act by promulgating rules has been explicitly recognized by case[7] as well as by the statutory authority of Section 18 of the Act, as amended.[8] Section 18 further affirms the Commission's authority to include, within rules, requirements prescribed for the purpose of preventing future use of unfair or deceptive acts or practices.[9]

QUESTIONS

1. How prevalent are the following funeral industry practices which are addressed by the rule?

Furnishing embalming or other services without permission.

Obtaining remains without authorization.

Refusing to release remains when requested to do so.

Requiring purchase of a casket for cremation, and refusing to make an inexpensive container available.

Misrepresenting to customers and overcharging customers on the amounts for cash advance items.

Misrepresenting legal, public health, or religious requirements.

Misrepresenting the preservative capabilities of embalming, caskets, or outer interment receptacles.

Failing to display inexpensive caskets.

Displaying inexpensive caskets in a manner which is calculated to discourage their selection by customers.

Pressuring customers into purchasing high-priced merchandise and services.

Disparagement of inexpensive merchandise.

Sales plans or commission schemes which penalize salespersons for selling inexpensive funerals while rewarding them for high-priced sales.

Disparaging a consumer's interest in price considerations.

Refusing to provide price information over the telephone.

Arranging the casket selection room so as to confuse customers and lead them to purchase more expensive caskets.

Displaying caskets without prices.

Misleading customers about the necessity for burial vaults and failing to disclose the availability of less expensive grave liners.

Tying together funeral products and services and refusing to quote separate prices on component items or give discounts for declined items.

Restricting the availability of low-cost funerals, pre-need plans, alternative methods of disposition, and memorial society programs.

Limiting the availability of price information through restrictions on price advertising.

The Commission particularly desires analysis and comment based on specific data and experience.

2. Is it necessary for the Commission to specify a maximum price or formula for the cremation container required by § 453.2(c), to prevent funeral directors from charging excessive prices for such alternative containers?

3. To what extent do existing state and local laws permitting the practices otherwise declared unfair or deceptive by § 453.2(a) and § 453.2(b) of the proposed rule (*i.e.*, embalming without permission, obtaining custody of remains without authorization, refusing to release remains to the deceased's family) protect the public health, safety or welfare or serve other legitimate state interests? Should any of these requirements of state or local law be preempted?

Footnotes at end of article.

4. Does § 453.3(d) abridge constitutionally protected speech? If so, by what means can the protective purposes of the provision be attained constitutionally?

5. Are the funeral price disclosure requirements of § 453.5 necessitated by inadequate availability to consumers of price information? If so, is this inadequate availability the result of funeral directors' withholding of price information? Would the price disclosures required by § 453.5 help consumers make better-informed purchase decisions?

6. Will mandatory itemization of prices of funeral merchandise and services, as required by § 453.5(e) of the proposed rule, benefit consumers in their selection of funeral merchandise and services? Will the itemized memorandum of funeral merchandise and services selected, as required by § 453.5(f) of the proposed rule, benefit consumers? Please be specific. Are the categories of items which must be enumerated by § 453.5 (e) and (f) useful and appropriate? If not, what changes should be made?

7. Should the offering of low-cost package funerals be encouraged? Would itemization preclude the offering of low-cost funerals? Would exempting the least expensive funerals from the itemization requirements of § 453.5 (e) and (f) prevent such a result? If so, what is a reasonable dollar cut-off point for exempting such funerals from the itemization requirements of § 453.5 (e) and (f)?

8. Are there additional funeral industry practices which should be addressed by this rule?

9. Should the coverage of this rule be expanded to include unfair or deceptive practices used by funeral merchandise manufacturers, cemeteries or other allied industries? What specific practices should be addressed, and in what way are they unfair or deceptive?

10. What will be the impact of the rule on consumers?

11. What costs, economic or otherwise, to funeral homes, especially those which are small businesses, would result from implementation of the proposed rule, and how could such costs be minimized?

12. To what extent do the circumstances of the funeral transaction place the consumer in a more vulnerable position than in other consumer transactions?

INVITATION TO PROPOSE ISSUES OF FACT FOR CONSIDERATION IN PUBLIC HEARINGS

All interested persons are hereby given notice of opportunity to propose any disputed issues of fact. The Commission or its duly authorized presiding official, shall, after reviewing submissions hereunder, identify any such issues in a Notice which will be published in the Federal Register. Such issues shall be considered in accordance with Section 18(c) of the Federal Trade Commission Act as amended by Public Law 93–637, and rules promulgated thereunder. Proposals shall be accepted until October 28, 1975, by the Special Assistant Director for Rulemaking, Federal Trade Commission, Washington, D.C. 20580. A proposal should be identified as a "Proposal Identifying Issues of Fact—Funeral Industry Practices Rule", and furnished, when feasible and not burdensome, in five copies. The times and places of public hearings will be set forth in a later Notice which will be published in the Federal Register.

INVITATION TO COMMENT ON THE PROPOSED RULE

All interested persons are hereby notified that they may also submit to the Special Assistant Director for Rulemaking, Federal Trade Commission, Washington, D.C. 20580, data, views or arguments on any issue of fact, law, or policy which may have some bearing upon the proposed rule. Written comments, other than proposed issues of fact, will be accepted until forty-five days before commencement of public hearings, but at least until October 28, 1975. To assure prompt consideration of a comment, it should be identified as a "Funeral Industry Practices Rule Comment", and furnished, when feasible and not burdensome, in five copies.

Issued: August 29, 1975.

By direction of the Commission.

VIRGINIA M. HARDING,
Acting Secretary.

FOOTNOTES

[1] F.T.C. v. Sperry Hutchinson Co., 405 U.S. 233, 244 (1972).

[2] U.S. Const., art. VI, § 2.

[3] *See, e.g.,* Perez v. Campbell, 402 U.S. 637 (1971); Free v. Bland, 369 U.S. 663 (1962); Double-Eagle Lubricants v. Texas, 248 F. Supp. 515 (N.D. Tex.), *appeal dismissed,* 384 U.S. 434 (1966); Mobil Oil Corp. v. Attorney General, 280 N.S. 2d 406 (Mass. 1972).

[4] 405 U.S. 233 (1972).

[5] *See also* F.T.C. v. R. F. Keppel & Bro., 291 U.S. 304 (1934).

[6] 405 U.S. at 244 (footnote omitted).

[7] *See* Nat'l Petroleum Refiners Ass'n v. F.T.C., 482 F. 2d 672 (D.C. Cir. 1973), *rev'g* 340 F. Supp. 1343 (D.D.C. 1972)

[8] PL 93–637, § 202 (Jan. 4, 1975).

[9] Section 18(a) (1) (B).

COMPETITION KEEN AMONG UTILITIES FOR TAX KEEPER OF THE YEAR AWARD

Mr. METCALF. Mr. President, the Federal tax burden of the Nation's largest industry hit an all-time low last year. With total utility operating revenues of $42,174,621,271, the 215 major investor-owned electric utilities paid but $528,189,878 in total Federal income taxes. That amounts to but 1.3 percent of their revenue, and compares with the 12.6 percent of their revenue which the utilities earned as net, after-tax profit.

The rate of return on common equity—the return on common stock—for these major investor-owned utilities averaged 10.8 percent. That was the same return on common stock as the IOU's averaged 20 years ago. Then, however, their Federal taxes amounted to 14.7 percent of revenue.

Federal taxation is obviously no longer a consequential burden on utilities. Rather, it is another hidden benefit for them. Their representatives still go before regulatory commissions, with faces straight and long, and ask for double their revenue needs in order to have what they need after paying Federal taxes at the highly theoretical 48 percent corporate tax rate. Commissioners all too often nod soberly, adjust their figurative wigs and approve. By the time the utilities have used the investment tax credits, rapid tax writeoffs and liberal depreciation which indulgent Congresses have provided them, there are little or no Federal taxes to be paid. Then the IOU's pocket the phantom "tax" dollars which they collect from their customers, supposedly for Uncle Sam.

Mr. President, it is because of this abuse of both sound tax and ratemaking policy that on July 29 I introduced S. 2213, the Electric Utility Tax Exemption Act of 1975. It would abolish all Federal taxation of electric utilities. It would prevent further perversion of orderly tax and ratemaking procedures by the Congress, which every few months is bombarded with new and outlandish schemes and proposals on behalf of the utilities by the Ford administration. Consideration of S. 2213 could lead at last toward a more rational tax system and utility regulatory structure.

Mr. President, I recently received from the Federal Power Commission the company-by-company figures and percentages of 1974 revenue, Federal taxes and return on common stock for the 215 major I O U's. These figures, which the FPC received from the utilities themselves, show that the electric utilities are in much better shape than they would have us believe. A number of them are doing extremely well. It is, in fact, most difficult to identify the most fortunate, insofar as high profits and low taxes go, because there is so much competition for that coveted situation, the tax keeper of the year.

In 1973, 50—23 percent—of the 217 major electric utilities, those with annual electric operating revenues of $1 million or more, paid no Federal income taxes. They accumulated tax credits totalling $55,851,916. In 1974, 76—35 percent—of the 215 major electric utilities paid no Federal income taxes. They accumulated tax credits totalling $218,476,848, an increase of 291 percent. Those who wish to review the 1973 company-by-company data will find it on page 30757 of the CONGRESSIONAL RECORD of September 11, 1974.

Here are some of the leading candidates, the States in which they operate and their own figures on their 1974 Federal taxes and net after-tax profit, as a percentage of total utility revenue, and their average return on equity last year—tax credits, as a percentage of revenue, are in parentheses.

State(s)	Utility	U.S. tax (percent of revenue)	Net profit (percent of revenue)	Return on equity (percent)
Arizona, Hawaii, Idaho, Vermont.	Citizens Utilities	7.5	47.3	17.3
Arizona, Louisiana, Missouri, Tennessee.	Arkansas Power & Light	(1.2)	19.1	16.1
Connecticut	Connecticut Light & Power Electric	1.9	19.0	16.8
Do	Hartford Electric Light & Power	1.1	17.9	14.4
Do	United Illuminating	(1.1)	11.9	17.2
Idaho, Nevada, Oregon.	Idaho Power	(6.0)	26.7	12.8
Indiana	Public Service of Indiana	9.0	20.1	14.4
Kansas, Colorado	Central Telephone & Utilities	5.0	45.6	15.8
Kentucky	Kentucky Power	(.4)	17.7	10.5
Louisiana	Louisiana Power & Light	3.0	16.8	14.8
Michigan	Michigan Power	(.4)	15.0	24.1

State(s)	Utility	U.S. tax (percent of revenue)	Net profit (percent of revenue)	Return on equity (percent)
Minnesota, North Dakota, South Dakota.	Otter Tail	1.5	14.3	12.2
Minnesota, South Dakota, North Dakota.	Northern States Power	(.2)	13.3	10.6
Montana, Wyoming	Montana Power	7.3	20.3	14.6
Montana, North Dakota, South Dakota, Wyoming, and Canada.	Montana-Dakota Utilities	2.9	14.0	12.0
Nevada	Nevada Power	(.1)	15.2	11.7
New Jersey	Atlantic City Electric	(.9)	15.3	13.5
New Jersey	Jersey Central Power & Light	1.4	17.2	12.8
New Mexico	New Mexico Electric Service	13.9	19.6	14.6
New York	Long Sault, Inc	23.8	26.7	18.0
Ohio	Cleveland Electric Illuminating	3.4	13.1	15.0
Do	Ohio Edison	.8	15.3	11.9
Do	Ohio Power	(1.7)	17.4	13.4
Do	Toledo Edison	0	16.7	12.1
Oregon, Idaho, Montana, California, Washington, Wyoming.	Pacific Power & Light	(1.7)	24.5	11.3
Oregon	Portland General Electric	(1.4)	22.5	12.3
Pennsylvania	Duquesne Light	1.1	19.7	10.9
Do	Metropolitan Edison	(.5)	20.8	11.4
Do	Pennsylvania Electric	.7	16.2	11.5
Do	Pennsylvania Power	1.0	17.6	12.1
Do	Pennsylvania Power & Light	2.8	18.5	13.5
Tennessee	Kingsport Power	(.5)	7.9	18.2
Texas, Louisiana, Oklahoma, Arkansas.	Southwestern Electric Power	7.0	17.6	16.5
Texas, New Mexico	El Paso Electric	7.9	14.3	17.7
Texas	Texas Electric Service	10.9	20.8	15.1
Do	Texas Power & Light	7.6	21.0	14.4
Do	West Texas Electric Utilities	12.6	18.0	16.2
Utah, Wyoming, Idaho.	Utah Power & Light	(.8)	19.8	9.8
Virginia, North Carolina, West Virginia.	Virginia Electric & Power	(.9)	16.6	9.7
Virginia, Tennessee, West Virginia.	Appalachian Power	(.6)	18.0	17.8
West Virginia	Wheeling Electric	(.1)	8.7	19.6

Mr. President, a quick reading of the utilities' data compiled by the FPC would indicate that Philadelphia Electric Power—which was not one of those companies mentioned above—should receive the Tax Keeper of the Year Award. It paid no Federal taxes. It reported that its net income—$1,352,678—amounted to 418.1 percent of its total operating revenue—$323,560. It is not an operating company, however; it leases plant and property to the Philadelphia Electric Co.

Another Pennsylvania nonoperating company, Susquehanna Power, which leases its plant and property to Susquehanna Electric, reported that its net income—$2,933,466—amounted to 47.6 percent of its revenue—$6,166,148—although it paid taxes amounting to 20.7 percent of revenue. And Ohio Electric, which paid no Federal taxes, netted 45.1 cents out of each revenue dollar, its total revenue being $32,886,538. Ohio Electric is a relatively new creation and subsidiary of Ohio Power, which is a subsidiary of American Electric Power. Ohio Electric generates power and sells for resale only.

The FPC advises me that these large percentages are due to nonoperating sources of income and loss on which I have not yet received details. For this reason, and the further fact that these utilities do not serve retail customers and the amounts involved are relatively small, I believe that Philadelphia Electric Power and Ohio Electric should be excluded from consideration for the Utility Tax Keeper of the Year Award. Students of the esoteric art of utility accounting may, however, wish to inquire into these unusual tax and net figures.

Mr. President, as the utility data which I shall place in the RECORD following these remarks shows, the tax credits being accumulated by some of the leading utility tax keepers are substantial. Iowa Electric Light & Power accumulated tax credits totalling $6,702,000, which was 5.4 percent of its revenue. Idaho Power accumulated tax credits totalling $6,005,400, which was 6 percent of its revenue. Carolina Power & Light accumulated tax credits totalling $23,932,584, which was 5.2 percent of its revenue. None of the subsidiaries of the American Electric Power holding company among the 215 major IOU's paid any Federal taxes. Instead, they accumulated tax credits amounting to $17,404,839, as the following tabulation shows:

Appalachian Power	$2,753,658
Indiana & Michigan Electric	5,251,600
Kentucky Power	258,970
Kingsport Power	94,900
Wheeling Electric	30,637
Ohio Power	9,015,074
Total	17,404,839

These American Electric Power subsidiaries also made profits that must be envied by unregulated, risk industries. While I do not want to minimize the strong competition which that company has from numerous other utilities, American Electric Power's ability to milk the Treasury and bilk the regulators establishes it as the No. 1 seed in the utility tax keeper of the year open.

Mr. President, there is another aspect of these figures which I find of particular interest, and which will also be of interest to regulators and students of regulatory reform. A number of the companies with high profits and low taxes operate in several States. State regulators find it difficult enough to regulate numerous utilities operating wholly within their borders; the job is even more difficult when a utility operates in from two to six States and can play off one commission against another.

Furthermore, many of the companies mentioned above are part of multi-State holding companies. Effective regulation of their subsidiaries is even more difficult. I well remember the eloquent development of that point by the junior Senator from Minnesota (Mr. HUMPHREY) when we were discussing on the Senate floor the attempts of the utility holding companies to move into nonutility activities such as housing.

Citizens Utilities and Central Telephone and Utilities are small holding companies operating in several states. Arkansas Power & Light and Louisiana Power & Light are part of Middle South, a New York-based holding company. Connecticut Light & Power and Hartford Electric are part of Northeast Utilities, a Connecticut-based holding company. Southwestern Electric Power and West Texas Utilities are part of Central and Southwest, a Delaware holding company headquartered in Chicago. Jersey Central Power & Light, Metropolitan Edison and Pennsylvania Electric are part of General Public Utilities, based in New York. Pennsylvania Power is a subsidiary of Ohio Edison. Texas Electric Service and Texas Power and Light are subsidiaries of Texas Utilities. And 7 of the 215 companies are subsidiaries of the largest utility holding company in the country, American Electric Power, which is headquartered in New York. Those companies are Appalachian Power, Indiana & Michigan Electric, Kentucky Power, Kingsport Power, Ohio Power, Ohio Electric, and Wheeling Electric.

Mr. President, several of these giant multi-state utilities, on whom so many tax and regulatory favors have been bestowed, are in the forefront of the effort to frustrate environmental controls and attempts at tax and regulatory reform. The American Electric Power System is again engaged in a massive advertising campaign. It shares with Pacific Power and Light, which operates in six States, a leadership role in fighting effective strip mining legislation. It was the head of P.P. & L. who suggested to Congress that utilities should be allowed to sell tax credits in order to raise tax-free capital. The arrogance of utility officials seems to increase as their empires expand from State to State.

I do not suggest that the remedy here is Federal, or regional, regulation of electric utility retail rates. A better way, I would think, would be to reduce the size of multi-State utility corporations so that they can be effectively regulated by State regulatory commissions. This is an area of regulatory reform which needs attention now, along with S. 2213.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the material I have received from the FPC showing 1974 tax, profit and return on equity data for the 215 major electric utilities.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CLASSES A AND B PRIVATELY OWNED ELECTRIC UTILITIES, 1974[2]

Name of company	Total utility operating revenues	Federal income taxes				Federal income taxes, account 409.1, percent of total utility operating revenues (tax credit[1])	Total Federal income taxes, percent of total utility operating revenues (tax credit[1])	Net income			
		Account 409.1	Account 409.2	Account 409.3	Total			Before extraordinary items	Percent of total utility operating revenues	After extraordinary items	Percent of total utility operating revenues
010100—Alabama Power Co	490,292,850	8,569,377—	273,774	0	8,295,603—	(1.7)	(1.7)	64,959,127	13.2	64,959,127	13.2
011700—Southern Electric Generating Co	67,872,814	664,224—	216,704	0	447,520—	(1.0)	(.7)	4,077,588	6.0	4,077,588	6.0
020250—Alaska Electric Light & Power Co	3,146,899	93,500	0	0	93,500	3.0	3.0	229,454	7.3	229,454	7.3
040350—Arizona Public Service Co	273,598,923	1,087,558	2,277,914—	0	1,190,356—	(.4)	(.4)	36,957,448	13.5	36,957,448	13.5
040540—Citizens Utilities Co	30,398,033	1,774,370	492,675	0	2,267,045	5.8	7.5	14,371,722	47.3	14,371,722	47.3
041600—Tucson Gas & Electric Co	128,960,884	1,165,000—	2,709,000—	0	3,874,000—	(.9)	(3.0)	17,837,794	13.8	17,837,794	13.8
050160—Arkansas-Missouri Power Co	33,948,276	244,313—	9,257—	0	253,570—	(.7)	(.7)	1,121,170	3.3	1,121,170	3.3
050220—Arkansas Power & Light Co	300,517,639	4,965,270—	1,273,620	0	3,691,650—	(1.7)	(1.2)	57,403,765	19.1	57,403,765	19.1
050300—Arklahoma Corp., The	160,121	4,636	0	0	4,636	2.9	2.9	27,716	17.3	27,716	17.3
061090—Pacific Gas & Electric Co	1,812,891,292	45,051,000	10,056,000—	0	34,995,000	2.5	1.9	261,236,774	14.4	261,236,774	14.4
061240—San Diego Gas & Electric Co	308,714,579	1,676,808	1,711,851	0	3,388,659	.5	1.1	37,855,863	12.3	37,855,863	12.3
061490—Southern California Edison Co	1,483,856,919	113,256,611	1,897,800	0	111,358,811	7.6	7.5	218,298,194	14.7	218,298,194	14.7
080550—Home Light & Power Co	8,204,596	283,189	0	0	283,189	3.5	3.5	626,576	7.6	626,576	7.6
080880—Public Service Co. of Colorado	341,394,055	4,951,310	326,690	0	5,278,000	1.5	1.5	39,231,689	11.5	39,231,689	11.5
081120—Western Colorado Power Co., the	6,078,046	41,900	74,300	0	116,200	.7	1.9	594,089	9.8	594,089	9.8
090370—Connecticut Light & Power Co	386,988,423	1,054,103	137,414—	6,438,718	7,355,407	.3	1.9	60,143,599	15.5	73,518,401	19.0
090450—Connecticut Yankee Atomic Power Co	25,011,396	209,500	168,600	0	378,100	.8	1.5	3,112,929	12.4	3,112,929	12.4
090760—Hartford Electric Light Co	192,832,386	1,426,737—	73,424	3,437,556	2,084,243	(.7)	1.1	27,385,369	14.2	34,503,028	17.9
090900—Northeast Nuclear Energy Co	21,571,713	131,451	0	0	131,451	.6	.6	955,465	4.4	955,465	4.4
091590—United Illuminating Co	173,383,374	4,474,600—	492,800	2,028,769	1,953,031—	(2.6)	(1.1)	18,753,591	10.8	20,637,448	11.9
100150—Delmarva Power & Light Co	205,337,193	3,483,363	21,870	0	3,505,233	1.7	1.7	32,941,081	16.0	32,941,081	16.0
110250—Potomac Electric Power Co	441,855,045	12,749,000	653,000	0	13,402,000	2.9	3.0	61,236,477	13.9	61,236,477	13.9
120290—Florida Power Corp	404,993,400	14,118,000—	2,088,000	0	12,030,000—	(3.5)	(3.0)	41,827,786	10.3	41,827,786	10.3
120380—Florida Power & Light Co	951,054,554	12,736,093	9,522,837—	0	3,213,256	1.3	.3	105,473,588	11.1	105,473,588	11.1
120560—Florida Public Utilities Co	14,840,721	405,654	11,982	0	417,636	2.7	2.8	922,604	6.2	922,604	6.2
120650—Gulf Power Co	97,257,169	2,951,953—	100,890	0	2,851,063—	(3.0)	(2.9)	5,537,740	5.7	5,537,740	5.7
121190—Tampa Electric Co	183,395,867	1,249,000—	897,604—	0	2,146,604	(.7)	(1.2)	21,219,370	11.6	21,219,370	11.6
130450—Georgia Power Co	789,945,561	25,617,178—	154,224	0	25,462,954—	(3.2)	(3.2)	85,885,321	10.9	85,885,321	10.9
131000—Savannah Electric & Power Co	54,131,584	43,164	1,500	0	44,664	.1	.1	4,525,450	8.4	4,525,450	8.4
150250—Hawaiian Electric Co	111,734,729	1,903,255	1,557	0	1,904,812	1.7	1.7	16,933,631	15.2	16,933,631	15.2
150280—Hilo Electric Light Co., Ltd	16,776,761	402,486—	0	0	402,486—	(2.4)	(2.4)	1,741,353	10.4	1,741,353	10.4
151000—Maui Electric Co., Ltd	13,705,073	98,606	0	0	98,606	.7	.7	1,148,548	8.4	1,148,548	8.4
160430—Idaho Power Co	100,427,622	4,685,600—	1,319,800—	0	6,005,400—	(4.7)	(6.0)	26,795,047	26.7	26,795,047	26.7
170290—Central Illinois Light Co	146,114,119	3,768,900	617,600	0	4,386,500	2.6	3.0	15,692,456	10.7	15,692,456	10.7
170320—Central Illinois Pub. Ser. Co	189,670,920	5,986,400	998,300—	0	4,988,100	3.2	2.6	21,334,739	11.2	21,334,739	11.2
170410—Commonwealth Edison Co	1,447,351,441	34,019,776	4,420,000—	0	29,599,776	2.4	2.0	180,044,911	12.4	180,044,911	12.4
170590—Electric Energy, Inc	72,303,959	535,112	0	0	535,112	.7	.7	614,544	.8	614,544	.8
170720—Illinois Power Co	329,923,725	15,831,000	1,873,000—	0	13,958,000	4.8	4.2	44,649,687	13.5	44,649,687	13.5
171010—Mount Carmel Public Utility Co	3,913,030	159,650	0	0	159,650	4.1	4.1	186,820	4.8	186,820	4.8
171310—Sherrard Power System	3,185,998	49,133	0	0	49,133	1.5	1.5	122,199	3.8	122,199	3.8
171340—South Beloit Water, Gas & Electric Co	4,272,566	135,539	472	0	136,011	3.2	3.2	147,345	3.4	147,345	3.4
180100—Alcoa Generating Corp	33,861,853	485,918	0	0	485,918	1.4	1.4	740,116	2.2	740,116	2.2
180250—Commonwealth Edison Co. of Indiana	57,456,685	3,819,300	189,000	0	4,008,300	6.6	7.0	3,463,883	6.0	3,463,883	6.0
180450—Indiana-Kentucky Electric Corp	55,052,529	0	0	0	0	0	0	0	0	0	0
180570—Indiana & Michigan Electric Co	290,224,308	6,336,901—	1,085,301	0	5,251,600—	(2.2)	(1.8)	35,773,632	12.3	43,924,187	15.1
180630—Indianapolis Power & Light Co	143,268,491	6,480,000	650,000—	0	5,830,000	4.5	4.1	18,960,524	13.2	18,960,524	13.2
180970—Northern Indiana Pub. Ser. Co	448,715,097	7,223,887	4,278,000—	0	2,945,887	1.6	.7	45,900,247	10.2	45,900,247	10.2
181150—Public Service Co. of Indiana, Inc	260,861,681	26,378,863	2,837,013—	0	23,541,850	10.1	9.0	52,436,455	20.1	52,436,455	20.1
181270—Southern Indiana Gas & Electric Co	72,809,586	5,707,640	45,780	0	5,753,420	7.8	7.9	10,031,582	13.8	10,031,582	13.8
190820—Interstate Power Co	84,774,378	4,627,000	570,000	0	5,197,000	5.5	6.1	8,440,228	10.0	8,440,228	10.0
190890—Iowa Electric Light & Power Co	124,029,232	6,499,700—	202,300—	0	6,702,000—	(5.2)	(5.4)	6,554,775	5.3	6,554,775	5.3
190900—Iowa-Illinois Gas & Electric Co	154,217,881	7,790,254	41,858—	0	7,748,396	5.1	5.0	13,836,064	9.0	13,836,064	9.0
190930—Iowa Power & Light Co	128,029,042	3,396,600	49,600	0	3,446,200	2.7	2.7	12,679,034	9.9	12,679,034	9.9
190970—Iowa Public Service Co	110,228,415	4,412,639	102,256	0	4,514,895	4.0	4.1	10,272,165	9.3	10,272,165	9.3
191030—Iowa Southern Utilities Co	43,690,435	2,562,241	336,691—	0	2,225,550	5.9	5.1	5,962,388	13.6	5,962,388	13.6
200280—Central Kansas Power Co. Inc	11,165,318	384,351	3,446	0	387,797	3.4	3.5	720,006	6.4	720,006	6.4
200320—Central Telephone & Utilities Co	91,451,382	6,193,200	1,660,000—	0	4,533,200	6.8	5.0	41,702,467	45.6	41,702,467	45.6
201040—Kansas Gas & Electric Co	96,353,969	2,311,000	325,000—	0	1,986,000	2.4	2.1	11,465,790	11.9	11,465,790	11.9
201130—Kansas Power & Light Co., the	136,741,117	6,936,407	603,313—	0	6,333,094	5.1	4.6	13,978,503	10.2	13,978,503	10.2
210850—Kentucky Power Co	63,102,396	258,970—	0	0	258,970—	(.4)	(.4)	8,727,531	13.8	11,174,403	17.7
210910—Kentucky Utilities Co	161,627,090	1,409,470	206,587	0	1,616,057	.9	1.0	13,259,715	8.2	13,259,715	8.2
211270—Louisville Gas & Electric Co	167,182,434	5,704,000	117,084	0	5,821,084	3.4	3.5	17,720,468	10.6	17,720,468	10.6
211900—Union Light, Heat & Power Co., the	51,330,379	217,482	114,464	0	331,946	.4	.6	1,848,010	3.6	1,848,010	3.6
220240—Central Louisiana Electric Co., Inc	78,491,335	2,466,404	120,348	0	2,586,752	3.1	3.3	11,234,404	14.3	11,234,404	14.3
220690—Gulf States Utilities Co	381,133,715	23,788,915	4,344	0	23,793,259	6.2	6.2	49,853,183	13.1	49,853,183	13.1
220930—Louisiana Power & Light Co	242,752,244	5,951,764	1,243,312	0	7,195,076	2.5	3.0	40,885,650	16.8	40,885,650	16.8

Footnotes at end of table.

Name of company	Total utility operating revenues	Account 409.1	Federal income taxes		Total	Federal income taxes, account 409.1, percent of total utility operating revenues (tax credit [1])	Total Federal income taxes, percent of total utility operating revenues (tax credit [1])	Net income			
			Account 409.2	Account 409.3				Before extraordinary items	Percent of total utility operating revenues	After extraordinary items	Percent of total utility operating revenues
221340—New Orleans Public Service Inc	146, 685, 209	39, 985—	651, 000	0	611, 015	0	.4	4, 042, 704	2.8	4, 042, 704	2.8
230190—Bangor Hydro-Electric Co	30, 545, 964	431, 656	39, 900	0	471, 556	1.4	1.5	1, 427, 103	4.7	1, 427, 103	4.7
230370—Central Maine Power Co	141, 177, 360	3, 610, 534	31, 140—	0	3, 579, 394	2.6	2.5	11, 623, 883	8.2	11, 623, 883	8.2
230600—Maine Electric Power Co., Inc	24, 205, 625	56, 240	0	0	56, 240	.2	.2	199, 456	.8	199, 456	.8
230940—Maine Public Service Co	13, 032, 633	368, 696	13, 820	207, 759	590, 275	2.8	4.5	1, 603, 635	12.3	1, 793, 197	13.8
230960—Maine Yankee Atomic Power Co	53, 543, 105	0	0	0	0	0	0	7, 825, 009	14.6	7, 825, 009	14.6
233100—Rumford Falls Power Co	1, 742, 053	335, 000	0	0	335, 000	19.2	19.2	361, 470	20.8	361, 470	20.8
240110—Baltimore Gas & Electric Co	608, 810, 484	20, 377, 833—	1, 709, 509	0	18, 668, 324—	(3.3)	(3.1)	92, 146, 353	15.1	92, 146, 353	15.1
240210—Chestertown Electric Light & Power Co	2, 085, 119	2, 609—	0	0	2, 609—	(.1)	(.1)	32, 239	1.5	32, 239	1.5
240280—Conowingo Power Co	11, 315, 599	192, 599	16, 977—	0	175, 622	1.7	1.6	891, 763	7.9	891, 763	7.9
240350—Delmarva Power & Light Co. of Maryland	48, 769, 988	174, 374—	0	0	174, 374—	(.4)	(.4)	3, 642, 514	7.5	3, 642, 514	7.5
241050—Potomac Edison Co., the	126, 466, 851	3, 461, 600—	23, 700	0	3, 437, 900—	(2.7)	(2.7)	10, 669, 893	8.4	10, 669, 893	8.4
241470—Susquehanna Electric Co., the	8, 715, 942	0	0	0	0	0	0	0	0	0	0
241540—Susquehanna Power Co., the	6, 166, 148	1, 186, 180	90, 459	0	1, 276, 639	19.2	20.7	2, 933, 466	47.6	2, 933, 466	47.6
250220—Boston Edison Co	460, 743, 047	2, 934, 976	2, 934, 977—	0	1—	.6	.0	30, 347, 887	6.6	30, 347, 887	6.6
250240—Brockton Edison Co	57, 360, 674	98, 892—	15, 601	0	83, 291—	(.2)	(.1)	3, 495, 042	6.1	3, 495, 042	6.1
250250—Cambridge Electric Light Co	31, 522, 316	106, 139—	52, 787	0	53, 352—	(.3)	(.2)	1, 104, 925	3.5	1, 104, 925	3.5
250270—Canal Electric Co	81, 062, 102	670, 738—	33, 305	0	637, 433—	(.8)	(.8)	2, 856, 386	3.5	2, 856, 386	3.5
250440—Fall River Electric Light Co	23, 684, 792	18, 338—	19, 447—	0	37, 785—	(.1)	(.2)	1, 425, 454	6.0	1, 425, 454	6.0
250460—Fitchburg Gas & Electric Light Co	21, 270, 371	96, 588—	2, 042	0	94, 546—	(.5)	(.4)	921, 156	4.3	921, 156	4.3
250570—Holyoke Power & Electric Co	21, 503, 648	700	0	0	700	0	0	40, 936	.2	40, 936	.2
250590—Holyoke Water Power Co	30, 774, 066	1, 105, 932—	11, 182—	0	1, 117, 114—	(3.6)	(3.6)	2, 122, 412—	6.9	2, 122, 412—	6.9
250780—Massachusetts Electric Co	391, 625, 800	5, 822, 988	244, 600—	0	5, 578, 388	1.5	1.4	17, 488, 173	4.5	17, 488, 173	4.5
250850—Montaup Electric Co	98, 778, 028	629, 792	5, 983	0	635, 775	.6	.6	5, 083, 601	5.1	5, 083, 601	5.1
250900—Nantucket Electric Co	2, 132, 490	113, 225	16, 675	0	129, 900	5.3	6.1	187, 811	8.8	187, 811	8.8
250920—New Bedford Gas & Edison Light Co	111, 212, 634	212, 756	32, 589	0	245, 345	.2	.2	2, 984, 197	2.7	2, 984, 197	2.7
250960—New England Power Co	372, 794, 924	7, 855, 492—	123, 000	0	7, 732, 492—	(2.1)	(2.1)	28, 554, 891	7.7	28, 554, 891	7.7
251450—Western Massachusetts Electric Co	119, 066, 855	194, 497	212, 046—	1, 817, 612	1, 800, 063	.2	1.5	11, 677, 133	9.8	13, 336, 846	11.2
251800—Yankee Atomic Electric Co	12, 285, 448	706, 927	320—	0	706, 607	5.8	5.8	587, 400	4.8	587, 400	4.8
260100—Alpena Power Co	6, 272, 881	578, 248	8, 473	0	586, 721	9.2	9.4	733, 049	11.7	733, 049	11.7
260210—Consumers Power Co	1, 094, 950, 702	437, 255	1, 559, 880	26, 996, 242	28, 993, 377	0	2.6	50, 401, 500	4.6	85, 697, 258	7.8
260300—Detroit Edison Co., the	898, 458, 919	4, 507, 908	6, 541, 000	0	11, 048, 908	.5	1.2	89, 251, 695	9.9	89, 251, 695	9.9
260330—Edison Sault Electric Co	7, 417, 388	492, 120	8, 800—	0	483, 320	6.6	6.5	683, 146	9.2	683, 146	9.2
260870—Michigan Power Co	32, 601, 618	123, 932—	0	0	123, 932—	(.4)	(.4)	3, 171, 402	9.7	4, 878, 788	15.0
261310—Upper Peninsula Generating Co	18, 031, 360	0	0	0	0	0	0	0	0	0	0
261320—Upper Peninsula Power Co	21, 805, 618	140, 273	6, 213—	0	134, 060	.6	.6	1, 421, 952	6.5	1, 421, 952	6.5
262280—Cliffs Electric Service Co	22, 807, 028	0	717, 069	0	717, 069	0	3.1	925, 520	4.1	925, 520	4.1
271030—Minnesota Power & Light Co	88, 596, 100	3, 455, 600	78, 900	0	3, 534, 500	3.9	4.0	8, 980, 371	10.1	8, 980, 371	10.1
271210—Northern States Power Co	516, 826, 160	1, 699, 000—	737, 000	0	962, 000—	(.3)	(.2)	68, 909, 098	13.3	68, 909, 098	13.3
280760—Mississippi Power Co	111, 374, 137	131, 892—	32, 02		99, 872—	(.1)	(.1)	12, 465, 855	11.2	12, 465, 855	11.2
280970—Mississippi Power & Light Co	178, 441, 006	2, 681, 102—	429, 830	0	2, 251, 272—	(1.5)	(1.3)	20, 454, 069	11.5	20, 454, 069	11.5
290460—Empire District Electric Co., The	36, 741, 495	1, 675, 000	0	0	1, 675, 000	4.6	4.6	3, 785, 961	10.3	3, 785, 961	10.3
290700—Kansas City Power & Light Co	172, 375, 385	7, 830, 793	592, 000	0	8, 422, 793	4.5	4.9	20, 212, 652	11.7	20, 212, 652	11.7
290940—Missouri Edison Co	18, 207, 283	158, 000—	5, 000—	0	163, 000—	(.9)	(.9)	1, 087, 576	6.0	1, 087, 576	6.0
291060—Missouri Power & Light Co	52, 005, 043	223, 200—	15, 000—	0	238, 200—	(.4)	(.5)	3, 531, 259	6.8	3, 531, 259	6.8
291080—Missouri Public Service Co	63, 971, 130	2, 805, 214	170, 750—	0	2, 634, 464	4.4	4.1	6, 166, 721	9.6	6, 166, 721	9.6
291210—Missouri Utilities Co	28, 843, 495	303, 075—	0	0	303, 075—	(1.1)	(1.1)	841, 643	2.9	841, 543	2.9
291330—St. Joseph Light & Power Co	23, 498, 984	363, 745	56, 000—	28, 381	336, 126	1.5	1.4	2, 137, 943	9.1	2, 085, 346	8.9
291500—Union Electric Co	431, 436, 863	3, 959, 000	81, 000—	0	3, 878, 000	.9	.9	59, 785, 674	13.9	59, 785, 674	13.9
301130—Montana Power Co	117, 974, 046	7, 694, 200	927, 160	0	8, 621, 360	6.5	7.3	23, 973, 879	20.3	23, 973, 879	20.3
320890—Nevada Power Co	75, 262, 622	283, 000—	195, 724	0	87, 276—	(.4)	(.1)	11, 409, 836	15.2	11, 409, 836	15.2
321460—Sierra Pacific Power Co	70, 551, 140	1, 035, 760	514, 509—	0	521, 251	1.5	.7	10, 064, 993	14.3	10, 064, 993	14.3
330260—Concord Electric Co	7, 793, 753	47, 093	23, 728	0	70, 821	.6	.9	355, 198	4.6	355, 198	4.6
330350—Connecticut Valley Electric Co., Inc	3, 267, 228	90, 900—	2, 600	0	88, 300—	(2.8)	(2.7)	135, 356	4.1	135, 356	4.1
330520—Exter & Hampton Electric Co	8, 183, 517	171, 102	11, 458	0	182, 560	2.1	2.2	472, 668	5.8	472, 668	5.8
330640—Granite State Electric Co	11, 948, 485	142, 300—	0	0	142, 300—	(1.2)	(1.2)	51, 835	.4	51, 835	.4
331230—Public Service Co. of New Hampshire	155, 930, 289	1, 342, 200—	2, 333, 124—	0	3, 675, 324—	(.9)	(2.4)	16, 299, 826	10.5	16, 299, 826	10.5
340240—Atlantic City Electric Co	176, 611, 265	1, 601, 412—	32, 611	0	1, 568, 801—	(.9)	(.9)	27, 010, 019	15.3	27, 010, 019	15.3
340780—Jersey Central Power & Light Co	368, 025, 170	1, 027, 340	72, 300—	4, 249, 000	5, 204, 040	.3	1.4	58, 557, 550	15.9	63, 161, 622	17.2
341310—Public Service Electric & Gas Co	1, 455, 873, 244	10, 293, 210—	1, 883, 054—	0	12, 176, 264—	(.7)	(.8)	153, 839, 635	10.6	153, 839, 635	10.6
341400—Rockland Electric Co	35, 168, 364	398, 776—	6, 400—	0	405, 176—	(1.1)	(1.2)	1, 139, 990	3.2	1, 139, 990	3.2
351030—New Mexico Electric Service Co	8, 339, 273	1, 064, 637	92, 953	0	1, 157, 590	12.8	13.9	1, 633, 938	19.6	1, 633, 938	19.6
351570—Public Service Co. of New Mexico	67, 367, 044	3, 217, 600	55, 842	0	3, 161, 758	4.8	4.7	10, 292, 520	15.3	10, 292, 520	15.3
360350—Central Hudson Gas & Electric Corp	131, 489, 206	5, 128, 000—	10, 000—	0	5, 138, 000—	(3.9)	(3.9)	12, 049, 560	9.2	12, 049, 560	9.2
360400—Consolidated Edison Co. of New York	2, 450, 673, 161	100, 000	0	0	100, 000	0	0	208, 938, 091	8.5	194, 504, 735	7.9
360870—Long Island Lighting Co	591, 776, 439	1, 169, 700	58, 300	0	1, 228, 000	.2	.2	62, 017, 426	10.5	62, 017, 426	10.5
360930—Long Sault, Inc	942, 910	223, 619	352	0	223, 971	23.7	23.8	252, 186	26.7	252, 186	26.7
361000—New York State Electric & Gas Corp	296, 004, 038	3, 091, 750	959, 100	0	4, 050, 850	1.0	1.4	38, 755, 425	13.1	38, 755, 425	13.1

CLASSES A AND B PRIVATELY OWNED ELECTRIC UTILITIES, 1974*—Continued

Name of company	Total utility operating revenues	Federal income taxes				Federal income taxes, account 409.1, percent of total utility operating revenues (tax credit [1])	Total Federal income taxes, percent of total utility operating revenues (tax credit [1])	Net income			
		Account 409.1	Account 409.2	Account 409.3	Total			Before extraordinary items	Percent of total utility operating revenues	After extraordinary items	Percent of total utility operating revenues
361050—Niagara Mohawk Power Corp	823, 877, 942	5, 500, 000—	0	0	5, 500, 000—	(.7)	(.7)	86, 506, 784	10.5	95, 913, 165	11.6
361150—Orange and Rockland Utilities, Inc	176, 739, 211	475, 446	0	0	475, 446	.3	.3	14, 143, 791	8.0	14, 143, 791	8.0
361350—Rochester Gas & Electric Corp	234, 040, 876	3, 786, 000—	132, 000—	0	3, 918, 000—	(1.6)	(1.7)	20, 542, 655	8.8	20, 542, 655	8.8
370360—Carolina Power & Light Co	460, 977, 024	9, 750, 659—	14, 181, 925—	0	23, 932, 584—	(2.1)	(5.2)	72, 270, 556	15.7	72, 270, 556	15.7
370690—Duke Power Co	789, 094, 103	11, 846, 377	13, 075, 233—	0	1, 228, 856—	1.5	(.2)	68, 857, 056	8.7	105, 095, 534	13.3
371170—Nantahala Power & Light Co	7, 305, 273	286, 837	11, 184	0	275, 653	3.9	3.8	383, 173	5.2	383, 173	5.2
374000—Yadkin, Inc	12, 736, 442	524, 845	0	0	524, 845	4.1	4.1	594, 871	4.7	594, 871	4.7
380800—Montana-Dakota Utilities Co	72, 381, 001	1, 531, 000	579, 000	0	2, 110, 000	2.1	2.9	10, 117, 382	14.0	10, 117, 382	14.0
381150—Otter Tail Power Co	47, 061, 512	1, 530, 500	802, 494—	0	728, 006	3.3	1.5	6, 714, 290	14.3	6, 714, 290	14.3
390430—Cincinnati Gas & Electric Co	385, 397, 087	10, 918, 985	171, 093—	0	10, 747, 892	2.8	2.8	45, 509, 427	11.8	45, 509, 427	11.8
390470—Cleveland Electric Illuminating Co	463, 936, 832	15, 611, 641	333, 955	0	15, 951, 596	3.4	3.4	60, 741, 515	13.1	60, 741, 515	13.1
3[illegible]0500—Columbus and Southern Ohio Electric Co	188, 589, 665	2, 183, 400—	23, 000—	0	2, 206, 400—	(1.2)	(1.2)	21, 055, 769	11.2	21, 055, 769	11.2
390560—Dayton Power & Light Co	302, 835, 283	980, 900—	366, 600—	0	1, 347, 500—	(.3)	(.4)	29, 665, 840	9.8	29, 665, 840	9.8
391330—Ohio Edison Co	429, 940, 048	522, 845—	1, 627, 658	2, 130, 427	3, 235, 240	(.1)	.3	63, 472, 898	14.8	65, 780, 709	15.3
391370—Ohio Electric Co	32, 886, 538	146, 386—	146, 386	0	0	(.4)	0	14, 819, 709	45.1	14, 819, 709	45.1
391410—Ohio Power Co	528, 369, 049	9, 205, 935—	190, 861	0	9, 015, 074—	(1.7)	(1.7)	81, 905, 788	15.5	91, 679, 802	17.4
391470—Ohio Valley Electric Corp	128, 939, [illegible]00	1, 170, 222	0	0	1, 170, 222	.9	.9	1, 000, 667	.8	1, 000, 667	.8
391680—Toledo Edison Co	147, 794, 737	147, 094	182, 944—	0	35, 850—	.1	0	24, 649, 840	16.7	24, 649, 840	16.7
400970—Oklahoma Gas & Electric Co	226, 953, 750	12, 971, 000	434, 000	0	13, 405, 000	5.7	5.9	37, 204, 784	16.4	37, 204, 784	16.4
4013[illegible]0—Public Service Co. of Oklahoma	175, 647, 101	10, 011, 690	1, 102, 600	0	11, 114, 290	5.7	6.3	25, 107, 323	14.3	25, 107, 323	14.3
410250—California-Pacific Utilities Co	37, 847, 820	154, 244—	2, 687—	0	156, 931—	(.4)	(.4)	2, 910, 970	7.7	2, 910, 970	7.7
411270—Pacific Power & Light Co	221, 351, 233	5, 696, 558—	1, 887, 814	0	3, 808, 744—	(2.6)	(1.7)	54, 128, 527	24.5	54, 128, 527	24.5
411390—Portland General Electric Co	146, 001, 157	2, 202, 000—	218, 000	0	1, 984, 000—	(1.5)	(1.4)	32, 918, 143	22.5	32, 918, 143	22.5
420350—Citizens' Electric Co	1, 878, 531	75, 815	0	0	75, 815	4.0	4.0	108, 264	5.8	108, 264	5.8
420520—Duquesne Light Co	317, 123, 911	8, 773, 566	5, 377, 400—	0	3, 396, 166	2.8	1.1	59, 536, 292	18.8	62, 628, 418	19.7
420850—Hershey Electric Co	7, 094, 833	193, 875	0	0	193, 875	2.7	2.7	225, 444	3.2	225, 444	3.2
421140—Metropolitan Edison Co	234, 235, 327	558, 339—	3, 440, 000—	2, 741, 300	1, 257, 039—	(.2)	(.5)	46, 213, 498	19.7	48, 650, 422	20.8
421330—Pennsylvania Electric Co	261, 260, 934	1, 709, 596	1, 939, 000—	2, 167, 000	1, 937, 596	.7	.7	40, 348, 248	15.4	42, 274, 272	16.2
421350—Pennsylvania Power Co	72, 509, 490	322, 022	96, 529	310, 926	729, 477	.4	1.0	12, 475, 678	17.2	12, 754, 779	17.6
421370—Pennsylvania Power & Light Co	472, 097, 666	12, 553, 608	4, 155, 551—	4, 830, 990	13, 229, 047	2.7	2.8	83, 316, 812	17.6	87, 478, 730	18.5
421440—Philadelphia Electric Co	1, 006, 910, 426	9, 606, 734	20, 863, 849—	0	11, 257, 115—	1.0	(1.1)	129, 096, 982	12.8	129, 096, 982	12.8
421480—Philadelphia Electric Power Co	323, 560	0	0	0	0	0	0	1, 352, 678	418.1	1, 352, 678	418.1
421660—Safe Harbor Water Power Corp	4, 058, 870	560, 788	5, 848	0	566, 636	13.8	14.0	760, 855	18.7	760, 855	18.7
421820—UGI Corp	107, 827, 668	3, 175, 660	208, 358	0	3, 384, 018	2.9	3.1	7, 810, 412	7.2	7, 810, 412	7.2
421870—West Penn Power Co	255, 126, 519	9, 724, 100	213, 800	0	9, 937, 900	3.8	3.9	32, 672, 766	12.8	32, 672, 766	12.8
440260—Blackstone Valley Electric Co	43, 910, 845	680, 062—	1, 549	0	678, 513—	(1.5)	(1.5)	1, 074, 212	2.4	1, 074, 212	2.4
440600—Narragansett Electric Co	127, 845, 178	1, 966, 433	28, 700	0	1, 995, 133	1.5	1.6	7, 112, 562	5.6	7, 112, 562	5.6
440710—Newport Electric Corp	13, 452, 001	16, 982	0	0	16, 982	.1	.1	414, 403	3.1	414, 403	3.1
451180—Lockhart Power Co	4, 339, 767	270, 000	0	0	270, 000	6.2	6.2	348, 823	8.0	348, 823	8.0
451320—South Carolina Electric & Gas Co	278, 061, 628	4, 491, 600	764, 000—	0	3, 727, 600	1.6	1.3	24, 319, 657	8.7	25, 888, 271	9.3
460240—Black Hills Power & Light Co	15, 535, 441	1, 113, 600	15, 665	0	1, 129, 265	7.2	7.3	2, 174, 436	14.0	2, 174, 436	14.0
461110—Northwestern Public Service Co	33, 036, 981	760, 373	728, 673—	0	31, 700	2.3	.1	4, 442, 639	13.4	4, 442, 639	13.4
470940—Kingsport Power Co	18, 287, 003	67, 940—	26, 960—	0	94, 900—	(.4)	(.5)	830, 173	4.5	1, 451, 538	7.9
471500—Tapoco, Inc	5, 074, 292	497, 547	505—	0	497, 042	9.8	9.8	577, 782	11.4	577, 782	11.4
480280—Central Power & Light Co	223, 594, 953	10, 744, 095	460, 000	0	11, 204, 095	4.8	5.0	27, 686, 583	12.4	28, 985, 396	13.0
480340—Community Public Service Co	56, 599, 002	1, 194, 534	110, 429	0	1, 304, 963	2.1	2.3	3, 964, 840	7.0	3, 964, 840	7.0
480390—Dallas Power & Light Co	180, 558, 820	8, 029, 476	0	0	8, 029, 476	4.4	4.4	23, 546, 955	13.0	23, 546, 955	13.0
480450—El Paso Electric Co	63, 071, 650	4, 377, 865	319, 511—	912, 226	4, 970, 580	6.9	7.9	8, 031, 342	12.7	9, 019, 586	14.3
480860—Houston Lighting & Power Co	486, 836, 779	29, 236, 223	0	0	29, 236, 223	6.0	6.0	69, 405, 919	14.3	63, 405, 919	14.6
481200—Southwestern Electric Power Co	145, 760, 255	10, 083, 400	74, 000	0	10, 157, 400	6.9	7.0	25, 682, 389	17.6	25, 682, 389	17.3
481240—Southwestern Electric Service Co	11, 570, 845	379, 202	0	0	379, 202	3.3	3.3	1, 061, 027	9.2	1, 061, 027	9.2
481320—Southwestern Public Service Co	140, 867, 142	13, 723, 000	304, 000	0	14, 027, 000	9.7	10.0	21, 159, 133	15.0	27, 295, 874	19.4
481380—Texas Electric Service Co	234, 413, 480	25, 579, 925	0	0	25, 579, 925	10.9	10.9	48, 839, 164	20.8	48, 839, 164	20.8
481550—Texas Power & Light Co	316, 067, 688	24, 152, 295	0	0	24, 152, 295	7.6	7.6	66, 292, 934	21.0	66, 292, 934	21.0
481900—West Texas Utilities Co	65, 773, 177	7, 987, 000	268, 600	0	8, 255, 600	12.1	12.6	11, 855, 044	18.0	11, 855, 044	18.0
491450—Utah Power & Light Co	148, 193, 096	1, 175, 186—	16, 400	0	1, 158, 786—	(.8)	(.8)	29, 410, 187	19.8	29, 410, 187	19.8
500220—Central Vermont Pub. Ser. Corp	49, 170, 552	43, 100	2, 600—	0	40, 500	.1	.1	3, 424, 397	7.0	3, 424, 397	7.0
500470—Green Mountain Power Corp	30, 440, 838	125—	0	0	125—	0	0	2, 040, 889	6.7	2, 040, 889	6.7
501300—Vermont Electric Power Co., Inc	62, 558, 847	0	0	0	0	0	0	298, 000	.5	298, 000	.5
501350—Vermont Yankee Nuclear Power Corp	51, 022, 038	0	0	0	0	0	0	7, 809, 164	15.3	7, 809, 164	15.3
510400—Delmarva Power & Light Co. of Virginia	7, 981, 646	161, 670	282—	0	161, 388	2.0	2.0	687, 008	8.6	687, 008	8.6
511160—Old Dominion Power Co	8, 166, 274	30, 928	2, 904—	9	28, 024	.4	.3	404, 459	5.0	404, 459	5.0
511520—Virginia Electric & Power Co	764, 012, 274	7, 678, 087—	526, 570	0	7, 151, 517—	(1.0)	(.9)	114, 808, 742	15.0	127, 162, 147	16.6
531240—Puget Sound Power & Light Co	142, 393, 229	7, 335, 000	318	0	7, 335, 318	5.2	5.2	21, 385, 631	15.0	21, 385, 631	15.0
531630—Washington Water Power Co	110, 098, 432	5, 362, 500	16, 025—	0	5, 346, 475	4.9	4.9	13, 808, 772	12.5	13, 808, 772	12.5
540120—Appalachian Power Co	425, 550, 313	2, 468, 483—	285, 175—	0	2, 753, 658—	(.6)	(.6)	58, 932, 249	13.8	76, 741, 290	18.0

*, 1 Footnotes at end of table.

Name of company	Total utility operating revenues	Federal income taxes				Federal income taxes, account 409.1, percent of total utility operating revenues (tax credit¹)	Total Federal income taxes, percent of total utility operating revenues (tax credit¹)	Net income			
		Account 409.1	Account 409.2	Account 409.3	Total			Before extraordinary items	Percent of total utility operating revenues	After extraordinary items	Percent of total utility operating revenues
540950—Monongahela Power Co	130, 501, 282	3, 457, 200	53, 400—	0	3, 403, 800	2.6	2.6	19, 408, 285	14.9	19, 408, 285	14.9
541900—Wheeling Electric Co	28, 267, 617	27, 681—	2, 956—	0	30, 637—	(.1)	(.1)	1, 857, 655	6.6	2, 471, 765	8.7
550330—Consolidated Water Power Co	3, 051, 079	75, 950—	1, 751	0	74, 199—	(2.5)	(2.4)	117, 900—	3.9	117, 900—	3.9
550680—Lake Superior District Power Co	20, 508, 732	286, 700	13, 300	0	300, 000	1.4	1.5	1, 543, 334	7.5	1, 543, 334	7.5
550720—Madison Gas & Electric Co	61, 978, 194	272, 949	22, 600	0	295, 549	.4	.5	6, 458, 285	10.4	6, 458, 285	10.4
550920—Northern States Power Co	79, 765, 544	585, 900—	30, 900	0	555, 000—	(.7)	(.7)	5, 061, 555	6.3	5, 061, 555	6.3
550950—Northwestern Wisconsin Electric Co	1, 661, 623	51, 747	0	0	51, 747	3.1	3.1	86, 352	5.2	86, 352	5.2
551420—Superior Water, Light & Power Co	11, 660, 680	72, 900—	20, 300	0	52, 600—	(.6)	(.5)	50, 944	.4	50, 944	.4
551710—Wisconsin Electric Power Co	301, 155, 313	11, 989, 000	861, 400	0	12, 850, 400	4.0	4.3	46, 921, 148	15.6	46, 921, 148	15.6
551770—Wisconsin Michigan Power Co	66, 135, 026	4, 930, 000	112, 300	0	5, 042, 300	7.5	7.6	9, 175, 915	13.9	9, 175, 915	13.9
551800—Wisconsin Power & Light Co	156, 869, 841	1, 885, 249	91, 832	0	1, 977, 081	1.2	1.3	17, 780, 659	11.3	17, 780, 659	11.3
551820—Wisconsin Public Service Corp	173, 728, 890	3, 370, 000	6, 900—	0	3, 363, 100	1.9	1.9	19, 243, 012	11.1	19, 243, 012	11.1
551850—Wisconsin River Power Co	2, 083, 205	314, 282	108, 819	0	423, 101	15.1	20.3	500, 757	24.0	500, 757	24.0
560130—Cheyenne Light, Fuel & Power Co	12, 435, 789	235, 510	29, 490	0	265, 000	1.9	2.1	603, 116	4.8	603, 116	4.8
569280—Lincoln Service Corp	1, 479, 960	56, 273	0		56, 273	3.8	3.8	110, 477	7.5	110, 477	7.5
Total, (National average)	42, 174, 621, 271	554, 002, 290	84, 109, 318—	58, 296, 906	528, 189, 878	1.3	1.3	5, 124, 489, 320	12.2	5, 297, 451, 713	12.6

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[1] Revenues related to other income and extraordinary items are not included in total military operating revenues.

*Preliminary data subject to later verification, revision and approval.
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CLASSES A AND B PRIVATELY OWNED ELECTRIC UTILITIES—1974[1] (RATE OF RETURN ON COMMON EQUITY)

Company name	Year-end	Average
010100—Alabama Power Co	7.8	8.6
011700—Southern Electric Generating Co	12.4	12.4
020250—Alaska Elec. Lt. & Pwr. Co	8.7	8.8
040350—Arizona Public Service Co	10.2	10.9
040540—Citizens Utilities Co	16.1	17.3
041600—Tucson Gas & Electric Co	10.7	12.4
050160—Arkansas-Missouri Power Co	4.4	4.4
050220—Arkansas Power & Light Co	15.1	16.1
050300—Arklahoma Corporation, The	5.7	5.9
061090—Pacific Gas & Electric Co	10.8	11.4
061240—San Diego Gas & Electric Co	10.8	11.6
061490—Southern California Edison Co	12.7	13.6
080550—Home Light & Power Co	7.9	8.1
080880—Public Service Co. of Colorado	8.9	9.4
081120—Western Colorado Power Co., The	3.9	4.0
090370—Connecticut Light & Power Co	16.1	16.8
090450—Connecticut Yankee Atomic Pwr. Co	6.8	6.7
090760—Hartford Electric Light Co	13.8	14.4
090900—Northeast Nuclear Energy Co	7.7	8.0
091590—United Illuminating Co	16.1	17.2
100150—Delmarva Power & Light Co	10.4	11.3
110250—Potomac Electric Power Co	10.0	10.6
120290—Florida Power Corp	8.1	8.4
120380—Florida Power & Light Co	10.8	11.1
120560—Florida Public Utilities Co	11.6	12.0
120650—Gulf Power Co	3.6	3.6
121190—Tampa Electric Co	10.5	11.1
130450—Georgia Power Co	7.6	8.2
131000—Savannah Electric & Power Co	10.1	10.3
150250—Hawaiian Electric Co	11.4	11.8
150280—Hilo Electric Light Co., Ltd	9.3	9.7
151000—Maui Electric Co., Ltd	9.3	9.8
160430—Idaho Power Co	12.4	12.8
170290—Central Illinois Light Co	9.3	9.8
170320—Central Illinois Pub. Ser. Co	10.6	11.1
170410—Commonwealth Edison Co	10.4	10.6
170590—Electric Energy, Inc	7.3	7.4
170720—Illinois Power Co	10.8	11.3
171010—Mt. Carmel Public Utility Co	6.8	6.9
171310—Sherrard Power System	3.7	3.7
171340—South Beloit Water, Gas & Electric Co	6.0	6.0
180100—Alcoa Generating Corp	3.0	3.2
180250—Commonwealth Edison Co. of Indiana	6.4	6.3
180450—Indiana-Kentucky Electric Corp	0	0
180570—Indiana & Michigan Electric Co	9.0	9.3
180630—Indianapolis Power & Light Co	9.9	9.9
180970—Northern Indiana Pub. Ser. Co	11.1	11.3
181150—Public Service Co. of Indiana, Inc	14.1	14.4
181270—Southern Indiana Gas & Elec. Co	12.9	13.2
190820—Interstate Power Co	11.0	11.3
190890—Iowa Electric Light & Power Co	3.3	3.2
190900—Iowa-Illinois Gas & Electric Co	10.6	10.6
190930—Iowa Power & Light Co	11.8	12.0
190970—Iowa Public Service Co	10.2	10.4
191030—Iowa Southern Utilities Co	13.1	13.5
200280—Central Kansas Power Co, Inc	8.1	8.1
200320—Central Telephone & Utilities Co	14.6	15.8
201040—Kansas Gas & Electric Co	9.3	9.4
201130—Kansas Power & Light Co, The	10.1	10.2
210850—Kentucky Power Co	10.3	10.5
210910—Kentucky Utilities Co	6.8	6.8
211270—Louisville Gas & Electric Co	9.2	9.3
211900—Union Light, Heat & Power Co, The	5.8	5.9
220240—Central Louisiana Electric Co, Inc	13.1	13.3
220690—Gulf States Utilities Co	12.1	12.3
220930—Louisiana Power & Light Co	14.4	14.8
221340—New Orleans Public Service Inc	4.1	4.1
230190—Bangor Hydro-Electric Co	7.6	7.6
230370—Central Maine Power Co	8.7	8.9
230600—Maine Electric Power Co, Inc	12.0	11.7
230940—Maine Public Service Co	12.4	12.7
230960—Maine Yankee Atomic Power Co	10.1	10.1
233100—Rumford Falls Power Co	11.7	9.0
240110—Baltimore Gas & Electric Co	10.6	11.1
240210—Chestertown Elec. Lt. & Pwr. Co	2.8	2.8
240280—Conowingo Power Co	3.7	3.7
240350—Delmarva Power & Lt. Co. of Maryland	6.3	6.7
241050—Potomac Edison Co., The	5.8	6.0
241470—Susquehanna Electric Co., The	.0	.0
241540—Susquehanna Power Co., The	5.5	5.5
250220—Boston Edison Co	8.2	8.2
250240—Brockton Edison Co	11.1	11.3
250250—Cambridge Electric Light Co	5.5	5.8
250270—Canal Electric Co	12.0	12.2
250440—Fall River Electric Light Co	10.9	11.0
250460—Fitchburg Gas & Electric Lt. Co	6.6	7.0
250570—Holyoke Power & Electric Co	5.6	5.8
250590—Holyoke Water Power Co	18.1	16.6
250780—Massachusetts Electric Co	10.2	10.2
250850—Montaup Electric Co	13.0	13.2
250900—Nantucket Electric Co	9.8	10.0
250920—New Bedford Gas & Edison Lt. Co	5.4	5.4
250960—New England Power Co	9.4	10.1
251450—Western Massachusetts Electric Co	8.8	9.2
251800—Yankee Atomic Electric Co	2.9	2.9
260100—Alpena Power Co	11.8	12.4
260210—Consumers Power Co	7.8	8.0
260300—Detroit Edison Co., The	7.3	7.5
260330—Edison Sault Electric Co	14.2	14.6
260870—Michigan Power Co	21.5	24.1
261310—Upper Peninsula Generating Co	0	0
261320—Upper Peninsula Power Co	7.2	7.1
262280—Cliffs Electric Service Co	9.9	10.4
271030—Minnesota Power & Light Co	9.7	9.9
271210—Northern States Power Co	10.1	10.6
280760—Mississippi Power Co	9.7	10.2
280970—Mississippi Power & Light Co	12.8	13.6
290460—Empire District Electric Co., The	10.7	10.8
290700—Kansas City Power & Light Co	9.2	9.3
290940—Missouri Edison Co	6.3	6.4
291060—Missouri Power & Light Co	10.0	10.2
291080—Missouri Public Service Co	10.5	10.8
291210—Missouri Utilities Co	5.0	5.0
291330—St. Joseph Light & Power Co	9.1	9.2
291500—Union Electric Co	8.0	8.4
301130—Montana Power Co	13.1	14.6
320890—Nevada Power Co	11.4	11.7
321460—Sierra Pacific Power Co	11.5	11.8
330260—Concord Electric Co	10.5	10.7
330350—Connecticut Valley Electric Co., Inc	5.1	5.2
330520—Exeter & Hampton Electric Co	11.6	11.7
330640—Granite State Electric Co	.8	.8
331230—Public Service Co. of N.H	10.1	11.3
340240—Atlantic City Electric Co	12.9	13.5
340780—Jersey Central Power & Light Co	12.1	12.8
341310—Public Service Electric & Gas Co	12.7	12.9
341400—Rockland Electric Co	4.4	4.4
351030—New Mexico Electric Service Co	13.8	14.6
351570—Public Service Co. of N.M	9.5	9.7
360350—Central Hudson Gas & Elec. Corp	8.8	9.2
360400—Consolidated Edison Co. of New York	7.5	7.7
360870—Long Island Lighting Co	10.7	11.2
360930—Long Sault, Inc	17.4	18.0
361000—New York State Elec. & Gas Corp	10.9	11.1
361050—Niagara Mohawk Power Corp	11.2	11.6
361150—Orange and Rockland Utilities, Inc	7.8	8.5
361350—Rochester Gas & Electric Corp	8.2	8.3
370360—Carolina Power & Light Co	9.2	9.3
370690—Duke Power Co	8.2	8.8
371170—Nantahala Power & Light Co	2.7	2.7
374000—Yadkin, Inc	5.4	5.1
380800—Montana-Dakota Utilities Co	11.6	12.0
381150—Otter Tail Power Co	11.4	12.2
390430—Cincinnati Gas & Elec. Co	10.7	10.7
390470—Cleveland Elect. Illuminating Co	14.6	15.0
390500—Columbus and Southern Ohio Elec. Co	8.2	8.2
390560—Dayton Power & Light Co	9.6	10.1
391330—Ohio Edison Co	11.3	11.9
391370—Ohio Electric Co	5.6	7.0
391410—Ohio Power Co	12.2	13.4
391470—Ohio Valley Electric Corp	10.0	10.0
391680—Toledo Edison Co	11.0	12.1
400970—Oklahoma Gas & Electric Co	13.2	13.5
401320—Public Service Co. of Oklahoma	12.9	13.2
410250—California-Pacific Utilities Co	8.2	8.3
411270—Pacific Power & Light Co	10.5	11.3
411390—Portland General Electric Co	10.9	12.3
420350—Citizens' Electric Co	6.5	6.6
420520—Duquesne Light Co	10.1	10.9
420850—Hershey Electric Co	6.8	7.1
421140—Metropolitan Edison Co	10.5	11.4
421330—Pennsylvania Electric Co	11.4	11.5
421350—Pennsylvania Power Co	10.7	12.1
421370—Pennsylvania Power & Light Co	12.6	13.5

Company name	Year-end	Average
421440—Philadelphia Electric Co	8.8	8.9
421480—Philadelphia Electric Power Co	4.2	4.6
421660—Safe Harbor Water Power Corp	7.0	7.1
421820—UGI Corp	8.5	8.6
421870—West Penn Power Co	10.7	11.1
440260—Blackstone Valley Electric Co	4.3	4.2
440600—Narragansett Electric Co	8.6	8.6
440710—Newport Electric Corp	8.6	8.6
451180—Lockhart Power Co	8.2	8.0
451320—South Carolina Electric & Gas Co	8.1	8.6
460240—Black Hills Power & Light Co	10.9	11.2
461110—Northwestern Public Service Co	13.5	14.6
470940—Kingsport Power Co	17.2	18.2
471500—Tapoco, Inc	4.3	4.2
480280—Central Power & Light Co	14.0	14.4
480340—Community Public Service Co	11.6	11.8
480390—Dallas Power & Light Co	7.6	8.1
480450—El Paso Electric Co	16.5	17.0
480860—Houston Lighting & Power Co	11.4	11.7
481200—Southwestern Electric Power Co	15.9	16.5
481240—Southwestern Electric Service Co	14.0	14.4
481320—Southwestern Public Service Co	17.4	17.9
481380—Texas Electric Service Co	13.9	15.1
481550—Texas Power & Light Co	13.1	14.4
481900—West Texas Utilities Co	15.7	16.2
491450—Utah Power & Light Co	9.2	9.8
500220—Central Vermont Pub. Ser. Corp	7.3	7.3
500470—Green Mountain Power Corp	13.3	13.9
501300—Vermont Electric Power Co., Inc	7.4	7.4
510350—Vermont Yankee Nuclear Power Corp	9.8	10.0
510400—Delmarva Power & Light Co. of Va	8.4	8.8
511160—Old Dominion Power Co	6.0	6.2
511520—Virginia Electric & Power Co	9.3	9.7
531240—Puget Sound Power & Light Co	10.9	11.6
531630—Washington Water Power Co	10.1	10.2
540120—Appalachian Power Co	17.0	17.8
540950—Monongahela Power Co	11.3	11.9
541900—Wheeling Electric Co	18.3	19.6
550330—Consolidated Wqter Power Co	1.0	1.0
550680—Lake Superior District Power Co	8.7	8.8
550720—Madison Gas & Electric Co	9.4	10.0
550920—Northern States Power Co	6.7	6.9
550950—Northwestern Wisconsin Electric Co	5.9	5.9
551420—Superior Water, Light & Power Co	.8	.8
551710—Wisconsin Electric Power Co	9.7	10.2
551770—Wisconsin Michigan Power Co	9.7	9.8
551880—Wisconsin Power & Light Co	9.9	9.9
551820—Wisconsin Public Service Corp	10.3	10.9
551850—Wisconsin River Power Co	4.9	4.9
560130—Cheyenne Light, Fuel & Power Co	10.1	10.3
560280—Lincoln Service Corp	5.1	5.3
Total	10.3	10.8

[1] Preliminary data subject to later verification, revision and approval.

THE IMPACT OF REVENUE SHARING

Mr. FANNIN. Mr. President, Dr. Murray Weidenbaum, a distinguished economist and academician, has writen an excellent article entitled the "Potential Impacts of Revenue Sharing." This article points out a number of positive aspects of revenue sharing and raises doubts about the arguments that revenue sharing is unnecessary since State and local deficits which made revenue sharing necessary have been diminished or eliminated.

Professor Weidenbaum suggests that such deficits still exist and that revenue sharing is needed to overcome the current financial disparities that exist in many cities and States. But more importantly, the revenue sharing program serves to enhance local decisionmaking and economic efficiency. In view of the continuing discussion concerning the renewal of the revenue sharing program I ask unanimous consent to have this article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

POTENTIAL IMPACTS OF REVENUE SHARING

(By Murray L. Weidenbaum)

(Note.—This is one of a series of occasional reprints published by the American Enterprise Institute for Public Policy Research. The series is intended to provide wider circulation within policy making and academic circles for selected papers and speeches by scholars and others associated with the institute. The views herein are those of the authors and do not necessarily reflect the views of the staff, officers or trustees of AEI.)

The October 1972 enactment of a program to share federal revenues with state and local governments was a landmark in the development of the federal system. The *New York Times* labeled the passage of general revenue sharing as "Updated Federalism" and called it "the most fundamental change of this century in fiscal relationships between Federal, state, and local governments."[1] With barely more than two years having passed since the first revenue-sharing payments were made, it obviously is premature to attempt any definitive evaluation of the program. However, one can speculate about the likely results of the program.

A brief summary of the legislation (technically, the State and Local Fiscal Assistance Act of 1972, Public Law 92-512) may be useful. The law authorizes and appropriates funds for quarterly payments totaling $30.2 billion over the calendar years 1972 through 1976. The funds are distributed among the states on the basis of one of two formulas, whichever yields the highest share. The "three factor" formula distributes the funds on the basis of population, tax effort, and per capita income. The "five factor" formula also includes urbanized population and state income tax collections. Because the initial total of the state shares exceeds the available authorizations, all shares are then reduced proportionally. The reason for the intricate computation formula? The compromise permits both the Senate and the House versions to be used.

Within each state, one-third of the funds goes to the state government and two-thirds to local governments. Distribution among local general-purpose units (counties, cities, and towns) is based on the "three factor" formula. The allotments are paid automatically and no extensive application process is required. However, several "strings" have been attached to the use of the money:

1. Local governments must spend their allotments within designated "priority" areas: public safety, environmental protection (including sanitation), public transportation, health, recreation, libraries, social services for the poor and aged, financial administration, and "ordinary and necessary" capital expenditures. This restriction does not apply to state governments.

2. Discrimination on the basis of race, color, national origin, or sex is not permitted in any program financed in whole or in part with revenue-sharing funds.

3. The money may not be used as matching funds to obtain other federal grants-in-aid.

4. Construction workers paid with revenue-sharing money must receive at least the wage prevailing on similar construction activity in the locality.

5. State and local governments must publish plans and publicly account for their use of the revenue-sharing money.

Footnotes at end of article.

REVENUE SHARING AND THE FEDERAL SYSTEM

Revenue sharing can be expected to foster the attainment of its basic objective of increasing the relative importance of the state and local portions of the public sector of the United States at the expense of the federal. In the words of the Advisory Commission on Intergovernmental Relations, the legislation provides "a very definite tilt" in the balance of fiscal federalism, away from centralized policy making and toward matching needs and resources at the state and local levels.[2]

Although it appears difficult to calibrate the shift precisely, direct federal employment, purchases, and other outlays will be less than they likely would have been in the absence of revenue sharing. Conversely, the employment, procurements, and other expenditures by state and local governments will be somewhat larger than they otherwise would have been. The greater relative importance of state and local government will develop in a qualitative as well as quantitative sense. Whereas formerly financial aid programs were shaped first by the Congress as it voted for grants-in-aid and then by federal personnel administering the aid programs, more of such expenditure decisions will now be made by state and local officials.

To a modest extent, revenue sharing will mean that some of the smaller and middle size local governments will obtain a more equitable share of the total amount of federal financial assistance available to state and local governments. Those governments now lacking staffs wise in the ways of federal government "grantsmanship" will receive their revenue-sharing allotments automatically. Many communities with populations between 10,000 and 20,000 report that they have never even applied for federal aid or that the detailed information required in making application for many programs has deterred them. Even some of the larger cities say they have given up applying for relatively small grants because of the paperwork burden.[3]

The city of Fountain Valley, California reported in late 1972 to the Senate Subcommittee on Intergovernmental Relations: "We did not apply for a grant for bicycle trails since the amount which would be received could not be justified by the amount of work in applying." The city of Warren, Michigan lamented that the regional office of one federal agency boasted that it had reduced the administrative cost of processing a $10,000 loan to $10,000![4]

On balance, it can be anticipated that the total flow of federal disbursements to state and local governments will be gerater than they otherwise would have been. Even though revenue sharing may to some extent inhibit increases in grants-in-aid to states and localities, in part revenue sharing will also limit the growth of other federal non-grant programs. The increased amounts of federal non-grant funds funneled into the revenue-sharing program could represent sizable new financial support for states and localities, since previously these funds were not available to these governmental units. Hence, the net effect of general revenue sharing will be to expand state and local revenues.

In 1972, for the second year in a row, there was virtually no growth in the number of federal grants-in-aid. Several factors were at work, including presidential vetoes, the enactment of general revenue sharing, and a generally unfavorable climate for new government spending programs. In dollar terms, federal disbursements for grants-in-aid are merely showing a slowing of what has been a remarkably rapid growth trend in the last few years. From a total of $35.9 billion in the fiscal year 1972, these outlays rose to $37.4 billion in fiscal 1973 and are projected to reach $45.6 billion in fiscal 1975.[5] There is no certainty that these levels will be reached but the talk of wholesale slashes and cutbacks is *not* supported by the available figures.

Almost paradoxically, the total public sector will not grow as fast as it would have grown without revenue sharing. Indirectly, some revenue-sharing money will be used for reducing state or local taxes or, more likely, for slowing down what has been the very rapid growth in revenue from these tax sources. One recent study estimates that, on the average, the annual flow of $5.5 billion of general revenue sharing will result in increased state and local expenditures of about $2–3 billion; the remainder is likely to be devoted to tax reduction.[6] That conclusion is supported by the Treasury Department's report on the planned use of revenue-sharing money: "Almost half of the $2.96 billion represented in the third entitlement period reports is being spent in such a way as to reduce taxes, prevent an increase in taxes, prevent enactment of new taxes or reduce the amount of tax rate increase."[7] This may be a conservative figure, since many units of government have not yet ventured to predict the effect that the money will have on their total tax effort.

REVENUE SHARING AND ECONOMIC EFFICIENCY

A key technical difference between grants-in-aid and general revenue sharing is that the former works through both the "income" and the "price" effects, while the latter works only through the "income" effects. That means that grants-in-aid provide a double incentive to increase spending by state and local governments. First—and similar to revenue sharing—grants increase the revenues or income of states and localities, thus enabling these governmental units to spend more. But grants-in-aid have a second effect: they lower the price of certain categories of public goods. For example, a fifty-fifty matching grant on a $5 million library means that it only costs the county or city $2.5 million to build the library. At the lower price, the demand is higher. Few can resist the argument that our city will "lose" the federal money if we do not match it. Not only is the local "price" of the aided public goods thus reduced in relation to other public undertakings, but it is reduced in relation to private goods as well. Thus, grants-in-aid tend to encourage a greater amount of purchases of public goods (and hence a larger public sector) by altering the relative prices of public goods vis-a-vis private goods.

Revenue sharing does not have that "price" effect. If a city wants to build a $5 million library, it will have to pay the full $5 million. Even if the $5 million is all taken out of the revenue-sharing fund, there will be full citizen knowledge that the money could have been used for another purpose, perhaps alleviating the need for a tax increase or even allowing a tax decrease. Of course, if a local government uses revenue sharing to reduce taxes, there will be a subsequent but usually modest reduction in the future revenue-sharing funds which the locality receives, since the allocation of revenue sharing is based in part on local tax effort. This factor might modify a local unit's incentive to use revenue-sharing funds to reduce taxes.

Again unlike revenue sharing, grants-in-aid tend to encourage wasteful or low yield undertakings, because of the federal matching money. In this day of concern with cost-benefit analysis, let us assume a program whose benefits to society are less than the costs to society—say benefits of $800 and costs of $1,000, with a benefit-cost ratio of 0.8. Should such a project be undertaken? The realistic answer is that it depends on who gets the benefits and who pays the costs and, of course, on who makes the decisions. If in the hypothetical example, there is a 50 percent matching grant available from a federal agency, the locality may find that the pertinent benefit-cost ratio for the project is comparable to the calculation of private costs and benefits. That is, if the locality will stand to gain the $800 in benefits but only have to pay one-half of the $1,000 costs, the pertinent benefit-cost ratio for local decision makers is not an unfavorable 0.8 but a rather attractive 1.6 ($800 of benefits to $500 of local costs). It is not surprising, then, the local interests continue to push so strongly for federal projects in their area, even quite marginal ones, so long as the national taxpayer will subsidize the programs. Again, revenue sharing is an attractive alternative to that unhappy state of affairs.

THOSE STATE AND LOCAL "SURPLUSES"

Recent discussion of state and local surpluses seems to have been based on a statistical mirage. Opponents of revenue sharing have pointed to the large surpluses of state and local governments that have been reported in the national income accounts as an indication of the ability of states and localities to function without additional federal aid. These accounts, which underlie the gross national product and other aggregate measures of the economy, are designed for and are extremely useful for gauging the economic impact of the various sectors of the economy.

However, they are not intended to be measures of financial condition. Thus, students of government finance utilize instead the annual budget to examine the fiscal status of the federal government. The data which are most comparable to the federal budget are those contained in the reports of the Governments Division of the Bureau of the Census. This body of information is based on the accounting systems of states and localities.

A very different picture emerges from an examination of the Census reports than is generally appreciated. In the first year 1971, rather than the surplus of $2.3 billion shown in the national income figure, Census reported a deficit of $4.7 billion on the part of state and local governments. In the fiscal year 1972 (the latest period for which data are available) the Bureau reported a surplus of $300 million for all state and local governments, compared to the $8.6 billion surplus shown in the national income accounts.[8]

Clearly, a very different picture emerged from an examination of the Census data than generally has been reported. The cumulative deficit of $4.4 billion recorded by states and localities in the two-year period 1 July 1970 to 30 June 1972 is hardly an indication of their having entered any fiscal Valhalla.

When the overall statistics on state and local finance are broken down, it is clear that many of the nation's largest cities are faced with deficits rather than surpluses. As shown in Table 1, seventeen of a representative sample of thirty large cities are running in the red, reporting a net deficit of $679.5 million in their most recent fiscal year. The problem clearly is long-standing: seven of the thirty cities showed cumulative deficits in their general fund balances, making the net deficit for the thirty cities $658.6 million (see Table 2).

TABLE 1 —REVENUES VERSUS EXPENDITURES IN 30 LARGE CITIES, 1972

[General fund or equivalent; dollars in millions]

City	Revenues (1)	Expenditures (2)	Excess (or deficiency) of revenues (1)–(2) (3)	Percent excess (or deficiency) (3)/(1) (4)
Milwaukee	$142.5	$130.3	$12.2	8.6
Nashville	44.1	41.5	2.6	5.9
Pittsburgh	92.2	87.0	5.2	5.6
Denver	87.8	83.6	4.2	4.8
Memphis	83.2	79.7	3.5	4.2
Detroit	458.2	440.7	17.5	3.8
Chicago	396.0	382.0	14.0	3.5
Columbus	50.9	49.1	1.8	3.5
San Diego	65.7	63.6	2.1	3.2
Seattle	64.1	62.3	1.8	2.8
San Francisco	505.8	492.4	13.4	2.6
Minneapolis	41.9	40.8	1.1	2.6
New Orleans	67.7	67.7	0	0
San Antonio	48.8	49.2	(.4)	(.8)
Phoenix	68.8	69.8	(1.0)	(1.5)
Boston	312.4	315.6	(3.2)	(1.0)
Dallas	89.2	90.1	(.9)	(1.0)
Cincinnati	55.9	56.4	(.5)	(.9)
Los Angeles	288.5	294.0	(5.5)	(1.9)
Kansas City	59.7	61.0	(1.3)	(2.2)
Baltimore	382.4	390.7	(8.3)	(2.2)
Indianapolis	44.4	45.5	(1.1)	(2.5)
Houston	125.6	129.7	(4.1)	(3.3)
Atlanta	58.5	60.5	(2.0)	(3.4)
St. Louis	120.4	124.9	(4.5)	(3.7)
Jacksonville	58.6	61.1	(2.5)	(4.3)
Buffalo	74.3	79.7	(5.4)	(7.3)
New York	7,115.8	7,772.0	(656.2)	(9.2)
Philadelphia	477.9	526.7	(48.8)	(10.2)
Cleveland	81.8	95.0	(13.2)	(16.1)
Total	11,563.1	12,242.6	(679.5)	(5.9)

Source: Compiled in 1973 by the Advisory Commission on Intergovernmental Relations from most recently published financial reports available for each city, generally in 1972.

TABLE 2.—ACCUMULATED SURPLUS OR DEFICIT IN 30 LARGE CITIES, 1972

[General fund or equivalent; dollars in millions]

City	As reported by city	Adjusted cash basis	Cash balance (Deficit) as percent of annual resources
New York City	0	(657.6)	(9.2)
Chicago	2.2	(188.3)	(47.5)
Los Angeles	NA	NA	
Philadelphia	(30.1)	(29.2)	(6.1)
Detroit	(20.5)	(17.2)	(3.7)
Houston	12.6	13.6	10.8
Baltimore	6.5	9.2	2.4
Dallas	4.8	3.8	4.3
Cleveland	(13.6)	(13.6)	(16.6)
Indianapolis	2.0	2.0	4.5
Milwaukee	28.5	17.5	12.3
San Francisco	48.1	79.9	15.8
San Diego	4.8	4.8	7.3
San Antonio	2.4	2.8	5.7
Boston	27.8	42.0	13.4
Memphis	4.0	5.6	6.7
St. Louis	(3.5)	(3.5)	(2.9)
New Orleans	.5	(.8)	(1.2)
Phoenix	2.7	3.0	4.4
Columbus	1.7	1.7	3.3
Seattle	10.0	14.7	22.9
Jacksonville	14.5	15.4	26.3
Pittsburgh	3.4	7.3	7.9
Denver	7.2	7.2	8.2
Kansas City	.6	.7	1.2
Atlanta	5.7	10.1	17.3
Buffalo	2.5	1.6	2.1
Cincinnati	.5	.5	.9
Nashville	2.9	2.8	6.3
Minneapolis	4.4	5.4	12.9
Total	132.6	(658.6)	

Source: Compiled in 1973 by the Advisory Commission on Intergovernmental Relations from most recently published financial reports available for each city, generally in 1972. Adjustments to the data were made by the Commission.

Footnotes at end of article.

STATE AND LOCAL DECISION MAKING

Perhaps one of the most important impacts of revenue sharing will be the influence on the structure of decision making in state and local government, especially the potential to strengthen the position of elected officials. Under the grant-in-aid system, the program department of the state, city, or county typically looks to its counterpart in the federal bureaucracy for guidance and leadership. Where the federal agency provides the larger share of the funds, such federal influence or control may be substantial.

Thus, in effect, a state roads commission may find itself more beholden to the federal Bureau of Public Roads—from which it receives 90 percent of the cost of interstate highways—than to the governor or state legislature. To a lesser extent, similar relationships exist between state education departments and the U.S. Office of Education, between local health offices and the U.S. Public Health Service, and so forth.

Revenue-sharing funds, in contrast, are allocated by popularly elected officials. It is the legislature that will decide the uses to which the state government's share will be put. Similarly, the city councils and county commissions will exercise the decision-making power over the local shares. Thus, an important shift of power from executive to legislative branches may well occur, paralleling the shift from federal to state-local decision making.

To the extent that more of the decision making and hence action is shifted to the states and their subdivisions, they will be more capable of attracting high-caliber personnel and thus become more effective at carrying out their functions and programs. The greater financial resources should help in both recruitment and retention of good people. For too long, talented people interested in government service have journeyed to Washington, while state or local government was too often dismissed as irrelevant. Revenue sharing will be no panacea, but it should help to improve the situation.

A related impact is the incentive for special-purpose districts—which vary from fire protection to mosquito abatement, and which have continued to proliferate in recent years—to merge into general-purpose units. This incentive is provided by limiting local revenue-sharing payments to counties, cities, towns, and other general-purpose governments. Because the allocation of funds is based in part on tax effort, counties and cities will benefit by incorporating special districts whenever they can. Reducing the number of overlapping jurisdictions would be a significant reform of local government.

Although not precisely intentional, the result of the federal auditing requirement may also strengthen financial and program administration at state and local levels. The general-revenue-sharing law provides that the secretary of the Treasury may accept the audits of revenue-sharing funds performed by state and local governments, if the state or local audit procedures are considered sufficiently reliable.

The Treasury Department has indicated that it will rely on an audit section of some twenty-to-twenty-five people, who will mainly perform spot checks of only a sample of the recipient governments.[9] The comptroller general, an independent official who reports directly to the Congress, is authorized to review the work done by Treasury as well as by state and local governments. The comptroller general has indicated his concern that the funds be spent "efficiently" and contribute to the "effectiveness" of the programs in which they are used.

In June 1972, the General Accounting Office (GAO) published auditing standards for all levels of government. The standards provide that a GAO audit should include reviews of efficiency and economy in the use of resources and of the effectiveness of the results of the activity under review. In reviewing the audits performed by states and localities, emphasis is to be placed on staff competence, independence from political control, and professional proficiency.[10] This may be a tall order for some local governments, and involve delicate questions concerning the allocation of powers within the federal system. Yet, improvements in the fiscal controls of many governmental units are likely to be encouraged as the result of the greater external interest and concern.

CONGRESSIONAL CHANGES

During the long process of congressional deliberation, a number of changes were made in the original revenue-sharing proposals, some of them doing some violence to the basic concept of sharing general revenues without strings. A five-year fixed-dollar amount was substituted for the earlier plan to disburse permanently and automatically a predesignated share of the personal income tax base. During a five-year period, the Congress should have adequate opportunity to review the wisdom of its actions. Because the legislation is both an authorization and appropriation act, it provides considerably more assurance to the recipients than the annually appropriated grant-in-aid.

It does seem, however, that the five-year limitation has restrained localities in making their allocations of funds. Apparently, some communities are reluctant to incorporate the revenue-sharing funds into their operating budgets, concentrating instead on capital projects, because of uncertainty over the continuation of the program beyond 1976. Deil S. Wright has pointed out that this emphasis on capital outlays may not be unwarranted in some communities. Newark, New Jersey, for example, does not have a school building built after the year 1910.[11]

A survey of local officials in the spring of 1973 by the Advisory Commission on Intergovernmental Relations (ACIR) revealed a pattern of response.[12] The following are the answers to the question, "Did uncertainty about the future of revenue sharing have an important bearing on the way your government decided to spend its revenue-sharing funds?

	Budget Officers	*County Officials*	*City Officials*
Yes	21	56	28
No	21	32	31
No decision	1	--	--

The following are the responses that ACIR received to its follow-up question as to whether the uncertainty influenced the local officials to use the money for capital outlays and other nonrecurring expenses:

	Budget Officers	*County Officials*	*City Officials*
Yes	12	52	27
No	6	4	1
No decision	4	--	--

The Treasury Department's report on planned use of the revenue-sharing funds confirms that a very substantial portion of the local share is being applied to capital projects. As shown in Table 3, local governments are using more than half of their current revenue sharing for capital purposes ($991 million versus $909 million).

Perhaps the most unfortunate change from original proposals is the requirement that the local share only be used for designated "priority" areas, which notably exclude welfare and education. The areas "blessed" by the Congress comprise public safety, environmental protection, public transportation, health, recreation, libraries, social services, and capital outlays. That change would appear undesirable on both conceptual and practical grounds. Conceptually, such program "strings" violate the basic notion of putting the responsibility for allocating and spending the funds right on the local governments receiving the money: if the citizens do not like how the revenue-sharing money is being spent, they know exactly who to blame and hold accountable—and defeat, if they wish, at the next election.

At the practical level, limiting the local two-thirds of the revenue-sharing money to specific priority areas, no matter how worthy those areas may be, multiplies the unproductive overhead and paper shuffling that revenue sharing is designed to cut down. Each locality must set up an accounting system to show the inevitable federal auditors that the revenue-sharing money is being spent for parks or sewers or some other designated local activity that the national legislature has ruled to be a priority in every locality. Woe unto the unfortunate local governments that are caught using a penny of the money for what, by default, Congress must consider "low priority"—particularly the financing of public schools.

Footnotes at end of article.

TABLE 3.—LOCAL USE OF REVENUE-SHARING FUNDS IN 1973

[In millions of dollars]

Expenditure category	Counties		Cities		Townships, etc.		Total	
	Operating	Capital	Operating	Capital	Operating	Capital	Operating	Capital
Public safety	83	90	377	87	27	12	487	189
Environmental	18	32	77	72	7	6	102	110
Transportation	53	88	47	105	18	23	118	216
Health	35	43	20	25	3	2	58	70
Recreation	9	28	23	56	4	5	36	89
Libraries	11		9		2		22	
Social services	24	10	18	3	3	(1)	45	13
Financial administration	25		12		4		41	
General government		154		65		16		235
Education		19		7		2		28
Housing and community development		12		19		2		33
Economic development		3		5		(1)		8
Total	258	479	583	444	68	68	909	991

[1] Less than $500,000.

Source: U.S. Department of the Treasury, "General Revenue Sharing—the Third Planned Use Reports" (Washington: U.S. Government Printing Office, 1973).

GEOGRAPHIC DISTRIBUTION

It is also revealing to compare existing grants-in-aid with the state-by-state distribution of revenue-sharing money resulting from congressional decisions and to relate the states' proportions of total revenue-sharing funds with their respective shares of U.S. personal income and population. As can be seen in Table 4, the sixteen states with the highest per capita income (plus the District of Columbia) receive a slightly smaller share of revenue sharing than of program grants (49 percent versus 52 percent). Although the proportion of revenue-sharing funds going to these states is slightly above what one might expect if the funds were distributed strictly on the basis of population, the income distribution factor has a mildly equalizing effect. These high income states with 53.1 percent of total U.S. personal income receive only 49 percent of revenue-sharing funds.

The seventeen states with the lowest per capita income receive about the same share of revenue as of grants-in-aid (20 percent), but above their share based on population. The income redistribution effect is greater here, since these states generate only about 14 percent of total U.S. personal income. The seventeen middle-income states do relatively better under revenue sharing than under the grant-in-aid system (31 percent versus 28 percent). Their percentage of revenue-sharing funds is slightly less than their proportion of population or personal income.

TABLE 4.—STATE INCOMES AND SHARES OF FEDERAL AID IN 1972

State	Per [1] capita income	Share of [1] total income (percent)	Share of [2] grants-in-aid (percent)	Allotted [3] total revenue sharing (percent)	Actual [4] revenue sharing (Aug. 10, 1973) (percent)	Share of [5] total population (percent)	Revenue [6] sharing per person
HIGH INCOME GROUP							
District of Columbia	$6,265	0.5	1.6	.4	.4	.4	$10.56
Connecticut	5,328	1.7	1.3	1.2	1.3	1.5	21.45
New York	5,242	10.3	12.5	11.1	11.1	8.8	32.18
New Jersey	5,232	4.1	3.0	3.1	3.1	3.5	22.19
Delaware	5,188	.3	.3	.3	.3	.3	27.79
Alaska	5,141	.2	.5	.1	.1	.2	20.92
Illinois	5,140	6.2	5.0	5.2	5.1	5.4	24.41
Nevada	5,078	.3	.3	.2	.2	.2	21.06
Hawaii	5,031	.4	.5	.5	.5	.4	34.73
California	4,988	10.9	11.6	10.5	10.7	9.8	27.15
Maryland	4,882	2.1	1.6	2.0	2.0	1.9	26.36
Michigan	4,881	4.7	3.8	4.2	4.2	4.4	24.41
Massachusetts	4,855	3.0	3.1	3.1	3.1	2.8	28.15
Colorado	4,574	1.1	1.2	1.0	1.0	1.1	23.17
Ohio	4,534	5.2	3.4	3.9	4.0	5.2	19.19
Rhode Island	4,483	.5	.5	.4	.4	.5	24.38
Washington	4,472	1.6	1.8	1.6	1.5	1.6	24.40
Total, high income group		53.1	52.0	48.8	49.0	48.0	
MIDDLE INCOME GROUP							
Pennsylvania	4,465	5.7	4.6	5.2	5.2	5.7	22.96
Kansas	4,455	1.2	.8	1.0	1.0	1.1	23.38
Florida	4,378	3.4	2.4	2.8	2.8	3.5	20.10
Indiana	4,366	2.5	1.6	2.0	2.1	2.5	19.71
Nebraska	4,355	.7	.6	.8	.7	.7	28.13
Wyoming	4,330	.2	.4	.2	.2	.2	28.12
Iowa	4,300	1.4	.9	1.4	1.4	1.4	26.71
Virginia	4,298	2.2	1.8	2.0	2.0	2.3	22.08
Minnesota	4,298	1.8	1.8	2.0	.20	1.9	26.64
Missouri	4,293	2.2	2.0	1.9	1.9	2.3	20.77
Oregon	4,287	1.0	1.1	1.1	1.0	1.0	25.76
Arizona	4,263	.9	.8	.9	1.0	.9	25.76
Wisconsin	4,255	2.0	1.5	2.5	2.5	2.2	29.62
New Hampshire	4,241	.3	.3	.3	.3	.4	19.71
Montana	3,999	.3	.5	.4	.4	.3	28.65
Texas	3,991	4.9	4.7	4.6	4.7	5.6	20.98
Georgia	3,909	2.0	2.4	2.1	2.1	2.3	23.26
Total, middle income group		32.7	28.2	31.2	31.3	34.3	
LOW INCOME GROUP							
North Carolina	3,799	2.1	2.1	2.5	2.6	2.5	25.97
Oklahoma	3,795	1.1	1.4	1.1	1.1	1.3	22.55
Idaho	3,780	.3	.4	.4	.4	.4	26.19
North Dakota	3,738	.3	.4	.4	.4	.3	31.17
Utah	3,728	.4	.6	.6	.6	.5	27.89
South Dakota	3,699	.3	.4	.5	.5	.3	36.97
Vermont	3,686	.2	.3	.3	.3	.2	32.03
Tennessee	3,671	1.6	2.0	1.9	1.9	1.9	24.41
Maine	3,610	.4	.5	.6	.6	.5	30.22
Kentucky	3,609	1.3	1.7	1.6	1.6	1.6	26.46
West Virginia	3,594	.7	1.3	1.0	1.0	.9	29.37
New Mexico	3,564	.4	.8	.6	.6	.5	31.17
Louisiana	3,543	1.4	2.1	2.1	2.3	1.8	30.54
South Carolina	3,477	1.0	1.2	1.5	1.4	1.3	30.54
Alabama	3,420	1.3	1.9	2.2	1.7	1.7	33.08
Arkansas	3,365	.7	1.1	1.0	1.0	.9	27.81
Mississippi	3,137	.7	1.6	1.7	1.7	1.1	40.04
Total, low income group		14.2	19.8	20.0	19.7	17.7	
Grand total		100.0	100.0	100.0	100.0	100.0	[7] 25.48

[1] Calendar year data. Source: U.S. Department of Commerce, Bureau of Economic Analysis, "Commerce News," Washington, D.C., Aug. 27, 1973, tables A and B.

[2] Fiscal year data. Source: U.S. Department of the Treasury, Bureau of Accounts, "Federal Aid to States, Fiscal Year 1972" (Washington: U.S. Government Printing Office, 1973), p. 17.

[3] Calendar year data. Source: "Revenue Sharing Provides $30.1 Billion to States, Localities Over Next 5 years," State Government News, October 1972, p. 3.

[4] Revenues paid to states and local governments as of Aug. 10, 1973. Source: U.S. Department of the Treasury, Office of Revenue Sharing, Department of Treasury News (Washington: U.S. Government Printing Office, Aug. 10, 1973).

[5] Estimates for July 1, 1972. U.S. Department of Commerce, Bureau of the Census, "Current Population Reports: Estimates of the Population of States by Age: July 1, 1971 and July 1, 1972." May 1973, table 1, p. 2.

[6] Allotted revenue sharing for calendar year 1972 divided by population estimate for July 1, 1972 (data from sources in notes 3 and 5).

[7] U.S. average.

A COMPLICATION FOR ANALYSIS

A major complication in analyzing the effects of revenue sharing is the fact that many other changes are occurring in federal programs at the same time. For example, a related aspect of the "New Federalism" is an effort to consolidate many of the specific categorical aids to state and local government into fewer and broader grants, eliminating matching requirements in most cases.

Although the Nixon administration labeled this effort "special revenue sharing," it is separate and distinct from the "general" revenue sharing described here. Many supporters of the basic revenue-sharing concept do not agree with eliminating the individual grants-in-aid, such as model cities and urban renewal, which have been identified with the "Great Society" and earlier Democratic administrations.

The special revenue-sharing proposals would replace seventy categorical programs with four special revenue-sharing funds: urban community development, education, manpower training, and law enforcement. Budget authority for the first full year of operation is estimated at $7 billion. The great bulk of other existing grants-in-aid—which are being funded at an annual rate of about $39 billion—presumably would remain undisturbed.

These matters are part of a larger debate on the question of economy in government. The most dramatic aspect of the new struggle is presidential impoundment of congressional appropriations. Many Presidents have decided not to spend all of the funds that Congress has voted, and there is some statutory authority for exercising such discretion. Nevertheless, the scale of recent impoundments has been quite large, and some of the public statements accompanying them may have been unnecessarily challenging to congressional prerogatives.

Although the impoundments have upset some supporters of the programs affected, this entire action should be viewed as an aspect of fiscal policy, rathe" than the inevitable consequence of the introduction of a new revenue-sharing program. In this period of substantial inflation, restraint on government spending does seem to be an appropriate response. Inevitably, opinions will differ on which programs should be cut back, but that merely reflects the continuing debate over changing national priorities.

A LOOK AHEAD

The modern public sector which is emerging in advanced nations requires a variety of mechanisms and organizations in order to carry out national policies. Excessive reliance on any single mechanism—whether it be contracts to government-oriented corporations or grants-in-aid to state and local government—often tends to weaken the mechanism or to dilute the effectiveness of public policy. Seen in this light, revenue sharing is a useful addition to the mechanisms which the modern state, particularly a federal one, can utilize in conducting the public business.

Whether revenue sharing is a one-time experiment or a continuing commitment will depend, in very large measure, on how the nation evaluates the effectiveness of the revenue-sharing money in comparison with the other mechanisms available for disbursing federal funds and helping to achieve national objectives. Thus, ultimately, the success of the program will depend on the wisdom of program choices and on the effectiveness of program execution on the part of the state and localities using the money.

Although it can be hoped that the examples will be few and minor, from time to time there are bound to be reports of some stupidity or wastefulness in the use of revenue-sharing money and perhaps even some real "horror stories" of actual graft and corruption. Unfortunately, honesty and good judgment cannot be legislated—as has been so amply and recently demonstrated at all levels of government and in the private sector.

To be sure, it is encumbent upon state and local officials to avoid what Wright calls "FTC expenditure"—funds going for frivolity, thievery, and chicanery.[13] But it will take more than that to make the revenue-sharing experiment a success. It will be necessary to show the citizenry that the $30 billion of federal tax revenue that will be allocated to state and local governments over the five-year period will, by and large, be more wisely spent than if the sums were merely added to the budgets of federal agencies. This is clearly a challenge to the ability of state, city, and county government throughout the nation, and it is likely to require some positive action.

The state of Texas is an example of one of the areas that is developing a comprehensive approach to the expenditure of revenue-sharing funds. In late 1972 the governor established a Revenue Sharing Council to promote state and local cooperation in the revenue-sharing program. The governor serves as chairman of the Council; the other members are three city officials, three county officials, the lieutenant governor, the speaker of the House of Representatives, and the state comptroller. The Council does not have the authority to allocate the revenue-sharing money. Rather, it is assisting those who do. Early in its operations, the Council requested the state Department of Community Affairs to set in motion a program to assist local governments in providing statistical information to federal agencies as well as in answering the inevitable questions that are likely to arise. The result is a state Office of Revenue Sharing Assistance.

As the executive director of the Texas Advisory Commission on Intergovernmental Relations put it, "We want very much to avoid a stream of Texas officials going to Washington seeking answers, because the more questions [we ask] of Washington, the more written responses they will give, many of which will find their way into the Federal guidelines."[14]

The Texas approach may not necessarily be desirable or workable in other regions. But, in general, the "extra mile" that state and local officials may walk in carrying out the spirit as well as the letter of revenue sharing is likely to be a very good investment. Many members of the Congress held and continue to hold a somewhat agnostic view of the desirability of yielding the responsibility over the disbursement of a portion—albeit a modest one—of federal revenue to another level of government. Hence efforts to reduce the flexibility and discretion available to state and local officials in carrying out the revenue-sharing experiment can be expected from time to time. The legislation itself contains restrictions that do violence to the basic concept, notably the limitation of local expenditures to designated priority areas. And the U.S. Advisory Commission on Intergovernmental Relations anticipates that the appropriations committees will make another effort to convert revenue sharing to an annual basis, thus eliminating the five-year assurance.[15]

Unless state and local governments, their citizens, and their associations take great pains to minimize waste and inefficiency in the revenue-sharing disbursements, more restrictions may be written into the legislation in the future. Despite impressions to the contrary, the Congress has been known to cut back and on occasion even to eliminate federal spending programs that lose public support.

For the next five years, the nation will be witnessing not only the disbursement of $30 billion, but also one of the most important efforts to strengthen the institutions of American society. If there is any lesson to be learned from the past, it is the need for a free and strong nation to have a variety of centers of power, resources, and discretion in the formulation and execution of public policy. Revenue sharing may well turn out to be a vital contributor to the development of that more decentralized structure of the public sector which will enable American society to continue to cope with a great variety of external pressures and domestic stresses. Revenue sharing is, after all, one of the few programs in American history which is overtly designed to help achieve the often neglected portion of the preamble to the Constitution—the part referring to "forming a more perfect Union."

FOOTNOTES

[1] "Updated Federalism," *New York Times*, 17 October 1927, p. 40.

[2] "Advisory Commission on Intergovernmental Relations, *Striking a Better Balance: Federalism in 1972* (Washington: U.S. Government Printing Office, 1973), p. 8.

[3] U.S. Congress, Senate, Committee on Government Operations, Subcommittee on Intergovernmental Relations, *Preliminary Results of November 1972 Survey of Federal Grants* (Washington: U.S. Government Printing Office, 1 March 1973), p. 3.

[4] Ibid.

[5] *Special Analyses, Budget of the United States Government, Fiscal Year 1975* (Washington: U.S. Government Printing Office, 1974), p. 217. In addition, on 1 January 1974, the federal government assumed responsibility for the entire basic benefits to adult public assistance recipients. That action is estimated to have relieved state and local governments of $1.7 billion in financial burdens during the fiscal year 1974.

[6] Edward M. Gramlich and Harvey Galper, "State and Local Fiscal Behavior and Federal Grant Policy," in *Brookings Papers on Economic Activity* (Washington, D.C.: The Brookings Institution, 1973), p. 50.

[7] U.S. Department of the Treasury, *General Revenue Sharing—the First Planned Use Reports* (Washington: U.S. Government Printing Office, 1973), p. 3.

[8] U.S. Bureau of the Census, *Government Finances in 1971–72* (Washington: U.S. Government Printing Office, 1973), p. 20.

[9] James E. Smith, "Federal Revenue Sharing: Implementing the 1972 Act," in Lyndon B. Johnson School of Public Affairs, *The 63rd Texas Legislature Pre-Season Conference* (Austin: University of Texas, 1973), p. 30.

[10] U.S. General Accounting Office, *Standards for Audit of Government Organizations, Programs, Activities and Functions* (Washington: U.S. Government Printing Office, 1972). See also Mel Powell, "General Revenue Sharing: New Resources and New Responsibilities for State and Local Governments," *Appalachia*, February-March 1973, p. 62.

[11] Deil S. Wright, "General Revenue Sharing and Intergovernmental Fiscal Relations," in Lyndon B. Johnson School of Public Affairs, *The 63rd Texas Legislature Pre-Season Conference* (Austin: University of Texas, 1973), p. 60.

[12] Advisory Commission on Intergovernmental Relations, *Revenue Sharing: View From the Field*, Information Bulletin No. 73–3, March 1973, pp. 6–7.

[13] Wright, "General Revenue Sharing and Intergovernmental Fiscal Relations," p. 61.

[14] James F. Ray, "Federal Revenue Sharing: A Stateside View," in Lyndon J. Johnson School of Public Affairs, *The 63rd Texas Legislature Pre-Season Conference* (Austin: University of Texas, 1973), p. 66.

[15] Advisory Commission on Intergovernmental Relations, *Revenue Sharing*, p. 6.

INTERNATIONAL DEVELOPMENT AND FOOD ASSISTANCE BILL

Mr. CLARK. Mr. President, the House is considering today an excellent foreign economic assistance bill that will focus American assistance on the most critical problems faced by developing countries: The need to produce sufficient food to feed their growing populations and the need to bring the vast majority who are poor into the development process. I have confidence that the Foreign Relations Committee will report out and the Senate will act favorably on similar legislation.

There has been some speculation that Congress will sharply cut foreign economic assistance because it would be an easy way to cut the budget. Given that this bill will help increase food production in countries which often require massive amounts of food aid, and given that our own economy is increasingly reliant on cooperation with the raw materials-rich developing countries, it would be penny wise and pound foolish to make large cuts in development assistance at this time.

At the U.N. Special Session, I found that the Secretary of State's positive proposals in the areas of trade and agricultural development assistance were enthusiastically received by representatives of the developing countries. We may well be entering an era of cooperation rather than confrontation with the nonalined countries of the world. An essential element in this new cooperation is the genuine U.S. commitment to helping the world's poorest people and solving the problem of world hunger that is represented in this bill.

We can be proud of the increasing sophistication the United States and the donor community at large have shown in economic development assistance. We have learned that "trickle down" approaches do not work. We have learned that it is a waste simply to transfer large amounts of money from American taxpayers to the elites in developing countries. Congress is now committed to spending aid money the way the American people would want it spent—on improving living standards for the vast majority who are poor and developing the poor countries' great agricultural potential.

But passage of this bill will not guarantee the effective use of U.S. foreign assistance. This will require the full commitment of the administration as well as Congress. It will require effective congressional oversight of the foreign assistance program. And it will require a certain reallocation of American aid: Away from countries that are not making a genuine effort to reach their poorest people or to increase their food production and toward those which are making the greatest effort; away from projects which benefit only an elite and toward those that benefit the majority. This is a huge task; but it is one we must accept if the United States is ever to become an effective partner in world economic development.

Mr. President, I ask unanimous consent that today's editorial in the Washington Post, "Food, Development, and Aid" be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Food, Development, and Aid

American foreign aid for economic development has been declining in recent years, and the reasons go far beyond mere stinginess. It is not simply a case of the post-Vietnam blues. This country has discovered over the years that it takes more than good intentions to make development aid effective, and it takes more than an indiscriminate outpouring of dollars. The question is how to spend that money in precisely focused ways that will do the most good—and, to be candid, the least harm. Americans have found that high-powered aid programs can do a great deal to raise other countries production levels and incomes. But they can also contribute to wars, destructive migrations and growing destitution among those who can find no place in the new economic order.

Aid is a potent agent of change, and the people who give it have a duty to pay attention to what they are doing. In recent years there has been a tendency here in Washington to give more weight to the failures than to the evidence of progress, and Americans have increasingly backed off uneasily from the whole commitment to aid while they tried to devise surer methods of delivery. It is, in effect, a reflection of the larger debate over poverty in America that has been going on among us for more than a decade.

Congress is now proceeding with vigor and intelligence to give a new form to American aid abroad. The House is scheduled today to take up the International Relations Committee's excellent bill to authorize $1.4 billion for development and food aid this year and $1.5 billion next year. Those figures reverse the recent declining trend, but there is much more to the bill than the numbers.

Congress is responding here to the moral issues laid before the rich nations last year at the world conferences on food and population. Those two conferences demonstrated, between them, the dilemma of aid. Many of the poor countries are desperately hungry, yet to give great quantities of emergency aid in this generation would only increase the terrible burden of need a few years later. Clearly population control is a necessary solution. But it is also a cruelly slow one, and no country can save its people from this year's famine by curbing next years birth rate.

The House bill wisely ties food deliveries to a new system of incentives to the recipient countries to develop their own food production. When the United States sends food to another country, it is sold on local markets for local currency. A great deal depends upon the way in which those local funds are spent. The bill would create a substantial pressure on recipient governments to use them, as the committee puts it, "for activities which directly improve the lives of the poorest of their people." That means, in particular, agriculture and rural development. The committee acknowledges that our food shipments in the past have often permitted the recipient countries to neglect their own potential to help themselves. The present bill offers a genuine remedy.

The bill would also authorize a substantial increase in funds for population planning and health. For the first time, it would require that a minimum of two-thirds of this money go directly into population control. On the general outline of this bill, if not in every detail, the committee and the Ford administration seem to be in agreement.

Americans have understood for some time that they cannot help the rest of the world a great deal merely by sending shiploads of grain each year to whatever unfortunate country might be suffering most desperately from famine at that moment. In this bill, the outline of a much more promising policy emerges. It stands on three legs. There is the immediate shipment of food as relief in crises. But it is tied to investment and technical assistance for that country's own food production in the longer future. That in turn is linked to a rising emphasis on population planning. None of the three will work alone, but all of them together comprise a coherent and constructive design.

Much has been made of the point that, for the first time in many years, the House is taking up economic aid separately from the foreign military and security authorizations. In the past, the common wisdom held that the do-good money could survive only if it were tied in with the military funds. But things have changed. The subjects are fundamentally dissimilar, and there is no reason to embroil economic aid in the coming debate over security commitments in the Middle East, or the long row over arms to Turkey and the Persian Gulf countries.

The International Development and Food Assistance Bill now coming to the floor turns an important corner in American policy. It provides the beginning of a good answer to the legitimate appeals of the world's poor nations. The bill deserves to be passed.

DIEGO GARCIA

Mr. TAFT. Mr. President, yesterday's Washington Post reported on a situation which, if true, must raise serious concern. When the Department of Defense came to the Congress, and to the Armed Services Committee on which I serve, to ask approval to build a major support facility on the Indian Ocean island of Diego Garcia, it assured us that this island had no native population. According to DOD, that was one of the great advantages of Diego Garcia: there was no native population which might be disturbed by our operations.

Now, the Post reports that if there is no native population, there certainly was one, and the reason it is no longer there is that it was compelled to leave to make way for British and American naval facilities.

If this report is true, the spokesmen for the Department of Defense would be guilty either of deception or of ignorance. The forcible removal of an entire population is not the same as finding a place unpopulated to begin with. If DOD and the State Department were aware that the population was removed when they told the Congress the island was unpopulated, then they attempted to keep the Congress in the dark on a key issue.

If on the other hand, they did not know that the population had been removed, then they had not done their homework. It is particularly distasteful to think that the State Department would not have checked into the situation sufficiently to have discovered this fact. The removal, against its will, of the native population could have major and unfortunate foreign policy implications. It immediately opens the United States to charges of neo-colonialsim—a charge the Soviets will not be slow to make. Even if Great Britain is solely responsible for the evacuation, the United States by its participation in the Diego base scheme will share in the blame. Charges of this sort carry great weight among the people of the littoral states of the Indian Ocean, and, if the charges are proven true, the American image will be tarnished.

This unfortunate situation supports the point I argued at the time the Diego Garcia question was debated here. I then warned that the United States should not play a leadership role in the Indian Ocean. I stated that—

> Our policy . . . should be to recognize and encourage European leadership in the Persian Gulf and the Indian Ocean. We should not take it upon ourselves to be the main Western power in this area . . . we do ourselves no service by attempting to take this burden upon our own shoulders alone.

Now, we find we may not only have the burden on our shoulders, but we may also have the egg all over our face. We may take the blame for the whole mess; even if the British did it, they can argue it was because we, not they, wanted to build a major facility on Diego Garcia. Diego Garcia will be an American facility for American ships; therefore, the attack of the littoral peoples will be directed at America, not at Britain, not at France, not at the Western and Japanese interests which we are assuming the burden of protecting.

If Diego Garcia was a joint Western project, with all the nations which depend on Persian Gulf oil participating in it, we would not be the ready and willing target for abuse and charges of neo-colonialism that we now are. If we were doing what is suggested in the Senate debate on Diego, and playing "junior partner" to the Europeans in the Indian Ocean, the onus would be on Britain or Europe, not on us.

I hope this incident will awaken any in DOD, or the State Department who would play the old game of "World power" to the fact that intelligently playing a secondary role can sometimes be wiser policy. European interests and Japanese interests are more at stake than are American interests in this part of the world. Let the Europeans take the lead in defending those interests.

A concrete way to put the burden for the Indian Ocean where it belongs—on the West as a whole, with the Europeans the primary party—would be for the United States to propose what is suggested in my "additional views" in the Armed Services Committee report on Senate Resolution 160: A joint naval squadron in the Indian Ocean. The United States could participate periodically in such a squadron, but the Europeans are fully capable of supplying most of the forces.

I hope that the State Department and DOD will take this suggestion now, and turn primary responsibility for the Indian Ocean over to the Europeans. The current embarrassment over Diego Garcia is, I fear, only the beginning; if we attempt to become a major Indian Ocean power, we could find ourselves in one difficulty after another, if there is one thing the last 10 years should have taught us, it should be to avoid becoming entangled in areas which are more properly the primary responsibility of others.

DUE PROCESS AND VETERANS

Mr. HARTKE. Mr. President, the Veterans' Administration has recently issued new due process procedures in pension cases. They provide for specific procedures for predetermination notice and opportunity for a hearing prior to the VA taking adverse action to reduce, suspend, or terminate a pension case. These new procedures were occasioned by a recent Maryland Federal District Court decision in the case of *Plato* v. *Roudebush* (Civil No. D–74–641).

I believe the Veterans' Administration's new procedures and the opinion of the Federal court would be of interest to my colleagues and ask unanimous consent that they be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[DVB Circular 20–75–83, Aug. 11, 1975

DUE PROCESS PROCEDURES IN PENSION CASES

1. *Purpose.* To provide specific procedures for predetermination notice and opportunity for hearing under the due process provisions of VAR 1103 in pension cases.

2. *General Application.* Before taking an adverse action; i.e., reduction, suspension or termination, in a pension case, the payee or his/her fiduciary will be advised of the proposed adjudicative action, the reason therefor and of the right to a hearing prior to effecting such action, when:

(a) The evidence under consideration is subject to more than one interpretation and requires further clarifying development; or

(b) The action is based on third-party statements.

3. *Distinguishing Cases for Application of General Criteria:*

(a) Predetermination notice will not be required when the decision is based solely on reliance on evidence submitted by the claimant; nor when such notice could serve no useful purpose because it could not be communicated to the claimant. In these cases, current procedures for adjustment, suspension or termination continue. Included therein are:

(1) Adjustment or termination of pension based on the claimant's self-reported annual income;

(2) Adjustment of pension required by a claimant's report of change of status of dependents;

(3) Termination of benefits based on a report of death received from a reliable source;

(4) Suspension of benefits based on removal of claimant leaving no forwarding address;

(5) Other similar cases when the criteria set forth in paragraph 2 do not govern.

(b) In these cases, if the claimant files a notice of disagreement *prior to the effective date of change,* the Authorization action will be withheld and predetermination notice procedures will be utilized. If notice of disagreement is received *after the effective date of change,* current procedures for the handling of an NOD will be followed.

4. *Deferral of Authorization Action.* When the predetermination due process procedure is required, authorization action will be deferred until a final determination is made. The case should be closely controlled so that if a hearing or new evidence is not received within the notice period, immediate action at its expiration will avoid or diminish any overpayment. No withholdings or suspensions will be established until the expiration of the notice period or until a final determination is made. The control period for this purpose will be 45 days.

5. *Notice of Due Process Rights.* The claimant will be informed by dictated letter of the proposed denial or change in the award and of the underlying reason(s). The following due process notice provision will be utilized:

"*Basic Rights.* The action proposed could result in denial, suspension, reduction or termination of benefits. You have certain basic rights you may exercise before the proposed action is taken.

These consist of the right to submit additional evidence to show why the proposed action should not be taken, the right of a hearing and the right to be represented.

You have 30 days from the date of this notice to submit additional evidence or request a hearing; meanwhile, payments will continue at the present rate.

You should be aware that deferring action pending a hearing could result in the creation of an overpayment which must be repaid.

Personal Hearing. If you desire a personal hearing to present evidence or argument on any point of importance in your claim, notify this office and we will arrange a time and place for the hearing. You may bring witnesses if you desire and their testimony will be entered in the record. The VA will furnish the hearing room, provide hearing officials, and prepare the transcript or summary of the proceedings. The VA cannot pay any other expenses of the hearing, since a personal hearing is held only upon your request.

Representation. You may be represented, without charge, by an accredited representative of a veterans organization or other service organization recognized by the Administrator of Veterans Affairs, or you may employ an attorney to assist you with your claim. If you have not designated a representative and desire representation, let us know and we will send you the necessary forms.

6. *Conduct of Hearings.* Hearings will be conducted by personnel who will have jurisdiction over the subsequent decision. Claimant will be afforded the right to question VA employees conducting the hearing and to cross-examine adverse witnesses.

7. *Effective Dates.* The application of predetermination due process procedures may require continuance of payments beyond statutory reduction and termination dates. However, when indicated action is finally taken, statutory reduction and termination dates will be adhered to, even though such adherence results in the creation of overpayments.

8. *Appeal Procedures.* Following the expiration of the period of notice or when a final determination is made, the claimant will be advised of the decision and of his or her procedural rights. This will normally be done in connection with appropriate authorization action.

RUFUS H. WILSON,
Chief Benefits Director.

[In the U.S. District Court for the District of Maryland]

MARION E. PLATO, ET AL., v. RICHARD L. ROUDEBUSH, ETC., CIVIL NO. B–74–641

Filed: May 6, 1975.

Dennis W. Carroll, C. Christopher Brown, and Herbert L. Singleton, Jr., Baltimore, Maryland, for plaintiffs.

Jervis S. Finney, United States Attorney, and Parker B. Smith, Assistant United States Attorney, Baltimore, Maryland, for defendant.

Blair, District Judge.

In this case, Marion Plato and Robert Trail,[1] for themselves and others similarly situated, challenge the notice and hearing procedures used by the Veterans Administration (V.A.) in connection with suspending veterans' pension benefits. The request that a class be certified was earlier granted. The first issues to be faced in this case pertain to whether this court has jurisdiction to hear the plaintiffs' claim. The jurisdictional question has two aspects: (1) did Congress, by enacting 38 U.S.C. § 211(a), prohibit review by a federal court of plaintiffs' constitutional attack on the V.A.'s refusal to provide a pre termination hearing?, and (2) assuming that § 211(a) does not bar this action, does this court have jurisdiction under any statutory grant of jurisdiction to federal district courts? After the jurisdictional issues, this court must contend with the substantive constitutional claims of the named plaintiffs and their class.

THE FACTS

Addressing the class representatives first, the essential facts in this case can be simply stated. Marion Plato, the wife of a World War II veteran, applied for veterans' widows benefits following her husband's death in 1973. *See* 38 U.S.C. § 541. Her application was approved, and she began receiving monthly widows benefits, as of July 1, 1973, in the amount of $87.50. These benefits were increased in January 1974 to $96.00 per month.

At some time during the spring of 1974, the Veterans Administration learned, from a form completed by Mrs. Plato, that in 1962 and while separated from her husband she had given birth to a son by a man other than her husband. On the basis of this fact, the Veterans Administration questioned her status as a "widow" within the meaning of the relevant legislation. *See* 38 U.S.C. §§ 541, 101(3), 103.[2] By letter dated May 28, 1974, the V.A. Regional Office in Baltimore informed Mrs. Plato that her benefits had been suspended effective June 1, 1974 pending further investigation of her eligiblity. She was informed that to obtain further benefits she would have to submit various certified statements by her and by third persons to support any claim by her for further benefits. The letter of notice made no mention of a right to a hearing.

Since May 1974, Mrs. Plato has received no veterans' benefits. Although with the aid of a lawyer she obtained a hearing concerning the facts in dispute on December 20, 1974, a decision was not rendered until February 1975, more than eight months after her benefits were halted.[3] Since she stopped receiving veterans' benefits, Mrs. Plato has been dependent upon public assistance from the Baltimore City Department of Social Services. According to her affidavit, the amount received from that source is insufficient for the support of herself and her son.

Robert H. Trail is a veteran who, through January 1975, was receiving a monthly pension for a non-service-connected disability. According to his affidavit, Mr. Trail was advised in December 1974, by letter from the V.A., that his disability pension would soon be terminated or suspended. The reasons for the termination included the possibilities that he was not married and that he was receiving too large an income from outside sources.[4] After receiving the notice which warned of termination, Mr. Trail requested a hearing on his right to continued benefits. Despite his request, he was not accorded a presuspension or pretermination hearing, and he received no benefits check in February 1975.

Although somewhat better off than Mrs. Plato, like her, Mr. Trail is a low income individual. Without his pension, Mr. Trial and his wife have a combined annual income of approximately $4,464 and, at present, they have $400 in unpaid medical expenses. At the time his benefits were terminated, Mr. Trail was receiving $143 per month, and his attorneys believe that he is now entitled to $106 per month. Following a mid-March hearing, the V.A. fixed Trail's benefits at $34.56 per month based upon the assumption Trail is not legally married. A ruling upon the question of the legality of Trail's marriage, and, thus, whether he is entitled to an additional $72 per month, has been deferred pending the resolution of a civil domestic action in the State of Washington.[5]

The V.A.'s policy regarding procedures for suspensions and terminations is governed

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Footnotes at end of article.

by 38 C.F.R. § 3.103. Section 3.103(a) makes the general statement of policy:

"*Statement of policy.* Proceedings before the Veterans Administration are ex parte in nature. It is the obligation of the Veterans Administration to assist a claimant in developing the facts pertinent to his claim and to render a decision which grants him every benefit that can be supported in law while protecting the interests of the Government. This principle and the other provisions of this section apply to all claims for benefits and relief and decisions thereon within the purview of this part.

Section 3.103(b) indicates that any evidence, "whether documentary, testimonial, or in other form," which is offered by the claimant, is to be made part of the administrative record.

Section 3.103(c) states "Upon request a claimant is entitled to a hearing at any time on any issue involved in a claim within the purview of this part." That subsection goes on to state how the hearing is to be conducted and financed, and it explains that the purpose of the hearing is to permit the claimant to produce evidence.

Finally, § 3.103(c) provides for Notification of decisions," It states:

"The claimant will be notified of any decision affecting the payment of benefits or granting relief. Notice will include the reason for the decision and the date it will be effectuated as well as the right to a hearing subject to paragraph (c) of this section. The notification will also advise the claimant of his right to initiate an appeal by filing a Notice of Disagreement. . . . Further the notice will advise him of the periods in which an appeal must be initiated and perfected."

From the regulations and the cases of Mrs. Plato and Mr. Trail, the defendant's policies regarding the suspension of benefits appear. In a given case, the V.A. makes its initial decision to suspend or to reduce benefits by a procedure which is "ex parte in nature." See CFR 38 § 3.103(a). Following the making of that decision, the recipient is notified of the fact of the decision, of the reason for the decision, and of "the date it will be effectuated." 38 CFR § 3.103(e). Although the regulations provide for that notice to alert the claimant to the right to a hearing, it appears from the letter of notice to Mrs. Plato that the right to a hearing is not always mentioned.

As to the timing of the hearing, 38 CFR § 3.103(c) provides that "[u]pon request a claimant is entitled to a hearing at any time." However, since the first notice to the pensioner that there is a problem warranting a hearing follows the making of the decision to suspend the pension, the right to a hearing "at any time" means, as a practical matter, the right to a post-suspension hearing. This conclusion is borne out by the cases of the named plaintiffs who, despite prompt requests for hearings, were without benefits for substantial periods of time before obtaining hearings and decisions. Also, in the case of Mrs. Plato, so little advance warning was given that she could not possibly have obtained a hearing prior to the effective date of the suspension—a letter dated May 28, 1974 was the first notice that the check which she expected on June 1, 1974 would not arrive.

Thus, it appears from the regulations and the cases of the named plaintiffs, that the defendant does not accord a pension recipient a right to a meaningful hearing prior to the suspension or reduction of pension benefits.

As stated in this court's Order of February 21, 1975 (with one limiting modification here added), the class consists of all persons whose individual V.A. monthly pension benefits have been or may in the future be administratively reduced, terminated or suspended without first being afforded adequate advance notice and the opportunity for a hearing prior to the change in monthly pension benefits.

38 U.S.C. § 211(a)

To the extent relevant here, § 211(a) of Title 38, provides:

"On and after October 17, 1940, . . . the decisions of the Administrator on any question of law or fact under any law administered by the Veterans' Administration providing benefits for veterans and their dependents or survivors shall be final and conclusive and no other official or any court of the United States shall have power or jurisdiction to review any such decision by an action in the nature of mandamus or otherwise."

This section, the defendant argues, precludes any review by a court of the United States of plaintiffs' constitutional claims in this case. That is, the defendant would have this court hold, not only that § 211 (a) deprives it of jurisdiction to review the merits of the Administrator's decision, but also that § 211(a) exempts the Administrator's procedural policies from any constitutional review by federal courts. The plaintiffs, on the other hand, while conceding that they are not entitled to review of the merits of their requests for continued benefits, argue that Congress did not intend to insulate the V.A.'s procedures from judicial review for unconstitutionality. For the reasons stated below, this court agrees with the plaintiffs that their narrow constitutional claims are not sheltered from judicial scrutiny. *See Taylor* v. *United States,* 385 F. Supp. 1034, 1036 (N.D.Ill. 1974).

One year ago, in *Johnson* v. *Robison,* 415 U.S. 361 (1974), the Supreme Court held that 38 U.S.C. § 211(a) does not bar federal courts from reviewing the constitutionality of veterans' benefits legislation. *See also Hernandez* v. *Veterans' Administration,* 415 U.S. 391 (1974) (companion case). The Court reached that conclusion before ruling on a challenge to the congressional failure to provide veterans' benefits to conscientious objectors who do alternative service. Although the challenge in *Johnson* v. *Robison* is distinguishable from the one in this case—in that *Johnson* v. *Robison* involved a challenge to the underlying legislation itself—the Supreme Court's extensive analysis of the legislative history and intent behind § 211(a) is significant here. It strongly supports this court's view that plaintiffs' challenge to defendant's refusal to grant a pretermination hearing is not barred by § 211(a).

The Supreme Court's construction of § 211 (a) began with the language of the section. *Johnson* v. *Robison,* 415 U.S. 361 367 (1974). The Court wrote:

"Plainly, no explicit provision of § 211(a) bars judicial consideration of appellee's constitutional claims. That section provides that 'the *decisions* of the Administrator on any question of law or fact *under* any law administered by the Veterans' Administration providing benefits for veterans . . . shall be final and conclusive and no . . . court of the United States shall have power or jurisdiction to review any such decision. . . .' . . . The prohibitions would appear to be aimed at review only of those decisions of law or fact that arise in the *administration* by the Veterans' Administration of a *statute* providing benefits for veterans." (The Court's emphasis).

In other words:

"A decision of law or fact 'under' a statute is made by the Administrator in the interpretation or application of a particular provision of the statute to a particular set of facts." (Emphasis added).

Review of the legislative history convinced the Supreme Court that Congress did not intend to bar judicial review of *constitutional* questions. *Johnson v. Robison, supra* at 368. The Court stated:

"Nor does the legislative history accompanying the 1970 amendment of § 211(a) demonstrate a congressional intention to bar judicial review even of constitutional questions."

According to the Court, Congress had "two primary purposes" in enacting and preserving the no review clause:

"(1) to insure that veterans' benefits claims will not burden the courts and the Veterans' Administration with expensive and time-consuming litigation, and (2) to insure that the technical and complex determinations and applications of Veterans' Administration policy connected with veterans' benefits decisions will be adequately and uniformly made."

Id. at 370. And, with regard to § 211(a)'s most recent amendment, the Court determined that "[t]he legislative history of the 1970 amendment indicates nothing more than a congressional intent to preserve these two primary purposes." *Id.* at 371. The thrust of the 1970 amendment, it noted, was clearly designed to strike down a line of decisions in the District of Columbia Circuit which had permitted judicial review of the *merits* of certain individual veterans' claims.

The Court concluded that "neither the text nor the scant legislative history of § 211(a) provides the 'clear and convincing' evidence of congressional intent required by this Court before a statute will be construed to restrict access to judicial review." *Id.* at 373–74. *Cf. Citizens to Preserve Overton Park v. Volpe,* 401 U.S. 402, 410 (1971); *Abbott Laboratories v. Gardner,* 387 U.S. 136, 141 (1967).

In this case, plaintiffs do not challenge the underlying benefits legislation, as was done in *Johnson v. Robison.* But, neither do they seek review of any "*decisions* of the Administrator on any question of law or fact *under* any law . . . providing benefits for veterans and their dependents or survivors. . . ." That is, plaintiffs do not challenge an "interpretation or application of a particular provision of the statute to a particular set of facts." *See Johnson v. Robison,* 415 U.S. at 367. Rather, plaintiffs seek constitutional review of a generally applicable procedural policy. Such review is not barred by the language of § 211(a) which is directed at review of individualized decisions and at the development of a consistent body of interpretations of veterans' benefits legislation.

Furthermore, in undertaking to review the V.A.'s practice of suspending or terminating benefits without according the claimant a prior hearing, this court will collide with neither of Congress' primary legislative purposes. Determination of the single due process issue raised here will not "lead to an inevitable increase in litigation with consequent burdens upon the courts and the Veterans' Administration." *Johnson v. Robison,* 415 U.S. at 371. The single constitutional question raised here is strictly one of law and it is on a matter of procedure common to all of the members of the class. No rash of litigation will be spawned by this court's reviewing as limited, albeit as important, a question as is presented here.

Nor will this court's review of this fundamental constitutional issue of procedural due process "involve the courts in day-to-day determination and interpretation of Veterans' Administration policy." *Johnson v. Robison,* 415 U.S. at 372. This court has not been asked to review the Administrator's determination of facts, nor to review his interpretation of the substance of any statute providing for veterans' benefits, nor to second-guess his application of law to facts. Those matters have been committeed to the Administrator's judgment; and his expertise in such matters is neither contested nor threatened here. *Cf. Wickline v. Brooks,* 446 F.2d 1391 (4th Cir. 1971), *cert. denied,* 405

U.S. 981 (1972); *Sager v. Johnson*, 342 F. Supp. 351 (D.Md. 1972). Instead, this court has been asked to decide "constitutional questions beyond the scope of the authority of the Veterans Administration." *See Taylor v. United States*, 385 F. Supp. 1034, 1036 (N.D. Ill. 1974).

In sum, the narrow scope of review exercised in this case does not intrude upon the Administrator's broad authority to decide the merits of individual claims and to develop substantive policies under veterans' benefits legislation. Further, neither the language of the no-review clause nor the legislative history supports the defendant's assertions that plaintiffs' constitutional challenge to the defendant's procedural policies is beyond the jurisdiction of the federal courts. Certainly, there is not "the 'clear and convincing' evidence of congressional intent required . . . before a statute will be construed to restrict access to judicial review." *See Johnson v. Robison*, 415 U.S. 361, 373–74 (1974); *Citizens to Preserve Overton Park v. Volpe*, 401 U.S. 402, 410 (1971); *Abbott Laboratories v. Gardner*, 387 U.S. 136, 141 (1967).

MANDAMUS JURISDICTION—28 U.S.C. § 1361

While § 211(a) does not deprive this court of jurisdiction over plaintiffs' action, there remains the question of whether any statute grants this court jurisdiction over this suit. It is firmly established that a district court has only such jurisdiction as Congress has allowed by legislation. *See McGraw v. Farrow*, 472 F.2d 952, 955 (4th Cir. 1973).

Plaintiffs' complaint alleges two bases for jurisdiction: 28 U.S.C. § 1361 and 5 U.S.C. §§ 701 *et seq*. Because this court finds that jurisdiction is established under 28 U.S.C. § 1361, there is no need to determine whether the Administrative Procedure Act, 5 U.S.C. §§ 701 *et seq.*, is an independent grant of jurisdiction.[6]

Mandamus jurisdiction under 28 U.S.C. § 1361 has been shrouded in some doubt and confusion since it was enacted in 1962,[7] and, to date, the Supreme Court has still not ruled on the scope of that jurisdictional grant. However, a synthesis of the cases supports a finding that this court has jurisdiction to determine whether the defendant is constitutionally required to afford the plaintiffs a factual hearing prior to terminating veterans' benefits.

Since § 1361 grants jurisdiction to issue writs of mandamus against a federal officer, the existence of jurisdiction depends upon whether the plaintiffs' requested relief is "in the nature of mandamus" and upon whether the allegations in the complaint would support the issuance of the writ. As the scope of jurisdiction is coextensive with the availability of the writ of mandamus, it is appropriate first to discuss the operation of mandamus.

According to the traditional formulation, mandamus is available to compel the performance of a "ministerial duty" but "not to direct the exercise of judgment or discretion in a particular way." *Wilbur v. United States*, 281 U.S. 206, 218–19 (1930. *See Panama Canal Co. v. Grace Line, Inc.*, 356 U.S. 309, 318–19 (1958); *Work v. United States ex. rel. Rives*, 267 U.S. 175, 177–78 (1925); 52 Am.Jur.2d, *Mandamus* § 80 (1970). That is, mandamus is "a remedy long restricted . . ., in the main, to situations where ministerial duties of a nondiscretionary nature are involved." *Panama Canal Co. v. Grace Line, Inc., supra* at 318. In turn, it is said that "[a] duty or act is ministerial . . . when there is no room for the exercise of discretion . . . the performance being required by direct and positive command of the law." 52 Am. Jur.2d *Manadamus* § 280, at 403. (1970) Finally, under traditional formulations, mandamus is available only "where the duty in a particular situation is so plainly precribed as to be free from doubt and equivalent to a positive command. . . ." *Wilbur v. United States*, 281 U.S. 206, 218 (1930). *See McGaw v. Farrow*, 472 F.2d 952, 956 (4th Cir. 1973).[8]

However the standards are phrased, the critical issue underlying the writ of mandamus is whether the defendant has a duty to do a particular act, or, if he has discretion to choose among different courses of action, whether he has acted within that range of discretion. This proposition was stated by the Supreme Court in a widely quoted passage defining the scope of mandamus:

"Mandamus issues to compel an officer to perform a purely ministerial duty. It can not be used to compel or control a duty in the discharge of which by law he is given discretion. The duty may be discretionary within limits. He can not transgress those limits, and if he does so, he may be controlled by injunction or mandamus to keep within them."

Work v. *United States ex rel. Rives*, 267 U.S. 175, 177 (1925). The Supreme Court continued,

"The power of the court to intervene, if at all, thus depends upon what statutory discretion he has. Under some statutes, the discretion extends to a final construction by the officer of the statute he is executing. No court in such a case can control by mandamus his interpretation, even if it may think it erroneous. The cases range, therefore, from such wide discretion as that just described to cases where the duty is purely ministerial, where the officer can do only one thing, which on refusal he may be compelled to do. They begin on one side with *Kendall* v. *United States*, 12 Peters, 524. . . . On the other side, is *Decatur* v. *Paulding, Secretary of the Navy*, 14 Peters, 497. . . . Between these two early and leading authorities, illustrating the extremes, are decisions in which the discretion is greater than in the *Kendall Case* and less than in the *Decatur Case*, and its extent and the scope of judicial action in limiting it depend upon a proper interpretation of the particular statute and the congressional purpose."

Id. at 177–78.

As the quoted passage indicates, judicial review of an administrator's statutory interpretation may be very limited, since interpretation of the statute (and development of its policies) may itself be committed to agency judgment. In this vein, the Supreme Court stated in *Panama Canal Co.* v. *Grace Line, Inc.*:

"[W]here the duty to act turns on matters of doubtful or highly debatable inference from large or loose statutory terms, the very construction of the statute is a distinct and profound exercise of discretion."

Supra at 318. And in that same case the Court concluded:

"That does not necessarily mean that the construction of the Act, pressed on us and on Congress by petitioner, is the correct one. It does, however, indicate that the question is so wide open and at large as to be left at this stage to agency discretion. The matter should be far less cloudy, much more clear for courts to intrude."

Id. at 319. In other words, in such instances, the administrator gets the benefit of the doubt even in the interpretation of the statute.

Mandamus review based upon a constitutional challenge to administrative action[9] is slightly different from review of a challenge based upon statutory interpretation. Whereas in the interpretation of a statute, a court may properly accede to the administrator's views so long as they are not in conflict with the clear language and meaning of the act, in the sphere of constitutional interpretation, the judiciary is the "ultimate interpreter of the Constitution," and must explicate the terms of that document. *See United States v. Nixon*, 418 U.S. 683, 703–05 (1974); *Powell v. McCormack*, 395 U.S. 486, 514, 548–49 (1969); *Marbury v. Madison*, 1 Cranch 137 (1803):

"Deciding whether a matter has in any measure been committed by the Constitution to another branch of government, or whether the action of that branch exceeds whatever authority has been committed, is itself a delicate exercise in constitutional interpretation, and is a responsibility of this Court as ultimate interpreter of the Constitution."

Baker v. Carr, 369 U.S. 186, 211 (1962). Thus, although decisions between competing interpretations of *statutory* language may be committed to agency discretion—placing such decisions beyond direction by mandamus—constitutional interpretation remains primarily within the purview of the judiciary. Courts must decide for themselves what the Constitution means and that power cannot be "shared with the Executive." *See United States v. Nixon, supra* at 704. Accordingly, unlike with statutory review, a court is not limited to deciding whether the administrator's interpretation of constitutional provisions is arguable or rationally tenable. While respect must be accorded to the views of administrators, in constitutional matters, courts must exercise their independent judgment.

As constitutional interpretation is not committed to agency discretion, some of the popular maxims concerning limitations upon the use of mandamus to control of statutory interpretation (and administrative policy development) do not strictly apply to the exercise of judicial control over constitutional interpretation. Thus, the fact that constitutional language is not always "clear and certain" nor "so plainly prescribed as to be free from doubt" does not detract from the authority of the judiciary to interpret that document. In other words, unlike with statutory interpretation, the judiciary's authority to enforce *its* interpretation of the Constitution by mandamus is not diminished, nor an agency's increased, by the fact that the legal issue is close or difficult or susceptible to doubt. *Cf. Langevin v. Chenango Court, Inc.*, 447 F. 2d 296 (2d Cir. 1971) (mandamus jurisdiction over "close" constitutional question). Of course, where the Constitution requires no particular result, selection between the constitutional options is left to the judgment of the administrator. But deciding whether the Constitution requires a particular result (or prohibits another) is manifestly a judicial function.[10]

Thus, the defendant's suggestion that this court lacks jurisdiction under 28 U.S.C. § 1361 because the issue here presented is committed to the defendant's discretion is untenable. This court cannot blindly yield to the V.A.'s interpretation of the Fifth Amendment. This court has jurisdiction under 28 U.S.C. § 1361 to proceed to the issue raised by the plaintiffs.[11]

The Right to a Presuspension Hearing

During the last six years, a spate of major cases have dealt with an individual's right to a hearing before the government may withdraw or take away a significant property interest. In the leading case, *Goldberg v. Kelly*, 397 U.S. 254 (1970), the Supreme Court held that before a state agency may terminate welfare payments to an individual it must accord that person a hearing designed, at a minimum, "to produce an initial determination of the welfare department's grounds for discontinuance of payments in order to protect a recipient against erroneous termination of his benefits." *Id.* at 267. On the same day that *Goldberg* was decided, the Supreme Court announced that old-age assistance beneficiaries had a right to a pretermination hearing, as well. *Wheeler v. Montgomery*, 397 U.S. 280 (1970). Since those two decisions, the Supreme Court has required pretermination hearings in several other areas of individual interests. Hearings have been required before a student may be suspended from school, *Goss v. Lopez*, —— U.S. ——, 43 U.S.L.W. 4181 (January 22,

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1975); before a tenured teacher may be fired from a state university, *Perry v. Sinderman,* 408 U.S. 593 (1972); *see Board of Regents v. Roth,* 408 U.S. 564 (1972); before property may be seized under a prejudgment writ of replevin, *Fuentes v. Shevin,* 407 U.S. 67 (1972); *see North Georgia Finishing, Inc. v. Di-Chem, Inc.,* —— U.S. ——, 43 U.S.L.W. 4192 (January 22, 1975); and before a driver's license may be suspended, *Bell v. Burson,* 402 U.S. 535 (1971). *Cf. Morrissey v. Brewer,* 408 U.S. 471 (1972) (right to parole revocation hearing *promptly* after re-arrest).

In addition, lower courts have recognized a right to a pretermination hearing to protect citizens from possible arbitrary deprivations of numerous other entitlements. The Fourth Circuit, for example, has held that a recipient of disability benefits is entitled to an oral hearing before such benefits may be withdrawn. *Eldridge v. Weinberger,* 493 F.2d 1230 (4th Cir. 1974), *cert. granted,* ---- U.S. ----, 43 U.S.L.W. 3338 (Jan 13, 1975). *Accord Williams v. Weinberger,* 494 F.2d 1191 (5th Cir. 1974). And, the same Court of Appeals has held that a tenant in public housing is entitled to the safeguards of a hearing prior to eviction. *Caulder v. Durham Housing Authority,* 433 F.2d 998 (4th Cir. 1970), *cert. denied,* 401 U.S. 1003 (1971). *See Escalera v. New York City Housing Authority,* 425 F.2d 853 (2d Cir.), *cert. denied,* 400 U.S. 853 (1970). Also, in this district, Judge Harvey recently upheld the right to a pretermination hearing of a recipient of benefits under the Supplemental Security Income program. *Brown v. Weinberger,* Civ. No. H–74–479 (D.-Md., Oct. 15, 1974).

Despite the broad range of situations in which individuals have been held to be entitled to a hearing prior to some governmental action against them, prior hearings are not always mandated. *See, e.g., Goss v. Lopez,* ---- U.S. -----, 43 U.S.L.W. 4181 (Jan. 22, 1975) (hearing for students suspended from school may, in emergencies be held promptly after suspension); *Arnett v. Kennedy,* 416 U.S. 134 (1974) (government employee); *Board of Regents v. Roth,* 408 U.S. 564 (1972) (untenured faculty member with one year appointment has no protected property interest); *Christhilf v. Annapolis Emergency Hosp. Ass'n, Inc.,* 496 F.2d 174 (4th Cir. 1974) (whether doctor is entitled to hearing before termination of hospital privileges depends upon circumstances). *Cf. Richardson v. Perales,* 402 U.S. 389 (1971).

From the numerous recent cases which deal with claimed rights, under the Due Process Clause, to notice and a hearing prior to governmental action vis-a-vis the plaintiffs, a two-stage analysis appears. First, a court must determine whether the plaintiff has at stake an interest in "life, liberty, or property" within the meaning of the Due Process Clause. If no such interest is at stake, then due process is not guaranteed by that constitutional provision. *See Board of Regents v. Roth,* 408 U.S. 564 (1972) (no interest in property). Second, assuming "that due process applies, the question remains what process is due." *Morrissey v. Brewer,* 408 U.S. 471, 481 (1972). Here, a court must balance the individual's interest in a pretermination hearing against the society's interest in the government's proceeding without such a hearing. *See Goss v. Lopez,* —— U.S. ——, 43 U.S.L.W. 4181, 4185–87 (Jan. 22, 1975); *Goldberg v. Kelly,* 397 U.S. 254 (1970).

Applying the case law to the allegations in this case, it is clear that the plaintiff's interest in receiving continued benefits under laws administered by the Veterans Administration is an interest in "property" within the meaning of the Due Process Clause. *See Goldberg v. Kelly,* 397 U.S. 254 (1970); *Wheeler v. Montgomery,* 397 U.S. 280 (1970). The modern definition of "property" for the purposes of due process does not turn on whether the particular interest is denominated a "right" or a "privilege." *Bell v. Burson,* 402 U.S. 535, 539 (1971). The concept of a protected property interest was explained by the Supreme Court in *Perry v. Sinderman:*

> "'[P]roperty' interests subject to procedural due process protection are not limited to a few rigid, technical forms. Rather, 'property' denotes a broad range of interests that are secured by 'existing rules or understandings.' . . . A person's interest in a benefit is a 'property' interest for due process purposes if there are such rules or mutually explicit understandings that support his claim of entitlement to the benefit and that he may invoke at a hearing."

408 U.S. 593, 601 (1972). In short, "[r]elevant constitutional restrains apply as much to the withdrawal of public assistance benefits as to [other protected entitlements]." *Goldberg v. Kelly, supra* at 262.

Having established that plaintiff's entitlement to benefits is protected by the Due Process Clause of the Fifth Amendment, the issue becomes what process is due? *Goss v. Lopez,* —— U.S. ——, 43 U.S.L.W. 4181, 4185 (Jan. 22, 1975). This "depends upon whether the recipient's interest in avoiding that loss outweights the governmental interest" in summary suspension of benefits. *See Goldberg v. Kelly, supra* at 263.

Here, the plaintiffs have a substantial interest in continuing to receive pension benefits pending determination of their entitlement to such benefits. By the provisions of the law, 38 U.S.C. §§ 541–43, benefits paid to widows, to children of deceased veterans, and to veterans with non-service-connected disabilities are geared to the claimant's level of income, and anyone with even a moderate independent income is excluded. In the case of widows who have no children by the veteran, no pension is paid if the widow's annual income exceeds $3,000; and the size of the monthly benefits for widows who have annual incomes of less than $3000 is inversely related to the amount of their outside income. 38 U.S.C. §§ 541(b), 503. If the widow has one child by the veteran, she may receive benefits only if her income is less than $4200, and, again, the size of the benefit is inversely related to her income, 38 U.S.C. §§ 541(c), 503. *See also* 38 U.S.C. § 543. If there is no widow entitled to receive benefits, children of a deceased veteran can receive pension benefits in their own right ($49 per month for the first child and $20 for each other child, with the total pension divided equally), but a child can get no benefits if he has an annual income (excluding earned income) of $2400. 38 U.S.C. § 542. *See also* 38 U.S.C. § 543. Similarly a veteran with non-service-connected disabilities may collect a pension if his annual income falls into the following ranges: $3000 for unmarried veterans and $4200 for married veterans. 38 U.S.C. §§ 521, 503.[12]

Insofar as plaintiff-pensioners are necessarily persons with low independent incomes—if they have any income at all—it is plain that by any erroneous termination of benefits, they would be "condemned to suffer grievous loss." *See Goldberg v. Kelly,* 397 U.S. 254, 263 (1970). They are certainly not in possession of such "independent resources" that they can comfortably await a delayed determination of their claims. They are in an economic position which is essentially similar to the classes of plaintiffs in *Goldberg* (welfare recipients), *Wheeler v. Montgomery,* 397 U.S. 280 (1970) (old-age benefits recipients), *Caulder v. Durham Housing Authority,* 433 F.2d 998 (4th Cir. 1970), *cert. denied,* 401 U.S. 1003 (1971) (residents in public housing), and *Eldridge v. Weinberger,* 493 F.2d 1230 (4th Cir. 1974), *cert. granted,* —— U.S. ——, 43 U.S.L.W. 3388 (Jan. 13, 1975) (claimants of disability benefits). In addition, by their precarious economic positions, they are made more vulnerable to grievous harm by reason of error than were the plaintiffs in *Perry v. Sinderman,* 408 U.S. 593 (1972) (termination faculty employment), *Fuentes v. Shevin,* 407 U.S. 67 (1972) (seizure of property), and *Bell v. Burson,* 402 U.S. 535 (1971) (suspension of driver's license). *See also Goss v. Lopez,* —— U.S. ——, 43 U.S.L.W. 4181 (Jan. 22, 1975).

In the balance, on the defendant's side of the scales, is administrative convenience and the expense of paying benefits to one not entitled to them during the period prior to a hearing and decision. These considerations are precisely the same as those which the Supreme Court, in *Goldberg,* rejected as insufficient to outweigh the interests of that case's welfare-plaintiffs. *See Eldridge v. Weinberger,* 361 F. Supp. 520, 525–27 (W.D.Va. 1973), *aff'd,* 493 F.2d 1230 (4th Cir. 1974), *cert. granted,* —— U.S. ——, 43 U.S.L.W. 3338 (Jan. 13, 1975). The Supreme Court's comments in that case are equally applicable here:

> "We agree with the District Court . . . that these governmental interests are not overriding in the welfare context. The requirement of a prior hearing doubtless involves some greater expense, and the benefits paid to ineligible recipients pending decision at the hearing probably cannot be recouped, since these recipients are likely to be judgmentproof. But the State is not without weapons to minimize these increased costs. Much of the drain on fiscal and administrative resources can be reduced by developing procedures for prompt pre-termination hearings and by skillful use of personnel and facilities."

Goldberg v. Kelly, 397 U.S. 254, 266 (1970). That Court's further conclusion in *Goldberg* is equally applicable in the veterans' pension setting:

> "Thus, the interest of the eligible recipient is uninterrupted receipt of public assistance, coupled with the State's interest that his payments not be erroneously terminated, clearly outweighs the State's competing concern to prevent any increase in its fiscal and administrative burdens."

Id.

Of course, in the termination of pension benefits the government has no tenable "emergency" requirements such as would justify dispensing with a prior hearing. *Cf. Goss v. Lopez, — U.S. —,* 43 U.S.L.W. 4181, 4186 (Jan. 22, 1975).

While sensitive to the administrative problems of the Veterans Administration, the additional burden of a presuspension hearing in the pension context should not be overemphasized. The presuspension hearing *need* not be a full, trial-type hearing. *Goldberg v. Kelly,* 397 U.S. 254, 266 (1970). A presuspension hearing need only possess "minimum procedural safeguards, adapted to the particular characteristics of [pension] recipients, and to the limited nature of the controversies to be resolved." *Id.* at 267. *Cf. Richardson v. Perales,* 402 U.S. 289 (1971). These minimal requirements were described by the Fourth Circuit in *Caulder v. Durham Housing Authority:*

> "Succinctly stated, *Goldberg* requires (1) timely and adequate notice detailing the reasons for a proposed termination, (2) an opportunity on the part of the [claimant] to confront and cross-examine adverse witnesses, (3) the right of a [claimant] to be represented by counsel, provided by him to delineate the issues, present the factual contentions in an orderly manner, conduct cross-examination and generally to safeguard his interests, (4) a decision, based on evidence adduced at the hearing, in which the reasons for decision and the evidence relied on are set forth, and (5) an impartial decision maker."

433 F.2d 998, 1004 (4th Cir. 1970), *cert. denied,* 401 U.S. 1003 (1971).

Footnotes at end of article.

CONCLUSION

For the foregoing reasons, the court is of the opinion that

1. The motion of Robert H. Trail for leave to intervene as a named plaintiff should be granted;

2. The motion of the defendant to dismiss should be denied;

3. This court's Order of February 21, 1975 certifying the class of plaintiffs should be modified to define the class as consisting of all persons whose individual Veterans Administration monthly pension benefits have been or may in the future be administratively reduced, terminated, or suspended without first being afforded adequate advance notice and the opportunity for a hearing prior to the change in monthly pension benefits;

4. The plaintiffs' motion for summary judgment to the extent of their request for a judgment declaring their right to adequate notice and a hearing prior to the suspension, termination, or reduction of their pension benefits should be granted;

5. The plaintiffs' motion for summary judgment to the extent of their request for a permanent injunction, in the form of a writ of mandamus, requiring the defendant to afford all members of the class adequate notice and a hearing prior to the suspension, termination, or reduction of their individual pension benefits, in accordance with due process of law should be granted;

6. The plaintiffs' motion for summary judgment to the extent of their request for an injunction, in the form of a writ of mandamus, requiring the defendant to pay to the members of the class all monies withheld, prior to the date of judgment herein, in violation of due process of law should be denied.

Counsel for the plaintiffs are directed to prepare and to present to this court within twenty (20) days a proposed order for declaratory judgment and mandamus in accordance with the terms of this opinion.

It is so ordered.

C. STANLEY BLAIR,
U.S. District Judge.

FOOTNOTES

[1] Robert Trail's motion to intervene as named party plaintiff is granted. A hearing was held on his status and his claim in March 1975, and counsel for the defendant conceded that Trail is a pension recipient whose benefits were suspended without a prior hearing.

[2] It is conceded by the defendant that the mere fact that Mrs. Plato had a child by a man other than her husband, during a period of separation from her husband, does not automatically preclude her from receiving widows' benefits. Factual issues concerning the cause of any separation of the wife from the veteran during their marriage, and the nature of the relationship between the widow and any men other than her husband would have to be resolved before her entitlement could be determined. *See* 38 U.S.C. §§ 101(3), 103.

[3] Although she has now received a post-termination hearing and an unfavorable ruling, Mrs. Plato remains a proper class representative. The class which she represents was certified and defined prior to the Veterans Administration's ruling on her entitlement to benefits, the class continues to have a live controversy against the Veterans Administration, and the matter is one which is capable of repetition yet evading review. *See* Board of School Comm'rs of the City of Indianapolis v. Jacobs, — U.S. ——, 43 U.S.L.W. 4238 (February 18, 1975); Gerstein v. Pugh, — U.S. ——, 43 U.S.L.W. 4230, n. 11 at 4232 (February 18, 1975); Sosna v. Iowa, — U.S. ——, 43 U.S.L.W. 4125, 4127–29 (January 14, 1975); Lewis v. Sandler, 498 F.2d 395, 397–98 (4th Cir. 1974).

[4] According to 38 U.S.C. § 521(c), a married veteran with a nonservice-connected disability is entitled to a monthly pension if his annual income from other sources does not exceed $4200. (*See* 38 U.S.C. §§ 503, 521 (f)(1) for computation of annual income). Mr. Trail states in his affidavit that, in light of his annual income from other sources, he is entitled to a monthly pension of $106. (He admits that the $143 per month which he was receiving is too high). Regardless of the merits of his claim, a bona fide issue of fact and law existed, and it is sufficient to support his demand for a presuspension hearing.

[5] Mr. Trail's position as a proper class representative is even more secure than Mrs. Plato's. *See* nn. 1, 3, *supra*. Although he has now received a post-termination hearing, the ruling on his claim was favorable in part, and he continues as a pension recipient. Thus, he still faces the prospect of his benefits being suspended or further reduced, at some future time, without a prior hearing. Also, the defendant cannot claim that the post-termination hearing and ruling mooted Trail's petition since it was the defendant's request for an extension of time to file an answer to Trail's motion which delayed this decision until after the defendant's ruling on Trail's pension claim.

[6] Although the Administrative Procedure Act is frequently cited by litigants as a source of jurisdiction, neither the Supreme Court nor the Fourth Circuit has clearly ruled on that assertion. *But see* Etheridge v. Schlesinger, 362 F. Supp. 198, 21 (E.D. Va., 1973); 3 Davis, *Administrative Law Treatise* § 23.02 (1970 Supp.).

[7] Mandamus and Venue Act of 1962, Pub. L. 87–748, § 1(a), 76 Stat. 744 (Oct. 5, 1962). *See generally* Byse and Fiocca, "Section 1361 of the Mandamus and Venue Act of 1962 and 'Nonstatutory' Judicial Review of Federal Administrative Action," 81 *Harv. L. Rev.* 308 (1967).

[8] Being of the view that "the ministerial-discretionary dichotomy is not very helpful," courts have attempted on occasion to reformulate the standards for mandamus. *See* Burnett 1. Tolson, 474 F.2d 877, 880–82 (4th Cir. 1973); Carter 1. Seamans, 411 F.2d 767, 773 (5th Cir. 1969). In the two cited cases, for example, the courts indicated that three coexisting factors are necessary to support a writ of manadamus:

(1) a clear right in the plaintiff to the relief sought;

(2) a clear duty on the part of the defendant to do the act in question; and (3) no other adequate remedy available.

[9] Although occasional expressions are heard to the contrary, *see, e.g.*, Fifth Avenue Peace Parade Committee v. Hoover, 327 F. Supp. 238 (S.D.N.Y 1971), *aff'd on other grounds*, 480 F.2d 326 (2d Cir. 1973), it is well settled among the circuits that mandamus jurisdiction is appropriate for reviewing constitutional questions *See* Burnett v. Tolson, 474 F.2d 877 (4th Cir. 1973); Mead v. Parker, 464 F.2d 1108 (9th Cir. 1972); Langevin v. Chenango Court, Inc., 447 F.2d 296 (2d Cir. 1971); National Assn. of Gov't Employees v. White, 418 F.2d 1126 (D.C. Cir. 1969).

[10] The distinction between mandamus in the area of statutory construction and in the field of constitutional interpretation is a limited one. Each requires the reviewing court to determine, from the language and history of the document which is the basis for the challenge, whether the administrator has discretion to choose between different courses of action. In other words, each requires a construction of the Constitutional or of the statute, at least to that extent. But while the *form* of analysis is essentially similar in the two settings, the difference lies in where the court's search for a duty should stop. With a statute, vague language may call a halt to a court's defining an administrative duty (and therefore to its issuing mandamus). But unclear constitutional language alone does not bring mandamus analysis to a halt. The court must nevertheless go deeper to seek the meaning of the document.

[11] In other cases, mandamus jurisdiction, 28 U.S.C. § 1361, has served as a basis for challenges to deficiencies in administrative notice and hearing practices. *See, e.g.*, Martinez v. Richardson, 472 F.2d 1121 (9th Cir. 1973); Langevin v. Chenango Court, Inc., 447 F.2d 296 (2d Cir. 1971); Smith v. Resor, 406 F.2d 141 (2d Cir. 1969); Brown v. Weinberger, Civ. No. H–74–479 (D.Md., Oct. 15, 1974); Rameaka v. Kelly, 342 F. Supp. 303 (D.R.I. 1972).

[12] The outside income limitations described in this paragraph are those which were put into effect on January 1, 1975. *See* Veterans and Survivors Pension and Adjustment Act of 1974, Pub. L. 93–527, §§ 2–4, 10 (Dec. 21, 1974), 88 Stat. 1702. Prior to this year, the outside income limitations were lower.

THE CUSTOMER: BEST REGULATOR

Mr. BARTLETT. Mr. President, I was recently referred to an editorial from Industry Week by Walter J. Campbell which, in my view, expresses the opinion of many Americans—the customer is the best regulator of price—not Government.

The last paragraph is especially noteworthy:

> A relatively free marketplace for goods and services that will enable the customer to pay for what he wants—and reject what he does not like—is and always will be the most effective regulator.

I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE CUSTOMER: BEST REGULATOR

WHISPERING PINES, N.C.

We have in our community a homebuilder beloved by his customers—even three or five years after he has built their houses. He's competent. He's honest. His supervisors are on the ball, and subcontractors and suppliers don't even try to get away with anything but the best. Architects from other sections of the country congratulate their clients for having Curt Bettini as their builder. We think that is unusual in the homebuilding business.

He's busy when other builders aren't.

His customers' reactions have an effect on those other builders. When their work looks shoddy by comparison, the buyers are quick to let the builders know.

All of which reinforces our conviction that the customer is the best regulator of the quality of goods and services we have ever seen.

Compared with government regulation, the customer wins by a wide margin, and customer regulation doesn't cost a cent.

Of course, customer regulation could win over government regulation by default. We have been trying to think of some things that have been improved by government regulation. It isn't easy to find them.

Certainly, automobiles have not been improved by myriad federal regulations in recent years. By the time engineers and builders satisfy all of the federal requirements, they don't have the time or energy to build in the quality they otherwise could.

The mailperson today brought us four copies of The New York Times, none of them recent, and a letter, properly addressed and zipcoded, that was mailed from Cleveland

11 days ago. We wish that Ma Bell or the United Parcel Service could deliver our mail.

And, we shudder when we think of what has happened over the years to the over-regulated railroads.

Sure, some regulation is needed. But not nearly so much as we are getting—and for which we are paying an exorbitant price.

A relatively free marketplace for goods and services that will enable the customer to pay for what he wants—and reject what he does not like—is and always will be the most effective regulator.

Walter J. Campbell,
Consulting Editor.

THE FOOD STAMP ISSUE

Mr. McGOVERN. Mr. President, the food stamp program has come under increasing criticism in recent months. Advertisements have promised: "Taxpayers Making up to $16,000 a Year Now Eligible." Secretary Simon has claimed that the program is a "haven for chiselers and rip-off artists."

Recently, food stamps seem to have become a political issue at a time when it is important that the program be reviewed as a policy question on the basis of facts. None of its suporters in the Senate think that those without need should be eligible for food stamps. None of us want the program to become unmanageable in size or cost. So we would have been particularly disturbed if the assertions of the advertisers, Secretary Simon, and others were true. But these misleading charges have made food stamps, which are vital to survival of millions who are unemployed or elderly, appear to be wasteful and runaway expanse, which they are not.

On June 30, the Department of Agriculture in response to Senate Resolution 58 sent the Senate a study of the food stamp program. The study included participation figures by income levels which show that 77 percent of the food stamp recipients have incomes below $5,000 a year—after taxes; 92 percent are below $7,000; nearly all earn less than $10,000.

Not all of the information in the report, however, was released by the White House. Important projections of participation and cost were deleted, along with material on the benefits of the program to agriculture and the general economy.

When I requested that these sections be submitted to the Senate, I was told in a letter for Deputy Assistant Secretary John Damgard that because they were in effect in bits and pieces on the floor of some Agriculture Department office, they would be "impossible to reconstruct." Then subsequent to my "unofficial" release of the document, the Department of Agriculture transmitted them to the President of the Senate, saying that in "some quarters" a "claim" had been made that "not all the information had been provided to the Senate." Apparently that claim was correct, and I assume that by "some quarters" they mean me.

I believe this previously surpressed information can make a valuable contribution to the debate about the future of the food stamp program.

It indicates that the number of persons eligible for the program is likely to decline through 1980 "based upon most likely projections of food prices and income." It concludes that the cost of the program is likely to remain the same or to decline slightly, in 1975 dollars. It attributes the expansion of the program over the last year directly to the recession and rising unemployment levels. It demonstrates that food stamp benefits provide substantial economic stimulation for other sectors of the national economy in the form of additional jobs, more secure farm income, increased commercial sales, and higher tax revenues.

Mr. President, no one in the Senate wants food stamps to be abused, either by those few who receive food stamps unjustifiably, or those officials who may attack the program unjustifiably.

I ask unanimous consent that the chapters, my statement releasing them, and related correspondence be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

July 8, 1975.

Hon. Richard L. Feltner,
Assistant Secretary for Marketing and Consumer Services, U.S. Department of Agriculture, Washington, D.C.

Dear Mr. Secretary: I was pleased to receive a copy of the Food Stamp Report pursuant to Senate Resolution 58. I believe it contains information which will be helpful in clearing up some of the misconceptions about the program.

I understand, however, that three sections, or chapters, which were prepared for inclusion in this report were deleted prior to publication. These sections cover: (1) anticipated food stamp participation levels; (2) nutritional and economic benefits derived from the food stamp program, and (3) alternative program options.

These sections are within the scope of Senate Resolution 58 and are extremely important to a better understanding of the food stamp program. I would appreciate a copy of these sections as soon as possible.

Thank you very much.

With every good wish, I am

Sincerely,

George McGovern,
Chairman.

Department of Agriculture,
Washington, D.C., July 17, 1975.

Hon. George McGovern,
Chairman, Select Committee on Nutrition and Human Needs, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: Thank you for your letter of July 8, 1975, and for your comments concerning our study of the Food Stamp Program pursuant to S. Res. 58.

As with any effort the magnitude of the Food Stamp study, various contributors to the several sections submitted their ideas for possible incorporation. A task force within the Food and Nutrition Service selected those submissions which, after editing, seemed to them to make a substantial contribution to the whole.

That draft was purely for discussion purposes; some new material was added and some aspects were deleted as various officials of this Department and other areas of the Administration reviewed the study to make certain that it represented the most comprehensive document which could be presented to the Congress.

Since there have existed at one time or another quite a large variety of drafts, or portions of drafts, it would be impossible to reconstruct any particular chapters which may not have appeared in the final product, such as you have requested by your letter of July 8th.

We are prepared, however, to respond to any specific request you may have regarding our recommendations and the basis for making them. Or, should you require more historical data than is presented in the study, please let us know.

Sincerely,

John M. Damgard,
Deputy Assistant Secretary.

McGOVERN RELEASES SUPPRESSED CHAPTERS OF USDA FOOD STAMP REPORT

(By Senator George McGovern)

Today I am releasing the sections of the United States Department of Agriculture Food Stamp Report to the Senate which were suppressed by the Office of Management and Budget. These sections decisively refute current scare charges about food stamp trends. But the Ford Administration apparently does not want the truth to be told about food stamps. Instead the White House is moving to appease right-wing anger over Helsinki, detente, and Rockefeller by weakening the Food Stamp Program.

In pursuit of that political strategy, the Ford Administration has recycled discredited Nixon tactics.

First, the Ford Administration has adopted the Nixon tactic of censoring statistics and the analysis of professional experts in the civil service.

The suppressed portion of the U.S.D.A. Food Stamp Report shows:

That the number of persons eligible for the program is likely to decline through 1980, or at the outside limit to increase only marginally.

That the cost of the program in 1975 dollars is likely to remain approximately the same.

That the program's direct benefits to recipients also provide substantial economic stimulation to other sectors of the national economy in the form of job creation, farm income, commercial sales, and tax revenues in excess of administrative costs.

These findings flatly contradict unsupported and alarmist predictions underlying punitive measures such as the Buckley bill. That bill would deprive eight to ten million genuinely needy Americans of food stamps because they have little more than a subpoverty income or fail an assets test which would disqualify most unemployed workers. The Buckley bill was drafted by Ronald Reagan's former State Welfare Director. Reagan himself has written a newspaper column attacking food stamps. Last Sunday, in a national television interview, the Secretary of Agriculture virtually endorsed the Buckley bill; in his July 25 food stamp message to the Congress, Mr. Ford strongly hinted that he favors this or a similar bill; and on August 1, the Wall Street Journal reported that food stamp cutbacks will be the Administration's first major domestic initiative this Fall.

It does not seem to matter that the facts do not justify drastic cutbacks. The Ford Administration knows the facts, but does not want the public to know. The White House does not want the facts to interfere with a political decision to support the reactionary policies of the Buckley bill. On the basis of the facts, these policies would be defeated. So political operatives have tried to make the truth inoperative—by withholding the objective findings of competent, nonpolitical economists.

Second, the Ford Administration has adopted the Nixon tactic of misleading Congress. Last week, during testimony before the Select Committee on Nutrition and Human Needs, Senator Percy asked Assistant Secretary of Agriculture Richard Feltner: "Are we in fact approaching the time when a third or a half of the American people—that would be 75 million to 110 million people—may be eligible for food stamps?" Feltner replied: "Yes, I think we are going in that direction." Mr. Feltner either has an incredibly feeble memory or deliberately misled the Committee—since the suppressed sections of the U.S.D.A. Report, which was prepared in his own division of the Agriculture Department, forecast a likely total of 33.3 million eligible persons, and a maximum of 44.8 million, in 1980.

Mr. Feltner did not even hint at the possibility of contrary data compiled by U.S.D.A. He did not cite any other data to support his assertion, though I understand that U.S.D.A. economists have now been ordered to juggle the figures quickly in order to establish some basis for Feltner's statement. The game plan seems to be that if the facts cannot be withheld, they can be rewritten to suit political convenience. It is the Nixon tactic of twisting the facts to a preconceived conclusion.

To succeed at this statistical juggling the Administration will have to predict the failure of its own economic policies. Thus the Administration could inflate the projected number of persons eligible for food stamps—by predicting recurrent or prolonged recession, with millions of additional Americans out of work. Or projected costs could be inflated—by predicting runaway food price increases over the next five years. It will be interesting to see if the Ford Administration and its operatives will make such predictions for the purpose of rescuing an otherwise disproven case against food stamps. They can decide to admit in their next food stamp report that they accept permanent high unemployment and even higher inflation and expect a resulting explosion of food stamp costs and enrollments. I think the American people would find that admission a reason to change not food stamps but Presidents.

The Administration has attempted to deceive the Congress and the people not only about the content, but also about the existence of suppressed parts of the Food Stamp Report. In response to a letter which I wrote as Chairman of the Nutrition Committee to the Department of Agriculture, Deputy Assistant Secretary John Damgard denied that there were any intact deleted sections of the report. Mr. Damgard stated: ". . . it would be impossible to reconstruct any particular chapters which may not have appeared in the final product . . ." Clearly the attached reproductions of the missing chapters do not represent the achievement of the impossible. Indeed I am informed that in the face of mounting pressure from Congress and the media, the Agriculture Department was ready to release the missing sections last week—until another political decision was made to keep hiding the facts.

Third, the Ford Administration has adopted the Nixon tactic of playing politics with the needs of unemployed workers. The President has pursued a policy of high unemployment, which is one of the major reasons for the rise of food stamp rolls. First, they took their jobs away; now they are trying to take their food away. This is the most unfair, insensitive kind of political pay-off to an ideological faction of the Republican Party.

I am proud of the Food Stamp Program. It has alleviated malnutrition and prevented starvation. It has strengthened the agricultural economy and food marketing. Of course, I want to prevent any abuses which might occur; and when Congress reconvenes in September, I will introduce legislation to achieve responsible and equitable food stamp reform. But I will fight any administration strategy of food stamp wrecking, any attempt to barter the hunger of the poor and the unemployed for right-wing support of Mr. Ford's campaign.

I am appalled that under an Administration born of Nixon's downfall the Nixon tactics have been applied anew—that the facts of food stamps have been suppressed, that the Congress has been misled, that the economic well-being of millions of Americans has been consigned to the political auction block. I hope that now the cover-up of food stamp facts and the trumped-up charges against the food stamp program will end, so Congress and the Administration can cooperate in establishing a fairer, more efficient, more effective food stamp policy.

Summary of Program Evaluation

The Food Stamp Act of 1964 specified dual objectives for the Program: One was related to improving nutritional levels of low income persons and the second was concerned with effective use of abundant food supplies to expand the demand for farm products. In recent years, the importance of providing food assistance to low income people has increased relative to food demand expansion. A later implicit objective of the Program to increase participation, contributes to the accomplishment of the 2 principal objectives. Emphasis on participation itself stresses the importance of the transfer of resources from the general population to the poor.

The program has been at least moderately successful in meeting its objectives. Costs of program operation appear to be in the range of 10 percent of total budget. The Program gets high marks for meeting the evaluation criteria usually applied to transfer programs: National eligibility based on need, vertical equity with those at higher income levels, horizontal equity with persons at the same income levels, reasonable work incentives, and benefit levels associated with specific requirements.

The Program shares a common problem with other food and other Federal transfer programs in providing overlapping benefits. Participants are eligible for free school lunches and sometimes breakfasts. In addition, until December 1974 over one-half of the recipients received public assistance. One-third of the food stamp participants also participate in 3 or more other Federal assistance programs.

Family food program participation essentially stabilized between 1972 and 1974 at the 15 million level of participation. Most of the expansion in food stamps during that period resulted from project areas transferring from the Food Distribution Program. This fiscal year, the Program is resuming internal expansion as a result of the deepening recession and rising unemployment levels, and the addition of Puerto Rico to the Program. Puerto Rico participation in the Program currently is about double the previous level of participation in the Food Distribution Program.

Most likely projections point to a leveling of participation at 20–21 million in late FY 1975. Some edging upward is expected into FY 1977 as outreach efforts are intensified. But a decline to about 19 million participants is likely by 1980 as unemployment declines. Economic recovery should result in a return to more normal levels of unemployment, and incomes again are expected to rise more rapidly than food prices.

Increases in budget costs of the Food Stamp Program over recent years have reflected price escalators built into stamp issuance levels, as well as participants switching from food distribution. FY 1975 costs are projected at approximately $5 billion. Most likely projections of stamp issuance to 1980 show Federal costs exceeding $6 billion through FY 1978 but dropping below this range as participation declines.

The Program is designed to provide the greatest benefits to the poorest of those eligible. Data for 1973 suggest that two-thirds of the entire population with family incomes below $2,500 were being served by the Program. Some of the remaining households in this low-income group would not be eligible because of asset limitations and small household size.

In December 1974, 17.3 million persons were participating in the Program. This level amounted to 59 percent of the 29 million persons estimated eligible to participate. Over the period of a year, many more people become eligible and many more participate in the Program. An estimated 41 million different people likely become eligible over the course of a 12-month period, and about 29 million of them likely participate, or about 72 percent of those eligible.

Projections suggest that income eligibility levels will rise significantly between now and 1980, because they are a function of food prices. However, Departmental projections suggest that average income levels will rise about twice as fast as food prices over the next 5 years. If this relationship holds for the low income sector, the number of eligible persons will decline by around 20 percent by 1980.

Benefits under the Program are difficult to measure. As a system to deliver food purchasing power to recipients, the Program appears reasonably efficient. Between 50 and 65 cents of each bonus dollar likely translates into additional food expenditures at retail. This rate is at least double the gain that would be expected from unrestricted cash transfer payments. The amount of this food spending that results in higher ingestion of vital nutrients is less easy to measure. Improved nutritional status and better health of recipients is even more difficult to document.

Studies suggest that the Program is more efficient than direct food distribution in raising nutritional levels of recipients. These studies document that at least under some situations, Program participants have an improved diet in comparison with nonparticipants in the same income group.

In addition, there are significantly tangible benefits of the Program to farmers and to the food marketing industry. Income and employment levels of the general economy are significantly raised as the result of increased economic activity attributable to the Program.

CHAPTER 5. PROJECTION OF PARTICIPATION AND COSTS, FY 1975-80

This chapter develops Food Stamp Program (FSP) projections for the next 5 years. Numerous variables discussed here and elsewhere in the report suggest a multitude of factors that affect food stamp participation and related costs. Obviously, all such variables cannot be accounted for in any projection. It is hoped that by specifying the major variables involved, the general trend over the next five years will be identified.

Projection of income and number of persons eligible

Projections of the number of FSP eligibles are based on 1973 population-income characteristics published by the Bureau of Census.[1] These characteristics were "aged" over the projection period assuming that the recent relatively low net population growth rate of from 0.8 to 1.0 percent per annum continues throughout the period and that per capita disposable income exhibits an historic growth rate of about 11 percent per year throughout the period. It is assumed that per capita disposable income will increase a total of 60 percent over 1975 levels by 1980 (figure 3).

Threshold income levels for determining

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[1] Bureau of Census, U.S. Department of Commerce, *Current Population Reports, Consumer Income*, "Money Income in 1973 of Families and Persons in the United States", Series P-60, No. 97, January 1975.

FSP eligibility during the period are projected under two sets of assumptions. Following an increase in food prices in FY 1975 of 10.2 percent over that of the previous year, it is assumed under Alternative I that the food price increases will drop to the more typical pattern of the late 1960's; prices would stabilize in the range of three to five percent annual growth rate from 1976 to 1980. These projections follow basically those developed by the Economic Research Service, USDA, as being the most likely. Tables 19 and 20 show the projected values of food stamp issuance and threshold income levels of eligibility under this set of assumptions.

Some observers may feel that the above projections of food price increases may be too conservative. In an attempt to establish an outside limit of reasonableness in Program eligibility levels, a second set of projections of food prices were developed. Alternative II assumes that food prices would increase over the next 5 years at the same annual growth rate as per capita disposable income. This rate resulted in significantly higher stamp issuance levels and threshold income levels during the latter part of the projection period (figure 4).

The number of persons eligible to participate in the FSP during each year of the projection period was estimated under each of the 2 alternatives. Table 21 summarizes the projections. They are based on fiscal year midpoints of December of FY 1975 and 1976 and March of the subsequent fiscal years. They include adjustments similar to those described in Chapter 4 that account for SSI ineligibles (at current levels), unemployment projections, and the number of eligible participants living in Puerto Rico and the Outlying Territories. In addition, as described in Chapter 4, the number eligible in a given month as well as the number eligible over a 12-month period are projected under each assumption.

TABLE 19.—PROJECTED LEVELS OF FOOD STAMP ISSUANCE, FISCAL YEARS 1975-80

Fiscal year and date of initiation	Monthly household stamp issuance, by household size							
	1	2	3	4	5	6	7	8
Fiscal year 1975: Jan. 1, 1975	$46	$84	$122	$154	$182	$210	$238	$266
Fiscal year 1976;								
July 1, 1975	48	90	128	162	192	218	256	292
Jan. 1, 1976	50	94	132	168	200	226	266	302
Transition period July 1, 1976	50	94	143	170	202	228	270	306
Fiscal year 1977:								
Jan. 1, 1977	52	98	138	176	210	236	280	316
July 1, 1977	52	100	140	178	212	238	284	320
Fiscal year 1978:								
Jan. 1, 1978	$54	$102	$144	$182	$216	$244	$290	$328
July 1, 1978	54	102	144	182	216	244	290	328
Fiscal year 1979:								
Jan. 1, 1979	56	104	148	186	220	250	296	335
July 1, 1979	56	106	150	188	222	252	300	338
Fiscal year 1980:								
Jan. 1, 1980	58	110	156	196	232	262	312	352
July 1, 1980	58	110	156	196	232	262	312	352

TABLE 20.—PROJECTED THRESHOLD INCOMES FOR FSP PARTICIPATION ELIGIBILITY, FISCAL YEARS 1976-80

Fiscal year and date of change	Household monthly threshold income, by household size							
	1	2	3	4	5	6	7	8
Fiscal year 1975:								
Jan. 1, 1975	$194	$280	$406	$513	$606	$700	$793	$886
Fiscal year 1976:								
July 1, 1975	215	300	427	540	640	727	853	973
Jan. 1, 1976	215	314	440	560	667	754	887	1,007
Transition period:								
July 1, 1976	231	314	447	567	674	760	900	1,020
Fiscal year 1977:								
Jan. 1, 1977	231	327	460	587	700	787	934	1,054
July 1, 1977	231	334	467	594	707	794	947	1,067
Fiscal year 1978:								
Jan. 1, 1978	$243	$340	$480	$607	$720	$814	$967	$1,094
July 1, 1978	243	340	480	607	720	814	967	1,094
Fiscal year 1979:								
Jan. 1, 1979	255	347	494	620	734	834	987	1,114
July 1, 1979	255	354	500	627	740	840	1,000	1,127
Fiscal year 1980:								
Jan. 1, 1980	271	367	520	654	774	874	1,040	1,174
July 1, 1980	271	367	520	654	774	874	1,040	1,174

Source: Projections by FNS, USDA.

TABLE 21.—PROJECTED NUMBER OF PERSONS ELIGIBLE TO PARTICIPATE IN THE FSP UNDER ALTERNATIVES I AND II, FISCAL YEARS 1975-80

[In millions]

Fiscal year	Alternative I		Alternative II	
	Number eligible in a single month	Number eligible over a 12-mo period	Number eligible in a single month	Number eligible over a 12-mo period
1975	29.2	40.6	29.2	40.6
1976	30.8	42.2	29.6	40.5
1977	30.4	41.7	32.0	44.0
1978	27.6	38.0	31.9	44.0
1979	25.7	35.5	32.9	45.5
1980	24.1	33.3	32.2	44.8

As might be expected, with food prices increasing at a much slower rate than income during the later part of the projection period, the projected number of eligibles drops sharply from 1978 to 1980 under Alternative I. Of course, the maximum eligible population exhibits a similar growth pattern to that exhibited by the projected number.

Under Alternative II (i.e., food prices increasing at the same rate as per capita income), the projected number of eligibles remains relatively constant throughout the period, ranging from approximately 32 to 33 million persons during the average month.

Projections of FSP participation and costs

The number of people participating in the FSP is a function of the eligible population. However, the two are not synonymous. Studies have shown that, despite a person's awareness of the program and eligibility, many other factors enter into his decision to participate, as discussed in Chapter 2. This study will rely upon an analysis of historical data in projecting participation to 1980. However, projecting FSP participation and costs are hazardous for several reasons. These include:

1. The Program has been in a growth pattern throughout its relatively short lifespan. Much of this growth has resulted from areas transfering from the Food Distribution Program. Some has also resulted from internal growth. The importance of the 2 sources are difficult to sort out mathematically.

2. Legislative changes have been dramatic and frequent. Certain of the changes have been quite fundamental and structural in their impacts upon the Program.

3. Increasing attention to outreach efforts add to the difficulty of projecting changes in the number of persons eligible for the Program that likely will participate. Recent experience suggests that an increasing percentage of eligibles is participating this year.

The projections of FSP participation are based essentially upon the same assumptions as those used to project the number of persons eligible for the Program. These assumptions are outlined as follows:

1. Unemployment will peak in the fourth quarter of FY 1975 at 9.5 percent and trend downward slowly to 4.5 percent by the end of FY 1980.

2. Prices for food at home (CPI) will average 7 percent higher in FY 1976 than in FY 1975 but thereafter the increases will drop to the range of 3 to 4 percent per year until 1980 for Alternative I. For Alternative II food prices will rise at the same rate as income.

3. Disposable income will grow about 12 percent in FY 1976 and will continue increasing near the rate until FY 1980. Further, it is assumed that income of Program participants will grow at the same rate as the balance of the population.

4. Population will grow at the relatively slow rate of the Bureau of the Census, Series E projection.

5. Internal growth of the Food Stamp Program will continue at the average rate of total Family Food Program growth between the third quarter of FY 1970 and the first quarter of FY 1975.

6. No significant legislative changes in the Program will be made before 1980.

To project Program participation, total family food assistance participation was disaggregated into public assistance and nonpublic assistance recipients. Each category was then projected independently of one another and summed together to form the final projection. Quarterly regressions models were developed that related the change in nonpublic assistance participation to changes in aggregate unemployment rates and the relationship between Program threshold to estimated average income of recipients. Participation in the public assistance category was related to the number of SSI and AFDC recipients, which is projected to remain stable over the period.

FSP participation is projected to stay in the range between 19 and 21 million persons until FY 1980. Under both Alternatives I and II, FSP participation will nearly stabilize in FY 1976, but edge upward through FY 1977. After that, larger increases in incomes relative to food prices and declining unemployment result in a decline in participation under Alternative I. But a continued slight increase in participation would be expected under Alternative II because of continued sharp increases in threshold eligibility levels.

Cost projections are the combination of projecting the average bonus level and multiplying times the projection of participation.

The average bonus value is related to:

1. Value of food stamp allotment; and
2. Distribution of recipients by eligible income categories.
3. Changes in household size.

Through historical data analysis, it was found that the "real" average monthly stamp bonus is a function of the ratio of the threshold eligibility level to average per capita income of recipients. Changes in the eligibility threshold are a function of the value of the food stamp issuance level which in turn is a function of retail food prices.

Based on these relationships, average bonus per person is projected to decline after FY 1977 under Alternative I when food prices would not be rising nearly as fast as incomes (Table 22). But under Alternative II, bonus levels would continue rising throughout the period, and reach $38 per persons per month by 1980.

Total Federal cost of the Food Stamp Program under Alternative I would actually decline slightly after reaching a high point of approximately $6.3 billion in fiscal 1977. If, however, food prices should increase at the same rate as income (Alternative II) then food stamp expenditures will continue increasing throughout the decade and reach approximately $10 billion in 1980 (Table 22).

TABLE 22.—PROJECTIONS OF FSP PARTICIPATION AND COSTS, FISCAL YEAR 1975-80

	Alternative I [1]				Alternative II [2]			
Fiscal year	Average bonus per person per month	Average participation (million)	Bonus cost (billion)	Total program cost (billion)	Average bonus per person per month	Average participation (million)	Bonus cost (billion)	Total program cost (billion)
1975..	$21.55	17.5	$4.5	$5.0	$21.55	17.5	$4.5	$5.0
1976..	23.09	20.6	5.7	6.2	25.02	20.6	6.2	6.7
Tran..	23.69	20.6	1.5	1.6	26.29	20.6	1.6	1.7
1977..	23.31	20.9	5.8	6.3	27.84	20.6	6.9	7.4
1978..	$21.67	20.9	$5.4	6.0	$31.43	20.8	$7.9	$8.4
1979..	20.89	20.1	5.0	5.5	34.18	21.0	8.6	9.2
1980..	20.29	19.1	4.7	5.3	38.00	21.3	9.6	10.2

[1] Alternative I based upon most likely projections of food prices and income.

[2] Alternative II based upon assumption that food prices would increase at the same rate as per capital income.

Source: Projection models of participation based upon changes in unemployment and the relationship of program threshold to average per capita income of recipients.

NUTRITIONAL BENEFITS OF FOOD STAMP PROGRAM

Nutritional assessment of need

During the past eight years, two major national nutrition surveys have been conducted to assess the nutritional well-being of Americans. The Ten-State Nutrition Survey was conducted in 1968–1970 in response to a congressional directive that the Department of Health, Education, and Welfare (DHEW) determine the magnitude and location of malnutrition and related health problems in this country. This task was undertaken by the Health Services and Mental Health Administration of the Center for Disease Control, DHEW. The Ten-State Nutrition Survey placed emphasis on obtaining information from the low-income segment of the population since malnutrition was expected to be more prevalent in this population segment.

The second national nutrition survey, the Health and Nutrition Examination Survey (HANES), was initiated in 1971 by the National Center for Health Statistics, DHEW, in order to establish a continuing national nutrition surveillance system. The purpose of this system was to determine, on the basis of a representative sample, the nutritional status for the entire U.S. population and to monitor changes in status over time. This sample, which included over 10,000 persons, was designed to be representative of the U.S. civilian, non-institutionalized population in a broad range of ages, from 1–74 years. Provision was made, however, for subsamples permitting more detailed analysis of data for certain groups at high nutritional risk, including low-income groups.

An additional study of dietary adequacy in the United States was conducted by the Department's Agricultural Research Service (ARS) as a part of their 1965 Household Food Consumption Survey. The results, seen in Figure 7, indicate that dietary adequacy, measured by the percentage of diets meeting the Recommended Dietary Allowances (RDA) for seven nutrients studied, was related to family income. At successively higher levels of income, a greater percentage of households had diets that met the RDA. Another measure of relative quality of diets is the number of nutrients that were below the allowances. As seen in Figure 8, the percentages of diets with only one nutrient below the RDA were only slightly different by income, yet those with two and three or more nutrients below the RDA were twice as large at the lowest income level as at the highest income level. Calcium, Vitamin A, ascorbic acid were the nutrients most often below allowances.

Adequacy of issuance level in providing a nutritionally adequate diet

Food stamp allotments are dependent upon household size and income. These allotments are based on the Economy Food Plan which is designed to provide a nutritionally adequate diet.[2] [3] The foods which make up the plan reflect the general eating patterns of low income households as determined through previous household food consumption surveys, modified to provide a nutritionally adequate diet. Nutritional adequacy is based upon the Recommended Dietary Allowances (RDA)[4] set by the National Academy of Sciences-National Research Council (NAS/NRC) in 1968 for all nutrients for which there are adequate reliable composition data. These nutrients include: energy, protein, calcium, iron, Vitamin A, thiamin, riboflavin, and ascorbic acid.

The Recommended Dietary Allowances are considered generous for judging the nutritional adequacy of diets. The Food and Nutrition Board of the NAS/NRC states: "Excepting calories, the allowances are designed to afford a margin above average physiological requirements."[5] Therefore, any food plan which provides the Recommended Dietary Allowances would also contain a built-in margin of safety above average requirements for nutrients. A family using food valued at the level of the Economy Food Plan will have a nutritionally adequate diet if foods of the kinds and quantities specified in the plan are selected.

Although the Economy Food Plan was reviewed in 1968 and found to meet 1968 RDA's, the last revision was made in 1964. Food consumption data from a Nationwide food consumption survey conducted by the U.S. Department of Agriculture in 1955 were used in developing the plan.

Plans for development of food stamp food plan

The Food and Nutrition Service is cooperating with Agricultural Research Service to develop a new food plan for use in determining the level of food stamp allotments. The plan will also be used as a basis for guidance materials for program participants and others who wish to economize on food. This plan will specify the amounts of foods that families might buy, or produce, to provide nutritious diets for family members for a week.

The new Food Stamp Food Plan will be based on more current nutritional and food consumption information than was available when the Economy Food Plan was last revised. Foods in the new Food Stamp Food Plan are to be chosen so that the plan meets the requirements of the newest (1974) revision of the RDA[6] for all nutrients for which adequate reliable food composition data are available for determining the nutrient content of the plan. Recommended amounts of some nutrients have been changed and allowances for additional nutrients have been designated in the 1974 revision of the RDA. Vitamin B_6, Vitamin B_{12}, and magnesium will be considered in the development of these plans for the first time.

Households in the latest Nationwide food consumption survey, 1965–1966, that used food valued at or slightly above the cost of the economy plan are to be used as the starting point for determining the kinds and amounts of foods to include in the plan. Food patterns of these households are believed to represent a way of eating that would be preferred by program participants. For example, readymade bread will be included for the first time, rather than the ingredients for making bread which were previously listed.

Nutritive values of some foods have also changed since 1964 revisions of the food plans. For example, many ready-to-eat cereals are now fortified with one-fourth or more of the RDA for many nutrients. New information on the nutrient content of many foods has also become available in the last 10 years. Such information is helpful in calculating the nutritional value of today's diet and will be used in developing the Food Stamp Food Plan.

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[2] U.S. Department of Agriculture, Agricultural Research Service: *Ideas for Leaders Working With Economy-Minded Families.* USDA Publication No. PA-937, 1973.

[3] U.S. Department of Agriculture, Agricultural Research Service: *Family Food Plans, Revised 1964,* USDA Publication No. CA-62-19, 1969.

[4] National Academy of Sciences: *Recommended Dietary Allowances.* Washington, D.C.: National Academy of Sciences/National Research Council, Seventh Edition, 1968.

[5] National Academy of Sciences: *Recommended Dietary Allowances.* Washington, D.C.: National Academy of Sciences/National Research Council, Seventh Edition, 1968, p. ii.

[6] National Academy of Sciences: *Recommended Dietary Allowances.* Washington, D.C.: National Academy of Sciences/National Research Council, Eighth Edition, 1974.

Nutritional assessment of food stamp program benefits in relation to needs

Three studies have been conducted by the Department to determine the nutritional benefits of the Food Stamp Program to program participants. The first of these studies was conducted in 1969–1971, in rural areas of Pennsylvania by J. P. Madden and M. D. Yoder of the Pennsylvania State University.[7] The primary focus of this study was to determine if the adequacy of low-income families' dietary intake improved through participation in one of the Department's family food assistance programs. Results indicated a nutritional benefit due to participation in the Food Stamp Program when at least two weeks had elapsed since a family had received their major income for the month. The most significant nutritional improvements were found in iron and thiamin intakes. The increased consumption of iron was most important since iron intakes were found to be inadequate (below two-thirds of the Recommended Dietary Allowances) in more than one-fourth of the 1,100 families interviewed. Similar improvements were found for protein, phosphorus, riboflavin, and niacin; however, these increases were judged not to be as important, since intakes already met adequate levels.

In 1973, the Economic Research Service, USDA, reported on a study to analyze the characteristics of low-income families participating in the Department's Expanded Food and Nutrition Education Program (Extension Service) in relation to families who did or did not also participate in USDA's food assistance programs.[8] Food consumption practices and the dietary adequacy of participants were also assessed. From a sample of over 10,500 families, results indicated that homemakers receiving food stamps had better diets than homemakers in the food distribution program and those eligible for, but not participating in, a food assistance program. Since per person food expenditures of participants and nonparticipants were similar but incomes were lower, the better diets of food stamp participants were judged to reflect benefits derived from the Food Stamp Program. (Table 31).

A recent study completed by Sylvia Lane of the University of California at Davis contrasted food consumption and nutritional achievements of participants of food assistance programs with that of nonparticipants and participation before and after implementation of the Food Stamp Program. Results indicate that diets of participants of the Food Stamp Program interviewed in this study, appear to be nutritionally superior to those of comparable nonparticipating low-income households.

TABLE 31.—FOOD CONSUMPTION PRACTICES OF HOMEMAKERS AND FAMILY CHARACTERISTICS AT TIME OF ENROLLMENT IN EXPANDED FOOD AND NUTRITION EDUCATION PROGRAMS, BY FOOD PROGRAM STATUS, 1969

Characteristic of family or homemaker	Food assistance program		Not participating in the food stamp program, but eligible	Eligible for food program	Average or total
	Food stamp program	Food distribution program			
Monthly family income and food expenditures:					
Income	198	161	166	320	221
Per capita	36	32	32	73	46
Food expenditures	76	59	69	93	76
Per capita	14	12	14	21	16
Income spent for food (percent)	38	37	42	29	34
Family size (number)	5.5	5.50	5.1	4.4	4.8
Families reporting (number)	1,270	2,031	2,306	2,494	[1] 9,424

[1] Includes those families whose food program status was not determined.

Participation in the Food Stamp Program resulted in diets which were nutritionally superior to those of comparable nonparticipating low-income households for some nutrients. Nutrients which showed the most improvement for food stamp participants were calories, calcium, thiamin, and riboflavin. These results were further illustrated when ethnic and urban areas were analyzed separately. Afro-American food stamp participant and nonparticipant households had characteristically lower mean nutritional levels for calcium and riboflavin, reflecting relatively low milk intakes. The lowest iron values were found for white urban food stamp participants and Afro-American rural farm nonparticipants. The most adequate nutrient levels were for protein and niacin.

In a paper summarizing the study presented at the American Agricultural Economics Association's annual meeting in August of 1974, Professor Lane stated that participation in the Food Stamp Program was associated with an increase in food consumption.[9] Statistical analysis showed the improvement in nutritional benefits to be greater for participants in the Food Stamp Program than for those in the Food Distribution Program.

The 3 studies cited were generally positive in finding some nutritional benefits associated with Food Stamp Program participation. The Program appeared to be superior to the Food Distribution Program in this regard. But these studies did not allow comparisons with an income supplement, and they were quite limited in scope.

Clearly, there is a need for broader scale, more definitive program evaluation to assess the impacts of the Program upon food purchasing and consumption patterns and nutritional levels of recipients. The Department is proposing to conduct a Nationwide consumer panel to obtain such information. Longitudinal data appears to be necessary to adequately answer the questions posed. This procedure would allow comparisons of household behavior before and after participation in the Program, and before and after major changes are made in benefit levels or program regulations.

CHAPTER 7—BENEFITS TO AGRICULTURE [10]

Currently, food stamps account for about 5 percent of total U.S. expenditures for food at home. Bonus food stamps paid for by the government are equivalent in amount to 3 percent of home food expenditures. Fifty to 65 percent of the free or bonus stamps are estimated to result in expanded demand for food. In the absence of the Food Stamp Program, total U.S. expenditures for home foods would be reduced by roughly 1.5 to 2.0 percent. Although demand expansion for food generated by food stamps constitutes a small portion of the total home outlet for foods, removal of this market force would have direct impacts felt from the farm to the retail food store—in addition to the indirect economic multiplier effects of the Program reported elsewhere in this report.

Lack of more complete information on food quantities purchased and price interrelationships among foods in common usage by low-income families limit evaluation of Program effects on specific farm commodities. Information available on the demand expansion for foods resulting from food stamps and earlier food consumption patterns, however, provide general indicators regarding benefits derived by agriculture and the food industry from the Food Stamp Program.

Demand expansion for food

During the 3 months, October through December 1974, total U.S. expenditures for foods used at home stood at the $135.8 billion level, and food stamps were issued at an annual rate approaching $6.7 billion. The total issuance of food stamps in this period was equivalent to 4.9 percent of total expenditures for home foods. With recent increases in participation and bonus levels, the total issuance of food stamps in January 1975 rose to an annual rate of nearly $7.75 billion. Currently, food stamps may be used in purchasing from 5 to 5.5 percent of all foods used in the Nation's homes.

Bonus food stamps paid for by the Federal Government now account for over 60 percent of all food stamps used, with less than 40 percent being purchased by recipients. In January 1975, bonus stamps were distributed at the annual rate of over $4.7 billion—up from $4.0 billion during the last quarter in 1974. Bonus food stamps are now being issued in amounts equivalent to 3 percent or more of total expenditures for home foods.

Participants spend an estimated 24 percent of their net income to receive food stamps in amounts adequate to provide them with a nutritionally adequate diet under the USDA Economy Food Plan. Family food stamp purchases commit these funds to continued food buying. Families normally spending the same or less for food than they pay for stamps will use all of their bonus stamps in increasing food expenditures. Families usually spending more for food than they pay for stamps, however, have an option to use bonus stamps instead of family dollars in buying a portion of their food supply. When substitution occurs, bonus stamps liberate family dollars for expenditure at their discretion for food or nonfood items. In such instances, bonus stamp dollars are equivalent to cash income supplement—although all the food stamps themselves are spent for food.

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[7] Madden, J. P., and M. D. Yoder: *Program Evaluation: Food Stamps and Commodity Distribution in Rural Areas of Central Pennsylvania.* Final report from the Pennsylvania State University, Department of Agricultural Economics and Rural Sociology, 1971.

[8] Feaster, J. G., and G. B. Perkins: *Families in the Expanded Food and Nutrition Education Program: Comparison of Food Stamp and Food Distribution Program Participants and Nonparticipants.* USDA Agricultural Economic Report No. 246, 1973.

[9] Lane, S.: *Food-Aid Program Effects on Food Expenditures and Levels of Nutritional Achievement of Low-Income Households.* Paper presented at American Agricultural Economics Association Annual Meeting, College Station, Texas, August 1974.

[10] This section was prepared by the Economic Research Service.

Economic Research Service estimates indicate that from 50 to 65 percent or more of all bonus food stamps may be spent for food which would not have been purchased in the absence of the program, with the balance having a cash income effect. As of January 1975, demand expansion for food generated from bonus stamps may have ranged between $2.4 billion to more than $3 billion (annual rate).

Most of the demand expansion for food derived from food stamps likely serves to support existing markets for food rather than generating new demand in competition for existing scarce food supplies. Food stamps have helped maintain food expenditures of the continuing poor at the same level through adjustments in issuance rates to compensate for higher food prices. For recent transferees from the Food Distribution Program, part of the food stamps they receive represents a replacement for donated foods. Families joining the program because of unemployment or financial reverses are enabled to minimize reductions in food expenditures at levels above those which might have been reached in the absence of the program. Some new demand expansion for food may have been created recently, however, through newcomers to the Food Stamp Program with low normal expenditure levels for food and very poor persons formerly receiving donated foods who now are receiving food stamps of greater value than the donated commodities previously obtained.

Demand expansion for food created by bonus food stamps is generated primarily among households in the lower and middle range of income eligibility. Such families receive the largest amounts of bonus stamps, at each household size level. They are most likely to have normal food expenditures at low levels, where all or a portion of the bonus stamps would be committed to expanding food expenditures. Families normally spending at more adequate levels, who are found with greater frequency in the upper range of income eligibility, would have opportunity and tend to translate benefits into income supplements.

Expanded retail demand for food

Food expenditures by households in successive levels in the low and lower-middle income groups provide indicators regarding the disposition of the additional food dollars resulting from the Food Stamp Program. Findings from the 1965 Household Food Consumption Survey confirm that lower-income families tend to spend more dollars for food as their income rises. The proportions of each food dollar allocated among the major food groups remained relatively unchanged. There were substantial changes, however, within the several groups. In the meat (or protein) group, for example approximately 80 percent of additional dollars were spent for red meats, mostly beef.

Rapid increases in prices for many staple foods, such as bread and cereal products, beans, sugar, fats and oil products may have resulted in shifts in allocations of low-income food dollars since 1965. The earlier pattern, however, is indicative of how additional food expenditures from food stamps may be allocated when current food supply pressures are alleviated. Estimates of expanded retail demand for food from bonus stamps, or alternatively stated, reductions in retail food expenditures which might be anticipated in the absence of the program are subject to the above limitations.

Table 32 shows that the meat group of foods likely is the major beneficiary of the $7.7 billion current annual rate of food stamp spending. About $2.9 billion additional spending of stamps would go for these foods over the period of a year. After allowing for the normal purchases of these foods, net additional demand would be expected to total somewhere in the range of $.9 to $1.1 billion.

TABLE 32.—ESTIMATED ANNUAL ALLOCATION BY FOOD GROUPS OF PURCHASES MADE WITH FOOD STAMPS AND EXPANDED RETAIL DEMAND FROM FREE FOOD STAMPS AT ISSUANCE LEVELS IN JANUARY 1975

[In millions of dollars]

Food group	Share of food dollar	Total purchases with food stamps	Expanded retail demand from bonus food stamps [1]	
			Low	High
Meat group (meat, poultry, fish, eggs, beans and peas, nuts, and mixtures—primarily of meat)	$0.38	$2,940	$912	$1,140
Milk group (milk, cream, cheese, ice cream and other frozen desserts)	.13	1,010	312	390
Vegetable and fruit group	.20	1,550	480	600
Bread-cereal group	.12	930	288	360
Other food (fats, oils, sweets and all other)	.17	1,310	408	510
Total	1.00	7,740	2,400	3,000

[1] Data relate to net additional program expenditures after allowance for spending in the absence of the program.

Red meats, a part of the meat group, accounts for about 30 cents out of each additional food dollar. At this rate, demand expansion for red meat resulting from food stamps may be in the range of $720 million to $900 million.

In 1965, beef accounted for most of the expanded expenditures for red meats, amounting to roughly 19 to 23 cents out of each additional food dollar, and pork most of the balance.

If these relationships continue, bonus food stamps may now expand demand for beef in amounts ranging from a low of over $450 million to nearly $700 million. Expenditures for pork products may have been increased by $200 to $270 million.

The above increases in retail food expenditures estimated to result from bonus food stamps include both increased consumption and "upgrading" of foods purchased, in undetermined amounts. Food benefits from stamps, however, accrue primarily to families with low incomes and very low levels of normal food expenditures—persons anticipated to have the greatest needs for improved diets.

Increased demand at farm level

During fourth quarter 1974, the farmer's share of the retail food dollar was 42 cents. If expanded retail food expenditures from bonus stamps reflect a representative product mix, farm income may be augmented currently by the Food Stamp Program at the annual rate of $1 billion to $1.25 billion.

Indicators of the allocation of the above expansion in farm income, by product category, were derived by relating the estimated food demand created by bonus stamps (table 33) with USDA estmiates of the farmer's share of retail food dollars for similar product categories during fourth quarter 1974 (table 33). Estimates of aggregate demand expansion developed by this method indicate that farmers are receiving about 42 cents out of each additional retail food dollar generated by the program.

Results indicate that nearly 80 percent of farm income flows into the animal products and fruit and vegetable sectors. Producers of cereal and other field crops, many of which are covered by agricultural stabilization programs, received a minority share of the supplemental farm income generated by bonus food stamps.

TABLE 33.—FARMERS SHARE OF RETAIL FOOD DOLLAR AND ESTIMATED FARM INCOME FROM EXPANDED DEMAND FOR FOOD, BY CATEGORY, FROM BONUS FOOD STAMPS AT ISSUANCE LEVEL IN JANUARY 1975

[Dollar amounts in millions]

Food category	Farmer's share of retail dollar [1] (percent)	Estimated farm value of expanded food purchases from bonus food stamps	
		Low	High
Meat group:			
Meats, total	55.5	$405	$505
All other (poultry used as proxy)	57.3	105	130
Milk group dairy	46.3	145	180
Vegetable and fruit group:			
Fresh fruits	29.9		
Fresh vegetables	33.8		
Processed fruits and vegetables	20.0		
Proxy measure [2]	24.5	120	150
Bread-cereal group: All ingredients	25.8	75	95
Other foods groups:			
Fats and oils	47.7		
Miscellaneous	27.1		
Proxy measure [3]	37.4	150	190
Total		1,000	1,250

[1] USDA Market Basket 1974-IV quarter.

[2] Triple weight given processed fruits and vegetables and vegetables and single weights each for fresh fruits and vegetables.

[3] Equal weights for fats and oils and miscellaneous foods.

Benefits to retailers and other marketing firms

An estimated 58 percent of the supplemental retail demand for food generated by food stamps is retained by the food marketing system. As of January 1975, $1.4 billion to $1.75 billion (annual rate) appears to be moving into the revenues of marketing firms as a result of program operations.

Retail food stores are a primary claimant to revenues derived from demand expansion for food as a result of the Food Stamp Program. An indicator of the gross income involved was derived from USDA estimates of gross in-store retailing margins of supermarkets during 1973—excluding warehouse and delivery costs and headquarters expense. The gross margin reported was 17.2 percent of total store sales—of which nearly 9 percent were direct and indirect labor costs, and 1.1 percent profit before taxes. Additional sales volume associated with Food Stamp Program operations currently may be increasing gross revenues of retail food stores at an annual rate of roughly $415 million to $515 million.

Program associated increases in gross revenues of wholesalers, processors, warehousemen, transporters and other marketing agencies, excepting retailers should approach, in total, amounts received by farmers. Under assumptions previously cited, returns to marketers other than retailers should approximate $980 million to $1.25 billion.

Impacts on agricultural policy

Operating at the cross roads of agricultural, food and nutrition, and welfare policy, the development and evolution of the Food Stamp Program reflects interrelationships in these diverse policy areas. In considering program impacts on agricultural policy, however, attention is focused on today's Food Stamp Program rather than what has come before.

Expanding demand for agricultural products by the elimination of hunger and dietary inadequacies among the poor has been a longstanding agricultural goal. Low income families Nationwide now have the opportunity to purchase a nutritionally adequate diet at the Economy Food Plan level at a reasonable cost.

Low-income families are no longer a large-scale outlet for foods acquired by the Federal Government under price stabilization and surplus removal programs. During periods when many foods are high priced and in short supply, the advantages of the food stamp approach to food assistance have been demonstrated. Individual recipients of food stamps make their own buying choices that presumably maximize satisfactions from the foods available at the prices offered. Under a Government distribution system, operating similarly under a full-nutrition concept, many foods not in short supply would need to be purchased in order to obtain combinations of foods which would provide the basis for a nutritionally adequate diet. Volume purchases of specific food items are difficult to acquire in tight markets and major supply adjustments would result within specified relatively narrow product lines—with resultant price impacts on the total market. In such instances, smaller purchases from a wide range of generally comparable goods would tend to have less market impact than volume purchasing concentrated upon a few items.

Another alternative to food stamps is some form of cash assistance. The Food Stamp Program has been found to be twice as effective, or more, than comparable amounts of cash income supplements in expanding expenditures for food among low-income families.

CHAPTER 8—SECONDARY BENEFITS TO THE ECONOMY

Impacts upon total business output

Popular articles treating the Food Stamp Program often emphasize the direct changes in program participants' income due to their receipt of bonus stamps. Interest also has focused upon the food expenditures by stamp recipients. These "direct effects" are important as previous sections have shown. However, much of the payments made by participant households usually do not long remain in the pockets of the persons who sold them goods and services. Goods must be replaced and services maintained to sell to their next customers. Also, persons who supplied the goods and services to retailers must buy replacements from sectors which produced them, and these sectors in turn must buy raw materials and labor to produce the replacement items. Total income, of course, depends upon production; and a part of final demand is determined within an inter-industry framework. The level of output generated can best be determined through use of an input-output model, even though the assumptions underlying its use can be restrictive.

Study results

Two studies of the impacts of the Program on individual counties have been completed, and a broader study for the State of Texas and the United States as a whole is now underway by the Economic Research Service.

(1) In one of 3 individual counties studied in 1970, Haywood County, Tennessee, it was found that 6,400 recipients received a total of about $1.1 million in food stamp bonus during 1970.[11] Total stamp sales of about $1.7 million accounted for nearly one-third of total food sales in the county. Local program costs amounted to about $35,000—about $16,000 of which was borne locally—and about seven additional employees handled the food stamp certification and issuance.

The $1.1 million in food stamp bonus increased value of the county's total business about $1.5 million, or about 43 times the local program costs of $35,000, based upon input-output analysis. The $16,000 cost borne by the local government was only 1 percent of the $1.5 million increase in total output. This rate was small compared with the 4 percent retail sales taxes in the county. The increase of seven welfare employees brought a total employment increase of about 60 persons in the county, after allowing for secondary impacts of increased food sales and other secondary benefits.

The multipliers derived in this study measured only direct benefits accruing to the respective counties. Being rural areas, trade outside the county results in much lower secondary-benefits than would be true for larger areas.

(2) A study of 2 counties in California in 1972 was conducted using completely different methodology.[12] The researchers found the aggregative impacts on the economies of the 2 counties to be minimal, on the basis of interviews with the food trade. The Program had been operating there for several years and people could not relate to prior experience without the Program. The study concentrated upon local costs of administration—which they found to be quite different in the 2 counties—and impacts upon consumer purchasing patterns, which is reported elsewhere in this report. The Program was found to not adversely affect food store operations with respect to inventory and pricing policies. Stores in the 2 counties studied typically made no cost allocations to the Program, but costs were estimated to total less than one-half of 1 percent per dollar of stamp sales. The researchers pointed out that even though food stamp volume was relatively small in relation to total food store sales, profits from this additional business could be quite significant from a marginal standpoint.

(3) The study related to the State of Texas utilizing the input-output techniques covered calendar year 1972 when the State was only partially on the Program. A total of $63.9 million in bonus stamps was distributed that year.

In total, participant household expenditures of the $63.9 million of bonus stamps resulted in $232 million of new business which generated an estimated 5,031 new jobs for the Texas economy in that year. To this must be added $30 million in imports which came from other parts of the United States that contributed to the economic benefit of Texas. This additional business was estimated at $111 million after allowing for multiplier effects, which was assumed to be the same as the 3.64 multiplier found for Texas.

Interestingly, the results of this study—which show implied impacts on a sector-by-sector basis—indicate that increased business induced by the Food Stamp Program is spread far and wide beyond the food and agriculture business. As a result, nonparticipating households (the balance of the economy) come close to benefiting about as much from the Program indirectly ($49 million) as Program participants benefit directly ($64 million).

The Food Stamp Program as operated in Texas in 1972 resulted in additional tax collections estimated at $16.5 million, of which $4 million was received by State and local governments and $12.5 million Federal.

Table 34 shows the relationship between administrative costs and taxes collected in 1972 as a result of the Program in Texas. It shows that total costs to Texas, estimated at $1.8 million, made up only 45 percent of the taxes received by the State and local areas. USDA program matching costs of $.9 million were only 7 percent of the Federal taxes generated by the Program's operation in Texas that year; no estimate was made of the Federal operating expenses that could be attributed to the Texas operation.

TABLE 34—ADMINISTRATIVE COSTS RELATED TO ADDITIONAL TAX RECEIPTS, CALENDAR YEAR 1972

[Dollar amounts in millions]

Government	Administrative costs	Additional tax receipts as result of Texas food stamp program	Administrative costs as proportion of added tax received (percent)
Texas	$1.8	$4.0	45
Federal	[1].9	12.5	7
Total	2.7	16.5	16

[1] USDA share of Texas administrative costs only; Federal administrative costs are not included

CHAPTER 10—ALTERNATIVE PROGRAM OPTIONS

Many observers have recommended that the Program be modified to eliminate the purchase requirement. Only this program alternative will be considered in this section. This change could take either of 2 forms, and would have differing results. (1) The current level of stamp issuance could be maintained and the Federal Government simply absorb the current cost of the purchase requirement, or (2) the level of stamp issuance could be reduced to consist only of the current bonus level.

Maintain current level of issuance

Only by maintaining the current level of stamp issuance could the Program continue to have any measurable food or nutritional impact. By continuing current issuance, households under the Program could continue to purchase a nutritionally adequate diet. The major impacts of such a modification are as follows:

1. Greatly increased Federal transfer payments. Preliminary data for January 1975 show the total purchase requirement to be $252 million, or an annual rate of $3.0 billion. This would be the net additional cost with no changes in participation.

2. Greatly increased participation. The purchase requirement currently is the governing mechanism that targets the net program benefits to the poorest of those eligible. As indicated in an earlier Section, participation as a percentage of the population drops off sharply as income rises, even within the range of eligibility. No precise estimate of this response is possible, but it would be significant.

3. Vertical inequity would be sharply increased and work incentives decreased. Most of the net additional $3 billion in Federal benefits would be concentrated at the upper levels of the eligible population. Benefits would drop abruptly at the threshold level from $154 per month for a family of 4 to zero with the addition of $1 income at that point.

4. Reduced efficiency of nutritional benefits. The addition of $3 billion to the $4.7 annual rate of bonus at January 1975 levels would not increase the $7.7 billion rate of stamps issued, and consequently there would be no requirement for additional food to be purchased by recipients. The $3 billion would represent a cash supplement. Of course, it is possible that some of this $3 billion would be spent for food, but the amount would be quite small.

Reduce stamp issuance to current bonus levels

Quite different results would be expected from a lowering of stamp issuance to the current level of the bonus value. The major impacts expected are as follows:

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[11] M. Matsumoto, *Impact of the Food Stamp Program on Three Local Economies—An Input-Output Analysis*, Economic Research Service, ERS–503, May 1972.

[12] Logan, S. and D. B. Deloach, *The Food Stamp Program: Del Norte and Humbolt Counties, California*, California Agricultural Experiment Station, Bulletin 860, March 1973.

1. The objectives of the Program would need to be rewritten, deleting the requirement of providing opportunity for recipients to purchase a nutritionally adequate diet. The program would revert to a supplemental program that would provide little incentive for participants to increase food purchases. For example at the threshold level of eligibility, recipients would receive only $24 in stamps for a 4-person household, nearly all of which would free up dollar spending for other things.

2. Program costs would remain unchanged except as influenced by participation.

3. Participation likely would rise, but not to the extent of the first alternative. People now at the upper levels of eligibility would be more willing to participate if they did not need to commit such a large amount of money to food at one or two times during the month.

4. The Program would become in essence a cash supplement program. Since the food and nutritional objectives would have been removed, the Congress would be better advised to save the costs of printing, distributing and monitoring stamps and simply provide substitute cash supplements of some type.

August 22, 1975.

Hon. Nelson A. Rockefeller,
President of the Senate, U.S. Senate,
Washington, D.C.

Dear Mr. President: On June 30, we submitted the study of the Food Stamp Program that this Department conducted in response to the request expressed in Senate Resolution No. 58.

Recently a claim has been made, in some quarters, that not all the information we had assembled had been provided to the Senate. It is correct that not all of the information originally assembled in our draft report was submitted in the final report, because we recognized that our report was very lengthy and we wanted to provide exactly what was requested in the Resolution.

However, we want to reaffirm our complete cooperation with the Congress in its examination of the Food Stamp Program. We are therefore providing herewith copies of that draft material. It includes evaluation material on the Food Stamp Program, some projections of participation in the Program and future costs, and discussion of nutrition benefits and of the benefits that the Program provides to agriculture and to the general economy.

Sincerely,

Richard L. Feltner,
Assistant Secretary.

RESPA AND THE NEED FOR REGULATORY REFORM

Mr. HRUSKA. Mr. President, I am alarmed at the impact of the Real Estate Settlement Procedures Act—RESPA—and the regulations thereto which went into effect last June 20.

Last year when RESPA was before the Senate, I supported the attempt to take away from the Department of Housing and Urban Development the authority to regulate settlement costs. That was our only opportunity for a record vote on RESPA, and those of us who recognized the terrible consequences that could flow to lenders and borrowers alike were not numerous enough.

Today, others of this body are raising their voices to declare the need for legislation to modify or repeal this unwise legislation. I am particularly pleased that the distinguished chairman of the Banking, Housing and Urban Affairs Committee is scheduling hearings in the immediate future on this problem. I share the chairman's conclusion that RESPA is "one piece of legislation that turned out to be something of a disaster." I congratulate him on his perception.

Lenders throughout our country are deluged with the paperwork required by the RESPA regulations and as a result otherwise deserving loans are being unreasonably slowed. Loans that were routinely made in 3 days or less now must take 21 days. Loan officers must spend an hour or more on a loan closing that before RESPA only took 10 minutes. Far from saving the borrower money as was the intent of RESPA, these delays and burdensome procedures increase costs which must be passed on to the consumer.

These regulations are a good example of the need for regulatory reform advocated by President Ford. It is apparent that the newness of regulations or agencies should not excuse them from close scrutiny as to their wisdom and usefulness.

I am particularly concerned that small banks and lenders may find these procedures so difficult that they will go out of the real estate business altogether. At a time when we are all striving to improve the economic conditions in our country, such losses can seriously hamper our efforts, especially in the construction industry.

Mr. President, I have received a letter from Mr. William A. Fitzgerald, president of Commercial Federal Savings & Loan Association in Omaha, Nebr., which highlights his experience with RESPA. I ask unanimous consent that it be printed in the Record, together with an article from the American Banker.

There being no objection, the material was ordered to be printed in the Record, as follows:

Commercial Federal
Savings and Loan Association,
Omaha, Nebr., August 14, 1975.

Hon. Roman L. Hruska,
U.S. Senate,
Washington, D.C.

Dear Senator Hruska: The past 6 weeks has really been frustrating. This started on June 20 when the new REAL ESTATE SETTLEMENT PROCEDURES ACT became law. We, at Commercial Federal, had worked long and hard prior to this date trying to get all the facts and information we could on the proper procedures necessary to handle the RESPA reporting act.

Would you believe in June, and mainly prior to June 20, we at Commercial Federal closed over 480 loans which is rather normal for the month of June. In July, which is normally a larger month in closings, we are able to close 280 loans. This is all due to the fact that with the new RESPA reporting the tremendous amount of unnecessary paper work just bogged us down. Would you believe that we have 4 additional full time employees who are well trained in our business now working in our loan set up department and it looks as though this will be necessary to have that many additional employees permanently in that department just to handle the RESPA reporting.

We are now backlogged with over 6 weeks of loans to be closed. Many of these should have definitely been closed in the month of July and we will not be able to complete this in August because of this reporting.

I have attached an article out of the American Banker which just highlights some of the problems throughout the financial industry dealing with RESPA and Real Estate Lending. It seems a pity again that we have this national legislation requiring all of this unnecessary paper work which really in the long run, I'm sure, will cost the borrower more money in closing costs.

This added cost of handling the RESPA forms, I'm sure, will just be chalked up as additional inflation and cost to the borrowers in the future.

Sincerely yours,

William A. Fitzgerald.

Bank, S & L Complaints About New Real Estate Settlement Law Pressing Congress for Change

(By James Rubenstein)

White Sulphur Springs, W. Va.—Congressmen are hearing complaints from their financial constituents concerning the Real Estate Settlement Procedures Act that went into effect June 20 and the impact of the protest may be to greatly modify the legislation when Congress reconvenes.

One Kentucky bank has taken its objections not only to lawmakers, but to customers as well with a full-page newspaper advertisement attacking the legislation as a "bureaucrat's dream" and warning that additional paperwork created by the law is delaying loan transactions.

Other bankers attending the executive bankers conference of the Ohio Bankers Association at the Greenbrier Hotel here maintain that closing costs may go up as a result of the additional time spent by loan officers in handling mortgage transactions.

But the strong reaction to the law, already registered by commercial banks and savings and loan associations with congressmen has triggered a proposal to repeal RESPA. Gerald M. Lowrie, executive director of the government relations council of the American Bankers Association, said.

"I think Congress will come back after the August recess to do something about RESPA," Mr. Lowrie forecast, adding that lawmakers are considering new legislation as a result of the complaints they are receiving, particularly from small banks.

RESPA requires disclosure of settlement costs to both buyers and sellers just after a loan commitment is made to the lender, and again when the loan is closed.

Supporters of the law maintain that disclosure provision will lower settlement costs by eliminating the possibility of kickbacks and unearned fees in mortgage processing.

But banks argue that the act attempts to address nonexistent ills.

Mr. Lowrie showed the Ohio bankers a full-page ad published by the $11.6 million-deposit Providence State Bank, Ky., as an example of what a bank was doing to relay to the public what the bank considers to be the harmful effects of RESPA.

The ad appearing in a local paper in the western Kentucky community reads:

"Dear customer:

"We're sorry but your Federal government has outdone itself in a new red-tape requirement on real estate loans. This deluge of new paperwork arrived last week and we may be months training someone to fill out the forms to get the mess interpreted. We used to make these loans routinely in three days or less. Now your government says take 21 days.

"We're sorry to be the one who breaks the bad news to you regarding Public Law 93–533. It's a bureaucrat's dream and should make someone very proud to be its author.

"Sincerely,

"Providence State Bank."

The ad copy was overlaid on a montage of RESPA forms.

James C. Zimmerman, president of the Providence bank, explained that the ad was placed "because of what has become the oppressive actions of the Federal bureaucracy." He pointed to "the pileup of regulation upon regulation which banks must face."

He said RESPA has forced loan officers to spend an hour on a real estate transaction which previously required 10 minutes. A bank, he said, is required to fill out as many as seven pages of fine print relating to the myriad of data on mortgage transactions.

Kenneth A. Randall, chairman and chief executive officer of the $2.5 billion-asset United Virginia Bankshares, Inc., Richmond, and a speaker on the program, also attacked RESPA, describing it as Orwellian in nature. He said small banks are finding it so difficult to conform that they are going out of the real estate business.

United Virginia Bankshares is anchored by the $342.9 million-deposit United Virginia Bank, Richmond.

One Ohio banker here, R. E. Whiteside, president of the $29.5 million-deposit Huntington Bank of Washington Court House, said he was thinking of getting together with other banks in his area and sending a packet of RESPA forms to each of their congressmen, "to give them an idea of what we banks are up against."

THE INTER-PARLIAMENTARY UNION CONFERENCE ON THE SINAI ACCORD

Mr. HARTKE. Mr. President, I ask unanimous consent to have printed in the RECORD the remarks I made recently to a meeting of the Inter-Parliamentary Union Conference on the recently concluded Sinai accord.

There being no objection, the remarks were order to be printed in the RECORD, as follows:

SINAI ACCORD

A prime objective of our activities as parliamentarians must be to encourage governments to settle their disputes through peaceful means and to utilize more intensely the procedures outlined in the United Nations Charter. We must get our governments to recognize their own self interest in making a just system of conflict resolution succeed in the world of practical politics.

We should be resolute in our determination to bring a wider peace to all areas of the world.

After the October War of 1973 in the Middle East, it was essential to find a way for the parties to that conflict to deal with each other; a process of negotiation had to begin before the substantive issues could be addressed. The United States found itself in a unique position to assist in getting the process of reconciliation started.

We are deeply gratified that another significant milestone has been reached in the form of another Egypt-Israel disengagement. The vision and courage of the leaders of these two great countries, assisted by Secretary of State Kissinger, must be warmly applauded and supported. For my part, I will support the action necessary in the Congress to implement the new agreements.

One of the concepts behind the step-by-step process in the Middle East is that the parties will experience directly the gradually accumulating benefits of specific steps towards a peaceful solution, and will be encouraged to take additional steps. I believe this kind of action is the kind that will have a practical tangible impact in the capitals of the Middle East.

What we do at this Interparliamentary Conference should also have a beneficial impact in the Capitals, and not merely add words and ineffective resolutions to the vast amount already on hand. Our conclusions should encourage both sides to continue the search for a just, equitable, and overall peace in the Middle East.

We are all familiar with the issues involved.

We all know the positions adopted by the parties. They do not need repetition.

Let me instead pose some fundamental questions, affirmative answers to which could have a positive impact in Middle East Capitals:

1. Can all members of this conference, but particularly our Arab and Israeli friends, affirm that a just and genuine peace throughout the Middle East is far preferable to any No-Peace/No-War situation?

2. Could our Arab friends here acknowledge openly and unambiguously that Israel is a fact, that it will continue to exist, and that it should be the policy of Arab governments behind secure and recognized international boundaries based generally on the lines in 1967?

3. Will the observers with us from the Palestinian National Council this week do likewise?

4. At the same time, will our Israeli colleagues agree that Arab territory occupied since the Six-Day War should be returned to the Arabs as a part of a package under which all other aspects of Israel's economic, military, and political security are assured.

5. Would our Israeli colleagues go one step further, to agree that once affirmative results are achieved in this direction it should be Israeli government policy to participate along with other interested parties in discussions designed to provide a national identity of a mutually-agreeable nature of the Palestinian people?

6. Will the Arab governments end immediately the boycott of firms doing business in Israel, as a gesture towards peace and a contribution to the well-being of the entire Middle East area?

7. Will both sides agree here—explicitly—that one of the goals of current discussions to work unreservedly towards affirmative answers to these basic questions?

Direct and unconditional answers to these questions are not easy. But the governments and parliamentarians concerned must continue to work patiently and untiringly on behalf of additional steps, beyond those recently achieved, which contribute towards an overall reconciliation and to the confidence of all concerned in the inevitability of achieving such a peace. We must help to mute the rhetoric, the pressure tactics, the calls for ideological solidarity against an alleged enemy. We cannot equate "solution" with "capitulation" for one side or the other.

Now that the process is established, we should get down to basics, taking due account of the long standing obstacles to accommodation, but not allowing these obstacles to further paralyze progress.

As my esteemed colleague, Ed Derwinski said at our conference last year, "Surely, man's imagination is broad enough to devise a formula by which one side can recover territory and the other side can gain security and recognition by all its neighbors of its legitimacy as a nation . . . surely the practical benefits of peace in the area are well worth the compromises required." Can we begin today to say in harmony—"Peace Now".

WHEN PROFITS FALL, JOBS GO TOO

Mr. BARTLETT. Mr. President, with the anticipation of legislation proposing a windfall profits tax, I feel that this is an apropriate time to submit for the RECORD an editorial that was printed in the Daily Oklahoman entitled "When Profits Fall, Jobs Go Too."

I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WHEN PROFITS FALL, JOBS GO TOO

(By Ferdie J. Deering)

With oil price controls on the way out, Congress is working to impose profit control on oil companies. Nobody expects this to solve our petroleum supply problems, but it reflects the Washington mania for controls and a lack of understanding of business principles by Congress.

The oil industry has experienced a steep slide in earnings this year, and Congress proposes to "soak up" so-called windfall profits and return them to consumers by some plan not yet made known. All but two of 15 major oil companies reporting had profit declines in the second quarter of this year.

A few weeks ago the Federal Trade Commission reported that average net profits for more than 12,000 American corporations dropped nearly one-third during the first quarter of 1975. A tabulation by U.S. News & World Report shows that 530 out of 1,118 companies had profit declines in the second quarter. Another source forecasts that corporate profits as a whole will be down 20 per cent for 1975 from last year's levels.

Nearly everybody has a stake in this downward trend. American business is done primarily by corporations and when profits fall, they spend less for expansion to create new jobs. Full employment depends upon profitable businesses and industries.

Millions of workers are shareholders, and the trend is increasing for them to participate in ownership of the companies which employ them. Whether workers own stock or not, they should be interested in profitable operations. Their jobs depend upon the company staying in business.

Corporations are a principal source of tax revenue. The federal government receives from one-fifth to nearly one-half of whatever profits a corporation makes before dividends are paid to shareholders. Then shareholders must pay individual income taxes on their dividends, graduated up to 70 per cent. Corporations pay state and local taxes, too.

Then, why all of this criticism and drive to keep corporations from making a profit?

The public may not understand the importance of profits any better than Congress. Opinion Research Corp. asked 1,209 adults to estimate manufacturers' after-tax profits. Their composite estimate was 33 per cent, more than six times the actual.

In another survey made up by Dr. George Gallup for Oklahoma Christian College, students around the country guessed the typical profit of a large corporation on its total business to be 45 per cent. They thought 25 per cent would be fair. Most businessmen would agree, if they could make that much!

Many union leaders and workers look at profits from another angle. To them, jobs come first. Get people to work and profits will take care of themselves, they argue, overlooking the fact that employers invest in plants, equipment, materials, merchandise and labor in hope of making a profit on them.

One of the most militant labor leaders, the late Samuel L. Gompers, said: "The worst crime against working people is a company which fails to operate at a profit."

TYRANNICIDE: PERILOUS POLITICS

Mr. ABOUREZK. Mr. President, in the course of investigating the missteps of the CIA, we have come across incidents of allegedly planned political assassinations. Dubbed "tyrannicides," these efforts worked under the assumption that it is in the best interests of this country to dispose of the leaders we feel are harmful or undesirable.

Unfortunately, some have felt that, in certain cases, tyrannicide is justifiable. This, in my mind, raises certain doubts as to the morality of our foreign policy implementation.

But, aside from the morality, there is the question of true national interests. Tyrannicide is merely an attack at the surface of that which annoys us, or that which we disagree with. It is an attack at the tip of the iceberg, so to speak. What we must realize is that it does nothing to quell, satiate, or change the factors which brought about such a situation.

Second, there is the question of where we draw the limits.

Recently, I read an editorial in the Yankton, S. Dak., Press and Dakotan which quite accurately addressed these concerns. I think it is worthy of my colleagues' attention.

I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TYRANNICIDE: PERILOUS POLITICS

As the rumors and suspicions and allegation that the Central Intelligence Agency, with the knowledge of American presidents, plotted or perpetrated the assassination of certain foreign heads of state, a number of commentators have questioned whether this kind of secret, "gunpoint diplomacy" is necessarily and always evil.

Calling it not murder by tyrannicide columnist John P. Roche asks: "Would it have been unconstitutional, immoral and generally dreadful if some American intelligence agent had put a 30-caliber slug into Hitler's skull, in, say, 1937?"

On the face of it, it might appear that the 20th century would have been a far happier one had someone dispatched Herr Hitler when he first raised Nazism's ugly head. The same could be said about Torquemada and the 15th century, or Genghis Khan and the 12th century.

The argument collapses, however, as soon as we consider the death of a leader like Abraham Lincoln. Yet his assassin fervently believed that he was ridding the world of a tyrant. The student who assassinated the Archduke of Austria in 1914 and precipitated the First World War no doubt thought of his act as heroic.

Of course, neither of these "tyrannicides," nor others which have dramatically altered history, was the official act of an organized government. They were the work of fanatic individuals. Nevertheless, it would be perilous if we came to believe that even in the case of Hitler we can set up a standard of morality for governments separate from that demanded of individuals in society.

Yes, it can be argued that it would have been a good thing if someone had killed Hitler in 1937. Perhaps Stalin, too. But what about Mussolini? And Franco? Once embarked on such a course, where would we stop?

The assassination of Fidel Castro in 1962 or 1963 would not have changed the factors that brought him into power in the first place, any more than the assassination of President Diem of South Vietnam was of benefit to that tragic land. And as for Adolph Hitler, there were other, nonmurderous means of dealing with him in 1937, if world statesmen had had the guts to stand up to him.

One feature distinguishing the American political experiment from all others before it was that it provided a peaceful means for changing rulers. If we ever reach the point where we practice a different morality in our dealings with foreign nations than we practice at home, if we adopt "tyrannicide" as a valid, even if only a last resort, method of furthering national policy, we will have assassinated all that is best in ourselves.

WITHDRAWAL OF A COSPONSOR

S. 1

Mr. BAYH. Mr. President, I ask unanimous consent that my name be removed as a cosponsor of S. 1, a bill to codify, revise, and reform title 18 of the United States Code; to make appropriate amendments to the Federal Rules of Criminal Procedure; to make conforming amendments to criminal provisions of other titles of the United States Code; and for other purposes, and that all subsequent printing of S. 1 reflect this request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAYH. I further request unanimous consent to print in the RECORD a statement I made during the recent recess detailing the reasons for my decision to remove my name as a cosponsor of S. 1.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR BIRCH BAYH ON THE CRIMINAL CODE

I originally joined as a co-sponsor of S–1 because I was convinced that codification of federal criminal law was needed and because I believed that as a co-sponsor I would be in a better position to see to it that those sections of the draft bill with which I took exception were modified. In my statement of co-sponsorship, I made it quite clear that I could not accept some sections of the draft bill and would seek to amend it.

I have now become convinced that I misjudged the role I could play that would be most effective in strengthening those basic civil liberties which I have stood for throughout my public career.

During the preliminary discussions on this massive bill which runs to 735 pages, this strategy appeared to be working with some success. A dozen changes in the bill were agreed to by the Subcommittee and the Department of Jutice. But the more people I talked with around the country about this bill, the more I became convinced that my initial judgment that I could play the most effective role by working from the inside as a co-sponsor was wrong. For several reasons, S–1 has come to be viewed by many people as a symbol of repression.

In its present form, the bill does have features which are repressive. This country has just witnessed an effort by the most powerful officials in the land to violate the basic rights of individual Americans. I fear that this temptation will not pass with Watergate. As the great Justice Louis D. Brandeis once observed, "The greatest dangers to liberty lurk in insidious encroachment by men of zeal, well meaning but without understanding." Those civil liberties and civil rights we cherish can be lost today or tomorrow a law at a time or a phrase at a time through the action of men of good intention who lack understanding.

Throughout my public life I have fought to protect the rights of individual Americans. At this moment in our history when I believe we must rededicate ourselves to the preservation of those basic rights which have kept America and Americans free, I cannot associate myself with a measure which has become a symbol of repression to so many.

While I will ask that my name be removed from the current draft bill, I fully intend to press my efforts to see to it that the bill is modified to take account of those sections which I have indicated I cannot support. I continue to believe that codification is a highly desirable goal, and I will work toward that end, but if my amendments are not agreed to, I will do everything I can to see to it that the bill is defeated.

I would like to outline for you in some detail—first, why I believe codification is desirable, second, the changes in the bill that we have already achieved and, third, the amendments which I will propose.

WHY IS CODIFICATION NEEDED?

The nearly two hundred years of American legal history have seen us evolve from a nation bound by the judicially developed common law of Great Britain to one in which criminal sanctions, if they are to be imposed, must be specifically enacted by the people's representatives in federal and state legislative bodies.

In the federal system, however, this legislative process has been one of reaction and accretion. A particular problem is observed and is regarded as serious enough to merit criminal sanctions and then a statute is enacted which addresses itself, often very narrowly, to the precise problem presented. As a result of this unsystematic process of evolution, serious gaps in the coverage of our laws exist. At the same time many of our present criminal statutes suffer from unnecessary overlap. The punishments provided are often inconsistent or outmoded. A number of statutes dealing with identical kinds of conduct, yet worded differently, are interpreted in varying and frequently conflicting fashions.

Instead of a criminal code, we have developed something akin to what might be termed "Collected Federal Criminal Statutes." But even that term is somewhat misleading for it cannot be properly said that the federal criminal laws are collected in any one conveniently accessible place. Criminal offenses exist in virtually all of the fifty titles of the United States Code. One who wished to discover whether a certain type of conduct was the object of a federal offense would have to rely on the index to those fifty titles and his own skill as a researcher in order to act with total certainty. While ignorance of the law ought not to constitute a general defense, it also ought not to be encouraged by the manner in which the laws are preserved. Yet, the present disorganized scattering of criminal offenses does precisely that.

Our present criminal statutes are scattered throughout the 50 volumes of the United States Code; they suffer from unnecessary overlap; statutes dealing with identical kinds of conduct, yet worded differently, are interpreted in varying and frequently conflicting fashions. A few examples:

There are several dozen separate statutes in the present law which punish theft. Most commonly the distinction in their coverage is based on the nature of the federal government's jurisdiction. Thus, one who steals a truck containing mail while it is parked on an Indian reservation may be charged with three separate crimes, i.e., theft of the mails, robbery on the Indian reservation, and the Deyer Act. These three offenses have widely varying sanctions attached to them and the choice is left to the prosecutor to charge whichever he pleases, or all three for that matter. There is no mechanism to review the prosecutor's actions;

The various Watergate offenses would not have been prosecutable federally had they not happened to occur in the District of Columbia, even though the intent was clearly to disrupt and influence a Presidential election. The new code rectifies this situation;

One section of present law punishes the breaking into a vehicle or vessel of the Post Office with a maximum penalty of three years, while breaking into a post office building carries a five year penalty;

One provision of present law punishes making a false statement to a government agency under some circumstances as a five year felony, yet another section adds an additional charge carrying a three year penalty if it happens to involve the Department of Housing and Urban Development; and

Another provision makes it a federal offense to engage in a conspiracy to deprive a citizen of his rights under the Constitution, yet there is no substantive offense actually punishing one who does deprive a person of his federally guaranteed rights.

There is, therefore, a clear need for codification in order to limit the extent to which conduct is criminalized and in order to provide notice as to what the criminalized conduct is. Our criminal law represents the most serious sanction that society can inflict upon its members. That system of sanctions ought to operate under conditions of simplicity, clarity, and fairness. The very nature of the way in which current law developed argues strongly that these essential elements have been glossed over.

The criminal law is not simple when only a trained and skilled individual can discover where it may be found. It is not clear when a common word, "willful" for example, has one meaning in one statute and a very different meaning in another, the difference depending in large part on the vagaries of the language at the time the statute was enacted and the meaning of the term to the particular legislators responsible for the legislative history. It is in some sense unfair to have vital questions of law depend for their answer upon the judicial circuit or district in which the prosecution is instituted as is the case with the corroboration requirement in rape cases, for example.

Moreover, the system is cumbersome for the prosecutor and this leads to situations which, while not violative of basic rights, are certainly undesirable if they can be avoided. New crimes must be squeezed into old statutes with the same effort as putting square pegs in round holes.

A statute designed to prevent large-scale frauds through the use of the mails must be made to fit the offense of using stolen credit cards. A law enacted to protect blacks against official oppression during the Reconstruction period is the only one available to charge National Guardsmen alleged to have wantonly taken the lives of students at Kent State. Respect for law naturally decreases when a jury, having heard evidence of a crime appearing to be murder, is charged by the judge in terms of an offense described as the deprivation of a civil right under color of law.

Revision and reform then are also vital needs within the Federal criminal structure in addition to codification. Uniformity and simplicity of approach and language lead to wider understanding of the meaning and content of the law. Elimination of anchronistic requirements and resolution of ancient and trivial differences will inevitably lead to a greater belief in the wisdom of the law and consequently a greater faith in the fundamental concept that this society is not only one of laws, but of just laws as well.

Codification could be at its simplest level a process of bringing our criminal statutes together in a single title of the United States Code with the ultimate goal of easy access to the law. But to do only this would be to deal with only one part of the problem with the federal criminal law. Since, as I have noted, there are in fact many other problems associated with our present unstructured collection of criminal statutes, the process of codification ought also to involve the joint processes of revision and reform so as to modernize and make more fair that area of law—the criminal code—in which our most basic liberties and values are sought to be preserved. Whatever may be said for or against isolated aspects of a given effort at codification, it seems clear that there exists a compelling need for the federal government to operate under a rational, just and workable criminal code and that, consequently, the concept of codification and the complementary aspects of revision and reform are objectives which the entire citizenry can and should support.

MODIFICATIONS AGREED TO IN THE BILL

Because of the size and complexity of this project, I determined when I decided to add my name as a co-sponsor in January that the first step was to instruct my staff to sit down with the staff of the Criminal Laws Subcommittee, the staffs of other interested Senators and representatives of the Justice Department and negotiate those changes which would improve the bill, but which did not involve major policy issues. The staff was also directed to isolate those policy questions for presentation to the Committee. This initial process has now been completed with the following significant modifications having been agreed to:

(1) The statute of limitations for failing to register under the selective services laws (5 years) begins to run at the time the duty to register ceases (age 26) instead of being indefinite;

(2) There is an absolute bar to trying any juvenile below the age of sixteen as an adult, eliminating the "murder" exception in S. 1.

(3) In the treason section, the constitutional requirement that conviction "include the testimony of two witnesses to the same overt act" is added;

(4) In the treason and related crimes section, the modifier "armed" was added to the term "insurrection" in order to limit its scope.

(5) In the constitutionally sensitive section which punishes inciting the overthrow of the government by force, the "clear and present danger test" was added to the statutory language; new language was added requiring "active" membership in a group which the defendant specifically knows has the intent of overthrowing the government by force or violence; and the penalty for the offense was lowered from 15 to 7 years.

(6) The sabotage section which punishes one who damages certain specific property with an intent to impair the nation's ability to make war or engage in defense activities, was modified. As the bill read, it included any property of the United States and any public facility. Language was added requiring that the property or facility be "used in, or particularly suited for use in, the national defense".

(7) The grading of the offense of evading military service was reduced from a Class D felony (7 years) to a Class E (3 years), except in time of war.

(8) In the rape section, language was added barring the requirement of corroboration of the victim's testimony, and prohibiting the introduction into evidence of the victim's prior sexual conduct.

(9) In the Ellsberg case, the government attempted to convict him under the general theft sections of Title 18 on the theory that it had a "property right" in the Pentagon Papers (aside from the value of the actual Xerox paper). Since S. 1 has sections for prosecuting the disclosure of classified information, a bar to prosecution was added in the theft sections so that a person could not be prosecuted for both.

(10) The scope of the federal riot statute was reduced by eliminating the provision which gave the federal government jurisdiction whenever the mails or a facility of interstate commerce was used to plan or carry out a riot. In addition, the definition of riot was narrowed to require "violent and tumultous conduct causing a grave danger of injury to persons or property" by at least 10 persons.

(11) In the obscenity section, the constitutional phrase requiring that the material appeal "predominantly" to the prurient interest was added.

(12) The section punishing disorderly conduct was narrowed to eliminate the following acts from the section: (a) making a loud noise; (b) using abusive or obscene language; and (e) soliciting a sexual act.

AMENDMENTS TO S. 1

While as I have indicated, I strongly support the need for codification of the criminal code, as one would expect with a project of this magnitude, there are a number of policy decisions reflected in the current draft of the bill with which I take strong exception. Accordingly, I am today proposing a number of specific changes in the statutory language.

The following are my specific proposals for modification of the draft bill. I do not mean that adoption of these amendments will satisfy all of my concerns. I have made sure that other Senators, with particular interests in specific areas, do plan to offer amendments covering other provisions with which I have a problem. Senators Kennedy and Mathias, for example, have developed special experience by virtue of hearings held last year by the Subcommittee on Constitutional Rights, Administrative Practices, and a special Ad Hoc Subcommittee of the Foreign Relations Committee in the wiretapping area. Senator Tunney has indicated a particular interest in the insanity defense. Senator Burdick, as Chairman of the Subcommittee on Penitentiaries, has amendments to the provisions relating to sentencing and parole. Senator Hart has, in the past, made a number of proposals in the area of firearms control and drug abuse. Other Senators, not on the Judiciary Committee, such as Senators Javits, Cranston, Nelson, and Moss have offered legislation which comes within the general purview of the federal criminal code.

OFFICIAL SECRETS

The sections of the Code which have drawn more public comment than any others are those relating to the control of information held by the government. This is understandable given the abuses of government secrecy over the last decade which were without precedent in our history. The sections involved are Subchapter C of Chapter 11 "Espionage and Related Offenses" and Subchapter D of Chapter 17 "Theft and Related Offenses".

The current espionage laws are contained in some twelve sections of Titles 18, 42 and 50 of the U.S. Code. Generally, these laws punish anyone who obtains a broadly defined category of information relating to defense matters with an intent that it be used to the injury of the United States or to the advantage of any foreign power. (18 U.S.C. 793 and 794) These sections have not been modified substantially since their enactment as part of the Espionage Act of 1917. Information "relating to the national defense" is not specifically defined. Communication of such information to any foreign government carries a 10 year maximum penalty. In addition, under the provisions of Section 783 of Title 50, it is a crime for a government employee to communicate any "classified" information to a foreign government. To the extent there is classified information which would not fall within the broad definition of information "relating to the national defense" there is, under current law, no provision which punishes its disclosure except to a foreign government or agent thereof. It is worth noting that the law is unsettled as to whether the publication of classified information would constitute an offense under 50 U.S.C. 783, since by virtue of its publication it obviously becomes available to foreign governments. This was an issue in the Ellsberg case but was never settled because of the outrageous government misconduct which required dismissal of that indictment.

The current draft provisions of S. 1 in part codify present law, but also contain one notable expansion. Under Section 1124 a new offense is created which punishes the disclosure of any classified information held by a government employee or government contractor to anyone not authorized to receive it.

In my view, both the current statutes and the proposals contained in the bill are inadequate, and, indeed dangerous. The crux of the problem is that they attempt to deal with what are two quite separate problems in the same statutory provisions. One concerns the government's quite legitimate interest in protecting information relating to its military capabilities from access by potential foreign enemies. The other involves the highly suspect right of the government to withhold information from its own citizens. Accordingly, the amendment I will offer has been drafted to separate, as much as possible, these two interests.

Under my proposal, it will be an offense to transfer any classified information directly to a foreign power or agent thereof with an intent to injure the United States. If the classified information so transferred is especially sensitive "vital defense secrets", which is specifically defined in the statute as relating directly to certain military capabilities, the offense is a Class A felony in time of war and a Class B felony otherwise. If the information is classified but does not fall within this special category, the penalties are substantially lowered.

The more difficult question is what type of information is so essential to the security of the United States that the government can legitimately punish its disclosure by anyone, the first amendment notwithstanding. The approach of my proposed amendment in this area is two fold: *first*, it very precisely and narrowly defines the type of information covered; and *second*, it adopts an additional requirement taken from the Supreme Court's decision in the Pentagon Papers case that the information's disclosure must pose a "direct, immediate, and irreparable harm to the security of the United States". The amendment defines these "vital defense secrets" as those which "directly concern the operation of"

(a) cryptographic information regarding the nature, preparation, use or interpretation of a code, cipher, cryptographic system, or other method used for the purpose of disguising or concealing the contents of a communication by a foreign power or by the United States;

(b) operating plans for military combat operations;

(c) information regarding the actual method of operation of weapons system;

(d) restricted data as defined in Section 11 of the Atomic Energy Act of 1954.

In effect, what this amendment does is to adopt the constitutional standard which must be met before the government can impose a prior restraint on the publication of information as being likewise the appropriate standard for the criminal law. I strongly believe that in this way we can successfully balance the public right to know and the government's responsibility "to provide for the common defense". The language for this amendment has been worked out in a series of meetings with the Reporters Committee for Freedom of the Press and a number of attorneys representing a broad cross-section of the media.

Turning to the Chapter 17 offenses, there has been concern about the assertion by the government on several occasions in recent years that it had a property interest in certain types of information, and therefore, that anyone who disseminated such information could be charged with the theft of government property. As I have indicated, these sections have now been modified to exclude all classified information from their coverage, unless obtained by illegal entry. In my view, however, this does not completely take care of the problem. I have in mind incidents like one which occurred recently when the Chairman of the Federal Reserve Board called in the FBI to investigate the disclosure of certain financial information on consumer interest rates.

It is inconsistent with constitutional principles to allow the government to assert a proprietary interest in information generally. The amendment I will propose, therefore, will explicity state that the government has no property interest in information. I might note that this is a policy which is consistent with provisions of the copyright law which we adopted fifty years ago barring any copyright to the government. At the same time, the amendment would protect under separate sections a few, very specialized categories of materials including: information submitted in patent applications; certain "trade secrets" voluntarily submitted to government agencies; some types of confidential financial data on private individuals and corporations; and grand jury minutes. The amendment also adds a similar bar to prosecution under the related offense of defrauding the government contained in Chapter 13.

Under present Federal decisional law, the defense of entrapment, like other defenses, raises an issue of the accused's guilt or innocence. Thus, a successful claim of entrapment results in an acquittal on the theory that the *accused is innocent of the crime charged*. This is true in spite of the fact that the accused may have committed the proscribed acts with the forbidden intention. In fact, such an acquittal is the consequence less of the accused's innocence than of the government's wrongdoing, for it is conceived to be contrary to the congressional intent to convict one who might not have committed the offense without the active and energetic promptings of the government.

The defense of entrapment has an "origin-of-intent" emphasis. It seeks to determine whether it was the strength and persistence of the government's urging or the accused's own pre-existing criminal intention which gave rise to the conduct constituting an offense. The defense has, therefore, come to require both that: (a) the government has engaged in activities beyond the reasonable limits of those artifices or stratagems necessary to produce evidence of criminality, and that (b) the accused was not predisposed in fact or by reason of his past conduct to engage in the prohibited conduct. These twin elements of inducement and predisposition, when joined, form the presently recognized basis for the entrapment defense.

The proposed amendment changes the existing law by giving principal significance to the inducements of the government. Entrapment is continued as a defense to a crime, but the question of the accused's predisposition is removed and the issue is framed rather in the objective terms of whether persons at large who would not otherwise have done so would have been encouraged by the government's actions to engage in crime.

CONSPIRACY

The purpose of this amendment is to attempt to substantially narrow the present law of conspiracy. The exact origin of conspiracy theory in the common law apparently is not known. While it first received legislative recognition as early as 1305, it did not reach full maturity until the 17th century, when the criminal law experienced perhaps its greatest growth, largely at the hands of the infamous Star Chamber.

The modern crime of conspiracy has been defined as "so vague that it almost defies definition". This factor has resulted in widely varying definitions of the elements of this crime.

The first part of my amendment would explicitly reject the controversial doctrine laid down in *Pinkerton* v. *United States,* 328 U.S. 640 (1946). The effect of the *Pinkerton* doctrine is that mere membership in a conspiracy is sufficient not only for criminal liability as a conspirator but also for all specific offenses committed in furtherance of it. I believe that while conspiracy law is needed, particularly in organized crime and civil rights offenses, it can be a dangerous instrument and should be carefully controlled. Some have argued for the complete abolition of the offense. I am unwilling to go this far, but I am convinced that a modification of the *Pinkerton* doctrine is necessary to keep the offense under reasonable control.

The second part of this amendment would add to the general conspiracy statute, Section 1002, the requirement that in order to involve a particular defendant in a conspiracy charge he be guilty of some specific conduct which is "substantially corroborative" of his intent to engage in one of the criminal objectives of the conspiracy. This part of the amendment is an attempt to narrow what I believe is the over-breadth of the conspiracy laws by requiring a more substantial overt act than does present law by requiring a more substantial overt act in order for the government to bring an individual within the conspiracy net. Both of these recommendations follow those of the Brown Commission.

CRIMINAL SOLICITATION

There is, at present, no federal law of general applicability which prohibits an unsuccessful solicitation to commit a crime, although a few statutes define specific offense which contain language prohibiting solicitation such as 18 U.S.C. 201 that prohibits soliciting the payment of a bribe. The problem with this offense is its inherent overbreadth. All it requires is one person asking another if he is interested in committing any criminal act.

In my view, actions which come close to being criminal are adequately covered by the reach of the attempt provision which encompasses conduct that goes beyond "mere preparation" for the commission of the crime, and by the broad sweep of the conspiracy statutes. The Brown Commission was concerned by the scope of the solicitation provision and limited it to felonies only where the defendant engaged in a specific "overt act". While this is a possible compromise position, I believe the crime of solicitation should be eliminated entirely from the Code.

IMPAIRING MILITARY EFFECTIVENESS BY FALSE STATEMENT

Section 1114 of the Bill which punishes the "impairing of military effectiveness by false statement" likewise raises serious first amendment concerns. This section punishes conduct if, in time or war, an individual "with the intent to aid the enemy or to impair, interfere with, or obstruct the ability of the United States to engage in war or defense activities, communicates a statement of fact that is false, concerning: (1) losses, plans, operations, or conduct of the military forces of the United States, of an associate nation, or of the enemy; (2) civilian or military catastrophe; or (3) any other matter of fact that, if believed, would be likely to affect the strategy or tactics of the military forces of the United States or would be likely to create general panic or serious disruption". The first amendment problem here is the danger of political prosecutions. This danger was recognized by Justice Holmes and Brandeis in their dissent in *Pierce v. United States* which affirmed the convictions of Socialist Party members in 1920 who distributed some 5,000 copies of an anti-war leaflet. The present version of the bill adopts the Holmes-Brandeis view that convictions under this section can only be sustained if the statements were, in fact, false and not expressions of opinion. The amendment that I am offering today, however, would go beyond this and require that the government show, as an element of the offense, that the defendant specifically knew that the information in this category was false when he communicated it. The government must have the ability, in time of war, to apprehend individuals who are knowingly publicizing false information concerning military matters, but the reach of the statute must be carefully circumscribed because of its closeness to rights protected under the first amendment. I believe that this amendment will provide such protections.

IMPAIRING MILITARY EFFECTIVENESS

Section 1112 of the proposed bill punishes as a felony anyone who "in reckless disregard of the risk that his conduct might impair, interfere with, or obstruct the ability of the United States or an associate nation to prepare for or to engage in war or defense activities, he engages in conduct (which) . . . damages, tampers with, contaminates, defectively makes, or defectively repairs . . . any property which (is) used in, or is particularly suited for use in, the national defense." Although this does not depart from present law, it has the potential for vast abuse in unstable times. I do not believe that reckless conduct should constitute a serious criminal offense when it involves property, even if that property can somehow be related to the national defense. Accordingly, I will move to strike this section in its entirety. If sabotage is intentional, it will be punished under Section 1111. In addition, there are provisions in Chapter 17 of the bill which punish as a Class A misdemeanor the destruction of government property.

OBSTRUCTING A GOVERNMENT FUNCTION BY PHYSICAL INTERFERENCE

This section again raises serious First Amendment concerns. As the bill now reads, it is a Class A misdemeanor for a person to "intentionally obstruct, impair, or pervert a government function by means of physical interference or obstacle." One of the most fundamental and cherished rights under the First Amendment is, of course, the right of peaceable assembly. Accordingly, any criminal offense which touches on this right must be closely circumscribed. The amendment I am recommending would add two additional clauses to this section. The first would provide a defense that would require the court to affirmatively determine that the physical interference charged was not a lawful assembly protected under the First Amendment. The second would narrow the definition of "interference" to require that the conduct disrupts an "essential" government function for a prolonged period, and in a "substantial" way.

INTERCEPTING CORRESPONDENCE

Several witnesses before the Criminal Laws Subcommittee also raised questions touching on the first amendment with regard to Section 1523 of the draft code which punishes anyone who intentionally "intercepts, opens, or reads private correspondence without prior consent." Although this section was designed only to cover actual tampering with the mails, the use of the term "reads" is overly broad. Accordingly, my amendment would limit the offense to one who "intercepts or opens private correspondence in transit."

DEMONSTRATING TO INFLUENCE A JUDICIAL PROCEEDING

This is still another section of the bill which raises serious first amendment concerns. The judicial process should, of course, be protected from undue influence. These protections must not, however, be allowed to infringe on the protected right of assembly. The draft of Section 1328 currently penalizes as a Class B misdemeanor one who "with intent to influence another person in the discharge of his duties in a judicial proceeding, pickets, parades, displays a sign, uses a sound amplifying device, or otherwise engages in a demonstration in, on the grounds of, or after notice of potential violation of this section, within 200 feet of . . . a courthouse or another building occupied by a person engaged in the discharge of judicial duties."

The amendment I offer will require a specific finding by the court that the conduct involved was not protected under the First Amendment and, in addition, would require a showing by the government that the conduct did, in fact, pose a serious threat to the integrity of the judicial process.

CRIMINAL CONTEMPT

In the common law, a judicial officer had virtually unlimited power to punish summarily any person in his courtroom whose conduct he did not like. The Congress has imposed some restraints on this power, as in Section 401 of Title 18 passed in 1831, but it remains today a glaring exception to normal due process requirements. Section 1331 codifies current law in limiting summary contempt power to a maximum penalty of six months. The draft also imposes restrictions on consecutive sentences. While it is obviously necessary for a judicial officer to be able to exercise some control over those who are participating in the judicial process, there is an obvious danger in such unbridled power. Accordingly, the amendment I am recommending would restrict summary contempt to an infraction (five days). Several other subsections of Chapter 13 including 1333—Refusing to Testify or to Produce Information; 1334—Obstructing a Proceeding by Disorderly Conduct; and 1335—Disobeying a Judicial Officer, seem to adequately cover serious disruption of the judicial process. The amendment also has the salutary result of interposing an impartial tribunal between the offending defendant and the offended judge prior to the imposition of an extended jail term. This was an alternative solution suggested by the Brown Commission.

In addition, the amendment I am recommending to the Committee would adopt language from Mr. Justice Black's opinion in *In Re McConnell* and require that the government show there was, in fact, an "actual obstruction of justice."

REFUSING TO TESTIFY BEFORE CONGRESS

The lawful committees of the Congress must, in order to properly fulfill their public duties, have the right to compel testimony. History has shown us, however, that on a few occasions this power can be subject to abuse. The draft provisions of the code raise the penalty for such refusal from a misdemeanor, as in current law, to a Class E felony. Because of the possibility of abuse, I do not believe that this increase is justified. Thus, the amendment I will propose will reduce this offense to a Class A misdemeanor.

SIGMUND ARYWITZ, IN MEMORIUM

Mr. TUNNEY. Sigmund Arywitz was known as Siggy.

He was beloved in California as a persuasive crusader for human rights and personal dignity for all Americans.

He spoke with gentle voice but with booming convictions on America and the principles of individual freedom and self-worth on which the Nation stands.

Siggy shall be sorely missed.

As executive secretary for the Los Angeles Federation of Labor since 1967, he fought for the right of working men and women to get, what he called, "their fair share of the economic system."

But he was more than a forceful labor leader.

Siggy was a person of cultivated taste and exceptional insight into all the elements that join to strengthen the community and unify our society.

He had great wisdom and compassion, and tireless energy, and he gave selflessly of his time and his talents not only to the labor movement, but to the community at large.

I enjoyed his vigorous advocacy, admired his drive and his intellect, and I was shocked at his unexpected death on Tuesday.

Siggy was born in Buffalo, N.Y., took his degree from university there, served with the Army in World War II, then settled in California.

From 1949 to 1959, he was a director for the Pacific Region of the International Ladies Garment Workers. He then became a labor commissioner for California until he became the executive secretary of the Los Angeles Federation, second only in size to the one in Los Angeles.

From time to time, he and I disagreed, and I shall always respect his unfailing civility and meticulous attention to detail when he argued for his views.

Sigmund Arywitz invariably was forthright and always incisive.

Organized labor has lost a great advocate; California and the Nation have lost a vigorous champion for social progress; and those of us who knew him have lost an esteemed friend.

FORECLOSURE RELIEF PROGRAM DEFICIENCIES

Mr. MONDALE. Mr. President, the Congress has passed and, on July 2, 1975, the President signed into law the Emergency Homeowners' Relief Act. That act contained a mechanism for providing emergency payments to homeowners faced with foreclosure due to unemployment.

As the author and original sponsor of legislative proposals to provide foreclosure relief to citizens faced with the threat of the loss of their homes, I anxiously awaited HUD's first report to congress under the act.

That report has now arrived, Mr. President, and it is truly disappointing. HUD has failed to implement the foreclosure relief program. And, Mr. President, it now appears a reasonable possibility that it may never be implemented.

After President Ford chose to veto the original Housing bill passed by Congress, which I enthusiastically supported, and efforts to override the veto failed, Congress passed compromise legislation which was acceptable to the White House.

That legislation, which became Public Law 94-50, gave the Secretary of Housing and Urban Development standby authority to provide emergency relief payments to homeowners faced with foreclosure. The legislation also required the Secretary to report to Congress within 60 days on certain specific subjects.

The Secretary was required, among other things, to report to Congress on "actions taken and actions likely to be taken with respect to making assistance under this title available to alleviate hardships resulting from any serious rates of delinquencies and foreclosures."

In the report, the Secretary does report on the steps she has taken. She has appointed a "task force of senior staff members" to develop a proposal for implementation of the relief program. The task force has reported, and the Secretary has proposed regulations which would implement the relief program.

Unfortunately, Mr. President, the Secretary's proposals are woefully deficient. First, in attempting to determine whether the emergency payments should begin, the Secretary has chosen to measure the extent of foreclosures on a national basis.

Whatever this measure may reveal about the national problem, it totally ignores pockets of severe foreclosure levels on a regional and local level.

There are dozens of areas and specific cities where foreclosure rates are running greatly above the national levels. In these locations, thousands of families are losing their shelter. Elderly citizens living on fixed incomes cannot meet mortgage payments. Young couples who purchased homes when mortgage interest rates were extremely high are losing those homes.

The Secretary's measure of the foreclosure problem ignores these pockets of foreclosure misery.

In addition, Mr. President, the Secretary has adopted a "trigger" mechanism for the implementation of the relief program which is totally unrealistic and unlikely ever to be met.

Using a complicated formula based on "a weighted average of delinquency rates published by the Veterans' Administration, the Mortgage Bankers Association of America, the American Life Insurance Association, the National Association of Mutual Savings Banks, and the U.S. League of Savings Associations," the Secretary has developed an index designed to measure the foreclosure rate.

Having developed the index, the Secretary finds the March 1975 foreclosure rate at 1.10 percent. Then, she proceeds to propose that relief payments begin when the index hits 1.20 percent.

Why the Secretary selected this level is far from clear. Why the Secretary chose to ignore the upward trend in foreclosures over the past few years is unclear.

The fact remains, however, that the "trigger" level will postpone implementation of this program, possibly for many months. In the meantime, thousands of Americans will lose their homes, thousands of families will be without shelter, and thousands of dreams will be shattered because the Secretary has concluded that "under present conditions voluntary forebearance is preferable—to the standby programs authorized by the act."

Once again, the Ford administration has shown its unwillingness to help the victims of unemployment. Once again it has shown a lack of compassion for those hurt most by this Nation's economic distress.

I wish, Mr. President, that the President could read the letters I have received from frantic Minnesotans, and citizens through the country, who are about to lose their homes. They cannot meet their mortgage payments because they are unemployed. Most are unemployed through no fault of their own.

Apparently, the White House will only help these people when matters become worse. This is indeed a sad day for the American homeowner.

Mr. President, I ask unanimous consent that a copy of the Emergency Homeowners' Relief Act and a copy of the introductory pages from the Secretary's first report to the Congress be printed in the RECORD.

There being no objection, the act and introductory pages were ordered to be printed in the RECORD, as follows:

PUBLIC LAW 94-50, 94TH CONGRESS, H.R. 5398

An Act to authorize temporary assistance to help defray mortgage payments on homes owned by persons who are temporarily unemployed or underemployed as the result of adverse economic conditions

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. That this Act may be cited as the "Emergency Housing Act of 1975".

TITLE I—EMERGENCY MORTGAGE RELIEF

SHORT TITLE

SEC. 101. This title may be cited as the "Emergency Homeowners' Relief Act".

FINDINGS AND PURPOSE

SEC. 102. (a) The Congress finds that—

(1) the Nation is in a severe recession and that the sharp downturn in economic activity has driven large numbers of workers into unemployment and has reduced the incomes of many others;

(2) as a result of these adverse economic conditions the capacity of many homeowners to continue to make mortgage payments has deteriorated and may further deteriorate in the months ahead, leading to the possibility of widespread mortgage foreclosures and distress sales of homes; and

(3) many of these homeowners could retain their homes with temporary financial assistance until economic conditions improve.

(b) It is the purpose of this title to provide a standby authority which will prevent widespread mortgage foreclosures and distress sales of homes resulting from the temporary loss of employment and income through a program of emergency loans and advances and emergency mortgage relief payments to homeowners to defray mortgage expenses.

MORTGAGES ELIGIBLE FOR ASSISTANCE

SEC. 103. No assistance shall be extended with respect to any mortgage under this title unless—

(1) the holder of the mortgage has indicated to the mortgagor its intention to foreclose;

(2) the mortgagor and holder of the mortgage have indicated in writing to the Secretary of Housing and Urban Development (hereinafter referred to as the "Secretary") and to any agency or department of the Federal Government responsible for the regulation of the holder that circumstances (such as the volume of delinquent loans in its portfolio) make it probable that there will be a foreclosure and that the mortgagor is in need of emergency mortgage relief as authorized by this title, except that such statement by the holder of the mortgage may be waived by the Secretary if in his judgment such waiver would further the purposes of this title;

(3) payments under the mortgage have been delinquent for at least three months;

(4) the mortgagor has incurred a substantial reduction in income as a result of involuntary unemployment or underemployment due to adverse economic conditions and is financially unable to make full mortgage payments;

(5) there is a reasonable prospect that the mortgagor will be able to make the adjustments necessary for a full resumption of mortgage payments; and

(6) the mortgaged property is the principal residence of the mortgagor.

LIMITS OF ASSISTANCE

SEC. 104. (a) Assistance under this title with respect to a mortgage which meets the requirements of section 103 may be provided in the form of emergency mortgage relief loans and advances of credit insured pursuant to section 105 or in the form of emergency mortgage relief payments made by the Secretary pursuant to section 106.

(b) Assistance under this title on behalf of a homeowner may be made available in an amount up to the amount of the principal, interest, taxes, ground rents, hazard insurance, and mortgage insurance premiums due under the homeowner's mortgage, but such assistance shall not exceed the lesser of $250 per month or the amount determined to be reasonably necessary to supplement such amount as the homeowner is capable of contributing toward such mortgage payment.

(c) Monthly payments may be provided under this title either with the proceeds of an insured loan or advance of credit or with emergency mortgage relief payments for up to twelve months, and, in accordance with criteria prescribed by the Secretary, such monthly payments may be extended once for up to twelve additional months. A mortgagor receiving the benefit of mortgage relief assistance pursuant to this title shall be required, in accordance with criteria prescribed by the Secretary, to report any increase in income which will permit a reduction or termination of such assistance during this period.

(d) Emergency loans or advances of credit made and insured under section 105, and emergency mortgage relief payments made under section 106, shall be repayable by the homeowner upon such terms and conditions as the Secretary shall prescribe, except that interest on a loan or advance of credit insured under section 105 or emergency mortgage relief payments made under section 106 shall not be charged at a rate which exceeds the maximum interest rate applicable with respect to mortgages insured pursuant to section 203(b) of the National Housing Act.

(e) The Secretary may provide for the deferral of the commencement of the repayment of a loan or advance insured under section 105 or emergency mortgage relief payments made under section 106 until one year following the date of the last disbursement of the proceeds of the loan or advance or payments or for such longer period as the Secretary determines would further the purpose of this title. The Secretary shall by regulation require such security for the repayment of insured loans or advances of credit or emergency mortgage relief payments as he deems appropriate and may require that such repayment be secured by a lien on the mortgaged property.

EMERGENCY MORTGAGE RELIEF LOANS AND ADVANCES

SEC. 105. (a) The Secretary is authorized, upon such terms and conditions as the Secretary may prescribe, to insure banks, trust companies, finance companies, mortgage companies, savings and loan associations, insurance companies, credit unions, and such other financial institutions, which the Secretary finds to be qualified by experience and facilities and approves as eligible for insurance, against losses which they may sustain as a result of emergency loans or advances of credit made in accordance with the provisions of section 104 and this section with respect to mortgages eligible for assistance under this title.

(b) In no case shall the insurance granted by the Secretary under this section to any financial institution on loans and advances made by such financial institution for the purposes of this title exceed 40 per centum of the total amount of such loans and advances made by the institution, except that, with respect to any individual loan or advance of credit, the amount of any claim for loss on such individual loan or advance of credit paid by the Secretary under the provision of this section shall not exceed 90 per centum of such loss.

(c) The Secretary is authorized to fix a premium charge or charges for the insurance granted under this section, but in the case of any loan or advance of credit, such charge or charges shall not exceed an amount equivalent to one-half of 1 per centum per annum of the principal obligation of such loan or advance of credit outstanding at any time.

(d) The Secretary is authorized and empowered to waive compliance with any rule or regulation prescribed by the Secretary for the purposes of this section if, in the Secretary's judgment, the enforcement of such rule or regulation would impose an injustice upon an insured lending institution which has substantially complied with such regulations in good faith. Any payment for loss made to an insured financial institution under this section shall be final and incontestable after two years from the date the claim was certified for payment by the Secretary, in the absence of fraud or misrepresentation on the part of such institution unless a demand for repurchase of the obligation shall have been made on behalf of the United States prior to the expiration of such two-year period. The Secretary is authorized to transfer to any financial institution approved for insurance under this title any insurance in connection with any loan which may be sold to it by another insured financial institution.

(e) the aggregate amount of loans and advances insured under this section shall not exceed $1,500,000,000 at any one time.

EMERGENCY MORTGAGE RELIEF PAYMENTS

SEC. 106. (a) In the case of any mortgagee which would otherwise be eligible to participate in the program authorized under section 105 but does not qualify for an advance or advances as authorized by section 113 of this title or under section 10, 10b, or 11 of the Federal Home Loan Bank Act or otherwise elects not to participate in the program authorized under section 105, the Secretary is authorized to make repayable emergency mortgage relief payments directly to such mortgagee on behalf of homeowners whose mortgages are held by such financial institution and who are delinquent in their mortgage payments.

(b) Emergency mortgage relief payments shall be made under this section only with respect to a mortgage which meets the requirements of section 103 and only on such terms and conditions as the Secretary may prescribe, subject to the provisions of section 104.

(c) The Secretary may make such delegations and accept such certifications with respect to the processing of mortgage relief payments provided under this section as he deems appropriate to facilitate the prompt and efficient implementation of the assistance authorized under this section.

EMERGENCY HOMEOWNERS' RELIEF FUND

SEC. 107. (a) (1) To carry out the purposes of this title, the Secretary is authorized to establish in the Treasury of the United States an Emergency Homeowners' Relief Fund (hereinafter in this title referred to as the "fund") which shall be available to the Secretary without fiscal year limitation—

(A) for making payments in connection with defaulted loans or advances of credit insured under section 105 of this title;

(B) for making emergency mortgage relief payments under section 106 of this title;

(C) to pay such administrative expenses (or portion of such expenses) of carrying out the provisions of this title as the Secretary may deem necessary.

(2) The fund shall be credited with—

(A) all amounts received by the Secretary as premium charges for insurance or as repayment for emergency mortgage relief payments under this title and all receipts, earnings, collections, or proceeds derived from any claim or other assets acquired by the Secretary under this Act; and

(B) such amounts as may be appropriated for the purposes of this title.

AUTHORITY OF THE SECRETARY

SEC. 108. (a) The Secretary is authorized to make such rules and regulations as may be necessary to carry out the provisions of this title.

(b) Notwithstanding any other provision of law relating to the acquisition, handling, improvement, or disposal of real or other property by the United States, the Secretary shall have power, for the protection of the interest of the fund authorized under this title, to pay out of such fund all expenses or charges in connection with the acquisition, handling, improvement, or disposal of any property, real or personal, acquired by the Secretary as a result of recoveries under security, subrogation, or other rights.

(c) In the performance of, with respect to, the functions, powers, and duties vested in the Secretary by this title, the Secretary shall—

(1) have the power, notwithstanding any other provision of law, whether before or after default, to provide by contract or otherwise for the extinguishment upon default of any redemption, equitable, legal, or other right, title in any mortgage, deed, trust, or other instrument held by or held on behalf of the Secretary under the provisions of this title; and

(2) have the power to foreclose on any property or commence any action to protect or enforce any right conferred upon the Secretary by law, contract, or other agreement, and bid for and purchase at any foreclosure or other sale any property in connection with which assistance has been provided pursuant to this title. In the event of any such acquisition, the Secretary may, notwithstanding any other provision of law relating to the acquisition, handling, or disposal of real property by the United States, complete, remodel and convert, dispose of, lease, and otherwise deal with, such property. Notwithstanding any other provision of law, the Secretary also shall have power to pursue to final collection by way of compromise or otherwise all claims acquired by him in connection with any security, subrogation, or other rights obtained by him in administering this title.

AUTHORIZATION AND EXPIRATION DATE

SEC. 109. (a) There are authorized to be appropriated for purposes of this title such sums as may be necessary, except that the funds authorized to be appropriated for section 106 shall not exceed $500,000,000. Any amounts so appropriated shall remain available until expended.

(b) No loans or advance of credit shall be insured and no emergency mortgage relief payments made under this title after June 30, 1976, except if such loan or advance or such payments are made with respect to a mortgagor receiving the benefit of a loan or advance insured, or emergency mortgage relief payments made, under this title on such date.

NOTIFICATION

SEC. 110. (a) Until one year from the date of enactment of this title, each Federal supervisory agency with respect to financial institutions subject to its jurisdiction, and the Secretary, with respect to other approved mortgagees, shall (1) take appropriate action, not inconsistent with laws relating to the safety or soundness of such institutions or mortgagees, as the case may be, to waive or relax limitations pertaining to the operations of such institutions or mortgagees with respect to mortgage delinquencies in order to cause or encourage forebearance in residential mortgage loan foreclosures, and (2) request each such institution or mortgagee to notify that Federal supervisory agency, the Secretary, and the mortgagor, at least thirty days prior to instituting foreclosure proceedings in connection with any mortgage loan. As used in this title the term "Federal supervisory agency" means the Board of Governors of the Federal Reserve System, the Board of Directors of the Federal Deposit Insurance Corporation, the Comptroller of the Currency, the Federal Home Loan Bank Board, the Federal Savings and Loan Insurance Corporation, and the National Credit Union Administration.

REPORTS

SEC. 111. Within sixty days after enactment of this title and within each sixty-day period thereafter prior to July 1, 1976, the Secretary shall make a report to the Congress on (1) the current rate of delinquencies and foreclosures in the housing market areas of the country which should be of immediate concern if the purposes of this title is to be achieved; (2) the extent of, and prospect for continuance of, voluntary forebearance by mortgagees in such housing market areas; (3) actions being taken by governmental agencies to encourage forebearance by mortgagees in such housing market areas; (4) actions taken and actions likely to be taken with respect to making assistance under this title available to alleviate hardships resulting from any serious rates of delinquencies and foreclosures; and (5) the current default status and projected default trends with respect to mortgages covering multifamily properties with special attention to mortgages insured under the various provisions of the National Housing Act and with recommendations on how such defaults and prospective defaults may be cured or avoided in a manner which, while giving weight to the financial interests of the United States, takes into full consideration the urgent needs of the many low- and moderate-income families that currently occupy such multifamily properties.

NONAPPLICABILITY OF OTHER LAWS

SEC. 112. Notwithstanding any provision of law which limits the nature, amount, term, form, or rate of interest, or the nature, amount, or form of security of loans or advances of credit, loans, or advances of credit may be made in accordance with the provisions of this title without regard to such provision of law.

FEDERAL DEPOSIT INSURANCE CORPORATION ADVANCES

SEC. 113. Notwithstanding any other provision of law, the Federal Deposit Insurance Corporation is authorized, upon such terms and conditons as the Corporation may prescribe, to make such advances to any insured bank as the Corporation determines may be necessary or appropriate to facilitate participation by such bank in the program authorized by this title. For the purpose of obtaining such funds as it determines are necessary for such advances, the Corporation may borrow from the Treasury as authorized in section 14 of the Federal Deposit Insurance Act (12 U.S.C. 1824; 64 Stat. 890), and the Secretary of the Treasury is authorized and directed to make loans to the Corporation for such purpose in the same manner as loans may be made for insurance purposes under such section, subject to the maximum limitation on outstanding aggregate loans there provided.

TITLE II—AMENDMENTS TO THE EMERGENCY HOME PURCHASE ASSISTANCE ACT OF 1974

ACTIVATION OF PROGRAM

SEC. 201. Section 313(a)(1) of the National Housing Act is amended by inserting "or other economic conditions" immediately after "governmental actions".

LIMITATION ON INTEREST RATE

SEC. 202. Section 313(b)(C) of the National Housing Act is amended to read as follows:

"(C) such mortgage involves an interest rate not in excess of that which the Secretary may prescribe, taking into account the cost of funds and administrative costs under this section, but in no event shall such rate exceed the lesser of (i) 7½ per centum per annum, or (ii) the rate set by the Secretary applicable to mortgages insured under section 203(b) of the National Housing Act, and no State or local usury law or comparable law establishing interest rates or prohibiting or limiting the collection or amount of discount points or other charges in connection with mortgage transactions or any State law prohibiting the coverage of mortgage insurance required by the Association shall apply to transactions under this section;".

GUARANTEE AUTHORITY

SEC. 203. Section 313(d)(1) of the National Housing Act is amended—

(1) by striking out "purchased" in the first sentence and inserting "eligible for purchase" in lieu thereof; and

(2) by inserting after the first sentence the following: "Such securities shall bear interest at a rate equal to the rate on the underlying mortgages less an allowance for servicing and other expenses as approved by the Association.".

FEDERAL FINANCING BANK FINANCING

SEC. 204. Section 313(d)(2) of the National Housing Act is amended by striking out the first sentence and inserting in lieu thereof the following: "The Association may offer and sell any mortgages purchased or securities guaranteed under this section to the Federal Financing Bank, and such Bank is authorized and directed to purchase any such mortgages or securities offered by the Association.".

COVERAGE OF MULTIFAMILY AND CONDOMINIUM UNITS

SEC. 205. Section 313 of the National Housing Act is amended by adding the following new subsection at the end thereof:

"(h) Notwithstanding the provisions of subsection (b), the Association may make commitments to purchase and purchase, and may service, sell (with or without recourse), or otherwise deal in, a mortgage which covers more than four-family residences (including residences in a cooperative or condominium), or a single-family unit in a condominium, and which is not insured under the National Housing Act or guaranteed under chapter 37 of title 38, United States Code, if—

"(1) in the case of a project mortgage, the principal obligation of the mortgage does not exceed, for that part of the property attributable to dwelling use, the lesser of (A) the per unit amount specified in subsection (b)(B), or (B) the per unit limitations specified in section 207 of this Act in the case of a rental project or section 213 of this Act in a case of a cooperative project, or section 234 in the case of a condominium project;

"(2) in the case of a mortgage covering a housing project, the outstanding principal balance of the mortgage does not exceed 75 per centum of the value of the property securing such mortgage or is insured by a qualified private insurer or public benefit corporation created by the State which acts as an insurer as determined by the Association;

"(3) in the case of a mortgage covering an individual condominium unit, the mortgage is insured by a qualified private insurer or public benefit corporation created by the State whch acts as an insurer as determined by the Association or has an outstanding principal balance which does not exceed 80 per centum of the value of the property securing the mortgage;

"(4) the mortgage is not being used to finance the conversion of an existing rental housing project into a condominium project or to finance the purchase of an individual unit in a condominium project in connection with the conversion of such project from rental to condominium form of ownership; and

"(5) the mortgage meets the requirements of subsection (b) except as modified by this subsection and any additional requirements the Secretary may prescribe to protect the interest of the United States or to protect consumers.".

AUTHORIZATION

SEC. 206. Section 313(g) of the National Housing Act is amended by adding the following at the end thereof: "Such total amount shall be increased on or after the date of enactment of the Emergency Housing Act of 1975, by such amount as is approved in an appropriation Act, but not to exceed $10,000,000,000, and the Association shall not issue obligations pursuant to this section utilizing authority which is conferred by this sentence or which is conferred by the first sentence of this subsection but uncommitted on October 18, 1975, except as approved in appropriation Acts.".

EXTENSION

SEC. 207. Section 3(b) of the Emergency Home Purchase Assistance Act of 1974 is amended—

(1) by striking out "for a period of one year following such date of enactment" and inserting in lieu thereof "until July 1, 1976"; and

(2) by striking out "the expiration of such period" each place it appears and inserting in lieu thereof "such date".

TITLE III—EMERGENCY REPAIR AND REHABILITATION AUTHORITY

SEC. 301. (a) Section 312(h) of the Housing Act of 1964 is amended by striking out "one-year" and inserting in lieu thereof "two-year".

(b) Section 312(d) of such Act is amended by inserting "ending prior to July 1, 1975, and not to exceed $100,000,000 for the fiscal year beginning on July 1, 1975," after "each fiscal year".

SEC. 302. Section 518(b) of the National Housing Act is amended—

(1) by striking out "one or two" and inserting in lieu thereof "one, two, three, or four"; and

(2) by striking out "one year" the second time it appears in clause (1) of the first sentence of such section and inserting in lieu thereof "19 months".

SEC. 303. Section 202(b) of the Flood Disaster Protection Act of 1973 is amended by inserting before the period at the end thereof a comma and the following: "except that the prohibition contained in this sentence shall not apply to any loan made prior to January 1, 1976, to finance the acquisition of a previously occupied residential dwelling".

FIRST REPORT TO THE CONGRESS ON THE EMERGENCY HOMEOWNERS' RELIEF ACT

I. INTRODUCTION

Section 111 of the Emergency Homeowners' Relief Act ("the Act"), signed by the President on July 2, 1975, requires that the Secretary of Housing and Urban Development report to Congress within sixty days after enactment and within each sixty-day period therafter. This is the first such report.

The Act is premised on a Congressional finding that current economic conditions, including the high level of unemployment and reduced incomes, have reduced the capacity of many homeowners to continue to make mortgage payments. The Congress further determined that the capacity of homeowners to make such payments may deteriorate further in the months ahead, possibly leading to widespread mortgage foreclosures and distress sales of homes. To prevent such widespread foreclosures and distress sales, the Act directs HUD and the Federal agencies which supervise lending institutions to encourage forbearance in residential mortgage loan foreclosures. In addition, the Act provides standby authority for assistance to homeowners suffering from temporary loss of employment and income through programs of emergency loans and advances and emergency mortgage relief payments.

On July 11, 1975, after consultation within the Department, the Secretary established a task force of senior staff members to coordinate with other Federal agencies and to design the procedures for implementing the standby programs authorized by this Act. This report, which reflects the efforts of the task force, includes a description of the actions which HUD and the Federal supervisory agencies have taken or intend to take to encourage voluntary forbearance, a tentative description of standby mortgage relief programs, and a discussion specifically addressing the items enumerated in Section 111 of the Act.

The Department believes that under present conditions voluntary forbearance is preferable, as a method of preventing widespread foreclosures, to the standby programs authorized by the Act. Based on the evidence discussed below, it is the Department's view that such voluntary forbearance has prevented widespread residential mortgage loan foreclosures. It is not clear whether this voluntary forbearance is the result of governmental action or simply reflects a prudent judgment on the part of lenders that their interests are better served by forbearing when a temporarily unemployed or underemployed borrower shows promise of being able eventually to become current on his mortgage.

The task force has developed a measure of mortgagor distress which would indicate when voluntary forbearance will no longer suffice. If this index should show a danger of widespread foreclosures and if consultation with other Federal agencies should confirm this danger, the Secretary would implement the standby programs described in this report.

MARTINA NAVRATILOVA AT FOREST HILLS

Mr. KENNEDY. Mr. President, one of the most dramatic moments of the U.S. Open Tennis Championships at Forest Hills this year took place off the playing courts—the decision of Martina Navratilova, the women's tennis star from Czechoslovakia, to request political asylum in the United States.

Ms. Navratilova announced her decision in an interview, televised nationally between the end of the women's doubles finals last Sunday and the beginning of the men's singles finals. Anyone who watched the interview saw a fresh and moving testament to America's immigrant tradition and the two centuries' old attraction this country holds for men and women of all ages in other lands.

Mr. President, I think all of us join in welcoming Ms. Navratilova to this country and in wishing her well in her future tennis career. I ask unanimous consent that a news article from the Washington Post and a sports column from the New York Times, describing her decision, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post Sept. 8, 1975]

CZECH DEFECTOR CITES FREEDOM

(By Thomas Boswell)

FORREST HILLS, N.Y., Sept 7—Martina Navratilova, the 18-year-old Czech tennis star who has asked for political asylum in the United States, said today that she decided to defect primarily "for my tennis" but also stressed "freedom."

Navratilova, who has been assured by U.S. officials that her request for asylum, made Friday, will be processed routinely and that she will be permitted to stay seemed almost giddy with delight as she answered questions during an hour-long news conference here.

She joked about being ready to play for the United States in the Wightman Cup and said, "I doubt if I'll be on Czech TV so much now."

The Wightman is a U.S.-British tennis tournament for women.

Navratilova, dressed in blue jeans, held her news conference before the men's finals at the U.S. Open Championships, won by Manuel Orantes.

Conpeting in the Open, Navratilova played in the semifinals and was beaten by Chris Evert, 7–5, 6–1. She is the women's second-leading money winner, behind Evert, with $141,168 so far this year.

For the past year the Czech Sports Federation has restricted Navratilova's playing time outside Europe, insisted that she continue school, limited her commercial endorsements and forbade her to play lucrative World Team Tennis.

"Once I got too famous, I had to behave perfectly," she said. "They did not even want me to play at Forest Hills this week. I was supposed to stay home and read about it in the newspapers."

Navratilova indicated that furthering her tennis career was not necessarily the only motive behind her defection.

"Any American who complains about this country should go to Europe, or anywhere in the world for two years," she said quite heatedly. "You don't know what you've got here."

What was that, she was asked, tennis?

"Freedom," she replied.

The Czech government, and Navratilova's many friends on the U.S. tour have thought about her possible defection for more than a year. Navratilova said she was one of the last to consider it.

"My government thought I was getting too Americanized," she said, "being friends with Billie Jean (King) and Chris (her doubles partner here) and spending more time here than in Europe."

She said Czechoslovakia had extracted 20 per cent of her winnings in the form of taxes through the Wimbledon tournament in July.

She discussed her problem several times with her parents, she said. "They said it was my life, and I had to make my own decision."

Informed of Navratilova's decision, her grandfather, contacted in Prague, said, "Oh, the little idiot. Why did she do that?"

During her news conference Navratilova's hands trembled but her voice was steady. When she discussed her family, she was near tears.

"I can talk to my parents on the phone every day if I want," said the popular left-hander, who describes her personality on and off the tennis court as "a little wild and unpredictable."

"My father is my stepfather, so he should be able to get out of the country to see me play eventually," she said. "When my mother is older and on pension, then perhaps she can come, too."

How long will it be before she can return to her home town of Bernice, a village near Prague? "Who knows," she said.

Navratilova is the fourth internationally known athlete to defect from Czechoslovakia. The first was tennis player Jaroslov Drobny, who defeated Ken Rosewall for the Wimbledon title in 1954; then Olga Fikotova, an Olympic champion discus thrower, and Milan Holecek, a top-ranking tennis player of the 1960s.

Drobny played as a stateless person for a number of years, at one point representing Egypt, and is now a British citizen. Holecek, after his stateless period, is now a citizen of West Germany.

Fikotova, who married American Olympic champion Harold Connolly, carried the U.S. flag in the 1968 Olympics in Mexico City.

Navratilova went to a New York City office of the Immigration and Naturalization Service Friday and asked for asylum. A spokesman for the service said processing of her application "will be very routine."

The spokesman added, "She's from a Communist country. If she wants to stay here, she'll be permitted to stay."

A Justice Department spokesman said Navratilova was told her "request would be taken under advisement and she would be allowed to remain in this country pending a decision on her request."

"The decision is made by the district commissioner of the immigration service in New York City after a review of the matter," the spokesman said. "Sometimes there is some background checking."

[From the New York Times, Sept. 8, 1975]

THE AMERICANIZATION OF MARTINA

(By Dave Anderson)

Once they were the tired and the poor waving at the Statue of Liberty as they arrived, the women huddled in shawls. Martina Navratilova doesn't fit that immigrant image. In discussing her decision to defect to the United States from Czechoslovakia, the 18-year-old tennis player displayed yesterday the casual rewards of having earned nearly $140,000 in prize money this year. She carried a Gucci shoulder bag and she wore Gucci loafers. She had on a thin brown sweater over a blue shirt and blue jeans.

SPORTS OF THE TIMES

On her left wrist was an expensive gold watch, on her right several gold bracelets. She was shepherded by a Virginia Slims public relations person. Her manager has a Beverly Hills, Calif., address. All around her was the proper atmosphere of the West Side Tennis Club, where Manuel Orantes of Spain would shock Jimmy Connors for the men's singles title in the United States Open tournament. With her money and stature, she indeed had become "too Americanized," as Czech tennis officials had complained. Too Americanized for them. But not for her. She's young and independent, not tired and poor, but she wanted what millions of immigrants before her wanted, she wanted what Czechoslovakia would not grant her.

"I wanted freedom," she said simply.

The price was high. Her stepfather, mother and 12-year-old sister remain in Revnice, outside Prague, where she learned to play tennis.

"My father is my coach," she said, then added quickly, "he was my coach."

THE $10 PIZZA

She sounded unconcerned about reprisals against her family, saying, I don't think my family is in any trouble now." But it could be. Not that she didn't have her family's approval.

"They told me," she said, "whatever you decide is all right, it's your life."

Until nearly two years ago, the Iron Curtain limited her knowledge of life beyond it. But after joining the women's tour in the United States, she discovered freedom. She also discovered pancakes and hamburgers and pizza. After a late match once, she had a pizza delivered to the locker room.

"Cost me $10," she said, "but it was worth it."

Another time she plugged her tape-recorder into the loudspeaker system so that the words of Elton John could accompany her warmup.

But what she really was discovering was herself. In losing to Chris Evert, the eventual women's champion, in the semifinals, Martina wore a flowery dress.

"It's like my personality," she said. "Wild."

Too wild for the Czech tennis officials to tame. They ordered her to return from America earlier this year. Eventually she complied. The officials wanted her to compete in Europe more. Others were offended because she didn't socialize with them more at the Wimbledon tournament.

At a sturdy 5 feet 8 inches and 145 pounds, she projects strength on the tennis court. But in applying for a temporary resident permit that the State Department has granted, she showed her inner strength. She even had defied the Czech officials in competing at Forest Hills.

"I don't have a boy friend here, that is not the reason," Martina said. "And my decision was not based on money at all."

Of her United States earnings, she disclosed that the Internal Revenue Service takes 30 per cent; the Czech tennis association takes 20 per cent.

"I didn't mind that," she said, "That is like taxes."

Her earnings now will be increased by an opportunity to play World Team Tennis with the Cleveland franchise.

"They wouldn't let me play W.T.T. this year," she said.

THE DEMONSTRATORS, THEY'RE CRAZY

Her tanned face appears impassive but her close friend, Chris Evert, has called her very sensitive, tennis means a lot to her." Enough to defect. But she was asked if she had chosen America for America, or for its tennis opportunities.

"Both," she said thoughtfully.

"Why do some Americans complain?"

"Because they don't know what they've got," she said. "Anybody that complains about life here should go to Europe and they would understand. Go to a Communist country, go to a Socialist country. They would understand then. And they complain it is so expensive here, let them go to France and see. All the demonstrators here, they're crazy."

"Will you go to school here?" she was asked.

She laughed. "What for?" she said, smiling.

She was a senior in high school last year but with her tennis talent, her profession

is established. She hopes to settle in the Los Angeles area eventually but until then she will be a tennis vagabond, traveling to a different tournament virtually every week.

"I will just play the tour," she said, "whenever I want and wherever I want."

And for Martina Navratilova, that is the ultimate definition of freedom.

THE FORD-MEANY AGREEMENT ON GRAIN SALES TO THE SOVIET UNION

Mr. HUMPHREY. Mr. President, the agreement reached yesterday by President Ford and Mr. George Meany of the AFL-CIO marks a very positive step toward the creation of a national food policy for the United States.

I would like to bring to the attention of my colleagues the actual text of the agreement, and I ask unanimous consent that it be printed in the Record.

There being no objection, the agreement was ordered to be printed in the Record, as follows:

STATEMENT

(1) The purchase by the Soviet Union of wheat and feed grains in the United States has been highly erratic over the years. The following table shows these purchases for recent years, including purchases to date for the 1975–76 season:

(In millions of metric tons)

Years	*Feed Grains*	*Wheat*	*Total*
1971–72	2.8	0.0	2.8
1972–73	4.2	9.5	13.7
1973–74	3.4	2.7	6.1
1974–75	.8	1.0	1.8
1975–76 (to date)	5.8	4.4	10.2

The considerable variation in large bulk purchases by a single state trading company contrasts with the more steady purchases of these grains by such customers as commercial enterprises in Japan and Western Europe. Because these purchases are highly variable and uncertain, American farmers have not been able to count on this market in their planting intentions to the extent they have on other foreign purchasers. Moreover, highly volatile and unpredictable purchases emerging after the crop planting tend to contribute to price instability.

(2) It would contribute materially to the interests of the American farmer, workers in the transportation industries and American consumers, as well as be in the interests of our customers abroad, if we could develop a longer-term and more certain purchase understanding with the Soviet Union, providing among other features for certain minimum purchases.

(3) It will take some time to explore the possibilities of a long-term agreement. The country must have a new procedure for the sale of feed grains and wheat to such a large state purchaser as the Soviet Union. I am sending representatives to the Soviet Union at once. I am also establishing a Food Committee of the Economic Policy Board/National Security Council in my office to monitor these developments.

(4) We have already sold a volume of wheat and feed grains which will take four to six months to ship at maximum rates of transportation operations. Accordingly, there is no immediate necessity to decide about further future sales at this time, and I am extending the present moratorium on sales to the Soviet Union until mid-October when additional information on world supplies and demands is available. This extended period should provide the opportunity to negotiate for a long-term agreement with the Soviet Union.

(5) Under these circumstances, I am requesting the longshoremen to resume voluntarily the shipping of American grain while these discussions go forward, and the matter can be reassessed in the middle of October.

(6) It will be necessary to complete the negotiations over shipping rates in order to make it possible for American ships to carry wheat and to assure that at least one-third of the tonnage is carried in American ships, as provided by the agreement with the Soviet Union which expires on December 31, 1975, which is also under renegotiation.

Mr. HUMPHREY. Mr. President, the Ford-Meany agreement on Soviet grain purchases begins to deal with the fundamental issue of how to control large and often unexpected Soviet intervention in our market which in the past has contributed to price instability and disruption of our business with more regular customers.

The aim of the agreement reached yesterday is to begin to develop a Soviet-American commercial relationship in the field of wheat and feed grain commerce which could be based on a long-term agreement. Any such agreement could include not only minimum purchases but the exchange of vitally needed agricultural information which is not currently available, thereby adding uncertainty and volatility to the problem.

At long last, the White House is coming to grips with the difficult issues presented by the large Russian purchases.

The sending of American officials to the Soviet Union to begin discussions is a positive sign. The creation of a food committee within the structure of the National Security Council is badly needed in view of our past inability to evaluate the economic and foreign policy impact of the Russian purchases.

Mr. Meany has said to the President and to the American people that before further sales are made to the Soviet Union we should assess the economic and foreign policy consequences of our actions—that we must "Stop, Look and Listen."

I am hopeful that we are at last moving toward the development of a food export policy which will be in the best interest of both producers and consumers. I must add that as part of this new initiative, I believe that the President and the Secretary of Agriculture must recognize the need for the creation of a national grain reserve which would work as an integral part of a new export policy. We need a natural food policy that goes beyond just selling. We must provide for our national needs and our export sales.

FREEDOM OF INFORMATION ACT: PENDING CASES

Mr. KENNEDY. Mr. President, almost every day the press carries a story resulting from information made available because of the Freedom of Information Act. Both the press and the general public are using the law to obtain information about Government programs, policies, and problems. And this is just what Congress had in mind when enacting the 1974 Freedom of Information Act amendments last fall, which give the public speedier, surer access to Government files.

There are, of course, a number of areas where Congress exempted certain information from mandatory release under the Freedom of Information Act. The act reflects a sensitivity to personal privacy, Government law enforcement activities, business trade secrets, and other material where there is a legitimate and overriding public interest in withholding the information from public dissemination. Nonetheless, agencies are still denying requests for information in many instances where the only justification seems to be to avoid embarrassment to the Government. With the stronger procedures built into the law by the 1974 amendments, however, cases involving disregard of the information law are more apt to wind up in court for their ultimate resolution.

Because so many actions have been brought in the courts challenging agency withholding of information, it is useful for Congress, agencies, and members of the public who are concerned with implementation of the Freedom of Information Act to keep track of the cases in litigation. Duplicative litigation might in some instances be avoided, and pending arguments might provide further clarification of the Government's current position on specific substantive information issues. I thus requested the Civil Division of the Department of Justice to provide me with a list of pending cases filed under the Freedom of Information Act, so that this information might be made available to all those interested in the subject. The list contains a brief description of the records in issue and the status of the case; it also includes those cases handled by the Civil Division where private plaintiffs are seeking to enjoin a Federal agency from releasing information. Cases handled by the agency—such as those involving the National Labor Relations Board—or by the Tax Division, involving Internal Revenue Service records, are not included.

Mr. President, so that this list might be made generally available to lawyers, agencies, congressional offices, and others who follow Government information policies and practices, I ask unanimous consent that the Justice Department list of pending freedom of information suits be printed in the Record.

There being no objection, the list was ordered to be printed in the Record, as follows:

A LIST OF SUITS FILED UNDER 5 U.S.C. 552 HANDLED BY THE CIVIL DIVISION PENDING AS OF MAY 1, 1975 OR FILED THEREAFTER

1. *Gilbert A. Cuneo and Herbert L. Fenster* v. *Robert S. McNamara and William B. Petty*, Civil Action No. 1826–67, D.D.C. (Defense Contract Audit Manual) (Status: Defendants' Motion for Summary Judgment granted, January 1972). (Remanded by Court of Appeals, September 1973). (Petition for rehearing denied by Court of Appeals, October 1973). (Petition for a writ of certiorari denied March 1974) (Order setting schedule for further proceedings entered by District Court, June 1974). (Order appointing special master subsequently entered by District Court; petition for writ of mandamus denied by Court of Appeals and appeal dismissed, pending on petition for writ of certiorari).

2. *Grumman Aircraft Engineering Corp.* v. *The Renegotiation Board,* Civil Action No. 1595–68, D.D.C. (Complaint alleges that the defendant Renegotiation Board refused to make available certain records for inspection and copying by plaintiff involving the adjudication of renegotiation cases for numerous listed companies). (Status: Government's Motion to Dismiss or, in the Alternative, for Summary Judgment granted November 4, 1968; March 1970, reversed and remanded by Court of Appeals; Opinion on remand filed April 26, 1971; July 3, 1973, Court of Appeals affirmed decision on remand) (Petition for rehearing denied by Court of Appeals) (Petition for writ of certiorari subsequently granted by Supreme Court).

3. *Edward Irons* v. *Schuyler,* D.D.C., Civil Action No. 75–70 (Plaintiff seeks "manuscript decisions" from Patent Office) (Status: Order dated October 23, 1970, required Patent Office to maintain index of unpublished manuscript decisions and otherwise granted defendant's Motion to Dismiss) (Affirmed and remanded by Court of Appeals June 15, 1972) (Plaintiff's petition for a writ of certiorari denied by Supreme Court, December 18, 1972). (Order on remand filed January 1974) (Plaintiff is appealing from the District Court decision on remand and has filed a petition for a writ of certiorari with the Supreme Court which has been denied).

4. *Laurent Alpert, et al.* v. *Farm Credit Administration,* D.D.C., Civil Action No. 446–70 (Plaintiffs seek certain Farm Credit Administration loan records) (Status: Defendant's Motion for Summary Judgment granted June 1972). (Plaintiffs have appealed).

5. *David B. Lilly Corp., et al.* v. *Renegotiation Board,* D.D.C., Civil Action No. 2055–70. (Suit to obtain records allegedly pertinent to pending administrative proceedings and to restrain the proceeding). (Status: Preliminary injunction restraining administrative proceedings entered August 1970). (Affirmed by Court of Appeals, July 1972). (Court of Appeals decision reversed by Supreme Court, February 1974) (Plaintiff's motion for summary judgment granted, September, 1974) (Notice of Appeal filed).

6. *Harold Weisburg* v. *General Services Administration, et al.,* D.D.C., Civil Action No. 2569–70. (Suit allegedly under 5 U.S.C. 552 to order the National Archives to permit plaintiff to examine the clothing worn by President Kennedy at the time of his assassination, to permit plaintiff to photograph same, and to declare transfer agreement void). (Status: Dismissed, June 1971). (Plaintiff has appealed).

7. *Mary Helen Sears* v. *Schuyler,* E.D. Va., Civil No. 521–70–A. (Suit to obtain access to all abandoned U.S. patent applications). (Status: Decision favorable to defendant entered April 1973). (Affirmed by Court of Appeals, August, 1974). (Plaintiff, a petition for a writ of certiorari has been denied).

8. *Ash Grove Cement Company* v. *Federal Trade Commission, et al.,* D.D.C. Civil Action No. 1298–71. (Plaintiff seeks a variety of documents allegedly pertinent to pending administrative proceedings before the Federal Trade Commission). (Status: Order partially favorable to defendants and partially ordering further proceedings entered October 24, 1973). (Plaintiff has appealed). (Further order entered December 1973, which granted defendants' renewed Motion for Summary Judgment).

9. *Reuben B. Robertson, III v. Shaffer, et al.,* D.D.C., Civil Action No. 1970–71. (Plaintiff seeks documents known as Mechancial Analysis Program Report and System Worthiness reports from Federal Aviation Administration). (Status: Order entered October 31, 1972 granting access to records involved "upon terms and conditions no more burdensome than those which are imposed upon persons connected with the airline industry"). (Affirmed by Court of Appeals, May 1974). (Petition for rehearing *en banc* denied, July 1974) (Defendants' petition for writ of certiorari granted by Supreme Court).

10. *Andre J. Theriault, et al.* v. *United States of America,* C.D. Calif., Civil Action No. 71–2384–AAM. (Plaintiffs seek Aircraft Accident Board Report prepared by Air Force). (Order favorable to plaintiffs entered July 1972). (Reversed and remanded by Court of Appeals, September 1974).

11. *Center for National Policy Review on Race and Urban Issues, et al.* v. *Richardson,* D.D.C., Civil Action No. 2177–71. (Plaintiffs seek information relating to activities regarding racial segregation in northern public school systems). (Status: Memorandum Order generally favorable to plaintiffs filed December 8, 1972, reversed by Court of Appeals, May 1974). (Plaintiff has subsequently moved for summary judgment in District Court).

12. *Edward K. Devlin* v. *Department of Treasury, etc.,* D.D.C., Civil Action No. 205–72. (Plaintiff seeks customs' records on entry of certain whiskey into the United States). (Status: Defendant's Motion to Dismiss or, in the Alternative, for Summary Judgment granted). (Appeal by plaintiff pending).

13. *John J. Wild* v. *United States Department of Health, Education and Welfare, et al.,* Minn., Civil Action No. 4–72 Civil 130. (Plaintiff seeks various Public Health records, including correspondence and evaluations). (Status: Answer filed and Defendants' Motion to Dismiss or, in the Alternative, for Summary Judgment pending).

14. *National Parks and Conservation Association, et al.* v. *Morton, et al.,* D.D.C., Civil Action No. 436–72. (Plaintiffs seek financial information submitted by applicants for concession in National Parks). (Status: Defendants' Motion for Summary Judgment granted). (Reversed and remanded by Court of Appeals, April 1974). (Petition for rehearing *en banc* subsequently denied) (Proceedings on remand pending in District Court).

15. *Michael T. Rose* v. *Department of the Air Force, et al.,* S.D. N.Y., Civil Action No 72 Civ. 1605. (Plaintiff seeks (1) "case summaries of honor hearings maintained" by the Air Force Academy; (2) "case summaries of ethics hearings maintained in the Academy's Ethics Code Reading Files"; and (3) "a complete copy of a study of resignations from the Air Force by Academy graduates"). (Status: Court rendered decision in December 1972 sustaining nondisclosure of case summaries and ordering disclosure of study of resignations). (Remanded for further proceedings by Court of Appeals, March 1974). (Petition for rehearing *en banc* denied June 1974) (Petition for writ of certiorari granted by Supreme Court).

16. *Peter H. Schuck* v. *Butz,* D.D.C., Civil Action No. 956–72. (Plaintiff seeks "all credit reports and investigatory reports prepared by the Office of the Inspector General" of the Department of Agriculture "concerning compliance by any USDA agency, or any recipient of USDA assistance, with the Civil Rights Act"). (Status: Defendant's Motion to Dismiss or, in the Alternative, for Summary Judgment pending). (Defendants appealed after certain documents were ordered released in the course of District Court proceedings and the Court of Appeals remanded the case for further proceedings, November, 1974).

17. *Catherine Rabbitt* v. *Department of the Air Force,* S.D. N.Y., Civil Action No. 72 Civ. 2323. (Plaintiff seeks Aircraft Accident Report compiled by Air Force.) (Status: Order favorable to plaintiff entered, November 1974) (Further motions pending in District Court).

18. *Lee S. Kreindler* v. *Department of the Navy,* S.D. N.Y., Civil Action No. 72 Civ. 2053. (Plaintiff seeks Aircraft Accident Report and "JAG Manual Investigation Report"). (Status: Order partially favorable to plaintiff entered January 1974). (Further motions pending in District Court).

19. *People of the State of California* v. *Richardson,* N.D. Calif., Civil Action No C–72–1514–AJZ. (Plaintiffs seek "Extended Care Facility Certification Reports on California nursing homes"). (Status: Defendant's Motion for Summary Judgment granted, November 28, 1972). (Affirmed by Court of Appeals) (Petition for writ of certiorari filed)

20. *Lee S. Kreindler* v. *Department of the Air Force, etc.* S.D. N.Y., Civil No. 72 Civ. 4207. (Plaintiff seeks Aircraft Accident Investigation Report prepared by Air Force). (Status: Answer filed).

21. *Robert G. Vaughn* v. *Bernard Rosen,* D.D.C., Civil Action No. 1753–72. (Plaintiff seeks report known as Evaluation of Personnel Management and certain special studies, etc., from the Civil Service Commission for the 1969–1972, inclusive, fiscal years). (Status: Court of Appeals' decision reversed district court decision favorable to defendant and remanded case for further proceedings, August 1973). (Petition for rehearing denied by Court of Appeals, October 1973). (Petition for writ of certiorari denied March 1974) (Summary judgment motions filed by plaintiffs and by defendants each granted and denied in part by District Court on remand, October 1974). (Notice of Appeal filed).

22. *Heidi Packer* v. *Kleindienst, et al.,* D.D.C., Civil Action No. 1988–72. (Plaintiff seeks copies of the audit report of the Massachusetts Committee on Law Enforcement and Administration of Criminal Justice for 1971; and the audit report of the Administration of Justice for 1971). (Status: Summary Judgment granted for defendants, July 13, 1973). (Remanded for further proceedings by Court of Appeals, April 1974) (Order favorable to plaintiff entered, July, 1974) (Notice of appeal filed).

23. *Porter County Chapter of the Izaak Walton League of America, Inc., et al.* v. *United States Atomic Energy Commission,* N.D. Ind., Civil Action No. 72 H 251. (Plaintiffs seek documents allegedly relating to AEC proceedings regarding granting of a permit for the construction of a nuclear power plant on the shore of Lake Michigan in Porter County, Indiana). (Status: Order entered June 26, 1974 setting aside prior Order). (Plaintiffs' further motions filed in District Court have been denied). (Plaintiffs have appealed).

24. *Peter J. Petkas* v. *Staats,* D.D.C, Civil Action No 2238–72 (Plaintiff seeks documents "which disclose the current costs accounting practices of certain corporations which participate in government defense contracting.") (Status: Defendant's Motion for Summary Judgment granted, August 23, 1973). (Reversed and remanded by Court of Appeals July, 1974).

25. *Allen Weinstein* v. *Kleindienst, et al.,* D.D.C, Civil Action No 2278–72. (Plaintiff seeks records allegedly in the custody of the FBI concerning its investigation of Alger Hiss and Whittaker Chambers during the period 1933 through 1952 inclusive). (Status: Defendants' Motion to Dismiss or, in the Alternative, for Summary Judgment pending).

26. *Anchorage Building Trades Council* v. *Department of Housing and Urban Development,* D. Alaska, Case No. A–184–72 Civ. (Plaintiff seeks to examine certified payrolls on a construction project known as the Woodside East Project). (Status: Order favorable to defendants entered, November, 1974). (Plaintiff has appealed).

27. *Rural Housing Alliance* v. *United States Department of Agriculture, et al.,* D.D.C., Civil Action No. 2460–72. (Plaintiff seeks alleged report prepared by the Office of Inspector General, Department of Agriculture in response to allegations of admin-

istrative abuses committed by the Farmers Home Administration in Palm Beach and Martin Counties, Florida). (Status: Order partially favorable to plaintiff entered). (Court of Appeals reversed and remanded for further proceedings, June 1974; Court of Appeals' decision modified, July 1974) (Plaintiffs' Petition for rehearing *enbanc* subsequently denied) (Presently pending on defendants' motion for summary judgment).

28. *Frederick P. Schaffer* v. *William P. Rogers,* D.D.C., Civil Action No. 2520–72. (Plaintiff seeks investigation reports on conditions of prisoner-of-war camps in South Vietnam by the International Committee of the Red Cross from the Department of State.) (Status: Defendant's Motion for Summary Judgment granted, October 1973). (Reversed and remanded for further proceedings, October, 1974).

29. *Center for Science in the Public Interest, et al.* v. *Ruckelshaus,* D.D.C., Civil Action No. 2567–27. (Plaintiffs seek documents regarding certain brands of gasoline additives which were submitted to the Environmental Protection Agency by manufacturers). (Status: Defendant's Motion to Dismiss or, in the Alternative, for Summary Judgment pending).

30. *David L. Brockway* v. *Department of the Air Force,* N.D. Iowa, Civil Action No. 73–C–11–CR. (Plaintiff seeks portions of Aircraft Accident Investigation Report). (Status: Order partially favorable to plaintiff entered, February 1974). (Notice of Appeal filed).

31. *Aviation Consumer Action Project* v. *Civil Aeronautics Board,* D.D.C., Civil Action No. 413–73. (Plaintiff seeks CAB "decision" submitted to the President on proposed airline merger). (Status: Defendant's Motion to Dismiss granted July 13, 1973). (Reversed and remanded by Court of Appeals, September 1974 and presently pending on defendant's Renewed Motion for Summary Judgment).

32. *Gerald A. Robbie* v. *Department of the Air Force,* S.D. N.Y., Civil Action No. 73 Civ. 1031. (Plaintiff seeks Air Force Accident Investigation Report). (Status: Answer filed).

33. *Consumers Union of United States, Inc.* v. *Richard G. Kleindienst,* D.D.C., Civil Action No. 921–73. (Plaintiff seeks documents relating to communications between the Department of Justice and two companies concerning the companies' proposed merger.) (Status: Memorandum Order requiring further proceedings entered, May 1974.)

34. *Pacific Architects & Engineers, Inc.* v. *The Renegotiation Board,* D.D.C., Civil Action No. 918–73. (Plaintiff seeks, *inter alia,* the raw data, analyses and information upon which the Western Regional Renegotiation Board allegedly made certain findings and seeks to restrain pending administrative proceedings.) (Status: Order entered August 21, 1973.) (Reversed and remanded for further proceedings by Court of Appeals, October 1974.)
(Proceedings pending on remand.)

35. *Washington Research Project, Inc.* v. *Department of Health, Education and Welfare, et al.,* D.D.C., Civil Action No. 1270–73. (Plaintiff seeks records pertaining to award of eleven research grants sponsored by the Psychopharmacology Research Branch of the National Institutes of Mental Health.) (Status: Order favorable to plaintiff entered, November 1973.) (Reversed in part by Court of Appeals, September, 1974.) (Plaintiff has filed a petition for a writ of certiorari.)

36. *National Wildlife Federation* v. *Claude S. Brinegar, et al.,* D.D.C., Civil Action No. 1269–73. (Plaintiff seeks to require defendants to publish certain information with respect to the Federal-Aid Highway Program.) (Status: Defendants' Motion to Dismiss pending.)

37. *Consumers Union of United States, Inc., et al.* v. *Board of Governors of the Federal Reserve System, et al.,* U.S.D.C. D.D.C., Civil Action No. 1766–73. (Plaintiffs seek certain data regarding interest rates charged by banks in California.) (Status: Plaintiffs' Motion for Summary Judgment granted May 31, 1974.) (Remanded by Court of Appeals for further proceedings, November, 1974.)

38. *Sam H. Bennion* v. *United States Geological Survey, et al.,* D. Idaho, Civil Action No. CIV 47342 (Plaintiff seeks copies of applications for preference purchasing of crude oil, contracts written, preference waxers, production records of all crude oil produced on federal owned lands in Wyoming, copies of bid results, monthly reports of operations and correspondence and memoranda relative to exchange agreements). (Status: Answer filed).

39. *Aviation Consumer Action Project, et al.* v. *Langhorne Washburn, et al.,* D.D.C., Civil Action No. 1838–73 (Plaintiffs seek, *inter alia,* certain Commerce Department records relating to future plans and programs of the United States Travel Service). (Status: Order favorable to plaintiffs entered September 10, 1974).

40. *Faye P. Seller* v. *Department of Transportation, Federal Aviation Administration,* W.D. Mo., Civil Action No. 73 CV 143–C (Plaintiff seeks copies of reports, records and documents involved in FAA decision to deny plaintiff a third class Airman's Medical Certificate). (Status: Defendant's Motion to Dismiss or, in the Alternative, for Summary Judgment pending) (Decision favorable to plaintiff entered, March, 1975).

41. *Weisberg* v. *United States General Services Administration,* D.D.C., Civil Action No. 2052–73 (Plaintiff seeks the transcript of the January 27, 1964 executive session of the Warren Commission). (Status: Pending on Defendant's Motion to Dismiss or, in the Alternative, for Summary Judgment).

42. *Robert M. Brandon* v. *Arthur F. Sampson, et al.,* D.D.C., Civil Action No. 73–2232. (Plaintiff seeks copies of prepresidential papers of President Nixon from the General Services Administration). (Status: Defendants' Motions for Summary Judgment granted, April 1974). (Plaintiff has appealed).

43. *Save the Dolphins* v. *United States Department of Commerce,* N.D. Calif., Civil Action No. C–74–OU26CBR. (Plaintiff seeks to obtain a motion picture film made by the National Marine Fisheries Service). (Status: Answer filed and pending on Defendant's Amended Motion for Summary Judgment).

44. *Mobile Oil Corp.* v. *Federal Trade Commission, et al.,* S.D.NY., Civil Action No. 74 Civ. 311. (Plaintiff seeks all communications between the FTC and members of Congress, State and Federal government agencies pertaining to petroleum supplies, shortages, allocations, etc.). (Status: Defendants' Motion to Dismiss or, in the Alternative, for Summary Judgment pending).

45. *The United Telephone Co. of Pennsylvania* v. *Federal Communications Commission,* M.D. Pa., Civil Action No. 74–96. (Plaintiff seeks copies of documents allegedly pertinent to FCC proceeding regarding a certificate of convenience and necessity to construct and operate cable facilities in Hanover, Pennsylvania). (Status: Plaintiff has appealed from denial of preliminary injunction).

46. *Clarence M. Ditlow* v. *Schultz,* D.D.C., Civil Action No. 74–302. (Plaintiff seeks customs declaration forms completed by all persons who entered the United States by air from points in Asia/Australia/Australasia between May 1, 1973 and September 1, 1973). (Status: Defendant's Motion for Summary Judgment granted July, 1974) (Plaintiff has appealed).

47. *Country Club Bank of Kansas City* v. *Smith, W. D.* Mo., Civil Action No. 74 CV 73–W–3. (Plaintiff seeks post hearing Recommendations and Conclusions of the Regional Administrator of National Banks relating to an application to open a branch bank). (Status: Answer filed).

48. *Sidney Wolfe* v. *Weinberger,* D.D.C., Civil Action No. 74–454 (Plaintiff seeks transcripts of meetings of a Food and Drug Administration advisory committee known as the Over-the-Counter Antacid Drugs Review Committee). (Status: pending on defendant's motion to dismiss or, in the alternative, for summary judgment and plaintiff's motion for summary judgment).

49. *Mimi Cutler, et al.* v. *Civil Aeronautics Board,* D.D.C., Civil Action No. 74–8 (Plaintiffs seek certain reports submitted to airlines regarding proposed schedule reductions). (Status: Memorandum and Order requiring further proceedings entered April 3, 1974) (Order partially favorable to plaintiffs entered June, 1974) (on appeal).

50. *Yamaha International Corp., et al.* v. *Federal Trade Commission, et al.,* D.D.C., Civil Action No. 74–475 (Plaintiffs seek material relating to FTC investigation entitled "In the Matter of Yamaha International Corporation, a corporation, and Batsford Ketchum, Inc.," File No. 724 3075). (Status: Answer filed).

51. *Reuben B. Robertson, III* v. *Department of Defense,* et al., D.D.C., Civil Action No. 74–644 (Plaintiff seeks to obtain certain civil rights compliance reports submitted by General Motors Corp. to the Department of Defense). (Status: Pending in District-Court pursuant to Court Order providing for further proceedings).

52. *Ralph Nader, et al.* v. *Ray, et al.,* D.D.C., Civil Action No. 74–670 (Plaintiffs seek, *inter alia,* copies of portions of minutes of meetings of the Advisory Committee on Reactor Safeguards of the Atomic Energy Commission). (Status: Answer filed).

53. *Founding Church of Scientology of Washintgon, D.C. Inc.* v. *Kelley, et al.,* (Plaintiff seeks various records allegedly relating to it from the FBI and the Treasury Department). (Status: Defendants' Motion for More Definite Statement granted).

54. *Paul B. Owens* v. *U.S. Bureau of Prisons,* D.D.C., Civil Action No. 74–78 (Plaintiff, an inmate at a federal penitentiary, seeks various documents relating to him). (Status: Defendants' Motion for Summary Judgment granted June 1974) (Plaintiff has appealed).

55. *Donald L. Johnson* v. *Secretary of HEW,* N.D. Calif., Civil Action No. C 74 1201 CBR (Plaintiff seeks documents allegedly showing medical experimentation on humans). (Status: Motion to dismiss pending).

56. *Exxon Corp* v. *F.T.C.,* D.D.C., Civil Action No. 1928–73 (Plaintiff seeks copy of report prepared for the Commissioner on the gasoline shortage and certain communications on the subject of petroleum) (Status: Decision favorable to defendants entered August, 1974) (Plaintiff has appealed).

57. *Cecil D. Andrus* v. *Butz,* D. Idaho, Civil Action No. 174 128 (Plaintiff seeks "regional wilderness recommendations" prepared by the Department of Agriculture regarding the Idaho Primative Area and Salmon River Breaks Area) (Status: Order partially favorable to plaintiff entered, August, 1974).

58. *Potlatch-Forests, Inc.* v. *United States of America, et al.,* W.D. Arkansas, Civil Action No. ED–74–35–C (Plaintiff seeks an appraisal allegedly prepared for the Corps of Engineers on plaintiff's land) (Status: Dismissed).

59. *Eugene A. Ellis* v. *Ottina,* D.D.C., Civil Action No. 74–927 (Plaintiff seeks records requests of the Assistant Secretary of HEW for Administration and Management) (Status: dismissed).

60. *John Bodner, et al.* v. *Federal Trade Commission, et al.,* D.D.C., Civil Action No. 74–1189 (Plaintiffs seek documents related to rulemaking proceeding for the establishment of a trade regulation rule relating to the posting of research octane ratings on gasoline dispensing pumps) (Status: Decision rendered largely favorable to defendants, March, 1975).

61. *Diapulse Corp. of America* v. *Food and*

Drug Administration, E.D. N.Y., Civil Action No. 73–C–1315 (Plaintiff seeks documents relating to it from FDA) (Status: On remand to District Court following entry of Supplemental Opinion by Court of Appeals on June 18, 1974).

62. *Theodore Zimmerman* v. *The United States Government, et al.,* D. N.J., Civil Action No. 74–1227 (Plaintiff seeks to obtain information and an affidavit relating to an alleged invention by plaintiff) (Status: Defendants' Motion to Dismiss granted December, 1974).

63. *Robert Brandon* v. *General Services Administration,* D.D.C., Civil Action No. 74–1210 (Plaintiff seeks access to certain records relating to a "special referral unit" from GSA) (Status: dismissed by stipulation).

64. *S. E. Prescott* v. *The United States,* C.D. Calif., Civil No. CV 75–1053–AAH(G), (Plaintiff alleges that he is entitled to answers to two questions) (Status: Decision favorable to defendants entered October, 1974; plaintiff has appealed).

65. *Richard (Dick) Stone* v. *Export-Import Bank of the United States, et al.,* N.D. Fla., Civil No. TCA 74–129 (Plaintiff seeks a copy of a particular credit agreement entered into between the Export-Import Bank and The Bank for Foreign Trade of the U.S.S.R.) (Status: Defendants' Motion to Dismiss, or in the Alternative for Summary Judgment pending).

66. *Association of Academy Instructors, Inc.* v. *Federal Aviation Administration,* W.D. Okla., Civil No. Civ–74–774–C (Plaintiff seeks a publication known as the Academy Instructor Study). (Status: Pending on defendant's motion for summary judgment).

67. *Control Data Corporation* v. *Federal Trade Commission, et al.,* D. Minn., Civil No. 4–74–412 (Plaintiff seeks records relating to administrative proceeding before the FTC and regarding vocational schools) (Status: Pending on cross-motions for summary judgment).

68. *John P. Henry v. Ridgway, et al.,* E.D. Michigan, Civil No. 4–72313 (Plaintiff seeks access to FBI files allegedly compiled under his name) (Status: Defendants' Motion to Dismiss or, in the alternative, for summary judgment pending).

69. *Michael N. Mervin* v. *Bonfanti,* D. D.C., Civil No. 74–1348 (Plaintiff seeks HEW records containing negative information about the plaintiff with regard to his application for the position of Hearing Examiner) (Status: Answer filed).

70. *Norman T. Ollestad* v. *Kelley, et al.,* C.D. California. No. CV 74 2486LTL (Plaintiff seeks alleged personnel records concerning him maintained by the FBI) (Status: Answer filed).

71. *James D. Oree* v. *U.S. Bureau of Prisons, et al.,* E.D. Ill., Civil No. 74–76–E (Plaintiff seeks portions of his "prison file") (Status: Defendants' Motion to Dismiss pending).

72. *Ralph Nader* v. *Baroody,* D. D.C. Civil No. 74–1675 (Plaintiff seeks, *inter alia,* the charter of a group meeting to advise the White House of insurance concerns; Federal Register notices of meetings; written determinations to close a meeting; minutes of such meetings; and other documents available to participants at the meetings, and a list specifying the time, date and place of future meetings). (Status: Answer filed).

73. *S.P.A. Caropelli* v. *Dent, et al.,* E.D. La. Civil No. 74–3251 (Plaintiff seeks to obtain specified export licenses, a cargo manifest, export declaration and a vessel's foreign clearance from the Commerce Department) (Status: Answer filed.)

74. *Church of Scientology of California* v. *United States Department of Justice, et al.,* C.D. California Civil No. CV 74–3550 F. (Plaintiff seeks materials obtained by the Drug Enforcement Administration relating to the plaintiff's activities and records of communications between DEA and foreign or domestic police authorities relating to plaintiff or similarly named alleged entities) (Status: Answer filed).

75. *William Tobin* v. *Department of Justice,* N.D. III. Civil No. 74 C 3583 (Plaintiff seeks all notes, memoranda etc. relating to certain antitrust matters and litigation involving a bedding manufacturer from the Antitrust Division of the Justice Department).

76. *Program Funding Inc.* v. *Brennan, et al.,* W.D. N.Y. Civil No. Civ.–74–566 (Plaintiff seeks various materials allegedly relating to denial of a funding request submitted by it to the Department of Labor for funding a plan for job training for economically disadvantaged persons in New York State). (Status: Answer filed and preliminary injunction denied).

77. *Edward A. Kohn, et al.* v. *United States Department of Agriculture, et al.,* D. D.C. Civil No. 75–0053 (Plaintiffs seek a report prepared by the Office of Inspector General of the Department of Agriculture regarding allegations directed at the Mississippi State Office of the Farmers Home Administration) (Status: summons issued).

78. *Paul Lawrence, et al.* v. *General Service Administration,* D. Mass., Civil No. 75–168–7 (Plaintiff seeks records which directly or indirectly relate to preparation of a draft environmental impact statement regarding a proposed John Fitzgerald Kennedy library-museum complex) (Status: summons issued).

79. *Melvin H. T. Cole, M.D.* v. *United States Department of Justice, et al.,* D. Conn., Civil No. N 75–5 (the Complaint seeks information allegedly obtained in the course of an FBI investigation concerning plaintiff) (Status: summons issued).

80. *Lenard Wallace Nolen, Sr.* v. *Schlesinger,* M.D. Ga. Civil No. 75–22–MAC (Plaintiff seeks his medical service records) (Status: summons issued).

81. *Cornelius H. Edge* v. *United States of America,* N.D. Ill., Civil No. 75–C–254 (Plaintiff seeks documents allegedly pertinent to any collateral attack of his conviction) (Status: Defendants Motion to Dismiss pending).

82. *The Journal-Courier, et al.* v. *The United States Department of Labor,* D. Conn., Civil No. N–75–28 (Plaintiffs seek a list of all persons enrolled in CETA, Title I or III, summer 1974 youth programs administered by the City of New Haven, Conn.) (Status: summons issued).

83. *Firestone Tire & Rubber Co.* v. *United States Department of Labor, et al.,* D. D.C. Civil No. 75–0183 (Plaintiff seeks documents considered by OSHA in connection with regulations (promulgated October 4, 1974) limiting occupational exposure to vinyl chloride) (Status: summons issued).

84. *Charles O. Porter* v. *Central Intelligence Agency,* D. Oregon, Civil No. 75–156. (Plaintiff seeks copies of alleged CIA investigatory file and other records relating to him (Status Answer filed).

85. *John Doe* v. *Acree,* D. D.C. Civil No. 75–0257 (Plaintiff seeks data allegedly included in the Treasury Enforcement Communications System concerning him) (Status: summons issued).

86. *Harold Weisberg* v. *United States Department of Justice, et al.,* D. D.C. Civil No. 75–0226 (Plaintiff seeks spectrographic analysis made by the FBI for the Warren Commission and, from the Energy Research and Development Administration, tests allegedly performed by the Atomic Energy Commission for the Warren Commission or on its behalf in connection with the investigation into President Kennedy's assassination) (Status: summons issued).

87. *Yolando Cano Almeida* v. *Chapman,* N.D. Ill., Civil No. 75C416 (Plaintiff seeks copies of all documents and reports upon which the Immigration and Naturalization Service based a decision to reprimand plaintiff) (Status: summons issued).

88. *Robert S. Cooper Jr.* v. *Department of the Navy, et al.,* M.D. La., Civil No. 75–69 (Plaintiff seeks a Navy Aircraft Accident Investigation Report) (Status: summons issued).

89. *Waterman Heights Nursing Home Inc., et al.* v. *Weinberger, et al.,* D. R.I., Civil No. 750063 (The Providence Journal Co. is seeking to intervene in an action seeking to enjoin disclosure of certain Medicare cost reports and seeks to file a cross-claim against the Secretary of HEW to obtain the reports) (Status: Motion to Intervene pending).

90. *Maxwell Broadcasting Corp* v. *Federal Bureau of Investigation,* N.D. Texas, Civil No. 3–75–0318–F (Plaintiff seeks *inter alia,* all records relating investigation of activities of any personnel of the Texas National Guard from 1973 to the present and all records which relate to the subject matter or disposition of the requested records) (Status: Summons issued).

91. *Vanessa Ruiz* v. *Bedell,* D. D.C., Civil No. 75–0465 (Suit challenging regulations providing fees for record searches published by the International Trade Commission) (Status: Summons issued).

92. *Stencel Aero Engineering Corp.* v. *Department of the Air Force, et al.,* N.D. Calif., Civil No. C75–0586 SAW (Plaintiff seeks a document entitled "Suggestion", No. FTC–44–72, allegedly with the subject matter of "stiffener rise deflector") (Status: Summons issued).

93. *Dean Francis Pace* v. *Lynn,* C.D. Calif., Civil No. CV–75–1167 RJK (Plaintiff seeks a copy of the Defense Contract Audit Manual) (Status: Summons issued).

94. *William B. Richardson* v. *Young, et al.,* W.D. Pa., Civil Action No. 75–298 (Plaintiff seeks information concerning receipts, expenditures and other budgetary data of the Central Intelligence Agency) (Status: Answer filed).

95. *William B. Richardson* v. *J. T. Spahr,* W.D. Pa., Civil No. 75–297 (Plaintiff seeks to obtain information concerning receipts, expenditures and other budgetary data of the Central Intelligence Agency—the defendant in this suit is a Treasury Department official) (Status: Answer filed).

96. *Thomas G. Manos* v. *Taylor, et al.,* M.D. Pa., Civil No. 75–150 (Plaintiff seeks access to his entire central prison file in suit against the Bureau of Prisons) (Status: Summons issued).

97. *Margaret Oglesby* v. *United States Army ROTC Instructor Group,* M.D. Tenn., Civil No. 75–074–NA–CV (Plaintiff seeks access to the contents of any file which defendant might have on her, including any notes, correspondence, reports, evaluations or other records) (Status: Summons issued).

98. *Lenard Wallace Nolen, Sr.* v. *Schlesinger, et al.,* M.D. Ga., Civil No. 75–22–NAC (Plaintiff seeks *inter alia* to have access to all of his military service records).

FOIA CASES—APRIL, 1975

Philip Kete, et al. v. *Hampton, et al.,* D. D.C., Civil No. 75–0543 (Plaintiffs seek to obtain evaluation reports, status reports and reports of special investigations regarding the OEO Community Services Administration prepared by the Civil Service Commission Staff after March 30, 1972, and all reports regarding political clearance of Schedule A attorneys by any Federal agency) (Status: Summons issued).

Bernard Fensterwald, Jr. v. *United States C.I.A.,* E.D. Va., Civil No. 75–282–A (Plaintiff seeks alleged CIA security files and any other records of any sought which relate to him.) (Summons dated April 15, 1975).

Richard J. DeFina v. *Federal Bureau of Investigation, et al.,* E.D. N.Y., Civil No. 75 C 591 (Plaintiff seeks, inter alia, records relating to him compiled by the FBI, Department of Justice, Drug Enforcement Administration, and the Veterans Administration).

Nichijo Shaka v. *Veterans Administration*, D. Hawaii, Civil No. 75–0118 (Plaintiff seeks all records relating to the granting or denial of forfeiture of plaintiff's Veterans benefits). (Complaint filed April 23, 1975).

Military Audit Project v. *Kettles, et al.*, (Plaintiff seeks all monthly annual reviews performed by the Defense Contract Audit Agency at Lockheed, Georgia from 1965 to the present pertaining to the allocation of Government facilities and production plant as between commercial and government work and DCAA regular reports in annual reviews pertaining to inter-company cost transcripts from 1966 to the present between Lockheed, California and Lockheed, Georgia for purposes of performing the C5A project). (Summons dated April 30, 1975).

Richard S. Kaye v. *Arthur F. Burns*, S.D. N.Y., Civil Action No. 75 CIV 1873 (Plaintiff seeks a summary of a meeting and a particular letter concerning the acquisition by a corporation of certain additional offices for the Board of Governors of the Federal Reserve System). (Status: Summons issued).

FOIA CASES—MAY, 1975

Morton H. Halperin v. *Department of State*, D. D.C. Civil Action No. 75–0674 (Plaintiff seeks a copy of the "Background Press Conference of the Secretary of State, December 3, 1974") (Summons dated May 1, 1975)

Morton H. Halperin v. *National Security Council, et al.*, D. D.C. Civil Action No. 75–0675 (Plaintiff seeks a document allegedly listing the numbers and titles of all National Security Council Studies Memoranda issued since 1969) (Status: Complaint dated May 1, 1975)

Morton H. Halperin v. *William H. Colby*, D. D.C., Civil Action No. 75–0676 (Plaintiff seeks the file allegedly containing the Central Intelligence agency budget authority for fiscal year 1976 and the file containing the statement of expenditures for public money by the CIA for fiscal year 1974) (Status: Summons dated May 1, 1975)

Morton H. Halperin v. *William H. Colby*, D. D.C., Civil Action No. 75–0677 (Plaintiff seeks a report allegedly on CIA domestic activities sent by the Director of the Central Intelligence Agency to the President) (Status: Summons dated May 1, 1975)

Falcon Enterprises, Inc. v. *Federal Trade Commission, et al.*, W. D. Mo., Civil Action No. 75 Civ. 296–W–4 (Plaintiff seeks, *inter alia*, various documents relating to pending FTC proceedings). (Action filed April 30, 1975 and dismissed from the Bench May 7, 1975)

Thomas F. Deuel, MD, et al. v. *Dunlop*, D. D.C., Civil Action No. 75–0682 (Plaintiffs seek a variety of information relating to denial of an application for a labor certification sought by plaintiffs for a live-in Housekeeper or Maid from the Department of Labor). (Status: Summons dated May 1, 1975)

David R. Merrell, et al. v. *Federal Open Market Committee of the Federal Reserve System*, D. D.C., Civil Action No. 75–0736 (Plaintiffs seek release of records of policy actions taken at Federal Open Market Committee Meetings without delay). (Status: Summons dated May 8, 1975)

Washington Research Project Inc. v. *U.S. Department of H.E.W., et al.*, D. D.C., Civil Action No. 75–0743 (Plaintiff seeks certain research plans and progress reports relating to grant applications for research approved by NIH) (Status: Summons issued May 9, 1975)

Michael H. Hrynko, et al. v. *Crawford*, E.D. Pa., Civil Action No. 75–582 (Plaintiffs seek copies of their payroll earnings transcripts). (United States Attorney served April 24, 1975—Complaint filed February 27, 1975)

Richard J. DeFina v. *Kelley*, S.D.N.Y., Civil Action No. 75 Civ. 2119 (Plaintiff seeks a copy of his file from the FBI, disclosure of the file and $1,000,000.00 in damages). (Status: Summons dated May 5, 1975)

Wallace H. Campbell, et al. v. *U.S. Civil Service Commission*, D. Colo., Civil Action No. 75–494 (Plaintiffs seek a personnel information evaluation report on the ERL/NOAA Boulder Laboratories). (Status: Summons issued May 8, 1975)

Dennis LeRoy Hagen v. *U.S. Army Reserve Center*, Superior Court, State of Arizona, Maricopa County, Case No. C312055 (Plaintiff seeks all records relating to him and two attempts to have him placed on active duty and damages). (Summons dated April 28, 1975 and plaintiff's Motion to Dismiss dated May 7, 1975)

Emile de Antonio v. *Colby, et al.*, D.D.C., Civil Action No. 75–0761 (Plaintiff seeks disclosure of certain files in Central Intelligence Agency's possession relating to him and to three specified films). (Status: Summons dated May 12, 1975)

Consumers Union of United States, Inc. et al. v. *Consumer Products Safety Commission, et al.*, D.C., Civil Action No. 75–0705. (Plaintiffs seeks documents submitted by television set manufacturers to the CPSC concerning television-related accidents and resulting from CPSC processing of such submitted documents). (Status: Summons issued)

Juanita J. Worthen v. *Resor, et al.*, W.D. Ky., Civil Action No. 75–0037P(G) (Plaintiff seeks a report of the Board of Investigation of the Corps of Engineers concerning a fatal accident of plaintiff's husband. (Status: Summons dated May 6, 1975)

SCM Corp. v. *Schlesinger*, N.D. Ill., Civil Action No. 75–C–1430 (Plaintiff seeks the Defense Contract Audit Manual, documents relating to a number of specified contracts or audit reports. (Status: Summons issued May 6, 1975)

Gregory Ellsworth v. *Mittendorf*, N.D. Calif., Civil Action No. C–75–0914 WTS (Plaintiff seeks relief, including, *inter alia*, release of the identity of an alleged informer who provided information which allegedly resulted in a decision by the Navy to separate him from the military. (Status: Summons dated May 8, 1975)

Edward E. Lucas v. *Goodemont, et al.*, E.D. Mich., Civil Action No. 5–70695 (Plaintiff seeks information from the files of Farmers Home Administration, Howell, Michigan). (Status: Summons dated April 21, 1975)

Chesapeake-Portsmouth Broadcasting Corp. v. *FCC*, D.D.C., Civil Action No. 75–0787 (Plaintiff seeks a copy of a specific administrative complaint filed with the FCC). (Status: Summons dated May 15, 1975)

LeRoy Collier v. *United States of America*, E.D. Mich., Civil Action No. 5–70151 (Plaintiff seeks documents which he alleges are pertinent to any collateral attack he may interpose against a particular criminal conviction). (Status: Summons received by U.S. Attorney's Office on April 29, 1975)

Carl Ott v. *Levi, et al.*, E.D. Mo., Civil Action No. 75–440C(1) (Plaintiff seeks records pertaining to files at a Veterans' Administration Hospital in 1954). (Status: Summons dated May 15, 1975)

Orange County Vegetable Improvement Cooperative Association, Inc. v. *Department of Agriculture*, D.D.C. Civil Action No. 75–0842 (Plaintiff seeks an alleged opinion of the General Counsel of the Department of Agriculture interpreting Public Law No. 93–237). (Summons dated May 23, 1975)

Karen A. Kroll v. *Department of Housing and Urban Development, et al.*, E.D. Mich., Civil Action No. 570917 (Plaintiff challenges fees for duplication of records). (Status: Summons dated May 16, 1975)

Encyclopedia Britannica, Inc. v. *FTC*, N.D. Ill., Civil Action No. 75–C–1669 (Plaintiff seeks materials allegedly pertaining to pending FTC administrative proceedings and an injunction restraining the proceeding). (Status: Summons dated May 23, 1975; TRO denied by District Court and Stay denied by Court of Appeals)

Richard J. DeFina v. *Williams, et al.*, S.D.N.Y., Civil Action No. 75–2362 (Plaintiff seeks, *inter alia*, material deleted from documents supplied to him by the Civil Service Commission, Bureau of Personnel Investigations). (Status: Summons dated May 19, 1975)

FOIA CASE LIST—JUNE, 1975

Bernard Fensterwald, Jr. v. *CIA*, D. D.C., Civil Action No. 75–0897 (Plaintiff seeks the complete computer print-out on five persons who were involved in the CIA investigation of the assassination of President Kennedy) (Status: Summons dated June 2, 1975)

Retail Credit Company v. *FTC*, D. D.C., Civil Action No. 74–0895 (Plaintiff seeks documents relating to the FTC's investigation and production of an administrative proceeding involving plaintiff and relating to the Credit Reporting Industry) (Status: Summons dated June 2, 1975)

Association of National Advertisers, Inc. v. *FTC, et al.*, D. D.C., Civil Action No. 75–0896 (Plaintiff seeks documents pertaining to a proposed trade regulation rule for food advertising) (status: Summons dated May 30, 1975)

Philadelphia Newspapers, Inc. et al. v. *U.S. Department of Justice, et al.*, E.D. Pa., Civil Action No. 75–1523 (Plaintiff seeks information submitted by individuals to Parole Board regarding a particular application for parole) (Status: Summons filed May 31, 1975)

Robert H. McManus v. *Faver*, D. Colo., Civil Action No. 75–596 (Plaintiff seeks notices of possible violation and related materials on certain cases from the Federal Energy Administration) (Status: Summons dated June 2, 1975)

Billy Gayle Henry v. *Kelley*, E.D. Va., Civil Action No. 243–72–N (Plaintiff seeks information relative to the criminal investigation of a case to which he was a party) (Status: Complaint received from plaintiff June 3, 1975)

Stephen W. Salant v. *Levi, et al.*, D. D.C., Civil Action No. 75–0909 (Plaintiff seeks five rolls of 35mm camera film that allegedly played a roll in the indictment and conviction of perjury of Alger Hiss) (Status: Summons dated June 5, 1975)

Robert Thomas Wood v. *CIA*, M.D. Fla., Civil Action No. 75–366–CIV–T–K (Plaintiff seeks documents which would allegedly clarify the CIA's connection with the publication of two specified books) (Status: Summons dated June 2, 1975)

Joseph W. Mathews v. *Defense Contract Audit Agency*, N.D. Ala., Civil Action No. 75–G–0649–S (Plaintiff seeks certain specified contracts and materials pertaining thereto and information in the financial file of a particular company and certain other materials) (Status: Summons dated May 29, 1975)

Peter H. Irons v. *Levi*, D. Mass., Civil Action No. 75–2215–T (Plaintiff seeks two FBI reports entitled Soviet Espionage Activities; a communication from the FBI to the Secretary of State; records relating to an interview held between Whittaker Chambers and the FBI Special Agents on December 3 or 4, 1948; access to all rolls of microfilm relating to the Alger Hiss case and any records relating to the attempts to determine the authenticity of said microfilm; all records relating to or reflecting on a specified individual during a specified period; records relating to a typewriter and of documents thought to be owned or possessed by Alger Hiss and relating thereto; and certain State Department documents relating to Alger Hiss allegedly in the possession of the Department of Justice) (Status: Summons dated June 5, 1975)

S. D. C. Development Corp. v. *Weinberger,* C.D. Calif., Civil Action No. CV 75–1799–IH (Plaintiff seeks a copy of a specified set of computer tapes and challenges the price for making said tapes available) (Status: Summons dated May 28, 1975)

Joseph E. Larrivee v. *Edward T. Coyne,* S.D. N.Y., Civil Action No. 75– Civ. 1178 (Plaintiff seeks to require the Bureau of Customs to release all documents in their files that relate to him) (Status: Summons dated March 11, 1975)

Meade Data Central Inc. v. *U.S. Department of the Air Force, et al.,* D. D.C. (Plaintiff seeks eight internal Air Force Memoranda prepared prior to execution of a licensing agreement) (Status: Summons dated June 9, 1975) (C.A. 75–0927)

Daniel Nix v. *Federal Bureau of Investigation,* D. S.C., Civil Action No. 75–935 (Plaintiff seeks an FBI investigative report pertaining to him) (Status: Summons dated June 4, 1975)

Peter Camejo v. *Department of Justice,* S.D. N.Y., Civil Action No. 75 Civ. 2574 (Plaintiff seeks all records containing information referred to him which are possessed by the FBI) (Status: Summons dated May 30, 1975)

Alger Hiss, et al. v. *U.S.A., et al.,* S.D. N.Y., Civil Action No. 75 Civ. 2693 (Plaintiff seeks five rolls of microfilm found by agents of the Committee on Unamerican Activities of the House of Representatives in a pumpkin). (Status: Summons dated June 5, 1975)

Hyde Park Project Corp v. *Acree,* S.D. N.Y., Civil Action No. 75-Civ-2713 (Plaintiff seeks all evidence and information possessed by the United States Customs Service relating to the country origin on certain Reed Fencing Purchase by plaintiff). (Status: Summons dated June 5, 1975)

Jeffrey R. McDonald v. *Levi,* D. D.C., Civil Action No. 75–0958 (Plaintiff seeks all internal memoranda of the Justice Department relating to and leading up to the authority to submit a certain matter to a Grand Jury) (Status: Summons dated June 12, 1975)

Maxwell Broadcasting Corporation v. *Federal Communications Commission,* N.D. Texas, Civil Action No. 3–75–0421B (Plaintiff seeks all annual financial reports filed with the FCC since 1966 on a specified corporation) (Status: Summons dated June 9, 1975)

Robert B. Borosage v. *Central Intelligence Agency, et al.,* D. D.C. Civil Action No. 75–0944 (Plaintiff seeks all documents submitted by the CIA to the Rockefeller Commission regarding plans or discussions of assassination of foreign leaders) (Status: Summons dated June 11, 1975)

Louis Kruh v. *General Services Administration,* E.D. N.Y., Civil Action No. 75–C–909 (Plaintiff seeks a copy of a memorandum from President Truman to the Secretary of Defense and Secretary of State dated October 24, 1952 which created the National Security Agency) (Status: Summons dated June 10, 1975)

Philip J. Goldberg v. *U.S. Government,* C.D. Calif., Civil Action No. 75–1934–WME (Plaintiff seeks, *inter alia,* Justice Department investigatory files regarding alleged investigations of which plaintiff was the subject). (Status: Summons dated June 9, 1975)

Philip J. Goldberg v. *U.S. Government Postal Service, et. al.,* C.D. Calif., Civil Action No. 75–1715–RJK (Plaintiff seeks documents allegedly pertaining to an investigation of himself or the company with which plaintiff was associated from the Postal Service). (Status: Summons dated May 20, 1975)

Stephen May v. *Central Intelligence Agency, et al.,* S.D. Calif., Civil Action No. CD75–1981 (Plaintiff seeks any record or document containing plaintiff's name or pertaining to plaintiff from the CIA) (Status: Summons dated June 12, 1975)

Alvin H. Goldstein v. *Levi,* D. D.C., Civil Action No. 75–0993 (Plaintiff seeks certain materials in the Department of Justice files pertaining to Julius and Ethel Rosenberg and Morton Sobell. (Status: Summons dated June 13, 1975)

North American Telephone Association v. *FCC,* D. D.C., Civil Action No. 75–0992 (Plaintiff seeks documents generated under the auspicious of a Federal-State Joint Board convened for the purposes of FCC docket No. 11528) (Status: Summons dated June 19, 1975)

Joe M. Davis v. *Department of Agriculture,* N.D. Ala., Civil Action No. 75–M–0687 (Plaintiff seeks documents related to his alleged violations of the Horse Protection Act) (Status: Summons dated June 11, 1975)

Philip J. Goldberg v. *U.S. Government, Bureau of Prisons, et al.,* C.D. Calif., Civil Action No. CV75–1935–R (Plaintiff seeks all Bureau of Prisons materials pertaining to the detention and parole of a named former inmate in a Federal prison. (Status: Summons dated June 9, 1975)

John Fosdick Emery v. *Laise, et al.,* D. D.C., Civil Action No. 75–0381 (Plaintiff seeks documents related to plaintiff's employment with the World Food Program. (Status: Answer filed April 25, 1975)

Church of Scientology of California v. *United States Postal Service, et al.,* C.D. Calif., Civil Action No. 75–2004R (Plaintiff seeks all documents held by the Postal Service relating or pertaining to the activities and operation of scientology, all scientology organizations and the alleged founder of scientology. (Status: Summons dated June 23, 1975)

Randy Taylor v. *FBI,* N.D. Texas, Civil Action No. CA 3–75–757–B (Plaintiff seeks all FBI documents concerning him) (Satus: Summons dated June 18, 1975)

Lord & Taylor v. *United States Department of Labor, et al.,* S.D. New York, Civil Action No. 75 CIV. 2839 (Plaintiff seeks Volume 3 of the Wage and Hour Division Field Operations Handbook) (Status: Summons dated June 13, 1975)

Robert T. Burke v. *Kelley,* D.D.C., Civil Action No. ---- (Plaintiff seeks records pertaining to his trial) (Status: Received by FBI June 17, 1975)

David R. Grassetti v. *Weinberger, et al.,* N.D. Calif., Civil Action No. C75 1198–SC (Plaintiff seeks, *inter alia,* internal memoranda regarding research plaintiff conducted in relation to the National Cancer Institute) (Status: Summons dated June 11, 1975)

St. Louis Post-Dispatch and Richard Dudman v. *F.B.I. and Department of Justice,* D.D.C., Civil Action No. 75–1025 (Plaintiffs seek records pertaining to the individual plaintiff and pertaining to the Washington Bureau of the St. Louis Post-Dispatch) (Status: Summons dated June 25, 1975)

Grandview Bank and Trust Co. v. *Smith, et al.,* W.D. Mo., Civil Action No. 75CV425–W–4 (Plaintiff seeks the complete file in the case of "Martin City Application") (Status: Summons dated June 20, 1975)

Vladislav Bevc v. *Kelley,* N.D. Calif., Civil Action No. 75–1106–SW (Plaintiff seeks all records which the FBI maintains on the plaintiff) (Status: Summons dated June 11, 1975)

Vladislav Bevc v. *Henry Kissinger, etc.,* N.D. Calif., Civil Action No. 75–1107–RFP (Plaintiff seeks a copy of any and all records which the Department of State maintains on plaintiff) (Status: Summons dated June 11, 1975)

David Gregory Moreno v. *Enright,* D. Colo., Civil No. 75–M–634 (Plaintiff seeks statements of policy and administrative staff manuals concerning the standards utilized in determining after an investigation has been made which has utilized federal resources, whether a criminal case involving a narcotics transaction is to be filed and prosecuted in the U.S. District Court or the State Courts of the State of Colorado)

Roberto Rexach Benitez v. *Nuclear Regulatory Comm'n,* D. Puerto Rico, Civil Action No. 75–679 (Plaintiff seeks a copy of any studies to which NRC had access, regarding the probable existence of hydrocarbon deposits in Puerto Rico or adjacent waters) (Status: Summons dated June 20, 1975)

FOIA CASE LIST—JULY, 1975

Open America, et al. v. *Executive Office of the President, et al.,* D. D.C., Civil Action No. 75–1045 (Plaintiffs seek (1) a full and complete copy of the report to the President made by the Commission on CIA Activities, and (2) copies of any drafts of the report of the Commission which relate to CIA complicity in any assassinations (Status: Summons dated June 27, 1975)

Church of Scientology of California, Inc. v. *Colby, et al.,* D. D.C., Civil Action No. 75–1048 (Plaintiff seeks all records and information maintained by the CIA relating or pertaining to the existence, activities and operation of Scientology organizations, and L. Ron Hubbard, the Founder of Scientology, etc.) (Status: Summons dated June 30, 1975)

Elaine M. Wilson v. *William O. Miller,* W. D. Wash., Civil Action No. C75–431S (Plaintiff seeks recommended decision made by Hearing Examiner assigned to hear her complaint made pursuant to 42 U.S.C. 2000e–16 forwarded by him to the Secretary of the Navy for final decision) (Status: Summons dated June 16, 1975)

Nova Maria Arkeketa v. *Pawnee Agency and James Hale,* N.D. Okla., Civil Action No. 75–C–234 (Plaintiff seeks ballots from the Pawnee Tribal Election of May 3, 1975) (Status: Complaint filed June 16, 1975)

Leonard J. Sande v. *United, et al.,* M.D. Pa., Civil Action No. 75–675 (Plaintiff seeks all correspondence memoranda, etc. between agents of the U.S. concerning a furlough for petitioner) (Status: Summons dated June 13, 1975)

Guy Diviaio v. *Clarence M. Kelley, et al.,* S.D. Ind., Civil Action No. 75–0723 (Plaintiff seeks all records concerning him, which are held by the Federal Bureau of Investigation, Central Intelligence Agency and Drug Enforcement Administration) (Status: Amended Complaint filed May 23, 1975)

Gifford-Hill & Company, Inc. v. *Federal Trade Commission,* D. D.C., Civil Action No. 75–1033 (Plaintiff seeks to enjoin withholding of agency records and to order defendant to produce documents being withheld by them) (Status: Summons dated June 26, 1975)

Emile de Antonio v. *Kelley, et al.,* D. D.C., Civil Action No. 75–1071 (Plaintiff seeks to compel the FBI and its Director to disclose the contents of FBI files relating to him and his work) (Status: Summons dated July 3, 1975)

National Consumer Finance Association v. *Federal Trade Commission, et al.,* D. D.C., Civil Action No. 75–1072 (Plaintiff seeks to enjoin withholding of agency records and to order defendants to produce documents being held by them) (Status: Summons dated July 3, 1975)

Block Drug Company, Inc., v. *Federal Trade Commission, et al.,* D. D.C. Civil Action No. 75–1101 (Plaintiff seeks opinions, judgments and policy determinations in files compiled in the course of previous FTC investigations directed to plaintiff (Status: Summons dated July 10, 1975)

Ray Elbert Parker v. *John G. Lorenz, et al.,* D. D.C. Civil Action No. 75–1085 (Plaintiff seeks to order audits of various activities of the copyright office and, thereafter, to have copies of findings supplied to the court) (Status: Summons dated July 8, 1975)

Irving H. Mason, et al. v. *Gerald R. Ford, et al.,* E.D. Va., Civil Action No. 75–505–A (Plaintiff seeks records in the custody of the Executive Office of the President concerning termination of employment of Irving H. Mason; eviction of plaintiffs from government owned quarters; seizure of personal property of plaintiffs by the Panama Canal Company; harassment by the Panama Canal Company of Irving H. Mason, etc.) (Status Summons dated July 10, 1975)

David Klaus and Morton H. Halperin v. *National Security Council, et al.*, D. D.C., Civil Action No. 75–1093 (Plaintiff seeks National Security Actions 10 and 10/2, 1952 Presidential Memorandum establishing the National Security Agency, all National Security Council Intelligence Directives issued since 1948) (Status: Summons dated July 9, 1975)

Harry M. Katz, M.D. v. *John L. Briggs, United States Attorney and Clerk of the of the Court*, M.D. Fla., Civil Action No. 75–445–T–R (Plaintiff seeks documents allegedly pertinent to a trial which lead to his conviction) (Status: Summons dated June 26, 1975)

Michael Meerepol, a/k/a Rosenberg v. *Levi, et al.*, D. D.C. Action No. 75–1121 (Plaintiff seeks material pertaining to the trial of Julius and Ethel Rosenberg and Morton Sobell) (Status: Summons dated July 14, 1975)

Philip Goldberg v. *U.S. Government Federal Deposit Insurance Corp. Agency, et al.*, C.D. Calif., Civil Action No. CV 75 2347 LTL (Plaintiff seeks information pertaining to certain named financial institutions) (Status: Summons dated July 9, 1975)

Paul E. Shaver v. *Levi, et al.*, U.S.D.C. N.D. Georgia, Civil Action No. C75–12006A (Plaintiff, a prisoner, seeks records from the FBI) (Status: Show Cause Order dated June 23, 1975)

Ronald Radosh v. *Central Intelligence Agency*, S.D. N.Y., Civil Action No. 75 Civ. 3371 (Plaintiff seeks any files CIA has on him) (Status: Summons dated July 9, 1975)

G. Daniel Walker v. *John Doe, et al.*, E.D. Mo., Civil Action No. 75–632C(1) (Plaintiff seeks military records pertaining to him) (Status: Summons dated July 17, 1975)

Carroll, George Morales v. *F. Duttos and Director of U.S. Customs Agency*, D. D.C., Civil Action No. —— (Plaintiff seeks access to and/or copies of the records maintained by the defendant upon him) (Status: Petition for Writ of Mandamus filed July 22, 1975)

Ocean Electric Corporation v. *Department of the Navy, et al.*, Civil Action No. 75–358–N, E.D. Va. (Plaintiff seeks comments on Profit and Loss Adjustment and Government Technical Evaluation of Ocean Electric Corporation's Estimated Costs to Complete Contract) (Status: Summons dated July 22, 1975)

Lord, Richard H. v. *W. H. Rauch, Warden, et al.*, W. D. Wash., Civil Action No. C75–138T (Plaintiff seeks access to information within his central prison file regarding a previous release on parole from California state authorities) (Status: Complaint filed July 11, 1975)

Sahley, Lloyd William George v. *FBI, et al.*, E.D. La., Civil Action No. 75–1831 (Plaintiff seeks production of certain documents from various agencies). (Status: Complaint filed June 13, 1975)

Wallrich, Burt v. *FBI, et al.*, S.D. Calif., Civil Action No. 75–0420–N (Plaintiff requests an opportunity to examine any file maintained by the FBI concerning his activities). (Status: Summons dated July 22, 1975)

Herman, Kathryn Davis v. *J. William Middendorf*, D. D.C., Civil Action No. 75–1246 (Plaintiff seeks copies of any and all reports, memoranda, findings, or any other written documents, pertaining to the missing-in-action status of Major Brent Eden Davis, 008–43–94, 227–43–79–49, United States Marine Corps Reserve). (Status: Summons dated July 30, 1975)

Goldberg, Philip J. v. *FBI, et al.*, C.D. Calif., Civil Action No. CV 75–2509 JWC (Plaintiff seeks a preliminary and final injunction against withholding information from him and ordering that it be disclosed). (Status: Summons dated July 24, 1975)

Anagnos, Aris v. *Central Intelligence Agency*, C.D. Calif., Civil Action No. CV 75–2451 WMB (Plaintiff seeks any record, document or file material containing plaintiff's name or pertaining to plaintiff). (Status: Summons dated July 18, 1975)

Fahr, Helen v. *Dept. of Labor, et al.*, D. N.J., Civil Action No. 75–1286 (Plaintiff seeks copies of its investigation surrounding the death of Complainant's husband on November 22, 1974). (Status: Summons dated July 29, 1975)

Church of Scientology of California, Inc. v. *Dept. of State*, C.D. Calif., Civil Action No. 75–2562 (Plaintiff seeks all records, files and information relating or pertaining to the activities and/or operation of the Church of Scientology of California; records concerning any of the specified marine vessels where the Church of Scientology has at various times now and in the past, leased and used for training activities; and records of transmission of any information and records to foreign governments, foreign police, Interpol of Internal United States Municipal or State agencies regarding the Church of Scientology or any of the categories designated above). (Status: Summons dated July 30, 1975)

Baldwin, Roy, et al. v. *Jervis Finney, et al.*, D. D.C. Civil Action No. 75–1221 (Plaintiffs seek any and all materials in the possession of the Department of Justice or the United States Attorney for the District of Maryland, pertaining to the investigation of Spiro T. Agnew which led to his plea of *nolo contendere* to one court of Federal income tax evasion on October 10, 1973) (Status: Summons dated July 29, 1975)

List of Cases Handled by the Civil Division Where Plaintiffs Seek to Enjoin the United States From Releasing Records or Information, July 31, 1975

1. *Westinghouse Electric Corp.* v. *Schlesinger*, E.D. Va., Civil No. 118–74–A (EEO information) (Court rendered decision favorable to plaintiff and defendants have appealed).

2. *General Motors Corp.* v. *Schlesinger*, E.D. Va., Civil No. 195–74–A (EEO information) (decided favorably to plaintiff on September 20, 1974; defendants have appealed) (A suit has been filed under the Freedom of Information Act seeking access to the same documents which are the subject matter of *General Motors* v. *Schlesinger—Rubin Robinson, III* v. *Department of Defense*, D.D.C., Civil Action No. 74–644).

3. *The Lawyers Cooperative Publishing Co.* v. *Schlesinger*, W.D. N.Y., Civil No. 74–212 (EEO information) (pending on our Motion to Dismiss and waiting decision after trial).

4. *Gulf Oil Corp.* v. *Brennan*, D. Colo., Civil Action No. 74–F–4 (EEO information) (proceedings stayed).

5. *United States Steel Corp.* v. *Schlesinger*, E.D. Va., Civil Action No. 183–74–A (EEO information) (On appeal after decision favorable to plaintiff dated September 20, 1974).

6. *Hughes Aircraft Co.* v. *Schlesinger*, C.D. Calif., Civil No. CV–74–1195–BWW (EEO information) (After a trial, the District Court entered judgment for defendant).

7. *Sears Roebuck and Company* v. *General Services Administration*, D.D.C., Civil No. 2149–73 (Pending in District Court after Order entered on September 10, 1974 partially favorable to defendants; Court of Appeals denied a Stay of the District Court Order and dismissed plaintiff's appeal).

8. *Charles River Park "A", Inc.* v. *Lynn*, D.D.C., Civil No. 1861–72 (Financial information) (Pending on our Petition for Rehearing after limited reversal by Court of Appeals of District Court decision favorable to plaintiff).

9. *International Engineering Co.* v. *Richardson*, D.D.C., Civil No. 027–73 (On appeal after decision favorable to plaintiff) (Suit by Government contractor to enjoin release of certain technical data).

10. *Legal Aid Society of Alameda County, et al.* v. *Brennan*, N.D. Calif., Civil No. C–73–0292–AJZ (Order overruling objections of Chamber of Commerce in compelling defendants to produce documents [EEO Information] filed March 26, 1975).

11. *Chrysler Corporation* v. *Brennan*, E.D. Mo., Civil No. 74–850C(4) (EEO Information) (Awaiting trial).

12. *McDonnell Douglas Corporation* v. *Brennan, et al.*, E.D. Mo., Civil No. 75–103C (1) (EEO Information) (Awaiting assignment to trial).

13. *Emerson Electric Company* v. *Schlesinger, et al.*, E.D. Mo., Civil No. 75–35–C(2) (EEO Information) (Awaiting assignment to trial).

14. *Hewlett-Packard Company* v. *Schlesinger, et al.*, D.D.C., Civil No. 75–0225 (EEO Information) (Case will probably be dismissed by agreement).

15. *Owens-Corning Fiberglas Corp.* v. *Brennan, et al.*, N.D. Ohio, Civil No. C75–72 (EEO Information) (Preliminary Injunction hearing scheduled).

16. *Waterman Heights Nursing Home, Inc. et al.* v. *Weinberger, et al.*, D. R.I., Civil No. 75–73 (Suit to enjoin release of medicare cost reports and other financial and audit data submitted by providers of services) (The requestor, the Providence Journal Company, has moved to intervene).

17. *Brian S. McCoy, Jr., et al.* v. *Weinberger, et al.*, W.D. Ky., Civil No. C–74–311 (LA) (Suit to enjoin release of medicare cost reports or other cost report documents) (Injunction entered).

18. *Joe M. Medina, Jr.* v. *Save the Dolphins, et al.*, S.D. Calif., Civil No. CV–73–503–T (Suit to enjoin release of film) (Dismissed by plaintiff).

19. *Living Window ICC, Inc.* v. *James S. Ward, Inc.*, D. Conn., Civil No. B–945 (Suit to enjoin display of certain apparatus) (Defendants' Motion to Dismiss granted for lack of *in personam* jurisdiction, April 1974).

20. *Wagner Electric Corporation* v. *Horner, et al.*, E.D. Mo., Civil Action No. 75–526C(1) (Suit to enjoin the release of EEO information) (Status: Filed June 10, 1975).

21. *The Prudential Insurance Co. of America* v. *U.S. Dept. of HEW, et al.*, E.D. Pa., Civil Action No. 75–1773 (Suit to enjoin the release of EEO information) (Status: Summons dated June 23, 1975).

22. *Republic Steel Corporation* v. *John Dunlop, et al.*, N.D. Ill., Civil Action No. 75 C 2066 (Status: Suit to enjoin release of Affirmative Action Program for the period April 1, 1973 to March 31, 1974).

23. *Bethlehem Steel Corporation* v. *John Dunlop, et al.*, N.D. Ill., Civil Action No. 75 C 2259 (Suit to enjoin the release of AAP information) (Status: Summons dated July 10, 1975).

24. *Honeywell Information Systems, Inc.* v. *Energy Research & Development Administration*, D. Md., Civil Action No.
(Suit to enjoin release of AEC forms 65A 65B and 65C concerning plaintiff's facilities and all plaintiff's employment data) (Status: TRO entered July 17, 1975).

25. *Teledyne Mid-America Corp.* v. *Simpson, et al.*, D. Del., Civil Action No. 75–122.

26. *Sharp Electronics Corp.* v. *United States Consumer Products Safety Commission, et al.*, S.D. N.Y., Civil Action No. 75–2449.

27. *Toshiba America, Inc.* v. *Consumer Products Safety Commission*, S.D. N.Y., Civil Action No. 75C2050.

28. *Admiral Corp.* v. *Consumer Products Safety Commission, et al.*, W.D. Pa., Civil Action No. 75–131.

29. *Motorola, Inc.* v. *Simpson, et al.*, D. Del., Civil Action No. 75–114.

30. *GTE Sylvania, Inc.* v. *Consumer Products Safety Commission, et al.*, D. Del., Civil Action No. 75–104.

31. *Zenith Radio Corp.* v. *Simpson, et al.*, D. Del., Civil Action No. 75–113.

32. *Warwick Electronics, Inc.* v. *Consumer Products Safety Commission, et al.*, D. Del., Civil Action No. 75–115.

33. *Matsushita Electric Corporation of America* v. *Consumer Products Safety Commission*, S.D. N.Y., Civil Action No. 75 Civ. 2040.

34. *RCA Corp.* v. *Consumer Products Safety Commission*, D. Del., Civil Action No. 75–108.

35. *The Magnavox Company* v. *Simpson, et al.*, D. Del., Civil Action No. 75–112.

36. *General Electric Co.* v. *Simpson, et al.*, N.D. N.Y., Civil Action No. 75 CV 189.

Each of the above suits was filed by a television manufacturer seeking to enjoin the release of records by the Consumer Product Safety Commission which records include information submitted by manufacturers as to possible safety problems in television set use. (Status: TROs have issued in each case).

Park Towne v. *Department of Housing and Urban Development*, E.D. Pa., Civil Action No. 75–1344 (Plaintiff seeks to enjoin release of financial information regarding an apartment complex) (Status: Complaint filed May 12, 1975).

Aeronautics Ford Corp. v. *Consumer Product Safety Commission, et al.*, D. Del., Civil Action No. 75–116 (This suit is similar to the other 12 cases filed in April under the Consumer Product Safety Commission) (Status: Summons issued April 30, 1975).

Singer Co. v. *Schlesinger*, N.D. Texas, Civil Action No. 3–75–0622 (Suit to enjoin the release of EEO information) (Status: Filed May 21, 1975).

Chrysler Corporation v. *Schlesinger*, D.D.C., Civil Action No. 75–159 (Suit to enjoin release of EEO information) (Status: TRO filed June 4, 1975).

Libby, McNeill & Libby v. *Federal Trade Commission, et al.*, N.D. Ill., Civil Action No. 75C 1816 (Plaintiff seeks to enjoin the FTC from releasing documents pertaining to plaintiff held by the FTC which allegedly constitute confidential information). (Status: Summons dated June 15, 1975 and TRO entered).

PARKS RASIN—THE PLEASURE OF HIS COMPANY

Mr. MATHIAS. Mr. President, one of the outstanding citizens of Maryland's Eastern Shore is lost to us. Parks Rasin, who made his mark as an attorney, businessman and in public service, died on the Eastern Shore. A lifelong resident of Kent County, he leaves many friends throughout the State of Maryland. Many accomplishments credited to others, owed much to his sound judgment and ability to get the wheels moving at the right time. The range of his involvements reflects the remarkable breadth of Parks Rasin. The chamber of commerce, the American Legion, the Republican Party, the Masons, the volunteer fire company and the local hospital all benefited from his service and his leadership.

It is significant, however, that tributes to him concentrate not so much on his achievements as on the nature of the man himself. The Kent County News noted that "his ability could have carried him far beyond Kent County, but he did not choose to go." It was his wit and his friendship that was most valuable to those who were privileged to know him. The title of the editorial, "The Pleasure of his Company" is most appropriate. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Kent County (Md.) News, September 3, 1975]

The Pleasure Of His Company, A. Parks Rasin, 1912–1975

A. Parks Rasin, Jr., attorney, banker, political leader, died Friday here at the Kent and Queen Anne's Hospital. He will be more than missed. His guidance, influence and leadership cannot be matched.

Except for a World War II period with Mark Clark's 338th Infantry Division in the Italian campaign, he was for 40 years one of the "sharpest" attorneys on Lawyer's Row, if not "the sharpest."

He was more than a progressive element in The Peoples Bank of Kent County. In a small town and a rural county, where banking affects people more acutely, Parks Rasin's sharp analysis was legendary. His judgements were shrewd. His advice was always sought.

In politics, after running successfully as the Republican candidate for State's Attorney in 1946 and 1950, he "retired" behind the scenes. No one doubted his influence. Here his shrewdness and cleverness shone through. He was "the man" behind the scenes and his influence was felt throughout the Eastern Shore.

From an early childhood on Kent Circle in Chestertown, Parks Rasin was one of many natives who came through the Chestertown school system. He went to elementary school on High Street, to high school on Washington Avenue and to Washington College, where he graduated in 1932. After graduating from the University of Maryland night school in Baltimore, he returned to Kent County in the late 1930's. He was never to leave, except for World War II. This was home.

It can be said of Parks Rasin that his ability could have carried him far beyond Kent County, but he did not choose to go. He was not interested in "setting the world on fire." To his friends he was generous and dependable. To his contemporaries he was witty and friendly, with an unmatched sense of humor. To many Kent Countians he was simply "Mr. Parks." Kent County is going to miss A. Parks Rasin.

We are proud to have known the pleasure of his company.

TOWARD A METRIC AMERICA

Mr. INOUYE. Mr. President, on Friday, September 5, 1975, the House passed, by a vote of 300 to 63, S. 8674, the Metric Conversion Act of 1975. The measure would commit the United States to a voluntary plan of metric conversion and would establish a United States Metric Board with the responsibility for planning and coordinating the metric conversion program.

Without discussing the bill in detail, it should be noted that the vote marks an historic step. The United States is the only industrial country which has not converted or is not converting to the metric system of measurements. Last year, a vote on metric conversion in the House was defeated on procedural grounds. This year, the legislation was handled skillfully and expeditiously, and the decision of the House was overwhelming.

Action by the Senate, including a conference, is now the final legislative step. It is my anticipation that the Committee on Commerce will schedule hearings on this legislation in the near future.

We are nearing a momentous point in our history. Measurements have become so ingrained in our pattern of behavior that we sometimes forget their significance. Yet, they have a profound impact on virtually everything we do. Therefore, I would hope that in the period before final Senate action the American public will have an opportunity to learn more about the metric system and its benefits.

Metrication, even without final U.S. Government endorsement, has been proceeding. Many large corporations and industries have already converted, and the speed of conversion is daily accelerating. While I am personally committed to metrication, I believe strongly that there must be more public discussion and debate about this issue. In particular, I would hope that the mass media would devote more space and time to this development.

The metric system has been a legal system of measurement in this country since 1866. Our traditional system of weights and measures was based on archaic medieval standards which are far less efficient than the metric system. After nearly two centuries of discussion about metric conversion, I hope that we are nearing the end of this long and arduous debate.

TRIBUTES TO SGT. WALLACE J. MOWBRAY OF THE MARYLAND STATE POLICE

Mr. MATHIAS. Mr. President, all Marylanders were shocked and saddened by an incident this summer that brought about the tragic and violent death of Sgt. Wallace J. Mowbray of the Maryland State Police. Sergeant Mowbray died in the performance of his duty as a public servant and a public protector. With his death, however, his family and friends and, indeed, all the residents of the State also have lost an individual of unusual warmth and respect and dedication. Tribute was paid to Sergeant Mowbray in editorials that were published August 13 in the Star-Democrat of Easton, in Talbot County, and the Record-Observer, of Centreville, in Queen Anne's County. I ask unanimous consent that these editorials be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Easton (Md.) Star-Democrat, Aug. 13, 1975]

Let's Pause a Moment

Right now, there is very little we could write that would in any way ease grief the family and colleagues of Sgt. Wallace J. Mowbray are suffering.

They must still be numb from the shock of the cruel and sudden death he suffered while on duty performing the sort of ordinary task which generally goes without a hitch, but which went so horribly wrong Saturday night.

They will band together to comfort each other and help each other through the coming difficult days.

Meanwhile, the rest of us need to think again about just how much it means that there are state and local police officers who willingly face every day the kind of danger which claimed Sgt. Mowbray.

Too often we think only about the fact that we had better slow down a little when we see a trooper's car on the highway.

Too often we are inclined to forget that a man who becomes a policeman takes on greater responsibilities and heavier burdens than most of us would be willing to put up with from a job. And not only does the policeman have to make sacrifices because of the profession he has chosen but must frequently put up with public abuse because of it. His family is required to give up having their husband or father around as much as they would like because he doesn't work a 40-hour week. They must constantly worry when he comes in late that he is in danger, that he is hurt or dying.

We don't know why some men are willing to take on the duties of a police officer, but thank goodness for all of us they are.

Extending our sympathies to the Mowbray family seems pitifully insignificant in the face of their loss. But for all their grief now, they do have something shining to cling to—the knowledge that so many people hold a special regard and gratitude for Sgt. Wallace J. Mowbray.

[From the Queen Anne's County (Md.) Record Observer, Aug. 13, 1975]

Wallace J. Mowbray

Every citizen of Queen Anne's County has his or her own personal recollections of Wallace Mowbray—not only of our contacts with his work, but more importantly with him as a citizen, as a neighbor, as a person whose private life was a mirror reflection of the principles by which he lived in carrying out the law which he had sworn to enforce.

The very existence of these personal recollections is a more eloquent and lasting tribute than anyone can give, for the character of such a man is so complete that it neither requires nor permits definition or embellishment.

No less can be said of his professional life. It involves no disrespect to his fellow officers to say that less than a handful were even nearly his equal. With even more certainty it can be said that none was his superior.

The irony of his tragic assassination last Saturday is that those very qualities of greatness brought it about.

As a sergeant assigned to another part of the State, he did not participate in routine patrol work. For Wallace Mowbray, "routine" patrol was the stuff that his profession was all about. His place was with the men in his command, doing what all of them were hired to do. It was for that reason, more than any other, that he requested assignment on the Eastern Shore. Even here, it was his own desire, rather than any requirement of the rank which he held, which placed him on Kent Island last Saturday.

And, no one will probably ever know exactly what attracted Wallace Mowbray's attention on that last "routine" patrol. We won't know, because it was something that would have certainly passed the notice of a civilian, and probably many a veteran policeman. It was his supreme skill and perception which earned him the proper title of "a policeman's policeman." It was his supreme skill and perception which placed him in the circumstances which brought about his end.

Before the events of Saturday night, we might one day have had the chance to give Wallace Mowbray a retirement party and thank him for doing the job we all knew that he did—but in which too few of us gave the kind of real support we knew he deserved. It is now a privilege that we are to be denied.

It's too late now to say "Thank you, Wally Mowbray."

But, God grant that we won't forget you or your example.

A MESSAGE FROM BILLY GRAHAM

Mr. TALMADGE. Mr. President, during the August congressional recess, Dr. Billy Graham spoke in Montreal at a Prayer Breakfast in connection with the annual convention of the American Bar Association. I have just had an opportunity to read Dr. Graham's outstanding address and I commend it to the attention of my colleagues in the Senate.

Dr. Graham, one of our Nation's and world's foremost spiritual leaders, discussed in eloquent forceful terms the multitude of social, economic, and moral ills presently plaguing our Nation—and that they exist in very serious proportions no one can deny—and he urges a rejuvenation of the moral fiber and spiritual dedication that guided our Nation to greatness. Dr. Graham sounds a very somber note, and justifiably so in my opinion considering many of the things we are witnessing in our society these days. But, at the same time, he places great faith in the American people and issues a challenge that ought to be meaningful to all God fearing patriotic Americans. I commend Dr. Graham for his eloquency and thoughtfulness and highly recommend his address to the Senate. I ask unanimous consent that the address be printed in the Record.

There being no objection, the address was ordered to be printed in the Record.

Address by Dr. Billy Graham

President Fellers, distinguished guests. I congratulate you on having a Prayer Breakfast, and I deeply appreciate the invitation to address you here at this Prayer Breakfast this morning at the beginning of so important a convention as the American Bar Association.

Alexis de Tocqueville, the outstanding and often quoted Frenchman who came to our country and carefully studied the United States to what made it great, said in 1830, "In America, lawyers form the highest political class and the most cultivated circle in society. . . . If I were asked where I would place the American aristocracy, I should reply without hesitation that it occupies the judicial bench and bar."

I, along with millions, have always considered the law profession to be the most noble of all professions alongside that of medicine and the church. The profession of law was the fabric which to a large extent held nations together throughout history, and it is in America that the profession of law has been most fully and effectively developed. For more than 200 years, American law has been one of the primary bulwarks of our society.

It has survived wars, depressions, assassinations, a civil war, a technological revolution, and even Watergate.

It has proven its potency time after time. A lesser nation than ours—a nation not bound so securely by law—would have unravelled at the seams many times over the past 200 years. To you then and to your predecessors across the ages, is owed a tremendous debt of gratitude. The law, thanks to you, has proven equal to the task.

But in recent years I detect an uneasy feeling among growing numbers that something has gone wrong. People do not have the confidence in, nor the respect for law that they once had. Unless checked, this can prove disastrous for both the United States and Canada.

I just returned this past week from six weeks in Europe where I had the opportunity of meeting political leaders, economic leaders, military leaders, and of course religious leaders. I have come back somewhat alarmed at what I have heard and felt. There is a growing pessimism in Europe that Western civilization cannot survive.

A little girl listening to a Grandfather Clock that was supposed to strike twelve times—and actually through a malfunction struck thirteen times—ran to her mother and cried, "Mother, it's later than it ever was before." I am more convinced than ever before that we are living at a very "late" hour of history.

President Roosevelt thrilled the world thirty-five years ago with his idea for freedom. In that address he held out the prospect of freedom of speech everywhere, and he would emphasize the word "everywhere." Freedom of worship everywhere. Freedom from want everywhere. Freedom from fear everywhere.

When we look at our world today we ask ourselves, "What happened to those freedoms?" because most of the world today lives under either a right-wing or a left-wing dictatorship. Dr. Kissinger was quoted recently as saying that only twenty democracies still survive in the world.

In the present situation, economists, politicians and business leaders are sounding like prophets of doom. I notice that one spokesman pessimistically described present attempts to cope in Great Britain with recession, inflation, the union demands, and all of its accompanying factors, as "the economies of the apocalypse."

The economic problems that New York City faces are in all the European papers. They are asking how could it happen to the financial, commercial and artistic capital of the United States, and the city where the United Nations makes its home? We have only to glance at the map of the world and see how it is rapidly changing. The events in Portugal, Angola, Southeast Asia, Central Africa, and scores of other places, underscore an editorial in a British newspaper last month that said there are now "forty wars being fought in the world." Another paper estimated that twenty terrorist organizations throughout the world are feverishly working on the Atomic Bomb.

Mrs. Margaret Thatcher, the leader of the Conservative Party in Great Britain (who by American conservative standards would be called a liberal) in her first major speech on foreign affairs two weeks ago sounded more like Solzhenitsyn than Solzhenitsyn himself as she warned of the growing Soviet military power.

I sense more in Europe than on this side of the Atlantic that the days of unfettered optimism are gone. As one European newspaper said two weeks ago, "Western civilization is in its dying hours."

But this very admission—this admission that we have a problem—is to my mind hopeful and makes me optimistic. It may be the first step toward a solution.

As we stand on the eve of our 200th birthday in the United States, we should take a look at history from a better perspective than we normally do.

Let's look at things as they were when our nation was founded back in 1788 at the Constitutional Convention. At the time the

Founding Fathers were meeting to forge a nation from 13 small states, this was the state of freedom in America:

Slavery was rampant (in the north as well as in the south); Catholics could vote in only three of the thirteen states; Jews were not permitted to vote in New Jersey or in New Hampshire; women could not vote anywhere in America (and were not permitted the vote for another 132 years); no women, no Blacks, no Jews, no Indians, and no teenagers appeared as delegates at the Constitutional Convention.

Some delegates attempted to set George Washington up as king; Alexander Hamilton actually suggested that a president be selected for life—not by the people but by electors.

There was not then nearly the freedom at that time that there is now, and things did not get much better until we were well into the second century of our nation.

It was not until after World War II that: a Black man could play Major League Baseball; a Black man could sit down in a public restaurant in Washington, D.C.; a Black man could drink from a public water fountain in the south; a Black man could sleep in anything but a Black hotel in many parts of the nation; a Black child could attend school with Whites in many parts of America.

But all this has changed. In many instances the church leaders and law profession joined hands together to help bring about many of these changes. But something is going wrong, something is out of joint. We are once again in danger of losing the freedoms that we have won. A British Labor leader said to me, "You Americans have become too free."

A man named Joshua in the Old Testament also sought freedom. After God chose him to lead the Children of Israel into the Land of Canaan, Joshua said, "Choose you this day whom ye will serve, . . . but as for me and my house, we will serve the Lord."

Joshua too sought freedom, and found it. He found his freedom by becoming a slave. A slave to the will of God. He made a religious commitment, a moral commitment, and one which has reverberated down the halls of history for thousands of years. Joshua knew, as we must come to know, that the problem which confounds humanity is not a political problem. It is not a social problem. It is not an economic problem. It is a religious and a moral problem.

Just before the heart attack that claimed his life, General Eisenhower said that every occupant of the White House has one profound duty to the nation—to exert moral leadership.

And for morality to reassert itself in our nation, we are going to have to rediscover an ingredient which many of our earliest forefathers had in abundance. That ingredient is religious faith.

The explosions of science and philosophy have left our citizens uncertain of what they believe and unsure of whether there are eternal verities to guide their conduct. There is an eternal, moral law. This law is now being broken throughout the world on a scale not known since the days of Sodom and Gomorrah.

Alexis de Tocqueville said of our nation, "I sought for the greatness and genius of America in fertile fields and boundless forests, it was not there. I sought for it in her free schools and her institutions of learning, it was not there. I sought for it in her matchless Constitution and Democratic Congress, it was not there. Not until I went to the churches of America and found them aflame with righteousness did I understand the greatness and genius of America. America is great because America is good. When America ceases to be good, America will cease to be great.

Today, America is in danger of becoming a second rate nation—because we have ceased to be good.

John Lindsay, when he was Mayor of the City of New York and was speaking to your Association in St. Louis, said the same thing in a different way. He told about some of the letters that he received.

"A cab driver in the Bronx complains, 'I'm afraid to drive anymore. I don't know whether my next customer will tip me or kill me.'

"A businessman in Queens despairs: 'They steal from my car. They steal from my store. When will it stop?'

"An old woman in Brooklyn tells me: 'I'm scared to go to the market at night. Does anyone care?'

"A mother in Harlem wonders: 'How can I raise my son? The junkies are everywhere.'

"And on Staten Island they say: 'We moved there because it was safe. Will it stay that way?' "

Most of you admit in private conversation that millions of Americans are afraid. Our institutions have been under attack: the Presidency, the Supreme Court, the Congress, the Flag, the Armed Forces, the home, the educational system, and even the Church.

We have become the most over-governed society in the history of mankind. Our State and Federal Congresses and Legislatures pass more than 38,000 laws a year. Our County Commissioners alone pass more than 36,000 resolutions having the effect of law. Our City Councils pass in excess of 35,000 laws a year. Thus we have over 150,000 new laws or rules or resolutions passed annually to regulate our conduct, our lives, our business and all our activities—but this is not the answer.

In the last thirty years we have had the greatest unplanned mass migration recorded in human history. Thirty million people have moved from our farms into our metropolitan areas. By the year 2000, 80% of our total population will be in five giant metropolitan strips and our urban problems of population, discrimination, slums, traffic congestion, crime, drugs and welfare, will defy solution.

In the meantime, we have been living far beyond our means for many years. We are told that the American deficit this year will be well over sixty billion dollars.

The moral decline in the country has been so fast that statistics cannot keep up with it. We are almost at the point where one out of every two marriages is on the rocks. Sex has been reduced far below animal behavior. Motherhood has been downgraded as a temporary sacrifice that a woman must make.

Ladies and gentlemen, I am going to lay it on the line as to what I believe is basically wrong—and how I believe we can recover. It is late—but it is not too late. This group of people here this morning could turn the tide.

The problem that we are facing is basically a heart problem.

The Bible teaches from Genesis to Revelation that man has a spiritual disease called sin. This causes all the hate, greed, lust, war and even death. From the very beginning it was never God's plan that man would suffer, fight, steal, cheat or even die. But man rebelled against God.

Man's greatest need at this hour is reconciliation to God.

To Solomon, the great King of Israel, the Lord once said, "If my people, who are called by my name, shall humble themselves and pray and seek my face, and turn from their wicked ways, then will I hear from heaven and will forgive their sin and will heal their land."

A number of our Presidents recognized this. Three times Lincoln proclaimed days of prayer. By joint resolution of Congress there was a Presidential proclamation setting forth the last Thursday of September 1861 as the Day of Prayer.

You ask the question, "Does God answer prayer today?"

Derek Prince, who later became a pastor of a congregation in London, was the son of an Army Officer and was serving as a hospital attendant with the British Forces in the North African Campaign. In 1953 he received news that Joseph Stalin was preparing a systematic purge directed against the Russian Jews. Derek Prince became concerned about these Russian Jews and called a Day of Fasting and Prayer for God's intervention on behalf of the Jews in Russia. Some two weeks later, Joseph Stalin died of a brain hemorrhage, and as you know the whole Russian policy changed after his death.

Derek Prince and his congregation had not prayed for the death of Stalin, but for the intervention of God on behalf of the Jews in Russia.

A House Judiciary Sub-Committee recently conducted a number of hearings on wire tapping and brought in witnesses throughout the country to testify. The Bible declares that our individual lives have been wire tapped by the Lord. In Ecclesiastes 12:14 we read: "For God shall bring every work into judgment, with every secret thing, whether it be good, or whether it be evil."

God indeed knows what is going on in our individual and corporate life.

What is needed is a deep spiritual renovation at all levels of life in America if we are to survive. I am glad to report to you that tens of thousands of the emerging generation are turning to God. They are rejecting our concepts of materialism. This is one of the hopeful signs of both America and Canada.

Those old-fashioned words that were out of date for a while have come back among our young people: repentance, conversion, faith. Band-aid remedies are not enough. Only a remedy that goes to the very depths, to touch the disease of sin that has poisoned all facets of life, can be effective. Unless we take moral and spiritual action, and do it quickly, we may find ourselves in a totalitarian state with all freedom suppressed in a relatively short time.

The Bible teaches you cannot serve God—the true God—and another god called materialism. But you can serve God with materialism if your heart is right toward God.

I'm advocating today what could be called the new puritanism, both morally and materially.

Our lives must be consistent with the slogan on our coins, "In God We Trust." And I recognize that this can happen only when we have personally committed our lives to God. There's little point in talking about corporate or national dealing with the problem if we don't come to grips with it individually ourselves.

Carl Jung, the great psychoanalyst and the former assistant of Freud, hit the nail on the head when he said, "It is unfortunately only too clear that if the individual is not truly regenerated in spirit, society cannot be either. For society is the sum total of individuals in need of redemption."

Pope Leo XIII once said, "When a society is perishing, the thing to do is to recall it to the principles from which it sprang."

We Americans sprang from a deep religious faith. God's solution starts with you and me and then spreads out to touch society. Not only individually, but corporately, we must have a sharp turnabout.

I'm delighted to see that at the White House, in the Congress, in businesses, in labor unions, in banks, in national organizations like this, they're having prayer breakfasts and spiritual fellowship hours. They are trying to say, "There is another dimension to life. We do recognize God. Spiritual and moral values must have first place if we are to survive."

Jesus Christ once said, "Ye shall know the truth, and the truth shall make you free"

(John 8:32). And I ask you today this: Are you willing to face the truth as an individual concerning your own morality, the truth about your relationship to God, the truth about the problems in your own family, the truth about your responsibility as a citizen to your nation as it approaches its 200th birthday?

Jesus Christ would often say, "Wilt thou be made whole?" And among other things He was called, "The Great Physician." He could touch a person by a word or an actual touch, and they would be made whole in their spirit and their body and their mind. Would you like the touch of the Master today in your life?

Christianity teaches that only in the Cross and the resurrection do we have the possibility of individual and national redemption. And as a drop of ink stains a glass of water, so the humblest person here today, in the moral choices that you make, will affect the course of history.

A commitment made by you today could reverse the tide of history. The people who gather for this convention could absolutely transform America, if we went back to our homes determined to put God first.

Unless there are enough of us in America willing to pay that price, we've reached the point where we may be finished as a free society. Our children could live under totalitarianism. Democracy and freedom are totally dependent on moral and spiritual integrity.

Three years ago, the Cotton Bowl in Dallas was filled with nearly 100,000 young people dedicating their lives to serve God. About 9 o'clock at night they pulled the light switch and then two of us on the platform lighted a candle. It could hardly be seen. Then 100,000 candles were lighted. It was a glow that you could see for a mile-and-a-half around.

I'm asking you today to light a spiritual candle. In a world of increasing darkness, light a spiritual and moral candle. Let's put them together with those of other prayer breakfasts who are lighting them and we will send a glow throughout the whole world.

When you make that choice, when you light that candle, it is America making the choice through you, and lighting the candle through you. It's America's only solution.

God bless you, and thank you.

FLOATING RATES AND U.S. ECONOMIC POLICY

Mr. INOUYE. Mr. President, Mr. Eugene Birnbaum, vice president and chief economist of the First National Bank of Chicago, recently wrote an article for the Washington Post on the operation of "floating exchange rates," which have been the mainstay of the international monetary system for 2½ years. In his article, Mr. Birnbaum examined the relationship between the mark and the dollar and, using the often erratic relationship between these two currencies, raised several crucial questions about the reliability of "floating exchange rates."

As he points out in the article:

> Exchange rate fluctuations of such proportion have pervasive effects on business investment, employment, inflation, interest rates, stock market values—the entire gamut of global economic activity. It is a dangerous error to assume that because U.S. exports are relatively small in proportion to the gross national product (less than 10 percent), the foreign-exchange behavior of the dollar is not of substantial consequence to the American economy.

He further notes:

> It is difficult to interpret this exchange rate see-saw as a manifestation of changing underlying economic realities. Rather, it appears that meaning less foreign-exchange valuations and excessive gyrations between the world's major currencies are now the order of the day.

Such an interpretation, for which Mr. Birnbaum supplies graphic evidence, conflicts with the theoretical model espoused by the Treasury Department and certain OMB functionaries. It was, indeed, on the basis of an impractical understanding of international trade matters that the OMB, with Treasury support, attempted to dismantle several U.S. export promotion programs earlier this year.

In theory, "floating exchange rates" permit the marketplace to set a currency's rate based on perceptions of that Nation's fundamental economic conditions. Thus, for example, if a country were to run up a large payments deficit, its currency would decrease in value to that point at which it again became desirable to acquire. In fact, however, the market has been less than perfect and, as Mr. Birnbaum points out, has been subject to bizarre gyrations.

While there can be no doubt that in many respects the United States has gained from the current "floating exchange rate" regime, we should not shut our eyes to the problems of the system nor become dogmatic about its virtues. Regrettably there are those in the OMB and Treasury who have chosen to ignore its defects in their fanatical commitment to the concept.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

VAST ECONOMIC POLICY CONFUSION PREVAILS IN THE WORLD

(By Eugene A. Birnbaum)

Major reversals of economic policy advice have occurred in the international sphere.

Ten years ago, a widely held belief was that the price of gold must not be altered. Now it is said that a fixed price of gold would not be acceptable.

A decade ago, many international economic experts conjectured that it was not possible to devalue the dollar. In February 1973, the dollar was devalued for the second time in 14 months.

In the 1950s and 1960s, most policy makers believed that a flexible exchange-rate system was absolutely impossible. Now we have a flexible rate system, and today's conventional wisdom is that a fixed exchange rate system is impossible.

Today, many experts say that any fixed exchange rate regime could not have survived the unprecedented balance of payments disturbance created by the four-fold hike of the world price of oil. Yet, neither appreciation nor depreciation of currencies would be an appropriate general response to this major payments disturbance.

But grounds for skepticism concerning economic policy assessments are not limited to the international arena. Last year at about this time, many leading American economists advised President Ford to increase taxes. A few months later, they were explaining why taxes had to be reduced instead.

The record establishes the fact that there is, above all, a vast economic policy confusion prevailing in the world.

Almost four years have passed since the acclaimed Smithsonian Accord of December 1971, when the dollar was devalued for the first time. It is two and a half years since the world moved to a flexible exchange-rate system. In the aftermath of these events, there has been a global economic disaster. In the wake of double-digit inflation last year, the real value of imports of the 24 industrialized countries making up the Organization for Economic Cooperation and Development plunged (at a 12 per cent annual rate) during the first six months of 1975. The estimated real gross national product of this group also dropped significantly, though the fall in their imports was three times more rapid.

On the occasion of the 13th annual meeting of the board of governors of the International Monetary Fund and World Bank Group, it is appropriate to question the extent to which this global disaster may be connected with the functioning of the new international monetary mechanism.

One important aspect of this question is whether the behavior of exchange rates under the flexible-rate regime has reflected underlying economic realities. That there has been some exchange-rate fluctuation is beyond dispute. But if the level and variability of rates reflect changing fundamental economic relationship—such as differential inflation rates between countries—the behavior of exchange rates could be interpreted as having been realistic under the circumstances.

But a look at the West German mark (DM) and the U.S. dollar, the currencies of the Western World's most powerful economies, casts some doubt on the realistic behavior of the two currencies.

Contrary to what some leading economists told us would occur under flexible rates, there have been periods of sharp swings in the foreign exchange value of the dollar versus the DM. There have been several intervals of a few months when the DM fell between 10 and 18 per cent against the dollar. At other times, the DM rose sharply—on one occasion more than 25 per cent in a little over two months. In only one single-month interval since the inception of flexible rates did the mark remain fairly steady against the dollar (early March-early April, 1973): Such stability is notable because it is unique.

It is difficult to interpret this exchange rate see-saw as a manifestation of changing underlying economic realities. Rather, it appears that meaningless foreign exchange valuations and excessive gyrations between the world's major currencies are now the order of the day.

German goods simply could not, in any fundamental sense, oscillate in value against American goods—frequently at a double-digit pace—over just a matter of weeks or months. Currency run-ups and run-downs such as these are characteristic of "bandwagons," not changes in the fundamental relationships between the U.S. and German economies.

Exchange-rate fluctuations of such proportion have pervasive effects on business investment, employment, inflation, interest rates, stock market values—the entire gamut of global economic activity. It is a dangerous error to assume that because U.S. exports are relatively small in proportion to the gross national product (less than 10 per cent), the foreign-exchange behavior of the dollar is not of substantial consequence to the American economy.

Even those U.S. firms producing goods exclusively for domestic consumers are, in fact, vulnerable to exchange rate changes. If, today, a businessman believes there is an opportunity for future profit from new investments, by the time the fruits of that investment materialize, he may find a totally different competitive price structure confronting him as a result of changed foreign exchange rate relationships.

To take one extreme example. An American businessman may believe that he can produce an item for $1, while a German competitor can make it for four marks. If the exchange rate is 2.5 DM to the dollar, the

American product will be less expensive than the German product. But if between the time the American starts and finishes the product, the exchange rate has changed to five DM to the dollar, the German competitor would be able to undersell the American.

It follows from this that prudent firms, having foresight concerning their potential vulnerability to capricious foreign exchange rate behavior, would, to some degree at least, defer or curtail investments below what they otherwise would be. Less sophisticated firms might be unaware of the dangers and suffer the consequences. Accordingly, the vagaries of volatile exchange rates dampen the vigor of potential business investment and the willingness of prudent creditors to entrust funds to the financing of business ventures. The fact that this effect is pervasive, affecting the entire global economic system, can produce a substantial cumulative effect, even if the impact on any one country's economy should happen to be minimal.

Most countries have long been conscious of the great importance of the exchange rate as it affects their lives and prosperity. Smaller and medium-sized countries, for example, may have no alternative to the development of export-oriented industries if they desire the economic gains that large-scale, specialized, mass-production facilities can generate. For such countries, internal markets are often too small to support the profitable operation of a mass-production industry. They can prosper, however, by exporting products that can be produced more efficiently elsewhere. To such countries, the exchange rate is critical: It is to them the most important price in the world.

The fact that the exchange rate is also of great importance to the United States has been less apparent. This is partly due to the previously mentioned misunderstanding that exchange rates are of concern only to that small proportion of American economic activity that is directly engaged in international commerce.

But there is another very important relationship between the exchange rate and the general prosperity of the American economy: U.S. financial capital markets—markets which are particularly vital to the effective functioning of the U.S. economic system—are also highly sensitive to, and interact with, the behavior of the dollar on foreign exchange markets.

A major influence on the dollar-DM exchange rate has come from changing conditions of U.S. internal monetary stringency. A sensitive barometer of such changes is to be found in the behavior of U.S. federal funds rates—the very short-term interest rates at which commercial banks borrow funds from each other on a day-to-day basis. When monetary conditions tighten, the federal funds rate tends to rise, and vice versa when credit availability eases.

The extremely short maturity dates attached to such loans help to minimize the degree to which federal funds rates are affected by the market's discounting of inflation. The chart with this article presents monthly average quotations of these U.S. federal funds rate compared with the value of the dollar in terms of the mark.

With the exception of the period of the Arab oil embargo—when a frightened world regarded the dollar as a safe haven—changes in the degree of monetary stringency in the United States have been closely associated with corresponding changes in the number of DM one can buy for a dollar.

During the earlier period of flexible rates (except for the embargo), a rise (fall) of the federal funds rate preceded a rise (fall) of the dollar against the DM by a matter of months or weeks.

With the passage of time, however, the interval has contracted: A change in the federal funds rate now can be associated with a corresponding change in the dollar-DM rate almost on a coincident basis. This reflects a learning process in the money markets.

Other economic factors, such as the course of actual and anticipated U.S. or German balance of trade developments, also have important casual effects on the exchange rate. But the interaction between federal funds rates and the dollar-DM rate remains clear cut and unmistakable.

Under the former Bretton Woods regime of relatively fixed exchange rates, changing conditions of U.S. internal monetary ease or stringency tended to produce corresponding changes in foreign central bank reserves. Now, under flexible rates, changes in U.S. internal monetary conditions tend to change the exchange rate.

It follows from this that the "nasty speculator" some politicians have been hunting for to blame for exchange-rate gyrations turns out to be none other than the government—that changes the level of taxation or spending; the central bank—that eases money or tightens it; the legitimate business, and its employees, whose investments and jobs are at stake; even the poor tourist who doesn't know when to buy his francs—these are the culprits!

Virtually all of us are involuntary and unwitting speculators, and speculating can mean windfall profits or the poorhouse.

Neither the United States nor the rest of the Western World can afford to neglect the global economic and potential political consequences of bizarre fluctuations of major exchange rates. As a start, exchange rates between at least the two most powerful Western economies should be steadied. If this is not done, monetary and financial disturbances will continue to erode confidence, and the basis for a sustained restoration of rising world living standards will remain elusive.

W. AVERELL HARRIMAN HONORED AT WEST POINT

Mr. MATHIAS. Mr. President, yesterday at ceremonies held at West Point, the Sylvanus Thayer Award recognizing unique service to the Nation was presented to the Honorable W. Averell Harriman. Mrs. Harriman, Mrs. Shirley C. Fisk, Mrs. Stanley C. Mortimer, and members of their families were present. Governor Harriman was joined in the review by Lt. Gen. Sidney B. Berry, U.S. Army, Superintendent of the Military Academy and Cadet Morales, first captain.

As a friend of Governor Harriman and as a member of the Board of Visitors of the Military Academy I was glad to go to West Point for this significant and moving occasion.

In his response to the citation for the award, Governor Harriman spoke warmly and informally to the corps of cadets. He gave them personal reminiscences of his experiences during and after World War II in a way that left all of us present feeling that we had seen and heard something very rare about the great events and giant characters of those years. But Governor Harriman gave the cadets more than just his insight into history. Every cadet present must have felt the impact of his judgment; delivered last night, but formulated during 40 years of participation in public affairs, that on the eve of World War II, America's most valuable defense asset was the corps of professional officers in the armed services.

The maintenance and the renewal of that asset is the business of every midshipman and cadet at the naval, military, and air academies.

The citation that was read by General Saltzman was eloquent and comprehensive and I will not trespass upon the ground it occupies, even to add further praise for Governor Harriman. I subscribe to all of it without reservation.

I ask, therefore, unanimous consent to have printed in the RECORD the citation, a brief description of the Sylvanus Thayer Award, a biographical sketch of Governor Harriman, and a list of the 17 previous recipients of the Thayer Award.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE 1975 SYLVANUS THAYER AWARD CITATION, W. AVERELL HARRIMAN

As public servant, statesman, and leader of industry, William Averell Harriman has rendered a lifetime of distinguished service to the United States. In diverse positions of extraordinary responsibility, Governor Harriman has exemplified, through his accomplishments in the national interest and manner of achievement, the ideals of West Point expressed in the motto, "Duty, Honor, Country."

After 20 years of recognized and successful leadership in the nation's transportation and finance industries Governor Harriman entered upon his long and dedicated career of public service. As member and Chairman of the U.S. Department of Commerce Business Advisory Council and as a principal assistant of the Administrator of the National Recovery Administration he made substantial and highly significant contributions to the development and execution of those national policies and programs which led to the nation's economic recovery.

During World War II, first as the President's Special Representative to Great Britain, and later as Ambassador to the Soviet Union, Governor Harriman brought to the service of the nation an extraordinary understanding of the interrelationship between its industry, government and military operations in time of war. His sensitive application of that understanding to the problems confronting the United States and its allies contributed in large measure to the successful achievement of United States goals in World War II.

As the world moved through its postwar recovery and the period of great power confrontations, Governor Harriman applied his unique experience and selfless dedication to the solution of the increasingly complex problems affecting the peace, security and welfare of his country. In a series of highly important positions, including Ambassador to the Soviet Union and to Great Britain, United States Secretary of Commerce, Director of the Mutual Security Administration, Governor of the State of New York, Under Secretary of State for Political Affairs, and Ambassador at Large, he participated at the highest policy-making levels in those decisions and programs which led to the remarkable transition from war to peace, to a more secure and prosperous United States and to a renewed stability among the world's great powers.

Through his lifetime of service to his country and to his fellow man, Governor Harriman has made a unique and lasting contribution to the welfare and security of the United States. His invariable response to the call of duty and his continuing willingness to serve his country wherever needed symbolize and reflect the values expressed in the West Point motto. Accordingly, the Association of Graduates of the United States Military Academy hereby awards the 1975 Sylvanus Thayer award to W. Averell Harriman.

Charles E. Saltzman,
Major General, AUS, Retired, President.

The Sylvanus Thayer Award

Since 1958, the Association of Graduates of the United States Military Academy has presented the Sylvanus Thayer Award to an outstanding citizen of the United States whose service and accomplishments in the national interest exemplify personal devotion to the ideals expressed in the West Point motto, "Duty, Honor, Country."

The award is named in honor of Sylvanus Thayer, Class of 1808, the 33d graduate of the Academy, who nine years later became its fifth Superintendent. Serving in this capacity until 1833, Thayer instituted at West Point those principles of academic and military education, based upon the integration of character and knowledge, which have remained an essential element of the Military Academy.

Sylvanus Thayer was elected in 1965 to New York University's Hall of Fame for Great Americans as the "Father of Technology in the United States." Under his direction the United States Military Academy became the first technological school in America; and his curriculum, textbooks, and engineer graduates were in great demand among the nation's colleges and scientific institutions as they developed throughout the 19th century.

W. Averell Harriman

Governor Harriman was born in New York City on November 15, 1891 and graduated from Yale University in 1913. His broad and diverse experience in business and government has spanned considerably more than half a century and his responsibilities in both of these sectors of American life have been at the highest levels.

Mr. Harriman's early experience was in private business. He was associated with the Union Pacific Railroad for twenty-seven years during which he was chairman of its board of directors for a decade. In 1920 Mr. Harriman founded his own financial firm, W. A. Harriman and Company, which as a result of a merger in 1931 became Brown Brothers, Harriman and Company. He is still a limited partner of that firm. Having become a director of the Illinois Central Railroad in 1915, Mr. Harriman became Chairman of its Executive Committee in 1931, a position he held until 1942.

In 1933 Governor Harriman assumed the first of many increasingly responsible positions in government service. In that year he became a member of the Business Advisory Council for the Department of Commerce and four years later, its Chairman, a position he held until 1939. He served as a principal assistant, then administrative officer for the National Recovery Administration during 1934 and 1935.

As World War II gathered momentum in Europe in 1940 and the United States recovered from its long depression, Mr. Harriman served in the Office of Production Management and in March of 1941 he was appointed Special Representative of the President in Great Britain, with the rank of Minister. In London he was a member of the Combined Shipping Adjustment Board, the Combined Production and Resources Board, and the Lend Lease Munitions Assignment Board.

In 1943, as coordination of the wartime efforts of the United States with those of the Soviet Union became of major importance, Governor Harriman was appointed United States Ambassador to the Soviet Union. He remained in that sensitive post for the duration of World War II until February 1946. Shortly afterward, he was appointed Ambassador to Great Britain. Late in 1946 Mr. Harriman was named Secretary of Commerce by President Truman.

In 1948, Mr. Harriman became United States Representative in Europe, with the rank of Ambassador, for the Economic Cooperation Administration. Appointed Special Assistant to the President in 1950, he also served as United States Representative and Chairman of the North Atlantic Treaty Organization Committee to study Western defense plans. Mr. Harriman was appointed Director of the Mutual Security Administration in 1951. Three years later he was elected Governor of the State of New York, where he served until 1959.

Returning to federal government service in 1961, Governor Harriman was successively Ambassador-at-Large, Assistant Secretary of State for Far Eastern Affairs and Under Secretary of State for Political Affairs. In 1965, he was again appointed Ambassador-at-Large, and in 1968 he was named Personal Representative of the President to the Paris peace talks on Vietnam, a post he held until January 20, 1969.

Governor Harriman is married to the former Pamela Digby, daughter of Lord and Lady Digby. He has two daughters; Mrs. Shirley C. Fisk and Mrs. Stanley C. Mortimer. He is the author of two books: *Peace with Russia?*, 1969, and *America and Russia in a Changing World*, 1971. He has also completed another book with Elie Abel, *Special Envoy: to Churchill and Stalin* scheduled for publication in the fall, about his experiences in World War II.

Sylvanus Thayer Award Recipients

Dr. Ernest O. Lawrence, 1958.
The Honorable John Foster Dulles, 1959.
The Honorable Henry Cabot Lodge, 1960.
President Dwight D. Eisenhower, 1961.
General of the Army Douglas MacArthur, 1962.
The Honorable John J. McCloy, 1963.
The Honorable Robert A. Lovett, 1964.
Dr. James B. Conant, 1965.
The Honorable Carl Vinson, 1966.
Francis Cardinal Spellman, 1967.
Mr. Bob Hope, 1968.
The Honorable Dean Rusk, 1969.
The Honorable Ellsworth Bunker, 1970.
Mr. Neil A. Armstrong, 1971.
Dr. William F. Graham, 1972.
General of the Army Omar N. Bradley, 1973.
The Honorable Robert D. Murphy, 1974.

HELP FOR THE AGING DISABLED AT THE WORK CENTER ON AGING, EAST ORANGE, N.J.

Mr. WILLIAMS. Mr. President, many aging persons in this Nation would like to continue working beyond what is commonly regarded as retirement age, but are denied the opportunity.

The problem can be especially severe for older persons with disabilities which diminish their capacities, but not their ability to work, given some help.

Recently, at a Senate Committee on Aging hearing in Newark, N.J., Joseph L. Weinberg, executive director of the Jewish Vocational Service of Metropolitan New Jersey, testified about a significant program serving persons ranging in age from 55 to 86. It is the Work Center on Aging in East Orange, N.J., and it receives support from the Jewish Community Federation of Metropolitan New Jersey, New Jersey Division of Vocational Rehabilitation, the New Jersey Division on Aging, and the Essex County Office on Aging.

As Mr. Weinberg said in his spoken testimony:

> I think this is what Congress has been asking for: a linkage of the various Federal agencies in a cooperative program of this kind . . . this combination of monies and expertise and technical assistance has made a great difference in enabling us to serve our aging population.

Intense economic problems in New Jersey have made the work of this center even more essential than it would be under more normal conditions. Again to quote Mr. Weinberg:

> I think it was most eloquent put to us by one of our own local workers; we call them one of our clients. When we asked what does inflation mean to you, he said: "Well, just when you begin to think you are learning how to make ends meet, somebody pulls those ends apart."

The Work Center on Aging deserves widespread attention. I ask unanimous consent to have Mr. Weinberg's prepared statement printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement of Mr. Joseph L. Weinberg, Executive Director, Jewish Vocational Service of Metropolitan New Jersey, East Orange

My name is Joseph L. Weinberg, and I am the Executive Director of the Jewish Vocational Service in Metropolitan New Jersey.

I would like to express our appreciation for the opportunity to testify before your Committee, and on behalf of the Agency, with the Aging, in Essex County.

I think you should know, Senator, that I also speak for my colleagues in rehabilitation, and in manpower an expression on behalf of your work for this group of severely disabled in our population, as well as our aged population as well.

The Jewish Vocational Service of Metropolitan New Jersey has served the employment and vocational needs of its clients for over 35 years. Since 1952, the Jewish Vocational Service has operated rehabilitation workshops for the severely handicapped. In 1957, the Agency entered into a cooperative agreement with the New Jersey Division of Vocational Rehabilitation and since then has been serving persons with multiple disabilities from Essex County and the neighboring communities. In addition to its Rehabilitation Program, J.V.S. provides individual and group Vocational, Educational and Career counseling, Job Placement, Aptitude and Psychological testing to youth and adults. The agency is a certified Guidance Center of the Veterans' Administration serving veterans, war orphans, and widows.

Throughout its history, the J.V.S. has been called upon by Government agencies to assist in serving the various emergent manpower needs of the community. Among these projects were: From 1966 to 1967, the establishment of a Neighborhood Youth Corps Program (COPE) in cooperation with the United Community Fund of Newark and the U.S. Department of Labor. At the end of the project year, this agency became an independent service; in 1972 through 1974, the agency established a Vocational Rehabilitation-Job Placement Program for Severely Addicted Drug Abusers in cooperation with Federal and State Rehabilitation Agencies and the City of Newark. Currently, this program is now a service of the City and is located in its Multi-phasic Drug Treatment Center.

Most recently, in 1973, the Agency expanded its services to older workers to meet the employment and vocational rehabilitation needs of the Aging Disabled. The agency has always given high priority to serving our older citizens. In 1965, J.V.S. developed and has continued to operate a Sheltered Workshop for residents of a Home for the Aged in suburban Essex County (Daughters of Israel Pleasant Valley Home). This workshop, through meaningful remunerative activity has demonstrated that such a program can provide its client residents with a sense of purpose, promote feelings of self-worth with resulting benefits in both mental and physical health. It has added an enriched dimension to the traditional pattern of services to the institutionalized Aged.

In December, 1971, J.V.S. began intensively to study the needs of the Aged poor residing in the housing projects in Newark—(Seth Boyden and Otto Kretchner Housing Projects). This study, conducted by a J.V.S. Vocational Counselor revealed critical areas of need related to: poor health, insufficient income and inactivity leading to loneliness, boredom and feelings of social rejection. A substantial number of these people were interested in some work provided the work was accessible and appropriate.

In addition, over the past twenty years, J.V.S. has worked with small numbers of Disabled Aged in its ongoing Rehabilitation Workshop Program for Extended Employees. These clients were able to adjust to workshop employment and have been productive on selected sub-contract jobs. This activity has prevented or postponed institutionalization.

Going back for a moment—In 1963, at the request of the Jewish Community Federation of Metropolitan New Jersey, a series of studies were made of the needs of a selected group of Aged in Newark. 82% of this group were living on incomes of less than $3,000. per year. In the recent report of the United States Senate Special Committee on Aging, entitled—"Older American Comprehensive Service Amendments of 1973"—the following awesome data was revealed:

1. From January of 1969 to August, 1972, joblessness for persons over 45 years of ago increased by 73%.

2. One out of every three unemployed individuals, over [illegible] years of age, is without work fifteen weeks or longer.

3. Individuals, forty-five years old and over, accounted for 21% of the total unemployment in the United States in 1973.

4. Compared with the beginning of the 1970's, long-term joblessness has risen by 223% for this group.

Last week we learned that 13% of the total work-force in New Jersey is unemployed, with 51,000 workers being laid off last month (May, 1975) alone. This unemployment, coupled with climbing inflation, most severe in the Northern New Jersey Metropolitan area, has devastated the ability to survive among our aging citizenry.

With these needs becoming increasingly pronounced over the last several years, the Jewish Vocational Service established a special Rehabilitation-Employment Program entitled—Work Center on Aging. This facility, located at 67 North Clinton Street, East Orange, N.J. opened its doors in November, 1973. The Work Center on Aging is a free, non-sectarian service conducted with the support and cooperation of the Jewish Community Federation of Metropolitan New Jersey, the New Jersey Division of Vocational Rehabilitation, the New Jersey Division on Aging of the Department of Community Affairs, and the Essex County Office on Aging.

This new comprehensive vocational rehabilitation center began with eleven sheltered workshop clients. It is now in full operation with a variety of programs, and to date, has had contact with over five hundred older persons. The Center provides comprehensive Rehabilitation services, including vocational counseling, workshop services, selected job placement, and extended sheltered employment.

Senior citizens, ranging in age from 55 to 86, are presently in the workshop program, where they are productively employed on sedentary work for which they are paid at rates set in accordance with the U.S. Dept. of Labor, Wages and Hours Division. A number of those handicapped Aging who have been in this vocational rehabilitation center have moved out into competitive employment as a result of Evaluation, Work Adjustment Training, and ongoing Vocational Counseling and Placement services.

In addition to clients who are served in the Workshop Program, Job Placement and Counseling services are provided to senior citizens who do not require intensive rehabilitation service. Fifty-seven Work Center applicants to date have been successfully placed on jobs in private industry. Some of these jobs include—clerks, doormen, secretaries, dispatchers, companions, bookkeepers, messengers, light factory workers, coordinators, sales persons, library aides, and interviewers. A total of 215 older adults have been served up to date in the Workshop and Placement program, with information and referral services provided to an additional 300 senior citizens.

Transportation and maintenance subsidies and a minimum-fee, hot meals program are provided to clients of the Work Center. Medical and social programs are also provided to the workers of the Center Workshop. Comprehensive eye examinations and flu shots have been given to the elderly clients this year. Other programs for clients include: A college course for credit on Consumer Education provided tuition-free by the Essex County Community College at the Work Center. Lecture and slide presentations by: Recreational Facilities, Service Organizations, Transportation Projects, Nutrition Programs, and others are conducted during the lunch-hour as part of the agency's social group program. The Social Service Coordinator, who arranges these programs has also brought to the Work Center, Social Security (S.S.I.) and Food Stamp personnel to assist clients in applying for these needed services without their having to travel and wait on lines elsewhere. The J.V.S. Work Center has been designated as a Neighborhood Food Stamp Outreach Center. Emergency treatment, liaison to Community physicians, clinics and hospitals and Geriatric medical lectures are provided at the Center twice weekly by a Staff Medical Consultant.

Some of the many and varied reasons that lead older persons to seek work at the Center include: Forced retirement, a need for supplemental income, a desire for productive activity, a desire to remain as independent as possible, and a need to escape the depressive effects of loneliness and isolation. The numbers of older people responding to the opportunity for work or work-related activities at the Center is a good testimony of the need for such services.

In Summary—The Jewish Vocational Service-Work Center on Aging Program offers the aging of our community the following:

Where an older individual, male or female, wants full or part-time employment, the Work Center helps him assess his readiness and helps him find a job. When an older individual cannot return to competitive employment due to disability or age, the Center provides him with Extended Sheltered Employment. Where an older individual has medical, social, or recreational needs, the program attempts to provide those services as part of the work program or make referrals to the many community or government agencies with which we are in constant contact.

In promoting a sense of self-worth, and in enabling an older individual to continue a life-style pattern of productive activity, many cases that heretofore would have regressed requiring total public support, long-term care, or institutionalization have had these alternatives, postponed or alleviated. The program has also received, from hospital referrals, individuals who have been institutionalized for over 35 years and are now out in the community and engaged in meaningful pursuits. Participation in meaningful activity is an essential aspect of life at any age. It certainly should be the choice and right of any aging person as long as he or she is willing or able.

Benjamin Perlmutter is president of the Jewish Vocational Service Board of Directors; Joseph L. Weinberg is Executive Director of the Jewish Vocational Service.

The Jewish Vocational Service is a member agency of the Jewish Community Federation of Metropolitan New Jersey. It is a beneficiary of the United Jewish Appeal of Metropolitan New Jersey and a member agency of the United Way of Essex and West Hudson.

TRIBUTE TO THE REVEREND PERRY R. MONROE

Mr. MATHIAS. Mr. President, the community of Aberdeen, in Harford County, Md., lost one of its most outstanding residents with the death this summer of the Reverend Perry R. Monroe. For 22 years, he served as pastor of the Grove Presbyterian Church in Aberdeen. His life was one of service to his country and his community. Mr. President, the Harford Democrat published an editorial tribute to Mr. Monroe in its edition of August 8. I ask unanimous consent that it be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Reverend Perry R. Monroe

The sudden death of the Reverend Perry R. Monroe, pastor of Grove United Presbyterian Church at Aberdeen has left a void in the Aberdeen community. His departure presents a challenge to some person or persons to quickly close the gap, to assume the highly beneficial guidance and help, which he was providing, particularly to the young people of the community. His distinguished record in World War II for which he was awarded the Purple Heart and the Distinguished Flying Cross, marked him as "a man among men."

His graduation from the University of Buffalo and Princeton Theological Seminary, against his background of service to this country, apparently gave him a strong incentive to aid in molding the character of the young people with whom he came in contact, and there were many.

For 22 years he served his local church in a quiet and helpful manner, but broadened his activities into civic affairs, particularly for the advancement and aid to the underprivileged.

He left a splendid heritage and a golden opportunity for another person to follow in his footsteps and carry on his efforts to encourage young people to become good citizens.

ANNOUNCEMENT OF POSITION ON VOTES

Mr. STEVENS. Mr. President, while attending the White House Conference on domestic and economic affairs in Seattle, Wash., I was unable to participate in the rollcall votes on September 4 regarding S. 2195, the Center for Productivity and S. 1281, Home Mortgage Disclosure. For the record, I would like to indicate how I would have voted had I been present.

Vote No. 379, final passage of S. 2195, Center for Productivity, yea.

Vote No. 380, Proxmire amendment to S. 1281, Home Mortgage Disclosure, nay.

Vote No. 381, Garn amendment No. 826 to S. 1281, Home Mortgage Disclosure, yea.

Vote No. 382, final passage of S. 1281, Home Mortgage Disclosure, yea.

RECESS UNTIL 10:55 A.M.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess until 5 minutes to 11.

There being no objection, the Senate, at 10:44 a.m. recessed until 10:55 a.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. FORD).

SHORTAGE OF NATURAL GAS

Mr. HELMS. Mr. President, I commend the distinguished Senator from South Carolina (Mr. HOLLINGS) and others for the attention they are now giving to the dire prospects of an extreme shortage of natural gas. Senator HOLLINGS' State, South Carolina, and my State of North Carolina are similarly in peril, and I am in the process of studying the rather lengthy and very involved measure introduced yesterday by Senator HOLLINGS, S. 2310.

On January 30, 1975, I introduced S. 504, which was referred to the Committee on Commerce, and which has not yet been considered by that committee. My bill, S. 504, in contrast to the one introduced by the distinguished Senator from South Carolina, is very brief and uncomplicated. It should be approved speedily, so as to offer substantial and certain relief to the two Carolinas, and other States similarly in peril of experiencing a crippling shortage of natural gas this winter.

My bill, Mr. President, would assure relief to the States that will otherwise be severely affected, and I had hoped that S. 504 would have been considered by the Committee on Commerce prior to this time. I understand the problem with the logjam of legislation, particularly with respect to energy matters, but I believe that the Congress should not delay further in taking affirmative action.

I call the attention of my colleagues to my bill, S. 504, introduced on January 30 of this year.

I ask unanimous consent, Mr. President, that the text of this bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 504

A bill to protect consumers, preserve jobs, and provide emergency relief for natural gas shortages, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Natural Gas Emergency Purchase Act of 1975".

SEC. 2. That section 7(c) of the Natural Gas Act is amended by inserting "(1)" after "(c)" and by adding at the end thereof the following new paragraph:

"(2) Within fifteen days following the enactment of this paragraph, the Commission shall, by regulation, exempt from the provisions of this Act the sale of natural gas not committed to interstate commerce to an interstate natural gas pipeline company which is curtailing deliveries pursuant to a curtailment plan on file with the Commission, and which does not have sufficient supply of natural gas to meet the firm requirements of the ultimate consumers on such pipeline system exclusive of boiler fuel. No exemption granted under this paragraph shall exceed one hundred and eighty days in duration, but any such exemption may, for good cause shown, be extended for an additional one hundred and eighty days. Interstate natural gas pipeline companies which purchase such gas under this exemption, or any extension thereof, pursuant to Commission regulations, shall not be denied by the Commission the right to recover all or any part of the purchase price paid for such gas.".

Mr. HELMS. I thank the Chair.

Now, Mr. President, we will vote this afternoon on the so-called decontrol controversy, and I hope that, following that vote, we may immediately proceed to affirmative action by Congress instead of confrontation with the White House. I solicit the earnest consideration of S. 504 on the part of my colleagues.

I thank the Chair and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JACKSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JACKSON. Mr. President, I ask unanimous consent that the time utilized in connection with the quorum call be charged equally.

The PRESIDING OFFICER. Without objection, it is so ordered.

EMERGENCY PETROLEUM ALLOCATION EXTENSION ACT OF 1975—VETO

The PRESIDING OFFICER (Mr. FORD). Under the previous order, the Senate will now proceed to the consideration of the President's veto message on S. 1849, the Emergency Petroleum Allocation Extension Act of 1975.

(The text of the President's veto message is printed on page 28199 of the CONGRESSIONAL RECORD of September 9, 1975.)

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. The question is, Shall the bill pass, the objections of the President of the United States to the contrary notwithstanding?

Mr. JACKSON. Mr. President, I ask unanimous consent that the following Senate staff persons be allowed the privilege of the floor during debate on the question of overriding the Presidential veto of S. 1849, an act to extend for 6 months, until March 1, 1976, the Emergency Petroleum Allocation Act of 1973: William J. Van Ness, Ben Cooper, Tom Platt, Jackie Lovelace, Patti Ladner, Marj Gordnor, Les Goldman, Grenville Garside, and Pat Berry.

Mr. President, I also ask unanimous consent that for the minority Dave Stang, Harrison Loesch, Fred Craft, Mary Adele Shute, Jim Hinish, Nolan McKean, Tom Imeson, Mike Hathaway, and Tom Biery be allowed the privilege of the floor during the debate and any votes that may occur on the veto of S. 1849.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JACKSON. Mr. President, the staff of the Committee on Interior and Insular Affairs has prepared charts which show the enormous windfall profits which decontrol will lavish on the major oil companies of the oil industry. It is these few companies who will collect the bulk of the decontrol windfall.

Because portions of the data from which these charts were constructed have been declared "proprietary" by the FEA, the charts do not identify individual oil companies. This proprietary data describes the production of old oil by companies as producer/operators and inventories of crude oil held by major refiners. Quantitive estimates of the reserves of crude oil and natural gas liquids held by these companies was obtained—where possible—from the annual reports of these companies to their stockholders.

Mr. President, I ask unanimous consent that tables 1, 2, and 3, to which I shall refer, be printed at this point in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE I.—DECONTROL PROFITS: CRUDE OIL PRODUCTION

Company	Old crude oil production, June 1975 (thousand barrels per day)	Decontrol profits [1] (million dollars per year)	Daily average decontrol profits (million dollars per day)
A	58	$176	$0.5
C	333	1,003	2.7
E	186	562	1.5
F	66	198	.5
H	178	535	1.5
I	477	1,438	3.8
J	109	329	.9
K	354	1,066	2.9
L	117	351	1.0
M	224	674	1.8
N	26	78	.2
O	67	203	.6
P	373	1,123	3.1
Q	40	120	.3
R	447	1,347	3.7

Company	Old crude oil production, June 1975 (thousand barrels per day)	Decontrol profits [1] (million dollars per year)	Daily average decontrol profits (million dollars per day)
T	154	464	1.3
U	22	67	.2
V	108	326	.9
W	290	874	2.4
X	344	1,037	2.8
Total (top 20)	3,973	11,972	32.8

[1] Assumes old oil increases in price from $5.25 per barrel to $13.50 per barrel with removal of price controls.

Source: Proprietary old oil production data from FEA.

TABLE II.—DECONTROL PROFITS: CRUDE OIL INVENTORIES

Company	Crude oil stocks, end of May 1975 (million barrels)	Increased inventory value [1] (million dollars)
A	6.708	3.7
B	4.626	15.3
C	24.244	80.0
D	3.934	13.0
E	19.462	64.2
F	3.743	12.4
G	1.246	4.1
H	5.633	18.6
I	19.842	65.5
J	3.901	12.9
K	19.674	64.9
L	10.708	35.3
M	15.066	49.7
O	5.678	18.7
P	29.417	97.1
R	17.821	58.8
S	6.305	20.8
T	12.975	42.8
W	26.963	89.0
X	6.565	21.7
Total (top 20)	244.531	807.0

[1] Assumes 40 percent of inventory is domestic old crude oil which increases in value from $5.25 per barrel to $13.50 per barrel with removal of price controls.

Source: Proprietary refiner inventory data from FEA.

TABLE III.—CRUDE OIL RESERVES AND THE BENEFITS OF DECONTROL

Company	Reserves of petroleum liquids, year end 1974 (billion barrels)	Old oil ratio [1] (June 1975 production)	Estimated old oil reserves [2] (billion barrels)	Instantaneous increase in reserve value (billion dollars) [3]	Estimated added value including discounting [4] (billion dollars)
C	2.352	0.59	1.39	$11.5	$7.0
E	1.647	.59	.97	8.0	4.9
F	.812	.71	.58	4.8	2.4
H	.552	.72	.40	3.3	1.6
I	5.039	.60	3.02	24.9	15.1
J	1.415	.67	.95	7.8	4.2
K	1.375	.80	1.10	9.1	4.1
L	.783	.69	.54	4.5	2.3
M	1.2	.80	.96	7.9	3.6
N	.107	.34	.04	.3	.3
O	.473	.65	.31	2.6	1.4
P	1.9	.57	1.08	8.9	5.7
Q	.280	.68	.19	1.6	.8
R	1.6	.74	1.18	9.7	4.8
T	.784	.75	.59	4.9	2.3
W	3.360	.56	1.88	15.5	10.1
X	1.015	.87	.88	7.3	3.0
Total (top 17)	24.694		16.06	132.5	74.1

[1] Based on proprietary crude oil production data provided by FEA.
[2] Reserves multiplied by old oil ratio.
[3] Assumes old oil reserves increase in value by $8.25 per barrel.
[4] In congressional testimony a number of oil companies have estimated that decontrol will increase the value of reserves when developed by the equivalent of approximtaely $3 per barrel in 1975 dollars.

Mr. JACKSON. The most direct and immediate benefit of decontrol for the major oil companies comes from their overwhelming hold on domestic production of crude oil and natural gas liquids. The FEA data covers only crude oil production, so that the estimates I will give understate the increase in company revenues from decontrol by omitting the increased value of natural gas liquids production. For some companies this increase will be substantial.

For June, the most recent month for which data is available, the top 20 oil producers accounted for nearly 6 million barrels per day—approximately 70 percent of total domestic crude oil production. In that month, two-thirds of the production of the top 20, or somewhat more than the national average of around 60 percent, was old oil. This means that 70 percent of the approximately $17 billion annual increase in the cost of old oil—or $12 billion—would accrue to the top 20 domestic producers. These figures, of course, represent increased revenue, not increased profits. The staff has not attempted to estimate after-tax profits.

The first large chart summarizing data from table I shows that the decontrol windfall for the top 20 domestic oil producers on existing production, from wells which are in place and require no further development expenditure, will be $11 billion, 972 million annually. In fact, the vast bulk of these revenues will accrue to the seven largest producers—companies C, I, K, P, R, W, and X—who will receive approximately $12 billion or 65 percent of the nearly $12 billion total for the top 20 producing companies. This windfall is only slightly less than the unprecedented and exorbitant profits these same seven companies received for the entire year in 1974.

I would now like to turn to proved reserves. The second large chart—summarizing data from table III—contains a set of calculations which illustrate in a very rough way the enormous increases in the value of domestic oil reserves which will result from the drastic upward evaluation of domestic oil implied by decontrol.

The American Petroleum Institute has estimated domestic proved reserves of crude oil and natural gas liquids at approximately 33.5 billion barrels. This figure excludes approximately 10 billion barrels of Alaskan crude oil reserves. Using data available in the public domain, primarily from the annual stockholders' reports of the individual companies, the proven reserves of the 17 largest producers were compiled. These reserves total nearly 25 billion barrels.

It is clear that these reserves represent an enormous asset at present prices and an asset which will grow enormously in value with the termination of price controls. The chart attempts to estimate this appreciation in value in two ways.

First, the approximate fraction of each company's current production which is "old" oil is applied to that company's reserves to estimate the amount of oil which would be kept under price controls if the Emergency Petroleum Allocation Act were extended. If the price of old oil increases from $5.25 per barrel to $13.50 per barrel, each barrel of these reserves increases in value instantaneously by $8.25. The next-to-last column in the chart shows this increase.

The effects are staggering. The total increase for the top 17 producers amounts to over $132 billion, including nearly $25 billion for Company I and over $15 billion for Company W, the holders of the largest domestic reserves.

It could be argued that this calculation overstates the increased revenues which could actually be realized from the reserves, since, undoubtedly, additional expenditures will be needed to bring them to production and the timelag between identification of reserves and actual sale of the oil may be significant. The combined effect of this timelag and the inflation in the dollar means that the revenues from reserves must be "discounted." In congressional testimony, the major companies have maintained that these effects will reduce the ultimate windfall increase in the value of their reserves as measured in 1975 dollars, and that the manner in which the value is reduced would depend on inflation in general, future costs in the oil industry and individual company timetables for reserve development.

At the joint hearings held by Senator STEVENSON and myself in July, three of the major oil companies testified that the estimated increase in the value of their 1975 reserves from removal of price controls would amount to $2 to $3 per barrel spread over all domestic reserves. The last column in the chart shows the net effect of increasing the value of each company's domestic reserves in the first column by $3 per barrel.

The net effect of this rough attempt—generalizing from the methodology for reserve evaluation employed by individual companies themselves—produces 1975 dollar estimates for the top 17 companies of $74 billion—somewhat more than half the simplest estimate. In either case, the appreciation represents a monumental increase in assets accruing to a single sector of the economy.

INVENTORIES

I turn now to the question of inventories. The Interior Committee staff has also had enlarged copies of the working tables to which I have referred, from which the staff developed the material on the two large charts. These tables—tables I, II, and III—contain some additional information not shown on either large chart.

I refer to table II, which shows crude oil inventories as of May 1975, maintained by the top 20 refining companies—a slightly different group than the top 20 producers. These 20 companies held nearly 90 percent of the crude oil inventories at that time. Assuming that 40 percent of the crude oil held in inventory is classified as old oil for the purposes of cost accounting under FEA regulations, the value of the crude oil inventory of these refiners will increase overnight in a one-time appreciation by approximately $800 million.

In addition, the industry maintains substantial inventories of refined products. Over 600 million barrels of gasoline, jet fuel, heating oil, fuel oil, unfinished oils and miscellaneous refined products were in inventory at the end of May 1975. Assuming these products increased in value on the average by $3 per barrel—in line with the average increase in price for crude oil—an additional overnight windfall of $1.8 billion will accrue to the petroleum industry. The total one-time inventory windfall will thus be substantially in excess of $2 billion and will occur overnight if controls are not extended by overriding the President's veto.

In summary, it is entirely clear that singly, or in combination, the increased operating revenues and the appreciation in reserve value far outstrip any costs which the oil industry may bear as a result of Federal regulation or as a result of recent changes in the tax laws. Removal of price controls can only be considered a national policy decision—which the President is asking the Congress to ratify—to transfer massive sums from consumers and from remaining sectors of commerce and industry to the major oil companies. The data we have submitted permit no other interpretation.

Mr. FANNIN. Mr. President, the issue before us today is whether to sustain or override the President's veto of S. 1849, the Emergency Petroleum Allocation Extension Act of 1975.

Since January of this year the President has patiently been seeking the cooperation of the Congress in evolving an energy program that will return this Nation to a state of relative energy self-sufficiency.

On January 15 the President, in his state of the Union message, outlined his energy program.

On January 23 he issued a proclamation imposing a $1 per barrel fee on crude oil imports.

On January 30 the President transmitted to Congress a comprehensive energy program in the form of legislation containing 13 separate titles, not one of those titles has yet become law.

On March 4 the President refrained from imposing for 60 days a second and third dollar fee on imported crude oil that he announced he intended to impose in his January 23 proclamation.

On April 30 he granted the Congress another 30 days to produce alternative legislation dealing with energy. He also directed the Federal Energy Administration to initiate a program to phase out price controls on old oil.

On May 27, in a nationally televised address, he announced that due to the failure of the Congress to take responsible action in the area of energy legislation, he would be forced to add a second dollar to the fee on imported oil.

On July 14 he announced his first proposal to phase out old oil prices, which the House of Representatives disapproved.

On July 25 he announced his second phaseout proposal, which the House of Representatives disapproved.

Congress has asked the President to sign the act which extends the Emergency Petroleum Allocation Act until March 1, 1976. The original act was passed during the Arab oil embargo of 1973 and was intended to be emergency legislation for the primary purpose of dealing with fuel shortages resulting from the embargo. We detailed the history of that act including its unfortunate adverse impact on stimulating the domestic production of oil. The sad facts concerning that act are contained on pages 13 to 21 of the report on S. 1349. There is no need to repeat the arguments here at length. Summing them up, however, I refer to the testimony of Mr. Frank Zarb, the Administrator of the Federal Energy Administration presented to the Interior Committee on May 19. Mr. Zarb said:

> 1. The EPAA is inconsistent with the national goal of achieving long-term energy independence . . .
>
> 2. The EPAA denies consumers the full benefits of competition . . .
>
> The EPAA prolongs unwarranted economic distortions and inefficiencies . . .
>
> 4. The EPAA makes it very difficult for the petroleum industry to reach rational business decisions . . .

The minority views of the report on S. 1349 contain additional testimony which points up the unworkability of the Emergency Petroleum Allocation Act which would be extended if the President's veto is not sustained.

Mr. President, overriding the veto would be a disaster from the standpoint of the best interests of this country.

We responded to the same issue in our minority views contained on pages 11 through 22 of the report on Senate Resolution 145—the resolution to disapprove the President's program to phaseout oil price controls. There we detailed the failure of the Congress to respond to the national need for effective energy legislation, including the abortive effects of the Senate to come to grips with the problem since January of 1971 when legislation was introduced to create the national fuels and energy policy study. The Senate supposedly has been working on the national fuels and energy policy study since May of 1971. To this date it has not yet complied with the series of mandates from the Senate which extended the study each year for yet another year and called for a report with recommendations to the Senate.

Mr. President, if we would extend for 6 months the act, then we must realize that this will go over into next year. We would be in another session, as the second session of the present Congress, and we will be in an election year. I think it is well understood that politics would make it very difficult to be able to adopt measures that should be adopted to take care of the emergencies that we have facing us.

Additionally, in our views contained in the report on Senate Resolution 145, we stressed that the regulatory approach of the Emergency Petroleum Allocation Act has failed to curtail imports of foreign crude oil and has failed to provide adequate incentives for increased domestic production. We stressed that:

> Only through use of the unregulated price mechanism can domestic supply be encouraged to develop to the point of surplus, thereby not only freeing us from dependence upon OPEC oil prices we cannot control, but also causing domestic prices ultimately to decline due to supply again exceeding demand. In short, there is no way to regulate domestic energy prices and free ourselves from increased dependency upon imported petroleum at the same time. These are mutually exclusive policy goals. There is no escaping from this reality.

Finally, in our views on Senate Resolution 145, we stressed and documented that further postponement of decontrol measures will exacerbate the present energy and economic situation.

Mr. President, this was verified in statements made specifically by Mr. Fred Hartley, the president of Union Oil Co. of California, when he ran ads nationally stating that their company would not have increases to exceed 2 cents per gallon for the balance of this year.

In the report prepared by the Federal Energy Administration on the effects of decontrol, the following conclusions were reached.

Regarding the economic impact of complete decontrol, the report stated:

> The economic recovery will continue strongly even with decontrol. GNP will rise and unemployment will fall. The net effect of decontrol and removal of the import fees will be no more than 3 cents per gallon by the end of 1975 on refined petroleum prices and could be 2 cents or less.

We have had indications continuously that we would not have increases perhaps of any amounts with the competitiveness of the market that could exist with a plentiful supply of oil worldwide.

Mr. Zarb continued:

> By 1977, continued controls would increase dependence on imports and prices would rise in any event. Thus, decontrol and removal of fees will raise prices by about 1 cent per gallon in 1977. Coal and natural gas will experience negligible price changes.

With respect to the impact of decontrol on domestic production, the report stated:

> Decontrol will help stem the decline in domestic production by providing incentives for tertiary recovery and by reducing the adverse effect inflation has on the $5.25 ceiling price. Depending upon the world price of oil, decontrol could increase production by 1.1–2.3 million barrels per day (MMB/D) in 1985 and 0.1–0.3 MMB/D in 1977.

With respect to the impact on imports, the report stated:

> Compared with taking no actions, the President's actions on decontrol and import fees will reduce imports by about 150,000 barrels per day by the end of 1975 and almost 700,000 barrels per day in 1977. By 1985, these actions could reduce imports by 2.2 MMB/D.

Regarding the impact of decontrol of petroleum prices on energy demand, the report stated:

> Analysis of energy consumption trends as well as econometric analysis firmly indicates that higher energy prices encourage conservation. Energy consumption in the United States is about 11 percent lower than what it would have been using previous projections. Energy used per person is substantially more than in other countries where energy prices are substantially higher than in the U.S. Further, many independent economic studies indicate a substantial short-run elasticity for petroleum.

Regarding the impact of doing nothing, the report stated:

> If no action is taken to conserve energy or increase domestic supply, our vulnerability to an embargo will continue to climb. More of our imports are coming from OPEC nations than before the last embargo. The last embargo caused GNP to drop by $15 billion and 500,000 unemployed. Because over 40 percent of our projected 1977 imports will be from insecure sources, a 6-month embargo in 1977 could decrease GNP by 24 billion dollars and increase unemployment by over 700,000.

Mr. President, we are going to vote today on a matter of extreme public interest. The question is whether sustaining the President's veto would be in the public interest. We have documented that sustaining the President's veto would be in the public interest. We believe our rationale is based upon solid grounds. But in the expression of our arguments in favor of sustaining the President's veto, we were not arguing from within an ideological vacuum. We were expressing the view which is based upon overwhelming public opinion. On August 4 a Harris poll was published in newspapers throughout the United States which showed that 54 percent of the 29,944 answers received favored deregulation of U.S. oil price controls. Only 22 percent were in opposition. Thus, well over two out of every three persons interviewed who had an opinion on the subject favored decontrol of oil prices.

Mr. President, I ask unanimous consent that a complete copy of the Lou Harris column on oil decontrol as well as the minority views on S. 1849 and Senate Resolution 145 appear in the body of the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Post, Aug. 4, 1975]

OIL DECONTROL BACKED IN POLL

(By Louis Harris)

Support for deregulation of all oil produced in this country has now risen to a decisive 54–22 per cent majority, up from a 46–31 per cent plurality in April, and a complete turnaround from the 42–28 per cent plurality who opposed deregulation only a year ago. An identical 54–22 per cent majority also backs complete deregulation of natural gas produced in the U.S.

These latest results must be viewed as a real victory for President Ford, who has long advocated price decontrol for oil and natural gas produced in the U.S. His reason has been that deregulation would provide an incentive for domestic production of more basic energy, and reduce American dependence on foreign energy sources.

With a majority now behind his program, the President not only could realize his policy objective, but also may receive credit for demonstrating courage in sticking to his position in the face of Congressional opposition.

Earlier this month, a nationwide cross-section of 1497 adults was asked: "Would you favor or oppose deregulation of the price of all oil produced in the U.S. if this would encourage development of oil production here at home?"

ON DEREGULATION OF U.S. OIL

[In percent,

	Favor	Oppose	Not sure
July 1975	54	22	24
April	46	31	23
July 1974	28	42	30

Close to 2 in every 10 people admitted they had changed their minds on energy decontrol. Three major reasons were volunteered:

"Deregulation will bring in more production at home and eventually will bring prices down;" said close to 1 in 3 of the switchers.

A Denver truck driver said: "Under price controls, we've been producing less and less oil here in the U.S. By letting the price go up, we'll get more production and that will finally bring the price down. Same thing as happened with meat."

"Now with decontrol, we will encourage rather than discourage exploration for new oil and natural gas," said another 1 in 3 of those who changed their minds and now favor deregulation. A Rochester, N.Y., secretary said, "It's clear that by keeping controls on the price of oil and gas produced here at home, we are discouraging the oil companies from finding new sources of these fuels. We ought to try now to give them an incentive to see if more oil and natural gas will be produced."

"By encouraging exploration at home, we can move toward less dependence on Middle East oil," said 1 in 6 of those now favoring deregulation.

The acknowledged risk in deregulation is that the price of gasoline, home fuel, and other basic energy resources will rise sharply, bring back rising inflation, and abort recovery of the economy. The underlying predication of the Ford decontrol policy is that, as the prices of oil and natural gas rise, there will be a commensurate fall-off in the consumption of energy by both the public and industry.

The Harris Survey tested the possibilities of a decline in gasoline consumption if the price were to rise from 10 to 50 cents a gallon over current levels. The 81 per cent of the families who own a car were asked:

"If the price of gasoline were to go up (Read Amount) a gallon, would you be likely to use your car as much as you do now, a little less often, a lot less often, or not at all?"

CUT CAR USE IF PRICE RISE PER GALLON

[In percent]

	10 cents	20 cents	30 cents	40 cents	50 cents
Use car:					
As much as now	54	35	24	22	22
Little less often	34	32	23	15	11
Lot less often	10	28	41	48	46
Not at all	1	3	8	13	17
Not sure	1	2	2	2	4

Clearly, many Americans now believe they would cut back on car use if the price of gasoline were to rise further. The higher the rise, the more they would curtail car use.

MINORITY VIEWS OF SENATORS FANNIN, HANSEN, MCCLURE, AND BARTLETT

SUMMARY OF OBJECTIONS TO SENATE RESOLUTION 145

We are opposed to Senate Resolution 145 for the following reasons: (1) Congress has failed to respond to the national need for effective energy legislation, and instead, has proposed delaying tactics as in Senate Resolution 145; (2) The regulatory approach of the Emergency Petroleum Allocation Act has failed to curtail foreign crude oil imports and provide adequate incentives for increased domestic production; and (3) Further postponement of decontrol measures will exacerbate the present energy and economic situation.

I. Congress has failed to respond to the national need for effective energy legislation and instead, has proposed delaying tactics as in S. 145

President Ford has made every effort to move forward with a bold national energy program. He has exhibited the patience of Job in dealing with a Congress which refuses to cooperate with him. The following is a summary of his many actions this year involving energy, including the extensive indulgences of the Congress in order to allow it to develop an alternative energy program.

January 15—In State of the Union Message outlined dimensions of interrelated economic and energy problems and proposed far-reaching measures for their solution.

January 23—Issued a Proclamation imposing a $1 per barrel fee on crude oil, beginning February 1; the second dollar beginning March 1, and the third dollar beginning April 1.

January 30—Transmitted to Congress a comprehensive energy program containing thirteen separate titles designed to collectively achieve near self-sufficiency by 1985.

March 4—Refrained from imposing, for sixty days, the second and third dollar fee on imported oil in order to give Congress the opportunity to devise an acceptable alternative energy policy.

April 30—In letters to Speaker Albert and Senator Mansfield, noted that although he had granted Congress the requested sixty days, it had accomplished nothing. Then announced that he had directed the Federal Energy Administration to implement, by June 1, a program to phase out price controls on old oil. Repeated his request for a windfall profits tax on crude oil production coupled with strong incentives to step up domestic exploration and production. Additionally granted the Congress another thirty days to produce alteration legislation dealing with the oil import problem.

May 27—In nationally televised speech announced that, in spite of a 90 day reprieve, Congress had failed to act, therefore, effective June 1 he would add the second dollar to import fees required for imported oil and that after Congress returned, he would submit his oil price decontrol plan.

July 14—Announced administrative actions to gradually decontrol the price of old oil over a 30-month period. In addition, he announced for the same period of time a ceiling on the price of all uncontrolled domestic oil equal to the price of uncontrolled domestic crude oil in January, 1975, plus two dollars a barrel to account for the import fees already in place.

WHAT HAS BEEN THE RECORD OF THE CONGRESS IN DEALING WITH ENERGY?

Let us begin back in January of 1971 at the advent of the 92nd Congress. At that time there was a great clamor on the part of Senators on both sides of the aisle concerning the coming energy crisis. President Nixon was urged to establish a commission to study the issue. When he expressed his disinclination, the response of several Senators was in effect to tell the President that if he did not act responsibly, the Senate certainly would. This episode constituted the genesis of the Senate's famous National Fuels and Energy study which was launched by Senate Resolution 45 on May 3, 1971. That resolution called for a comprehensive study and authorized appropriations through February 29, 1972. That date transpired and no report was filed.

On March 6, 1972, Senate Resolution 231 was adopted extending the study and directing the Interior Committe to "report its findings together with recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date but not later than February 28, 1973."

That date came and went and still no report or any recommendations were filed. Anticipating that no report would be filed, the Chairman of the Interior Committee arranged on February 22, 1973, via Senate Resolution 33 to extend the National Fuels and Energy study for still another year with the requirement that at the very latest the energy study report would be filed on February 28, 1974. That date came and went and still no report was filed.

On March 1, 1974, Senate Resolution 245 was adopted which extended the reporting deadline for the national fuels and energy study for still another year. February 28, 1975 came and went and still no energy report was filed.

Literally hundreds of thousands of dollars of United States taxpayers' money has been wasted on a do nothing, resolve nothing, achieve nothing, energy study. The four year history of the Senate's National Fuels and Energy Study provided a clear demonstration that the Senate is incapable of biting the bullet and acting responsibly in matters related to energy.

What the Senate has demonstrated is a limitless capacity for headline grabbing, pure politics. Political game playing as a substitute for responsible legislation has been the hallmark of the Senate's response to the energy crisis. The political game playing related to energy has consisted of the following elements.

1. Blaming the oil companies and the administration for the problem without accepting any culpability on the part of the Congress.
2. Rejecting the price mechanism as a means of increasing domestic supply and reducing demand of energy.
3. Promising consumers of energy something for nothing.
4. Promising U.S. citizens that the best means of combating the OPEC cartel and increased dependence upon imported fuels is to rollback domestic oil prices.

We present just a few examples of how the political energy game has been played. Shortly after the enactment of the emergency petroleum allocation act in November of 1973, the Congress considered additional emergency legislation. When the conferees met on that latter bill, they decided that a price rollback was the most effective means of combating the OPEC cartel. The conference report contained the provision captioned "Prohibition on Windfall Profits—Price Gouging". In effect, it permitted any buyer of petroleum products to sue the seller for that part of the purchase price that the buyer thought constituted windfall profits. The provision was so absurd that our colleague, Mr. Nelson, led a successful floor fight which resulted in the Senate's rejecting the conference report. The second conference report on the emergency legislation contained a slightly less insane provision which would have rolled unregulated crude oil prices back to $5.25 per barrel. This carried in both houses but was vetoed by the President whose veto was sustained by a handful of votes in the Senate.

H.R. 4035 is a repetition of the same kind of game playing that was going on in December, 1973. The players are the same, the politics is the same, the issues are the same, and the pervasive legislative irresponsibility is the same. H.R. 4035 is the response of the Congress to the President's program.

On July 15 the FEA Administrator, Frank Zarb, wrote to our distinguished majority leader, calling to his attention the infirmities of H.R. 4035.

Here is what Mr. Zarb said in part:

The bill recommended by the Conference Report would increase consumption, cut production and increase petroleum imports by about 350,000 barrels per day in 1977, compared to import levels resulting from the President's 30-month phased decontrol proposal. Moreover, it would result in increased imports of approximately 70,000 barrels per day over what we could expect under the current system of mandatory controls.

The Conference bill would produce these counterproductive results by:

Rolling back the price of "new" domestic crude oil;

Repealing the "stripper well" exemption from price controls provided by existing law; and

Establishing a three-tier price system that would mandate a complex and unwieldy program that would be most difficult to administer.

The Conference Report adopted virtually all of the objectionable provisions of both the House and Senate versions of the legislation. In addition to the items mentioned above, it would make it considerably more difficult to phase-out current price and allocation controls, and would fail altogether to provide any assurance that an orderly phase-out can begin promptly.

Yesterday the President announced a compromise decontrol plan which he intends to submit to the Congress this week.

This decontrol plan, which will phase-in decontrol over 30 months and keep a price "cap" on domestic crude oil, combined with the existing $2.00 import fee, will reduce imports by almost 900,000 barrels per day by 1977. It will permit high-cost enhanced recovery techniques to yield more domestic oil from old fields. Without this plan, about 1.4 million barrels per day domestic production will be lost by 1985.

This gradual phase-in of decontrol will raise the average price of petroleum products slightly more than 1 cent per gallon this year, and by an additional 3 cents per gallon in 1976 and 1977.

The entire decontrol proposal made by the President is now a matter of public record. As you know, yesterday he delayed its formal transmission to the Congress to provide the opportunity for Members of Congress and the public to examine thoroughly the merits of the proposal before each House of Congress, under existing law, determines whether to accept it.

Clearly, the President's proposal warrants the most careful and thoughtful scrutiny by the Congress, and it is imperative that this scrutiny not be foreclosed by ill-considered adoption of the Conference Report on S. 621 and H.R. 4035. This is particularly important, I believe, in light of the fact that the plan represents a considerable compromise from the President's initial proposal for immediate decontrol.

Consequently, I would urge that the Senate act to reject the Conference Report and avoid prejudicing the President's proposal. Since the bill would override the President's proposal even before it is considered by the Congress. I would have no alternative but to recommend that the President disapprove the Conference version of S. 621 and H.R. 4035 were it enacted by the Congress.

Continuing with its game playing, the Senate ignored Mr. Zarb's letter and voted to adopt the Conference Report on H.R. 4035. We await the President's veto and look forward to sustaining it.

The fact is that the Congress has made little progress in either developing a comprehensive energy program or providing the President with the authorities he needs to implement his proposed program. Only a minimal effort has been made at reaching a bipartisan energy program that will begin to resolve the complex economic and energy supply and production problems that face the Nation. Congressional action to date has done little, if anything, in obtaining domestic energy self-sufficiency.

The Nation cannot afford to wait indefinitely for a comprehensive energy program. Action, not further delay, is needed now to develop domestic supplies and reduce energy demand. As indicated above, the President in his state of the Union address on January 15, 1975, took the first steps toward establishing a national energy program. President Ford called for a comprehensive energy conservation program in which consumption of energy would be decreased and domestic production of energy resources increased, in order to reduce this country's dependence on imported crude oil. The President recommended decontrol of the price of domestic crude oil as one of the measures essential to curtail domestic energy consumption.

In the months following the President's announcement seeking decontrol, Congress failed to take any decisive action toward meeting our energy needs. On the other hand, the Administration has continually sought to work with the Congress, and has, at the request of the leadership of this Congress, tempered the pace initially set forth by the President in his energy plan.

As we are all aware, the President has now announced a compromise decontrol plan which has just been submitted to the Congress. This decontrol plan would phase-in decontrol of old oil over a 30-month period and would impose a new ceiling price for all domestic crude oil, other than stripper well crude oil, for the same 30-month period. In conjunction with this decontrol program the President has reiterated his desire for Congress to enact a windfall profits tax with plow-back provisions and direct tax rebates to consumers to return all of the proposed increases in energy taxes.

It is clearly evident that the President's new proposal for decontrol warrants careful consideration by all members of Congress. We are once again faced with the opportunity to take some form of constructive action. In the past Congress' response to any overture by the Administration has been one of negativism. The new Congress has been hampered by internal disputes of a petty and partisan nature. We must begin to enact responsible energy legislation, and this entails the thoughtful scrutiny of all proposals whether they originate within the Administration or among our own ranks. We can no longer respond to the energy situation with delaying tactics. S. Res. 145 is merely another form of delay; S. Res. 145 prejudges the President's proposal before it has the opportunity for full consideration by the Congress.

II. The regulatory approach of the Emergency Petroleum Allocation Act has failed to curtail foreign crude oil imports and provide adequate incentives for increased domestic production

Senators who reflexively utter eschatological incantations every time the term OPEC is mentioned at best seems to be deceiving themselves. They argue that we must free ourselves from OPEC prices by regulating the price of our domestic fuels. But by so doing they would further discourage domestic production while concomitantly forcing greater dependence upon OPEC oil at prices they have no means of controlling.

Only through use of the unregulated price mechanism can domestic supply be encouraged to develop to the point of surplus, thereby not only freeing us from dependence upon OPEC oil at prices we cannot control, but also causing domestic prices ultimately to decline due to supply again exceeding demand. In short, there is no way to regulate domestic energy prices and free ourselves from increased dependency upon imported petroleum at the same time. These are mutually exclusive policy goals.

Perhaps the best indictment of Democrat-led congressional game playing with energy came from the pen of a freshman Democrat, Congressman Bob Krueger. This is what he had to say on the subject in his additional views in the report on H.R. 7014.

The adoption of a reasonable Congressional oil policy is quickly becoming less a matter of choice than of necessity. The oil pricing provisions of H.R. 7014, however, are more an abdication than an alternative. We need not debate whether the Committee's language on oil pricing is "tough" enough in curbing imports; the oil price rollback simply ignores the import question altogether.

As noted by the Democratic Task Force mobilized in both Houses at the beginning of this year, declining production in old oil fields (regulated at prices half of OPEC's) argues for increased stimulus of enhanced recovery of oil. Increased new oil production costs and decreased new oil finds support the need for market pricing of new oil combined with stiff new re-investment requirements. Economic efficiency of allocation dictates an elimination of the multi-tiered pricing system coordinated with an adequate compensation mechanism for low income consumers. To neglect these salient imperatives of our oil markets is to defy reality.

As imports continue to climb, eroding our international alliances and economic health while raising the price of other imports, the notion of a price roll-back on new domestic oil is eminent bad sense. Disregarding the product of five months of labor by the Subcommittee on Energy and Power, the full Commerce Committee rejected the rational for the expedient. And that expedient of price control extension was more reflective of the political mood years ago than of the current public frustration with Congressional evasiveness and pervasive economic controls.

Section 301 of H.R. 7014 is, in the words of the *Washington Post*, a "disastrously bad idea." The price roll-back on new domestic oil serves to inhibit severely the margins of production and the funds available for new oil development. On the other hand, producer revenues from old oil (in the current bill are greater than the revenues they would realize from old oil production in the Subcommittee's plan. This paradox of penalizing new production dominated by smaller firms in which fixed investment is ongoing, while offering large bonuses for old oil production dominated by multinational firms in which fixed investment has already occurred, makes no economic sense.

The present two-tier pricing system repudiates end-use efficiency by charging two prices for the same commodity. Not content with this absurd situation, the Committee's oil pricing provision creates a four-tier pricing system.

Under the current system, disparate regional oil costs are equalized by a program called the "entitlements" system requiring refiners who process domestic crude to make huge cash payments to refiners of foreign crude. This system subsidizes the demand for foreign oil and creates OPEC windfalls. A continuation of the multi-tier system results in the inevitable cost-equalization dilemma: either a cost-equalization program is continued, resulting in yet more OPEC subsidies, or the cost equalization system is discontinued (the FEA can do it at any time) and the East Coast must pay much higher oil prices than the rest of the country, destroying the competitive viability of the region.

Under the roll-back scheme, the dangers of embargo and international blackmail multiply as our thirst for foreign oil increases. Taxpayers will be victimized: on one hand they will inevitably be asked to subsidize such promising new technologies as solar and geothermal power due to the diminution of market incentives for these substitutes, while on the other hand, the value of and revenues from our new offshore oil resources will diminish.

While the United States' per capita energy consumption is twice that of Japan and West Germany, countries that are pursuing aggressive demand restraint measures, the United States must act responsibly in rejecting government controls that inflate the demand for energy. The least we must expect as a nation is that the user of a barrel of oil must pay for its replacement costs. In the short run, this replacement cost is the price of OPEC oil. If we are willing to pay OPEC $12 to $13 for a barrel of oil, we should be willing to spend as much bringing into production high-cost domestic resources while insuring the re-investment of excess revenues.

If we fail to use economic rationality as a guide in determining fair oil prices, let us not ignore the intuitive appeal of some simple facts: the price of oil in current dollars has only recently returned to 1950 levels, and we pay more per gallon for distilled water and soft drinks than for gasoline and fuel oil.

Congressman Krueger's remarks are equally applicable to Senate Resolution 145.

The message of Senate Resolution 145 is, Mr. President, we won't even allow you to do what we authorized you to do when we passed the Emergency Petroleum Allocation Act.

The regulatory approach provided for in the Emergency Petroleum Allocation Act has created a number of problems. The present two-tier pricing system has resulted in distortions in the oil market and has created an inequitable distribution of costs and a complex entitlements program. The legislation was also intended to deal with an energy fuel emergency that no longer exists. To maintain federal regulatory intervention in the marketplace under our present fuel situation is unwarranted and unwise. This is one of the principal reasons President Ford initially recommended immediate decontrol.

Gradual decontrol over a 30 month period of domestic crude oil prices would slowly eliminate the economic disincentives and distortions resulting from the present two-tier price system. It would permit domestic crude oil prices to rise to the prevailing world price levels so that the demand-dampening effects which have been felt in other parts of the world would be felt in the United States. Under the current two-tier price system, the price of most domestic oil is held at a level approximately half that of world price levels. The gradual removal of these price controls will allow price increases at a graduated pace, thereby fostering orderly reduction in U.S. energy consumption. The gradual phase-in of higher prices will raise the average price of petroleum products by slightly over one cent per gallon in 1975 and by 3 cents per gallon in 1976 and 1977.

Besides conserving domestic supplies, decontrol of domestic crude oil prices would stimulate domestic production, thereby reducing reliance on imported products. The decontrol plan proposed by the President, combined with the existing $2 import fee, will reduce imports by almost 900,000 barrels per day by 1977.

Decontrol will further permit high cost enhanced recovery to precede economically in old producing properties. The production incentives afforded since the fall of 1973 by rules permitting "new" and "released" domestic crude oil to be sold at free market prices were partially effective in cutting back on foreign supplies of crude oil. However, these incentives are already of decreasing utility. Existing production incentives are simply not adequate to encourage investment in secondary/tertiary recovery and other costly or speculative programs designed to increase the total output of domestic crude oil. Absent decontrol, old oil production should continue to decline and tertiary recovery would have to sell at controlled prices and thus, about 1.4 million barrels per day would be lost by 1985.

Decontrol of domestic crude oil prices will promote domestic production, until supplementary energy resources can be developed. It will avoid during this time an unacceptable degree of United States' reliance on imported fuels.

III. Further postponement of decontrol measures will exacerbate the present energy and economic situation

At the request of the Administration last fall, we voted in favor of S. 3717 to extend the expiration date of the Emergency Petroleum Allocation Act from February 28, 1975, to June 30, 1975. Our sole purpose for voting to support the short extension was to provide an additional period of time in which to proceed with an orderly and complete phase out of all price and allocation controls. No other amendments than the mere four month extension were contemplated or agreed upon in conversations between Administration officials and members of this Committee on both sides of the aisle.

Such an intent of the Committee members was clearly reflected in the following statement made by the Committee chairman, Senator Jackson on the floor of the Senate on August 12, 1974, (Page S. 14725 of the Congressional Record of August 12) "The act is now scheduled to expire on February 28, 1975. This expiration date occurs too soon after the new Congress convenes for a careful evaluation of the administration of the act and an informed decision as to the need for a full scale extension of the act in light of conditions then prevailing. Furthermore, if the Congress were unable to complete action on extension proposals, the act would expire at the height of the winter heating season when the need for allocation authority could be greatest. . . . The Committee believes that it is too soon to make basic changes in the act and that proposed changes should be considered next year in light of more extensive experience with the act. Accordingly, it is proposing a *short* (emphasis added) extension without amendments.

All we are saying is, let us extend the act as it is from February 28 until June 30. We will have time, then, after the first of the year to act carefully and deliberately."

On November 22, 1974, Chairman Jackson in another floor statement (page 37056 of the Congressional Record of November 22), listed additional, but no longer valid, reasons for the "short" extension of the Emergency Petroleum Allocation Act of 1973; "Faced as we are with a coal strike of uncertain duration, with the forecast for a severe winter . . . the Government must have petroleum allocation authority through the present winter."

Chairman Jackson reiterated in the same floor statement the necessity of an extension of the act, in order to allow Congress time to assess the act. "The purpose of the six month extension provided for in H.R. 15757 is to provide adequate time for the new Congress and the executive branch to review the act. . . ."

Whereas the consideration of a coal strike and the winter of 1974–75 is behind us, the attempt to extend the Emergency Petroleum Allocation Act of 1973 until March 31, 1976, via S. 1849 or to December 31, 1975, via H.R. 4303 can only be viewed a default of the Congress to honor its pledge to come to grips with energy policy, including the need to repeal or substantially revise the act.

When we considered S. 3717 on the Senate floor last August, the Administration's position as we understood it was as follows:

1. The expiration date of the Emergency Petroleum Allocation Act would be extended to June 30, 1975.

2. Between August, 1974, and June 30, 1975, the Administration should proceed with an orderly total phase out of price and allocation controls to be completed by June 30, 1975.

The Emergency Petroleum Allocation Act by its very title was intended to be an emergency measure to deal with a temporary petroleum fuels shortage which now has ended. It is to be recalled that the act was passed at the time of the Arab oil embargo specifically to deal with the supply shortages caused by the oil embargo. That such was what was contemplated is clearly born out by Section 2 of the Act which reads as follows:

SEC. 2(a) The Congress hereby determines that—

(1) Shortages of crude oil, residual fuel oil and refined petroleum products caused by inadequate domestic production, environmental constraints, and the unavailability of imports sufficient to satisfy domestic demand, now exist or are imminent;

(2) Such shortages have created or will create severe economic dislocations and hardships, including loss of jobs, closing of factories and businesses, reduction of crop plantings and harvesting, and curtailment of vital public services, including the transportation of food and other essential goods; and

(3) Such hardships and dislocations jeopardize the normal flow of commerce and constitute a national energy crisis which is a threat to the public health, safety, and welfare and can be averted or minimized most efficiently and effectively through prompt action by the Executive branch of Government.

(b) The purpose of this Act is to grant to the President of the United States and direct him to exercise specific *temporary* (emphasis added) authority to deal with shortages of crude oil, residual fuel oil, and refined petroleum products or dislocations in their national distribution system. The authority granted under this Act shall be exercised for the purpose of minimizing the adverse impacts of such shortages or dislocations on the American people and the domestic economy.

We who voted against the Emergency Petroleum Allocation Act at the time did so because we felt that the bill, at best, would only spread shortages around. Additionally, we felt that should the Federal Government intervene in the marketplace by imposing regulations affecting supply and price, no matter how benignly such intervention was intended, unforeseen inequities would result and the shortage would be exacerbated.

The one day of hearings last year on S. 3717, extending the Emergency Petroleum Allocation Act, contained such testimony enumerating and describing the inequities which have resulted from the Act. These remarks plainly show both that the legislation was intended to deal with a petroleum fuels emergency which no longer exists and that the wisdom of federal regulatory intervention in the marketplace even under the then existing fuel shortage was questionable.

On May 19, FEA Administrator, Frank Zarb, testified before the Senate Interior Committee, that—

The existing complicated structure of price controls at all levels of distribution which is necessitated due to the existence of the cost disparities resulting from the two-tier price system, tends to be self-defeating over the long run by reducing normal incentives toward increased production and cost control and by eliminating the ability of the industry to engage in long range business planning. As the effectiveness of price controls lags over time, regulations of greater complexity and reach become necessary to maintain the controlled-price structure. Tightening of controls tends to further stifle initiative and to contribute to greater economic distortion . . .

Decontrol would permit crude oil prices to rise to the prevailing world price levels so that the demand-dampening effects which have been felt worldwide would be felt to the full extent in the United States. Under the two-tier price system now in effect, the price of most domestic oil is held at a level approximately half that of world price levels, so that the impact which the escalation of free market prices has had on demand overseas has been considerably cushioned in the United States. The removal of price controls on domestic crude oil is a necessary and integral part of the program to reduce energy consumption and thereby curtail dependence on imported crude oil and lessen our balance of payment deficit.

Existing incentives clearly cannot work to maintain domestic producton at levels now thought necessary to avoid an unacceptable degree of reliance on imported fuels over the next few years.

At the same hearings, Mr. William Hunter of Seamless Tubular Products, Armco Steel, testified—

It is expected that the U.S. oil industry will require capital expenditures of $30 to $40 billion annually over the next decade for the necessary development of energy supplies. The decline in earnings will seriously affect the availability of investment capital necessary to complete scheduled development programs, particularly when most needed to expand our nation's productive capacity.

The absence of a comprehensive energy policy and increased pressure for more governmental controls on the U.S. petroleum industry are counter-productive to the reduction of oil imports, will serve to lengthen the recession, retard economic growth and add to unemployment.

Also, on May 19, Mr. William Traeger of the Petroleum Equipment Suppliers Association testified—

The provisions of the Emergency Petroleum Allocation Act place a lid on prices received for petroleum products while a variety of factors, including actions by Congress, create a buildup of costs and a profit squeeze which drains vital capital from our industry and makes other forms of financing difficult or impossible. Many long term commitments are "locked in" and adjustments of budgets to provide for the shortage of available capital will have a dramatic effect on industry expenditures for exploration and production.

Mr. Wallace W. Wilson of the Continental Illinois National Bank and Trust Company of Chicago, on May 19 presented this testimony—

If the petroleum industry does not have sufficient incentives, in the form of higher prices, to enable it to realize an adequate return, the companies will have to look to outside investors to supply the necessary capital. However, investors are hesitant about making commitments to the petroleum industry because they fear that excessive government regulation will prevent them from realizing an adequate return on their investments in the form of dividend or interest income and/or capital appreciation . . .

Every action taken by government to date appears to be retaliatory and dedicated to a "no win" policy with respect to self sufficiency. Yet, the most pessimistic estimators conclude that more than 50 billion barrels of oil and more than 450 trillion cubic feet of natural gas remain to be discovered within the secure boundaries of the United States. Optimistic estimators suggest 450 billion barrels and 2,000 trillion cubic feet. Who is correct and what is the reward for finding out? Even 50 billion barrels of oil would add 15 plus years to our present domestic capacity of about 10 years using a flat life approach and 1974 production. Suppose the optimists are corect? The only way to find out is to explore.

Price control advocates say a free market for domestic crude oil and natural gas will cause rampant inflation and hardship on the consumer. These people profess the ability to select an "adequate" wellhead price. Be skeptical of forecasts by intellectuals who try to predict the "proper" price for oil and gas at the wellhead. No one knows what the price of these energy sources must be to elicit the quickest possible increase in domestic productive capacity and maximize ultimate discovery of domestic reserves. When the cost of petroleum products gets too high, we the consuming public will impose a ceiling and voluntarily conserve. Is that not better than becoming 60% dependent on foreign oil and then having the valve shut off or the price raised to $25 per barrel?

There should be a change of policy toward the American oil and gas industry to one of encouragement rather than the traditional policy of restriction, criticism and condemnation.

In recent years domestic energy production has decreased significantly while energy demand has shown a marked rise. Petroleum demand is expected to further increase. Without the decontrol of crude oil prices, there will be little means of effectively curbing this increased energy demand. If old oil prices are not permitted to rise to current world prices, there will continue to be dependence on insecure sources for energy supplies with the result that more U.S. dollars will be spent for imported oil and our balance of payments deficit substantially and continually increased. Continued reliance on imported crude oil only tightens the rein the OPEC countries have recently obtained. This reliance is a severe threat to our national security, leaving us susceptible to the adverse economic effects of another embargo. Congressional inaction on decontrol of domestic crude oil prices is leaving us open to this vulnerability. The danger of this dependence to our national security and our worldwide prestige is something that could and should be prevented.

In the interest of making America again self-sufficient in energy, we urge our colleagues to vote against Senate Resolution 145.

PAUL J. FANNIN.
CLIFFORD P. HANSEN.
JAMES A. MCCLURE.
DEWEY F. BARTLETT.

VIII. Minority and Additional Views

MINORITY VIEWS OF SENATORS FANNIN, HANSEN, M'CLURE, AND BARTLETT

At the request of the Administration last summer, we voted in favor of S. 3717 to extend the expiration date of the Emergency Petroleum Allocation Act from February 28, 1975, to June 30, 1975.[1] our sole purpose for voting to support the four month extension was to provide an additional period of time in which to proceed with an orderly and complete phase out of all price and allocation controls. No other amendments than the mere four month extension were contemplated or agreed upon in conversations between Administration officials and members of this Committee on both sides of the aisle.

Such an intent of the Committee members was clearly reflected in the following statement made by the Committee chairman, Senator Jackson, on the floor of the Senate on August 12, 1974 (Page 27704 of the Congressional Record of August 12) "The act is now scheduled to expire on February 28, 1975. This expiration date occurs too soon after the new Congress convenes for a careful evaluation of the administration of the act and an informed decision as to the need for a full scale extension of the act in light of conditions then prevailing. Furthermore, if the Congress were unable to complete action on extension proposals, the act would expire at the height of the winter heating season when the need for allocation authority would be greatest . . . The Committee believes that it is too soon to make basic changes in the act and that proposed changes should be considered next year in light of more extensive experience with the act. Accordingly, it is proposing a *short* (emphasis added) extension without amendments.

All we are saying is, let us extend the act as it is from February 28 until June 30. We will have time, then, after the first of the year to act carefully and deliberately."

On November 22, 1974, Chairman Jackson in another floor statement (Page 37056 of the Congressional Record of November 22), listed additional, but no longer valid, reasons for the "short" extension of the Emergency Petroleum Allocation Act of 1973: "Faced as we are with a coal strike of uncertain duration, with the forecast for a severe winter . . . the Government must have petroleum allocation authority through the present winter."

Chairman Jackson reiterated in the same floor statement the necessity of an extension of the act, in order to allow Congress time to assess the act.

"The purpose of the six month extension provided for in H.R. 16757 is to provide adequate time for the new Congress and the executive branch to review the act. . . ."

Whereas the consideration of a coal strike and the winter of 1974–75 is behind us, the attempt to extend the Emergency Petroleum Allocation Act of 1973 until March 31, 1976, can only be viewed a default of the Congress to honor its pledge to come to grips with energy policy, including the need to repeal or substantially revise the act.

When we considered S. 3717 on the Senate floor last August, the administration's position as we understood it was as follows:

1. The expiration date of the Emergency Petroleum Allocation Act would be extended to June 30, 1975.

2. Between August 1974, and June 30, 1975, the Administration should proceed with an orderly total phase out of price and allocation controls to be completed by June 30, 1975.

The Emergency Petroleum Allocation Act by its very title was intended to be an emergency measure to deal with a temporary petroleum fuels shortage which now has ended. It is to be recalled that the act was passed at the time of the Arab oil embargo specifically to deal with the supply shortages caused by the oil embargo. That such was what was contemplated is clearly borne out by section 2 of the act which reads as follows:

SEC. 2. (a) The Congress hereby determines that—

(1) shortages of crude oil, residual fuel oil and refined petroleum products caused by inadequate domestic production, environmental, constraints, and the unavailability of imports sufficient to satisfy domestic demand, now exist or are imminent;

(2) such shortages have created or will create severe economic disclocations and hardships, including loss of jobs, closing of factories and businesses, reduction of crop plantings and harvesting, and curtailment of vital public services, including the transportation of food and other essential goods; and

(3) such hardships and dislocations jeopardize the normal flow of commerce and constitute a national energy crisis which is a threat to the public health, safety, and welfare and can be averted or minimized most efficiently and effectively through prompt action by the Executive branch of Government.

(b) The purpose of this Act is to grant to the President of the United States and direct him to exercise specific *temporary* (emphasis added) authority to deal with shortages of crude oil, residual fuel oil, and refined petroleum products or dislocations in their national distribution system. The authority granted under this Act shall be exercised for the purpose of minimizing the adverse impacts of such shortages or dislocations on the American people and the domestic economy.

We who voted against the Emergency Petroleum Allocation Act at the time did so because we felt that the bill, at best, would only spread shortages around. Additionally, we felt that should the Federal Government intervene in the marketplace by imposing regulations affecting supply and price, no matter how benignly such intervention was intended, unforeseen inequities would result and the shortage would be exacerbated.

The one day of hearings last year on S. 3717, extending the Emergency Petroleum Allocation Act, contained much testimony enumerating and describing the inequities which have resulted from the Act. These remarks plainly show both that the legislation was intended to deal with a petroleum fuels emergency which no longer exists and that the wisdom of federal regulatory intervention in the marketplace even under the then existing fuel shortage was questionable.

Continued reliance upon legislative authority designed specifically to alleviate the impact of emergency fuel shortages in times of a reported petroleum surplus generates many deleterious effects.

For example, FEA Administrator Frank Zarb presented testimony to the Interior Committee on May 19 of this year which analysed the following deleterious effects of the act:

1. *The EPAA is inconsistent with the national goal of achieving long-term energy independence.*—The EPAA creates inflexibility in FEA's price control program that considerable disincentives to increased domestic production are created. . . . For example, the crude oil entitlements and the buy-sell programs, which are largely designed to give small and independent refiners necessary access to the cost advantages of price-controlled domestic crude oil, must to some degree have the undesirable effect of encouraging imports since the burden of their higher cost is not borne solely by the importer, but shared with his competitors.

2. *The EPAA denies consumers the full benefits of competition.*—Price controls, while overtly holding down prices, also are operating to support higher prices than might be possible in a free market. The two-tier price system, for example, creates cost disparities which in certain cases allow recovery of higher margins by competitors blessed with lower current costs than would be possible under free market conditions. The dollar-for-dollar pass through rule in Sec. 4(b)(2) of the EPAA, which in effect allows the continuation of historical profit margin levels, tends to provide government endorsement of and justification for such profit margins, even though those margins were in some cases unnecessarily high during the base period, and the logic of market conditions might dictate lower margins today.

3. *The EPAA prolongs unwarranted economic distortions and inefficiencies.*—An unavoidable effect of an extended allocation program is to maintain within the petroleum industry those inefficiencies and distortions that existed during an arbitrarily chosen base period. Continuation of historic distribution patterns may result not only in prolonging such inefficiencies, but also may have adverse effects upon industrial expansion and population movement.

With respect to domestic crude oil, for example, FEA met the EPAA allocation requirements by freezing supplier/purchaser relationships as of December 1, 1973. As domestic production continues to decline at differing rates in different parts of the country, necessary adjustments in crude oil distribution channels cannot be resolved through the operation of normal market mechanisms, and can only be accomplished by ad hoc action by FEA, which is ill-equipped to deal with such matters.

Distortion must also result from continued regulation of only petroleum products without comparable regulation of such substitute sources of energy as coal, electricity and natural gas. Such disparate treatment disrupts the functioning of normal market forces, and prevents a coordinated response to the Nation's energy problems. * * *

4. *The EPAA makes it very difficult for the petroleum idustry to reach rational business decisions.*—The constant need for regulatory changes to respond to ever-changing market conditions (such as the establishment of the cost equalization program to solve problems created by the two-tier price system) seriously inhibits the industry's ability to engage in long-term business planning. That planning that can be done must also be skewed to reflect the distortions built into the marketplace as a result of the rigid requirements of the EPAA. This problem will only be exacerbated by further piecemeal extensions of the EPAA, rather than enactment of a new regulatory program which deals with the realities of today's marketplace and our long-term needs.

A prime example of the uncertainty created by FEA regulations results from the supplier/purchaser relationship rules, noted above. These rules have created an administrative house of cards held together only by historical, and in many cases impractical, supplier/purchaser relationships that are mandated by the Act. The more time that passes, the more fragile these relationships will become and the greater the disruption that will result when the program is terminated. In this atmosphere, the industry is understandably reluctant to make the investment decisions which must be made soon if the country's long-term energy goals are to be met. . . ."

5. *Proposal to phase-out old oil.*—As can be seen from the above discussion of the problems inherent in the Emergency Petroleum Allocation Act, the solution to many of these lies in the elimination of the two-tier pricing system for crude oil. The two-tier pricing system inevitably causes cost disparities among refiners and marketers of petroleum products which in turn create economic distortions. Although these cost

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[1] The bill as signed into law extended the Act until August 31, 1975.

disparities have been substantially reduced by the crude oil entitlements program, they can never be entirely eliminated while the two-tier pricing system exists. Such cost disparities significantly hinder FEA's ability to assure that the competitive viability of the independent sector of the petroleum industry is maintained.

Moreover, the existing complicated structure of price controls at all levels of distribution, which is necessitated due to the existence of the cost disparities resulting from the two-tier price system, tends to be self-defeating over the long run by reducing normal incentives toward increased production and cost control and by eliminating the ability of the industry to engage in long range business planning. As the effectiveness of price controls lags over time, regulations of greater complexity and reach become necessary to maintain the controlled-price structure. Tightening of controls tends to further stifle initiative and to contribute to greater economic distortion. . . .

Various other leaders of the supplier, producer, and financial institution fields testified at the Senate Interior Committee's oversight hearing as to the disfunctional responses precipitated by oil price controls and the FEA regulatory program.

Wallace W. Wilson, Vice President of Continental Illinois National Bank & Trust Company of Chicago told the Committee:

The combined effects of price controls, allocation regulations and the loss of percentage depletion is to *reduce* the amount of capital available for reinvestment, at a time when the only realistic solutions to our long-term energy dilemma require increased capital investment in new exploration and development. . . .

". . . The longer price controls are continued, the longer we will frustrate the normal economic processes that work effectively to balance supply and demand and to allocate our resources to their most effective uses."

William V. Traeger, Vice President of Otis Engineering Corporation, stressed a similar point:

The provisions of the Emergency Petroleum Allocation Act place a lid in prices received for petroleum products while a variety of factors, including actions by the Congress, create a buildup of costs and a profit squeeze which drains vital capital from our industry and makes other forms of financing difficult or impossible. Many of our customers' long term commitments are "locked in" and adjustments of budgets to provide for the shortage of available capital will have a dramatic effect on industry expenditures for exploration and production.

Finally, one must consider the avowed intent of Congress in enacting the EPAA, as stated on page 13 of the conference report accompanying S. 1570, under the "Findings and purpose of the EPAA of 1973."

No allocation plan, regulation or order, nor mandatory price, price ceiling or restraint, was to be promulgated whose net effect would be a substantial reduction of the total supply of crude oil or refined petroleum products available in or to markets in the United States.

Yet; as noted by the foregoing testimony, and by this apt comment by Charles J. Waidelich, President of Cities Service Company, the EPAA has created exactly the opposite effect:

Continuation of these restrictive regulations is contrary to the intent of Congress (See page 13, Conference Report to accompany S. 1570. Findings and Purpose for Direct Quotation.) when the Emergency Petroleum Allocation Act of 1973 was enacted. These regulations have the effect of curtailing the expansion of oil and gas exploration. Regulation of supply is distorting the workings of the marketplace. The consumer is paying, and will continue to pay, a price for these programs.

Our company's reduced expenditures for exploration and production will mean loss of additional production . . . loss of employment opportunities within our economy . . . and a possible effect on employment of contractors and suppliers.

In closing, S. 621 and H.R. 4035 are going to conference with H.R. 4035 containing a provision (Sec. 2(a)) extending the EPAA to Dec. 31, 1975. Another bill, S. 622 (Sec. 122) also contains a provision extending the EPAA to March 1, 1976. And of course, S. 1849 as reported is exclusively an extension of the EPAA until March 1, 1976. This panoply of bills all catering to an extension of the EPAA only indicate either Congress unwillingness or incapability to grapple with the growing dependence upon imported oil. Hence, this is not a case of Congress vs. the President. This is a case of Congress giving itself an excuse for its own inaction. Congress should not attempt to shield itself from the plethora of press criticism about continuing Congressional delay in enacting a comprehensive energy program. Instead, Congress should act responsibly by dealing with the substantive issues. Thus, voting for S. 1849 which would motivate further delay would be an affront to the dignity and credibility of the U.S. Senate.

PAUL J. FANNIN.
CLIFFORD P. HANSEN.
JAMES A. MCCLURE.
DEWEY F. BARTLETT.

ADDITIONAL VIEWS OF SENATOR HATFIELD

While I voted to report S. 1849, I have grave reservations about the desirability of maintaining an active allocation system in the absence of shortages. In recent hearings of the Senate Interior Committee, including the confirmation hearing of Mr. Gorman Smith, Assistant Administrator of FEA for Regulatory Operations, I have pointed out some of the inequities and economic distortions that have been created by continuing the allocation system, especially as implemented by regulations hastily drawn up during a crisis situation, and certain aspects of the pricing system. My colleagues on the Minority side of this Committee have voiced similar concerns throughout the recent hearings and in this report, and to that extent I associate myself with their views.

In floor remarks I addressed this topic briefly last month. The following is excerpted from them:

[From Congressional Record of May 21, 1975]

NEED FOR FLEXIBILITY IN THE IMPLEMENTATION OF THE EMERGENCY PETROLEUM ALLOCATION ACT

Mr. HATFIELD. Mr. President, while I have my differences with certain aspects of the President's energy program, I do agree completely that the petroleum allocation system, as presently established, and two-tier pricing of crude oil are creating distortions in our economy, are unnecessary in view of alternatives that are available and in view of the present supply situation, and are detrimental to the long-term interests of our country.

In recent hearings of the Senate Interior Committee, I have repeatedly stressed the need for flexibility in the implementation of the Emergency Petroleum Allocation Act. The Congress stated that the purpose of the act was to grant the President temporary authority to deal with shortages and distribution dislocations, and that the authority was to be exercised to minimize the adverse impact of such shortages or dislocations. In that shortages in petroleum do not exist, one might fairly ask why we stick with a set of stringent allocation relations that were formulated during the crisis of the winter of 1973–74 to deal with extraordinary circumstances.

Shortages may recur, and we must be prepared for that possibility, but today's supply situation should allow us to try to restore more normal business relationships between suppliers and customers. Indeed, one of the prescriptions to the Allocation Act for the regulations to implement it is that they shall minimize economic distortion, inflexibility, and unnecessary interference with market mechanisms. Today's climate is a good one in which to start minimizing.

A stumbling block to minimization of economic distortion, inflexibility, and market interference is two-tier pricing of crude oil. Obviously, every customer would like to be supplied by an "old oil"-rich refiner, especially a small one that is exempt from all or part of the FEA entitlements program; but more than that, two-tier price controls, even with entitlements, have the entire petroleum industry right down to the neighborhood independent dealer strapped into a straitjacket. At the dealer level, the effect is threatening the economic viability of individual businesses, stifling attempts to meet changing needs of customers and communities, and removing what potential an established dealer may have had to improve his ability to compete.

As the debate over what should be done to alleviate these conditions will take place in the Senate long before the record of the Interior Committee hearings are printed, I will ask unanimous consent to have the testimony of Mr. Frank Zarb, Administrator of the FEA, appear in the RECORD today following my remarks. As I said at the outset, I may disagree with the administration on some of their recommendations, but I am convinced of the necessity to correct the two situations I have highlighted. Some have argued that the way to conserve energy and become less dependent on foreign sources is to create artificial shortages in this country, either by import quotas or by other means, and then allocate the shortages. I submit this is extremely shortsighted.

True, it will have a more immediate impact than some of the alternatives, but it will be destructive in the long run and it will lack public support. Artificial shortages will add to unemployment, further wound industries that rely on key petroleum supplies, devastate recreation and tourism, and cause new citizen frustration with gasoline waiting lines, rationing regulations, mandatory closing of stations, or the like. I submit there would be a demand for the political heads of those who would create artificial crises; but more to the point, such crude and heavy-handed programs inevitably produce unnecessarily severe distress and dislocations relative to what gets accomplished.

Indeed, we had an embargo. We could have another one. But we should be planning and legislating for long-term changes in our energy consumption patterns—changes that will move us away from energy-intensive technologies and that will institute a conservation ethic through our economic system for petroleum products and all other nonrenewable resources. Turning this corner will take some time, for long-range conservation programs cannot do overnight what quotas can do. But programs that do not rely on devices like the allocation system will be more sure, more true, more in the direction we want to go, and more long-lasting. And if there is anything this country needs right now, it is an energy program that meets the latter criteria—firm and unwavering and consistent with our basic principles of a free economy.

I ask unanimous consent that Mr. Zarb's testimony be printed in the Record, so that my colleagues in the Senate may review his description of the present FEA programs before deciding upon our next step. Also, I ask unanimous consent that an article from the May 17 Washington Post be printed in the Record following Mr. Zarb's testimony. The article describes a case in point, in my own State of Oregon of the kind of inflexibility I find ridiculous today. I should add, however, that Mr. Gorman Smith, Assistant FEA Administrator for Regulatory Programs, indicated to me yesterday that his office was reviewing the case a second time.

[From The Washington Post, May 17, 1975]

FEA ORDERS SCHOOLS TO BUY FROM CONVICTED OIL SUPPLIER

(By Thomas O'Toole)

The Federal Energy Administration has told seven Oregon schools that they must continue to buy heating oil from a supplier convicted of stealing their oil and of charging them for oil he never delivered.

"I don't understand why we have to do business with somebody we plainly don't want to do business with," was the bewildered reaction of Robert Work, superintendent of schools in Eagle Point, Oreg. "I don't understand why with all the oil there is around today the federal government is telling us who we have to buy it from."

The FEA has told Work he must continue to buy oil from the Hillyer Oil Co. of Medford, Oreg., a company whose owner was placed on probation for two years and fined $2,000 after pleading no contest to a charge of theft involving the Eagle Point schools.

Hillyer owner Thomas Norman Hanson was charged with telling one of his drivers to siphon 500 gallons of a truckload of oil the driver was delivering to Eagle Point into a service station owned by Hanson.

The driver told Jackson County prosecutors that Hanson sent the Eagle Point schools a bill for 7,780 gallons of oil on that delivery, which was 330 gallons more than the driver picked up and 880 gallons more than he delivered to the Eagle Point schools.

"At the time this was going on Hanson was the sole supplier to the Eagle Point schools," said Jackson County Deputy District Attorney Raymond White.

Eagle Point is now able to buy some of its oil on the open market at prices lower than it pays Hillyer. It still buys oil from Hillyer but not as much as it bought last year and the year before, when it paid Hillyer an average of 40 cents a gallon for 225,000 gallons of fuel in each of those two years.

Thinking they could change oil suppliers as easily as it changes pencils and erasers, the Eagle Point school officials asked the FEA to assign it another oil supplier. The school officials cited their experience with Hillyer and also complained that Hillyer had no meters on its trucks so the officials never knew if they were getting oil they ordered.

The FEA denied Eagle Point's request on the grounds that Hillyer would not agree to a change. Eagle Point then appealed to a higher echelon at FEA. That appeal was denied because Eagle Point's ability to buy oil on the open market from suppliers other than Hillyer means that it "failed to demonstrate that it was experiencing a gross inequity," the FEA said.

Mark O. Hatfield.

IX. Changes in Existing Law

In compliance with subsection (4) of Rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, S. 1849, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

The Emergency Petroleum Allocation Act of 1973 (87 Stat. 627)

Findings and purpose

Sec. 2. (a) The Congress hereby determines that—

(1) shortages of crude oil, residual fuel oil, and refined petroleum products caused by inadequate domestic production, environmental constraints, and the unavailability of imports sufficient to satisfy domestic demand, now exist or are imminent;

(2) such shortages have created or will create severe economic dislocations and hardships, including loss of jobs, closing of factories and businesses, reduction of crop plantings and harvesting, and curtailment of vital public services, including the transportation of food and other essential goods; and

(3) such hardships and dislocations jeopardize the normal flow of commerce and constitute a national energy crisis which is a threat to the public health, safety, and welfare and can be averted or minimized most efficiently and effectively through prompt action by the Executive branch of Government.

(b) The purpose of this Act is to grant to the President of the United States and direct him to exercise specific temporary authority to deal with shortages of crude oil, residual fuel oil, and refined petroleum products or dislocations in their national distribution system. The authority granted under this Act shall be exercised for the purpose of minimizing the adverse impacts of such shortages or dislocations on the American people and the domestic economy.

Definitions

Sec. 3. For purposes of this Act:

(1) The term "branded independent marketer" means a person who is engaged in the marketing or distributing of refined petroleum products pursuant to—

(A) an agreement or contract with a refiner (or a person who controls, is controlled by, or is under common control with such refiner) to use a trademark, trade name, service mark, or other identifying symbol or name owned by such refiner (or any such person), or

(B) an agreement or contract under which any such person engaged in the marketing or distributing of refined petroleum products is granted authority to occupy premises owned, or in any way controlled by a refiner (or person who controls, is controlled by, or is under common control with such refiner), but who is not affiliated with, controlled by, or under common control with any refiner (other than by means of a supply contract, or an agreement or contract described in subparagraph (A) or (B)) and who does not control such refiner.

(2) The term "nonbranded independent marketer" means a person who is engaged in the marketing or distributing of refined petroleum products, but who (A) is not a refiner, (B) is not a person who controls, is controlled by, is under common control with, or is affiliated with a refiner (other than by means of a supply contract), and (C) is not a branded independent marketer.

(3) The term "independent refiner" means a refiner who (A) obtained, directly or indirectly, in the calendar quarter which ended immediately prior to the date of enactment of this Act, more than 70 per centum of his refinery input of domestic crude oil (or 70 per centum of his refinery input of domestic and imported crude oil) from producers who do not control, are not controlled by, and are not under common control with, such refiner, and (B) marketed or distributed in such quarter and continues to market or distribute a substantial volume of gasoline refined by him through branded independent marketers or nonbranded independent marketers.

(4) The term "small refiner" means a refiner whose total refinery capacity (including the refinery capacity of any person who controls, is controlled by, or is under common control with such refinery) does not exceed 175,000 barrels per day.

(5) The term "refined petroleum product" means gasoline, kerosene, distillates (including Number 2 fuel oil), LPG, refined lubricating oils, or diesel fuel.

(6) The term "LPG" means propane and butane. but not ethane.

(7) The term "United States" when used in the geographic sense means the States, the District of Columbia, Puerto Rico, and the territories and possessions of the United States.

Mandatory allocation

Sec. 4. (a) Not later than fifteen days after the date of enactment of this Act, the President shall promulgate a regulation providing for the mandatory allocation of crude oil, residual fuel oil, and each refined petroleum product, in amounts specified in (or determined in a manner prescribed by) and at prices specified in (or determined in a manner prescribed by) such regulation. Subject to subsection (f), such regulation shall take effect not later than fifteen days after its promulgation. Except as provided in subsection (e) such regulation shall apply to all crude oil, residual fuel oil, and refined petroleum products produced in or imported into the United States.

(b)(1) The regulation under subsection (a), to the maximum extent practicable, shall provide for—

(A) protection of public health, safety, and welfare (including maintenance of residential heating, such as individual homes, apartments, and similar occupied dwelling units), and the national defense;

(B) maintenance of all public services (including facilities and services provided by municipally, cooperatively, or investor owned utilities or by any State or local government or authority, and including transportation facilities and services which serve the public at large);

(C) maintenance of agricultural operations, including farming, ranching, dairy, and fishing activities, and services directly related thereto;

(D) preservation of an economically sound and competitive petroleum industry; including the priority needs to restore and foster competition in the producing, refining, distribution, marketing, and petrochemical sectors of such industry, and to preserve the competitive viability of independent refiners, small refiners, nonbranded independent marketers, and branded independent marketers;

(E) the allocation of suitable types, grades, and quality of crude oil to refineries in the United States to permit such refineries to operate at full capacity;

(F) equitable distribution of crude oil, residual fuel oil, and refined petroleum products at equitable prices among all regions and areas of the United States and sectors of the petroleum industry, including independent refiners, small refiners, nonbranded independent marketers, branded independent marketers, and among all users;

(G) allocation of residual fuel oil and refined petroleum products in such amounts and in such manner as may be necessary for the maintenance of exploration for, and production or extraction of, fuels, and for required transportation related thereto;

(H) economic efficiency; and

(I) minimization of economic distortion, inflexibility, and unnecessary interference with market mechanisms.

(2) In specifying prices (or prescribing the manner for determining them), such regulation shall provide for—

(A) a dollar-for-dollar passthrough of net increases in the cost of crude oil, residual fuel oil, and refined petroleum products to all marketers or distributors at the retail level; and

(B) the use of the same date in the computation of markup, margin, and posted price for all marketers or distributors of crude oil, residual fuel oil and refined petroleum products at all levels of marketing and distribution.

(3) The President in promulgating the regulation under subsection (a) shall give consideration to allocating crude oil, residual fuel oil, and refined petroleum products in a manner which results in making available crude oil, residual fuel oil, or refined petroleum products to any person whose use of fuels other than crude oil, residual fuel oil, and refined petroleum products has been curtailed by, or pursuant to a plan filed in compliance with, a rule or order, of a Federal or State agency, or where such person's supply of such other fuels is unobtainable by reason of an abandonment of service permitted or ordered by a Federal or State agency.

(c)(1) To the extent practicable and consistent with the objectives of subsections (b) and (d), the mandatory allocation program established under the regulation under subsection (a) shall be so structured as to result in the allocation, during each period during which the regulation applies, of each refined petroleum product to each branded independent marketer, each nonbranded independent marketer, each small refiner and each independent refiner, and of crude oil to each small refiner and each independent refiner, in an amount not less than the amount sold or otherwise supplied to such marketer or refined during the corresponding period of 1972, adjusted to provide—

(A) in the case of refined petroleum products, a pro rata reduction in the amount allocated to each person engaged in the marketing or distribution of a refined petroleum product if the aggregate amount of such product produced in and imported into the United States is less than the aggregate amount produced and imported in calendar year 1972; and

(B) in the case of crude oil, a pro rata reduction in the amount of crude oil allocated to each refiner if the aggregate amount produced in and imported into the United States is less than the aggregate amount produced and imported in calendar year 1972.

(2)(A) The President shall report to the Congress monthly, beginning not later than January 1, 1974, with respect to any change after calendar year 1972 in—

(i) the aggregate share of nonbranded independent marketers,

(ii) the aggregate share of branded independent marketers, and

(iii) the aggregate share of other persons engaged in the marketing or distributing of refined petroleum products,

of the national market or the regional market in any refined petroleum product (as such regional markets shall be determined by the President).

(B) If allocation of any increase of the amount of any refined petroleum product produced in or imported into the United States in excess of the amount produced or imported in calendar year 1972 contributes to a significant increase in any market share described in clause (i), (ii), or (iii) of subparagraph (A), the President shall by order require an equitable adjustment in allocations of such product under the regulation under subsection (a).

(3) The President shall, by order, require such adjustments in the allocations of crude oil, residual fuel oil, and refined petroleum products established under the regulation under subsection (a) as may reasonably be necessary (A) to accomplish the objectives of subsection (b), or (B) to prevent any person from taking any action which would be inconsistent with such objectives.

(4) the President may, by order, require such adjustments in the allocations of refined petroleum products and crude oil established under the regulation under subsection (a) as he determines may reasonably be necessary.

(A) in the case of refined petroleum products (i) to take into consideration market entry by branded independent marketers and nonbranded independent marketers during or subsequent to calendar year 1972, or (ii) to take into consideration expansion or reduction of marketing or distribution facilities of such marketers during or subsequent to calendar year 1972, and

(B) in the case of crude oil (i) to take into consideration market entry by independent refiners and small refiners during or subsequent to calendar year 1972, or (ii) to take into consideration expansion or reduction of refining facilities of such refiners during or subsequent to calendar year 1972.

Any adjustments made under this paragraph may be made only upon a finding that, to the maximum extent practicable, the objectives of subsections (b) and (d) of this section are attained.

(5) To the extent practicable and consistent with the objectives of subsection (b) and (d), the mandatory allocation program established under the regulation under subsection (a) shall not provide for allocation of LPG in a manner which denies LPG to any industrial user if no substitute for LPG is available for use by such industrial user.

(d) The regulation under subsection (a) shall require that crude oil, residual fuel oil, and all refined petroleum products which are produced or refined within the United States shall be totally allocated for use by ultimate users within the United States, to the extent practicable and necessary to accomplish the objectives of subsection (b).

(e)(1) The provisions of the regulation under subsection (a) shall specify (or prescribe a manner for determining) prices of crude oil at the producer level, but upon a finding by the President that to require allocation at the producer level (on a national, regional, or case-by-case basis) is unnecessary to attain the objectives of subsection (b)(1)(E) or the other objectives of subsections (b), (c), and (d) of this section, such regulation need not require allocation of crude oil at such level. Any finding made pursuant to this subsection shall be transmitted to the Congress in the form of a report setting forth the basis for the President's finding that allocation at such level is not necessary to attain the objectives referred to in the preceding sentence.

(2)(A) The regulation promulgated under subsection (a) of this section shall not apply to the first sale of crude oil produced in the United States from any lease whose average daily production of crude oil for the preceding calendar year does not exceed ten barrels per well.

(B) To qualify for the exemption under this paragraph, a lease must be operating at the maximum feasible rate of production and in accord with recognized conservation practices.

(C) Any agency designated by the President under section 5(b) for such purpose is authorized to conduct inspections to insure compliance with this paragraph and shall promulgate and cause to be published regulations implementing the provisions of this paragraph.

(f)(1) The provisions of the regulations under subsection (a) respecting allocation of gasoline need not take effect until thirty days after the promulgation of such regulation, except that the provisions of such regulation respecting price of gasoline shall take effect not later than fifteen days after its promulgation.

(2) If—

(A) an order or regulation under section 203(a)(3) of the Economic Stabilization Act of 1970 applies to crude oil, residual fuel oil, or a refined petroleum product and has taken effect on or before the fifteenth day after the date of enactment of this Act, and

(B) the President determines that delay in the effective date of provisions of the regulation under subsection (a) relating to such oil or product is in the public interest and is necessary to effectuate the transition from the program under such section 203(a)(3) to the mandatory allocation program required under this Act,

he may in the regulation promulgated under subsection (a) of this section delay, until not later than thirty days after the date of the promulgation of the regulation, the effective date of the provisions of such regulation insofar as they relate to such oil or product. At the same time the President promulgates such regulation, he shall report to Congress setting forth his reasons for the action under this paragraph.

(g)(1) The regulation promulgated and made effective under subsection (a) shall remain in effect until midnight [August 31, 1975], *March 1, 1976*, except that (A) the President or his delegate may amend such regulation so long as such regulation, as amended, meets the requirements of this section, and (B) the President may exempt crude oil, residual fuel oil, or any refined petroleum product under such regulation in accordance with paragraph (2) of this subsection. The authority to promulgate and amend the regulation and to issue any order under this section, and to enforce under section 5 such regulation and any such order, expires at midnight [August 31, 1975] *March 1, 1976*, but such expiration shall not affect any action or pending proceedings, civil or criminal, not finally determined on such date, nor any action or proceeding based upon any act committed prior to midnight [August 31, 1975] *March 1, 1976*.

(2) If at any time after the date of enactment of this Act the President finds that application of the regulation under subsection (a) to crude oil, residual fuel oil, or a refined petroleum product is not necessary to carry out this Act, that there is no shortage of such oil or product, and that exempting such oil or product from such regulation will not have an adverse impact on the supply of any other oil or refined petroleum products subject to this Act, he may prescribe an amendment to the regulation under subsection (a) exempting such oil or product from such regulation for a period of not more than ninety days. The President shall submit any such amendment and any such findings to the Congress. An amendment under this paragraph may not exempt more than one oil or one product. Such an amendment shall take effect on a date specified in the amendment, but in no case sooner than the close of the earliest period which begins after the submission of such amendment to the Congress and which includes at least five days during which the House was in session and at least five days during which the Senate was in session; except that such amendment shall not take effect if before the expiration of such period either House of Congress approves a resolution of that House stating in substance that such House disapproves such amendment.

Administration and enforcement

SEC. 5. (a)(1) Except as provided in paragraph (2), (A) sections 205 through 211 of the Economic Stabilization Act of 1970 (as in effect on the date of enactment of this Act) shall apply to the regulation promulgated under section 4(a), to any order under this Act, and to any action taken by the President (or his delegate) under this Act, as if such regulation had been promulgated, such order had been issued, or such action had been taken under the Economic Stabilization Act of 1970; and (B) section 212 (other than 212(b)) and 213 of such Act shall apply to functions under this Act to the same extent such sections apply to functions under the Economic Stabilization Act of 1970.

(2) The expiration of authority to issue and enforce orders and regulations under section 218 of such Act shall not affect any authority to amend and enforce the regulation or to issue and enforce any order under this Act, and shall not effect any authority under sections 212 and 213 insofar as such authority is made applicable to functions under this Act.

(b) The President may delegate all or any portion of the authority granted to him under this Act to such officers, departments, or agencies of the United States, or to any State (or officer thereof), as he deems appropriate.

Effect on other laws and actions taken thereunder

SEC. 6. (a) All actions duly taken pursuant to clause (3) of the first sentence of section 203(a) of the Economic Stabilization Act of 1970 in effect immediately prior to the effective date of the regulation promulgated under section 4(a) of this Act, shall continue in effect until modified pursuant to this Act.

(b) The regulation under section 4 and any order issued thereunder shall preempt any provision of any program for the allocation of crude oil, residual fuel oil, or any refined petroleum product established by any State or local government if such provision is in conflict with such regulation or any such order.

(c) (1) Except as specifically provided in this subsection, no provisions of this Act shall be deemed to convey to any person subject to this Act immunity from civil or criminal liability, or to create defenses to actions, under the antitrust laws.

(2) As used in this subsection, the term "antitrust laws" includes—

(A) the Act entitled "An Act to protect trade and commerce against unlawful restraints and monopolies", approved July 2, 1890 (15 U.S.C. 1 et seq.);

(B) the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914 (15 U.S.C. 12 et seq.);

(C) the Federal Trade Commission Act (15 U.S.C. 41 et seq.);

(D) sections 73 and 74 of the Act entitled "An Act to reduce taxation, to provide revenue for the Government, and for other purposes", approved August 27, 1894 (15 U.S.C. 8 and 9); and

(E) the Act of June 19, 1936, chapter 592 (15 U.S.C. 13, 13a, 13b, and 21a).

(3) The regulation promulgated under section 4(a) of this Act shall be forwarded on or before the date of its promulgation to the Attorney General and to the Federal Trade Commission, who shall, at least seven days prior to the effective date of such regulation, report to the President with respect to whether such regulation would tend to create or maintain anticompetitive practices or situations inconsistent with the antitrust laws, and propose any alternative which would avoid or overcome such effects while achieving the purposes of this Act.

(4) Whenever it is necessary, in order to comply with the provisions of this Act or the regulation or any orders under section 4 thereof, for owners, directors, officers, agents, employees, or representatives of two or more persons engaged in the business of producing, refining, marketing, or distributing crude oil, residual fuel oil, or any refined petroleum product to meet, confer, or communicate in such a fashion and to such ends that might otherwise be construed to constitute a violation of the antitrust laws, such persons may do so only upon an order of the President (or an officer or agency of the United States to whom the President has delegated authority under section 5(b) of this Act); which order shall specify and limit the subject matter and objectives of such meeting, conference, or communication. Moreover, such meeting, conference, or communication shall take place only in the presence of a representative of the Antitrust Division of the Department of Justice, and a verbatim transcript of such meeting, conference, or communication shall be taken and deposited, together with any agreement resulting therefrom, with the Attorney General and the Federal Trade Commission, where it shall be made available for public inspection.

(5) There shall be available as a defense to any action brought under the antitrust laws, or for breach of contract in any Federal or State court arising out of delay or failure to provide, sell, or offer for sale or exchange crude oil, residual fuel oil, or any refined petroleum product, that such delay or failure was caused solely by compliance with the provisions of this Act or with the regulation or any order under section 4 of this Act.

(6) There shall be available as a defense to any action brought under the antitrust laws rising from any meeting, conference, or communication or agreement resulting therefrom, held or made solely for the purpose of complying with the provisions of this Act or the regulation or any order under section 4 thereof, that such meeting, conference, communication, or agreement was carried out or made in accordance with the requirements of paragraph (4) of this subsection.

Monitoring by Federal Trade Commission

SEC. 7. (a) During the forty-five day period beginning on the effective date on which the regulation under section 4 first takes effect, the Federal Trade Commission shall monitor the program established under such regulation; and, not later than sixty days after such effective date, shall report to the President and to the Congress respecting the effectiveness of this Act and actions taken pursuant thereto.

(b) For purposes of carrying out this section, the Federal Trade Commission's authority, under sections 6, 9, and 10 of the Federal Trade Commission Act to gather and compile information and to require furnishing of information, shall extend to any individual or partnership, and to any common carrier subject to the Acts to regulate commerce (as such Acts are defined in section 4 of the Federal Trade Commission Act).

Mr. FANNIN. Mr. President, the time has come to face the music and get on with the job of returning this country to a state of relative energy self-sufficiency. The first step toward achieving that goal warrants voting to sustain the President's veto of S. 1849.

Mr. President, I think it would be helpful to just look at the veto message from the President. The President stated:

To the Senate of the United States:

I am today vetoing S. 1849, which would extend price controls on domestic oil another six months. I am taking this action because:

1. An extension of price controls would increase our dangerous and growing dependence on imported oil.

2. It would increase the export of jobs and dollars from our economy.

3. It would jeopardize our future economic stability and national security.

4. It would retard conservation of energy.

5. It would postpone the badly needed development and production of new domestic energy.

6. It would negate the possibility of long-range compromise on this problem because of expected Congressional reluctance to tackle the issue of higher oil prices in an election year.

Mr. President, it is very evident that if the 6-month extension is given, this will carry us into the election year, and I agree with the President that it would be much more difficult to deal with it at that time.

I continue with the President's message to the Senate:

Since 1971, America's bill for imported oil has climbed from just over $3 billion annually to $25 billion today—a 700% increase. This $25 billion could provide more than one million jobs for Americans here at home. We cannot delay longer.

Last January in my State of the Union Message, I proposed to the Congress a comprehensive energy program to make the United States independent of foreign oil by 1985.

The need for such a program grows with each passing day. Right now, the United States is dependent on foreign oil for almost 40 percent of its current needs. If we do not act quickly to reverse this trend, within 10 years, we will import more than half of the oil we need at whatever price is demanded by foreign producers who can cut off our supply any time they want to.

The more foreign oil we import, the more dollars and the more jobs we lose from our economy. And as American jobs and dollars flow out of the country, so does our economic and national security.

The 1973 embargo cost us more than $15 billion in Gross National Product and threw hundreds of thousands of persons out of work. It dramatically showed our vulnerability. Another disruption would be even more costly in dollars and jobs—and could throw us into a new recession.

The detailed legislative program I sent to the Congress last winter involved tough measures to put us immediately on the road to energy independence. It would have conserved the energy we now have and accelerated development and production of more energy here at home.

Because this program would have increased energy prices somewhat until new domestic supplies were developed, I also proposed tax legislation to prevent undue profit-taking by oil companies and to return energy tax dollars to American consumers to offset the slightly higher prices they would pay.

Since I could not gamble with our Nation's security while waiting for the Congress to act on my comprehensive program, I raised the import fees on each barrel of foreign crude oil in February as an interim measure to reduce imports.

The Congress still has not acted. Throughout these months, I have compromised again and again and again to accommodate Congressional requests.

I delayed putting the second dollar fee on imported oil for 90 days, finally imposing it June 1. I delayed the third dollar indefinitely. Still, the country has seen no Congressional action.

In my State of the Union Message last January, I announced a decision to remove the ceiling on price-controlled domestic oil April 1, permitting it to rise from $5.25 per barrel to the free market price. This action would have immediately stimulated production and development of needed additional energy supplies and also encouraged conservation. At the request of Congressional leaders, I postponed such action to give them time to work out a different solution.

After nearly six months without Congressional passage of a decontrol bill or any other positive legislation, I proposed in early July a compromise 30-month phased oil decontrol plan. This program represented an effort to meet the concerns raised by many members of Congress and showed the Administration's willingness to compromise. The House of Representatives rejected this plan.

I made another effort to reach a solution before the August Congressional recess by submitting another decontrol plan, which would have gradually phased out price controls over a 39-month period and put a price ceiling on all domestic oil.

I believe this decontrol plan went more than halfway to meet concerns raised by the Congress. Although it would achieve energy objectives more slowly than warranted, I offered it in the spirit of compromise, because action was desperately needed.

Instead, the House also rejected this compromise attempt and Congress passed this bill which would simply extend the pricing and allocation authorities for another six months. This proposed action would only ensure the continued growth of our dependence on foreign oil.

I cannot approve six more months of delay—delay which would cost needed jobs and dollars and compound our energy and economic problems.

From my experience in the Congress, I am well aware that it will be easier to pass the tough legislation needed to begin solving the energy problem this year rather than during the 1976 election year. The six-month price controls extension contained in the bill I am vetoing would postpone possible action until at least the Spring of 1976 and in all likelihood would mean an indefinite delay in our efforts to begin solving this problem.

Despite last minute attempts made in good faith by the Democratic and Republican leadership, their effort to achieve a compromise in the Congress has failed. It is clear that too many Members of the Congress have not come to grips with the decontrol issue—much less the overall energy problem.

We must have a national energy program before we have a national energy emergency. Our time to act instead of react grows shorter with each day and with each delay.

Without price controls on domestic oil, we can reduce dependence upon imported oil by reducing domestic consumption by more than 700,000 barrels per day within two years. We can reduce dependence in the long run by increasing domestic production by nearly one and one-half million barrels per day by 1985. By continuing controls, imports will increase because of a lack of incentives to spur domestic production and the energy problem will get worse and worse.

If my veto is sustained, I still will accept a 45-day extension of price controls to provide time to work with the Congressional leaders who have assured me that they will seek an acceptable compromise during this period. If this further compromise fails, however, I will take the following actions to ensure an orderly transition from government controls to the free market:

I will remove the previously imposed $2 per barrel import fees on crude oil and a 60 cents fee on petroleum products.

I will again press the Congress to enact a windfall profits tax with plow back provisions and to return the money collected to the American consumer.

I will propose legislation to provide a gradual transition from price controls for small and independent refiners.

I will propose legislation to provide authority to allocate liquified petroleum gases, such as propane, to supply these important fuels at reasonable prices to farmers, rural households and curtailed natural gas users.

I will seek authority to provide retail service station dealers legal remedies to protect their interests against unwarranted actions by the major oil companies.

Since January, I have gone more than halfway in order to reach a responsible compromise. Obviously, we have talked and delayed long enough. We must act now to protect not only ourselves, but future generations of Americans. I urge Members of the Senate and the House to sustain my veto and get on with the job of meeting this problem head-on.

The continued failure of Members of the Congress to enact a National Energy Program puts us increasingly at the mercy of foreign oil producers and will certainly result in Americans paying substantially higher prices for their fuel.

The President, in sending this message to us, Mr. President, has reiterated his desire to cooperate and to coordinate the efforts of the Administration with Congress. The President met with the majority leader, Mr. MANSFIELD, and with the Speaker, Mr. ALBERT, before our session started after the recess. Many were very optimistic, including those two leaders, that Congress would be willing to work with the President for a compromise, and the understanding with the leadership of the Democratic Party was that they would go forward seeking this compromise. I certainly wish to commend our majority leader, Mr. MANSFIELD, and Speaker ALBERT for their great efforts in this regard. Unfortunately, they were not successful.

The President still, after that took place, is hoping that the veto will be sustained. He has said he will still accept the 45-day extension of price controls which was discussed with the majority leader and the Speaker to work further on a program that will be in the best interests of the people of this Nation. He came through with the statement of what he was willing to do. The President has said he has gone more than 50 percent of the way. Mr. President, I feel he has gone 75 percent of the way; in fact, I know he is very desirous of working with Congress and having an early passage of legislation that will help meet this crisis we face.

The President is well aware of some of the problems that will face our Nation in many parts of the country this winter if we do not have legislation that will permit the agencies of our Government to work toward solving some of the problems. One is what will happen with regard to the availability of propane gas. We know that there is a projected shortage of propane gas now. If something is not done, we will have some serious situations in many parts of the country. That would be in the farming communities and in rural households, where they are totally dependent upon this fuel. This, of course, will result in great hardships in many areas of the country. These people cannot change over to other fuels. It cannot be easily done where they are dependent upon propane. Propane is the only fuel that will operate their appliances, heat their homes, cook their meals, heat their water, and take care of many of the chores of the farm. This is something that I think is tremendously important, that we do something about propane, and the President is desirous of doing so.

Mr. President, we have everything to gain and I do not see that we have anything to lose by going forward with the President's program and sustaining his veto. If we do not, the country will be in serious trouble and I feel it is something that will be on our backs for not having taken the action that we know can be taken, that the President has offered to take. It is up to us now to sustain the veto and go forward with a cooperative program with the President.

Mr. President, a word or two now about Senator JACKSON's allegations about windfall profits. I recall that we did have windfall profit legislation that came out of the Committee on Finance and on the floor it was killed by some of the Members on the other side of the aisle and we did not have a chance to get the legislation through before the recess. The President has been recommending, for a long time, that we enact windfall profits legislation. But referring to what our distinguished chairman has alleged, the Senate ignored the windfall profits legislation now before the Committee on Finance and our Senate colleagues, as I indicated, did filibuster that measure on August 1 of this year. It seems plain that our colleagues complain about windfall profits and, at the same time, tried to block and did block such legislation that would prevent the application of windfall profits.

I know that Senator LONG was very desirous of that legislation, and I will give him credit for working diligently with the committee, meeting in long sessions, trying to meet the deadline in order that we could have some windfall profits legislation before we recessed. That was not possible because of the filibustering that was done by some of the Senators that were working with Senator JACKSON and others.

Too, while some argue that the oil companies have made windfall profits in the past, the early record for 1975 indicates it has been a failure compared to that of 1974. I have a table here, Mr. President, that I think is very interesting.

Consider, for example, that the U.S. rate of return for Exxon in 1975 was 16.2, whereas in 1974, it was 22 percent. Gulf dropped from 11.4 down to 8.4. Even 11.4 was below the national average of corporations and manufacturing companies and other businesses. Then Mobil's was 10.6 in 1974 and 5.2 in 1975, the first quarter. 5.2 is not a good return on investment. Phillips went from 16.5 down to 6.9; Shell from 21.7 down to 13.1.

Standard of California went from 9.2 down to 2.8. Standard of Indiana from 21.6 down to 14.6. Standard of Ohio down from 6 to one-half of 1 percent. Sun Oil Co. is down from 18.1 to 6.8; Texaco, down from 10.4 to 6. The weighted average went from 14.2 in 1974 down to 9.1 in 1975, which is below the national average of earnings of other corporations. The mathematical average went from 14.7 in 1974 down to 8.1 in 1975.

Mr. President, I ask unanimous consent to have this table printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

[In millions of dollars]

TABLE 1.—*U.S. rates of return*

	1st quarter 1975	*1st quarter 1974*
Exxon	16.2	22.0
Gulf	8.4	11.4
Mobil	5.2	10.6
Phillips	6.9	16.5
Shell	13.1	21.7
Standard of California	2.8	9.1
Standard of Indiana	14.6	21.6
Standard of Ohio	.5	6.0
Sun	6.8	18.1
Texaco	6.0	10.4
Weighted average	9.2	14.2
Mathematical average	8.1	14.7

Mr. FANNIN. Mr. President, I feel this is something we should consider. I am not saying that I want the oil companies to make profits for the sake of making profits as a result of charging higher prices to the consumer or doing what would be inequitable in any way. I certainly hope that we do have sufficient profits so we can have the research and development, so we can have the exploration, and so we can go forward in finding additional reserves. I find it regrettable that they are attacked when they are not making excess profits. Certainly, I am against any corporation making excess profits.

Finally, the Senator from Washington forgets that during the course of his as yet uncompleted National Fuels and Energy Study, since 1971, U.S. imports of oil have skyrocketed from 25 percent to nearly 40 percent of total consumption. He apparently has little interest in obtaining domestic energy self-sufficiency. I feel that domestic self-sufficiency in energy is of great importance to us.

I want to read from an article which is printed in the August 1 National Review. This is a study and report on what is being done in this Nation in order to solve the energy crisis.

> Without belaboring the point, if the objective is to bring domestic energy supply into balance with demand, then either supply must be increased or demand decreased, or both. The FEA estimates that $561 billion (in 1973 dollars) must be spent between now and 1985, if domestic energy self-sufficiency is the goal.
>
> To achieve 90 per cent domestic self-sufficiency in oil and gas will require, says the Chase Manhattan Bank, drilling five billion feet between now and 1985. This is equivalent to one million wells averaging five thousand feet in depth.

One million wells averaging 5,000 feet in depth, just imagine that.

> According to Chase, this level of drilling activity would require 4,500 active rigs. There are 1,904 rigs operating in the U.S. today. Present domestic capacity for adding rigs is estimated to be only two hundred per year.
>
> Major incentives will be needed to attract that kind of capital and that level of development.

Mr. President, if that level can be obtained, it certainly is going to be highly essential to our program.

Mr. President, in light of the need to stimulate domestic energy production, the Senator's study makes no sense and is just another numbers game. I feel we should be talking and cooperating and working together and not trying to just criticize. I do not like to criticize, but I do feel we should have the correct information when we are discussing the subject.

Mr. CURTIS. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. FANNIN. I yield.

Mr. CURTIS. I ask unanimous consent that Mr. Don Moorehead, counsel for the Finance Committee, have the floor privileges throughout the consideration of the veto on S. 1849.

The PRESIDING OFFICER (Mr. GLENN). Without objection, it is so ordered.

Mr. JACKSON. Mr. President, I suggest the absence of a quorum with the time to be equally divided.

The PRESIDING OFFICER. Without objection, the time will be so divided. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GLENN). Without objection, it is so ordered.

Who yields time to the Senator from Connecticut?

Mr. WEICKER. Does the Senator from Wyoming yield time?

Mr. HANSEN. I do, indeed.

Mr. WEICKER. Such time as I may require?

Mr. HANSEN. Yes.

Mr. WEICKER. Mr. President, I rise to support sustaining the veto of the President of the United States of the Petroleum Allocation Act and I do so in a rather unique position, being the only New England Senator in that posture.

Yet I think the difficulties that we have today in this country when it comes to energy are directly related to the fact that we have not realistically approached the energy crisis. Rather, we have dealt with this issue in a political fashion. I think that a review of the past several years will demonstrate this point.

First of all, in light of the track record of the past several years, I do not think it is up to the advocates of decontrol to prove their case.

The United States has been under controls for the past several years. More particularly, let us use that time period as between the imposition of the Arab oil boycott and August 31, during the last 2 years we have had controls.

Just as a matter of commonsense, you do not have to be an economist or a geologist or an oil expert to figure out what has happened in that period of time.

Clearly, the price of oil and everything associated with oil has soared, as, indeed, has the rate of unemployment. It has soared, and this during a period of controls.

In light of the way these prices and this unemployment skyrocketed over the period of the past 2 years, it is up to those who advocate controls to explain to us how we are all going to benefit by having them for an additional 6 months.

I suggest that probably the answer is that even though in the case of oil, legally, controls have existed, the fact is that we have been on a two-tier system. Yes, controls, except for the fact that as far as oil is concerned we cannot control the price of oil; that is controlled by the OPEC nations.

So in effect, there have been no controls and we have been wedded to the price set by the OPEC nations.

Mr. President, I remember well when that embargo took place, as do all my colleagues and all of our constituents. I remember the great scurrying around that took place during that period of shortages when the embargo was in place. I remember the various systems that were attempted in order to fairly distribute the burden that was imposed on the United States of America by the Arab oil embargo.

I remember all the great talk emanating from Washington, D.C., from the President of the United States, from Senators, from Congressmen, as to how we had to respond to this national emergency.

I also remember saying at the time that I sort of hoped that the Arabs would maintain their embargo, because only by that action would we realistically respond to the crisis. There were some that accused me of being unpatriotic because I wanted people to go ahead and suffer and that was a very negative thought on my part.

I think subsequent actions have proven the correctness of my position because no sooner was that embargo lifted than the President and all the Senators and Congressmen went home on the energy crisis. They no longer had to go ahead and do anything.

The American people started to roar around the highways of the United States of America as if no crisis existed. By the thousands they came back on the road.

Both in numbers and in their unwillingness to observe the federally imposed speed limit of 55, it became very clear that as soon as the threat removed itself, the American people and the Congress went back to "business as usual."

I suggest today that, yes, gasoline lines went away, but they were replaced by unemployment lines. The economic difficulties of the United States of America and its unemployment are directly related to our inability to go ahead and face up to the facts of life insofar as resolving the energy crisis.

Yes, I am sorry that we do not have a constant reminder of just how serious that crisis is.

There is no easy answer, if, indeed, we are going to come out on top in this challenge to our Nation. It is as much war as any conflict that we have been in. Only the weapons are different; they are economic.

We have done rather well, with a few moderate exceptions, in the more traditional conflicts that have involved the United States and we have failed miserably when it comes to this one.

The only response I have heard about on the part of the Democrats is to put a tax on gasoline, and on the part of the Republican President—and this is removed from his position on decontrol—is to put a tariff on imports.

In effect, in other words, both the

Republican and the Democratic Parties, to their shame, suggested that the way to handle the problem is to ration by price.

Both the Republican and the Democratic Parties, in effect, saying, "Let the poor of this country, let the elderly, let those on fixed income, those of moderate income, conserve so all the rest of us can live it up as we did in the preembargo days."

That has been the only response. Not a very significant response, not something that I think this generation wants to be remembered by in the future.

I clearly remember standing in the well of this Chamber with the distinguished majority leader (Mr. MANSFIELD) and both of us said that the only thing we can do right now—right now, not in the long term, but right now—to respond to this crisis is to ration, and there were very few either on his side or on my side that gave us any backing.

All everybody talked about was solar energy, mass transit and nuclear energy. Those are easy political subjects to discuss. Yes, they will all eventually resolve the energy crisis. But they are at least 5, 6, 7, and, yes, even 10 years away. What is it that we can do right now to go ahead and make the country less dependent on the cause of its economic ruin, specifically the OPEC nations?

Obviously, the only thing we could do was to cut down on consumption. That we could have done 2 years ago. That we could have done a year ago, a month ago, yesterday, today. That we could have done. But there was a fear that that was a politically unacceptable solution to the American people. So we gratified the traditional politics by not having imposed mandatory conservation and instead gave the American people unemployment and economic disaster.

Nobody has wanted to come up face-to-face and say this is what needs to be done. Rather, to give some sort of political gobblydegook which would cause no discomfort. Indeed, it has caused no discomfort in this country, but neither has it solved the energy crisis.

That is the record of 2 years of the President, of the Senate, and of the House. There has been no response to that initial threat posed to the United States of America in the fall of 1973.

Yes, we continued with the controls, but the prices continued to soar. The threat of shortages continued to be posed by the Arab nations, and the threat of still further price rises continues to be posed by the Arab nations.

Now, Mr. President, I propose that the time has come to get down to some hard answers. I think the American people are far ahead of the politicians, both Republican and Democrat. They have been looking for leadership for quite a while now, and they are far more sophisticated than are many of our colleagues in their recognition of what needs to be done to resolve the energy crisis in this country.

So as unpolitical as some of the things I recommend might sound, I think they are understood for what they are—the truth—rather than a lot of horse manure.

If I had my "druthers" today, not only would I vote to decontrol—would I go ahead and impose a system of mandatory fuel conservation. Believe me, if we did that, if we freed up our economic processes to bring more of the commodity onstream, while at the same time we lowered our demand, that is the kind of language the OPEC nations would understand. We would have lower prices. We would have no shortages.

It only stands to reason that the price is governed by two factors: No. 1, the availability of the commodity, and, No. 2, its use. So the one thing that we can do right now is to bring more of the commodity onstream. If we really were going to do a 100-percent job, we would lower our usage of that commodity, admittedly artificially through rationing, until such time as the other solutions which politicians like to talk about are actually in being.

We have not yet substituted mass transit for the automobile. We do not have fully developed alternative sources of energy. We do not have greater mileage engines. Nuclear energy is still in the infant stage. So we have to hold the line while these other entities take hold and we are no longer dependent to the extent that we are today on fossil fuels.

But that cannot be done today.

I confess a slight disappointment in the unwillingness of people to even respond in the sense of driving their cars at 55 miles per hour. I confess to you that in our State of Connecticut, I think we are one of the worst examples. Very few Governors have enforced that law, yet it could contribute significantly to the saving of fuel.

It seems to me, that if the energy crisis is a national crisis, the time has come to face up to it in a national way. That does not mean turning to the poor and elderly, those on fixed incomes, and say, "You conserve." Because it is a burden, it means each of us takes a portion of the burden, of the solution, on our shoulders. To the extent that any one of us is better off, we take more of that burden on our shoulders, not less, so that every American is participating in the saving of fuel.

I am not asking for a World War II rationing plan. How about a plan closing the gas stations on Sunday? That would affect everybody. How about a plan if you have one car in your family you pick the day of the week when it is not going to be used on the road, and if you have two cars, it would be 2 days for the second car. Anything over 2 cars would remove them for 5 days a week. We would exempt all agricultural and commercial vehicles. That would put it where it belongs, on those with the clout rather than those without it.

I make these comments in passing because I believe the time has come to go ahead and inspire this country to urge us all to go ahead and put our shoulder to the wheel.

Now we come to the issue of decontrol. How in Heaven's name political demagogs can stand here and urge a continuation of the present system as providing the American people with lower prices is beyond me. I do not have to speculate. I do not have to guess. I do not have to have some economist interpolating figures. What has happened to the price of gasoline since the fall of 1973? It has soared, and it has soared under controls. That is the record.

If I were a disinterested party, which I am not since I have already indicated what my vote is going to be, I would like to go up to the fellow who is advocating continued controls and say, "Hey, Mister, why do I want 6 more months of that business" rather than to turn to the fellow who is for decontrol and say, "Would you please tell me why this is going to be good for me?"

The track record is a miserable one, just as the record of the Congress of the United States is a miserable one.

Nobody asked for the embargo. It was not precipitated by the Republican and the Democratic parties. It was precipitated by foreign governments. So in that sense it is a nonpolitical crisis which has been thrust upon us. But the handling of it, the meeting of it, has been political.

I have already chastised both parties.

Mr. HOLLINGS. Will the Senator yield?

Mr. WEICKER. I will in a few minutes and then I will be glad to stay here and dialog with the distinguished Senator from South Carolina as long as he likes. He is a very good friend and fellow explorer of the ocean depths, I might add, and a great leader in many instances.

Mr. HOLLINGS. We are in deep water now.

Mr. WEICKER. The handling of this crisis has been political. This is what draws us into the debate today.

Basically, what the President of the United States has done is to bring the issue to a head, to give some promise of a solution so that we do not drift for another 6 months or 2 years.

Compromise after compromise has been offered to the Democratic Party. In fairness to the other side, responsible leaders of the Democratic Party have indicated their willingness to compromise. But then we have some Presidential ambitions that are just gushing, overflowing, far more so than any oil well, and so it is deemed politically the better thing to do, first of all, to test out the President: To take him to the wall. If you nail him, fine, you have scored some points—not energy points, but political points. If you do not nail him, you can still compromise.

The honorable men on the other side felt the time had come for compromise several weeks back. They realized that we had gone far past the point where politics could be permitted to determine the position of this country when it came to energy. But politics has prevailed, despite every effort to sit down and work out, not a Republican plan but one acceptable to Republicans and Democrats, and get it on road.

We are confronted with a confrontation which, if the veto is not sustained, will only continue in the same pattern of 2 years—2 years—of no activity. Believe me. And I say this to all my colleagues on the other side, many of whom, as I say, have made every effort to compromise and to support the President. But it also has to be said that there can be no excuse that they do not have the muscle. They have the numbers in unparalleled fashion on that side; yet the record of this entire Congress has been one of inactivity, not only in this matter but in many other areas.

I now get to the point which I think is important. It is what I call deferring the payment, putting off the payment.

You know where I do not agree with the President? It is not in the fact that I am not going to vote to sustain him; but I understand that if he is sustained, he is going to suggest a 39-month phaseout.

I must confess I am against it. I will tell you why. What it in effect says is that we do not, politically, want to take on our shoulders right now the payment. We want to defer it.

We have done that in so many different ways in this country. As I have said, it used to be that you lived for your children, and tried to create something for them. Nowadays the whole thing is to make sure they have to go ahead and pay the price. Energy, foreign relations, education, race relations—let them pay the price. Nobody wants to face up to the bill today.

I am for decontrol because, very frankly, I think it brings about competition, which I think is very important. It will bring about exploration. It will set up the economic framework which, once again, allows the free market to take hold.

Why do we have lower prices for products here in the United States than they have in any other Nation in the world? Because of competition. The competition in the free enterprise system. We might complain about our postal service or our train service, our refrigerators, our radios, or you name it, but American labor and American business have produced the greatest products in the world at the lowest price, and that has been achieved in a private enterprise system.

You cannot have a little bit of control. I remember in 1971, when I first came to the Senate, we were in a period of economic stagnation, and I urged the President to impose wage and price controls. Mr. President, I say that is the worst mistake I have ever made. The inflation we are experiencing today, apart from that caused by the energy crisis, is due to the explosion that took place when we removed wage and price controls. It exploded, and we had a hell of an inflation on our hands.

Yes, we can keep controls on oil and make the consumer feel good today, but we guarantee the fact that our kids will have to pay one hell of a tab a few years out.

I think it is time we faced up to our obligations now, and not take the political way out and postpone it.

Ask the people of the city of New York what the cost is for postponement. Ask them. The years went by. No one was discomfited, or put ill at ease. But, oh, my God, what a price they are paying today.

So, Mr. President, I hope that not only here on the Senate floor, but throughout the country, in our approach to the problems which confront us, we will lend our best efforts and our sacrifices to solutions that are wrought today, rather than a lot of politics, a lot of rhetoric, and everybody knowing that the real price will be paid years ahead.

In conclusion, then, I support this veto because even though politically it is a hot potato today, I honestly feel our only chance of achieving energy self-sufficiency, of achieving adequacy of supply, of not being at the mercy of some Arab country, of getting lower prices, not tomorrow but in the long run. It is our only chance to get this industry back on a free market, a free enterprise basis.

Oil companies do not vote. There is nothing very popular here about the position that some of us are taking. As I have indicated in my remarks, if there is excessive profit, or large profit, as between the old oil and the price for the new oil, tax it at 100 percent and make them plow it back. I have no sympathy for the companies. I do not want any bonanza for the oil companies. But I do want the hope, which we do not have right now, of lower prices; and we have no hope of lower prices under controls.

Take a look at the last 2 years and tell me where the price went down. Tell me where, in the last 2 years, some official, whether in this Government or others, has told us, "You do not have to worry, there are plenty of supplies." Tell me about the unemployment in the United States taking place now, that was precipitated by the energy crisis. When the price soared 50 percent, people could not pay for the price of goods, and the factories all closed down.

In other words, what is it that we have achieved, either in jobs, in energy, or in prices, over the last 2 years, during all of which we had controls?

I would hope that my colleagues, then, would sustain the President, not for me as a Republican to back the President—that is meaningless. It would be a meaningless request. As a matter of fact, I think, this is probably the first time in 5 years I have backed the President. Important principles are at issue.

We cannot afford to start politics now with something as serious as the energy crisis. I have 12 percent unemployment in my State, and 52 percent among minorities and young people. This is somehow playing politics a little too early. I cannot stomach it, and I do not think my people can. A couple of months before the election, maybe, but not now, and not on this issue.

The free enterprise, free market system has performed well. Compare its track record with the track record of the past 2 years of a controlled economy in the sense of oil.

Think carefully as to what it is that will bring the price down. More of the product and less use.

What has been the record of the U.S. Senate, the House of Representatives, and the President for 2 years? Nothing. I do not want 6 more months of the same thing. I do not want 1 more month of the same thing. Not 1 more day. I want a new game plan.

Yes, I want decontrol. Yes, I want excess profits taxes. Yes, if I had my "druthers," I want mandatory fuel conservation.

Let us do the job, and I have a strange feeling that, rather than being penalized politically, the people will recognize a little honesty, which is something that has been notably lacking in an intellectual sense when it comes to this subject.

I yield, Mr. President.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. HOLLINGS. Will a Senator yield me sufficient time for a few comments?

Mr. JACKSON. Mr. President, I yield the distinguished Senator from South Carolina whatever time he needs.

Mr. HOLLINGS. I say this to my friend, the distinguished Senator from Connecticut, because I do not want to hold him and I do not want to miss him.

Mr. WEICKER. Oh, I would not want to move.

Mr. HOLLINGS. Let me make a few comments, and then we will ask the question, because I take categorically the exact opposite position.

I think a vote to sustain the President's veto is the political copout.

I notice our distinguished friend now has pinned the badge of political courage on this. He talked of the children of the future. He is fed up with Congress. He cannot stomach politics any more. Nothing has happened.

Really he gets around to blaming actually the only control measure we have. There is some control. That is what we are talking about. He gets around to the point where he blames the only control measure we have for the dilemma we are in and talks in sensible terms of free market and free enterprise.

It reminds me of a psychiatric test they gave a fellow when he walks into the doctor's office for his appointment.

The psychiatrist put a checkmark on the blackboard. He said, "What do you think of that?"

He said, "That makes me think of sex."

The doctor drew a circle on the blackboard, and he said, "What do you think of when you see that?"

He said, "Sex."

Then the psychiatrist did a cross mark, and he said, "What do you think of that?"

He said, "That makes me think of sex."

The psychiatrist said, "Well, you are depraved, you are oversexed."

He said, "Me depraved?" He said, "You are the one drawing the dirty pictures."

Here this fellow takes the only controls that we have had over the OPEC cartel. He begs the question.

Where did the trouble start? Are we going to relinquish this from the U.S. Congress and put it totally in control of the Arab congress, or relinquish our responsibility?

Let us hearken to a few things there. When it was not political, we had a bipartisan effort in this Congress, with an energy policy council, and it passed the Senate three times. I introduced it. I have been working, with the support of the Republicans and Democrats through the Senate, opposed by the White House, and opposed by the same House leadership which now is the White House, namely, the President of the United States.

I could go down the entire record. When the Arab embargo hit us, it was the Senator from Arizona (Mr. FANNIN), the Senator from Wyoming (Mr. HANSEN), the Senator from Oregon (Mr. HATFIELD) who joined with Senator JACKSON, Senator CHURCH, Senator MAGNUSON, and others, in a bipartisan unanimous report that brought forth the Emergency Petroleum Allocation Act. It was not politics then. It was bipartisan. A Republican President, Richard Nixon, signed it and used it. He employed it in December 1973, a month after he signed it to raise that price of old oil from $4.25 to $5.25.

Then, during this year's struggle nothing has happened. That is in the President's veto message.

I wonder where the gnomes or the dreamers came from that wrote that veto message.

Mr. HANSEN. Mr. President, will the Senator yield at that point?

Mr. HOLLINGS. No, I am not going to yield at that point. I am going to complete the thought.

Mr. HANSEN. I ask it only because the Senator was talking about the Senator from Wyoming, and I thought the Senator might be interested in what he actually said instead of what the Senator from South Carolina said.

Mr. HOLLINGS. I will yield on his time. I do not want to lose my time.

Mr. HANSEN. I will be happy to use my time.

Mr. HOLLINGS. Yes, but I want to come down to what the Senate has done. Does the Senator want to get to that later? I know what the Senator from Arizona said. I am reading from the report.

Mr. HANSEN. The Senator is reading from the report that was written by the majority. Let me read to the Senator from the minority report.

Mr. HOLLINGS. Does the Senator want me to read to him from the minority report? I am just reading what they found in the face of the present shortage. I will go into different parts. Which is the one that the Senator from Wyoming takes issue with? The Senator was not for the bill?

Mr. HANSEN. I was for the bill but for different reasons than the Senator from South Carolina spoke about.

The reason that I was for the bill and the reason that the other members of the minority were for the bill was that at that time we had an Arab oil embargo. We had an entirely different situation than we now have. That is well known to the Senator from South Carolina and everyone else. We addressed a particular condition then. The Arab countries had embargoed the oil and shut it off, and we had to face an emergency situation. That is not what the situation is today.

We favor sustaining of the President's veto today for very good reasons, and they have been detailed rather expertly, I think, by the distinguished Senator from Connecticut, when he points out what is wrong with the approach we are trying to take now.

The Senator from South Carolina says why do we want to take away the only weapon the President and the people of the United States have to try to do something about the Arab cartel or the OPEC cartel. The reasons, I think, speak for themselves. They have been identified by my distinguished friend from Connecticut, and they are exactly these reasons:

If we want to give the Arab countries and the OPEC countries a greater clout, we are sure headed in the right way if we override this veto. We are headed in the right way because by keeping down, by depressing, and by controlling the price of American crude and of an American product, two things happen:

No. 1, we stimulate and further encourage the overuse of something that is in very short supply—energy. It is the life blood of this country; it is the life blood of most of the developed nations of the world and plays a very important role in the undeveloped nations of the world as well.

So, I agree with the Senator from Connecticut when he says let us be realistic, let us take a look at where we are, and it is not where we were when my good friend from South Carolina was criticizing those of us who voted at that time for a piece of legislation that addressed the fact that the Arab countries had imposed an oil embargo on the United States and other parts of the world.

That is not the condition now. It is not the fact now.

The fact now is that, if we want to take away some of the clout that the OPEC countries have, the way to take that clout away is to take the double actions that will follow from sustaining of the President's veto, and they are these:

By permitting the price of energy to rise, and it will rise, whether the Congress of the United States, or whether the Senate of the United States is foolish enough or naive enough to think for long we can repeal the laws of supply and demand. It does not matter. The fact is that we have not been able successfully so far in our nearly 200-year history to do that job, and we have not repealed the laws of gravity, and I predict we are not going to be successful in doing it during this 94th Congress.

But let us get back to the basics, and they are these:

We need to encourage people to conserve energy, and we are not going to encourage them to conserve energy by following the advice of the Ralph Naders and the Lee Whites, and the others, who a few years ago were saying:

> Let's keep the price of natural gas down low, let's keep it down low to protect the poor people.

Well, we have protected the poor people until they are practically out of jobs. We had factories shut down in Ohio. I note that the distinguished Senator from Ohio (Mr. GLENN) is now presiding, and he knows, and I know, we had factories shut down in that State because there was not enough gas to go around. What does he propose to do? He has before the Committee on Interior and Insular Affairs legislation which would address that situation by making it possible for interstate pipelines, and the Government, as I understand—and if I misunderstand the thrust of the bill, I am certain that my good friend, the Senator from Ohio, will set that part of the RECORD straight—but actually what he wants to do is try to spread out and to make energy available to those areas of the country where employment can go on, and I am sure he is concerned that there will be enough energy to go around.

Anyway, we got into this mess because we had the mistaken attitude that we were serving the public interest by keeping prices low. We kept them low for 15 years, and our gas supplies dwindled.

Mr. WEICKER. Mr. President, will the Senator yield?

Mr. HANSEN. I am happy to yield.

Mr. WEICKER. That is the point. If the only gas and the only oil we used came from the United States of America, then, fine—keep the price low, and everything is going to be fine.

The assumption is made that we have a control over price. We do not. The fact is that we can keep our domestic supply low, but a heavy majority of the rest of the suppliers are going up. It is fantasy. How can anybody, in reality and logic, try to sell that to the American people—as if we had control over the price mechanism? We do not. Somebody should say that. As long as we have total control over our supply, it is great. We can be heroes to all our constituencies by not allowing prices to go up. However, we do not have control over the price either in gas or in oil.

Mr. BUMPERS. Mr. President, will the Senator yield for other observations, on my time?

Mr. HANSEN. I yield.

Mr. BUMPERS. One of the interesting things about the argument of the President and the oil companies—and their positions are the same—is that suddenly they want the Government out of their hair. All of a sudden, the Adam Smith philosophy will make this country free. But for 30 long years, Congress gave them a depletion allowance, limited imports, did everything in the world to hold the price of domestic production at an artificial level. I did not hear the oil companies in those days talking about Government interference.

When it comes to controls, will the Senator agree that under the law as it is presently written, there are no controls on new oil?

The President talked about raising the price of oil to create an incentive for the oil companies to go out and find more and make us free. But right now, since 1973, this act we are talking about has no limit on what any domestic oil company can charge a refiner or a consumer for oil it finds, since 1973. Forty percent of the 8½ million barrels we are producing every day in this country is not subject to any control whatsoever. They can charge anything they wish for it. As a practical matter, they cannot charge more than the OPEC countries, because it would be foolish to pay more for domestic oil than the price for which you could buy OPEC oil.

The Senator talks about how we are keeping American prices depressed and paying the OPEC countries $11.40. The President, himself, chose to exacerbate that situation when he put a $2 import fee on oil imports. The first thing the Shah of Iran said when he set foot on the shores of this Nation was, "You people said $11.40 was too much, and here you are taxing yourself an additional $2. It is not too much."

The Saudi Arabians, even though I feel they had been patently unfair with this country, in fact had been trying to tranquilize some of the OPEC members from agitating for additional prices. The following week, Sheikh Yamani said in New York City that the President, himself, is making the position of the Saudis, who are trying to stabilize OPEC prices, almost impossible to sustain.

Mr. BARTLETT. Mr. President, will the Senator yield?

Mr. BUMPERS. On the Senator's time.

Mr. BARTLETT. I refer to the point the Senator from Arkansas made, indicating that a free market price for new oil was going to be a sufficient incentive to bring on more supplies. The reason this is a fallacious argument is that only 1 out of 8 or 9 wildcat wells is successful. So there is no way that an independent or a major company, in contemplating a wildcat venture, can be assured that he is going to find any new oil for which he would receive the free market price. It is obvious that an independent in Arkansas or in any other State has to look at all the money he has available for buying leases, doing geophysical exploration, and drilling wells. So the amount of money available to him, including that which he borrows, comes from old oil, new oil, and various other sources, like banks. Capital is the limiting factor. The free market makes available more revenues.

I know the Senator has used the argument that we have the free market; yet, we have had declining production. It is obvious that we would have had more declining production if we had not had the free market for some oil. It is also obvious that we need more, not less, capital and greater incentives to drill the number of wells that need to be drilled.

Mr. BUMPERS. The Senator has referred to an argument I made in the Committee on Interior and Insular Affairs. I think it is a valid argument—that prices went up 75 percent last year and production went down 7 percent. I am saying that this proves, in my opinion, that the President's philosophy, his argument for decontrols, is spurious.

Mr. BARTLETT. I think the Senator is very much aware that as the price of crude oil has gone up and the incentives have gone up, the amount of drilling has gone up. He knows that there is, on the average, a continuous decline of about 10 percent in the production from a well, and the amount of new finds or discoveries has not caught up with it.

Until we do much more new drilling and flatten out the curve of production loss, we are not going to have any chance for self-sufficiency.

The one good thing this body can do today is to establish an energy policy by sustaining the President, by ending the controls. This actually creates a policy. It assures us of having an energy policy for the first time in years.

Mr. HANSEN. Mr. President, I appreciate the observations of the distinguished Senator from Oklahoma. No one else in the Senate, in my opinion, understands the mechanics of the industry as does he.

I cannot believe that the Senator from Arkansas fails to understand the economics of the laws of supply and demand, as his most recent statement might imply.

Actually, the fact is that the number of people living in the United States has been increasing. Demand has gone up. It does not really address the basic fact of economics to say that prices have risen 75 percent and production has declined. Rather, what we should be examining is what would have occurred absent these other factors.

Here are the facts. The amount of oil consumed so far this year is below what we consumed in 1973, and it has been brought about because people are reacting as they always do to higher prices. Boston, a year ago, burned 20 percent less fuel oil. The winter was a little milder. But people were more conscious of the fact that fuel oil costs money. As a consequence, they watched the thermostat, they kept the windows closed, they kept the doors closed, and they did other things that helped conserve fuel oil.

By the same token, we can and we will encourage and we are encouraging the production of energy as prices rise.

My friend, the Senator from Arkansas, says there are now no disincentives to the production of oil. The fact is that we lowered the depletion allowance from 27.5 percent to 22 percent in 1969 and last March entirely eliminated depletion for all integrated oil companies.

Do Senators know what happened in Wyoming? With respect to the number of drilling rigs in operation in my State of Wyoming—we happen to be the fifth largest of all the oil and gas producing States—we shut down, we closed down and stopped, 28 percent of the rigs that were drilling in about a 4-month period because of the reaction that the lowering of the depletion allowance had upon the incentive that the industry has.

Why did people do that? The people in Wyoming knew that we needed oil. They are like any other businessman. The reason why they did it was that there were better ways of making money than risking it in the extremely risky and hazardous professions of trying to find new oil.

If we want to further discourage people from producing oil in the United States, let us keep price controls on. Let us refuse to let secondary and tertiary recovered oil rise to the full market price. It is controlled now. I am sure that our friends on the other side of the aisle know that as well as I do.

Here are the facts, if I can make this one additional point: We have at the present time in the United States, which includes Alsaka, of course—I hope Ted Stevens is here—obviously, it includes Alaska, but sometimes we tend to think of the lower 48 as exclusive of the northernmost State. We have about 40 *billion* barrels of oil that will be recovered, given the present prices and the present cost of raising and lifting that oil. That is about 32 or maybe 33 percent of the oil in place. The biggest oil strike we can make right now, today, is to turn those controls loose and to say to the people who want to produce secondary and tertiary oil by investing additional millions of dollars in the fields we already have that we can turn them loose. Instead of just recovering the 40 billion barrels of oil, we can increase that by an extra 59 or 60 billion barrels so as to make available for the people of the United States, not just the 40 billion barrels, but probably 90 or 100 billion barrels of oil. That is how the marketplace works.

That is what my friend from Connecticut has been trying to say.

Mr. WEICKER. Will the Senator from Wyoming yield for a question?

Mr. HANSEN. I am very happy to yield.

Mr. WEICKER. Is it correct to say that the OPEC price of oil has not been established by the free market; rather, it is the cartel or monopoly-set price?

Mr. HANSEN. That is my understanding.

Mr. WEICKER. If I may continue along that line, we are not talking about a free market price but a monopoly-set price. In effect, what the American people are doing is paying tax—the difference, in other words, between the free market price of oil and the OPEC price of oil. That is the same as a tax, except that it is not staying in the United States. It is going to the Arabs, going to the Mideast, it is going all over the world to the OPEC countries. Therefore, it is not a question that this is something we can remove ourselves from. We are paying that price. We are not even giving it to our own people in this country for the economy, for jobs.

Now, if I were a member of the OPEC cartel, what I would like to see happen is nothing. That is exactly what is happening, nothing. We stand up here and jump up and down and yell and scream at the Arabs and shake our fists. And we do not accompany it with one single action.

You know what they do? They stand back there, take all these horrible insults we give them and they bring in the money, day after day, American money.

So believe me, if we want to make them happy right now, nobody will be made happier than the OPEC nations if we fail to sustain this veto. It means they will continue to sit there in a monopolistic position and exact the tax from the American people as between what the free market price of oil is and their artificially set price. I do not any longer want to send 1 cent abroad. I have too many people out of work. Maybe some of our friends over there are replete with employment and flush with work in their States. We are not. We are poor. We need help.

One last word while I have the floor, because I have a feeling we are going to have a response, and rightfully so, from the distinguished Senator from South Carolina. As I have indicated, I am very much against any windfall profits for our own companies. Maybe my memory is wrong, but it seems to me that, in the closing days of the last session, the distinguished Senator from Louisiana had excess profits tax legislation up on the floor to make sure there would be no excess profits, and the distinguished Senator from South Carolina filibustered that to death.

Is that correct?

Mr. HOLLINGS. Does the Senator yield me back the floor? I yielded to the Senator from Wyoming for a question 25 minutes ago. I would like to get the floor back to answer that question and get to what I was being asked by the Senator from Wyoming.

Mr. HANSEN. Mr. President, let me say——

Mr. HOLLINGS. Let me know when I get the floor, Mr. President.

Mr. HANSEN. The Senator from South Carolina is exactly right. He yielded to me for a question because he had mentioned my name and I did want the people to know about that.

Let me make one further observation. The Senator from Connecticut says he wants to keep the money here at home. The Federal Energy Administration made a study and here is what they reported. The last embargo caused the gross national product to drop by $15 billion and threw out of work 500,000 people. Now, today, because over 40 percent of our projected 1977 imports will come from insecure sources, which means foreign countries, a 6-month embargo in 1977 could decrease our gross national product by $24 billion and increase unemployment by over 700,000 people. I thought the Senator from Connecticut would not mind my underscoring his last point with those statistics.

Mr. WEICKER. Let me put it this way: I am glad to see the Senator from Wyoming grasp the essence of the crisis. Apparently, that is an acceptable political price to some of the candidates on the other side. As long as they can make a political point, there really is not much worry about who it is that is out of work.

Mr. HOLLINGS. Mr. President, if I have the floor, I yield myself the necessary time.

The PRESIDING OFFICER (Mr. GARY W. HART). The Senator from South Carolina is recognized.

Mr. HOLLINGS. I believe that while the President is a candidate—I believe that is correct, that the President is a candidate. I believe Senator JACKSON on this side is a candidate. We are all aware of that. Others are like the distinguished Senator from Connecticut, who is not a candidate, and the distinguished Senator from South Carolina, who is not a candidate. Let us get the candidate thing out of the way so we do not talk as though that side does not have a candidate and that is all we are.

Let us go back to the secondary and tertiary recovery. The President vetoed H.R. 4035. Let us get the record straight. "If we could only get the extra money for secondary and tertiary," the Senators say. They got three readings in the House, three readings in the Senate. They could have charged $15 to $16 a barrel for it under the bill. The President vetoed secondary and tertiary.

The Senator from Wyoming said that was a majority report. But he signed the minority report. I am reading from the document. I have yet to see a minority report. This is Public Law 93–628. The Senator had all last night to review and get from his staff the argument. We had this yesterday afternoon and he refused to answer. I am using the Senator's name because he used his name. He is the one who put his name on this bill. I am trying to support CLIFF HANSEN from November 1973, where he found it wise, judicious, proper, and right—and I am saying the circumstances for the particular measure have exacerbated—worsened—if you please. There is no minority report here, dated November 10, 1973.

What do they say? Instead of saying just the words "Arab embargo," which are obviously not in this report, they say on page 11, "Several general comments should be made about the overall pattern of this legislation agreed to by the conference committee.

"Initially, it should be said that the conferees are in unanimous agreement that due to various factors"—various factors, not just an embargo. They list the factors later in the report.

"—due to various factors, the several regulatory laws of supply and demand are not currently operating in the petroleum market. It is imperative that the Federal Government now accept its responsibility to intervene in the marketplace to preserve competition."

"To preserve competition." That is what we are talking about. The Senator from Connecticut is talking about competition. This is what the conferees found. This is a law that we have under discussion. This is what has been vetoed—competition—by the President of the United States.

When we go to the various factors, and I can refer to them, it says:

> The prices are going up at an excessive rate and that in order to control inflation—

Did not the gentlemen just say the prices have been going up? We have had some kind of cap on this thing. They have had to at least justify the passthrough costs before the Federal Energy Administration. There has been some kind of base on this.

Do not come back and talk about minority report when there is no such thing. Do not come back and talk about secondary and tertiary recovery when we all voted for that.

Do not talk about free market when there cannot be one as long as there is the OPEC cartel. If we cannot agree on that, we can never agree.

Where do we get this "monopolistic" idea, or "if I were a member of the Arab cartel, I would say sit and do nothing?"

The Arab cartel came, the Shah of Iran and his Finance Minister, Mr. Yamani, the Saudi Arabian Finance Minister, and what were they quoted as saying? "Why do you complain of high prices if your own President increases the prices?"

The only increases in the year 1975, the only increases, are by Candidate Ford, since we are going to talk about candidates. Candidate Ford increased those prices.

He was with us when he was not a candidate. Last year in September Gerry Ford said, "No; I am not running. I want summit conferences; I want help from the Congress."

So here when you start talking about that price of gas, out of town you go. In November he said the same thing; in December he said the same thing to the Business Advisory Council, vetoing on December 31, the end of the year, a cargo preference bill.

Why, Mr. Senator? Because it raised the price of a barrel of oil 12 cents. Sure it increased the price 12 cents. But when he became Candidate Ford, with Henry Kissinger, in January he said "12 cents are not enough. I am going up $3 a barrel, and I am going to decontrol." That was his program in January.

I will go along with my distinguished colleague from Connecticut in resisting this 39-month copout, because that is exactly what it is. It says, "Oh, Mr. and Mrs. Electorate of the United States, get me by the election in November of next year which I have announced for. If you folks can get me by that with the phaseout, then I will be home free for another 4 years in the White House."

In the meantime, what does it do to shortages? It tells anybody with competitive free enterprise commonsense that business is supposed to have to hold up. Anybody with interest in the bank as the interest increases, as time goes by, waits for the last minute to get the highest interest. If you are going to get a higher price as decontrol comes along you wait for the inflation and the increases in prices and everything else to escalate up, up and away, and instead of getting together on a national policy you hold up and work with the Arab cartel.

What have we done—because the Senator from Connecticut, I think, has downgraded this body? It has not been crystal clear. It is hard to package. This is a Congress; we are a hundred Senators, 435 House Members. We have got different interests, different views. That is the legislative process. But we did disapprove the excise tax. He said we did nothing, the President took action. Ha, ha, he took action. When Congress took action they did not do anything is what is said. They say we have not done anything.

We did all we could do. We disapproved it.

We repealed the oil depletion allowance; we passed the Strip Mining Act, which the President vetoed, trying to get away from those shortages. Talk about oil and gas in abundance, we are the Saudi Arabia of coal, with 800 years supply. Even the Pennsylvania coal miners supported this one. The President vetoed that so industry has a question mark.

Senator PERCY was here yesterday talking about industry not able to operate with a question mark, and I agree. So Congress tried to set down guidelines for the environmentalists, for the property owners, and for the energy crisis for the people generally. That was vetoed by the President.

The Standby Energy Authorities Act was passed; the 6-month extension of price control authority which we are presently debating; we passed the Strategic Reserves Act, the Naval Petroleum Reserves Development Act, the Coal Conservation Act extension, the Automobile Fuel Economy Act to which the distinguished Senator from Connecticut was referring on conservation. If we just had mandatory controls, if we had the administration's cooperation on automobile fuel economy that had been passed by the House already, and we had enforcement 50-State wide, the resolution that we passed here, for example, in February and in the Senate, of the Senator from West Virginia (Mr. RANDOLPH), we would be saving a million barrels a day right this minute.

Get serious about the problem you say? The Senate stood here and got serious and worked Saturday nights and around the clock.

Then we had the Coastal Zone Act amendments for energy facilities siting so that we could facilitate and accelerate offshore drilling; and then the offshore drilling amendments, S. 521; the Appliance Labeling Act; the Natural Gas Act amendments on the calendar; we put in the ERDA Authorization Act; the Railroad Rehabilitation Act, S. 1730, and right on down the line. We have got a long list of trying to get together an alternative conservation approach.

But to come now and say that if you were a member of the Arab cartel, you would do nothing, no one could possibly believe that. The Arab cartel is saying, "Praise the Lord and pass the ammunition, pour coals on it."

If the Senator wants to get from under the wage and price controls with their $40 billion additional inflation—that is what we are going to have, and no one has disputed it; I put a Library of Congress report in the RECORD, and I will debate it at any time. The President vetoes the housing bill, he vetoes the jobs bill, he comes forward and he vetoes the education bill and the health bill all for a cumulative amount of $17.38 billion. If somebody were in that particular position and supporting the President on his veto, it was just like on yesterday Bossy the Cow having given a full pail, he promptly kicked it over with his veto and put on instead $40 billion worth of inflation.

Struggling, PRing it, candidating it, national TV, "We have got to hold the line," you can read every word here, "noninflationary economy," "having a spiralling inflation, "too much to ask for the taxpayers $7.48 billion." On the education bill that is what he said. I hope we override that later this afternoon.

But he comes around under the ruse of all that compromise.

I never did want a compromise on inflation. We tried our best to cut down on congressional spending with our Budget Committees. We have already sent two bills back, both the school lunch bill and the Military Procurement Act. We are trying to get hold of ourselves, we are culprits equally in the last 3 or 4 years, and we have added $100 billion to the budget. But I can tell you here and now your OPEC cartel, not controlled, added $96.5 billion to that inflationary impact. Rather than saying to the budget I should say to the economy. So what are we going to do, add another $40 billion? That is what he is asking for us to do.

Talking about the children of future generations, you are setting the ground work. Why does the President talk about 45 days?

"Let me make my mistake." Finally in September, get his program that he is wanting for all over the land, with exotic dishes in Air Force I, going to Atlanta, to Houston, to Kansas City. He flew all around to the mayors and Governors. He has had free rein to sell his program. He finally gets it and he says, "Save me from it; save me from it. Let us have 45 more days and we will do it gradually." All he wants is gradualism until November 1976.

Mr. WEICKER. What does the Senator want, 6 months?

Mr. HOLLINGS. I want the continuation——

Mr. WEICKER. Does the Senator want 6 months?

Mr. HOLLINGS. Six months.

Mr. WEICKER. So the Senator wants it postponed 6 months.

Mr. HOLLINGS. No, sir; I want more. The law says 6 months. That is what passed the Senate.

Mr. WEICKER. That is what the Senator is for; he is for a longer delay.

Mr. HOLLINGS. I am not for delaying but for continuing as much as we possibly can until we break that OPEC cartel.

I do not want in this economic war to join the enemy. I do not want to join Big Oil, the OPEC cartel, or the Arab Congress. I want to work with the U.S. Congress.

Mr. WEICKER. Senator, since Congress has done so much, can the Senator tell me whether the OPEC cartel has lowered its price since 1974?

Mr. HOLLINGS. No. I guess they are getting ready to increase them. They said publicly, "Why should we worry about increases when your own President has brought about increases, so we are getting ready"—I will say this: I do not want to try to be put in the position of defending OPEC. I just give it as a fact, and the fact is that OPEC has not increased the prices this year, but Candidate Ford has done it illegally. Now he has the audacity to say, "If you fellows go along and take me off this hook and get me by November's election with this gradualism, then I will start acting legally. I will do away with that $2 that I put on." What kind of nonsense is that?

Mr. BARTLETT. Mr. President, will the Senator yield?

Mr. HOLLINGS. Yes.

Mr. BARTLETT. I would like to ask the Senator from South Carolina how price controls will break the OPEC cartel.

Mr. HOLLINGS. Price controls will at least keep down—we are trying to keep down as much as possible inflation in this country to keep us *economically* sound.

Mr. BARTLETT. That does not answer my question.

Mr. HOLLINGS. Well, the Senator might not like the answer, and I do not believe he does, but I can tell the Senator here and now that the enemy is inflation, and we have got to have an economically sound America in order to compete in international trade.

So if we at least take this particular inflationary factor on oil that would permeate the entire economy, then we would have a stronger America to compete.

Mr. BARTLETT. My question to the Senator from South Carolina is, how do the price controls tend to break the OPEC cartel?

My point is that controls, of course, reduce the price and hence reduce domestic supplies. This increases the leverage the OPEC countries have. The cartel has proved this by raising the price higher.

Price controls are self-defeating, as the Senator from Connecticut said, because we do not control the price of all the oil we use.

Our prices include not only domestic prices, but also the OPEC cartel prices because we are dependent upon them. The Senator is not advancing any way to break the cartel.

We have to send the message to the cartel that we are interested in our future energy supplies, rather than playing into their hands by rolling prices back.

So if the Senator will just tell me how price controls break the OPEC cartel, I would like to know.

Mr. HOLLINGS. If we could go forward with this national program that Congress has been trying to promulgate, I am very confident it would break the cartel.

If we would compete economically with our grainstuffs from Oklahoma, with our technology, and military weaponry, that is a direct way.

No one said this is, in and of itself, going to break the cartel, but it is surely going to break America if we do not.

That is the point, if the Senator cannot see that.

I will say why our domestic refinery production is down. We had that yesterday afternoon with the distinguished business leader from Illinois. He had enough goodness, and finally ended up agreeing that if he headed up an oil company he would call his board together and say, rather than what the Senator from Oklahoma (Mr. BELLMON) said on TV, an abundance—he was talking of an abundance on CBS this morning—we have a shortage, and I hope we can agree on that. The Geological Survey, the Academy of Sciences and everybody says we have a 30-year supply, give or take 5 years.

If we have a shortage, we will call it the Weicker-Hollings Oil Co. Make us both members of that board to see if we cannot vote together. If we have a shortage, WEICKER and HOLLINGS did not organize the business to go out of business in 30 years, and as a result we are going to supply our orders as much as we can with foreign oil.

It will cost more, but we will get more. It does not hurt us economically.

Why have a drain-America-first policy if there is a world shortage?

So we supply it from foreign sources, we take the profits, go into Nigeria, go into Indonesia, go into Venezuela, trying to find new sources of supply, trying to get into the new markets, but above all, let us not kill the goose who laid the golden egg, do not break OPEC because we never had it so good.

With respect to the price of Alaska oil, witnesses in the pipeline case said the entire life of the field is $4 a barrel. North Sea oil is $3.75 a barrel. And, boys, we are getting $13.50.

Mr. BARTLETT. May I say——

Mr. HOLLINGS. Wait a minute.

That Arab cartel has really got us in clover, so we will run around with all the speakers, life free enterprise and free market. We know there is not any there, and cannot be one as long as there is OPEC.

Mr. GARN. Will the Senator yield?

Mr. HOLLINGS. No, I would like to complete that thought.

We want to spread that free market and free enterprise, but we will drag our feet and as a result of refinery production, even though the oil has gone from $3.40 a barrel on new oil to $13.50, the price cannot apply.

The price program cannot work; the price has gone up on all new oil.

They could have all those great incentives they never dreamed of, getting $13.50 a barrel. Domestic refinery production is down to 500,000 barrels, and the imports of foreign oil are up 531,000 barrels. The President has got to know, that with the compromise and gas already going from 35 cents to 62 cents to 67 cents it has already gone up 30 cents.

We have compromised 9 million people into unemployment. We have compromised this Congress and the Government into a $69 billion deficit. We have had $2 of the $3 Presidential program, or two-thirds of his program, and we look around. Domestic refinery production is down and the imports are up and he is saying:

> I want compromise, give me 45, 60 days, give me anything not to put me under the shotgun, all on the line, so next year when we are all running as candidates we can categorically say that was the best we could do, Congress and the President agreed on that.

He will have satisfied that issue and we will have adopted this miscarriage of abortion. That is what we will have done.

Mr. GARN. Will the Senator yield?

Mr. HOLLINGS. I yield to the Senator.

Mr. GARN. The distinguished Senator from South Carolina has still not answered the question of the Senator from Oklahoma on how price controls do all of this.

I think the Senator just gave a beautiful speech on sustaining the President's veto. He outlines how much more dependent we have become on outside oil, from 17 percent 2 years ago when this embargo started to 40 percent today, and if we want to have inflation and recession and depression, and all of those things mentioned—we will put this on minority time if Senator FANNIN will yield me some time.

Mr. FANNIN. I yield such time as the Senator desires.

Mr. GARN. That is what we will have. We are looking at the short run. For 2 years Congress did nothing. Mr. Nixon did not have an energy program because he was so busy trying to save himself and Congress did nothing because they were trying to get him.

Now we have energy bills introduced and when the President of the United States says that this Congress has done nothing on energy, we do not have to believe him. There is proof.

Two bills have become law on energy and we have become more and more dependent.

So if we really want this country hung up, let him dictate prices, do anything they want. We are 40 percent dependent and it is going to continue to go up.

I am not in favor of immediate deregulation. I look to the President to try to get this together.

Mr. HOLLINGS. To get this by November 1975——

Mr. GARN. Arbitrarily hold down prices and we continue to do it and we do not have to be foresighted, we can look back and see what happened in the last 2 years, and it will get worse and worse and worse.

The President suggested some decontrol and the Congress, to show the political nature in the Presidential politics, I do not know how many American people know the first 90 days were a rollback, so we could have gone back in August and taken a rollback in prices and then said to the President that we do not like the other 36 months or 39 months, but we surely like the first 3 months, because it is a rollback before decontrol starts.

Mr. HOLLINGS. Is the Senator in favor of that?

Mr. GARN. Rather than a 6-month continuation with the present allocation and control.

I would have favored that 39 months and we could have had our cake and eaten it, too. We could have taken the first 3 months and then come back and had this debate on the rest of the program, but Congress did not want that.

The distinguished majority leader has been trying to work out a compromise and I think the American people deserve more than they are getting.

I am not concerned about Republican and Democrat or President and Congress. We have one heck of a problem and it is not a matter of supply or a matter of price at this point; it is a matter of where it is coming from.

There is plenty of oil, and if we do not get off that heroin addiction, I hope I am not around when the people 5 or 6 years from now control the economy.

That is the heart of it, as far as I am concerned.

I am not in favor of immediate decontrol. I think the effect on the economy would be more than we could stand.

Mr. HOLLINGS. But it has had some good effects.

Mr. GARN. I think Congress is irresponsible if they do not sit down with the President of the United States and work out an energy policy for this country and forget the politics of Republican and Democrat or who is going to be President of the United States next year.

I am a lot more concerned about being an American first. We have gone on 8 months debating this and have come up with nothing. I think the American people ought to be disgusted with the 94th Congress for our terrible performance in trying to do something. Looking beyond 1976, looking to the future of this country in solving an energy crisis is a lot more important than partisan politics.

Mr. HOLLINGS. Mr. President, I am glad the Senator has spoken on a rollback in prices, and we will have an amendment later for that particular score and see to what degree he supports it. He was not here when I listed the 19 bills we have passed since the first of the year. We have been working in a bipartisan way, I might say, trying to promulgate that program, and we have had a lot of good bills passed.

I will yield now to the Senator from Connecticut.

Mr. WEICKER. I thank the distinguished Senator from South Carolina. I want to be sure to be on the floor for any comments directed toward me, though I have to leave the floor in a few minutes.

I say this in summation: To use the old expression, there is just no such thing as a free lunch. We have a problem, and we have to bite the bullet. The manner in which we bite that bullet is clearly going to cause some pain and anguish in this country. Anybody who tells anything different to the American people just is not telling the truth.

I want to again pay my compliments to the distinguished majority leader, as I said in my opening comments. Two years ago, when this crisis first started, he and I stood in this Chamber and advocated mandatory conservation. That is the type of thing I am talking about when I say bite the bullet.

Mr. HOLLINGS. I did, too, at that time.

Mr. WEICKER. I pay my compliment to him.

But the fact is that this is not legislation of first impression, or that we do not know what is going to happen. We have lived 2 years with controls in the United States and an OPEC cartel. The combination of the two, of the cartel and the controls on our own prices, has given risen to unparalleled prices in fuel, decline in oil production, and unparalleled unemployment. I suggest to the Senator it is all right——

Mr. HOLLINGS. Is this on the Senator's own time?

Mr. WEICKER. This is on the time of the minority.

I am saying today the time has come not only to go ahead and resolve our energy crisis, but to go ahead and gut OPEC, if you will, to where they cannot call the tune here in this country.

There it is. Is anybody satisfied with continuing the OPEC cartel with controls? We shall not do anything. We are not going to legislate for the OPEC nations. The only thing we can do is take care of our part of the problem. If we do, believe me they will change their policies.

As I said, if we want to get the quickest response of all, just go ahead and decontrol and also put on mandatory fuel conservation. A combination of those two would really rile them. But apparently there are not enough guts on either side to go ahead and take both of those programs together. For anybody to stand before the American people and sort of imply that we should continue controls in light of this history defies logic and it defies the facts.

I am not going to stand up here and say that, necessarily, decontrol is not going to hurt, any more than the mandatory fuel conservation, but I do repeat what I said: there is no such thing as a free lunch. The people of New York City got free lunches for many, many years, and what a famine there is there now. The time has come to go ahead and give some very tough answers around here. I think we will find for both of us, Republican and Democrat, it will be enormously rewarding.

With the Senator's permission, unless there are some further comments, I would like to go to where I can pay for my lunch.

Mr. HOLLINGS. Mr. President, for just a minute on my own time, I have a couple of comments. Let us get right to the nitty-gritty. Everybody on that side who votes to sustain says, "No, not now." I do not want to decontrol. I want to do it gradually. Everybody agrees to that.

Mr. WEICKER. I do not. I want to decontrol now.

Mr. HOLLINGS. I thank the Senator. I will seek his vote on the next bill. Well, we are making progress.

But everybody generally says, "Controls must have done some good because we do not want immediate decontrol." Is that not logical? The controls must have done some good.

Here is what they have prevented and what is bound to occur when the Senator talks about a free lunch. I think there is some argument about that, but it is better than no lunch at all. That is for the 8.2 million unemployed right now and the many of the 600,000 to 700,000 who are going to lose their jobs if we sustain the veto and nothing occurs after that. If that is the law of the land, if the President gets his position that he took in January, that he flew around the Nation for in February, that he insisted happen by April, but now does occur in September, here is what will happen—

Mr. WEICKER. How many unemployed do we have now?

Mr. HOLLINGS. 8.2 million.

Mr. WEICKER. Those 8.2 million went out of work when we were under controls.

Mr. HOLLINGS. No. They occurred under the OPEC cartel. The controls kept it from going up to about 9 to 10 million. That is what was projected, incidentally, by Alan Greenspan. He said by the end of the year we could well have 9 percent unemployment or 10 percent.

Be that as it may, decontrolled oil goes up $16.3 billion. That is joining the Arabs; that is not giving them free enterprise. The Arab sheiks wil look at this debate and they will laugh all the way back to their tents.

The price of oil goes up $16.3 billion, and in an economic war look at the colleagues and the associates and the assistance that we are getting from the United States Senate.

Interstate natural gas goes up $3.9 billion. Coal goes up $3.6 billion. Natural gas liquids goes up $2.9 billion. It is a direct increase of $26.7 billion.

Everyone has agreed—the Congressional Research Service, the Joint Economic Committee, the economists testifying before our own Budget Committee—that it is a 50 percent ripple effect of $13.3 billion, or $40 billion. That is $200 for every man, woman and child in this country.

What did the President sign in May after we debated in March and April about the rebates and the tax reductions as an incentive to get the economy turned around? This is what we tried to get—even a little bit less—$100 for those we mailed the checks to. So what we gave, let us say, in June and July we are going to take away now come September in the name of character, courage and biting the bullet.

That is pure nonsense. It reminds me of that insurance contest where an insurance company in our State was looking for a slogan. Finally the winning slogan for the Capital Life said, "The Capital Life will surely pay if the small print on the back don't take it away."

That is exactly what the Congress has politically done when they vote to sustain this veto.

It is all for the unemployed, all for the economy. I gave the rebates, I gave the incentives in June and July. But when I got back with candidate Ford coming back, the trail is getting hot, we are getting rid of Ronald Reagan, and we are heading for the barn for the next 4 years. So let us all join ranks and put a $40 billion bill on the American people and take $200 from every man, woman, and child in the name of courage and biting the bullet.

That is exactly what we have.

We are on limited time now. I will yield to my distinguished colleague from Nevada.

Mr. CANNON. I thank the Senator for yielding to me.

Mr. PRESIDENT. I will vote today to override the President's veto of S. 1849, the bill which extends the price control and allocation authority of the Petroleum Allocation Act for 6 months. To vote to sustain this ill-advised veto is to invite inflationary disaster and economic chaos. In vetoing the extension of price controls on petroleum products this administration enunciates its support for a total decontrol policy and the disastrous results that will follow.

Mr. President, I will outline a brief summary of what I see as compelling arguments against deregulation, although I could not outline these any better than the distinguished Senator from South Carolina has just enunciated.

I could speak at greater length about the $40 billion annually this action will cost American consumers as well as the huge profits the oil companies will enjoy. I believe Americans perceive this result quite clearly. I also think most of my colleagues in this body, as well as those I represent in Nevada, know that I am not one to impose unreasonable or unnecessary controls upon any segment of our economy. I have studied the arguments on this issue very carefully, including the profit statements filed last year by the major oil companies, and I am convinced that the industry can live with reasonable controls and still show a very healthy profit margin.

I think the President has received poor advice from those in the executive and I very much regret that he has remained so constant in adhering to their recommendations. It was distressing for me to learn from a General Accounting Office report that more than 200 former employees of oil corporations now hold major policymaking positions in Federal agencies responsible for the Federal Government's energy policy. I think we should question the advice and recommendations these former oil officials give the President.

I hope we can succeed in our effort to override the President's veto. It will be tragic if this Nation's energy policy is to be determined by a little over one-third of this body. Should we fail to override, I can tell you that I will not support the so-called compromise we hear so much about. It appears that the compromise in the wings is nothing more than the 30-month decontrol program that the House wisely defeated earlier this session. I do not perceive that as an acceptable compromise to the American people as it provides for a gradual rise in oil prices until after the next Presidential election when prices are set to soar to the ceiling.

It is true Congress has done considerable in dealing with the energy crisis under difficult circumstances. Concrete accomplishment has been most difficult because of the basic differences that exist among the majority in Congress and the administration as to the utilization of price controls. There should be no illusions about our efforts, Congress clearly has not done enough and the American people are rightly upset with the Congress and the administration. The way to move decisively now is to defeat today this veto thereby demonstrating to the administration that the people we represent do not support the total deregulation of the oil industry at this crucial time in the energy crisis.

Mr. President, I want to outline to this body the reasons I will vote against removing the controls:

First. There has been no evidence submitted which demonstrates that full price decontrol will result in either increased domestic production or decreased domestic consumption of oil. Deregulation provides no assurances that the huge profits would be directed at searching for new source of supply; consumers can only be assured of even higher prices.

Second. Prices will rise sharply across the board. Consumers will pay higher prices for food, clothing, medical care, gasoline, home heating oil, air and other forms of transportation. It will be difficult for any one segment of the economy to escape the inflationary ramifications of removing price controls.

I have referred to air transportation, Mr. President. I perceive this deregulation as virtually destroying the air transportation industry in this country as we have it today. This is going to force us closer and closer to the day of nationalization if we are going to have a viable air transportation system in this country.

Gasoline, fuel oil, and other petroleum products under the administration's plan will gradually rise to another 7 cents per gallon in the months ahead. I am advised that after the 1976 Presidential election is over, the price will be at least 11 cents more per gallon from what it cost today.

The cost to the U.S. consumer is estimated at $40 billion more each year as a result of deregulation. And we should not overlook that as domestic oil prices climb so will the cost of coal and natural gas. The consumer will feel the squeeze in his electricity bills and in the price of every product or service that depends upon fuels for energy or industrial raw materials.

Third. Decontrol means a higher unemployment rate no matter what statistical data one uses. Most estimates of jobs lost range between 640,000 to 1,000,000. The Library of Congress study probably provides the most impartial data available and that estimate indicates one million people will lose jobs as a result of the administration's decision. Once again the hardship falls upon those least able to carry it.

Fourth. Total deregulation means the end of competitive protections for small, independent producers who will gradually be driven out of the market by the major oil companies. Instead of having more competition in the petroleum industry, the consumer will have less. Independent companies will pay more for old oil but there will be no increase in cost for the major producers. Therefore, the major firms will successfully eliminate from the market many of the independent refiners. Independent service station operators are having a great deal of difficulty surviving in the market as it is now, but with elimination of controls their situation will be even more difficult, if not impossible. The cost and supply advantages that accrue to the major companies as a result of deregulation means that many more independent service station operators will be forced out of the market entirely. We know that since the peak of the energy crisis the number of independent stations dropped from 226,000 to 193,000. If the veto is sustained, we can expect an even larger number of stations squeezed out of the marketplace.

Fifth. Decontrol means the expiration of allocation authority outlined in the Emergency Petroleum Allocation Act. We will have no mechanism to insure that oil products will be available to sparsely populated States such as Nevada. A mandatory allocation program is essential if there is to be an equitable distribution when further shortages are experienced. Controls over propane will also expire. In order to minimize unemployment in the industries dependent upon natural gas as well as fairly allocate to household consumers, we must have a continuation of the allocation authority.

Sixth. The administration's decision to insist upon total deregulation insures that the major oil companies will enjoy record profits in the months ahead. There is no existing mechanism to tax such windfall profits and channel them back to consumers. Once deregulations is in effect the outlook for such a windfall profits tax is rather unlikely.

In closing I would point out that there are other alternatives available to the administration other than the total deregulation called for in the President's veto. Senators know all too well that the Allocation Act provides the President with authority to raise the price of old oil as well as draw up regulations phasing out the old oil price category entirely. And we also know that such presidential action does not require congressional approval. The administration has not taken such action on its own authority because it wants the Congress to become a partner in adopting a policy that benefits only the largest integrated oil firms. When the gas reaches 70 to 75 cents a gallon and the utility bills truly become unbearable, this administration wants to place the blame at the steps of the U.S. Congress. They want us to be partners to the inflationary policy. This senator will not enter into such a partnership. Nor will I be forced ing a position of accepting or rejecting a proposal without the opportunity for input. That is what we are being offered, and quite frankly, such is not my concept of compromise.

I thank the Senator for yielding.

Mr. HOLLINGS. Mr. President, just one comment, and then I shall yield the floor.

The Senator from Nevada is chairman of the Aviation Subcommittee of the Committee on Commerce, and the particular experience in that area, I think, can be repeated in many different ways. But I think it is very significant that while we are talking about the actions necessary to sustain and stimulate free enterprise competition, what in essence we are doing is take a formative industry and step it toward nationalization.

We did not want to take over the railroads, but we had to move in with Amtrak.

We did not want to take over a lot of these things.

Now, we have heard from Paul Ignatius and the witnesses who appeared before the Aviation Subcommittee, and they said at the time the President announced his program in January it would be a billion dollar impact to that industry alone, that had to sustain that kind of impact just last year, and if they had tried to save it this year they would have to discontinue 600 flights and lay off 50,000 employees.

As the distinguished chairman of our Aviation Subcommittee knows, that is a step towards nationalizing another industry all in the name of "courage, biting the bullet, the children in the future, and I am not politic, and too many candidates around, and I am here looking for the people."

One other thing, and then we will yield just for a moment, and that is the proposition, an idea this is constantly extended that somehow since others have high oil prices, why not us?

We were talking about international payments. I wish I had time to go into the veto message, the balance of payments, and the economic condition of this country.

Yes, we have had the advantage of manufacture of cheap energy. We have not had, necessarily, an advantage of productivity. In some industries, yes. The West Germans, the Japanese, and all, have taken over, in many instances, on productivity.

Certainly, we would not equal labor costs in Japan, and would not want to. We want better working and labor conditions.

With the one advantage we have, of cheap energy, they come around here with the idea let us have gradual high prices for energy so that we can no longer compete, so that we no longer can have a strong economy, and so that we no longer can face up to the OPEC cartel.

With that, Mr. President, I yield to the distinguished Senator from Utah on his time.

Mr. GARN. Mr. President, I thank the distinguished Senator from South Carolina.

It has been mentioned that those of us who favor phased control must agree that controls had been good.

I dispel the Senator from any idea that the Senator from Utah thinks controls have been good. I do not agree with that. They have caused us to go from 17 to 40 percent dependent, and if we continue controls—the Senator talks about high prices and inflation—when we are 60 percent dependent and we are controlling 40 percent and the Arabs are controlling 60 percent, they can set any price they want, and that is the nub of this argument.

From that side of the aisle, I have not heard yet one way that we are going to get off that heroin addiction where they can set the price on the majority of the oil. We are already at 40 percent.

That is what the argument is about. Are we going to control our prices in this country or are the Arabs going to control it?

Mr. President, I yield to the Senator from Maryland.

Mr. BEALL. Mr. President, will the

Senator from Arizona yield me 2 minutes?

Mr. FANNIN. I am pleased to yield 2 minutes to the Senator from Maryland.

Mr. BEALL. Mr. President, I rise today in support of the President's veto of the 6-month extension of oil price controls.

If the veto is not upheld today, the Nation is not likely to have a comprehensive energy policy for the next couple of years. Presently, Congress has no energy program, and the impact of this inaction is a continually decreasing domestic energy supply and a continually increasing dependence on foreign energy exporters. A decontrol program, phased in over a period of 39 months, coupled with the elimination of existing oil import fees, will have a minimal impact on the American consumer.

Mr. President, I might say, parenthetically, that I sat in the hearings of the Energy Task Force Subcommittee of the Committee on the Budget for a period of 2 weeks, and we heard economists of every stripe imaginable and almost to a man, regardless of their ideological differences, acknowledge the fact that if we are going to deal effectively with our energy problems we have to have decontrol of old oil in some form.

I have, therefore, joined with other Senators in proposing a bill to extend oil price controls for 45 days, which in my opinion will give Congress all the additional time it needs to address itself to the oil pricing issue and to come up with a comprehensive energy program. The lack of a national energy policy is the worst thing facing American consumers. Congress must stop talking about this issue and act.

For too long now, the Congress has waffled on the subjects of energy and price controls without coming to a decision. In spite of all the flamboyant rhetoric on this matter by various groups, all that the Emergency Petroleum Allocation Act does is give the Congress 6 more months to continue to do nothing on energy. I make it clear, Mr. President, that I do not favor the immediate decontrol of oil prices. Decontrol needs to be phased in over a period of at least 3 years. But this bill which the President has vetoed has nothing to do with solving energy problems. All it does is put off, for 6 more months any substantive decision by Congress. Consumers in this country simply cannot afford to wait that long while Congress musters enough courage to come to grips with the energy problem.

Many States, including my own State of Maryland, are facing serious shortages in natural gas this winter. Our domestic oil production continues to decline, while our dependence on foreign oil increases. The congressional response to this serious problem has been to submit over 1,000 bills and hold months of hearings by 65 subcommittees. Yet all that has resulted from this flurry of activity has been a request for 6 more months of status quo, with more bills, more hearings, and more inaction. It is time to stop talking and begin to enact some meaningful legislation on behalf of the American people. I believe that 45 days is enough time.

Therefore, I think that the only way we will get the kind of action we need out of this Congress is to sustain the President's veto.

Mr. President, yesterday an editorial appeared in the Baltimore Sun newspaper, which addressed itself to the question of sustaining or overriding the President's veto of the Emergency Petroleum Allocation Act.

I might say the editorial suggested it was in the national interest to sustain the President's veto.

I ask unanimous consent that the full text of the Baltimore Sun's editorial, "Energy: Now or . . . When?" be printed in the Record immediately following my remarks.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Energy: Now or . . . When?

Overriding President Ford's veto of the six-month extension of oil-price controls is one absolutely wrong way for Congress to assert itself on energy policy. The President has moved energetically to force the country toward some coherent energy policy, but his powers to act decisively have been few. One of them, the tax on imported oil, survives only because the administration has appealed a court decision striking down the duty. To override the President's veto would surely weaken the executive's hands farther and would probably delay the decision until well into the presidential-primary silly season. For this price, the country would get six more months of an unacceptable status quo.

That exchange might be supportable if it were the only choice other than a sudden and potentially jarring end of controls, just as the nation is simultaneously struggling with lingering inflation and shakily working out of a deep recession. But it is not the only choice. The President has publicly agreed to a 45-day extension of controls, during which he and Congress would work on a compromise plan to deregulate oil prices over more than three years. The right course for Congress is to accept that 45-day extension—and use the time thus gained not merely to compromise with the President on decontrol but to complete work on more comprehensive energy measures now moving through both houses.

Those bills still differ on many points, but both would control oil prices at levels substantially higher than are now permitted, and allow for variation in prices where costly techniques are needed to get the remaining oil from depleted reservoirs or from the sea, Alaskan Arctic reaches or other hard-to-get places. Neither of the main bills, nor any amalgam of the two likely to be worked out in conference committee, is likely to be entirely acceptable to the President. But completed action on them would at least represent a clear congressional position on energy. Congress's inability to produce such a position has contributed much to Washington's continuing paralysis on what all sides recognize as a top-priority national problem. If a Congressional energy position could be formulated, the legislative and executive branches would at least know what differences they had to resolve.

A vote to override the veto is a vote to help Congress, and particularly its Domestic leadership and presidential aspirants, get off the political hook without ever seriously addressing themselves to the difficult balances that must be found, especially between gasoline prices on the one hand and the risk of new Arab blackmail on the other. Inherent in the President's proposed 45-day extension of existing oil-price controls is a continuation of pressure on the Congress to produce a coherent policy on energy, and particularly a policy on oil. The 45-day period would end by November. That is not much time in which to expect the Congress to do what it has failed to do for more than a year. But it is just about all the time that is left, if any energy policy is to be worked out between the two branches in cooperation. Otherwise, since the executive and legislative branches also happen to be the Republican and Democratic branches, this critical question of national policy will be exposed to the immense potential for mischief and dispute that is native to any presidential election year. The best that could then happen would be a delay of at least another year and a half in achieving a policy. The worst would be a hardening of partisan positions that could prevent any coherent policy at all.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. BUMPERS. Mr. President, time has been allocated to both sides here which will take us up to 3 p.m.

I suppose, in all candor, it is only fair to say that with no more Senators in the Chamber than there are right now, no one's mind is really going to be changed. So I suppose we are talking essentially for the record.

What I am about to say is for the record, because I have never felt stronger about an issue. I have only been here 8 months, and all the Senators in this body I know suffer from some of the same agonies I have suffered from, that is, being able to see both sides of the issue and being able to understand compelling arguments on both sides.

But I can also truthfully say that, as far as I am concerned, I have not at any time had any problem in my own conscience in opposing the President's proposal to decontrol the price of all petroleum products.

As has been said before and certainly has been said in this Senate Chamber many times in the last 6 months, there really are not any controls now. Under the bill which the President vetoed yesterday, anyone who wants to go out and explore for oil can do so and sell whatever he finds at any price any given buyer is willing to pay.

But more than that, if a man or a producer happens to own some old oil, the price of which is controlled at $5.25 a barrel, for every new barrel he finds he can decontrol the price of one of the old barrels.

I will go back to this in a minute and compute it.

First of all, when the OPEC cartel was established in 1973, they set the price of oil exported to this country at $11.40. Later on, the President chose to impose a $2 import fee on all imported oil, which made our imports cost us $13.40 a barrel. That $2, which the President imposed on imports, went into the U.S. Treasury at an annual rate of about $2 billion.

But what did the American producers do? They immediately raised the price of all decontrolled oil which now stands at 40 percent of all our production in this country. They raised the price of their product $2 a barrel to meet the import price. The only difference is the same consumer was paying that $2, but the $2 was not going into the U.S. Treasury. On the contrary, it was going into the major oil companies' pockets.

Be that as it may, to continue with the computation, this raised the price 40 percent, or roughly 40 million barrels of production a day in this country, to $13.40 a barrel.

So if we are talking about giving the oil companies incentive to go out and find more oil, take the $13.40, which is what they can get for it now; but more than that, compute the difference of $5.25 and $13.40 and add that to the cost of the new barrel. This gives the major oil companies, or anybody else who is an explorer, between $20 and $21 a barrel—$8 more than the OPEC price.

With respect to incentive, last year the price of oil in this country went up 75 percent and production went down about 7 percent. Does that not contradict the whole incentive argument?

The President makes another point. He talks about curbing consumption. He says that if we raise the price of oil through decontrols, the people will use less. There are two points to be made on that.

One, his own witnesses have testified before our committee, the Committee on Interior and Insular Affairs, that demand is relatively inelastic. The only reason consumption is down in this country right now is that we have 9 million men and women out of work who are not driving to work, and we have 30 percent of the plant capacity in this country lying idle and not using energy.

More importantly, another contradiction on the President's second point is that he says if we decontrol oil, the price of gasoline will go up only about 3 cents a gallon and that is not enough to hurt, anyway.

So he says, on the one hand, that oil prices must rise to curb consumption, but it is going to rise only 3 cents, so it cannot possibly relieve consumption.

What does all this mean? One thing it means is that we are going to see a massive transfer of wealth in this country from the working people, the poor people, and that wealth is going into the hands of a very select group of stockholders and major oil companies.

When the OPEC cartel was first established, every columnist in the country and every politician in the country talked incessantly about how devastating this massive transfer of wealth would be from the western developed nations to the third world. We started talking about how we are going to recycle it. How we are going to talk the Arab States and the other OPEC members into sending the money back to the United States so that the additional $22 billion a year we are paying for imports will come back and at least help us straighten out our economy? Some of it did come back.

But what happens if controls are reversed? Look at the chart at the rear of the Chamber. It can be seen that the oil companies in this country are going to reap $12 billion a year in profits above what they are going to reap if controls stay on. There is the revenue figure from FEA: $12 billion a year out of the pockets of the working people of this country, into the pockets of the oil companies.

Mr. President, I never have argued that energy prices are not going to have to rise in this country. The real issue is over what period of time and how fairly are they going to rise?

I come from Charleston, Ark., with a population of 1,500. We do not have subways, and we do not have a bus system. The people in my community commute 23 miles every day to Fort Smith, Ark., to work in the plants at from $2.50 an hour to $5 an hour. They do not enjoy that commuting any more than one would think they would. But last year, as prices soared, the working men in the community began to crawl into the back of pickup trucks—8 and 10 men in the back of a pickup truck—to commute to and from work, because we do not have a transit system and because these men love their families and have to feed them. These are the people from whom we are going to transfer $12 billion a year into the pockets of the major oil companies.

The President says, "Let us phase out price controls." I suppose if we are unable to override the President's veto today, we will have to do something to try to protect these people. It is a sad commentary that we have become so careless and insensitive to the people who really make this Nation go.

Thomas Jefferson said many things, but he never said anything more dramatic, more cogent, more poignant than that a democratic system can only survive with the consent of the governed, and the consent will be given only so long as the people have confidence in their government. When they see the U.S. Senate acquiescing in what has to be one of the most irresponsible acts ever perpetrated by any President, how can we ask them to have confidence in us?

Mr. HANSEN. Mr. President, will the Senator yield at that point for a question?

Mr. BUMPERS. I yield on the Senator's time.

Mr. HANSEN. I am happy to accept it on that basis.

My good friend, the Senator from Arkansas, says, quoting Thomas Jefferson, that the hope for the survival of democracy depends upon the consent of the governed and their wishes. This is implicit in what he said. I am sorry that I cannot quote him precisely, but I think he understands what I mean.

I invite the Senator's attention to the fact that the most recent Harris poll shows that the persons who were queried on this issue, on the issue of decontrol, by a vote of 2 to 1, said, "Let's decontrol." I think they had in mind the fact that we want jobs held by Americans, that we want the activity for the search of oil in this country to be undertaken by Americans, that we want the gross national product of this country to rise and not to add further to the gross national product of the OPEC countries.

Mr. BUMPERS. May I respond to the point about the Harris poll?

Mr. HANSEN. My question is, Does not the Senator from Arkansas believe that the American people are pretty perceptive in listening not to demagogs who talk about poor people? I do not mean to include the Senator from Arkansas as a demagog. There are some, however, who are candidates for the Presidency who, in my opinion, are demagogs, and I will not identify them because only seven of us have not yet announced our intentions to be interested in the Presidency. [Laughter.]

Is it not a fact that the American people are not as dumb as some may think they are, that they know what the facts are? They know that energy is expensive; that if we are going to have more energy, we have to pay more. They would rather pay more to Americans to increase jobs here, as much as 700,000 more, with a gross national product increase in excess of $25 billion by 1977.

Mr. BUMPERS. To my distinguished colleague from Wyoming, for whom I have the very highest regard, who is my colleague on the Committee on Interior and Insular Affairs, where we talk about this everyday, I say this: One, the Harris poll, to which the Senator has referred, asks, "Would you favor decontrol if it would result in a significant increase in production?"

Mr. HANSEN. A good, honest question.

Mr. BUMPERS. I think that is about as loaded a question as I ever heard.

Obviously, everybody is for more production; everybody is for more oil. But let me tell the Senator about a Gallup poll that was taken at the same time, which showed that 58 percent of the people in this country think they are being ripped off by big business, especially the oil companies.

Mr. HANSEN. What was the question there?

Mr. BUMPERS. "Do you think big business is charging you a fair price for their product?"

Fifty-eight percent of them answered, "No."

That goes back to the Thomas Jefferson quotation. As that figure goes up, the danger of democracy's demise increases.

I make one other point. So far as the working people of this country are concerned, completely aside from what they will have to pay if fuel prices go up, as most of us think they will—and that is a feature in this bill, the allocation feature—when the Arab oil embargo went into effect in October of 1973, from that time until this day, 33,000 independent service station operators have gone broke or have been forced out of business.

In October 1973, there were 226,000 independent service station operators in this country. Today there are 193,000. Every independent refiner, every independent distribtuor, every independent service station operator who came before our committee last week said, "For heaven's sake, save the allocations, because without them, there is no way for us to survive."

Mr. FORD. Will the Senator yield at that point?

Mr. BUMPERS. I am glad to yield.

Mr. FORD. I want to make two points on what the Senator has said.

One of the finest citizens in my community, who had been a dealer with a major oil company for over 30 years, was given his notice last week that he was out of business; they were going into the self-service business and the big major was taking over.

Our distinguished colleague from across the aisle asked about demagogs or made some reference to demagogs. I wish he were still on the floor instead of in the chair. I should like to quote an individual that I do not think he thinks is a demagog, Mr. Zarb. Mr. Zarb made a speech in Louisville, Ky., less than 2 weeks ago, explaining the President's program of decontrol: Take the prices off, we will take care of the farmers, we will take care of off-highway users, we are going to apply 90 percent windfall tax to this extra money, and we are going to give it back to the little folks.

But our distinguished colleague was talking about demagogs, and the people of this country are not naive. They know that 90 percent is not coming back to them after it gets through the sieve here in Washington. I cannot understand the intelligence of that side of the aisle supporting that type of program.

Mr. BUMPERS. I thank the Senator for his comments. I am sorry to see that my colleague has taken the chair. I do not want to take unfair advantage, but I do want to a make a couple of comments about the Harris poll. In a July sampling of 1,497 persons, the Harris survey asked this question: "Would you favor or oppose deregulation of the price of all oil produced in the United States if this would encourage development of oil production here at home?"

Of course, that is a relative matter. How much will it encourage them and how much more will they find? As I have already pointed out, production in this country went down 7 percent last year, with prices increasing 75 percent.

Here is what Pat Caddell of the Cambridge Survey Research, Inc. of Cambridge, Mass., said: He said the Harris figures contradict the surveys he has conducted on the same topic. Mr. Caddell said: "Our studies on energy basically show that the public is resistant" to paying higher prices for energy. "Partly, that is due to the belief that the 'energy crisis' is a conspiracy of the major oil companies."

The belief that there is a conspiracy among the major oil companies, that there certainly is no energy crisis and such crisis as exists has been contrived, is a common belief among the people of this country.

Finally, I was about to address myself to the proposed phaseout, and to the fact that the President said he has compromised time and time again. His precise words on television this morning were, "I have offered to compromise again and again and again."

Mr. PASTORE. Will the Senator yield on that point?

Mr. BUMPERS. I am happy to yield.

Mr. PASTORE. Only this morning, I happened to step into this Chamber and I heard the Senator from Connecticut make some accusation that we turned our backs on the energy crisis and went home in August. Let me tell the Senators, that is about the best thing we did. We went home to meet the people. That is what I did. Except for 2 days, I spent the entire month of August in my own State of Rhode Island and I talked with the people—not from behind an iron fence surrounded by Secret Service men, but walking up Main Street and talking to them, eyeball to eyeball. I am saying that the complaint in Rhode Island is that the price—the price—is too high, not that the commodity is not there. We can buy all the gasoline we want if you have the 75 cents per gallon.

We can buy all the home heating oil we want if we want to pay 50 cents, and we were only paying 16 cents in 1965.

Now we are hearing about the concessions made by the administration. Let me say it is almost an obsession on the part of this administration that the only answer that they have is to raise the price, raise the price, and take it off the back of the consumer. That is the plan.

In October of last year, when John Sawhill stood before the people on the Today show and suggested that there be a 15-cent gasoline tax, rebatable, do you know what the President did? He fired him that month. He said there would be no gasoline tax. In October, the President said there would be no gasoline tax.

I know October was in the octave of the election and they were playing against the election in November.

Then they came up here in January with a plan for immediate decontrol. Yes, we did not accept the plan, but that is the biggest favor we ever did for the President of the United States, because we saved him from his own folly. We saved him from his own folly because there would have been a disaster in this country if we had accepted that plan.

Mind you, Nixon raised it from $4.25 to $5.25 for oil that was in production before 1972. And the oil companies are making a profit. Now they want to raise the price of oil up to the OPEC level. That is what they are trying to do.

And what did they say in the Cabinet room when we went there? They said, "The only reason we do that is we do not like the two-tier system."

I said, "All right, you do not like the two-tier system. Why not take the low price? Why bring the low price up to the high price? Take the high price and bring it down to the low price. Then we do away with the two-tier system."

I had an easy answer for them. So the President thought this thing over and Zarb helped him and Simon helped him and Kissinger helped him, and everybody helped him. Finally, they said, "My goodness gracious, our plan was a phony in January, so we will come up with a new one in July."

And they came up here with one in July. But what did they do? They waited and gave us something in 5 days and we had to make up our mind in 48 hours. What did the House do? The House repuidated it.

All we are saying on this bill—and I, for the life of me, cannot understand why any Democrat cannot vote to override. All we are saying is, give us 6 months and let us see what we can do.

I went back home and when I talked to the people, I said, "Well, what they are trying to do is promote independence."

And my people said, "What? What? What does this mean, you are trying to promote independence? If you want to promote independence, cut down the supply, but do not take it off the backs of the poor."

I know if we made it $1 a gallon for gasoline, I do not think any Member of the Senate would drive less. I think we can all afford it. But how about that fellow who works in the lavatory? How about the barber downstairs? How about the waitresses? How about the people who sweep the floor? Can they pay the $1? Of course they cannot pay the $1.

How about those Rhode Islanders who have to go to Groton, Conn., to work at the Electric Boat Division of General Dynamics, every single morning, traveling 50 miles? How are they going to pay $1 a gallon? That is what this is all about.

The only way the Republicans can ever solve a problem is wham and whack and hit the consumer over the head. That is the only solution they ever have.

I say this: If there is a crisis in this country, and eventually there will be if it is not here now, we have an unemployment crisis—over 16 percent of my people are out of work in Rhode Island, the highest level in the Nation. I am not bragging about it. I say it with a sorrowful heart. But I am saying here that the answer to the problems of America is not by zooming, zooming, zooming up that price. The time has to come when we begin to use level heads.

What does the President want to do? He wants to graduate this thing and he wants to lower the price of the new oil. They want to take the old oil from $5.25, shoot it up to about $10.50, whatever the case may be. And they have it all figured out that nothing is going to happen until after the next election.

Now, is that not just too cute for words? Nothing is going to happen until after the next election. Talk about being phony, and that is how it is all figured out.

When I said, "Look, are you going to take the tariff of the $2 off?" The answer was, "No."

I undertand the President is considering, maybe for strategic purposes, that he will take it off within a month or so. What is this? What is this? Why do they not let us in on the confidence that is necessary?

When we tell them now that the President has the authority under the law to raise the price they say, "Oh, yes, that is true, but we want a partnership with the Congress." When it comes to raising the price they want a partnership with the Congress. Then when we ask for a delay of 60 days they say, "No partnership; no partnership."

The trouble today is that this has become a government-by-veto and the people had better understand what the veto is all about. This idea that the Democrats cannot do anything because they cannot override a veto, do you know you need a two-thirds vote to override a veto? You need a two-thirds vote.

What have we got in this country today? We have the minority dragging the majority by the nose, and that is what it amounts to.

So I say without any sorrow, without heavy heart, but a gay smile on my face I am going to vote to override the veto and I will be proud of it.

I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. FANNIN. I yield 2 minutes to the Senator from Kansas.

Mr. DOLE. Mr. President, my vote to sustain the President's veto of S. 1849, the bill extending price controls on domestic oil for 6 months, is cast with the expectation that we will enact a short-term extension of controls so that we can make a final attempt to reach a compromise with the President on this important issue.

I do not now—nor have I ever—favored immediate total decontrol of oil prices. But if this veto of S. 1849—the congressional "cop out" on the energy crisis—will finally jar Congress into positive action on the energy front, then it will serve the interests of the Nation, the consumer, and the oil producer. Surely with this vote behind us, we can begin to fashion a compromise phased decontrol formula which will start us on the road to energy independence without doing harm to the Nation's fragile economic recovery.

It is for this reason that I have joined as a primary sponsor of S. 2299, the bill to extend through October 15, 1975, the existing controls over domestic oil. This should be more than enough time for Congress to come to grips with the energy crisis.

For 2 years now we have been confronted with a serious energy problem. For more than 5 years, we have been aware of the approaching problem. During this time, gasoline prices have more than doubled and our supplies have been periodically threatened. Yet Congress has not attempted to address the problem during this time in a comprehensive manner.

I believe we should face it now. I believe we should set aside the next 45 days as a period dedicated as much as is possible to full-time focus on the energy question. We should encourage joint committee sessions to iron out various opinions which exist within the committees that have jurisdiction over various segments of the energy question and will be developing legislation which becomes a part of comprehensive national energy policy.

We should cut the rhetoric—the politics—and emphasize the compromise with the goal of developing a comprehensive legislative package within the next 45 days.

Hours and hours of hearings have been conducted. Literally thousands of pages of testimony have been printed. Facts and figures have been accumulated and various programs have been espoused. The ground work is complete. What we need now is a decision—a commitment from Congress that this is where we this Nation should follow. I have little stand on energy and this is the policy doubt that this decision can be made in a careful and scientific manner within the next 45 days.

THE COST OF DOING NOTHING

I have heard about the "high cost of the President's program." I have heard about the "high cost of foreign oil," the "high cost" of certain other proposals which have been offered.

But I have not heard much yet—nor have the American people—about probably the most expensive proposition of them all—the cost of pursuing the course the Congress has followed for the past 2 years, the cost of doing nothing.

Every day that goes by without passage of a meaningful bill to increase domestic oil production, the consumer pays.

This year, the United States will pay approximately $25 billion for the oil it is forced to import. In less than a decade, unless we act responsibly and promptly, that annual cost could rise to $60 billion and that could mean a loss of jobs to American workers.

Our failure to act in the past has meant higher prices at the gasoline pump in the present. And our failure to act in the present will inevitably mean still higher prices at the pump in the future. It will also mean a steadily deteriorated balance-of-payments problem, retarded economic growth, diminished job opportunity for many American workers and more problems for all American consumers and the loss of valuable time which can never be recouped in the struggle for energy independence.

RETURN TO FREE MARKET

The sooner we return to a free market in energy, the sooner we will attain domestic energy independence and free our economy from the artificial price increase whims of the OPEC cartel. Only then will the full force of the marketplace shield the American consumer from ever-increasing, noneconomic energy prices.

Surely, within the next 45 days we will be able to work out a reasonable phased decontrol formula which will provide the economic incentive for increased domestic petroleum exploration. At the same time, we should be able to revise the cumbersome petroleum allocation system which has confused the industry and cost consumers millions of dollars. Such achievements will give the industry a solid regulatory framework within which to operate. One that will foster economic growth and, coupled with equitable conservation measures—put the Nation on the track to national energy self-sufficiency.

Mr. President, I listened with interest to the distinguished Senator from Arkansas and the distinguished Senator from Rhode Island. I heard the Rhode Island speech in February when the distinguished Senator was saying, "Give us just 30 days or just 60 days." Now he is saying, "Give us 6 months."

I have yet to hear any positive indication of a program coming from that side.

I find it easy to criticize what the President suggests, and have done so myself, but I think we are faced now with the proposition of will we do anything at all in this Congress until after the election in 1976. There will be a lot of energy directed toward that, but I am not certain toward much legislation.

It seems to the Senator from Kansas, who has some reservations about and does not favor immediate decontrol, that it should be logical to Congress if the veto is sustained, we will immediately pass a 45-day extension. It seems to the Senator from Kansas that the climate is right and the pressures are there and the American people are at least expecting some action before the end of the year; that we will, in fact, bring together all the work Congress has done—and Congress has done a great deal of work, whether it be the Finance Committee or the Interior Committee or what, there has been a great deal of constructive effort made by Members of Congress in both parties on some 8 or 9 or 10 committees of the Senate and as many on the House side.

But it is not enough to suggest that all we need to do is extend it for an additional 6 months. I can recall—the Senator from Rhode Island hints that we should not increase the price of gasoline, and certainly the Senator from Kansas would like to share that view. But it was not many months ago that the Democrats in the House were talking about a 23-cent gas tax or a 27-cent gas tax. So I would suggest it is not just fair to fault the President of the United States. It seems he has indicated more than once, and has demonstrated more than once, his willingness to cooperate as soon as the leadership in Congress, the Democratic leadership in Congress, shows its willingness.

The junior Senator from Kansas is of the opinion, with the cooperation of the leadership, Democratic and Republican leadership, in Congress and with the cooperation of the President in the 45-day period following the sustaining of the veto perhaps all this different material we have been able to accumulate can be used. But it is not enough for any Senator to stand up and say, "Give me more time." We have suggested that for 2 years. The result has been an increase of about $22 billion annually in the oil bill and a greater dependence on foreign oil.

It seems that sooner or later we must face up to the realities, and I would say the Senate Finance Committee, shortly before the August recess, did report a bill, a phaseout bill, that had a windfall profits tax. It was not a perfect bill, but it was a start in the direction, and I think, perhaps in the 45 days following the vote this afternoon, we can come up with some constructive legislation.

Finally, I want to say, the Senator from Kansas wants to say, there are problem areas. There are the independents and there were 3,000, as indicated earlier, who had gone out of business under controls, and there may be more going out of business under noncontrols, but there should be concern expressed for the independent marketer, the independent retailer, those who use propane, in this interim period where we have no program, and that is the reason for suggesting, as the Senator from Delaware has and others of us, a 45-day extension.

I conclude by saying that, perhaps, this is not an easy vote; perhaps it does bring us closer to coming to grips with the problem. But it would seem to this Senator if we extend it for 6 months then we are getting into next spring, and it is easy to extend it then beyond the convention time, and then we will extend it until after the election, and in the meantime we could have had two very severe winters that would have a very sharp impact on what happens in America.

But having been a frequent critic myself of programs offered by the other side, and some by this side, I only suggest again that we can all stand up and find fault with the President's program. But I have yet to hear anyone on that side who plans to vote to override say anything about a positive program.

What is that program? What is your program? You do not have a program.

Mr. BUMPERS. Mr. President, I would like to say if this body plans to consider a 45-day extension immediately after this vote I am not aware of it. That is the first I have heard of it. I heard the President say this morning that he would sign a 45-day extension but, of course, he has got a 6-month extension on his hands, or had one, and had the opportunity to sign it yesterday and declined.

But there is one point that simply escapes me that keeps being made on this side of the aisle, and that is that somehow something is going to happen if the President's veto is sustained; that Cinderella is going to arrive.

I do not understand it. What is going to happen? We are still going to be importing 40 percent of this Nation's oil supply from the OPEC nations. Does anybody in this Chamber doubt for one moment that as long as we are getting 40 percent of our oil supplies from the OPEC nations, it is they, not us, who will be setting the world price and the price of oil in this country? Does anybody doubt after watching the major oil companies put $2 more on domestic production simply because the President put $2 on imports, does anybody doubt if the OPEC nations raise the price of oil to $100 a barrel tomorrow, that oil would go to $100 a barrel in the United States?

We talk about if the President's veto is sustained somehow or other a competitive thing is going to happen and we are all going to be happy.

Finally, one point needs to be made. The Senator from Rhode Island said it, perhaps, more eloquently than I can. But as a part of this so-called compromise the President keeps offering, which he says he has offered again and again and again, he says:

> I am willing to accept a windfall profits tax and I want a plowback provision, and then I want to rebate some of this excess profits tax that the United States takes in to the poor people who are having to pay it.

First of all, can anybody conceive of this onerous two-tiered pricing system being more convoluted than the President's proposal for a windfall profits tax and a rebate provision and a plowback? Can anybody here conjure up what the administrative expense of it is, to say nothing about how equitable it will be?

The money is going to come out of the pockets of the consumers, and it is going into the U.S. Treasury. These are the excess profits they are going to make starting tomorrow, $12 billion annually. We are going to put an excess profits tax on that amount.

But let me tell you that is only part of the story. What about the other billions of dollars the consumer is going to pay in increased airline fares, increased food costs? What about the poor farmer who is going to ripped off unmercifully, and already is paying two or three times for fertilizer what he was paying 2 years ago; what is the excess profits tax to take care of him?

All this does is to put it into the U.S. Treasury and out of the consumers' pockets.

This is the compromise the President has continued to offer this body again and again and again and I say it is not acceptable to me personally.

During this whole debate I have not impugned the motives of a single person on this side of the aisle, they have a right to think or say what they want to. But my honest belief is that this has to be construed, if we sustain the President's veto this afternoon, that it is an outrageous breach of faith with the American people.

The PRESIDING OFFICER (Mr. DOLE). Who yields time?

Mr. BARTLETT addressed the Chair.

Mr. FANNIN. I yield 5 minutes to the Senator from Oklahoma.

The PRESIDING OFFICER. The Senator from Oklahoma will be recognized for 5 minutes.

Mr. BARTLETT. Mr. President, my good friend, the distingiushed Senator from Arkansas, hypothesized what would happen if we sustain the President's veto.

The first thing that would happen is that we will be sending a message around the world that we are willing to do something about our own supplies and that we want to price our own supplies in a free market.

When I was recently in the North Sea area talking with people, representatives of the free world countries from all over the world, they could not understand why we did not take aggressive leadership in sending messages to the OPEC countries that we are dissatisfied, that we do not like the high prices.

There really is no energy plan that I see advanced by the majority party. There is a plan to keep prices controlled, to keep prices low and to deal with the so-called obscene profits, to reduce the profits. But as far as keeping prices low, this is self-defeating as was brought out by the Senator from Connecticut, because we do not totally control the prices.

The OPEC countries receive more leverage to control prices when we produce less and import more. Then we end up paying, totally, a higher price.

As far as the poor are concerned, which the Senator mentioned, this gives them less opportunity to have a higher standard of living in this country because they will not have a greater share of the available energy.

We need to look, I think, at the basic problem of our short supply and what we are going to do about it. The best way to take a big step today is to sustain the President's veto, because this would open up the opportunity for increased drilling and exploration, the chance to develop our own supplies.

I think the Senator from Arkansas, and perhaps the Senator from South Carolina, mentioned the advantages and the option of utilizing other nations' reserves and saving our own.

Mr. BUMPERS. Will the Senator yield for a question on my time?

Mr. BARTLETT. Yes, I certainly will.

Mr. BUMPERS. What is the difference in the price that a producer or an explorer is going to get for oil he finds after today if the President's veto is sustained, what is the difference in the price for a barrel of oil he finds after today and the price for a barrel he finds today while controls are still on?

Mr. BARTLETT. That is not the right question to ask, but I will answer the question.

The price is the same. But the Senator is not asking the right question. The right question is, how can we increase the incentive to find more oil.

Mr. BUMPERS. That is my very point, how much more incentive will he have?

He can charge any price the traffic will bear right now for any oil he finds. If that is enough, how can we increase it by decontrol, because he will still be able only to charge what the traffic will bear after decontrols?

Mr. BARTLETT. As the Senator from Arkansas knows, this business is not like manufacturing. The person who is going to wildcat does not know if he is going to receive any price for any oil, because he does not know if he is going to find any. He knows, if he follows statistics, that only 1 out of 8 to 10 wells drilled in wildcatting will make a discovery. Therefore, obviously, he has to have a drilling program incorporating a number of wells, based on revenues he can count on, income coming from production, not just from the prospects of drilling a well.

He could not get the financing. He could not go to a bank and say:

> I have a very good geological prospect here, if I am successful I will get a good price, and if it is productive it will pay out.

The bank would not give him the money, because the chances are, notwithstanding the fact that he is basing his drilling proposition on good geology, that the well will be dry. Therefore, it takes more than just the prospect of an adequate price. It takes enough money in order for, collectively, all the drilling operations in this country to find enough oil.

We are drilling and operating about one-third of the wells we need to operate in order to be successful.

I started to raise the question about the option of saving our energy and utilizing some other countries.

The problem with this, of course, is that we do not develop our own so we do not have it readily available. Also, in the process we have become completely dependent, which has a very high penalty. It has a penalty of high prices and low supplies, greater dependency, and finally we get down to a matter of national security.

I would like to mention quickly one other thing that bothers me very much. There have been accusations made about high profits, "obscene" profits.

I do not think these accusations have been proved. Yesterday, at our committee we had a very enlightening discussion from the chairman about the needs of more domestic energy. At the time we were marking up a bill, the National Energy Mobilization Act, which he called the last of his important energy bills, he brought out the fact that one of the reasons for this bill is that there is not enough drilling, that there is not enough capital, and that we need to put the Federal Government in the energy business in order to do the drilling that is necessary.

Well, it looks to me as if he is wanting it two ways. On the one hand, he advocates controlling prices, reducing profits, which of course makes it impossible for free enterprise to do the amount of drilling that is necessary. Then, on the other hand, to open up the door for the Federal Government, because there is a need for more capital to do the amount of drilling that is necessary.

This is clearly inconsistent and is a manipulation of the facts to, apparently, achieve the purpose of nationalization of the oil industry.

I think this would be a disaster because I think that this Government would deliver oil just as efficiently and successfully as it delivers the mail.

Mr. FORD. Will the Senator yield for a question?

Mr. BARTLETT. Yes, I yield to the Senator.

Mr. FORD. For two quick questions.

Mr. FANNIN. On his own time.

Mr. FORD. Will the Senator give me a couple of minutes?

Mr. JACKSON. I yield to the Senator.

Mr. FORD. How many independent proprietors are there in the State of Oklahoma?

Mr. BARTLETT. I do not know the number offhand. We have a number.

Mr. FORD. How many major refiners are there in Oklahoma?

Mr. BARTLETT. We have a number.

Mr. FORD. How many in numbers, does the Senator know?

Mr. BARTLETT. I actually do not know the number.

Mr. FORD. The Senator does not know the number of major refiners; 66, I know that. The Senator does not know how many major refiners, and what will that do to the independent refiners in Oklahoma?

Mr. BARTLETT. I will say what this will do. The interesting thing is a lot of Americans believe the idea that eliminating controls will help the majors. But really, eliminating controls will help the consumers. Some companies have enjoyed large subsidies, at the consumer's expense. Amerada Hess, for example, had a subsidy, $147 million in 8 months. Also, Koch Industries has benefited substantially.

But fortunately these two companies are now saying they do not like controls, because the consumers are paying more. They courageously placed a big advertisement to this effect in several major papers.

The problem with this bill is that some major companies receive benefits. There are some independents receiving benefits at the expense of the consumer, and there are, on the other hand, some independents who may need some help.

Mr. FORD. The Senator knows very well the independents are going to be less and less and the majors stronger and stronger. The Senator from Arkansas asked a question, how much more per barrel if we sustain the veto today will the driller receive tomorrow than he is receiving today, and the Senator stated none, but the President is saying to take 90 percent, a 90-percent-windfall profit away from that individual, and does not that very fact indicate that we are taking away incentive?

Mr. BARTLETT. Is the Senator talking about the windfall profits taking away incentive?

Mr. FORD. I am talking about having money to drill, when the President is saying, take away 90 percent of that, does that not take away incentive?

Mr. BARTLETT. I am not sure I understand the question, but if the question is, do I favor the windfall profits tax, I do not, and I think if we do have one we should have 100-percent plowback.

Mr. FORD. The Senator is not in favor of windfall profits tax?

Mr. BARTLETT. No, because I do not think there is need for one.

There has been a survey made that showed for the 30 companies that are followed by Chase Manhattan Bank that they are investing for exploration, drilling, and all the rest more than their profits.

Mr. FORD. Then the Senator is against a windfall profits tax?

Mr. BARTLETT. Yes.

Mr. BUMPERS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BUMPERS. How much time remains for each side?

The PRESIDING OFFICER. Each side has 10 minutes remaining.

Mr. BUMPERS. I will yield a couple of minutes to the Senator from Louisiana.

Mr. LONG. Mr. President, the existing program does subsidize. This program, which is a controlled program, was not put there for the purpose of subsidizing the small refiners, but it does. It was not put there for the purpose of subsidizing the small retailers, but it has that effect. I can understand their concern. I discussed this with Mr. Zarb yesterday. He assured me that this administration would do everything in its power to continue those subsidies as long as they can be justified. The administration favored a 3-year phaseout bill.

While sitting here I just received a letter a few minutes ago, signed by the Acting Secretary of the Treasury, bearing out Mr. Zarb's comment. To assure competition and avoid a sudden adverse impact on small refiners, the administration requests that legislation be enacted to continue these subsidies and that they gradually be phased out over 3 years which, of course, is the period during which the administration favors phasing out the controls.

In addition, Mr. Zarb told me that the administration is going to recommend legislation similar to that which was enacted for the independent automobile dealers. It would prevent the small independent retailers from being adversely affected by losing the subsidies they enjoy as a result of this control program.

Furthermore, Mr. President, I am pleased to say that the administration approves of the legislation recommended by the Finance Committee for tax on any windfall profits that might be made out of this situation. It is good to know that is the case.

While I have the floor, I would like to say that we had our committee analyze these very astronomical so-called costs.

The PRESIDING OFFICER. The 2 minutes have expired.

Mr. LONG. Will the Senator yield 1 more minute?

Mr. FANNIN. I yield.

Mr. LONG. This has been referred to as a so-called $26 billion impact of decontrol.

We find, like anything else, when you use the computer the answer is no better than the assumptions you cranked into it. The assumption was that the $2 import fee was going to remain, a very important fact. If you eliminate that, and if you take into effect certain other things—such as the fact that a lot of natural gas is under control and would remain so—this $26 billion figure reduces down to $7.85 billion.

I shall put this in the Record.

Those figures are badly in error because their assumptions are badly in error. For example, their assumptions assume that the $2 a barrel import tax would continue.

Mr. President, I ask unanimous consent to have printed in the Record the letter I have mentioned from the Acting Secretary of the Treasury and the revised analysis by the Library of Congress on the impact of decontrol.

There being no objection, the material was ordered to be printed in the Record, as follows:

Secretary of the Treasury,
Washington, D.C., September 10, 1975.

Hon. Russell B. Long,
Chairman, Finance Committee, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: Should the Senate vote today to sustain the President's veto of S. 1849, price controls will not be reimposed. While the President has indicated that he would still attempt to compromise on a phased plan, a windfall profits tax will be necessary if this effort fails.

In the event this occurs, we believe assistance should be provided to small farmers and independent refiners to ease the transition to a free market.

FARMERS

Farmers are faced with rising production costs generally and fuels represent about three percent of the cost of farming.

To reduce any added inflationary pressures on food, the Administration requests that a direct tax rebate be provided on the increased price of gasoline and diesel oil as a result of decontrol.

The rebate, which would amount to about six cents per gallon, should be aimed at the smaller farmer. This could be accomplished by either a gross income or a maximum rebate limitation.

While a full rebate to all farmers could cost about $450–500 million annually, a limitation to those that need it the most—small farmers—could cut this cost to $100–150 million.

SMALL AND INDEPENDENT REFINERS

Small and independent refiners have received some form of protection since 1959. Under the Mandatory Oil Import Program a "sliding scale" was used to provide greater than proportionate shares of imports.

Under the Old Oil Entitlements Program, provision was made for a "small refiner bias" which effectively duplicated the maximum subsidy under the oil import program (about $.74 per barrel for refineries of less than 10,000 barrels per day and decreasing to zero for refineries greater than 175,000 B/D).

To ensure competition and to avoid a sudden adverse impact to small refiners, the Administration requests that legislation be enacted to continue these subsidies and that they be gradually phased out over three years.

Such protection could cost $225 million in the first year.

These rebates should be provided out of the revenues collected from a windfall profits tax on old oil. The basic approach of the Finance Committee's windfall profits tax is acceptable to the Administration. We will be happy to work with the Joint Committee staff to make the appropriate modifications.

It is also essential that the remaining revenues raised by the windfall profits tax net of the refunds to farmers and small refiners be returned to the American consumer. The rebates should not exceed the revenues raised by the tax and should be directed primarily to individuals.

We would welcome the opportunity to review these proposals with you and develop the detailed mechanisms to be used.

Sincerely,

STEPHEN S. GARDNER,
Acting Secretary.

IMPACT OF DECONTROL OF CRUDE OIL PRICES

The Congressional Research Service of the Library of Congress issued, under date of August 6, 1975, a paper entitled "Analysis of Senate Finance Committee Deregulation Windfall Profits Tax." This paper contains several portions analyzing the impact of decontrol on petroleum prices, coal prices, and unregulated natural gas. It also projects the ripple effect of such price increases on the economy. The Congressional Research Service was requested to recalculate the impact of decontrol assuming removal of the $2.00 import tariff in conjunction with decontrol and with certain modifications in their assumptions as to price leadership effect of higher crude prices on natural gas liquids, unregulated natural gas, and coal.

The original and revised portions of the August 6th paper are set forth below, with explanation of the requested modification of assumptions used in the August 6th paper.

ORIGINAL

5.1 Status quo and decontrol costs for crude

At this juncture, the average crude cost is composed of the composite of controlled old oil, imported crude and uncontrolled domestic oil. Our national crude bill is composed of these elements:

Old crude = 5.4 mbd × 365 × $5.25 equals	$10.3b
"New crude = 2.9 mbd × 365 × $13.50 equals	14.3b
Foreign crude = 6.5 mbd × 365 × $14.50 equals	34.4b
Total	59.0b

This $59.0 billion, divided by 5.4 billion bbls annual crude consumption, yields an average crude price of $10.96 bbl.

Under immediate decontrol, old oil would by 1976 jump to $13.50, an increase of $8.25/bbl, equal to a $16.3 billion escalation (5.4 mbd × 365 × $8.25) in the price of crude and hence in oil fuel users bills. A barrel of crude will now cost $59.0b plus $16.3b at 5.4 bil. bbls equals $13.94, a jump of $2.98/bbl, or $7.1c per gallon of typical refined product. This assumes a one-for-one crude cost pass through to refined production. In any case, consumers will be paying $16.3 billion more annually for the same amount of crude.

Source: Lib. Cong. CRS August 6 Study.

REVISION

The Congressional Research Service was requested to recalculate the increase in the average crude price if it is assumed that there is decontrol accompanied by removal of the $2.00 tariff, and also assuming there is a decline in production of "old" crude of 300,000/bd in 1976. (See note below)

Our national crude bill for 1976 is composed of these elements, assuming continuation of controls, and the $2.00 tariff, but assuming a reduction of "old" crude by 300,000 barrels per day and a corresponding increase in foreign crude by 300,000/bd:

old crude = 5.1 mbd × 366 × $5.25 equals	$9.8b
"new" crude = 2.8 mbd × 366 × $13.50 equals	14.3b
foreign crude = 6.8 mbd × 366 × $14.50 equals	36.2b
Total	60.2b

This $60.2 billion, divided by 5.4 billion bbls annual crude consumption, yields an average crude price for 1976 before decontrol of $11.15/bbl. Assuming decontrol, and removal of the $2.00 tariff, our national crude bill for 1976 is composed of these elements:

Old crude = 5.1 mbd × 366 × $12.00 equals	$22.4b
"New" crude = 2.9 mbd × 366 × $12.00 equals	12.7b
Foreign crude = 6.8 mbd × 366 × $12.50 equals	31.1b
Total	66.2b

This $66.2 billion yields an average crude price, after decontrol and removal of the $2.00 tariff, of $12.26/bbl, a jump of $1.11/bbl, or an increase of 2.6 cents per gallon of typical refined product. As in the August 6 study, this assumes a one-for-one crude cost pass through to refined production. In any case, consumers will be paying $6.0 billion more annually for the amount of crude, assuming decontrol accompanied by removal of the $2.00 tariff.

Source: Library of Congress Congressional Research Service calculations, based on Committee staff assumptions stated above.

Note: Basis for application of 300,000 bd decline rate to 1976.

Since recent estimates indicate the decline rate in old oil is about 500,000 bd per year, it is reasonable to apply a 300,000 bd decline to 1976. Source: Finance Committee Hearings on H.R. 6860, July 14, 1975, p. 441; Hearings before Subcommittee on Energy and Power of House Interstate and Foreign Commerce Committee on July 28, 1975, page 1 of FEA analysis "The Economic Impact of the President's 39 Month Decontrol Proposal."

ORIGINAL

4.0 A role for natural gas liquids

NGL production is assumed to stay constant at its current 1.6 mbd production level throughout this analysis time frame.

We have also assumed that price increases will average $5 per barrel, increasing from roughly the present $5 area to about $10 per barrel with decontrol. This assumption is made in light of very sparse and nonhomogeneous data on current prices, and as such, represents a crude estimate.

4.1 Producer revenues from NGL decontrol

The gross revenue calculation for NGL decontrol is 1.6 million barrels per day times 365 times $5, which yields $2.9 billion annually in producer revenues and consumer costs.

Source: Lib. Cong. CRS Aug. 6 Study.

REVISION

The Congressional Research Staff was requested to recalculate the increase in producer revenues from NGL decontrol using the assumption that price increases in natural gas liquids as a result of decontrol will be the same as the increase in the average price of crude under decontrol, or $1.11 per barrel equivalent. As recalculated the increase in producers' revenues and consumer costs is $650 million (1.6 million barrels per day × 366 × $1.11).

Source: Calculations by Lib. Cong. CRS per Committee staff assumption.

Basis for Relating NGL price increase to crude price increase—FEA indicates the relationship of controlled and uncontrolled natural gas liquids to total domestic NGL, while complicated, is approximately the same as the relationship of controlled and uncontrolled crude to total domestic crude and should have a parallel price increase on decontrol.

ORIGINAL

5.2 Effect of decontrol on intrastate natural gas

Oil fuels price leadership can be expected to steadily escalate unregulated natural gas to a new Btu parity level with average priced crude based fuels. Assumptions here are:

11 bil. mcf/year in unregulated gas sales;

A gas/oil Btu equivalence rate of 1 mcf = .17 bbl; and

30% of gas is sold under contracts which prohibit price hikes.

Hence we can calculate that decontrol will increase the cost of natural gas by $3.9 billion yearly (70% × 11b Mcf × .17 × $2.98).

Source: Lib. Cong. CRS Aug. 6 Study.

REVISION

The Congressional Research Service was requested to recalculate the effect of decontrol on Intrastate natural gas using the assumption that only 40% of unregulated natural gas sales are affected by price leadership of oil fuels and that unregulated natural gas sales are 7.3 bil. mcf/year. Under these assumptions decontrol will increase the cost of natural gas by $0.6 billion yearly (40% × 7.3b Mcf × .17 × $1.11).

Source: Calculations by Lib. of Cong. CRS, based on Finance Committee assumptions.

Basis of 40% assumption: 1) 30% of intrastate gas is sold under contracts prohibiting price hikes; 2) gas in intrastate sales is affected only by competitive conditions in the state where it is produced, evidenced by new contracts executed at prices substantially below the average price of crude measured by equivalent BTUs; 3) natural gas used by utilities and heavy industry competes primarily with No. 6 residual oil, which oil is already priced at or near the world market price and should experience very little price increase with decontrol; 4) residential and small commercial sales of gas are subject to State regulation; and 5) the 1973 increase in price of crude had limited impact on intrastate gas sales prices.

Basis of 7.3 bil. mcf total for unregulated sales: The Federal Power Commission news release No. 21456, June 6, 1975, indicates total regulated gas (including a small amount of unregulated gas) was 12.9 bil. mcf for 1974 and declining. FEA indicates unregulated natural gas is about 38% of total natural gas production in 1976 of 19.1 bil. mcf.

ORIGINAL

5.3 Effect of decontrol on coal

A similar calculation is in order for coal as has been performed for gas above. The parameters at work here are:

600 mil. ton/year in domestic coal consumption;

4 to 1 Btu parity rate with oil; 1 ton of coal=4 barrels of heavy oil fuel; and

Because coal is an inferior fuel to oil and because of the action of long term contracts, this Btu convergence process will only be 50% effective in 1976.

The oil price effect on coal may be calculated therefore as $3.6 billion (600 mil tons X 4 X 50% X $2.98).

Source: Lib. Cong. CRS Aug. 6 Study.

REVISION

The Congressional Research Service was requested to recalculate the effect of decontrol on coal prices, using the assumption that only 25% of coal sales are affected by oil fuels price decontrol. Using this assumption, decontrol will increase the cost of coal by $0.6 billion yearly (25% X 600 mil tons X 4 X $1.11).

Source: Lib. Cong. CRS calculations based on Finance Committee Staff assumptions.

Basis of 25% assumption: 1) Over 80% of coal used by utilities is under long term contracts (Source: Federal Power Commission news release No. 21621, August 7, 1975); 2) Coal used by general industry is similarly under long term contracts; 3) Coal used in coking is not competitive with crude oil prices because of its special qualities; 4) coal used as industrial fuel competes primarily with No. 6 residual oil, which is already priced at or near the world market price and should experience little or no price rise with decontrol.

5.4 Cost consolidation

The aggregate price increases per the original August 6th analysis, and per the revision based on removal of the $2.00 tariff and modification of price increase impact on NGL, unregulated natural gas and coal, is as follows:

	August 6th Analysis	*Revision*
Crude oil	$16.3 bil.	$6.0 bil.
Natural gas	3.9 bil.	.6 bil.
Coal	3.6 bil.	.6 bil.
NGL	2.9 bil.	.65 bil.
Total	$26.7 bil.	$7.85 bil.

These amounts are the annual cost of fuel increases to consumers in 1976, the first full year in which all decontrol impacts are felt. Quite obviously, removal of the $2.00 tariff and more reasonable assumptions as to impact of crude oil price increases on prices of related products results in a much more limited impact of decontrol. As shown under Para. 5.1, there is an increase of 7.1 cents per gallon of typical refined product upon decontrol, using the assumptions of the Library of Congress Congressional Research Service in the August 6th analysis, and only 2.6 cents a gallon increase in refined products under the assumptions in the Revision. (Calculations by Library of Congress CRS in both cases.)

The aggregate increase of $26.7 billion under the August 6th analysis directly adds over 1½ percentage points to the price level of a $1.6 trillion GNP, which is amplified, using a 50% ripple effect, to $40.05 billion, or 2½ percentage points of inflation. On the other hand, the aggregate increase of $7.85 billion under the Revision directly adds less than half a percentage point to the price level of a $1.6 trillion GNP, which is amplified using a 50% ripple effect, to 11.7 billion, or about ¾ths of a percentage point of inflation. These do not take into account the impact of tax rebates under a windfall profits tax.

The PRESIDING OFFICER. The Senator's time has expired. Who yields time?

Mr. MANSFIELD. Will the Senator yield for the purpose of my asking some questions?

Mr. BUMPERS. I will be happy to.

Mr. MANSFIELD. If the veto of the President is upheld, what will happen to the airlines?

Mr. BUMPERS. Mr. Ignatius testified before the Committee on Interior and Insular Affairs about a week ago that this would cost about $1.3 billion.

Mr. MANSFIELD. Would that mean the elimination of some routes?

Mr. BUMPERS. It would undoubtedly eliminate some.

Mr. MANSFIELD. Will it mean the laying off of employees?

Mr. BUMPERS. 40,000 employees would be discharged.

Mr. MANSFIELD. What would be the effect on the independent refiners, if the veto is upheld, especially along the northern tier, who depend upon the majors for what they get?

Mr. BUMPERS. All of them, as well as the executive secretary, testified that they expected to be eliminated in the next few months. It is not only that, but the trend would be so irreversible, once decontrol goes into effect, and the adverse effect on them would be so devastating that before the Congress could really realize what happened to them, they would be out of business before we could rectify it.

Mr. MANSFIELD. What about the marketers, the service station operators?

Mr. BUMPERS. We had one gentleman who displayed two leases, one for $9,000 a year and next year's lease for $18,000 a year, plus what he said was unbelievable pressure to sell more gasoline.

Mr. MANSFIELD. What is the FEA posted price on gasoline at the moment? Does the Senator have any idea?

Mr. BUMPERS. 59 cents.

Mr. MANSFIELD. I must have gone to the wrong station because premium was 67.9 cents and ordinary gas was 64.7. They were both FEA posted prices. What is going to happen to the price of gasoline if the veto of the President is upheld?

Mr. BUMPERS. Nobody can answer that. The President keeps talking about 3 cents.

Mr. MANSFIELD. Is it going up or down?

Mr. BUMPERS. It is going up. Most estimates are that it will go up at least 7 cents.

Mr. MANSFIELD. The OPEC countries are meeting on the 24th of this month. When they met last spring they said at their fall meeting, the one coming up, they were going to consider raising prices by approximately one-third. What will that do to the price structure for the ordinary working person?

Mr. BUMPERS. I could not say in dollars and cents, but I can say that the price of domestic production will rise accordingly.

Mr. MANSFIELD. I thank the Senator. I hope we understand the economic facts of life. Too many Members on the other side have said they are not in favor of abrupt decontrol but they want to support the President and they will vote to uphold the veto. The Senator from Kansas indicated that we were spending too much time and energy looking toward the next Presidential election.

As a matter of fact, we spent an awful lot of time on energy legislation. I believe every energy bill has been reported out except the one which the Senator from Washington (Mr. JACKSON) started to mark up on yesterday, creating an energy production board.

The trouble is that we have passed six or seven bills of major significance in the energy field, but they are lying fallow in the House. We are caught up with it. We have a program. We want a little more time. The way to get enough time is to vote to override the President's veto.

Mr. CRANSTON. Will the Senator yield for a unanimous-consent request?

Mr. BUMPERS. I yield.

Mr. CRANSTON. I ask unanimous consent that Ann Wray of my staff and Mark Schneider of Senator KENNEDY's staff have the privilege of the floor during the consideration of this legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. I have one question, and if any of those who will vote to sustain the President's veto would like to answer it on their time, I would be happy for them to do so.

Since the first of the year, we have enjoyed an international trade balance. It runs perhaps as high as $2 billion during the first 8 months of this year.

After decontrol, if all domestic production rises to the OPEC price, which it certainly will, and continues to meet the OPEC price, and we still can maintain a balance of payments favorable to the United States, why should we not buy OPEC oil? Any other policy is really a drain-America-first policy, is it not, as long as it is all at the same price?

The PRESIDING OFFICER. Who yields time?

Mr. FANNIN. I yield 3 minutes to the Senator from Delaware.

Mr. ROTH. Mr. President, I ask unanimous consent that George Jett and Bruce Thompson of my staff be granted the privilege of the floor during the consideration of the energy bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. Mr. President, I regret that I am addressing this Chamber this afternoon on whether or not the President's veto of S. 1849 should be sustained or overriden. I had hoped that a compromise solution to extension of price controls could be accepted earlier this week to avoid this confrontation.

I intend to vote to sustain President Ford's veto. However, I do not support immediate and total decontrol of oil prices. And I have consistently voted against this position.

I believe it is clear that immediate and total decontrol of all oil prices could have an unacceptable inflationary impact on our already struggling economy and would threaten thousands of jobs when unemployment already totals 9 millions of Americans. This result must be avoided at all costs and it is apparent from his veto message that the President shares my concerns and seeks a short extenion period for price controls to work out the framework of a phasein price decontrol policy.

After our vote on S. 1849, I will move for immediate action on my proposal to extend controls for a "45-day cooling off period" if the President's veto is sustained. At this time 30 Senators have joined in support of this compromise and I am confident it will have the support of a large majority of the Members of the Senate and the House.

A 6-month extension in my view is too long. It will not move us toward the goal I believe a great majority of us seek—a viable compromise energy plan which stops our heavy reliance on high-priced foreign oil and increases our domestic production of energy.

It is clear from the last 8 months of confrontation that no acceptable solutions will be forthcoming until the President and the Congress can establish a common ground for agreement on energy. We were close to this result before our August recess and what is needed is a short period to pull together the key elements of compromise being considered at that time.

Mr. President, I believe the American people are looking to the Congress for action now on drawing the various points of view together on a national energy plan. I believe the first step is to reach compromise on a short interim extension of price controls which will convince the American public of our resolve to work this out quickly. It will also prove to OPEC that our decisions are not dictated by their leadership but by what we know to be the best for the future of our Nation.

Mr. President, I should like to point out an editorial which appeared in the New York Times of September 9, 1975, entitled "And One to Sustain." The editorial reads as follows:

> President Ford's indicated willingness to accept a 45-day extension of oil price controls removes any compelling reason for the Senate to vote tomorrow to override his veto of continued controls. The national interest in fashioning a comprehensive program for energy conservation and development will best be served if Congress uses the proposed extension to cooperate with the White House in a gradual phase-out of controls, coupled with a dependable plan for reducing United States dependence on imported petroleum.
>
> Unfortunately, most of the evidence thus far suggests that the dominant Democrats in Congress—and most Republicans as well—regard any fundamental approach to saving oil, such as sharply higher taxes or rationing, as too politically dangerous. Their proposed six-month extension of controls is simply an evasion of responsibility. All year long the Capitol Hill leaders have been asking for "just a little more time" in which to come up with a program their members will support. The 45-day truce represents yet another test of their sincerity.

As I have indicated, Mr. President, if the President's veto is sustained, later this afternoon I intend to seek the authority to bring up my bill to provide a 45-day extension.

The PRESIDING OFFICER. Who yields time?

Mr. JACKSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JACKSON. What is the time situation?

The PRESIDING OFFICER. Each side has 4 minutes remaining.

Mr. FANNIN. I yield 2 minutes to the Senator from Texas.

Mr. TOWER. Mr. President, the central issue here, I think, is whether or not the United States is going to try to achieve as great a degree of divorcement from dependence on foreign sources as possible. The fact of the matter is, the OPEC countries make an enormous profit on the oil that they sell. It probably, on the average, costs them 50 cents a barrel to produce it, but it costs a heck of a lot more than that in the United States.

The question is, are we going to give the money to the Arabs, or to American workers and American industry?

It is said that perhaps OPEC will raise its price. That is all the more reason for us to free up the price of oil in this country. It would bring us upward of 750,000 additional barrels a day. Why? Because, through secondary and tertiary recovery, you cannot produce oil for $5.25 a barrel.

The problem is that our friends in the consuming States years ago locked themselves into a political position that is now economically untenable, and they feel unable to back down from it. We have had a lot of impassioned speeches here today that I am sure impressed the galleries, but I say to the Senate, if you want to think in terms of long-term stability of price, if you want to deliver the American people from the bondage of the Middle Eastern oil barons, you had better free up the American oil industry.

We have heard a lot of stuff about major oil company profits. Eighty percent of the oil found and produced in this country is produced by independents. They sell it to the major oil companies.

The only thing this Congress has done in the way of significant oil legislation has been to kill the depletion allowance, and when we did that, we sent American drilling activity into a decline.

If you want to become dependent on external sources, maybe Texas, Louisiana, and Oklahoma could secede from the Union and join OPEC, because it seems to me that what you are doing is saying, "We are going to pillage your resources at a price we choose to pay."

I heard my friend from Rhode Island make a very impassioned speech. Is he willing to have refineries in his State? Is he willing to have drilling offshore in his State?

I submit that the Northeast has not faced up to the need for increased domestic production. They refuse to have refineries, and they refuse to have drilling off their shores. They insist that we in the Southwest take the risk of pollution and that sort of thing, and sell oil and gas to them at a price they choose to pay.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. TOWER. No, I will not yield.

Mr. PASTORE. The Senator mentioned my name.

Mr. TOWER. I am merely responding to what the Senator said.

Mr. PASTORE. I have an answer for the Senator.

The PRESIDING OFFICER. The Senator's 2 minutes have expired. The Senator from Washington has 4 minutes remaining.

Mr. JACKSON. Mr. President, it has just been said that we must free ourselves from the bondage of the cartel. The issue before the Senate, Mr. President, is very clear. That is, if the veto is sustained, we will place our free enterprise marketing system in this country in bondage to the OPEC countries. That is the issue. It is very simple.

The only reason why we have had price controls and fuel allocation is because of OPEC and the oil cartel. We did not put them on for the sake of putting on controls. We put those controls on so that the American market price would not be dictated by the oil cartel; and our prices were raised under the law.

The facts are—and they are very clear on this point—that the President has full authority under the law as it existed up until August 31 to increase the price of oil without coming to Congress, as long as he does not decontrol it. The hitch is that the President of the United States is unable or has not seen fit to test his own regulations. His own regulations require that if he increases the price of the old oil, he must justify it. The President knows he cannot justify it under these regulations, and he is asking the Congress of the United States to turn around and do legislatively that which he cannot do administratively under his own regulations.

Mr. President, I think the issue is clear. If we do not override the veto, we are going to have one of the greatest transfers of wealth in history.

Mr. President, we will have ever-increasing energy prices that can only serve to benefit a foreign cartel and major oil companies. We will assure our continued vulnerability to energy and economic blackmail from abroad, and our continued inability to move the country out of the current recession at home. Our only choice is to vote to override this veto now, this afternoon.

In his veto message, Mr. Ford unequivocally states that an extension of price controls "would cost needed jobs and dollars." And yet, his administration has offered not one scintilla of evidence to document this contention. To the contrary, even FEA estimates show that decontrol will cost some American workers their jobs. And studies by the Congressional Budget Office, the Library of Congress, distinguished independent economists and several congressional committees point to a sharp jump in unemployment caused by decontrol. As many as a half million to a million men and women may lose their jobs because of the President's veto. The decontrol of oil prices will also force the consumer price index sharply upward: 1.3 percent in 1976 and 2.5 percent in 1977. The hallmark of this administration is fast becoming "fewer jobs and higher prices."

Yesterday the President spoke of dollars as well as jobs. He did not say where these dollars would go in the event of decontrol. Mr. President, let me address myself to that issue briefly.

The major integrated oil companies will realize staggering profits from decontrol. In fact, the enormous profits the industry received in 1974 at the courtesy of the OPEC cartel will be duplicated and even exceeded if price controls are lifted. The American consumer will pay for these profits. However, the blame in this case rests squarely, not on OPEC, but on the President and the supporters of his program.

The top seven oil producers will receive nearly $8 billion in additional revenues as a direct result of decontrol, which will cause the value of crude oil inventories and reserves to soar virtually overnight. The top 20 companies will receive $12 billion from Mr. Ford's veto. Who will pay? American consumers.

They should call it a pocket veto—because that is where it is going to hit the American public.

Mr. President, decontrol will result in fewer American jobs, not more. It will result in higher prices for consumers, not lower prices. To contend otherwise suggests one is oblivious to reality. It reminds me of something Henry Adams said:

> The art of practical politics is ignoring the facts.

If that is the case, Mr. Ford is the Nation's premiere practical politician.

Yesterday's veto message also addressed the question of compromise. But it is all too clear that compromise for Mr. Ford means only how fast and how steep energy prices should rise. What kind of a compromise is this? And what kind of a solution to our energy problems? It will not expand petroleum supplies. In fact, the average price of a barrel of domestic crude oil has jumped from under $4 in 1973 to over $8 in 1975. But during the same period domestic oil production declined. Nor will higher prices—rationing by price—effectively curtail consumption. Gasoline prices have jumped from 38 cents to 60 cents, nearly 25 cents per gallon, since 1973. Despite this abrupt increase in price, demand for gasoline this summer was at an all-time high.

It is reasonable to ask at the outset why the President came to Congress to ratify the higher prices he and the oil industry want. Mr. Ford had authority to increase old oil prices unilaterally before the Allocation Act expired; he will have that authority again if the veto is overridden.

Section 4(a) of the act simply requires that the President promulgate a regulation providing for the allocation of crude oil, residual fuel oil and refined products at "prices specified in—or determined in a manner prescribed by—such regulations."

The regulations President Nixon promulgated to implement this provision exempted new oil—oil discovered after May of 1972—from all price controls. They also allowed producers to free one barrel of old oil from controls for each barrel of new oil they produced or discovered. The act itself exempted from controls all oil produced from stripper wells.

Today, 40 percent of all domestic oil has been phased out or exempted from price controls. Further phased decontrol continues automatically as reservoirs are depleted and the production of controlled old oil declines and the production of uncontrolled new oil rises. In effect, the regulations promulgated by President Nixon will result in phasing out price controls for 80 percent of all old oil over the next 6 to 10 years.

Mr. President, I am troubled that if Congress sustains this veto, beyond its dire economic consequences, the public and press will be led to the erroneous belief that the Nation possesses a national energy policy, albeit one which rests almost entirely on higher energy prices. Nothing could be further from the truth. The House now has a comprehensive energy bill before it; the Senate passed a number of major energy bills before the August recess. I fear that these important initiatives will be lost, and the sense of urgency which accompanied their passage, merely because the administration has so narrowly confined energy policy debate to the issue of price.

Mr. President, energy independence cannot be bought; it must be won. This will require implementation of the kinds of programs upon which the Congress has worked long and hard: Expanding research and development in alternate energy sources, mandating fuel economy and conservation standards, creating a system of strategic petroleum reserves and increasing utilization of coal.

I strongly urge my colleagues to override the President's veto and to get on with these important tasks.

The PRESIDING OFFICER. All time of the Senator from Washington has expired. The Senator from Arizona has 2 minutes remaining.

Mr. FANNIN. I yield 2 minutes to the Senator from Connecticut.

Mr. WEICKER. Mr. President, the question has been asked, what will happen if such and such takes place? I ask again, what has happened?

We have controls. It is that which the Senator from Washington and others seek to continue. We have had controls for the past 2 years. So the proper question is, what has happened in the past 2 years? The airlines: Curtailments and unemployment. Unemployment throughout the United States, the greatest in history, or close to it. The price of gasoline soaring. And on and on.

What will happen? I can only imagine that what will happen will be considerably beyond the record of this country under controls. That is the record; that is not speculation.

Mr. President, I think it is very clear that when we were confronted with a crisis as far as price was concerned, we had two alternatives. Price is determined by both supply and demand. We did not have the guts to do anything about demand. We did not do anything to cut down on consumption.

The solution that both the Republicans and the Democrats wanted was to raise prices. Increasing tariffs was originally a Democratic policy.

We are unwilling to do anything about demand, but we do have a chance to go ahead and do something about supply, about getting more of the commodity on stream.

If we do nothing about supply, if we do nothing about demand, we are stuck with the situation we have today and God knows I do not want that for me or my kids.

The PRESIDING OFFICER. Time has expired.

Mr. HUGH SCOTT. Mr. President, we are currently engaged in a crucial decisionmaking process which will profoundly affect our country's energy policy. Our decision will, quite naturally, have far ranging effects on the various segments of our Nation. As we debate the issue, I would like to bring to my colleagues' attention the plight of the independent producers, refiners, and retailers.

As we all are aware, the independent's produce and retail a substantial percentage of our total petroleum capacity. Without their efforts, our energy situation would be even less optimistic. Their plight illustrates the wisdom and necessity of President Ford's proposed gradual decontrol of oil prices. There can be little question that the price controls have badly hindered our country's drive for energy independence and that they must be removed. At the same time, the sudden shock of immediate decontrol may cause tremors that would break apart the financial structures of many of the independent companies. Mr. Thomas Anderson, executive director of the Pennsylvania Service Station Dealers Association, advises me that there is a strong possibility that the dealers may get caught in an economic squeeze. If, for example, the average retail price of gasoline would rise slower than the increased cost of crude oil, independent dealers would have greatly increased costs without the necessary concomitant rise in revenues to cover those costs. Otherwise the independent refiner faces the same pressures. Considering the limited financial resources of many of these companies, it would be only a matter of months, perhaps weeks before the specter of bankruptcy would appear.

Such a development would increase our unemployment problems on three different levels. First would be the employees of independents themselves. Second, would be the employees of the industries dependent upon the business of the independents either at the supply or the production end. Third, would be the loss of energy and the concurrent forced closing of industries that are starved for fuel.

Mr. President, these real, economic problems are too important to be ignored. We must move now to protect the independent producers, refiner and retailer. I urge my colleagues in the Senate to accept President Ford's realistic compromise of a gradual phaseout of oil controls.

(Additional statements submitted in connection with the veto of S. 1849:)

Mr. **MUSKIE.** Mr. President, today we face the moment of truth in the year-long struggle between Congress and the President on energy prices in America.

A majority of Congress wants to control domestic petroleum prices. The President wants to cut those prices loose. The Senate must override the President's veto if the American people are to be spared unnecessary and unfair increases in petroleum prices and indeed for virtually everything they buy.

We have heard the arguments that we do not need to block the President's plan to decontrol oil. Supporters of high energy prices argue that if we support the veto of our bill to continue price controls on oil, the President will support a 45-day price control bill followed by a 39-month plan to gradually increase oil costs to Arab price levels.

But what is the President really saying? This congressional bill he vetoed would have held oil prices near their present level for 6 more months while we complete our work on an energy policy. The President offers us an extension of only 45 days. With 6 months, I believe we can develop a policy which meets our energy needs at a much lower cost to every American than the sky's-the-limit oil price policy the President advocates. If we show weakness in this vote today, we will be telling the President he can have his way on his wrong-headed plans for a rapid escalation of oil prices.

The people from my part of the country have earned the reputation of "Yankee traders" because they know how to make a bargain, and they recognize the costs of a bad one. We will not have a strong bargaining position to protect the American consumer from the President's energy policy if we lose this vote today. We need to show the administration that Congress is not willing to accept the administration's decontrol plans.

We do need a new national energy policy, but we need it on terms which protect the American consumer. The President does not offer such a policy. Congress should reject his veto of price controls. The outlines of a reasonable energy plan are emerging in the Congress. But that plan will never be enacted if we do not send the White House a message that we mean to hold the line on energy costs and energy company profits.

Mr. President, I ask unanimous consent to have printed in the RECORD a white paper on the consequences of decontrol.

There being no objection, the paper was ordered to be printed in the RECORD, as follows:

WHITE PAPER: IMPACT OF VETO OF PRICE CONTROL AND ALLOCATION AUTHORITY

LEGISLATIVE SITUATION

The Congress sent S. 1849 to the President on August 28, 1975. This legislation, which extends the petroleum price control and allocation authority embodied in the Emergency Petroleum Allocation Act of 1973, passed the Senate by a vote of 62–29 and the House by 303–117. The price control and allocation authority of the Allocation Act expired on August 31, 1975. The President has repeatedly announced his intention to veto any extension of the Allocation Act unless the Congress accepts an oil policy which involves elimination of drastic reduction in Federal regulation of the oil industry and an end to price controls over some definite time period.

If he wishes to do so, the President must transmit to the Congress his veto of S. 1849 on or before midnight, Tuesday, September 9. A vote in the Senate to override the veto of the President is expected to be the first order of business following receipt of such a veto message.

The Administration is still hopeful that an agreement can be obtained with the Congress on oil decontrol. However, independent of the form of the agreement which finally emerges, compelling arguments exist for the continuation, at least temporarily, of the fundamental price control and allocation authority embodied in the Allocation Act. It is now clear that the only way that this authority can be retained is by overriding the President's veto of S. 1849.

OIL PRICE IMPACT

If Mr. Ford's veto of the Emergency Petroleum Allocation Act is sustained, its *direct effect* will be to increase the average price of gasoline, fuel oil and other petroleum products about 7 cents per gallon.

Temporary market conditions and "jawboning" in the Administration—together with, perhaps, collussion by the major oil companies to reduce the political impact of decontrol—may postpone its full price impact on consumers for a period of time. Notwithstanding any such "restraint", however, the higher prices of crude oil will inexorably be translated into higher retail prices. If crude oil cost increases are tilted more heavily towards gasoline prices—as has been the case in the past—gasoline price increases of from 10 to 12 cents per gallon are very likely.

With the expiration of price controls, domestic oil will cost U.S. consumers at least $16 billion more annually than if controls are retained—an increase equivalent to the rise in the cost of *all* domestic fuels during 1974.

A secondary effect of sharply rising domestic oil prices will be to pull up the prices of coal and that natural gas which are not subject to price controls, because oil is the only practical alternative for industrial consumers of these fuels, which are in short supply. These higher prices for fossil fuels will be passed through to consumers in their electric rates and in the prices of every product or service that depends upon fuels for energy or industrial raw materials.

A major price increase will worsen unemployment and undermine financial stability in industries that are already disproportionately distressed, like automobiles and the airlines, resulting in lost production, lost income for workers and higher costs for the support of the unemployed.

ANALYSES OF ECONOMIC IMPACT

The Bankers Trust Company of New York has estimated that "coupled with a moderate rise in the foreign price of oil, the sudden decontrol of old oil prices would next year transfer about $35 billion per annum away from consumers to energy producers, the Federal government and OPEC nations."

A study prepared by the Library of Congress found that energy price increases could trigger a $40 billion inflationary contribution to the domestic economy next year, triggering an increase of 2.7 percentage *points in the* general price level and adding 1.5 percentage points to the rate of unemployment. This would mean a job loss of over one million.

Using macroeconomic models developed by Chase Econometrics, the staff of the Subcommittee on Energy and Power of the House Commerce Committee has estimated that sudden decontrol coupled with an OPEC price increase implemented this fall—an increase which nearly all analysts expect to materialize—will, by the end of 1976,

Reduce real GNP by $28 billion ($51 billion in current dollars);

Add 640,000 to the ranks of the unemployed;

Increase the Consumer Price Index by 2.7 points; and

Reduce housing starts by 280,000 units and automobile sales by 950,000 units.

The House Commerce Committee study further delineates substantial shifts in profitability among industries. Profitability in the mining sector—which includes crude oil production—is drastically increased at the expense of nearly all other segments of the economy. Some of the largest losses in profitability are projected for the

Primary metals;

Manufacturing;

Textiles;

Papers;

Transportation; and

Commercial sectors of the economy.

The net result of these impacts will be an increase in inflation—perhaps to double digits—rising unemployment—to over nine percent—a larger Federal deficit, and effective cancellation of the stimulus provided by the Tax Reduction Act of 1975.

COMPETITIVE IMPACT

By putting independent refiners and distributors at a disadvantage amounting to several dollars per barrel relative to the integrated major oil companies for the crude oil upon which their products are based, decontrol will cause a permanent structural change in the industry—in the direction of increased market concentration. Rising crude oil costs and consumer resistance to higher product prices will tighten the squeeze on refining and marketing margins. The major integrated companies, unlike the independents, will be able, however, to offset any reduced margins in "downstream" operations with higher profits on crude oil production. The end result would be a serious blow to the competitive position of the independent sector.

The squeeze between crude oil prices and the market will also lead the majors to pressure their independent branded dealers. To this end station rents will be increased, other contract terms will be revised to the disadvantage of the dealers, and thousands of distributors who cannot move more product at a lower marketing cost per gallon will be put out of business.

MANAGING POTENTIAL SHORTAGES AND PRICE IMPACTS

The only existing authority to prevent or mitigate the adverse impacts of raising oil prices and to allocate scarce supplies has been the Emergency Petroleum Allocation

Act. Overriding the veto is the only immediate, practical way to restore this authority.

The severe shortages of natural gas which are projected for this winter will place enormous pressure on the supply and price of substitutes for natural gas: fuel oil and propane. Substantial increases in propane prices accompanied by shortages are almost certain to occur, and without the Allocation Act, no Federal authority will exist to prevent, for example, rural residential consumers of propane and farmers from suffering severe hardship.

Meanwhile enormous profits will accrue to the major integrated oil companies. No mechanism is in place for taxing and returning these enormous windfall profits to consumers. Once controls have definitively been ended by Congress' failure to override a veto of the Allocation Act, the enthusiasm of pro-industry members of Congress and of a pro-industry Administration for such a tax will greatly diminish or disappear altogether. The prognosis for enactment of an effective windfall profits tax will therefore become very uncertain.

Regardless of any "understanding" between the Administration and the Congressional leadership for subsequent reimposition of controls (which would then be phased out), failure to override the veto would (a) weaken or remove the support of industry and pro-industry Members for any compromise, and (b) severely undermine Congress' bargaining stance in writing such a compromise.

ADMINISTRATION OPTIONS

The Allocation Act currently grants the President ample authority to raise the price of old oil, or to formulate regulations phasing out the oil oil price category entirely, without any requirement of Congressional assent. But the Administration's own guidelines for preparation of inflation impact statements require an analysis justifying any such moves. Administration representatives have admitted that such an analysis cannot be made. Because of this, the Administration is presently insisting upon all or nothing—Congressional collaboration or gradual decontrol, or total immediate decontrol. It is clear that the Administration cannot utilize the Allocation Act to raise old oil prices and provide a justification that satisfies its own guidelines. Because of this the Congress is being asked to let the Act expire and, at the same time, to acquiesce to total imposition of an oil policy which benefits only the largest integrated oil firms.

Existing regulations under the Allocation Act already provide for an automatic increase in crude oil prices, as domestic supplies of "old" oil at $5.25 per barrel are depleted and replaced by higher price new oil and imported oil. Under these regulations, the *average price* of crude oil to U.S. refiners would move up toward the new oil price at a rate of about 6 percent per year—even if there were no OPEC price increase and no scheduled decontrol, and even if the illegal import fee is removed. Over the last 2½ years crude oil prices have increased by more than 2½ times. A further 6 percent annual increase in the average price of crude oil is *the most our economy can safely absorb*. Total, immediate decontrol will mean an average price increase of well over 25 percent—four times as high—over one, two or three months, and prices will thereafter rise in perfect synchronization with any OPEC price increase.

Instead of seeking collaboration with the Congress to establish a reasonable pricing policy within the framework of the legislative process, the Administration has chosen to present a series of decontrol plans which must be accepted or rejected without amendment. These plans have been rightly rejected, because they are inadequate and unwise. Because of the Administration's tactics, the consumers of the country are now faced with the worst of all possible options—immediate decontrol. Only the prevention by the Congress of the implementation of this option will preserve an opportunity for an orderly development of policy in which both the Executive branch and the Congress contribute on equal footing.

SUMMARY

The Administration is proposing that the Congress ratify a situation in which

A rising rate of inflation is rekindled;

Economic recovery is severely threatened;

A substantial concentration of economic and financial power in the largest integrated oil companies is virtually certain;

U.S. energy prices will be set not by a free market but by a cartel of foreign governments;

Domestic production will not be substantially increased, domestic oil consumption will be only marginally curtailed (other than as a result of the economic slump) and, therefore, no progress towards greater energy independence will result at all commensurate with the damage that will be done; and

Any realistic opportunity for the Congress to collaborate with the Administration in the enactment of a rational and equitable oil pricing policy will be lost through Congressional default.

COOPERATION NOT CONFRONTATION MUST BE PRACTICED BY THE CONGRESS AND THE ADMINISTRATION AS WE ACHIEVE PHASED DECONTROL OF OIL PRICES

Mr. RANDOLPH. Mr. President, precisely because the welfare of the American people is closely tied to national petroleum policies, the need for thoughtful actions on phased decontrol of oil prices is imperative.

Since the inception of Project Independence, the United States has become more, not less, dependent on imported oil. Domestic oil production has declined from 9.2 million barels of oil per day in 1973 to about 8.2 million this year. Concurrently, crude oil imports increased from 3.24 million barrels per day up to 3.47 million barrels per day between 1973 and 1974.

International crude production remained virtually constant. Oil production by the 13 member states of the Organization of Petroleum Exporting Countries—OPEC—was 11.2 billion barrels in 1974 compared to 11.3 billion barrels in 1973. The proportion of energy supplies imported by the United States thus has increased in percentage as well as in total amount.

The United States is now the largest importer of OPEC supplies. In the first quarter of 1975 the United States imported 24.8 percent, almost one-quarter of OPEC supplies, compared to 20 percent for Japan; 14.7 percent for Germany; 10.1 percent for France; 9.2 percent for the United Kingdom; 8.4 percent for Italy; and less than 3.0 percent for Austria, Belgium, Canada, Denmark, Netherlands, Norway, Sweden, and Switzerland.

Even more important, in 1974 Russia, not Saudia Arabia, became the world's leading oil-producing nation at 3.4 billion barrels of crude oil. By comparison, the 5-percent production decreased in the United States caused us to drop to second place at 3.2 billion barrels.

Mr. President, I ask unanimous consent that the recent Bureau of Mines figures on World Crude Oil Production be printed in the Record.

There being no objection, the figures were ordered to be printed in the Record, as follows:

1974 Figures on Worldwide Crude Oil Production, Imports, and Exports Released by Mines Bureau

In 1974 Russia became the world's leading oil-producing nation, Japan quadrupled its oil imports from the People's Republic of China, and Western Europe managed to cut its crude oil imports by a million barrels a day, the Interior Department's Bureau of Mines said.

These are some of the important trends that emerged from 1974 yearend statistics on world crude oil production and distribution compiled by the Bureau. According to the figures:

The Union of Soviet Socialist Republics (U.S.S.R.) produced 3.4 billion barrels of crude oil and field condensate (a crude oil co-product), a nine percent increase that put the U.S.S.R. in first place for the first time.

The U.S. fell to second place among oil-producing nations as output dropped five percent to 3.2 billion barrels.

Although Japan reduced her imports from the Middle East and Indonesia, her imports from the People's Republic of China jumped from 20,000 barrels per day (bpd) in 1973 to 78,000 bpd in 1974.

Total Western European imports plunged to 13.7 million bpd in 1974 from 14.7 million bpd in the previous year.

Total 1974 world crude production of 20.5 billion barrels remained virtually unchanged from the 1973 total of 20.4 billion barrels.

The leveling off of international crude production in 1974 was caused primarily by the very slight drop in production by the Organization of Petroleum Exporting Countries (OPEC). This federation of 13 countries produces and exports the bulk of the world's crude petroleum, and controls international oil prices. Last year, OPEC produced 11.2 billion barrels of crude, compared with a 1973 total of 11.3 billion barrels.

Despite the fact that total world crude oil production was little changed, six countries registered production gains of over 20 percent in 1974. They were the People's Republic of China, Poland, Taiwan, Gabon, Congo, and Mexico.

More important changes occured in international crude distribution patterns, the Bureau said. Although Western Europe and Japan cut back their 1974 crude imports by a million bpd and a hundred thousand bpd, respectively, the U.S. increased its crude imports from 3.24 million bpd in 1973 to 3.47 million bpd in 1974. Crude oil accounts for about half of all U.S. petroleum imports; unfinished oils, plant condensates, and refined products make up the rest, and U.S. imports in these three categories fell sharply in 1974. Western Europe and Japan—the world's other major importing sectors—import mostly crude oil.

Changes in world crude oil distribution patterns last year can be attributed to higher oil prices and the oil embargo initiated by OPEC, the economic situation in importing countries, as well as energy conservation measures imposed by importing countries, the Bureau said.

The attached table shows 1973 and 1974 crude oil movements by major producing and consuming areas. Also attached is a map illustrating movements of crude oil in 1974 from major producing areas to consuming areas.

More detailed figures on world crude oil production in 1974 were published in the Bureau's "Petroleum Production Annual," which is issued each year in the Bureau's Mineral Industry Survey series. A free copy can be obtained from the Branch of Publications Distribution, Bureau of Mines, 48000 Forbes Avenue, Pittsburgh, Pa. 15213.

CRUDE OIL MOVEMENTS TO MAJOR CONSUMING AREAS

[In thousand of barrels per day]

Origin	Destination					
	Western Europe (estimated)		Japan		United States	
	1973	1974	1973	1974	1973	1974
Middle East:						
Saudi Arabia	3,650	4,250	937	1,081	462	438
Iran	3,800	2,200	1,645	1,275	216	463
Other	2,330	3,030	1,251	1,355	125	215
Subtotal	9,780	9,480	3,833	3,711	803	991
Africa:						
Libya	1,700	1,250	23	76	133	4
Nigeria	1,175	1,225	98	86	448	697
Other	1,250	1,070	10	15	201	272
Subtotal	4,125	3,545	131	177	782	973
Western Hemisphere:						
Canada					1,001	793
Venezuela	240	195	10	8	344	319
Other	5	30	2		114	113
Subtotal	245	225	12	8	1,459	1,225
Southeast Asia:						
Indonesia			741	668	200	284
Other			167	163		1
Subtotal			908	831	200	285
Soviet Union	550	450	22	5		
Peoples' Republic of China			20	78		
Total	14,700	13,700	4,926	4,810	3,244	3,474

Mr. RANDOLPH. Mr. President, if the present deadlock on oil price decontrol is allowed to continue for another 6 months, the American consumer will suffer more and more. As domestic oil production goes down and down, it will be replaced by higher cost imports. And balance of payments deficits will go up and up.

On the other hand, the elimination of oil price controls will not return us to a free market. Rather it will turn us toward oil prices established by an international producers cartel. The principal difference will be in the price of domestic, not imported, energy supplies.

With the United States faced with oil price decontrol, I am reminded of prophetic words of George Santayana when he said—

> Those that do not understand history are doomed to repeat it.

On two previous occasions—World War I and World War II—the Federal Government intervened in the marketplace and established price controls on energy supplies to protect the public interest. In both instances, the justification was to foster the wise use of energy resources and to protect the independent sector of the industry.

With the advent of World War I, the U.S. Fuel Administration was created to allocate available energy supplies on the basis of end-use priorities. Price controls were established on coal and coke, but they did not extend to oil. Nevertheless, when President Wilson abrogated all regulations on May 15, 1919, the economy was thrown into turmoil due to the climate of uncertainty facing the oil industry.

Concurrently, with the support of the Congress, including Senate passage of a resolution on May 17, 1920, the Harding administration encouraged American oil companies to develop overseas supplies, because of their lower comparative costs. There then ensued more than a decade of worldwide overproduction from Arabia, the Soviet Union, and Venezuela. As a consequence, domestic oil prices were driven to new lows. Thus in 1932, President Hoover imposed oil import tariffs. By that time, however, the United States' economy was in the midst of a general depression.

When President Roosevelt entered office in 1933, the United States was faced with excessive petroleum production and declining prices. A number of attempts were made to stabilize production. With the advent of World War II, however, the United States entered a period of domestic oil shortages and price controls not unlike today. Our country's oil reserves were being depleted faster than replacement supplies could be found.

Following the establishment of crude oil price ceilings by the Office of Price Administration, the oil industry was discouraged from the development of new supplies. On December 4, 1944, the House Committee on Small Business expressed alarm at the declining rate of discovery of new wells. Chairman WRIGHT PATMAN, in his report to the Committee of the Whole House on the State of the Union, deplored an obvious trend toward ownership of producing wells in the hands of a few large, integrated concerns. The picture portrayed by the House committee was one of the independent producer confronted with—

> (1) Frozen price on a depressed basis.
>
> (2) Greatly increased tax on his income.
>
> (3) Threat by government to remove from his tax base the depletion allowance. This has been a fundamental part of the money normally used for exploratory purposes.
>
> (4) Greatly increased labor and material costs.
>
> (5) Greatly increased replacement costs.
>
> In the opinion of the Committee this had resulted in:
>
> "(1) A decreased amount of money with which to retire his debts and replace his reserves of producible petroleum;
>
> (2) A serious fear of his ability to maintain his position as a producer of petroleum.

Unable to obtain sufficient funds to retire his indebtedness or maintain his stock position on crude reserves, the independent was discouraged and willing to quit business.

Forced to rely solely on production operations as a source of revenue, many independent producers were absorbed by major oil companies. While in 1939 the independents accounted for 50 percent of the U.S. crude oil production, by 1944 their share had decreased to about 40 percent.

In support for higher oil prices, the House Special Subcommittee on Petroluem, under the Chairmanship of Representative Clarence Lea of California, on July 3, 1945, recommended that the War Petroleum Administration be given unified control over the problems of supply, production, and price ceilings on oil and petroleum products. However, this did not occur and the Office of Price Administration was able to continue its strict control of oil prices.

As controls over production were gradually returned to the private sector by the Truman administration, national policies embraced regulated competition in order to avoid the economic problems that had characterized the industry prior to World War II. Unlike the period following World War I under President Wilson, a relatively smooth transition was experienced by the oil industry under President Truman's phased decontrol policies. His gradual phaseout of oil price controls fostered stability within the oil industry.

World War II served to establish the Federal Government's role as arbiter of the American economy. Moreover, it proved that such a relationship could be practical as well as efficient. While the Federal Government had exercised controls over domestic production and consumption during this period, the industry still was entirely private in character.

Mr. President, again our country is faced with oil price decontrol. The issue before us is an immediate repeal of oil price controls, rather than a gradual phaseout.

Oil price decontrol may well foster greater energy self-sufficiency, but this should be accomplished in an orderly fashion. Then, and only then, can we avoid serious consequences for the independent segments as well as the integrated segments of the oil industry. The destruction or crippling of any sector of the industry would be contrary to the long-term interests of the United States and to our economy.

When the Emergency Petroleum Allocation Act was enacted in November 1973, our country was faced with a severe shortage of crude oil and petroleum products caused by the OPEC oil embargo. The United States was threatened by a substantial dislocation in the availability of petroleum as well as severe economic and competitive pressures on independent marketers and refiners. The principal purpose of the act was to assure that our country's priority needs for petroleum were met. The measure also undertook to allocate the remaining available petroleum supplies among consumers on an equitable basis compared to needs, and at equitable prices. Moreover, this was to be accomplished so as to preserve the competitive viability of the independent sectors of the industry.

The act enabled the Federal Energy Administration to respond to shortages with minimum impact on our economy, while preserving the market position of the independent segments of the industry. The resultant Federal program has produced an intricate, but known, structure of allocations and entitlements.

The record should reflect that Federal petroleum allocation programs actually originated 6 months earlier, in May 1973, under the Economic Stabilization Act Amendments of 1973—not under the Emergency Petroleum Allocation Act. On the other hand, oil price controls originated even earlier with President Nixon's wage and price control programs under the Economic Stabilization Act Amendments of 1971.

I repeat, Federal programs for the allocation of petroleum and price controls existed prior to the November 1973 enactment of the Emergency Petroleum Act.

Mr. President, after more than 2 years of oil price controls, because of the President's veto on S. 1849, we are faced with their immediate removal. We know from experience that the longer price controls remain in force the greater the resultant economic distortions. On the other hand, we also learned that similar adverse effects would be felt by the independent sector should controls be abruptly terminated.

There is considerable debate on the impact of oil price controls and decontrol particularly on the independent sector of the oil industry as well as the consumer. The independent sector is diverse and complex; there are about 19,000 producers of crude oil, 140 refiners, 25,000 wholesalers, and 200,000 retail gasoline stations.

A recent General Accounting Office report, prepared at the request of the Senator from Connecticut (Mr. RIBICOFF), concludes that under the present program there is an apparent deterioration in the market position of independent retail operators, who have decreased in number since 1972. On the other hand, the proportion of refiner owned and operated stations has increased.

Among the independent refiners, 4 large and about 120 small refiners compete with the major oil companies. Since the crude oil allocation program was initiated, major refiners have operated at a higher percentage of refinery capacity than have the independent refiners, both large and small. This is due in large part to the greater control, and thus access, that the major refiners possess over low-price domestic crude oil. The small refiners and large independent refiners could not afford to pay the higher prices for uncontrolled and higher priced new and imported oil and still compete with majors. As a result of the entitlement program, however, as of December 1974, the average crude oil cost for major oil companies was $9.27 per barrel, compared to $10.35 for large independent refiners and $9.02 for small refiners.

On the average, in 1974 the small refiners were operating above their 1972 levels; the four large independent refiners were operating below 1972 levels.

In summary, the impact of oil price control will vary considerably from company to company as set forth in a September 1, 1975, article in Forbes magazine. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OIL DECONTROL: WHO WOULD BE HELPED, WHO HURT

You can't follow the fight over oil decontrol without a scorecard. Herewith our scorecard.

On Sept. 3 Congress will reconvene and resume its tussle with the Ford Administration over the Emergency Petroleum Allocation Act of 1973. If the Democrats fail to override the promised Presidential veto of a six-month extension that Congress passed, then the act will expire and "old" oil will start climbing from $5.25 a barrel to around $11. "Old" oil means oil in the U.S. produced at pre-1973 levels. Under decontrol, what the Arabs already have, the Texans will get.

Who among the major oil companies will benefit? Who will be hurt? It's a complex subject, but the table below will give you some major clues.

Unfortunately, there are some gaps in our figures. They cover 1974, the latest year available; current production figures may be lower or (improbably) higher. Several companies refuse to reveal their figures; in these cases we have fallen back on estimates from two able oil analysis, Robert Albrecht of Reynolds Securities and Geoffrey Hertel of Rotan Mosle.

What does the table tell? The first column on the left covers "Entitlements." If you want to know what entitlements are, read the box on the next page. Suffice it here to say that under the oil allocation act, entitlements were very costly for companies that had a good deal of old oil; Gulf alone was paying out money at an annual rate of $170 million before taxes in the first half of 1975. On the other hand, entitlements were good for those with little old oil. So decontrol will be good for the companies on the first half of our list and bad for those on the second half.

	Entitlements,[1] January–June 1975 receipts (millions)	Net income, January–June 1975 (millions)	U.S. crude oil production, 1974		Old oil, barrels per share	Latest 12-month net (millions)	Recent P/E	1975 price range	Recent price
			Total	Old oil					
These companies have been major recipients of entitlements payments:									
Amerada Hess	$118.1	$61.1	36,100	NA	NA	$167.1	4	23⅜–15⅛	17⅝
Atlantic Richfield	22.4	137.9	122,166	85,516	1.820	240.9	16	110 –75½	106⅞
Ashland Oil	51.1	46.3	8,255	5,779	.250	112.2	5	24⅞–16½	20¼
Commonwealth[2]	43.9	(9.5)	0	0	0	(26.5)	----------	12⅝–5¼	9½
Getty Oil[3]	11.5	109.4	90,520	65,174	3.500	254.5	14	198½–127½	192
Hawaiian Ind. Refiners Inc.[4]	16.9	(.198)	0	0	0	.672	41	12⅛–7⅝	7⅛
Koch[5]	23.9	----------	NA	NA	NA	NA	----------	----------	----------
New England Petro.[5]	19.1	----------	NA	NA	NA	NA	----------	----------	----------
Phillips Petroleum	26.8	165.9	45,076	33,808	.440	363.3	12	60⅝–37	56½
Standard Ohio	36.4	60.3	10,804	8,092	.296	126.1	22	85¼–44½	80⅞
Sun Oil	3.6	86.5	80,045	58,437	1.412	246.1	6	37½–29	33⅛
Total Leonard	11.6	2.5	NM	NM	NM	4.4	17	8⅛–4	5⅝
For these companies, the entitlements program has been a drain on income:									
Champlin[6]	[7]31.5	1.1	15,300	11,461	.500	92.3	26	82¼–62	65⅛
Cities Service	[7]48.1	51.2	44,275	32,777	1,219	143.4	9	50½–36¼	44¼
Continental	[7]22.9	147.3	68,620	10,841	.214	338.7	10	75 –40⅝	65⅛
Exxon	[7]53.7	1,125.0	264,260	171,769	.768	2,787.2	7	92½–65	86¼
Gulf	[7]86.7	355.0	146,329	121,436	.624	815.0	5	23½–17⅝	20½
Howell	[7]14.9	6.2	NM	NM	NM	13.4	4	24 –10½	19¾
Kerr-McGee	[7]33.2	66.5	9,125	7,848	.314	129.6	17	95⅛–60	87½
Marathon	[7]26.4	48.9	59,495	48,801	1,634	138.5	11	53⅞–29⅞	49¼
Shell	[7]72.7	222.5	183,230	133,773	1,980	596.7	6	57¾–39¼	54¾
Standard Indiana	[7]26.5	378.2	171,915	106,580	.727	849.6	8	53¼–36	46¼
Tesoro	[7]15.1	20.7	1,500	583	NM	44.7	2	20⅝–13½	15⅞
Union	[7]66.4	82.1	85,520	72,708	2.325	135.5	7	60⅞–32½	48½

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[1] Entitlements receipts and payments calculated from Federal Register.

[2] Income through 1st quarter, 1975.

[3] Does not include entitlements payments by Skelly oil, 70 percent owned by Getty.

[4] Financial data for Pacific Resources, of which company is subsidiary.

[5] Company privately held, no data available.

[6] Financial data for Union Pacific of which Champlin is subsidiary.

NA—Not available.

NM—No meaningful amount.

Now run your eye over to the third and fourth columns from the left. These tell, respectively, how much oil each company produces in the U.S., and how much of it is old. A company that produced, say, 10,000 barrels a day of old oil would, in theory, increase its revenues by $60,000 a day, or over $200 million a year.

Of course, under a Senate bill, 90% of that would be taxed away, but 25% could be recaptured by the company for spending on drilling and exploration. Moreover, Union Oil and several others have said they would raise prices only gradually. It's not possible to say exactly how much decontrol would do for any one company. But the more old oil, the merrier. (Don't forget about leverage: Exxon has a lot more old oil than Union Oil has, but on a per-share basis—column five—Union comes out way ahead.)

Decontrol, if it comes and when it comes, will be painful every time you drive up to a gasoline pump or turn up the thermostat on your oil-burning furnace. But if it achieves its twin goals, it will be worth it. The goals: 1) cut consumption and 2) increase production. As for the pain it renders your pocketbook, it is probable that there will be tax rebates to assuage the pain—paid for by a special tax on the added profit from old oil.

In any case, there isn't much time to waste. Since the inception of "Project Independence," the U.S. has become more, not less, dependent on foreign crude. U.S. production was 9.2 mililon barrels a day in 1973: this year it will be only 8.2 million. Meanwhile, consumption is going up and the Organization of Petroleum Exporting Countries becomes brasher and brasher.

Nobody expects immediate and total decontrol, but the futility of the present two-tier price system and the wastefulness of the present price structure are becoming more apparent day by day. Now it will be up to the oil industry to prove that a lifting of bureaucratic restrictions really *will* benefit the country as a whole and not just the lucky owners of "old" oil.

Mr. RANDOLPH. Mr. President, it is clear that oil price decontrol will be necessary. President Ford is correct in this regard.

The President has vetoed S. 1849, a congressionally approved extension of the Emergency Petroleum Allocation Act. This measure would continue oil price controls for 6 months, while the Congress evaluates the various proposals for decontrol. This legislation also contains a 6-month extension of Federal coal conversion programs, which I sponsored.

Looming in the background are probably increases in foreign oil prices on October 1 when the present OPEC price freeze expires. Clearly, phased decontrol would be more in the national interest. As noted by Assistant Attorney General Thomas E. Kauper last Friday before the Senate Interior Committee:

> To the extent that some segments of the industry may be adversely affected by decontrol, considerations of equity may dictate a gradual transition. A gradual transition would result in protection from the dislocation which might be occasioned by an immediate and jolting change in the economic ground rules under which the industry now operates. It appears to be the goal of all who are concerned with this problem, both in the Administration and the Congress, to avoid unnecessary dislocation. That being so, an orderly transition from a regulated industry to an unregulated one should be possible. * * * The final arbiter of industry and individual performance will be the marketplace, and I can think of no better or more objective judge.

The continuing clash—rather than consultation and cooperation—between the Congress and the White House over the decontrol of oil prices highlights a paralysis that has afflicted Federal efforts to forge a national energy program.

Numerous attempts to resolve the differences between the Congress and the President have failed. Certainly the American people are impatient because of the prolonged stalemate. The opportunity exists for formulation of a compromise plan for oil price decontrol.

According to a recent Harris Survey 54 percent of the American public favors oil price decontrol. What is needed is a joint congressional and executive branch program which identifies the goals and sets forth the means for achieving them.

As domestic oil production continues to decline and oil imports rise the case for oil price decontrol gets steadily stronger. It is unrealistic to hope that the United States can maintain itself indefinitely as an island of low-cost energy in a world of escalating oil prices.

World demand for oil is now at a level that places any seller in a very strong position. Thus even should OPEC weaken, it is unlikely that the international price for oil will drop substantially.

Decontrol when it comes will be painful but it will be well worth it if it achieves the dual goals of reduced energy consumption and increased domestic production.

Regardless of the outcome of the vote, we must attempt, through constructive cooperation, to agree on programs and policies to achieve energy independence and strength in America.

Mr. NELSON. Mr. President, the most serious question facing the Nation today is whether we will be able to bring inflation under control in this country while moving the economy upward from the trough of the deepest recession in 40 years. We have learned in recent months that the level of general inflation throughout the economy is powerfully affected by the prices of basic energy products, and these in turn all hinge on the price of oil.

Today we are called on to decide whether we will seek to maintain any responsible control over the price of oil and energy through the near future in this country. We know that inflationary forces generally are not yet under control, and that the American people and economy have been gravely injured by the impact of this inflation. The immediate alternative facing us is to hand control over basic energy price in America to an effectively monopolistic international producers' cartel, to see the price of "old" domestic oil begin rising—soon if not immediately—to match the cartel's "monopoly umbrella" price, and to risk a substantial new round of energy-induced inflation and inflationary drag on the weakened and barely convalescing U.S. economy.

In my judgment, the best interests of the country demand that we vote to maintain the degree of responsible control over the price of oil, at this time, that is provided for in the Petroleum Allocations Act. There may be valid reasons for providing some upward adjustment in the controlled price of "old oil," the only part of our total supply through which any moderating influence over oil costs generally has been maintained. But the detailed analysis of production costs and marketing conditions that would justify such a price increase has not been made.

The Petroleum Allocation Act gives the President the authority to raise the control price of domestic oil to whatever level can be justified as being in the national interest. If such a price increase can be justified at this time, the necessary analysis should be made and the case laid before the public.

The drive to eliminate all price control authority over oil is an effort to evade that responsibility.

Whatever the case that can be made for some price adjustment for U.S. oil, the total elimination of the control authority means that the monopoly-level world cartel price for oil will determine the cost of the entire U.S. domestic oil supply as well. We will have abandoned any possibility of exercising discipline over the inflationary impact of energy prices on the American economy, and will have given this control over price to an international cartel instead. The notion that this will increase our independence from the foreign oil producers is the opposite of the truth; we will in fact be mortgaging the American economy to their effective control over basic energy costs.

It is clear that a number of exceedingly damaging consequences are likely to follow in fairly short order.

First. The price of "old oil"—approximately two-thirds of domestic U.S. production, from wells in operation before 1973—will rise fairly rapidly from the previous control price of $5.25 per barrel to match the world monopoly price of approximately $13 to $14 per barrel currently.

Second. Gasoline prices are likely to rise by at least 7 cents per gallon, or as much as 10 to 12 cents if the frequent practice of slanting crude oil costs disproportionately to gasoline is followed.

Third. As estimated both by the Joint Economic Committee staff and by the Economics Division of the Congressional Research Service, the total consumer cost increase for petroleum fuels will run approximately $16 billion a year above present levels. The Bankers Trust Company of New York has estimated that "coupled with a moderate rise in the foreign price of oil, the sudden decontrol of old oil prices would next year transfer about $35 billion per annum away from consumers to energy producers, the Federal Government, and OPEC nations." If the President's apparently illegal $2 per barrel import duty on foreign oil is removed, the Federal Government's share of this would disappear, but the total will still be some $25 to $26 billion.

Fourth. Heavy demands for competing fuels—especially coal, unregulated natural gas, and natural gas liquids—such as propane and butane—will cause their prices to rise to meet the "BTU equivalent" level with petroleum, and these cost increases will reach from $5 to $11 billion annually above present levels, depending on the degree of direct substitution among fuels. The total direct energy cost increases to the U.S. economy due to decontrol thus will run some $20 to $27 billion annually above current levels, even if their is no further increase by OPEC in the price of our imported oil—or if the expected OPEC price increase is offset by the removal of the President's $2 per barrel import tariff. This amounts to about $400 to $500 in directly increased energy costs annually to the average American family.

Fifth. Energy products are basic inputs to every other sector of the economy. Since most businesses use percentage markup over cost, price increases for energy tend to be compounded as products move through the stages of production. This "ripple effect" from energy inflation will cause increased inflation in virtually every other sector, but especially in electricity, foods, organic chemicals, plastics, transportation generally, and all heavy energy-using sectors.

The effect of energy inflation on food prices is particularly severe. The U.S. Department of Agriculture has estimated that some 10 percent of the entire energy use in the country goes into the food and fibre sector, from the direct inputs to the farmer through the processing, transportation, marketing and retailing of farm products. Any significant energy inflation means major food price increases as well.

The broad inflationary "ripple effect" triggered by energy price increases will bring the total reduction in consumer purchasing power attributable to oil decontrol up to an annual level of $35 to $50 billion. This amounts to a total cost increase for every American family that will range from $650 to $920 annually for the average family, approximately $400 to $500 in direct energy inflation and the remainder in the energy-induced inflation in other areas.

Sixth. The impact of massive inflation such as this, and its drain on consumers' purchasing power or "real income," simultaneously exerts a severe recessionary impact on the economy. This has been termed "energy inflation shock," and is now widely regarded as being primarily responsible for the unusual severity of the current recession. Using methodology developed by the prestigious Chase Econometric Associates, the staff of the Subcommittee on Power and Energy of the House Commerce Committee has estimated that total oil decontrol, coupled with another OPEC price increase this fall, would:

reduce current GNP by $51 billion;

raise unemployment by 640,000;

reduce housing starts by 280,000 units and automobile sales by 950,000 units.

Using data developed through the respected Quarterly Macroeconomic Model of Data Resources, Inc., the Economics Division of the Congressional Research Service has estimated that the rate of unemployment would be increased by 1½ percentage points, or more than 1 million jobs, through the "inflationary shock" directly and indirectly attributable to oil decontrol.

These probable consequences of oil price decontrol are so damaging to the American economy and would impose such harsh and inequitable new burdens on families and businesses at every level that we must regard them with the utmost seriousness. Our vote today is a key test of our seriousness and willingness to bring inflation under control in this country.

The severity of the damage that energy-induced inflation has done already to the American economy has not been sufficiently appreciated. There is in fact a tendency to discount it, when we should be paying it the greatest attention.

Seventh. According to the impressive recent findings of the Congressional Research Service, over the period from fourth quarter 1973 through second quarter 1975, the overall level of operation of the U.S. economy was cut back due to "energy-inflation shock" by an estimated $101 billion out of GNP annually. This represents an absolute dead loss of potential output and income—goods and services of every kind—never produced and hence lost forever.

Energy price inflation and its impact thus has been responsible for fully one-half of the depth of the current recession, since the economy is currently running about $200 billion annually below its productive capacity. It has caused the loss of 3½ million jobs, or 3.8 percentage points of the total current unemployment rate. It converted what would have been a relatively mild recession into the deepest economic slump since the Great Depression, with unemployment at more than double the average postwar level and an unprecedented 35 percent of the total existing industrial plant capacity standing idle. The sheer waste and loss this represents is enormous.

Eighth. The total "real income" loss to the U.S. consuming public since late 1973 as a result of the energy price increases, led by oil, and their resultant inflationary "ripple effect" and "energy-inflation shock" to the economy had reached an annual level by mid-1975 of approximately $197 billion. This represents the sum of output and income—GNP—lost indirectly through the worsened recession—$101 billion—plus the amount of consumer purchasing power or "real income" drained off directly by energy price increases as such—$51 billion—plus the further purchasing power drained off indirectly through the energy-related inflation in all other sectors of the economy—$45 billion.

Ninth. The inflationary loss of income to consumers was a pure windfall gain to energy producers; or a straight transfer of resources from the one to the other. Thus, the total sales of the top 46 U.S. energy companies increased by $90 billion in 1974 over 1973, as reported by Fortune Magazine. This enormous expansion of revenues represented virtually pure price inflation, since the volume of petroleum and natural gas sold over the period actually declined.

Tenth. The predictable price increase for "old oil" if it remains decontrolled—from $5.25 per barrel to about $13 to $14 per barrel, and totaling about $16 billion annually—will likewise represent a pure windfall to producers, unrelated to production costs. A recent study estimated the average production cost for old oil to be under $3 per barrel, including a 15-percent rate of profit.

Moreover, over 80 percent of the "old" oil in the country is in the hands of the 15 largest integrated oil and gas corporations. The windfall benefits, amounting to billions annually, will thus go almost entirely to a handful of giant producers.

The total and sudden decontrol of oil does not provide a basis for a sound and equitable energy policy for America.

It is far too likely that it will impose staggering and harshly inequitable new burdens on the consuming public.

It will drain billions of dollars of sorely needed purchasing power out of the pockets of families and businesses at all levels.

It will hand totally unwarranted windfalls of enormous magnitude to a relative handful of giant oil corporations at the expense of virtually every other sector of the economy.

It runs the unacceptably dangerous risk of dealing a crippling new blow to the present shaky recovery of the American economy.

Mr. PHILIP A. HART. Mr. President, it is no secret that often votes around here catch some of us ill-prepared. Maybe we have not done our homework. Maybe the facts are not available. Maybe there is no "right" vote. So we cross our fingers and hope that the majority view is correct.

None of us could claim to be in such an "iffy" situation today.

If we vote to sustain President Ford's veto of the 6-month extension of the Emergency Petroleum Allocation Act of 1973, we should know that our votes would wipe out most, if not all, of the little competition remaining in the petroleum industry. We would not only be voting for immediate oil price increases, but also for putting hundreds of thousands of independent refiners and retailers and producers out of business, and for ending competition which could discourage price increases in the future.

This is so. We know it is. We know it not because I say so, for granted, after 12 years as chairman of the Antitrust Subcommittee, I may be suspect as seeing anticompetitive ghosts everywhere. Nor do we have to believe it because the independent businessmen say so. It is not unknown for businessmen to overstate the harm a proposed legislative action may bring to them.

Rather, we know it is so because Congress in 1973 enacted the original statute in order to protect independent businessmen and consumers from the economic power of the major oil companies.

But, as you will recall, at first the FEA simply allocated crude oil supplies without implementing the section of the act requiring "equitable prices."

As a result, by summer of 1974, the independent gasoline retailers who had not been put out of business by a cutoff of crude before enactment of the statute, were being forced to strangle themselves by selling gasoline at up to 10 cents a gallon more than major brand stations, because the only crude the majors would sell independents was high-priced foreign oil.

In fact, the situation was so bad that on July 30 last year, 27 colleagues joined me in calling on FEA head John Sawhill to hurriedly begin equitable allocation of the low-priced domestic crude to independent refiners.

Mr. President, today we are asked to believe that somehow over the past 14 months this situation has changed, that the majors do not have the economic power to hold down the price of their gas while independents are forced to raise theirs to cover higher crude costs. If that happens—and ironically the majors can do this by complying with the President's wishes—the result will be to drive independents out of business.

The irony is that administration officials, who are saying this is a competitive industry that should be decontrolled, apparently do not believe it either.

If they did, why would they float promises that "something will be done" to protect independent refiners under decontrol and "something will be done" to protect independent retailers?

If this were a competitive industry, such "somethings" would not be necessary.

But the administration is right about one thing: Without these "somethings," these independent businessmen would be out of business, because there is no competition out there to protect them—or their customers.

Mr. President, we do have the "somethings" in the way of protection for the independents in the act Congress voted to extend. It is not perfect, but it does have the advantage of being in place and of having had many kinks already ironed out.

It makes sense then to keep that which protects both independent businessmen, competition and consumers until we have a replacement in fact rather than in rhetoric. In my book, the something better is not more regulation—but more competition. Therefore, let us vote to continue the protection we have for another 6 months, and see if we find ways to interject the protection of competition into this industry.

Mr. President, I ask unanimous consent that the letter I mentioned, signed by 28 Senators, and an ad on the subject by independent refiners, be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

From the Office of Senate Antitrust and Monopoly Subcommittee

Twenty-eight Senators, led by Senator Philip A. Hart (D-Mich) have called on the Federal Energy Administration to give independent refiners a crack at some low-price oil now generally in the hands of the major oil companies.

In a letter to John Sawhill, administrator of FEA, the Senators explained that there is enough "price-controlled" oil to handle about 40 percent of the needs of all domestic refiners. The price-controlled oil costs about $5 to $7 a barrel less than the noncontrolled oil.

"Refiners have access to this controlled oil in varying degrees, but it is largely in the hands of major oil companies," they wrote. "Independent refiners' feedstocks consist disproportionately of nonprice-controlled oil, ranging as high as almost 100% in some Northern Tier areas dependent upon Canadian crude.

"Because of this disparity, independents are finding it necessary to charge five to ten cents more per gallon for gasoline than major oil companies."

Hart and the other Senators proposed allocating the low-cost oil through a ticket allocation plan—which would guarantee each refiner—independent and major—about 40% of his run in low-cost oil

The allocation tickets—or "entitlements"—could be bought and sold by refiners much like oil import quota tickets used to be.

The Senators pointed out to Sawhill that in passing the Emergency Petroleum Allocation Act of 1973, Congress specifically stated that any allocation program was to:

"preserve the competitive viability of independent refiners, small refiners, and nonbranded and branded independent marketers."

This requirement has not been met, the Senators told Sawhill.

July 30, 1974.

Mr. John C. Sawhill,
Administrator, Federal Energy Administration, Washington, D.C.

Dear Mr. Sawhill: Several months ago, when petroleum products were in short supply, the issue of competitive pricing for these products was largely overshadowed by the issue of supply itself. Consumers, experiencing hardships in obtaining products, were willing to pay almost any price for them. Now that petroleum products are more readily available, consumers are once again making purchases on the basis of price considerations. Unfortunately, however, a disparity in crude oil prices, resulting from the Federal Energy Administration's policy of two-tiered pricing, is placing independent refiners and marketers at a distinct disadvantage as respects their major oil company competitors. Because of this disparity, independents are finding it necessary to charge five to ten cents more per gallon for gasoline than that charged by major oil companies. Obviously, this injures their competitive position in the marketplace.

In enacting the Emergency Petroleum Allocation Act of 1973, Congress specifically stated its intention that the regulations "provide for equitable distribution of crude oil and refined petroleum products at equitable prices among all regions and areas of the United States and sectors of the petroleum industry." The regulations were also "to preserve the competitive viability of independent refiners, small refiners, and nonbranded and branded independent marketers." In permitting the situation described above to continue, FEA is not fulfilling its responsibilities regarding this clear Congressional mandate to insure competitiveness in the oil industry.

The FEA reports that over 40% of total crude oil inputs to domestic refineries is price-controlled at a level averaging approximately $5.25/bbl., which is some $5–$7/bbl. lower than the cost of the remaining noncontrolled foreign and domestic crude. Refiners have access to this controlled oil in varying degrees, but it is largely in the hands of major oil companies. Independent refiners' feedstocks consist disproportionately of nonprice-controlled oil, ranging as high as almost 100% in some Northern Tier areas dependent upon Canadian crude. Obviously, some form of crude cost equalization is required to protect their competitive performance and insure equitable prices for all areas as required by the Emergency Petroleum Allocation Act.

Several proposals have been advanced to reduce this disparity of crude cost between independent refiners and major oil companies. Any workable proposal must equitably distribute the benefits of price-controlled oil with minimal disruption of supplier/purchaser relationships, and with little additional Federal involvement. A crude oil entitlements program such as was informally advanced by FEA seems to meet these requirements.

Through the device of entitlements, all refiners, regardless of size, would be given the opportunity to utilize a specified percentage of price-controlled "old oil." An adjustment favoring smaller refiners could be utilized to insure that they would be granted entitlements proportionately greater than the specified percentage. This adjustment would assist in limiting the number of small and independent refiners actually having to purchase entitlements.

Refiners who have a high proportion of nonprice-controlled crude oil to their total refining input would be able to sell their entitlements in order to reduce their weighted average composite crude costs. Conversely, refiners who have a high proportion of price-controlled crude oil would be obligated to purchase these entitlements in order to continue to process these feedstocks. The price at which entitlements would be sold would be based upon the difference between the uncontrolled oil price (including imported crude) and the controlled price. The net effect of these transactions would be to equalize crude oil prices among all domestic refiners and restore independent refiners and marketers to a price-competitive position.

We commend this proposal to your immediate attention, not only for the reason that it carries out the legislative purpose embodied in the Energy Petroleum Allocation Act, but also because of its basic simplicity. The attractiveness of this proposal is enhanced by the fact that it does not involve actual transfers of crude oil supplies, and therefore does not disrupt traditional supplier/purchaser relationships. In addition, this plan would involve little modification of the present crude oil allocation program currently administered by the FEA.

Sincerely,

Philip A. Hart, James S. Abourezk, Birch Bayh, Joseph R. Biden, Edward W. Brooke, Quentin N. Burdick, Clifford P. Case, Dick Clark, Marlow W. Cook, Robert P. Griffin, Floyd K. Haskell, Mark O. Hatfield, Walter D. Huddleston, Harold E. Hughes, Hubert H. Humphrey, Edward M. Kennedy, Thomas J. McIntyre, Warren G. Magnuson, Mike Mansfield, Charles McC. Mathias, Jr., Lee Metcalf, George McGovern, Walter F. Mondale, Frank E. Moss, Edmund S. Muskie, John O. Pastore, John V. Tunney, Harrison A. Williams.

Mr. WILLIAMS. Mr. President, today we are about to decide who will set the price of oil for the American public—the U.S. Government or the OPEC oil monopoly.

There is no question of "decontrol" before us today. It is a question of who will have control and who will set the burden on the consumer.

It is estimated that the inflationary

impact of letting the price of old oil rise will be $16.3 billion yearly for oil alone. If we consider the fact that natural gas and coal prices are related to the average price of all domestically consumed oil, the total jumps to more than $23 billion additional cost for consumers. Such increases would create intolerable burdens on the consumer.

Unless the Senate overrides President Ford's veto of the Emergency Petroleum Allocation Act, some 60 percent of our domestic crude oil production will be freed of controls and rise to the present monopoly price of over $13 a barrel. Those who would ask we sustain the President's veto have expended much effort to win supporters. The cumulative effect has been a barrage of confusing rhetoric and misinformation which avoids the real and immediate impact of decontrol.

If the administration wants to reduce consumption of oil products and reduce our dependence on imported oil, then I certainly agree with those goals. However, we will not accomplish them by suddenly decontrolling oil prices. That can only have a devastating impact on our economic recovery and aggravate inflation while worsening the depressed state of our economy. To encourage windfall profits under the guise of energy conservation and at the expense of every American is outrageous. Therefore, I urge a strong message to OPEC and our own people that this outrage will not be allowed. We will override this veto to protect our citizens and our Nation's ability to control its energy pricing policy.

Of particular concern is the direct relationship between rising fuel costs and food prices. As fuel prices increase, costs will rise for all segments of the food chain. Since food and fuel are major components of the Consumer Price Index, it is easy to see that another wave of inflation is imminent.

Even without oil decontrol, heating oil, electricity, and gasoline have continued to rise which automatically means higher prices for food as farm costs for fertilizer, fuel, and pesticides keep escalating. This process is amplified as these costs are compounded as food makes its way through the processing, transportation, refrigeration, wholesaling and retailing operations which all require large amounts of energy. It is clear that the hidden costs of decontrol will not remain hidden for very long.

The high-price energy approach to solving conservation problems is a guarantee for increasing levels of inflation and unemployment which we are now experiencing. Add to this the economic ripple effects and it is a simple matter to see why so many economists forecast a gloomy economic recovery. If we cannot control the ongoing increases of energy at home and fail to stabilize our economy at home, then we open the door for OPEC to continue establishing future energy pricing policies.

Apart from the certainty of higher energy prices, there is the probability that expiration of the allocation act will intensify economic pressures on independent refiners and marketers from the integrated oil companies that produce, transport, refine, and distribute petroleum. These independents, who have been competitors of the integrated companies in the past, lack the structure to absorb price increases. The major companies can afford to temporarily limit increases in refining and marketing because the loss will be compensated for by gains in crude oil production.

It should be painfully apparent that an energy price policy is being contrived which will create severe disruptions in our economic recovery. As consumers find themselves trapped between rising energy costs and a decreasing ability to offset the inflationary spiral, they turn to their elected representatives to oppose the actions of the administration which has fashioned these prices and policies. In their behalf, we should support the vote to override President Ford's veto of S. 1849.

Mr. EAGLETON. Mr. President, I will vote to override the President's veto of S. 1849, the Emergency Petroleum Allocation Act. I do not believe that decontrol of old oil prices will help us find a single barrel of new oil. In my opinion, the President's plan will serve only to swell the profits of major oil companies at the expense of the American consumer.

Let us not be misled into thinking that some sort of "windfall profits tax" would resolve this issue. It would not. All of the taxes that have been proposed so far are simply excise taxes, and if we oppose new taxes on gasoline then we should oppose new taxes on crude oil as well. Moreover, an excise tax does not differentiate between the producer of high-cost oil and the producer of low-cost oil. It would penalize the people we are trying to persuade to go out and find new oil.

Mr. President, I have read the President's veto message and his other statements in opposition to any continuation of the oil allocation program. Every argument made and every fact presented in those statements relates to the single question of price. But price is only one aspect of this program.

Just as important, in my view, is the allocation authority itself which assures every region of the country and every sector of the economy, a fair share of available fuel in event of shortages. That is why we established the allocation program in the first place and the need is still with us.

It began with the serious shortages that occurred during the winter of 1972–73 when thousands of businesses were forced to close because they were unable to obtain heating fuel. Schools and other municipal services were suspended for the same reason.

To help remedy the situation, I introduced the very first legislation to authorize allocation of petroleum products and that law became the basis for the present program. The problems that gave rise to that action are still with us and if anything will get worse in years ahead.

With the prospect of a serious gas shortage this winter, demand for substitute heating oil is going to be extremely high and shortages inevitably will occur. We must have a program in being to deal with them.

The allocation program goes further, however, than simply protecting the right of every American to adequate fuel for daily needs; it also requires oil suppliers to make that fuel available at equitable prices. Thus, a major oil company cannot sell crude oil to one refinery at $5 a barrel and charge another refinery in the same region $10 a barrel. Even more than control of overall price, the requirement that pricing be equitable is a basic protection for independent refiners, jobbers, and dealers.

Finally, Mr. President, I want to stress that the oil allocation act is the basis for controlling the price and distribution of propane gas which is critically important to rural Americans. Without this, these people would have no protection against the kind of black-market operations that occurred in 1972–73 when retail prices tripled overnight and one counted himself lucky to find propane even then.

In sum, Mr. President, there are many reasons for opposing the President's veto other than the much debated question of oil prices. Whatever is ultimately done on that issue, I believe we must retain the allocation part of the program and continue existing controls on the price and use of propane.

Mr. PACKWOOD. Mr. President, what we are voting on today will determine the future of our national energy debate. Decontrol is the keystone of our energy policy. The American people have indicated their support for decontrol as reflected by a recent Harris poll. Congress and the administration have reached a general consensus that a program of phased decontrol coupled with a windfall profits tax and adequate rebates to the American consumer is the best approach to this problem. The question then becomes one of timing: When will we get on to the business at hand?

Decontrol would do three things:

First. Increase domestic oil production—by about 1.4 million barrels per day by 1985—because much oil that now cannot be sold for what it costs to produce will come to the market;

Second. Curb U.S. oil demands because as prices rise, industrial, business and individual consumers will conserve oil and seek alternative fuels; and

Third. Decrease of oil imports as more domestic oil becomes available and demand abates.

An adequate windfall profits tax on oil producers could be used to pay for across-the-board rebates to consumers. We will have time to mitigate any adverse impacts on particular segments of society through additional legislation, such as insuring that there is an orderly transition from price controls for small, independent refiners and retail service station dealers.

Unfortunately, we are not voting on a compromise decontrol plan. To my way of thinking, we are voting to determine whether or not we will even consider a phased-in decontrol plan. Congress has the tendency to act only when pushed. A program of gradual decontrol could easily be enacted within 30 days. But, if the Emergency Petroleum Allocation Act is extended another 6 months, I predict no immeidate action on this problem. We will sit and dally ourselves into the middle of an election year when nothing will happen.

For these reasons, I will vote to support the President's veto of the 6-month extension, and if sustained, I will urge the adoption of a 45-day extension which I am cosponsoring. The President has already announced that he will accept this 45-day extension of the Allocation Act to allow adequate time for Congress to come up with some positive decontrol action. Mr. President, let us get on with it and stop these unnecessary, unproductive delays. It is time for Congress to act on decontrol.

Mr. BROOKE. Mr. President, it is with a sense of deep frustration that I cast my vote to override President Ford's veto of a 6-month extension of the Emergency Petroleum Allocation Act. From the moment the Congress disapproved the President's oil decontrol plan in July, I have pressed for the development of alternative energy policy proposals. Yet, the Nation still seems to be without leadership in the vitally important area of effective national energy programs. The time for action is long overdue.

The Democratic leadership has, so far, failed to offer any tough conservation standards or any reasonable fuel pricing policy. On the other hand, I cannot support the administration decontrol program. The estimated $28 billion inflationary shock to the economy would be too great. The 39-month phaseout period would be too short. The proposed final price ceiling of $13.45 would be unnecessarily high. In addition, the problem of oil pricing must not be separated in this manner from policy concerning the problem of natural gas pricing.

Mr. President, this issue must no longer be the victim of partisan political maneuvering. Therefore, I urge my colleagues to oppose the President's veto and then to turn at once to the business of formulating a tough, fair national energy policy.

We cannot allow this to take as long as 6 months. In fact, we need not even take 6 weeks. All of us know the issues and the options. It is time the Congress did the job we were elected to do. And I have no doubt that administration officials will deal openly and seriously with any reasonable suggestions we put forward.

I, myself, have long supported a particular set of policies which I would like to put forward once more for consideration.

First, we need an energy pricing policy which sets a ceiling price on domestic oil and new natural gas on a Btu equivalency basis. We must encourage oil and gas exploration. But we must protect ourselves from the pricing decisions of the OPEC cartel by establishing a fair maximum price. Legislation to accomplish this end has been drafted by Senator STEVENSON of Illinois as an amendment to S. 692. I am cosponsoring his bill, and I urge my colleagues to act promptly on this alternative energy pricing program when it comes before the Senate in the near future.

Second, we need a tough energy conservation policy to further reduce our dependence on both fuel imports and precious domestic resources. The Senate has already passed responsible legislation in the fields of automobile efficiency standards and strategic energy reserves. I trust stringent standards for energy conservation in buildings will soon become law. The Senate Finance Committee is currently working on tax incentives for conservation. I hope these will be limited and specific, as we need to direct our scarce resources without adding further loopholes to our already inconsistent and sometimes irrational tax system.

Since last winter, I have been urging the Congress to go beyond these measures and to enact a conservation tax on gasoline, which we so often use profligately, an excise tax on gas guzzling cars and a series of gradually increasing tariffs to encourage domestic production and refining.

These proposals are embodied in a package of legislation I presented to the Senate together with Senators PERCY and MATHIAS on July 15.

Finally, we must develop all our domestic resources intelligently. We must plan for controlled exploration of fossil fuels so that the environment of today is protected and the natural legacy of the future is assured. We must harness the combined genius of science and management so that alternative sources of energy are fully understood and made available to the public. These choices call for considered regulation and extensive financing. I am convinced that the Congress can assume responsibility for making these decisions now. The Nation has listened long enough to this important public debate. The time to choose is upon us.

OIL PRICE DECONTROL—IMPACT ON THE ECONOMY AND ON COMPETITION

Mr. McINTYRE. Mr. President, I shall vote to override the President's veto of the oil price control extension bill because I am deeply concerned that an abrupt end of the controls will result in a staggering blow to our economy, and a significant lessening of competition in the oil industry.

There have been numerous estimates made of the effect sudden and complete decontrol will have on our economy. Of course, no one can predict with certainty just how many jobs will be lost, just how much higher the rate of inflation will climb or just what gasoline or home heating oil will cost. But I am struck by the fact that all the estimates I have seen are gloomy. There is simply no question that a new rise in crude oil prices will not only directly result in increases in energy prices, but will also ripple through the entire economy at a time when we were just beginning to see some signs of recovery from the evils of inflation coupled with recession.

Let us look at some of those economic estimates:

The nonpartisan Congressional Budget Office, using the latest techniques of economic forecasting, terms sudden decontrol a "significant setback" for economic recovery and the battle against inflation. Their study, which even makes the assumption that the President would lift the $2 a barrel tariff on imported oil, thereby lessening the effects of decontrol, predicts the loss of 600,000 jobs by the end of 1977, a 4-percent rise in the wholesale price index, and a 20-percent decrease in the growth of our gross national product.

The House Commerce Committee Energy Subcommittee, after careful analysis, concludes that decontrol will result in a loss next year, of 640,000 jobs, a 2.7-percent increase in the Consumer Price Index, and such harmful ripple effects as a reduction in housing starts of 280,000 and an automobile sales decline of 950,000.

The Library of Congress, when requested to study the results of sudden decontrol, estimated a $40 billion inflationary contribution to the economy, coupled with a loss of 1.5 million jobs in 1976. Their study also predicts a 2.7-percent price rise next year, as a direct result of decontrol.

Finally, lest I be accused of using only Government figures, let me review the alarming analysis prepared by the Bankers Trust Co., one of the Nation's largest banks. In their Energy newsletter dated August 6, they conclude that if oil prices are allowed to rise quickly to the world price, the "impact on our economic recovery will be devastating and might not only delay the recovery, but could easily precipitate a worsening of the recession." The bank estimates a total cost to the economy of $35 billion, noting that this is 50 percent greater than the entire tax reduction passed by Congress earlier this year to stimulate the economy by returning purchasing power back to the consumers. As the bank's energy experts state: "Coupled with a moderate rise in the foreign price of oil, the sudden decontrol of old crude prices would next year transfer about $35 billion per annum away from consumers to energy producers, the Federal Government, and the OPEC nations."

Mr. President, in the face of such overwhelming economic evidence, how can we permit oil price controls to expire?

I realize, Mr. President, that President Ford does not desire sudden and total decontrol. He recognizes, as does the Congress, that the economic impact of such a move would be too devastating. But unfortunately, his veto of the bill to extend the controls will have that very effect we all wish to avoid. For it will leave the Nation without any price control authority until Congress and the President can come to an agreement on the form gradual decontrol should take.

Frankly, Mr. President, I do not know when such an agreement can be fashioned. I would hope that a compromise can be worked out as quickly as possible. A number of my colleagues and I have been actively searching for a middle ground for some time, but with little success. Several months ago I outlined a plan to President Ford's energy chief, Frank Zarb. Until a compromise can be reached, however, it makes more sense to continue the controls. If we lift controls before enacting a gradual phaseout, the political pressures and the pressures of special interests, especially "Big Oil," may result in a long period without controls. In such a time, Mr. President, the dire economic consequences outlined earlier may well come to pass. We simply cannot afford to take that risk.

I have said repeatedly that I look forward to the day when price controls are no longer needed in the oil industry. I would welcome a free market in oil if all the factors necessary for a free market existed. Unfortunately, there is no free market in the oil industry, and there will never be one as long as an international cartel sets artificial prices and as long as domestic oil companies continue to engage in noncompetitive activity.

I have been concerned for several years over the lack of competition in the oil industry, Mr. President, and I am afraid that a sudden end of price controls will result in an even greater concentration of economic power in a few giant oil companies. Many independent marketers and other small businesses which provide a degree of price competition in the industry may be put out of business.

Listen to the words of an oil industry executive, Robert Yancey, of Ashland Oil, Inc:

> Almost all the rapid price increases in petroleum prices seen by the consumer today originate in crude oil production. These increases are politically motivated, bearing no real relationships to the cost of finding and developing those crude resources. So long as such prospects for manipulation within the producing sector continue to exist, then some method must be devised, and devised quickly, to prevent transfer of profits from this highly volatile area to subsidize downstream operations, or there will soon be no semblance of competition in any area of this industry. Needless to say, independent refiners and marketers with none of their own crude supply cannot long endure under the circumstances such as I have outlined here today.

Mr. President, we cannot allow the independent segment of the oil industry to be driven out by the major oil companies.

Mr. BAYH. Mr. President, despite the President's persistent talk of "compromise" on the issue of oil prices, the fact is that his veto of the bill to extend the Mandatory Petroleum Allocation Act has delineated a basic issue on which we should not compromise. That issue is whether this Nation can withstand the devastating economic consequences of turning over to the oil exporting countries and to the fundamentally noncompetitive multinational oil companies the power to set the price of all oil produced in the United States.

To me the answer to that question is self-evident. I shall vote to override the President's veto, to maintain price controls on the 60 percent of domestic oil production now subject to controls at $5.25 a barrel. I hope fervently that my colleagues will adopt the same position in sufficient numbers to overturn the President's veto.

I shall explain the reasons for my vote more fully in a moment. But first I think it is necessary to recognize the true nature of the "compromise" the President is offering in an attempt to garner votes on this issue. His plan to end Federal price control on oil, albeit phased decontrol, offers American consumers and industry no protection against the predatory pricing policies of the Organization of Petroleum Exporting Countries. His "compromise" is not on the basic issue at stake, whether or not there should continue to be Federal controls on domestic oil. No, if we compromise with the President then he, and the OPEC nations, and the oil companies, will have won this battle. For in the end they will realize their goal and the enormous profits that will flow from decontrol, whether sudden or phased.

The painful economic consequences of decontrol certainly will be stretched out over a longer period of time if the President succeeds in winning his "compromise," than if we have sudden decontrol. But I seriously doubt those who will be the principal victims of soaring energy prices—working men and women, small businessmen, people who can least afford it—will find much solace in the President's plan to administer his economic poison slowly, rather than in a single large dose.

Now let me explain specifically why I feel so strongly that the President's veto should be overridden.

Under no circumstances should this Nation tolerate a situation in which the price of domestic oil is effectively set by the Organization of Petroleum Exporting Countries—OPEC.

Already approximately 40 percent of the oil produced in the United States is priced at more than $13 a barrel, or four times the price of oil just 2 years ago. This so-called uncontrolled sector of the domestic oil industry is not uncontrolled at all; the price of this oil is established by the landed price of imported oil. It is not—and I repeat, not—the free market price of oil. Rather it is the price set by the most effective international cartel in history.

This problem is further exacerbated by the fact that the domestic oil industry, because of intense concentration and vertical integration, is itself basically noncompetitive. Free market forces that are absent in the oil market abroad are equally absent here at home.

If we permit that portion of domestic oil production now subject to price control at $5.25 a barrel to be "decontrolled," we would not achieve true decontrol. Instead, we would be turning over to the OPEC cartel the power to control the price of domestic oil. In doing so we would initiate a fresh round of major inflationary pressure and, at the same time, make it exceedingly difficult to recover from our worst recession since the Great Depression by robbing American industries and consumers of billions of dollars in purchasing power.

Mr. President, a crucial point that is missing in defense of the President's proposal is whether or not we need permit any rise in the price of the oil now being sold at $5.25 a barrel.

This so-called old oil, now selling for $5.25 a barrel, was in production prior to 1973, when it sold for close to $3 a barrel. By the end of 1973 the price of that oil, while under the Federal controls, had been permitted to rise to $5.25 a barrel despite the absence of a comparable increase in production costs. Mr. President, this is not oil that was found and developed after the rampant inflation of the past 30 months. It is not oil whose production was associated with the sharp price increase in drilling equipment. Indeed, the General Accounting Office long ago reported to the Congress that increased production costs did not justify the administration's decision to increase the price of "old" oil from $4.25 a barrel to $5.25 a barrel in December of 1973.

Because the cost of producing "old" oil has not increased significantly, to allow its price to rise even over an extended period of time—would provide a huge windfall to the major oil companies which produce the vast majority of this oil. This would entail a remarkable transfer of income from American consumers and industry to the multinational oil companies. The consequences of such an oil price rise and income transfer would be disastrous.

First, there is solid evidence of the relative inelasticity of the demand for refined petroleum products; an increase in price has little effect, in the short term, on demand. What a price rise does do, however, is increase the price of essentials such as gasoline and home heating oil, as well as countless other products that are made in whole or in part from derivatives of oil. The direct and indirect price increases resulting from the President's plan would exceed $10 billion next year alone, and by the end of the decontrol period the increase in all prices—including other energy sources—would be at an annual rate of more than $50 billion in 1975 dollars. It is painfully obvious that such price increase would stir a new round of inflation.

Second, even while stirring major inflation, a sharp rise in oil prices, especially in the 60 percent of domestic oil now priced at $5.25, would make it extremely difficult to achieve the kind of economic recovery required in response to our present recession. To understand the recessionary impact of a sharp rise in oil prices we need look no further than our experience in the past 2 years, when the price of imported and uncontrolled domestic oil soared upward.

Charles Schultze, the respected economist, has estimated that that round of oil price increases sapped $35 billion in purchasing power from the economy and was thus a primary cause of our present recession. In other words, since the demand for oil is relatively inelastic, consumers do not respond to higher oil prices by buying fewer refined petroleum products; rather, they continue to buy oil products at the higher price, and are left with significantly less disposable income to spend on other consumer goods and services.

Looked at another way, if the President's decontrol plan is permitted to go into effect it will reduce the purchasing power of the American people for nonpetroleum products by an amount close to the antirecessionary individual tax cut now in effect. We would have to extend that tax cut through 1976 merely to offset the reduced purchasing power resulting from increased oil prices, and would then have to provide an adequate stimulus to the economy. Otherwise, we will face many months of unemployment at outrageous levels in excess of 8 percent. Otherwise, we will continue to face huge gaps between our actual and potential GNP, with far too much of our productive capacity idle for far too long.

It is equally tragic that the administration is so insensitive to the human costs of recession and so ready and willing to perpetuate that recession in order to increase oil prices.

Earlier, Mr. President, I said that the essence of the issue is whether we need permit any increase, whether phased or sudden, in the price of old oil. I think it is clear that it is neither necessary nor wise to follow that course.

Mr. President, for the foregoing reasons I shall vote to override the President's veto and urge my colleagues to join me in this important vote, lest we open the door for a deepening recession and rising inflation.

UNITED STATES NEEDS THE OIL ALLOCATION ACT

Mr. HUMPHREY. Mr. President, the Senate faces today the question of whether to override the President's veto of S. 1849 which provides a 6-month extension of the Emergency Petroleum Allocation Act. I have concluded that the vital interests of the Nation require that Congress override this veto, and I shall vote accordingly. Let me outline briefly my reasons for this decision.

First, it is now clear that the great oil price revolution of 1973—and we can truly call it that—has played an important role in causing our present prolonged recession, despite the fact that partial price controls on oil and gas have blunted its effect. Various studies show that a sizable portion of the huge increase in unemployment since late 1973 is directly traceable to the disruption caused by energy price increases. At a time like this when our economy remains deeply depressed, it is incomprehensible to subject it to another harsh energy price shock.

Second, decontrol of domestic oil prices now would increase our economic vulnerability to OPEC price boosts by freeing presently controlled domestic oil prices to follow them. Whatever price hike OPEC imposes in October, decontrol would make its impact on the U.S. economy about two-thirds greater. The administration has told the foreign oil producers that another substantial price increase would endanger the economic recovery of the world. Why then does the President wish to aggravate the impact of such a blow through domestic price decontrol?

Third, the administration's high price oil policy has proven itself ineffective in achieving our national goals. Oil product prices already have increased by some 50 percent since late 1973, but we continue to consume and import as much as ever despite the depressed economy. According to the Federal Energy Administration itself, immediate decontrol, even with the tariff removed, would cut oil imports in 1977 by about 700,000 barrels per day or only 10 percent. Is this energy independence? Is a 10-percent reduction in imports worth paying over $40 billion per year for? At this rate, these import savings would cost Americans $156 per barrel. I say that a carefully formulated program of conservation and enhanced production, such as Congress is now formulating, can yield greater results at much less cost. Just think what we could achieve if we put $40 billion per year into the development of electric cars, solar and wind energy technology and improved coal mining and coal burning technology, instead of adopting the President's approach of simply bludgeoning the consumer with higher bills for everything containing energy and then letting nature take its course.

Fourth, I believe it is vital to override this veto because the ramifications of oil decontrol will drastically increase the already massive Federal budget deficit. If consumers are hit with some $40 billion in increased bills from decontrol and OPEC actions, it will be necessary to pass an equivalent tax cut immediately in an attempt to offset the deflationary consequences of this loss in consumer purchasing power. But the windfall profits taxes discussed thus far, for instance the one proposed by the Senate Finance Committee, would collect only some $11 to $13 billion in new taxes from the windfall on crude oil, including the increase in regular corporate income tax collections. Unless this tax is revamped to collect a great deal more, we would be looking at an addition to the Federal deficit in excess of $25 billion for the needed tax cut. It should be noted that five-sixths of this loss in purchasing power will be traceable to decontrol and only one-sixth to OPEC.

Fifth, we cannot permit price controls and allocation authority for propane and heating fuel to lapse at a time when we face a winter season with a very serious shortage of natural gas. In my part of the country, citizens—especially residents of rural areas—are very apprehensive about getting enough propane for essential heating and industrial purposes. And for good reason. With the expiration of the Allocation Act, gas utilities and large industrial users are preparing to buy and hoard available supplies of propane at any price to see them through the winter. Furthermore, the Canadian cutback of crude oil exports to the upper Midwest confronts the region with a longer term prospect of oil product shortages. We cannot wait to see whether the winter will be a harsh one. Controls must not be allowed to lapse, and fair allocation of scarce fuel must continue. In this connection, I might add, the State set-aside program under the Allocation Act has been very useful in my State for overcoming bottlenecks in supply of all fuels, especially in the rural areas, but this element of local discretion and flexibility also would be lost if the act expires.

Sixth, a sharp rise in the price of crude oil traded within the oil industry, whether accompanied right away by corresponding product price increases or not, will eliminate some crude-deficient refiners and independent marketers from the industry and severely sap the competitive strength of those remaining. Whether or not the major companies show restraint on product prices, they will show no restraint in pricing crude oil to their competitors. This shift of financial power within the industry will place it to an even greater extent under the control of the major crude producers. Such a development is contrary to our national policy of maintaining effective competition and preserving a place for smaller, independent competitors in all phases of industry and commerce.

Mr. President, decontrol will deliver a staggering blow to our economy—a blow perhaps sufficient to stop our recovery. Study after study by the Congressional Budget Office, by economists testifying before the Interior Committee and the Joint Economic Committee, by DRI economic forecasters, by Wharton forecasters, by Chase Econometrics, and by the JEC staff all reach the same conclusions: oil decontrol will raise inflation by 2 or 3 percent; it will severely retard our tenuous economic expansion, and it will push at least 400,000 working men and women out of a job.

This is not idle speculation.

Decontrol could well mean a 7-cent-per-gallon rise in gasoline prices—a rise which may occur before Halloween.

Decontrol will give our domestic oil producers a price of $13.50 or so for each barrel of oil—when the administration's own studies by the FEA reveal that a price of $9 would yield the same level of oil production.

Decontrol means we will be assured of yet another year of nearly double-digit inflation—and decontrol will mean yet another year of falling real take-home pay for workers, who were better off in 1970 than they are today.

The picture I have painted is a sorry one. But it's a picture we can repaint by voting to override the President's veto.

And I urge all my colleagues to do just that and thereby avoid putting the future course of our economy and our energy price policy at the mercy of the OPEC nations.

Mr. RIBICOFF. Mr. President, I fully support S. 1849, continuing price controls over 60 percent of our domestic oil. Because this legislation is clearly necessary, I will vote today for its enactment, despite the President's veto. I will vote to override the President's veto.

The legislation is necessary to protect

the American economy from massive price increases that would lead to even greater unemployment, and even greater inflation.

It is necessary to protect the citizens of my State and other States who are especially dependent on oil. These people have already seen their fuel budgets rise much faster than the national average. They cannot afford to pay any more to heat their homes or light their buildings.

It is necessary to prevent the major oil companies from reaping windfall profits, and to protect the independents who may otherwise be driven out of business.

It is necessary to prevent OPEC from dictating to the American public what it must pay for 60 percent of its domestic oil.

The Congressional Budget Office study released on Monday by the chairman of the Senate Budget Committee estimates that immediate price decontrol will eventually result in the consumer paying 7 cents more for every gallon of petroleum products he buys, assuming removal of the $2 tariff on imports and an OPEC price rise of only $1.50 over the next 2 years.

The Congressional Budget Office also estimates that decontrol would increase wholesale prices nearly 4 percent by the end of 1977, and add just under 1 percent to the 1975 inflation rate. By the end of 1977 it would cause an additional 600,000 people to go without a job.

The Library of Congress has estimated the total cost of the price rise, including the effect on the price of other fuels, and the indirect or ripple effect on the price of other goods. Even assuming no OPEC price rises in addition to removal of the $2 tariff, it concludes that immediate price decontrol will cost the public an additional $37.1 billion a year in higher bills for fuel, for food, for medicine, and for innumerable other goods and services. This means an added annual cost to the budget of every family in America of around $675.

Other private experts have prepared other estimates. These estimates may vary in detail, but they suggest the same conclusion. Immediate price decontrol would cause very serious injury to the economy.

Such massive price rises will be especially hard on my State of Connecticut and the other New England States, since New Englanders rely on petroleum products for almost twice as much of their energy as the Nation as a whole.

New England has already seen its fuel costs rise 139 percent in 1974, compared to only 40 percent in the country as a whole. Its utilities already pay twice as much for its fuel as other sections of the country. At the same time, Connecticut and the rest of New England have already reduced their use of heating oil and residual oil by much more than the national average. People cannot reduce their use of fuel much more and still stay warm. Higher prices will force great sacrifices in my State, more unemployment, and more economic hardships. But it will not mean reduced consumption.

Immediate price decontrol will have other harmful consequences as well. The price of decontrolled old oil will quickly rise to the world price. Since this is set by a price-fixing oil cartel, decontrol will place American consumers more than ever at the mercy of OPEC.

Decontrol will mean vast new profits for the oil industry. A few major firms will thus add billions of dollars to their already large profits, while the position of the independents, who are dependent on the majors for their oil, may be priced out of the market. The fewer the independents, the more concentrated and less competitive the oil industry will become.

The high cost of decontrol cannot possibly be justified by its likely benefits.

Price decontrol will not necessarily increase the production of domestic oil. Oil prices are today over twice as high as they were less than 3 years ago. Forty percent of domestic oil is not now subject to price control. Yet production of uncontrolled domestic oil actually fell last year by over 600,000 barrels a day. Sharply higher prices may reduce consumption somewhat, but hardly enough to justify the high cost of a sudden price decontrol. By the Federal Energy Administration's own estimates, complete price decontrol will only cut imports by about 363,000 barrels a day.

There are other, less expensive, and less damaging, ways to reduce consumption and to start the country toward energy independence. The Senate has already passed many elements of the congressional program for economic recovery and energy sufficiency originally proposed last February by task forces organized by the majority leader of the Senate and the Speaker of the House.

When fully enacted, the congressional program will by 1985 reduce the Nation's reliance on imports for its energy from the present level of 20 percent to less than 10 percent. At the same time, the program avoids the sudden and massive price increases that immediate price decontrol would cause.

Instead, the program places greater reliance on direct mandatory conservation measures as a far surer, fairer, and less economically damaging way of insuring savings. The Senate, for example, has already passed a bill mandating a 50-percent improvement in auto fuel efficiency by 1980, and a 100-percent improvement by 1985. If we just increased new car efficiency to 22 miles to the gallon we would save 1.8 million barrels of oil a day by that step alone.

Until the constructive plan proposed by the Democrats in Congress has been given a chance, and shown wanting, I am not ready to concede that sky-high prices are the only answer to our energy problems. I do not believe we need to price Americans out of the energy market to solve our energy problems. There are other, more constructive policies this country can adopt to save energy.

I hope the Senate will vote today to enact this vital legislation into law and override the President's veto.

Mr. THURMOND. Mr. President, at 3 p.m. I shall vote to sustain President Ford's veto of the Emergency Petroleum Allocation Act extension. I am convinced the only way to persuade Congress to seriously consider a national energy policy is to sustain this veto.

Mr. President, only through deregulation can domestic supplies be encouraged to develop to the point of surplus, thus freeing us from dependence upon OPEC oil and causing a decline in domestic oil prices due to increased supplies. There is no way to regulate domestic energy prices and free ourselves from increased dependency upon imported petroleum at the same time.

In recent years domestic energy production has decreased significantly while energy demand has risen sharply and is expected to continue to increase. If there is no decontrol, this Nation will continue to rely upon insecure sources for energy supplies. Continued reliance on imported crude oil only tightens the rein OPEC countries have recently obtained. This reliance is a severe threat to our national security and leaves us susceptible to the economic problems which would be inherent in another oil embargo.

President Ford has made every effort to move forward with a bold National energy policy. Beginning with his state of the Union message in which he proposed far-reaching measures for the solution to America's energy woes, he has exhibited the patience of Job in dealing with a Congress which has refused to cooperate with him. Congress has made little progress in developing a comprehensive energy program or in giving the President the authority he needs to implement his proposed program. Recently, the President proposed a 39-month phaseout of domestic oil controls. Unfortunately, the House of Representatives rejected this proposal out of hand. As a result of the refusal of Congress to consider a reasonable compromise proposal, President Ford had no choice but to veto the extension of the controls on domestic oil.

If the controls are extended for an additional 6 months there is no guarantee that Congress will address itself to the energy problem during the next 6 months with any more fervor than before. In order to help Congress with this problem, President Ford has indicated he will support a 45-day extension of price controls if his veto is sustained. I support this idea. Forty-five days is sufficient time for Congress and the President to agree upon a fair, comprehensive, decontrol plan which will be in the best interests of all the citizens of our country.

Mr. President, I have been concerned about the effect of decontrol on the independent suppliers and jobbers in my State and across the country. I have been assured by Frank Zarb, chairman of the Federal Energy Administration, that independent suppliers and jobbers will be protected against unwarranted actions by the major oil companies.

Mr. President, this Nation cannot afford to wait indefinitely for a comprehensive energy program. Immediate action is needed to reduce demand and develop new energy supplies. This Nation cannot afford to be shortsighted on energy. If we are shortsighted, we will be short of supply. I urge my colleagues to support the President's veto and to enact a reasonable phased decontrol plan which will meet America's long-term energy needs.

I ask unanimous consent that a memorandum prepared by the White House staff on the need for decontrol of oil prices be printed in the Record.

There being no objection, the memorandum was ordered to be printed in the Record, as follows:

Need for Decontrol

WHY ACT NOW?

Since price controls on domestic oil were imposed in 1971, there has been a four-fold increase in world oil prices. As a result the U.S. paid foreign oil producing nations $25 billion in 1974 compared to about $3 billion in 1973—a seven-fold increase. This not only represents an outflow of U.S. dollars, but could support one million more badly needed jobs for American workers.

Since controls were established in 1971, our imports of oil have almost doubled. Further, in the last two years domestic crude oil production has dropped almost one million barrels per day and will continue to decline.

The last embargo caused a GNP loss of $15 billion and threw hundreds of thousands of Americans out of work.

In two years, with no action on this issue, imports from vulnerable sources could double. An embargo then could result in another one million American jobs in jeopardy.

Decontrol of domestic oil will start this nation in a new direction that will restore jobs, security, and eventually free this country from the yoke of the foreign oil producers.

Action on decontrol has been delayed for too long already. The President has already submitted several compromise proposals and has gone more than half way towards decontrol. Each has been rejected, but the Congress has offered no positive program of its own.

Unless the veto of the 6-month extension is sustained action will be stalled until after the 1976 elections. We must get on with reducing our import vulnerability now.

If the veto is sustained, and the Congress wants to compromise and enact a program like the President's 39-month decontrol plan, the President will sign a 45-day extension of the EPPA.

EFFECTS OF DECONTROL

Decontrol, even with removal of current import fees, will reduce imports by about 700,000 barrels per day by 1977. Higher energy prices have been documented to reduce demand.

Decontrol will provide an incentive for the use of increased high-cost recovery techniques in currently declining fields. These advanced recovery techniques would not be economic at $5.25 per barrel controlled prices, but could add about 1.4 million barrels per day of production by 1985.

Decontrol would remove a complex and burdensome regulatory program which was enacted to deal with an embargo and is unwarranted now.

ECONOMIC IMPACTS

If a compromise cannot be reached and complete decontrol continues, the President will take several actions to ease the transition.

The President will remove the current $2.00 import fee on crude oil and $.60 fee on petroleum products when his veto is sustained. This action will keep the average petroleum product price increase to about three cents per gallon.

Further, the President will take steps to ease the following potential problems:

He will ask for authority to allocate propane at reasonable prices to farmers, rural households, and other historical users.

He will seek authority to allow retail dealers to challenge in court any unfair practices by major oil companies.

He will request legislation to provide an incentive for small and independent refiners equal to their current benefits under the entitlement program, which gradually phases out.

The President will continue to press for a windfall profits tax on the oil industry with rebates of the revenues collected to the American consumer.

Mr. HRUSKA. Mr. President, President Ford has my support in his stand on oil decontrol. The President sent his legislative proposals on energy to Congress last January 30, 1975. In all the time that has passed since that date the Congress, contrary to the assurances of the Democratic leadership, has not been able to agree on an energy program. The majority has continually pleaded for another 3 months or another 6 months of delay to give it time to come up with some workable energy plan. But at the end of these periods there is still no program.

President Ford has made every effort to cooperate with the Congress in arriving at a solution to our energy problems. At congressional urging he has delayed placing tariffs on oil imports even though this Nation has continued to become more and more dependent on foreign oil. In July, the President not once, but twice, offered the Congress plans for phased decontrol of domestic crude oil. In both cases, the Congress refused to go along without even offering a substitute plan. Yet, since last January, when the President communicated his proposals to the Congress, production from domestic oil wells has continued to fall while imports have continued to increase. Mr. President, this Congress continues to insist on extending controls which discourage our own crude oil output. As a result, we are becoming more and more dependent on the Arab-dominated OPEC cartel. This greater dependency is an outright subsidy to the cartel producers at the expense of our own national security. The laws of economics, which cannot be repealed, tell us that this dependency on OPEC can only increase if we continue with controls.

The record is clear. The Democratic majority in the Congress has not been able to agree on a responsible energy program—an energy program that will encourage conservation, promote domestic production, and begin reducing our dangerous dependence on foreign oil imports. There is no real prospect that the Congress will ever agree on an energy program. The longer we delay, the worse our position becomes. It is therefore the intention of this Senator to vote for upholding the President's veto on S. 1849.

I will, however, support S. 2299, which will extend controls for another 45 days, so that the Congress will have yet one more chance to come up with a coordinated energy plan for this country. The record does not offer much hope, however, that the Democratic majorities in Congress will now be able to agree on a responsible energy program when they were unable to do so within the past 8 months. But I believe it is willing to try one more time. If this extra time does not produce agreement on a sound energy program, a program that will reduce rather than increase our dependency on the OPEC cartel as we are now doing, it will then be abundantly clear to the American people that the Congress is simply incapable of coming to a solution no matter how much time it has. Further delay cannot be tolerated.

OIL DECONTROL

Mr. HATFIELD. Mr. President, in 1973, the Arab members of the Organization of Petroleum Exporting Countries—OPEC—instituted an oil embargo against the United States, making an already tight U.S. supply situation even tighter. As inventories dried up and shortages began to appear, it became clear that the independent sector of the oil industry was threatened with extinction, and Congress passed the Emergency Petroleum Allocation Act to prevent widespread closure of small oil businesses. At that time, economic controls were still in effect generally, under authority of the Economic Stabilization Act, but that authority expired in 1974 for all services and commodities except oil. A clause in the Allocation Act provided for continued price control of petroleum and petroleum products.

Today we are still allocating petroleum—assigning suppliers to customers—and controlling its price under the Emergency Act, even though the shortages that required such allocation have long since disappeared. The petroleum marketplace is still locked into the straightjacket we put it in back in 1973, and the longer this freeze is in effect, the more distorted the marketplace will become as it fails to react to our changing energy requirements. We saw this kind of distortion occur with many other industries during the wage and price controls of the Nixon administration. The windfall profit created by the quadrupling of the price of OPEC oil was a temporary phenomenon, and any future windfall—if domestic crude oil is decontrolled—could be recaptured by appropriate tax legislation.

It is time that we begin to phase out controls. I supported the President's proposals for 2½- to 3½-year phaseouts, coupled with careful monitoring of the impacts in the marketplace and with ceilings that can be employed to see that the inflationary impact is minimized. Congress, however, has repeatedly rejected these gradual decontrol schemes, and the President, in turn, has vetoed a 6-month extension of the Emergency Petroleum Allocation Act. I voted to sustain this veto, but supported a 45-day extension of the act in order that there might be one more opportunity to work out a program for oil that is mutually acceptable.

If, in 45 days, the Congress does not accept some kind of program for ending the controls gradually, I will support another veto, this time without another 45-day *reprieve* waiting in the wings. The major concern of the Congress in the matter of decontrol should be the survival of the independent sector of the petroleum industry, for it they remain viable businesses their competition with the major oil corporations will work to keep prices in line, as they have in the past. Further, among the majors, those with extensive onshore domestic production of crude oil will probably use their cost advantage over those which rely more heavily on imported and offshore — Outer Continental Shelf — oil, which should add competitive stimulus. Finally, a close watch of the profits of the majors, and legislative action if they are out of line is a key to acceptable decontrol. Right now, the industry profits, expressed as percentage return on investment, are back to preembargo levels—about at the average for all U.S. manufacturing.

In closing, I would add that I continue to have serious questions about conditions in the petroleum industry. Over the past months, I have introduced legislation to stop the drift toward greater and greater concentration of control over this sector of our economy in the hands of fewer and fewer companies. It is time Congress attended to insuring the free market remains free, and I feel it is coming down to either new antitrust legislation or future Federal controls. This is true not only in the oil industry, but in other industries where cooperative arrangements or sheer individual economic clout work to frustrate healthy competitive free enterprise.

Mr. KENNEDY. Mr. President, an override of the President's veto of an extension of oil price controls is essential if we intend to spur economic recovery without engendering a new wave of double-digit inflation.

The veto of the 6-month extension bill represents acceptance of total decontrol of all domestic oil prices. And that should not be surprising since it is precisely the position advocated by the President in his state of the Union message.

It is precisely the position advocated by the major oil companies that control substantial amounts of old oil. Unfortunately, it also is precisely the policy that will hit the Nation's economy with a $40 billion energy shock.

The high price—high tariff policy espoused by the administration is the wrong economic policy for a country with 8 million men and women unemployed and it is the wrong energy policy for America as well.

It is the right energy policy only for the major oil companies who would reap nearly $75 billion in windfall profits from decontrol between 1976 and 1980, according to the Library of Congress.

The President's veto means open season on the American consumer and on the American economy for the major oil companies. They may wait a day or a month or a year, but ultimately they will send prices right to the cartel-set world price. And the veto gives that OPEC cartel the power to set U.S. domestic oil prices. It also means that any price hike imposed by OPEC will have a 60 percent greater impact on the U.S. energy bill than if old oil remained controlled.

Instead of taking away power from OPEC to affect our economy, the President's veto gives them the ability to determine the price of every barrel of oil produced in the United States.

The President's veto rejects the recommendations of economists, consumers, farmers, and the small independent sector of the oil industry. Ask the elderly of Massachusetts what their most critical problem is and they will say that it is inflation in the most essential items of their budget—in heat, in food, in electricity.

And this veto assures even higher prices for these items.

If the administration is concerned about arresting inflation, does it not make more sense to try and hold down the rising level of fuel prices and food prices, rather than veto an education appropriations bill or a jobs bill? Does it not make more sense not to hit the Nation's economy with a $40 billion energy shock with decontrol if you really are concerned about inflation?

And, if the administration is really concerned about jobs, does it not make more sense to spend money for job programs and for vital public works programs such as rehabilitating our railroads, instead of forcing the Nation to spend $40 billion more on energy?

Without tariffs, I repeat, even without tariffs—the Library of Congress estimated that the $40 billion added energy cost of decontrol would produce another 2.7-percent hike in prices and cost approximately 1 million additional jobs.

Similar consequences have been cited by the Joint Economic Committee, the Congressional Budget Office. House and Senate Committees, the United Auto Workers, the AFL–CIO, and virtually every other outside witness.

The Library of Congress made its estimate not solely by using the available Data Resource, Inc., computer models and projecting future estimates. They also analyzed what in fact had occurred to energy and other prices in the 21 months from October 1973 to July 1975. And they found several discrepancies in the FEA estimates of the impact of decontrol.

First, coal and unregulated natural gas prices followed the lead of oil rising substantially over the time period studied. Second, there was in fact a 90-percent ripple as the added $51 billion in energy costs—nearly 70 percent caused by administration removal of controls on new oil, administration hikes in the price of old oil to $5.25 a barrel, and administration tariffs—produced a $45.5 billion increase in the cost of other goods and services.

And so, using the same analysis, the Library found that contrary to the FEA estimates the actual cost of decontrol will be some $21 billion in added direct energy costs and some $19 billion in added indirect costs.

It will mean some $200 more for fuel and fuel-related costs for every individual and nearly $800 for every family of four in Massachusetts and in the Nation.

Our economy cannot afford this shock. Our industries cannot afford this shock. I strongly urge that this veto be overridden.

DECONTROL OFFERS DISASTER

Mr. McGOVERN. Mr. President the vote on overriding President Ford's veto of oil price controls will be among the most important we will ever cast.

In his short time there Mr. Ford has transformed the White House into a veritable veto factory in his effort to dismantle people-oriented programs. Now he has used it again in an effort to sweeten the treasuries of monopoly, at the expense of ordinary people.

He claims this will help secure more oil. This is nonsense. The oil companies got a windfall of $90 billion more in sales over the past year, on smaller volume than the year before. Yet production went down. Now we are supposed to authorize billions more in blackmail payments, by giving the oil companies a wide open license to raid consumer's pockets. Again, blackmail will only bleed those who pay.

We have all noticed President Ford's efforts to identify with a distinguished predecessor, Harry Truman. This issue makes such poses an ultimate profanity against Mr. Truman's memory. I can imagine what he might say about it if he had the chance. But I cannot say it on the Senate floor.

Surely we must recognize that the monopoly power of the oil industry is an overriding reason why Mr. Ford has been able to deliver record unemployment and record inflation at the same time. And decontrol is a way to aggravate both problems still more. It will throw more people out of work, and it will also add more to the price of virtually everything we buy.

Of course Mr. Ford will have an answer to that. He will point to inflation and veto more bills for people. That is the disgraceful cycle he wants us on.

Congress is under pressure to come up with an energy policy. Well, this is the biggest energy policy decision we have yet had before us. It will shape energy policy for years to come. Instead of producing more, which would destroy the scarcity policy that makes them rich, the oil companies will use their inflated revenues to buy up other energy sources, to tighten their grip on a commodity we cannot do without. Then will come decontrol on natural gas, and then BTU pricing will bring coal up just as high. This veto is the beginning of a major policy decision to abandon the energy field and to let the public interest come last.

I cannot believe the Senate will go along with such an irresponsible scheme. I hope we will overturn this worst of Mr. Ford's many vetoes, and get on with the development of the kind of energy program the American people deserve—one that will secure the supplies we need at costs that are fair, and will end the strangulation of our economy by a few industrial giants.

Mr. TAFT. Mr. President, the vote we cast today on the motion to override the President's veto of the Emergency Petroleum Allocation Act of 1973 poses very serious questions on both sides of this complex issue.

Philosophically, I agree with the proposition that we must move toward phased deregulation of oil over 39 months or more. Only by having the U.S. oil price reflect the world level will we be in a position to provide the incentives for increased U.S. exploration and deal effectively with the OPEC nations.

On the other hand, we face a critical question of runaway inflation. The most recent figures bring us once again near to double digit inflation. The average, middle income American simply cannot stand a renewal of our inflation rate of last year. Our oil policy must take the effect on inflation into account.

There can be no doubt that the best possible course of action would be for such a phased deregulation. I have cosponsored the legislation for a 45-day extension of controls to allow the Congress to once again come up with a compromise phaseout and windfall profits tax. However, I have come to the unfortunate conclusion that the majority leadership of the Congress is so lacking that we are simply incapable of acting on a permanent phaseout and windfall profits tax in 45 days, and I have some reservations whether or not the 45-day extension can be passed.

From the outset, I have said that there must be a windfall profits tax with plowback incentive. This is vital to permit the reinvestment of windfall profits and individual tax relief in the economy. We also need assurances and legislation to prevent the freezing out of independents and jobbers by major companies.

The administration is committed to these items, as indicated by the letter of FEA Administrator Frank Zarb, along with its attached materials, which I ask unanimous consent to print in the Record at the conclusion of my remarks.

In examining the record of this Congress, it is not easy to conclude that the prospects for these actions in the Senate are very good, or that they are even as good in the House. By the time the House completed action on the energy tax bill, it was a toothless tiger. If "Jaws" had the teeth of the House energy bill it would have been called, "Gums."

All in all, the potential for favorable solutions being enacted are not very good. But they offer more than the alternative stalling action proposed. With reservations, I shall, therefore, support the veto.

There being no objection, the letter and related material were ordered to be printed in the Record, as follows:

The White House,
Washington, D.C., September 10, 1975.

Hon. Robert Taft, Jr.,
U.S. Senate,
Washington, D.C.

Dear Senator: At the Monday breakfast with the President you requested certain information in reference to pending considaration in the Senate of the petroleum extension act. I believe the attached material responds to your request.

It is our plan to propose and work for the enactment of legislation which will insure protection for the independent sector of the energy economy including independent marketers as well as retailers. In addition, we are submitting legislation and will take every other step possible to insure that available supplies of natural gas are equitably distributed this winter as well as work toward longer term solutions in that area.

We are preparing remedial legislation to assist farmers with their "off road" energy costs.

Of course we are fully prepared to go forward with a 45-day extension of the emergency allocation act to facilitate a more complete compromise with the Congress. As you know, the only way we can insure fuller progress in solving our energy problem in protecting the American consumer as well as the American worker from the negative impacts of increasing our consumption of oil from foreign nations is to have the President's veto sustained and then move forward.

Sincerely,

Frank G. Zarb,
Administrator,
Federal Energy Administration.

Need for Decontrol

WHY ACT NOW?

Since price controls on domestic oil were imposed in 1971, there has been a four-fold increase in world oil prices. As a result the U.S. paid foreign oil producing nations $25 billion in 1974 compared to about $3 billion in 1973—a seven-fold increase. This not only represents an outflow of U.S. dollars, but could support one million more badly needed jobs for American workers.

Since controls were established in 1971, our imports of oil have almost doubled. Further, in the last two years domestic crude oil production has dropped almost one million barrels per day and will continue to decline.

The last embargo caused a GNP loss of $15 billion and threw hundreds of thousands of Americans out of work.

In two years, with no action on this issue, imports from vulnerable sources could double. An embargo then could result in another one million American jobs in jeopardy.

Decontrol of domestic oil will start this nation in a new direction that will restore jobs, security, and eventually free this country from the yoke of the foreign oil producers.

Action on decontrol has been delayed for too long already. The President has already submitted several compromise proposals and has gone more than half way towards decontrol. Each has been rejected, but the Congress has offered no positive program of its own.

Unless the veto of the 6-month extension is sustained action will be stalled until after the 1976 elections. We must get on with reducing our import vulnerability now.

If the veto is sustained, and the Congress wants to compromise and enact a program like the President's 39-month decontrol plan, the President will sign a 45-day extension of the EPAA.

EFFECTS OF DECONTROL

Decontrol, even with removal of current import fees, will reduce imports about 700,000 barrels per day by 1977. Higher energy prices have been documented to reduce demand.

Decontrol will provide an incentive for the use of increased high-cost recovery techniques in currently declining fields. These advanced recovery techniques would not be economic at $5.25 per barrel controlled prices, but could add about 1.4 million barrels per day of production by 1985.

Decontrol would remove a complex and burdensome regulatory program which was enacted to deal with an embargo and is unwarranted now.

ECONOMIC IMPACTS

If a compromise cannot be reached and complete decontrol continues, the President will take several actions to ease the transition.

The President will remove the current $2.00 import fee on crude oil and $.60 fee on petroleum products when his veto is sustained. This action will keep the average petroleum product price increase to about three cents per gallon.

Further, the President will take steps to ease the following potential problems:

He will ask for authority to allocate propane at reasonable prices to farmers, rural households, and other historical users.

He will seek authority to allow retail dealers to challenge in court any unfair practices by major oil companies.

He will request legislation to provide an incentive for small and independent refiners equal to their current benefits under the entitlement program, which gradually phases out.

The President will continue to press for a windfall profits tax on the oil industry with rebates of the revenues collected to the American consumer.

The PRESIDING OFFICER. The hour of 3 p.m. has arrived.

The question is, Shall the bill (S. 1849) pass, the objections of the President of the United States notwithstanding? The yeas and nays are mandatory under the Constitution.

The clerk will call the roll.

Mr. JACKSON. Mr. President, I suggest the absence of a quorum.

Mr. GRIFFIN. Mr. President, will the Senator withhold that?

A parliamentary inquiry, Mr. President. Would a vote to sustain the President's veto be "nay"?

The PRESIDING OFFICER. The Senator is correct.

Mr. GRIFFIN. I thank the Chair.

Mr. JACKSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JACKSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JACKSON. Mr. President, a parliamentary inquiry. Have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays are mandatory under the Constitution.

The clerk will call the roll.

The assistant legislative clerk called the roll.

The yeas and nays resulted—yeas 61, nays 39, as follows:

[Rollcall Vote No. 388 Leg.]

YEAS—61

Abourezk
Allen
Bayh
Biden
Brooke
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cotton
Cranston
Culver
Eagleton
Ford
Glenn
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hathaway
Hollings
Huddleston
Humphrey
Inouye
Jackson
Javits
Kennedy
Leahy
Magnuson
Mansfield
Mathias
McClellan
McGovern
McIntyre
Metcalf
Mondale
Morgan
Moss
Muskie
Nelson
Nunn
Pastore
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Sparkman
Stafford
Stennis
Stevenson
Stone
Symington
Talmadge
Tunney
Williams

NAYS—39

Baker
Bartlett
Beall
Bellmon
Bentsen
Brock
Buckley
Curtis
Dole
Domenici
Eastland
Fannin
Fong
Garn
Goldwater
Gravel
Griffin
Hansen
Hatfield
Helms
Hruska
Johnston
Laxalt
Long
McClure
McGee
Montoya
Packwood
Pearson
Percy
Roth
Scott, Hugh
Scott,
  William L.
Stevens
Taft
Thurmond
Tower
Weicker
Young

The **PRESIDING OFFICER**. On this vote, the yeas are 61 and the nays 39. Two-thirds of the Senators present and voting, not having voted in the affirmative, the bill, on reconsideration, fails of passage.

APPOINTMENT BY THE VICE PRESIDENT

The **PRESIDING OFFICER**. The Chair, on behalf of the Vice President, pursuant to Senate Concurrent Resolution 44, 94th Congress, appoints the Senator from Minnesota (Mr. HUMPHREY) and the Senator from Nebraska (Mr. HRUSKA) as members of the Joint Committee on Arrangements for Commemoration of the Bicentennial of the United States.

EDUCATION DIVISION AND RELATED AGENCIES APPROPRIATION ACT, 1977—VETO

The **PRESIDING OFFICER**. Under the previous order, the Senate will now proceed to the consideration of the President's veto message on H.R. 5901.

The **PRESIDING OFFICER** laid before the Senate the following message from the House of Representatives:

> The House of Representatives having proceeded to reconsider the bill (H.R. 5901) entitled "An Act making appropriations for the Education Division and related agencies, for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes", returned by the President of the United States with his objections, to the House of Representatives, in which it originated, it was
>
> *Resolved,* That the said bill pass, two-thirds of the House of Representatives agreeing to pass the same.

The Senate proceeded to reconsider the bill (H.R. 5901), the Education Division and Related Agencies Appropriation Act, 1977, returned to the House by the President on July 25, 1975, without his approval, and passed by the House of Representatives, on reconsideration, on September 9, 1975.

The **PRESIDING OFFICER**. Debate on the veto message has been limited to 20 minutes, to be equally divided between and controlled by the Senator from Massachusetts (Mr. BROOKE) and the Senator from Washington (Mr. MAGNUSON), the vote to follow immediately.

Mr. **ROBERT C. BYRD**. Mr. President, may we have order in the galleries and in the Senate Chamber?

The **PRESIDING OFFICER**. The Senate will be in order.

Mr. **ROBERT C. BYRD**. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time not be charged.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. **MAGNUSON**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **MAGNUSON**. Mr. President, we agreed to 20 minutes on debate before the vote to override the President's veto of the education bill, which will be divided, 10 minutes to myself and 10 minutes to the Senator from Massachusetts. I do not know whether anyone wants to speak against the bill or against the override proposition, but there will be time for them if they do.

Mr. President, I would like to say a few words at this time, before we vote on the education bill.

As you know, I serve as the chairman of the subcommittee which worked on this bill over the last 8 months. We all worked hard to make this bill a reasonable and responsible contribution to this country's educational system. It is not a new, fancy approach, but rather a commitment to programs developed over the last several decades. Naturally, not everyone agrees on the interpretation of this commitment. The President, in his veto message, views the education of school children in terms of budget deficits—even though many of the programs in the bill are being forced to operate at last year's level. The President views impact area aid—which is part of the bill—as a bad investment—yet, last year he signed the authorizing legislation which extended the program. I do not believe the President's own views are advanced by his position on this bill. More importantly, I do not believe his position is in the best interest or our children.

This vote could not come at a more appropriate time. Many schools are in the process of opening for the new school year. I am sure some of you come from districts where the schools are not opening. I am also sure that many more of you can point to schools in your State that are suffering severe hardships.

Granted, Federal aid to education is small by comparision to this country's total investment—it amounts to less than 7 percent of the total. That does not make it any less important. When it comes to helping the millions of children who are disadvantaged, the Federal dollar is important as a catalyst for progress, not as a handout. When it comes to the 7 million handicapped children in this country, I cannot think only in terms of budget deficits. I think in terms of the millions that are not getting a good education or the 1 million who are not going to school at all.

The real significance of this education bill is not what effect it will have on an inadequate budget over the coming months, but what the long-term benefit will be to the children—our future leaders. We must understand that education is the cornerstone, if not the whole foundation to a strong and prosperous society. We cannot build this foundation with the sort of unrealistically low investment the President is talking about in the veto message. Nor can we rely on short bursts of attention to problems. The children will not go away; nor will the problems that the school people and teachers face everyday.

For this reason, we must join with the House in overriding the President's veto. The House overrode the veto by a vote of 379 to 41. As far as I am concerned, this bill serves in our deepest national interest—our children. I want to advance their cause and I hope my colleagues here this afternoon will agree.

I yield to the Senator from Massachusetts.

The **PRESIDING OFFICER**. Will the Senator suspend until I can maintain some order. The Senate will be in order. Senators will please take their seats or adjourn to the cloakroom.

The Senator from Massachusetts.

Mr. **BROOKE**. Mr. President, I urge my colleagues to do as the House of Representatives has done and to vote to override the veto of H.R. 5901, the Education Appropriations bill for fiscal year 1976.

At the time of the veto I stated that the reason the conference bill is over the budget by $1.3 billion is that the administration's requests were inadequate to begin with.

In the areas of grants for disadvantaged children, emergency school aid, handicapped, vocational and higher education and many more, the administration's requests were below the fiscal year 1975 appropriations, or less than realistically could be accepted.

Indeed as we began consideration of the fiscal year 1976 education appropriations bill we were working with total requests that were some $785 million below appropriations for fiscal year 1975.

When Congress finished its work and sent the bill to the President, that measure was some $560 million above the approved 1975 level.

Our increase of $1.3 billion over the requests must be viewed in that context.

We in Congress were working with budget requests that were not realistic and not adequate, particularly in this period of high unemployment and high prices. We could not accept them and we did not.

For example, the new impact aid law establishes "tiers" of eligibility for different categories of students. The law requires that if Congress wants to fund the first two "tiers," it must fund them in full. To assure this funding, Congress was required to add almost $500 million to the amount the administration sought.

With many schools just opening under court orders to desegregate, we know how important it is to provide adequate funds for the basic emergency school aid program which helps smooth the transition to unitary schools. Against this need, the administration asked only $75 million—exclusive of its request for civil rights advisory services—for the entire country. Congress, I am glad to say, accepted my amendment which provides a level of $215 million for this essential State grant program.

In the area of higher education, the administration asked no funds for direct student loans, although Congress provided $321 million for them in fiscal year 1975, and the law establishes a mandatory minimum for this appropriation before a dollar can be spent on basic opportunity grants. Congress was doubly justified in restoring the fiscal year 1975 level of $321 million.

These are but a few examples of the repair work the administration's requests required.

I also point out that the education bill provides not only for fiscal year 1976, but also includes millions for next year's July 1 to September 30 transition period, after which fiscal years will begin on October 1.

And some $5 billion in the bill are for fiscal year 1977 since many education programs now are forward or advance funded. Included in these categories are disadvantaged grants, ESA, and handicapped, adult and higher education.

I would be remiss if I did not again stress the importance of education which the President rightly said was "one of the strong foundation stones of our Republic." More specifically, it is a strong foundation stone of our economy, for we all recognize that education is the essential ingredient to getting a decent job and to advancing in the world of work.

For the poor and the handicapped a good education can mean avoiding a lifetime of dependency on others. The billions in this bill will help such individuals; as they gain so does our beleaguered economy. And as we train people and put them into jobs, we can hope for offsetting reductions in the costs of welfare and unemployment benefits.

The funds in the bill also vitally needed by our States and local school districts which, because of the recession, have been forced to retrench on their own budgets. An adequately funded education bill can help local education officials deal more effectively with their financial burdens and avoid still further cutbacks in staff and program.

We believe we have developed a bill that is realistic and is commensurate with the needs of education at this time. We believe there is ample justification to override the veto and we urge such a vote.

Mr. President, the distinguished chairman (Mr. MAGNUSON) has said if there are any who wish to speak against the override then time will be allocated to them either in his 10 minutes or my 10 minutes for the minority.

I, at this time yield to the distinguished Senator from Maryland (Mr. BEALL) 1 minute.

Mr. BEALL. Mr. President, as the ranking minority member of the Labor and Public Welfare Subcommittee on Education, and as a member of the Budget Committee, I strongly urge the Senate to override the President's veto of H.R. 5901, the education division appropriations measure, which appropriates funds for all Federal elementary and secondary and postsecondary education programs.

There are three compelling reasons for the Senate to overturn the veto.

First and foremost, the education programs for which funds are appropriated in H.R. 5901 are important, and in many instances crucial, to existing education programs and their quality, not only for school districts in my State, but throughout the Nation.

My State, in major elementary and secondary education programs, would face the loss of approximately $14 million if the Congress fails to override the veto. Specifically, I call to the attention of the Senate what this loss means to specific elementary and secondary education programs in Maryland.

Title I of the Elementary and Secondary Education Act provides Federal assistance to help disadvantaged children. In Maryland, title I programs are expected to aid some 70,000 educationally deprived children. Further, the program employs over 300 teachers and some 2,000 teachers' aides.

Thus, the program provides both for educational opportunities for disadvantaged children and for employment opportunities for trained school personnel. Since title I is advanced funded, the veto would not affect the current fiscal year, but it would jeopardize the advanced funding concept for which many of us have labored in order to assure effective planning and maximum output for each dollar expended.

Impact aid is another program that is important to my State. Maryland would lose $11 million under this program if the veto is not overriden. Such a loss would be disastrous to some districts in my State and harm many others. The loss of such funds, which are allocated to school districts in recognition of the impact of Federal activity and the fact that Federal property is tax exempt, would result in increased tax levies to already overburdened local taxpayers, some of whom have already received substantial tax increases in their local jurisdictions. The only other alternative would be the local jurisdictions to reduce education programs or services. Neither of these alternatives is acceptable.

Congress last year passed a bill providing "reform" of the impact aid program. I for one believe that the administration should accept the "reform" Congress enacted and stop this business of proposing massive under-cutting of these programs which benefits so many school districts, some of whom depend on such funds for survival and others whose education programs would suffer if such funds were lost.

Another important Federal program that would suffer is aid to the handicapped. Along with Senator MATHIAS, I cosponsored legislation, enacted in 1974, to provide emergency assistance to school districts to comply, as in Maryland's case, with a court order to serve handicapped children, and also in general recognition that handicapped children have been neglected in the past. It is time for society to face up to this major education problem, but to do so will require money. Yet, if the veto prevails, Maryland will lose $1.2 million for this program.

Vocation education has been an area of great interest to me. Maryland receives some $9 million under the education appropriations bill for these programs. If the veto were sustained, we would lose $500,000. Given the rapidity of change in today's job market and the need to equip students with marketable skills, I do not see how we can decrease our efforts in vocation education. Such action would be shortsighted with adverse long-term consequences.

In addition, Maryland would lose over $150,000 for adult education programs and approximately $200,000 for school library assistance.

The sustaining of the veto would be a setback and reduced opportunity in higher education for Maryland. For example, work study funds which provide college students with an opportunity to "work" their way through college would be cut over $2 million.

College students and their parents are already feeling the pinch as a result of economic difficulties. I fear that the reduction in support of various student assistance programs may mean that some students would not be able to enroll or continue their postsecondary education.

The second important reason for overriding the veto is, contrary to claims made, this appropriations measure is not a "budget buster." As a member of the Budget Committee, I participated in the Budget Committee's deliberations. While H.R. 5901 is over the President's budget, it is well under the congressional budget. There are two reasons for these differences.

First, as the Senate Appropriations Committee so aptly stated in its report accompanying the Senate appropriations bill.

> For the most part the committee found the budget request to be either unrealistic or insufficient.

The administration's budget requests were often premised on the enactment of legislation which had no chance of passage and which should not have been enacted.

It also needs to be kept in mind that the administration's fiscal 1976 budget request for education was inadequate, representing an absolute decline of $855 million from last year's appropriations. The bill before the Senate today represents a modest 3.6 percent increase over the previous year's appropriations level. That increase, when one considers the inflation level that has plagued us, is not adequate to maintain current services. H.R. 5901 is both reasonable and required to help meet the education needs of the Nation.

The third compelling reason for Congress to override the veto involves priorities. The Budget Committee's spending levels, although not much different overall than the administration's, did represent a shift in national priorities. The

new budget process aims not only at making Congress more responsible fiscally, but also in making Congress a partner in priority determinations. The congressional budget, and H.R. 5901, reflect our priority determinations. We placed, and rightly so, a high priority on education. I believe the congressional action with respect to this education appropriations bill was fiscally responsible and right policywise. Assuring educational opportunity and removing inequities is and must remain a high priority of this Nation.

Therefore, I urge my colleagues to overwhelmingly override the President's ill-advised, educationally damaging, veto.

I am particularly pleased that the education appropriations bill includes funds for the national reading improvement program, which I authored. I ask unanimous consent that my testimony before the Appropriations Committee urging funding of this program be included in the RECORD.

I also ask unanimous consent that a chart prepared by the Maryland State Department of Education illustrating the importance of overriding the veto of the education appropriations bill for Maryland be printed in the RECORD.

There being no objection, the statement and chart were ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR J. GLENN BEALL, JR.

Mr. Chairman, as the ranking minority member of the Education Subcommittee and as a coauthor, along with Senator Eagleton, of the National Reading Improvement Program, I welcome this opportunity to appear with Senator Eagleton to strongly urge the Committee to appropriate $25 million for this major national reading effort.

The Reading Improvement Program was enacted as part of the Education Amendments of 1974 and is designed to deal with what I have labeled the "Achilles' Heel" of American education—the large number and high concentrations of children in some of our schools with severe reading difficulties.

I am pleased that the Administration in their FY 76 budget contemplated funding this new program; however, I am disappointed that the Administration elected to discontinue in effect the former Right to Read Program. This certainly was not what Senator Eagleton or I contemplated. We are urging the Committee to appropriate $8 million to continue the former Right to Read effort and an additional $17 million for funding the projects under the National Reading Improvement Program.

The following facts and statistics indicate the magnitude of the problem and the need for action:

Approximately 18½ million adults are functional illiterates;

Some 7 million elementary and secondary children are in severe need of special reading assistance; and

In large urban areas, 40 to 50 percent of the children are reading below grade level. A 1969 Office of Education survey indicated 22 percent of the urban schools had 70 to 100 percent of their pupils reading a year or more below grade level.

These massive reading difficulties have been confirmed by surveys of teachers and pupils alike. Over and over again, parents, the general public, and the press across the nation have expressed concern with the poor pupil performance in the fundamental reading area. For example, a 1973 survey in my State found that "the people of Maryland believe that the mastering of reading skills is the most important education goal for the schools of the State."

Mr. President, after I had introduced the reading proposal, I received a letter from an individual from Texas who sent me a copy of an article from the "Dallas Morning News." I would like to read a couple of paragraphs from this article.

"At commencement exercises throughout the city recently, anywhere from 500 to 1,000 of Dallas' 9,000 graduating seniors, according to official estimates, walked across stages to be handed diplomas they could not read. Barely able to read, many will wind up with poor jobs or no jobs at all. Still in school, youngsters who are either unable to read at all or read only at the most elementary level can be found in almost every one of Dallas' 43 secondary schools. Dallas School Superintendent Nolan Estes has estimated more than 20,000 of the public school system's 70,000 secondary students read at least two or more years below grade level."

The National Reading Improvement Program is essentially preventive in nature. It is based on the premise that it is much easier to prevent reading difficulties than to remedy such difficulties once they occur. The program has essentially three parts:

(1) Reading Improvement Projects, under which grants are made to states and local educational agencies for projects designed to overcome reading deficiencies.

(2) Special Emphasis Projects, which seek to determine the effectiveness of intensive instruction by reading specialists and the regular elementary teacher. Projects under this part would (a) provide for the teaching of all children in grades one and two by a reading specialist, (b) the teaching of children in grades three through six who have reading problems by a reading specialist, and (c) an incentive Vacation Reading Program for elementary children who are found to be reading below the appropriate grade level.

(3) Reading Academies, which provide assistance to youths and adults who otherwise would not receive assistance and instruction.

Mr. Chairman, the reading program we are asking the Committee to support is the result of considerable study and two volumes of hearings. In addition, we conducted a fifty-state survey of the training required for teachers in the elementary area. While the National Reading Improvement Program will not be a panacea for all the reading problems, I believe that there is considerable evidence that this approach can and will make a substantial difference. A society, where technology and education are so important and where only approximately 5 percent of the public are unskilled, cannot allow the dangerous conditions, of massive numbers of children lacking the ability to read which affects both their capability to learn and to earn, to continue.

As a member of the Budget Committee, I am aware of the fiscal problems facing this country and the need for spending restraint. This is a program that addresses a critical problem that crys out for a solution. Support for this program has been widespread both from the education community and from the general public. In view of the limited opportunities available for individuals who cannot read, and in view of the burdens that such individuals often become to society, this program is one we must afford even in this difficult budget year.

I note, Mr. Chairman, that a 1974 special report on "Education USA" on reading noted with respect to the Right to Read effort that it "has become one of the most highly publicized and underfinanced federal efforts in educational history." That is true notwithstanding the fact that in 1969 Education Commissioner Jim Allen announced with considerable fanfare the launching of the Right to Read effort. Since then each of his successors have recognized and supported reading as a priority area. It is my hope that the Appropriations Committee will not allow this program to suffer a similar fate and instead provide the modest funds in view of the magnitude and importance of the problem as recommended by Senator Eagleton and me.

ESTIMATED LOSS OF FEDERAL AID TO EDUCATION IN SELECTED PROGRAMS IF THE VETO OF H.R. 5901 IS NOT OVERRIDDEN

Local unit	Loss of impact aid (estimated)	Loss of disadvantaged aid (estimated)	Loss of vocational aid (estimated)	Loss of school library aid (estimated)	Loss of adult education aid (estimated)	Total loss (estimated)
Total State	$10,992,000	$2,197,094	$400,000	$195,871	$150,609	$13,935,574
Allegany	8,000	44,670	14,490	4,321	4,077	75,558
Anne Arundel	2,300,000	111,373	29,982	14,624	9,816	2,465,795
Baltimore City	200,000	1,034,094	83,945	61,371	54,697	1,434,107
Baltimore	504,000	140,635	54,790	18,871	23,594	741,890
Calvert	68,000	28,999	4,742	1,315	1,073	104,129
Caroline		22,569	5,167	1,787	1,128	30,648
Carroll	82,000	26,754	7,340	2,341	3,899	122,334
Cecil	231,000	30,973	9,363	3,488	2,230	277,054
Charles	411,000	40,312	7,691	5,208	1,615	465,826
Dorchester	2,000	26,408	4,861	1,169	1,978	36,416
Frederick	326,000	40,087	13,620	4,078	4,069	387,854
Garrett		28,397	7,522	1,710	1,393	39,022
Harford	1,183,000	50,048	13,806	8,130	3,784	1,258,768
Howard	270,000	16,533	7,708	2,958	1,857	299,056
Kent		12,298	3,221	497	824	16,840
Montgomery	1,500,000	105,130	31,595	18,025	7,723	1,662,473
Prince Georges	3,000,000	199,227	51,255	29,752	12,739	3,292,973
Queen Anne's		14,285	4,701	837	1,145	20,968
St. Mary's	700,000	44,670	6,290	4,309	1,463	756,732
Somerset	1,000	26,235	2,862	1,496	1,320	33,033
Talbot		20,355	2,697	723	1,171	24,946
Washington	195,000	60,304	17,107	5,787	4,923	283,121
Wicomico	7,000	45,967	9,991	1,809	2,650	67,417
Worcester	4,000	26,771	5,254	1,264	1,441	38,731

Source: Maryland State Department of Education, Office of Federal-State Liaison, Aug. 25, 1975.

Note: Estimated losses of $1,204,665 in handicapped aid and $749,426 in public library aid are not included in the above because they are not distributed by formula.

Mr. BROOKE. Mr. President, how much time is there remaining?

The PRESIDING OFFICER. The Senator has 4 minutes.

Mr. THURMOND. Mr. President, who controls time on this bill?

The PRESIDING OFFICER. The time is equally divided between the Senator from Washington and the Senator from Massachusetts.

Mr. BROOKE. Mr. President, I assure my colleague from South Carolina that Senator MAGNUSON and I would be perfectly happy to yield time to those wishing to sustain the veto.

I yield to the Senator from South Carolina.

Mr. THURMOND. Mr. President, today, I find it necessary to vote to sustain President Ford's veto of H.R. 5901, the legislation making appropriations for the Education Division of the Department of Health, Education, and Welfare, and other related agencies.

It is disturbing to have to vote against a bill providing funds for education, since, throughout my public life, education has been an area in which my interest has been paramount. As an educator, State senator, Governor of South Carolina, and U.S. Senator, I have always tried to use my efforts to provide our citizens with programs offering the best educational opportunities.

Notwithstanding my commitment to the field of education, I cannot support this legislation which has a total cost of $7,480,312,952 and is a stagering $1,345,973,952 over the administration's budget for 1976. The bill provides an expenditure of $560,594,952 over last year's appropriation.

This country cannot afford to have another $1.3 billion added to the already projected deficit of $60 billion, based in the administration's budget. If the Congress continues its irresponsible course of continuing to spend, spend, and spend without any serious attempt to hold the line on expenditures, our Nation is headed toward economic ruin. All the rhetoric about fiscal responsibility cannot hide the hard fact that the Congress continues to spend without regard to available revenues.

We must realize that excessive Federal spending breeds inflation, and inflation, as we have just recently witnessed, leads to depressed economic activity. If we do not act in a responsible manner now, the country may be thrown into a serious depression which the Congress will not be able to buy our way out of—a practice which seems to be the most popular congressional method of solving difficult problems.

Mr. President, another disturbing aspect of the bill is the language used to restrict the use of funds to require forced busing. The final version of this legislation did not include the House language which would unequivocally prohibit any of the funds appropriated by the bill to be used to take any action to force the busing of students.

Mr. President, this Nation is sick and tired of busing to achieve racial balance. As the recent violence in Boston and Louisville illustrates, opposition to this disruptive practice is widespread and continues to grow. The Congress should heed the voice of the American people on this issue and adopt measures to end forced busing before it leads to further violence and disruption of the educational process.

I might say that the polls taken over the recess show that both races, white and black, are opposed to busing just for racial balance.

Mr. President, politically, it would no doubt be much wiser for me to vote to override the President's veto of this bill. But I cannot in good conscience, as a responsible representative of my State and Nation, support this particular bill for the reasons outlined above. I would like to stress that opposition to this bill is not, as some have suggested, opposition to education. Such an unrealistic assertion ignores the tremendous cost of this legislation and the threat that continued excessive and irresponsible Government spending poses to our Nation.

The PRESIDING OFFICER. All time of the Senator from Massachusetts has expired. The Senator from Washington has 5 minutes remaining.

Mr. MAGNUSON. I yield the Senator another minute.

Mr. THURMOND. Mr. President, I urge my colleagues to join with me in sustaining President Ford's veto on this H.R. 5901 so that a reasonable and fiscally sound education appropriations bill can be considered and approved by the Congress without delay.

Mr. President, it may be argued here that it is necessary to pass this bill to get an educational bill this year. That is completely without foundation.

If the veto is sustained, then this bill will go back and will be trimmed to come within the administration's budget. That will take off about $1.3 billion. I think the time has come when we have to trim expenses, when we have to trim everything in the budget.

The one thing that means, our survival in defense must be maintained, but other matters can be trimmed and should be trimmed in order that we can maintain fiscal responsibility in this Nation.

I wish to thank the Senator for yielding.

Mr. MAGNUSON. Mr. President, unless someone else wants time, I yield back my time.

Mr. BROOKE. Mr. President, it is my understanding that the Senator from Wyoming (Mr. HANSEN) wishes to be heard in support of sustaining the President's veto.

The PRESIDING OFFICER. The Senator from Washington has 3 minutes remaining.

Mr. MAGNUSON. I yield my 3 minutes to the Senator from Wyoming.

Mr. HANSEN. Mr. President, first, let me express my appreciation to the distinguished Senator from Washington.

Mr. President, I shall vote to sustain President Ford's July 25 veto of H.R. 5901.

It must be noted that the cost to American taxpayers of this bill is almost $7.68 billion. H.R. 5901 is approximately $1.5 billion over the administration's budget request. If this bill becomes law, it will contribute to inflation and, in my opinion, add to the current unacceptable Federal deficit.

My vote today is not a vote against public moneys being used for education, for education is the cornerstone of our democratic system of government. I shall vote in the affirmative for an education appropriation bill which is within the limitations of sound fiscal responsibility and which does not significantly contribute to the Federal deficit.

I thank my colleagues.

Mr. BROOKE. Mr. President, will the Senator yield to me for 1 minute?

Mr. MAGNUSON. I yield to the Senator from Massachusetts.

Mr. BROOKE. Mr. President, on the floor of the Senate is the distinguished former ranking minority member of the HEW Appropriations Subcommittee of the Appropriations Committee who served long and well and ably in that position.

A comment made on the floor just a moment ago by the distinguished ranking member of the Appropriations Committee, Mr. YOUNG was that this Senator who is now a new Senator should be making his maiden speech on this particular subject.

I just want to note that Senator COTTON, who had been with us for many years, has come back now as a new Senator; he had the responsibility of working with Senator MAGNUSON on this bill for many, many years.

Mr. MAGNUSON. I must say he is no maiden, in horse race parlance, or anything else.

He has been a winner all the time and I want to add that we missed him this time on this very complex and important matter.

Mr. COTTON. Will the Senator yield to me for a moment?

Mr. BROOKE. Yes.

Mr. COTTON. I wish to express my thanks for the kind words of the distinguished ranking member of the subcommittee and of my chairman with whom I worked for so many years.

I am speaking now as the newest Member of the Senate with the shortest term and the shortest life expectancy.

By force of habit, on this particular bill I have to go along with the distinguished Senator from Washington and my successor, the distinguished Senator from Massachusetts, because if we are ever going to be a little generous, it should be in this field of education.

As for my speech, my maiden speech is going to be my farewell speech which I make just before I leave, which will probably be next week.

I will also say, to quote the distinguished chairman of the subcommittee, the Senator from Washington:

> We are glad to have you back, glad to have you back at the bottom of the committee, but one thing, no more farewell parties.

Mr. MAGNUSON. That is right, no more farewell parties.

(Additional statements in connection with veto of H.R. 5901:)

Mr. MATHIAS. Exactly 10 years ago, the Congress was shocked by clear evidence that millions of American schoolchildren, mostly in low-income families, were lagging in essential skills such as reading, writing, and mathematics. And so we passed the now historic Elementary and Secondary Education Act, the first law to move the Federal Government into an area which historically had been the sole preserve and lawful responsibility of State and local governments. I was a Member of the House of Representatives when that happened and supported that measure. But we were prompted to act by more than just shocking reports from Government about failures in our country's educational system.

We were also a Congress deeply affected by the civil rights movement which touched our consciences. So we also enacted the most comprehensive civil rights law this Nation has ever seen.

We were the Congress to "discover" poverty and we launched a war against it. We were the Congress which saw a President suddenly and tragically killed while in office leaving behind many unfulfilled dreams; and we tried to make them come true.

We were a Congress that seemed to trust or love or even fear our President; but most of all we deeply respected the Presidency. So we managed to practice our politics, but somehow we did not seem to confuse them with our Nation's pressing business.

We were a Nation that believed we could do anything, solve any problem, conquer any enemy, whether that enemy carried a weapon of war, or whether that enemy fought with the scourge of hunger, or ignorance, or racial bigotry. We thought we could overcome anything.

Perhaps that was not the best Congress that this Nation has ever seen; nor even the brightest. But it was, in many ways, one of the most courageous, because we believed we were equal to the problems before us.

Today, 10 years later, the Capitol Building still stands; 535 Members still serve under its dome. But the mood of a decade ago is not here any more. Maybe it never existed; but as a very junior Representative from Maryland, I thought I sensed it here 10 years ago.

Today's Congress, though maybe younger in age on the average, is a more sober Congress. It is a more skeptical Congress, in many ways it is an uncertain Congress.

But despite our skepticism, this is not a Congress that educators have to fear. In my judgment, this Congress will resist any attempt to reduce the level of funding for educational programs for elementary and secondary education, just as was done by the 93d Congress which adjourned last December; just as the House did yesterday when it overrode the President's veto.

I hope and expect that the Senate will do the same today.

The question is not whether Washington will reduce its financial commitment to public education in the near future. The key question is how deeply believed is the proposition that what we do in the Congress actually makes a positive difference in the lives of the children?

We can find examples of programs that have raised the educational achievement of disadvantaged children. But we also have in our hands a 1975 report from the National Advisory Council on the Education of Disadvantaged Children which tells us that financially hard-pressed communities with both low tax bases and high concentrations of poor families simply can not afford to provide the basic programs for educationally disadvantaged children; so the title I moneys we have approved are not fully providing the extra services which educationally disadvantaged children require. Instead, title I funds in many areas may be only expanding basic programs. In effect, we may be only providing the same amount of services for all children. This, if true, flies in the face of the finding we made 10 years ago that equal spending among unequals results in inequality.

But the quiet qualms I hear expressed in the Capitol cloakrooms go beyond the question of the relative effectiveness of one Federal education project over another.

Our support for education has rested on an assumption, that has become an article of faith, which holds that if we can truly provide equality of educational opportunity; that if we can manage to see to it that every child, regardless of race, irrespective of handicapping conditions, despite parental income status, will receive a good public education, then many of the social problems which children might face will simply be conquered.

Because we fervently believed that 10 years ago, we invested our resources in education. Now the returns are slowly coming in.

It is beginning to dawn on the Congress that while it is true public schools can make a difference in the lives of all children, this observation does not reflect the whole truth.

Education, we now know, cannot be expected to eliminate or even sharply reduce economic inequalities that separate us by class. Education we now know cannot be substituted for a supportive home environment with parents or guardians who care. Education alone, we now know, cannot be expected to develop in children self-esteem, concern for others, and other personally and socially positive attitudes.

What I am trying to say is that this Congress is starting to recognize that the problems that our children and our schools now face, be they violence and vandalism or low-achievement levels, can be traced in part to problems existing in our general society.

This Congress does believe in the indespensible value of education to America. But we no longer believe that education can overcome the failures or faults we find elsewhere in our society.

Even when we enacted a law which I sponsored last year which substantially increased our assistance to the States for education of America's 8 million handicapped children—a provision which I expect will be renewed this year—we did that with the understanding that education alone will not solve all of the problems which those children will encounter for the rest of their lives. They must have jobs, some will require special medical care, some will need special social services forever.

But all of what I have said has a particular relevance to educators and the critical role that they must play in their communities. Their task is not only to spend their best efforts in convincing the Congress of the necessity to make a prime investment in education in local school districts. Part of their task is to prompt their school administrators and fellow teachers to provide us in Congress with conclusive and authentic information that the programs now operating with Federal funds have made a positive and substantial improvement in the lives of the children for whom they are intended. We in the Congress can no longer say to the American taxpayer, "Trust us to spend your money wisely." Today we must say "Let us show you how well your investment has paid off." If we in Washington still cling to the view that education is vital to our survival as a creative society—and despite its limitations, I hold that view—then we should begin now to structure the flow of resources from Washington to reflect the views we sold so dearly. The Nation cannot afford to do otherwise. Our children face a crisis in learning, in motivation, in ability. America cannot afford to bear the burden of these costs. But as we move forward to shore up our support for education, which we shall do, this Congress hopefully will deal with education as part of an overall strategy to cope with the many problems which now confront America.

We must broaden our scope when we discuss various proposals to help children. Let us remain advocates for education. But let us continue our advocacy within the context of the overall issues we face: The lack of adequate health care for children and their families; the indecent housing in which many children and their families now dwell; the hunger which destroys their learning ability; and joblessness and poor incomes which erodes their family life. If we can approach Federal aid to education legislation with the perspective I have just shared, then I believe we shall be able to carefully sculpt proposals which will assure that national interests in education will be well served.

It is on this basis I shall vote to override the President's veto of H.R. 5901.

I ask unanimous consent that a September 4, 1975, letter to me from Mr. James A. Sensenbaugh, State superintendent of schools, Maryland State Department of Education, which fully outlines the possible impact of this veto on my State of Maryland be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SEPTEMBER 4, 1975.

Hon. CHARLES McC. MATHIAS, Jr.,
U.S. Senate,
Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR MATHIAS: This is a request for your favorable consideration of H.R. 5901, the Education Division FY 76 Appropriation Bill scheduled for a vote on September 9, 1975.

Last year you approved advance funding for several major programs; aid to the disadvantaged, aid to the handicapped, aid to adults, and the consolidated grants for innovation, support, school libraries, and equipment. This valuable planning time will be lost if you fail to override the veto of H.R. 5901.

As to what is at stake, the attached material indicates the amount in dollars to Maryland. We stand to lose about $14,000,000 in the major programs listed.

Your favorable consideration of H.R. 5901 would be very much appreciated.

Kindest personal regards.

Sincerely yours,

JAMES A. SENSENBAUGH,
State Superintendent of Schools.

ESTIMATED LOSS OF FEDERAL AID TO EDUCATION IN SELECTED PROGRAMS IF THE VETO OF H.R. 5901 IS NOT OVERRIDEN

Local unit	Loss of impact aid (estimated)	Loss of disadvantaged aid (estimated)	Loss of vocational aid (estimated)	Loss of school library aid (estimated)	Loss of adult education aid (estimated)	Total loss (estimated)
Total State	$10,992,000	$2,197,094	$400,000	$195,871	$150,609	$13,935,574
Allegany	8,000	44,670	14,490	4,321	4,077	75,558
Ann Arundel	2,300,000	111,373	29,982	14,624	9,816	2,465,795
Baltimore City	200,000	1,034,094	83,945	61,371	54,697	1,434,107
Baltimore	504,000	140,635	54,790	18,871	23,594	741,890
Calvert	68,000	28,999	4,742	1,315	1,073	104,129
Caroline		22,569	5,167	1,787	1,128	30,648
Carroll	82,000	26,754	7,340	2,341	3,899	122,334
Cecil	231,000	30,973	9,363	3,488	2,230	277,054
Charles	411,000	40,312	7,691	5,208	1,615	465,826
Dorchester	2,000	26,408	4,861	1,169	1,978	36,416
Frederick	326,000	40,087	13,620	4,078	4,069	387,854
Garrett		28,397	7,522	1,710	1,393	39,022
Harford	1,183,000	50,048	13,806	8,130	3,784	1,258,768
Howard	270,000	16,533	7,708	2,958	1,857	299,056
Kent		12,298	3,221	497	824	16,840
Montgomery	1,500,000	105,130	31,595	18,025	7,723	1,662,473
Prince George's	3,000,000	199,227	51,255	29,752	12,739	3,292,973
Queen Anne's		14,285	4,701	837	1,145	20,968
St. Mary's	700,000	44,670	6,290	4,309	1,463	756,732
Somerset	1,000	26,235	2,862	1,496	1,320	33,033
Talbot		20,355	2,697	723	1,171	24,946
Washington	195,000	60,304	17,107	5,787	4,923	283,121
Wicomico	7,000	45,967	9,991	1,809	2,650	67,417
Worcester	4,000	26,771	5,254	1,265	1,441	38,731

Source: Maryland State Department of Education, Office of Federal-State Liaison, Aug. 25, 1975.

Note: Estimated losses of $1,204,665 in handicapped aid and $749,426 in public library aid are not included in the above because they are not distributed by formula.

WHAT H.R. 5901 MEANS TO MARYLAND PUBLIC SCHOOLS AND LIBRARIES

GRANTS FOR THE DISADVANTAGED

Maryland is scheduled to receive more than $33,000,000 in H.R. 5901 for the Elementary and Secondary Education Act, Title I. This program has brought significant changes in the education of low-achieving children, particularly children from poor families. After ten years we have noted that teachers in all Title I programs now expect their children to achieve from seven to eight months per year, and within the next two or three years, we expect all of our Title I children to be achieving ten months of growth for ten months of instruction. Applications for fiscal year 1976 projects have already been approved. These projects will serve approximately 70,000 educationally deprived children in the 24 school systems of Maryland. The projects will employ more than 300 teachers and more than 2,000 teacher aides. The program is thus important to the children it serves as well as to the employment of many trained and dedicated school personnel. Although Title I is assured of funding for the current fiscal year, failure to override the veto would eliminate the advance funding so necessary for careful planning and effective management as well as reduce our funds by over $2,000,000.

IMPACT AID

Impact aid is money paid by the Federal Government to local school systems to help with the cost of providing programs for all children in school districts where a substantial portion of the pupil population comes from families where parents live or work on Federal property. The impact aid program was established nearly 25 years ago. It was an outgrowth of the government's realization that, if it establishes major Federal installations in a local community, those installations will have a heavy impact on community schools, since the persons they employ in many cases have school-age children. Federal authorities know that local schools are supported largely through local property taxes, yet Federal installations are not subject to this tax. Since the government was occupying large land areas which would otherwise provide substantial property tax income to local communities, it felt a payment in lieu of lost tax revenue was in order. Impact aid is one of the areas President Ford now wishes to cut.

Another section of impact aid also in danger of being cut back if the President's veto stands is aid for children whose parents live in Federally subsidized housing not associated with government installations. This includes public housing and low-rent units provided by the Federal Government for our citizens. Here again, these units produce no property tax revenue. Yet children who dwell in federally subsidized housing do attend our schools.

Maryland is scheduled to receive $20,000,000 in impact aid funds in FY 1976 if H.R. 5901 becomes law. Without H.R. 5901, Maryland will only receive $9,000,000. Thus, Maryland will lose about $11,000,000 if the veto is not overriden. The loss of these monies would mean that local taxes would have to be raised or services cut in the regular education program.

VOCATIONAL EDUCATION

Maryland is scheduled to receive more than $9,000,000 in H.R. 5901 for the Vocational Education Act. Even though vocational enrollments at the secondary, postsecondary, and adult levels have grown rapidly over the past ten years, from 32,000 to more than 230,000, there is a great need to serve at least an additional twenty percent at each level in order to adequately prepare Maryland's students to enter the world of work with a saleable skill. If the President's veto of H.R. 5901 is upheld, Maryland will lose about $500,000 compared to 1975 for occupational education. At an average allocation of $40 of federal funds per student, in Maryland this would mean that over 12,500 students would not receive support for vocational education. If Congress overrides the President's veto, Maryland would lose only $100,000 which would deny only 2,500 persons vocational training. In Maryland, the State and local education agencies plan and budget for vocational education a year in advance. Any reduction in appropriations for vocational education therefore becomes critical to the State and the local education agencies but most critical to the thousands of students who will be denied the opportunity to prepare for employment.

HANDICAPPED

Maryland is scheduled to receive more than $5,000,000 in H.R. 5901 for handicapped children. The infusion of this money has brought significant changes in the education of handicapped children in the State. Maryland, through State legislation, has set as its goal full education service to all handicapped children by 1980. The State uses Federal funds to train teachers, to develop local programs and to establish model programs. Failure to override the veto would reduce our funds by over $1,200,000.

ADULT EDUCATION

Maryland is scheduled to receive more than $1,300,000 in H.R. 5901 for the Adult Education Act. The funds are distributed to local education agencies and the Division of Correction to establish and maintain educational programs and services to reduce the number of functionally illiterate adults. The funds permit the State to train adults in reading, writing and speech, and assist adults to become more employable. Specific population groups served include teenage parents, nonreading adults, recent high school dropouts, institutionalized adults, veterans, handicapped adults, and adults with limited English-speaking ability. The State program has been able to enroll 16,051 adults in 1974 and 19,000 in 1975. If the President's veto is upheld, Maryland will lose over $150,000 for 1976 which is important for program continuation and instruction to assist 23,000 adults to receive their high school diplomas.

PUBLIC LIBRARY SERVICES GRANTS

Maryland is scheduled to receive more than $900,000 in H.R. 5901 for the Library Services and Construction Act. This program has provided funds to initiate needed special library service to disadvantaged adults and children, to persons in State and local institutions, and to other readers with need for special materials, services and information. Funds have also made possible access to special reference and research collections in the State and for rapid delivery of requested materials among libraries. In 1975 projects in all areas of the State were reaching over 250,000 people with new services and additional materials. If the veto is not overriden, Maryland will receive only $189,000 for 1976.

Mr. WILLIAMS. Mr. President, on Friday, July 25, 1975, President Ford vetoed the 1976 education appropriations bill. And once again the Congress was told by this administration that we could simply not afford a minimal amount of basic assistance to help educate America's young people.

In the name of "fiscal discipline" and with the threat of "fiscal insolvency," President Ford told us that our citizenry had no right to expect its Federal Government to move us closer toward the goal of a decent education for all.

Yes, that is what we have been told.

But what are we going to tell the people whom we are supposed to represent in the Congress?

How are we to explain to economically disadvantaged children that their title I program will have to be cut back next year, because we must all exercise "fiscal discipline?"

What are we supposed to say to handicapped children and their parents who will not be able to secure their equal right to an education—are we to tell them that loan guarantees to corporations are all right, but that we are too "insolvent" to guarantee them educational justice?

Are we to tell the teachers, school boards, and superintendents back home that the 7 percent the Federal Government provides in financial asistance for education must be slashed even further because it is over the "budget request?"

And is it a "reasonable compromise" to say to the hundreds of thousands of our youngsters that they cannot pursue a college or vocational education—to have a real chance for a good job—because the economy can not bear that chance?

Mr. President, we are asked to believe that there are good answers to the questions. But the administration has no answers.

Although this bill has been publicized as a $7.9 billion measure, nearly $500 million of that sum has been applied to cover the fifth quarter of this special 15 month fiscal year. Thus, compared to the amount of funds appropriated last year, the vetoed bill in 12-month terms provides only $7.4 billion—an 8-percent increase over last year's amount.

In addition, other provisions of this bill require that portions of the funds can only be spent for programs in the next fiscal year—fiscal year 1977. So that if we truly compare this year's bill with last year's levels, the amount actually appropriated for fiscal year 1976 reveals a mere 3.6-percent increase in education funds between 1975 and 1976. And that, Mr. President, does not even begin to assist schools to overcome the ravages that last year's 14.7-percent inflation rate have brought to bear.

Mr. President, in his veto message the President takes special issue with the Federal impact aid program. Yet, ironically the first bill which Mr. Ford signed when he became President—Public Law 90-380—contained the first massive reform of that program in more than 20 years. In addition, that legislation included important revisions and extensions of many of our important education laws for economically disadvantaged children, children from bilingual families, children who need additional assistance in learning how to read, and children who need special education services because they are handicapped. Unfortunately, the President in his veto of this bill is backing out on the commitment he made to these children just a year ago.

This bill, Mr. President, is $700 million less than the congressional target established in the first concurrent budget resolution for fiscal year 1976. Our decision to set a high budget priority for education was a sound one. And the House action of yesterday to override this veto by the overwhelming margin of 379 to 41 was an equally sound decision.

I support this legislation and I shall vote to override the President's veto for the good of New Jersey, the Nation, and all of the people who know in their hearts that education is the foundation and unifying force of our democratic way of life. I know that this is the most profitable investment society can make and the richest reward we have to offer.

Mr. BAYH. Mr. President, yesterday the House of Representatives voted to override the President's veto of the education appropriations bill by a margin of more than 9 to 1.

I am confident that today the Senate will also override the veto. I shall certainly vote to do so.

The education appropriations bill is a good bill. It was a good bill when it passed the Congress in July, and it is a good bill today.

Yet President Ford vetoed the bill on the grounds of "fiscal discipline" and accused the Congress of "spending ourselves into fiscal insolvency."

Is Congress fiscally irresponsible when it passes an education appropriations bill which is some $400 million below the congressional budget resolution for education?

Is Congress fiscally irresponsible when it increases educational appropriations by a mere 3.6 percent over the previous year—an increase which is less than the current rate of inflation—so that, in terms of the purchasing power of the dollar, education expenditures for 1976 are actually lower than they were in 1975?

The President's budget called for major cutbacks in Federal aid to education—an overall 12-percent decrease in spending for 1976 compared to 1975. And, while the President calls for a 12-percent reduction, inflation reduces the actual value of every dollar appropriated by another 8.5 percent.

I do not believe that, in the name of "fiscal discipline" or any other catchwords with which the administration chooses to cloak its totally unrealistic education budget, the American people are prepared to accept a 20-percent reduction in the level of Federal aid to education. Indeed, I would have preferred a higher appropriation than that now before us in order to sustain present levels of Federal assistance in real terms.

The President has said that the congressional appropriation is $1.5 billion more than he requested. In fact, $800 million of that "increase" is simply restoration of proposed reductions and terminations in the administration budget.

The unrealistic nature of those reductions can be quickly illustrated. The budget proposed to cut impact aid by $390 million; to cut aid to higher education by $200 million; to cut aid to the handicapped by $25 million; to cut bilingual programs by $14 million; to cut emergency school aid by $140 million.

Unless these cuts are restored, the impact will be disastrous for school districts and schoolchildren around the country.

Over the last 7 years public education costs have risen at almost twice the rate of inflation as reflected in the consumer price index—111 percent compared to 57 percent. Unless school districts can find relief in the form of Federal aid, we face two unpleasant alternatives.

First, the level of total education expenditures may simply drop. And the price will be paid in years to come; by children from non-English speaking backgrounds who were not able to benefit from bilingual programs; by handicapped children who were not able to benefit from special education programs; by the poor and disadvantaged with learning difficulties who did not have reading programs and remedial teaching available to them. These are the very children who, in future years, will be the last adults to find employment, the first to become unemployed in periods of economic strain, and the first to go on welfare. The costs of such shortsighted "savings" will be borne not only by these children, but by the entire country in lost productivity and increased costs of social welfare programs.

Or, second, a reduction in Federal aid could be offset somewhat by State and local expenditures. But inflation combined with recession has led to reduced revenues, either in absolute or real terms, for States, cities, and local school districts. Cutbacks in Federal aid would add to State and local economic woes and place an enormous strain on their resources and capacity to meet education needs.

This year, in particular, the burden on local jurisdictions is heavy. School budgets are being stretched to the limit, because of soaring utility and energy costs. Since local budgets usually pay for such basic operating costs, school districts are looking to the Federal Government for precisely the type of funding which the President wants to cut: Special assistance for the handicapped, the disadvantaged, the non-English speaking student, the vocational student.

This bill makes education sense and it makes economic sense. State and local jurisdictions—which provide 92 percent of all educational moneys—rely primarily on property and sales taxes, and to a much lesser extent on income taxes, to raise public funds. It is because of this taxing structure that the Federal Government, drawing on a progressive income tax rate, can and should be expected to step in.

When consumers are already staggering under the worst inflation in a quarter century, and the average household can barely make ends meet, I do not believe that this Congress is going to turn around and say to them: Increase your property taxes or your sales taxes, or permit your educational programs to decline, because the Federal Government cannot afford to help you.

The President's veto of this bill is a classic example of misplaced priorities. He opposed a bill to increase education expenditures by less than 4 percent, yet recommended a military procurement authorization increase of 23 percent.

The President says that he is concerned about inflation. He proposes to cut Federal spending for education, yet raise the price of oil through deregulation. Statistics indicate that deregulation of oil will increase the cost of living by $900 per year for the average American family—the same family which, if this veto is sustained—will be subjected to higher local taxes.

I cannot agree with the President's priorities. The educational system of this country is the basis of economic and social progress. I am certain that this Congress—which refused to renege on the Federal commitment to vital health needs when it overrode the veto of S. 66, the Health Services Act—will not renege on the Federal commitment to education.

Mr. PERCY. Mr. President, I voted today to override the veto of H.R. 5901, the important education appropriations bill for fiscal year 1976. It is important that Congress enact this legislation so that funds may flow to our schools and colleges to meet urgent and pressing needs in education. At stake is the fiscal 1976 funding for almost every Federal education program, ranging from aid for handicapped and bilingual students to student grants and loans. These are not budget busting appropriations. They are far below what the congressional budget resolution targeted for education for fiscal 1976. And, the increases do not even fully compensate for the increased inflation. Also, local schools have, by necessity, fixed their budgets for the 1975–76 school year. Most schools are operating on "bare-bones" budgets, plagued by declining enrollments, exhausted borrowing power and taxes already at maximum levels. If the veto is sustained, many school districts and higher education institutions will be forced to further trim services or personnel thus sacrificing quality education.

Although the States and localities have primary responsibility to finance public education, the Federal Government today bears approximately 7 percent of the total education costs. I believe the Federal Government must fulfill this limited responsibility. Overriding the veto of H.R. 5901 is necessary to allow the Federal Government to carry out this obligation.

It is important to note again that the amount of funds provided by this bill is well within the congressional budget target level for fiscal 1976.

Mr. MUSKIE. Mr. President, the question before the Senate is whether to override the President's veto of the education appropriation bill—H.R. 5901. As a supporter of education programs, I am concerned that this is the seventh consecutive veto of the regular education appropriation bill, and I am opposed to the President's action in this case.

The President justified his veto on budgetary grounds. While this education appropriation bill is over the President's request, it is substantially under the amount contemplated last spring in the first budget resolution. Senator MAGNUSON and the members of the Appropriations Committee have done their best to present us with a bill which meets our budget targets and faces up to the increasingly more difficult fiscal constraints of this year.

While I intend to vote to override the veto, I feel it is my duty as chairman of the Budget Committee to inform my colleagues of the difficult choices which lie ahead of us in the education, manpower and social services function. At the present time, as the table on page 29 of the September 8 scorekeeping report shows, there is still available $700 million in outlays and $1.3 billion in budget authority for this function. These figures assume passage of the education bill at its present level.

However, there remain in this function a number of legislative initiatives with potential outlays in 1976 of $3 billion. These initiatives include extension of public service employment under the CETA Act, which could add as much as $2 billion to 1976 outlays, and three bills now in conference—education for the handicapped, older Americans, and developmental disabilities—which could increase outlays by up to $900 million this fiscal year. I ask unanimous consent that these tables from the scorekeeping report be printed in the RECORD.

In conclusion, Mr. President, let me emphasize again that, while I will cast my vote in favor of overriding the President's veto, I wish to remind my colleagues that in the coming weeks we will be forced to scrutinize other legislation in this function and to make very difficult choices.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

FUNCTION 500: EDUCATION, MANPOWER, AND SOCIAL SERVICES

TABLE A.—FUNCTIONAL SUMMARY

[In billions of dollars]

Category	Fiscal year 1976— New budget authority	Fiscal year 1976— Estimated outlays
I. 1st concurrent resolution target	19.0	19.85
II. Spending legislation: [1]		
A. Completed action:		
1. Enacted in prior years	2.8	8.5
2. Enacted this session	2.4	3.2
3. Passed Congress but not signed	4.9	1.7
4. Conference agreement		
B. Action underway in Senate: [1]		
. Passed Senate	(*)	(*)
2. Reported in Senate (see table B)	.1	.1
C. President's spending requests not yet reported in Senate [2]	7.6	5.5
[Note: Totals for category II.C, taking account of House action to date: $7.5 billion new budget authority, $5.5 billion estimated outlays].		
Remainder:		
Under target	1.3	.7
Over target		
III. Selected additional legislation: [3]		
A. Spending legislation		
B. Authorizing legislatio.1 (see table C)	6.1/6.4	3.0/3.3
Remainder:		
Under target		
Over target	4.8/5.1	2.3/2.6

*Less than $50,000,000.

Note: See footnotes to summary table 1, p. 9.

FUNCTION 500: EDUCATION, MANPOWER, AND SOCIAL SERVICES

TABLE B.—SPENDING LEGISLATION REPORTED IN SENATE

[In billions of dollars]

	Fiscal year 1976— New budget authority	Fiscal year 1976— Estimated outlays
Appropriations legislation:		
None		
Other spending legislation:		
Insulated financing for public broadcasting (H.R. 6461/S. 893)	0.1	0.1
Total (to table A, line II.B.2)	.1	.1

[1] See introduction for definition of spending legislation.

TABLE C.—SELECTED ADDITIONAL LEGISLATION [1]

[In billions of dollars]

	Fiscal year 1976— New budget authority	Fiscal year 1976— Estimated outlays
pending legislation not yet reported in the Senate and not requested by the President:		
None		
Authorizing legislation:		
A. Through Congress or passed Senate: [2]		
Education for the Handicapped Act (S. 6/H.R. 7217). Labor and Public Welfare Committee	0.5	0.4
Developmental Disabilities Act (S. 462/H.R. 4005). Labor and Public Welfare Committee	.1	.1
Older Americans Act (S. 1425/H.R. 3922). Labor and Public Welfare Committee	.1/.4	.1/.4
B. Reported in Senate:		
None		
C. Not yet reported in Senate: [2]		
Child and Family Development Act (S. 626/H.R. 2966). Labor and Public Welfare Committee	.2	.2
Emergency Employment Assistance, renewal of CETA, Title VI (S. 1695/H.R. 2584). Labor and Public Welfare Committee	5.0	2.0
Emergency Conservation Jobs Assistance (S. 1431). Labor and Public Welfare Committee	.2	.2
Total, authorizing legislation (to table A, line III.B)	6.1/6.4	3.0/3.3

[1] See note to table B, p. 16.

[2] Dollar amounts for all bills in this section represent increases over President's budget request.

Mr. BUCKLEY. Mr. President, I have twice voted against H.R. 5901, once when it first came before the Senate and again when we considered the conference report on it. I did so because of budgetary considerations, because I hoped that the relevant committees would reexamine each of the constituent programs and pare back those that can be reduced without disruption of existing programs. The danger of renewed double digit inflation is simply too great for the Congress to fail to scrutinize every new demand on the Federal Treasury.

It is now too late for such a reconsideration. The new school year is upon us, and school boards across the country are entitled to know what they can expect to receive. Furthermore, the growth over last year's appropriations is not so large as to make a protest vote meaningful. Under all the circumstances I have concluded that a third negative vote would serve no purpose.

Therefore, recognizing the dependence of local school districts upon the funds appropriated in H.R. 5901, recognizing as well that there is no hope of securing remedial amendments to it, I will, with the most serious reservations, vote for its final enactment.

Like every Member of this body, I want my State to obtain its fair share of funds for education. But I do not want the school boards of this country to become fiscal wards of the Federal Government, required to make an annual pilgrimage of penury to the Congress in order to lobby for yet another year of funding. Already we have made our schools precariously dependent upon the will of the Congress and the whim of HEW.

Even worse, we have disrupted, if not broken, the tie between local school budgets and local school financing. In a discussion concerning H.R. 5901 with one of New York's leaders in education, that distinguished gentleman told me that, already this year, more school bond referenda have been rejected by the voters than ever before. And yet, we are told that parents want full funding of education programs. There is an irony in that situation, and the reason for it should be obvious. There is no difference whatsoever between school funding that comes from local taxes and the funding that comes from the Congress, for the moneys appropriated by H.R. 5901 as surely originate in the pocketbooks of taxpayers as do local real estate levies. But in the one case, the people know what is being taken from them and what they are getting in return. In the case of the Congress, the public cannot directly relate the taxes we take from them and the services purchased thereby. More than any other factor, that may be the reason for the precipitous decline in public trust in the institutions of Government.

And so I would respectfully suggest to my colleagues that, while we are in the process of overriding the veto of H.R. 5901, while we are taking credit for securing its appropriations for our States, let us also take a corollary responsibility. Let us recognize that, because Federal funding is addictive, we have reduced American education to an unhealthy dependency upon the financial fixes which the Congress annually provides.

Those are strong words, but they are deliberately matched to the severity of the damage which the Congress has already wrought upon schooling in America.

Mr. MONTOYA. Mr. President, today we are being given the opportunity to reaffirm our support for education—not just with words, but with clear and unmistakeable action.

Yesterday, the House of Representatives set us a fine example. They overrode the Presidential veto of the education bill by a vote of 379 to 41. On August 1, the day of the veto of the education appropriations bill, I said that the most important question each of us had to ask of our constituents when we returned to our States during the summer recess was this one: "Is the President right in assuming that you want the Government to cut costs this year by cutting back on education programs for our elementary schools, high schools, and colleges across the board?" I said then that I thought the answer which the public would give would surprise the President and his advisors.

I think it is clear, now, what answer most of us got when we asked that question. I know what answer I got in the State of New Mexico. This is a clear question of priorities—and the people of my State have clearly and firmly expressed to me their feeling that the educational strengths of American citizens must not be damaged by allowing this veto to stand. If belts must be tightened in this year of budget restraint, the people of New Mexico believe that they should be adult belts, not those of our children.

This bill, which is well within the budget limit set by the Congress earlier this year, is not wasteful, and not inflationary. It does not even allow for the normal rate of inflation, much less for the inflation which has taken place in education costs in the past year.

I urge my colleagues to join me in establishing education as a first priority for the United States. We cannot afford to make any other choice if we are serious about protecting the future of America. I urge you to vote to override this very unwise and imprudent veto.

EDUCATION VETO OVERRIDE IMPERATIVE

Mr. EAGLETON. Mr. President, I urge support of the vote to override the President's veto of the education division appropriations bill, H.R. 5901.

In vetoing H.R. 5901, the President indicated that a vote for this bill would be a vote for increased inflationary pressures. This is simply not so. As our distinguished Labor-HEW Appropriations Subcommittee chairman pointed out at the time this body passed the conference report, the final amount contained in the bill is $700 million below the level set by the first concurrent resolution. We are within our own budget targets set by the Senate Budget Committee.

The President further stated in his veto message that the issue was not one of importance of education in our country, but rather one of fiscal discipline. I would disagree with the President on this point also. In my view, we cannot afford to have a seesaw policy toward education—funding it one year and unfunding it the next. School districts and institutions of higher education in all parts of the country depend on a certain level of support from Federal programs. They plan their budgets based on what they received the previous year, and what they anticipate will be a relatively fixed level of support. This bill hardly gives them a great windfall. In fact, in constant dollars, it is a decrease in Federal support. The increase over last year's appropriation level is 3.6 percent—that can hardly be viewed as an increase in light of double digit inflation.

Mr. President, if we sustain the President's veto today, the various education bodies will survive. It is the students who will suffer when school boards and colleges and universities are forced to cut back and reduce the quality of their programs.

I am fully committed to responsible Government spending and to living within a budget ceiling, but a vote to override the education appropriations bill veto does not violate that commitment. The issue is not economy, but a sound investment in the future of our Nation.

Mr. HRUSKA. Mr. President, I will vote to sustain the President's veto of H.R. 5901, the education division appropriation.

This vote will be cast most reluctantly, as I am aware of how much the programs funded in this bill benefit Nebraska and the Nation.

For many weeks I have been hearing from my constituents, many in the education professions, and from national education organizations, the now familiar arguments about the merits of this bill. Particular emphasis has been given to funding levels relative to the past fiscal year and the need to stay even with increases in the price level. An erroneous impression has been created that to sustain this veto would mean denial of Federal support for many education programs. All that sustaining the veto would do is require a thorough reconsideration of the bill. The net result would be a funding level somewhere between the original bill and the reduced amount proposed by the President.

My response has been that in the larger view we cannot ignore the size of the Federal deficit estimated for the current fiscal year. We are pressing hard against the $68.8 billion level which we agreed to with passage of the first concurrent resolution on the budget.

The President has made clear the inflationary potential of the bill. What purpose is served for American education by further inflating the dollar? We will only be adding to the upward pressures on the price level when the true interest of every taxpayer, school board member, school administrator and teacher is to check inflation.

The President has made some specific suggestions for program reductions. But he is openminded. He has emphasized in his veto message that he would not insist that his original budget request is the only one acceptable. I do not agree completely with his specific recommendations for cuts in this bill. On June 27, 1975, I addressed the Senate on the pressing need for further studies and reforms of the impact aid program, which was especially singled out by the administration for reduction. My judgment is that it is asking too much too quickly in this area. But I also believe that there is room for cuts in impact aid and a great many other programs in this bill. We at least owe the Nation a serious effort to reduce substantially the $1.5 billion addition to his budget request which the President finds unacceptable.

This is what the majority of my constituents want. They can understand the strong pleading of the education professionals and their organizations to override the veto. Our system of Government thrives on vigorous representation of interests. But my constituents pay the taxes—Federal, State, and local—which support educational budgets. They expect in this year of severe economic dislocations that Congress will forsake no opportunity to reduce Federal spending and the size of the Federal deficit. I share their conviction that we can make budget reductions without damaging sound programs. A failure to sustain the President's veto is rejecting just the kind of second hard look which a prudent concern for the taxpayer's interest demands. I hope that my colleagues inclined to vote to override will pause and consider the matter in this light.

Mr. HUMPHREY. Mr. President, in July, President Ford vetoed H.R. 5901, the education appropriations bill, on the grounds that it was asking too much of American taxpayers and our economy. Yesterday, by a vote of 379 to 41, the House delivered its judgment of his action—it resoundingly rejected the veto. Today, I am hopeful we will follow their lead.

Our most precious commodity, our hope for a brighter future for all Americans, is our children. The strength and viability of our Nation will depend far more on the values and knowledge we impart to them than on the numbers of weapons we build today. It is not asking too much of the American taxpayer to spend $7.9 billion for education, especially at a time when we are being asked to spend well over 10 times that much for defense.

This bill will help all Americans. Handicapped students, economically and culturally disadvantaged students, students in vocational, occupational and adult education programs, and students in post-secondary school educational programs all will benefit from this bill. I only wish that we could have done more for these groups.

This bill is reasonable. Its allocation for education is only $255 million above the appropriation for education for fiscal year 1975. This represents an increase of only 3.6 percent—hardly inflationary in a year when the rate of inflation is 9 percent. Furthermore, it is $400 million under the congressionally established target for 1976 education programs, and thus is in line with Congress desires about the shape of the national budget. If I were to criticize it, I would say that it allocates too little for education at a time when our urban and nonurban schools and universities are in urgent need of additional money.

Mr. President, it is the President's responsibility to recommend budget levels to the Congress. It is our responsibility to set them. We have done that in the case of education, and we have produced a bill well within the planned budget level for education. It is now time to affirm our budget decision.

Mr. KENNEDY. Mr. President, the President's veto of this education appropriations bill for the Nation's schools and the Nation's schoolchildren cannot be justified. The overwhelming override vote in the House of Representatives should be matched by an equally sharp rebuke to the distorted administration priorities expressed in the veto of this bill.

This bill is actually less than the ceiling set by the Congress in the first budget resolution. We have cut other parts of the administration budget so that we could provide more funds for education. Those are our priorities and they are the right ones, and an override of the veto will insure the maintenance of those priorities.

It is particularly ironic that the President, while objecting to this slight increase in funds for education this year, has vetoed the 6-month extension of oil price controls, which will mean a $21 billion hike in domestic energy costs and an imminent return to double-digit inflation.

The veto message claimed that—

> Taken as a whole, this appropriation bill is too much to ask the taxpayers—and our economy—to bear.

That statement is incomprehensible if one examines the actual facts and figures of this bill and if one has any regard for the value of education in our society.

This bill is not inflationary. It would provide for spending barely 4 percent more on education this year over last year, at a time when inflation is increasing at a rate twice that level. In real terms, we will be struggling to maintain the existing level of services. And yet, the President says this bill is "too much to bear."

On its merits the bill is not inflationary. It represents the fulfillment of the Government's responsibility to assist the schools of America. Cutting back any further would seriously affect vital education programs at every level. In my own State if we were to accept the President's budget instead of this bill, it would mean $38.6 million less for our schools and our colleges. And every other State would suffer similar losses.

Under the President's budget, Massachusetts would have received 12 percent less than last year for the title I aid to education program.

Under this bill, Massachusetts will receive $39.8 million, an increase of $3.1 million over last year.

Under this bill Massachusetts will receive more than double what the President recommended for education for the handicapped, $2.9 million.

Under this bill Massachusetts would receive $10 million in basic grants for vocational education. Under the President's budget Massachusetts would have received no funds for vocational education.

Mr. President, I ask unanimous consent to print in the RECORD a table showing what Massachusetts received last year; what Massachusetts will receive under the President's budget; and what Massachusetts will receive if this veto is overriden.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

EDUCATION FUNDS FOR MASSACHUSETTS

	1975 appropriations	1976 budget request	Conference agreement
Title I, assistance for educationally deprived children	36, 705, 404	36, 710, 293	39, 776, 690
Title IV, ESEA, consolidation "Hold Harmless"	0	0	0
Title IV, part C, innovation and support	4, 258, 254	4, 549, 083	4, 549, 083
Sec. 842, State equalization	0	0	0
Emergency school aid	1, 448, 878	0	1, 404, 623
Education for the handicapped	2, 626, 805	1, 263, 549	2, 893, 389
Occupational, vocational, and adult educational	10, 463, 253	0	10, 330, 078
Programs for students with special needs	488, 524	0	488, 524
Consumer and homemaking education	879, 546	0	1, 001, 759
Work study	263, 260	0	263, 260
Cooperative education	435, 299	0	435, 299
Innovation	343, 636	0	343, 636
Research	439, 900	0	439, 900
Adult education—Grants to States	1, 706, 542	1, 706, 542	1, 706, 542
Supplemental educational opportunity grants	4, 053, 186	0	4, 049, 682
Student assistance work study	7, 046, 931	5, 866, 524	9, 153, 696
Direct student loans (HEA IV, part E)	10, 819, 087	0	10, 819, 087
Title I, part A, community services	307, 857	0	255, 722
Aid to land grant colleges	238, 656	0	238, 656
State student incentive grants	687, 984	1, 513, 566	1, 514, 561
Interlibrary cooperation	52, 916	0	52, 916
Libraries and instructional resources (consolidation program)	3, 606, 859	3, 613, 470	3, 876, 205
Undergraduate instructional equipment	259, 976	0	264, 173
Total		55, 223, 027	93, 857, 481
Difference between budget request and conference agreement			38, 634, 454

Mr. BROOKE. Mr. President, I urge my colleagues to do as the House of Representatives just has done and to vote to override the veto of H.R. 5901, the education appropriations bill for fiscal year 1976.

At the time of the veto I stated that the reason the conference bill is over the budget by $1.3 billion is that the administration's requests were inadequate to begin with.

In the areas of grants for disadvantaged children, emergency school aid, handicapped, vocational and higher education and many more, the administration's requests were below the fiscal year 1975 appropriations, or less than realistically could be accepted.

Indeed as we began consideration of the fiscal year 1976 education appropriations bill we were working with total requests that were some $785 million below appropriations for fiscal year 1975.

When Congress finished its work and sent the bill to the President, that measure was some $560 million above the approved 1975 level.

Our increase of $1.3 billion over the requests must be viewed in that context.

We in Congress were working with budget requests that were not realistic and not adequate, particularly in this period of high unemployment and high prices. We could not accept them and we did not.

For example, the new impact aid law establishes tiers of eligibility for different categories of students. The law requires that if Congress wants to fund the first two tiers, it must fund them in full. To assure this funding, Congress was required to add almost $500 million to the amount the administration sought.

With many schools just opening under court orders to desegregate, we know how important it is to provide adequate funds for the basic emergency school aid program which helps smooth the transition to unitary schools. Against this need, the administration asked only $75 million—exclusive of its request for civil rights advisory services—for the entire country. Congress, I am glad to say, accepted my amendment which provides a level of $215 million for this essential State grant program.

In the area of higher education, the administration asked no funds for direct student loans, although Congress provided $321 million for them in fiscal year 1975, and the law establishes a mandatory minimum for this appropriation before a dollar can be spent on basic opportunity grants. Congress was doubly justified in restoring the fiscal year 1975 level of $321 million.

These are but a few examples of the repair work the administration's requests required.

I also point out that the education bill provides not only for fiscal year 1976, but also includes millions for next year's July 1 to September 30 transition period, after which fiscal years will begin on October 1.

And some $4 billion in the bill are for fiscal year 1977 since many education programs now are forward or advance funded. Included in these categories are disadvantaged grants, ESA, and handicapped, adult, and higher education.

I would be remiss if I did not again stress the importance of education which the President rightly said was "one of the strong foundation stones of our Republic." More specifically, it is a strong foundation stone of our economy, for we all recognize that education is the essential ingredient to getting a decent job and to advancing in the world of work.

For the poor and the handicapped a good education can mean avoiding a lifetime of dependency on others. The billions in this bill will help such individuals; as they gain so does our beleaguered economy. And as we train people and put them into jobs, we can hope for offsetting reductions in the costs of welfare and unemployment benefits.

The funds in the bill also are vitally needed by our States and local school districts which, because of the recession, have been forced to retrench on their own budgets. An adequately funded education bill can help local education officials deal more effectively with their financial burdens and avoid still further cutbacks in staff and program.

We believe we have developed a bill that is realistic and is commensurate with the needs of education at this time. We believe there is ample justification to override the veto and we urge such a vote.

Mr. PACKWOOD. Mr. President, although I have sustained nearly every one of President Ford's vetoes this year, today I cast my vote to override his veto of the education appropriations bill for fiscal year 1976.

Frankly, I share President Ford's deep concern over the burden that this more than $7 billion package will place on the Federal budget. But I believe that these are expenses that are going to be made. It is just a question of whether they will be made from Federal income tax revenues, or from local real property taxes. Local property owners are already being taxed within an inch of their existence. I prefer that our support of education in this country come from Federal income taxes, rather than increased property taxes.

Just as we cannot risk national bankrutcy through unnecessary deficit spending, neither can we afford to curtail reasonable support of education programs. In the case of the fiscal year 1976 education appropriations, Mr. President, the sums appropriated provide no more than a small increase in funding over last year—about 3.6 percent.

This hardly compares in real terms to increased costs as mirrored by a jump of 8.5 percent in the Consumer Price Index over the same period of time. Without the moneys provided in H.R. 5901, the nearly 17,000 school districts in this country will be forced to increase their local property taxes or slash vital programs and personnel.

My support today of Federal assistance to education reflects a belief in the value of our investment in the creative, productive capabilities of both children and adults. It also, in my judgement, will spare local property holders an unbearable share of this investment's cost.

The PRESIDING OFFICER. All time has expired. The question is, Shall the bill pass, the objection of the President of the United States notwithstanding?

The yeas and nays are mandatory. The clerk will call the roll.

The assistant legislative clerk called the roll.

The yeas and nays resulted—yeas 88, nays 12, as follows:

[Rollcall Vote No. 389 Leg.]

YEAS—88

Abourezk
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bentsen
Biden
Brooke
Buckley
Bumpers
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cotton
Cranston
Culver
Dole
Domenici
Eagleton
Eastland
Fong
Ford
Garn
Glenn
Gravel
Hart, Gary W.
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Laxalt
Leahy
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Sparkman
Stafford
Stennis
Stevens
Stevenson
Stone
Symington
Taft
Talmadge
Tower
Tunney
Weicker
Williams
Young

NAYS—12

Brock
Curtis
Fannin
Goldwater
Griffin
Hansen
Helms
Hruska
McClure
Proxmire
Scott,
  William L.
Thurmond

The PRESIDING OFFICER. On this vote the yeas are 88 and the nays 12. Two-thirds of the Senators present and voting having voted in the affirmative, the bill, on reconsideration, is passed, the objections of the President of the United States notwithstanding.

MOBILE-HOME LOAN CEILINGS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of S. 848.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 848) to amend section 2 of the National Housing Act to increase the maximum loan amounts for the purchase of mobile homes.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Alabama is recognized.

Mr. SPARKMAN. Mr. President, we are ready to proceed with S. 848.

The PRESIDING OFFICER. S. 848 is the pending business.

Who yields time?

Mr. SPARKMAN. Mr. President, I will take very few minutes.

This is a bill that would establish new ceilings for mobile home loans which the Secretary of Housing and Urban Development is authorized to insure under title I of the National Housing Act. Existing law limits HUD-insured loans to finance the purchase of a mobile home to $10,000—or $15,000 for a mobile home composed of two or more modules. The bill, S. 848, would raise these ceilings to $12,500 and $20,000 respectively.

That is the bill, Mr. President. The committee reported it favorably.

I urge favorable action here in the Senate Chamber.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. BROOKE. Mr. President, S. 848, as my distinguished chairman of the Housing Subcommittee has said, is a bill to amend section 2 of the National Housing Act to increase the maximum loan amounts for the purchase of mobile homes.

S. 848 would amend section 2(b) of the National Housing Act by revising clause (1) so as to increase maximum loan amounts for mobile homes under the title I insurance program to $12,500—$20,000, in the case of a mobile home containing two or more modules. Present limits are $10,000 and $15,000, respectively.

Existing maximum loan amounts were established in 1969 for single-wide units, and in 1970 for multiple units. No increases in maximum loan amounts for mobile homes eligible under the program have occurred since that time despite subsequent increases in mobile home manufacturing costs—including the cost of raw materials, labor, shipping and carrying charges—and consequent increases in purchase prices. During the same period, maximum mortgage limits for FHA-insured homes have been increased substantially.

The proposed increases in title I statutory loan limits would assure the continued usefulness of the title I program to prospective mobile home buyers who can benefit substantially through these loans. Such loans generally have lower interest rates, longer maturities, and valuable consumer protections, such as a minimum 1 year warranty by the manufacturer, that are not always available in connection with other mobile home financing. In addition, the current restrictive loan maximums have resulted in higher downpayments for mobile home buyers which in turn have put ownership of mobile homes beyond the reach of many prospective buyers.

Mr. President, I would point out that the Veterans Housing Act of 1974 (Public Law 93–569) has already provided identical increases for loans on single- and double-wide mobile homes guaranteed by the Veterans' Administration.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the administration's program, and the Department of Housing and Urban Development strongly favors enactment of S. 848.

Mr. President, I yield to my distinguished ranking member of the Committee on Banking, Housing and Urban Affairs (Mr. TOWER).

Mr. TOWER. Mr. President, this is meritorious legislation. In keeping with the times, a growing number of Americans are looking to mobile homes or similar forms of prefabricated housing for permanent residences.

We have to recognize that fact and accommodate people who want to live in mobile homes. It is a growing industry in this country.

From the mobile home has come the modular houses that have been a natural evolution of the technology involved in the building of mobile homes. This is a trend that ought to be encouraged.

By making financing more easily obtainable for mobile and modular homeowners we will encourage an industry which ultimately can reduce the cost of housing.

We know now that by producing in volume, the manufacturers of mobile and modular homes can get down the perfect cost of such housing. To me, this is the wave of the future.

I recall that the late and lamented Walter Reuther, former president of the United Automobile Workers Union, testified before our committee that Americans are getting Chevrolet homes at Cadillac prices. I happen to be a Chrysler Corp. man, so I would say that they are getting Plymouth homes at Imperial prices.

In any case, this is a matter on which I agreed very profoundly with Walter Reuther. It is probably historically the only time that I ever agreed with him. But this is a fact.

The mobile housing industry can bring housing within the range of many low, and middle-income people who otherwise could not afford what we call the stick houses. In the modular housing industry now, a prefabricated house and two modules can be delivered to a site and can be made livable within 48 hours. This is really a great step forward. It not only means that housing is brought within a lower price range but also that it can be constructed more quickly and efficiently. It is a trend that I believe should be encouraged, and I hope the Senate will react favorably to S. 848 and that it will become law.

Mr. BROOKE. I thank the distinguished Senator.

Mr. President, there are several amendments to be offered to this bill.

I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. BROOKE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

The Senator from Massachusetts (Mr. BROOKE) proposes an amendment by adding at the end of the bill a new section as follows:

"Sec.———. Notwithstanding the provisions of section 103(a)(2) and (3) and section 104 of the Housing Act of 1949 or of any other law (1) the maximum project capital grant for Project No. Mass. R–107 may exceed two-thirds of the net project costs of said Project, and any such excess shall not be considered in determining the project capital grant for any other project in the same municipality and (2) the maximum amount of local grants-in-aid required in connection with Project No. Mass. R–107, under the Contract No. Mass. R–107 (LG) or amendatory contracts for capital grant for said Project, shall be one-half of the maximum project capital grant for said Project authorized under Section 7(d) of said Contract, dated December 28, 1965, prior to any amendatory contract, and any local grants-in-aid provided in connection with said Project in excess of such maximum amount or any local grants-in-aid provided in connection with any other project in the same municipality shall not decrease the amount of the project capital grant for said Project under said Contract and amendatory contracts: *Provided*, That any local grant-in-aid provided in connection with said Project in excess of such maximum amount shall not be considered in determining the local grants-in-aid required for any other project in the same municipality."

Mr. BROOKE. Mr. President, the amendment which I have sent to the desk and for which I have asked immediate consideration, relates to the Kendall Square Urban Renewal Project in Cambridge, Mass. (Project No. Mass. R–107), would authorize special capital grant assistance in excess of the limitations imposed by provisions of title I of the Housing Act of 1949, as amended, due to extraordinary circumstances which have delayed completion of the project.

The Kendall Square project was planned and undertaken in 1964 at the request of the Federal Government in order to meet the urgent need of the National Aeronautics and Space Administration—NASA—for a 29-acre site, constituting the major portion of the project area, for the construction of an Electronics Research Center. The entire NASA site was acquired and cleared by the Cambridge Redevelopment Authority—CRA—causing the displacement of many small businesses. Fourteen acres of the site were conveyed to NASA, which commenced development. In 1970 NASA abruptly terminated its activities, and its interests were transferred to the Department of Transportation—DOT—which subsequently agreed to relinquish any rights to the remainder of the intended NASA site to the Cambridge Redevelopment Authority.

My amendment authorizes special financial assistance in recognition of the substantial additional costs to complete the project, resulting from the delays in development and the need to replan and dispose of the rest of the project area to other developers due to these circumstances.

The legislative proposal authorizes notwithstanding the provisions of title I of the Housing Act of 1949, as amended, that capital grants for the Kendall Square project may exceed two-thirds of the project costs; and that the total local grants-in-aid to be provided shall be limited to the maximum initial amount required under the original Loan and Grant Contract, as executed on December 28, 1965. The basis for such authorization is that subsequent cost increases are the result of the above described circumstances and should not be shared by the locality.

The provisions of sections 103 and 104 of title I of the Housing Act of 1949, as amended, would require net project costs to be shared on a two-thirds, one-third, aggregate basis with respect to all projects in the same municipality. The proposal therefore contains provisions whereby the excess capital grant authorized for the Kendall Square project will not reduce capital grants in other projects.

In addition, section 103 limits capital grants to the difference between net project cost and local grants-in-aid actually made. Due to this requirement, and the aggregate "pooling" provisions of section 104, the proposal provides that any local grants-in-aid provided for the Kendall Square project in excess of the limited amount required under the proposal, or any local grants-in-aid provided for any other project, shall not decrease the capital grant authorized for the Kendall Square project.

While the proposal authorizes a local grant-in-aid for this project in an amount which is less than the required statutory share, and provides further that any local grants-in-aid actually furnished in excess of such amount shall not serve to reduce the capital grant for the project, it is not intended that such excess should thereby be available for use as a pooling credit to other projects. The proviso at the end of the proposal precludes such a result.

This amendment was reviewed by the Department of Housing and Urban Development, and I have been informed by the Department that the amendment is in the proper form and that the Department does not object to its enactment.

Mr. President, I am hopeful that the distinguished Chairman of the Housing Subcommittee, the floor manager of the bill, can accept this amendment.

Mr. SPARKMAN. Mr. President, I have discussed this amendment with the Senator from Massachusetts. In fact, we have been somewhat familiar with this matter all along. I think he has stated a good case; and for my part, I am willing to accept the amendment.

Mr. BROOKE. I appreciate the action by the distinguished chairman.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. MORGAN. Mr. President, will the Senator yield for a question?

Mr. BROOKE. I yield.

Mr. MORGAN. Do I correctly understand that the amendment the Senator has submitted would amend the bill to take care of a particular project. Kendall Square?

Mr. BROOKE. Yes.

Mr. MORGAN. Is that in Massachusetts?

Mr. BROOKE. That is correct.

Mr. MORGAN. Was this amendment considered by the Housing Committee?

Mr. BROOKE. Yes, the matter was considered by the Housing Committee.

Mr. MORGAN. Was it offered and approved by the Housing Committee?

Mr. BROOKE. It was at the markup session of the Housing Committee, yes.

Mr. MORGAN. I am on the committee, but I do not recall voting on this particular amendment.

Mr. BROOKE. It was discussed fully in the Housing Committee markup as I recall the facts, and HUD was to review it, and it was to be brought to the floor of the Senate.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. MORGAN. I yield.

Mr. SPARKMAN. The Senator from Massachusetts correctly states the situation. It was brought up in the markup, but it involved technical language. We felt that we should not delay reporting the bill but that it could be worked out and would be brought up on the floor of the Senate. The amendment of the Senator from Massachusetts carries the technical language that was required.

Mr. MORGAN. Mr. President, I do not know anything about the Kendall Square project, but it strikes me as rather unusual that in a bill that would have nationwide import, we would put an amendment that would affect one particular project out of the 50 States. I assume that it is a worthy project, but it seems to me a complex matter to be taken up and to be tacked on to a nationwide bill. For that reason, I oppose the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BROOKE. Mr. President, I send to the desk an amendment which I offer for the administration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

S. 848 is amended by adding at the end thereof a new section, reading as follows:

"SEC. —. Section 1336(a) of the National Flood Insurance Act of 1968, as amended, is amended by striking out 'December 31, 1975' and inserting in lieu thereof 'December 31, 1976'."

Mr. BROOKE. Mr. President, the amendment just read would extend the emergency implementation provisions of the national flood insurance program for 1 year, from December 31, 1975, to December 31, 1976. It would permit the continued availability of federally subsidized flood insurance in communities where detailed and time-consuming actuarial rate and flood hazard evaluation studies have not been completed.

Under the original or regular flood insurance program as enacted in 1968, flood insurance could not be made available in a community until studies had been made in the community to establish actuarially sound rates for the coverage and to determine the levels at which new construction would be reasonably safe from flooding. This requirement severely restricted the number of communities that were able to qualify for coverage.

In 1969, the emergency flood insurance program was enacted at HUD's recommendation. Under the emergency program, flood insurance can be made available for existing structures as soon as a community agrees to take steps to reduce flood losses on new construction, even though the studies required to establish actuarial rates and safe elevation levels may not be completed for some time.

Some 12,000 communities now participate in the national flood insurance program. About 11,500 of those communities are in the emergency program.

The program provides over $14 billion worth of flood insurance coverage, which is otherwise unavailable from the private insurance industry, to some 550,000 policyholders.

Extending the emergency program for an additional year would be of obvious benefit to the vast majority of flood insurance policyholders whose communities are participating in the emergency program. Indeed, only about 500 of the 12,000 communities in the national flood insurance program are in the regular program.

Mr. President, I have discussed this amendment with the distinguished chairman (Mr. SPARKMAN). It is my understanding that he may accept this amendment.

Mr. SPARKMAN. Mr. President, I am willing to accept the amendment. I should like to say that, as a matter of fact, the program was enacted and we gave what we thought was plenty of time, but the Government itself has not completed the studies that it is making on these various projects. Therefore, it would be a great injustice to many of the communities throughout the country that would lose out if we did not provide this extension. I am glad to support the amendment.

Mr. BROOKE. I thank the Senator.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BROOKE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROOKE. I yield to the distinguished Senator from Delaware (Mr. ROTH).

Mr. ROTH. Mr. President, I wish to ask either the Senator from Alabama or the Senator from Massachusetts a couple of questions on this flood insurance.

This is a program that I have strongly supported in the past and shall continue to support, but it has raised a number of serious problems in the State of Delaware. We have found that in a number of cases, people who are purchasing homes are required to take emergency flood insurance when the facts show that there is absolutely no possibility of floods occurring in places where these homes are located. This raises the cost by $200 or $300 to those people. I wonder what the committee is doing in this area.

Mr. SPARKMAN. Mr. President, we have had hearings on flood insurance and it was on the basis of those hearings that we reported the bill and passed it last year, during 1974. We are familiar with the kind of problem that the Senator has in his State; as a matter of fact, we found similar problems down the Mississippi Delta, for instance, on some of the high banks, and so forth. We have not worked it out satisfactorily. We are going to have further hearings and try to find a solution.

This whole thing of flood insurance and the Government's participation in it is a rather complex proposition, but we do intend to look into this matter further. I hope that we can come up with a solution that will meet the Senator's situation.

Mr. ROTH. I point out that it is costing real money to people who cannot afford it. It is adding to their purchase price.

One of the things that has concerned me is that HUD has gone out and apparently paid for new surveys to be made, when the Corps of Engineers and other groups have detailed maps and they are in conflict. I hope and urge that the commitee take this up as a matter of first priority.

Mr. BROOKE. Mr. President, I commend the distinguished Senator from Delaware (Mr. ROTH) for bringing this matter to the Senate's attention. I join with our chairman (Mr. SPARKMAN) in assuring him that we will have hearings on the particular subject he raises, and we shall see what we can do to alleviate the situation of which he speaks.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BROOKE. Mr. President, prior to calling up another amendment, I yield the floor to the distinguished Senator from New York (Mr. JAVITS) for an amendment.

Mr. JAVITS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

At the end of the bill, add the following:

"SEC. —. The National Housing Act is amended by striking out the words 'by not to exceed 45 per centum in any geographical area' where they appear in sections 207(c)(3), 213(b)(2), 220(d)(3)(B)(iii), 221(d)(3)(ii), 221(d)(4)(ii), 231(c)(2), and 234(e)(3) and inserting in lieu thereof in each such section the words 'by not to exceed 75 per centum in any geographical area'."

Mr. JAVITS. Mr. President, this is an amendment which I regret, very much, in the interest of my own community and every other community in the country, that I have to propose, but realities exceed my own regret in this matter. What it does is expand the discretion, on the basis of the finding of fact, of the Secretary of HUD to deal with the insurance of mortgages in the FHA programs other than section 8—I shall explain that in a minute—from 45 percent, which it now is, to 75 percent. The fact is that there is just no market, no ability for a guaranteed mortgage in the high cost areas at this 45 percent. The limit has to be raised.

As I say, it is regrettable, because all it means is an enormous increase in the cost of both labor and materials which has been suffered in the housing field. But these are the facts of life.

This is an amendment that was considered by the committee in this way: We proposed originally the same idea that is contained in section 8. That is that cost limits be based upon a prototype; that is, what is the actual cost in given areas of a prototype construction such as is being insured by FHA. The committee considered that and I think was rather favorable to it. But the FHA decided that it would rather proceed along the pattern now existing in law—to wit, the percentage limits which I have just described—rather than on the prototype idea which is contained in section 8. In order to deal with that problem, we had to go this route, and I am able to say now that the department has no objection to this amendment. I hope it will be accepted.

Mr. BROOKE. Will the Senator yield for a question?

Mr. JAVITS. Yes.

Mr. BROOKE. I would be remiss if I did not raise the question as to what effect this will have on middle-income people and whether it is the intent of the distinguished Senator from New York that the Secretary of HUD go to the maximum?

Mr. JAVITS. Not at all. It is the intent of the Senator from New York only to apply the same principle, except that the figure is completely obsolescent in the light of the situation. We could approach it by increasing the dollar limits, but that deprives the Secretary of an element of flexibility and discretion which I would rather the Secretary have.

I opened by saying to the Senator that I regret very deeply the need for this amendment and I am afraid it will hit my community the hardest. Unhappily for us, we have the highest costs. But it is a pain for many other communities as well. The figure has simply become impractical

Rather than try to raise the figure, which would simply cement in the impracticality, I would rather leave that and just expand the discretion of the Secretary in the hope that, at least on a regional basis, it can be kept to a minimum.

Mr. BROOKE. So the secretary is not compelled under the Senator's amendment to go to the maximum.

Mr. JAVITS. Not at all, and I would hope very much she will not.

Mr. BROOKE. Number two, I am certainly very well aware of the Senator's fight to keep rates low. Certainly we are concerned with that. I guess it is just a question now, with inflation and higher costs, either this or none at all.

Mr. JAVITS. Exactly right. Considering our situation with housing starts generally we really were left with no alternative.

I might tell the Senator we have just put in a bill—I am the ranking member of the Labor Committee with Senator Williams—to have some effect on the wage scales in this industry by requiring, under Dunlop's bill—and I think it is an excellent bill and I am very enthusiastic for it—by requiring all of these wage settlements to be referred at least to the international union. Then we have a commission which can give a 30-day stay even after the contract has expired.

In short, we, in the Labor Committee, are determined if we humanly can, to try to bring down the cost of building homes. But, in the meantime, we are faced with these very hard realities which nobody regrets more than I do.

Mr. BROOKE. Well, you know, I am concerned, as is the Senator from New York, about the escalating costs of building units going from $33,700 to $42,612.

Mr. JAVITS. Exactly. That is what I regret.

Mr. BROOKE. And then up to $45,000, and from $50,000 to $60,000 for a 3-bedroom house. It is just escalating all the time.

Mr. JAVITS. Unbelievable.

Mr. BROOKE. It is getting to the point where people will not be able to look forward to buying housing.

Mr. JAVITS. At the same time, we are between Scylla and Charybdis of having no housing at all.

Mr. BROOKE. It is the same as between the devil and the deep blue sea.

Mr. JAVITS. That is correct. At least give her a parameter which is practical.

Mr. BROOKE. It is my understanding further that the Senator from New York has discussed this matter with Secretary Hill.

Mr. JAVITS. I asked my assistant expressly to give me the names to back up my statement that the department has no objection. It has been discussed with Sol Mosher, the Assistant Secretary for Congressional Affairs, and Les Platt of the General Counsel's office, and we have been advised there is no objection.

Mr. BROOKE. I certainly sympathize with the plight of the Senator from New York. I know in his area, which does not differ very much, I might say, from my own area, in cost, that we have a very, very serious problem here, and I repeat it is unfortunate. But it is this or no housing at all.

Mr. JAVITS. That is exactly the situation.

Mr. BROOKE. It is a choice of poverty.

Mr. JAVITS. Exactly.

Mr. SPARKMAN. Mr. President, will the Senator yield to me?

Mr. JAVITS. I yield.

Mr. SPARKMAN. I was going to make a proposal that we make an interim agreement until we can study this problem more of stating 60 percent instead of the 75 percent.

Let me ask the Senator this: he said the department had approved it. My understanding is they say they would not fight it and that there was no positive approval. If we could agree, on an interim basis, to 60 percent, then it would give us a chance to check into this more carefully and find out just what the situation is.

Mr. JAVITS. Well, I say to the Senator, 60 percent; it is ridiculous for the mover of an amendment to say this, but that is the situation, and it does not help us. It does not meet the reality of costs today. You might just as well make it 54 percent because it is not a matter of splitting the difference.

My suggestion, sir, is this: this is their idea as to how to approach it. Our idea was the prototype. I would respectfully suggest to the committee that at least it take the matter to conference and then it can bring to bear in the conference its views, but at least it will have the parameter which is really required by the situation. If the conference then decides, based on consultation with the department, that it wants to go to a lower figure there is not much I can do about that, but I certainly would not wish to curtail the latitude for the conference because I think you will find we are not asking for anything except what we have to.

Mr. SPARKMAN. May I ask a question?

Mr. JAVITS. Sure.

Mr. SPARKMAN. As I understand, this is a regional arrangement?

Mr. JAVITS. Exactly right.

Mr. SPARKMAN. It does not apply nationwide.

Mr. JAVITS. It certainly does not. It applies by region. She must make a factual finding and it is entirely discretionary, just like the 45 percent. No difference whatever.

Mr. SPARKMAN. Let me say this: If the House had passed a bill and we knew we were going to conference I would quickly accept the Senator's amendment and take it to conference, and by that time we could have some details worked out and find out just where we stand. But we do not know what the House is going to do. So it may not be a matter that will be in conference.

Mr. JAVITS. Well, Mr. President, if it is not in conference it will not become law. If it is in conference you will be able to deal with it.

Mr. SPARKMAN. Oh, yes, if we write it in and the House passes a bill and writes it in then it is not in conference.

Mr. JAVITS. I think in that case the Senator certainly has enough influence with the House Members so if he does not like it they will conform it to what he wants.

I will say to the Senator I have no passion here. I am dealing with a stark and unhappy reality.

Mr. SPARKMAN. I recognize that situation and I am sympathetic with it, as the Senator knows.

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. JAVITS. Yes.

Mr. BROOKE. I am most sympathetic to the Senator from New York. The point is it is just regional and just applies to this area. The Senator does have in his region some very unique circumstances, and I share those circumstances in my own State of Massachusetts, and I would urge the chairman to take it to conference.

Mr. SPARKMAN. Let me be sure I understand this proposition, too. While it says not to exceed 75 percent, it still leaves it up to HUD to determine what level it will be not to exceed 75 percent.

Mr. JAVITS. Exactly, and by region.

Mr. BROOKE. I raised that question with the Senator from New York, and this is the maximum. She has that discretion, in fact, the Senator from New York said he hopes she does not go that high.

Mr. JAVITS. Of course not. It is really against our interests.

Mr. BROOKE. He would like to have it lower.

Mr. JAVITS. Exactly.

Mr. SPARKMAN. And it is regional and not nationwide.

Mr. JAVITS. That is correct.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New York.

The amendment was agreed to.

Mr. BROOKE. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. BROOKE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Add at the end of the bill a new section, reading, as follows:

"SEC. —. (a) Section 221 of the National Housing Act is amended by—

"(1) striking out 'General Insurance Fund' where it appears in the second proviso of subsection (d)(4)(iv) and inserting in lieu thereof 'Special Risk Insurance Fund'.

"(2) striking out in the fourth sentence of subsection (f) all that follows the words 'as the Secretary may determine' and inserting in lieu thereof a period; and

"(3) striking out 'General Insurance Fund' where it appears in paragraphs (1) and (3) of subsection (g) and inserting in lieu thereof 'Special Risk Insurance Fund'.

"(b) Section 238 of the National Housing Act is amended by—

"(1) inserting '221,' in subsection (b) immediately after the word 'sections' each time such word immediately precedes an enumeration of sections of the National Housing Act; and

"(2) adding at the end thereof new subsections (c) and (d), to read as follows:

"(c) Notwithstanding any other provision of law, there are hereby transferred to the fund created under this section all receipts, funds and other assets, all actual or contingent liabilities, all commitments for insurance, and all insurance on mortgages, of or chargeable to the General Insurance Fund created by section 519 of this Act which have arisen from or in connection with the insurance of mortgages under section 221 of this Act. All such assets, liabilities, commitments for insurance, and insurance of mortgages shall be and are hereby made assets, liabilities, commitments, and insurance of the fund established under this section as if they had originally been subject or chargeable to such fund.

"(d) Notwithstanding the limitations contained elsewhere in this Act, debentures of the General Insurance Fund may be used to pay mortgage insurance premiums for mortgages insured under section 221 of this Act."

"(c) Section 519(e) of the National Housing Act is amended by inserting immediately before "223(e)" the following: "221,".

"(d) Notwithstanding any other provision of law, all references to the General Insurance Fund in section 207 or any other section of the National Housing Act shall, to the extent such references pertain to section 221 of that Act, be construed to refer instead to the Special Risk Insurance Fund.

"(e) The provisions of subsections (a) through (d) become effective on such date, not to exceed 90 days after enactment, as the Secretary of Housing and Urban Development deems appropriate."

Mr. BROOKE. The amendment would transfer section 221 from HUD's general insurance—GI—fund to its special risk insurance—SRI—fund. The transfer would consolidate in one FHA insurance fund all of the FHA programs which Congress recognized might not be actuarially sound.

The proposed transfer is appropriate because mortgages assisted under section 221 are similar to those assisted under HUD programs already chargeable to the SRI fund. For example, the section 235 and 236 programs, which are chargeable to the SRI fund, are similar to the section 221 programs in that they are aimed primarily at providing housing for low income families. Also, like mortgages insured under sections 235 or 236—or under one of the other programs covered by the SRI fund, section 221 mortgages generally involve more risk than is involved in other HUD programs.

For example, the section 221(d)(2) program involves minimum downpayments. Low downpayments generally correlate with increased mortgage defaults because of the limited commitments of mortgagors to properties involved and other factors. As a result, the section 221(d)(2) program has not been actuarially sound, and this has adversely affected the entire GI fund.

In addition, by explicit statutory authorization, no mortgage insurance premiums have been charged in the section 221(d)(3) below-market-interest-rate—BMIR—program. Thus, that program has made no cash contribution to the GI fund. Yet losses on the sale of BMIR projects—which are chargeable to the GI fund—are generally higher than on other projects which are the security for mortgages insured under the GI fund.

Because of losses in the 221 programs GI fund receipts from operations have not been adequate for the last several years to cover both operating costs and mortgage insurance benefit claims. Indeed, the cash position of the fund in recent months is such that receipts from operations will probably be inadequate to cover even operation costs in the near future.

The National Housing Act authorizes Treasury borrowing to pay mortgage insurance claims in cash, but does not authorize borrowing to pay operating expenses or interest expense on borrowings.

Present borrowing authorizations contemplate that a fund will generate future income adequate to repay borrowings. In the case of GI fund borrowing, this cannot be forecast based on past or present experience or future projections, primarily because of section 221 deficits. However, the SRI fund, with its provision for appropriations to make up deficits, meets the anticipated deficit problem head-on by recognizing that appropriations will be needed to cover programs chargeable to that fund.

The proposed transfer of section 221 to the special risk insurance fund is imperative because of the profound negative impact which section 221 has had on the general insurance fund.

If section 221 were to remain in the GI fund, it is quite possible that the GI fund will be unable to meet its operating expenses and other obligations in 1976. Transferring section 221 from the GI fund to the SRI fund would be a sound legislative solution to this problem. The proposed transfer would convert the fund from a deficit position of several hundred million dollars into a reserve position.

While the negative position of the SRI fund would become more pronounced if section 221 were transferred to it, the increased losses which would be attributable to the SRI fund could be dealt with effectively because Congress has authorized appropriations to be made to cover losses sustained by the SRI fund. Congress granted this authority for appropriations because the programs that were placed in the fund may not be operable on an actuarially sound basis.

Mr. SPARKMAN. Mr. President, let me say with reference to this amendment that I have had some discussion with the able Senator from Massachusetts. This is a rather complicated program that we are seeking to deal with. There are three insurance funds with reference to these mortgages.

The Senator seeks to move 221, as I understand, into the high-risk fund.

It may very well be that it belongs there, but I would not like to admit and I do not want to feel that that is the fund it belongs in.

Maybe we need some change with reference to 221, but the Senator knows that it is a matter, not necessarily with reference to 221, but generally in the housing programs, that has been a rather difficult and complicated thing to manage, the different programs with reference to the different insurance programs.

I would like to suggest to the Senator from Massachusetts that he not press for action on this amendment at this time and I assure him that it will be my purpose as chairman of the Housing Subcommittee to have hearings very soon in which we can work out this situation.

The Senator is the ranking member, I believe, on that Housing Subcommittee, so we will be there together working on it and I will be very glad to make that kind of arrangement with the Senator.

Mr. BROOKE. Mr. President, I think that the chairman's approach is a reasonable one with the assurance that we will have hearings on this, because this matter we have discussed before, we have taken it up in our Housing Committee on several occasions that I can recall, and we have been concerned about these funds, the various housing program funds.

I think that we might serve a good purpose if we know exactly what the condition of these funds are and how the programs work under the various funds.

So with the understanding that the chairman will hold early hearings on this matter, I will not press this amendment and will withdraw it.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. SPARKMAN. Mr. President, I appreciate the action taken by the Senator in withdrawing the amendment.

Mr. President, I have a technical amendment that I send to the desk.

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk read as follows:

The Senator from Alabama (Mr. SPARKMAN) proposes a technical amendment.

The amendment is as follows:

At the appropriate place in the bill, insert the following new section:

Sec. . (a) The seventh sentence of section 221(f) of the National Housing Act is amended by striking out ", but not more than 10 per centum of the dwelling units in any such project shall be available for occupancy by such persons".

(b) The proviso to subparagraph (C) of section 236(j)(5) of such Act is amended by striking out ", but not more than 10 per centum of the dwelling units in any such project shall be available for occupancy by such persons".

Mr. SPARKMAN. Mr. President, this is really to correct an oversight in previous legislation and I am quite sure that there is no opposition to it. It is technical in nature, as I stated.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. SPARKMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPARKMAN. Mr. President, I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. BROOKE. Mr. President, I ask unanimous consent that the following persons be granted privilege of the floor: Carl Coan, Tommy Brooks, Dan Wall and Ken McLean.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The question is, Shall the bill pass? The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Louisiana (Mr. LONG), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Montana (Mr. METCALF), the Senator from Minnesota (Mr. MONDALE), and the Senator from West Virginia (Mr. RANDOLPH) are necessarily absent.

I also announce that the Senator from Alabama (Mr. ALLEN) and the Senator from Michigan (Mr. HART) are absent because of illness.

I further announce that, if present and voting, the Senator from West Virginia (Mr. RANDOLPH) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER) and the Senator from Arizona (Mr. FANNIN) are necessarily absent.

The result was announced—yeas 91, nays 0, as follows:

[Rollcall Vote No. 390 Leg.]

YEAS—91

Abourezk
Bartlett
Bayh
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Buckley
Bumpers
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cotton
Cranston
Culver
Curtis
Dole
Domenici
Eagleton
Eastland
Fong
Ford
Garn
Glenn
Goldwater
Gravel
Griffin
Hansen
Hart, Gary W.
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Laxalt
Leahy
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott,
  William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Stone
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—0

NOT VOTING—9

Allen
Baker
Fannin
Hart, Philip A.
Long
McIntyre
Metcalf
Mondale
Randolph

So the bill (S. 848), as amended, was passed, as follows:

S. 848

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2(b)(1) of the National Housing Act is amended by striking out "$10,000 ($15,000" and inserting in lieu thereof "$12,500 ($20,000".

SEC. 2. Notwithstanding the provisions of section 103(a) (2) and (3) and section 104 of the Housing Act of 1949 or of any other law (1) the maximum project capital grant for Project No. Mass. R–107 may exceed two-thirds of the net project costs of said project, and any such excess shall not be considered in determining the project capital grant for any other project in the same municipality and (2) the maximum amount of local grants-in-aid required in connection with Project No. Mass. R–107, under the Contract No. Mass. R–107 (LG) or amendatory contracts for capital grant for said project, shall be one-half of the maximum project capital grant for said project authorized under section 7(d) of said contract, dated December 28, 1965, prior to any amendatory contract, and any local grants-in-aid provided in connection with said project in excess of such maximum amount or any local grants-in-aid provided in connection with any other project in the same municipality shall not decrease the amount of the project capital grant for said project under said contract and amendatory contracts: *Provided,* That any local grants-in-aid provided in connection with said project in excess of such maximum amount shall not be considered in determining the local grants-in-aid required for any other project in the same municipality.

Sec. 3. The National Housing Act is amended by striking out the words "by not to exceed 45 per centum in any geographical area" where they appear in sections 207(c) (3), 213(b)(2), 220(d)(3)(B)(iii), 221(d) (3)(ii), 221(d)(4)(ii), 231(c)(2), and 234(e) (3) and inserting in lieu thereof in each such section the words "by not to exceed 75 per centum in any geographical area".

Sec. 4. (a) The seventh sentence of section 221(f) of the National Housing Act is amended by striking out ", but not more than 10 per centum of the dwelling units in any such project shall be available for occupancy such persons".

(b) The proviso to subparagraph (C) of section 236(j)(5) of such Act is amended by striking out ", but not more than 10 per centum of the dwelling units in any such project shall be available for occupancy by such persons".

Sec. 5. Section 1336(a) of the National Flood Insurance Act of 1968, as amended, is amended by striking out "December 31, 1975" and inserting in lieu thereof "December 31, 1976"."

Mr. SPARKMAN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make any necessary technical and clerical corrections in the engrossment of S. 848.

The PRESIDING OFFICER. Without objection, it is so ordered.

FOREIGN RELATIONS AUTHORIZATION ACT 1976–77

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration, without any action being taken thereon today, of Calendar Order No. 327, S. 1517.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 1517) to authorize appropriations for the administration of foreign affairs; international organizations, conferences, and commissions; information and cultural exchange; and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Foreign Relations, with an amendment to strike out all after enacting clause and insert:

TITLE I—ADMINISTRATION OF FOREIGN AFFAIRS

PART 1—DEPARTMENT OF STATE

AUTHORIZATION

Sec. 101. (a) There are authorized to be appropriated for the Department of State for fiscal year 1976, to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States, including trade negotiations, and other purposes authorized by law, the following amounts:

(1) for the "Administration of Foreign Affairs", $435,755,000; and

(2) such additional amounts as may be necessary for increases in salary, pay, retirement, other employee benefits authorized by law, or other nondiscretionary costs.

(b) Amounts appropriated under this section are authorized to remain available until expended.

(c) The Act entitled "An Act to provide certain basic authority for the Department of State", approved August 1, 1956, as amended is further amended by adding at the end thereof the following new section:

"Sec. 17. The Secretary of State is authorized to use appropriated funds for unusual expenses similar to those authorized by section 5913 of title 5, United States Code, incident to the operation and maintenance of the living quarters of the United States Representative to the Organization of American States."

BEQUEST OF AMBASSADOR THURSTON

Sec. 102. There is authorized to be appropriated to the Department of State for fiscal year 1976 the sum of $125,000, to remain available until expended, for the purpose of furnishing or refurnishing the diplomatic reception rooms of the Department of State, such sum representing the amount bequeathed by the late Ambassador Walter Thurston to the United States of America.

CRITERIA REGARDING SELECTION AND CONFIRMATION OF AMBASSADORS

Sec. 103. The Act of August 1, 1956 (Public Law 84–885; 70 Stat. 890) is amended by adding at the end thereof the following new section:

"Sec. 103. It is the sense of the Congress that the position of United States ambassador to a foreign country should be accorded to men and women possessing clearly demonstrated competence to perform ambassadorial duties. No individual should be accorded the position of United States ambassador to a foreign country primarily because of partisan political activity or financial contributions to political campaigns.".

REOPENING OF UNITED STATES CONSULATE AT GOTHENBERG, SWEDEN

Sec. 104. (a) It is the sense of the Congress that the United States Consulate at Gothenburg, Sweden, should be reopened as soon as possible after the date of enactment of this Act.

(b)(1) There are authorized to be appropriated for the Department of State for fiscal year 1976, in addition to amounts authorized under sections 101 and 102 of this Act, such sums as may be necessary for the operation of such consulate.

(2) Amounts appropriated under this subsection are authorized to remain available until expended.

AGRICULTURAL ATTACHE IN CHINA

Sec. 105. It is the sense of the Congress that the President should establish an agricultural attaché in the People's Republic of China.

PART 2—ARMS CONTROL AND DISARMAMENT AGENCY

AUTHORIZATION

Sec. 141. Section 49(c) (22 U.S.C. 2589(a)) of the Arms Control and Disarmament Act is amended by inserting in the second sentence thereof, immediately after "$10,000,000", a comma and the following: "and for the fiscal year 1976, the sum of $12,130,000".

STUDY REGARDING IMPACT OF CERTAIN ARMS CONTROL MEASURES UPON MILITARY EXPENDITURES

Sec. 142. Of the amount authorized under section 141 of this Act, not to exceed $1,000,000 shall be available for the purpose of conducting a study regarding the impact upon military expenditures of arms control agreements entered into by the United States and the Soviet Union. The Director of the Arms Control and Disarmament Agency shall transmit to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate not later than July 1, 1976, a report with respect to the study conducted pursuant to this section.

RESEARCH REGARDING DEVELOPMENT OF NUCLEAR SAFEGUARD TECHNIQUES

Sec. 143. Of the amount authorized to be appropriated under section 141 of this Act, not to exceed $440,000 shall be available for the purpose of conducting research, in consultation with the International Atomic Energy Agency, with respect to the development of nuclear safeguard techniques.

PURPOSES OF ARMS CONTROL AND DISARMAMENT ACT

Sec. 144. Section 2 of the Arms Control and Disarmament Act (22 U.S.C. 2551) is amended by striking out "It must be able" in the second sentence of the third paragraph and inserting in lieu thereof "It shall have the authority, under the direction of the President and the Secretary of State.".

NATIONAL SECURITY COUNCIL

Sec. 145. Section 22 of the Arms Control and Disarmament Act (22 U.S.C. 2562) is amended by inserting ", the National Security Council," immediately after "Secretary of State" in the first sentence.

ARMS CONTROL AND DISARMAMENT IMPACT STATEMENT

Sec. 146. Title III of the Arms Control and Disarmament Act (22 U.S.C. 2571–2575) is amended by adding at the end thereof the following:

ARMS CONTROL IMPACT INFORMATION AND ANALYSIS

"Sec. 36. (a) In order to assist the Director in the preformance of his duties with respect to arms control and disarmament policy and negotiations, any Government agency preparing any legislative or budgetary proposal for—

"(1) any program of research, development, testing, engineering, construction, deployment, or modernization with respect to armaments, ammunition, implements of war, or military facilities, having—

"(A) an estimated total program cost in excess of $250,000,000, or

"(B) an estimated annual program cost in excess of $50,000,000, or

"(2) any other program involving weapons systems or technology which such Government agency or the Director believes may have a significant impact on arms control and disarmament policy or negotiations.

shall, on a continuing basis, provide the Director with full and timely access to detailed information, in accordance with the procedures established pursuant to section 35 of this Act, with respect to the nature, scope, and purpose of such proposal.

"(b)(1) The Director, as he deems appropriate, shall assess and analyze each program described in subsection (a) with respect to its impact on arms control and disarmament policy and negotiations, and shall advise and make recommendations, on the basis of such assessment and analysis, to the National Security Council, the Office of Management and Budget, and the Government agency proposing such program.

"(2) Any request to the Congress for authorization or appropriations for—

"(A) any program described in subsection (a)(1), or

"(B) any program described in subsection (a)(2) and found by the National Security Council, on the basis of the advice and recommendations received from the Director, to have a significant impact on arms control and disarmanent policy or negotiations,

shall include a complete statement analyzing the impact of such program on arms control and disarmament policy and negotiations.

"(3) Upon the request of any appropriate committee of either House of Congress, the Director shall, after informing the Secretary of State, advise the Congress on the arms control and disarmament implications of any program with respect to which a statement has been submitted to the Congress pursuant to paragraph (2).

"(c) No court shall have any jurisdiction under any law to compel the performance of any requirement of this section or to review the adequacy of the performance of any such requirement on the part of any Government agency (including the Agency and the Director).".

SECURITY REQUIREMENTS FOR CERTAIN CONSULTANTS AND CONTRACTORS

SEC. 147. (a)(1) The second sentence of section 45 (a) of the Arms Control and Disarmament Act (22 U.S.C. 2585(a)) is amended by striking out "The Director" and inserting in lieu thereof "Except as provided in subsection (d), the Director".

(2) The fifth sentence of section 45(a) of such Act is amended by striking out "No person" and inserting in lieu thereof "Except as provided in subsection (d), no person".

(3) Section 45 of such Act is amended by adding at the end thereof the following new subsection:

"(d) The investigations and determination required under subsection (a) may be waived by the Director in the case of any consultant who will not be permitted to have access to classified information if the Director determines and certifies in writing that such waiver is in the best interests of the United States.".

(b) Section 45(b) of such Act (22 U.S.C. 2585(b)) is amended by adding at the end thereof the following: "Notwithstanding the foregoing and the provisions of subsection (a), the Director may also grant access to classified information to contractors or subcontractors and their officers and employees, actual or prospective, on the basis of a security clearance granted by the Department of Defense, or any agency thereof, to the individual concerned; except that any access to Restricted Data shall be subject to the provisions of subsection (c).".

ACCESS TO CLASSIFIED INFORMATION

SEC. 148. Section 45(b) of the Arms Control and Disarmament Act is amended by adding at the end thereof the following: "Notwithstanding the foregoing and the provisions of subsection (a) of this section, the Director may also grant access to classified information to contractors or subcontractors and their officers and employees, actual or prospective, on the basis of a security clearance granted by the Department of Defense, or any agency thereof, to the individual concerned, except that access to restricted data shall be subject to the provisions of subsection (c) of this section."

PUBLIC INFORMATION

SEC. 149. Section 49(d) of the Arms Control and Disarmament Act (22 U.S.C. 2589 (d)) is amended by striking out "None" and inserting in lieu thereof "Except as may be necessary to carry out the purposes of this Act specified under section 2(c), none".

REPORT TO CONGRESS; POSTURE STATEMENT

SEC. 150. Section 50 of the Arms Control and Disarmament Act (22 U.S.C. 2590) is amended by adding at the end thereof the following new sentence: "Such report shall include a complete and analytical statement of arms control and disarmament goals, negotiations, and activities and an appraisal of the status and prospects of arms control negotiations and of arms control measures in effect.".

CONSULTATION REGARDING ARMS TRANSFERS

SEC. 151. (a) Section 414 of the Mutual Security Act of 1954 (22 U.S.C. 1934) is amended by adding at the end thereof the following new section:

"(f) Decisions on issuing licenses for the export of articles on the United States munitions list shall be made in coordination with the Director of the United States Arms Control and Disarmament Agency and shall take into account the Director's opinion as to whether the export of an article will contribute to an arms race, or increase the possibility of outbreak or escalation of conflict, or prejudice the development of bilateral or multilateral arms control arrangements.".

(b) Section 42(a) of the Foreign Military Sales Act (22 U.S.C. 2791(a)), is amended by striking out "(3)" and inserting in lieu thereof "(3) in coordination with the Director of the United States Arms Control and Disarmament Agency, the Director's opinion as to".

(c) Section 511 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321(d)) is amended by striking out the words "take into account" and inserting in lieu thereof "be made in coordination with the Director of the United States Arms Control and Disarmament Agency and shall take into account his opinion as to".

PART 3—FOREIGN SERVICE BUILDINGS

AUTHORIZATION

SEC. 171. Section 4 of the Foreign Service Buildings Act 1926 (22 U.S.C. 295), is amended—

(1) by redesignating subsection (h) as subsection (i) and by inserting immediately after subsection (g) the following new subsection:

"(h) In addition to amounts authorized before the date of enactment of this subsection, there is authorized to be appropriated to the Secretary of State—

"(1) for acquisition by purchase or construction (including acquisition of leaseholds) of sites and buildings in foreign countries under this Act, and for major alterations of buildings acquired under this Act, the following sums:

"(A) for use in the Near East and South Asia, not to exceed $8,005,000, of which not to exceed $3,985,000 may be appropriated for the fiscal year 1976; and

"(B) for facilities for the United States Information Agency, not to exceed $3,745,000, of which not to exceed $2,800,000 may be appropriated for the fiscal year 1976;

"(2) for use to carry out the other purposes of this Act for the fiscal year 1976, $32,840,000,"; and

(2) by striking out paragraph (2) of subsection (i) as so redesignated by paragraph (1) of this Act, and inserting in lieu thereof the following new paragraph:

"(2) not to exceed 10 per centum of the funds authorized by any subparagraph under paragraph (1) of subsections (d), (f), (g), and (h) of this section may be used for any of the purposes for which funds are authorized under any other subparagraph of paragraph (1) of any such subsection."

TITLE II—INTERNATIONAL ORGANIZATIONS, CONFERENCES, AND COMMISSIONS

GENERAL AUTHORIZATIONS

SEC. 201. (a) There are authorized to be appropriated for the Department of State for the fiscal year 1976, to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States, including trade negotiations, and other purposes authorized by law, the following amounts:

(1) for "International Organizations and Conferences", $250,229,000;

(2) for "International Commissions", $18,993,000; and

(3) such additional amounts as may be necessary for increases in salary, pay, retirement, other employee benefits authorized by law, or other non-discretionary costs.

(b) Amounts appropriated under this section are authorized to remain available until expended.

SPECIAL AUTHORIZATION FOR UNESCO AND ICAO

SEC. 202. There are authorized to be appropriated and paid $3,089,000 to complete the United States contribution toward the calendar year 1974 budgets of the United Nations Educational, Scientific, and Cultural Organization and the International Civil Aviation Organization, notwithstanding that such payments are in excess of 25 per centum of the total annual assessment of such organizations.

LIMITATIONS ON CONTRIBUTIONS AND PAYMENTS TO IAEA, ICAO, AND UNITED NATIONS PEACEKEEPING ACTIVITIES

SEC. 203. Public Law 92–544 (86 Stat. 1109, 1110) is amended, in the paragraph headed "CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS" under "INTERNATIONAL ORGANIZATIONS AND CONFERENCES", by inserting a period after "organization", striking out the text following and inserting in lieu thereof the following: "Appropriations are authorized and contributions and payments may be made to the following organizations and activities notwithstanding that such contributions and payments are in excess of 25 per centum of the total annual assessment of the respective organization or 33⅓ per centum of the budget for the respective activity: the International Atomic Energy Agency, the joint financing program of the International Civil Aviation Organization, and contributions for international peacekeeping activities conducted by or under the auspices of the United Nations or through multilateral agreements."

ANNUAL CONTRIBUTION TO INTERPARLIAMENTARY UNION

SEC. 204. The first section of the Act entitled "An Act to authorize participation by the United States in the Interparliamentary Union", approved June 28, 1935 (22 U.S.C. 276), is amended by—

(1) striking out "$120,000" and inserting in lieu thereof "$170,000"; and

(2) striking out "$75,000" and inserting in lieu thereof "$125,000".

UNITED NATIONS UNIVERSITY

SEC. 205. There are authorized to be appropriated for the Department of State, for contribution to the endowment fund of the United Nations University, to remain available until expended, $25,000,000.

TITLE III—INFORMATION AND CULTURAL EXCHANGE

PART 1—UNITED STATES INFORMATION AGENCY

AUTHORIZATIONS

SEC. 301. (a) There are authorized to be appropriated for the United States Information Agency for fiscal year 1976, to carry out international informational activities and programs under the United States Information and Educational Exchange Act of 1948, the Mutual Educational and Cultural Exchange Act of 1961, and Reorganization Plan Number 8 of 1953, and other purposes authorized by law, the following amounts:

(1) for "Salaries and Expenses" and "Salaries and Expenses (special foreign currency program)", $257,692,000;

(2) for "Special International Exhibitions", $6,187,000;

(3) for "Acquisition and Construction of Radio Facilities", $10,135,000; and

(4) such additional amounts as may be necessary for increases in salary, pay, retirement, other employee benefits authorized by law, or other nondiscriminatory costs.

(b) Amounts appropriated under this section are authorized to remain available until expended.

VOICE OF AMERICA CHARTER

Sec. 302. Title V of the United States Information and Educational Exchange Act of 1948 is amended by adding at the end thereof the following new section:

"VOICE OF AMERICA CHAPTER

"Sec. 503. The long-range interests of the United States are served by communicating directly with the peoples of the world by radio. To be effective, the Voice of America (the Broadcasting Service of the United States Information Agency) must win the attention and respect of listeners. These principles will govern Voice of America (VOA) broadcasts:

"(1) VOA will serve as a consistently reliable and authoritative source of news. VOA news will be accurate, objective, and comprehensive.

"(2) VOA will represent America, not any single segment of American society, and will therefore present a balanced and comprehensive projection of significant American thought and institutions.

"(3) VOA will present the policies of the United States clearly and effectively, and will also present responsible discussion and opinion on these policies."

Part 2.—Educational Exchange

AUTHORIZATION

Sec. 341. (a) There are authorized to be appropriated for the Department of State for fiscal year 1976, to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States, including trade negotiations, and other purposes authorized by law, the following amounts:

(1) for "Educational Exchange", $74,000,000; and

(2) such additional amounts as may be necessary for increases in salary, pay, retirement, other employee benefits authorized by law, or other nondiscretionary costs.

(b) Amounts appropriated under this section are authorized to remain available until expended.

Part 3—Radio Free Europe and Radio Liberty

AUTHORIZATION

Sec. 371. Section 8(a) of the Board for International Broadcasting Act of 1973 (22 U.S.C. 2877(a)) is amended—

(1) by striking out "$49,990,000 for fiscal year 1975, of which not less than $75,000 shall be available solely to initiate broadcasts in the Estonian language and not less than $75,000 shall be available solely to initiate broadcasts in the Latvian language" in the first sentence and inserting in lieu thereof "$65,640,000 for fiscal year 1976"; and

(2) by striking out "fiscal year 1975" in the second sentence and inserting in lieu thereof "fiscal year 1976".

TITLE IV—MISCELLANEOUS

Part 1—Foreign Service

LIMITATION ON NUMBER OF SCHEDULE C-TYPE FOREIGN SERVICE RESERVE APPOINTMENTS

Sec. 401. Section 522 of the Foreign Service Act of 1946 is amended as follows:

(1) Immediately after "Sec. 522." insert "(a)".

(2) At the end thereof add the following new subsections:

"(b) The Secretary of State shall by regulation establish procedures to insure that—

"(1) all persons hired as Foreign Service Reserve officers are selected in accordance with generally established merit-hiring principles, intended to assure that the best available personnel are hired as such officers;

"(2) all Foreign Service Reserve officers are assigned and promoted on a strictly competitive basis in accordance with recognized merit standards; and

"(3) all Foreign Service Reserve officers are selected for conversion to career status on the basis of (A) merit standards and the needs of the Service, or (B) for officers hired prior to the enactment of this section, policies announced by the Department of State.

"(c) The Secretary of State is authorized to employ and assign persons to serve as Foreign Service Reserve officers in policy support or confidential employee positions without regard to subsection (a) of this section or any provision of law relating to employee classification, except that on and after October 1, 1976, not more than fifty such persons may serve at the same time in the Department of State in such positions. The Secretary of State shall transmit as a part of the annual budget presentation materials to the Speaker of the House of Representatives and the Chairman of the Committee on Foreign Relations of the Senate a report concerning any assignments made under the authority of this section."

FOREIGN SERVICE ASSIGNMENTS TO PUBLIC ORGANIZATIONS

Sec. 402. (a) Section 576 of part H of title V of the Foreign Service Act of 1946, as amended, is amended as follows:

(1) Subsection (a) is amended to read as follows:

"(a)(1) Each Foreign Service officer shall, before his fifteenth year of service as an officer, be assigned in the United States, or any territory or possession thereof, for significant duty with a State or local government, public school, community college, or other public organization designated by the Secretary. Such duty may include assignment to a Member or office of the Congress, except that of the total number of officers assigned under this section at one time, not more than 20 per centum may be assigned to Congress, and no officer assigned to Congress may serve as a staff member of the Committee on Foreign Relations of the Senate or the Committee on International Relations of the House of Representatives.

"(2) To the extent practical, assignments shall be for at least twelve consecutive months and may be on a reimbursable basis. Any such reimbursements shall be credited to and used by the appropriations made available for the salaries and expenses of officers and employees.".

(2) Strike out the second and third sentences of subsection (b).

(3) At the end thereof add the following new subsections:

"(e) Not later than six months after the date of enactment of this section, the Secretary shall transmit a report to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate describing the steps he has taken to carry out the provisions of this section; and he shall transmit such reports annually thereafter.

"(f) The provisions of this section shall apply only to a Foreign Service officer who has completed his tenth year of service as such an officer on or after October 1, 1975. The Secretary may exempt any Foreign Service officer from the provisions of this section if he determines such exemption to be in the national interest; however, he shall include a full explanation of any such determination in the annual report to the Congress required under section (e) of this section.".

TECHNICAL AMENDMENTS RELATING TO PERSONNEL ADMINISTRATION

Sec. 403. (a) Section 621 of the Foreign Service Act of 1946, as amended, is further amended by adding the following sentence at the end thereof: "A Foreign Service officer who has executed the affidavits described in sections 3332 and 3333 of title 5, United States Code, shall not again be required to execute such affidavits upon successive promotions to higher classes without a break in service.".

(b) Section 625 of such Act is amended to read as follows: "Any Foreign Service officer or any reserve officer whose services meet the standards required for the efficient conduct of the work of the Service and who has been in a given class for a continuous period of nine months or more, shall, on the first day of the first pay period that begins on or after July 1 each year, receive an increase in salary to the next higher rate for the class in which he is serving. Credit may be granted in accordance with such regulations as the Secretary may prescribe toward such nine-month period for prior Federal or District of Columbia civilian government service performed subsequent to the officer's last receipt of an equivalent increase in pay and subsequent to any break in service in excess of three calendar days. Without regard to any other provision of law, the Secretary is authorized to grant to any such officer additional increases in salary, within the salary range established for the class in which he serves, based upon especially meritorious service.".

GRIEVANCE PROCEDURE

Sec. 404. (a) Title VI of the Foreign Service Act of 1946 (22 U.S.C. 981) is amended by adding at the end thereof the following new part:

"Part J—Foreign Service Grievances

"STATEMENT OF PURPOSE

"Sec. 691. It is the purpose of this part to provide officers and employees of the Service and their survivors a grievance procedure to insure the fullest measure of due process, and to provide for the just consideration and resolution of grievances of such officers, employees, and survivors.

"REGULATIONS OF THE SECRETARY

"Sec. 692. The Secretary shall, consistent with the purposes stated in section 691 of this Act, implement this part by promulgating regulations, and revising those regulations when necessary, to provide for the consideration and resolution of grievances by a board. No such regulation promulgated by the Secretary shall in any manner alter or amend the provisions of due process established by this section for grievants. The regulations shall include, but not be limited to, the following:

"(1) Informal procedures for the resolution of grievances in accordance with the purposes of this part shall be established by agreement between the Secretary and the organization accorded recognition as the exclusive representative of the officers and employees of the Service. If a grievance is not resolved under such procedures within sixty days, or if no such procedures have been so established, a grievant shall be entitled to file a grievance with the board for its consideration and resolution. For the purposes of the regulations—

"(A) 'grievant' shall mean any officer or employee of the Service, or any such officer or employee separated from the Service, who is a citizen of the United States, or in the case of death of the officer or employee, a surviving spouse or dependent family member of the officer or employee;

"(B) 'grievance' shall mean a complaint against any claim of injustice or unfair treatment of such officer or employee arising from his employment or career status, or from any actions, documents, or records, which could result in career impairment or damage, monetary loss to the officer or employee, or deprivation of basic due process, and shall include, but not be limited to, actions in the nature of reprisals and discrimination, actions related to promotion or selection out, the contents of any efficiency report, related records, or security records, and actions of adverse personnel actions, including separation for cause, denial of a salary increase within a class, written reprimand placed in a personnel file, or denial of allowances; and

"(C) 'foreign affairs agency', 'agency', and 'agencies' shall mean the Department of State, the United States Information Agency, and the Agency for International Development.

"(2)(A) The board considering and resolving grievances shall be composed of independent, distinguished citizens of the United States well known for their integrity, who are not officers or employees of the Department, the Service, the Agency for International Development, or the United States Information Agency. The board shall consist of a panel of three members, one of whom shall be appointed by the Secretary, one of whom shall be appointed by the organization accorded recognition as the exclusive representative of the officers and employees of the Service, and one who shall be appointed by the other two members from a roster of twelve independent, distinguished citizens of the United States well known for their integrity who are not officers or employees of the Department, the Service, or either such agency, agreed to by the Secretary and such organization. Such roster shall be maintained and kept current at all times. If no organization is accorded such recognition at any time during which there is a position on the board to be filled by appointment by such organization or when there is no such roster since no such organization has been so recognized, the Secretary shall make any such appointment in agreement with organizations representing officers and employees of the Service. If members of the board (including members of additional panels, if any) find additional panels of three members are necessary to consider and resolve expeditiously grievances filed with the board, the board shall determine the number of such additional panels necessary, and appointments to each such panel shall be made in the same manner as the original panel. Members shall (i) serve for two-year terms, and (ii) receive compensation, for each day they are performing their duties as members of the board (including traveltime), at the daily rate paid an individual at GS-18 of the General Schedule under section 5332 of title 5, United States Code. Whenever there are two or more panels, grievances shall be referred to the panels on a rotating basis. Except in the case of duties, powers, and responsibilities under this paragraph (2), each panel is authorized to exercise all duties, powers, and responsibilities of the board. The members of the board shall elect, by a majority of those members present and voting, a chairman from among the members for a term of two years.

"(B) In accordance with this part, the board may adopt regulations governing the organization of the board and such regulations as may be necessary to govern its proceedings. The board may obtain such facilities and supplies through the general administrative services of the agencies, and appoint and fix the compensation of such officers and employees as the board considers necessary to carry out its functions. The officers and employees so appointed shall be responsible solely to the board. All expenses of the board shall be paid out of funds appropriated to the agencies for obligation and expenditure by the board. The records of the board shall be maintained by the board and shall be separate from all other records of the agencies.

"(3) A grievance under such regulations is forever barred, and the board shall not consider or resolve the grievance, unless the grievance is filed within a period of three years after the occurrence or occurrences giving rise to the grievance, except that if the grievance arose prior to the date the regulations are first promulgated or placed into effect, the grievance shall be so barred, and not so considered and resolved, unless it is filed within a period of five years after the date of enactment of this part. There shall be excluded from the computation of any such period any time during which the grievant was unaware of the grounds which are the basis of the grievance and could not have discovered such grounds if it had exercised, as determined by the board, reasonable diligence.

"(4) The board shall conduct a hearing in any case filed with it. A hearing shall be open unless the board for good cause determines otherwise. The grievant and, as the grievant may determine, his representative or representatives are entitled to be present at the hearing. Testimony at a hearing shall be given by oath or affirmation, which any board member shall have authority to administer (and this paragraph so authorizes). Each party (A) shall be entitled to examine and cross-examine witnesses at the hearing or by deposition, and (B) shall be entitled to serve interrogatories upon another party and have such interrogatories answered by the other party unless the board finds such interrogatory irrelevant or immaterial. Upon request of the board or grievant, the agencies shall promptly make available at the hearing or by deposition any witness under the control, supervision, or responsibility of the agencies, except that if the board determines that the presence of such witness at the hearing would be of material importance, then the witness shall be made available at the hearing. If the witness is not made available in person or by deposition within a reasonable time as determined by the board, the facts at issue shall be construed in favor of the grievant. Depositions of witnesses (which are hereby authorized, and may be taken before any official of the United States authorized to administer an oath or affirmation, or, in the case of witnesses overseas, by deposition on notice before an American consular officer) and hearings shall be recorded and transcribed verbatim.

"(5) Any grievant filing a grievance, and any witness or other person involved in a proceeding before the board, shall be free from any restraint, interference, coercion, discrimination, or reprisal. The grievant has the right to a representative of his own choosing at every stage of the proceedings. The grievant and his representatives who are under the control, supervision, or responsibility of the agencies shall be granted reasonable periods of administrative leave to prepare, to be present, and to present the grievance of such grievant. Any witness under the control, supervision, or responsibility of the agencies shall be granted reasonable periods of administrative leave to appear and testify at any such proceeding.

"(6) In considering the validity of a grievance, the board shall have access to any document or information considered by the board to be relevant, including, but not limited to, the personnel and, under appropriate security measures, security records of such officer or employee, and of any rating or reviewing officer (if the subject matter of the grievance relates to that rating or reviewing officer). Any such document or information requested shall be provided promptly by the agencies. A rating officer or reviewing officer shall be informed by the board if any report for which he is responsible is being examined.

"(7) The agencies shall promptly furnish the grievant any such document or information (other than any security record or the personnel or security records of any other officer or employee of the Government) which the grievant requests to substantiate his grievance and which the board determines is relevant and material to the proceeding.

"(8) The agencies shall expedite any security clearance whenever necessary *to insure* a fair and prompt investigation and hearing.

"(9) The board may consider any relevant evidence or information coming to its attention and which shall be made a part of the records of the proceeding.

"(10) If the board determines that (A) a foreign affairs agency is considering any action (including, but not limited to, separation or termination) which is related to, or may affect, a grievance pending before the board, and (B) the action should be suspended, the agency shall suspend such action until the board has ruled upon such grievance.

"(11) Within sixty days after the conclusion of any hearing, the board shall make written findings and issue a statement of reasons for its decision. If the board resolves that the grievance is meritorious—

"(A) and determines that relief should be provided that does not directly relate to the promotion, assignment, or selection out of such officer or employee, it shall direct the Secretary to grant such relief as the board deems proper under the circumstances, and the resolution and relief granted by the board shall be final and binding upon all parties; or

"(B) and determines that relief should be granted that directly relates to any such promotion, assignment, or selection out, it shall certify such resolution to the Secretary, together with such recommendations for relief as it deems appropriate and the entire record of the board's proceedings, including the transcript of the hearing, if any. The board's recommendations are final and binding on all parties, except that the Secretary may reject any such recommendation only if he determines that the foreign policy or security of the United States will be adversely affected. Any such determination shall be fully documented with the reasons therefor and shall be signed personally by the Secretary, with a copy thereof furnished the grievant. After completing his review of the resolution, recommendation, and record of proceedings of the board, the Secretary shall return the entire record of the case to the board for its retention. No officer or employee of an agency participating in a proceeding on behalf of an agency shall, in any manner, prepare, assist in preparing, advise, inform, or otherwise participate in, any review or determination of the Secretary with respect to that proceeding.

"(12) The board shall have authority to insure that no copy of the Secretary's determination to reject a board's recommendation, no notation of the failure of the board to find for the grievant, and no notation that a proceeding is pending or has been held, shall be entered in the personnel records of such officer or employee to whom the grievance relates or anywhere else in the records of the agencies, other than in the records of the board.

"(13) A grievant whose grievance is found not to be meritorious by the board may obtain reconsideration by the board only upon presenting newly discovered relevant evidence not previously considered by the board and then only upon approval of the board.

"(14) The board shall promptly notify the Secretary, with recommendations for appropriate disciplinary action, of any contravention by any person of any of the rights, remedies, or procedures contained in this part or in regulations promulgated under this part.

"RELATIONSHIP TO OTHER REMEDIES

"SEC. 693. If a grievant files a grievance under this part, and if, prior to filing such grievance, he has not formally requested that the matter or matters which are the basis of the grievance be considered and resolved, and relief provided, under a provision of law, regulation, or order, other than under this part, then such matter or matters may only be considered and resolved, and relief provided, under this part. A grievant may not file a grievance under this part if he has formally requested, prior to filing a grievance, that the matter or matters which are the basis of the grievance be considered and resolved, and relief provided, under a provision of law, regulation, or order, other than under this part, and the matter has been carried to final adjudication thereunder on its merits.

"JUDICIAL REVIEW

"SEC. 694. Notwithstanding any other provision of law, regulations promulgated by the Secretary under section 692 of this Act, revisions of such regulations, and actions of the Secretary or the board pursuant to such section, may be judicially reviewed in accordance with the provisions of chapter 7 of title 5, United States Code.".

(b) The Secretary of State shall promulgate and place into effect the regulations provided by section 692 of the Foreign Service Act of 1946 (as added by subsection (a) of this section), and establish the board and appoint the member of the board which he is authorized to appoint under, as provided by such section 692, not later then ninety days after the date of enactment of this Act.

PREDEPARTURE LODGING ALLOWANCE

SEC. 405. Paragraph (2) of section 5924 of title 5, United States Code, is amended by striking out clause (A) thereof and inserting in lieu thereof the following:

"(A) a foreign area (including costs incurred in the United States prior to departure for a post of assignment in a foreign area); or".

AUTHORITY OF CERTAIN OFFICERS AND EMPLOYEES TO CARRY FIREARMS

SEC. 406. The Act of June 28, 1955 (22 U.S.C. 2666), is amended to read as follows:

"Under such regulations as the Secretary of State may prescribe, security officers of the Department of State and the Foreign Service who have been designated by the Secretary of State and who have qualified for the use of firearms, are authorized to carry firearms for the purpose of protecting heads of foreign states, official representatives of foreign governments, and other distinguished visitors to the United States, the Secretary of State, the Deputy Secretary of State, official representatives of the United States Government, and members of the immediate families of any such persons, both in the United States and abroad. The Secretary shall transmit such regulations to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate not more than twenty days before the date on which such regulations take effect.".

PLAN FOR IMPROVING THE FOREIGN SERVICE

SEC. 407. It is the sense of the Congress that the proliferation of personnel categories within the State Department and the United States Information Agency—the several categories being characterized by various standards for hiring, tenure, and pay—has resulted in a personnel system susceptible to inefficiency, inequity, and abuse. Therefore, within one hundred and twenty days of the enactment of this Act, the Secretary of State shall present to Congress a comprehensive plan for the improvement and simplification of this system, such plan to include a reduction in the number of personnel categories, and proposed legislation if necessary.

PART 2—GENERAL

TRANSFER OF APPROPRIATION AUTHORIZATION

SEC. 451. In addition to the amount authorized under section 101(a), 201(a), 301 (a), 341(a), or 453(b) of this Act, any unappropriated portion of the amount authorized under any such section is authorized for appropriation under any other such section, provided the amount authorized under such section is not increased by more than 10 per centum.

INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO

SEC. 452. Section 2 of the Act of June 4, 1936 (41 Stat. 1463), is amended by (a) striking out "$3,000,000" and inserting in lieu thereof "$4,500,000"; and (b) striking out "exceed $4,000,000", and inserting in lieu thereof "exceed $5,500,000".

MIGRATION AND REFUGEE ASSISTANCE

SEC. 453. (a) Section 2(c) of the Refugee and Migration Assistance Act of 1962 is amended to read as follows:

"(c)(1) Whenever the President determines it to be important to the national interest he is authorized to furnish on such terms and conditions as he may determine assistance under this Act for the purpose of meeting unexpected urgent refugee and migration needs.

"(2) There is established a United States Emergency Refugee and Migration Assistance Fund to carry out the purposes of this section. There is authorized to be appropriated to the President from time to time such amounts as may be necessary for the fund to carry out the purposes of this section, except that no amount of funds may be appropriated which, when added to amounts previously appropriated but not yet obligated, would cause such amounts to exceed $25,000,000. Amounts appropriated hereunder shall remain available until expended.

"(3) Whenever the President requests appropriations pursuant to this authorization he shall justify such requests to the Committee on Foreign Relations of the Senate and to the Speaker of the House of Representatives, as well as to the Committees on Appropriations.

(b)(1) There are authorized to be appropriated for the Department of State for fiscal year 1976, to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States, including trade negotiations, and other purposes authorized by law, the following amounts:

(A) for "Migration and Refugee Assistance," $10,100,000; and

(B) such addition amounts as may be necessary for increases in salary, pay, retirement, other employee benefits authorized by law, or other nondiscretionary costs.

(2) Amounts appropriated under this subsection are authorized to remain available until expanded.

(c) In addition to amounts otherwise available, there are authorized to be appropriated to the Secretary of State for fiscal year 1976 not to exceed $20,000,000 to carry out the provisions of section 101(b) of the Foreign Relations Authorizations Act of 1972 (relating to Russian refugee assistance) and to furnish similar assistance to refugees from Communist countries in Eastern Europe. Not to exceed 20 per centum of the amount appropriated under this subsection may be used to resettle refugees in any country other than Israel. Appropriations made under this subsection are authorized to remain available until expended.

UNITED NATIONS COOPERATION REGARDING MEMBERS OF UNITED STATES ARMED FORCES MISSING IN ACTION IN SOUTHEAST ASIA

SEC. 454. The President shall direct the United States Ambassador to the United Nations to insist that the United Nations take all necessary and appropriate steps to obtain an accounting of members of the United States Armed Forces missing in action in Southeast Asia and to call on North Vietnam to comply with the provisions of the Agreement on Ending the War and Restoring Peace in Vietnam.

CONTROL OF MILITARY FORCES IN THE INDIAN OCEAN

SEC. 455. (a) It is the sense of Congress that the President should undertake to enter into negotiations with the Soviet Union intended to achieve an agreement limiting the deployment of naval, air, and land forces of the Soviet Union and the United States in the Indian Ocean and littoral countries. Such negotiations should be convened as soon as possible and should consider, among other things, limitations with respect to—

(1) the establishment or use of facilities for naval, air, or land forces in the Indian Ocean and littoral countries;

(2) the number of naval vessels which may be deployed in the Indian Ocean, or the number of "shipdays" allowed therein; and

(3) the type and number of military forces and facilities allowed therein.

(b) Not later than July 1, 1976, the President shall transmit a report to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate with respect to steps he has taken to carry out the provisions of this section.

EMERGENCY PETROLEUM ALLOCATION EXTENSION ACT OF 1975

Mr. ROTH. Mr. President, I intend to ask unanimous consent to proceed with consideration of S. 2299. Before doing so, I shall state why I think it is important that unanimous consent be given for this purpose.

As I said earlier this afternoon, I believe the time is here for Congress and the President to agree on a national energy policy. As I said then, I thought it would be folly for us to delay 6 months further any action on the part of Congress, and for that reason I would vote to sustain the veto.

On the other hand, I think it would be just as serious for Congress to take no action at all, and it is for that reason I intend to ask unanimous consent that we proceed to the consideration of my bill to give a 45-day extension.

As I pointed out earlier, there is broad support for this approach.

As I read earlier such newspapers as the New York Times, an editorial yesterday, September 9, said that:

> The national interest in fashioning a comprehensive program for energy conservation and development will best be served if Congress uses the proposed extension to cooperate with the White House in a gradual phase-out of controls, coupled with a dependable plan for reducing United States dependence on imported petroleum.

I believe we could dispose of this very readily by a voice vote, if we could take it up now.

For that reason, Mr. President, I ask unanimous consent that the pending business of the Senate be S. 2299, a bill to extend the Emergency Petroleum Allocation Act of 1973 to October 15, 1975.

Mr. ROBERT C. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. ROBERT C. BYRD. Mr. President, I was momentarily distracted. Was there a request made?

The PRESIDING OFFICER. There was a request by the Senator from Delaware that the Senate proceed to the immediate consideration of S. 2299.

Mr. ROBERT C. BYRD. Mr. President, I will have to object. I do not want to do so until the Senator has an opportunity to make further statement, or the Senator from Georgia may wish to make a statement. But I will object if the Senator presses the request at this time.

The PRESIDING OFFICER. Does the Senator wish to withhold his unanimous-consent request?

Mr. ROTH. I will withhold my request for a moment.

Mr. NUNN. Mr. President, I add my voice to the voice of the Senator from Delaware in supporting his move to extend the controls for 45 days.

I happen to be one of those who voted to override the veto.

I do not favor immediate decontrol, but at the same time I do not favor the status quo.

So, after 2 years of debate and hearings we really have never adopted any kind of oil and natural gas pricing policy here in Congress. And we are still in that situation now.

I think it is essential that we adopt a reasonable policy and that we do it as quickly as possible.

I certainly do not favor immediate decontrol, but I do favor some action here in Congress that would be in the nature of a consultation with the President of the United States. Such a compromise would take into account both the effect on our economy, and the fact that production of crude oil and natural gas in this country is not increasing. We are becoming more dependent on foreign sources. We are, thereby, losing control of our own domestic economic situation.

I hope that there will not be objection to this particular move for unanimous consent. I think it is very important that we move quickly, that we try to mitigate the damage that can be done in a very short time to our economy unless some form of control is extended on a temporary basis.

For that reason I hope that the Senator from Delaware would be able to obtain his unanimous consent.

If there are those here who feel they must object, and I certainly understand the position of others may differ, I would hope that certainly there would be an opportunity tomorrow or the day after to renew this request.

Without prompt action our energy policy will remain in limbo.

We do have a great danger of unnecessary and complicated legal situations. Court suits could intervene and the rights of parties in certain areas could vest in the very near future unless we take prompt action. I think it is very serious if we do not take action.

For that reason, Mr. President, I do support the 45-day extension as proposed by the Senator from Delaware. I am one of its cosponsors, and I would urge that the unanimous-consent request be seriously considered by this body.

Mr. GRIFFIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. GRIFFIN. Mr. President, I commend the Senator from Delaware and associate myself with the remarks that he and the distinguished Senator from Georgia have made.

We have had the high noon confrontation now, unfortunately.

I happen to agree with the distinguished majority leader who, along with others, tried very hard to get a compromise before the showdown vote today. But we have had the showdown vote.

Those who felt that it would serve some purpose, political or otherwise, I hope now have been satisfied. The time now is to put politics aside. The Nation's interests need to come first.

I applaud the fact that we have a bipartisan leadership coming forth now, suggesting that we have a 45-day extension, and that we get about the business of enacting compromised legislation that will decontrol oil on a gradual basis so that the objectives will be achieved without unduly impacting in an adverse way upon the economy.

We can do it. The President wants to do it.

I hope that the Senate will respond now to the move being made and led by the Senator from Delaware.

Mr. HELMS. Mr. President, will the Senator yield?

Mr. GRIFFIN. I am happy to yield.

Mr. HELMS. Mr. President, I, too, commend the distinguished Senator from Delaware. I am a cosponsor of his measure to extend by 45 days the Emergency Petroleum Allocation Act.

However, I must say that I am one of those few who frankly favored immediate and absolute decontrol.

I am a cosponsor of the measure, along with Senator ROTH, and other Senators, because I firmly believe there is a compelling national interest involved, as the Senator from Michigan and the Senator from Georgia (Mr. NUNN) have indicated. Immediate action is needed, but if this 45-day extension of the Emergency Petroleum Allocation Act will provide the needed opportunity for all the competing considerations to be addressed so that the necessary action can be taken, then an additional few weeks of control would have been worthwhile.

Mr. ROTH. I thank the Senator from North Carolina and the minority whip for their support.

I also pay my special thanks to the Senator from Georgia, who is a cosponsor and who has worked very hard with me to try to avoid a confrontation.

I think most of us felt that it would have been in the Nation's best interest if we could have agreed upon a 45-day extension without the confrontation that was held earlier today. History cannot be changed, and of course now we are faced with the fact that there are no controls.

I am one who believes strongly that it would be a mistake to have no controls, that we should have a period in which to agree on a compromise package. I think that right before the August recess we were moving very close to that. I am hopeful that in a spirit of conciliation and a desire to bring about a solution, Congress can act effectively in establishing a national energy program.

Mr. President, at this time I ask unanimous consent that the pending business of the Senate be S. 2299.

Mr. ROBERT C. BYRD. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. ROTH. Mr. President, I ask unanimous consent for the second reading of S. 2299.

The PRESIDING OFFICER. Is there objection?

Mr. ROBERT C. BYRD. Mr. President, I will not object. The Senator from Delaware and the Senator from Georgia, I know, want this bill on the calendar, and sooner or later they are going to get it done. I will not object to the second reading.

The PRESIDING OFFICER. The bill will be stated by title. The assistant legislative clerk read as follows:

A bill (S. 2299) entitled "The Emergency Petroleum Allocation Extension Act of 1975."

Mr. ROTH. Mr. President, I object to further proceedings.

The PRESIDING OFFICER. Objection to further proceedings having been made, the bill will be placed on the calendar.

Mr. ROTH. Mr. President, I thank the majority whip for his cooperation in this matter.

I hope that we can reach an agreement on both sides of the aisle to pass this extension and to work together in a sound national energy program.

NATURAL GAS EMERGENCY STANDBY ACT OF 1975

Mr. PEARSON. Mr. President, I introduce, by request, a bill submitted by the administration entitled the "Natural Gas Emergency Standby Act of 1975." The enactment of this proposal is requested by the administration to alleviate severe natural gas supply curtailments during the course of the coming heating season.

Mr. President, I ask unanimous consent that the text of the "Natural Gas Emergency Standby Act of 1975," along with a section by section summary of its provisions and the transmittal letter signed by Federal Energy Administrator Frank Zarb be inserted in the RECORD immediately following these remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PEARSON. Mr. President, I further ask unanimous consent that the

Natural Gas Emergency Standby Act of 1975 be considered as having been read twice and placed on the calendar.

Mr. ROBERT C. BYRD. Mr. President, this matter has been discussed with Senator HOLLINGS and others who are very familiar with this measure, and based on those discussions, I will not object.

There being no objection, the bill (S. 2330) to provide temporary authority for the President, the Federal Power Commission, and the Federal Energy Administration to institute emergency measures to minimize the adverse effects of natural gas shortages, and for other purposes, was considered as having been read twice and was ordered placed on the calendar.

EXHIBIT 1

S. 2330

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Natural Gas Emergency Standby Act of 1975".

TITLE I

SECTION 101. (a) The Congress hereby finds that:

(1) inadequate domestic production of natural gas has resulted in serious natural gas shortages which threaten severe economic dislocations and hardships, including loss of jobs, closing of factories and businesses, reduction of agricultural production, and curtailment of vital public services;

(2) such shortages constitute a threat to the public health, safety, and welfare and to national defense;

(3) such shortages have created an unreasonable burden on certain areas of the country and on certain sectors of the economy;

(4) such shortages affect interstate and foreign commerce by jeopardizing the normal flow of commerce;

(5) while deregulation of wellhead prices of new natural gas is urgently needed to minimize such shortages in the future, serious shortages during the next two winters cannot be averted; and

(6) the adverse effects of such shortages can be minimized most efficiently and effectively by providing emergency authority to permit prompt further action by the Federal government to supplement existing Federal, State and local government efforts to deal with such shortages.

(b) The purpose of this Act is to authorize the President or his delegate, the Federal Power Commission and the Federal Energy Administration to deal with existing and imminent shortages and dislocations of natural gas in the national distribution system which jeopardize the public health, safety, and welfare; and to provide protection of natural gas service to customers who use natural gas for high priority end uses during periods of curtailed deliveries by natural gas companies. The authority granted under this Act shall be exercised for the purpose of minimizing the adverse impacts of shortages or dislocations on the American people and the domestic economy.

SEC. 102. This Act shall expire at midnight June 30, 1977.

TITLE II

SEC. 201. This Title may be cited as the Interstate Pipeline Emergency Natural Gas Purchases Act of 1975."

SEC. 202. The purpose of this Title is to grant the Federal Power Commission authority to allow interstate pipeline companies with insufficient natural gas for their high priority consumers of natural gas to acquire natural gas from intrastate sources and other interstate pipeline companies on an emergency basis free from the provisions of the Natural Gas Act.

SEC. 203. Section 2 of the Natural Gas Act (15 U.S.C. 717a) is amended by inserting immediately after subsection (9) thereof the following new subsections:

"(10) 'Gas distributing company' means a person involved in the distribution or transportation of natural gas for ultimate public consumption for domestic, commercial, industrial or any other use but does not include a natural gas company as defined in subsection (6) of this section.

"(11) 'High priority consumer of natural gas' means a person so defined by the Commission by rules and regulations."

SEC. 204. Section 7(c) of the Natural Gas Act (15 U.S.C. 717f(c)) is amended by designating the two unnumbered paragraphs thereof as paragraphs (1) and (2) and by adding at the end of paragraph (2) as designated hereby the following:

"*Provided further,* That within fifteen days after the enactment of this amendment, the Commission may by regulation exempt from the provisions of this Act the transportation, sale, transfer, or exchange of natural gas from any source, other than any land or subsurface area within the Outer Continental Shelf as defined in section 2(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1331(a)), by a producer, an interstate pipeline company, an intrastate pipeline company or gas distributing company, to or with an interstate pipeline company which does not have a sufficient supply of natural gas to fulfill the requirements of its high priority consumers of natural gas, and which is curtailing deliveries pursuant to a curtailment plan on file with the Commission. No exemption granted under this proviso shall exceed one hundred and eighty days in duration."

TITLE III

SEC. 301. This title may be cited as the "Curtailed Consumers Emergency Natural Gas Purchases Act of 1975."

SEC. 302. The purpose of this title is to allow curtailed high priority consumers of natural gas to purchase natural gas from the intrastate market by enabling them to arrange for the transportation of such gas by regulated interstate pipeline companies.

SEC. 303. Section 2 of the Natural Gas Act (15 U.S.C. 717a), as amended by section 203 of this Act, is amended further by inserting immediately after subsection (11) thereof, the following new subsection:

"(12) 'Independent producer' means a person, as determined by the Commission, who is engaged in the production of natural gas and who is not (i) an interstate pipeline company or (ii) affiliated with an interstate pipeline company."

SEC. 304. (a) Section 1 of the Natural Gas Act (15 U.S.C. 717) is amended by adding at the end thereof the following new subsection:

"(d) The provisions of this Act shall not apply to the use of the facilities of a gas distributing company for the transportation of natural gas produced by an independent producer from lands, other than any land or subsurface area within the Outer Continental Shelf as defined in section 2(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1331 (a)), and sold by such a producer directly to a high priority consumer of natural gas, provided that the rates applicable to the use of such facilities for the transportation of natural gas described in this subsection are subject to regulation by a State commission. The transportation of natural gas exempted from the provisions of this Act by this subsection is hereby declared to be a matter primarily of local concern and subject to regulation by the several States. A certification from such State commission to the Federal Power Commission that such State commission has regulatory jurisdiction over rates and service of such person and facilities and is exercising such jurisdiction shall constitute conclusive evidence of such regulatory power or jurisdiction."

(b) Subsection (c) of section 7 of the Natural Gas Act (15 U.S.C. 717f(c)), as amended by section 204 of this Act, is amended further by inserting therein the following new paragraph:

"(3) Pursuant to the substantive and procedural provisions of this section the Commission may in its discretion issue a certificate of public convenience and necessity upon filing of an application by a natural gas company to transport natural gas produced by independent producers from lands, other than any land or subsurface area within the Outer Continental Shelf as defined in section 2(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1331(a)), and sold by such producers directly to existing high priority consumers of natural gas whose current supply of natural gas is curtailed due to natural gas company curtailment plans on file with the Commission. *Provided, however,* That in issuing a certificate pursuant to this paragraph, the Commission need not review or approve the price paid by a high priority consumer or natural gas directly to an independent producer."

TITLE IV

SEC. 401. This Title may be cited as the "Emergency Energy Supply and Environmental Coordination Act Amendments of 1975."

SEC. 402. The purpose of this Title is to continue the conservation of natural gas and petroleum products by fostering the use of coal by power plants and major fuel burning installations, and if coal cannot be utilized, to provide authority to prohibit the use of natural gas when petroleum products can be substituted.

SEC. 403. Section 2 of the Energy Supply and Environmental Coordination Act of 1974 is amended by:

(a) Redesignating subsections (e) and (f) as subsections (f) and (g), respectively;

(b) Amending redesignated subsection (g)(1) to read as follows:

"(g)(1) Authority to issue orders or rules under subsections (a), (b), (d), and (e) of this section shall expire at midnight June 30, 1977. Authority to issue orders under subsection (c) shall expire at midnight June 30, 1975. Any rule or order issued under subsections (a) through (e) may take effect at any time before January 1, 1979."

(c) Inserting after subsection (d) the following new subsection (e):

"(e)(1) The Federal Energy Administrator may, by order, prohibit any powerplant or major fuel burning installation from burning natural gas if—

"(A) the Administrator determines that:

"(i) such powerplant or installation had on June 30, 1975 (or at any time thereafter) the capability and necessary plant equipment to burn petroleum products,

"(ii) an order under subsection (a) may not be issued, with respect to such powerplant or installation,

"(iii) the burning of petroleum products by such powerplant or installation in lieu of natural gas is practicable,

"(iv) petroleum products will be available during the period the order is in effect,

"(v) with respect to powerplants, the prohibition under this subsection will not impair the reliability of service in the area served by the plant, and

"(B) the Administrator of the Environmental Protection Agency has certified that such powerplant or installation will be able to burn the petroleum products which the Federal Energy Administrator has determined under subparagraph (A)(iv) will be available to it and will be able to comply with the Clean Air Act (including applicable implementation plans).

"(2) An order under this subsection shall not take effect until the earliest date the Administrator of the Environmental Protection Agency has certified that the powerplant or installation can burn petroleum products and can comply with the Clean Air Act (including applicable implementation plans).

"(3) The Federal Energy Administrator may specify in any order issued under this subsection the periods of time during which the order will be in effect and the quantity (or rate of use) of natural gas that may be burned by a powerplant or major fuel burning installation during such periods, including the burning of natural gas by a powerplant to meet peaking load requirements."

Sec. 404. Section 11(g)(2) of the Energy Supply and Environmental Coordination Act of 1974 is amended by striking out "June 30, 1975" wherever it appears and inserting in lieu thereof "June 30, 1977."

TITLE V

Sec. 501. This Title may be cited as the "Propane Standby Allocation Act of 1975."

Sec. 502. The purpose of this Title is to provide standby authority for the President to allocate propane during periods of actual or threatened severe shortages of natural gas.

Sec. 503. For purposes of this title, the following terms shall have the following meanings:

(a) "Propane" means propane derived from natural gas streams or crude oil, and mixtures containing propane.

(b) "United States" means the States, the District of Columbia, Puerto Rico, and the territories and possessions of the United States.

Sec. 504. Upon finding that shortages of natural gas exist or are imminent and upon finding that such shortages or potential shortages constitute a threat to the public health, safety or welfare, the President is authorized to issue orders and regulations as he deems appropriate to provide, consistent with section 507 of this title, for the establishment of priorities of use and for systematic allocation and pricing of propane in order to meet the essential needs of various sections of the United States and to lessen anticompetitive effects resulting from shortages of natural gas.

Sec. 505. (a) Whoever willfully violates any order or regulation under this title shall be fined not more than $5,000 for each violation.

(b) Whoever violates any order or regulation under this title shall be subject to a civil penalty of not more than $2,500 for each violation.

(c) Any person or agency to whom the President has delegated his authority pursuant to section 513 of this title may issue such orders and notices as are deemed necessary to insure compliance with any order or regulation issued pursuant to section 504 of this title, or to remedy the effects of violations of any such orders or regulations.

Sec. 506. There shall be available as a defense to any action brought under the antitrust laws, or for breach of contract in any Federal or State court arising out of delay or failure to provide, sell, or offer for sale or exchange any product covered by this title that such delay or failure was caused solely by compliance with the provisions of this title or with any regulations or any orders issued pursuant to this title.

Sec. 507. (a) Subject to subsections (b), (c), and (d) of this section, which shall apply to any rule or regulation, or any order having the applicability and effect of a rule as defined in section 551(4) of title 5, United States Code, and issued pursuant to this title the functions exercised under this title are excluded from the operation of subchapter II of chapter 5, and chapter 7 of title 5, United States Code, except as to the requirements of sections 552, 553, and 555(e) of title 5, United States Code.

(b) Notice of any proposed rule, regulation, or order described in subsection (a) shall be given by publication of such proposed rule, regulation, or order in the Federal Register. In each case, a minimum of ten days following such publication shall be provided for opportunity to comment; except that the requirements of this paragraph as to time of notice and opportunity to comment may be waived where strict compliance is found to cause serious harm or injury to the public health, safety, or welfare, and such finding is set out in detail in such rule, regulation, or order.

(c) In addition to the requirements of subsection (b), if any rule, regulation, or order described in subsection (a) is likely to have a substantial impact on the Nation's economy or large numbers of individuals or businesses, an opportunity for oral presentation of views, data, and arguments shall be afforded. To the maximum extent practicable, such opportunity shall be afforded prior to the issuance of such rule, regulation, or order, but in all cases such opportunity shall be afforded no later than forty-five days after the issuance of any such rule, regulation, or order. A transcript shall be kept of any oral presentation.

(d) The President or any officer or agency authorized to issue the rules, regulations, or orders described in subsection (a) shall provide for the making of such adjustments, consistent with the other purposes of this title, as may be necessary to prevent special hardship, inequity, or unfair distribution of burdens and shall, by rule, establish procedures which are available to any person for the purpose of seeking an interpretation, modification, rescission of, exception to, or exemption from such rules, regulations, and orders. If such person is aggrieved or adversely affected by the denial of a request for such action under the preceding sentence, he may request a review of such denial by the President or the officer or agency to whom he has delegated his authority pursuant to section 513 of this title and may obtain judicial review in accordance with section 508 of this title when such denial becomes final. The President or the officer or agency shall, by rule, establish appropriate procedures, including a hearing where deemed advisable, for considering such requests for action under this paragraph.

Sec. 508. (a) The district courts of the United States shall have exclusive original jurisdiction of cases or controversies arising under this title or under regulations or orders issued thereunder, notwithstanding the amount in controversy; except that nothing in this subsection or in subsection (h) of this section affects the power of any court of competent jurisdiction to consider, hear, and determine any issue by way of defense (other than a defense based on the constitutionality of this title or the validity of action taken by any agency under this title) raised in any proceeding before such court. If in any such proceeding an issue by way of defense is raised based on the constitutionality of this title or the validity of actions under this title, the case shall be subject to removal by either party to a district court of the United States in accordance with the applicable provisions of chapter 89 of title 28, United States Code.

(b) Except as otherwise provided in this section, exclusive appellate jurisdiction is vested in the Temporary Emergency Court of Appeals, a court which is currently in existence, but which is independently authorized by this section. The court, a court of the United States, shall consist of three or more judges to be designated by the Chief Justice of the United States from judges of the United States district courts and circuit courts of appeals. The Chief Justice of the United States shall designate one of such judges as chief judge of the Temporary Emergency Court of Appeals, and may, from time to time, designate additional judges for such court and revoke previous designations. The chief judge may, from time to time, divide the court into divisions of three or more members, and any such division may render judgment as the judgment of the court. Except as provided in subsection (e)(2) of this section, the court shall not have power to issue any interlocutory decree staying or restraining in whole or in part any provision of this title, or the effectiveness of any regulation or order issued thereunder. In all other respects, the court shall have the powers of a circuit court of appeals with respect to the jurisdiction conferred on it by this title. The court shall exercise its powers and prescribe rules governing its procedure in such manner as to expedite the determination of cases over which it has jurisdiction under this title. The court shall have a seal, hold sessions at such places as it may specify, and appoint a clerk and such other employees as it deems necessary or proper.

(c) Appeals from the district courts of the United States in cases and controversies arising under regulations or orders issued under this title shall be taken by the filing of a notice of appeal with the Temporary Emergency Court of Appeals within thirty days of the entry of judgment by the district court.

(d) In any action commenced under this title in any district court of the United States in which the court determines that a substantial constitutional issue exists, the court shall certify such issue to the Temporary Emergency Court of Appeals. Upon such certification, the Temporary Emergency Court of Appeals shall determine the appropriate manner of disposition which may include a determination that the entire action be sent to it for consideration or it may, on the issues certified, give binding instructions and remand the action to the certifying court for further disposition.

(e)(1) Subject to paragraph (2) no regulation of any agency exercising authority under this title shall be enjoined or set aside, in whole or in part, unless a final judgment determines that the issuance of such regulation was in excess of the agency's authority, was arbitrary or capricious, or was otherwise unlawful under the criteria set forth in section 706(2) of title 5, United States Code, and no order of such agency shall be enjoined or set aside, in whole or in part, unless a final judgment determines that such order is in excess of the agency's authority, or is based upon finding, which are not supported by substantial evidence.

(2) A district court of the United States or the Temporary Emergency Court of Appeals may enjoin temporarily or permanently the application of a particular regulation or order issued under this Title to a person who is a party to litigation before it. Except as provided in this subsection, no interlocutory or permanent injunction restraining the enforcement, operation or execution of this Title, or any regulation or order issued thereunder, shall be granted by any district court of the United States or judge thereof. Any such court shall have jurisdiction to declare (1) that a regulation of an agency exercising authority under this Title is in excess of the agency's authority, is arbitrary or capricious, or is otherwise unlawful under the criteria

set forth in section 706(2) of Title 5, United States Code, or (ii) that an order or such agency is invalid upon a determination that the order is in excess of the agency's authority, or is based upon findings which are not supported by substantial evidence. Appeals from interlocutory decisions by a district court of the United States under this paragraph may be taken in accordance with the provisions of section 1292 of Title 28, United States Code; except that reference in such section to the courts of appeals shall be deemed to refer to the Temporary Emergency Court of Appeals.

(f) The effectiveness of a final judgment of the Temporary Emergency Court of Appeals enjoining or setting aside in whole or in part any provision of this Title, or any regulation or order issued thereunder shall be postponed until the expiration of time for filing a writ of certiorari with the Supreme Court under subsection (g). If such petition is filed, the effectiveness of such judgment shall be postponed until an order of the Supreme Court denying such petition becomes final, or until other final disposition of the action by the Supreme Court.

(g) Within thirty days after entry of any judgment or order by the Temporary Emergency Court of Appeals, a petition for a writ of certiorari may be filed in the Supreme Court of the United States, and thereupon the judgment or order shall be subject to review by the Supreme Court in the same manner as a judgment of a United States court of appeals as provided in section 1254 of Title 28, United States Code. The Temporary Emergency Court of Appeals, and the Supreme Court upon review of judgments and orders of the Temporary Emergency Court of Appeals, shall have exclusive jurisdiction to determine the constitutional validity of any provision of this Title or of any regulation or order issued under this Title. Except as provided in this section, no court, Federal or State, shall have jurisdiction or power to consider the constitutional validity of any provision of this Title or of any such regulation or order, or to stay, restrain, enjoin, or set aside, in whole or in part, any provision of this Title authorizing the issuance of such regulations or orders, or any provision of any such regulation or order, or to restrain or enjoin the enforcement of any such provision.

SEC. 509. Whenever it appears to any person or agency authorized by the President pursuant to section 513 of this Title that any individual or organization has engaged, is engaged, or is about to engage in any acts or practices constituting a violation of any order or regulation under this Title, such person or agency may request the Attorney General to bring an action in the appropriate district court of the United States to enjoin such acts or practices, and upon a proper showing, a temporary restraining order or a preliminary or permanent injunction shall be granted without bond. Any such court may also issue mandatory injunctions commanding any person to comply with any such order or regulation. In addition to such injunctive relief, the court may also order restitution of moneys received in violation of any such order or regulation.

SEC. 510. (a) An agency or person exercising authority pursuant to section 513 of this Title shall have authority, for any purpose related to this Title, to sign and issue subpoenas for the attendance and testimony of witnesses and the production of relevant books, papers, and other documents, and to administer oaths.

(b) Upon presenting appropriate credentials and a written notice to the owner, operator, or agency in charge, any agency or person exercising authority pursuant to section 513 of this Title may enter, at reasonable times, any business premise or facility and inspect, at reasonable times and in a reasonable manner, any such premise or facility, inventory and sample any stock of energy resources therein, and examine and copy books, records, papers, or other documents, in order to obtain information as necessary or appropriate for the proper exercise of functions under this Title and to verify the accuracy of any such information.

(c) Witnesses summoned under the provisions of this section shall be paid the same fees and mileage as are paid to witnesses in the courts of the United States. In case of refusal to obey a subpoena served upon any person under the provisions of this section, the agency or person authorizing such subpoena may request the Attorney General to seek the aid of the district court of the United States for any district in which such person is found to compel such person, after notice, to appear and give testimony, or to appear and produce documents before the agency or person.

SEC. 511. Any person suffering legal wrong because of any act or practice arising out of this title, or any order or regulation issued pursuant thereto, may bring an action in a district court of the United States, without regard to the amount in controversy, for appropriate relief, including an action for a declaratory judgment, writ of injunction (subject to the limitations in section 508 of this title), and/or damages.

SEC. 512. Section 5 of the Federal Energy Administration Act of 1974 (15 U.S.C. 761) is amended in subsection (b) by adding the word "and" after the semicolon in paragraph 10; by deleting paragraph 11; and by redesignating paragraph 12 as paragraph 11.

SEC. 513. The President may delegate the performance of any function under this title to such offices, departments, and agencies of the United States as he deems appropriate.

SEC. 514 (a) No law, rule, regulation, order or ordinance of any State or municipality in effect on the date of enactment of this title, or which may become effective thereafter, shall be superseded by any provision of this title or any rule, regulation or order issued pursuant to this title except insofar as such law, rule, regulation, order or ordinance is inconsistent with the provisions of this title or any rule, regulation or order issued thereunder.

TITLE VI

SEC. 601. Termination of this Act or the authorities granted under this Act shall not affect any action or pending proceedings, civil or criminal, not finally determined on such date, nor any action or proceeding based upon any act committed prior to such date.

SEC. 602. If any provision of this Act, or the application of any such provision to any person or circumstance, shall be held invalid, the remainder of this Act, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

SECTION-BY-SECTION ANALYSIS: NATURAL GAS EMERGENCY STANDBY ACT OF 1975

TITLE I

Section 101. Sets forth Congressional findings and purposes applicable to whole Act.

Section 102. Sets expiration date for whole Act of June 30, 1977.

TITLE II

Section 201. Names Title as the "Interstate Pipeline Emergency Natural Gas Purchases Act of 1975."

Section 202. States the purpose of Title to grant the Federal Power Commission authority to allow interstate pipeline companies with insufficient natural gas for their high priority consumers to acquire natural gas from intrastate sources and other interstate pipeline companies on an emergency basis free from the provisions of the Natural Gas Act.

Section 203. Definitions.

Section 204. Amends section 7(c) of the Natural Gas Act to permit the FPC to exempt from the provisions of the Natural Gas Act the transportation, sale, transfer or exchange of natural gas in connection with emergency acquisitions of natural gas by interstate pipelines. Exemptions could be granted for transactions between a producer, interstate pipeline company, intrastate pipeline company or gas distributing company, to or with an interstate pipeline company which does not have a sufficient supply of natural gas to fulfill the requirements of its high priority consumers of natural gas, and which is curtailing deliveries pursuant to a curtailment plan on file with the FPC. Exemptions could not exceed 180 days in duration.

TITLE III

Section 301. Names Title as the "Curtailed Consumers Emergency Natural Gas Purchases Act of 1975."

Section 302. States the purpose of Title to allow curtailed high priority consumers of natural gas to purchase natural gas from the intrastate market by enabling them to arrange for the transportation of such gas by regulated interstate pipeline companies.

Section 303. Definitions.

Section 304. Subsection (a) amends section 1 of the Natural Gas Act to make clear that FPC jurisdiction shall not extend to transportation by gas distributing companies of natural gas purchased under this Title by curtailed high priority consumers. Subsection (b) amends subsection 7(c) of the Natural Gas Act by providing explicit authority to the FPC to issue a certificate of public convenience and necessity to transport natural gas purchased under this Title, without the need to review and approve the price paid by a high priority consumer directly to the seller.

TITLE IV

Section 401. Names Title as "Emergency Energy Supply and Environmental Coordination Act Amendments of 1975."

Section 402. States the purpose of Title to continue the conservation of natural gas and petroleum products by fostering the use of coal by powerplants and major fuel burning installations, and if coal cannot be utilized, to provide authority to prohibit the use of natural gas when petroleum products can be substituted.

Section 403. Amends section 2 of the Energy Supply and Environmental Coordination Act of 1974 ("ESECA") to extend FEA's recently expired authority to require conversion to coal by gas and oil burning powerplants and major fuel burning installations, and to add a new authority to require conversion from gas to oil where coal conversion is not feasible and certain other requirements are met, including a certification by the Administrator of the Environmental Protection Agency that the particular powerplant or installation will be able to comply with the Clean Air Act while burning oil. Certain technical amendments of a conforming nature are also made to section 2 of ESECA.

Section 404. Amends section 11(g)(2) of ESECA by extending the expiration of Section 11 from June 30, 1975 to June 30, 1977.

TITLE V

Section 501. Names Title as the "Propane Standby Allocation Act of 1975."

Section 502. States the purpose of Title to provide standby authority for the President to allocate propane during periods of actual or threatened severe shortages of natural gas.

Section 503. Definitions.

Section 504. Provides standby authority to the President to issue such orders and regulations as may be appropriate in order to provide for systematic allocation and pricing of propane. Prior findings are required that shortages of natural gas exist or are imminent and that such shortages constitute a threat to public health, safety or welfare.

Section 505. Sets forth criminal and civil sanctions for violation of regulations and orders made pursuant to the Title, as well as authority to issue orders to insure compliance and to afford restitution to injured parties.

Section 506. Provides a defense under antitrust or contract law for failures or delays in providing, selling or offering for sale propane if such failures or delays result from compliance with the Title.

Section 507. Prescribes administrative procedures including the manner by which rulemakings are to be initiated. Also, sets forth the requirement for administrative procedures by which any inequities or hardships arising from the administration of the program can be prevented.

Section 508. Provides for judicial review by the federal courts, including the Temporary Emergency Court of Appeals and the Supreme Court, of the provisions of the Title and any rules, regulations or orders issued to carry out the purposes of the Title.

Section 509. Provides injunctive and other remedies for insuring compliance with the Title.

Section 510. Specifies subpoena power and the authority to inspect premises, inventories, documents and other items to carry out the provisions of this Title. It also provides for paying witnesses' fees and mileages and for compelling attendance of witnesses.

Section 511. Establishes a private right of action based on any legal wrong suffered because of acts or practices arising out of the Title.

Section 512. Amends the Federal Energy Administration Act of 1974 to clarify that any regulated pricing of propane may reflect factors other than the cost attributed to its production.

Section 513. Authorizes the President to delegate powers granted by Title to other offices, departments and agencies of the United States.

Section 514. Provides or the relationship of this Title to state and municipal laws, rules, regulations, orders, or ordinances.

TITLE VI

Section 601. Provides that the termination of the Act or of the authorities granted under the Act does not affect any action or pending proceedings not finally determined on such date, nor any action or proceedings based upon any act committed prior to such date.

Section 602. Preserves the validity of the remainder of the Act and its continuing application if any particular provision or application is held invalid.

FEDERAL ENERGY ADMINISTRATION,
Washington, D.C., September 10, 1975.

Hon. NELSON A. ROCKEFELLER,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Because legislative action on natural gas wellhead price regulation has been far too long deferred, the Nation now faces mounting shortages of natural gas. These shortages substantially increase our dependence upon foreign oil and could jeopardize our continued economic recovery and future economic vitality.

While demand for natural gas has been increasing, production peaked in 1973 and declined by about six percent in 1974 (the equivalent of over 230 million barrels of oil). In 1970, interstate pipelines began curtailments of interreputible customers, reflecting shortages of less than one percent of consumption (0.1 trillion cubic feet). Last year curtailments increased to 2.0 trillion cubic feet (Tcf), or ten percent of consumption. For 1975 they are estimated to increase to 2.9 Tcf, or about 15 percent of consumption.

The shortage is the most severe during the winter months; this winter's curtailments are estimated to be 30 percent more acute than those of last winter, and could be 45 percent worse if the weather is severe. Since natural gas is an essential fuel for a large sector of our industry and supplies almost half of the Nation's nontransportation energy use, shortages of this vital fuel pose a serious threat of significant unemployment, economic disruptions and personal hardships.

The gravity of the natural gas situation clearly requires the most immediate attention of the Congress. The single most important legislative initiative required to alleviate the growing problem is deregulation of the wellhead price of new natural gas. Until this critical issue is forthrightly addressed, the Nation will face an unending succession of future winters with every mounting shortages.

Deregulation is essential to help assure that the trend towards ever increasing curtailments is reversed. Even with immediate deregulation, however, the shortfall has become so acute that the Nation faces the certainty of serious curtailment for the next two winters. The gravity of the immediate situation requires prompt steps to cushion the impact of shortages during this winter. Accordingly, I am transmitting herewith the Natural Gas Emergency Standby Act of 1975. This legislation, to remain in effect until June 30, 1977, would:

Provide express authority for the Federal Power Commission to permit interstate pipelines whose high priority consumers are experiencing curtailments to purchase gas at market prices from intrastate sources or from other interstate pipelines on an emergency 180 day basis.

Explicitly allow high priority consumers of natural gas experiencing curtailments to purchase gas from intrastate sources at market prices and to arrange for its transportation through interstate pipeline systems.

Extend the recently expired authority to require electric utility and industrial boiler conversions from natural gas or oil to coal, and provide additional standby authority to require conversion from gas to oil where coal conversion is not practicable.

Provide authority to allocate and establish reasonable prices for propane in order to assure an equitable distribtuion of propane among historical users and consumers experiencing natural gas curtailments.

Because certain areas of the country, particularly the Mid-Atlantic and Midwestern States, face especially serious potential shortages, I urge prompt Congressional action to enact this legislation. Without such action, we will lack the ability to respond to these serious situations in the timely and effective fashion that their gravity warrants.

The Office of Management and Budget has advised that enactment of this proposed legislation would be in accord with the program of the President.

Sincerely,

FRANK G. ZARB,
Administrator.

ORDER FOR ADJOURNMENT UNTIL 10:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 10:30 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF MR. RIBICOFF TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders have been recognized on tomorrow under the standing order, Mr. RIBICOFF be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ROUTINE MORNING BUSINESS ON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the order for the recognition of Mr. RIBICOFF tomorrow, there be a period for the transaction of routine morning business, of not to exceed 15 minutes, with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF S. 1517 TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the conclusion of routine morning business tomorrow, the Senate resume consideration of S. 1517, the Foreign Relations Authorization Act, 1976–77.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, tomorrow, the Senate will convene at 10:30 a.m.

After the two leaders or their designees have been recognized under the standing order, Mr. RIBICOFF will be recognized for not to exceed 15 minutes, after which there will be a period for the transaction of routine morning business, of not to exceed 15 minutes, with Senators permitted to speak not in excess of 5 minutes each during that period.

Upon the conclusion of routine morning business, the Senate will resume consideration of the then unfinished business, S. 1517, a bill to authorize appropriations for the administration of foreign affairs; international organizations, conferences, and commissions; information and cultural exchange; and for other purposes. Rollcall votes are expected on amendments thereto and on final passage.

Rollcall votes may occur on other measures tomorrow.

Conference reports, being privileged matters, may be called up at any time, and rollcall votes may occur thereon.

ADJOURNMENT UNTIL 10:30 A.M. TOMORROW

Mr. STONE. Mr. President, I move, in accordance with the previous order, that the Senate stand in adjournment until 10:30 a.m. tomorrow.

The motion was agreed to; and at 5:36 p.m. the Senate adjourned until tomorrow, September 11, 1975, at 10:30 a.m.

NOMINATIONS

Executive nominations received by the Senate September 10, 1975:

FEDERAL POWER COMMISSION

Richard L. Dunham, of New York, to be a member of the Federal Power Commission for the term expiring June 22, 1980, vice John N. Nassikas, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate September 10, 1975:

COUNCIL ON WAGE AND PRICE STABILITY

Michael H. Moskow, of New Jersey, to be Director of the Council on Wage and Price Stability.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

John B. Rhinelander, of Virginia, to be Under Secretary of Housing and Urban Development.

(The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.)

EXTENSIONS OF REMARKS

INDEPENDENT PRESS-TELEGRAM SUPPORTS VETO OVERRIDE OF EDUCATION APPROPRIATIONS

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 9, 1975

Mr. ANDERSON of California. Mr. Speaker, in an editorial published on Sunday, September 7, the Long Beach Independent Press-Telegram echoes the points I have been making for some time in regards to H.R. 5901, education appropriations.

The Press-Telegram destroys the myth that the bill is inflationary, pointing out that the funding levels merely maintain current levels of spending.

Second, the editorial notes that the impact on local school districts will be painful, with budgets already set for the upcoming year. State and local taxpayers would have to make up the $1.5 billion cut proposed by President Ford.

Third, the Press-Telegram expresses concern that many of the programs which President Ford criticized as "too much" in his veto message are indeed valuable. For example, included in the category of "inflationary" are education of the handicapped and library resources programs. Need I comment further?

At this point, I would like to include the full text of the editorial in the RECORD.

OVERRIDE FORD'S VETO

President Ford's veto of the education money bill—H.R. 5901—comes up for an override vote in the House of Representatives Tuesday. If that succeeds, the Senate will then vote on it.

Congress should vote to overturn the veto.

The bill provides $7.5 billion in funds for more than 100 separate education programs for state and local agencies. That represents no expansion in federal financing for education. Given the increases in inflation, the sum falls far short of providing the levels of aid needed.

The Long Beach Unified School District stands to lose $1.1 million in federal funds if the veto is sustained and if no substitute appropriations bill is approved by Congress and signed by the President.

That loss would be a particularly painful one for the Long Beach district, which has seen its reserve funds dwindle to below the danger point. If the entire $1.1 million in federal funds were lost, the district would have a $3.6-million deficit for the 1975–76 fiscal year.

President Ford vetoed the bill because it was $1.5 billion higher than his 15-month budget request for education, and also because the bill does not respect his desire to cut federal school aid drastically in certain areas: impact aid for communities with federal operations or federal housing projects that add to school population while reducing the local property tax base; emergency school aid for communities undergoing school desegregation; library resources; and aid for educating the handicapped.

These programs are worthy, as the President would no doubt agree, but Ford is concerned that full financing for them would have an inflationary impact.

The concern is a legitimate one. It is least persuasive, however, in the case of impact aid, which would represent by far the largest loss to Long Beach. That aid is designed simply to provide partial compensation to school districts for the loss of property tax funds that results from tax exemptions for federal installations and federal housing.

On the basis of average daily attendance, Long Beach has about 53,200 pupils whose parents are employed by local industries and businesses that pay property taxes and who live in residences that are taxed. Another 5,400 pupils have parents who are employed in tax-exempt federal activities or live in tax-exempt federal housing.

The cost of educating the children in the second group is roughly $6.5 million a year. State aid can be expected to provide $700,000. If the President's veto is overridden, the impact aid available will probably be $1,015,000. That still leaves the heaviest burden for educating these children on local taxpayers.

Any cut in federal aid would add to the local taxpayers' burden.

Across the nation, other communities are in similar predicaments. For that reason, a veto override is a strong possibility.

It should be achieved. If it is not, Congress should move swiftly to put together an education appropriations bill that can win the President's approval and restore as much money as possible to the nation's hard-pressed school systems.

Education is as important a national priority as any that America has. That priority should be reflected in congressional voting on appropriations.

FEDERAL RESERVE BOARD DELAYS IMPLEMENTATION OF EQUAL OPPORTUNITY ACT

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. ANNUNZIO. Mr. Speaker, all citizens have a right to have their credit applications evaluated on their creditworthiness rather than being rejected simply because they are women. Yet, such discrimination has and does exist.

On October 28, 1974 the much heralded Equal Credit Opportunity Act was passed to end the practice by creditors of discriminating against women on the basis of their sex or marital status.

This legislation is scheduled to go into effect October 28, 1975. The year delay was for two purposes; to enable the Federal Reserve Board to prepare regulations to facilitate implementation of the law, and to allow creditors time to study the law and the regulations and adopt new procedures so that their business conduct would conform to the law and the regulations. Yet, 11 months later the Federal Reserve has yet to even finalize its regulations.

To extricate itself from its own unnecessary delay, the Board in its proposed regulations issued September 5, 1975 allowed important parts of the regulations to not take effect on October 28, 1975.

The Board has interpreted the regulation section of the law to permit it to disregard the express October 28, 1975 effective date and to delay implementation of important regulations requiring nondiscrimination by creditors.

The delays vary from 3 months to as much as 12 months. Even some of the regulations that will go into effect October 28, 1975 will have no application until the deferred regulations take effect.

The question here is not whether or not creditors need the delays. The merit of the need for delays can be properly addressed through congressional hearings and amendment of the law.

The question is whether or not the Board has the authority to break the law by delaying the effective date of this legislation? The answer is an emphatic No.

The regulation section of the law is not ambiguous. It states in part:

> Such regulations shall be prescribed as soon as possible after the date of enactment of this Act, but in no event later than the effective date of this Act.

Congress required that the regulations be prescribed no later than October 28, 1975 so that the regulation could permit implementation of the law on its effective date.

There would have been no purpose in requiring that the regulations be prescribed by October 28, 1975 if it meant merely that the regulations be literally in written form by then, but not go into effect on that date. Congress does not legislate a nullity. The Board's interpretation of this clear expression of congressional intent flouts the plain meaning and purpose of the above quoted provision of the law.

The Federal Reserve Board's action will please the creditors who pressured the Board to grant the delays. It has also set a bad and ironic precedent.

The very agency that has the duty to write the regulations to enforce this legislation is now the first to break the law and does so through the devious method of circumventing the express effective date of the law.

Such usurpation of congressional authority is a grave constitutional matter. If allowed to stand, the Board's action means that the Board can completely ignore congressional intent as to the effective date of not only this legislation, but all legislation for which it has authority to prescribe regulations.

The Constitution of the United States provides that Congress shall legislate, not the Federal Reserve Board. The Constitution of the United States provides that those who write our laws shall be our elected representatives, not the appointed members of the Federal Reserve Board.

Ending sex discrimination is of paramount importance. This law should not be delayed from going into effect one day, let alone 1 year. Consequently, I am now considering court action against the Federal Reserve Board to force the Board to obey the law. But, Mr. Speaker, I hope that such action will not be necessary and I urge the Federal Reserve Board to reconsider its decision to delay implementation of the law.

ROMANIA SPIED ON NORTH SEA OIL

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. McDONALD of Georgia. Mr. Speaker, recently a very large Romanian spy ring operating in Europe was revealed. By the nature of the information it sought, it is obvious that it was being collected for one purpose—to aid the Soviet intelligence services. While it is true that Romanian foreign policy sometimes differs with the U.S.S.R., the coordination and cooperation among Communist intelligence in Eastern Europe is tightly directed and coordinated by the K.G.B. in Moscow. Ironically, President Ford was dancing in the streets wtih Romanian President Ceausescu a few weeks ago, other Romanians were doing less friendly things in Western Europe. The article from the London Daily Telegraph of September 1, 1975, follows:

[From the Daily Telegraph, Sept. 1, 1975]

RUMANIA 'SPIED ON N. SEA OIL'

(By John Miller)

Security officials in Western Europe have smashed a major Rumanian spy network seeking out a wide variety of industrial secrets, including North Sea oil technology.

The ring was broken up after Virgil Tipanut, 37, a third secretary at the Rumanian Embassy in Oslo, defected in June with a list of 40 Rumanian diplomats, scientists and students said to be involved.

Tipanut is reported to be in London with his wife and two children helping British security officers complete their inquiries into Rumanian industrial espionage in this country.

The Foreign Office said yesterday that it had no information on Tipanut's whereabouts. Nor was it able to confirm reports that sophisticated British oil and gas technology had been a target of the network.

However, it can be assumed that Whitehall would be reluctant to acknowledge the accuracy of the reports because of Britain's present efforts to improve relations with the Rumanian regime.

Mrs. Thatcher, the Conservative leader, flew to Rumania yesterday for talks and on Sept. 16 Mr. Wilson will go to Rumania to sign an agreement on economic co-operation.

NORWAY MAY PROTEST

The Norwegian authorities are showing no such sensitivity over the spy ring's activities and are considering protesting to the Rumanian Foreign Ministry.

Tipanut's defection led to the arrest of a Rumanian student of mathematics at Norway's Technical University. Two diplomats said by Tipanut to be engaged in recruiting Norwegians for industrial espionage left Oslo as inquiries got under way.

The network was said to have operated in Britain, West Germany, France, Sweden, Norway and Denmark.

But reports from Norway and France said the Rumanian agents also sought secrets of the Anglo-French Concorde project, Nato radar guidance systems, West German nuclear power projects, and laser technology.

THE RIGHT TO A NUTRITIONALLY ADEQUATE DIET

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. FRASER. Mr. Speaker, today I am introducing a concurrent resolution which would explicitly establish as the policy of the U.S. Government the right of all persons, both at home and abroad to a nutritionally adequate diet. The same resolution is being introduced in the Senate by the Honorable MARK O. HATFIELD.

The Government and people of the United States have long sought to ameliorate the plight of persons who suffer from hunger. Yet, despite our Nation's noble intentions and positive efforts, hunger remains a grim reality, casting its shadow over countless millions throughout the world. To allow this situation to endure violates the tenets of human decency and jeopardizes the security of an international order which grows more interdependent by the day.

Our Government possesses the capacity, in conjunction with other nations and international institutions, to create policies which might concretely help combat both the short-term and long-term dimensions of the world hunger crisis. Such policies will emerge, however, only if we are willing to discard many of the ideas that have influenced our decisionmaking over the last three decades.

Increasingly, our post-Vietnam policy debates must take their bearings from the imperatives of international humanitarianism. We must turn away from policies which have been distorted by an overreliance on military/strategic considerations and embrace instead policy options which have as their cornerstone the primacy of peoples' economic and social needs.

Significant progress in this direction has been made. In 1973, the Congress amended the Foreign Assistance Act by establishing the "new directions" strategy, a strategy which sought to focus our Nation's aid efforts on the poorest persons of the poor nations; at the World Food Conference last fall, Secretary Kissinger stated our Nation's intent to help insure "that within a decade no child will go to bed hungry, that no family will fear for its next day's bread, and that no human being's future and capacities will be stunted by malnutrition"; earlier this year, the Ford administration announced that its 1976 food-for-peace shipments would exceed 6 million tons.

These are important steps. But, a long road lies ahead. Two measures currently before the Congress would, if enacted, do a great deal to help maintain the momentum of policy reorientation these steps have set in motion. The first, the School Lunch Act and Child Nutrition Act Amendments of 1975, would bring to an ever-widening number of school-aged children the opportunity to receive nutritionally sound meals during the schoolday. The second, the International Development and Food Assistance Act of 1975, would strengthen the new directions policy of the 1973 Foreign Assistance Act reform and extend this policy to our food-for-peace program. Reported out of the House International Relations Committee before the August recess, the act breaks new ground in the following areas: It separates economic and military/strategic assistance for the first time since the Marshall plan, it encourages the utilization of America's agriculturally oriented colleges and universities in bringing the fruits of agricultural research to the small farmers of food-poor nations, and it creates a special funding source for victims of manmade and natural disasters.

The resolution I am introducing today is intended as a supplement to these bills. It seeks to reaffirm Congress commitment to policies which enhance the dignity and well-being of all people, to policies which will help free all persons from the specter of starvation and malnutrition. If you are interested in cosponsoring the resolution, please contact my office.

The resolution follows:

H. CON. RES. 393

Whereas an estimated 460 million persons, almost half of them young children, suffer from acute malnutrition because they lack even the calories to sustain normal human life; and

Whereas those who get enough calories but are seriously deficient of proteins or other essential nutrients may include half of the human race; and

Whereas the President, through his Secretary of State, proclaimed at the World Food Conference a bold objective for this nation in collaboration with other nations: "that within a decade no child will go to bed hungry that no family will fear for its next day's bread, and that no human being's future and capacities will be stunted by malnutrition"; and

Whereas all the governments at the World Food Conference adopted this objective; and

Whereas in our interdependent world, hunger anywhere represents a threat to peace everywhere, now and in the future; and

Whereas the coming bicentennial provides a timely occasion to honor this nation's founding ideals of "liberty and justice for all," as well as our tradition of assisting those in need, by taking a clear stand on the critical issue of hunger: Now, therefore, be it

Resolved That it is the sense of the (House of Representatives) (Senate) that—

(1) every person in this country and throughout the world has the right to food—the right to a nutritionally adequate diet—and that this right is henceforth to be recognized as a cornerstone of U.S. policy; and

(2) this policy become a fundamental point of reference in the formation of legislation and administrative decisions in areas such as trade, assistance, monetary reform, military spending and all other matters that bear on hunger; and

(3) concerning hunger in the United States we seek to enroll on food assistance programs all who are in need, to improve those programs to insure that recipients receive an adequate diet, and to attain full employment and a floor of economic decency for everyone; and

(4) concerning global hunger this country increase its assistance for self-help development among the world's poorest people, especially in countries most seriously affected by hunger, with particular emphasis on increasing food production among the rural poor; and that development assistance and food assistance, including assistance given through private, voluntary agencies, increase over a period of years until such assistance has reached the target of one percent of our total national production (GNP).

WASHINGTON CENTER FOR LEARNING ALTERNATIVES

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. HARRINGTON. Mr. Speaker, with the current emphasis on relevance and accountability in education, the need for quality innovative programs related to societal priorities has increased significantly. The congressional internship is one answer to the need for those innovative programs. Off-campus experiential education is becoming a major and acceptable part of undergraduate education across the country. The thrust of experiential education is that doing is the essence of learning. It is only in bringing the students into contact with the real world through an internship experience that one can hope to bridge the vast and seemingly insurmountable gap between theory and reality; and in another sense the internship is the most effective vehicle to educate young people in the functions and working of the U.S. Congress, an institution which recently has found itself under the skeptical eye of the public.

At the present time Washington finds itself with many internship programs, all bartering for the same goods and services in the city; all trying to get low-cost adequate housing for their students; all trying to get quality internships which will provide students with a meaningful learning experience; and all trying to get academic offerings in the city that meet the requirements of the academic institution. As the idea of internships continues to grow, the competition between internship groups in the Nation's Capital will grow and the duplication of efforts will also increase.

In an attempt to avoid this competition and duplication of efforts, the Washington Center for Learning Alternatives has been established. The goals of the Washington Center for Learning Alternatives—WCLA—are to: Assist institutions in designing educational programs with field experience components; develop and coordinate auxiliary educational services; expedite procurement of facilities and services; and contribute to the development of off-campus education through research and the dissemination of the information obtained. The program will allow students the opportunity to intern in a congressional executive, or public interest office in Washington for a period of one semester—approximately 3 months. WCLA will not only develop these internships, but will also assume responsibility for placing, housing, supervising, and evaluating the students.

WCLA will not be a degree granting institution. Instead, it will function as an adjunct to already established college and university programs. WCLA will offer colleges and universities readily accessible means of responding to some recent trends to American higher education. WCLA will give students the opportunity to first, relate theory to practice by direct application and observation in their chosen field, second, advance their maturity in a wholly new environment where they will learn to rely on personal resources perhaps never before developed; making their own choices and taking greater responsibility for their own education, third, sample the tempo and flavor of life in the Nation's Capital in a time when our national leaders are being called on for solutions to extremely difficult problems, fourth, enjoy a change of pace from the college life from a vantage point that will permit them to view a number of educational and other objectives with a fresh perspective.

In addition to the educational value of off-campus assignments, one of the most important benefits to the student is that the experience of participating in a world of work helps the student make career choices. The student can assess his/her ability to work in a given field in the direction he/she would choose as a profession.

WCLA does not just offer an isolated field experience, but rather a total educational program that includes seminars, site visitations by WCLA staff, and evaluations. WCLA supplements the work experience with academic offerings that are structured so as to relate directly to the student's work. These academic offerings will help students to clarify and integrate the learning experiences of the internship with concepts and theories in related academic disciplines. Academic offerings that will be available through WCLA will focus on such issues as the basic legislative process, administrative decisionmaking, budgeting, executive privilege versus congressional power, contemporary political issues, public interest groups, lobbying techniques, etc. There will be approximately 12 to 15 students assigned to each academic offering. The aim of WCLA is to have these academic offerings taught each semester by adjunct faculty members who are also practitioners in Washington as well as distinguished colleagues in their academic disciplines.

Credit will be granted by the students home institution. WCLA's seminars, academic offerings, and symposia can be used as criteria for awarding credit, if the students negotiate in advance with their faculty advisors to do so.

WCLA's placement will consist of full-time internships and will be in congressional offices, executive agencies, and public interest groups. Each participating office will have the privilege of determining criteria for the selection of students. Likewise, WCLA will enforce strong guidelines as to what will be acceptable assignments. WCLA will be looking for the learning experiences available in an office rather than just another job description. WCLA will also offer training sessions for supervisors so as to insure maximum quality placements. Each student will be asked to list their placement preferences, specific goals and objectives. The WCLA staff will then attempt to place the students by matching them with offices that will provide experiences that the students are looking for. It should be noted that when more than one student applies for the same internship, all of the applications, provided that they meet the sponsoring agency's criteria, will be submitted to the sponsoring agency for the final decision.

Recognizing the inordinate amount of time that would be necessary for students to find decent, reasonably priced, temporary housing in the Washington area, WCLA has secured a modern apartment building in downtown Washington. The apartment building is equipped to house approximately 385 students in efficiency and one-bedroom apartments, all of which are fully furnished and completely air-conditioned.

Since entering the House in 1969, I have watched the idea of field experience learning develop into an integral part of both undergraduate and graduate education.

The House of Representatives is a complex institution in which 435 individuals represent over 200 million Americans. At a time when our Government is under tremendous pressure and criticism, I would like to see more young people knowledgeable about and participating in what I feel is this country's greatest contribution to mankind; that is, its governmental system. The congressional internship acts not as a substitute for an academic experience, but rather as a complementing experience in which a student may apply the theory learned in the classroom to a complex real-life situation of hard practicalities which exist on the Hill.

It is my sincere hope that the Washington Center for Learning Alternatives continues to grow with the final product being a more complete understanding of our governmental process and a sense of reality with which we, together, can solve the complex problems that face our country.

SENATE AMENDMENT TO H.R. 2559

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. HYDE. Mr. Speaker, just before the Congress left for its August recess, the House approved, by a one-vote margin, a resolution specifically agreeing to the Senate amendment to the House-passed bill H.R. 2559. The original House-passed bill was designed only to bring the Postal Service under section 19 of the Occupational Safety and Health Act of 1970. But the Senate amendment added a second title providing for automatic cost-of-living raises for the upper echelon Federal employees in the executive, judicial and legislative branches. It is important to note that the salaries for Federal judges, executives and legislators had, until then, been frozen since March of 1969. Since March 1969 the cost of living has risen 48 percent. Accordingly, the purchasing power of high level salaries has eroded by that much.

Mr. Speaker, I strenuously object to putting our own salaries on an automatic cost-of-living escalator. This was an unfortunate coupling of necessary salary increases for top level governmental employees, with a self-serving formula for automatic salary increases for Congress. The result was to immunize Congressmen from the inflation which they have helped to create by voting year after year for programs creating large spending deficits.

It is important, however, that we allow Federal salaries other than our own to rise to a competitive level. We must assure that the executive and judicial branches continue to be able to attract the best minds and talents in our Nation. Good government requires good people. The Government is competing for the same executive talent which in private business enjoyed a 40 percent salary increase during the same period while Government salaries were frozen.

For these reasons, I am today introducing legislation which would remove Senators and Representatives from the automatic salary escalator after the first increase which takes effect next month. My bill is simply worded. It merely amends the new law to say that no adjustment shall take place with respect to the salaries of Senators and Representatives after the end of this year. In this way, we can sever ourselves from the salary escalator while keeping it for Federal judges and executives. Our Government can thus compete effectively for executive and judicial talent so badly needed. And, in future years, if Congressmen feel the need for a salary increase, they can take new action, openly, in full public view.

DEREGULATION OF GAS

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. COLLINS of Texas. Mr. Speaker, I would like to review for you all an actual experience that is very typical of today's gas production. The only way we are going to produce more gas and meet the demand requirements is to have a free, unregulated market. Let us take this production situation from west Denton County and northeast Wise County of Texas.

This provides a good cross section, as 100 wells have been drilled, which resulted in 60 producing wells and 40 dry holes within this proved developed area. This area covered 64,000 acres. It produced in the Atoka conglomerate zone at 6,500-foot level. There was much knowledge of the geology in this area and with increased prices available from intrastate sales, they were able to go in and develop it.

One essential fact to keep in mind is that the great recoveries will probably come from the old fields. But the low-cost, initial production has already been discovered and the oil and gas drained from them. The statistics I have detailed from a partial area where 10 wells were drilled, resulting in 6 producing and 4 dry holes, which were good results for this excellent recovery area.

These are shallow wells, and relatively low cost, so let us check all of the figures.

The cost per producing well was $102,000 and the development cost of the dry holes averaged $70,000, plus lease costs per producing well of $43,500. This left an average cost per producing well, including the development of the dry holes of $145,500. To this is added the direct estimated exploration cost, based on a ratio of eight producers found per six wildcats, which gives a total cost of $43,800. Add that up and you have a total cost to be recovered per producing well of $189,000.

Because this was intrastate, and they were able to negotiate an intrastate rate of $1.26 million cubic feet, it is estimated that the net operating income per producing well will be $287,300. This would give a profit per producing well of $98,000—or would mean a 16 percent rate of return before calculation for income tax.

One of the most interesting conclusions is the fact that the exact break-even point on this gas is $.84 per million cubic feet. This means that if they broke even on this area, where they had extensive geology and had excellent success in production, it would take $.84 per million cubic feet. This is a particularly key point. When you bear in mind the fact that the present FPC rulings are indicating $.55 or $.60 million cubic feet as the maximum. They could never have drilled this well under the present guidelines of the Federal Power Commission.

This area traces a drilling program that began in December 1971. Where they have had 4 years history of production. Over 100 wells are involved.

We have many old oil and gas fields, where we could make extensive recoveries, if the price of gas were in line. Gas has been artificially priced per British thermal unit of energy at a very low level. Compared to the $11.50 that we pay for OPEC oil, gas at the wellhead, in an equivalent competitive market, would be priced at $1.98 per million cubic foot. Gas is not only the clean fuel, but it is also an easy fuel to handle and would be the most desirable fuel. We could go back and develop all of these higher-cost, secondary fields if the market had realistic pricing.

It is hard to understand why America pays $11.50 to import foreign crude oil when, for $11.50 we could produce domestic energy, where all of the money, all of the production and all of the development would go entirely to Americans.

MYTH OF TRANSIT EFFICIENCY

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. FRENZEL. Mr. Speaker, this past Sunday, September 7, 1975, the Washington Star ran an article by David Lawyer titled "The Myth of Transit Efficiency," which casts serious doubt on the popular notion that public transit is inherently more energy efficient than the automobile.

While we lack the kinds of accurate data which would allow us to draw any firm conclusions on the subject, the data cited in this article is not very encouraging. The basic reason for this startling conclusion revolves around the issue of load factors. While there is no doubt that buses and subways filled to capacity are far more energy efficient than automobiles operating at the current average load of 2.2 passengers per vehicle, the article points out that this is an unreasonable basis for comparison. What data we do have shows that on the average only 18 percent of the bus capacity is utilized and the load factor increases to only 26 percent for electric transit vehicles.

The article states for example that the new BART systems "consumes nearly as much energy per passenger-mile as the typical gas-guzzling automobile." The author concludes that it may be easier to improve automobile load factors than it is to try and boost load factors for transit. The proper response is, of course, that we must do both.

I commend the Lawyer article to my colleagues as a good look at load factors from a different viewpoint.

KISSINGER RAILROADING OF ISRAEL SUSPECTED IN SINAI PACT

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. BIAGGI. Mr. Speaker, yesterday the noted syndicated columnist Ernest Cuneo wrote a column negatively assessing the Interim Peace Agreement signed by Israel and Egypt. He raises some critically important points about the hard nosed tactics employed against Israel by Secretary of State Henry Kissinger.

Cuneo's opening sentence spells out the belief of myself and other people about this agreement, namely it will not bring final peace to the Middle East. The involvement of American personnel sets a dangerous precedent, one which could escalate into our becoming integrally involved in the turbulence of the Middle East. The benefits of such an arrangement are neither in this Nation's or Israel's best interest. Cuneo's column brings out some points which seem to fly directly in contradiction with Dr. Kissinger statement yesterday that Israel insisted that Americans be stationed in the Sinai.

Congress will be directing its attention very soon to the provisions of this agreement. I urge my colleagues to evaluate all the information carefully particularly with respect to our proposed commitment of American technicians. I feel that an alternative arrangement should be considered, including allowing the technicians to come from the United Nations, thus precluding the potential for a superpower confrontation in the Middle East which is a real possibility under the terms of the present agreement.

Mr. Speaker, at this point in the Record, I would like to insert Mr. Cuneo's column entitled "A Kissinger Sellout."

The article follows:

A Kissinger Sellout

(By Ernest Cuneo)

Jerusalem.—There will be no final peace in the Middle East. The terrific pressures of the powder kegs are close to the critical point of explosion by spontaneous combustion. Secretary of State Henry Kissinger's heralded interim accord will merely lengthen the fuse.

The price is heavy for Israel. Israel had no option. This is because Kissinger held a military and economic gun to Israel's head. The military gun is the refusal to furnish U.S. hardware. This cutoff is nearly all inclusive, from parts to ammunition.

Moreover, no U.S. commitments were made for the next year. This effects a strategic paralysis upon the Israeli general staff. It cannot estimate how much effective hardware will be left in case of attack and it does not know how much material it has in reserve.

In effect, Kissinger diplomatically severed the Israeli military line of supply. Thus, the retirement of the Israeli forces is not due to the Arab armies at its three borders, bristling with Russian armament. It is due to the activated threat of its purported ally to leave it naked to its enemies.

In order to understand the Kissinger step-by-step policy, it is necessary to cite the record. Egypt launched the Yom Kippur War two years ago. The 3rd and 2nd Egyptian armies forced the Suez Canal, driving east into Sinai. The Israeli army, in a brilliant flanking movement, practically simultaneously, invaded West across the Suez. It surrounded the helpless 3rd Egyptian Army in the south and could easily have crushed the 2nd Egyptian Army in the North.

The Russian general staff at once perceived the hopeless plight of the Egyptian forces. To relieve the lethal pressure on the stricken Egyptians, the Kremlin put heavy pressure on Kissinger.

It threatened military intervention. It loudly loaded two paratroop combat divisions and moved the Red Air Force into battle alert.

The bluff worked. Kissinger forced the cease-fire which saved the Egyptian armies. Two million Arabs cheered him when he showed at Cairo, as well they should.

In the further interests of his conception of peace, Kissinger forced the victorious Israeli army to yield the east bank of the Suez Canal. This caused more anguish in the Pentagon than in Jerusalem, since it doubled the Indian Ocean capacity of both the Black Sea and the Pacific fleets of the Red navy.

The vanquished Egyptians shrewdly refused to negotiate a peace with the Israelis. They well knew they held the Israeli ace—control of the U.S. supply line to Israel through their champion, Henry Kissinger.

Not satisfied with the retirement from Suez, the Egyptians demanded control of the Sinai passes, the keys to the gates of Israel.

Kissinger delivered them for the Egyptians. Fighting a diplomatic rear-guard action, the Israeli government, it appears, will be holding on to strategic ground at the Israeli end of the passes from which a desperate tactical defense might be established.

The Sinai oil wells will be given to Egypt, a handsome addition to the Kissinger gift of the Suez Canal.

The Israeli government, quite naturally, remembers vividly the "step-by-step" diplomacy of Secretary Kissinger by which the South Vietnamese army was misled to the gallows.

According to London sources, to force it, Kissinger had President Ford write a letter of such severity that Israeli Prime Minister Rabin withheld it from his cabinet. Clearly, the American people have a right to know if there was such a letter and what was in it.

Secretary Kissinger, it will be called, denied that assurances were given South Vietnam, until Sen. Henry M. Jackson, D.-Wash., produced documentary evidence that the secretary was a bare-faced liar.

DICK GREGORY'S ARREST

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. CLAY. Mr. Speaker, political activist Dick Gregory was arrested twice in front of the White House recently for protesting what he believes to be the CIA's involvement in the assassination of President John F. Kennedy and Reverend Dr. Martin Luther King. Doing all that one man can to perfect the democratic ideal, Mr. Gregory has demanded an investigation based on the not insubstantial evidence already unearthed.

Mr. Speaker, for his patriotic troubles, Mr. Gregory is arrested. But for the ominously undemocratic shenanigans of CIA, the agency receives great comfort and protection. The irony here is more than subtle. One could well suppose that were a one of our constitutional fore fathers alive today, he might well be sharing a cell with Mr. Gregory. For it appears that the business of defending liberty is never finished and most especially from those who so ardently mispeak the traditional underpinnings of American democracy, namely the CIA.

Mr. Speaker, staff writer Alfred Lewis describes Mr. Gregory's first arrest in the July 5 issue of the Washington Post. I commend his article to my colleagues' attention and now insert it in the Record:

Dick Gregory Is Arrested Outside White House

(By Alfred E. Lewis)

Dick Gregory, the activist and comedian, was arrested outside the White House yesterday while carrying a placard asking an investigation of the assassinations of President John F. Kennedy and the Rev. Dr. Martin Luther King, Jr.

Gregory, who was charged with demonstrating without a permit, said he had planned to be arrested to dramatize what he said is the need for a full investigation of the role of the Central Intelligence Agency in the two killings.

He said that rather than post the $50 collateral, he would remain in the central cellblock in D.C. police headquarters at 300 Indiana Ave N.W., and would refuse solid food, subsisting only on liquids.

Also arrested in the protest with Gregory was Ralph B. Schoenman, 40, a writer and lecturer, of Pennington, N.J. He said he would also fast.

Both men, who were arrested by the Park Police at 10 a.m., are scheduled to appear in Superior Court today. Two other persons took part in the demonstration but left after a police warning.

Signs carried in the demonstration, directed at President Ford and taking note of Independence Day, read, "Please give us a birthday present to remember: a Complete Investigation of Assassinations" and "For a bicentennial rebirth, stop the old conspiracy Inside America."

Gregory and Schoenman said they met on Thursday with Justice Department officials and gave them what the two men said were documents linking the CIA to the assassinations. Justice Department officials could not be reached for comment.

Gregory has been arrested at the White House at least twice before, most recently on March 1. He was one of 62 persons demonstrating against U.S. involvement in Indochina and the President's amnesty program who refused to leave the grounds at the end of a public tour.

WHAT'S AHEAD FOR ENERGY

HON. PHILIP H. HAYES

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. HAYES of Indiana. Mr. Speaker, Representative Mike McCormack of the

State of Washington, Chairman of the Subcommittee on Energy Research, Development and Demonstration of the House Committee on Science and Technology, has contributed an article to the September 1975 issue of Nation's Business magazine which I think should be read and analyzed by my colleagues in the 94th Congress.

Representative McCORMACK is one of the most insistent futurists of this Congress. In this article he has most eloquently urged the Nation to look beyond our present, and most important, center of the energy debate to what he calls the "stark realities."

What in this Congress could be called the "McCormack Rule" is embodied in his phrase, "Each nation has its own date with reality, and few lie very far into the next century."

MIKE McCORMACK's article is an important foundation for understanding the directions of energy policymaking and why our decisions now are so crucial.

I ask unanimous consent that this article be printed in the RECORD.

WHAT'S AHEAD FOR ENERGY—PUTTING DOWN THE SCARE STORIES AND FACING REALITY

(By Rep. Mike McCormack)

The one certain thing about energy is the confusion that exists almost everywhere.

But one concept has emerged that has almost universal acceptance—namely, that we must reduce waste in our use of energy.

What is not apparent, however, even to many sincere and concerned policymakers, is that the total energy consumption of our nation must continue to increase, even if we establish very successful conservation programs.

Additional energy will be required for new homes, new jobs, upward mobility of low income groups, employment for women, more protection for the environment, and more industry.

This will be true even if we have zero population growth.

PRODUCTION IS DECLINING

Unfortunately, most of the debate on the energy crisis, in spite of the perils, has centered around such subjects as import tariffs, quotas, gas taxes, allocations, regulations, and incentives.

While all of this is important, it is something like wrestling for deck chairs on the Titanic.

The stark realties are that, while this debate goes no, our production of oil and natural gas is down from last year. In fact, we are running out of both. So is the entire world, including the Middle East.

Each nation has its own date with reality, and few lie very far into the next century.

Today we are consuming about six billion barrels of oil a year, about four billion of which come from domestic sources. The National Academy of Sciences reports that our production is peaking at that level. We will be down to 1.5 billion barrels a year, the academy estimates, by the year 2000.

OUTLOOK FOR SOLAR ENERGY

An energy policy must be based on the best scientific and engineering facts available. We cannot afford the luxury of basing policies on wishful thinking. Assuming that solar or geothermal energy will bail us out, or that we will be lucky enough to find enough natural gas or petroleum to keep us going, is wishful thinking.

So is the hope that the American people will voluntarily slash their consumption of energy at the cost of a much lower standard of living and massive unemployment.

In 1972, this nation consumed the equivalent of 34 million barrels of oil a day. That's the total for all our sources of energy—coal, natural gas, hydroelectric power, nuclear power, as well as petroleum itself.

This year, Americans will consume the equivalent of 37 million barrels a day.

However, since 1972 our domestic natural gas production has dropped the equivalent of one-half million barrels a day and domestic oil production has dropped one million barrels a day.

Coal production has scarcely changed at all in the past three years. It is up from the equivalent of six million barrels a day to 6.5 million. Hydroelectricity has increased a little. In 1972, it was equivalent to 1.4 million barrels a day. Now production is 1.5 million.

Only nuclear energy has shown a big increase. It is up from the equivalent of 300,000 barrels a day to one million.

But the increase is far outstripped by imported oil, which is up from 4.5 million barrels a day in 1972 to seven million now.

What of the future?

We will consume the equivalent of about 48 million barrels a day by 1985. This forecast assumes an extremely aggressive conservation program which would cut our traditional growth rate in energy consumption in half—from 3.6 percent to 1.8 percent.

The forecast also assumes a very aggressive search for oil and gas.

ENERGY AND PRODUCTION

What if we cut consumption below 48 million barrels?

There is a very close relationship between energy consumption, gross national product, and employment. So if we do, we will be reducing employment by an estimated 900,000 jobs for each million barrels.

An equilibrium should exist between energy consumption, a reasonable program for protecting our environment, and maintenance of a stable, responsive economic system.

We cannot expect to have energy production without some impact on the environment, and we can't expect to have jobs for the American people unless we produce more energy.

Thus, we have several environments to protect. Not only are there those we normally think of—air and water—but there is also the economic, environment and industrial capacity that will maintain this nation's national security and economic stability.

Fnally, there's the environment of our own homes, where we must have enough energy for a decent standard of living.

Our national energy policy must strike a balance between them in a rational manner.

RESEARCH FOR NEW SOURCES

One general misconception is that research and development, generously funded, can solve energy problems in the very near future. Nothing could be further from the truth. Even with a crash program, the time required between successful demonstration in a laboratory and implementation of such technology takes ten to 30 years. Usually, the time lag is closer to 30.

There is no way, for example, that a tidal wave of federal funds could make solar energy or geothermal energy a significant resource for this nation before 1990—or nuclear fusion before the year 2000.

So, while we must support an aggressive research and development program, our nation must rely for the immediate and short-range future on energy sources which are available to us today.

Coal is our greatest resource of fossil fuel. We must rely heavily upon it. We will need to increase dramatically our coal production. To do so, we must allow coal to be surface mined under realistic regulation and responsible reclamation of the land.

USE OF NUCLEAR POWER

One of our greatest strokes of good fortune is that our nuclear industry is as well advanced as it is today. It is ready now to provide much of the energy this nation will need during the next 50 years.

Nuclear energy is the cleanest and cheapest source of energy available with the least impact on the environment. If we did not have nuclear energy available to us for the coming decades, our country's future would be black indeed.

Meanwhile, ill-informed antinuclear activists are clamoring for a moratorium on nuclear energy—our only hope for self-sufficiency during the rest of this century.

Much to-do has been made about the hazards of nuclear power. Many false or flagrantly distorted news stories and TV programs about those dangers have been foisted on the public.

ATOMIC EXPLOSION

Some scare stories reach the point of absurdity. For example, is it correct to believe that a nuclear power plant might explode like an atomic bomb?

"It is impossible for nuclear power plants to explode like a nuclear weapon," says Dr. Norman C. Rasmussen of the department of nuclear engineering at the Massachusetts Institute of Technology.

"The laws of physics do not permit this," he points out in a study he directed for the U.S. Atomic Energy Commission, "because the fuel contains only a fraction (three to five percent) of the special type of uranium that is used in weapons."

It is essential, of course, that every reasonable safety precaution be taken in the design and operation of nuclear power plants. The nuclear industry, like any other, poses some risks.

But how great are they?

With 100 plants on the line, the report says, the danger of injury to any individual or group will be about the same as their danger of being struck by a meteor.

Predictably, the antinuclear lobby assailed Dr. Rasmussen's report. They charged that the report was too conservative by a factor of ten to 16. Thus, if we take their word for it, the danger of death from an atomic power plant is only ten to 16 times as great as the chance of being killed by a meteor.

This helps put the subject into perspective.

Radiation injury is another bugaboo the report discusses.

Assume that 1,000 nuclear power plants are on the line by the year 2000, it says.

Then the average American will receive the following radiation:

From natural background: 102 millirem per year.

From medical X rays and therapeutic radiation: 73 millirem per year.

From nuclear power plants: 0.4 millirem per year.

RADIATION SAFEGUARDS

"The only way that potentially large amounts of radioactivity can be released is by melting the fuel in the reactor core," the study says. "Not once in some 200 reactor years of commercial operation has there ever been a fuel melting."

Nuclear power plants, of course, have numerous systems to prevent core melting.

Today there are 55 nuclear power plants licensed to operate in the United States. By the end of next year, 72 plants should be operating. Another 149 are under construction or being planned.

If they are on the line by 1985—and they can be if we simply eliminate unnecessary delays and provide capital for construction—then the nation will have a nuclear capacity of about 220 thousand megawatts. That would amount to about 30 percent of our electric generating capacity.

Each nuclear power plant saves us the equivalent of ten to 12 million barrels a year. Thus it would take seven million barrels of oil a day to produce the same amount of electricity as these nuclear plants will generate.

That's the equivalent of all the oil and petroleum products that the United States imports today.

FUSION IN OUR FUTURE

Three future sources of energy which have attracted a great deal of public attention are solar energy, geothermal energy, and nuclear fusion.

Congress has appropriated hundreds of millions of dollars for research and development of all three. However, we can't expect miracles overnight from any of them.

With well-managed, well-funded, aggressive programs, we may be able to provide two percent of our energy from the sun by the year 1990, but not before.

Even with a crash program, it is unlikely that we can produce one percent of our total energy from all geothermal sources before we are into the 1990's.

What about nuclear fusion?

In the past three years, researchers have made great progress in controlling this new source of energy. Now, for the first time, we understand the physics and dynamics of the plasma in which the thermonuclear reaction must take place.

PREDICTION OF SUCCESS

For the first time, we are in a position to predict success. Congress has appropriated this year $192 million to back this research, double what it spent last year.

By the mid-1990's, or a few years later, we should have a commercially feasible fusion electric demonstration plant in operation. If this program is successful, we may be able to look forward to providing unlimited quantities of clear, cheap energy forever.

That means we can look forward to phasing out burning fossil fuels and the use of nuclear fission to produce electricity. But that happy day won't dawn until the 21st century.

Meanwhile, the nation must depend for most of its energy on coal and nuclear fission.

There is no choice.

If we do not develop a comprehensive national energy policy now, we will face a disastrous energy crisis in 1985—far worse than the one we face today.

The result would be equivalent to losing a major war.

The challenge is equivalent to organizing for and fighting one.

TENTH ANNIVERSARY OF FOSTER GRANDPARENT PROGRAM

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. GRADISON. Mr. Speaker, it is appropriate that we honor the 10th anniversary of an organization which has made a tremendous contribution to the development of our most precious resource: our children.

Through the foster grandparent program, older Americans can continue to participate actively in their communities by working with children who otherwise might not receive much-needed attention and companionship.

Foster grandparents work 4 hours a day, 5 days a week and receive a small stipend and a physical examination each year. This program is as rewarding for the older Americans who participate as it is for the children whose lives they touch.

The value of the foster grandparent program is apparent to all observers. A cost-benefit study by Booz, Allan Inc., concluded "it would be difficult to find a federal program as productive as the Foster Grandparent program." Certainly no higher praise can be given.

The First District of Ohio is well represented at the 10th anniversary conference this week in Washington by Mrs. Daisy Pope and Mrs. Izelle Kendrick. Mrs. Pope has been a foster grandparent since the beginning of the program and Mrs. Kendrick is the only remaining director of one of the original 20 projects across the country. These women richly deserve the recognition they are now receiving for their fine efforts of the past 10 years.

I am sure all my colleagues join with me in saluting the foster grandparent program.

CLEAN MEAT STANDARDS MAY BE LOWERED

HON. NEAL SMITH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. SMITH of Iowa. Mr. Speaker, Secretary of Agriculture Earl Butz is moving ahead with plans that could severely harm the clean meat protection afforded consumers under the Federal meat inspection program by increasing to 80 percent the Federal payment for the cost of inspection in those State plants which are permitted to ship meat in interstate commerce.

This would encourage them to use State inspection instead of Federal for plants which have the most problems with cleanliness. GAO studies show these State plants are not as well inspected.

On Friday, September 5, I placed in the CONGRESSIONAL RECORD starting at page 27802, a letter I wrote the day before to Secretary Butz. It explains in detail what the Butz plan would do and why it should be stopped.

I have now learned that Secretary Butz has secured clearance for his plan, which would be illegal and in violation of the will of Congress, from the Office of Management and Budget.

It seems almost certain that the Butz plan will go into effect.

If that happens, farmers as well as consumers will ultimately be harmed. The Butz plan would lower confidence in the quality and cleanliness of meat at a time when fewer persons are buying meat.

The U.S. Department of Agriculture now has 287 plants where, it is claimed, meat is inspected by State employees under the supervision of Federal inspectors. Investigations have shown that this is theory, not practice and that the inspection in those plants is not adequate. The problem plants are, therefore, encouraged to seek the non-Federal inspection.

The Department, after making a check around the country, today has informed me that there are only 69 so-called circuit inspectors assigned to these plants. So, in effect, these 287 plants are State inspected. They are allowed to ship in interstate commerce.

The Butz plan could greatly expand the number of these State inspected plants which can ship across State lines because they are supposedly under Federal supervision. That means that what is in fact State-inspected meat will be shipped in huge volume across State lines.

Congress has repeatedly rejected efforts to allow State-inspected meat to be shipped in interstate commerce. So the Butz plan, which has no authority in law and flies in the face of the expressed will of the American people as represented in Congress.

The Des Moines Register, in an editorial of September 9, made the following comment:

> Why pump federal taxes into an effort to maintain a triple system of meat inspection—federal, federal-state and state. . . .

Why indeed? Why, at a time when there is so much concern about too many layers of government performing inefficiently in the same area, should this plan be considered?

For those Members concerned about consumer protection, a healthy livestock industry, fiscal responsibility, and sound government, I am placing in the RECORD the Register editorial.

I am also placing in the RECORD an article by James Risser, a Washington correspondent for the Des Moines Register, which explains the Butz plan and its implications.

The material follows:

[From the Des Moines Register, Sept. 9, 1975]

RETREAT ON MEAT

When Representative Neal Smith (Dem., Ia.) says Agriculture Secretary Earl Butz is trying to undermine the meat inspection system set up by the Wholesome Meat Act of 1967, he is worthy of attention. Smith is the principal author of the law, and he has been a crusader for better meat inspection.

Butz told the Senate Agriculture Committee that the U.S. Agriculture Department was considering a plan to keep the states in the meat inspection business by paying them 80 percent of the state inspectors' salaries instead of the 50 per cent they have been getting.

Smith thinks 80 per cent subsidy would be illegal. Butz thinks he can do it under a 1962 law which permits cooperation between state and federal meat inspection services at state option. State-inspected meat can move in interstate commerce under this law provided state inspection is supervised by federal inspectors. Twenty-six states take advantage of this law, but only a small number of plants are covered.

Butz shares President Gerald Ford's prejudice against federal regulation.

Senator Dick Clark (Dem. Ia.) agrees with Smith that the Butz proposal is undesirable and would mean less reliable meat inspection.

The first federal meat inspection law was passed in 1967. The 1967 law applied only to meat sold in interstate commerce. Some states began inspecting meat sold locally, but as late as 1967, seven states had no meat standards, 12 had only voluntary standards, and the rest had standards of varying quality, generally below federal standards.

The 1967 law made some improvement, but not much. The 1967 law gave the states three years to get up to federal standards or the federal inspectors would take over.

By now over half the packing and processing plants in the country are under direct federal inspection. Another 25 percent of the plants have state inspection under federal supervisors, the rest are state-inspected but are supposed to meet federal standards.

Smith is convinced that states often do not meet the standards, even under federal supervision. A 1970 General Accounting Office study confirmed this view.

States are finding meat inspection costly, even if they are eligible for the 50 per cent federal aid. The federal government would do the whole job for nothing. Thirteen states now have federal inspection, some of them voluntarily. Two other states will start federal inspection Oct. 1.

Butz wants to preserve the remaining state inspection services by raising the subsidy. He is fighting the tide of history and will be loading unneeded duplication onto the taxpayers if he gets away with it.

Why pump federal taxes into an effort to maintain a triple system of meat inspection—federal, federal-state and state—when the state systems are waning because of cost and poor quality while the federal-state system never really caught on?

[From the Des Moines Register, Sept. 6, 1975]

Smith: Butz Would Ease Meat Checks—Assails Plan to Aid State Inspections

(By James Risser of the Register's Washington Bureau)

Washington, D.C.—Representative Neal Smith (Dem., Ia.) Friday charged Agriculture Secretary Earl Butz is trying to illegally undermine the 8-year-old federal meat inspection system.

Butz plans to use an "obscure" 1962 law to funnel federal funds to states so that they can operate their own meat inspection systems under loose guidelines, said Smith.

The proposal violates the law and is an attempt to circumvent Congress' refusal to go along with a similar plan 3 years ago, said Smith.

It would produce a "hodge-podge" of inspection systems, and would ultimately harm the Federal meat inspection program and reduce consumer confidence in our meat inspection service," he added.

PRESSURE SEEN

In a letter to Butz objecting to the proposal, Smith said it apparently has resulted from pressure by state secretaries of agriculture who are upset that a number of state legislatures have decided to give up state meat inspection and turn the task over to the federal government.

The state agriculture officials "understandably are reluctant to give up some of their bureaucratic empire," he said.

Under the so-called Talmadge-Aiken Act of 1962, which authorizes co-operation between federal and state governments in carrying out various federal agricultural programs, the federal government now pays half of the salary of state inspectors who work under federal supervision at a small number of meat plants in 26 states.

SALARY PLAN

According to Smith, Butz intends to increase the federal payment to 80 per cent of the inspectors' salaries, without any approval from Congress.

"This would, in effect, bribe the states to shift to the so-called Talmadge-Aiken approach," Smith said.

Of the some 12,000 meat packing and processing plants in the U.S. only 287 now operate under Talmadge-Aiken agreements with the Agriculture Department.

The rest are inspected under the terms of the Wholesome Meat Act of 1967, of which Smith was a main sponsor. Of these, 6,292 plants are entirely under federal inspection.

SPECIFIC LIMIT

The remaining 5,835 are state-inspected under provisions of the Wholesome Meat Act which permit a state to conduct meat inspection if its standards are equal to the federal standards.

Under that act, states are specifically limited to recovering 50 per cent of their costs from the federal government. A Butz proposal in 1972 to raise that figure to 80 percent was rejected by Congress.

Smith contends that Butz is now trying to circumvent that congressional decision by applying the 80 per cent aid figure to the Talmadge-Aiken Act, which contains no direct mention of federal funding.

In theory, meat plants inspected under Talmadge-Aiken agreements are held to the same standards as other meat plants. But in practice, Smith said, that has not been the case.

KEY DIFFERENCE

A 1970 study by the U.S. General Accounting Office found that sanitation standards at Talmadge-Aiken plants were generally inferior to those at plants inspected by federal meat inspectors under the Wholesome Meat Act, he noted.

A key difference between the two laws is that meat plants inspected under the Talmadge-Aiken Act may ship their products to other states. Plants inspected by state inspectors, under the provisions of the Wholesome Meat Act, may not ship meat in interstate commerce.

Smith's office said consumer groups have learned of Butz's proposal and are opposed to it.

Also, Clyde Weber, president of the American Federation of Government Employes, whose membership includes federal meat inspectors, said Friday "we're very concerned about the use of Talmadge-Aiken funds in this fashion."

HEARINGS URGED

Weber said he has asked for detailed information from the Agriculture Department about the proposal. He said the federation is urging congressional hearings and may seek to block the plan in court.

Butz acknowledged, at a meeting of the Senate Agriculture Committee this week, that the plan is under consideration as a way to keep states involved in meat inspection. Committee Chairman Herman Talmadge (Dem., Ga.) said he supports the plan.

Because of the high cost of running state meat inspection programs, even with federal assistance of 50 per cent, 13 states plus the Commonwealth of Puerto Rico have turned to total federal inspection. On Oct. 1, plants in Connecticut and Tennessee also are scheduled to come under federal inspection.

RABBITT INN—JUSTICE

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. MOAKLEY. Mr. Speaker, on October 5, 1974, several Boston policemen caused harm to innocent people at the Rabbitt Inn in South Boston.

The entire situation was very disturbing because the police action was far more violent than the incident they were allegedly responding to. They showed up in riot gear which did little except to make identification difficult. And, most disturbing, the complaint to which they were supposed to be responding appears on the police log several minutes after their arrival.

Because of these questions, I called FBI Director Clarence Kelley at home at 7:30 the following morning and was assured that the FBI would investigate.

Since then I have spoken to Mr. Kelley, to the Assistant Attorney General in charge of the Civil Rights Division and to members of their staffs. For almost a year I have been assured that this is an "active" investigation. But how active can an investigation be that has produced no results in a year?

Mr. Speaker, it is with deep regret that I must rise at this time to accuse the FBI of a coverup. But the record of foot dragging and inaction leaves no other conclusion possible.

By failing to fulfill its responsibility the FBI has denied justice to many innocent South Boston residents hurt in the police riot and has denied justice to the Boston Police Department, the thousands of officers who have offered commendable service to our city while a few policemen ran wild.

THE AMERICAN PEOPLE SPEAK OUT ON THE ECONOMY

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. CONYERS. Mr. Speaker, the People's Bicentennial Commission has performed a singular service to the Congress and the Nation in sponsoring one of the most thorough public opinion polls on the state of the economy ever conducted. The findings are remarkable and should strengthen the conviction that the people are often ahead of their Government in judging what the general well-being requires and what good Government means.

Given the economic shambles and political standpatism, is there any ground for hope? The Commission's poll is affirmative.

A mood of disaffection and even despair toward Government exists alongside a contrary mood of political expectation. There is no leader on the horizon but a tremendous yearning for leadership. Having been locked into a Government at the Watergate, if not at the watershed, and not knowing of its crime and corruption, is world's apart from having such a Government's dirty linen exposed and watching the Congress make an attempt to remedy official lawlessness. Public opinion polls are registering more and more popular discontent with the corporate stranglehold over the economy. The idea of economic democracy is winning more and more adherents. Something has to give.

Disaffection and expectation are curiously commingled. Is it fanciful to suggest that this twilight state may be conducive to far-reaching political change? A healthy political tension exists, drawing from the energy of agitation, barely beneath the calm surface of American politics, and from the pull of popular expectation slowly crystallizing in the minds of millions of Americans that this country can and should be what it says it is, but has never been.

I recommend to my colleagues close scrutiny of the People's Bicentennial Commission poll. When the time comes to consider seriously legislation for full employment, to break up the monopolistic petroleum industry, to regulate multinationals, let us keep this record of public opinion in mind and have courage.

The poll follows:

Public Opinion Poll on the Economy Conducted for People's Bicentennial Commission

As we approach our Bicentennial as a Nation, a majority of the American public are calling for basic changes in our economic system that are as sweeping as the changes our founding fathers called for in our political system 200 years ago.

The P.B.C. commissioned Hart Research Associates to conduct a Nationwide telephone poll of 1,209 Americans on the week of July 25, 1975 on issues relating to our economic system and possible alternative solutions. Mr. Peter D. Hart, of Hart Research Associates, is a former vice president with Louis Harris Associates and Oliver Quayle and Company. His clients include the Washington Post and CBS News with whom he serves as a key election night analyst.

KEY FINDINGS

33 percent of the public believe that our capitalist economic system has already reached its peak in terms of performance and is now on the decline, while only 22 percent believe that it has not yet reached its peak and is still getting better.

57 percent of the public agree with the statement that both the Democratic and Republican parties are in favor of big business rather than the average worker, while only 35 percent disagree.

58 percent of the public believe that America's major corporations tend to dominate and determine the actions of our public officials in Washington, while only 25 percent believe that public officials in Washington tend to dominate and determine the actions of America's major corporations.

49 percent of the public agree that big business is the source of most of what is wrong in this country today while 45 percent disagree.

49 percent of the public feel that it would do more good than harm to develop a political movement to challenge the influence of big business, while 39 percent feel it would do more harm than good.

41 percent of the public are in favor of making a major adjustment in our economy to try things which have not been tried before, whereas 37 percent favor minor adjustments and only 17 percent favor keeping the economic system as it is and allowing it to straighten itself out.

A majority of those who voiced an opinion on the issue favored public ownership of oil and ther natural resources.

A majority of the public favors employee ownership and control of U.S. companies—employees owning all of the company stock and determining broad company policies, including the selection of management. In addition, 74 percent of the public favors a plan whereby consumers in local communities are represented on the boards of companies that operate in their local region.

56 percent of the public say they would definitely support or probably support a presidential candidate who favored employee control of United States companies.

POLL RESULTS SUMMATION

The American public has clearly lost confidence in our economic system. In every major area of performance except one, the public gives American business an overall negative rating in terms of performance. This disenchantment goes beyond just the immediate economic situation of the country with one out of three people believing that the capitalist system itself is on the decline. In terms of the political process the public goes further, with a majority feeling that both the Democratic and Republican parties are in favor of big business rather than the average citizen. A majority of the public also feels that America's major corporations "tend to dominate and determine the actions of our public officials in Washington."

Finally, by a plurality of 49 percent to 45 percent, the American public feels that "big business is the source of most of what is wrong in this country today." This deep-seated opposition to big business is reflected in the fact that by a margin of 49 percent to 45 percent, the American public favors a "political movement to challenge the influence of big business."

This lack of confidence in big business has led a plurality of 41 percent of the public to favor major adjustments in our economy "to try things which have never been tried before." When asked about specific major adjustments, 66 percent of the public said that they favored employee ownership and control of U.S. companies.

Up to now there has been virtually no public discussion or debate on the question of employee ownership and control of U.S. companies, and no major elected officials have come out in support of such a proposition. Moreover, at present there are only a handful of U.S. companies that are employee owned and controlled. Despite these facts a majority of the American people are in support of this fundamental and sweeping change in the economic system of this country.

The Hart Poll indicates that on the eve of the Bicentennial, a majority of the American public favor basic changes in our economy that will promote democratic participation at the work place and direct employee control over company policies.

This public opinion survey represents the first step in a year long "Common Sense" campaign by the Peoples Bicentennial Commission. We believe that it is time to extend democratic principles and individual rights to the economic life of the nation. We are at a critical turning point in history where the old cliches in support of both capitalist and socialist doctrines are inadequate to meet the needs and aspirations of the American people.

We advocate a new economic system where each company is democratically owned and controlled directly by the employees, with each firm operating competitively in a free market economy.

According to the Hart Poll, 67 percent of the American public feel that there has been too little discussion about the concept of employee ownership and control of U.S. corporations.

Complete Hart Poll Results

THE NATION'S ECONOMIC HEALTH

55 percent of the public now term the nation's economic health as "poor" or "below average," while just 10 percent rate the health of the economy as "above average" or "excellent." The remaining 30 percent with an opinion saw it as "average."

VIEWS ON THE CAPITALIST SYSTEM

33 percent of the public believe that our capitalist economic system has already reached its peak in terms of performance and is now on the decline, while only 22 percent believe that it has not yet reached its peak and is still getting better, and another 30 percent believe that it is neither improving nor on the decline.

RATING THE PERFORMANCE OF AMERICAN BUSINESS

69 percent of the public give American business a negative rating in "keeping profits at reasonable levels," while only 26 percent give business a positive rating.

55 percent of the public give American business a negative rating in "providing good quality products," while 43 percent give business a positive rating.

59 percent of the public give American business a negative rating in "enabling people to make full use of their abilities" while only 35 percent give business a positive rating.

72 percent of the public give American business a negative rating when it comes to "really caring about the individual," while only 25 percent give business a positive rating.

84 percent of the public give American business a negative rating when it comes to "keeping down the cost of living," while only 12 percent give it a positive rating.

50 percent of the public give American business a negative rating when it comes to "safeguarding the health of workers and consumers" while 46 percent give it a positive rating.

75 percent of the public give American business a negative rating when it comes to "preventing unemployment and economic recessions" while only 18 percent give it a positive rating.

The public gives American business a negative rating in every category of performance except one; paying good wages and salaries.

55 percent of the public give American business a positive rating when it comes to "paying good wages and salaries" and 41 percent give it a negative rating.

THE EFFECTIVENESS OF ANTI-TRUST LAWS: PAST AND FUTURE

63 percent of the public believe that anti-trust laws have been "only somewhat effective" or "of little effect" in the past in "keeping corporations from getting too big," while only 31 percent believe they have been "very effective" or "fairly effective."

In terms of the future, once again, a majority of the public, 55 percent believe that anti-trust laws will be "only somewhat effective" or "of little effect," while only 31 percent believe that they will be "very effective" or "fairly effective."

WHAT IS WRONG WITH OUR ECONOMIC SYSTEM

72 percent of the public agree that "profits are the major goal of business even if it means unemployment and inflation," while only 24 percent disagree.

66 percent of the public agree that "generally people don't work as hard as they could, because they aren't given enough say in decisions which affect their jobs," while only 29 percent disagree.

67 percent of the public agree that "company management and stockholders are the people who benefit most from increased productivity," while only 27 percent disagree.

58 percent of the public agree that "local community interest and needs are not represented in making company policy," while 31 percent disagree.

61 percent of the public agree that "there is a conspiracy among big corporations to set prices as high as possible," while only 32 percent disagree.

56 percent of the public agree that "the increases that labor unions have gotten for

workers are too large" while 36 percent disagree.

57 percent of the public agree that "both the Democratic and Republican parties are in favor of big business rather than the average worker," while only 35 percent disagree.

49 percent of the public agree that "big business is the source of most of what's wrong in this country today," while 45 percent disagree.

DOES WASHINGTON CONTROL CORPORATIONS, OR DO CORPORATIONS CONTROL WASHINGTON

58 percent of the public say that "America's major corporations tend to dominate and determine the actions of our public officials in Washington," while just 25 percent believe that the reverse is true and that "public officials in Washington tend to dominate and determine the actions of our major corporations."

WHO BENEFITS FROM PROFITS

68 percent of the public believe that "profits mainly benefit stockholders and management," while only 23 percent believe that the reverse is true, and that profits mainly "improve the general economic prosperity of everyone."

ARE MAJOR CORPORATIONS LOYAL TO THE U.S.

54 percent of the public today say that if "corporations had an opportunity to sign a contract (with a foreign country) which would be profitable to the corporations but harmful to the interests of the United States," the corporations "would sign such a contract, while only 31 percent believe that the corporations "would not sign the contract."

HOW MUCH CHANGE IN OUR ECONOMY IS NEEDED

When asked which of three alternatives they favored to improve the economy, a plurality of 41 percent of the American people favor "making a major adjustment to try things which have not been tried before." By way of contrast, a smaller 37 percent favor "making minor adjustments to correct for current problems." Only 17 percent feel that the economic system ought to be "kept as it is, allowing it to straighten itself out."

SUGGESTIONS FOR CHANGING THE ECONOMY

Only 25 percent of the American public feel that it would do "more good than harm" to "eliminate all welfare and aid benefits except social security," while 67 percent feel that it would do "more harm than good."

A plurality of 44 percent of the American public feel that it would do "more good than harm" to "institute public ownership of oil and other natural resources" while 42 percent feel that it would do "more harm than good."

44 percent of the American public feel that it would do "more good than harm" to "institute a regulation where by companies can grow only to a certain size," while 47 percent feel that it would do "more harm than good."

66 percent of the American public feel that it would do "more good than harm" to "develop a program in which employees own a majority of the company's stock," while only 25 percent feel that it would do "more harm than good."

27 percent of the American public feel that it would do "more good than harm" to "limit all inheritances to $100,000," while 59 percent feel that it would do "more harm than good."

A plurality of 49 percent of the American public feel that it would do "more good than harm" to "develop a new political movement to challenge the influence of big business," while a smaller 39 percent feel that it would do "more harm than good."

74 percent of the American public feel that it would do "more good than harm" to "institute a plan whereby consumers in local communities are represented on the boards of companies that operate in their local region," while only 17 percent feel that it would do "more harm than good."

13 percent of the American public feel that it would do "more good than harm" to have "government ownership of all major companies," while 81 percent feel that it would do "more harm than good."

52 percent of the American public feel that it would do "more good than harm" to "institute a plan in which employees determine broad company policy," while only 38 percent feel that it would do "more harm than good."

CHOOSING BETWEEN THREE DIFFERENT ECONOMIC SYSTEMS

In exploring different approaches for our economy, the American public was given three types of companies and asked which one they would like to work for.

66 percent of the American people would favor working for a company that is employee owned and controlled. Only 8 percent of the public say they would want to work for a company that is owned by the government. Just 20 percent of the public say they would like to work for the now-dominant type of American business, the outside investor owned and controlled corporation.

WOULD EMPLOYEE OWNED AND CONTROLLED COMPANIES IMPROVE THE ECONOMIC CONDITION OF THE COUNTRY

50 percent of the American public feel that employee owned and controlled companies—where the people who work in the company select the management, set policies and share in the profits—would improve the condition of the economy, while only 14 percent say that such an arrangement would worsen the economy's condition. 29 percent feel the institution of employee ownership and control of companies wouldn't make much difference in terms of the country's economic condition.

WHAT IS THE POSSIBILITY OF HAVING EMPLOYEE OWNED AND CONTROLLED COMPANIES WITHIN THE NEXT TEN YEARS

44 percent of the American public believe that there is a "great possibility" or "some possibility" that our country will have employee owned and controlled companies within the next ten years, while 49 percent believe that there is "little possibility" or "no possibility."

WOULD YOU SUPPORT A CANDIDATE FOR PRESIDENT WHO FAVORED EMPLOYEE OWNERSHIP AND CONTROL OF U.S. COMPANIES

56 percent of the American public would "probably support" or "definitely support" a candidate for President who favored employee ownership and control of U.S. companies, while only 26 percent said they would "probably not support" or "definitely not support" such a candidate. 18 percent volunteered that their presidential decision would be based on other factors or were not sure.

GENERAL DISCUSSION ABOUT EMPLOYEE OWNERSHIP AND CONTROL OF U.S. COMPANIES

67 percent of the American public feel that there has been "too little discussion" about employee ownership and control of U.S. companies, while only 10 percent feel that there has been "too much," and just 9 percent feel that there has been "about the right amount."

STATE SCHOOL SUPERINTENDENT RILES POINTS TO BASIC SOLUTION FOR EQUALITY IN EDUCATION

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. ANDERSON of California. Mr. Speaker, the daily papers indicate that the question of busing to achieve school integration continues to be a difficult one for children, parents, and administrators.

A rational approach is needed and in a recent interview in the Los Angeles Times, the State of California superintendent of schools, Mr. Wilson Riles, made some comments that get to the point.

Mr. Speaker, I would like to include this article in the record.

[Los Angeles Times, Tues., Sept. 9, 1975]

Argument for Busing Absurd, Riles Asserts

(By Paul Houston, Times Staff Writer)

Washington—California schools chief Wilson C. Riles said Monday, "The concept that black children can't learn unless they are sitting with white children is utter and complete nonsense."

Thus challenging the basic premise of many advocates of school integration, Riles went on to attack sharply the use of crosstown busing.

The way to provide a good education for all, he told a group of California reporters, is not with a "Mechanistic" busing program but with better schools in ghettos and better job and housing opportunities for minorities.

"Give a person an opportunity to get a job and access to move, where he wishes to move, and you deal with the problem," he said.

"He can move to Beverly Hills or Encino. But to say you're going to pick youngsters up on 111th St. in Watts and bus them to Encino (a 28-mile freeway trip) in order to integrate them—that's where I get off.

"The minorities are not going to be happy with it, the majorities are not going to be happy with it, and I see no educational value in that nonsense unless you equip the bus with a television set and a teaching machine."

Riles stated similar views in his 1970 campaign for election as state superintendent of public instruction when he was running as a liberal black against Max Rafferty, a white conservative. But an aide said Riles spoke out "more vigorously" Monday as controversial school busing programs were being carried out in Boston and Louisville.

Riles said those two cities had "practically lost the battle, and it will take years to heal the wounds."

He urged President Ford and the governors, mayors and school officials in Massachusetts and Kentucky to "counsel their people to be rational and sit down as men and women and work this thing out. Unless your leadership stands up strongly and speaks out for law and justice and peace and fairness, the people are just going to fly apart."

Riles was here to lobby for education bills. He made his remarks when the reporters asked about his views on busing.

DEMO CAUCUS GOES PUBLIC

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. ANDERSON of Illinois. Mr. Speaker, as chairman of the House Republican Conference I want to commend our Democratic counterpart, the caucus, on following our lead in opening its sessions to the public. I also want to commend the Democrats on abandoning their rule which permitted binding Democratic votes on the House floor. I think our Democratic colleagues will find as we have that sunshine is not fatal and that they are capable of exercising their independent judgment in a responsible manner without binding party instructions. I would hope that this spirit and logic will also be applied to voting in committees. While the rule binding floor votes has only been used once in recent years, the practice of binding Democratic committee votes has been resorted to more frequently—particularly on the Rules Committee of which I am a member.

I welcome the obituary on "King Caucus" delivered yesterday by the caucus chairman and can only hope that such reports on the death of King Caucus have not been highly exaggerated. Only time will tell. Opening the wake to the public will permit us all to observe the King Caucus carcass in final repose and detect any attempts to revive it. At this point in the Record I include the text of the resolutions adopted by the Democratic caucus yesterday along with today's Washington Post account of that action:

DEMOCRATIC CAUCUS,
September 9, 1975.

At the Democratic Caucus meeting of September 9, 1975, the following changes in the Caucus Rules were approved by voice vote:

(1) Repeal Rule 8 and amend Rule 7 to read as follows:

"No Member shall be elected to serve as Chairman, Secretary, or Assistant Secretary of the Democratic Caucus for more than two consecutive terms.

"With respect to voting in the House for Speaker and other officers of the House, for each committee chairman, and for membership of committees, a majority vote of those present and voting at a Democratic Caucus meeting shall bind all members of the Caucus."

(2) Strike in its entirety standing rule R9 and substitute the following:

"R9. Admittance to Caucus Meetings.

"All that portion of any Caucus meeting, regular or special, that involves action by the Caucus with respect to proposed legislation shall be open to the public, except when a majority determines by a roll call vote, a quorum being present, that the portion of the Caucus meeting involving action by the Caucus with respect to proposed legislation shall be closed.

"During the closed portion of any Caucus meeting, no persons, except Democratic Members of the House of Representatives, a Caucus Journal Clerk, and other necessary employees, shall be admitted to the meeting of the Caucus without the express permission of the Chairman."

[From the Washington Post, Sept. 10, 1975]

HOUSE DEMOCRATS WILL OPEN SOME CAUCUSES TO THE PUBLIC

(By Richard L. Lyons)

House Democrats voted yesterday to open parts of their party caucuses to the public and to repeal a 1911 rule by which a two-thirds caucus vote can bind all Democrats on House floor votes.

The "sunshine" rule will open the caucus of all House Democrats when they are debating and voting on legislative proposals, unless a majority votes on the record and in public to close it. This is the same rule that has opened most House committee meetings. Discussion of caucus rules changes, election of committee chairmen and other intra-party matters will still be held behind closed doors.

Some liberals opposed the change for fear it would dilute the effectiveness of the caucus—as its original conservative sponsors had hoped. But Rep. Phillip Burton (Calif.), activist chairman of the caucus, said he had no such fears.

The once-dormant Democratic caucus has been revived over the past half-dozen years to become the most effective tool in the liberal drive to open up the House, break the seniority system and thrash out party positions on issues.

For a time, with Burton's election as chairman and the addition of 75 eager freshmen last January, it even appeared to envision becoming a legislative body.

It directed Democrats on the Rules Committee to permit a floor amendment repealing the oil depletion allowance to be offered to the tax-cut bill. Later, while a request for more military aid to Vietnam and Cambodia was before the International Relations Committee, it adopted a resolution expressing its view that no more aid should be given.

They began the push to open up caucus meetings, led by Rep. Bill Chappell (Fla.) and other conservatives opposed to letting the liberal majority set legislative policy within the caucus.

Rep. Bob Eckhardt (Tex.), a liberal who favors closed caucuses, said yesterday's action was supported both by conservatives who want to slow down caucus action and by idealistic liberals who think open is good. Burton said the resolution was adopted by an "overwhelming" voice vote in the closed session.

Eckhardt, who led the earlier move to open up committee meetings, said the Democratic caucus should remain closed because it is vital that a political party meet by itself to plot strategy. If the caucus is open, then its real work will be done at some earlier informal closed session, he said.

House Republicans opened their conferences earlier this year, but as a one-third minority they have less to do.

The dispute over whether the Democratic caucus should tell a committee how to write legislation is now virtually dead. The caucus has not tried to tell a committee what to do since it opposed further military aid to Indochina in March.

But that muscular action provoked Republicans to complain of "King Caucus" trying to run the House. They referred to the two-thirds binding caucus rule, used only twice in the past 50 years but still on the books. Sixty years ago, Democrats used the binding rule often to ram legislation through. But its only use in recent years was on a 1971 vote repealing a rule that would have given Republicans one-third of all committee staffs.

Burton said the binding rule was repealed without opposition yesterday at the request of the reform-minded Democratic Study Group, who said it served no purpose "other than as a prop for Republican fairy tales about the evils of King Caucus."

WOMEN'S COALITION FOR THE THIRD CENTURY SIGN A DECLARATION OF INTERDEPENDENCE

HON. SHIRLEY CHISHOLM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mrs. CHISHOLM. Mr. Speaker, this morning some of my colleagues and I participated in a ceremony on the steps of the Capitol in which we signed a "Declaration of Interdependence." This document was issued by the Women's Coalition for the Third Century, a national coalition of diverse women's groups working around the Bicentennial theme. The statement calls for a new order in this country as we begin our 200th year as a nation. We must realize that—despite all our accomplishments and acquisitions, despite our role as the most powerful Nation in the world—we have yet to meet the human needs of many of our own citizens and the people who need our help throughout the world.

I insert into today's Record the text of this document on behalf of my colleagues who signed it so that all the Members of this body can review it and consider its principles:

PREAMBLE

Two hundred years ago the United States of America was born of the courage and strength of women and men who while searching for liberty, gold or adventure, endured to lay the foundation of our nation with their lives.

Believing in a people's right to govern themselves, they drafted a Declaration, initiated a revolution and established this republic. Some who struggled for freedom were not fully free themselves: youth, native Americans, blacks, women of all races, and the unpropertied.

Each of us emerges out of the past with a different story to tell. We inherit a nation which has broken through to a technological age with all the dangers and promises that holds. Responsibility rests on us. We are committed to the Constitution of the United States, amended by the Equal Rights Amendment, and the evolving democracy it protects. We believe in the right of all people to self-government.

History teaches us that both unlimited power and powerlessness breed corruption; that where all human beings are not valued, humanity is violated; that where differences divide us, they limit and distort us; that independence is an illusion and unlimited freedom is tyranny, plunging whole societies and people into chaos and bondage. Human survival requires interdependence.

We have been called to new consciousness by impending crises that threaten to overwhelm us if we obediently serve institutions that do not serve us.

We will no longer endure the corruption of power which risks the world's future by ignoring the rights and well-being of persons and communities. The imperative of the present is to integrate the struggle for greater humanization. To be more fully human is to share life, to respond to the dignity of ourselves and others, to be committed to the growth of one another, to develop and vitalize human community. It is necessary then to risk, to be in conflict, to suffer, to love and to celebrate.

DECLARATION

We therefore make this declaration. We are interdependent with the good earth, with all people, and with devine reality.

In declaring our interdependence with all peoples, we recognize geographic communities of persons and their interdependence with one another. We affirm our common humanity and we respect one another's uniqueness. We accept our responsibility to share the visions, hopes and needs of one another and pledge ourselves to protect each other's freedom.

We shall be dedicated to the empower-ment of all people and to the expression of each person's creativity.

We shall commit ourselves to a world in which food, shelter, clothing and health care are the rights of all people.

We shall seek protection for people in need of care in our society, and work to provide support systems for those responsible for their care and nurture.

We shall create a climate for the creative development of each person's human potential, and for the utilization and enjoyment of all human resources for the good of all people.

We shall respect the dignity and privacy of expressions of individual personality and living relationships.

We shall be committed to lifelong learning with access to education for all persons and for the responsible uses of communication media.

We shall be committed to all people's responsibility for public institutions of government law, education, business, and religion, and to the concept that those institutions be responsive to the direction of the people.

We shall value and share use of free access to all public information and shall protect and value individual privacy.

In declaring our interdependence with the earth we affirm our reliance on it, our mutual responsibility for it and the rights of all persons to the fruits thereof.

We shall enjoy, protect, restore and improve the world that we inherit.

We shall produce the world's resources and share them among all peoples.

We shall enjoy and cherish the sacredness and privacy of our bodies and shall bring into the world children who are wanted.

We shall use and control technology for the survival and protection of nature and all people.

In declaring our interdependence with Divine Reality we recognize the possibilities of a sacred mystery within and around us.

We shall honor and protect people's right to gather as they choose in religious communities.

We shall support each other in pursuit of truths which emerge from our diverse experiences and histories, rejecting those exclusive claims to truth which deny the sacred existence of others.

We shall be open to revelations that extend beyond the boundaries of our current understanding and wisdom.

We shall recognize the divine within ourselves and in one another.

We women and men and children make this Declaration living in the midst of a world in which women are subservient and oppressed, men are repressed and brutalized, and children are violated and alienated. In making this Declaration we seek a new order and covenant ourselves to a fully interdependent society. We live in a world in which love has yielded to war, art to science, religion to materialism, and sexuality to violence. We are committed to the discovery of a humanity which lays claim to the fullness of life.

We disclaim any right to privilege in order to honor the full dignity and development of all and take up responsibility for instituting freedom.

We long for light to shine on our darkness and life on the shadow of death, and for our feet to be guided in the way of peace. We shall live with grace and struggle with courage through the transitional years that lie ahead.

The Women's Coalition for the Third Century offers this Declaration of Interdependence to the people of the United States for response. In so doing we declare our intent to be architects of our Third Century. The future belongs to those who can dream with courage and creativity, plan with intelligence and wisdom, and act with power and compassion for the liberation of humanity. We invite others to join us in this declaration.

Declaration of Imperatives

We are aware of humanity's suffering, for as women we have been in bondage to unjust systems. Now we will define ourselves and find release from the values, images, myths, and practices that for centuries defined us.

We will no longer be governed by institutions that do not seek, respect and include our leadership.

We will not be taxed without representation.

We will not be bound by the authority of legal systems in which we participate only minimally in the making and administration of the laws.

We will not be exploited in the labor force.

We will not be the only ones responsible for child care, homemaking and community building.

We reject educational systems that distort our reality.

We will not accept philosophies and theologies that deny our experience.

We will not abide prophets of the future who ignore our struggle.

We will not be reduced to sex symbols nor have our sexuality determined by others.

We will not be the principal source of morality for this nation. We insist that our contributions to conscience be incorporated into the public as well as the private sector. And we will not be destroyed by unethical and immoral leadership. We will not be divided by the distinctions that have traditionally alienated us from one another.

We will share the leadership of society and its government. We will demand respect for work inside and outside the home. We will share in the labor force and treasure leisure. We demand education that maximizes human potential. We will share in raising families. We will develop philosophies and theologies. We will enjoy our sexuality. We well create the future and act with strength in the fulfillment of these imperatives.

The Women of the Coalition for the Third Century make this Declaration to make certain our rights are not once again denied and our value and values ignored. Our concern for interdependence requires of each full partnership with all in the search for a human order.

HEROIN USE INCREASES

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. RANGEL. Mr. Speaker, the commissioner of the New York City Addiction Services Agency has provided me with an alarming report, which cites, among other things, a significant increase in the number of heroin users in my city of New York as well as other cities and towns throughout this country. In addition to the upturn in usage, there has also been a dramatic increase in the quality of heroin that is now available. My own community of Harlem has been used as an example citing the fact that street heroin with a purity of 25 percent has been seized compared to 3.5 percent the previous year.

The report clearly indicates that the corner in the battle against this deadly menace has not been turned and that we must intensify our efforts to prevent an epidemic of unprecedented proportions from sweeping the country and destroying the lives of this Nation's youth. I commend the full report to my colleagues and place it in the RECORD at this point.

ADDICTION SERVICES AGENCY,
New York, N.Y., August 6, 1975.

Hon. CHARLES B. RANGEL,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN CHARLES RANGEL: According to all official and unofficial sources, heroin addiction is once again on the rise in New York City and in cities across the nation.

At the end of 1974, according to unofficial estimates of the Drug Enforcement Administration, the number of heroin users had increased nationally to 724,000 from 612,000 the previous year. Although all previous years had shown progressive increases this was a much greater increase than in any year since 1970.

Moreover, by the end of 1974, heroin overdose cases represented 8.9 percent of all drug emergency cases in reporting hospitals across the country. This was a 31 percent increase over the same period in 1973, and is considered a particularly accurate indicator of the state of heroin use.

According to figures just released by the U.S. Commissioner of Customs, there was a 35 percent increase in heroin seizures during the first six months of 1975 over the same period last year. And seized quantities of such drugs as morphine and codeine showed an even greater increase of 166 percent over the same period in 1974.

Further, at the end of 1974 narcotic overdose deaths nationally increased 35 percent over the same period in 1973. This was not true in New York City, where overall narcotics related deaths had shown a decrease since their peak in 1971. Nevertheless, 1973 and 1974 showed dramatic increases in *methadone* related deaths in New York City, to the point that they are now twice as common as heroin related deaths.

In the New York City area, the purity of available heroin rose considerably to about seven percent purity per $2 "bag" from about 3.5 percent purity for the same quantity the previous year. In some sections of New York City, notably the East Village, Chinatown, and parts of Harlem, the New York City Police Department has recently reported seizures of street heroin with a purity as high as 25 percent.

The only area in which heroin related statistics show a decline is in arrests. Heroin and Cocaine arrests City-wide at the end of 1974 were 7,415, a slight decrease from the 1973 figure of 7,574 and a dramatic decline from the 1971 figure of 29,358. This average decline in arrests probably indicates an attempt by local police forces to concentrate their arrests on wholesale "pushers" rather than small-time users. It does not indicate a decline in the number of users.

Property crimes nationally increased 17 percent in 1974 over 1973. The increase was particularly dramatic in New York City where property crimes increased 13.8 percent in 1974 over the previous year. While the Addiction Services Agency does not regard the property crime index as an adequate reflection of the prevalence of addiction, it does not discount such increases as a measure of increased drug use, either.

Another excellent indicator of the availability of heroin and other hard drugs is the demand for treatment. In New York City, the 33,000 persons in methadone maintenance programs represent a 97 percent utilization of treatment capacity for that mode of treatment. Although the utilization for the City's 100 drug free programs is at a lower level, the utilization varies from program to program and is expected to be close to 100 percent in the fall.

Moreover, recently released Federal figures indicate that by March 1975, the utilization of the 217,000 Federally funded treatment slots across the country had approached 100 percent. In New York City, it was 93 percent.

Almost every day, figures come across my desk like those I have listed above, indicating a dramatic increase in drug abuse across the nation. To some extent, we in New York City have been more fortunate than people in other cities because although we have the largest drug abusing population in the world, we also have the largest treatment and rehabilitation network and a Police Department that has rapidly increased its capability to deal with narcotics at the source.

Nevertheless, because the profits in narcotics dealing are vast, and because the demand for drugs is ceaseless, the drug problem has continued to mushroom.

Last month, the largest opium crop in Turkish history was harvested. Although Turkish and United Nations officials have claimed that new procedures will prevent diversion of Turkish heroin to the streets of New York City, I prefer to believe the worst until I am proven wrong.

Moreover, we are now seeing large quantities of so-called "brown rock" heroin grown in Colombia, Venezuela, and Mexico and shipped clandestinely across the Mexican border, a far more difficult entry point to control than the docks of New York City.

All of this comes at a time when Federal and State funds for the treatment and rehabilitation of drug abusers in New York City are being slashed drastically. Some of the Federal funds that formerly went to treatment are now being diverted to law enforcement. Although I am not critical of the law enforcement sector's desire for more funds, I wonder what we at ASA will be able to accomplish in 1975 and 1976 if there is a massive increase in the number of heroin addicts and inadequate funds to treat them.

This is why I am writing to you. As a legislator you have the power to influence the allocation of funds that the Addiction Services Agency and New York City's 305 rehabilitation programs for drug abusers badly need.

I want you to know that we at ASA have demanded cost effective programs and will continue to demand accountability.

Drug addiction has not gone away. It isn't going to go away. Indeed, in the next few years it may get far worse than it has ever been.

If you would like to discuss this epidemic with me further, as I hope you will, please call me at 433–3790. My staff and I stand ready to work with you.

Sincerely,

JEROME HORNBLASS,
Commissioner.

DÉTENTE

HON. BARRY M. GOLDWATER, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. GOLDWATER. Mr. Speaker, on May 28 of this year, Rabbi Juda Glasner was awarded the Freedom Foundation's George Washington Certificate in recognition of the subject matter in a chapter extracted from his recently published book, "Faith in Spite of All." The chapter, entitled "Détente: Is It Real Peace or Is It Just a Subterfuge?" was chosen for its sobering appraisal of our current relationship with the U.S.S.R.

I sincerely hope my colleagues will take a few moments to read, consider, and reflect on the words of Rabbi Glasner:

[From B'nai B'rith Messenger, Sept. 27, 1974]

DÉTENTE: IS IT REAL PEACE OR IS IT JUST A SUBTERFUGE?

(NOTE.—Rabbi Juda Glasner was born in Czechoslovakia in 1918. At age 26 he was thrown into a nazi slave labor camp. Escaping, he was promptly captured by the Russian Communists. Escaping again, he aided in the rescue of thousands of other refugees. Since 1952, he has lived in the Los Angeles area, where he has earned the respect of the veterans and patriotic organizations. This is an extract from his new book—"Faith In Spite Of All,"—Vantage Press.—Editor)

(By Rabbi Juda Glasner)

Many people, knowing of my lifelong struggle against Communism, are asking me today, "Does the present détente mean real peace in our time?"

The present détente, in my opinion and based on my life experience, is only a subterfuge to get from the American people the technical know-how the U.S.S.R. needs. When the time is ripe . . . when Russia has received sufficient technological and economic assistance from us . . . when the Soviets no longer fear any danger to themselves, thanks to their overwhelming military superiority, then they will show their true face again! I shudder to think what that face will be!

You must remember that Brezhnev served his apprenticeship in the same slaughter house as did Lenin, Stalin, Kruschev and Kosygin, and he wields the same cleaver of tyranny handed down by his predecessors.

Now that Brezhnev is working diligently to dismantle the cold war and bring about new relationships with the United States, I cannot help thinking of the ways by which the Soviets have circumvented all previous agreements so that they could consolidate Communism worldwide. Their goals, there can be no doubt about it, are still the abolition of the free choice of peoples to elect their leaders, and the establishment of an anthill type of society throughout the world!

Many naive people exclaim enthusiastically, "What a wonderful light of international understanding rises now." But Pravda, official organ of the Russian Communist Party, comments, "Coexistence does not mean a discontinuation of the class struggle, only the renunciation of military methods."

Krushchev's boast, "We shall bury you!" still animates the leaders of the Soviet Union. The latter is basically hostile to the United States. It would like to see a weakening of American power and influence everywhere.

The light on the horizon, optimistically called "detente," the meetings between American and Russian leaders, Brezhnev's visit to the United States, did not prevent Russia from pursuing a dangerous policy in the Middle East, one which once more brought the world to the brink of World War III. She poured, and is still pouring, billions of dollars worth of armaments into the Arab states, not because of any love for the cause of the Arabs, but in order to realize her longtime aim, to acquire bases in the Mediterranean and to set foot in the Indian Ocean.

Had the Arabs defeated Israel, the Russians would be in a position to lay their hands on the world's oil resources and to dictate to Europe. They would have at the same time secured their flanks and occupied an impregnable position in Asia. The stakes were high; the expected results justified the heavy expenses.

While they thus armed the Arabs, they were speaking of detente and of peaceful coexistence. At a time when Brezhnev was posing for the photographers with American leaders, the most sophisticated Russian arms were being delivered to Egypt and Syria, in order to enable the Russians to fight by proxy, by the pawns and puppets they were moving, for their ambitious interests.

It was not a Westerner but Andrei Sakharov, a celebrated Soviet scientist, who issued the loudest warning to the West not to give technological assistance to the Soviet Union without forcing a change of the police system now prevailing in that country. At a historic press conference Sakharov made the following statement:

"I emphasize the need for mutual trust, which to be achieved, requires wide public disclosure and openness in a society as well as democratization, the freedom of dissemination of information, of the exchange of ideas and respect for all basic rights of the person, particularly respect for the right to choose the country where one wishes to live."

Americans should heed the words of this courageous Russian, and of the talented author Alexander Solzhenitsyn. They know more than anyone else what it means to live in an unfree country. They constitute but the latest spearhead of the dissidents, victims of a society intolerant of intellectual dissent, fearful of new ideas, suspicious of all that fails to conform with rigid Communist Party dogma enforced by the power and the mentality of the secret police.

"Never in the history of any land," Solzhenitsyn contends, "has any people suffered so much at the hands of their government as under the Soviet system." Solzhenitsyn in fact estimates that Soviet repression has been 10 to 1,000 times greater than Czarist repression, depending on whether one is talking about arrest, exile or execution. We could amplify this, speaking of the Russian Communists: "They preached liberation and they have enslaved their people."

The Soviet Union brands as "enemies of international peace" all those who warn against strengthening the Russian * * * freedom are ignoring the fact that a totalitarian society has no control over its rulers. By the very nature of totalitarianism, such a a government feels insecure, and constantly extends its power in order to find the security which eludes it!

The euphoric "peaceful co-existence"—in the name of which the Soviet Union now obtains from the West the technology she has been unable to develop herself—has its own Communist meaning. It is Brezhnev's and Kosygin's view that "co-existence" will be given a new turn whenever opportunities present themselves to obtain sudden and great advantages.

Détente could be a beginning, but détente is not enough. For a lasting peace, freedom must reign everywhere. The people must be informed, made part of the decisions of their governments. Ideas and individuals must travel freely inside and across geographic borders. A utopian goal? Perhaps, but one that is made imperative by the atomic age when an arbitrary government, a clique of madmen or a tyrant thirsty for power can initiate atomic warfare which would spell the destruction of mankind.

From a slogan, from a vision, universal freedom has become a condition essential to mankind's survival!

SOCIAL SECURITY FOUNDER MAKES RECOMMENDATIONS

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. PICKLE. Mr. Speaker, the Social Security Subcommittee of the Committee on Ways and Means, on which I serve, has spent a great amount of time this year exploring all aspects of the financial problems facing our social security system. We have found hope in the fact that solutions are possible—if complicated.

In sorting out what course to recommend, we have sought the advice of all elements and segments involved, and I now welcome the advice offered us by one of the original drafters of the Social Security Act of 1934. He is the Honorable Wilbur J. Cohen, and his recommendations were summarized in an article he wrote for the New York Times, Monday, August 18, 1975. We may not agree with all he says, but he says it convincingly. I insert the reprint of that article for the benefit of my colleagues at this time:

[From the New York Times, Aug. 18, 1975]

SOCIAL SECURITY REACHES AGE 40

(By Wilbur J. Cohen)

ANN ARBOR, MICH.—Forty years ago, Aug. 14, 1935, on a warm afternoon in the Cabinet room of the White House, President Franklin D. Roosevelt signed the landmark Social Security bill into law. He said the law "represents a cornerstone in a structure which is being built but is by no means complete."

Since that time, the law has been amended in major respects on some dozen different occasions, broadening and expanding the limited initial effort on an incremental pragmatic basis into an important feature of the American way of life.

Today, under the Social Security Act, about 32 million individuals are receiving regular monthly cash insurance benefits for old age, survivors and disability; about ten million persons a year have some of their medical bills paid under Medicare, and 25 million poor persons under Medicaid; over ten million persons have drawn benefits under the unemployment-insurance features of the law during the 1974–75 recession; over four million aged, blind and disabled persons are drawing Supplemental Security Income payments.

Some eleven million persons draw aid for dependent children, and thousands of parents and children receive maternal and child health, crippled children and child welfare services under the act.

Over $100 billion was paid out under the Social Security Act last year. Along with other Federal, state and private pension and social welfare programs, the total amount being currently disbursed exceeds $15 billion a month—a significant volume of purchasing power that has set a floor under consumer income and moderated the adverse economic impact of the recession on families and the economy.

Today, all income maintenance and welfare service payments represent about 15 per cent of the nation's personal income—a far change from 1929 or even 1960!

The widespread acceptance of Social Security is due in large part to the contributory earnings-related social-insurance philosophy that emphasizes the work ethic and individual responsibility and has appealed to both liberals and conservatives, Democrats and Republicans, and individuals in all socio-economic groups.

The statutory right to earned benefits without recourse to welfare restrictions appeals to minorities as well as the majority.

The low cost of administering the program (only 2.5 per cent of benefits) and the compassionate, helpful and friendly attitudes in the local offices has made the Social Security program a distinctive and acceptable feature of a free society.

But despite the remarkable achievements, there are many proposals for changes and reforms in the program.

Looking ahead, the number of persons age 65 and over will grow from the present 22 million to 30 million by the year 2000 and fifty million by the year 2030.

We must begin to consider how to prepare our society for a much greater proportion of older people—perhaps 15 per cent of the total population.

The long-run implications need imaginative consideration. For instance, consideration might well be given to increase the amount of benefits substantially (4 per cent a year) for those who delay retirement after age 65.

There are, however, important short-run changes needing prompt attention.

The most immediate Congressional action is to restore the financial integrity of the Old Age Survivors and Disability Insurance program.

This can be done by increasing the maximum earnings base for contributions and benefits, which is now $14,100 a year. This figure, it is estimated, will automatically rise to about $17,000 in 1977.

An increase to about $24,000 in 1977 and succeeding years would result in enough additional income to cover expected expenditures in the near future and rebuild the reserve fund.

It is essential that Congress enact such legislation this year to foreclose the anxieties about the future financing of the system.

The 1975 refund of Social Security contributions for individuals earning less than $4,000 should be extended.

The most far-reaching legislation needed is the enactment of a national health-insurance plan as part of the Social Security system.

This can be done by building upon the tried-and-tested Medicare program.

Instead of trying to put all medical benefits for all of the American people, into effect at one time, a step-by-step expansion is more desirable.

The combined Social Security and health-insurance system should be financed by employers paying one-third of the cost, the Government one-third, and employes one-third.

The existing discrimination against women should be eliminated, especially that against divorced women and married working women who are not now entitled to full benefits. All household services should be covered, including those of the nonpaid wife or husband.

Two benefit improvements need to be made to take account especially of problems arising from the recession: Individuals who are 55 years old and over who are totally disabled for their regular and customary work should be entitled to benefits; and those persons between 60 and 62 should be entitled to draw their Social Security benefits on an actuarially reduced amount as persons age 62–65 now can do.

To assure that the Social Security program is administered without regard to political effect, the program should be placed as it was originally under a three-person board with terms of office rotated so as to assure the political independence of the board members.

The Social Security program is a sound structure on which we can build and adapt to changing needs. It is one of the institutions we have built with care and intelligence. We have both the economic resources and the administrative capacity to continue to improve it incrementally in relation to our national priorities and productivity.

THREAT TO BEACHES

HON. SHIRLEY CHISHOLM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mrs. CHISHOLM. Mr. Speaker, I think that it is important that we, as Members of Congress, remind ourselves occasionally of the position which oil is accorded in our society. Few commodities which are so vital to the national economy have become so exclusive and so expensive in such a short time. We can see the effect of the fourfold increase in oil prices in the last 2 years not only in the official Government unemployment statistics but also in the expressions on the faces of our unemployed constituents. If the President's plan, which is supported by the major oil companies, prevails, oil, which all of us require in some fashion, will join the growing list of extinct items on the shopping list of the poor and near poor. Oil, the price of which we should be controlling, is taking control over us.

Much like our desire for cheap coal which brought us millions of acres of unreclaimed strip mined land, our craving for oil now threatens the coastal waters and beaches of the eastern shore of the United States. We already have been asked to give up a greater portion of our incomes for oil; now we are asked to give up our recreational areas for this commodity. I am wondering where this dangerous trend is going to lead and when it is going to stop. We must not overlook the position which we have assigned to oil.

New York Times columnist, William V. Shannon, has written an excellent article about our affection for oil and its effect on our lives, our land, and our water. The article, entitled "Threat to the Beaches," appeared in the Times, August 24, 1974, during the recess, and I would like to share it with my colleagues. The article follows:

[From the New York Times, Aug. 24, 1975]

THREAT TO THE BEACHES

(By William V. Shannon)

WASHINGTON, Aug. 23—Do we use oil or does oil use us?

The glum question is evoked by the Interior Department's announcement this week that it plans to lease 1,300 square miles of the Atlantic sea bottom from north of Atlantic City, N.J., to Rehoboth Beach, Del., for oil and gas drilling. To anyone who knows this overbuilt but still beautiful stretch of shore, the coming of the oil men can only set off angry questions.

What do we use oil for? About one-half

of it is refined into gasoline. What do we use gasoline for? The one hundred million Americans who live along the Atlantic seaboard use a lot of it every summer driving to the seashore. Once the oil companies start drilling offshore, what will these motorists find when they get to the beach?

Oil. There will be a skim oil, sometimes invisible, sometimes a shimmering blue, atop the rolling surf. There will be black oil tar oozing up through the sand and coating the soles of your feet. If the almost inevitable "blowout" occurs, there will be crude oil by the thousands of gallons fouling the beaches for miles and coating the feathers of shorebirds in its greasy, deadly embrace.

I have walked the coastline of Louisiana and seen the devastation wrought by offshore drilling. I have swam at beaches around Los Angeles and spent an hour at home after each swim trying to wash the oil off my bathing suit. I lived for a year in Santa Barbara—before the enormous "blowout" of 1969—when the lights of only one "Texas tower" could be seen winking in the harbor. Because of seepage, the water was too oily to swim in. Like most Santa Barbarans, I used the beaches only for walking and sunbathing, getting my feet oil-stained.

As soon as this article is published, platoons of oil company vice-presidents will descend upon me to insist that such misfortunes never—well, hardly ever—occur any more thanks to the marvels of petroleum technology. If their faith in technology proves misplaced and Atlantic beaches are fouled with oil, they will then blandly explain that all energy taken from the earth involves some "tradeoff" in environmental damage.

But even if the confident safety claims of the oil companies are valid, there is still no escaping the hideous damage that offshore oil drilling will do to the coastal villages and unspoiled beaches.

Robert Bendiner, writing in The Times Sunday Magazine (June 29), describes the impact on fragile shorelines of the oil rigs themselves. "Gigantic structures, they must be assembled at points as near to their intended operating sites as possible. At these shore points they are placed side down on great barges and towed to sea. The leg section of the largest platform is itself some 23 stories tall. . . .

"The building and siting of these towering 'islands' inevitably requires an onshore task force to operate the essential fleet of boats and barges, to supply the daily needs of the crews but, above all, to assemble the platforms in the first place. Along with their families, this working force, swooping by the thousands on a small coastal community, creates monumental problems—both social and environmental, both immediate and long range."

Dismal as this prospect is, oil drilling off the Atlantic coast will not even make any great difference in solving this country's dependence on imported oil. The Geological Survey estimates that there may be ten billion to twenty billion barrels of oil on the Atlantic continental shelf, enough to offset present imports for only four to nine years. So much depredation for so little gain.

But what about "Project Independence" and the goal of becoming self-sufficient in energy by 1985? Isn't oil from the Atlantic essential to meet this goal?

In truth, Project Independence is a fraud, one of many politico-public relations frauds concocted by former President Nixon. The nation is not going to be independent of foreign sources of energy in the forseeable future. But Project Independence, irresponsibility perpetuated by the Ford Administration, is a marvelous cover for the oil-gas-and-coal conglomerates. Any rip-off of the public from unregulated strip-mining to quick exploitation of the continental shelf can be justified by the pretext of making the nation self-sufficient.

Notwithstanding the smog of propaganda laid down by the Ford Administration and the oil companies, there is nothing inevitable or necessary about drilling the Atlantic shelf if citizens become aroused and make their resistance known.

Those oil rigs seeking to move up the Atlantic coast are not the agents of fate or of the national interest. They are only propelled by the mindless greed for profits. It is time to call a halt, time to make clear at last that oil must not be the master of us all.

HOW NOT TO REGULATE LOBBYING

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. TEAGUE. Mr. Speaker, a most interesting editorial appeared in The Washington Post on Sunday, September 7, 1975, by Mr. Alan B. Morrison entitled "How Not To Regulate Lobbying." I wish to commend Mr. Morrison's common sense and perception of an important issue facing the Congress.

There are many "lobby bills" introduced to the Congress, one of which I drafted. The reason for several bills is obviously due to the fact that we are in need of reform of the old 1946 law regulating lobbyists. Let us make sure that we pass sensible legislation. I commend the editorial by Mr. Morrison to you, my colleagues, and the general public because he makes sense.

The editorial follows:

[From the Washington Post, Sept. 7, 1975]

HOW NOT TO REGULATE LOBBYING

(By Alan B. Morrison)

The scene: The door to the chamber of the House of Representatives. It is the final minutes before a key roll call vote. Members are trying in vain to enter to cast their ballots, but the door is clogged not only with lobbyists offering advice, but also with their secretaries recording the names of everyone they speak to and what advice they are offering. The reason: The new lobbying law requires the lobbyist to record each meeting with a member of Congress and the substance of each conversation so that it can be included in his quarterly report.

The scene: A cocktail party in Georgetown which is just about to break up. Everyone is busily writing down names, positions and subjects of conversations with the numerous congressional and executive branch employees who are in attendance. The reason: The new lobbying law applies to all conversations with congressional employees and those thousands of employees in policy-making positions at all levels of the executive branch.

The scene: A small town in middle America. The postman has just arrived with a letter from the Federal Election Commission advising Mr. Jones, who has never been to Washington, that he has violated a federal law by not registering as a lobbyist. The reason: Mr. Jones was told by a Social Security employee that his one-day-a-week job was earning him too much money and that he would have to quit it or lose his Social Security pension. When he found out that his neighbor who received $20,000 a year in dividend income could still draw social security because he didn't "earn" the extra money, Jones started calling his congressional delegation and their staffs, urging them to change the law. Under the new law on lobbying, because he made eight calls in a quarter, he became a lobbyist and could go to jail for not registering.

The scene: The home of a Washington area resident who has just received a call from a local charity asking him for a large contribution. The caller pointed out that the resident had contributed $125 to Common Cause and that his charity was at least that deserving. The reason for the call: A check of the files of the Federal Election Commission reveals the names and addresses of all members or organizations that lobby if the member gave more than $100 a year.

Fortunately, none of these events has yet taken place. The lobbying law amendments that could make them happen are still before the Senate Government Operations Committee, which held hearings last spring and plans more hearings this fall, and a House Judiciary subcommittee chaired by Rep. Walter Flowers will open hearings on these and similar amendments this week. While the National Association of Manufacturers, Common Cause, the AFL–CIO and the Justice Department all favor amending the present law on lobbying, they cannot agree on what the new law should look like.

A MEANINGLESS LAW

There can be little doubt that the present law, which is unchanged since its passage in 1946, is only slightly short of meaningless. It is so confusing and vague that it was nearly struck down by the Supreme Court as unconstitutional on the ground that ordinary citizens could not understand it. However, with a Herculean feat of "interpretation," the Supreme Court, by a 6 to 3 vote in 1954, narrowly construed its scope and thereby saved it from total demise. To effect the salvage, Chief Justice Earl Warren read the law to apply only to those persons who attempted to "buttonhole" members of Congress directly. This excluded from the act's coverage attempts to influence legislation through congressional staffs and through grass-roots lobbying efforts which are used to generate mail and telegrams to Congress. Thus, thousands of dollars being spent by the Chamber of Commerce and the National Association of Manufacturers to defeat the Consumer Protection Agency bill can be kept secret from the public. The result is that, if you never see a member of Congress face to face, or talk to one on the telephone, you are not a "lobbyist" and you don't have to register or disclose the money spent trying to pass or defeat legislation.

Another major loophole created by the court's interpretation is that only persons who receive money for the "principal purpose" of lobbying must register and file the required reports. Thus, where a Washington lawyer serves many functions, only one of which is as a lobbyist, there is no registration requirement unless lobbying is the principal purpose for which he is being paid. Similary, trade associations which perform many Washington functions for their members have not had to report lobbying expenses because of this "principal purpose" loophole.

As if the situation were not bad enough with exceptions that practically overwhelm the law, compliance is virtually voluntary because of the pattern of non-enforcement that has developed. Reports are supposed to be filed with the clerk of the House and the secretary of the Senate, and then be made available to the public. But neither of those officials has any powers to compel recalcitrant lobbyists to file the required reports. The Justice Department does almost nothing to enforce the law until officially notified of violations and even then does very little to prosecute violators. There has been only a scattering of prosecutions in the nearly 30 years of the law's existence, and only five cases have been referred to Justice for investigation in the last three years. Occasionally, adverse publicity from non-registration will cause a lobbyist to file, but there is virtually nothing that makes anyone file the kind of reports that do more than occupy space in a file cabinet.

The result is that expenditures now reported for lobbying are worse than useless because the figures listed actually mislead the public. For example, in 1972 the American Association of Railroads initiated a million-dollar public relations campaign in support of the Surface Transportation Act, and yet it reported a lobbying expenditure of less than $5,000. The El Paso Natural Gas Co. reported no lobbying expenses in 1971 despite the fact that it spent $439,862 "for purposes of influencing public opinion." In one recent quarter the U.S. Chamber of Commerce's lobbying report showed $350 in total receipts and $285 in total expenditures.

On the other hand, Common Cause has taken the opposite approach and has included in its lobbying reports virtually every expenditure that might conceivably be considered lobbying-related, including a pro-rata portion of its overhead, for a total last year of $2 million. Indeed, at one time it reported expenses five times the amount of the next largest group lobbying the Congress. As anyone who is at all familiar with the current reports will attest, the expenditure figures are useful for one purpose only: to prove that the present lobbying law and its reporting requirements are badly in need of overhaul.

STRESS ON DISCLOSURE

There is, of course, nothing illegal or improper about trying to convince Congress to adopt a law or to persuade an agency to change a regulation. And that is basically what a lobbyist does. The difficulties arise when lobbying is conducted in secret with the identity of the person paying the lobbyist hidden from public scrutiny; they are compounded when reasoned persuasion is not the prime method of convincing a member to vote a certain way, but campaign contributions, lavish entertaining, payoffs and pressures from "important people back home" are utilized.

Thus, the theme of lobbying laws, both at the federal and state level, has been disclosure and not regulation. The basic premise of all such laws is that the public should be informed about what kinds of influences are being brought to bear on decision-makers so that the public can decide for itself whether a particular member has been "improperly" influenced. A secondary motive, although rarely mentioned, is the belief that many of the least savory aspects of a lobbyist's work will stop if there is required disclosure of, for example, the use of a corporate vacation hideaway by a senator sponsoring an amendment the corporation is known to favor.

The backdrop against which the problem of amending the lobbying law must be considered is the First Amendment to the Constitution which provides that "Congress shall make no law . . . abridging . . . the rights of the people . . . to petition the Government for a redress of grievances." There is no doubt that Congress could not constitutionally prohibit lobbying entirely, and in fact any attempt to regulate any aspect of it will be very carefully scrutinized by the courts. All restrictions on freedoms protected by the First Amendment can be sustained only if they are carefully and narrowly drawn to meet specific abuses, and if the means selected to reach those ends represent the least restrictive way of controlling the evil.

In considering amendments to the lobbying law, the first question to be addressed is: Who should be covered by a law requiring registration and disclosure? Under a number of the proposals now pending before Congress, private citizens, acting entirely on their own initiative and with their own money, would be required to register as lobbyists if they have more than a minimum number of "contracts" with members of Congress, their staffs, of employees of the executive branch during any three-month period. In light of every citizen's constitutionally protected right to petition the government, the only justification for any infringement of this right would be a record replete with alleged abuses carried on by private citizens. Yet the testimony in the Senate discloses not a single example of such an abuse that even suggests a possible use for the registration of individuals who wish to express their views to Congress and the imposition of burdensome record keeping requirements on them.

The case for requiring registration by individuals who are paid to lobby on behalf of organizations stands on an entirely different footing. Organizations, whether they are corporations, trade associations, labor unions or membership organizations, can act only through individuals, and it is entirely reasonable to require that those who are hired to influence matters pending before Congress be required to identify the interests paying their salaries. Moreover, it should make no difference whether the lobbyist is receiving a salary from his corporate employer, a trade association or a citizen group, or whether an individual is retained solely or partly for the purpose of lobbying for the organization paying the retainer. The principle is the same: The identity of the source of the funding should be a matter of public record.

The present lobbying law is written to cover only attempts to influence actions of Congress and does not even purport to cover activities in the executive branch. Many critics of the law consider this distinction to be a loophole which needs to be closed, but once again the record to support applying the lobbying laws to the executive branch has yet to be made. ITT's attempts to solve its antitrust difficulties outside of the courts and the efforts of the milk producers to raise the price of milk supports through campaign contributions would hardly have been distributed by requiring those involved to register as lobbyists. Most of the contacts were made by persons readily identified with the interests involved, and the problems related not to the fact of the meetings but to the type that was used to achieve the results.

Many of the same ends can be achieved far more simply. Already four agencies—the Consumer Product Safety Commission, the Federal Energy Administration, the Department of Justice and the Federal Trade Commission—require high officials to maintain logs listing all substantive meetings and telephone calls with outside persons and a general statement of the subjects discussed. These rules could easily be extended to all agencies, and if the logs were promptly made public, with perhaps a few limited exceptions, the needed disclosures would be achieved. Such rules would place the burden of recording contacts on those who are accountable to the people for their actions. (Unlike the executive branch, whose high officials are reasonably stationary, members of Congress are constantly talking with lobbyists on and off the floor; for them, a logging requirement would be next to impossible to implement—much the same as would be true if the lobbyist were required to keep records of all contacts with all members and their staffs.)

Once Congress determines what kinds of individuals or organizations should register as lobbyists, the next, but rather different question is what information should be made public.

There are a number of items on which there is little, if any, dispute. No one questions the need to identify the principal behind the agent who is doing the lobbying, nor is there much dispute that gifts or "honoraria" from lobbyists and extensive entertaining of members of Congress and their staffs should be reported. But even this latter disclosure could raise occasional line-drawing problems, both as to minimum amounts spent, and whether social contacts involving long-standing friendships or even family members need be spread on the public record. This area of entertainment, gifts and free transportation is one of the few in which the case for disclosure of activities involving executive branch employees as well as congressional employees is persuasive.

There is also general agreement that when Congress starts to receive large numbers of letters from the public on a given subject, and an organization is the moving force that led to the letter-writing campaign, Congress and the public ought to be aware of that source and be informed of the size and nature of the campaign.

WHAT TO DISCLOSE

But beyond these and perhaps a few other items, the need for disclosure is not at all clear. Rhetoric calling for lobbyists to work in the open and for an end to secrecy simply does not substitute for hard analysis of the reasons behind requiring disclosure of certain specific information.

Indeed, no one has gone so far as to propose requiring every lobbyist to carry a tape recorder at all times and to make public transcripts of all substantive discussions with members of Congress and their staff. That would be the ultimate in openness, but the price in loss of privacy would be far too high for the benefits from having a complete record.

Consider, for instance, the question of requiring lobbyists to file a list of expenditures for all lobbying-related activities. In the first place, there is an enormous problem of determining what are lobbying-related activities. But even if that obstacle could be overcome, there are significant questions as to what difference it makes if a corporate employee engaged in lobbying activities is paid $10,000, $20,000 or $40,000 a year. Proponents may argue that such information is quite easy to obtain, that relatively accurate estimates of the proportion of time spent by an individual on lobbying-related activities can be made, and that therefore the information should be disclosed as an indication of the relative value that the organization places on the lobbying activities of that person. Opponents might then counter that a full-time lobbyist will often work on hundreds of items during a three-month period and that without a costly breakdown the figures are meaningless. It is this kind of give-and-take that ought to take place on all these questions, and yet even on such basic items as salaries, there is still no record of what benefits will be derived from having specific items of information in the public opinion, often long after the fact.

Then there is the matter of requiring every lobbyist to record the subject matter and identities of the participants in every conversation and every member of Congress and his staff. What does it prove to know that Lobbyist X talked to Congressman Y on a certain date regarding a particular bill? Requiring the recording of the substance of every conversation will doubtless produce little more than useless generalities. No one can expect any such report to include the lobbyist's friendly reminder to the congressman of contributions made in the last campaign or a suggestion that the member might have similar needs in the upcoming election. Instead, reports will degenerate into form replies such as "discussed pros and cons of pending energy legislation." Unless one is prepared to assume that every visit by every lobbyist inevitably influences the member's vote, it is difficult to see how the mere logging of every contact with elected representatives is going to add to the public's knowledge of how the business of government is conducted.

Another reporting proposal that has stirred up controversy directs an organization which employs lobbyists to file a list of any person or other organization that contributes more than $100 to it in a given year. In a number of cases involving the NAACP, state requirements that membership lists be disclosed have been struck down by the Supreme Court as inconsistent with the First Amendment's right of free association. Even if the courts would not apply those cases to business trade associations or to citizen groups actively seeking to influence legislation, what difference does it make who the 13,000 members of the NAM are or which contributions of a citizens' group give more than $100 in dues every year? If there is a case to be made for requiring that such information be disclosed in order to improve the functioning of the legislative process, it has yet to be made on the public record.

This does not mean, of course, that everything about a membership organization can or should be kept secret. One key fact about lobbying by groups such as the NAM or Common Cause is the method by which they decide whether to support particular legislation. There should be no objection to requiring that an association state whether its members were polled and, if so, what the results were, or whether the decision was made by officers or a steering committee.

Another question which should be evaluated is what the public and the Congress will do with all this information once it is on file. One of the pending bills indicates that its purpose is to enable Congress and the public to "better evaluate" the effects of lobbying on our system, yet its proponents have never explained the connection between this goal and the massive amounts of information that will have to be reported.

But even if all this information were considered beneficial, it is by no means clear that it would be either sensible or constitutional to require that it be reported. In addition to the cost to the government from so much increased paperwork, there is the enormous cost to the lobbyist of providing much of this information. If one of the concerns about present lobbying practices is the unequal effect on Congress of wealthy groups, that inequality can only become more pronounced by requiring struggling public interest organizations to expend large amounts of time and money filing reports on their activities.

Then there is the question of how the public would handle all this information. Given the number of reports and the details required, it will take an enormous effort by anyone to make sense and find patterns from the data on file. The oft quoted remark of Justice Louis Brandeis that "sunlight is said to be the best disinfectant" is true, but too much sunshine can also produce sunstroke.

SUBTLE AND COMPLEX

What action, then, should the Congress take? There is no doubt that action is required and that reform is badly needed, but not at any price. In this area, where, in the words of Sen. Bill Brock, we are dealing with "subtle and complex issues" we need particularly fine tuning in our legislative draftsmanship. Haste is precisely the wrong ingredient.

There are signs that this point is being recognized in the Senate Government Operations Committee. As a result, a new draft now being prepared seems certain to eliminate the most objectionable features of the proposed amendments.

We are, after all, dealing with the First Amendment right of the people to petition their government. As the U.S. Chamber of Commerce has stated, the question that should be asked by Congress about each proposed reporting requirement is, "What is the benefit to be derived from the requirement in light of the potential burden and sanctions it places upon my constituents in the exercise of their constitutional rights?"

THE LITTLE RED HEN

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mrs. HOLT. Mr. Speaker, I am submitting for inclusion in the Congressional Record, a thought-provoking article sent to me by a constituent:

The Little Red Hen

A modern version of this favorite children's tale is proving popular among many adults. That version, with its thought provoking message, is reprinted here. Because the identity of the author is unknown, we are unable to give him/her the appropriate credit.

Once upon a time there was a little red hen who scratched about the barnyard until she uncovered some grains of wheat. She called her neighbors and said, "If we plant this wheat, we shall have bread to eat. Who will help me plant it?"

"Not I," said the pig.

"Not I," said the cow.

"Not I," said the duck.

"Not I," said the goose.

"Then I will," said the little red hen.

And she did. The wheat grew tall and ripened into golden grain.

"Who will help me reap my wheat?" asked the little red hen.

"Not I," said the duck.

"That's not my responsibility," said the pig.

"I'd lose my seniority," said the cow.

"I'd lose my unemployment compensation," said the goose.

"Then I will," said the little red hen, and she did.

At last it came time to bake the bread.

"Who will help me make the bread?" she asked.

"That would be overtime for me," said the duck.

"I'd lose my welfare benefits," said the cow.

"I'm a dropout and never learned how," said the pig.

"If I'm to be the only helper, that's discrimination," said the goose.

"Then I will," said the little red hen.

She baked five loaves, and her neighbors wanted some.

In fact, they demanded a share. But the little red hen said, "No, these loaves are the result of my hard work. Each of you had the opportunity to earn a share and you turned it down."

"Excess profits!" cried the goose.

"Capitalist leech!" screamed the duck.

"I demand equal rights!" yelled the cow.

And the pig said, "I'll report you."

They painted picket signs and marched round and round the little red hen, shouting obscenities.

When the government agent arrived, he said to the little red hen,

"You must not be greedy."

"But I earned the bread," said the little red hen.

"Exactly," said the agent. "That is the wonderful free enterprise system. Anyone in the barnyard can earn as much as he wants. But under our modern government regulations, the productive workers must divide their product with the idle."

And they lived happily ever after, including the little red hen, who smiled and clucked, "I am grateful. I am grateful."

But her neighbors wondered why she never again baked any more bread.

THE LOSS OF JACK DOBY

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. PICKLE. Mr. Speaker, the citizens of Travis County suffered a genuine loss with the tragic accidental death of Mr. Jack Doby recently. Mr. Doby was the county extension agent and had been recognized by his peers as one of the leading practitioners in his field in the United States. The people of Travis County, both urban and rural, knew him to be immensely helpful on every occasion.

I extend my deepest sympathy to his family. I would like to insert this editorial from the Austin American about Mr. Doby.

The editorial follows:

The Loss of Jack Doby

Farmers, ranchmen and even the city folk with no more than one little pecan tree in their back yard suffered a tragic crop failure over the Labor Day weekend in the death of Travis County agriculture extension agent Jack T. Doby in an auto-pedestrian accident.

Jack's spread covered a lot more acreage than Travis County. He was among the cream of the crop of county agents across the nation.

The National Association of Agricultural Agents presented him the Distinguished Service Award at its convention last fall at Tucson, Ariz. In 1971, the association selected his "Town and Country" column in The Austin American-Statesman as the best agriculture column in the nation.

He shared his knowledge of growing things with all of the public, not just those with maize and cotton fields or big pastures for running herds of livestock.

Doby wrote about small home gardens after inflation caused families in the urban areas to try their hand at raising tomatoes, okra, onions and basic vegetables for their dinner tables. A big bunch of them saved a lot on their grocery bills this year by reading what to do about bugs and blight in his column.

If Doby wasn't writing about it, he was telling anyone who telephoned exactly how to combat the worms who were chewing the leaves off a shade tree.

Yet Jack was much more than a plant and animal man. He was as congenial a human being as anybody runs across in a whole lifetime.

He never appeared in public during his 10 years as county agent without a warm smile on his face. We suspect he was grinning when he was born 47 years ago, knowing even then that every living thing in the world could be harvested for the benefit of mankind as long as people treated it the way the Lord meant for them to do.

All who knew Jack reaped a few bushels more of humanity than we would have made without him. He was jogging with his son when an auto-pedestrian mishap claimed his life on Saturday.

We sort of felt like a drouth was beginning until remembering that Doby had never left a field unplowed.

THE CENTER FOR CONSTITUTIONAL RIGHTS: ACTIVISTS IN THE STRUGGLE AGAINST OUR REPUBLIC

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. McDONALD of Georgia. Mr. Speaker, the value of legal defense organizations to revolutionary activists was recognized early by the world Communist movement. In 1922 the Comintern—Third International—established a defense agency known as the MOPR, the Russian-language acronym for International Class War Prisoners Aid Society, known generally in English as the International Red Aid, to "render material and moral aid to the imprisoned victims of capitalism."

The American section of MOPR was formed in 1925 and operated until the early 1940's under the name International Labor Defense—ILD. During its existence the ILD helped to form two other Communist fronts, the International Juridicial Association and the National Lawyers Guild—NLG.

From 1936 until the mid-1960's, the NLG acted as the "foremost legal bulwark of the Communist Party, its front organizations and controlled unions." Having now some 4,000 members—lawyers, law students, legal workers, and "jailhouse lawyers"—the NLG operates as a peculiar coalition of Old Left Communist Party, U.S.A., members and supporters, Maoist Communists, Castroites, and other New Left activists.

Perhaps the most aggressive offspring of the National Lawyers Guild is the Center for Constitutional Rights, founded in 1966 by several leading members of the National Lawyers Guild who had been active in providing legal assistance to persons and organizations involved in militant civil rights disturbances. They included Arthur Kinoy, William M. Kunstler, and Morton Stavis.

Arthur Kinoy has been associated with Communist causes since his student days at Harvard when he served on the national executive committee of the American Student Union, cited as Communist by five different investigating committees. By the early 1950's, Kinoy's rank among Communist attorneys is indicated by the fact that he was selected to write the last minute motions for a stay of execution in the Rosenberg espionage case—denied.

During the late 1960's, Kinoy drifted away from the Old Left and now has taken on the role of a New Left Lenin, developing the theoretical base for his own revolutionary party, the National Interim Committee for a Mass Party of the People. A report on Kinoy's new group appeared in the CONGRESSIONAL RECORD on May 13, 14, and June 2, 1975.

William Moses Kunstler has been active in revolutionary causes for some 15 years. These range from taking a lead in early 1960's efforts to pardon Morton Sobell, convicted on espionage conspiracy charges with the Rosenbergs to advocacy of the cause of the Red Army Fraction, also known as the Baader-Meinhoff Gang, a band of revolutionary terrorists now on trial in West Germany.

Morton Stavis, when called by the House Un-American Activities Committee as a witness, took his fifth amendment privilege to avoid answering questions about Communist Party membership.

The Center for Constitutional Rights, with offices at 853 Broadway, 14th floor, New York, N.Y. 10003—212/674-3303—states that it was created to play "a central role in advancing the goals of progressive organizations and individuals while protecting them as they engage in their struggles."

In its 1974-1975 annual report, released at the end of July, the CCR proclaimed:

> The CCR's role in history is as a legal instrument of the people; * * * We are activists in a struggle for justice and against illusory democracy.

Review of the Center for Constitutional Rights docket reveals a high proportion of armed struggle cases among its defense work for "progressive organizations and individuals." Among these have been American Indian Movement members charged with offenses during the armed takeover of Wounded Knee; Carlos Feliciano, charged with being a member of the MIRA terrorist bombing gang who eventually pled guilty to lesser charges of possession of explosives after a lengthy series of court proceedings; a Puerto Rican Socialist Party activitst charged with bombing; and prison inmates eventually convicted of murder and assault during the Attica Prison rebellion.

The CCR's current officers include: Benjamin E. Smith, president, New Orleans; with his law partner and fellow CCR associate, Bruce C. Walzer, Smith has served as a registered foreign agent for Fidel Castro's regime in Cuba. His associations with such well-known Communist Party, U.S.A. organizers as Hunter Pitts O'Dell—Jack O'Dell—go back to the early 1950's and he worked with the Southern Conference Educational Fund when it was the CPUSA's principle front in the South. He has held national office with the NLG, and with Arthur Kinoy and William Kunstler comprised the legal strategy team behind the Mississippi Freedom Democratic Party. Robert L. Boehm, treasurer, New York.

Volunteer staff attorneys are presently Arthur Kinoy; William Kunstler; Morton Stavis, to whom the new CCR annual report is dedicated, "whose vision, wisdom, and energy have time and again propelled him into the leadership of the people's struggles;" and Peter Weiss, a patent attorney who joined CCR about 1969 and who from 1962-72 served as president of the American Committee on Africa, the principle U.S. support group for African Marxist guerrillas. The husband of Vietcong supporter Cora Weiss, Peter Weiss recently filed suit against the Central Intelligence Agency in Federal district court in Manhattan on behalf of Grove Press, a publisher of leftist and pornographic literature.

Paid staff attorneys include Rhonda Schoenbrod Copelon; Doris Peterson; Elizabeth M. Schneider; Nancy Stearns and William H. Schaap, the former law partner of David and Jonathan Lubell, identified during their Harvard Law School days as Communist Party youth organizers in New England. Schaap served with the NLG's Southeast Asia military law project, fomenting subversion in the military overseas. Schaap is currently representing more than a dozen demonstrators from CPUSA's New York Coalition to Fight Inflation and Unemployment charged with disorderly conduct, criminal solicitation and other charges during protests against a recent subway transit fare increase.

CCR staffers include Elizabeth Bochnak, Dianne Boesch, Georgina Cestero, Gregory H. Finger, Lisa Roth, Jeffrey Segal, and Joan L. Washington.

CCR's Board of Cooperating Attorneys inculdes:

Daniel L. Alterman, New York City;

William J. Bender, Seattle, Wash.; a former law student of Kinoy's at Rutgers and former CCR staff attorney;

Edward Carl Broege, Newark, N.J.; active with Students for a Democratic Society in the late 1960's; also a former student of Arthur Kinoy and former CCR staffer;

Alvin J. Bronstein, Washington, D.C.; head of the American Civil Liberties Union's Prison Project;

Haywood Burns, New York City; active with both the radical National Conference of Black Lawyers and the National Lawyers Guild;

Ramsey Clark, New York City; former U.S. Attorney General and traveler to Hanoi;

Vernon Z. Crawford, Mobile, Ala.;

I. T. Creswell, Jr., Washington, D.C.;

William C. Cunningham, S.J., Santa Barbara, Calif.

William J. Davis, Columbus, Ohio;

Bernary D. Fischman, New York City;

Janice Goodman, New York City;

Jeremiah Gutman, New York City, active with the American Civil Liberties Union.

William L. Higgs, Albuquerque, N. Mex.; in February 1963, Higgs, then 27, a native of Mississippi and 1958 graduate of Harvard Law School, received the American Civil Liberties Union's Lasker Award in New York City. Later that month he was convicted in absentia in Jackson, Miss., of corrupting the morals of a runaway 16-year-old Pennsylvania boy. For this misdemeanor, Higgs was sentenced to 6 months imprisonment and a $500 fine, which was not carried out because Higgs never returned to Mississippi; following conviction, Higgs was disbarred in that State.

Morals convictions being no handicap in New Left circles, Higgs took an active role in Students for a Democratic Society until its dissolution in 1969, writing articles for the SDS newspaper, New Left Notes. In 1965, Higgs supported the Kinoy-Kunstler-Smith legal maneuvers of the Mississippi Freedom Democratic Party as a member of the ACLU Lawyers Lobby.

In 1968, Higgs went to Albuquerque to assist Reies Tijerina, who had achieved notoriety for his 1967 armed attack on the Tierra Amarilla courthouse. In her book, Tijerina and the Land Grants—International Publishers, 1971—Patricia Bell Blawis of the Communist Party wrote:

> In the fall of 1968 there appeared at Alianza headquarters civil rights lawyer William Higgs of Mississippi, * * *. Although unable to argue cases in court, Higgs served as legal adviser in the Alianza office with unquestionable skill. He also showed a fondness for adventurist schemes in which he did not take part, such as the burning of the Forest Service signs at Coyote. This incident, in which Tijerina nearly lost his life, and later was sentenced to three years in Federal prison, was hinted at by Higgs to the Albuquerque Journal several days before it happened, when he told the newspaper ("giggling," the report said) that "something unusual" would happen at Coyote on the weekend.
>
> The services of Higgs cost the Alianza the courtroom assistance of Beverly Axelrod. Tijerina placed his confidence in Higgs, and Mrs. Axelrod was elbowed out of legal decisionmaking. Higgs' apparent dislike of women extended in particular to a brilliant lawyer who opposed some of his plans. There was nothing for her to do but leave.

Higgs left New Mexico for Washington, D.C., in 1972, where he worked with Socialist Julius Hobson. In August 1972, Higgs and two other radical activists filed one of the early lawsuits attacking the Central Intelligence Agency, asking for a detailed and itemized breakdown of all CIA expenditures and calling for an end to all CIA covert activities. Higgs has also been on the advisory board of the Law Students Civil Rights Research Council.

Philip J. Hirschkop, Alexandria, Va.; an official of the National Committee Against Repressive Legislation, an identified Communist Party front.

Linda Huber, Washington, D.C.

Susan Jordan, Berkeley, Calif.

Percy L. Julian, Jr., Madison, Wis.

C. B. King, Albany, Ga.

Beth Livezey, Los Angeles, Calif.; a 1969 graduate of Vanderbilt Law School and former CCR staffer.

George Logan, III, Phoenix, Ariz.

Charles M. L. Mangum, Lynchburg, Va.

Howard Moore, Jr., Berkeley, Calif.

Harriet Raab, New York City.

Margaret Ratner, New York City.

Michael Ratner, New York City.

Jennie Rhine, Berkeley, Calif.

Dennis J. Roberts, Oakland, Calif.

Catherine G. Roraback, New Haven, Conn.; 1972–73 president of the National Lawyers Guild.

Michael Sayer, Gardiner, Maine.

Benjamin Scheerer, Cleveland, Ohio.

Helene E. Schwartz, New York City.

David Scribner, New York City; an identified member of the Communist Party, U.S.A.

Abbott Simon, New York City.

Tobias Simon, Miami, Fla.

Richard B. Sobol, Ann Arbor, Mich.

Michael B. Standard, New York City, of the firm Rabinowitz, Boudin and Standard. Victor Rabinowitz refused to discuss under oath before the Senate Internal Security Subcommittee whether or not he was a Communist on fifth amendment grounds. Both Rabinowitz and Leonard Boudin have both represented Fidel Castro's Cuban Communist regime in the United States.

Daniel T. Taylor III, Louisville, Ky.; an NLG activist who has been subject to disbarment procedings after contempt citations.

Neville M. Tucker, Louisville, Ky.

Bruce C. Waltzer, New Orleans, La.; law partner of Ben Smith, CCR president.

A tax deductible organization, the CCR continues to work in close cooperation with the NLG, to which the overwhelming majority of CCR staff and cooperating attorneys are affiliated. The CCR annual report noted:

> Perhaps one of the most fruitful educational relationships the CCR has had has been with the National Lawyers Guild. Under NLG sponsorship, CCR lawyers have participated in what have become known as "Road Shows" wherein attorneys with expertise in a particular area, such as illegal surveillance, travel throughout a geographical region sharing legal information.

In a letter dated July 1975, which accompanied the new annual report, Arthur Kinoy discussed a report recently released by the Department of Justice regarding "its reason for consistently losing its political prosecutions." Wrote Kinoy:

> To quote from the report, "It is worthy of note that the technicality of modern trials lends itself to abuse by skilled counsel who know how to manipulate procedure."
>
> "It is also notable that while prosecutorial staffs changed with each trial, defense staffs maintained some overlap. In many of these cases, defendants were represented either at trial or on appeal by lawyers affiliated with the National Lawyers Guild or the Center for Constitutional Rights. There was thus a recurring group of experienced personnel for trial work and research."

The Kinoy letter then continues on a note of smirking self-congratulation:

> Of course, when the government talks about our "abuse" and "manipulation" of procedure, it is really referring to our attacks against prosecutorial misconduct, illegal wiretapping, agents and informers in the defense camp, selective and bad faith prosecution, and motions to remove biased judges.
>
> The CCR proudly pleads guilty to having filed such motions. Indeed, we plead guilty to having invented some of them. * * *

The Center for Constitutional Rights docket, as described in the annual report, clearly reveals in its rhetoric, the CCR and NLG pro-revolutionary bias. For the information of my colleagues, some of CCR's cases include:

> *Drinan, et al. v. Ford, et al.:* From the original commitment of troops pursuant to the fraud of the Gulf of Tonkin incident * * *, the CCR fought tirelessly to convince the judiciary that it had the legal right and responsibility to declare the war unconstitutional.
>
> Our final attempt, in the winter of 1975, was a lawsuit brought on behalf of twenty-one United States Congresspeople and one serviceman seeking to enjoin the military and logistical support for the Lon Nol regime in Cambodia. On March 26, 1975, * * * the Federal District Court in Boston dismissed our complaint. Though the dismissal represented the last in a long series of dismal instances of judicial cowardice with respect to antiwar litigation, the lawsuit did, like those before it, educate many Americans not only as to the criminality of the war, but also as to judicial complicity in the crime.
>
> *Nguyen Da Yen, et al. v. Kissinger, et al.:* This is an effort to return to the custody of the Communist regime in South Vietnam many of the children rescued by the last minute Operation Babylift. CCR writes:
>
> * * * one of the final acts of the U.S. government was the mass uprooting of Vietnamese children allegedly considered orphans by American officials. * * * it constituted nothing more than a final, cynical attempt by the Administration to put public relations pressure on Congress * * *.
>
> CCR lawyers were urgently contacted by anti-war forces in California, where the children were being held pending adoption, to see if the "Babylift" and adoptions of children could be stopped.
>
> "It was explained * * * that the extended family culture of the Vietnamese did not even recognize the Western concept of being an orphan * * *.
>
> "CCR attorneys moved quickly, filing a class action suit on behalf of the children seeking to reunite them with their immediate or extended families and to prevent the finalization of any adoptions. The new government of South Vietnam, via telegram, has indicated its desire for the return of the children * * *. At this writing, the Federal District Court in San Francisco, the plaintiffs and the defendants are attempting to conclude a consent decree which would substantially provide the relief requested."
>
> *State* v. *John Hill* and *State* v. *Charles Pernasilice* (*N.Y.*): "From the outset, this lengthy trial was permeated with prosecutorial misconduct and unequal treatments which resulted in the first degree murder conviction of Hill and the attempted assault in the second degree conviction of Pernasilice. * * *
>
> "* * * once again, we saw the ever present agent in the defense camp, this time in the person of a young woman F.B.I. informer who had infiltrated the Attica jury project which was charged with the highly sensitive task of developing a strategy for choosing jurors.
>
> * * * It is hoped that the Appeals courts will have the courage to reverse the convictions, as the sordid record of this case requires."
>
> *United States* v. *Delfin Ramos:* "Delfin Ramos is a carpenter. He lives in Puerto Rico and * * * is also an active supporter and organizer for Puerto Rican independence and a member of the Puerto Rican Socialist Party. * * * In December, 1974, * * * while no one was at home, F.B.I. agents, armed with a search warrant, entered Ramos' home and, lo and behold, found allegedly stolen explosives.
>
> "Ramos was charged with violating the federal Explosives Control Act. The fact that the prosecution is a federal one is noteworthy for it constitutes the first political prosecution brought by the federal government in Puerto Rico since the anti-colonial upheavals of the early 1950's.
>
> "CCR attorneys are representing Ramos in such a way as to not only expose the government's political motivations for the prosecution, but to reveal the oppressive nature of the colonial relationship itself. * * * CCR lawyers are preparing a major challenge to the composition of the jury based on the fact that the overwhelming majority of potential jurors whose English in adequate to follow a federal court proceeding are from the upper income strata of Puerto Rican society. This built-in bias dramatically illustrates the inherently exploitative and unequal character of a colonial relationship."

The Center for Constitutional Rights is also representing Arthur Turco, a former lawyer who pleaded guilty to a misdemeanor after being charged with murder in the torture killing by Black Panthers in Baltimore of a suspected police informant. The CCR is appealing Turco's disbarment to the U.S. Supreme Court.

The CCR's statement of income for the year ended December 1974 shows an income from contributions of $273,419 against $303,890 for 1973. Arthur Kinoy's letter ended with the expected appeal for tax exempt contributions "so that we can continue to do what the Justice Department rightly accuses us of doing—defending the Bill of Rights and the people."

However, it is clear from CCR's own publications that in fact it is attempting to destroy our form of government and "illusory democracy, and that, in the words of CCR attorney William Kunstler, it is endeavoring "to bring down the system through the system."

FOSTER GRANDPARENTS PROGRAM 10TH ANNIVERSARY

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. SEIBERLING. Mr. Speaker, one of the most successful and enduring projects started by the Office of Economic Opportunity is the foster grandparent program which this month is celebrating its 10th anniversary. Today and tomorrow foster grandparents from around the country are meeting in Washington to attend the 10th Anniversary Conference.

As the representative from Akron, I am particularly proud of the foster grandparent program because Akron was one of the first 21 FRP projects funded 10 years ago, and it is still going strong. Five of the conference delegates are from Akron, including Mr. Benjamin Jennings who is 93. Mr. Jennings has been a foster grandparent for 8 years, and is the oldest delegate attending this week's conference. The four other Akron delegates have all been participating in the program since its inception. They are Mrs. Alma Patterson, Mrs. Lois Perry, Mrs. Lorraine Poe and Mr. Leslie Heathington.

It is easy to understand why the foster grandparent program has been so successful because the concept behind the program makes such eminently good sense. The program gives retired, low-income persons the opportunity to continue to contribute to their community and to enjoy the self-respect and satisfaction which comes from such work. In addition, the small stipend which foster grandparents receive makes a big difference to most in making ends meet. Equally important, the program provides badly-needed individualized care and attention to children with special needs, and helps these children to grow physically, emotionally, socially, and mentally.

In 10 years, FGP has grown from an original appropriation of approximately $5 million to $28.4 million in fiscal year 1975. Each day, more than 30,000 needy children receive the attention and care of some 13,000 foster grandparents. Although President Ford requested a cutback in the program's funding for fiscal year 1976, fortunately, the House voted to maintain the present funding level and I am hopeful that the Senate will follow suit.

One has only to visit a FGP project, and see the expressions on the faces of its participants—both young and old—to know that the very modest investment we make in this program is returned many fold to society. The foster grandparent program is one government program which is unquestionably deserving of our continued and growing support.

CUBA TRADE EMBARGO

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. YOUNG of Florida. Mr. Speaker, the subject of "normalizing" our relations with Communist Cuba has been much in the forefront of public attention in recent weeks. The administration has taken steps to ease the trade embargo, and Congress will soon be considering legislation to alter our present lack of relations with Cuba. The following discussion of this issue by syndicated columnist John D. Lofton, Jr., contains some facts and thoughts which should not be overlooked as we analyze this situation.

[From the Denver (Colo.) Rocky Mountain News, Aug. 22, 1975]

CASTRO STILL EXPORTING REVOLUTION—TRADE EMBARGO SHOULD REMAIN UNTIL CUBA, BECOMES CIVILIZED

(By John D. Lofton, Jr.)

It hardly takes a crystal ball to see that our relations with Communist Cuba are moving, as Secretary of State Henry Kissinger says, "in a new direction."

Last month, the Organization of American States (OAS) voted to allow its members to lift their 14-year trade embargo against Cuba. And in an uncharacteristic show of magnanimity, Fidel Castro recently returned the $2 million in ransom money paid him by Southern Airwayc in 1972 to get back one of its hijacked airplanes.

Castro has even gone so far as to concede his own fallibility, admitting that he was wrong to get angry 13 years ago, when Soviet Premier Nikita Khrushchev removed his offensive nuclear missiles from Cuba, thus avoiding what could have been an atomic war.

But before the United States normalizes relations with Cuba, before we start "detentin' with Castro," as George Wallace would put it, Sen. Bill Brock thinks we ought to first make a few demands. The most important among these have to do with basic human rights, and Castro's exporting of violent revolution and terror:

(1) The acceptance by Cuba of fundamental human rights through a liberalization of travel restrictions, free emigration of Cubans and American citizens in that country, access by impartial observers to prisons and detention centers, and the extension of constitutional guarantees to those now unlawfully imprisoned, and

(2) Acceptance of principles set down in the charter of the OAS, including the principle of nonintervention in the affairs of other nations.

Even among the most notorious Castro sycophants there is the admission that civil liberties in Cuba are being violated. For example, in his new book "Revolution in Cuba," former New York Times reporter Herbert Matthews writes:

"The worst that can be said of the revolutionary regime—at least, as I see it—is that the practice of holding political offenders in prison and labor camps goes on year after year.

"Even Generalissimo Franco in Spain and—when he was in power—General Papadopoulos in Greece . . . gave amnesties to political prisoners.

"Fidel Castro has not given one in 16 years. . . ."

In a 1973 pamphlet titled "Epidemic Torture," Amnesty International listed Cuba among the more than 30 countries where "torture is systematically applied to extract confessions, elicit information, penalize dissent and deter opposition to repressive government policy."

As regards Cuba's exporting of violence and terror, despite the denials of Castro's second-in-command Carlos Rodriguez, there is considerable evidence that such activities continue.

Castro himself appeared just a few weeks ago in Cuba with Gen. Otelo de Carvalho, one of Portugal's three ruling generals, at his side, and declared: "The Portuguese revolutionary movement can rely on our firmest support in whatever circumstance."

In an interview in Oui magazine in January, Castro asked himself some questions, and answered them:

"Do we sympathize with revolutionaries? Yes, we do. Have we aided revolutionaries as much as we have been able to? Yes, we have. Has the influence of the Cuban Revolution been felt in other countries? Yes."

And indeed it has. Early this year in New York City, a man who bombed a tavern was identified by authorities as a Puerto Rican-born master spy and saboteur who received his terrorist training in Cuba.

Two months ago in Chicago, federal investigators disclosed that at least six persons, trained in Cuba to carry out guerrilla warfare and prepare explosive devices, were members of FALN, a Puerto Rican nationalist group responsible for two terror bombings in the windy city's Loop area.

In France in July, three high-ranking Cuban diplomats were expelled from the country because of their connection with a man called Carlos, who is believed to be an important link in a worldwide terrorist network which includes West Germany's Baader-Meinhoff gang and the Japanese "Red Army" group.

Kissinger is correct when he says there is no virtue in a perpetual antagonism between the U.S. and Cuba. And Fidel Castro also is right when he says that one way or the other we owe it to ourselves to live in peace. But if Cuba wants to be treated like a civilized country, it will first have to start acting like one.

For now, the embargo should continue.

UNTIMELY DEATH OF MARSHALL C. McGRATH

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. CONTE. Mr. Speaker, I was deeply saddened to learn of the untimely death this weekend of a dear personal friend, Marshall C. McGrath.

As my colleagues may know, I represent a congressional district that once was known as virtually the paper-making capital of this country. In my efforts to assist the paper companies in my area stem the tide that was sweeping away more and more of our paper operations, I shared a common interest with Mr. McGrath, who for many years served the International Paper Co. as its expert in forest industry-government relations. In that firm, he rose to the position of director of the corporate affairs office here in Washington, a post he held at his death.

A native of Danville, N.H., he graduated from Clark University in Worcester, Mass., and attended graduate school at the University of Bridgeport, Conn.

Marshall McGrath had a keen interest in, and wealth of knowledge of, the out-of-doors. He was an avid conservationist, ever mindful of the need to preserve for future generations the splendor of our natural resources.

This thoughtfulness was a hallmark of his character. I do not believe I know a kinder man than Marshall McGrath. He was considerate of his fellow man in everything he did. He was a valued friend.

At this time, I would like to express my deepest sympathy to Marshall's wife Carolyn, daughter Cheryl, and the rest of the McGrath family.

FOOD STAMPS

HON. JOHN L. BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. JOHN L. BURTON. Mr. Speaker, time and time again the issue of food stamps has been raised by Members of this body.

The following editorial from the Los Angeles Times on that subject matter should be of interest to all Members.

[From the Los Angeles Times, Aug. 31, 1975]

WHAT TO DO ABOUT FOOD STAMPS

Any program that has 19 million participants and costs an estimated $6 billion has problems. So it is with the food stamp program.

But its problems don't add up to the boondoggle that critics allege. The facts indicate that the program is working pretty much as Congress intended. It may be working too well.

Perhaps it's fashionable to attack the program. Treasury Secretary William E. Simon deplores food stamp "chiselers" on the flimsiest basis. Vice President Rockefeller incorrectly says the program "adds a million people a month." Shoppers, whose dollars seem to shrink between the shelf and check-out counter, may recoil when others pay with food stamps. They may nod approvingly when they hear such talk.

There is a move in Congress to reduce food stamp participation and cost. Legislation sponsored by Sen. James L. Buckley of New York and Rep. Robert H. Michel of Illinois would ravage the program in the name of reform.

Reform—that's the magic word. The program has more defenders—farm area representatives and liberals—than critics. And they talk reform. Sens. Robert Dole of Kansas and George McGovern of South Dakota say the problems can and must be corrected.

For all the rhetoric and righteous indignation, the food stamp debate is a sham. It is not a debate but, rather, a political fight that ignores the important issue.

That is, if 19 million Americans can't afford to buy food without government help, should they be given money instead of a subsidy in the form of food stamps? The question should extend to housing assistance, medical aid—the whole range of social welfare programs.

For the long-term, Dole wants a fundamental review of these programs. He is right. A review should have as its goal serving the people best at the least cost. But Congress and the Ford Administration are not talking about that, and that is the problem.

For the short-term, Dole says the food stamp program should be fiscally responsible and responsive to human needs. It is hard to quarrel with that approach. The best argument for short-term reform is that the program fills a need at a time when people are struggling.

As for the politics of food stamps, McGovern believes it has succeeded "busing" and "welfare cheats" as a political issue. The level and tone of the discussion suggest he is correct, and that is unfortunate.

Consider, for example, Simon's comment earlier this month that the program is a "well-known haven for the chiselers and rip-off artists." His basis was an ad for a booklet purportedly telling $16,000-a-year families how to obtain stamps.

Before he made that remark, the Department of Agriculture had asked the Federal Trade Commission to consider charges of misleading and deceptive advertising.

Because of the complex eligibility formula, it is *possible* for a family with that income to qualify. But the family would be a statistical freak. Facts are more compelling than permutations and combinations, however.

Consider, for example, the Agriculture Department's June report to Congress on the after-tax income of food stamp households: 77% have incomes below $5,000, 92% have incomes below $7,000, 100% have incomes below $10,000.

The fraud rate in 1974, according to the department, was 8/100ths of a percent. This May, officials said the incidence of fraud was negligible.

Some critics claim the food stamp program is out of control. Perhaps what they mean is its extraordinary growth—about 5 million—in the last year. The growth did not occur in a void.

The growth took place after the program became nationwide, including Puerto Rico. The growth took place at the same time unemployment was rising. Since food stamps are not restricted to poverty or welfare households, the growth also suggests the program has become respectable among the working poor and even low middle-income families.

But participation in recent months has declined. From April to June, the decline was 200,000 a month. The July decline is 100,000. The Agriculture Department forecast for 1980 anticipates a continuing decline in participation and cost.

Still, the food stamp program has problems.

College students, many from comfortable homes, have received food stamps in something of a "beat the system" spirit. The law has been changed to prevent this abuse. Starting next month, students claimed as tax deductions by nonparticipating families are ineligible.

The 55% error rate, as of June, 1974, is much too high. But the rate must be explained. It applies only to nonwelfare families, or about half the food stamp purchasers. About 18% of them were ineligible, mostly because of procedural reasons like a missing signature. While 26% paid too little for stamps, 11% paid too much.

Clearly, this is an area that demands reform. A simplified eligibility formula and less red tape seem to be the answers. Also, a reasonable maximum income limit, as proposed by Dole, would ensure that only the needy benefit.

Food stamp administration needs tightening. Congress is likely to tinker with the program and clean up some problems. That would be a most modest reform. The real reform would be to overhaul all the social welfare programs.

Until that happens and until the economy recovers, it would be indecent to gut the food stamp program. It does help people, and it is not a boondoggle. If there is a boondoggle, it is that people in need have again become a political scapegoat.

NONNEGOTIABLE AID TO EDUCATION

HON. LEO C. ZEFERETTI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. ZEFERETTI. Mr. Speaker, a number of years ago, Congress decided that the national Government must assist States, localities and school districts in educating our children. Since that decision was made, successive Congresses and administrations have erected, in most cases in a totally bipartisan manner, an imposing structure of aid to virtually all forms of education, including programs in elementary, secondary, vocational and bilingual education. One program after another has been set up addressing the special educational needs of millions of youngsters. The record of achievement so far is both impressive and overwhelming. And, it can be said that no investment made by the taxpayers of this country has returned greater dividends than this cumulative package of school funding programs.

Therefore, it was with sadness and surprise that I viewed the recent Presidential veto of the Education Division and Related Agencies Appropriation Act. This action by the President, if sustained by Congress, would have meant a critical cutback in the federally aided programs on all levels of our educational system, and in such programs, for example, responsible for granting students loans for the fiscal year ending June 30 of next year. In addition, it would have meant a substantial cutback in the desperately needed special programs for such groups as the handicapped children in our country.

The veto of the critical measure was not only unnecessary, but shortsighted as well. The appropriations are large, but not unreasonable; the bill was $400 million less than the new budget guidelines for 1976 education programs had established this past May. And, since the budgets for the 1975–76 school year are already fixed, local education officials now require solid assurances from the government as to how much Federal money will be available to them. If the veto had been sustained, these local officials would have to begin worrying about cutting back on the necessary services and personnel in their schools. Tuitions would have to be raised. In addition, new sources of tax revenues would have to have been sought from the already overburdened State and local governments.

However, my greatest concern rests with the children who would have been hardest and most directly affected by the sustaining of the Presidential veto. Existing programs have been successful. No argument can be raised against the critical need for their maintenance at at least their present levels. These programs help children. They make our educational efforts more effective. They put more and better teachers in our classrooms. They upgrade facilities and teaching materials. They address the special needs of many millions of youngsters, needs so long ignored in previous generations. This is especially true in the case of our handicapped students, those who deserve the special attention and aid that the education appropriations bill would guarantee. It is this group of children which would suffer from any cutback in funds to insure the continuation of special services or the best possible care available today.

How simple it is to rave about fiscal integrity, important though it is, while advocating cuts that deprive children of the best education or force them to "make do" with less than we can really afford.

I voted to overturn the President's veto, and wish to state that I am deeply pleased that this Congress had the courage to prevent an ill-advised effort to erode several decades of painfully acquired progress.

A SMALL BUSINESS NEED FOR REGULATORY REFORM

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. ARCHER. Mr. Speaker, our country is increasingly suffering from the intrusion of big government into almost every facet of our life. A small businessman in Houston, Tex., recently wrote and expressed some very deep concerns about how Federal regulations are hurting him and his employees. I thought it would be helpful for all of my colleagues to have the benefit of his thinking.

Dear Bill: We have a non-participating profit-sharing plan, less than one hundred thousand. The new law now will cost us in attorney fees and CPA fees over $3,500.00 just to fill out all necessary forms for the Labor Department; this means double reporting to two different agencies. When our plant was first instituted, we were given the go ahead by IRS; now, not only do we have to satisfy IRS, we have to satisfy the Labor Department. Now our tax attorney and CPA tell me that in order to "terminate" a too costly administrative fee for our plan, that the cost will be staggering and the IRS will make us pay back saved tax dollars and with penalty. This law, which I call a "retirement fund" for tax attorneys and accountants, naturally gets the blessing of this group. But, who suffers—the small business man and his family. If we do not terminate our profit sharing plan we will have to let it become dormant, for I will not see our hard saved dollars eaten up by government regulations, even if it will cost me a penalty to terminate our employee non-participating profit sharing plan. We have enough paper work and expenses now by having to fill out endless forms for OSHA, city, county and state regulation agencies. I personally feel that if our government cannot help us small businessmen, please do not hurt us. I promised each of my employees that at the end of 10 years, when our plan would fully vest, that I would strive for a goal of $50,000.00 for each man. Now, I feel differently. To meet all rules and regulations for the next 5 years remaining on the plan it will cost 30% for administrative fees, just to satisfy the different agencies. Bill, it's simply not worth the time, worry and trouble. Larger companies have a staff of attorneys, tax advisors and CPA's, but we don't.

The hours, money and headaches we have to go thru, just to fill out forms, including the income tax form, cost us 10% of our net profit each year . . . and it's still going up. These funds could be used to buy needed equipment that would put another man to work, but instead just to satisfy all of the regulatory agencies from the lowest level of our government to the highest, we have to spend time that we could be "producing" profits on filling out forms so we can conduct business in our "free" society. We simply do not have the money to fight back.

Sincerely,

Robert R. Johnson.

COMMEMORATION OF CITIZENSHIP DAY

HON. J. WILLIAM STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. J. WILLIAM STANTON. Mr. Speaker, in recognition of Citizenship Day and Constitution Week on September 17, 1975, I take great pleasure in introducing a resolution—H. Res. 701—providing for the commemoration of these days by the reading of the preamble and article I—legislative powers—of the Constitution of the United States by a Member of Congress to be designated by the Speaker. In addition, I would like to cite the National Conference on Citizenship, a nonprofit organization chartered by Congress in 1953, for its outstanding job in its continuing work in carrying out the observance of Citizenship Day and Constitution Week, as directed by its charter. Particularly, I would like to recognize its honorary chairman, former Attorney General Tom C. Clark, and its President, Joseph H. Kanter, for their deep commitment to the ideals of American citizenship.

This resolution also invites the National Conference on Citizenship to provide a replica scroll of the Constitution so that Members of Congress can rededicate ourselves to the principles of the Constitution, the cornerstone of our Nation, by signing the replica as a symbolic gesture of that rededication on September 17 in the Gold Room of the Rayburn Building at 4:30 p.m. I would hope that we will all take this opportunity to express our reaffirmation of the principles of our Constitution.

SYMPOSIUM ON THE WORLD FOOD CRISIS—III: LAND REFORM ISSUES IN DEVELOPING COUNTRIES

HON. JOHN BRECKINRIDGE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. BRECKINRIDGE. Mr. Speaker, landholding patterns have an important relationship to the productivity of agriculture throughout the world and, consequently, to the problem of world hunger. Americans, who tend to think of farmland in terms of outright ownership or of renting it out, are sometimes surprised at the wide diversity of landholding patterns in other nations.

A knowledgeable exposition of this issue was presented as part of the World Food Crisis Conference April 1 and 2 at the University of Kentucky by an expert in the field, Dr. Peter Dorner, professor of agricultural economics in the Land Tenure Center at the University of Wisconsin. His discussion, "Land Reform Issues in Developing Countries," follows:

LAND REFORM ISSUES IN DEVELOPING COUNTRIES

Present land-holding patterns present a baffling array of arrangements. Many countries have small islands of high productivity using modern technology, frequently (although not exclusively) in areas of plantation crops grown for export. In some countries a significant proportion of such plantations are foreign owned or controlled.

In the traditional customary tenure systems found in much of Africa, the basic or sovereign ownership of land is vested in the local group or tribe. Individuals' rights can be claimed by reason of membership in the group. Since one is entitled to inherit a share of family land as a birthright, one does not lose this right by living away from the home village.

In Asia, one also finds areas of tribal lands and customary tenures, but this is not the dominating and prevailing feature. Landlords own much of the land, which is farmed by sharecroppers and tenants in small, independently operated units (except where major land reforms have been carried out).

In Latin America, there are also some traditional forms of land tenure in the Indian communities of the Andean countries. The Mexican *ejido*, a communal type of tenure created by that nation's land reform, was intended to reconstruct and build upon a traditional form. In the *ejidos*, land is communally held and inalienable, but most of it is worked by individual families in small units. In all Latin American countries there are areas where family-sized farms exist; in some local areas they are the predominant form of agricultural exploitation. Nevertheless—again with important exceptions where basic reforms have been carried out—the dominating features continue to be the large estates (holding most of the agricultural land resources), and the small, subfamily units (holding relatively little land but serving as a refuge for most of the rural population).

In addition to these general differences which characterize the several world regions, a number of more specific conditions also affect the prospects of land reform. One of these is the man-land ratio, a measure of the population pressure on the land resource. This pressure is greatest in large parts of Asia. For practical purposes, however, the greater availability of land in parts of Africa and Latin America has little meaning since mass migrations between these world regions are unlikely to occur.

Of greater interest and significance are the differences in man-land relationships within regions and especially within individual countries. Here there may be greater scope for the movement of people into less densely populated areas. This is certainly occurring in some areas of Bolivia and Peru where people are migrating from the densely populated highland areas to the lowlands on the eastern side of the Andean mountains.

While Java in Indonesia, Luzon in the Philippines, and the rice lands of the wet zone in the southwest of Ceylon are among the most densely populated areas of Asia, some of the outer islands of Indonesia, the southern islands of the Philippines, as well as the north-central and eastern areas of the dry zone in Ceylon are characterized by relatively low population densities. Here cultivation could be, and in some cases is being, extended. However, this is usually achieved at very high costs since these areas are often lacking in basic infrastructure and are far removed from the nation's major markets.

The degree of land ownership concentration also varies widely. In Latin American countries about 3–4 per cent of the landowners with the largest holdings own 60–80 per cent of the agricultural land. This pattern is common to most countries in the region except where major land reforms have been carried out.

In Asia, the size of land holdings is of a different order of magnitude than in Latin America. Whereas the large units in Latin America may have 500 to 1000 or more hectares of arable land, those in Asia are more likely to fall within the 50 to 100 hectare range. For example, in Ceylon (1962), land ownership units above 50 acres (about 20 hectares) represented 33 per cent of the total land area. In India (1960–61), ownerships above 25 acres represented only 31 per cent of all land. Figures for Pakistan are fairly similar to those for India. Comparable figures for sub-Sahara Africa are not available, and they would have little meaning within the present customary system.

In much of Asia and Latin America, private property interests are strong and individualized property in land is the rule. Great economic, social and cultural cleavages exist between the land owners and the mass of peasants with little or no land. These features are not entirely absent from the African scene. However, in much of Africa the key problem is to transform a traditional, customary land tenure system. This system has performed reasonably well as a mechanism of group survival under economic conditions not much above subsistence levels. But new arrangements must be worked out, if possible building upon elements within the present system, that are constituent with the capitalization and technological requirements of increased productivity.

Carrying out a major land reform is a difficult task politically and administratively. It is seldom achieved under democratic conditions or within existing constitutional procedures. Even with a strong political will and commitment, there are enormous administrative problems. Usually there is a need not only for land reform (i.e., land ownership redistribution) but reorganization of the major governmental ministries and service agencies—ministries of agriculture and finance, agricultural banks, agricultural research and extension—in order to gear all their services to the reformed ownership pattern—to the beneficiaries of land reform as well as to the pre-existing small farm sector.

A look at land reforms in the 20th century reveals several major patterns or models illustrating the way reforms were achieved.

(1) Outside pressure and influence—the U.S. model of small family farms—Japan, Taiwan, South Korea

(2) Revolutionary takeover of governments—the communist-socialist model with collective and state farms (but with a wide variety of forms and some co-existence of private plots and sometimes a small farm sector—Russia, East Europe, North Korea, and North Vietnam

(3) Peasant revolts from below—Mexico, Bolivia, Cuba, China—with a variety of post-reform tenure patterns ranging from the re-establishment of a dual structure in Mexico to communes in China

(4) Military takeover of governments—Egypt, Peru, Iraq—also with a variety of post-reform tenure patterns.

(5) Without abrupt changes in governmental structure and within existing constitutional means—reforms thus achieved have been spotty and incomplete (Colombia, Peru pre 1969, Brazil, Philippines pre 1972, Ceylon, India, Venezuela, Ecuador, etc.). The most drastic reform in Latin America under these conditions was achieved in Chile under Presidents Frei and Allende previous to the change in government in September 1973. But successful completions of full scale reforms under this model are scarce.

A fundamental weakness of the way in which the development task has often been defined is that capital, technology and commodities—rather than human beings and their institutions—occupy the center of the stage. As a consequence of analyses and policies so conceived, only a minority of the population in the less developed countries participates in the fruits of economic growth.

Employment creation and a more egalitarian income distribution are not inconsistent with increased output and economic growth. But in order to make these objectives compatible within an overall development strategy, institutional changes, including land reform, must accompany investments and the introduction of new technology. And the type of investments and technology must be carefully tailored to fit the factor endowments of a particular country.

Without question the less industrialized nations must utilize new techniques of production if they are to raise their levels of output and factor productivity. But technology is not all of one cloth. Technology must retain an organic, functional relation to the history and culture of a people as well as to the nature of existing factor proportions and endowments. And the factor proportions of the industrial nations, where most of the new technical innovations occur, differ greatly from those in the less developed countries. It has been estimated that 95 per cent of world expenditures on research and development is centered in the United States and Europe.

In most countries there are two sub-sectors of agriculture: (1) the large farm, more commercialized sub-sector; and (2) the small farm, less commercialized one. The latter usually accounts for the overwhelming majority of the rural population, and frequently its farm operators are tenants or sharecroppers. Generally, only the larger farms can utilize effectively the agricultural machine technology available from the industrial countries. Even divisible inputs such as seeds and fertilizers may not be neutral to scale if the public credit and service agencies work primarily with the larger farmers. Thus the transfer of certain types of capital and technology into a system characterized by wide disparities in access to and security of rights in the use of land and other resources tends to increase the polarization of economic opportunity, and frequently leads to displacement of the small farmers from their insecure position as tenants. Under these circumstances land reform offers the prospect of a more uniform opportunity structure in agriculture, tenure security for small farmers operating either on an individual basis or within a cooperative arrangement, and a reorganized public service system to meet their needs.

A restructured land tenure system will provide new incentives to develop technology specifically designed for the new farm units. Such technology development and adaptation is demonstrably possible, with Japan the most outstanding example. There is, however, little systematic or concerted effort in this area.

For one reason or another the forces of modernization intensify the polarization among groups which, under the traditional arrangements, often tolerated vast inequalities because of the mutual benefits inherent in the institutional arrangements.

International assistance policies that focus primarily on the transfer of capital and technology, but ignore the existing institutional structures of land tenure, overlook these issues which are indeed intensified by these very policies. Of course, improved production techniques generated internally do not of themselves yield different results so long as the land tenure system remains unchanged. This is why land reform becomes such an important issue. The increased polarization resulting from modernization as illustrated above is not self-correcting nor likely to reverse itself. It can only be redressed by direct government action.

To concentrate on production without explicit recognition of the need for increased access to productive resources by the excluded masses may yield an increased output of certain commodities and a growing labor productivity *for a part* of the labor force. Yet such policies tend to widen income disparities and throw the burden of adjustment on the disadvantaged who join the ranks of the landless, continue to crowd into existing small farm areas, move out to rapidly shrinking frontiers, or to join the underemployed in the cities.

Even if it were possible in the absence of land reform, to avoid the movement to the cities, people cannot simply be placed "on ice" until such time as they are needed. They must be engaged in worthwhile, productive activity in order to develop their individual, human capacities and thereby develop the skills and the discipline which both a modern agriculture and industry require. Perhaps an even more crucial impact of idleness is the depression of hope, aspirations and self-respect, especially among the young, who look to adults of their own social group and community for models to emulate. More secure and more stable economic opportunities must be developed in the agricultural sector. Land must be viewed not merely as a resource to be efficiently combined with scarce capital so as to maximize agricultural output, but also as a vehicle for employing people and for developing their skills and experience. Indeed the manner in which increased production is achieved, and the number of people who participate in and reap benefits from the experience, may be as significant as the short-run production increase itself.

It is in trying to combine output with employment and distribution goals in the same general policy, rather than in their separation, that land reform becomes strategic. Such a combination frequently cannot be achieved without redistribution of property rights in land from those owning (or claiming) much to those owning little or none.

The relative success in recent years of new crop varieties (the Green Revolution) has provided hope that the tough issues of land reform could be avoided. New technology of this and other kinds is absolutely requisite and its development must be pursued with great vigor and support. However, there is mounting evidence that those with the least secure claims to land are gaining little from the Green Revolution and are often squeezed off their farm and transformed into landless laborers. As farming opportunities become more profitable (due to new inputs and favorable product price policies) owners take over the land for cultivation on their own account—often buying additional land and investing in mechanization to reduce the management complications of dealing with a large hired labor force.

The separation of production policies from distribution policies is frequently defended by pointing out that unless and until production is increased, there is little to distribute. This argument is not convincing; indeed, it sounds too much like a rationalization of the well-to-do trying to protect their privileged position. Given the circumstances existing in many of the less developed countries (a concentration of property ownership, a redundant, poorly organized labor force lacking bargaining power, and the inability to finance and administer massive social welfare programs), those who own the means of production also receive the income from their use. Increased output is more or less automatically distributed to resource owners in the very process of its production. There is nothing left to distribute.

Under these circumstances, the institutions of private property, freedom of contract and competition may well accentuate the existing inequalities. These institutions cannot perform in the public interest until there is a more equal distribution of wealth, power and opportunity.

I am not implying that land reform is in all cases a solution to the severe and growing problems of unemployment. In some crowded rural areas, it may be impossible to create many new employment opportunities in farming. Many attempts in recent years to implement special programs for small farmers have not as yet had sufficient reach and impact; often they are handicapped by the fact that small farm areas simply need more resources which could, in many cases, be made available through land reform. But the major point is that the technological gap is too wide, the internal disparities too great, and the population growth rates too high to continue a policy course which separates the objectives of increased production from those of employment creation and a more equitable distribution.[1]

Past policies have often demonstrated a lack of confidence in the ability of the peasant farmer, perhaps simply as a rationalization for avoiding the political confrontation with present landowners which is inevitable in any land reform. Actually, peasant farmers have generally performed remarkably well despite serious handicaps and disadvantages. The idea that turning over land and its management to uneducated peasants is a sure road to disaster is contradicted by historical experience. Confidence in the ability of peasants to rise to the challenge has usually been well placed. The development of this latent human potential of peasants requires an appropriate institutional environment and public policies that do not continually discriminate against them. This, of course, is what land reform is all about.

IS THERE ANY RELIGIOUS FREEDOM IN ROMANIA?

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. McDONALD of Georgia. Mr. Speaker, in light of the recently passed most-favored-nation legislation for Romania, it is useful to examine the state of the nation with which we are dealing. According to Pastor Wurmbrand, who suffered himself at the hands of the Communist authorities in Romania, religious freedom is almost nil in Communist Romania. In that regard, I commend to the attention of my colleagues a copy of the letter I received from him, relative to this situation:

June 27, 1975.

Representative LARRY P. McDONALD,
House of Representatives
Washington, D.C.

DEAR SIR: I have received your letter.

I wish to clarify the religious situation in Romania today in connection with the trade agreement which should not be concluded.

Romania should give liberty for emigration not only to the Jews or the German minority, Romanians would also like to emigrate. A joke is said in Romania, my homeland, that Ceausescu told to this wife, "If we give passports to all who ask, only we two would remain in the country." To which his wife answered, "Sorry in that case, you would remain alone. I would leave too."

The persecution of religion is even worse than the hindrances to emigration. The following religious organizations are completely forbidden:

1. The Greek Catholic Church (1,200,000 members). All the known bishops died in prison. There are still two secretly ordained bishops. We have the proof that secretly priests say the liturgy in woods or in private places.

2. The Army of the Lord (Something like the Salvation Army in America. It has 300,000 members).

3. The Young Men's Christian Association and Young Women's Christian Association.

4. The British and Foreign Bible Society.

5. The Church of the Nazarene, the Witnesses of Jehovah and a few smaller groups.

All the Greek Catholic monasteries have been closed and new vows are forbidden for the Roman Catholic monasteries and convents.

No one in Romania can become a Catholic nun or monk today. The Catholic Church and the Evangelical Church cannot have a publishing house. All Christian philanthropic institutions are forbidden. All Christian schools have been closed, their buildings have been confiscated by the state and used for government purposes.

Christians are in prison for the crime of having spread the Bible or having been found at secret prayer meetings. The most conspicuous cases are those of Vasile Rascol in Bucharest and Shamu in Mediash. Big fines are imposed upon those found at secret prayer meetings.

In March of this year, the Law #1 has been issued by the Romanian government asking all citizens holding higher positions in industry, government, education, etc. to take the following oath: "We will use all our capacity in the service of fulfilling the Communist Party's internal policy." The internal policy of the Party is an avowed Marxist-Leninist one which includes a militant fight against religion. No Christian can take such an oath. There have been already many cases of Christians dismissed from their jobs for refusing to take this oath.

I wish Romania's best and would like that it should have prosperous trade with the United States, but not before it proves to be a democracy as it claims. Its need of trade can be used as leverage for obtaining at least religious liberty in that country.

Yours very sincerely,
Rev. RICHARD WURMBRAND,
(Signed in absence.)

RANDELL DICKS OF YOUNGSTOWN, OHIO PRAISES SECRET SERVICE

HON. CHARLES J. CARNEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. CARNEY. Mr. Speaker, I recently received a letter from a constituent, Mr. Randell Dicks, who praises the quick action of the Secret Service in preventing the assassination of President Ford last week. I am placing in the CONGRESSIONAL RECORD the letter I received from my constituent for the information and consideration of my colleagues.

I would also like to personally commend Secret Service Agent Larry M. Buendorf. Because of his very quick and decisive action, a would-be assassin was disarmed before any shots could be fired. I urge that my colleagues also praise Agent Buendorf for his fine efforts.

The text of the letter follows.

CANFIELD, OHIO,
September 5, 1975.

Hon. CHARLES CARNEY,
Washington, D.C.

DEAR MR. CARNEY: I think that the U.S. Secret Service and other agencies involved deserve commendation and thanks for their spendid service in Sacramento today, and hope that you will make a comment in the House.

Very truly yours,
RANDELL DICKS.

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[1] In some countries it may of course be impossible, given the population pressure on the land, to achieve this combination of goals within the sector of agricultural production. In such cases employment creation must be achieved through other means. In all cases employment creation needs to form part of overall national development strategies which may include distributive land reforms, special programs for small farmers, public labor-intensive infrastructural works in both rural and urban areas, the establishment of light industries in rural areas, etc. The fact is that in most countries many more people could be productively employed in agriculture and the related service structures if land reforms were implemented.

RUSSIAN AND RED CHINESE MERCHANT VESSELS ABOUND IN THE PORTS OF NORTHERN EUROPE

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mrs. SULLIVAN. Mr. Speaker, in the early part of the August recess, I spent some time examining certain aspects of the important ports of Northern Europe and the shipyards in and near these ports. I got a good look at the major ports of Hamburg, Bremen, Bremerhaven, Kiel, Amsterdam, and Rotterdam. In the week or so that I visited these various ports, I was chagrined to find between 15 and 20 new, modern vessels of the Soviet merchant fleet. This did not surprise me too much as one might expect to find Russian-flag vessels in those ports because of their proximity to the Soviet Union. However, it was most distressing to find that number of Soviet merchant vessels and no U.S.-flag vessels.

What was even more astonishing and disturbing was to find an equal number, somewhere between 15 and 20, Red Chinese merchant vessels in these ports. Again, as contrasted with the almost total absence of U.S.-flag vessels. In fact, the only U.S.-flag vessel in evidence after 5 or 6 days, was in the port of Rotterdam, when we came across Sea-Land's *Azalea City*. This vessel is 40 years old and is used in the feeder service between Rotterdam and London.

This was the only U.S.-flag vessel that we came across in this period of time, as contrasted to the numerous Soviet and Chinese vessels in these ports.

I submit, Mr. Speaker, that this disquieting situation is symptomatic of the merchant marine imbalance in the major ports of the world. I am convinced that this vexing situation indicates a threat to our national security which must cause us grave concern. To allow this imbalance against the U.S.-flag on the high seas to foster and develop is dangerous and it threatens to grow worse unless we can reverse this alarming trend. Just as backup information with respect to this heavy presence of Communist-flag vessels as against the absence of U.S.-flag vessels, I would like to point out that Soviet merchant tonnage, represented in 2,352 ships, totaled approximately 17.5 million deadweight tons as of 1975. This compares to 582 ships and 14.5 million deadweight tons in the privately owned U.S. merchant fleet.

The Soviet Union is now pursuing further expansion of its container fleet and the Far Eastern Steamship Co., one of 16 Soviet-owned shipping companies, increased its container capacity in the Pacific from none in 1970, to nearly 20,000 20-foot equivalents on six routes in 1974; the Polish Ocean Lines increased its container capacity from one in 1970, to more than 10,000 20-foot equivalents in 1974; and the Baltic Steamship Line, another Soviet-owned ocean carrier, increased its sailings by 200 percent and its trailer capacity by 300 percent, to 12,000 20-foot equivalents, from 1973 to 1974. The Russians also have on order some 16,900 containers from foreign manufacturers. In addition, the Soviets are building several modern large carriers in Polish and Finnish yards. These vessels are similar to our *Lash* and *Seabee* vessels, which are innovative American technological marine transportation triumphs.

It must also be remembered that the container revolution in ocean transportation was invented by the Americans in the United States and we were preeminent in this field for approximately 10 years. Now, apparently, even this innovative technological ocean transportation advantage is slipping away to the Red bloc merchant fleets. This is an alarming situation and I comment on it because it is especially disturbing to visit the great ports of Northern Europe and see the Soviet and Red Chinese merchant fleet hardware in solid evidence while the U.S. flag is nowhere to be seen on the dozens of ships lined up along the teeming docks of these ports.

The U.S. maritime industry has been under considerable criticism and attack lately on a broad range of matters. Its critics continually carp about its being subsidized and other preferential treatment received from the Federal Government.

We have tried for 3 years now to enact a modest cargo preference quota on petroleum products so that from 20–30 percent would be carried in U.S.-flag bottoms. Despite our continued efforts, we have been blocked while the oil producing nations are rapidly building their own tanker fleets with the stated intention of carrying a large percentage of petroleum products in their flag tankers. Unless we soon wake up, there will be no energy product carriage in U.S.-flag vessels and no U.S.-flag capacity. We will then be totally dependent on foreign sources for the carriage of our energy products. Do we want that?

Even here in Congress, there seems to be a dangerous trend away from recognizing the importance of the U.S. flag on the high seas. When the maritime authorization bill for fiscal year 1976 came to the House floor for a vote early this year, there were 59 votes in opposition—many, many more negative votes than have ever been recorded in years past.

We cannot compete on the high seas with foreign-flag vessels which cost less to construct and less to operate because of the difference in standards of living between our Nation and other nations, without some subsidy aid and cargo preference—and one cannot see these new, modern Soviet- and Chinese-flag merchant vessels lined up and not realize that they are there because of a direct government program. Indeed, these Red bloc fleets are State owned and operated and are not subject to our cost strictures and profit goals. These State-owned Communist fleets can and are being used as an instrument of government policy independently from normal commercial considerations.

The critical newspaper editorials constantly refer to the powerful maritime industry and its huge profits. In fact, most U.S.-flag steamship companies are only realizing an annual profit margin of from 2–4 percent. As for the U.S. shipyards, it is projected that for the next several years they will be fortunate if they realize an after tax net profit margin of 2 percent. This is certainly not much profit and is lower than most other industries. As to the maritime labor unions, who in the country would deny the U.S. employee his fair wage and present standard of living? Few, I venture to say.

We had better wake up and decide that we do in fact want the U.S. flag to continue to fly over merchant vessels on the high seas of the world and we had also better be prepared to do what is necessary to insure the continued presence of U.S.-flag merchant vessels on the trade routes and in the major port areas of the world before they vanish altogether. This is our maritime heritage and tradition and we are making a disastrous and tragic blunder if we allow our position on the sea lanes and port areas of the world to be further weakened and eroded while the Red bloc naval and merchant fleets grow in numbers, might and pride.

FORD AND BUTZ PLAYING POLITICS WITH FOOD

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. RICHMOND. Mr. Speaker, President Ford and Agriculture Secretary Butz are deceiving both farmers and consumers by avoiding the real issues behind the recent Russian grain deals and striving, with the cooperation of giant agribusiness, to keep these two allies apart.

As the following article from the Village Voice of September 8, 1975, points out, Secretary Butz was one of the originators of the "agribusiness takeover" policy for our farmers and consumers. With this policy, President Ford is banking that a few crumbs will lull our farmers into contentment, while the giant grain conglomerates with the inside information get the real profits. But, as the article shows, both farmers and consumers lose from this policy. Only by becoming aware of how Secretary Butz uses agribusiness interests as a wedge between farmers and consumers can we forge an effective alliance that can stop the corporate onslaught against family farmers and consumers.

I urge my colleagues to read this article in that light.

SURPLUS VALUE: FORD'S RAKE-OFF FROM MOTHER NATURE

(By Alexander Cockburn and James Ridgeway)

Just past noon last week, a well-known commodities trader, whom we'll refer to as Q, made his way through the financial district, ending up in the foyer of a good restaurant at the western end of Wall Street. Hardly was he seated with a martini before him and launching into animated conversation with a reporter than a bleeping noise trickled up from his right-hand pocket. Excusing himself, Q threaded his way through the crowded restaurant to a phone booth where he dialed his secretary.

"What's going on?"

"I thought you should know there are reports on the Soviet radio of an early frost in the Ukraine."

Q hunched closer over the telephone, darting a nervous look over his shoulder, and snapped a series of brisk commands to the secretary. An hour later, lunch terminated, Q returned to his private office. He hurried to the side of the room and studied the tapes spewing from a bank of teletypes. Agence France Presse was reporting a sudden entrance of Turkey into the wheat market. From AP-Dow Jones had come the news that Iran was once again buying soybean oil. On his desk Q flicked the instant replay switch and heard for himself a tape of the exciting news from the Soviet Union that frost was indeed nipping at the Ukrainian soil.

Q made a series of rapid decisions and called his broker. "Buy 100 contracts of December wheat." This is how Q, very definitely a real person, hopes to make money for himself and his clients, and it is partly his frantic business life that Earl Butz is talking about when he extols the "free market" system in agriculture.

Next week Q will be more than usually alert to the chirp of his bleeper and the tidings of his teletype machines. For on September 11 come the monthly crop estimates from the U.S. Department of Agriculture.

At about 4 a.m. on the dawn of that day, 20 or so top officials of the department will gather with attendant hordes of statisticians and secretaries in a semibasement room. As always (since one crooked official signaled advance information to accomplices outside by fiddling with the shades), the windows will be covered by steel blinds and a guard posted outside the door. The officials will pore over the crop data (sent to a special post box which can only be opened by two men manipulating their special keys simultaneously) that have come in from the USDA's outposts in the Midwest.

All morning they will struggle with the figures. At about 2:53 p.m. they will emerge at last to confront a milling horde of reporters, who stand nervously toeing a white line drawn across the floor of a small stuffy room. Six feet the other side of the line is an array of telephones, receivers off the hook, and at the other end editors from the major wire services waiting anxiously. A USDA official saunters over to the telephones and beside each one places a news release face down.

The clock strikes and bedlam will erupt as the reporters leap over the line, flip the news releases, and start screaming the September crop estimates down the phone. Within seconds bells are ringing on ticker tapes from Wall Street to small grain elevators in the Midwest. At some of these elevators farmers will be actually selling their grain as the Commodity News Service flashes the estimates. Prices are revised at once.

Next week these reporters will be shouting down the telephone the latest estimates on how good or bad the year's corn crop is likely to be. On this news will hinge not only the financial success of the farmers' year but profits and losses to the big grain companies (who are also, of course, the big grain speculators) and ultimately the retail prices of flour, bread, and other foodstuffs.

This year, because of the large Soviet purchases in July, the crop estimates will have particular potency, becoming one more factor in the growing political quarrel over whether the U.S. should be selling grain to the Soviet Union, and in what quantities.

As these two actual scenes—Q's lunch and the bedlam at the USDA—graphically portray, much of the food business is a gigantic crap game, with the players using everything, including CIA satellite reports, to get ahead. But at the heart of the crap game right now is a phenomenon of simple importance; the relationship of agricultural policy to President Ford's overall game plan.

This plan is relatively straightforward. In the case of oil, as we wrote three weeks ago, Ford's strategy, eased by a scare over shortage of natural gas, has been to back the oil companies and help them raise prices. Precisely the same course is being followed with food. No amount of huffing and puffing about the Soviet deal can conceal this fact.

In our discussions with administration officials last week it was clear that no one cared whether wheat was sold to the Soviet Union or not. What mattered was that both consumers and business received and understood a clear signal that food prices were going to move up. Where quarrels subsequently broke out was over the extent of these rises. The Agriculture Department minimized the increases. "We have made a study," Don Paarlberg, Butz's chief economist, told us, "and it indicates the effect of the Soviet purchases when worked all the way through the food system—taking about 16 months—will be to increase the price of food 1.5 per cent over what it would otherwise be."

Carol Foreman of the Consumer Federation of America preferred to stress to us that, simply on the strength of the news of the intended sale to the Soviet Union, the three largest flour millers are raising the price of flour 10 cents a pound. She sees the Soviet sale more as a starting pistol for big corporations to break ranks and ram through price increases which will send overall food prices up by 10 to 12 per cent by Christmas.

Ford finds himself caught up in an intricate gamble. He needs the votes of the Midwest states to win in 1976, and he can do this in two ways: if some fluke of good fortune the high prices actually trickle down into the farmers' pocket instead of being snitched entirely by the big grain companies, then presumably these farmers will reward the President with a resounding vote of confidence. But if, as in the past, the farmers' lot gets worse instead of better, Ford and Butz will copy the tricks of that old Zen master Nixon in the early 1970s. Then, as now, the farmers' attention was diverted from the real issues at hand (i.e., their small recompense in comparison with the grain traders' bonanza) to the red herring of that dobbering labor broker, George Meany. By foolishly going to the White House last week Meany shambled into an ambush, for all Ford has to do if the farmers lose out is to blame the debacle on labor.

Lurking behind all this is the manic figure of the professor from Purdue (and indeed from Ralston-Purina), Earl Butz. Butz has much in common with that other veteran of the old gang, the great pie-wagger himself, Arthur Burns. The major mission of both of these professors was to reelect Nixon in 1972. Burns did his bit by abandoning lifetime principles of thrifty caution and spraying new money into the economy. Butz, who for years had preached against the farmers as outmoded and inefficient appendages to modern agriculture, suddenly embraced them, and claimed he was their doughtiest spokesperson.

Butz, believe it or not, was actually born on a farm in Indiana. He even worked the farm, but after one year thankfully escaped to the more fertile pastures of Purdue University where he swiftly rose through the ranks to become agriculture dean. Like many academics he was in and out of government, did the required stint at the Brookings Institution, and drew down $29,800 a year in consulting fees from the cream of the agribusiness: Ralston-Purina, International Minerals and Chemicals Corporation, Stokely Van Camp, and J. I. Case.

In 1957 Butz quit as assistant secretary of agriculture under Ezra Taft Benson to join John Davis who had also served under Benson, and who had gone off to Harvard Business School to figure out a scheme for saving agriculture. Together, Davis and Butz hammered out the plan for what they called "agribusiness." "The old idea of trying to solve the farm problem on the farm," Davis wrote, "is outmoded." The modern farm could not be considered a self-sufficient unit. On the contrary, "modern agriculture is inseparable from the business firms which manufacture production supplies and which market farm products." So far as Davis and Butz could see, the only way to lick the nagging problems of overproduction and at the same time keep farming in the private sector was to transfer control of agriculture from government and the small farm to the vertical corporations.

By the early 1970s the Davis-Butz blueprint had become the farm policy of the Nixon administration. Butz has since done everything he can to push agriculture toward his model. He has ruthlessly put down small farms, impounding funds scheduled for rural electrical programs and farmers home administration loans. He supported food price increases because "they're still a relatively minor percentage of take-home pay" and he blamed low worker productivity for high food processing costs. He told food workers to fight high food prices by not asking for wage increases, and he suggested to boycotting housewives that they blame congressional spending, not food producers, for high prices.

Like Burns, Butz has become a master of the art of talking out of both sides of his mouth. When he was desperately seeking confirmation in the Senate as agriculture secretary, he needed to convince Senator Javits and others that he would "exert every possible effort" to support the food-stamp program, although he had previously said this program was "just short of ridiculous." A few months after his confirmation Butz reversed himself again and called food stamps "welfare" and "unfair to farmers."

So the Soviet wheat sale really slots in with Butz's long-term strategy to concentrate agriculture in the hands of a few large corporate interests which he hopes can more effectively administer the nation's food policy than can the government. The wheat sale advances this cause by placing power—both political and financial—in the hands of a few large grain companies, giving them in effect the authority to set agriculture policy.

So this is the great play. Now Butz has two jobs. The first is to help get Ford reelected and the second is to implement his Plan. He is well on the way to achieving both. He has diverted farmers' attention from the real problems by his bogus battle with Meany. Secondly, by reducing subsidies and forcing out small and marginal farmers, and by using the power of government to encourage the processing and other food servicing companies, he works constantly toward implementing the Butz strategy for agribusiness.

The plans are all set, but life is not so simple. Ford and Butz confidently expect the crop estimates of September 11 to contain no surprises. In all likelihood they won't. But they can't fix everything.

Take this scenario. On September 6, after the data for the estimates has been compiled, there's a freak early frost in the Midwest. Nonetheless the optimistic crop forecasts encourage further sales to the Soviet Union.

Halfway across the world, fighting breaks out in Bangladesh. India intervenes, spreading wide destruction of food reserves in West Bengal and Bangladesh. As a consequence there is an unexpected pressure on U.S. grain supplies. Prices shoot upward, rippling their effects for many months right through the food industry—to Ford's enormous political disadvantage. Ford may have got a policy and indeed it may work—but as any farmer could tell him, you can't always rely on the weather.

MR. THEODORE F. MACHAC RECEIVES AWARD SECOND TIME

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. DE LA GARZA. Mr. Speaker, a volunteer weather observer in my south Texas district, Mr. Theodore F. Machac, has been honored for the second time by the National Weather Service.

Mr. Machac, who has been taking weather observations in his area for 34 years, recently received the John Campanius Holm Award, created in 1959 by the National Weather Service. This award is presented annually to honor volunteer weather observers for outstanding accomplishments in the field of meteorological observations.

His previous honor, a Special Service Award, was earned in 1967 for his efforts in maintaining detailed weather records and log during the passage of the disastrous hurricane Beulah.

Details of his latest award are contained in a news release from the National Oceanic and Atmospheric Administration, which is included as an addition to my remarks:

VOLUNTEER WEATHER OBSERVER

WASHINGTON.—Theodore F. Machac, volunteer weather observer for the National Weather Service at McCook, Texas, since 1941, has been selected to receive the John Campanius Holm Award. Names of the 29 winners selected nationwide were announced today by the U.S. Department of Commerce's National Oceanic and Atmospheric Administration (NOAA), parent agency of the National Weather Service.

John Campanius Holm Awards were created in 1959 by the National Weather Service and are presented annually to honor volunteer observers for outstanding accomplishments in the field of meteorological observations. The award is named for a Lutheran minister who is the first person known to have taken systematic weather observations in the American colonies. In 1644 and 1645, the Reverend Holm made records of the climate, without the use of instruments, near the present site of Wilmington, Delaware.

Mr. Machac began taking weather observations at McCook, Texas, in August 1941. He was cited for his tireless cooperative efforts in making excellent observations of temperature, precipitation, evaporation, and dew. He also takes pride in keeping his weather instruments and site in immaculate order.

Mr. Machac earned a National Weather Service Special Service Award in 1967 for his efforts in maintaining detailed weather records and log during the passage of the severe hurricane Beulah.

The National Weather Service has nearly 13,000 volunteer observers throughout the United States who make and record daily weather observations. The information they gather is processed and published by the Environmental Data Service, another major component of NOAA, and forms a valuable part of the Nation's weather history.

MR. IRVING I. STONE TO RECEIVE THE GOLD MEDALLION

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. VANIK. Mr. Speaker, on September 17, the B'nai B'rith Foundation of the United States will present its most distinguished award, the Gold Medallion, to Mr. Irving I. Stone in recognition of the extraordinary contributions which he has made to so many humanitarian endeavors. Mr. Irving Stone is a human being of extraordinary energy, talent, and commitment to a long list of endeavors affecting the lives of hundreds of thousands of people in our Cleveland community, the Nation, and the world.

Irving Stone has been vitally involved in the Cleveland Museum of Art and the United Torch of Greater Cleveland providing advice and labor over a period of many, many years. He has been equally involved in the sustenance and guidance of the Cleveland Hebrew Academy, the American Joint Distribution Committee, the Cleveland Jewish Community Federation, Telshe Yeshiva, and many other critical educational and cultural components of our community and the Nation.

Irving Stone's activities on behalf of the state of Israel are legion. He is the founder and principal source of strength and light for the Israeli town of Kiryat Telshe-Stone.

Irving Stone's legacies and monuments are thousands of our young people who can be assured of continuing close contact with Jewish culture and education and deep religious commitment. Even beyond this incredible commitment of time and effort, Irving Stone directs the affairs of the American Greetings Company which was founded by his indefatigable father Mr. Sapirstein. This once small family company has grown to be the largest publicly owned greeting card company in the word and a principal employer of thousands of people in many States.

In all aspects of Mr. Stone's life, he exemplifies the best of America, its culture, education, and religion. Our whole community applauds Mr. Stone upon the award of this Gold Medallion and wish him every best wish for continued strength in his future endeavors.

I also extend my best wishes to Irving Stone's community-spirited family and his sister Bernice Davis, and his brothers Harry and Morris. Together the Stone family is a vital force for progress in education, culture and religion. Our community is blessed to have them among us.

HAVEN FOR RIPOFFS

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. BAUMAN. Mr. Speaker, when Treasury Secretary William Simon referred to the Federal food stamp program as a "haven for chiselers and ripoff artists," he was met with reams of editorial denunciations for the frankness of his language. However not all the media rushed to voice their shock. Some newspapers expressed approval, and noted that Secretary Simon had struck a responsive chord with millions of taxpayers.

The Daily Times in Salisbury, Md., was one of the newspapers which was not shocked at Secretary Simon's honesty. In a recent editorial they quoted the Secretary and went on to discuss other welfare programs which threaten to get out of control. The Times closed by reminding us of something which this Congress loves to forget:

> One point lost sight of in such things is the fact that the federal government runs at a deficit anyhow and the money printing presses turn out dollars worth less and less.

I enclose the entire editorial for the enlightenment of my colleagues:

[From the Salisbury (Md.) Daily Times, Aug. 14, 1975]

HAVEN FOR RIPOFFS

"Haven for chislers and ripoff artists" is the phrase the Secretary of the Treasury, William E. Simon, used in referring to the federal food stamp program.

He went on in a speech to note that the use of food stamps which supplements the food buying power of some 19 million people is a good example of how well-intended programs can go sour.

The food stamp program began as a $14 million experiment in 1962. Now, 13 years later, it is out of hand and threatening to become more so unless Congress tightens the strings. This year, food stamps will cost the taxpayers of this country $6.6 billion.

President Ford has asked congress to tighten it up but to no avail. Next year is an election year. All members of the House and a third of the Senate come up for reelection. Most of those members who plan to run again don't want to risk the wrath of voters who may be cut off from cheaper food.

But, the day must come when the voters who have to foot the mounting bill can enlist enough support at the polls to elect people who will end this abuse. It's the only way it's going to happen.

And, while voters (and taxpayers) are pondering these problems, there are all kinds of schemes in the incubators at Washington. Take the proposal of Rep. Charles Rangel (D-NY) whose program would also provide "clothing stamps." Estimates are that the cost will match the $6.6 billion tab for food stamps.

One point lost sight of in such things is the fact: that the federal government runs at a deficit anyhow and the money printing presses turn out dollars worth less and less.

LYNETTE FROMME ON FRONT COVERS OF MAGAZINES

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. SYMMS. Mr. Speaker, I would like to take a moment today to express my disappointment and disgust with the editors of Newswcek and Time magazines.

In my opinion, their glorification of attempted assassin Lynette Fromme by placing her picture on the front covers of their respective publications was the height of editorial indiscretion. What effect can this kind of sensationalism possibly have other than to provide an increased incentive for every kook and fanatic in this country to take potshots at our leaders for publicity's sake. I ask you, is this responsible journalism?

If these editors were here now, I would like to ask them a simple question. I would like to know exactly what, in their minds, makes an attempted murderer and longtime practitioner of the occult worthy of front cover play in two of the Nation's largest weekly magazines? Are those the kinds of credentials American citizens must display to achieve national notoriety these days? It seems that one must be either a criminal, a freak, a politican or a blend of all three, in order to have his picture show up on the covers of our news magazines. Successful, productive, law-abiding citizens who work in the private sector apparently do not make good copy in the present scheme of things. Newsmen are not interested in what private enterprise is doing for the people and for the country. They are only concerned with what the criminals and the politicians are doing to the people and to the country. And really, the only difference between criminals and most politicians is that one group robs Americans by breaking laws; the other group plunders the citizenry by passing laws.

Mr. Speaker, I am not attempting to tell Time, Newsweek or any other magazine what they should or should not publish. That is for them alone to decide. I am suggesting, however, that such publications unwittingly contribute to the very problems they profess to abhor by splashing the mugs of people like Lynette Fromme across every newsstand in this country. I am suggesting that journals such as these have a higher level of responsibility to the people of the Nation than they seem to perceive when exercising their editorial judgment. It is a responsibility which transcends the desire to sell magazines with sensationalist appeals.

When satan worship and assassination attempts are rewarded with front cover publicity, something is clearly amiss. In my opinion, the entire Nation suffers when this kind of criminal glorification runs rampant. The overwhelming majority of Americans undoubtedly concur. Hopefully, Time and Newsweek will soon recognize that fact, and will begin to take seriously the need to discourage, not encourage crime in America—political assassinations notwithstanding.

WHEN SUMMER IS A SCHOOL

HON. JOHN L. BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. JOHN L. BURTON. Mr. Speaker, school systems across the country appear to be facing many difficulties, ranging from meeting payrolls to busing children.

It is refreshing, then, to read of one approach to education that is working.

That approach is year-round schooling.

The following article was written by the nationally syndicated columnist, Sylvia Porter, and appeared in the San Francisco Chronicle of July 29, 1975.

The column illustrates that year-round schools can save money, increase the use of school facilities, and enable more children to participate in the education process.

Mr. Speaker, I think that it is important for all Members to read about this workable program.

The text of the article follows:

WHEN SUMMER IS A SCHOOL

(By Sylvia Porter)

Just about now, when millions of idle, restless youngsters are either deep into summer trouble or out looking for it, record numbers of others are pursuing regular classroom schedules.

In Virginia's Prince William county, for instance, 20 per cent of the student population now attend classes all year—except for four three-week vacations spread throughout the 12 months. They are just a fraction of the two million youngsters in 28 states who now either attend year-round schools or who have the chance to do so.

The year-round schedule was begun in Prince William county (as elsewhere) to avoid overcrowding and to cut building costs. This county grew so fast during the early 1970s that many schools were forced to go on double shifts. Now four years after year-round schools were instituted, planners say a school built for 9000 students can accommodate 12,000 on a year-round basis. A 1972 study also shows that the plan reduced the then-average cost of educating each student by $109 a year.

What began as an economic move has, though, developed into a satisfying change in traditional education patterns. According to students and educators:

Shorter terms and more frequent vacations slash vandalism, decrease boredom and absenteeism, provide an opportunity for more elective courses which wouldn't fill a whole semester.

Students return to their classes refreshed and with a new commitment to learning.

Education is now viewed as a continuing process, not a chore to be squeezed between lengthy summer holidays.

The most popular type of schedule is called the "45-15" program. Students are divided into four groups, usually on the basis of neighborhoods so children in the same area follow the same routine. Each group attends classes for 45 days, not counting weekends and holidays, then gets 15 days off. When one group begins its break, another returns to school, so only 75 per cent of the students are in school at any specified time.

Just in the past two years, the number of public school districts providing the option of 45-15 or similar plans has quadrupled. In California, about 78,000 youngsters attend all-year classes.

Opposition to the innovation generally focuses on the absence of extended summer vacations. Some parents want guaranteed warm weather holidays, so they can plan long family trips to coincide with the schedules of friends and other relatives. Other parents object to the program because they feel 45-day periods are too short in which to complete course work and they don't want their children rushed through their studies to meet an upcoming 15-day break.

Some businesses, too, are apprehensive about the impact of year-round schooling on customer buying and travel habits. Retail clothiers wonder if "back to school" sales will become obsolete if and as the program spreads. Stationers fear that fall sales of notebooks, bookcovers, pencils and the like will diminish. Travel related industries and resort operators fear a lessening of their "peak" seasons.

But for each objection supporters have an answer. They argue vacations are more enjoyable when resorts aren't so crowded; shorter and frequent school breaks make it possible for working parents to be more flexible in their vacation planning, because they don't have to take their vacation in summer just because the children are at home.

Many year-round schools provide individualized tutoring sessions during the short holidays so poor students can repeat a course at once without falling a whole year behind. Some offer additional electives for gifted students.

As for businesses, merchants and recreation workers who have had experience with year-round schools welcome the elimination of the stop-and-go cycle in public demand, are glad not to be swamped with vacationers during hot weather months, left close to idle the rest of the year. Some police and recreation authorities say it's easier to deal with only one-quarter of a community's children at one time.

The long summer breaks may be moving toward oblivion. "We live in a suburban society," as one school planner puts it. "Children no longer have farms to run and crops to reap."

THE 10TH ANNIVERSARY OF THE FOSTER GRANDPARENT PROGRAM

HON NORMAN E. D'AMOURS

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. D'AMOURS. Mr. Speaker, this year marks the 10th anniversary of the Foster Grandparent program, a program which we can site proudly as an example of what's right with America.

In the State of New Hampshire, 54 foster grandparents aged 60 through age 87 participate in the program at the Laconia State School in Laconia. There, children with special needs receive the benefit of a person-to-person relationship with a "Foster Grandparent."

We hear much these days about the fact that our natural resources, like oil and natural gas, are dwindling, and that we must learn to utilize all of our natural resources to the fullest. What greater untapped resource is there in America today than our older citizens? What could be more wasteful than to ignore the three score or more years of life, wisdom, and human understanding that these older Americans represent?

America's toughest problems are human problems: mental illness, juvenile delinquency, racial hatred, drug addiction and poverty. We cannot just pour money on these problems and expect them to go away. Nor will these problems be solved with more police or more institutions.

What we need to solve these problems is human understanding, and wisdom, and compassion of the type we see in our senior citizens.

ACTION, in its Foster Grandparents program, has made a find on a par with the Alaskan oil discovery. They have hit a gusher of human potential in our old people, and beyond lie even greater discoveries.

In my home State of New Hampshire I have talked with many older citizens who are brimming with energy, full of a lifetime of experience and knowledge, and anxious to share their many gifts with others less fortunate. Some good examples of the kinds of older citizens I'm talking about are the participants in the Foster Grandparent program in Laconia, who are represented at this week's 10th anniversary celebration by Mrs. Ruth Fox, of Belmont, N.H.

Mrs. Fox, to you and the other seniors who have participated in the program since its inception in 1965, and to all 54 Foster Grandparents at the Laconia School, I offer my praise for a job well done, and my thanks for your continued contributions to America.

THE SENATE ADOPTS CRIPPLING CHANGE IN WATER POLLUTION FUNDS FORMULA

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. ROSENTHAL. Mr. Speaker, on July 29, the Senate adopted the House's public works bill—H.R. 5247—with an ill-conceived and ruinous amendment changing the formula used to allocate water pollution control grants to the States. Affected is approximately $9 billion in previously impounded construction funds, as well as future grants. The Senate amendment will wreak havoc upon State plans which have uniformly been based upon the formula in existence at the time the $9 billion was impounded—a formula based on need as determined by the Environmental Protection Agency. The Senate language would effect a reallocation of funds according to a formula based 50 percent on a State's population and 50 percent on the 1974 needs survey.

This change in formula will result in a decrease of funds for approximately 17 States, mostly highly industrialized States where the needs are greatest. The retroactive change in the formula was opposed by Russell Train, the EPA Administrator, as well as by the Senate Public Works Committee. However, the amendment prevailed on the Senate floor because 33 States gained under the new formula and only 17 States lost.

Changing the formula for releasing the funds at this late date could cripple the entire pollution control program. The change would work a tremendous hardship on many States which have gone ahead and submitted plans for sewage treatment and other facilities and which would now receive less money. Conversely, States which suddenly benefit under the new formula are ill-prepared effectively to use the extra money at this time since the time limit for allocation of obligatory funds is September 1977 and many States will experience difficulty in developing meaningful projects by such date.

It is, therefore, vital that the final public works bill contain the original House language and I urge my fellow Members not to support the Senate bill or any conference report which attempts any 12th-hour change in the allocation formula.

A TRIBUTE TO AUSBORN McCULLOUGH

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. STARK. Mr. Speaker, it is my honor today to recognize a dedicated employee of Alameda/Contra Costa Transit in California on the occasion of his retirement after 28 years of service.

Ausborn, "Little Mack" McCullough was the first black operator hired by the predecessors of A/C Transit and continued on to retirement. Originally, employed by the Key System in the maintenance department, he was given the opportunity to operate a coach on December 15, 1951.

Those familiar with urban public transportation know that impersonality in service is prevalent. "Little Mack," however, never allowed the harried nature of his work to prevent him from serving his passengers in a friendly and warm manner—a manner that has been much appreciated. Over the years, he has received 16 awards and countless commendations for his distinguished service. And on September 13 "Little Mack" will again be honored by his friends and colleagues at a dinner and a dance. It is with great pleasure that I pay tribute to this man who has taken such pride in his work and a sincere interest in those he served.

REMEMBERING BLACK ACHIEVEMENTS

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. STOKES. Mr. Speaker, I would like to bring to the attention of my colleagues the following Washington Post editorial by Robert C. Maynard.

I have been disturbed for a long while over the lack of recognition of the many black Americans who have contributed so much to our sophisticated technology. I was pleased to see that Mr. Maynard shares my view that the contributions of blacks throughout American history have been grossly ignored. His article serves to illustrate just a few of the many important black scientific achievements:

REMEMBERING BLACK ACHIEVEMENTS

(By Robert C. Maynard)

Not long ago, Caspar W. Weinberger delivered his valedictory address as Secretary of Health, Education and Welfare before the Commonwealth Club of San Francisco. In remarks later repeated in Newsweek's "My Turn" column, he lambasted the current equal employment opportunity effort as "egalitarian tyranny." Equal opportunity, he said, "means the right to compete equally for the rewards of excellence, not share in its fruits regardless of personal effort."

He then gave some examples of those who exemplified his idea of competitors for the rewards of excellence:

"Our country was built by people of energy, daring and ingenuity—the Edisons, the Wright brothers, the Helen Kellers, the Fultons, the Carnegies, the great musicians and artists and countless others brimming with dreams and filled with the courage to reach out and realize those dreams whatever the odds."

Given the context, you might expect that in the next breath Weinberger was going to cite those black Americans whose "energy, daring and ingenuity" made this a better place to live. Would a cabinet officer whose mandate included health overlook Dr. Charles Drew in such a speech? Drew's discovery of a method of separating blood plasma saved millions of lives in World War II and afterward. How about Dr. William Hinton? He discovered a simple test for syphilis that saved millions from the dread consequences of that disease. Not only was neither of them on the list, but Weinberger would have left any American unfamiliar with the inventions of black Americans under the impression that blacks have given nothing to American industrial life worthy of note—and this in a speech that was highly critical of the effort to lift the yoke of racial discrimination from American life.

Weinberger could have lengthened his list, and in the lengthening, he might also have helped place the problem of racial discrimination in a larger context, one that would have brought more light than heat to an already overheated topic.

Light, in fact, would have been a wonderful place to have begun. I have in mind Lewis Latimer, an inventor who was the son of a runaway slave. The invention for which we—and especially Thomas Edison—are indebted to him was the first electric light bulb with a carbon filament. It made possible large-scale public lighting and brought electric light to the streets and railroad stations of the 1880s. Latimer went on to supervise the installation of the earliest electric lamps in the streets and railroads stations of New York, London, Philadelphia and Montreal. He was an associate of Alexander Graham Bell, at whose request he made the first detailed drawing of the workings of the telephone. And he was at one time the chief draftsman of Westinghouse and of General Electric. At the time of his death, he was the only black member of the Edison Pioneers, the scientists and inventors who worked most closely with Edison.

In 1872, Elijah McCoy patented the first device that made it possible for steam driven machinery to be lubricated without being stopped. White resentment at the time was high, and this black man's invention was often referred to as "McCoy's nigger oil cup." Nonetheless, McCoy persevered, and soon his invention was being imitated. Those in the know wanted only those devices the black man made, and so they would inquire of sellers of industry machinery whether they had "the real McCoy." That's where the phrase originated.

Perhaps no black inventor suffered more for the color of his skin than Garrett Morgan. He introduced in 1922, the first automatic traffic signal in the United States. But the invention that mattered even more, was a smoke inhalator that first made mine rescues possible and became the basis of the gas mask that the doughboys took across the sea in World War I. Yet, Morgan had to arrange for his inventions to be shown by a white man because he lost orders whenever his race was discovered.

The point is about learning and leadership, two things it is reasonable to expect of even a departing Secretary of Health, Education, and Welfare. If the myth is permitted to prevail that blacks are absent from the rolls of major, material contributors to the development of American society, then it is possible to miss the larger lesson on history: When permitted—and against the great odds imposed by racism—black people have made contributions to nearly every phase of American life.

If those with the power and position to influence what the rest of us think about such subjects as the relationship of discrimination to poverty took care to give due recognition to the black counterparts of Edison and Fulton in their proper role, that lesson might be better understood.

AN ARGUMENT AGAINST ENERGY INDEPENDENCE

HON. STEPHEN L. NEAL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. NEAL. Mr. Speaker, as we struggle to resolve the basic differences between the legislative and executive branches concerning the Nation's energy policies, it is well that we examine all the evidence at our disposal.

Until quite recently, no one had challenged the basic soundness of energy independence. In the Bicentennial era, the very word "independence" has a stirring ring to it. I think, however, that we must be careful that our zeal for a slogan does not enslave us to an ill-conceived course of action. Therefore, I think we ought to take a closer look at the ramifications of Project Independence before we move without question toward that goal.

For that reason, I wish to insert in the RECORD a provoking article by Charles Peters and Glen Allerhand. The article appeared in the September 1975 edition of the Washington Monthly:

THE CASE AGAINST ENERGY INDEPENDENCE

(By Charles Peters and Glen Allerhand)

There seems to be nearly unanimous support for the goal of energy independence. Some favor attaining it by reducing consumption through conservation, rationing, or taxation. Others seek independence by increasing production through the incentive of higher prices. But almost everyone, be he liberal or conservative, agrees that the United States should not be dependent on foreign energy.

We disagree.

Publishing a monthly magazine means disciplining yourself not to write about things you think will become commonplace of discussion in the daily newspapers and weekly magazines before your next issue appears. Thus each month for the last six months or so, we have chosen not to make the case against energy independence because we thought it was obvious enough that it would soon appear in many other publications. We were wrong. Almost nothing has been said, so we've decided to speak up. Here is a brief outline of our case.

Continued pursuit of the policy of energy independence will lead to continued inflation, recession, and environmental damage.

Consider the following results of such a policy:

Much more use of coal. with a technology still inadequate to protect the quality of the air we breathe.

Much more strip-mining, with its destruction of agricultural and timber lands and its pollution of streams.

Much more off-shore oil drilling, with its threat to the life of the ocean and to coastal ecology.

Much more nuclear power, with its dangers of terrorist hijacking and accidental holocaust.

Much more expense—$50 billion to $100 billion more per year to produce independence by the presidential target year of 1985.

The goal of energy independence is also responsible for President Ford's desire to decontrol the price of domestic oil. Decontrol will cost the average consumer a minimum of $200 a year, according to one of the Administration's own experts, Eric Zausner, deputy to Frank Zarb at the Federal Energy Administration. Ralph Nader thinks it will be more like $900. Ford's sole justification for decontrol is that it will encourage development of domestic sources of energy and lead to energy independence.

Late this month the Arabs will raise their price, probably around $2 a barrel. After all, says Farouk M. Akhdar, a leading Saudi official, "If the price of oil is too high, why do you increase the price in your own country?" So the forthcoming OPEC increase is defended by pointing to our own proposed decontrol, which in turn is justified by Project Independence.

And this OPEC increase, according to another of the Administration's own, Gerald Parsky, an assistant secretary of the Treasury, "could pull down economic growth by as much as two to three per cent and around 600,000 workers could be forced out of their jobs."

The average price of oil—domestic and imported—is now between $9.50 and $10 a barrel. With decontrol and an increase in the price of imports, this could easily rise to about $15 by the end of the year, according to Edwin L. Dale, Jr. of *The New York Times*. It seems more likely, however, that Ford, and his allies in the oil companies, will try to postpone the worst price increases until after the general election in 1976, just as Nixon did his best to control inflation in 1972.

But even if decontrol is stretched out over two years, the new Congressional Budget Office estimates that it could cost us an average of $21 billion annually in gross national product. The Budget Office also predicts that Ford's energy policy would cause a rise of $33 billion annually in domestic oil prices.

This, of course, is just in the price of oil. It in turn causes a host of other prices to rise—everything from synthetic textiles to air fares.

The Air Transport Association, for example, estimates that the higher operating costs would put one out of every five commercial planes in mothballs and compel the airlines to lay off one out of every seven employees.

DOES IT MAKE SENSE?

Since the only justification for the Ford decontrol policy that would produce these unsettling results is energy independence*—that the rising prices would stimulate greater domestic exploration and production—it's interesting to note that as domestic oil prices have tripled in the last three years, domestic production has continued to decline. It's also a little hard to see how the decontrol of old oil—which is all that is controlled—will encourage the discovery of new oil, which is already decontrolled.

Assuming, however, that the oil companies would dutifully plow their profits into exploration and that higher prices would in fact stimulate more domestic production, the question remains: Do we want to pay the higher price and does it make any sense?

The average barrel of Arabian oil costs 15 cents to produce; a barrel of American oil, anything from $2.50 to $10. The difference is dramatic and illustrates how, from the standpoint of an efficient world economy, both America's independence policy and the Arab's pricing policy border on insanity. The world's most efficient food producer prepares to tear up its farm lands to get coal, while the world's most efficient energy producer charges prices that have absolutely no relationship to cost.

After the World War I sugar famine in Europe, consumer countries wanted to develop independence in sugar and proceeded to encourage domestic sugar beet production and erect tariff barriers and import quotas. The result was the widespread but uneconomic substitution of high-cost beet sugar for low-cost cane sugar.

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*If the reason for decontrol is the goal of energy independence, the reason for energy independence is the fear of another Arab embargo. Yet in the first quarter of 1975 the Arabs furnished only 7.8 per cent of the total oil requirements of the United States. While the percentage of Arab oil in our total imports is rising, the fact remains that we get most of our oil imports from non-Arab countries and, with reasonable attention to maintaining an adequate stockpile (in April it was 780-days worth of Arab imports), we could ride out an Arab embargo with only the mildest hardship. With World-War-II-type rationing, we could even fight a World-War-II-dimension war without going outside the Western Hemisphere for oil. In other words, there is no real short-term oil shortage. In the long term, of course, the world does face exhaustion of its fossil fuels—which is good enough reason for energy research and conservation but not good enough reason for wrecking the economy and the environment in a head-long rush for energy independence.

Russia appears to have learned the sugar beet lesson and is having second thoughts about the cost-effectiveness of its own efforts to become self-sufficient in agriculture. Recently *Pravda* devoted a full page to a speech by Fyodor D. Kulakov, secretary in charge of agriculture for the Central Committee of the Communist Party, in which he repeatedly mentioned the inadequacy of return on Soviet agricultural investment. The latest figures available show only a 0.42-ruble increase in production for every one ruble invested.

MERCANTILISM

The Russians, then, may be learning one of the main lessons of Adam Smith, a man they have not heretofore honored as prophet. Smith's *Wealth of Nations*, first published in 1776, was a tract against "mercantilism"—the 18th century's name for Project Independence. The nations of Europe at that time were obsessed with the idea of preserving their gold reserves by preventing imports. To this end each country erected high tariff barriers to foreign trade and attempted to produce internally as many of the goods it needed as possible. Smith's famous discussion of the division of labor was intended to show how mercantilism led to inefficiency and reduced prosperity for all nations.

It does seem to make sense for a country to produce what it can produce more economically than others and to buy from others what they can produce more economically than it.

The catch here, of course, is that while the Arabs can produce oil at a low cost, they want to sell it at a high price. The reason is that they want to get as much as they can in the next few years—before we and other nations develop alternate sources of energy. In other words, the faster we move toward energy independence, the greater the Arabs' interest in concentrating their profits now. This is the irony of ironies. If we weren't trying to develop energy independence, they would not have to hold us up now. What they need is a long-term assurance of reasonable prices so that they won't have to charge $11 today for fear they won't be able to get 11 cents in 1985.

Of course the conventional argument is that the Arabs' oil is a finite resource for which they need to get all they can while the getting's good. The fact is that it's not that finite—the Arabs have another 30 years' worth of oil—and the getting might not be so good if prices soar so high that customers go bankrupt trying to pay them.

The Shah of Iran says his country has lost 35 per cent of its purchasing power since the beginning of 1974 because of the world-wide inflation and decline in the value of the dollar. (The Shah, who is not lacking in chutzpah, uses this to justify another price increase.)

Instead of taking on the Shah's argument and turning it against him—his dollars are worth less because of the inflation his oil prices caused—the United States seems terribly fearful of offending Iran and Saudi Arabia. Indeed, our policy seems to be to protect those conservative regimes as a bulwark of stability in the Middle East. The Administration seems to assume that these governments will be threatened if oil prices don't continue to go up.

FOCUS ON ECONOMICS

There is another factor in America's going along with the Shah. Henry Kissinger cares little about economics and tends to avoid getting involved in economic policy—he leaves oil policy to an assistant named Thomas Enders, who believes in the high-price route to energy independence.

Congress has a similar distaste for economics. The result is that for two years it has done nothing to prevent a repetition of the two major causes of our recent inflation—the 1972 Russian wheat deal and the 1973–74 increases in oil prices.

The shame of all this is that what we need most is a diplomacy that focuses on economics. Producers all over the world need assurance of stable prices; consumers need assurance of adequate supply at a reasonable price. This is glaringly true of the raw material suppliers of the Third World, but it really applies to everyone. A healthy world economy cannot be left to chance any longer.

Last April, at the international conference on energy in Paris, we parried Third World demands to broaden the agenda to include all raw materials. Yet this is really what should be done—and in doing so we would gain allies in convincing the Arabs that stability and reasonableness is in the interest of us all.

What else will convince the Arabs?

The basic argument is that anyone who has something to sell needs a customer. And the Arabs, with the last price rise, came terribly close to destroying quite a few customers. Another price increase might do the trick.

Second, he who unleashes the tiger may get bit. Or, as we pointed out in our February issue, the world-wide inflation-recession could have disastrous consequences for Egypt. Suppose angry mobs raise a howling radical to power who will use Radio Cairo to stir up revolution in Saudi Arabia. A lot of princes would end up in unmarked graves. This result would not seem to serve our policy of protecting the present Saudi regime. And it is not just a remote possibility. There have already been inflation-inspired demonstrations in Cairo.

Third, the Arabs need places to invest their wealth. The widest choice of investment opportunity in the world exists in the United States. It is in the Arab's interest for the United States to have a stable, prospering economy in which the value of Arab investment will grow. This point is made with special persuasiveness in an important new book, *U.S. Energy: Policy, Alternatives for Security*, by Douglas R. Bohi and Milton Russell (Johns Hopkins University Press).

WENDELL WILLKIE'S ONE WORLD

There is evidence—again, see our February issue—that nothing pains the Shah and at least some of the Arabs more than our playing around with the price of gold. While the reasons for this are obscure, it is nevertheless so, and the threat should be part of our psychological weaponry in dealing with them.

But such weapons should be kept in the background, to be used only upon the recalcitrant. The primary argument is that Wendell Willkie turned out to be right. It is one world, no longer merely in the sense that military aggression in one place will ultimately affect others, but in the sense that severe economic problems in any part of the world can set off shock waves that can reach all the rest of us. The old argument was that if we didn't learn to live together, we would all end up naked and radiated in a nuclear desert. The new truth is that if we don't get together economically, we'll all end up on the bread line with no one to hand out the bread.

Of course, it is possible that this reasoning will not commend itself to the OPEC nations, that they and the other countries of the world will not want to join us in working out a fair system of prices for one another's products. But shouldn't we at least make a major effort to persuade them before we continue on the path to energy independence with all its terrible hazards for the economy and the environment?

HOUSING AND COMMUNITY DEVELOPMENT ACT

HON. ELLIOTT H. LEVITAS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. LEVITAS. Mr. Speaker, when Congress passed the Housing and Community Development Act of 1974, small towns were recognized as integral components of large urban areas. Millions of Americans across the country prefer to live in these communities and enjoy their benefits. It is, therefore, a milestone of congressional action that these towns were given the opportunity to participate in the national programs of community development to meet their citizens' needs.

However, the act's title I grant funds were depleted before such areas could receive their share. According to the Department of Housing and Urban Development, large urban cities and counties requested more money than had been anticipated. Thus, eligible small cities across the country, which had in good faith developed worthwhile community projects, were left with empty promises. Another round of public cynacism about Government caring and responding was upon us.

Recognizing this dire situation, this 94th Congress passed, and the President signed, H.R. 5899, the Second Supplemental Appropriations Act for 1975, which contained $50 million to make up for the deficit in small town community development funds. Additionally, the House has passed H.R. 8070, the HUD Appropriations Act for 1976, which attempts permanently to correct this situation by further increasing the funding levels and—very importantly—earmarking a portion of community development funds for small communities. I sincerely hope that the conference committee on H.R. 8070 will essentially retain the House provisions regarding this matter.

The practical effect of Congress' actions is best understood and appreciated by the local officials in these small communities who desire to serve their citizens. These are the voices of America. As an example, I wish to insert in the RECORD the following letter I recently received from Mayor George Owens of Conyers, Ga., a small, vigorous town in my district and the metropolitan Atlanta area:

AUGUST 28, 1975.

Hon. ELLIOTT H. LEVITAS,
Cannon House Building,
Washington, D.C.

DEAR CONGRESSMAN LEVITAS: The Mayor and Council for the City of Conyers wish to express our appreciation to you and your colleagues of the Congress for your prompt action on behalf of our citizens and the millions of other citizens who live in smaller governments within metropolitan areas. Because you acted quickly to pass a supplemental appropriation to the 1974 Housing Act we are now able to compete for community development funds. At least now the merits of our proposal and not the mere fact that we contain less than 50,000 people will determine our ability to participate in the H.U.D. program.

For us, Community Development means the opportunity to rehabilitate an area of our community closest to the central business district with the potential of adding housing for 150 new residents as well as removing 70% of the sub-standard housing in the City. If we are successful with our application we will make possible safe and sanitary housing for a number of our elderly residents and we will begin a project designed to make private, standard housing available to the large number of new families to our community who earn less than $13,000 per year. These include our school teachers and the people who work in the new shopping centers as well as the men and women who work in the factories which have chosen to locate in Rockdale County.

Our whole community is excited about the prospects of participating in this community development program. Our public hearings have drawn large crowds and our community meetings have generated spirited discussions and enthusiastic support.

We believe that Conyers and Rockdale County, as representatives of thousands of smaller communities within metropolitan areas, are a part of the solution to the problem of creating and preserving viable urban communities. We are very pleased that the Congress paid attention to the manner in which we were excluded from participating in community development programs and acted quickly to redress our grievance.

Thank you for your work on our behalf.

Most sincerely,

George Owens,
Mayor.

ART ASSOCIATION STATEMENT

HON. JOHN W. JENRETTE, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. JENRETTE. Mr. Speaker, the Florence Art Association has been kind enough to furnish my Florence office with paintings that never fail to elicit admiration from visitors. I would like to use this forum to commend the association, which was founded in 1927.

The association sponsors the art booth at the Greater Pee Dee Fair held in Florence annually. Members of the association have their own art schools and are helping students get a foundation in art culture. The association meets monthly during the school year. There are 21 members at present with applications awaiting the September meeting.

The group has exhibited at the Florence Museum, the Fair, Coker College, and Myrtle Beach.

The six members who are now exhibiting in my Florence office are Mrs. Jane Jackson, a teacher and book illustrator; Mrs. Joe B. Singletary, who teaches art and ceramics in the Florence public schools; Mrs. Walter Russ, a newcomer to the association who paints for pleasure. She also paints murals. Miss Sherrie Goff is interested in the fine arts and is involved in many phases of it other than painting. Mrs. Robert E. Bryan is an outstanding landscape artist. Mrs. J. H. Rainwater is the only living charter member of the association and models, casts and paints in many different mediums. Her portrait of President Roosevelt hangs in the city-county complex in Florence.

THE GREAT GERMAN INFLATION

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. SYMMS. Mr. Speaker, when the Congress continues to pass budget busting inflationary legislation such as we did today with this big foreign aid giveaway I become increasingly concerned as to where inflation will take us in this country. Throughout history prolonged inflations have ended in some kind of political tyranny. One of the best examples was the German inflation in the 1920's and the subsequent rise to power of Adolph Hitler.

In the June issue of the Freeman, published by the Foundation for Economic Education, there is an article by Bruce Bartlett discussing this correlation between hyperinflation in Germany and the resultant dictatorship of Hitler. Bruce is a graduate student in history here at Georgetown University, and I would like to commend the article to my colleagues in the Congress at this time:

The Great German Inflation

(By Bruce Bartlett)

The February issue of the British magazine, *Encounter*, contains a heretofore unpublished lecture by the famous novelist, Thomas Mann, which recalls his experience with the great German inflation of 1913–1923. "A straight line," he tells us, "runs from the madness of the German Inflation to the madness of the Third Reich."

"Just as the Germans saw their marks inflated into millions and billions and in the end bursting, so they were later to see their state inflated into 'the *Reich* of all the Germans', 'the German Living Space', 'the New Europe', and 'the New World Order', and so too they will see it burst. In those days the market woman who without batting an eyelash demanded a hundred million for an egg, lost the capacity for surprise. And nothing that has happened since has been insane or cruel enough to surprise her.

"It was during the inflation that the Germans forgot how to rely on themselves as individuals and learned to expect everything from 'politics', from the 'state', from 'destiny.' They learned to look on life as a wild adventure, the outcome of which depended not on their own effort but on sinister, mysterious forces. The millions who were then robbed of their wages and savings became the 'masses' with whom Dr. Goebbels was to operate.

"Inflation is a tragedy that makes a whole people cynical, hardhearted and indifferent. Having been robbed, the Germans became a nation of robbers."

This terrible inflation, which Mann credits for the rise of Hitler, had its origin in another holocaust: World War I. Like every other nation involved in that conflict, Germany was entirely unprepared for its intensity. German, French, and British troops all marched off in August 1914 absolutely convinced they would be home by Christmas.

The German High Command shared this optimism, having full faith in the ability of the Schlieffen Plan to bring quick victory. With the resulting total war, outlasting the enemy became the only path to victory for either side.

At this point, Germany discovered just how badly it was prepared for this new kind of warfare. Cut off from its sources of food by a British blockade and failing to achieve any kind of breakthrough on the Western front, Germany began to gamble, as it did when it unleashed its submarines. At home too, the government began to gamble. The people, having been bled white by taxation already, had to be urged on to greater sacrifice. Toward this end, the government resorted to inflation on a mass scale, gambling that the people would be unaware of what was happening.

INFLATION AN INDIRECT TAX

Here, one should keep in mind that inflation, in its crudest form, is nothing but an indirect tax. The government, with its monopoly on the issuance of currency, found it simply to play the role of counterfeiter. It simply paid for the goods it needed with newly created money. Since an individual's conception of his money's worth is basically shaped by his past memory of its purchasing power, this process can go on for some time before it begins to significantly affect the price level.

During the war, goods were being withdrawn from the economy for war materiel and, simultaneously, fewer goods were being produced as workers became soldiers. At the same time, the government was increasing the money supply rapidly as it became increasingly difficult to raise needed funds from taxation or direct borrowing.

Historically, the speed at which people spend tends to remain relatively constant unless they expect a sudden change in economic relationships. Accelerated spending classically occurs when people feel that their money is losing its value. At this point, they begin to spend every cent they can get as quickly as possible before prices go up again. This only tends to raise prices even higher and drop the value of the money correspondingly. Economist Ludwig von Mises, a resident of Austria at the time, graphically described this process:

"In normal times, that is in periods in which the government does not tamper with the monetary standard, people do not bother about monetary problems. Quite naively they take it for granted that the monetary unit's purchasing power is 'stable.' They pay attention to changes occurring in the money-prices of the various commodities. They know very well that the exchange-ratios between commodities vary. But they are not conscious of the fact that the exchange-ratio between money on the one side and all commodities and services on the other side is variable too. When the inevitable consequences of inflation appear and prices soar, they think that commodities are becoming dearer and fail to see that money is getting cheaper. . . . This ignorance of the public is the indispensable basis of the inflationary policy. Inflation works as long as the housewife thinks: 'I need a new frying pan badly. But prices are too high today; I shall wait until they drop again.' It comes to an abrupt end when people discover that the inflation will continue, that it causes the rise in prices, and that therefore prices will skyrocket indefinitely. The critical stage begins when the housewife thinks: I don't need a new frying pan to-day; I may need one in a year or two. But I'll buy it to-day because it will be much more expensive later.' Then the catastrophic end of the inflation is close. In its last stage the housewife thinks: 'I don't need another table; I shall never need one. But it's wiser to buy a table than keep these scraps of paper that the government calls money, one minute longer.' "

This entire process was set in motion when the Reichsbank suspended the redeemability of its notes in gold with the outbreak of war. As long as the paper currency was tied to a finite amount of gold, the currency also remained within finite limits. When this restraint was cast aside, there was no longer any legal limit to the amount of money that could be manufactured. The government, in turn, used this freedom to force the bank to buy its bonds, which the bank paid for by creating deposits in the government's account. In this way, the German debt became monetized, just as the American debt is today monetized by the Federal Reserve System. Simply put, this means that the government's debts are ultimately paid for by the consumer's loss of purchasing power; the creation of new money serving only to cheapen all money already in circulation. In Germany, this meant that by the end of 1918, the amount of money in circulation had increased fourfold. One would have expected this to lead to approximately a fourfold rise in prices, more when one considers the corresponding cutback in production, but in fact they only rose 140 per cent. This is because consumers were not yet fully aware that the rise in prices was due not only to goods being less available, but also due to inflation of the money supply.

HUGE DEFICITS

To be sure, even the victorious nations had practiced the German method for financing their debts and experienced a similar rise in prices. But with the cessation of hostilities, they returned to sound fiscal and monetary policies. In Germany, the government made no effort to return to pre-war spending levels and continued to run huge budget deficits, as the following table demonstrates:

Year:	*Revenue**	*Expense**	*Deficit**
1919	2, 559	8, 560	5, 999
1920	3, 178	9, 329	6, 054
1921	2, 927	6, 651	3, 676
1922	1, 488	3, 951	2, 442
1923**	519	5, 278	4, 690

* In millions of gold marks.

** April to October only.

As one can see, the debt mounted with each passing year, almost all of it being funded through monetization. The reasons for this were partly humanitarian, partly political, and partly selfish. On the one hand, there was terrific pressure for relief and rebuilding. Then too, the government sought to use inflation as a psychological weapon against the Allies. Finally, there was pressure from those benefiting from the inflation, which will be dealt with below. But the single most important factor in the ensuing hyperinflation was economic law. As people slowly began to realize their money was losing its value, they began drawing out bank deposits and spending what they had as quickly as possible. This run on the banks and the tremendous increase in the demand for cash put fierce pressure on the treasury to stave off collapse with a flood of freshly minted bills. Thus the figures for total money in circulation begin to follow a pattern (in millions of marks): 1913, 6,070; 1920, 81,338; 1921, 122,500; 1922, 1,295,231; 1923, 2,274,000,000. And the effect on the price level inevitably followed a similar pattern:

Year:	*Wholesale price index*
July 1914	1. 0
Jan. 1919	2. 6
July 1919	3. 4
Jan. 1920	12. 6
Jan. 1921	14. 4
July 1921	14. 3
Jan. 1922	36. 7
July 1922	100. 6
Jan. 1923	2, 785. 0
July 1923	194, 000. 0
Nov. 1923	726, 000, 000, 000. 0

SEARCH FOR SCAPEGOATS

Needless to say, the government never admitted its role in this, but instead sought out easy scapegoats. The most popular one was the Versailles Treaty. After all, the people already hated the Allies, so why not exploit it to good use? The campaign was so successful that even intelligent economists like Dr. Hjalmar Schacht accepted and perpetuated the myth: "The true cause of the inflation after the war was the perpetual pressure exercised by the Reparation Commission on Germany in the attempt to extort payments to foreign countries which in the nature of things could not be made." The truth of the matter is that reparations expenses only made up about a third of the German budget deficit throughout the entire period. In his book, *The Economics of Inflation*, Costantino Bresciani-Turroni compiled the following figures:

Year:	*Deficit**	*Reparations**
1920	6, 053. 6	1, 850. 9
1921	3, 675. 8	2, 810. 3
1922	2, 442. 3	1, 136. 7
1923**	6, 538. 3	742. 4

*In millions of gold marks.

**April to December only.

Consequently, the reparations alone cannot account for the deficits or the ensuing inflation. The truth of this was, of course, irrelevant. There were plenty of other causes for the inflation which could also be exploited. To blame profiteering became particularly popular because, as in the case of reparations, there was some truth in it. This is how Thomas Mann saw those who profited from the crisis:

"For at least a section of this ruling class, the big industrialists, the inflation was profitable; they were in no hurry to stop it. During those years the Krupps, Stinneses, Thyssens, etc., got rid of their indebtedness, which ran into real millions, by paying their creditors in inflated millions, and thanks to these same inflated millions they acquired real millions-worth of property.

"Though Germany was very poor at that time, it possessed great wealth in mineral resources and industrial plants. During the inflation a radical change occurred; this wealth became concentrated in fewer and fewer hands. The small and medium property-owners lost their holdings, and the biggest snapped them up. They acquired property and paid with paper. Years later one could hear it said that such and such a factory or mine was unproductive and would not be profitable if it had not been acquired for next-to-nothing during the Inflation. . . ."

NOT A MAJOR CAUSE

It would be a vast distortion, however, to say that profiteering in general was a contributing cause to the economic crisis. It is in the very nature of inflation that some will reap great profits. It was only those big industrialists like Hugo Stinnes who consciously realized what was taking place and deliberately sought to influence the government toward inflation. For the rest, who reaped windfalls through no conscious effort, through simple foresight or luck, some defense should be made. Many of these entrepreneurs became the objects of scorn and an easy target for political extremists. The fact that many were also Jewish cannot be discounted as an explanation for their persecution. As early as 1920, John Maynard Keynes spoke up for these innocent entrepreneurs in a moving passage from *The Economic Consequences of the Peace*. "Lenin," he wrote, "is said to have declared that the best way to destroy the Capitalist System was to debauch the currency."

"By a continuing process of inflation, governments can confiscate, secretly and unobserved, an important part of the wealth of their citizens. By this method they not only confiscate, but confiscate *arbitrarily;* and, while the process impoverishes many, it actually enriches some. The sight of this arbitrary rearrangement of riches strikes not only at security, but at confidence in the equity of the existing distribution of wealth. Those to whom the system brings windfalls, beyond their desires and even beyond their expectations or desires, become "profiteers," who are the object of the hatred of the bourgeoises, whom the inflationism has impoverished, not less than of the proletariat. . . .

"These 'profiteers' are, broadly speaking, the entrepreneur class of capitalists, that is to say, the active and constructive element in the whole capitalist society, who in a period of rapidly rising prices cannot help but get rich quick whether they wish it or desire it or not. If prices are continually rising, every trader who has purchased for stock or who owns property and plant inevitably makes profits. By directing hatred against this class, therefore, the European Governments are carrying a step further the fatal process which the subtle mind of Lenin consciously conceived."

Thus we find the German government actively appealing to the lowest human emotions of jealousy, envy, and greed in order to hide its own responsibility for the economic disruption. And inevitably this was to play right into the hands of demagogues like Adolf Hitler. It is no coincidence that he made his first bid for power at the height of the inflation; in the beerhall putsch of November 8, 1923. Historians and economists, therefore, are in general agreement that the inflation can be given much credit for the rise of Hitler. For although he did not come to actual power for another decade, the putdown of the putsch supplied the Nazis with many martyrs to aggrieve, and it was during his subsequent prison term that Hitler wrote *Mein Kampf*. Thus, as early as 1937, Lionel Robbins could declare emphatically that "Hitler is the foster-child of the inflation."

THE CURRENT PROBLEM

All this is not to say that we can expect another Hitler here in the United States. But, to this very day, the origin of inflation is still the same: government deficits financed through monetization. For too many years, the American government has believed that it can have occasional wars and an expensive social program at home and pay for it all by simply increasing the debt limit. Today we are discovering that there really is a limit to debt. The double-digit inflation we are experiencing is therefore only a logical consequence of past policies. And if we want to stop it, the solution is the same as it was in 1923. The government must learn to live within its means and halt its abuse of the power to issue currency. The failure to do so may be catastrophic, just as it was for Germany.

CONGRATULATIONS TO THE NEW COPIAGUE PASTOR

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. DOWNEY of New York. Mr. Speaker, it is my great pleasure to congratulate the Reverend Thomas P. O'Donnell for his recent assignment as the new pastor of Our Lady of the Assumption parish in Copiague, N.Y. The appointment was made by Bishop Walker P. Kellenberg of the Rockville Centre Diocese.

Father O'Donnell was born in Brooklyn and attended St. Teresa of Avila. He was ordained in June 1955 after 6 years at the Immaculate Conception Seminary in Huntington, N.Y.

He began his priestly duties at the St. Philip Neri parish in Northport. Since then he has aided the people of St. Anne's in Garden City and served at St. Francis de Chantel in Wantagh. In 1974 he was named an assistant at St. Elizabeth's. He has also served the laity musically as a member of the Diocesan Commission on Church Music.

It is my pleasure to have this opportunity to join with the people of Our Lady of the Assumption in welcoming Father O'Donnell.

ERNEST A. KOCH, OF SEDGWICK, KANS., HONORED AS VOLUNTEER WEATHER OBSERVER

HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. SHRIVER. Mr. Speaker, for over 41 years Ernest A. Koch, a constituent of mine, has been observing and reporting the precipitation and river stage at Sedgwick, Kans. I am pleased that today he is one of 29 volunteer observers selected nationwide to receive the John Campanius Holm Award from the U.S. Department of Commerce's National Oceanic and Atmospheric Administration. I join in congratulating Mr. Koch upon receiving this most deserved recognition and extend warm appreciation and thanks to him for his important public service as a volunteer observer.

He has demonstrated extreme devotion to observing, recording, and reporting precipitation and river stage information at Sedgwick, Kans., on the Little Arkansas River. I know from experience that this is a highly sensitive area insofar as flooding problems are concerned; and Mr. Koch's services are all the more important. His dedicated service has benefited his fellow citizens locally, the State of Kansas, and the National Weather Service.

The John Campanius Holm Awards, created in 1959, are made annually to honor volunteer observers for outstanding accomplishments in the field of meteorological observations. The award is named for a Lutheran minister who is the first person known to have taken systematic weather observations in the American colonies.

Mr. Speaker, we are indebted to nearly 13,000 volunteer observers such as Ernest Koch who make and record daily weather observations in all parts of the Nation. The work they do day after day often goes unheralded—but the service they provide is vital to every citizen of the United States.

A SANE VOICE

HON. GENE SNYDER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. SNYDER. Mr. Speaker, for consideration of my colleagues and readers of the RECORD, I have been asked to insert the remarks of the Honorable Herbert S. Meyer, Jr., mayor of the city of Jeffersontown, Ky.

These remarks were made as our community was being forced into an ill-conceived school busing scheme perpetrated on us by the Sixth Circuit Court of Appeals.

Mayor Meyer's remarks follow:

REMARKS

My dear fellow Jeffersontonians: During the last few weeks each and everyone of us has had to search his own soul and heart to determine the destiny of his family in the face of our local federal district court ruling concerning school bussing. This is a matter of grave concern not only to those of you who may have children that are directly involved in the bussing program but also to each and every one of us in the community with or without children. It is a problem which we all must face collectively and with strength of character.

Over the past several weeks I have been deluged by many questions from parents, school officials and by concerned citizens of all ages. Additionally, I have been asked by the Kentucky commission on human rights and the Louisville area chamber of commerce to make a public pronouncement on the matter of school bussing. To the extent that this administration has been placed into office through your trust and confidence I feel that to avoid this timely issue by simply setting the matter aside without comment would be tantamount to avoiding my constitutionally imposed responsibility as your chief executive.

I know that I speak for the entire new direction team administration in saying that no one of us in your city administration feels that cross-town busing to achieve racial equality is the proper way to achieve the racial harmony which each and every one of us in public office has been striving for in the past. We understand that it will be expensive and in many cases, dangerous to transport our own flesh and blood to schools with which we are totally unfamiliar both in faculty and in surrounding neighborhood. These are fears that are expressed not only in the white community but in the black community as well. We must nevertheless recognize that the United States Court of Appeals in Cincinnati and the United States District Court for the Western District of Kentucky have mandated a program for the busing of our children. Until changed by due process of law this mandate must be followed lest we all be in contempt of court and behind bars.

I should add that although I have the greatest respect for Judge Gordon as well as those serving honorably throughout the Federal judiciary that I was not, and the members of this council were not, elected by them. We were, instead, elected by the people of Jeffersontown and I can assure you that we will not during the difficult months and years ahead forget those persons who have chosen us as their elected leaders.

I must assure you at the outset that I must follow my constitutional responsibility in dispatching, to the best of my ability, the enforcement of the laws of this city, state and Federal government. I will not shirk that responsibility. Those who violate the law must, of necessity, face the consequences wrought by their illegal acts. I would certainly hope that there will be no demonstrations as school begins but it would be foolish for me to take a position that there will be none for to take such a position would mean that I would not need to prepare our administration for such an eventuality. I am, accordingly, directing the members of our police department that they are to follow the dictates and guidelines set forth by the court. When arrests become necessary such arrests will be made at the discretion of the officer witnessing the violation.

There will be no efforts on the part of this administration as your constitutionally elected authority to deprive any citizen of this city of his constitutionally guaranteed right to peaceably assemble and petition the government for a redress of grievances. This country has enjoyed a proud and dynamic history and will continue to enjoy a vibrant and continuing life so long as its citizens participate in its process. Demonstrations are therefore not, in and of themselves, illegal. We need only look back one decade in history to reassure ourselves that but for the rights guaranteed the citizens of this country under the great first amendment that racial injustices of the past would not have been abolished.

If government does not listen to the voices of its citizens then, it must regrettably face the sometimes illegal devices its citizens may employ to more abruptly attract the attention of those in power. The cry "no taxation without representation" went unheard and unheeded by the British parliament until patriots began throwing tea in the Boston harbor in 1773. When oppression of the colonies by the British continued it was not long thereafter that the American revolution began between the Thirteen Colonies on the eastern seaboard and Mother England. Patriotic citizens look back upon those days with pride knowing that, but for that revolution, we might now be dictated to in our daily lives by persons in another land, totally unfamiliar with the problems of America. And so, perhaps, an analogy can be drawn to our problem today.

As an elected official serving by virtue of the constitution so nobly won and born out of revolution you will not hear me deny you the rights that you have been given as citizens under that constitution.

To the extent that you must demonstrate I bid that you do so peaceably. I am, by copy of this communique to the honorable Judge Raymond J. Ward, asking that he be available at all hours and times during the next few months until this crisis has passed. I am further asking that in the event that our citizens should become involved with the criminal enforcement divisions of our government, and to the extent that his authority will permit, that they be allowed a speedy bond hearing so that as little custody and incarceration as is necessary under the circumstances will be required. Under no circumstances will the great principle of due process be abandoned.

Our officers will use restraint to the extent possible under the circumstances but, to the extent necessary, will be prepared to use whatever resources are available to them to insure that the peacefulness of any such demonstration is maintained.

We would hope that Judge Gordon would allow cases involving misdemeanors and violations to be heard here in your court in Jeffersontown. To the extent that the offense constitutes a matter of Federal crime we would ask that the citizens of Jeffersontown be granted the same swift due process afforded all persons in the Federal system of justice so that unwarranted lengthy detention of our citizens will be avoided. To that extent, I am making a copy of this address available to his honor, Judge Gordon, with the fervent request that unwarranted detention on the part of our citizens by the Federal Government be avoided.

To the extent that a constitutional amendment may be necessary to alter the drastic situation which we all now face you may rest assured that this administration will join with you in calling this need to the attention of our Federal lawmakers.

Let me close by simply saying that you have our prayers and, where possible, our support in dealing with this terribly burdensome and tragic crisis. May God be with each and every one of you as we put our shoulders to the wheel. . . .

ANOTHER VIETNAM?

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. McDONALD of Georgia. Mr. Speaker, since the Department of State and in particular our Secretary of State, continue to ignore the mounting resistance in the Congress to any giveaway of the Panama Canal, it seems we are going to have to repeat our views again and again. Perhaps the Department of State does not feel we represent the feelings of the people? I do not know, but in my view, Mr. James P. Lucier recently wrote a positive article setting forth how and why we should keep the Panama Canal under U.S. control. The article from National Review for September 12, 1975, follows:

ANOTHER VIETNAM?

(By James P. Lucier)

On June 26, the U.S. House of Representatives voted 246 to 164 to prohibit any funds in the State Department appropriations from being used to negotiate the surrender or relinquishment of any U.S. rights in the Panama Canal Zone. Congressman Gene Snyder of Kentucky, ranking Republican of the House Panama Canal Subcommittee, had struck again.

For the first, time, it began to dawn on the State Department negotiators that they had a problem. There was brave talk about using State's contingency funds to continue negotiations if the Senate went along with the Snyder amendment. But the prognosis for the long run was not good at all; in fact, an Opinion Research Corporation poll released at about the same time showed the American people favored continued ownership of the Panama Canal by more than 5 to 1. Suppose State came in with a treaty, then what?

The State Department negotiators had been aware all along of a resolution in the Senate co-sponsored by 38 senators under the leadership of South Carolina's Strom Thurmond (R.) and Arkansas' John McClellan (D.). The list of co-sponsors was noteworthy not only for its number, but for its leadership quality; it included the chairman and/or ranking Republican of more than a dozen of the key committees. With 34 senators in opposition, no treaty can be ratified. State's forlorn hope was that five or six could be turned around, or persuaded to absent themselves on the crucial vote.

The decisive House action on the Snyder amendment was a warning to the State Department that any change in the status of the Canal would have hard going in the House as well. The Constitution requires House concurrence to give up U.S. territory or property. Passage of the Snyder amendment in the supposedly radicalized House led to a conclusion the negotiators did not like to contemplate; neither did Secretary of State Henry Kissinger. On July 4, he wrote Panamanian President Omar Torrijos what amounted to an apology for the action taken by the representatives of the American people.

Things like these [Kissinger wrote] are a tribute to the success of what you and I have been and are trying to achieve. . . . In view of the fact that we have had success and significant progress up to the present time, this has inspired those who do not want progress to do all in their power to impede or discourage new advances. . . . I want you to know that in spite of these things, I am still engaged in the search for a final and just solution to this problem and the establishment of a new and more modern relationship between the two countries.

Significantly, excerpts of that letter were released in Panama, but not in the United States.

Secretary Kissinger's affirmation that he would continue to press for a new treaty made more explicit the counterattack that chief U.S. negotiator Ellsworth Bunker had already begun. Bunker came up with Panama as "another Vietnam," a theme designed to terrify all opposition to a new treaty. Bunker claims the U.S. position is that the Canal Zone is in Panamanian territory under U.S. jurisdiction—a position that is of recent vintage and that defies legal and historical precedent.

About a week after the vote on the Snyder amendment, Panamanian President Torrijos turned up in Mexico, and, with Mexican President Luis Echeverria beaming at his side, told the press that "when all peaceful ways are closed to the people, they have to resort to the liberation struggle, just as Ho Chi Minh did." This tack was not unexpected from Torrijos, but when Ambassador Bunker takes such tough talk at face value, he undercuts his own leverage at the negotiating table.

Another Vietnam? An opéra bouffe Vietnam, perhaps, staged for the TV cameras, with one detachment of the Guardia Nacional running behind the scenes to march in from stage left over and over again. Some shooting, some arson, some easily repaired damage to the Canal. The whole of Panama has only 1.6 million, about the same number as Atlanta. The Vietnam talk is meant for scare headlines in the American press, with which to beat recalcitrant legislators in Congress. The men who have ruled Panama for more than six years without an election know full well that any permanent damage to the Canal would bankrupt their nation and might well bring about their own downfall.

In my opinion, the real threat would come the moment the U.S. signed a treaty giving up our sovereign rights, not before. The signing of the treaty could unleash several uncontrollable forces, both internal and external:

1. Pressure within the Torrijos regime. The dynamic of successful blackmail is difficult to stop. Panama would ask for a larger share of jobs, higher salaries, exclusive contracts, unseen gratuities. Efficient operation of the Canal would become more and more difficult; Panama's economy would suffer.

2. Pressures in Panama outside the regime. It is by no means certain that the present regime will last. Torrijos was tutored in economics by Salvador Allende and has been taking post-graduate courses from Castro. The result is that Panama is head over heels in debt. There are rumors of corruption, of millions deposited in Swiss bank accounts. Such stories, whether true or not, feed on themselves, and also feed the ambitions of younger army men. If Torrijos did it yesterday, why can't I today? Moreover, the stakes will be higher if Panama wins effective control of the Canal.

3. *Exterior pressures.* Sovereignty over a waterway that is both economically and militarily strategic could threaten Panama's independence. Guerrillas trained and organized by Cuba, the Soviet Union, or other Communist countries could destroy the present regime, if its policy on the Canal were not satisfactory to the Soviet aim of dominion over the seas. Closing the Canal or discriminating among various users could create severe economic dislocation in selected areas. Panamanian policy might become the tool of Soviet policy, which would, in turn, be intolerable to the United States. Such action might or might not induce a confrontation between the major powers; but there is no doubt that Panama's real independence would be endangered.

What is the alternative to the crisis that is the end result of the State Department's maneuvering? Secretary Kissinger in a number of recent speeches has said that a favorable settlement of the Canal controversy is a key to re-establishing favorable relations with Latin America. But is all of Latin America really clamoring for the U.S. to surrender its Canal rights?

There is a deep cleavage in Latin America between the so-called ABC tier of nations (Argentina, Brazil, Chile, Paraguay, and Uruguay), and the rest. The ABC tier has 71.5 per cent of the land mass of South America, 75.7 per cent of the GNP, and the highest per capita income, except for oil-rich Venezuela; it is also strongly anti-Communist. Our first step should be to enlist the help of the ABC group in mediating the dispute. After all, it is hardly credible that Chile, for example, would like to see the Canal in the hands of Torrijos, the old friend of Allende; or that Argentina really wants to take up the cause of the nation that welcomed the Monteneros terrorists on a state visit to Panama City.

The second step would be to extend once more the hand of cooperation and friendship that we have always extended to Panama. Contingent upon retaining its full, undiluted sovereignty, the U.S. should move forward on modernization of the present lock system to improve navigation and provide passage of larger ships. This would cost an estimated $1 billion over the next ten years. It would generate a like amount in the economic infrastructure of Panama, and the contracting could be mandated so that technical training, urban planning, and local enterprise would spread the benefits throughout the social spectrum. Would Torrijos accept the offer? It would be to the advantage of his people and his country if he did. But the question they're asking on the Hill these days is whether Secretary Kissinger and Ambassador Bunker will give him the chance.

CONSUMPTION WON'T SLACK APPETITE

HON. BARRY M. GOLDWATER, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. GOLDWATER. Mr. Speaker, a recent article by columnist George Will cut right through to the heart of what is normally viewed as a complex economic problem by some of my colleagues. I commend it to their attention.

CONSUMPTION WON'T SLACK APPETITE

(By George Will)

WASHINGTON. In the winter of 1695, the wine froze on the King's table at Versailles.

That was, admittedly, a brisk winter. But a Sun King should not have to chew his wine. The wine never freezes at the Will cottage which, be it ever so humble, is—like your place—better than Versailles was as winter quarters.

So why don't you and I feel like royalty? The answer is that man's perception of his condition has been altered recently by economic growth.

For millennia there was no assumption that the son would be "better off" than the father. Rather, the assumption was that the son's wife would be yoked to the same plow his mother had pulled. This changed in the middle of the 18th century with the invention of the industrial steam engine, and economic growth.

For millennia, per capita income did not change much. But for 200 years—an historical blink—per capita income has rapidly increased, as has discontent.

These two centuries have been less an age of democratic politics than of democratic consumption. Even the lower orders have got it into their heads that they should have comforts, like central heating, that not long ago were beyond a shivering king's dreams of avarice.

The great economic—and political—fact of modern times is that consumption inflames rather than slakes appetites. The modern man is the Illinois farmer Lincoln knew, who didn't want all the land in the world, "just all that borders mine."

One source of modern economic dynamism is the sense of relative deprivation. Modern man wants to keep up with the Joneses not just so he can spring past them in the home stretch, but also so he will not sink to living conditions which would have pleased an 18th century German prince.

Obviously yesterday's luxuries are today's necessities. And now comes the Census Bureau with some arresting statistics about economic conditions in America, where the distinction between luxuries and necessities is hopelessly blurred. Understand these statistics and you will understand the plight of liberalism.

In 1974, 7.3 million (13.1 per cent) of America's 55.7 million families earned less than $5,000—the poverty line for a nonfarm family of four. But 12.7 million (22.7 per cent) earned between $5,000 and $10,000, and 13.6 million (24.4 per cent) earned between $10,000 and $15,000. And the largest number of families—15.8 million (28.3 per cent)—were in the $15,000-$25,000 category.

The median family income—the one with an equal number of incomes above and below it—was $12,840. The top 20 per cent of families earned at least $20,445. To be in the top five per cent of families in the world's richest nation you had to earn just $31,948.

Liberalism is nothing without an agenda for new social programs. But liberals are pinned against this uncomfortable fact: the government cannot finance new programs without new revenues. And the old rallying cry—"Soak the rich!"—won't rally people who understand the statistics and temper of the time.

Only 700,000 families (one per cent) earned more than $50,000. Soaking them would not produce enough revenue for any significant programs.

Of course there is no reason why all the other 99 per cent of American families should be considered non-rich. Surely at least the richest 20 per cent of all families in the world's richest nation—families making at least $20,445—are in some sense objectively rich.

But in politics objectivity is less important than subjectivity. Or, to put the matter at hand more precisely: income statistics are social facts, and their objective significance is what people feel about them.

Many families in the top 20 per cent are statistically rich but feeling strapped. Indeed, most families earning between $20,000 and $30,000 think all luxuries and some "necessities" are beyond their reach.

Anyway, no reasonable tax on one-fifth of America's families would raise enough revenue to fund major new programs. To raise a lot of new money in America today the government would have to raise the taxes of a lot or people—say, all those making more than $15,000.

But before such new taxes would raise revenues they would raise a revolution angrier than the one that began with a march on Versailles.

WHAT HATH MAN WROUGHT!

HON. JOHN L. BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. JOHN L. BURTON. Mr. Speaker, the first telegraph message sent by Samuel Morse from Washington, D.C., to Baltimore in 1844 was "What Hath God Wrought?"

One hundred and one years later, after the explosion of the first atomic bomb over Hiroshima, David Lawrence, editor of the U.S. News & World Report wrote, "What Hath Man Wrought!"

In reading Mr. Lawrence's editorial of August 1945, we find a perspective on where we have come since that terrible day, and what may be in store for us in the future.

Mr. Lawrence wrote then that—

> Man has at last brought forth a weapon that reduces war to an absurdity.

If only this had been the case. Since then, the "nuclear club" of nations possessing atomic bombs has grown, and the United States by itself has the capability to kill the world's population several times over.

The Bulletin of the Atomic Scientists maintains a "doomsday clock" on the front of its magazine each issue. The clock reflects how close we are to achieving nuclear destruction.

It is a testimony on the state of world conditions in general, and our own destiny in particular, that last September the minute hand of the clock was moved closer to the hour of destruction, from 12 minutes to midnight up to 9 minutes to midnight.

While atomic testing by Russia, China, and India does nothing to contribute to our ultimate nuclear safety, the failure to arrive at any agreement at the strategic arms limitation talks—SALT—is nothing to brag about either.

To paraphrase the late President John F. Kennedy, man must put an end to the threat of nuclear war, or nuclear war will put an end to man.

Mr. Speaker, I am inserting the text of Mr. Lawrence's editorial into the RECORD in the hope that all Members will read its warning and heed its message.

I hope that it will never be too late to save ourselves from nuclear annihilation.

The text of the editorial follows:

WHAT HATH MAN WROUGHT!

(By David Lawrence)

(On August 6, 1945, the U.S. dropped its atomic bomb on Hiroshima. Days later—as the world adjusted to the shock—David Lawrence wrote the following editorial for the issue of August 17, 1945.—Howard Flieger, Editor.)

Man has at last brought forth a weapon that reduces war to an absurdity.

Man has discovered that a means of destroying whole nations is available out of the minerals of the earth and that no people can hope to remain secure against the atomic bombs of another people no matter how distant one may be from the other.

A single airplane riding high in the stratosphere, unobserved and undetected because of its great speed, can appear suddenly over London or Washington or Detroit or Pittsburgh or any city in a peaceful area and destroy human lives by the hundreds of thousands in just a few seconds.

No longer are armies and navies or even air forces by themselves an adequate defense.

We have been brought face to face with stark reality—that wars cannot hereafter be tolerated and that peoples must never again allow one-man governments to exploit them and drive them into war.

Greater than the atomic bomb is the challenge to man to rise above this new means of world suicide and to implant throughout the human race an understanding of the futility of combat.

IS THIS "CIVILIZATION"?

God did not provide this new weapon of terror. Man made it himself with the God-given brains and skill of the scientists. Previously other weapons like the submarine and the airplane had been introduced. We were permitted to defy the laws of gravity and fly through the air and we were permitted to move men and supplies under water. But man turned those inventions into methods of warfare more intensive and terrible than ever.

A few decades ago man did not think it fair or sportsmanlike to attack noncombatants. War was reserved for armies and navies. Civilians behind the lines were immune. At the beginning of World War II we were horrified to see the German air forces murdering civilians in Warsaw and Rotterdam.

Then came reprisals. The single action of a German maniac—who, by skillful propaganda appealing to those in economic distress, had seized possession of the minds and energies of a whole people and had directed them along the paths of revenge and brutality—caused other nations to follow suit.

We—the great, idealistic, humane democracies—began bombing men, women and children in Germany. Last week we reached the climax—we destroyed tens of thousands of civilians in two Japanese cities with the new atomic bomb.

A DANGEROUS PRECEDENT

Perhaps these many thousands of Japanese men, women and children who were blown to bits by the atomic bombs may not have died in vain. Perhaps somewhere on this earth a scientific experiment of the magnitude we have just witnessed had to be tried and the reaction of all mankind had to be invoked to impress everybody with the indescribable horror of man's latest achievement.

Yet we had already been winning the war against Japan. Our officials have known for some time that Russia would enter the war in the Far East as soon after V-E Day as she could deploy her troops and supplies over the long stretches of the Trans-Siberian Railroad.

The surrender of Japan has been inevitable for weeks. It has come now as anticipated. We can rejoice that hostilities are to cease at last. But we shall not soon purge ourselves of the feeling of guilt which prevails among us. Military necessity will be our constant try in answer to criticism, but it will never erase from our minds the simple truth that we, of all civilized nations, though hesitating to use poison gas, did not hesitate to employ the most destructive weapon of all time against men, women and children. What a precedent for the future we have furnished to other nations even less concerned than we with scruples or ideals!

Our guilt is also the guilt of all mankind which failed to find a way to prevent war. The dispatches say Germany was working feverishly along the same scientific road and that Hitler would not have hesitated to use such a weapon against Britain. But Hitler is dead and Germany has been beaten. Could an announcement of the tests of the atomic bomb made in New Mexico recently have been used to persuade the Japanese militarists to release their people and surrender?

Surely we cannot be proud of what we have done. If we state our inner thoughts honestly, we are ashamed of it. We can justify the bombing as a means of saving precious American lives and shortening the war. Yet we cannot suppress the wish that, since we lately had been warning the people of Japan against air attack on certain cities, we might have warned them against staying in the specific area where we first wished to demonstrate the destruction that could ensue from the continued use of the atomic bomb.

All the world knows that the secrets of the atomic bomb cannot long be withheld from the scientists of nations large and small. The tiniest nation with a laboratory and certain raw materials will have a weapon to destroy its neighbors. All nations thus will in time become equal in potential strength. The weak will stand alongside the strong demanding new respect and new consideration.

The Charter of the United Nations furnishes now an even more timely means of collaboration by all nations, large and small. New responsibility has been imposed on the larger nations which at the moment can so readily manufacture atomic bombs.

But we shall miss the entire significance of the new discoveries if we do not apply a spiritual interpretation. It is man and not God who must assume responsibility for this devilish weapon. Perhaps He is reminding all of us that man-made weapons can, if their use is unrestrained, destroy civilization, and that man still has the chance to choose between the destructive and constructive use of the findings of science.

A CHALLENGE TO MANKIND

What will man say to this? Will he foolishly toy with the new weapon, build huge factories, and husband supplies of atomic energy against potential enemies? Or will man see that at least there must be the greatest surrender that has been known from the beginning of time—a surrender to reason and to tolerance and forbearance, a surrender to unselfishness and self-restraint, a surrender to conscience and the will of God as the only way to survive?

Will man see at least how he has been exploited by the seekers of so-called glory, the power-mad militarists and domineering egotists who get possession of the reins of government?

The challenge of the atomic bomb, therefore, is plain. Since individual security can vanish in an instant, peoples everywhere must organize their national life so that no ruler anywhere, by using specious pretexts, by suppressing or intimidating the press or the radio, can seize military control of a government.

Peoples must be alert to maintain peace. Peoples must exercise the power that belongs inherently to them and must reason with each other through free governments and God-controlled statesmen.

A WORLD OF LAW AND MORALS

The adjudication of all disputes and controversies must hereafter be submitted to tribunals and courts of justice. Man must see that only in the philosophy of Moses and Jesus, Mohammed and Confucius, who have sought in their time to teach billions of persons a universal goodness, can there be an elevation of man from the nadir of his brutality to the lofty heights of a righteous civilization.

The world of tomorrow must be a world of law and morals. Centuries of exhortation have in vain sought the same result. The world has intermittently listened. Now the world must listen incessantly or be destroyed.

There must be peace on earth and good will between factions inside nations as well as between nations themselves. Conflicts between religious sects and races must end so that our spiritual energies can be concentrated on the achievement of a brotherhood of man.

For at last it has been demonstrated to all of us that only by following His guidance in our daily conduct as individuals and as nations can we hope to fulfill our true mission as the children of God on earth. It is the only road left now—the road of mutual forbearance. It is the way to survival and human happiness.

Mr. Lawrence reprinted the editorial in August of 1970—the 25th anniversary of the Hiroshima bombing—with this footnote:

"Let us acknowledge our mistake. We were not justified by any precedent of international law. The position to which we should have steadfastly adhered was rightly proclaimed by President Franklin D. Roosevelt at the outset of World War II, when he addressed a note to all the belligerents pleading with them not to bomb unfortified cities. At least we should have given public warning.

"It is not too late to confess our guilt and to ask God and all the world to forgive our error."

FORMER U.N. PERMANENT REPRESENTATIVES OPPOSE EXPULSION OF ISRAEL

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. FRASER. Mr. Speaker, as a Member of the U.S. Delegation to the United Nations, I am pleased to report that the immediate threat to expel Israel from the U.N. seems to have receded.

In part this is because strong objections to such a move have been widely circulated.

None of the statements that I have seen have been more impressive than that issued by a group including the seven living former Permanent Representatives of the United States to the U.N.

Mr. Speaker, I would like to have reproduced in the Record a news release announcing the letter to U.N. Secretary-General Kurt Waldheim that these distinguished citizens signed and a copy of the letter itself:

NEW YORK, AUGUST 30.—The seven living former Permanent Representatives of the U.S. to the United Nations now in private life, along with 39 co-signatories including former Ambassadors to the U.N. from other countries, jurists, professors of law, and international lawyers, joined today in a statement expressing opposition to proposals to suspend or expel Israel from the World Organization.

This unprecedented statement from the U.S. Ambassadors to the U.N. whose service spanned the years from the Eisenhower to the Ford Administrations, joined by legal experts of different political persuasions, explained that they were all "committed to a just and lasting peace in the Middle East" though they had "varying views as to how best to achieve this objective."

They were unanimous in their opposition to the proposals to suspend or expel Israel, on the basis of "their considered judgment that such action would be contrary to the letter and spirit of the Charter of the United Nations."

The statement was embodied in a letter to United Nations Secretary-General Kurt Waldheim.

The seven former U.S. Ambassadors to the U.N. who signed the letter to Mr. Waldheim are: Henry Cabot Lodge, 1953–60; James J. Wadsworth, 1960–61; Arthur J. Goldberg, 1965–68; George W. Ball, 1968; James Russell Wiggins, 1968–69; Charles W. Yost, 1969–71, who also served as Deputy to the late Ambassador Adlai E. Stevenson from 1961–65; John A. Scali, 1973–75. The only other living former U.S. Ambassador to the U.N., George Bush, is now Chief of the U.S. Liaison Office to the People's Republic of China.

The 46 signatories explained: "Our concern transcends the expulsion or suspension of Israel, important as this matter is. Such action may well cause irreparable damage to the United Nations itself." They added:

"Several leading members of the Organization have stated that if the General Assembly acts unconstitutionally to expel or suspend Israel, or to deny its rights, they will necessarily have to consider withdrawal of their support of the United Nations. These statements are not idle threats; they are serious and are supported by the parliamentary bodies and public opinion of these countries."

Were such support to be withdrawn, the signatories continued, "the United Nations would be severely impaired and its complete disintegration only a matter of time." "Impairment of the effectiveness of the U.N.," they stated, "and its ultimate disintegration would seriously impede current efforts for the achievement of peace in the Middle East and elsewhere."

The signatories pointed out that under Articles 5 and 6 of the United Nations Charter, "no member of the United Nations may be expelled or suspended by the General Assembly or denied any of its rights or privileges except upon recommendation of the

Security Council." They stated that "it is clear that the Security Council will not so recommend," and added: "The explicit Charter provisions, in our view, cannot be circumvented by subterfuges, such as disapproval by an Assembly majority of the proper credentials of a member state."

In their letter to Mr. Waldheim, the 46 signatories asked him to take "appropriate measures", within his competence, "to help ensure that all member states refrain from any action in derogation of the U.N.'s constitution by seeking to deprive Israel of the basic rights and privileges of membership in the Organization."

The 39 co-signatories of the letter to Mr. Waldheim are (Titles for identification only):

Morris B. Abram, U.S. Representative, UN Commission on Human Rights, 1965–68; Clifford L. Alexander, Jr., Chairman, Equal Opportunity Commission, 1967–69; Marvin J. Anderson, Dean, Hastings College of the Law, University of California; Herbert Brownell, Attorney General of the U.S., 1953–57; Gordon A. Christenson, Dean, American University School of Law; Tom C. Clark, Associate Justice of the Supreme Court of the U.S. (Retired), 1949–67; Roger C. Cramton, Dean, Cornell University School of Law; Samuel Dash, Director, Institute of Criminal Law and Procedure, Georgetown University Law Center; Arthur H. Dean, U.S. Delegate to the 16th and 17th General Assemblies of the UN, 1961, 1962; Charles Fahy, Senior Judge, U.S. Court of Appeals for the District of Columbia Circuit; Adrian S. Fisher, Deputy Director, U.S. Arms Control and Disarmament Agency, 1961–69; Thomas M. Franck, Director, New York University Center for International Studies.

Richard N. Gardner, U.S. Deputy Assistant Secretary of State for International Organizations, 1961–65; Abraham S. Goldstein, Professor, Yale University School of Law; Edward C. Halbach, Jr., Professor, School of Law, University of California at Berkeley; Patricia Roberts Harris, Alternate Delegate to the 21st General Assembly of the UN, 1966; Rita E. Hauser, U.S. Representative, UN Commission on Human Rights, 1969–72; Louis Henkin, President, U.S. Institute for Human Rights; George Ignatieff, Permanent Representative of Canada to the European Office in Geneva of the UN, 1971–72; Max Jakobson, Permanent Representative of Finland to the UN, 1965–72; Sanford Kadish, Dean, School of Law, University of California at Berkeley; Nicholas De B. Katzenbach, Under Secretary of State of the U.S., 1966–69; Milton R. Konvitz, Professor, Cornell University Law School; Leon Koritz, Dean, Temple University School of Law; Robert Kramer, Dean, George Washington University School of Law.

Sol M. Linowitz, U.S. Ambassador to the Organization of American States, 1966–69; Robert MacCrate, President, New York State Bar Association, 1972-73; John J. McCloy, Chairman of the World Bank, 1947-49; Robert B. McKay, Director of Justice, Society and the Individual Program, Aspen Institute for Humanistic Studies; Robert W. Meserve, President, American Bar Association, 1972-73; Arvid Prado, Permanent Representative of Malta to the UN, 1964-71; A. Kenneth Pye, Dean, Duke University School of Law; J. Lee Rankin, Solicitor General of the U.S., 1956-61; Norman Redlich, Dean, New York University School of Law; Albert M. Sacks, School of Law, Harvard University; Bernard G. Segal, President, American Bar Association, 1969; Whitney North Seymour, President, American Bar Association, 1960-61; Telford Taylor, Professor, Columbia University School of Law; Edward L. Wright, President, American Bar Association, 1970-71.

Copies of this letter, plus the names of the 46 signatories, are being placed as advertisements in several newspapers of wide general circulation over this week-end by the Institute of Human Relations.

An Open Letter to His Excellency, Kurt Waldheim, Secretary-General of the United Nations

My dear Secretary-General: We are former Ambassadors to the U.N., jurists, professors of law, and international lawyers.

We share a common devotion to the great goals of the United Nations and are longtime supporters of the Organization.

All of us who join in this letter are committed to a just and lasting peace in the Middle East but have varying views as to how best to achieve this objective.

We are unanimous, however, in opposition to the proposals for the General Assembly to expel or suspend the State of Israel from membership in the World Organization or to deny it any of the rights or privileges of membership.

It is our considered judgment that such action would be contrary to the letter and spirit of the Charter of the United Nations.

Under Articles Five and Six of the Charter, no member of the United Nations may be expelled or suspended by the General Assembly or denied any of its rights or privileges except upon recommendation of the Security Council. It is clear that the Security Council will not so recommend. The explicit Charter provisions, in our view, cannot be circumvented by subterfuges, such as disapproval by an Assembly majority of the proper credentials of a member state.

Our concern transcends the expulsion or suspension of Israel, important as this matter is. Such action may well cause irreparable damage to the United Nations itself.

Several leading members of the Organization have stated that if the General Assembly acts unconstitutionally to expel or suspend Israel, or to deny its rights, they will necessarily have to consider withdrawal of their support of the United Nations.

These statements are not idle threats; they are serious and are supported by the parliamentary bodies and public opinion of these countries.

The United Nations would be severely impaired and its complete disintegration only a matter of time were such support to be withdrawn.

Furthermore, impairment of the effectiveness of the U.N. and its ultimate disintegration would seriously impede current efforts for the achievement of peace in the Middle East and elsewhere.

In the interests of international peace, security and justice and a settlement in the Middle East, we trust that all members of the United Nations will accord full faith and credit to the provisions of the Charter and lay aside any attempt to expel or suspend Israel from the exercise of all of the rights and privileges of membership.

Members of the U.N., upon applying for admission, undertake in good faith to fulfill the obligations of the Charter. Denial of Israel's rights would abrogate this solemn obligation. It would also militate against universality of U.N. membership—a long-sought goal.

We most respectfully request, Mr. Secretary-General, that, as Chief Executive Officer of the United Nations, and, in a very real sense, as custodian of the Charter, you take appropriate measures, within your competence, to help ensure that all member states refrain from any action in derogation of the U.N.'s constitution by seeking to deprive Israel of the basic rights and privileges of membership in the Organization.

Respectfully,

Henry Cabot Lodge, U.S. Permanent Representative to the UN, 1953–60.

James J. Wadsworth, U.S. Permanent Representative to the UN, 1960–61.

Arthur J. Goldberg, U.S. Permanent Representative to the UN, 1965–68.

George W. Ball, U.S. Permanent Representative to the UN, 1968.

James Russell Wiggins, U.S. Permanent Representative to the UN, 1968–69.

Charles W. Yost, Deputy to Ambassador Adlai E. Stevenson (Deceased), 1961–65; U.S. Permanent Representative to the UN, 1969–71.

John A. Scali, U.S. Permanent Representative to the UN, 1973–75.

COSIGNATORIES

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Clifford L. Alexander, Jr., Chairman, Equal Opportunity Commission, 1967–69.

Marvin J. Anderson, Dean, Hastings College of the Law, University of California.

Herbert Brownell, Attorney General of the U.S., 1953–57.

Gordon A. Christenson, Dean, American University School of Law.

Tom C. Clark, Associate Justice of the Supreme Court of the U.S. (Retired), 1949–67.

Roger C. Cramton, Dean, Cornell University School of Law.

Samuel Dash, Director, Institute of Criminal Law and Procedure, Georgetown University Law Center.

Arthur H. Dean, U.S. Delegate to the 16th and 17th General Assemblies of the UN, 1961, 1962.

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Norman Redlich, Dean, New York University School of Law.

Albert M. Sacks, School of Law, Harvard University.

Bernard G. Segal, President, American Bar Association, 1969.

Whitney North Seymour, President, American Bar Association, 1960–61.

Telford Taylor, Professor, Columbia University School of Law.

Edward L. Wright, President, American Bar Association, 1970–71.

DECONTROL—THE RAPE OF THE CONSUMER

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. EDGAR. Mr. Speaker, given the opportunity, I intend to cast my vote to override the veto of the President on S. 1849, the bill to extend price controls on oil for 6 more months. I urge my colleagues to override this veto.

The President's veto yesterday was a clear signal that the battlelines are drawn. The confrontation is now. The American people will know who to blame when prices soar at the pump and when home heating bills skyrocket.

No matter what the outcome of this battle on the veto override, we will be returning to the commerce energy bill, H.R. 7014. Pending is a motion by Mr. Brown which would strike out the oil pricing policy which was the subject of vigorous debate before the last recess. I suspect this policy will continue to be the subject of heated debate this week or next.

It was my conclusion that it was the sense of the House to accept the Staggers-Eckhardt substitute. I did not participate in that debate, so I would like to take this opportunity to state my position with respect to an oil pricing policy.

I cannot support the new compromise when I anticipate will be offered. With his veto acting as a double-barreled shotgun, the administration has presented us, in my opinion, with, in the words of the Godfather, "an offer which we can't refuse." It is a Hobson's choice, a choice of decontrol or decontrol. Despite the political expediency of surrendering to what the administration had been touting as a major concession, I cannot sell out the interests of consumers to fill the coffers of big oil.

We are all too familiar with the problems we are facing and the tough decisions that need to be made with respect to an energy policy. Our foreign imports of oil have strained our economy, and milk this Nation of $26 billion each year. Our dependence on foreign oil has a significantly debilitating effect upon the independence of our foreign policy. Here at home, we consume energy at wasteful rates. We have catered to a cartel that has removed any hope of reestablishing a free market for oil in the foreseeable future. Compounding these problems, we have seen widespread inflation and recession, exacerbated by the policies of OPEC. There is now a sense of urgency in solving our energy problems as we have been shamefully awakened to the inevitability that cheap energy is no more.

I do not see decontrol as the energy policy which will accomplish the three important objectives which I feel should be the foundation of the oil pricing policy we will be approving today:

First, decreasing wasteful consumption, equitably placing the burden within the private and the public sector;

Second, increasing domestic production at a competitive cost; and

Third, sharing the burden of sacrifice among those most able to absorb changes in lifestyle.

The first objective should be to decrease this country's energy consumption equitably. Decontrol would indiscriminately raise the price of energy and place a disproportionate burden upon those whose energy consumption is least able to undergo adjustments. There is an inherent cruelty in using pricing as a method to decrease consumption. Price is ignorant to special circumstances. I cannot believe that wealth should serve as an insulation against a national policy of energy conservation. No American, regardless of income, should have the right and power to squander precious energy resources at the cost of less fortunate Americans.

A second objective is to increase production at a competitive cost. While it is certainly true that decontrol will increase production, its outrageously staggering cost makes the cure worse than the disease. Immediate decontrol would place upon consumers at least $9 billion the first year with negligible increases in production, and funnel this money directly to the oil companies. There is little incentive for more production except the fact that high prices of the OPEC cartel would encourage the oil companies to invest some part of this $9 billion in the hope that it would provide more sources of oil, and more money gouged from the consumer.

The third objective of our energy policy should be on a pricing provision which places the burden of cost among those who have the ability to pay. For the person living on fixed income, any increase in fuel cost affects the amount of money available for other essentials such as food, housing, and medical care. For the worker with three dependents, decontrol could cost $900 the first year in added expenses for fuel and other purchases. It seems odd to me that with one hand, this Congress took away an oil depletion allowance from big oil worth $2 billion, affectionately labeled "welfare for the rich," and with the other hand, is considering a tender of a de facto $8 billion windfall for big oil.

If decontrol is a means to use the pricing mechanism to decrease the consumption of energy, it should be tied to returning the increase in price to those who are not wasting energy. If, on the other hand, decontrol is used as a means for providing oil companies with the incentive for producing and exploring more with the goal of making us energy independent, then decontrol is a con game.

Even using the figures of the Federal Energy Administration, the increase in production brought about by decontrol will amount to only 100,000 to 300,000 barrels per day of crude oil by 1977, and 1.2 to 2.8 million barrels per day by 1985. However, the cost consumers will be paying for this increase in production would amount to over $32 for each barrel produced, just in the direct costs of decontrol. The cost to the consumer for the companion increases in other fuels as well as a modest ripple effect would place an even greater strain upon consumer purchasing power and give another tragic and job-costing boost to the inflation spiral.

What decontrol is should be evident. It is an easy method for consumating the marriage of big oil with the OPEC cartel. Its principal effect is to transfer billions of dollars from consumers to oil producers for the purpose of financing more oil finds which the consumer will be paying more for, and receive nothing in dividends for his investment. Already the relationship between the executive branch and big oil is incestuous. One need only to thumb through any one of a number of reports which have been published documenting the names and positions of former OIL executives who are presently in decisionmaking positions with FEA and other critical agencies. I am appalled that the Ford-Rockefeller Oil Co. is trying to seduce us with such a flagrantly empty "compromise."

Meanwhile, big oil is pleading for a return to the free market, using the most absurd arguments I have heard since I have been here. Perhaps a recent mailgram to you and me from Exxon received your attention. Its opening line reads as follows:

> The sooner the U.S. government removes the inequitable and burdensome controls on the petroleum industry and allows a return to the free market, the sooner the nation can approach its goal of energy self-sufficiency.

We all know there is no free market in the oil industry. A cartel has set a monopolistic price. If there was a true free market in this country, domestic oil would be selling at $4 or $5 per barrel. It is in the best interests of the major oil companies to institutionalize the OPEC pricing schedule. Is it not true that for every dollar increase in the price OPEC charges, the oil companies can pass on that increase not only for the oil it purchases from OPEC, but for the oil it produces itself domestically?

Some have argued that the enormous cost of decontrol to the consumer is worth it if it will make us energy independent. But decontrol will only contribute a fraction to our independence. At best and most liberal estimates, decontrol will only keep our demand for foreign petroleum constant or slightly rising. Presently, we import just over 6 million barrels per day of foreign crude. The Federal Energy Administration projects that decontrol would result in 1.2 to 2.8 million barrels of increased domestic production by 1985. However, with demand for crude rising at a rate of approximately 3 percent each year, we will be as dependent upon foreign imports in 1985 as we are now. Decontrol is definitely not the panacea it has been touted as by the administration.

What solutions can I offer? There are a number of strategies which I feel will meet the three criteria I have set for a sane energy policy.

The first is to continue price controls at the levels set in the Staggers-Eckhardt substitute, flanked by strong import quotas. Then, establish a new classification of oil which would be defined as production by a producer in excess of its June 1975, production. This oil may be sold at the market price or at $13.50 per barrel, whichever is higher. Would this not give the oil companies the incentive to increase our domestic sources without causing consumers another round of inflation? The second part of my program would be to support the rest of H.R. 7014. Its provisions offer creative and aggressive conservation incentives for the consumer. To meet the third requirement of my plan, the tax upon the profits of oil producers on my definition of "new" oil would be returned to consumers in the form of a tax rebate that was inversely proportional to income.

In the meantime, we would continue and expand our support for research into alternatives to oil which may be promising, such as coal gasification and liquifaction, and solar energy.

Mr. Speaker, I wish to insert into the RECORD at this point calculations prepared by my staff based upon current data supplied by FEA. These calculations should demonstrate the economic disaster of decontrol, even discounting indirect effects which are difficult to assess:

Domestic production: 5.2 million bar/day "old" oil at $5.25; 3.2 million bar/day new oil at $13.25.

Imported oil: 6.2 million bar/day at $11.11 plus $2 import tariff.

The composite price of domestic oil (weighted average) is $8.35 based upon above figures:

$$\frac{5.2}{8.4}\times\$5.25+\frac{3.2}{8.4}\times\$13.11=\$8.35$$

(According to FEA, May composite figure of domestic was $8.22.)

With decontrol, 5.2 million bar/day rises from $5.25 to $11.11, assuming no OPEC price increase and a repeal of the $2/barrel excise tax. The composite price of domestic oil rises from $8.35 to $11.11:

$11.11−$8.35≐$2.76.

8.4 million barrels per day=8.4 million× 365 days=3.06 billion barrels/yr.

Direct cost of decontrol=$2.76/barrel×3.06 billion barrels=$8.46 billion.

FEA projects an increase in domestic production by 1977 of 100–300,000 bar/day, primarily as a result of increased secondary and tertiary recovery techniques. By 1985, FEA projects an increase of domestic production of 1.1–2.8 million barrels/day, primarily as a result of new oil sources.

Assume a 1977 production of 200,000 marginal barrels and a 1985 production of 2 million barrels.

Assuming an exponential curve of production during those ten years which is much more likely, marginal production during this ten year period is about 4–5 million barrels× 365 days=1800 million barrels.

During that ten year period, assuming no OPEC increases, the cost to the consumer as a result of decontrol is ten times the first year cost minus a factor which accounts for the decrease in old oil as a result of natural field declines. For purposes of these calculations, assume a ten percent decline per year, not compounded:

This amounts to ten times the cost of decontrol in the first year minus 4.5 times the cost of decontrol (a total of 5.5 times the first year cost):

5.5×$8.46 billion=$46.5 billion in direct costs.

The direct cost of decontrol is $46.5 billion over ten years.

The direct costs of the extra 5 million barrels/day×365 days×$11.11=$12.2 billion.

The total cost for this oil, assuming no OPEC increases is therefore $58.7 billion.

The marginal cost per barrel produced during these ten years as a result of decontrol is:

$58.7 billion÷1.8 billion barrels= $32.60 per barrel, averaged over ten years (based upon FEA figures, all prices in constant 1975 dollars).

TURKISH BASES VITAL TO ISRAEL'S DEFENSE

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. FINDLEY. Mr. Speaker, the deterioration in U.S.-Turkish relations—provoked by our shortsighted and maladroit arms embargo—continues. The deterioration of the southern flank of NATO continues apace. So too does our ability to monitor important Soviet weapons testing and effectively to verify compliance with our strategic arms agreements and understandings. These facts are now somewhat more widely understood; that they have been so placidly accepted by so many, however, is nothing short of amazing.

Additionally, though, Turkey is of massive importance for the continued security of Israel. One need not study a map for very long in order to understand why this is so. And without bases in Turkey, our own ability to provide Israel with some measure of defense is dangerously reduced.

It is quite remarkable that this last fact has received so little attention.

Mr. Edward Jay Epstein has written an exceptionally solid and thoughtful analysis on this subject, one which I wholeheartedly commend to the attention of my colleague. Mr. Epstein's article, which appeared in the August 29 issue of the Wall Street Journal, is an important contribution to the public debate on this vital issue.

HOW LIBERALS AIDED ISRAEL'S FOES

(By Edward Jay Epstein)

The House of Representatives may have inadvertently altered the balance of power in the Middle East and critically diminished Israel's chances for survival when, in a fit of moral indignation inspired by a handful of Congressmen, it voted last month to continue the suspension of military aid for Turkey. In direct response to this vote, Turkey denied the U.S. control over more than 20 "common defense" installations in its territory which electronically monitored, among other things, shipments of military equipment, aircraft, and industrial goods to Middle East nations.

The strategic implications of the House coup proceed from Turkey's unique position in the geography of the Middle East. This NATO ally straddles Europe and Asia and physically separates the Soviet Union from the Arab states which depend on it for arms and ammunition. To reach the Mediterranean from their ports in the Black Sea, Soviet ships must pass through the narrow Turkish Dardanelles.

Before the congressional action, their cargoes could be surreptitiously analyzed by U.S. equipment at bases along the shores. To reach Syria and Iraq, Soviet aircraft must either overfly Turkish territory, where they can be "counted" or interdicted in a crisis, or be diverted several thousand miles over Bulgaria, Greece and the Mediterranean. Thus the main flow of Soviet arms traffic to the Middle East is vulnerable either to being "counted" or ultimately cut off because Turkey remains—for the moment at least—a NATO ally (which, not incidentally, maintains both diplomatic and economic ties with Israel).

A "WINDOW" ON RUSSIA

To be sure, the strategic importance of Turkey extends well beyond the security of Israel and the Middle East. Because it has a 1,000-mile border with the Soviet Union along the Black Sea, it provides an irreplaceable window on military and missile activity within the Soviet heartland. The monitoring equipment at U.S.-built bases along the Turkish Black Sea coast could detect the movement of Soviet planes, ships, submarines and tanks, as well as the heat generated by the preparation of Soviet missiles.

Over-the-horizon radar provided an integral link in the early warning system used by NATO and the U.S. and monitored the progress of Soviet missile technology. The American "machinery" was even sensitive enough to intercept walkie-talkie, ground-to-air and microwave telephone messages between military units (which meant in effect that any major military alert or troop movements would probably be monitored).

Aside from the intelligence facilities, Turkey also provided the U.S. bases for nuclear-armed fighters capable of penetrating Soviet defenses over the depression of the Black Sea. These "Quick Alert" bombers, parked on the edge of Turkish airfields with motors running, were by tacit agreement with the Soviets not counted as strategic bombers under the limitations of the SALT treaty, thus they served as an important counterbalance to the apparent Soviet missile superiority. If Turkey were to prohibit American use of these airbases, as it well could do, the entire SALT "balance of terror" would be tilted against the United States.

In more conventional terms, Turkey with its 500,000-man army, secures the eastern flank of NATO and that ultimately involves the security of Greece. Congressmen who voted to override these strategic considerations may have believed that detente has advanced to the point where nuclear confrontation with the Soviet Union is improbable—and may therefore consider the early warning system and strategic balances unnecessary. That assumption is doubtful, at best, but surely there is little doubt about the threat to the Middle East.

In October 1973, the installations in Turkey detected: the passage of nuclear warheads through the Dardanelles en route to Egypt or Syria; the mobilizing of paratrooper divisions at Soviet bases through Odessa (land-mobile communications between units were overhead); and the gathering of wide-bodied transports capable of carrying these troops to the Middle

East. All signs, including diplomatic signals, pointed towards Soviet military intervention against the Israelis, who at the time had cut off an Egyptian army in the Sinai. But President Nixon decisively called a world-wide military alert. And faced with the distinct possibility that their supply routes through Turkish water and airspace could be interrupted, the Soviets quickly abandoned their apparent plan.

Today the situation is radically different. If another such crisis occurred with the Turkish bases shut down, the President might never know of Soviet troop movements until too late. Even if no dramatic confrontations occur, the interruption of intelligence may ultimately present as serious a threat to the security of Israel as direct Soviet troop intervention. The balance of power in the Middle East depends on the U.S. ability to ascertain the quality and quantity of arms which the Soviet Union is providing its clients, since new weapon systems and military capabilities could obviously give an invading force a decisive advantage.

With the Turkish bases in operation, the United States would probably at least be forewarned of any change in Soviet arms shipments, thus having the option of redressing the balance or informing Israel of the potential danger. Without these monitoring facilities, Israel stands a higher risk of a successful surprise attack.

Why would the House of Representatives vote as it did even after it had been warned of the consequences by Secretary of State Kissinger? One can understand and even admire the brilliant tactics of the Greek lobby, which manipulated Congress into declaring an embargo on aid to Turkey over a dubious legality. In July 1974, after the Greek junta arranged a successful coup against the legitimate government of Cyprus, Turkey intervened with troops to "protect" the sizable Turkish minority from the group of terrorists that assumed control of Cyprus in the coup.

Turkey had the right to intervene as it did under the 1960 "Treaty of Guarantee" in which Greece, Turkey and Great Britain all pledged the integrity of the constitutional government which allocated governmental offices between Greek and Turkish-speaking Cypriots under a complex formula. It also claimed that the coup endangered the defenses of its southern airbases.

In any case, the intervention quickly led to the brutal displacement of thousands of Greek Cypriotes from their homes, and the Greek community in the U.S. became understandably concerned over the fate of Cyprus (even though a Greek junta precipitated the crisis). Perhaps the most effective organizer of the Cypriote cause in the U.S. was Eugene T. Rossides, a Washington lawyer, who had formerly served as a close aide to Archbishop Makarios, the President of Cyprus.

While Mr. Rossides was Assistant Secretary of the Treasury for Enforcement and Operations from 1969–1972, he spearheaded the drive to deprive Turkey of military and economic aid over the poppy issue. (Although Turkey grew only 2 percent of the world's opium supply, it was blamed by Mr. Rossides and others for the American heroin problem.) With the aid of G. Gordon Liddy, his assistant on "international narcotics" who later went on to other things, Mr. Rossides nearly managed to drive Turkey out of NATO.

Eventually cooler heads in the National Security Council prevailed. Nevertheless, Mr. Rossides had garnered support in his anti-Turkey cause among a large number of Congressmen concerned about drugs in their districts.

THE 'SELF-DEFENSE' ARGUMENT

After Turkey's military intervention on Cyprus, the Greek lobby began arguing in Congress that American aid was limited by law to "self-defense." What constitutes "defense" is somewhat ambiguous: Under the strict interpretation asserted by the Greek lobby, all military aid to such American allies as Great Britain, France and Israel (which periodically attacks guerrilla bases in Lebanon) could also be cut off. At the time of Watergate, with Congress legitimately concerned about transgressions of law, the Greek lobby managed to organize considerable support for an embargo against Turkey.

But while the shrewd efforts of the Greek lobby are fathomable, it defies explanation why the contingent of liberal Democrats, who in their campaigns and earlier votes had strongly supported Israel, would now join an effort that jeopardizes the Middle East security arrangements vital to the survival of Israel. Certainly, they must realize that giving the Soviet Union unmonitored passage for arms shipments would at the very least heighten the dangers of a surprise attack on Israel. They must also be aware that weakening U.S. defenses in the Eastern Mediterranean, now heavily dependent on Turkish air and naval bases, would reduce our ability to guarantee Israel's or even Greece's security.

UNAVOIDABLE ABSENCE

HON. BARBARA JORDAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Ms. JORDAN. Mr. Speaker, due to an unavoidable absence I was unable to vote on five separate rollcall votes taken in the House of Representatives on September 8 and 9, 1975. Had I been present and voting I would have cast the following votes:

Roll call No.	Item	House vote	Ms. Jordan—Vote
498	Passage of H. Res. 603 providing for the consideration of H.R. 6673	361-6	Yes.
499	Passage of H.R. 8650, relating to energy conservation in buildings	258-130	Yes.
500	Passage of H.R. 6673, providing for the establishment of an American Folklife Center in the Library of Congress	272-117	Yes.
502	Veto message of the President on H.R. 5901, making appropriations for the Education Division and related agencies for the fiscal year ending June 30, 1976.	379-41	Yes.
503	Suspension of the rules and passage of the bill S. 331, commemorating Veterans Day on November 11th	410-6	Yes.

LEGISLATION INTRODUCED TO AID HOMEOWNERSHIP

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. BADILLO. Mr. Speaker, I am introducing legislation today which is designed to make homeownership once again a possibility for low- and moderate-income families. My bill seeks to accomplish this by authorizing a program of homesteading in urban and rural areas of our country. Unlike present programs, however, which restrict homesteading to single family homes, my legislation utilizes multifamily and cluster dwellings. Instead of limiting participation to individual families, the program I am proposing vests ownership in tenant cooperatives.

Although conceived as a federally sponsored undertaking, my proposal depends on local initiative for implementation. Instead of relying on complicated new construction schemes, my legislation proposes to make use of abandoned, rehabitable houses, the titles to which have reverted to local and municipal governments. To provide incentives for participation and offset loss of revenues, my program will give local governments credit, equivalent to the value of the revenues they forgo by donating the structures, to apply toward the local contribution requirements of Federal programs.

In developing this legislation I not only had the cooperation of urban groups interested in and involved in homesteading efforts, but have also received the advice of persons whose primary concern is to expand housing opportunities in rural America.

Mr. Speaker, when the Emergency Middle-Income Housing Assistance Act was before the House, I warned my colleagues that presently existing housing programs have failed to respond to and meet the real housing needs of our Nation. At that time I stated that the urgent problems of our poorer communities were being ignored in the fashioning of our national housing policies.

Data I have gathered support my claim. Library of Congress researchers confirm that gains in housing construction have largely occurred in affluent suburbs. In the vast majority of cases individuals who improved their housing situation did so by moving into more desirable neighborhoods—not by acquiring better housing or improving existing structures in central cities or poor rural areas. While our housing policies did aid some families and individuals to attain more desirable housing, they failed to relieve the plight of established communities which often found themselves with steadily decreasing means of meeting the needs of their residents. Total Federal outlays for subsidized housing in fiscal 1974 totaled $1,788,326,000. On the other hand, tax benefits, in the form of mortgage interest deductions for families with annual incomes of $20,000 and above, amounted to $2.521 billion.

The results of such an approach were predictable. Although the 1970 census of housing included a description of the physical condition of units only in its components of change volume, and its findings were limited to 15 metropolitan areas, its findings showed an ominous increase in dilapidation of the housing stocks of the central cities. To cite only a few examples: In New York City alone the number of substandard rental units had doubled between 1960 and 1970. In Atlanta dilapidation between 1960 and 1970 increased 133 percent, in Chicago by 156 percent, while the District of Columbia got off lightly with an increase of only 10 percent.

As far as rural areas are concerned, a study undertaken by the Senate Committee on Agriculture and Forestry indicates that at least 10.5 percent of the approximately 20 million families living in nonmetropolitan areas occupy houses that lack complete plumbing facilities. More than 8 million year-round houses in such areas are not linked to a public water system. Its findings also indicate that four out of five families living in houses without full plumbing facilities had annual incomes of less than $6,000, and more than half had incomes of less than $3,000.

Families headed by elderly persons comprised 23 percent of all households in nonmetropolitan areas, but they occupied almost one-third of the houses which lacked plumbing facilities. Black families made up only 7 percent of rural households in 1970, but occupied 29 percent of the houses without full plumbing facilities. Obviously, our established housing programs have failed to meet the needs of urban and rural poor alike.

Nor is this all. While in the past the middle class, aided by national housing policies, made at least some gains in homeownership, our present economic crisis threatens to erode these gains and exclude everyone not in the top income brackets from the housing market. In 1974, 23 percent more income than in 1973 was required to buy a home. The national average price of a newly constructed home in 1973 was $37,100 and an annual income of $19,060 was required to qualify for the necessary mortgage. By 1974 the cost of a comparable home has reached $41,300, and the annual income requirement risen to $23,300. A Joint Economic Committee report estimates that at present only 15 percent of our Nation's families can qualify for homeownership.

Obviously, there is need for a change of pace, a reassessment of our national priorities and spending practices. Not only must we commit a larger share of our budget to meet our national housing needs—we must also make every effort to get maximum returns for our money.

Rehabilitation is substantially more economical than new construction. New York City officials estimate that while the cost of new construction is approximately $42,000 per unit, gut rehabilitation can be accomplished for $25,000. Rehabilitation which includes no luxuries and aims solely at producing safe, and livable housing can be accomplished for as little as $10,000. National figures are comparable. And there are plenty of houses to rehabilitate.

A 1970 study, undertaken by the Center for Community Change of the National Urban League showed that thousands of housing units were being abandoned in Washington, Philadelphia, Detroit, Cleveland, Baltimore, Boston, and Birmingham. New York City is losing an estimated 20,000 units a year to abandonment. A large number of these houses are neither dilapidated nor uninhabitable. An estimated 80 percent of the unrecorded losses in New York in 1968 were in buildings classified only 3 years earlier as either sound or deteriorating, but not dilapidated.

The measure I am introducing emphasizes the reclamation of such units. It authorizes a pilot program of homesteading in both urban and rural areas. Localities are to develop program proposals and submit them to the Secretary of Housing and Urban Development for approval. Variations in approaches will be encouraged to facilitate meeting both urban and rural needs. Qualifying applications must contain:

First. An overall homestead and neighborhood or community revitalization program;

Second. Plans proving that properties selected for participation are located in areas scheduled for revitalization and upgrading; and

Third. Data indicating that sufficient public services will be provided to assure a stable environment.

Applicants will have to establish homestead boards which will administer their programs. Such boards will have both elected and appointed members and will perform the following functions:

First. Compile and maintain a catalog of all publicly owned vacant structures;

Second. Institute in rem or foreclosure proceedings;

Third. Investigate properties selected for the program and secure accurate assessment of needed repairs;

Fourth. Negotiate low-interest loans for the carrying out of such repairs;

Fifth. Furnish technical assistance to tenant groups; and

Sixth. Establish an office of tenant assistance which will help homesteaders to incorporate, instruct them in the nature of their obligations and privileges and extend them assistance necessary to enable them to assume ownership and meet their obligations.

Although my bill authorizes the Secretary of Housing and Urban Development to promulgate the guidelines for the program, it stipulates their submission, prior to implementation, to both the House Banking, Currency and Housing Committee and the Senate Urban Affairs Committee, which will have 30 days to review them.

Mr. Speaker, I believe that the program I am proposing is a reasonable first step toward solving some of our urgent housing problems. After the August recess I shall seek cosponsorship for this legislation and hope that my colleagues on both sides of the aisle will give me their suggestions and support.

AKRON REDEDICATES MEMORIAL TO JOHN BROWN

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. SEIBERLING. Mr. Speaker, on the first of September, the people of Akron, Ohio, in addition to celebrating Labor Day, held ceremonies rededicating a memorial to John Brown, once a resident of Akron, who achieved fame unequalled by any of its citizens as a result of his uncompromising efforts to end the shame of slavery in America. The ceremonies took place at a stone column erected early in this century in a park named after Col. Simon Perkins, founder of the city of Akron, who at one time was a partner with John Brown in a sheep raising business. The park, itself, known as Perkins Woods, is on land formerly belonging to the sheep farm.

The ceremonies were organized by Mr. Emmer M. Lancaster, an outstanding black lawyer and community leader for many years, and was sponsored by the Negro Twenty-Five Year Club, Inc., of Akron. Through Mr. Lancaster's efforts, the city had undertaken extensive repairs to restore the monument, a portion of which had been originally built with money raised by the Twenty-Five Year Club.

With Mr. Lancaster presiding as chairman of the John Brown Memorial Committee of the club, the ceremonies were impressive and fitting for the occasion. The 122d Army Band, a National Guard organization from Columbus, presented an outstanding musical program, made even more outstanding by the beautiful singing of the 50 voice Negro Community Chorus under the directorship of Mary Moore Nelson. Mr. William V. Wallace, Jr., director of the Summit County Historical Society, briefly spoke on the historical connection of John Brown with the Akron community and pointed out that John Brown was undoubtedly the most famous resident of Akron in its 150-year history. Mr. Fred J. Albrecht, chairman of the Akron Sesquicentennial Committee, spoke on the history of the memorial itself. The Hon. Edward L. Davis, president of the Akron City Council, gave a moving speech on the significance of John Brown's life in the unending struggle for justice for all people. He was seconded by Mr. James Williams, councilman for the fourth ward of the city of Akron, in which ward the memorial is situated.

The Honorable John S. Ballard, mayor of the city of Akron, extended an official commendation to Mr. Lancaster and the Twenty-Five Year Club, of which Mrs. Florence L. Minson is president, for their persistent efforts to have the memorial restored. I followed Mayor Ballard with a few extemporaneous remarks pointing out that John Brown's "soul goes marching on" because in each generation there are people who are prepared to strike out against injustice and discrimination and to pursue the goal of equality for all people. Eloquent and moving invocations and benedictions were delivered by Rev. Francis Johnson of St. Phillip's Episcopal Church of Akron and Rev. Stanley Lynton of the Second Baptist Church of Akron.

The principal speaker was Prof. George W. Knepper, professor of history at the University of Akron, who delivered a most scholarly and interesting historical sketch of the life of John Brown. Fortunately, Professor Knepper's address was made from a written text and he has kindly made it available to me. Entitled "John Brown: A Memorial" I believe it is worthy of widespread dissemination and will be of interest to followers of American history and American ideals everywhere. Accordingly, I offer it for printing following these remarks.

John Brown: A Memorial

One hundred and thirty years ago, on this spot where we are now assembled John Brown was tending his flocks. At forty-four years of age, he was a farmer and sheepherder in business with Col. Simon Perkins, and living just atop this hill in a small house provided for him by Perkins. He had not yet performed those deeds that would make his name known throughout the land, but there was already programmed in his soul the stern morality, the uncompromising spirit, and the courageous heart that would make him the nation's most militant foe of slavery, that blot on the conscience of freedom-loving men and women. In pursuing his struggle against slavery, he opened wounds in the body politic that helped bring on the Civil War, the terrible instrument through which nearly 4,000,000 black Americans were freed from bondage.

Who was John Brown, and why, at a critical time in our history, did he assume a role of such importance? Let us look briefly at the formative years of his life.

John Brown was born May 9, 1800 in Litchfield County, Connecticut. His father, Owen, a tanner by trade, found life difficult in western Connecticut and moved his family, including five year old John, to the Connecticut Western Reserve, that northeastern corner of Ohio in which we now reside. Owen established his family in Hudson, and here young John grew up. His early years were not especially happy one. Until his father's business was well established, the family lived in poverty and hardship. Young John had almost no possessions he could call his own. When he was eight, his mother died and the loss affected him deeply for years. He went to school but briefly, learned the tanner's trade, and ruminated over the Calvinistic faith with its stern, no-nonsense God of wrath. He became an embittered, resentful, and belligerent boy determined as he grew older to make a place for himself in society.

During the War of 1812, young John drove herds of cattle over dark forest trails to supply American soldiers preparing for campaigns in the west. On one such trip, he witnessed the unprovoked beating of a slave boy about his own age, and what he called the "wretched and hopeless condition" of that "Fatherless and Motherless" slave boy made him a most determined foe of slavery from then on. This anti-slavery attitude was much strengthened in the next few years. Hudson was a strong anti-slavery town, and John's father was an outspoken enemy of the slave system. Young John was soon insisting that slavery was "a great sin against God" and that it was his sworn Christian duty to help slaves escape from the South to Canada and freedom. By the time he was twenty, Brown had already assisted one slave to reach freedom, and he had made it clear that he would shelter and assist other runaways from Kentucky or Virginia who came by his place.

At twenty years of age, John Brown married Dianthe Lusk by whom he had several children. Dianthe was not strong physically or emotionally and she sickened and died. John soon remarried and had numerous children by Mary Ann Day, his second wife. He now fancied himself a successful business man, but his impulsiveness, his chronic inability to be satisfied with reasonable gains, and, above all, his unswerving stubbornness led to repeated failures in the business world. Most of his life was spent in debt, eaking out a hardscrabble existence for himself and his family.

Some of the recognition he craved but failed to realize in business came to him through his church. His piety was noticed and remarked upon. At one time he started studies to become a preacher, but having given these up, he continued an avid private study of the scriptures and could quote long biblical passages verbatim. However, in religion as in business, he had little tolerance for those whose vision differed from his.

In 1838, at a revival meeting in what is now Kent, Ohio, some free Negroes and runaway slaves came from the surrounding territory to attend the services. As was customary, they were required to sit far to the rear of the meeting house. This discrimination in the house of God outraged John Brown. With a flourish he escorted some of them down the aisle to his own pew. That evening he was visited by the deacons who told him that his actions were not acceptable, but on the next evening Brown repeated his performance. Ultimately Brown was excluded from membership in this congregation through a technicality designed to punish him for this act.

Brown was active in the Underground Railroad in the 1830's and 1840's, helping to spirit escaping slaves to the Lake Erie ports from which they escaped into Canada. One abolitionist remembered him coming into his house at night with five or six escaping slaves that he had guided all the way from the Ohio River. If he had to, said Brown, he would lay down his life to help fugitives because "death for a good cause was glorious."

By 1844, Brown and his large family were living in Akron. The wool business in which he was engaged with Simon Perkins did not prosper, partly due to Brown's stubborn insistence that he knew better how to run the wool business than did those who were trying to give him advice. By 1846 the business was near bankruptcy. Perkins apparently forgave Brown for his part in the debacle, but Brown left Akron for a home in North Elba, New York, a tiny village in the Adirondack Mountains of New York State where a number of blacks had settled on lands furnished them by Gerrit Smith, a wealthy anti-slavery man. Brown returned to Akron from time to time until 1855, but he considered North Elba his home until the end of his days.

Antislavery sentiment in the North burst with renewed vigor in 1850 with the promulgation of a new federal fugitive slave law. This act, deliberately designed to placate the South, was rigged in favor of any slaveowner or his agent who came into the free states, seized a Negro, and took that person before a judge claiming that he or she was an escaped slave. If the judge believed the slaveowner, he received a fee double that which he got if he found in favor of the black. This "Kidnap Law" as it was called in antislavery areas, was roundly condemned in northern Ohio. In Akron, General Lucius V. Bierce, distinguished citizen and former Mayor of Akron, told an audience of his townsmen, "As for me, whether the order comes from a judge, or a Commissioner, or a President, if it is to transport a citizen of this [state] to a slave state, without the protection of our laws, *I say resist it*, and let the South and her servile minions of the North know that she sleeps on a magazine that a spark from the North can at any moment explode." Citizens of the Western Reserve *did* defy this unjust law: in Akron, in Wellington, and elsewhere around northern Ohio, efforts to take blacks south into the slave states were successfully thwarted by an aroused citizenry.

Then, in 1854, another blow was dealt antislavery advocates when a law was passed that would open up some western territories, formerly closed to slavery, to the possibility of slavery. A great struggle ensued between pro-slavery and anti-slavery groups to gain control of Kansas territory, and an irregular guerrilla war broke out between them in 1856. John Brown and several of his sons left for the west, and it was there, on Kansas soil, that Brown was to earn a fearsome reputation. He was a humorless, gaunt, uncompromisingly militant anti-slavery advocate, a man who could be counted on to lend his voice and his rifle to the cause in which he so deeply believed.

One dark night, in retaliation for raids made by pro-slavery men, Brown and several of his sons and supporters rode out along Ossawatomie Creek in eastern Kansas. Three times they stopped at the cabins of known pro-slavery men. Each time they called the adult males out of the cabins and there hacked and slashed them to death with stubby cavalry sabers. All told, five men were thus murdered in cold blood. It is indicative of the heated passions of the time that Brown's murderous deed, though generally condemned, was hailed with approval and praise among some northern abolitionists. For the South it merely confirmed that there was no reasoning with those radical northern elements bent upon destroying southern slave property and hence the southern way of life. From this time until his death three years later, Brown's image was fixed in the public imagination. He was "Old Brown of Ossawatomie," a stern, avenging Old Testament prophet smiting his foes and purging the enemies of the Lord.

The arms used by Brown in Kansas were supplied by sympathizers in the North, principally in New England and in Ohio's Western Reserve. One of the local men who assisted Brown to secure arms was General Bierce who was later to say publically that he supplied Brown with several cases of arms, possibly including the stubby sabres which slashed the victims of Ossawatomie, and "right good use did he make of them," said Bierce.

John Brown now turned his attention increasingly to what was to be his main stroke against slavery. On October 16, 1859, after much thought and planning. Brown led a force of 21 men—16 whites and 5 blacks—against the federal arsenal at Harper's Ferry, Virginia. He apparently intended to seize arms and then retreat into the Virginia mountains and there set up a community to which slaves might flee. The tragedy of the Harper's Ferry raid is well known. Ultimately surrounded by militia and by federal troops under command of Col. Robert E. Lee, Brown's men fought well against overwhelming odds. Ten of them, including two of Brown's sons, died in battle or of their wounds; five more were captured; six escaped. Not one slave was permanently freed as a result of this gallant but misdirected effort.

Brown was injured in the fighting. When he revived, he found himself in the custody of Virginia authorities. Soon he was interrogated by a distinguished group that included United States Congressmen and the Governor of Virginia. Governor Wise said that Brown, his eyes flashing with zeal and self-righteousness, was "the gamest man I ever saw." Brown claimed the support of thousands in his cause, but he would implicate no one. When asked "do you consider this a religious movement?" Brown replied, "It is, in my opinion, the greatest service man can render to God."

"Do you consider yourself an instrument in the hands of Providence?"

"I do."

"Upon what principle do you justify your acts?"

"Upon the Golden Rule. I pity the poor in bondage that have none to help them: that is why I am here; not to gratify any personal animosity, revenge, or vindictive spirit. It is my sympathy with the oppressed and the wronged, that are as good as you and as precious in the sight of God."

On December 2, 1859, John Brown was taken from the jail in Charles Town, Virginia. Seated upon his coffin, in a furniture wagon drawn by two white horses, he rode out to the gallows. There amidst a vast throng, composed, he calmly awaited his fate. The trap was sprung; death came quickly; John Brown passed into legend.

Throughout those areas of the North where anti-slavery sentiment ran high, Brown was eulogized in death. In Akron, that Friday, stores were closed, the courts were adjourned, some buildings were draped in black mourning, and in the evening the largest crowd ever to fill Empire Hall came to hear Brown praised. General Bierce, who delivered the main address, called him "the first martyr in the 'irrepressible conflict' of liberty with slavery." Was Brown crazy as some had claimed? The General had an answer: "It is said, 'Old Brown was crazy'—would to God we had millions of such crazy men at the North who were to peril life for right and universal liberty." It was with a mixture of sadness and outrage that Akronites bade farewell to "our old neighbor John Brown."

Of all the white anti-slavery figures John Brown has been most honored by black Americans. He was perhaps the least racist of whites; he mingled easily and unselfconsciously with blacks on a neighborly and social basis. He valued their friendship and their help. He was not patronizing, either consciously or unconsciously. Frederick Douglass, escaped slave and foremost among blacks in the anti-slavery movement, was his valued friend and associate. In an interesting new book entitled *Blacks on John Brown*, Benjamin Quaries, a distinguished black historian, has gathered evidences of this regard. Quarles says that the view of Brown as a martyr reached its strongest intensity among blacks to whom he was a man of moral courage, a deeply religious man to whom slavery was the sin of sins. His adherence to principle still attracts a broad segment of modern America that wishes to make right both the old wrongs and the newer ones that have been superimposed upon them. There is something in Brown for all who see the need to continue to strive for the full realization of justice and opportunity for those Americans still laboring under unfair handicaps.

Within days of his execution, John Brown's body was moved to its final resting place in North Elba. First, however, in New York City, it was removed from its southern coffin and replaced in a northern one. In North Elba, among his neighbors both black and white, his grave rests beside a great boulder that records his name. In other parts of the North other memorials, including this fine memorial we rededicate today, mark his impact upon the public conscience and the popular memory.

In her poem "To John Brown," Georgia Douglas Johnson writes:

Truth cannot perish though the earth erase
the royal signals, leaving not a trace,
And time still burgeoneth the fertile seed,
Though he is crucified who wrought the deed:
O Alleghenies, fold him to your breast
Until the judgment! Sentinel his rest!

That fertile seed is still carried today by those of us here, and by like-minded people everywhere, who celebrate the ends, if not the means, of our old neighbor, John Brown.

IS THE "BUSING GAME" WORTH THE PRIZE?

HON. GENE SNYDER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. SNYDER. Mr. Speaker, no one can question the credentials of columnist William Raspberry—either as to color or as to liberal political philosophy. In this connection, I would commend to my friends on the Judiciary Committee his column in today's Washington Post.

With the recent Armour and Coleman studies showing the damage being done to children by this scheme, it makes good sense to report the antibusing proposals now pending before the Judiciary Committee so the House of Representatives can vote on them.

Mr. Speaker, the William Raspberry column follows:

IS THE "BUSING GAME" WORTH THE PRIZE?

(By William Raspberry)

It's hard to know what is the right thing to do now about busing in those cities where antibusing sentiment is so strong as to threaten the public peace.

One can pray that violence will be kept to a minimum; that law enforcement officials will behave professionally, no matter what their private views of the issue may be. One can observe the similarities between white attitudes and actions in Boston and Louisville today and in Little Rock and New Orleans 20 years ago and hope that opposition to busing will melt now as opposition to desegregation melted then.

But the prayers and hopes seem unlikely to produce much by way of positive results, and a lot of us are wondering whether the busing game is worth the prize. Some of us aren't even sure just what the prize is supposed to be.

It was a lot clearer when the issue was whether black children could be shunted off to distant classrooms because nearby schools were designated, officially, if arbitrarily, as white schools.

We may have wondered whether we would have subjected our own children to the taunts and threats of violence faced by, say, the Little Rock Nine. But there did seem to be a clear-cut principle at stake: that the public schools should exist for the entire public—that it is discriminatory and wrong to earmark certain schools as black or white.

Now we are being asked to support a different principle: that it is wrong, constitutionally and morally, for a school to be predominantly black even if that fact stems from its existence in a predominantly black neighborhood.

The NAACP, which almost alone is sustaining the drive for wide-scale busing to eliminate predominantly black schools, insists that the principles are the same. It is a view for which support is fast disappearing.

Which is one of the key reasons for widespread pessimism. Many of those who resisted desegregation—the abolition of dual school systems—knew their position to be morally indefensible. And when they finally lost, it was due in large measure to their moral isolation and sense of guilt.

There is no corresponding sense of guilt today. Most whites have long since accepted the notion that segregation is wrong, and even in the Deep South there is hardly such a thing as an all-white school—nor much feeling that there should be.

But on the other hand, precious few whites, North or South, feel any guilt in resisting the disruption of their children's education by busing them to distant schools because those schools are "too black."

Nor is there much more enthusiasm among black parents for large-scale busing for the primary purpose of racial integration.

Not that any of this matters to the NAACP's policy makers. For them the issue is not whether anybody *wants* busing; it is their view that constitutional considerations *require* it.

"Constitutional rights are not open to plebiscites and popularity polls," NAACP general counsel Nathaniel Jones recently told the National Observer.

He sees the eradication of racially identifiable schools—by which he appears to mean predominantly black schools—as a constitutional mandate to be carried out even if most blacks and whites doubt that it's worth the disruption and ill will that it is certain to spawn. Interestingly enough, those who tell you that the wishes of the people must be subordinated to the mandates of principle generally do so in support of their own wishes.

A very long time ago, the issue was how to improve public education for black children. The presumption, in those days, was that white school officials who insisted on setting aside certain schools for the exclusive use of white children could hardly be expected to care much about the education of black children.

The NAACP, clearly on the right side of that issue, had a major role in the 1954 Supreme Court decision outlawing racial exclusivity. It was a vastly important victory which, in effect, opened neighborhood schools to all neighborhood residents.

But it didn't lead automatically to racial integration, particularly in the North, where the schools remained white or black because the neighborhoods were.

So the NAACP expanded the principle to include not just the dismantling of dual school systems but also the elimination of identifiably black school within unitary systems. A number of courts went along with the expansion.

But that is changing. The Supreme Court, in the Detroit case, held that it's perfectly all right if schools are predominantly black because the school district is predominantly black. Last month, a Detroit judge rejected an NAACP plan that called for busing some 77,000 of Detroit's 260,000 school children in an effort to maximize racial integration. Just as well. The Detroit schools are already about two-thirds black, and the kind of arrangement the NAACP sought almost certainly would have had the primary effect of driving yet more whites out of the city.

The judicial trend may be clear, but so is the NAACP's commitment to busing. And because of the massiveness of that commitment, it may be too much to expect the NAACP to back down at this late date, however counterproductive its efforts may in fact be.

In addition, it is extremely difficult to back down now in the face of the Little Rock-style opposition in Boston, Louisville and elsewhere.

It is a lot easier to wish the current crisis hadn't been forced than to see any reasonable way out of it.

UNITED CHURCH OF CHRIST CONCERNS FOR GENERAL AMNESTY AND THE PINE RIDGE INDIAN RESERVATION

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mrs. SCHROEDER. Mr. Speaker, prior to the August congressional recess, I received from the Rocky Mountain Conference of the United Church of Christ a letter enclosing two resolutions approved at the 10th General Synod of the United Church of Christ, held in Minneapolis, Minn.

I am happy to state that the two resolutions—on amnesty and on the unfortunate events at the Pine Ridge Indian Reservation—were unanimously approved by the delegations from Colorado, Utah, and Wyoming, and I want to take this opportunity to share with my colleagues these two very good expressions of concern so heartily approved.

The letter and the resolutions follow:

JULY 17, 1975.

Hon. PATRICIA SCHROEDER,
Washington, D.C.

DEAR MRS. SCHROEDER: We have recently returned from the 10th General Synod of the United Church of Christ in Minneapolis, Minnesota, June 27–July 1. The attached resolutions concerning Amnesty and the Pine Ridge situation were approved by the General Synod and received the unanimous approval of the members of our delegation representing Colorado, Utah and Wyoming. We send them to you for your information and consideration.

Very truly yours,
Mrs. Bernos Daly, Denver, Colo.
Mrs. Midori Abe, Denver, Colo.
Mrs. Ellen DeMuth, Littleton, Colo.
Mr. Richard Olson, Greeely, Colo.
Rev. Conard Pyle, Grand Junction, Colo.
Rev. Edward M. Robinson, Aurora, Colo.
Rev. J. Paul Tatter, Green Mountain Falls, Colo.
Rev. Bruce MacKenzie, Boulder, Colo.
Rev. George W. Otto, Denver, Colo.

A RESOLUTION ON GENERAL AMNESTY

(In response to the overture from the Michigan Conference)

Whereas, Jesus Christ calls the Church to the ministry of reconciliation, and the healing power of His Gospel embraces all sorts and conditions of persons; and

Whereas, the involvement of the United States in military action in Indochina is now ended, and

Whereas, the nation aches for a binding of the wounds which have torn us apart as a result of the war, and

Whereas, the Presidential clemency program, which hoped to accomplish reconciliation and healing has, in fact, attracted fewer than 20% of the persons eligible;

Therefore, be it resolved that the Tenth General Synod of the United Church of Christ, meeting in Minneapolis, Minnesota, calls upon President Gerald R. Ford to declare an amnesty for draft resisters and nonregistrants, military absentees, and civilian war protestors who have participated in nonviolent resistance.

Be it further resolved that those veterans with other than honorable discharges, if given for non-violent offenses, be granted amnesty and an honorable discharge in order to have a fair chance to rebuild their lives to the fullest.

Be it further resolved that such an amnesty apply to those persons whose offenses were committed during the Indochina conflict;

Be it further resolved that President Robert V. Moss is instructed immediately to communicate this resolution to the President of the United States, and to petition the Congress to enact legislation implementing the substance of this resolution.

PINE RIDGE RESOLUTION

The Council for American Indian Ministry, with offices in Bismarck, North Dakota, meeting in Minneapolis, Minnesota wishes to address the 10th General Synod on the Pine Ridge situation. Details have been too sketchy for full information, but we are now seeking information from our own contacts.

The morning news reminds us of the history of violence in America perpetuated against the American Indian since the settling of this nation through the policy and practice of genocide.

Today American Indian people deplore the use of violence in settling human differences. We grieve when Indian and non-Indian people are slain.

Therefore, in Christ's name, we call upon the 10th General Synod of the United Church of Christ to:

1. Request President Robert V. Moss to use his good offices in addressing President Ford to refrain from using Federal Agents in unrestrained force which would lead to further violence. Rather we seek peaceful negotiations in finally bringing some resolution to the long term problems in the Pine Ridge Indian Reservation.
2. Request Dr. Moss contact his ecumenical peers in supporting this resolution.
3. Request the Office of Communication to explore what is behind the apparent lack of communication regarding the latest incident.
4. Ask Conference delegates to contact their congressional representatives to ask that federal agencies not be used in escalating the situation to a second Wounded Knee.

THE REPUBLICAN LEGISLATIVE AGENDA: A PROGRAM FOR PROGRESS

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. RHODES. Mr. Speaker, earlier this year I came to the conclusion that the American people needed to know what priorities and legislative activity Republicans would establish if they gained a majority in Congress. A 33-member task force was formed to develop the document, and a drafting subcommittee spent considerable time preparing the agenda.

On September 4 the House Republican Policy Committee formally approved the agenda, and it was released at a press conference September 8.

The document does not address every issue. Our positions are already well known on many topics through our party platforms, policy statements, and legislative efforts. Our goal in this instance is simply to inform the American people what a Republican Congress would undertake. We want the people to understand the only real way to change Congress is to change party control of Congress. The Democrats have controlled Congress for nearly 40 straight years and the people are clearly not satisfied with their performance. We believe that commonsense alone dictates the need for a change.

Some of the highlights of the Republican legislative agenda include the following:

1. The program recognizes that transition from a deficit of $80 billion to complete balance in one year, "although desirable, is not feasible." It calls for a balanced budget in no more than three years.
2. The program calls for an automatically extended system of unemployment benefits coupled with intensive manpower training to tide workers over during periods of involuntary unemployment.
3. Recommended is an extended Keogh-type plan which would provied special tax incentives for workers to invest in a private retirement fund that would supplement both social security and company plans (and also aid in captial formation to expand the economy).
4. In recognition of "the failure of the Democrat Congress to provide effective oversight of federal operations and regulatory agencies," the program calls for creation of a bi-partisan commission to review present governmental performance, redefine national goals, and recommend legislative revisions.
5. The program advocates establishment of a windfall energy profits tax with a plowback provision to encourage reinvestment of energy earnings.
6. A thorough revision of the run-away food stamp program is proposed.
7. The program charges that "the present system of establishing a debt ceiling has become meaningless" and proposes that the limit of the public debt be set concurrently with the adoption of the federal budget.
8. A program of health insurance to protect the elderly against "catastrophic" illness is advocated.

The full text of the agenda follows:

REPUBLICAN LEGISLATIVE AGENDA: A PROGRAM FOR PROGRESS

The principal mission of government must be to provide its citizens the freedom to pursue opportunities to create and maintain the type of life each of them desires. We believe that the vast majority of Americans prefer:

A life in which freedom of thought and action of the individual as a member of society is preserved and protected. Government's duty is to defend its people against aggressors from without and subversive and criminal elements from within.

A life lived in an economic climate in which truly competitive free enterprise predominates. Government's role is to foster and further free enterprise, while maintaining protection for society and individuals against unfair advantage taken by predatory interests.

A life in which all people have a full opportunity for success. Society and government have joint responsibility to make programs and facilities available to train individuals in marketable skills, so they may become productive members of the free enterprise system.

A life that promotes and strengthens individual and family responsibility. Our youth should be given every opportunity to be exposed to the positive values of our American heritage.

A life in which assistance is available to the needy, disabled, aged and handicapped, but in which able-bodied and able-minded persons are expected to work and produce.

Our present society has not yet fully achieved these goals, but it has proved that it has the ability to do so—that it offers the best hope yet devised by man to realize the fulfillment of the American dream. We intend to hasten it toward its goal by prodding it where it needs prodding, by adjusting it where it needs adjusting, but all the while nurturing and protecting it against those who would destroy it.

Government will play an important role, but must refrain from competing with and from putting strains and pressures on free enterprise which would damage the entire system and thus lead to eventual failure.

The essence of our American system is choice. Our nation grew strong under the concept of freedom of our people to choose the course of government. To choose well, there must be recognizable programs to be weighed in the balance. As a responsible minority, seeking to become a nucleus of a majority, we believe our obligation is to move our government better to serve the people.

There are certain principles which guide a Republic year in and year out. The policies any government should follow must be dictated by the particular time in which those guidelines will be operative.

We believe that at this time in our history it is essential the role of government be diminished, and emphasis placed on the encouragement of individual enterprise.

Congress must come to grips with the realties of federal spending in a peacetime economy and not allow the federal government to be the primary cause of inflation. We believe the Congress through the Budget Committee has the responsibility to curb excessive federal deficit financing, and work with the Executive Branch to establish national priorities consistent with federal revenues.

We recognize the fact that the transition from a deficit of $80 billion to a balance between revenue and expenditures in one year, although desirable, is not feasible. We would expect to effect it within three years. During that time, it would be necessary for us to forego additional programs to be financed through the public sector and concentrate on improving, consolidating and in certain cases eliminating by intensive legislative oversight and amendment existing ineffective or unnecessary programs.

We believe a commission should be established to study the operations of our government departments and agencies and recommend necessary reforms. In addition, our national transportation system must be reviewed and necessary legislative remedies enacted which will provide a balanced and adequate transportation system for the country.

Since its beginning in 1913, the federal income tax system has grown into a hodgepodge of conflicting regulations, inconsistencies, and inequities. Our tax system needs immediate reform, the kind of reform that would require every American to pay a fair share, no more or no less. We must avoid incentive-destroying tax levels which slow the growth of the economy and prevent the creation of new jobs.

We stand for full employment and believe every American who is willing and able to work has a right to expect and an obligation to pursue opportunities to earn a living. Because massive federal make-work programs offer no hope to the jobless for long-range future security, we endorse stimulation of free enterprise to generate productive jobs that will last and pay a decent wage. We favor automatically extended unemployment benefits coupled with intensive manpower training to tide workers over periods of unemployment. Much of the added expense for expanded manpower training can be defrayed by purging the bloated welfare rolls of the many ineligibles, by rooting out welfare fraud and by strengthening work requirements. Moreover, to help channel assistance where it is really needed, we favor a drastic revision of the run-away food stamp program.

One of the great challenges of our time is our need to become independent in energy production. We believe that energy independence should be reached mainly through the efforts of private enterprise. Tax incentives will be needed to assist in prodigious capital formation to invest in new and expanded facilities. The direct federal role should be limited to appropriate participation in research and development of new energy sources.

We believe older Americans are especially deserving of attention and concern. They are faced with loss of income security from inflation and the spectre of financial disaster from major illnesses. The greatest contribution Congress can make is to assume leadership in an all-out effort to reduce inflation to protect the buying power of retirement dollars. Because of spiraling costs for medical care and health services, we feel a health insurance program offering protection against the financial ravages of catastrophic illnesses is needed.

The entire area of health care must be examined in order to establish a national health policy. Federal involvement in health care is extensive, with fragmented, categorical programs and pervasive regulations and guidelines. In order to address the complex questions involved in this issue, we have established a Task Force on Health with the Republican Research Committee.

We regard it as imperative to preserve the integrity of the Social Security Trust Fund financed by employee-employer contributions and to adjust benefit payments to sustain purchasing power in constant dollars. We will actively support incentives to expand the individual retirement program of every American.

Education of our nation's young people is a state responsibility, a local function and a federal concern.

The mentally and physically handicapped must be afforded opportunities that will allow them to function as useful members of our society.

It is a major responsibility of government to protect the lives and property of its citizens and insure the domestic tranquility. Justice must be as concerned with protecting the rights of the victim of crime as assuring the rights of the accused. At the same time, we must consider legislation to assure American citizens that they will not be subject to arbitrary or unjustified surveillance by government agents and to protect citizens' rights-to-privacy.

An estimated 10 million residents of foreign countries now live illegally in the United States and actively compete with American workers for available jobs. Existing laws which establish a legal yearly entry rate must be strengthened and strictly enforced.

In this nuclear age, we live in a still-perilous world. Until disarmament becomes a reality it is necessary that we continue intensive negotiations. There is no acceptable alternative to an American defense second to none.

Efficient production of food and fiber is to the credit of the American farmer and must be encouraged to meet domestic and world needs without undue government interference.

Democrats have controlled both Houses of Congress for 38 of the past 42 years and must bear the responsibility for failure of the federal government to meet the needs of America. Loosely written legislation by Congress has created a maze of contradictory and duplicative controls. Congress must provide constant oversight of federal operations and regulatory agencies to insure that legislative intent is carried out and to determine the need for corrective legislation.

The positions and attitudes reflected here are presented as guidelines, not as a definitive, all-inclusive program for America. In fact, we recognize the omission of many areas of concern, not from a lack of interest, but because our positions have become well-known through our legislative actions or through our party platforms. We attempt to point in the directions in which we would intend to lead our country, were we to become the nucleus of a majority in Congress. We believe it is incumbent upon Congress to respond in these ways to the people who must pay for government, and we believe the people must and will see to it that the Congress does so respond.

1. PRIVATE ENTERPRISE

Our two-hundred year old system of private enterprise, working within a free and competitive economy, has produced the highest living standard in the world. This private sector production has been and is the only creator of our national wealth with government merely redistributing wealth it has acquired through taxation of private enterprise and individual citizens. Any broader effort by government to control or direct our huge trillion-and-a-half dollar economic machine could be a disaster. Government should not assume the function of the great tinkerer, but can, and should, help promote prosperity. It can best do this by not hindering the course of commerce, by minimizing regulation, by allowing the time-tested laws of supply and demand to work with maximum freedom, by encouraging healthy competition and the enforcement of anti-trust laws that protect the consumer and fledgling businesses. We believe that solutions to our dual economic problems of inflation and recession lie in returning decision-making to the people through the forces of supply and demand in the marketplace. People themselves can best decide what to produce, sell, and buy, and at what price levels. No government agency is as capable of making these decisions as are the people through the voluntary exchange of goods and services. There is already ample machinery within the federal government and in the private sector to protect the consumer from exploitation. We applaud the Ford Administration's effort to orient existing regulatory and administrative agencies toward consumer protection. We propose that federal estate and gift tax laws be revised to encourage private ownership of Small Business.

2. PUBLIC DEBT

During the past 40 years excessive appropriations by Democrat controlled Congresses have created massive deficits and forced the federal government to borrow heavily. This competition with the private sector has caused interest rates to rise and as a result funds for private capital investment which are needed to create new jobs have become scarce and expensive. Massive deficits will rekindle double-digit inflation and prevent the expansion of business needed to pull our economy out of the recession. More inflation will further weaken our economic system, and jeopardize the financial security of all Americans. Congress must exercise fiscal restraint, consolidate existing programs, eliminate duplication and waste and thereby reduce the volume and expense of government.

The Budget Committees of the Congress, in conjunction with the Executive Branch, must establish spending priorities consistent with federal revenues with a systematic reduction of the public debt. The public debt must be restructured. Trust fund surpluses, which by statute can only be invested in government obligations, tend to distort the real picture and should not be included in considering the overall public debt ceiling. The present system of establishing a debt ceiling has become meaningless. Debt ceiling increases have been manipulated and irresponsibly used as a vehicle for non-fiscal legislation. We propose that the limit of the public debt be set concurrently with the adoption of the Federal Budget.

3. GOVERNMENT REFORM

In recent years, an entrenched, burgeoning bureaucracy has developed in the federal government. Federal agencies have proliferated and become fragmented, inefficient, duplicative and wasteful. Regulatory agencies have overstepped their authority in the promulgation of rules and regulations. They have usurped authorities which rightfully belong to the States, and ultimately to the people. Return of power, to the States, as well as strict Congressional oversight of agency compliance with the letter and spirit of the law, are urgently needed to preserve personal liberty, improve efficiency, and eliminate waste. We recommend a bipartisan commission be established to review present governmental performance, administrative costs, proliferating federal programs, redefine national goals and recommend legislative revisions to enhance the capability of government to meet the challenges of the coming decade. This recommendation emphasizes the failure of the Democrat Congress to provide effective oversight of federal operations and regulatory agencies to insure that legislative intent is carried out and to determine the need to amend loosely written legislation that has created a maze of contradictory and duplicative controls, rules and regulations which hamper business and harass the citizen.

As a majority we would dedicate the next Republican Congress to legislative oversight—to redirecting the operations of government toward efficiency and economy.

4. TAX REFORM

The past four decades have seen Democrat Congresses increase the tax burden on the average working American not only through additional taxes but with the approval of built-in inequities and loopholes. The Democrats continue to give lip service to meaningful tax reform but produce only false promises which deceive the American taxpayer. The only way to cut federal taxes for American wage earners is to reduce total federal expenditures. "Tax gimmicks" are not a solution but only offer benefits to special interest groups.

We propose that Congress begin work immediately on revision of federal taxation:

To simplify tax preparation;

To discourage tax evasion;

To bring equity to the tax system; and

To provide incentives for economic growth.

5. WELFARE REFORM

We believe that society has the responsibility to assist those who cannot provide for themselves. The present welfare system falls far short of this goal due to mismanagement and abuses. The $5.2 billion Food Stamp Program has grown 14,203% in the past decade. Recipients have increased from 500,000 in 1965 to nearly 20 million, and under present regulations an estimated 57 million people are eligible. Present law has established lax eligibility standards allowing persons with adequate incomes to participate in the program. This massive program has bypassed the real intent of Congress to provide help only for the needy. We call attention to the fact that the bill for welfare is mainly borne by the American worker. To meet its responsibility to the American taxpayer and the truly needy, Congress must take immediate steps to reform the welfare system. We propose Congressional action:

To provide adequate living standards for the truly needy;

To eliminate ineligible recipients from the welfare rolls;

To establish effective regulations to prevent further welfare fraud;

To strengthen and enforce work requirements;

To provide educational and vocational incentives to allow recipients to become self-supporting;

To increase penalties for welfare fraud to discourage abuses;

To coordinate Federal reforms with state and social welfare agencies;

To strengthen state and local administrative functions;

To transfer administration of the Food Stamp Program from the Department of Agriculture to HEW; and

To tighten eligibility requirements for food stamps.

6. ENERGY

The key to future economic security and a high standard of living for all Americans is a comprehensive national policy that will produce an adequate supply of energy for an expanding economy.

We believe the current lack of direction by the Democrat majority in Congress poses grave economic peril for the future. Their single-minded emphasis on unrealistically regulated prices today, fails to lay the groundwork necessary for future expanded energy supplies. Constructive action now by the Congress could help assure our people and our industries an ample supply of reasonably priced energy for the years ahead.

We propose that all federal regulations, programs and policies that directly affect energy, be reviewed, and ineffective programs be eliminated or replaced.

Our energy challenge must essentially be solved by private industry. We believe that unreasonable regulatory and tax policies have hampered development and lessened investment in research, plants and equipment needed for maximum energy production.

We propose a windfall profits tax program with a plowback provision to encourage reinvestment of energy earnings and eliminate windfall profits.

Energy development has been hampered by excessive and often frivolous litigation, endless hearings, studies, commissions and reports.

We propose that Congress' comprehensive energy package provide strong legal authority to allow development of natural resources with full recognition of the need to provide safeguards for the protection of the environment.

During the period of 1970–1974, our yearly imports of foreign oil rose from 483 million barrels to 1.2 billion barrels, while during the same period domestic production fell from 3.5 billion barrels to 3.2 billion barrels per year. Our nation cannot afford continued dedependence on foreign oil.

We propose that Congress provide incentives for exploration and development of more American-owned oil and natural gas. A full scale effort must be made to develop our oil shale resources.

Our nation must develop alternative energy sources. Congress should provide incentives and opportunities to accelerate research, discovery and delivery of untapped resources. Immediate emphasis should be given to development of economical solar energy systems for homes and industry.

We propose that Congress require that new federal structures, where practical, be heated and cooled with solar systems.

An essential part of a national energy program must be development of all available forms of energy.

We propose a stepped-up program for coal gasification, geo-thermal and nuclear power production.

A strong program of research and development shoud be continued for the fusion process to unlock the unlimited potential of the Hydrogen atom.

Conservation of energy depends on more efficient utilization by industry and individuals.

We propose that Congress provide practical incentives:

1. For conservation of energy by the public
2. To increase the utilization of waste materials in energy production
3. For production by industry of more energy efficient products.

7. OLDER AMERICANS

Many older Americans live on relatively fixed, limited incomes and inflation has hurt them cruelly. The rapidly rising cost of living is caused in substantial measure by the profligate spending of the federal government. To protect the purchasing power of the income and savings of our older people we must stop inflation.

We believe the federal government must meet its commitments to finding solutions and facilities to help meet their needs. Needed is "catastrophic" health insurance that will cover the medical needs of those who experience long, serious illnesses. We support a nutritional supplement system and a comprehensive program of nutrition education for needy older citizens. Inadequate housing and transportation must receive our undivided attention and affirmative action.

8. HEALTH CARE

There is an urgent need to review Federal involvement in health care. Not only government spending, but regulations and guidelines have had great impact on national health care delivery.

Under our present system, we have one of the best health care delivery programs in the world. There are some gaps that need filling, to assure our people the quality of services nationwide that we are capable of providing.

We believe that our nation needs a National Health Policy, which would balance health systems supply and demand with financing. In addition there is a need for emphasis on education, environmental improvement, better housing and nutritional gains, all of which affect the general health of the American public.

A National Health Policy would determine broad goals and priorities for medical care, preventive practices, and dispersal of facilities to be within reach of our people. We believe the present combination of private and public health care financing can be extended and improved. The present system suffers from fragmentation, and we believe a National Health Policy should bring together all vital health functions into a practical and workable program to provide better health care for all our citizens.

9. SOCIAL SECURITY—RETIREMENT

Controlling inflation is the most important way to insure the retirement security earned by American workers. Congress must give top priority to maintaining the integrity of the Social Security Trust Funds and must revise retirement programs to more nearly meet the needs of older Americans. Adequate funding that will provide benefits in constant value dollars should be assured from a self-adjusting formula of contributions by employees and employers. Unlimited outside earnings should be allowed without benefit penalties.

All Americans deserve the opportunity to provide their own additional retirement security. The Individual Retirement Account (IRA) has extended this opportunity to an additional segment of our working force. We propose that Congress expand this Keogh-type supplemental retirement plan to make it available to *all* workers. Our proposal would provide tax incentives allowing workers to invest voluntarily in a private retirement fund that would supplement both Social Security and company pension plans. In addition to providing greater retirement security this plan will provide investment funds needed to build a stronger American economy and to aid in capital formation.

10. EDUCATION

We insist that Congress review, evaluate and consolidate the more than 400 federal education programs and assign priorities to those that are effective. Federal support to reduce financial barriers to students in postsecondary education and to encourage vocational education and job training, compensatory education for the disadvantaged, and special education for the physically and mentally handicapped should supplement resources provided by state and local programs. Administration of educational programs is the responsibility of state government and local institutions, and federal intrusion cannot be allowed.

We favor the development of quality day care services, locally controlled and administered, with the requirement that the recipients of those services pay their fair share of the costs according to their ability.

In the education and training of children there is no substitute for parental discipline. We believe in the parents' right to make fundamental decisions regarding the care, development and education of their children.

11. MENTALLY AND PHYSICALLY HANDICAPPED

Those among us who are handicapped face difficult challenges every day while trying to cope with a physical environment designed for the activities of the non-handicapped. We believe that strong efforts should be made to assist the handicapped to function in our society—to have access to education, medical care, economic security, equal treatment from our institutions, improved transportation and protection from exploitation.

Federal programs should be reviewed to ensure that all that can be done is being done to help the handicapped become more fully integrated into our social and economic life.

12. CRIME

A fundamental responsibility of government is to protect the lives and property of its citizens. We believe the thrust of justice must be to protect the law-abiding citizen against the criminal.

To combat crime:

We support the continuance of federal grants to States, cities and towns to strengthen local law enforcement.

We support court system reform to increase efficiency, eliminate excessive case loads, reverse the present practice of "turnstyle justice" and keep the criminal off the streets.

We support reform of our penal system to correct the failure of our present policies of punishment and rehabilitation.

We support redoubled efforts against the hard drug traffic to arrest, prosecute, and convict pushers—especially those that prey on young boys and girls.

We propose Congress enact mandatory minimum sentences for persons convicted of federal crimes involving violence, use of firearms, trafficking in hard drugs and habitual offenses.

Prevention is the long-term solution to crime. Effective crime prevention depends on strengthening community ties and encouraging individual participation in community decisions establishing moral and ethical standards. We recognize, however, that a healthy fear of swift and sure punishment is not without effectiveness in crime prevention.

13. ILLEGAL ALIENS

An estimated 10 million citizens of foreign countries now live illegally in the United States and actively compete with American workers for available jobs. Congress must insist on enforcement of existing laws which establish a legal yearly entry rate, increased border control and more effective apprehension and deportation of people living illegally in the United States. Social Security requirements for all workers must be enforced and participation by illegal aliens in federally funded welfare programs must be stopped.

14. DEFENSE

The first, and major, responsibility of government is to provide for the common defense. Recent world events have demonstrated that until we can safely disarm, we must continue to improve our military capability to defend the United States and honor our commitments to Free World Nations. A strong military capability is essential to the balance of power on which our safety rests. To be successful in negotiations with foreign nations we must deal from a position of strength. Preparedness cannot be a sometime policy. Responsibility for the common defense, for maintaining our military capability, our honor and commitments, rests with Congress. We deplore the attitude that the military budget represents a readily available source of federal money which can be diverted to other programs without dangerous consequences. Congress must continue to provide adequate funding to sustain volunteer manpower levels, equip our forces and conduct vital research and development.

It is also the imperative responsibility of Congress to eliminate frills and waste, and to ensure a lean, efficient and mobile military to meet the challenges of the 1970's.

15. AGRICULTURE

Overregulation by the government must not be allowed to hamper the most vital and efficient segment of our society—agriculture. Production of food and fiber satisfies not only our domestic needs, but is also the keystone of our export program and our balance of payments. Agriculture policies should be designed to operate within the free market system with full recognition of the unique production and marketing problems faced by farmers and ranchers. In addition, applicable federal estate and gift tax provisions should be reviewed and reformed in order to preserve the ability of families to retain ownership of farm land.

PROTESTS 13-CENT FIRST-CLASS STAMP

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. SIMON. Mr. Speaker, 62 of our colleagues have joined me in sending a letter to the U.S. Postal Service Board of Governors protesting their plan to increase first-class postal rates 30 percent.

As the letter states, any increase in Government expenditures will have an inflationary impact and an increase to 13 cents from 10 cents—a 30 percent rise—is excessive.

As an alternative, we suggest that the Postal Service Board of Governor's limit any increase to less than 20 percent of the current first-class rate. While such an increase would not solve all of the Postal Service's financial problems it would go a long way and at the same time would pose a less serious burden upon the public.

It is also important to note the speech given September 8 by Postmaster General Benjamin Bailer in which he called for a doubling of the Postal Service's $920 million Federal subsidy. Many of us would be more open to providing the Postal Service with a larger subsidy if the Postal Service would be more reasonable in its request for a first-class increase.

Text of the letter follows:

WASHINGTON, D.C.,
September 9, 1975.

BOARD OF GOVERNORS,
United States Postal Service,
Washington, D.C.

THE BOARD OF GOVERNORS: We, the undersigned Members of Congress, request that the Postal Service Board of Governors refrain from requesting a first class postal rate that would increase the charges more than 20 per cent. Any increases in government expenditures will have an inflationary impact and an increase to 13 cents from 10 cents—a 30 per cent rise—we believe is excessive. We strongly urge that the Board of Governors limit any increase to a total of not more than 12 cents for a first class stamp.

SIGNED

Paul Simon, Morris K. Udall, Charles H. Wilson, Al Ullman, Alan Steelman, Gladys Spellman, James Symington, Thomas Rees.

Michael Harrington, Trent Lott, Ronald Dellums, Norman Mineta, Robert Carr, Clarence Long, John Jenrette, Herman Badillo.

William Brodhead, Albert Quie, Tennyson Guyer, Benjamin Rosenthal, Richard White, Cardiss Collins, James Cleveland, John Slack.

Walter Jones, Tom Downey, Floyd Spence, Box Traxler, Mark Hannaford, Robert Edgar, William Wampler, Larry Winn, Jr.

G. William Whitehurst, Edward Patten, Gus Yatron, Donald Mitchell, Harold Ford, Berkley Bedell, Jim Scheuer, Richard Vander Veen.

William Randall, Max Baucus, Frank Thompson, Jr., Martin Russo, Robert Cornell, John Hastings, Charles Rangel, James Howard.

Fred Rooney, David Bowen, Jack Hightower, Dave Evans, G. V. Montgomery, John Melcher, Joshua Eilberg.

John P. Hammerschmidt, Mrs. Shirley Pettis, William Moorhead, Gerry Studds, Don Riegle, Jr., Joseph M. McDade, William J. Hughes, James Weaver.

I am also requesting that the RECORD print a New York Times editorial with which I concur. It expresses sentiments expressed in editorials around the Nation:

THE 13-CENT LETTER

At least one good thing can be said for the Postal Rate Commission's reported rejection of the recommendations of Seymour Wenner, its administrative law judge. Mr. Wenner would have cut the cost of mailing a first-class letter from 10 cents to 8½ but he would have had senders of parcel post packages, bulk mail and periodicals make up for the loss.

The commission opposes the judge's proposed increases for the classes of mail, and in the highly important case of periodicals its decision is welcome. Any further rise in second-class mail rates would threaten the existence of small-circulation magazines of opinion—political, religious and literary. Most of these are commercially marginal, but few are culturally expendable in a pluralistic society in which all voices should be heard.

Regrettably, the rest of the commission's rate schedule is less defensible. Where it could have increased revenue to some social purpose is in the category of bulk mail—an accommodation to a type of business which, legitimate as it is, deserves no special consideration from taxpayers who often find its attentions irksome.

Instead, the commission proposes to raise the first-class mail rate from 10 cents to 13, a burden on the individual citizen that is totally unwarranted by the quality of the service. Just as in the case of railroad, mass-transit, telephone and telegraph services, the user is asked year after year to pay more—not to get the same product but to put up with a steadily decaying version of it. Neither the Postal Rate Commission nor the Postal Service itself has indicated any plan or even intention to give the public a 30 per cent boost in reliability or speed of delivery, or even to maintain present standards at a higher price.

There has been no perceptible public benefit thus far from the great quasi-public corporation the Administration and Congress set up to bring business solutions to the problems of the postal system—just the privilege of paying more for worse service.

HOUSE OF REPRESENTATIVES—*Thursday, September 11, 1975*

The House met at 12 o'clock noon.

Rabbi Barry Rosen, Shaare Tikvah Congregation, Temple Hills, Md., offered the following prayer:

As we stand in this majestic Hall, which has helped to shape American destiny, we pause to reflect upon the human message of Yom Kippur, the Jewish Day of Atonement.

We recognize that we err in our relationships with our fellow human beings, and that all men transgress, either knowingly or unknowingly. But this message of forgiveness sensitizes us to our own humility, frailty, and susceptibility to transgress. May we search our souls and recognize that a harsh word, a haughty eye, or an impure or unkind thought might be injurious to others. Let us resolve that, in our future interpersonal dealings, we will be more sensitive to others.

On Yom Kippur of 2 years past, the solemnity and sanctity of the day was interrupted by hostilities in the Middle East. May the new resolve to work for peace in that area of the world, for which America has taken the prominent role of leadership, herald a permanent era of peace throughout the world. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Heiting, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate having proceeded to reconsider the bill (H.R. 5901) entitled "An act making appropriations for the Education Division and related agencies, for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes", returned by the President of the United States with his objections, to the House of Representatives, in which it originated, it was resolved that the said bill pass, two-thirds of the Senators present having voted in the affirmative.

The message also announced that the Senate having proceeded to reconsider the bill (S. 1849) entitled "An act to extend the Emergency Petroleum Allocation Act", returned by the President of the United States with his objections, to the Senate, in which it originated, it was resolved that the said bill do not pass, two-thirds of the Senators present not having voted in the affirmative.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 848. An act to amend section 2 of the National Housing Act to increase the maximum loan amounts for the purchase of mobile homes.

The message also announced that the Vice President, pursuant to Senate Concurrent Resolution 44, 94th Congress, appointed Mr. HUMPHREY and Mr. HRUSKA as members, on the part of the Senate, of the Joint Committee on Arrangements for Commemoration of the Bicentennial of the United States.

RABBI BARRY ROSEN

(Mrs. HOLT asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. HOLT. Mr. Speaker, I am pleased to note that the invocation today has been given by Rabbi Barry Rosen, the spiritual leader of the Congregation Shaare Tikvah in Temple Hills, Md.

Rabbi Rosen has been with the Temple Hills Congregation for 6 years during which time he has faithfully served his community and congregation in numerous civic and religious endeavors. We have all benefited from his wise and strong leadership.

Rabbi Rosen is a graduate of the University of Cincinnati and received a masters degree and ordination from the Jewish Theological Seminary in New York.

I am delighted to have him and his wife, the former Judy Ostrow, and his daughter, Rebecca Shira, with us today.

APPEAL TO END ABUSE OF THE VETO

(Mr. OTTINGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OTTINGER. Mr. Speaker, I think it is time for us to end the attempt of the President to rule by veto. The veto was intended under the Constitution to be an extraordinary procedure. That is the way it has been treated by past Presidents. It was not intended to be used as an everyday means of imposing the will of a minority upon the Congress.

Mr. Speaker, I think if the President's abuse of the veto continues, we ought to consider adopting procedures to end the abuse. I strongly urge upon the leadership to start to attach measures on which there is a veto threat to other measures which would be difficult to veto. Alternatively, the leadership could withhold action that the President wants on other legislation until the veto threat is withdrawn.

I do not think we should continue to proceed to permit the President to continue his efforts to dictate to Congress on every major piece of legislation—to frustrate the will of the majority in the Congress—by the misuse of the veto device.

TO AMEND THE COMPUTATION OF THE LEVEL OF PRICE SUPPORT FOR TOBACCO

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 9497) to amend the computation of the level of price support for tobacco.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the bill as follows:

H.R. 9497

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (b) of section 106 of the Agricultural Act of 1949, as amended, is further amended by striking the words "three calendar years immediately preceding the calendar year in which the marketing year begins for the crop" and insert in lieu thereof the words "three marketing years immediately preceding the marketing year."

Mr. JONES of North Carolina. Mr. Speaker, this bill only changes one word in the present law—"calendar" to "marketing". In other words, we go from 3 calendar years to 3 marketing years.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TO EXTEND THE EMERGENCY PETROLEUM ALLOCATION ACT OF 1973

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 9524) to extend the Emergency Petroleum Allocation Act of 1973.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

Mr. BROWN of Ohio. Mr. Speaker, reserving the right to object, and I shall not object, I think it should be explained that the Interstate and Foreign Commerce Committee unanimously agreed this morning—the first unanimous agreement I can recall occurring on the energy issue—to accept this resolution and the legislation which goes with it, calling for the extension of the legislation for at least 45 days, or to the end of October.

The reason for including the end of the month is that the burdensome entitlements program which is part of the Emergency Petroleum Allocation Act is administered on a monthly basis. The Federal Energy Administration has advised me that if that program should be terminated in the middle of a month or a partial month, it creates an extensive administrative burden, and therefore a lot of expense to the taxpayer and a considerable burden for those people who are the payers or recipients of the entitlements.

So, the legislation should terminate at the end of a calendar month and not in the middle of a month. Further, Mr. Speaker, it occurs to me that should we reach an agreement—and I hope and pray that that will be the case—between the Democratic Congress and Republican President on energy policy in the next few days or the next 45 to 60 days at a maximum, then the extension of the Emergency Petroleum Allocation Act as is or under whatever modification would be appropriate based on that agreement can be crafted into the nature of that agreement.

I might also say, Mr. Speaker, that it would be my presumption that, in anticipation of that agreement, the consideration of H.R. 7014 would appropriately not address itself to pricing provisions. That will be one of the issues that we have to resolve when we meet next on that legislation.

Mr. Speaker, I do not know what the plans of the leadership of the House are, but it would be my assumption again that the pricing provisions of permanent legislation would wait until we had some agreement between the Congress and the administration on this very difficult issue.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the bill, as follows:

H.R. 9524

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4(g)(1) of the Emergency Petroleum Allocation Act of 1973 is amended by striking out "August 31, 1975" wherever it appears, and inserting in lieu thereof "October 31, 1975".

SEC. 2. The amendments made by the first section of this Act shall take effect on midnight, August 31, 1975.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. SCHULZE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Without objection, a call of the House is ordered.

There was no objection.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 507]

Addabbo
Anderson, Ill.
Andrews, N.C.
Aspin
Badillo
Breaux
Brooks
Burke, Fla.
Burton, John
Clawson, Del
Cleveland
Collins, Tex.
Conlan
Conyers
Delaney
Derwinski
Diggs
Dingell
Esch
Fary
Fraser
Gude
Harsha
Hastings
Hébert
Jarman
Karth
Kemp
McClory
McHugh
Matsunaga
Mink
Murphy, N.Y.
O'Hara
Passman
Pepper
Quie
Rhodes
Riegle
Risenhoover
Rosenthal
Ruppe
Satterfield
Scheuer
Shipley
Shuster
Steiger, Ariz.
Stuckey
Teague
Van Deerlin
Weaver
Wilson, Bob
Young, Alaska
Young, Ga.

The SPEAKER pro tempore. (Mr. McFALL). On this rollcall 379 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

ESTABLISHING SELECT COMMITTEE TO STUDY PROBLEM OF U.S. SERVICEMEN MISSING IN ACTION IN SOUTHEAST ASIA

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 705 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 705

Resolved, That upon the adoption of this resolution it shall be in order, notwithstanding the provisions of clause 2(1)(6), rule XI, to consider the resolution (H. Res. 335) establishing a select committee to study the problem of United States servicemen missing in action in Southeast Asia, in the House as in the Committee of the Whole.

The SPEAKER pro tempore. The gentleman from Massachusetts, Mr. MOAKLEY, is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, I yield 30 minutes to the gentleman from Tennessee (Mr. QUILLEN) pending which I yield myself such time as I may consume.

Mr. Speaker, this rule makes in order the consideration of House Resolution 335, establishing a Select Committee on Missing in Action.

Specifically we are proposing to waive the 3-day rule and to provide that the resolution be considered in the House as in the Committee of the Whole. This means that there will be no general debate on the resolution. Upon adoption of the rule, the House will proceed to consider the resolution under the 5-minute rule and Members may use this time to discuss the merits of the resolution.

The rule was reported out of committee by a unanimous voice vote after long and careful consideration. The measure has been before the committee for 6 months. We held an informal workshop at which the gentleman from Mississippi was permitted to explain his resolution and request a hearing on May 8 and a detailed hearing was held on September 9 at which 12 Members of Congress appeared or submitted statements.

While the rule does permit amendments to be offered, no amendments were offered in committee and no Member appeared to propose an amendment.

As to the resolution itself, it simply authorizes the Speaker to appoint 10 Members to serve as a Select Committee on Missing in Action.

The committee is given a broad mandate to investigate and study the problem of U.S. servicemen still identified as missing in action, as well as those known dead whose bodies have not been recovered and to study the need for additional international inspection teams.

The resolution limits this inquiry to North Vietnam, South Vietnam, Laos, and Cambodia.

The committee would have a life of 12 months and would be permitted an additional 30-day period to phase out its operations. The gentleman from Mississippi has indicated that he would be willing to terminate the committee at an earlier date if it could achieve its mission in a shorter time or if it became clear at an early date that the committee could not accomplish its stated goals.

The resolution gives the committee subpena powers which it is not anticipated will be used. The administration supports the creation of the select committee and has stated its willingness to cooperate fully. The committee and its staff is authorized to travel to Southeast Asia. At the present time, the only nation which the committee can be certain of being able to visit is Thailand, where the JCRC is headquartered.

It must, however, be noted that the political situation in Vietnam has been settled for some months now. The return of Prince Norodom Sihanouk to Cambodia must be seen as a sign of some returning stability in that country.

Further the Pathet Lao, which has always refused to discuss the issue of MIA's while the war continued, has now substantially consolidated its position in Laos.

Mr. Speaker, this is a particularly appropriate time for the consideration of this resolution. The end of war in Southeast Asia means that we will have a real chance to seek some resolution of this issue.

But now it is essential that the committee have an opportunity to start its work immediately. The gentleman from Mississippi, based on his own observations in that part of the world, warns that the climate and vegetation make the chances of investigating crash sites and searching for shallow graves less promising with each passing day.

Mr. Speaker, passage of this resolution will enable the committee to begin its work immediately. And I think the House can create this committee with high hopes.

This, in no way reflects on the tireless efforts already undertaken in the House by the Committee on Armed Services, the Committee on International Relations and, in particular, its Subcommittee on International Security and Scientific Affairs, chaired by the gentleman from Wisconsin (Mr. ZABLOCKI). Because of jurisdictional questions, the Committee on Rules solicited the opinions of the standing committees of the House concerned with the issue and they have supported our position that a select committee was the appropriate way to investigate the issue at this time.

At this point I believe the select committee can make a valuable contribution and would like to briefly discuss some of the work that could be undertaken by the select committee:

A field inspection in Southeast Asia,

possibly including Laos, Cambodia, North Vietnam, and South Vietnam. The Communist governments have already demonstrated a greater willingness to deal with Congress than the administration.

Efforts to win cooperation of these governments in a U.N. or Red Cross sponsored search for the bodies of the known dead and a thorough investigation of the fate of the missing.

A thorough study of the performance of the Federal Government, particularly the Department of Defense and the Department of State, in dealing with this issue.

In addition, the committee will file a final report with the House that will detail their efforts in this area and make firm recommendations to the administration for further efforts and assist the Congress in developing firm policy guidelines for dealing with the question of MIA's in any future military actions.

Mr. Speaker, at this time, I urge adoption of the rule.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of the rule and of House Resolution 335, which establishes a select committee to study the anguishing problem of the American servicemen missing in action in Southeast Asia. The wives and families of our missing and unaccounted-for men demand and deserve answers which will at least resolve the present uncertainty about their loved ones' fate. The House should do everything in its power to provide these answers, and I think our adoption of this resolution will help us to do so.

I believe there is broad support for this measure on both sides of the aisle, and I am hopeful that the House will approve this long-delayed resolution today.

I introduced a similar resolution in April as the Indochina war was finally ending, and in view of what has transpired—or rather, what has not transpired—since April, I am convinced that the need for this select House committee is even greater now than it was then. I regret the delay. Let us delay no longer. Let us do whatever we can do to help alleviate the sorrow and uncertainty afflicting so many of our citizens.

I think if we can recover one body, living or dead, that this resolution is well worthwhile. The anguish suffered by the families of the missing men certainly must be rewarded in some way.

Our adoption of House Resolution 335 today will direct the House to thoroughly investigate and follow every scrap and piece of evidence that may lead to a solution and provide answers for the wives and families who deserve them.

I do not wish to criticize or deprecate the attempts that have already been made by the administration and by certain committees of the House in this matter. There have been numerous efforts to get the answers about our servicemen missing in action, and I do not censure those involved. But I think all of us feel that not enough has been done and that anything more that can be done toward leaving no stone unturned, or no road untraveled, must be done because nothing ventured, nothing gained.

This resolution's sole purpose is one that we all should support. That is to fully investigate the fate of our servicemen who are still missing in action in Southeast Asia, to find and return to the families the remains of the known dead, and to seek the release of some men who are believed still held as prisoners of war.

To accomplish this end, the resolution establishes a select House committee of 10 Members appointed by the Speaker. The committee will be authorized to conduct hearings and to hire the small staff that will be necessary for its work. The committee and its staff will also be authorized to travel to Southeast Asia for any field investigations which may be required. My friend and colleague, the distinguished gentleman from Mississippi (Mr. Montgomery), testified before the Committee on Rules yesterday that the total anticipated cost will probably not exceed $300,000. This is a minuscule sum indeed for a project so worthy. Finally, the resolution states that the select committee must submit its final report to the House within 1 year, and that 30 days thereafter the committee's work will terminate.

Mr. Speaker, I am sure that none of us would be so careless and unwise as to predict that the creation of this select committee is going to give us the final answer to every question concerning our missing servicemen in southeast Asia. To proclaim such would also be a genuinely heartless and cruel thing to say to the grief-stricken wives and families of the missing men. Still, I think we have good reason to believe that adoption of this resolution is the best action this house can take to give America the answers she is waiting for concerning the fate of her missing sons in southeast Asia.

Mr. Speaker, I urge the adoption of the rule on House Resolution 335.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Mississippi (Mr. Lott).

Mr. LOTT. Mr. Speaker, I, too, would like to pay special tribute to my colleague, the gentleman from Mississippi (Mr. Montgomery), for his efforts in behalf of House Resolution 335, which would lead to the establishment of a House Select Committee on Missing in Action, and to the others who worked with him.

We have all been very much concerned about our missing in action in Southeast Asia for many months. While a great deal has been done to resolve this MIA problem, there are far too many unanswered questions. We cannot let this become a closed book in American history. Therefore, instead of continuing to rely on two different departments of the Government and several committees of Congress, I have become convinced that a select committee to coordinate our efforts should be established.

The Rules Committee has not taken this issue lightly but has considered it for some 6 months taking testimony of various Members of Congress and delved into all the questions such as costs and possibility of success. The conclusion is that this is the route we must take in behalf of our missing servicemen and their families. Even a little success would be a tremendous blessing.

Mr. Speaker, I urge my colleagues support of this resolution and yield back the remainder of my time.

Mr. QUILLEN. Mr. Speaker, I have no further requests for time, but I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. MOAKLEY. Mr. Speaker, pursuant to the provisions of House Resolution 705, I call up House Resolution 335 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 335

Resolved, That (a) there is hereby established in the House of Representatives a select committee composed of ten Members of the House.

(b) Members shall be appointed by the Speaker of the House, and one Member shall be designated by the Speaker to serve as chairman.

(c) Any vacancy occurring in the membership of the select committee shall be filled in the same manner in which the original appointment was made.

Sec. 2. The select committee is authorized and directed to conduct a full and complete investigation and study of—

(1) the problem of United States servicemen still identified as missing in action, as well as those known dead whose bodies have not been recovered, as a result of military operations in North Vietnam, South Vietnam, Laos, and Cambodia;

(2) the need for additional international inspection teams to determine whether there are servicemen still held as prisoners of war.

Sec. 3. For the purposes of this resolution, this select committee is authorized to sit and act during the present Congress at times and places as it deems appropriate whether the House is sitting, has recessed, or has adjourned. The select committee is authorized to hold such hearings, and to require, by subpena or other power, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents as it deems necessary. The committee and its staff may conduct field investigations or inspections and shall be authorized to travel to Southeast Asia if deemed necessary to investigate aspects of the problem.

(b) Subpenas may be issued over the signature of the chairman of the select committee or any member designated by him, and may be served by any person designated by the chairman or such member.

(c) The chairman of the select committee, or any member designated by him, may administer oaths to any witness,

Sec. 4. To enable the select committee to carry out the purposes of this resolution, it is authorized to employ and fix compensation of such clerks, experts, consultants, technicians, and clerical and stenographic assistants as it deems necessary. The committee may reimburse the members of its staff for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the select committee other than expenses in connection with meetings of the select committee held in the District of Columbia.

Sec. 5. The select committee is authorized and directed to report to the House with respect to results of its investigation as soon as is practicable but not later than one year after adoption of the resolution. Any report made when the House is not in session shall be filed with the Clerk of the House.

SEC. 6. The authority granted herein shall expire thirty days after the filing of the report with the House of Representatives.

SEC. 7. The expenses of the select committee shall be paid from the contingent fund of the House of Representatives upon vouchers signed by the chairman of the select committee and approved by the Speaker.

Mr. MOAKLEY. Mr. Speaker, I move to strike the last word.

Mr. Speaker, this resolution has been gone over at great length in the committee and on the floor during discussion of the rule just adopted.

Mr. Speaker, I would hope at this time that we can act quickly to discuss and pass House Resolution 335.

Mr. MONTGOMERY. Mr. Speaker, I move to strike the requisite number of words.

(By unanimous consent, Mr. MONTGOMERY was allowed to proceed for 3 additional minutes.)

Mr. MONTGOMERY. Mr. Speaker, I would like to express my thanks to the members of the Rules Committee for favorably reporting this resolution (H. Res. 335) and giving to the Members of the House the opportunity to vote on this proposal. I commend in particular the two gentlemen on the Rules Committee who are handling this resolution today on the floor, the gentleman from Massachusetts (Mr. MOAKLEY), and the gentleman from Tennessee (Mr. QUILLEN) and thank them for giving us this opportunity. They were two of the leaders in the Rules Committee on this matter. The gentleman from Massachusetts (Mr. MOAKLEY) is a sponsor of this legislation and so also is the gentleman from Tennessee (Mr. QUILLEN), who has introduced an identical bill.

Mr. Speaker, more than 280 of our colleagues have cosponsored this legislation to establish a select committee. As far as I know in the 9 years I have been in the Congress this is the largest number of sponsors that any legislation has ever had. So even though I am the chief sponsor of the resolution, Mr. Speaker, there are many in the House who have worked as hard as I have and perhaps harder to bring about writing a final chapter to the sad situation we have had in Vietnam. I appreciate my colleague earlier mentioning my name, but there are many others I would like to name who have done really more than I have, but I am afraid if I start naming names of my colleagues I might leave out someone who deserves credit.

Let me explain briefly what the resolution does. It sets up a 10-member committee to investigate fully the fate of 832 servicemen still listed as missing in action in Southeast Asia and to secure the return of the remains of some 1,500 known dead and to seek the release of 36 persons thought still to be held as prisoners of war. I might say the Defense Department still carries these Americans as prisoners of war.

The committee will work in a completely bipartisan and nonpolitical manner to seek diligently answers which have been asked for far too long by families and friends of those missing in action.

The committee would be required to report back to the House within a year or sooner, if possible, the results of the investigation and to recommend any further action that might be required on the part of the Government.

Mr. FUQUA. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from Florida.

Mr. FUQUA. Mr. Chairman, I commend the gentleman from Mississippi for his work on this matter.

Mr. Speaker, I rise to urge the adoption of House Resolution 335 to establish a select committee to study the problem of military servicemen of the United States missing in action in Southeast Asia. I feel a great deal of sympathy for the members of the families of these servicemen who have not been informed of the condition of their family members for as many as 10 years. This is an inhuman and unreasonable strain on these American citizens.

An accounting for every missing American citizen must be made as was agreed in the Paris Peace Agreement. The Hanoi Government has not lived up to the terms of the agreement. We have made a full accounting. I ask only that the other side to this agreement do as they agreed to do and as we have done. The formation of this committee will, hopefully, insure that a full and complete accounting is made.

In closing, I ask every Member of this Congress to consider the benefit this committee would provide for the American citizens whose lives are still in confusion and shock from our country's unfortunate involvement in Southeast Asia. This involvement is past history for many Americans, but for those with family members and loved ones still unaccounted for it is a continuing nightmare. I urge the adoption of the resolution.

Mr. MONTGOMERY. I thank the gentleman from Florida for his remarks.

Mr. FREY. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from Florida (Mr. FREY).

Mr. FREY. Mr. Speaker, I would like to add I do not think there is anybody in this House who has worked harder or done more in this frustrating area than the gentleman from Mississippi. I know he has gone over there a number of times and he has given up his Christmases to go over there and he has worked hard on this frustrating matter. And it is frustrating. Even though there is no promise of great success, at least the establishment of this committee will give people some place to come to for help. I do commend the gentleman from Mississippi and I think all of us are proud of the work he has done.

Mr. Speaker, today I rise in support of House Resolution 335, a bill to establish a select committee in the House of Representatives to investgiate all aspects of the status of our U.S. servicemen in Southeast Asia still missing in action. Well over 2 years have lapsed since the signing of the Paris Peace Agreement, and it is quite obvious that the Vietnamese have no intention of complying with article 8 of the agreement directing the signatories to cooperate with one another regarding our MIA's.

At this time aproximately 1,100 servicemen are listed as missing in action in Southeast Asia. We have waited far too long in demanding a full and factual accounting of these men, and in doing so we have prolonged the agony and tragedy of many families. Now it is time we focus world attention on the Vietnamese inhumane noncompliance with the agreements signed in Paris.

For these reasons, Mr. Speaker, it is imperative that the House establish this select committee. Through the committee's work we hope we can secure the return of remains of known dead for proper burial and obtain the release of 35 servicemen believed to be held prisoner of war.

For many Americans the war is over. But, for hundreds of families it continues to be a nightmare. They are attempting to determine the fate of sons, brothers, husbands, fathers, and friends. The United States cannot forget its obligation to these men and their families, and the select committee should be able to shed some light on this prolonged situation.

Mr. MONTGOMERY. I thank the gentleman from Florida for his remarks.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, I appreciate my colleague, the gentleman from Mississippi, yielding. As the gentleman knows, I am not normally one to support the creation of additional committees. However, this action has become essential because the attention our Government and other people in the country have given to this matter has not been adequate. I join with my other colleagues in complimenting my friend, the gentleman from Mississippi, who has pursued this issue with diligence and has made sure that this House of Representatives does not forget those who have been missing in action and that we do have an accounting. I compliment my colleague for his persistence in making sure that the House of Representatives does not forget those people who served our country so well.

Mr. MONTGOMERY. I appreciate the gentleman's remarks. I know of his concern about setting up new committees.

I would tell the gentleman, I am not sure how successful this committee will be; if we get some breaks, I think probably we will be able to answer some of the pressing questions of what happened to these 832 Americans; but we are trying. We are making a step forward.

I might add to the gentleman, it would be a small staff committee, in effect a low-cost committee to the taxpayers of this country.

Mr. ROUSSELOT. If the gentleman will yield further, I know if my colleague has anything to do with it he will pursue the issue and it will not be just "another committee."

Mr. Speaker, I rise in strong support of House Resolution 335, creating a Select Committee for Missing in Action

Servicemen in Southeast Asia. I have introduced an identical resolution, House Resolution 691, as have many of my colleagues who recognize that this Congress has a deep and abiding responsibility to the American people to account for our soldiers classified as "missing in action" in Indochina.

On January 27, 1973, the Paris Peace Accords were signed by the United States, North Vietnam, South Vietnam, and the Viet Cong. Provisions of this agreement directed that the signators would cooperate with one another pertaining to MIA's. Thus far, little has been done to enforce these provisions—Article 8—and there are over 1,100 American servicemen still listed as "missing in action." Mr. Speaker, this situation cannot be tolerated any longer. We must continue the push here in Congress to make sure that we, and the American people, are not allowed to forget the importance of the return of those servicemen who may have survived and an accurate and complete listing of those who did not survive.

We must renew our demands and request, on an ongoing basis, that the Vietnamese Government adhere to the Paris Peace Agreement. There must be cooperation in the effort to account for all missing American servicemen. I urge my colleagues to unanimously support the creation of this committee which will have 1 year to make its report to the American people. The families and friends of our MIA's deserve our compassionate support and wholehearted dedication to the purpose behind the new select committee.

The SPEAKER pro tempore (Mr. McFALL). The time of the gentleman from Mississippi has expired.

(At the request of Mr. OTTINGER and by unanimous consent, Mr. MONTGOMERY was allowed to proceed for an additional 4 minutes.)

Mr. MONTGOMERY. Mr. Speaker, I yield to the gentleman from California (Mr. LLOYD).

Mr. LLOYD of California. Mr. Speaker, I thank the gentleman.

Mr. Speaker, I would like to join my colleagues in commendation for their very great efforts to set down to allay some of the questions that have been in the minds of the American public in this very disastrous undertaking that we have had and once and for all to let our people know exactly where they stand, to know that this country has an obligation to answer the final questions of what has happened to men who have given their lives and sacrificed for their country.

Mr. Speaker, I rise in support of House Resolution 335. As a cosponsor of identical legislation, I want to stress that we must not forget those servicemen missing in action in Southeast Asia. MIA families certainly deserve to know the fate of their fathers, husbands, and sons.

I feel that the establishment of a select committee is the best method of finding out the fate of MIA's. Usually, I oppose the formation of new committees because of unnecessary duplication. In this case, however, I feel that a 10-member committee can be most effective in shedding much needed light on servicemen missing in action in Southeast Asia. I urge my colleagues to join me in supporting this important measure.

Mr. MONTGOMERY. Mr. Speaker, I thank the gentleman for his comments.

Mr. Speaker, I yield to the gentleman from Florida (Mr. YOUNG).

Mr. YOUNG of Florida. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I am extremely happy to see this matter before the House today. Frankly, I have been somewhat surprised, as the gentleman has, that our Government seemingly has not done nearly as much as it could have in expressing interest and doing something, either officially or semiofficially.

Like the gentleman, I am not sure how effective this committee will be; but hopefully it will get us some answers to some questions we have.

In addition, it is another indication to anyone that wants to read our motives that we are still determined to get an accounting for those Americans still missing in Southeast Asia.

Mr. MONTGOMERY. Mr. Speaker, I would like to say, as the gentleman from Tennessee (Mr. QUILLEN) said in the Rules Committee on Tuesday, if we could even recover one American body, this committee would be worthwhile.

I know of two deceased American marines whose bodies are in the Saigon Seventh-Day Adventist Hospital morgue. We know they are there. They should be brought back. These are things that the committee would work on, that these Americans and their families are entitled to get these bodies back for prompt burial. Certainly our committee will push forward in this area and other areas.

Mr. PICKLE. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from Texas.

Mr. PICKLE. Mr. Speaker, I thank the gentleman for yielding.

I commend the gentleman.

Mr. Speaker, I am happy to be one of the cosponsors. I wish the committee success.

I think it ought to be established, though, as a matter of legislative intent that we in this committee expect full cooperation from the Defense Department and our State Department. I think in the past they have been overly cautious in an attempt not to give any false hopes. I am sure there is an understanding to some extent for that viewpoint, but if we are going to clear this thing up we have to have a firm position and they ought to help this committee in every way possible and we are saying by this resolution that we expect that.

Mr. MONTGOMERY. Mr. Speaker, I thank the gentleman for his remarks. That is true. We have to have the cooperation, especially of the Department of State and of the Defense Department.

We met with President Ford to discuss this resolution along with some of the MIA families. The President said himself he would back and support this committee. He was asked at one time to set up a Presidential task force. He passed that up and he is fully supporting this effort. As he said several weeks ago, he is supporting this type of select committee and I am sure if we run into any problems, we would ask the President to help us with the different departments.

Mr. FOUNTAIN. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from North Carolina.

Mr. FOUNTAIN. Mr. Speaker, I would like to associate myself with the gentleman from Mississippi (Mr. MONTGOMERY) and others in support of this resolution. We have a number of men still missing in action from my State, one from my particular area. There is a feeling on the part of many of our people that both the Congress and the executive branch of the Government are indifferent and have not been doing all that ought to be done to find an answer to this problem. I myself am inclined to share this feeling, even though I realize we are somewhat limited in what we can do.

Therefore, Mr. Speaker, I stand in support of the passage of House Resolution 335, which would establish a select committee for the purpose of studying and inquiring about the U.S. military personnel missing in action in Southeast Asia.

We are all very much familiar with the events of our military and political involvement in the area of Southeast Asia. We are all equally familiar with our political and military disengagement from that area, and the subsequent return of American servicemen who had been detained as prisoners of war.

It seems in retrospect, that those events are history, that a chapter in American foreign affairs has been concluded. Yet, can the story of American action in Vietnam, Laos, and Cambodia be concluded without knowing definitively what has happened to those servicemen we now count as "missing-in-action"?

However painful it may be to evoke memories of the fighting in Southeast Asia, it seems reasonable, in fact necessary, to have a full accounting of the status and whereabouts of all missing U.S. servicemen. Our effort to gain a full accounting, seems to me, to be the very least we can do for the families and loved ones of servicemen we now count as undetailed statistics on a missing persons list.

These servicemen answered our call of need and served valiantly in a most controversial foreign war. Can we really do anything less than establish this select committee to investigate this matter? I think not.

May I add, Mr. Speaker, that we ought not to be constrained from acting in this matter for fear of its financial impact. This committee will not cost the public any additional money. It is to be financed out of contingency funds of the House of Representatives and these funds have already been appropriated.

Nor, Mr. Speaker, should we be discouraged from passing favorably on this resolution by thinking of the important matters that await our attention. Notwithstanding the contemporary problems of domestic and international affairs, an examination of this matter of missing American servicemen is very important. It appears to me that we cannot honorably think of this issue as one whose time has past.

For these reasons, I urge my colleagues to support the passage of House Resolution 335 which would establish a select committee to examine this matter.

While we may not be able to answer all the questions which have been raised, I sincerely hope we can satisfy the concerns of the American people, and particularly those relatives who have expressed this feeling that we have been indifferent to the problem. Again, I want to compliment the gentleman and express the hope that the committee will have the cooperation of all agencies of Government in trying to find out just what has happened to these men.

Mr. MONTGOMERY. I thank the gentleman from North Carolina.

Mr. DENT. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from Pennsylvania.

Mr. DENT. Mr. Speaker, I want to associate myself with the remarks made by the gentleman in the well and those Members who have expressed an opinion on this matter that relates to his position on it. I am a cosponsor on this resolution, and I think that this little bit of money is going to do a great deal of good, and every Member of this body ought to join in voting for passage.

Mr. MONTGOMERY. I thank the gentleman.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I would like to yield to the gentleman from New York, who has done, quite honestly, more work than I have in this area of the missing in action.

Mr. GILMAN. I thank the gentleman for yielding.

Mr. Speaker, I am pleased to join with the gentleman from Mississippi (Mr. Montgomery) in support of House Resolution 335, creating a congressional select committee for MIA's, a resolution I have cosponsored, and want to compliment the gentleman from Mississippi for his diligence and persistance in bringing this important resolution to the floor of the House.

I have long been concerned and involved in activities seeking a full accounting of the some 800 servicemen, as well as the missionaries and the journalists, who are still listed as missing in Southeast Asia. This measure authorizes the establishment of a select committee to thoroughly study the problem of U.S. servicemen missing in action.

After completing long and painstaking negotiations, our Nation entered into the Paris Agreement with honor and good faith. Our Nation assumed that honorable men would abide by the agreement once it was signed. Regrettably, this has not been the case. Article 8, section B, of the Paris Peace Agreement specifically states:

> The parties shall help each other to get information about the military personnel and foreign civilians of the parties missing in action, to determine the location and take care of the graves of the dead so as to facilitate the exhumation and repatriation of the remains, and to take any such other measures as may be required to get information about those still considered missing in action.

Mr. Speaker, I submit that the facts are a far cry from the stated intent of the agreement. The North Vietnamese apparently believe they can use the MIA issue to wring further political concessions from the United States. To illustrate, a recent communique from Hanoi stated that they would aid in the search for our MIA's provided the United States would render them economic aid. This allegation recalls to mind previous North Vietnamese promises to discuss our MIA situation if U.S. troops were withdrawn from Southeast Asia. We all know that those assurances were not fulfilled.

Accordingly, Mr. Speaker, the passage of House Resolution 335 and the establishment of a select congressional committee and the authority vested in such a committee will, hopefully, enable us to complete this tragic chapter in our Nation's history. We must act decisively and promptly to give the North Vietnamese a clear and indisputable message that we are not going to forget our MIA's. We will not be dissuaded from our efforts to account for our brave men.

Admittedly, our leverage and bargaining position in Southeast Asia is gradually slipping with each passing day. But, our involvement in Southeast Asia cannot be finalized until we have exhaustively examined all of the facts in the sad and tragic history of our MIA's, the existence of whom is painful because they represent an unpleasant reminder of the failures that our Nation has experienced in pursuit of a tragic and unpopular military goal. We must overcome the present prevailing attitude of inertia.

While there have been prior efforts by the administration and by the Congress to settle this matter, specifically, the work undertaken by the Subcommittee on Internal Security and Scientific Affairs of the Committee on International Relations, these efforts have all proved fruitless.

Mr. Speaker, in light of all this, an overwhelming vote in support of House Resolution 335, will make it clear to Hanoi, the unified and unmistakable will of the American people in carrying out the objectives and stated intent of this resolution—to fund and exhaustively examine and resolve this issue.

Mr. MONTGOMERY. Mr. Speaker, I would like to reiterate my thanks for what the gentleman has done in behalf of the missing in action. He has been outstanding.

Mr. BURLISON of Missouri. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from Missouri.

Mr. BURLISON of Missouri. Mr. Speaker, I appreciate the gentleman yielding to me. I want to join my colleagues in commending him on the tremendous work he has done over the years in attempting to get our prisoners of war back, and in locating and identifying our missing in action.

I do have a couple of questions I would like to put for purposes of the record. I have heard nothing said in our discussion about the cost of this select committee and its projected operations. Could the gentleman give us any insight into that?

Mr. MONTGOMERY. We would target it around $300,000 based on what we know at this time. Of course, unknowns could cause an expenditure of a greater amount. However, I can assure the gentleman from Missouri, that we would not spend one cent more than was absolutely necessary, nor will the committee remain in existence one day longer than is absolutely necessary to complete its assigned task.

We feel that this is a nominal cost for the committee, and certainly the gentleman knows of my fiscal conservatism. I am sure this will be reflected in the committee.

Mr. BURLISON of Missouri. Is there any understanding as to how long the committee will function?

Mr. MONTGOMERY. Yes; it is in the resolution. It will operate for 1 year from date of passage.

Mr. BURLISON of Missouri. It will automatically terminate after 1 year?

Mr. MONTGOMERY. That is correct.

Mr. BURLISON of Missouri. I appreciate my friend's response.

Mr. GUYER. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from Ohio.

Mr. GUYER. Mr. Speaker, I salute Congressman Montgomery for his untiring efforts in bringing new hope and assurance to the families of POW's and MIA's, that their loved ones are not forgotten.

Whether living or dead, imprisoned, or whereabouts unknown, we have a moral and compassionate obligation to accomplish complete, accurate, and swift accounting, repatriation, and return of every missing American.

It has been frustrating to deal with the Communists. Congressman Gilman and I were in Jakarta recently, and tried unsuccessfully for 2 days to get an audience at the North Vietnamese Embassy, to secure information and cooperation in this regard.

Coming from Ohio, where we have 58 missing Americans, the formation of this committee today will not only be great news to our League of Families of POW's-MIA's, but will put a bouquet of forget-me-nots in their hands proclaiming esteem, concern, hope, and help for these stalwart loved ones.

Mr. MONTGOMERY. I would like to tell the people of Ohio how much the gentleman has supported this resolution.

The SPEAKER pro tempore. The time of the gentleman has expired.

(By unanimous consent, Mr. Montgomery was allowed to proceed for 10 additional minutes.)

Mr. SHRIVER. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from Kansas.

Mr. SHRIVER. Mr. Speaker, I want to associate myself with the remarks of the gentleman in the well (Mr. Montgomery) and the remarks made heretofore.

Mr. Speaker, I rise in strong support of this resolution. House Resolution 335 proposes to establish a select committee in the U.S. House of Representatives with the sole purpose of pursuing new avenues to the problem of U.S. servicemen still missing in action in Southeast Asia. I cosponsored similar legislation last May, and I congratulate the members of the Rules Committee and the primary sponsor, the gentleman from Mississippi (Mr. MONTGOMERY), for their diligence in bringing this resolution to the whole House.

Our concern for these missing-in-action personnel and their families has been expressed in various ways for more than a decade. We have seen various international organizations and private citizens groups make repeated and sincere attempts to ascertain information regarding the fate of the remaining 1,300 men listed as missing in action. The State Department and the Department of Defense have persisted in their efforts through many channels to obtain the cooperation of Hanoi and its allies in the search for the missing. So far these efforts have been unsuccessful except in a few cases.

I am personally aware of the difficulties faced by our search teams in Southeast Asia, as I visited our Joint Casualty Resolution Center in Northeast Thailand on August 15, 1973. I was impressed with the dedication and expertise of the search teams, but it was obvious that they were getting no help from the governments of North Vietnam and Laos.

The task of these search teams is enormous. There are more than 1,000 crash sites involving over 50 different types and models of aircraft. These crash sites are on mountains, in jungles, and the many other types of rugged terrain in Indochina. Approximately 160 of the crashes were at sea, and a special sea tender was being used to search the ocean floor for casualties.

I came away from the Joint Casualty Resolution Center convinced that given the cooperation of other governments—including diplomatic pressures from the Soviet Union and the People's Republic of China—our search teams could achieve their mission. Our efforts are entirely peaceful, open, and humanitarian in nature.

The 10 members of the select committee set up by this resolution will have a difficult job. None of us knows at this time what actions might be taken to get Hanoi and the other governments in Indochina to accept the humanitarian nature of our efforts. Certainly none of their actions to date in regard to our prisoners of war and missing in action show much compassion for the families of these men.

But we must try. Our involvement in Indochina is not over until the fate of these men is known. Our Nation owes that much and more to their families and loved ones.

I am certain this resolution will pass overwhelmingly today, and we will support the efforts of this select committee in its important responsibility.

Mr. McCLOSKEY. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from California (Mr. McCLOSKEY).

Mr. McCLOSKEY. Mr. Speaker, I thank the gentleman for yielding, and I want to commend those who have brought this matter to the floor, particularly the gentleman from Mississippi (Mr. MONTGOMERY). Unlike our prior wars, where we have done great honor to those who fought them, in this unique experience we recognize, in this resolution, a unique responsibility, particularly to the relatives of those who are missing in action and whose remains have not been returned.

Mr. Speaker, it was my privilege, in February, along with six other Members of the House to go to Vietnam and there to see the vigorous efforts that were being made by the defense attache's office to try to recover the remains of missing in action that were scattered throughout South Vietnam in areas that were under government control. Those results were somewhat frustrating.

I think it should be recognized, as the gentleman from Texas (Mr. PICKLE) has pointed out, that the success of this committee will depend upon the very real assistance of our Department of State in restoring a degree of communication with the North Vietnamese, the South Vietnamese, the Laotian Government and Cambodian Government, so that our concern over the return of the missing can be effectuated through the cooperation of those governments.

The Department of State has not moved in this direction, and I hope we can, therefore, get a unanimous vote in passing this resolution and empowering a select committee to conduct a complete investigation. We are asking the Department of State, if not instructing the Department of State, for its complete cooperation.

Mr. Speaker, again I commend the gentleman for this resolution. I think it may be among the most important things we do this year.

Mr. MONTGOMERY. Mr. Speaker, I thank the gentleman for his comments.

Mr. Speaker, I might say to my colleagues that I am not trying to take all of the time. Probably this is the best way to handle this in a quicker manner, and so if my colleagues will have a little patience with us, I think we will move right along.

Mr. PATTERSON of California. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from California (Mr. PATTERSON).

Mr. PATTERSON of California. Mr. Speaker, I thank the gentleman for yielding to me, and I want to commend the gentleman for his tireless efforts in this regard.

Mr. Speaker, the House has the opportunity today to take a major step toward rebuilding the confidence of thousands of frustrated and alienated American families in their American Government. I am referring to families and friends of U.S. servicemen still missing in action in Southeast Asia. The House has before it today House Resolution 335, a resolution which will create a select committee to investigate the wide range of issues associated with "MIA."

Almost 3 years after the truce in Vietnam there are still 1,300 servicemen listed as missing in action or whose status has been arbitrarily changed to killed in action. The families of these men have been suffering the cruelest effects of war, the daily uncertainties and emptiness that comes from not knowing whether their serviceman is alive or dead. How can anyone doubt that they deserve an answer based on facts?

The Pentagon and the State Department have for 3 years failed to bring pressure against the Vietnamese Communists to account for the 1,300 names. The Congress must act, and act now. Someone must show we care about these men and their families.

I pray the House will adopt House Resolution 335 today, and, in anticipation of that outcome, I want to expres my admiration for the persistent leadership of this issue provided by our colleague, the gentleman from Mississippi (Mr. MONTGOMERY). His commitment to a fair and open investigation of the status of the MIA's has been a source of hope to many families around the country.

I also want to give recognition to the National League of Families of American Prisoners Who Are Missing in Southeast Asia. Their tireless efforts to raise the consciousness of both the general public and the Members of Congress is evidence that their faith in their Government has not been broken by the pain and frustration of these past years. I have been personally touched by the plight of the MIA's and their families through contact with Mrs. Ann Griffiths, a member of the league's board of directors. A resident of my district, Mrs. Griffiths, is the sister of Lt. Comdr. James Mills who is missing in action. I know my colleagues and fellow cosponsors of House Resolution 335 share my gratitude to the league and its officers for a job well done.

Mr. GOLDWATER. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from California (Mr. GOLDWATER).

Mr. GOLDWATER. Mr. Speaker, I am pleased to rise in support for House Resolution 335, a resolution creating a select committee for missing in action servicemen in Southeast Asia. I am confident that this legislation will pass the House today. You, Mr. Speaker, and my colleague from Mississippi (Mr. MONTGOMERY) deserve the unqualified praise of the supporters and cosponsors of this resolution. Without your support and determination this committee might never have been created. Also instrumental in the successful reporting out of this resolution is my colleague from Tennessee (Mr. QUILLEN). In behalf of my constituents who still have members of their families missing in action in Asia I thank each of you for your dedication and determination.

With the passage of this resolution the House of Representatives will fulfill one of its outstanding obligations to Americans who still are living with the agony and frustration of having members of their families missing in action in Asia. The 10-member Select Committee will be charged with investigating fully the fate of all American MIA's, gaining the return to home soil of the remains of known dead, and making a final determination of those 36 Americans still listed as POW's.

We are overdue in the creation of this committee and in the resolution of the MIA-POW question. We cannot in good conscience add to or perpetuate further the suffering and uncertainty that has been the constant companion of many American families. We will betray the faith, trust, and hope of those families if we fail to pass this legislation. And, we will betray the honor and spirit of those Americans who served their Nation honorably and well. This legislation merits and demands your support. It unequivocally has mine.

Mr. SARASIN. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from Connecticut (Mr. SARASIN).

Mr. SARASIN. Mr. Speaker, I want to commend the gentleman in the well (Mr. MONTGOMERY) and my colleagues, and especially the gentleman from New York (Mr. GILMAN) for his work on this.

Mr. Speaker, as mentioned by the gentleman from California (Mr. MCCLOSKEY), the success of this committee will depend to a large extent on the cooperation of the Department of State, and I hope that cooperation will be forthcoming.

Mr. MONTGOMERY. I thank the gentleman for his remarks.

Mr. BEARD of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from Tennessee (Mr. BEARD).

Mr. BEARD of Tennessee. Mr. Speaker, I want to say that it is a great honor to be a cosponsor, along with the gentleman from Mississippi (Mr. MONTGOMERY) and I appreciate the gentleman's endeavors along this line.

Mr. Speaker, I know the Members of this House feel very strongly about this. I could repeat a lot of what has been said by my fellow Members, but I will say that I think it is high time that we are now taking some action where our intent and our mouths have been in the past.

Mr. Speaker, I think it is encouraging, and I hope we will inject this committee with full force. I look forward to being a part of it.

Mr. MONTGOMERY. I thank the gentleman from Tennessee for his remarks.

Mr. BELL. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from California (Mr. BELL).

Mr. BELL. Mr. Speaker, I thank the gentleman for yielding, and I want to commend the gentleman in the well (Mr. MONTGOMERY) for his work in this regard.

Mr. SYMMS. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Speaker, I would just like to say to the gentleman from Mississippi that I am very pleased also to be a cosponsor of this resolution today.

There are many families and relatives of the missing in action in my State of Idaho who consider the gentleman from Mississippi to be their friend.

I think the tragedy of this whole thing is that if the United States did not get itself involved in no-win wars, we would not be here today trying to find out something about our missing in action. If we had had the proper spirit in the Vietnam war once we were committed to it 10 years ago, that property would now be ours and we could take care of this matter personally ourselves. I think this has led to a tragic situation, and this is the least we can do for the people who performed so well in Vietnam.

Mr. Speaker, I believe in the future we should look back at this time in history and learn from our experience that we should not become involved in no-win wars, but when we do fight such wars, we should honor those who have made such great sacrifices.

Mr. MOORHEAD of California. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from California.

Mr. MOORHEAD of California. Mr. Speaker, I rise in support of this resolution. I wish to join with the gentleman in the well in his comments and commend him for his efforts in bringing out this resolution.

I know something of the frustration that many of the wives and families of the missing in action in Vietnam have gone through and something of the sacrifices that the veterans of the Vietnam war have made. I know how much these families want to have information about where their loved ones are and whether they are dead or still living. I think we in Congress have the responsibility to do everything possible to get that information for them and try to locate these people who have fought for us. Many of them are probably still alive in Vietnam in prison camps.

Mr. Speaker, this is certainly one step we must take in order to try to meet that very great challenge that we face.

Mr. O'BRIEN. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from Illinois.

Mr. O'BRIEN. Mr. Speaker, I thank the gentleman for yielding. I rise in support of this resolution, of which I am a cosponsor. I commend the gentleman from Mississippi for his dedicated leadership in this area.

Mr. MYERS of Indiana. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Speaker, I thank the gentleman for yielding.

I wish to express my appreciation, along with other Members, for what the gentleman from Mississippi has done in the past, not only in trying to bring more light on the location of MIA's and to get as many back as possible but for bringing this resolution to the floor. I express my appreciation also to the many others who have given assistance.

The Department of Defense and the Department of State have made many attempts to get the remains back and to get more information about MIA's, but they have run into political blocks, which I believe this committee will not find standing in the way. I feel much more optimistic than many others, who have expressed the feeling that maybe this will not be successful. I am quite certain it will be, because with Members properly selected by this committee, I think we will be able to open doors and we will be able to make investigations and get information from those who last saw the MIA's, information from squad leaders, platoon leaders, and task force leaders. Perhaps we can get details as to where MIA's were last seen alive.

I think much can be done in this area, and I believe much will be done by this select committee.

I suppose few can really understand the anguish felt by families for their loved ones who are MIA's. The wives, the mothers, and the fathers of these MIA's are expressing their anguish every day.

Mr. Speaker, this is one way in which I think this Congress can do something about this matter. We are hopeful that many will be brought back alive. In any event, I think that through the efforts of this select committee we can get more information.

Mr. Speaker, I do want to congratulate the gentleman from Mississippi for his efforts.

Mr. MONTGOMERY. Mr. Speaker, I would like to thank the gentleman for his remarks, and I would like to emphasize again that this has been a team effort. Many Members of the House of Representatives have done much to work toward locating the missing in action.

I would like to say, before my time runs out, that there will be an amendment offered by the gentleman from Ohio (Mr. ASHBROOK) which I think has merit. The amendment adds missing civilians to the committee's efforts. As we know, there are missionaries and correspondents who are missing and not accounted for. I think the amendment strengthens the resolution, and I will personally support the amendment when it is offered.

Mr. KEMP. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I will be glad to yield to the gentleman from New York.

Mr. KEMP. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in support of House Resolution 335 which I have been pleased to cosponsor with my distinguished friend and colleague (Mr. MONTGOMERY).

I do not think I can state strongly enough how important it is that we obtain at once a full and complete accounting of all of our men who remain prisoners of war, or missing in action in Southeast Asia. This issue should be one of the foremost concerns of our Secretary of State, and one of the foremost concerns of our Secretary of Defense. Our President should personally take this issue to the table of the Russians and to the table of the Chinese in upcoming meetings, for it is only through the perseverence of the administration and only through the perseverence of this Congress that our men can be safely returned home and our missing fully accounted for.

I have for a long time felt that we should use our vast economic power as a lever with the Communist world to win the release and identification of our

MIA's, expand human rights for oppressed minorities, and help bring a halt to the arms race and peace to the Mideast.

In other words détente is and should be a two-way street and we must get more concessions from the Soviets in this era of détente if it is to succeed.

The resolution before us today will set up a select committee to investigate all avenues of obtaining information about our men, and of assuring the safe return of these men. The committee will be charged with preparing a report on its findings and with making recommendations for appropriation action.

It is inconceivable to me that our Government has been unable to obtain records of our men when such records are known to exist, and when every new day causes more heartache and lost hope for the families and friends of these brave men.

Regardless of how any of us feel about the war itself in Vietnam, there can be no doubt that all of us owe all of the men who fought there—and especially our POW's and MIA's—a debt of gratitude. The war is behind us, but the POW/MIA issue is not. The plight of these men must remain in the forefront of this Congress and in the forefront of the administration until all of the records have been cleared to the satisfaction of our POW and MIA families.

I am convinced that the establishment of the select committee is an important step in this direction. I urge prompt passage of the resolution and I urge all of my colleagues to contribute to and to support the work of this committee.

In conclusion, Mr. Speaker, I would like to submit for the Record a copy of the resolution submitted by the Department of New York Disabled Veterans at the recent National Convention in Hawaii. This resolution, I believe, sums up the mandate of the select committee established in House Resolution 335—and sums up the deep concern of Americans everywhere that those brave men who served us so well not be abandoned in body in a foreign land nor be abandoned in spirit here at home.

The resolution follows:

Resolution

Whereas, hundreds of American servicemen remain unaccounted for, unrecovered or captive in Viet Nam notwithstanding agreements, assurances, formal accords and alleged bona fide efforts to end the uncertainty surrounding their status or the cruelty or their senseless post-hostilities retention and

Whereas, receipt of accurate information about these servicemen and their return to America, where at all possible, should be a major commitment of the government of the United States, a pronounced tenet of United States policy and, more particularly, a constant and continuing item of every agenda in every relevant negotiation, diplomatic exchange and international contact and

Whereas, the American people are united in the vigorous pursuit of this sacred cause and national obligation and

Whereas, the Disabled American Veterans believe it essential that the government of the United States shall elevate this effort to the respected, recognized and effective level of governmental policy, commitment and action urged herein,

Now therefore, be it resolved, by the Disabled American Veterans duly convened in national convention, that the President of the United States proclaim that it henceforth shall be a major commitment, a policy position and a negotiating item where relevant of the United States of America to effectuate by every reasonable and practical means at its disposal the receipt of accurate information regarding the identities of all American servicemen presumed present, alive or deceased, in Viet Nam and, further, the return, where possible, of such servicemen or, as the case may be, their remains to the United States and

Be it further resolved, that a copy of this proclamation by the President of the United States be forthwith dispatched in the most formal fashion to all nations of the world and

Be it further resolved, that the President of the United States by appropriate order direct every diplomatic representative of the United States henceforth to introduce, where appropriate, as a matter for discussion, reciprocation or negotiation the objective of the United States to accomplish finally and completely the purposes set forth in said proclamation and

Be it further resolved, that the Congress of the United States formally adopt the provisions of this resolution or a resolution of comparable import so as to record its support for the aforesaid proclamation and the commitment, policy and actions called for therein for the information and guidance of the President, the American people and the other peoples and nations of the world and

Be it further resolved, that copies of this resolution be dispatched to the governors and the legislatures of each and every state of the Union, to the members of the United States House of Representatives and the United States Senate and to the President of the United States.

Mr. MONTGOMERY. Mr. Speaker, the gentleman from New York has done just as much as I have, or even more, in working in this field. I thank the gentleman for his remarks.

Mr. ROBERTS. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from Texas.

Mr. ROBERTS. Mr. Speaker, I rise in strong support of this resolution, and I want to commend the gentleman from Mississippi for the tremendous job he has done in making the consideration of this resolution possible.

Mr. OTTINGER. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentleman from New York.

Mr. OTTINGER. Mr. Speaker, I ask unanimous consent that the gentleman from Mississippi (Mr. Montgomery) be allowed to proceed for 5 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. OTTINGER. Mr. Speaker, I would like to join, of course, in congratulating the gentleman from Mississippi (Mr. Montgomery) for his splendid leadership on this subject, for his dedication, and for his patience in nurturing this to the point where it has virtual unanimous approval of this House. Were it not for that leadership, I think we would not have had this progress.

Despite the continuing efforts of the Committee on International Relations and the Committee on Armed Services, on which the gentleman serves, and despite the efforts of other Members of the House and of the administration on the subject of the missing in action, inadequate progress has been made and the entire issue of the missing in action has been allowed to become quiescent.

I think the overwhelming adoption of this resolution establishing the Select Committee should demonstrate the tremendous interest that there is in Congress. The committee can be a focal point for gathering national and international attention to resolution of this matter. It can put pressure on both the North Vietnamese and our own State Department to enter negotiations that certainly will be required to obtain the information we desire.

I agree with the several Members who have said in this debate that they do believe, as I believe, that there is some hope. We have reason for some hope through the formation of this Select Committee.

On May 22, I, joined by 26 colleagues in the House, all of whom had been very strong opponents of the war in Southeast Asia, wrote a letter to the Premier of the Republic of North Vietnam, Pham Van Dong, requesting that, upon the occasion of the termination of funds by the House for continuation of our military involvement in Southeast Asia, the North Vietnamese respond by making a complete accounting of our missing in action. The text of the letter is as follows:

House of Representatives,
Washington, D.C., May 22, 1975.

Hon. Pham Van Dong,
Premier, Democratic Republic of Vietnam.

Dear Sir: The undersigned are all Members of the United States Congress who over the years have worked to end the American military involvement in South Vietnam. Now that that involvement is at last ended, we request that you furnish a complete and accurate accounting of those Americans who are still listed by United States authorities as "missing in action" in the Vietnam conflict.

This gesture would not only end the terrible frustration and anguish of the families of those men, but it would contribute greatly to restoring normal relations between our countries. It would also assist our efforts to get the United States to pursue peaceful and constructive policies in the future towards Southeast Asia.

Your consideration of this request will be greatly appreciated.

Sincerely,

Richard L. Ottinger, Donald W. Riegle, Andrew Young, Lionel Van Deerlin, Frank Thompson, Jr., George E. Brown, Jr., Yvonne Brathwaite Burke, James J. Howard.

Henry S. Reuss, Robert N. C. Nix, Jonathan B. Bingham, Bella S. Abzug, James H. Scheuer, Shirley Chisholm, Morris K. Udall, Patricia Schroeder, Abner J. Mikva, Robert F. Drinan.

John E. Moss, John L. Burton, John Conyers, Jr., Donald M. Fraser, Benjamin S. Rosenthal, Michael Harrington, Edward I. Koch, Ken Hechler, William S. Moorhead,

Members of Congress.

I got back a reply on June 21, 1975, the text of which follows:

> AMBASSADE DELA REPUBLIQUE DEMOCRATIQUE, DU VIET NAM,
> *Paris, France, June 23, 1975.*
>
> The Hon. RICHARD L. OTTINGER,
> *Congress of the United States,*
> *House of Representatives,*
> *Washington, D.C.*
>
> DEAR SIR: The Embassy of the Democratic Republic of Viet Nam has the honor to enclose herewith a copy of the letter from the Honorable Pham Van Dong concerning the M.I.A. to your address.
>
> The Embassy of the Democratic Republic of Viet Nam avails of this opportunity to convey to you its highest consideration.

> HANOI, *June 21, 1975.*
>
> The Honorable: Richard L. Ottinger, Donald W. Riegle, Andrew Young, Lionel Van Deerlin, Henry S. Reuss, Robert N.C. Nix, Nathan B. Bingham, Bella S. Abzug, James H. Scheuer, Shirley Chisholm, Morris K. Udall, Patricia Schroeder, Abner J. Mikva, Robert F. Drinan, Frank Thompson, Jr., George O. Brown, Jr., Yvonne Brathwaite Burke, James J. Howard, John L. Burton, John E. Moss, John Conyers, Donald M. Fraser, Benjamin S. Rosenthal, Michael Harrington, Edward I. Koch, Ken Hechler, William S. Moorhead, Members of Congress, U.S. House of Representatives
> *Washington, D.C.*
>
> LADIES AND GENTLEMEN: I have received your letter dated May 22, 1975.
>
> As is well-known to world public opinion, the Vietnamese people, imbued with humanitarian sentiments, deeply sympathize with the anguish of the families of those Americans who were captured, dead or still considered as missing in Viet Nam, in spite of the untold suffering inflicted on our country by several successive U.S. administrations over the past ten years and more. Therefore, after the Paris Agreement has been signed, the Government of the Democratic Republic of Viet Nam returned to the U.S. side all American military and civilian personnel captured during the war, unilaterally decided to allow the repatriation of the remains of those American pilots who died in captivity, and directed the responsible services to endeavour to seek information about those Americans considered as missing in action, in accordance with article 8(b) of the Paris Agreement, so as to help alleviate the anguish of the families concerned. Yet, in the meantime, the U.S. Government continued its military involvement and interference in the internal affairs of South Viet Nam in systematic violation of the Paris Agreement. That is why the implementation of article 8(d) could not as yet progress as expected. Obviously, responsibility for this situation entirely rests with the U.S. side.
>
> Now that the war has ended and peace has been restored in the whole of Viet Nam, all post-war questions concerning Viet Nam and the United States, such as the U.S. contribution to healing the wounds of war in the two zones of Viet Nam, the search for the M.I.A.'s, the exhumation and repatriation of the remains of the American dead . . . are the outstanding questions that call for an early solution. The Government of the Democratic Republic of Viet Nam is prepared to talk with the U.S. Government so as to settle these questions. At the same time, it reaffirms that the U.S. respect for the Vietnamese people's fundamental national rights, the total cessation of its interference in the internal affairs of South Viet Nam, and the fulfillment of its obligation to contribute to the healing of the wounds of war and to postwar reconstruction in the two zones of Viet Nam, will create conditions for the establishment of normal relations between the Democratic Republic of Viet Nam and the United States, in the spirit of article 22 of the Paris Agreement.
>
> I take this opportunity to express my thanks to you, Ladies and Gentlemen, as well as to all other goodwilled Americans who contributed their efforts to demanding an end to all U.S. military involvement and interference in the internal affairs of South Viet Nam. It is my earnest hope that you will succeed in "getting the United States to pursue peaceful and constructive policies" in this region, in the interest of peace and friendship between our two peoples.
>
> Sincerely,
>
> PHAM VAN DONG,
> *Prime Minister of The Government of the Democratic Republic of Viet Nam.*

I interpreted this reply as being a rejection, believing it to mean there would have to be U.S. reparations pursuant to the Paris accords before any consideration of an accounting of the missing in action would take place.

I felt that this was really an unconscionable rejection and issued a statement at that time indicating my great disappointment and displeasure, as follows:

> I think this negative response will greatly inhibit efforts to re-establish normal relations with the North Vietnamese, to say nothing of settling the question of any reconstruction assistance under the Paris Accords.
>
> I had really thought that with the war over, the North Vietnamese would have responded affirmatively with the decent, humanitarian gesture that appears appropriate.
>
> To continue to withhold this information makes the families of the POWs and the Missing in Action hostage to North Vietnamese political objectives. This seems to me to be unconscionable.

In the letter from the Premier of North Vietnam, however, he did indicate his willingness and interest in sitting down and starting to talk about this issue.

Subsequently, I have just received a communication from a representative of the American Friends Service Committee, just yesterday, in fact, who talked to members of the Government of North Vietnam, the North Vietnamese indicated that their letter, in fact, despite its rhetoric, was not intended to be a rejection. It was intended as an invitation to our Government to sit down and discuss these issues.

Therefore, Mr. Speaker, I am hopeful that we will be able to make some progress. I do not think we ought to be overly optimistic. But I do think there is some room for maneuvering.

I am very happy to join with the gentleman from Mississippi (Mr. MONTGOMERY) in the effort to try to get this matter resolved.

Mr. MONTGOMERY. Mr. Speaker, I certainly thank the gentleman from New York (Mr. OTTINGER) for his remarks.

I know that he testified before the Committee on Rules. He has shown a great interest in this field, and certainly the select committee will depend on him for guidance and help.

I would like to take the few remaining minutes I have to finish my own remarks in support of this resolution.

The committee in a completely and nonpolitical manner would diligently seek the answers which have been asked for far too long by the families and friends of the missing in action. The committee would be required to report back to the House within a year, or sooner if possible, the results of its investigation and recommend any further action on the part of our Government that might be required.

I cannot emphasize too strongly that time is of the essence because of the tropical environment in Southeast Asia that tends to hide traces of evidence that would be needed to detemine the fate of our missing fellow Americans, as well as the location of crash sites of known dead.

Regarding the primary purposes of the select committee, it should be noted that we have concrete information on crash sites that could and should be investigated. I envision the select committee attempting to find a way in which neutral-country search teams would be allowed to go to these crash sites on behalf of the United States. We also know of numerous shallow graves throughout Southeast Asia where we could recover the remains of known dead. It is common knowledge that the bodies of two U.S. Marines are currently being held in a Seventh-day Adventist hospital morgue in Saigon which should be reclaimed by our Government. In order to accomplish these objectives, we need a select committee to coordinate the efforts of our Government and private organizations.

Mr. Speaker, there are other benefits of a Select Committee on MIA's. First, it would show the families and loved ones of the missing that the Congress does care and is sincerely interested in determining the fate of the MIA's. The select committee would also provide a place where the families could bring information they have to be evaluated.

A second benefit would be the information that would be developed for other committees of Congress that are currently considering legislation relative to the MIA's. I refer to bills such as the change in status legislation. I believe the select committee will result in a very necessary policy and precedent on how our Government should handle missing in action matters in the future.

A third benefit of the select committee would be to focus public opinion on the uncooperative manner in which the present governments in Indochina are treating the MIA problem. From past experience, I think it can be said that public opinion does have an effect on the Communist leaders in these nations.

A fourth benefit of the select committee would be to encourage and prod the Department of State for more concrete efforts to resolve the MIA problem. There are some that feel the State Department has not been diligent in its attempt to gain compliance with paragraph 8b of the Paris peace accords. I would think the select committee should be able to determine if this is true or not.

I might point out that President Ford has given assurances that he does support this legislation and is committed to resolving the MIA impasse. So I feel we will have the full support of the administration.

In this connection, I would note that Chairman ZABLOCKI of the International Security and Scientific Affairs Subcommittee has been holding hearings from time to time on the MIA matter. He has agreed to turn these files over to the Select Committee for their use. This is very commendable on the part of our colleague from Wisconsin and indicates his very sincere desire to be of assistance in our efforts. I feel sure the impressions of Chairman ZABLOCKI will be quite helpful to the Select Committee and his initiatives on behalf of the MIA's will provide a foundation for the work of the Select Committee.

Mr. Speaker, I am not going to be foolish enough to make claims as to what the Select Committee will actually be able to accomplish. However, I feel the proposal is the most positive step we can take to write the final chapter on our long and unfortunate involvement in Southeast Asia.

As we all know, it is an entirely new ball game in Indochina and we do not know for sure what approach the leaders of North Vietnam, South Vietnam, Laos, and Cambodia will take in meeting our request for an accounting or the release of remains. But we must move forward in a coordinated manner on the MIA problem if we ever hope to reach a resolution of the problem.

There must be a finalization of the so many unanswered questions concerning our MIA's and possible POW's. I firmly believe the Select Committee with hard work and diligent effort, and admittedly a few breaks, will be able to provide the needed answers. I urge my colleagues to give their approval to House Resolution 335, so we can be about the job of writing the final chapter to our involvement in Vietnam.

Mr. McCOLLISTER. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. Yes, I yield to the gentleman from Nebraska.

Mr. McCOLLISTER. Mr. Speaker, the State Department lists 830 men missing in action in Indochina. There are, additionally, 30 civilians listed as missing. All told, 2,300 Americans are still unaccounted for as a result of the hostilities in Southeast Asia. Of these 1,400 are presumed dead.

Establishment of this Select Committee for Missing in Action Servicemen in Southeast Asia is a moral necessity. Just because our men are not fighting in the rice paddies of South Vietnam does not erase our responsibility to the men who are still missing and to their waiting families. With the focus of the nation diverted from this problem, the Defense and State Departments have apparently found other priorities more important than fulfilling this moral debt to these men and their families.

I hope that this committee will maintain a positive focus on securing an adequate accounting for these men and not slip into flaying of the Defense Department and the State Department, however well deserved. Our objective is to bring these men home.

Big government is becoming increasingly unresponsive to the needs of the individuals it is supposed to serve. There can be no more graphic example of this development than the callous downgrading of efforts to determine the fate of those missing in action and bring home those who may still be rotting in some jungle prison in Laos or Vietnam. Let us not forget the immensely cruel human impact that governmental disregard has had on the unfortunate families of those men still listed as missing, some for a decade or more.

As an original cosponsor of this legislation, I am gratified that the House has accepted this responsibility. I am hopeful that this committee will not only investigate the situation of our missing in action, but serve as a public conscience reestablishing among the American people our commitment to these men and their families.

Mr. MONTGOMERY. Mr. Speaker, I appreciate having an opportunity to bring this resolution to the floor of the House, and I do also hope that it will be unanimously adopted.

AMENDMENT OFFERED BY MR. ASHBROOK

Mr. ASHBROOK. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASHBROOK: Page 2, line 5, after the word "Cambodia" add the following: "and the problem of United States civilians identified as missing or unaccounted for, as well as those known dead whose bodies have not been recovered in North Vietnam, South Vietnam, Laos and Cambodia;"

On line 8 of the same section, strike the period and add the following: "or civilians held captive or unwillingly detained in the aforementioned areas."

Mr. ASHBROOK. Mr. Speaker, the purpose of this amendment is to include, along with our servicemen, American civilians missing in Southeast Asia or held captive in that area. I support this resolution and have introduced a companion measure, H.R. 520.

There is no definite figure available of the exact number of American civilians still held in the area covered by North Vietnam, South Vietnam, Laos, and Cambodia. For instance, Walter Cronkite's Committee to Free Journalists Held in Southeast Asia lists five American journalists missing in that area, four in Cambodia and one in South Vietnam. The State Department believes that between 50 and 60 American civilians are still in South Vietnam.

The Christian and Missionary Alliance of Nyack, N.Y., lists 7 missionaries and a 5-year-old child as being held in South Vietnam since their capture on March 10 of this year. How many more Americans are unaccounted for in the area or being detained against their will is not known.

This amendment would simply include in the select committee's accounting all Americans, both servicemen and civilians. In no way will this amendment dilute or detract from our solemn duties to the MIA's and POW's but states clearly our interest in the welfare and status of all Americans.

Mr. MOAKLEY. Mr. Speaker, will the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman from Massachusetts.

Mr. MOAKLEY. Mr. Speaker, I appreciate the gentleman from Ohio yielding to me and I wish to say that I think that this is a very worthwhile amendment. I know of no opposition to it. I hope the amendment is adopted unanimously.

Mr. MONTGOMERY. Mr. Speaker, will the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. Mr. Speaker, as I said earlier under my 5 minutes, I think the amendment offered by the gentleman from Ohio (Mr. ASHBROOK) strengthens the resolution. I commend the gentleman from Ohio for offering the amendment and I support the proposal.

Mr. ASHBROOK. I thank my colleague from Mississippi.

Mr. QUILLEN. Mr. Speaker, will the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman from Tennessee.

Mr. QUILLEN. Mr. Speaker, I wish to state that this side has no objection to the amendment. I believe it is a very worthwhile amendment and we will accept it.

Mr. ASHBROOK. I thank the gentleman from Tennessee.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I would like to associate myself with the remarks of the distinguished gentleman from Ohio (Mr. ASHBROOK). I think that the amendment the gentleman is offering is certainly a very important amendment to the resolution. This has been a very serious problem insofar as our missing missionaries, missing journalists, and others are concerned and has involved a great many efforts by the administration and by the Department of State, and by other congressional committees, all of which have been to no avail. I think that indeed this should be part of the purposes of the select committee insofar as their province and responsibilities are concerned, and that this will help focus attention on the need for fully examining and resolving this problem.

I urge support of the gentleman's amendment.

Mr. ASHBROOK. Mr. Speaker, I would merely add that one of the most recent difficulties in a similar situation occurred with regard to the People's Republic of China and I would point out that the last people to come out of China were the civilians such as missionaries, Catholic priests, including Father Healey, and others. Again, let me say that this proposed amendment does not in any way detract from our interests in our missing servicemen, which, of course, I think most of the Members know would not be the interest of this Member. I simply say that I think we should help insofar as possible all missing Americans.

Mr. SARASIN. Mr. Speaker, will the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman from Connecticut.

Mr. SARASIN. Mr. Speaker, I appreciate the gentleman yielding to me and I would ask the gentleman from Ohio, would this amendment, assuming the amendment were to be adopted, expand the area of the committee so that the committee could also be interested in the problem of the two men who were killed just prior to the cessation of hostilities in Vietnam and whose bodies have yet to be returned?

Mr. ASHBROOK. Yes, because the first part of the amendment specifically refers to the problem of U.S. civilians identified as missing or unaccounted for, as well as those known dead whose bodies have not been recovered in North Vietnam, South Vietnam, Laos, and Cambodia.

In other words, the same interest and the same efforts as extended to our servicemen would be extended to the civilian members insofar as determining the whereabouts of all Americans, and the purpose of the amendment is to extend this search to all Americans, not just to our servicemen.

Mr. SARASIN. I thank the gentleman from Ohio for offering his amendment and I trust the amendment will be supported.

Mr. BUCHANAN. Mr. Speaker, will the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman from Alabama.

Mr. BUCHANAN. Mr. Speaker, I want to commend the gentleman from Ohio (Mr. ASHBROOK) on offering his amendment and I wish to indicate my support for the amendment and for the resolution.

Mr. HANSEN. Mr. Speaker, will the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman from Idaho.

Mr. HANSEN. Mr. Speaker, I thank the gentleman from Ohio for giving us the opportunity to vote on this amendment because I believe it does broaden this legislation sufficiently so that it will take care of many problems that could have crept in this situation that were not there to begin with.

I would also like to commend the gentleman from Mississippi (Mr. MONTGOMERY) for giving his leadership in this matter and in allowing us to have the opportunity to consider this matter by bringing this legislation up for a vote so that hopefully we can get this problem solved once and for all.

Mr. ASHBROOK. I thank the gentleman.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Ohio (Mr. ASHBROOK).

The amendment was agreed to.

Mr. DUNCAN of Oregon. Mr. Speaker, I am pleased to support the 10-member Select Congressional Committee's inquiry into the status of American men missing in action in Southeast Asia. I believe the Congress has a continuing responsibility to do everything humanly possible to have our MIA's fully accounted for and I support this committee's efforts whether they be in lieu of or in addition to other efforts being made by the U.S. Government.

The families and friends of these men have not been satisfied with attempts by the executive branch to determine the whereabouts of these people and I share their agony at the continued uncertainty.

The real difficulty lies with the governments of the other countries involved and no one should expect any miracles or complete solutions. But I support this committee in making continuous and unremitting efforts through all possible avenues of communication to secure an accounting of those listed as missing in action.

Mr. LAGOMARSINO. Mr. Speaker, I rise in support of House Resolution 335. As a sponsor of this resolution, I am of course concerned that everything possible be done to learn the fate of the 1,100 American servicemen listed as missing in action in Southeast Asia. But more than that, I am concerned about what failure of the House to adopt this resolution will mean to the families of those 1,100 men and indeed to the American public in general.

Under terms of the Paris Treaty, we are entitled to an accounting of American MIA's. The Government of Vietnam has refused to abide by the treaty commitment, apparently in a cruel effort to extort some form of American economic assistance. The war is over, and in fact grows dim in the American consciousness, but still we have no word. Soon, it will be impossible to obtain an accurate accounting.

It would be easy to say forget the MIA's. It might even be "smart" politically, but I hope we will not choose to do so. If it takes a full delegation of Congressmen to determine the fate of these men, or to determine the terms on which we might find out, then we in Congress have a duty to see that it is done. We owe this duty as much to the living—to the survivors of these men and to their successors in the armed services—as to the dead. Mr. Speaker, I urge you and all my colleagues to agree to this request. It is little enough for those who have sacrificed much more.

Mr. BELL. Mr. Speaker, as a cosponsor of legislation to establish a Select Committee on Missing in Action in the House of Representatives, I rise in strong support of House Resolution 335.

Under the provisions of this resolution, a select committee of 10 members would fully investigate the status of our American personnel still listed as missing in action in Southeast Asia, would work to secure the return to this country of the remains of the known dead, and would be charged with determining the fate of the 36 Americans still listed as prisoners of war.

I commend my distinguished colleague from Mississippi (Mr. MONTGOMERY) for the fine work he has done in behalf of this legislation. I share his conviction that we can no longer allow the fate of those Americans listed as missing in action to remain unsettled.

I feel that this Congress and the American people owe a great debt of gratitude to the American men and women who served their country in South Vietnam and Cambodia. The very least we in Congress can do is to exert every effort to determine, once and for all, the fates of those still on the MIA roles.

I urge the support of my colleagues for this badly needed bill.

Mr. SARASIN. Mr. Speaker, as a cosponsor of House Resolution 380, I would like to voice further support for the creation of a committee that would deal exclusively with the problem of American servicemen who are still missing in action as a result of our military involvement in Southeast Asia.

I became particularly aware of the need for continuing investigation into this problem through the encouragement of one of my constituents, Ms. Cheryl Eller Boyd. Ms. Boyd became extremely active in the State of Connecticut advocating for the return of these men.

I join Ms. Boyd in advocating for a determination of the status of missing Americans, and the return by North Vietnam of the bodies of Americans still in their possession.

In testimony before the Rules Committee supporting the creation of this committee, I stated that as of July 31 of this year, 868 Americans were still classified as missing in action. In addition, 1,368 Americans are known dead but their bodies remain unrecovered. This number is too high for us to remain unconcerned.

I am extremely pleased that the House has adopted this legislation. I also wish to congratulate Mr. ASHBROOK of Ohio for introducing an amendment to this legislation to include civilians in the investigation of those who have been lost in Vietnam.

In addition, I have been particularly concerned about the bodies of two Marines, Lance Cpl. McMahon of Boston and Corporal Judge of Iowa, who were killed on September 29, the last day of the American evacuation from South Vietnam as they were guarding the defense perimeter at the Saigon Airport. Although the State Department has made serious efforts toward recovering the bodies through diplomatic channels, I am hopeful that this new committee will make further attempts to reclaim their bodies to the satisfaction of the families involved.

I believe that the action which the House has taken today is a positive reflection of its concern and dedication to the resolution of this issue.

Mr. BAUMAN. Mr. Speaker, I rise in complete support of House Resolution 355, which creates a select committee of the House to study the problem of U.S. servicemen missing in action in Southeast Asia. I also support the amendment offered by the gentleman from Ohio (Mr. ASHBROOK) which will expand the scope of the committee to cover civilian U.S. citizens missing in this area.

Perhaps no aspect of the entire unfortunate Vietnam war is so tragic as the plight of the many men missing in action and still unaccounted for after so many years. I know from discussions with the families and loved ones of these men, the personal hardship and suffering which has resulted from the failure of the U.S. Government to pursue this issue with the appropriate authorities in Southeast Asia. I hope that the work of this committee will go a long way in helping to obtain the needed information about these valiant defenders of our freedoms.

I also want to commend the distinguished gentleman from Mississippi (Mr. MONTGOMERY) who is the one Member of the House most responsible for the creation of this committee. I am pleased to join him in cosponsoring a companion resolution.

Mr. WHALEN. Mr. Speaker, as a cosponsor of House Resolution 335, I rise in support of this measure. By establishing a 10-member select committee to investigate the problem of U.S. servicemen still identified as missing in action in Southeast Asia, this resolution will help to coordinate the efforts of the legislative and executive branches of Government, as well as private groups, in determining the fate of these MIA's.

At present, some 832 servicemen are listed as missing in action as a result of military operations in North Vietnam, South Vietnam, Laos, and Cambodia. Thirty-six men are still thought to be held as prisoners of war. While estimates vary, it is also believed that the remains of over 1,100 dead servicemen have never been recovered from Southeast Asia.

Indications are that the administration will work through the select committee when it is established, and a joint effort could result in obtaining full compliance with Article 8(B) of the Paris peace accords from all parties to that agreement. As one who has long been concerned with the problem of obtaining a full and factual accounting for all missing servicemen as well as the return of our known dead for proper burial, I urge my colleagues to support this resolution.

Mr. MANN. Mr. Speaker, on January 27, 1973, the parties engaged in war in Southeast Asia signed an agreement in which they pledged "to help each other to get information about those military personnel and foreign civilians of the parties missing in action, to determine the location and take care of the graves —and to take any such other measures as may be required to get information about those still considered missing in action."

Two and one-half years have passed since these assurances were registered in the Paris agreement and today there remain over 1,300 men to be accounted for. With the removal of our troops from Southeast Asia, it has been too easy for the majority of Americans to remove themselves from the tragedies connected with the war and to absolve themselves of all responsibilities for them. However, the Vietnam Era of our history cannot be closed until we have resolved the one final issue which links us to that hostility: the fate of those classified as missing in action.

A great deal of lipservice has been expended on this point, the predominance of which affirms the inhumanity of the Southeast Asian governments in the handling of this tragic situation. But, let us not pass the buck. Certainly, their action is inhumane, and a direct violation of the Paris accord. However, as a party to that agreement, we, too, have a responsibility: a responsibility to insure that the terms of the agreement are met. By merely asserting the blame of the Southeast Asians, we do nothing to achieve our objectives and, in assuming this stance, we are adding to the inhumanity of the situation and to the agony being experienced by the loved ones of those still missing.

It is time that the pledges contained in the Paris accord become reality, and I implore the Congress to take the necessary action to move us toward this goal. House Resolution 335 provides us with a framework for that action. In creating a select committee to determine the fate of our missing in action, we will move much closer to the attainment of our objectives as outlined in the Paris agreement and to the termination of suffering for those awaiting the outcome of the uncertainties resulting from the lack of its enforcement.

I call on this body to consider the responsibility we face here and I ask the support of all of my colleagues on the passage of House Resolution 335.

Mr. MURTHA. Mr. Speaker, I rise to commend the gentleman from Mississippi (Mr. MONTGOMERY), on his long fight for more information concerning the MIA's in Southeast Asia.

There is no more frustrating task because of the intransigence of the North Vietnamese.

I want to caution the Congress and the American people that this committee faces a very difficult assignment.

During my visit to South Vietnam in February of 1975, we had a full report of the difficulties concerning the locating of crash sites because of heavy jungles and swamps and lack of reliable information.

But I know that this committee will do everything possible to find every piece of information available.

Mr. KARTH. Mr. Speaker, lest we forget: at least 868 American servicemen remain unaccounted for in Southeast Asia, 868 Americans are either prisoners of war or missing in action.

If our heroic dead made the "supreme sacrifice," the sacrifice of these missing servicemen is only slightly less. We do not know for sure whether they are rotting in the prison camps of Vietnam, Cambodia, Laos, or elsewhere. We do not know whether some are dead or whether others are desperately trying to find their way to freedom through the jungles and swamps of Southeast Asia.

We grieve not only for the servicemen themselves but also for their families; wives who are left with gnawing uncertainties and doubts and youngsters who may never have seen their fathers. In addition, there are mothers and fathers of these missing servicemen, and even grandparents, all of them alternately beset by surges of hope and despair.

We do not know how much is being done or whether enough is being done to determine whether these servicemen are alive or dead, whether they are prisoners or men who have escaped from their captors. About the only thing we can be certain of is that if these Americans are known to be dead that we are unalterably obligated to bring their remains home and give them honored, military interments.

In pushing my inquiries on this matter I have been advised by various Government sources that efforts to locate our 868 unaccounted-for servicemen are undertaken through three different channels: Through the United Nations, the International Red Cross, and through so-called third-country neutrals.

But I repeat: we do not know how much is being done and whether enough is being done.

That is why we are considering the resolutions before us today, to establish a select committee composed of 10 Members of this House empowered "to conduct a full and complete investigation— of the problem of United States servicemen still identified as missing in action, as well as those known dead whose bodies have not been recovered, as a result of military operations in North Vietnam, South Vietnam, Laos, and Cambodia."

This select committee, as our resolution states, would be authorized to hold hearings at home or in Southeast Asia "and to require by subpena the attendance and testimony of such witnesses and the production of such books, records, correspondence, papers and documents as it deems necessary."

We emphasize also in our resolution the importance of such an investigation as we propose to ascertain "the need for additional inspection teams to determine whether there are servicemen still held as prisoners of war."

This latter question we consider most urgent, Mr. Speaker, because one of the crucial things we do not know is the extent to which the governments of the several Southeast Asia countries have hindered, frustrated or blocked inquiries launched by the International Red Cross, the United Nations and the third-country neutrals.

That there have been frustrations, and terrible ones, we have learned from news dispatches. For example, one seemingly reliable report printed around the world was that one of the Southeast Asia governments had the effrontery to deliver a heartless and inhumane ultimatum to the effect that they would not cooperate in a search for the unaccounted-for American servicemen until the United States promised to contribute millions and probably billions of dollars for the rebuilding of the country's war-torn areas.

This, Mr. Speaker, is barbarism and blackmail.

In view of such attitudes and actions the establishment of a select committee, as proposed here, becomes all the more important. We need to know whether organizations such as the International Red Cross and the U.N. are blocked from pursuing their humanitarian purposes, and if they are so blocked what the U.S. Government can do about it.

The verified facts about our missing servicemen are sparse indeed. But we know that on January 27, 1973, when hostilities in Southeast Asia ceased that there were 1,220 Americans missing in action, 519 prisoners of war, and 118 missing in nonhostile circumstances. By the end of June 1975 that number had been reduced to a total of 882 and decreased today to 868 unaccounted for. Frankness requires me to say that the U.S. Government officials dealing with this sad problem do not have any firm evidence that these 868 are still alive.

The select committee, as I and other sponsors envision it, would have the means and authority to accept testimony on the difficulties that have been encountered by the international agencies working in Southeast Asia and exactly what needs to be done to overcome those difficulties.

The time has come, Mr. Speaker, to pay the enormous debt we owe to these missing servicemen and to their families. We must act to ease as much as we humanly can the family heartbreaks and anguish, questions and uncertainties that have beset these servicemen's wives, children and other relatives since that tragic war was halted.

If any are alive they must, at all costs, be brought home. The American dead must be returned so they can rest in honored peace in the homeland for which they gave their lives.

Mr. MILLER of Ohio. Mr. Speaker, I rise in support of House Resolution 335, a bill to create a Select Committee on the Issue of Missing American Servicemen in Southeast Asia.

While U.S. involvement in Vietnam has changed dramatically over the past year, there is one very important item which has not altered since that long, costly conflict began: Our concern for those 868 American servicemen missing in action in Southeast Asia. The end of American presence in Vietnam brought with it the release of known U.S. prisoners. However, the treaty drafted and signed in Paris includes language making an accounting of the missing a priority concern.

I can think of no more important item which remains unresolved at this point.

Several years ago, the U.S. Department of Defense established the Joint Casualty Resolution Center—JCRC—at Camp Samaesan, Thailand, for the express purpose of investigating the circumstances surrounding the disappearance of American servicemen in Southeast Asia. Following the establishment of this command, we communicated often with the commanding officers of the center, expressing each time our strong desire to see that everything possible is done to track down crash sites and fully investigate the circumstances behind each case. In this regard, we expressed a special concern in behalf of two families residing in Ohio's 10th Congressional District who have loved ones listed as missing: The family of Marine Capt. Lawrence Helber of Logan, Ohio, and the family of Marine Col. Robert Smith of Athens, Ohio. Colonel Smith is the highest ranking Marine officer listed as missing.

We were frequently advised by Defense Department officials that cooperation from the North Vietnamese as called for in article 8 of the Paris Treaty was essential for the location of crash sites in Communist-controlled territory. The Government of North Vietnam has ignored the mandates of the treaty with respect to helping U.S. personnel locate missing Americans. There is no justification for such action on the part of the North Vietnamese. The North Vietnamese stance represents simply a case of callous disregard for these men and their families who have waited for years for some parcel of good news on the fate of fathers, husbands, or brothers lost in Southeast Asia. We have condemned the North Vietnamese for its noncooperation, and we likewise condemn those nations who have not impressed upon the Communist bloc the importance of mutual cooperation in this purely humanitarian effort.

With regard to our Government, there was a report published recently that the Defense Department is considering moving the Joint Casualty Resolution Center—JCRC—from its present site to another location outside Thailand. Some Pacific islands housing U.S. bases were mentioned as a possible new home for the center. In contacting the Defense Department directly about this matter, we were advised that such a move for JCRC was not planned. In fact, we were told that such a move would be unwise. I agree. I can think of nothing whatsoever to be gained by moving the center farther from its present base of operation. At Camp Samaesan, our highly trained U.S. forces now investigating MIA cases have ready access to the Southeast Asian areas in which most missing U.S. servicemen are thought to have been lost or downed.

A select committee as conceived by House Resolution 335 would continue to give this issue the attention it deserves. It should serve to provide us with answers to some very pressing questions. I must point out, Mr. Speaker, that more than 4 years ago I submitted a bill calling for the creation of a special Presidential committee on the prisoner-of-war and missing-in-action issue. While that legislation did not pass the committee stage, it nevertheless gained widespread support from many diverse political corners and interests. The objectives of this select committee are not unlike the purposes of my bill of 4 years ago. I am inclined to believe that our bill, as originally designed, and if enacted, would have done much of the groundwork which will now be expected of the select committee.

I support House Resolution 335 and I cosponsored similar legislation in this Congress because the question of the missing in action remains open and unanswered. Every effort—be it legislative or administrative—must be made to account for the missing. We have never accepted anything less.

Mr. JOHNSON of California. Mr. Speaker, after 10 long years, on January 27, 1973, the United States of America signed the Paris peace accords, officially ending our participation in the war in Vietnam. Subsequently, U.S. troops were completely withdrawn from the other nations of Southeast Asia and a tragic period in the history of this country came to an end.

One of the brighter moments in this tragic story was the successful return of so many of the American prisoners of war. This important occasion, however, overshadowed the fact that many American soldiers and airmen were still missing in action. Today, many of those men are still listed as missing in action with little or no information available on them.

Because of my serious concern for these men and for their families, I am pleased to join in sponsoring this legislation to establish a select committee in the House of Representatives mandated to look into this sad situation and determine what additional efforts can be made.

This country has a long-standing tradition of looking out for our men and women of the armed services. That commitment cannot be met in full for the Vietnam hostilities until a final status for each man is determined. There is still a possibility that some American servicemen are still being held as prisoners of war, nearly 3 years after the peace agreements. Furthermore, other Americans are known to have died behind enemy lines and their remains have not been freed for burial in the United States.

Perhaps one of the most troubling results of the MIA situation is the effect such uncertainty has on families of our missing in action servicemen. In today's business world, the wife of a MIA has great difficulty in entering into contracts, buying a home, getting a loan, and completing many other transactions which require her husband's signature and approval. This does not even compare with the emotional strain on wives, children, parents, and other relatives as their state of limbo continues, endlessly.

Mr. Speaker, I urge my colleagues to join in supporting this resolution. I believe it will give the Congress a special opportunity to carry out the commitment of this Nation to bring to resolution the troubling question of what happened to those men who are listed as MIA's.

Mr. WHITEHURST. Mr. Speaker, I rise in support of House Resolution 335, which would establish a select committee in the House to examine the status of U.S. servicemen missing in Southeast Asia. The American people still do not have a factual accounting of U.S. servicemen classified as missing in action in Southeast Asia. At the present time, we are lacking an up-to-date report on 1,100 American servicemen, including approximately 980 MIA's and 37 POW's.

Under the terms of the Paris peace agreement, the signatories must cooperate with one another with respect to the MIA's. Unfortunately, the North Vietnamese have not cooperated with us, and, to date, little has been done to enforce this aspect of the peace agreement. The State Department clearly has not pursued this matter with sufficient vigor to uncover the facts. Thus, I believe it is time for Congress to take on the responsibility, so that the families of the missing servicemen will know that their Government is making a sincere effort to derive a final accounting of the missing in action. This will demonstrate to the loved ones that Congress has not forgotten those brave men. These families deserve no less, and it is my belief that a select committee can have some success in this matter if we demonstrate to the North Vietnamese that the American people continue to be concerned about the missing servicemen.

More than 270 Members of the House

have cosponsored House Resolution 335. This outpouring of support for a select committee demonstrates the deep frustration resulting from our Government's failure to resolve this matter. I urge all of my colleagues to support this resolution as a humanitarian gesture to obtain a final accounting of our missing in action.

Mr. FISH. Mr. Speaker, I am both gratified and saddened by the fact that this legislation is on the floor of the House today. I am gratified because passage of this bill will hopefully enable the Congress to pick up where the executive branch has apparently left off in resolving the fate of our missing servicemen in Southeast Asia. I am saddened that almost 3 years after the signing of the Paris Peace Agreement, there is any need for an accounting. Article 8 of that agreement called on the parties to the agreement to cooperate in locating our MIA's. Tragically, this cooperation has not been realized, and hundreds of American families are unsure of the fate of their MIA's.

This legislation is necessary in spite of the extensive diplomatic efforts already taken by the State Department. It will set up a select House committee of 10 members with investigatory power to examine the status of U.S. servicemen who are missing in action or dead, but whose bodies have not been recovered. Congressional initiative is needed to assure the American people that this Government will explore every possible route to achieve an accounting of our men in Southeast Asia.

The sad fact is that the North Vietnamese and the Provisional Government has not provided us with records which we know exist and which reveal the fate of many of our men. Search crews have had some success in the resolution of MIA cases, but have been hampered by North Vietnam's refusal to grant search teams permission to enter the country. In fact, in December of last year, an American member of a search team was murdered in cold blood by a hostile force during an investigation of a reported crash site.

The House, by its passage of this legislation today, will tell the American people that its representatives in Congress are not satisfied with the present failure to achieve a full accounting of our MIA's.

It is my hope that by setting up this select committee, we will take a major step toward ending the heartache and frustration of the families of the over 900 men who are still unaccounted for. I strongly urge my colleagues to support this resolution.

Mr. KETCHUM. Mr. Speaker, I rise in strong support of House Resolution 335, to establish a select committee to study the problem of U.S. servicemen missing in action.

Our military involvement in Vietnam ended nearly 3 years ago, but our men missing in action have not been accounted for. Our Government has not insisted that their fates be disclosed. That this situation prevails is a disgrace to our Nation and to the memory of the 55,000 Americans who died in Vietnam.

What is undoubtedly a shame upon our country has been agony to those families who have a son, or husband, or brother among those listed as missing in action. I do not think that there are words which can adequately describe the emotion of living from month to month, from year to year, with the haunting question of a loved one's fate. We have accepted it as our moral responsibility to provide a home for those unfortunate refugees of the Vietnam war. We have an even greater responsibility to our own citizens to provide the answers as to what has happened to those men who have not yet been accounted for.

The bill before us for consideration would attempt to redress this grievous situation. The establishment of a select committee on our servicemen missing in action would provide a much needed first step in determining their fate. In addition, it would show the North Vietnamese, and the world as a whole, that the United States has not, and will not, forget these men.

It is a sad but true fact that our Government has been less than diligent in pushing for a final resolution of the MIA question. Although the Paris Peace Agreement specifically provides for the fullest possible accounting of the fate of these men, the Government of North Vietnam has made little effort to fulfill its obligation to do so. And our Government has done little to prod them into compliance. Last year, the Department of Defense even began to arbitrarily reclassify MIA's with presumptive finding of death status, without receiving new information to justify the change. We cannot sweep this problem under the rug and pretend it does not exist. Yet that is precisely what the attitude of our Government has been to date.

Recently, a letter from President Ford to the daughter of one of our men missing in action was brought to my attention. This letter expresses the President's firm commitment to securing a full accounting for our MIA's. It is my hope that we will assist the President in this matter by passing this legislation before us today.

The war in Vietnam is over. Our troops came home nearly 3 years ago. Our POW's have been reunited with their families. The Government of South Vietnam that we supported for so long with our money, our men and our technological expertise, no longer exists. But we have forgotten and abandoned our MIA's. Until these men are accounted for, we cannot afford to close the book on Vietnam. We have run out of excuses to give the families of our MIA's. The time to act is now.

Mr. YOUNG of Florida. Mr. Speaker, I rise in strong support of House Resolution 335, a resolution establishing a Select Committee to study the problem of U.S. servicemen missing in action in Southeast Asia. I have sponsored identical legislation—House Resolution 357—and am pleased that the Rules Committee has acted so expeditiously to bring the bill to the House floor.

A proper accounting of our MIA's has been a concern of mine ever since we have had them, and this concern was deepened in view of the bad treatment of this subject by the communists with the end of our involvement in Southeast Asia. Every effort made by myself and others for an accounting of our MIA's has been impelled by our deep concern over the fate of these men, and the need to provide some answers for their families. MIA families have spent years waiting in vain for some word of their loved ones—in some cases, more than a decade. Yet we have been faced with continual intransigence on the part of the Vietcong and the North Vietnamese Government. Search efforts following the cease-fire in South Vietnam met with open hostility, and finally, the assassination of an unarmed searcher.

The 93d Congress approved legislation, which I sponsored, placing a flat prohibition on any form of communication, aid, trade, or relations with North Vietnam until such time as an accounting of our MIA's was provided. North Vietnam's response to this was to contravene the articles of the peace accord calling for an accounting and to refuse to supply it until the United States provides some reconstruction assistance. The North Vietnamese Government issues tantalizing communiques indicating that they could provide information, but will not.

This impasse must not continue any longer. It is time for the Congress to get the truth and to make recommendations for further action which we can take to bring about the necessary accounting. Some 1,100 families turn to us for guidance, assistance, and definitive action. Passage of this resolution today is an important step to assist the MIA families. I urge my colleagues to vote for House Resolution 335 and I stand ready to assist the select committee in any way possible.

Mr. BOB WILSON. Mr. Speaker, I rise in support of House Resolution 335 and would like to express my appreciation to the members of the Rules Committee for their favorable action in bringing this measure before the House.

When the prisoners of war came home in early 1973, I am sure that we all said a prayer of thanksgiving for their safe return. Though battered and bruised, they held their heads high and our Nation was truly proud of these men and joyous for their families.

But what of the men who did not come back? What of the continuing anguish for their families? The returned POW's supplied some information on the fate of those still missing, but since that time there has been a paucity of facts from any source. What information is available is often sketchy and contradictory.

I have had the opportunity to meet and talk with the families of men still missing and, frankly, many feel that the Nation and the Congress have turned their backs on them. Unfortunately, much of the public outpouring of concern seems to have vanished after the release of the POW's.

I am very pleased that the House is taking positive action through the establishment of a Select House Committee for Servicemen Missing in Action in

Southeast Asia and hope that the committee will be operational in the very near future.

I would also like to take this opportunity to call to the attention of my House colleagues the 30th birthday on September 12 of one of my constituents. S. Sgt. Michael Henry Shanley, Jr., U.S. Army, is the son of Mr. and Mrs. Michael Shanley, Sr., of La Mesa, Calif. Missing in action since December 2, 1969, S. Sgt. Shanley was the door gunner on a U-H-1-B helicopter which became missing while on an emergency tactical operation in the area of Bong Son, South Vietnam.

At approximately 8 p.m., two helicopter gunships and a flare ship were dispatched to assist a reconnaissance patrol in combat with a hostile force. The commander of the lead aircraft reported that during one period, the area became very black and when it was again illuminated, he found his aircraft on a collision course with a mountain. While climbing to a safe altitude, he called S. Sgt. Shanley's aircraft and told the commander to correct his course. The reply was that he was already correcting his course. This was the last known radio transmission from the aircraft. Search and rescue was initiated but no evidence of the missing aircraft was located. A report was received later from a Vietnamese maid that a helicopter had landed in the Bong Son area on the night of December 2 and that the Vietcong had taken the crew prisoners and covered the aircraft with trees. No further information on the fate of the crew has been received.

I have had the privilege of corresponding with the Shanleys about their son and, by our action in establishing this select committee today, we are reaffirming to the Shanleys and the hundreds of other MIA families our determination not to give up on achieving a full accounting of the fate of these loved ones.

Mr. AuCOIN. Mr. Speaker, I am proud to be a cosponsor of House Resolution 335 and urge this chamber to support creation of a Select Committee for Missing in Action Servicemen in Southeast Asia. This legislation, and other bills introduced this session concerning the same subject, are of utmost concern to me and deal with a subject that is of a vital importance to these men and to their families.

Too many Americans have tended to put our tragic involvement in Vietnam and Cambodia behind us without addressing the one unresolved issue that must be answered before we can close the books on that war. The status of soldiers classified as "unaccountable": Missing in action, MIA; missing nonhostile, MNH; and prisoner of war, POW.

This is why, along with many of my colleagues in Congress, I feel every conceivable action on this matter should be taken by the legislative branch of our Government.

As of August 31, 1975, 863 Americans have not yet been accounted for. Of these, 286 were unaccountable in South Vietnam, 287 in North Vietnam, 263 in Laos, 24 in Cambodia, and 3 in China. Since January 27, 1973, the Department of Defense has made 509 changes in status of these men from missing to dead.

On many occasions the families of MIA's have discussed with me and many others in Congress their belief that the Department of Defense has been too willing to reclassify MIA's. They also believe, as I do, that America's efforts to discover the status of those missing in action are inadequate and the Department of Defense's criteria used in making determinations of status are not based on enough substantial information.

In this respect, I call the attention of my colleagues to H.R. 1638, of which I am also a cosponsor, which would prohibit the Department of Defense from making presumptive status changes for any member of the uniformed services who is classified as missing in action until North Vietnam and the Vietcong have fully complied with the provisions of the Paris Peace Accords, or until the President notifies Congress in writing that all reasonable action has been taken to account for MIA's.

Today, the Department of Defense appears to be making such status changes from information based primarily upon the amount of time which has elapsed since an MIA was originally reported as missing. This, obviously, assumes these MIA's are dead. And even though this may be permissible by Federal statute, it very clearly contradicts human dignity. It also illustrates to me, as the gentleman from California (Mr. WILSON) has publicly stated in the past, a definite need for Congressional review of sections 555, and 556 of title 37, United States Code.

Such a review could be conducted by a select committee such as House Resolution 335 would establish—and I strongly urge that such an effort be made.

Mr. Speaker, many reports and some hard evidence suggests that a number of missing servicemen may still be alive. They have been photographed in captivity or referred to in Communist-issued propaganda. However, even though Hanoi presumably knows whether some of these men are alive or dead, it refuses to clarify their status.

I believe the Department of Defense must make a greater effort to show a burden of proof before reclassifying MIA's as dead or deceased. I believe the President and the Secretary of State must take stronger steps to deal on the diplomatic front with North Vietnam and her allies concerning the MIA issue. I believe ways must be found to permit the U.S. Joint Casualty Resolution Center to carry forth its activities of investigating and searching for MIA's, as outlined in the Paris Peace Accords. To date, North Vietnam has not permitted the Center's investigative teams to conduct such efforts in Communist-held territory, where 95 percent of MIA's presumably may be found.

In order to bring about these important goals, Congress needs the tools to develop the fullest available information in this area and to explore legislative remedies wherever these may be appropriate. The longer we in Congress delay such action, the longer MIA families will continue to suffer and the more likely the Department of Defense is to continue reclassifying MIA's according to undignified and arbitrary criteria.

Mr. Speaker, I commend the gentleman from Mississippi (Mr. MONTGOMERY) who sponsored House Resolution 335—and also the gentleman from California (Mr. WILSON) who sponsored H.R. 1638—for their very human concern for our country's MIA's and POW's. And as cosponsor of these measures, I urge my colleagues to join me in support of the first of these bills as brought before the House today.

Mr. WOLFF. Mr. Speaker, as a cosponsor of House Resolution 335, I rise in strong support of this measure which will create a select committee to investigate the fate of U.S. servicemen still missing in action in Southeast Asia.

Now that our direct involvement in this area has drawn to a close, it is tempting to try to forget the pain and anguish it caused. However, the 832 Americans still listed as missing in action and the 36 listed as prisoners of war demand that we continue to pursue this matter with all possible vigor. The creation of this select committee will be a meaningful step that we can take to try to bring about a return of men whose fate is unknown and a complete accounting of all men who have lost their lives in the conflict.

Beyond our obligation to these servicemen, we are duty bound to ease the concerns and plight of the next of kin. For years, many have lived a life in limbo, uncertain of the fate of their loved ones. This select committee will, hopefully, be able to shed some light on the fate of their sons, husbands, and fathers.

I would also like to urge that this select committee gives its close attention to the men who have become the forgotten of the MIA's/POW's. I refer to the men in Laos. This committee should fully investigate the status of these servicemen, whose fates are unknown.

Out of a sense of duty, our servicemen fought in Southeast Asia. We will not have done our duty to these men and their families until the last man is accounted for. I urge my colleagues to support House Resolution 335.

Mr. FRENZEL. Mr. Speaker, it is a matter of enormous relief and great pleasure to me that we are finally passing House Resolution 335, Mr. MONTGOMERY's resolution to create a select committee to help get all the facts on our MIA's. The MIA's and unaccounted for POW's had become forgotten people. The passage of this bill means that they are not forgotten by the House at least.

Passing a bill for a select committee is only a part of what we must do. Much remains, especially in pressing for more information from the various governments on the Indochina peninsula. Nevertheless, this small thing today will be a great symbol to the families of our missing men. I congratulate all who helped pass this bill.

Mr. HANNAFORD. Mr. Speaker, there are currently over 800 men officially listed as missing in action and 36 as prisoners of war. Yet Congress has still to take the simple and logical action of establishing its own committee to verify their status. This is even more tragic than it is incomprehensible. It is inhumane to keep families and friends in such somber uncertainty, unable to plan for the future and perhaps hoping against hope; and it is immoral for the sake of those men themselves who may still be alive and suffering for us just to forget. They are not statistics. They are human beings, and they are Americans. If we cannot recover them, at the very, very least we can find out the most basic information about their condition. We would certainly expect no less in their places, They need us, and we need them. I give House Resolution 335 my wholehearted support.

Mr. LENT. Mr. Speaker, as a cosponsor of this legislation, I want to commend the Committee on Rules for its prompt action in bringing this matter to the floor for consideration.

The final outcome of the Vietnam conflict has not ended this sorry chapter in American history. After more than 2 years, we are still without word of the fate of more than 1,000 Americans listed as "missing in action" in Southeast Asia. Their friends and loved ones in this country still await final word of their status. Unfortunately, the efforts of two administrations have failed to achieve any positive results in this regard.

Frankly, none of us know whether a select House committee with appropriate powers at its disposal could achieve a different result. I do know that this effort is something we owe to those men and their families, who have been less than favorably impressed with the commitment of the American Government on their behalf.

I urge the adoption of this resolution.

Mr. BIAGGI. Mr. Speaker, I rise to give my strong support to House Resolution 335, legislation which will create a select committee in the House of Representatives to fully investigate the status of the Americans still listed as prisoners of war and missing in action in Southeast Asia. I am extremely proud to have been a cosponsor of this legislation and feel its passage today by the House will be a very important demonstration to the families and loved ones of these men that we in Congress have not abandoned their cause.

The ending of the Vietnam war has not signalled the end of the daily suffering which must be endured by the families and loved ones of the estimated 6,000 remaining POW's and MIA's in North and South Vietnam, Laos and Cambodia. It has become incumbent upon our Government to intensify its efforts at obtaining full information as to the status of these men. This legislation has this as its main goal.

These brave individuals, many of whom we hope are alive have endured as many as 10 years of captivity and separation from their country and families. Many of them still hold out the hope that someday they will again be free. Our passage of this legislation may make this hope a reality.

Mr. Speaker, this legislation was characterized as being "noncontroversial" and I am pleased at this designation for it will help insure its passage today. However, we cannot stop with the enactment of this law. We must work to make this select committee succeed in its critically important work. Let our vote today demonstrate to the governments of South and North Vietnam, Laos, and Cambodia that we expect their full cooperation in providing us with information on our POW's and MIA's. More importantly let us demonstrate to the families of these men that the full resources of the Congress will be directed toward providing them with information on their loved ones who have given so much for their country.

Mr. HECHLER of West Virginia. Mr. Speaker, although I was a cosponsor of the pending resolution, I have given considerable thought to this resolution and have reluctantly decided that I shall vote against it.

At the outset, I would like to express my high admiration and respect for the principal sponsor of this resolution, the gentleman from Mississippi and my very good personal friend, "SONNY" MONTGOMERY. More than any Member of this House, he has focussed attention on the need for action, information and a high sense of urgency in reference to the problem of American servicemen missing in action. I have confidence in Representative MONTGOMERY, and want it clearly understood that my opposition to this resolution does not challenge his motives and intentions.

It seems to me that when established agencies of our Government are charged with the full responsibility for tackling a problem, it is ill-advised to set up a new, competing or duplicative function or agency. In the legislative branch, the House Armed Services Committee is charged with responsibility on questions relating to our servicemen missing in action. Likewise, the Departments of State and Defense are working on this problem. If these agencies and the Armed Services Committee, in the eyes of some, are not doing the job assigned to them, then the answer is not to set up some new agency or committee, but to insure that the responsible agencies must be required to do the work assigned to them.

Setting up a new committee will cost $300,000, along with the new staff involved. When either an agency or a committee is not solving a problem, what can we hope to gain by setting up a duplicating or competing agency or committee? Congress has no business following such a course of action, for to apply that logic to other situations would result in a tremendous mushrooming of new agencies and committees stumbling over each other's feet.

Furthermore, the fanfare accompanying the establishment of this new committee may raise false hopes among the families of American servicemen, who may now expect overnight action on a problem which is extremely difficult wherever there is jungle warfare.

Mr. Speaker, I have assured the gentleman from Mississippi (Mr. MONTGOMERY) that I shall be the first to take the well and publicly admit the error of my vote if indeed his select committee makes significant new strides toward solving this problem. But I am against setting up a new committee when we have one already assigned the task.

Mrs. HOLT. Mr. Speaker, at long last, Congress is ready to do something about the servicemen who are still missing in action or prisoners in Communist North Vietnam, a regime which has shown a callous disregard for decent standards of conduct.

More than 1,100 Americans are still unaccounted for, and there is reason to believe some of them are still being held in captivity. Others may have been executed rather than released to prevent their telling the world of barbaric treatment to which they have been subjected.

I joined in sponsoring this legislation to establish a select House committee to thoroughly investigate and seek the truth about our missing men. Such action is long overdue.

Let us get on with the task.

Mr. MOAKLEY. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken, and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BELL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 394, nays 3, answered "present" 1, not voting 35, as follows:

[Roll No. 508]

YEAS—394

Abdnor
Abzug
Adams
Alexander
Ambro
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashbrook
Ashley
AuCoin
Badillo
Bafalis
Barrett
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Carney
Carr
Carter
Casey
Cederberg
Chappell
Chisholm
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cochran
Cohen
Collins, Ill.
Conable
Conte
Corman
Cornell
Cotter
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Devine
Dickinson
Dingell
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Esch
Eshleman
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Florio
Flowers
Flynt
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Frenzel
Frey
Fuqua
Gaydos

Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Green
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harkin
Harrington
Harris
Harsha
Hastings
Hawkins
Hayes, Ind.
Hays, Ohio
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hicks
Hightower
Hillis
Hinshaw
Holland
Holt
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kasten
Kazen
Kelly
Kemp
Ketchum
Kindness
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
McCloskey
McCollister
McCormack
McDade
McDonald
McEwen
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Maguire
Mahon
Mann
Martin
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Michel
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mills
Minish
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Mottl
Murphy, Ill.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Roberts
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Runnels
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Satterfield
Scheuer
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Shuster
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steelman
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Wydler
Wylie
Yates
Yatron
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—3

Burton, Phillip
Hechler, W. Va.
Kastenmeier

ANSWERED "PRESENT"—1

Moss

NOT VOTING—35

Addabbo
Anderson, Ill.
Aspin
Baldus
Burke, Fla.
Burton, John
Cleveland
Collins, Tex.
Conlan
Conyers
Derwinski
Diggs
Fary
Flood
Fraser
Hébert
Jacobs
Jarman
Keys
McClory
McHugh
Mathis
Matsunaga
Mineta
Mink
Murphy, N.Y.
Passman
Pepper
Risenhoover
Ruppe
Steiger, Ariz.
Symington
Udall
Van Deerlin
Young, Alaska

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Aspin.
Mr. Addabbo with Mr. Conyers.
Mr. Mineta with Mr. Derwinski.
Mr. Matsunaga with Mr. Anderson of Illinois.
Mr. Murphy of New York with Mr. Fraser.
Mr. Diggs with Mr. Fary.
Mr. John L. Burton with Mr. Cleveland.
Mr. Baldus with Mr. Jacobs.
Mr. Mathis with Mr. McClory.
Mr. Symington with Mr. Burke of Florida.
Mr. Risenhoover with Mrs. Mink.
Mr. Van Deerlin with Mr. Collins of Texas.
Mrs. Keys with Mr. Jarman.
Mr. Flood with Mr. Conlan.
Mr. McHugh with Mr. Ruppe.
Mr. Pepper with Mr. Young of Alaska.
Mr. Udall with Mr. Passman.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MOAKLEY. Mr. Speaker, I ask unanimous consent that all Members may have 7 legislative days in which to revise and extend their remarks on the resolution just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PERSONAL EXPLANATION

Mr. RISENHOOVER. Mr. Speaker, on House Resolution 335, which was just agreed to, I was unavoidably detained. Had I been present, I would have voted aye.

AUTHORIZING APPOINTMENT OF ADDITIONAL CONFEREES ON H.R. 3474, AUTHORIZING APPROPRIATIONS TO ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION

Mr. PRICE. Mr. Speaker, I ask unanimous consent that the Speaker be authorized to appoint two additional conferees on the bill (H.R. 3474) authorizing appropriations to the Energy Research and Development Administration.

The SPEAKER. Is there objection to the request of the gentleman from Illinois? The Chair hears none, and appoints the following additional conferees: Messrs. YOUNG of Texas and BROWN of California.

PERSONAL EXPLANATION

Mr. FLOOD. Mr. Speaker, on the resolution just agreed to, House Resolution 335, I was unavoidably detained. Had I been present, I would have voted aye.

PROVIDING FOR CONSIDERATION OF H.R. 7656, BEEF RESEARCH AND INFORMATION ACT

Mr. YOUNG of Texas. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 714 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 714

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7656) to enable cattle producers to establish, finance, and carry out a coordinated program of research, producer and consumer information, and promotion to improve, maintain, and develop markets for cattle, beef, and beef products. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Texas is recognized for 1 hour.

Mr. YOUNG of Texas. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from Ohio (Mr. LATTA) pending which I yield myself such time as I may require.

Mr. Speaker, House Resolution 714 provides for an open rule with 1 hour of general debate on H.R. 7656, the Beef Research and Information Act of 1975.

H.R. 7656 would allow the cattle producers of the United States to draft and put a referendum a national plan through which individual cattle producers might uniformily assess themselves a fee for the purpose of beef market development. The bill provides for the calculation and collection of assessments through a value-added system. The producer referendum would be the method used to determine whether producers favor the program. Each buyer of cattle would collect assessments from the producer-seller, and the slaughterer would be required to remit the assessments to the beef board whose members would be appointed by the Secretary of Agriculture.

Funds collected through the assessment plan would be used for a coordinated program of research, consumer information, producer information, and promotion designed to strengthen the beef industry's position in the marketplace, and to maintain and expand domestic and foreign markets.

Mr. Speaker, I urge the adoption of House Resolution 714 in order that we may discuss and debate H.R. 7656.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as has been noted this rule provides 1 hour of general debate on H.R. 756, the Beef Research and Information Act. The rules provides that the bill will be open to all germane amendments. There are no waivers of points of order. I support the rule as well as the bill.

The purpose of this bill is to allow the cattle producers of the United States, with the cooperation of the Department of Agriculture, to draft and put to referendum a national plan through which cattle producers might assess themselves for the purpose of beef market development. Funds would be used for a coordinated program of research, information, and promotion designed to strengthen the beef industry's position in the marketplace. This bill is closely patterned after the Cotton Research and Promotion Act and the Egg Research and Consumer Information Act.

The report states there would be no cost involved in this legislation unless the program is not approved by the referendum. If this happens, the Government would pay for the referendum. The USDA estimates this cost to be $370,000.

Mr. YOUNG of Texas. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF HOUSE RESOLUTION 706, DRUG ABUSE OFFICE AND TREATMENT ACT AMENDMENTS OF 1975

Mr. MURPHY of Illinois. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 706 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 706

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8150) to amend the Drug Abuse Office and Treatment Act of 1972, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Interstate and Foreign Commerce now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, and all points of order against section 26 of said substitute for failure to comply with the provisions of clause 5, rule XXI are hereby waived. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the Committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER. The gentleman from Illinois (Mr. MURPHY) is recognized for 1 hour.

Mr. MURPHY of Illinois. Mr. Speaker, I yield the usual 30 minutes for the minority to the distinguished gentleman from Ohio (Mr. LATTA), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 706 provides for an open rule with 1 hour of general debate on H.R. 8150, making the committee substitute in order as an original bill for the purpose of amendment. House Resolution 706 provides also that all points of order against section 26 of the bill for failure to comply with the provisions of clause 5, rule XXI of the Rules of the House of Representatives—prohibiting appropriations in a legislative measure—are waived. Section 26 contains a transfer of funds because the functions of the Special Action Office for Drug Abuse Policy are transferred to the National Institute on Drug Abuse.

H.R. 8150 amends the Drug Abuse Office and Treatment Act of 1972 which originally established the Special Action Office of Drug Abuse Policy to coordinate Federal efforts and policy in the drug abuse area. This bill redesignates the Special Action Office as the Office of Drug Abuse Policy, limiting its role to coordination and policy direction and extending its existence through June 30, 1976, which its functions will be transferred to the National Institute on Drug Abuse. Programmatic functions, however, will be transferred to the National Institute on Drug Abuse as of July 1, 1975. These functions include authority to award grants and contracts for pharmacological research and technical assistance to State and local agencies for drug abuse prevention.

H.R. 8150 authorizes $3 million for the Office of Drug Abuse Policy and $7 million for the Office's special fund which provides for innovative projects and research and development in the drug abuse area for fiscal year 1976. Formula grants would be authorized at $45 million for each of the following fiscal years 1976, 1977, and 1978, with $11.25 million allotted for the transition quarter. The bill authorizes research grants and contracts for $7 million for each fiscal year, 1976, 1977, and 1978, with $1.75 million for the transition quarter. Special project grants would be authorized at $160 million for each of the following fiscal years, 1976, 1977, and 1978, with $40 million for the transition quarter.

H.R. 8150 authorizes $222 million for fiscal year 1976, $53 million for the transition quarter, $212 million for fiscal year 1977, and $212 million for fiscal year 1978.

The White House has requested a 4-week delay on this legislation. However, the drug abuse situation requires constant ongoing attention. There is evidence that drug abuse is spreading from metropolitan areas into smaller communities. There is an increase in the heroin supply and now the rise in the polydrug phenomenon. We cannot afford to delay in our efforts to combat drug abuse on the Federal level.

Mr. Speaker, I urge the adoption of the House Resolution in order that H.R. 8150 may be considered.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the President would like to have the opportunity to review the recommendations of hte Domestic Council's Drug Review Task Force on the subject of interagency coordination of drug abuse prevention and treatment. The task force's white paper is now in the final white paper is now in the final drafting stages, and will be completed within 4 weeks.

Mr. Speaker, this special review has been underway since May, and I think that the House should have the benefit of the findings, and the President's judgment on the Federal course of action before considering this bill.

As the bill is presently drafted, the administration is opposed to it. It would reestablish with some modifications, the Special Action Office for Drug Abuse Prevention for 1 year. HEW already has authority to perform these functions, and the Domestic Council is undertaking a comprehensive review of Federal drug abuse programs. Reestablishment of this Office by statute would serve no useful purpose. It would restrict the President's flexibility in structuring his own staff and unnecessarily enlarge the Executive Office of the President. The bill would also extend existing drug abuse programs for 3 years. The administration has proposed and still supports consolidation of these authorities to simplify the administration of health services and mental health activities.

Mr. Speaker, I have no requests for time, and I reserve the balance of my time.

Mr. MURPHY of Illinois. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EIGHTH ANNUAL REPORT OF THE NATIONAL ADVISORY COUNCIL ON ECONOMIC OPPORTUNITY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94–250)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Education and Labor and ordered to be printed:

To the Congress of the United States:

I herewith transmit the Eighth Annual Report of the National Advisory Council on Economic Opportunity.

The report provides a perspective and recommendations which are, of course, limited to the particular area of interest of the National Advisory Council on Economic Opportunity. Thus, the report does not reflect the Administration's policies which must be formed in the context of a comprehensive review of the total Federal role and capability to assist the poor in light of other competing priorities.

GERALD R. FORD.

THE WHITE HOUSE, *September 11, 1975.*

THIRD ANNUAL REPORT ON THE ADMINISTRATION OF COOLEY'S ANEMIA PROGRAMS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce:

To the Congress of The United States:

I am pleased to send to the Congress the Third Annual Report on the Administration of the Cooley's Anemia Programs in accordance with the requirements of Section 1115 of the Public Health Service Act, as amended.

The Report describes the activities of the National Institutes of Health (NIH), the Health Services Administration (HSA), and the Center for Disease Control (CDC). Research and development are underway at NIH in the diagnosis, treatment, and prevention of Cooley's anemia. High priority is being given to the development and evaluation of effective, nontoxic iron chelating agents to reduce iron buildup which occurs in the bodies of patients treated for Cooley's anemia with periodic blood transfusions.

High priority also is being given to pilot programs in screening, education, and counseling in coordination with NIH and HSA. In addition, HSA is evaluating the information gained from the extensive screening, treatment, and counseling studies in sickle cell anemia (which is also a genetic blood disease) as a means to plan more effectively the Cooley's anemia screening programs. CDC is involved in a number of activities concerned with the laboratory detection of Cooley's anemia, including screening techniques and educational programs.

GERALD R. FORD.

THE WHITE HOUSE, *September 11, 1975.*

DRUG ABUSE OFFICE AND TREATMENT ACT AMENDMENTS OF 1975

Mr. ROGERS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 8150, to amend the Drug Abuse Office and Treatment Act of 1972, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Florida (Mr. ROGERS).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8150), with Mr. MOAKLEY in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Florida (Mr. ROGERS) will be recognized for 30 minutes, and the gentleman from Kentucky (Mr. CARTER) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Florida (Mr. ROGERS).

Mr. ROGERS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the legislation before us today is H.R. 8150. This is a bill which amends the Drug Abuse Office and Treatment Act of 1972.

In 1972, because of the rapid increase in the growth of drug abuse and all of the attendant problems, we passed legislation; establishing in the White House a Special Action Office for Drug Abuse Prevention to provide overall planning policy and establish objectives and priorities for all Federal drug abuse prevention functions.

Also, it was readily admitted that unless we had such an office at that level, the varied functions of the Government in treating drug abuse could not be effectively coordinated.

This bill, in an effort to compromise with some of the thinking in the White House, would change that office, the SAODAP, to simply an office in the White House on drug abuse policy and coordination, to coordinate at that level.

It is essential, we feel, that this effort be continued until we get specific recommendations as to what the White House might want to do and what plans the Domestic Council may have. At that time we can review those recommendations and decide whether to continue this office on beyond the single year or whether to take a different approach, but certainly we should not allow the coordinating functions and the necessary functions of policy to be interrupted for a long period of time.

This bill continues the programs, but as I said, it transfers all programmatic functions to the National Institute on Drug Abuse, it also provides for the following: The bill reduces the number of assistant director supergrade positions, experts, and consultants available to the new agency. It authorizes $3 million for the operation of the Office of Drug Abuse Policy for one year. It amends the existing authority for the special fund available to the Director and authorizes $7 million for that fund. That money does not go to run the office, it simply means those are funds that are available for special projects.

It transfers from the Special Action Office in the White House to the National Institute on Drug Abuse the authority to award grants and contracts for pharmacological research in order to develop drugs to replace the derivatives of opium in medical use, blocking drugs for treatment of heroin addicts, and detoxifying agents.

It transfers from SAODAP to NIDA the authority to provide technical assistance to State and local agencies with respect to drug abuse prevention.

It merges the National Advisory Council fôr Drug Abuse Prevention and the National Advisory Council on Drug Abuse into one council which would assume the functions of both councils.

It amends the existing provision with respect to admission of drug abusers to hospitals to conform to similar provisions with respect to the admission of alcoholics and alcohol abusers.

It makes minor revisions in the existing authority for formula grants to States for drug abuse prevention programs and authorizes appropriations of $45 million for fiscal year 1976, a little over $11 million for the period from July 1, 1976, to September 30, 1976, $45 million for fiscal year 1977, and $45 million for fiscal year 1978.

It makes minor revisions in the existing authority for special project grants and contracts and authorizes appropriations of $160 million for next year, $40 million for the period from July 1, 1976, to September 30, 1976, and $160 million for fiscal year 1977, and $160 million for fiscal year 1978.

It requires that any records maintained by NIDA containing information about patients be used solely for statistical records.

It allows existing authority for grants to community mental health centers for treatment programs for drug abusers to expire, since all of the community mental health centers are required to provide such treatment, if necessary, under provisions of Public Law 94–63.

So, Mr. Chairman, this is a necessary bill particularly when we realize that the drug abuse problem is beginning to increase again. We had some reduction, but it is now beginning to increase.

I think that the Members will be interested to know that the Governors Conference has unanimously endorsed this bill as have all of the State offices who are involved in running these programs. It is very necessary, they feel, to have the proper coordination at the top level.

If we allowed the office to discontinue, and it has been discontinued for about 2 months, and allow that condition to exist throughout this next year, we would find that we would have the head of the National Institute on Drug Abuse trying to coordinate the programs of some 11 agencies and departments. May I suggest, that the Director of the National Institute on Drug Abuse, which is under ADAMHA, which is under the Assistant Secretary for Health in HEW, which is under the Secretary, simply would not be able to do the job of coordination, in fact I doubt if he could even get his telephone calls returned.

Mr. EDWARDS of Alabama. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from Alabama.

Mr. EDWARDS of Alabama. Mr. Chairman, I think that what the gentleman from Florida is describing is perhaps meritorious, but I am impressed by the fact that this bill calls for almost three-quarters of a billion dollars. What does the coordinator need all that kind of money for? Should not these contracts and grants be handled through the various agencies rather than the coordinator?

Mr. ROGERS. If the gentleman from Alabama will look at the way these programs are run, he will see that there is a need for rather significant coordination. I do not know of anyone, not even the Domestic Council, that would say that they do not need very heavy coordination because there are so many people involved.

For instance, we are having our VA,

our Department of Defense, we are having drug enforcement agencies involved in this whole business of at what point treatment comes in, the new methods of treatment, where research should go. There is so much coordination that is imperative if we want an effective drug program.

I am sure the gentleman knows that we are now having a rise in the use of heroin. This will soon get through to people.

Mr. EDWARDS of Alabama. Will the gentleman yield further?

Mr. ROGERS. Yes.

Mr. EDWARDS of Alabama. Why should this particular coordinator have the capacity for awarding grants? When we debated the rule a moment ago, the gentleman from Illinois referred to $200 million for this grant setup and $100 million for that. Why should this coordinator do that? Why should not this be done in the agencies where the work is?

Mr. ROGERS. I will say to the gentleman the bill does that. The bill transfers exactly what the gentleman is talking about, the program functioning from the coordinating office. That is one of the changes the committee brought about. It changes the program from the coordinator and the policy director at the White House over to the National Institute of Drug Abuse.

Mr. EDWARDS of Alabama. If the gentleman will yield further, why does it not come in the right bill rather than in this bill? I just do not understand why this bill should be at three-quarters of a billion dollars.

Mr. ROGERS. The three-quarters of a billion dollars would provide grants to the gentleman's State and to the other States to carry out drug abuse prevention programs. It provides formula grants as well as project grants. I presume the gentleman has some drug-abuse problem in Alabama that he would want to help solve if he could, and certainly to treat those who are in misery from this terrible scourge.

Mr. EDWARDS of Alabama. Surely, we all have that problem; but I suggest it is misplaced in this bill.

Mr. ROGERS. Where would the gentleman place it?

Mr. EDWARDS of Alabama. I would place it in the legislation that comes from the authorizing committee and in the various agencies.

Mr. ROGERS. That is exactly what we have done. We have put it in the National Institute of Drug Abuse where expertise exists, which is under the Secretary of Health, Education, and Welfare from Alabama, and I think the gentleman would have confidence in the Secretary of Health, Education, and Welfare.

Mr. EDWARDS of Alabama. I have confidence in that particular one, but I have some doubt about some of the other folks there.

Mr. ROGERS. That is reassuring to the committee. I thank the gentleman for his comments.

Mr. RODINO. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from New Jersey.

Mr. RODINO. I thank the gentleman for yielding.

I would like to commend the gentleman from Florida for his continued leadership in this very, very important area. Although it is an area of tremendous importance to the American public it has unfortunately been neglected for many years. A long time ago the leadership of this country, the President of the United States, talked about the great war that was going to be fought against drug abuse. However, we really never did measure up in providing the funding and the backing of the Congress, although I know that the gentleman made various attempts.

That war has yet to be won and this bill, H.R. 8150, is a clear recognition of the fact that a new drug epidemic has engulfed this country and that immediate steps must be taken to insure that this problem is quickly brought under control.

The magnitude of the current drug abuse problem is evidenced by a dramatic drastic increase in: Serum hepatitis, drug-related deaths, drug-related admissions to emergency rooms in our hospitals, and domestic seizures of heroin.

Moreover, it is apparent that the recent decision of the Turkish Government to resume opium poppy cultivation can only increase the flow of heroin to the United States. This increased availability of heroin will intensify our drug addiction problem and may result in serious setbacks to our treatment and rehabilitation efforts.

This committee has properly concluded in its report that the scope of the drug problem and the need to respond to it is greater now than it was in 1972. In view of this situation, the bill reported by the committee is designed to insure that a coordinated and comprehensive Federal effort will be made to combat the problem. This will be accomplished by renaming the Special Action Office and Drug Abuse Prevention as the Office of Drug Abuse Policy; and retaining this new office in the Executive Office of the President. This will provide a high level approach to the problem of drug abuse prevention and will facilitate interagency cooperation.

I wish to congratulate the committee for taking this action and for bringing this legislation to the floor at this critical time. I might note that I have continuously urged the administration to place a high priority on eliminating the drug addiction problem in this country. In fact, on July 23, 1975, I wrote to President Ford and indicated to him my concern that we were losing the "war on drugs" for a variety of domestic and international reasons and I urged him to make the drug problem one of his priority concerns.

Last week the President replied to my letter and stated that "an effective, coordinated attack on the drug problem is a major goal of my administration."

In this regard, I am pleased that the President's Domestic Council will complete in the next few weeks an extensive study of our Government's programs to strengthen narcotics control activities and to eliminate the problem of drug addiction. I certainly look forward to reviewing the conclusions and recommendations which will be made in this report.

The need for a coordinated Federal attack on the drug problem is the basic premise behind the legislation we are considering today. The hearings which have been held by the distinguished subcommittee, chaired by the gentleman from Florida, clearly illustrates that not only is the drug problem on the increase, but that the patterns of drug abuse have drastically changed since 1972. Likewise, drug trafficking patterns have been substantially altered which is evidenced by the increased supply of brown heroin from Mexico which is now available throughout the United States. These changing trends are a clear indication of the need for strengthening our drug enforcement efforts on both the international and domestic level and for implementing innovative approaches in the area of drug treatment and rehabilitation.

In order to achieve the latter objective, H.R. 8150 authorizes funds for special project grants and contracts for drug abuse treatment prevention programs. Likewise, additional funds are authorized to provide formula grants to States for urgently needed prevention programs.

In conclusion, Mr. Chairman, I wish to express my strong support for this legislation and I am hopeful that both the Congress and the administration can work closely together in committing all available resources to eliminating the plague of drug addiction.

Mr. ROGERS. I thank the gentleman for his contribution, and I think the comments he has made are certainly legitimate.

May I say, too, that I am at a loss to understand the downgrading of this effort. Evidently there is an attempt to downgrade the fight on drug abuse. I think it is an error, and I think the American people will reject that.

I think the Congress will reject it. The committee has looked at this. The subcommittee has studied it and the full committee. This bill is the result after all of that deliberation. We decided to do this for 1 year, which will give us all time to look at any suggestions that the White House has to offer, but we are not going to downgrade the fight on drug abuse just to have the bureaucratic chain go through some dramatic change for some indecipherable reason.

I urge the bill be supported in the form in which it has been brought to the House and supported by an overwhelming vote.

Mr. CARTER. Mr. Chairman, I yield myself such time as I may consume.

The magnitude of this drug problem in this country does concern me greatly and for this reason I rise in support of the bill before us with a minor exception.

I want to say, Mr. Chairman, that I have been a part of every drug bill which has passed this House for the past 11 years and I would in no way downgrade legislation concerning drug abuse. Neither does the administration support such a position.

However, I cannot support a position which extends the Special Action Office for Drug Abuse Prevention—SAODAP—under the name of the Office of Drug Abuse Policy—ODAP. Actually the functions of SAODAP, or the Special Action Office for Drug Abuse Prevention, which were directed by a wonderful physician, Dr. Bob du Pont, have been transferred to NIDA, the National Institute on Drug Abuse. Dr. du Pont is no longer the Director of SAODAP. Instead he has gone to a greater job with NIDA.

As a Director of NIDA he can continue to coordinate the functions which have been spoken about, the functions of seeing that the laws are carried out.

The fact of the matter is that the law which we passed 3 years ago ended on June 30 of this year and, Mr. Chairman, what we are doing today is resurrecting a corpse, one that died on the 30th of June of this year. The Office of Drug Prevention does not answer its phone. There is no one there.

There is no need for this Office, and voting for my amendment will result in a saving of $10 million to the taxpayers of this country. I think it is very important that we save every bit that we can.

At the proper time I shall offer an amendment which will sustain the discontinuance of this Office which expired on June 30 of this year, but at the same time it will continue intact every provision and every authorization of every amount of this bill. It will in no way diminish the effect of the legislation which we have before us today.

There is another odd feature. I cannot understand, why, when the President does not want this, when the Domestic Council does not want this Office, when Dr. du Pont does not want it, why someone else wants to make them take it. This situation reminds me of the man who had partaken for several days of an unusual amount of whiskey and then it had been withdrawn from him, and he was almost on the verge of delirium tremens. He called his wife and asked her to go get him a drink. He said further: "If I am asleep, wake me up, but no matter what I do or say, Mary, make me take it."

Now, no matter what the President is saying, no matter what Dr. Bob du Pont is saying, no matter what HEW is saying, some of the Members of this House are going to make the President take this present office and spend an extra $10 million which is unnecessary. Bob du Pont was director of SAODAP. He will be the Director of NIDA, the National Institute of Drug Abuse, and in that position he can coordinate. He will also be in charge of allocating project grants to the States and of special grants to different groups throughout the country. Here is an opportunity where we can save $10 million.

Now, the Senate recently passed a bill and it is rather interesting to see what they did. They continued this office for only 6 months. It expires on the 31st of December. Today is September 11. If we renovate this office, if we start it up, if we revive it, if we bring it from the grave in which it was buried on the 30th of June of this year, then, my friends, it will take at least 2 months for us to activate that office; not only that, there will be only 4 months remaining of the Senate bill's legislation. For 4 months we would have this office active. According to the legislation of my good friend, the gentleman from Florida, the legislation would be extended only 7 months if it takes 2 months to renovate this office, which is a conservative estimate. Then, according to the gentleman's own legislation, this Office would expire again on June 30 of this year.

The Special Action on Drug Abuse Prevention was passed for a limited time. It performed its function. On the 30th of June it expired.

So I would ask, Mr. Chairman, that we let it stay as it is at the present time and let the former SAODAP Director, Bob du Pont, continue with the same functions as the Director of the National Institute of Drug Abuse.

I strongly support this legislation, other than the particular provision which extends the Office. At the proper time I shall offer an amendment. The effect of this amendment will be only to abolish ODAP, or the Office of Drug Abuse Policy. This legislation will continue every portion of the present bill which we have before us and every authorization.

Mr. Chairman, I ask the support of the membership in saving the taxpayers of our country $10 million.

Mr. Chairman, I reserve the balance of my time.

Mr. ROGERS. Mr. Chairman, one of the reasons that the committee has decided to continue a high-level office for 1 year was partly an effort at compromise, but also an attempt to get some action going.

Now, the point has been made that it would take 2 whole months to get the new office established. Well, if we pass a law requiring an office and it still takes that much time, how much time will it take if they are not required by law to do anything?

This country is not in a position to wait until some bureaucracy begins to decide they will do something.

Now, the Congress is directing we want some action to coordinate drug abuse programs and we want it now. Also, we want the person who coordinates to be called before the Congress and be held responsible for his actions. I regret that it is not easy to get somebody from the Domestic Council before the Congress, before the committee. I think this is an important enough subject where we want someone responsible to the Congress and not only to the Chief Executive.

Mr. Chairman, I would urge that the bill be passed.

Mr. CARTER. Mr. Chairman, I have no further requests for time.

Mr. ROGERS. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. Pursuant to the rule, the Clerk will now read the committee amendment in the nature of a substitute printed in the reported bill as an original bill for the purpose of amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 102 (21 U.S.C. 1102) of the Drug Abuse Office and Treatment Act of 1972 (hereinafter in this Act referred to as the "Act") is amended by changing "immediate objective of significantly reducing the incidence of drug abuse in the United States within the shortest possible period of time, and to develop" to read "objective of significantly reducing the incidence, as well as the social and personal costs, of drug abuse in the United States, and to develop and assure the implementation of".

Sec. 2. Section 103(b) of the Act (21 U.S.C. 1103(b)) is amended by changing "education, training," to read "education or training (including preventive efforts directed to individuals who are not users of drugs and to individuals who are marginal users of drugs).".

Sec. 3. (a) Section 104 of the Act (21 U.S.C. 1104) is amended to read as follows:

"§ 104. Termination.

"Effective June 30, 1976, the Office and each of the positions in the Office of Director, Deputy Director, and Assistant Director are abolished.".

(b) The amendment made by this section shall be effective as of June 29, 1975, irrespective of the date of enactment of this Act.

Sec. 4. (a) (1) The following provisions of law are each amended by striking "Special Action Office for Drug Abuse Prevention" and inserting "Office of Drug Abuse Policy" in lieu thereof:

(A) Sections 201, 302, and 408(g) of the Act (21 U.S.C. 1111, 1162, and 1175(g)).

(B) Sections 5313(21) and 5316(131) of title 5, United States Code.

(C) Subsections (b) (1) and (d) of section 303 of Public Law 93–282 (21 U.S.C. 1175 note).

(D) Section 454 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3750c).

(E) Section 206(a) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5616(a) (1)).

(2) Effective June 30, 1976, the provisions of law listed in paragraph (1) (other than sections 5313(21) and 5316(131) of title 5, United States Code, sections 201 and 302 of the Drug Abuse Office and Treatment Act of 1972, and subsections (b) (1) and (d) of section 303 of Public Law 93–282 (21 U.S.C. 1175 note)) are each amended by striking out "Office of Drug Abuse Policy" and inserting in lieu thereof "National Institute on Drug Abuse".

(b) The redesignation provided for in subsection (a) of this section shall not otherwise affect the regulations, grants, contracts, personnel, property, or unexpended balances of appropriations of the agency so redesignated.

(c) The heading of title II of the Act is amended to read as follows:

"TITLE II—OFFICE OF DRUG ABUSE POLICY".

Sec. 5. (a) Section 202 of the Act (21 U.S.C. 1112) is amended by adding at the end thereof of the following new sentence: "The Director shall not hold office in any other department or agency of the United States, whether on an acting basis or otherwise, except on such occasions as may be appropriate in connection with the performance of such duties as may be assigned to him pursuant to section 232.".

(b) The amendment made by subsection (a) of this section shall take effect on the sixtieth day following the date of enactment of this Act.

Sec. 6. (a) Section 204 of the Act (21 U.S.C. 1114) is amended by changing "six" to read "two".

(b) Section 5316(131) of title 5, United

States Code, is amended by changing "(6)" to read "(2)".

Sec. 7. Section 206(b) of the Act (21 U.S.C. 1116(b)) is amended (1) by changing "ten" in the first sentence thereof to read "four" and (2) by striking the second sentence thereof.

Sec. 8. The second sentence of section 207 of the Act (21 U.S.C. 1117) is amended by changing "fifteen" to read "six".

Sec. 9. Section 211 of the Act (21 U.S.C. 1121) is repealed, and the table of sections at the beginning of chapter 1 of title II of the Act is amended by striking the following item:

"211. Acting Director and Deputy Director.".

Sec. 10. Effective with respect to the fiscal year beginning after June 30, 1975, section 214 of the Act (21 U.S.C. 1123) is amended to read as follows:

"§ 214. Appropriations authorized.

"(a) For the purpose of carrying out the functions of the Director, other than the Directors' functions under section 223, there are authorized to be appropriated $3,000,000 for the fiscal year ending June 30, 1976.

"(b) For the purpose of carrying out the provisions of section 223, there are authorized to be appropriated $7,000,000 for the fiscal year ending June 30, 1976.".

Sec. 11. Section 223 of the Act (21 U.S.C. 1133) is amended to read as follows:

"§ 223. Special fund.

"(a) There is established a special fund (hereinafter in this section referred to as the 'fund') in order to—

"(1) provide additional incentives to Federal departments and agencies to develop more effective drug abuse prevention functions,

"(2) enable the Director to make grants to public entities to assist them in developing more effective drug abuse prevention functions, and

"(3) give the Director the flexibility to encourage the development of promising programs and approaches.

"(b) Sums transferred to a Federal department or agency (other than the Office) and sums provided under grants made under this section to other public entities may be used only for the purpose of—

"(1) developing or demonstrating promising new concepts or methods in respect of drug abuse prevention functions; or

"(2) supplementing or expanding existing drug abuse prevention functions which the Director finds to be exceptionally effective or for which he finds there exists exceptional needs.

"(c)(1) Sums appropriated to the fund may be made available to Federal departments and agencies (other than the Office) upon a transfer ordered by the Director at his descretion.

"(2) Grants may be made by the Director under this section to public entities (other than Federal departments and agencies) upon such terms and conditions as the Director shall by regulation describe. Any application for a grant under this section for the provision of treatment services within a State shall be subject to the same review and approval or disapproval as is provided under section 1513(e) of the Public Health Service Act for proposed uses of Federal funds appropriated under that Act.".

Sec. 12. (a) Section 224 of the Act (21 U.S.C. 1134) is repealed, and the table of sections at the beginning of title II of the Act is amended by striking

"224. Encouragement of certain research and development.".

(b) The repeal made by subsection (a) of this section shall not affect the continuing validity of any grant or contract made under section 224 of the Act prior to its repeal.

(c) Title V of the Act is amended by adding at the end thereof the following new section:

"§ 503. Encouragement of certain research and development.

"(a) In carrying out his functions under this title, the Director shall encourage and promote (by grants, contracts, or otherwise) expanded research programs to create, develop, and test—

"(1) synthetic analgesics, antitussives, and other drugs which are—

"(A) nonaddictive, or

(B) less addictive than opium or its derivatives,

to replace opium and its derivatives in medical use;

(2) long-lasting, nonaddictive blocking or antagonistic drugs or other pharmacological substances for treatment of heroin addiction; and

(3) detoxification agents which, when administered, will ease the physical effects of withdrawal from heroin addiction.

In carrying out this section the Director is authorized to establish, or provide for the establishment of, clinical research facilities.

(b) For purposes of carryng out subsection (a) of this section there are authorized to be appropriated $7,000,000 for the fiscal year ending June 30, 1976, $1,750,000 for the period July 1, 1976, through September 30, 1976, $7,000,000 for the fiscal year ending September 30 1977, and $7,000,000 for the fiscal year ending September 30, 1978.".

(d) The table of sections at the beginning of title V of the Act is amended by adding at he end thereof the following new item:

"503. Encouragement of certain research and development.".

Sec. 13. Section 228 of the Act (21 U.S.C. 1138) is amended by changing "One of the Assistant Directors of the Office" to read "The Director".

Sec. 14. (a)(1) Section 229 of the Act (21 U.S.C. 1139) is amended to read as follows:

"§ 229. Coordination with Sate anl local agencies.

"(a) The Director shall coordinate or assure coordination of Federal drug abuse prevention functions with such functions of State and local governments.

"(b) In carrying out his functions under this section, the Director may provide for uniform forms for, procedures for the submission of, and criteria for the consideration of, applications of State and local governments and individuals for grants and contracts for drug abuse control and treatment proposals.".

(2) The item relating to such section in the table of sections at the beginning of chapter 2 is amended by striking out "Technical assistance to" and inserting in lieu thereof "Coordination with".

(b)(1) The first sentence of section 501(a) of the Act is amended by changing "section" to read "title" both places it appears therein.

(2) Section 501(b)(1) of the Act (21 U.S.C. 1191 (b)) is amended by inserting "(hereinafter in this title referred to as the 'Director')" immediately after "Director".

(c) Section 502 of the Act is amended to read as follows:

"§ 502. Technical assistance to State and local agencies.

"(a) The Director shall

"(1) coordinate or assure coordination of the functions of the Institute with corresponding functions of State and local governments; and

"(2) provide for a central clearinghouse for Federal, State, and local governments, public and private agencies, and individuals seeking drug abuse information and assistance from the Federal Government.

"(b) In carrying out his functions under this section, the Director may

"(1) provide technical assistance—including advice and consultation relating to local programs, technical and professional assistance, and, where deemed necessary, use of task forces of public officials or other persons assigned to work with State and local governments—to analyze and identify State and local drug abuse problems and assist in the development of plans and programs to meet the problems so identified;

"(2) convene conferences of State, local, and Federal officials, and such other persons as the Director shall designate, to promote the purposes of this Act, and the Director is authorized to pay reasonable expenses of individuals incurred in connection with their participation in such conferences; and

"(3) draft and make available to State and local governments model legislation with respect to State and local drug abuse programs and activities.

"(c) In implementation of his authority under subsection (b)(1), the Director may—

"(1) take such action as may be necessary to request the assignment, with or without reimbursement, of any individual employed by any Federal department or agency and engaged in any Federal drug abuse prevention function or drug traffic prevention function to serve as a member of any such task force; except that no such person shall be so assigned during any one fiscal year for more than an aggregate of ninety days without the express approval of the head of the Federal department or agency with respect to which he was so employed prior to such assignment;

"(2) assign any person employed by the Institute to serve as a member of any such task force or to coordinate management of such task forces; and

"(3) enter into contracts or other agreements with any person or organization to serve on or work with such task forces.".

(d) The table of sections at the beginning of title V of the Act is amended by inserting therein the following item:

"502. Technical assistance to State and local agencies."

Sec. 15. (a) Section 252(b) of the Act (21 U.S.C. 1152(b)) is amended to read as follows:

"(b) The remaining members of the Council shall be appointed by the President. The appointive members of the Council shall represent a broad range of interests, disciplines, and expertise in the drug area and shall be selected from outstanding professionals, paraprofessionals, and others in the fields of medicine, education, science, the social sciences and other related disciplines, who have been active in the areas of drug abuse prevention, treatment, rehabilitation, training, or research. Of the members so appointed—

"(1) at least two shall be officials of State governments who are actively engaged in drug abuse prevention functions;

"(2) at least two shall be officials of local governments who are actively engaged in drug abuse prevention functions; and

"(3) at least two shall be former drug addicts or drug abusers.".

(b) Section 252 of the Act is amended by adding at the end thereof the following new subsection:

"(c) Each appointive member of the Council shall be appointed for a term expiring on June 30 of one of the first three calendar years following the year in which he is appointed, as designated by the President at the time of appointment, subject to the limitation that not more than four members may have terms scheduled to expire within any one year. The term of any member appointed pursuant to subsection (b)(1) or (b)(2) of this section shall expire in accordance with the preceding sentence or at such time as the member ceases to be a State or local governmental official actively engaged in drug abuse prevention functions, whichever is earlier. A member of the Council who has completed more than five consecutive years of service shall not be eligible for reappointment for a period of two years following the member's most recent period of five or more consecutive years of service. Any member of the Council may continue to serve as such after the expiration of the member's term unleses and until his successor has been appointed and has qualified.".

(c) The term of any member of the National Advisory Council for Drug Abuse Prevention appointed prior to December 31, 1972, shall expire on June 30, 1975.

(d) Section 255 of the Act (21 U.S.C. 1155) is amended by adding at the end thereof the following new subsection:

"(c) The Council shall advise, consult with, and make recommendations to, the Secretary of Health, Education, and Welfare—

"(1) concerning matters relating to the activities and functions of the Secretary in the field of drug abuse, including, but not limited to, the development of new programs and priorities, the efficient administration of programs, and the supplying of needed scientific and statistical data and program information to professionals, paraprofessionals, and the general public; and

"(2) concerning policies and priorities respecting grants and contracts in the field of drug abuse.".

(e) The table of sections at the beginning of title V of the Act is amended by striking the following item:

"502. Establishment of National Advisory Council on Drug Abuse.".

(f) Section 217(e) of the Public Health Service Act (42 U.S.C. 218(e)) is repealed.

(g) The last sentence of section 266 of Community Mental Health Centers Act (42 U.S.C. 2688t) is amended by changing "section 217(e) of the Public Health Service Act" to read "section 255(c) of the Drug Abuse Office and Treatment Act of 1972".

(h) The heading of title V of the Act is amended by striking "; NATIONAL ADVISORY COUNCIL ON DRUG ABUSE".

Sec. 16. Section 305 of the Act (21 U.S.C. 1165) is amended by striking "from time to time as the President deems appropriate, but not less often than once a year" and inserting in lieu thereof "prior to June 1 of each year".

Sec. 17. (a) Section 407 of the Act (21 U.S.C 1174) is amended to read as follows:

"§ 407. Admission of drug abusers to private and public hospitals.

"(a) Drug abusers who are suffering from medical conditions shall not be discriminated against in admission or treatment, solely because of their drug abuse or drug dependence, by any private or public general hospital which receives support in any form from any program supported in whole or in part by funds appropriated to any Federal department or agency.

"(b)(1) The Secretary is authorized to make regulations for the enforcement of the policy of subsection (a) with respect to the admission and treatment of drug abusers in hospitals which receive support of any kind from any program administered by the Secretary. Such regulations shall include procedures for determining (after opportunity for a hearing if requested) if a violation of subsection (a) has occurred, notification of failure to comply with such subsection, and opportunity for a violator to comply with such subsection. If the Secretary determines that a hospital subject to such regulations has violated subsection (a) and such violation continues after an opportunity has been afforded for compliance, the Secretary may suspend or revoke, after opportunity for a hearing, all or part of any support of any kind received by such hospital from any program administered by the Secretary. The Secretary may consult with the officials responsible for the administration of any other Federal program from which such hospital receives support of any kind, with respect to the suspension or revocation of such other Federal support for such hospital.

"(2) The Administrator of Veterans' Affairs, through the Chief Medical Director, shall, to the maximum feasible extent consistent with their responsibilities under title 38, United States Code, prescribe regulations making applicable the regulations prescribed by the Secretary under paragraph (1) of this subsection to the provision of hospital care, nursing home care, domiciliary care, and medical services under such title 38 to veterans suffering from drug abuse or drug dependence. In prescribing and implementing regulations pursuant to this paragraph, the Administrator shall, from time to time, consult with the Secretary ir order to achieve the maximum possible coordination of the regulations, and the implementation thereof, which they each prescribe.".

(b) The Administrator of Veterans' Affairs shall submit to the appropriate committees of the House of Representatives and the Senate a full report (1) on the regulations (including guidelines, policies, and procedures thereunder) he has prescribed pursuant to section 407(b)(2) of the Act, (2) explaining the bases for any inconsistency between such regulations and regulations of the Secretary under section 407(b)(1) of the Act, (3) on the extent, substance, and results of his consultations with the Secretary respecting the prescribing and implementation of the Administrator's regulations, and (4) containing such recommendations for legislation and administrative actions as he determines are necessary and desirable. The Administrator shall submit such report not later than sixty days after the effective date of the regulations prescribed by the Secretary under such section 407(b)(1) and shall timely publish such report in the Federal Register.

(c) The item relating to section 407 in the table of sections of title IV of the Act is amended by striking out "hospitals for emergency treatment" and inserting in lieu thereof "private and public hospitals".

Sec. 18. The first sentence of section 409 (a) of the Act (21 U.S.C. 1176(a)), is amended by changing "and $45,000,000 for the fiscal year ending June 30, 1975", to read "$45,000,000 for each of the fiscal years ending June 30, 1975, and June 30, 1976, $11,250,000 for the period July 1, 1976, through September 30, 1976, and $45,000,000 for each of the fiscal years ending September 30, 1977, and September 30, 1978,".

Sec. 19. (a) Section 409(c)(1) of the Act (21 U.S.C. 1176(c)(1)) is amended by (1) inserting "(A)" immediately after "(c)(1)", and (2) by inserting at the end thereof the following new subparagraphs:

"(B) Not later than June 15 of each year, the Secretary, after consultation with the Director of the National Institute on Drug Abuse, shall publish a notice of proposed rulemaking setting forth a formula to be used in making allotments pursuant to subparagraph (A) of this paragraph. Such notice of published rulemaking shall be in accordance with section 553 of title 5, United States Code, except that a sixty-day period shall be allowed for public comment.

"(C) Not later than the first day of each fiscal year, the Secretary shall publish final regulations setting forth the allotment formula to be used pursuant to subparagraph (A) of this paragraph in making allotments during such fiscal year.".

(b) The amendments made by subsection (a) of this section shall be effective with respect to fiscal years beginning on and after October 1, 1976.

Sec. 20. (a)(1) Section 409(e) of the Act (21 U.S.C. 1176(e)) is amended—

(A) by inserting in the first sentence thereof ", not later than July 15 of each calendar year," immediately after "Secretary";

(B) by inserting in the second sentence thereof "shall pertain to the twelve-month period commencing October 1 of the calendar year in which it is required to be submitted, and" immediately after "Each State plan";

(C) by changing "with assistance under this section;" in paragraph (4) thereof to read ", specifying the extent to which such functions are to be carired out with assistance under this section, and the extent to which they are to be carried out with assistance from other sources, non-Federal as well as Federal;";

(D) by inserting "in accordance with such needs immediately before the semicolon at the end of paragraph (5) thereof;

(E) by inserting immediately after "on a merit basis", in paragraph (8) thereof, "and the certification, credentialing, and training, as appropriate, for drug abuse prevention program professionals and para-professionals";

(F) by striking "and" at the end of paragraph (11) thereof;

(G) by redesignating paragraph (12) thereof as paragraph (13); and

(H) by inserting immediately after paragraph (11) thereof the following new paragraph:

"(12) establish procedures for—

"(A) the allocation of Federal and other funds received by the State for drug abuse prevention functions, and

"(B) the making of grants and contracts by the State from funds referred to in subparagraph (A); and".

(2) The amendments made by paragraph (1) shall take effect January 1, 1976.

(b)(1) Section 409(f) of the Act is amended by adding at the end the following: "A State plan submitted under subsection (e) may also contain provisions relating to alcoholism or mental health. The Secretary, acting through the National Institute on Drug Abuse, shall establish procedures by which the National Institute on Drug Abuse shall review each State plan submitted pursuant to subsection (e) and under which it shall complete its review of each such plan not later than September 15 of the calendar year in which the plan is submitted, or not later than sixty days after the plan is received by the National Institute on Drug Abuse, whichever is later.".

(2) The amendment made by paragraph (1) shall take effect January 1, 1976.

(c) Section 409 of the Act is amended by inserting after subsection (a) the following new subsection:

"(h) Any application for a grant under this section shall be subject to the same review and approval or disapproval as is provided under section 1513(e) of the Public Health Service Act for proposed uses of Federal funds appropriated under that Act.".

Sec. 21. Section 410(a) of the Act (21 U.S.C. 1177(a)) is amended by adding at the end thereof the following: "In the implementation of his authority under this section, the Secretary shall accord a high priority to applications for grants or contracts for primary prevention programs. For purposes of the preceding sentence, a primary prevention program is a program designed to discourage persons from beginning drug abuse. To the extent that appropriations authorized under this section are used to fund treatment services, the Secretary shall not limit such funding to treatment for opiate abuse, but shall also provide support for treatment for nonopiate drug abuse including polydrug abuse.".

Sec. 22. Section 410(b) of the Act (21 U.S.C. 1177(b)) is amended by changing "and $160,000,000 for the fiscal year ending June 30, 1975," to read "$160,000,000 for each of the fiscal years ending June 30, 1975 and June 30, 1976; $40,000,000 for the period July 1, 1976, through September 30, 1976; and $160,000,000 for each of the fiscal years ending September 30, 1977, and September 30, 1978,".

Sec. 23. Section 410(c)(2) of the Act (21 U.S.C. 1177(c)(2)) is amended by inserting immediately after the first sentence thereof the following new sentence: "In making its review of any such application (whether initial or renewal) the State agency shall take into account the allocation prescribed under section 409(e)(12) for funds received by the State for drug abuse prevention functions in the fiscal year in which the grant applied for would be made.".

SEC. 24. Section 410(c) of the Act (21 U.S.C. 1177(c)) is amended by adding at the end thereof the following new paragraph:

"(4) Any application for a grant or contract under this section for the provision of treatment services within a State shall be subject to the same review and approval or disapproval as is provided under section 1513 (e) of the Public Health Service Act for proposed uses of Federal funds appropriated under that Act.".

SEC. 25. (a) Title V of the Act is amended by adding at the end thereof the following new section:

"§ 504. Statistical records.

"(a) For the purpose of this section—

"(1) the term 'patient' shall have the same meaning as used in, and defined under regulations issued pursuant to, section 408 of this Act;

"(2) the terms 'maintain' and 'system of records', shall have the meanings defined in section 552a(a) of title 5, United States Code; and

"(3) the term 'statistical records', shall have the same meaning as used in section 552a(k)(4) of title 5, United States Code.

"(b) Any system of records maintained by the Institute containing information about patients (other than patients directly receiving clinical services from the Institute) shall be maintained and used solely as statistical records.".

(b) The table of sections at the beginning of title V of the Act is amended by adding at the end thereof the following item:

"504. Statistical records.".

SEC. 26. (a) Title II of the Act is amended by inserting after chapter 3 the following new chapter:

"CHAPTER 4.—TRANSFER

"Sec.
"261. Transfer to National Institute on Drug Abuse.

"§ 261. Transfer to National Institute on Drug Abuse.

"(a) Effective June 29, 1976, the functions, powers, and duties of the Director under chapters 1, 2, and 3 of this title and under section 413 of title IV are transferred to the Director of the National Institute on Drug Abuse.

"(b) So much of the positions, personnel, assets, liabilities, contracts, property, records, and unexpended balances of authorizations, allocations, and other funds, which the Director of the Office of Management and Budget determines (1) were employed, held, used, or available to be made available in connection with the functions, powers, and duties transferred by subsection (a), or (2) arose from such functions, powers, and duties, shall be transferred to the Director of the National Institute on Drug Abuse.

"(c) All orders, determinations, rules, regulations, and contracts—

"(1) which have been issued, made, or allowed to become effective by the Director of the Office of Drug Abuse Policy in the exercise of duties, powers, or functions which are transferred under subsection (a) or by any court of competent jurisdiction, and

"(2) which are in effect on June 28, 1976, shall continue in effect according to their terms until modified, terminated, superseded, set aside, or repealed by the Director of the National Institute on Drug Abuse (in the exercise of any function, power, or duty transferred to him by subsection (a)), by any court of competent jurisdiction, or by operation of law.

"(d)(1) Except as provided in paragraph (2), the provisions of this section shall not affect suits commenced prior to June 29, 1976, and relating to a function, power, or duty transferred by subsection (a) and in all such suits proceedings shall be had, appeals taken, and judgments rendered, in the same manner and effect as if this section had not been enacted.

"(2) If before June 29, 1976, the Director of the Office of Drug Abuse Policy or any officer of the Office in his official capacity, is a party to a suit which relates to a function, power, or duty transferred by subsection (a), then such suit may be continued by or against the Director of the National Institute on Drug Abuse to the extent that such suit relates to such a function, power, or duty. The appropriate court shall at any time, on its own motion or that of any party, enter an order which will give effect to the provisions of this paragraph.

"(e) With respect to any function, power, or duty transferred by subsection (a) and exercised after June 29, 1976, reference in any other Federal law to the Director of the Office of Drug Abuse Policy in connection with a function, power, or duty transferred by subsection (a) shall be deemed to mean the Director of the National Institute on Drug Abuse.".

(b) The table of chapters of title II of the Act is amended by inserting at the end thereof the following new item:

"4. Transfer ------------------------- 261".

Mr. DEL CLAWSON. Mr. Chairman, I make a point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. CARTER

Mr. CARTER. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. CARTER:

Strike out all after the enacting clause and insert in lieu thereof the following:

That section 104 (21 U.S.C. 1104) of the Drug Abuse Office and Treatment Act of 1972 (hereinafter in this Act referred to as the "Act") is amended by inserting "(other than section 252 thereof)" after "TITLE II".

SEC. 2. (a) Section 224 of the Act (21 U.S.C. 1134) is repealed, and the table of sections at the beginning of title II of the Act is amended by striking out

"224. Encouragement of certain research and development.".

(b) The repeal made by subsection (a) of this section shall not affect the continuing validity of any grant or contract made under section 224 of the Act prior to its repeal.

(c) Title V of the Act is amended by adding at the end thereof the following new section:

"§ 503. Encouragement of certain research and development.

"(a) In carrying out his functions under this title, the Director shall encourage and promote (by grants, contracts, or otherwise) expanded research programs to create, develop, and test—

"(1) synthetic analgesics, antitussives, and other drugs which are—

"(A) nonaddictive, or

"(B) less addictive than opium or its derivatives,

to replace opium and its derivatives in medical use;

"(2) long-lasting, nonaddictive blocking or antagonistic drugs or other pharmacological substances for treatment of heroin addiction; and

"(3) detoxification agents which, when administered, will ease the physical effects of withdrawal from heroin addiction.

In carrying out this section the Director is authorized to establish, or provide for the establishment of, clinical research facilities.

"(b) For purposes of carrying out subsection (a) of this section there are authorized to be appropriated $7,000,000 for the fical year ending June 30, 1976, $1,750,000 for the period July 1, 1976, through September 30, 1976, $7,000,000 for the fiscal year ending September 30, 1977, and $7,000,000 for the fiscal year ending September 30, 1978.".

(d) The table of sections at the beginning of title V of the Act is amended by adding at the end thereof the following new item:

"503. Encouragement of certain research and development.".

SEC. 3. (a) Section 502 of the Act is amended to read as follows:

"§ 502. Technical assistance to State and local agencies.

"(a) The Director shall

"(1) coordinate or assure coordination of the functions of the Institute with corresponding functions of State and local governments; and

"(2) provide for a central clearinghouse for Federal, State, and local governments, public and private agencies, and individuals seeking drug abuse information and assistance from the Federal Government.

"(b) In carrying out his functions under this section, the Director may

"(1) provide technical assistance—including advice and consultation relating to local programs, technical and professional assistance, and, where deemed necessary, use of task forces of public officials or other persons assigned to work with State and local governments—to analyze and identify State and local drug abuse problems and assist in the development of plans and programs to meet the problems so identified;

"(2) convene conferences of State, local, and Federal officials, and such other persons as the Director shall designate, to promote the purposes of this Act, and the Director is authorized to pay reasonable expenses of individuals incurred in connection with their participation in such conferences; and

"(3) draft and make available to State and local governments model legislation with respect to State and local drug abuse programs and activities.

"(c) In implementation of his authority under subsection (b)(1), the Director may—

"(1) take such action as may be necessary to request the assignment, with or without reimbursement, of any individual employed by any Federal department or agency and engaged in any Federal drug abuse prevention function or drug traffic prevention function to serve as a member of any such task force; except that no such person shall be so assigned during any one fiscal year for more than an aggregate of ninety days without the express approval of the head of the Federal department or agency with respect to which he was so employed prior to such assignment;

"(2) assign any person employed by the Institute to secure as a member of any such task force or to coordinate management of such task forces; and

"(3) enter into contracts or other agreements with any person or organization to serve on or work with such task forces.".

(b) The table of sections at the beginning of title V of the Act is amended by inserting therein the following item:

"502. Technical assistance to State and local agencies."

SEC. 4. (a) Section 252(b) of the Act (21 U.S.C. 1152(b)) is amended to read as follows:

"(b) The remaining members of the Council shall be appointed by the President. The appointive members of the Council shall represent a broad range of interests, disciplines, and expertise in the drug area and shall be selected from outstanding professionals, paraprofessionals, and others in the fields of medicine, education, science, the social sciences and other related disciplines, who have been active in the areas of drug abuse prevention, treatment, rehabilitation, training, or research. Of the members so appointed—

"(1) at least two shall be officials of State governments who are actively engaged in drug abuse prevention functions;

"(2) at least two shall be officials of local governments who are actively engaged in drug abuse prevention functions; and

"(3) at least two shall be former drug addicts or drug abusers.".

(b) Section 252 of the Act is amended by adding at the end thereof the following new subsection:

"(c) Each appointive member of the Council shall be appointed for a term expiring on June 30 of one of the first three calendar years following the year in which he is appointed, as designated by the President at the time of appointment, subject to the limitation that not more than four members may have terms scheduled to expire within any one year. The term of any member appointed pursuant to subsection (b)(1) or (b)(2) of this section shall expire in accordance with the preceding sentence or at such time as the member ceases to be a State or local governmental official actively engaged in drug abuse prevention functions, whichever is earlier. A member of the Council who has completed more than five consecutive years of service shall not be eligible for reappointment for a period of two years following the member's most recent period of five or more consecutive years of service. Any member of the Council may continue to serve as such after the expiration of the member's term unless and until his successor has been appointed and has qualified.".

(c) The term of any member of the National Advisory Council for Drug Abuse Prevention appointed prior to December 31, 1972, shall expire on June 30, 1975.

(d) Section 255 of the Act (21 U.S.C. 1155) is amended by adding at the end thereof the following new subsection:

"(c) The Council shall advise, consult with, and make recommendations to, the Secretary of Health, Education, and Welfare—

"(1) concerning matters relating to the activities and functions of the Secretary in the field of drug abuse, including, but not limited to, the development of new programs and priorities, the efficient administration of programs, and the supplying of needed scientific and statistical data and program information to professionals, paraprofessionals, and the general public; and

"(2) concerning policies and priorities respecting grants and contracts in the field of drug abuse.".

(e) The table of sections at the beginning of title V of the Act is amended by striking the following item:

"502. Establishment of National Advisory Council on Drug Abuse.".

(f) Section 217(e) of the Public Health Service Act (42 U.S.C. 218(e)) is repealed.

(g) The heading of title V of the Act is amended by striking "; NATIONAL ADVISORY COUNCIL ON DRUG ABUSE".

SEC. 5. Section 305 of the Act (21 U.S.C. 1165) is amended by striking "from time to time as the President deems appropriate, but not less often than once a year" and inserting in lieu thereof "prior to June 1 of each year".

SEC. 6. (a) Section 407 of the Act (21 U.S.C. 1174) is amended to read as follows:

"§ 407. Admission of drug abusers to private and public hospitals.

"(a) Drug abusers who are suffering from medical conditions shall not be discriminated against in admission or treatment, solely because of their drug abuse or drug dependence, by any private or public general hospital which receives support in any form from any program supported in whole or in part by funds appropriated to any Federal department or agency.

"(b)(1) The Secretary is authorized to make regulations for the enforcement of the policy of subsection (a) with respect to the admission and treatment of drug abusers in hospitals which receive support of any kind from any program administered by the Secretary. Such regulations shall include procedures for determining (after opportunity for a hearing if requested) if a violation of subsection (a) has occurred, notification of failure to comply with such subsection, and opportunity for a violator to comply with such subsection. If the Secretary determines that a hospital subject to such regulations has violated subsection (a) and such violation continues after an opportunity has been afforded for compliance, the Secretary may suspend or revoke after an opportunity for a hearing, all or part of any support of any kind received by such hospital from any program administered by the Secretary. The Secretary may consult with the officials responsible for the administration of any other Federal program from which such hospital receives support of any kind, with respect to the suspension or revocation of such other Federal support for such hospital.

"(2) The Administrator of Veterans' Affairs, through the Chief Medical Director, shall, to the maximum feasible extent consistent with their responsibilities under title 38, United States Code, prescribe regulations making applicable the regulations prescribed by the Secretary under paragraph (1) of this subsection to the provision of hospital care, nursing home care, domiciliary care, and medical services under such title 38 to veterans suffering from drug abuse or drug dependence. In prescribing and implementing regulations pursuant to this paragraph, the Administrator shall, from time to time, consult with the Secretary in order to achieve the maximum possible coordination of the regulations, and the implementatiion thereof, which they each prescribe.".

(b) The Administrator of Veterans' Affairs shall submit to the appropriate committees of the House of Reprsentatives and the Senate a full report (1) on the regulations (including guidelines, policies, and procedures thereunder) he has prescribed persuant to section 407(b)(2) of the Act, (2) explaining the bases for any inconsistency between such regulations and regulations of the Secretary under section 407(b)(1) of the Act, (3) on the extent, substance, and results of his consultations with the Secretary respecting the prescribing and implementation of the Administrator's regulations, and (4) containing such recommendations for legislation and administrative actions as he determines are necessary and desirable. The Administrator shall submit such report not later than sixty days after the effective date of the regulations prescribed by the Secretary under such section 407(b)(1) and shall timely publish such report in the Federal Register.

(c) The item relating to section 407 in the table of sections of title IV of the Act is amended by striking out "hospitals for emergency treatment" and inserting in lieu thereof "private and public hospitals".

SEC. 7. The first sentence of section 409(a) of the Act (21 U.S.C. 1176(a)) is amended by changing "and $45,000,000 for the fiscal year ending June 30, 1975", to read "$45,000,000 for each of the fiscal years ending June 30, 1975, and June 30, 1976, $11,250,000 for the period July 1, 1976, through September 30, 1976, and $45,000,000 for each of the fiscal years ending September 30, 1977, and September 30, 1978,".

SEC. 8. (a) Section 409(c)(1) of the Act (21 U.S.C. 1176(c)(1)) is amended by (1) inserting "(A)" immediately after "(c)(1)", and (2) by inserting at the end thereof the following new subparagraphs:

"(B) Not later than June 15 of each year, the Secretary, after consultation with the Director of the National Institute on Drug Abuse, shall publish a notice of proposed rulemaking setting forth a formula to be used in making allotments pursuant to subparagraph (A) of this paragraph. Such notice of published rulemaking shall be in accordance with section 553 of title 5, United States Code, except that a sixty-day period shall be allowed for public comment.

"(C) Not later than the first day of each fiscal year, the Secretary shall publish final regulations setting forth the allotment formula to be used pursuant to subparagraph (A) of this paragraph in making allotments during such fiscal year.".

(b) The amendments made by subsection (a) of this section shall be effective with respect to fiscal years beginning on and after October 1, 1976.

SEC. 9. (a)(1) Section 409(e) of the Act (21 U.S.C. 1176(e)) is amended—

(A) by inserting in the first sentence thereof ", not later than July 15 of each calendar year," immediately after "Secretary";

(B) by inserting in the second sentence thereof "shall pertain to the twelve-month period commencing October 1 of the calendar year in which it is required to be submitted, and" immediately after "Each State plan";

(C) by changing "with assistance under this section;" in paragraph (4) thereof to read ", specifying the extent to which such functions are to be carried out with assistance under this section, and the extent to which they are to be carried out with assistance from other sources, non-Federal as well as Federal:";

(D) by inserting "in accordance with such needs" immediately before the semicolon at the end of paragraph (5) thereof;

(E) by inserting immediately after "on a merit basis", in paragraph (8) thereof, "and the certification, credentialing, and training, as appropriate, for drug abuse prevention program professionals and para-professionals";

(F) by striking "and" at the end of paragraph (11) thereof;

(G) by redesignating paragraph (12) thereof as paragraph (13); and

(H) by inserting immediately after paragraph (11) thereof the following new paragraph:

"(12) establish procedures for—

"(A) the allocation of Federal and other funds received by the State for drug abuse prevention functions, and

"(B) the making of grants and contracts by the State from funds referred to in subparagraph (A); and".

(2) The amendments made by paragraph (1) shall take effect January 1, 197

(b)(1) Section 409(f) of the Act is amended by adding at the end the following: "A State plan submitted under subsection (e) may also contain provisions relating to alcoholism or mental health. The Secretary, acting through the National Institute on Drug Abuse, shall establish procedures by which the National Institute on Drug Abuse shall review each State plan submitted pursuant to subsection (e) and under which it shall complete its review of each such plan not later than September 15 of the calendar year in which the plan is submitted, or not later than sixty days after the plan is received by the National Institute on Drug Abuse, whichever is later.".

(2) The amendment made by paragraph (1) shall take effect January 1, 1976.

(c) Section 409 of the Act is amended by inserting after subsection (g) the following new subsection:

"(h) Any application for a grant under this section shall be subject to the same review and approval or disapproval as is provided under section 1513(e) of the Public Health Service Act for proposed uses of Federal funds appropriated under that Act."

Sec. 10. Section 410(a) of the Act (21 U.S.C 1177(a)) is amended by adding at the end thereof the following: "In the implementation of his authority under this section, the Secretary shall accord a high priority to applications for grants or contracts for primary prevention programs for purposes of the preceding sentence, a primary prevention program is a program designed to discourage persons from beginning drug abuse. To the extent that appropriations authorized under this section are used to fund treatment services, the Secretary shall not limit such funding to treatment for opiate abuse, but shall also provide support for treatment for nonopiate drug abuse including polydrug abuse.".

Sec. 11. Section 410(b) of the Act (21 U.S.C. 1177(b)) is amended by changing "and $160,000,000 for the fiscal year ending June 30, 1975," to read "160,000,000 for each of the fiscal years ending June 30, 1975 and June 30, 1976; $40,000,000 for the period July 1, 1976, through September 30, 1976; and $160,000,000 for each of the fiscal years ending September 30, 1977, and September 30, 1978,".

Sec. 12. Section 410(c)(2) of the Act (21 U.S.C. 1177(c)(2) is amended by inserting immediately after the first sentence thereof the following new sentence: "In making its review of any such application (whether initial or renewal) the State agency shall take into account the allocation prescribed under section 409(e)(12) for funds received by the State for drug abuse prevention functions in the fiscal year in which the grant applied for would be made.".

Sec. 13. Section 410(c) of the Act (21 U.S.C 1177(c)) is amended by adding at the end thereof the following new paragraph:

"(4) Any application for a grant or contract under this section for the provision of treatment services within a State shall be subject to the same review and approval or disapproval as is provided under section 1513 (e) of the Public Health Service Act for proposed uses of Federal funds appropriated under that Act.".

Sec. 14. (a) Title V of the Act is amended by adding at the end thereof the following new section:

§ 504. Statistical records.

"(a) For the purpose of this section—

"(1) the term 'patient' shall have the same meaning as used in, and defined under regulations issued pursuant to, section 408 of this Act;

"(2) the terms 'maintain' and 'system of records', shall have the meanings defined in section 552a(a) of title 5, United States Code; and

"(3) the term 'statistical records', shall have the same meaning as used in section 552a(k)(4) of title 5, United States Code.

"(b) Any system of records maintained by the Institute containing information about patients (other than patients directly receiving clinical services from the Institute) shall be maintained and used solely as statistical records.".

(b) The table of sections at the beginning of title V of the Act is amended by adding at the end thereof the following item:

"504. Statistical records.".

Sec. 15. (a) Title II of the Act is amended by inserting after chapter 3 the following new chapter:

"Chapter 4.—TRANSFER

"Sec.
"261. Transfer to National Institute on Drug Abuse.

"§ 261. Transfer to National Institute on Drug Abuse.

"(a) Effective June 29, 1975, the functions, powers, and duties of the Director under chapters 1, 2, and 3 of this title and under section 413 of ttile IV are transferred to the Director of the National Institute on Drug Abuse.

"(b) So much of the positions, personnel, assets, liabilities, contracts, property, records, and unexpended balances of authorizations, allocations, and other funds, which the Director of the Office of Management and Budget determines (1) were employed, held, used, or available to be made available in connection with the functions, powers, and duties transferred by subsection (a), or (2) arose from such functions, powers, and duties, shall be transferred to the Director of the National Institute on Drug Abuse.

"(c) All orders, determinations, rules, regulations, and contracts—

"(1) which have been issued, made, or allowed to become effective by the Director of the Office in the exercise of duties, powers, or functions which are transferred under subsection (a) or by any court of competent jurisdiction, and

"(2) which are in effect on June 28, 1975, shall continue in effect according to their terms until modified, terminated, superseded, set aside, or repealed by the Director of the National Institute on Drug Abuse (in the exercise of any function, power, or duty transferred to him by subsection (a)), by any court of competent jurisdiction, or by operation of law.

"(d)(1) Except as provided in paragraph (2), the provisions of this section shall not affect suits commenced prior to June 29, 1975, and relating to a function, power, or duty transferred by subsection (a) and in all such suits proceedings shall be had, appeals taken, and judgments rendered, in the same manner and effect as if this section had not been enacted.

"(2) If before June 29, 1975, the Director of the Office or any officer of the Office in his official capacity, is a party to a suit which relates to a function, power, or duty transferred by subsection (a), then such suit may be continued by or against the Director of the National Institute on Drug Abuse to the extent that such suit relates to such a function, power, or duty. The appropriate court shall at any time, on its own motion or that of any party, enter an order which will give effect to the provisions of this paragraph.

"(e) With respect to any function, power, or duty transferred by subsection (a) and exercised after June 29, 1975, reference in any other Federal law to the Director of the Office in connection with a function, power, or duty transferred by subsection (a) shall be deemed to mean the Director of the National Institute on Drug Abuse.".

(b) The table of chapters of title II of the Act is amended by inserting at the end thereof the following new item:

"4. Transfer........................... 261."

Mr. CARTER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the Record so that I may be permitted to proceed to explain my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. CARTER. Mr. Chairman, I rise to offer an amendment to House bill 8150. What this amendment seeks to do is to continue abolition of the Office of Drug Abuse policy. This action is supported by HEW, by Dr. Robert DuPont, Director of the National Institute of Drug Abuse, and by the Domestic Council, as well as by the President.

On the 30th of June of this year, a similar office which was called SAODAP—Special Action Office for Drug Abuse Prevention—in the Office of the President was self-destructed. The legislation ran out.

Here today we are attempting to resurrect a corpse which was buried the 30th of June of this year. The administration feels that it should not be revived at a cost of $10 million to the taxpayers of this country.

However, the other provisions of the bill, which include all authorizations to States for grants for drug abuse, will be maintained intact. I must admit that there is evidence of increasing drug abuse problems in the Nation, and this increase actually shows the ineffectiveness of the SAODAP.

At the present time, a study is being done by the Domestic Council on the whole field of drug abuse prevention and a white paper will be issued and presented to the President and to the Congress the latter part of this month.

Again, if this bill is passed in its entirety, with the ODAP provision intact, it will take 2 months to fill this Office and to get it rolling. It will be in existence for approximately 7 months, at the end of which time on the 30th of June again it will self-destruct. The Senate bill provides only for 6 months extension—or an extension only til January 1, 1976.

This office is not wanted by the administration, by HEW, or by Dr. DuPont, Director of NIDA. Its elimination would save the taxpayers of our country $10 million.

Therefore, Mr. Chairman, I ask that my amendment be accepted.

Again, I have been a part of the writing of this legislation over the years and support all parts except that which the administration has found ineffective. No one more strongly favors the intent of this legislation than I do. However, we have an opportunity to save the taxpayers of our country this money. I urge you to accept the amendment which I offer, which does no damage to the bill whatever, but does abolish this useless and expensive office.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I yield to the gentleman from Ohio.

Mr. LATTA. Mr. Chairman, I want to thank the gentleman for yielding to me. I would like to ask the gentleman a few questions. The gentleman says that the administration does not want this, HEW does not want it, and it has been out of existence since the 30th of June. Who does want it?

Mr. CARTER. Evidently it is wanted by some of my friends on the committee. They seem to think that this would be more impressive, the office would impress people perhaps. That is the only reason that I can find.

Mr. LATTA. Since we have been living without it since the 30th of June, I just wonder why, as the gentleman from Kentucky does, why we should resurrect it. Certainly if it cannot perform some useful function other than using up $10 million, I wonder why we are authorizing funds for it as proposed in this legislation?

Mr. CARTER. I see no useful purpose in its continuation.

I want to thank the distinguished gentleman from Ohio on his contribution and I agree with the gentleman entirely.

Mr. SKUBITZ. Mr. Chairman, will the gentleman yield?

Mr. CARTER. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Chairman, I want to commend my colleague, the gentleman from Kentucky (Mr. Carter) for bringing this to our attention. It just seems to me that an agency of the Government whose time has expired, that if it was really an important agency that the committee would have brought this up long before it had expired rather than waiting this long and then bringing it up at a time when we are talking about deregulating, by saying that this is one that we want to continue and are willing to pay $10 million for.

Mr. CARTER. I thank my distinguished friend, the gentleman from Kansas (Mr. Skubitz).

Mr. ROGERS. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Kentucky (Mr. Carter) in the nature of a substitute.

Mr. Chairman, I think we have had the major arguments stated in the general debate and I will not take an excessive amount of time.

The subcommittee went into the problem in great detail. We tried to effect some compromise knowing that there had been some effort in the White House to review its policy. Therefore we have kept for 1 year the office, not the same office, but the Office of Drug Abuse Policy. We transferred the authority over programing which was in the old office in the White House over to the National Institute on Drug Abuse which is exactly what the White House has asked to be done. We do not know yet for sure what the White House will recommend. We have an indication what the Domestic Council will recommend, but we do not know whether the President is going to approve it, although we think so. We know that they have made a study but we do not think we can wait further for the study, with the growing drug abuse problem right now.

Furthermore, I think the Members would agree with the position of the committee that we should have a drug office with a director who is accountable to the Congress. We cannot get anyone from the Domestic Council to come up before a congressional committee and say what he is doing. The American people are tired of that. They are tired of no accountability and no public disclosure. We should demand accountability to the Congress, and this is what this bill provides.

I would think everybody realizes that to give a person who holds the position of a director of a national institute such as the National Institute on Drug Abuse, which is under the umbrella of ADAMHA, which is another bureaucratic layer, which is under the Assistant Secretary of Health, who is under the Under Secretary who is under the Secretary, all the responsibility for coordinating the drug abuse program in this country is madness. When he tried to do something to work out an effective treatment program with the Department of Defense, with the VA or any of the other executive agencies in a coordinated effort, he could not even get his telephone call answered by the Secretary, or whoever may be in charge.

We think it is essential to keep this program at the White House level for the next year, until we can look at the domestic council report. The reason we authorized its establishment for only a year was so that we can determine whether changes need be made, but any change ought to be done by the Congress and not just by Executive fiat. The Federal drug abuse program is too important. It is a large program. Not to have its coordinator responsible to the Congress is inconceivable. We want an action office to coordinate and get some results, and that it what the bill calls for.

I would urge that the amendment not be adopted.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from Ohio.

Mr. LATTA. I thank the gentleman for yielding.

Let us just bring this down to one little common denominator. What we are talking about is the transfer, which has already taken place, of the functions of this office to the Institute. Even the Director is out there. What the gentleman is asking this Congress to do is to continue this office, even though the powers and the duties and the responsibilities have been transferred, until he can come up with some other duties and responsibilities for them to perform. Is that what he is asking us to spend $10 million for?

Mr. ROGERS. First of all, it is not $10 million; it is $3 million to run the office. There is a special fund of $7 million. That is not to run the office. That is to foster innovative drug programs, not for the operation of the office.

Mr. LATTA. If the gentleman will yield right there, that is in direct conflict with what a member of the gentleman's committee (Mr. Carter) just told the House.

Mr. ROGERS. If the gentleman will look at the committee bill, he will see that it authorizes $3 million for the operation of the office. If he will read the bill, he will see that.

Mr. LATTA. If the gentleman will yield further, then he is talking about $3 million thrown away rather than $10 million?

Mr. ROGERS. No, I am not talking about any such thing.

I do not think that the gentleman means to say that $3 million will be thrown away if it supports an effort to coordinate the drug abuse problem in the Nation. I do not think he takes that position.

Mr. LATTA. If the gentleman will yield further, let us not say that the gentleman from Florida is more for drug control than I am.

Mr. ROGERS. I am quoting the gentleman.

Mr. LATTA. The gentleman yielded to me, and if he will just be courteous enough to permit me to make my statement, I will yield back my time. Let me say I am just as much for drug control as the gentleman is.

Mr. ROGERS. I am glad to hear it.

Mr. LATTA. I am also for the taxpayer as to $10 million or $3 million that is going to be expended in this program or any other program that need not be expended. I am not for spending it.

Mr. ROGERS. The gentleman may take that position. The committee does not agree with him, the full committee does not agree with him, and I think the Congress will not agree with him.

Mr. DEVINE. Mr. Chairman, I move to strike the last word, and I rise in support of the amendment in the nature of a substitute.

Mr. Chairman, I rise in support of the amendment in the nature of a substitute offered by the gentleman from Kentucky (Mr. Carter) and I do so for several reasons.

I would like to have the attention of my good friend, the gentleman from Florida.

Mr. ROGERS. The gentleman has my attention.

Mr. DEVINE. The gentleman from Florida is known for his great record in the field of health care and his intense interest and humanitarian instincts and compassion for people who have problems, but in his enthusiasm for these programs after programs in which he has fought for literally billions of dollars to solve these problems, he leaves an inference, perhaps inadvertently but he leaves an inference that those of us who do not share with him or do not vote for every penny he thinks is necessary are not for these programs, and that is not true.

The gentleman used those arguments when we were cutting funds for the Hill-Burton Act and the Nurses Training Act, and the inference was that those of us who thought the amounts should be reduced were against nurses, or it was implied that those who are against all the money asked for all the school lunch programs are against school lunches or those who are for reducing amounts for teacher programs are against teachers, the kids, and our schools.

The gentleman from Kentucky (Mr.

CARTER) nor I do not have any less enthusiasm for fighting drug abuse than does the gentleman from Florida. In this case the law spelled out that the Special Action Office for Drug Abuse Prevention, which had that name for a purpose, expired and we let it expire. They closed down the office. They took the telephones out. It is all over.

But here we come in again in that typical idea or posture that we can never stop anything we create here. That is the situation.

The gentleman from New Jersey (Mr. RODINO), the chairman of the Committee on the Judiciary, was here earlier and commended the gentleman from Florida for his fight on drug abuse. I think that is a proper function.

I happen to have been a parliamentarian at the North Atlantic Assembly that met 3 years ago, and I think the meeting was in Brussels, if I am not mistaken. One of the documents at that time pointed this out:

> Drug abuse in the United States is at a critical stage. The total expenditures since 1970 of $777 million has not curbed drug abuse. The drug problem is increasing, not decreasing.

And then it says this:

> The Judiciary Committee of the United States House of Representatives is presently considering further legislation to provide massive funding for State and local governments to increase addict treatment and rehabilitation centers.

We seem to get the idea that if we have a problem we should bury it in money. If the problem gets bigger, just put in more money. But often money alone is not the answer. What we are attempting to do in this amendment in the nature of a substitute is to eliminate that which has served its purpose. The gentleman from Florida says it is $3 million and the gentleman from Kentucky says it is $10 million, but if it saves anything I think the taxpayers would be grateful, and I support the amendment.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. DEVINE. I yield to the gentleman from Ohio (Mr. LATTA).

Mr. LATTA. Mr. Chairman, I thank the gentleman from Ohio for yielding.

The gentleman has shed a little more light on the matter. As the ranking minority Republican member on the committee, he should know something about it.

I quite agree that every time we seem to have a problem we throw more money at it. I believe, and I ask the gentleman to correct me if I am wrong, that this came to light in the consideration of the matter before the Rules Committee. When this office went out of existence on the 30th of June, its duties were transferred and even its Director was transferred and now we are trying to resurrect it, and whether it is $3 million as the gentleman from Florida says, or $10 million as the gentleman from Kentucky says, it seems we want to put $3 million or $10 million into an office which is non-existent.

Mr. DEVINE. That appears to be the case. They are trying to resurrect something that is a cadaver and they are trying to transfuse with money, to put life back into it.

I urge support of the amendment.

Mr. HASTINGS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am very reluctant to rise in opposition to the ranking minority Member. I say that in all sincerity. I was prepared until yesterday to do exactly that, because as the gentleman from Ohio correctly pointed out, this office is defunct. It is not now operating, and by action in which it should be understood was taken by the committee prior to the end of June when it could have resulted in continuing the office, and that was our intention. It made sense then, and now I can see where the situation had changed.

I was somewhat concerned, quite frankly, that we were, in fact, just going to put $3 million down a rathole.

Now, nobody is more concerned about drug abuse and its problems than this Member.

The Wall Street Journal yesterday carried a very meaningful article indicating the extent of the increase of druge abuse in the United States but the reason I changed my mind is that I have today been provided with information that task force which is going to make recommendations to the White House, to the President, as to what should the future role of this office, in fact, be.

Let me read to the Members of the House precisely what the No. 5 recommendation of the Domestic Council White Paper, the Drug Abuse Task Force, says in fact. I will read it as it is printed:

> The establishment of a small office in the Executive Office of the President to work in cooperation with the Domestic Council and the Office of Management and Budget for oversight and coordination of international activities, treatment, and law enforcement.

One of the prime recommendations of that Task Force is that, in fact, we continue this office, and although it is out of function right at the moment, they are advocating that it be started up again as an executive office. I submit that all we are doing here, in fact, when we have reduced this office down to a $3 million expenditure is doing no more than what is now being recommended by the task force from the Domestic Council itself. It is for that reason that I oppose the amendment and support the continuation of this authorization.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. HASTINGS. I am happy to yield to the gentleman from Ohio.

Mr. LATTA. Mr. Chairman, the gentleman has given us information we did not have heretofore. Had we postponed action on this matter, as requested by the administration of the Committee on Rules for 4 additional weeks we would have had this information from it. Apparently the gentleman has gotten information from this task force in advance of its own report. Now the gentleman is saying, and correct me if I am wrong, that the duties of this now defunct office are going to be reconstituted in the White House.

Mr. HASTINGS. Mr. Chairman, it is my understanding that is the recommendation.

I might say, we are all put in a box on this, I think. I was not advised that the administration was going to contact the Committee on Rules and I had no knowledge of this amendment, other than that I just this morning had called to my attention.

Mr. LATTA. Mr. Chairman, I thank the gentleman for his statement.

Mr. SKUBITZ. Mr. Chairman, I move to strike the requisite number of words.

Mr. CARTER. Mr. Chairman, will the gentleman yield?

Mr. SKUBITZ. I yield to the gentleman from Kentucky (Mr. CARTER).

Mr. CARTER. Mr. Chairman, I thank the distinguished gentleman from Kansas for yielding.

Mr. Chairman, I want to state, I have been in touch with the Domestic Council. In fact, they came to see me just yesterday and they asked that this legislation be put off. They certainly do not want it. They are not for the continuation of ODAP or SAODAP, either.

I noticed the distinguished gentleman's missive he had and the gentlemen showed it to me. I notice it is on the gentleman's own letterhead. The gentleman may have received such a communication from them. More than likely the gentleman did; but I want to state emphatically that I talked with the Domestic Council yesterday. They came up here to see me.

My counsel back there heard it when they came in my office. I am following exactly their directions to me. They do not want a continuation of ODAP, and that is why I asked the gentleman from Kansas to yield to me.

As I have told the Members previously, Bob duPont was the Director of SAODAP, and he will be Director of NIDA. As Director of NIDA, he can continue as he did as Director of SAODAP and can coordinate all of the functions of the different arms of the Government in fighting drug abuse. Of course, we all support these efforts but we want the ODAP office obliterated.

Mr. Chairman, it is true that there might be a small office in the office of the President involving one or two people, but certainly no more than that. I want to tell the members of the committee that it is not $3 million; it is $10 million—$3 million for operation and $7 million for a special fund. That is $10 million in all, and by voting for my amendment we will save the taxpayers of this country $10 million.

Mr. Chairman, I urge support of my amendment, and I thank the distinguished gentleman from Kansas for yielding to me.

Mrs. FENWICK. Mr. Chairman, I move to strike the last word. I rise for the purpose of asking some questions on this matter of the chairman of the committee.

As I understand in reading the bill on page 28:

> For the purpose of carrying out the functions of the Director, other than the Directors' functions under section 223, there are

authorized to be appropriated $3,000,000 for the fiscal year ending June 30, 1976.

(b) for the purposes of carrying out the provisions of section 223, there are authorized to be appropriated $7,000,000 for the fiscal year ending June 30, 1976.

Now, turning to page 41, there seems to be some $45 million for each fiscal year. On page 45, there is some $160 million for each fiscal year.

Now, if I understood the debate correctly, that sum of $45 million and that sum of $160 million will continue the programs regardless of whether or not this Director is established in a separate office, and those programs will continue under the National Institutes of Health. Am I correct in that?

Mr. ROGERS. Mr. Chairman, the gentlewoman is correct in that the State formula grants will continue, and also I think the gentlewoman will find that the special project grants and contracts will be continued. I think she will find that the special fund is not continued.

Mrs. FENWICK. Which special fund?

Mr. ROGERS. The $7 million fund.

Mrs. FENWICK. Could I ask which of the special funds? The $45 million?

Mr. ROGERS. No, the $45 million is the program of formula grants to the States. As I recall, Dr. Carter's amendment—and I would ask him to verify this—does not include the $7 million for the special fund which is to provide additional incentives to Federal departments and agencies for more effective drug abuse prevention functions. I do not think that is included in the Carter amendment, as I understand it.

We might verify that from the gentleman from Kentucky.

Mr. CARTER. Mr. Chairman, if the distinguished gentlewoman would yield, I am glad the gentleman from Florida has substantiated what I have said in the first place, that the $7 million will not be spent, as he said, in addition to the $3 million, making a total of $10 million. In other words, the bill will be changed in no other way, only a saving of $10 million.

Mr. ROGERS. Mr. Chairman, if the gentlewoman would permit me, I would like to say that this is a dramatic change in that the bill requires coordinating at the White House level and have liaison with the enforcement agencies in the Justice Department.

All of the State officers who are running these programs say coordination is essential and they have endorsed the bill the way it is.

Mrs. FENWICK. Could the gentleman clarify the situation as it exists now?

Mr. ROGERS. Yes.

Mrs. FENWICK. This $45 million and $160 million are now being administered by the National Institute on Drug Abuse?

Mr. ROGERS. That is correct, the National Institute on Drug Abuse, and the bill provides that.

Mrs. FENWICK. And is there no one in the National Institute of Drug Abuse who is responsible for coordinating the various drug programs and the administration of these very large sums?

Mr. ROGERS. May I say this: To get the Federal agencies, like the Department of Defense, the VA, the Department of Justice, the Department of Labor, even HEW itself, we feel that it is not possible for that single director to coordinate, mainly because of his rank in the bureaucracy, for one thing.

Is the Secretary of Labor going to answer the call of an institute director who is five layers down?

Mrs. FENWICK. I hope so.

Mr. ROGERS. We might all hope so. But what I am saying is that we know that does not happen. So what we have provided—and as of now we find out what the Domestic Council itself is recommending—is simply to have policy coordination, and that is what the Domestic Council is recommending.

Mrs. FENWICK. I understand one gentleman has been given a communication to indicate the task force holds this view, and another one of our colleagues has received a visit from, I understood, the same group, saying that this was not desirable.

What experience does the gentleman have? Has anyone communicated with the gentleman?

Mr. ROGERS. Yes. The Domestic Council, I presume, the same people who visited with the gentleman from Kentucky (Mr. Carter), on the day we went to the Committee on Rules, along with Governor Shafer of the Vice President's office, and one other man from the Domestic Council.

They also said, and it is confirmed in their letter to the Committee on Rules, that they do recommend strong Executive Office oversight and leadership.

So it is confirmed in that letter, and it is also confirmed in the information that has been given to the gentleman from New York (Mr. Hastings). I think there is no question.

Mr. LATTA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, let me say that I take this time just to point out this is not the way to legislate. We are now being asked to authorize the funding of an office which went out of existence on the 30th day of June, whose duties have been transferred to the Institute, with the hope and with the promise that the administration will set up another office in the White House to do the same thing sometime in the future.

If we want to legislate in this manner, we want to reject the amendment offered by the gentleman from Kentucky (Mr. Carter); but if we do not want to do so, and if we want to authorize the expenditure of funds for an office not in being, then perhaps we ought to reject this amendment.

Mr. Chairman, I move the previous question on the Carter amendment.

Mr. CARTER. Mr. Chairman, I ask for a record vote. The previous question was moved.

The CHAIRMAN. A motion for the previous question is not in order in the Committee of the Whole.

Mr. SCHEUER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, about 5 or 6 years ago, when I was a member of the Committee on Education and Labor, and not a member of the House committee, I think I was one of the first ones who urged on our distinguished chairman, the gentleman from Florida (Mr. Rogers), that we set up a coordinating entity for drugs in the White House, and I think my bill was perhaps the first bill they received and the first bill they held hearings on, a bill to create a White House coordinating capability to eliminate the incredible chaos, overlapping and duplication of drug programs all over the Executive establishment. There were dozens and dozens of these programs in need of coordination anf direction.

Mr. Chairman, we did set up a White House capability. Its Director was Jerome Jaffe and its Deputy Director was Paul Perito, who served on the Hill as counsel to the Select Committee on Crime from April 1970 to September 1971.

Mr. Chairman, there is absolutely no evidence whatsoever that there is less of a need now for coordinating drug policy and programs than there was 5 or 6 years ago when this legislation was passed. It would be an absolute disaster if this coordinating and policy formulating office which served the Congress well and which served the American people well were lost.

It is ironic that this Congress, which insisted on the establishment of a coordinating office which would be responsible to it in a way in which the Domestic Council and the OMB can never be, because they are not subject to our call here today, would now see fit to pull the plug on it. It is ironic since it was this Congress which created this entity that is responsible to Congress and which has been responsive to Congress.

Mr. SKUBITZ. Mr. Chairman, will the gentleman yield?

Mr. SCHEUER. I yield briefly to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Chairman, does the gentleman realize that the law that created this entity is dead? Nothing earthshaking has happened since then.

Mr. SCHEUER. Mr. Chairman, SAODAP has not expired and it is not dead. It is still alive, and if this Congress is able to analyze the record of history and is able to analyze the need for drug abuse coordination of policies and programs to eliminate the waste and duplication and overlapping that took place before, we will continue this office and we will extend its life.

I just want to read a couple of sentences from the testimony which was given before our committee by Paul Perito, who was not only counsel to our Select Committee on Crime right here on Capitol Hill, but also served as Deputy Director of SAODAP at the White House.

First of all, before quoting his testimony, to show how obvious and self-evident the need is, let me point out that over half of all the funds our Federal Government spends on drug abuse do not go through NIDA. I will point out to my friend, the gentleman from Kentucky (Mr. Carter), that 51.1 percent of the funds we spend on drug abuse do not go through NIDA.

So how in the world can NIDA be called upon to coordinate programs and policy for drug control?

Mr. CARTER. Mr. Chairman, will the gentleman yield?

Mr. SCHEUER. I would be happy to yield to the gentleman from Kentucky.

Mr. CARTER. Mr. Chairman, much of our funds for drug abuse are administered through DEA—the Drug Enforcement Administration.

Mr. SCHEUER. The gentleman is correct.

Mr. CARTER. That is the drug enforcement agency; that is not NIDA, and Jerome Jaffe had nothing at all to do with that agency. Of course, his office expired as of June 30 of this year.

Mr. SCHEUER. Mr. Chairman, let me tell my honored colleague, the gentleman from Kentucky (Mr. CARTER), what he very well knows, and that is that the existence of SAODAP is exactly what we need in order to meet just exactly the problem he points out, and that much of the drug abuse problem comes under DEA, and there is no way on Earth that any GS-16 or GS-17 executive 5 levels down in HEW is going to get the head of DEA on the telephone, much less coordinate anything with him.

Mr. CARTER. Mr. Chairman, will the gentleman yield?

Mr. SCHEUER. I refuse to yield further.

Mr. Chairman, let me read to the Members what Paul Perito testified to, as to the need for coordinating DEA. He said as follows:

when methadone was leaking all over the country, you—

That is, the Congress—

directed the Special Action Office through Dr. Jaffe and myself to bring together DEA, the then Bureau of Narcotics and Dangerous Drugs, the Department of Justice, and every other agency concerned with methadone regulation.

It took nine months, nine long months, to promulgate those methadone regulations. Suffice it to say there were jurisdictional differences and, absent the authority that Dr. Jaffe had in attempting to fulfill the mandate of this Committee on that legislation, I think it is fair to say that methadone regs would have never been promulgated, that the seepage of methadone would not have been stopped, and the situation would never have been changed as this Committee wanted.

The CHAIRMAN. The time of the gentleman from New York (Mr. SCHEUER) has expired.

(By unanimous consent, Mr. SCHEUER was allowed to proceed for 2 additional minutes.)

Mr. CARTER. Mr. Chairman, will the gentleman yield?

Mr. SCHEUER. I yield to the gentleman from Kentucky only briefly. I only have 2 minutes.

Mr. CARTER. Mr. Chairman, I remember, of course, quite well when Dr. Jaffe was appointed. He and I were members of the group which formed that organization, and, of course, that self-destructed, as I mentioned, on the 30th of June of this year.

(By unanimous consent, Mr. SCHEUER was allowed to proceed for 1 additional minute.)

Mr. SCHEUER. Mr. Chairman, one last point from Paul Perito's testimony:

. . . anyone who deals or has dealt with the White House level realizes that the closer you are to the source of power, the more things you can get done and faster, and it is utter folly to think that someone who is on the fifth level of a byzantine bureaucracy of HEW can exercise the same clout to get things done than a man who is on Executive Level 2.

It seems to me transparently clear that we need this coordinating entity, and we need it desperately.

Therefore, Mr. Chairman, I call upon my colleagues to defeat this amendment.

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. SCHEUER. Yes, I yield to the gentleman from Florida.

Mr. ROGERS. Mr. Chairman, I commend the gentleman in the well for his statement. This bill is needed. It has been recommended by many Governors and by various State offices.

I would urge that the amendment be defeated.

Mr. CARTER. Mr. Chairman, I move the previous question on my amendment in the nature of a substitute.

The CHAIRMAN. Let the Chair say again that the motion of the previous question is not in order in the Committee of the Whole.

The question is on the amendment in the nature of a substitute offered by the gentleman from Kentucky (Mr. CARTER).

The question was taken; and on a division (demanded by Mr. CARTER) there were—ayes 28, noes 17.

Mr. ROGERS. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment in the nature of a substitute was agreed to.

The CHAIRMAN. The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. MOAKLEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 8150) to amend the Drug Abuse Office and Treatment Act of 1972, and for other purposes, pursuant to House Resolution 706, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted in the Committee of the Whole?

Mr. ROGERS. Mr. Speaker, I demand a separate vote on the so-called Carter amendment.

The SPEAKER. The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: Strike out all after the enacting clause and insert in lieu thereof the following:

That section 104 (21 U.S.C. 1104) of the Drug Abuse Office and Treatment Act of 1972 (hereinafter in this Act referred to as the "Act") is amended by inserting "(other than section 252 thereof)" after "TITLE II".

SEC. 2. (a) Section 224 of the Act (21 U.S.C. 1134) is repealed, and the table of sections at the beginning of title II of the Act is amended by striking out "224. Encouragement of certain research and development.".

(b) The repeal made by subsection (a) of this section shall not affect the continuing validity of any grant or contract made under section 224 of the Act prior to its repeal.

(c) Title V of the Act is amended by adding at the end thereof the following new section:

"§503. Encouragement of certain research and development.

"(a) In carrying out his functions under this title, the Director shall encourage and promote (by grants, contracts, or otherwise) expanded research programs to create, develop, and test—

"(1) synthetic analgesics, antitussives, and other drugs which are—

"(A) nonaddictive, or

"(B) less addictive than opium or its derivatives,

to replace opium and its derivatives in medical use;

"(2) long-lasting, nonaddictive blocking or antagonistic drugs or other pharmacological substances for treatment of heroin addiction; and

"(3) detoxification agents which, when administered, will ease the physical effects of withdrawal from heroin addiction.

In carrying out this section the Director is authorized to establish, or provide for the establishment of, clincial research facilities.

"(b) For purposes of carrying out subsection (a) of this section there are authorized to be appropriated $7,000,000 for the fiscal year ending June 30, 1976, $1,750,000 for the period July 1, 1976, through September 30, 1976, $7,000,000 for the fiscal year ending September 30, 1977, and $7,000,000 for the fiscal year ending September 30, 1978.".

(d) The table of sections at the beginning of title V of the Act is amended by adding at the end thereof the following new item:

"503. Encouragement of certain research and development.".

SEC. 3. (a) Section 502 of the Act is amended to read as follows:

"§ 502. Technical assistance to State and local agencies.

"(a) The Director shall

"(1) coordinate or assure coordination of the functions of the Institute with corresponding functions of State and local governments; and

"(2) provide for a central clearinghouse for Federal, State, and local governments, public and private agencies, and individuals seeking drug abuse information and assistance from the Federal Government.

"(b) In carrying out his functions under this section, the Director may

"(1) provide technical assistance—including advice and consultation relating to local programs, technical and professional assistance, and, where deemed necessary, use of task forces of public officials or other persons assigned to work with State and local governments—to analyze and identify State and local drug abuse problems and assist in the development of plans and programs to meet the problems so identified;

"(2) convene conferences of State, local, and Federal officials, and such other persons as the Director shall designate, to promote the purposes of this Act, and the Director is authorized to pay reasonable expenses of individuals incurred in connection with their participation in such conferences; and

"(3) draft and make available to State and local governments model legislation with respect to State and local drug abuse programs and activities.

"(c) In implementation of his authority under subsection (b)(1), the Director may—

"(1) take such action as may be necessary to request the assignment, with or without reimbursement, of any individual employed by any Federal department or agency and engaged in any Federal drug abuse prevention function or drug traffic prevention function to serve as a member of any such task force; except that no such person shall be so assigned during any one fiscal year for more than an aggregate of ninety days without the express approval of the head of the Federal department or agency with respect to which he was so employed prior to such assignment;

"(2) assign any person employed by the Institute to serve as a member of any such task force or to coordinate management of such task forces; and

"(3) enter into contracts or other agreements with any person or organization to serve on or work with such task forces.".

(b) The table of sections at the beginning of title V of the Act is amended by inserting therein the following item:

"502. Technical assistance to State and local agencies."

Sec. 4. (a) Section 252(b) of the Act (21 U.S.C. 1152(b)) is amended to read as follows:

"(b) The remaining members of the Council shall be appointed by the President. The appointive members of the Council shall represent a broad range of interests, disciplines, and expertise in the drug area and shall be selected from outstanding professionals, paraprofessionals, and others in the fields of medicine, education, science, the social sciences and other related disciplines, who have been active in the areas of drug abuse prevention, treatment, rehabilitation, training, or research. Of the members so appointed—

"(1) at least two shall be officials of State governments who are actively engaged in drug abuse prevention functions;

"(2) at least two shall be officials of local governments who are actively engaged in drug abuse prevention functions; and

"(3) at least two shall be former drug addicts or drug abusers.".

(b) Section 252 of the Act is amended by adding at the end thereof the following new subsection:

"(c) Each appointive member of the Council shall be appointed for a term expiring on June 30 of one of the first three calendar years following the year in which he is appointed, as designated by the President at the time of appointment, subject to the limitation that not more than four members may have terms scheduled to expire within any one year. The term of any member appointed pursuant to subsection (b)(1) or (b)(2) of this section shall expire in accordance with the preceding sentence or at such time as the member ceases to be a State or local governmental official actively engaged in drug abuse prevention functions, whichever is earlier. A member of the Council who has completed more than five consecutive years of service shall not be eligible for reappointment for a period of two years following the member's most recent period of five or more consecutive years of service. Any member of the Council may continue to serve as such after the expiration of the member's term unless and until his successor has been appointed and has qualified.".

(c) The term of any member of the National Advisory Council for Drug Abuse Prevention appointed prior to December 31, 1972, shall expire on June 30, 1975.

(d) Section 255 of the Act (21 U.S.C. 1155) is amended by adding at the end thereof the following new subsection:

"(c) The Council shall advise, consult with, and make recommendations to, the Secretary of Health, Education, and Welfare—

"(1) concerning matters relating to the activities and functions of the Secretary in the field of drug abuse, including, but not limited to, the development of new programs and priorities, the efficient administration of programs, and the supplying of needed scientific and statistical data and program information to professionals, paraprofessionals, and the general public; and

"(2) concerning policies and priorities respecting grants and contracts in the field of drug abuse.".

(e) The table of sections at the beginning of title V of the Act is amended by striking the following item:

"502. Establishment of National Advisory Council on Drug Abuse.".

(f) Section 217(e) of the Public Health Service Act (42 U.S.C. 218(e)) is repealed.

(g) The heading of title V of the Act is amended by striking "; NATIONAL ADVISORY COUNCIL ON DRUG ABUSE"

Sec. 5. Section 305 of the Act (21 U.S.C. 1165) is amended by striking "from time to time as the President deems appropriate, but not less than once a year" and inserting in lieu thereof "prior to June 1 of each year".

Sec. 6. (a) Section 407 of the Act (21 U.S.C. 1174) is amended to read as follows:

"§ 407. Admission of drug abusers to private and public hospitals.

"(a) Drug abusers who are suffering from medical conditions shall not be discriminated against in admission or treatment, solely because of their drug abuse or drug dependence, by any private or public general hospital which receives support in any form from any program supported in whole or in part by funds appropriated to any Federal department or agency.

"(b)(1) The Secretary is authorized to make regulations for the enforcement of the policy of subsection (a) with respect to the admission and treatment of drug abusers in hospitals which receive support of any kind from any program administered by the Secretary. Such regulations shall include procedures for determining (after opportunity for a hearing if requested) if a violation of subsection (a) has occurred, notification of failure to comply with such subsection, and opportunity for a violator to comply with such subsection. If the Secretary determines that a hospital subject to such regulations has violated subsection (a) and such violation continues after an opportunity has been afforded for compliance, the Secretary may suspend or revoke, after opportunity for a hearing, all or part of any support of any kind received by such hospital from any program administered by the Secretary. The Secretary may consult with the officials responsible for the administration of any other Federal program from which such hospital receives support of any kind, with respect to the suspension or revocation of such other Federal support for such hospital.

"(2) The Administrator of Veterans' Affairs, through the Chief Medical Director, shall, to the maximum feasible extent consistent with their responsibilities under title 38, United States Code, prescribe regulations making applicable the regulations prescribed by the Secretary under paragraph (1) of this subsection to the provision of hospital care, nursing home care, domiciliary care, and medical services under such title 38 to veterans suffering from drug abuse or drug dependence. In prescribing and implementing regulations pursuant to this paragraph, the Administrator shall, from time to time, consult with the Secretary in order to achieve the maximum possible coordination of the regulations, and the implementation thereof, which they each prescribe.".

(b) The Administrator of Veterans' Affairs shall submit to the appropriate committee of the House of Representatives and the Senate a full report (1) on the regulations (including guidelines, policies, and procedures thereunder) he has prescribed pursuant to section 407(b)(2) of the Act, (2) explaining the bases for any inconsistency between such regulations and regulations of the Secretary under section 407(b)(1) of the Act, (3) on the extent, substance, and results of his consultations with the Secretary respecting the prescribing and implementation of the Administrator's regulations, and (4) containing such recommendations for legislation and administrative actions as he determines are necessary and desirable. The Administrator shall submit such report not later than sixty days after the effective date of the regulations prescribed by the Secretary under such section 407(b)(1) and shall timely publish such report in the Federal Register.

(c) The item relating to section 407 in the table of sections of title IV of the Act is amended by striking out "hospitals for emergency treatment" and inserting in lieu thereof "private and public hospitals".

Sec. 7. The first sentence of section 409(a) of the Act (21 U.S.C. 1176(a)), is amended by changing "and $45,000,000 for the fiscal year ending June 30, 1975", to read "$45,000,000 for each of the fiscal years ending June 30, 1975, and June 30, 1976, $11,250,000 for the period July 1, 1976, through September 30, 1976, and $45,000,000 for each of the fiscal years ending September 30, 1977, and September 30, 1978,".

Sec. 8. (a) Section 409(c)(1) of the Act (21 U.S.C. 1176(c)(1)) is amended by (1) inserting "(A)" immediately after "(c)(1)", and (2) by inserting at the end thereof the following new subparagraphs:

"(B) Not later than June 15 of each year, the Secretary, after consultation with the Director of the National Institute on Drug Abuse, shall publish a notice of proposed rulemaking setting forth a formula to be used in making allotments pursuant to subparagraph (A) of this paragraph. Such notice of published rulemaking shall be in accordance with section 553 of title 5, United States Code, except that a sixty-day period shall be allowed for public comment.

"(C) Not later than the first day of each fiscal year, the Secretary shall publish final regulations setting forth the allotment formula to be used pursuant to subparagraph (A) of this paragraph in making allotments during such fiscal year.".

(b) The amendments made by subsection (a) of this section shall be effective with respect to fiscal years beginning on and after October 1, 1976.

Sec. 9. (a)(1) Section 409(e) of the Act (21 U.S.C. 1176(e)) is amended—

(A) by inserting in the first sentence thereof ", not later than July 15 of each calendar year," immediately after "Secretary";

(B) by inserting in the second sentence thereof "shall pertain to the twelve-month period commencing October 1 of the calendar year in which it is required to be submitted, and" immediately after "Each State plan";

(C) by changing "with assistance under this section;" in paragraph (4) thereof to read ", specifying the extent to which such functions are to be carried out with assistance under this section, and the extent to which they are to be carried out with assistance from other sources, non-Federal as well as Federal;";

(D) by inserting "in accordance with such needs" immediately before the semicolon at the end of paragraph (5) thereof;

(E) by inserting immediately after "on a merit basis", in paragraph (8) thereof, "and the certification, credentialing, and training, as appropriate, for drug abuse prevention program professionals and paraprofessionals";

(F) by striking "and" at the end of paragraph (11) thereof;

(G) by redesignating paragraph (12) thereof as paragraph (13); and

(H) by inserting immediately after paragraph (11) thereof the following new paragraph:

"(12) establish procedures for—

"(A) the allocation of Federal and other funds received by the State for drug abuse prevention functions, and

"(B) the making of grants and contracts by the State from funds referred to in subparagraph (A); and".

(2) The amendments made by paragraph (1) shall take effect January 1, 1976.

(b)(1) Section 409(f) of the Act is amended by adding at the end the following: "A State plan submitted under subsection (e) may also contain provisions relating to alcoholism or mental health. The Secretary, acting through the National Institute on Drug Abuse, shall establish procedures by which the National Institute on Drug Abuse shall review each State plan submitted pursuant to subsection (e) and under which it shall complete its review of each such plan not later than September 15 of the calendar year in which the plan is submitted, or not later than sixty days after the plan is received by the National Institute on Drug Abuse, whichever is later.".

(2) The amendment made by paragraph (1) shall take effect January 1, 1976.

(c) Section 409 of the Act is amended by inserting after subsection (g) the following new subsection:

"(h) Any application for a grant under this section shall be subject to the same review and approval or disapproval as is provided under section 1513(e) of the Public Health Service Act for proposed uses of Federal funds appropriated under that Act.".

SEC. 10. Section 410(a) of the Act (21 U.S.C. 1177 (a)) is amended by adding at the end thereof the following: "In the implementation of his authority under this section, the Secretary shall accord a high priority to applications for grants or contracts for primary prevention programs. For purposes of the preceding sentence, a primary prevention program is a program designed to discourage persons from beginning drug abuse. To the extent that appropriations authorized under this section are used to fund treatment services, the Secretary shall not limit such funding to treatment, for opiate abuse, but shall also provide support for treatment for non-opiate drug abuse including polydrug abuse.".

SEC. 11. Section 410(b) of the Act (21 U.S.C. 1177 (b)) is amended by changing "and $160,000,000 for the fiscal year ending June 30, 1975," to read "$160,000,000 for each of the fiscal years ending June 30, 1975 and June 30, 1976; $40,000,000 for the period July 1, 1976, through September 30, 1976; and $160,000,000 for each of the fiscal years ending September 30, 1977, and September 30, 1978,".

SEC. 12. Section 410(c)(2) of the Act (21 U.S.C. 1177(c)(2)) is amended by inserting immediately after the first sentence thereof the following new sentence: "In making its review of any such application (whether initial or renewal) the State agency shall take into account the allocation prescribed under section 409(e)(12) for funds received by the State for drug abuse prevention functions in the fiscal year in which the grant applied for would be made.".

SEC. 13. Section 410(c) of the Act (21 U.S.C. 1177(c)) is amended by adding at the end thereof the following new paragraph:

"(4) Any application for a grant or contract under this section for the provision of treatment services within a State shall be subject to the same review and approval or disapproval as is provided under section 1513(e) of the Public Health Service Act for proposed uses of Federal funds appropriated under that Act.".

SEC. 14. (a) Title V of the Act is amended by adding at the end thereof the following new section:

"§ 504. Statistical records.

"(a) For the purpose of this section—

"(1) the term 'patient' shall have the same meaning as used in, and defined under regulations issued pursuant to, section 408 of this Act;

"(2) the terms 'maintain' and 'system of records', shall have the meanings defined in section 552a(a) of title 5, United States Code; and

"(3) the term 'statistical records', shall have the same meaning as used in section 552a(k)(4) of title 5, United States Code.

"(b) Any system of records maintained by the Institute containing information about patients (other than patients directly receiving clinical services from the Institute) shall be maintained and used solely as statistical records.".

(b) The table of sections at the beginning of title V of the Act is amended by adding at the end thereof the following item:

"504. Statistical records.".

SEC. 15. (a) Title II of the Act is amended by inserting after chapter 3 the following new chapter:

"Chapter 4.—TRANSFER

"Sec.

"261. Transfer to National Institute on Drug Abuse.

"§ 261. Transfer to National Institute on Drug Abuse.

"(a) Effective June 29, 1975, the functions, powers, and duties of the Director under chapters 1, 2, and 3 of this title and under section 413 of title IV are transferred to the Director of the National Institute on Drug Abuse.

"(b) So much of the positions, personnel, assets, liabilities, contracts, property, records, and unexpended balances of authorizations, allocations, and other funds, which the Director of the Office of Management and Budget determines (1) were employed, held, used, or available to be made available in connection with the functions, powers, and duties transferred by subsection (a), or (2) arose from such functions, powers, and duties, shall be transferred to the Director of the National Institute on Drug Abuse.

"(c) All orders, determinations, rules, regulations, and contracts—

"(1) which have been issued, made, or allowed to become effective by the Director of the Office in the exercise of duties, powers, or functions which are transferred under subsection (a) or by any court of competent jurisdiction, and

"(2) which are in effect on June 28, 1975, shall continue in effect according to their terms until modified, terminated, superseded, set aside, or repealed by the Director of the National Institute on Drug Abuse (in the exercise of any function, power, or duty transferred to him by subsection (a)), by any court of competent jurisdiction, or by operation of law.

"(d)(1) Except as provided in paragraph (2), the provisions of this section shall not affect suits commenced prior to June 29, 1975, and relating to a function, power, or duty transferred by subsection (a) and in all such suits proceedings shall be had, appeals taken, and judgments rendered, in the same manner and effect as if this section had not been enacted.

"(2) If before June 29, 1975, the Director of the Office or any officer of the Office in his official capacity, is a party to a suit which relates to a function, power, or duty transferred by subsection (a), then such suit may be continued by or against the Director of the National Institute on Drug Abuse to the extent that such suit relates to such a function, power, or duty. The appropriate court shall at any time, on its own motion or that of any party, enter an order which will give effect to the provisions of this paragraph.

"(e) With respect to any function, power, or duty transferred by subsection (a) and exercised after June 29, 1975, reference in any other Federal law to the Director of the Office in connection with a function, power, or duty transferred by subsection (a) shall be deemed to mean the Director of the National Institute on Drug Abuse.".

(b) The table of chapters of title II of the Act is amended by inserting at the end thereof the following new item:

"4. Transfer .... 261".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER. The question is on the amendment.

The question was taken and the Speaker announced that the ayes appear to have it.

Mr. ROGERS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 167, nays 235, not voting 31, as follows:

[Roll No. 509]

YEAS—167

Abdnor
Andrews, N. Dak.
Archer
Armstrong
Ashbrook
Bauman
Beard, Tenn.
Bell
Bennett
Bevill
Bonker
Breaux
Breckinridge
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Carter
Casey
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Conlan
Coughlin
Crane
Daniel, Dan
Daniel, R. W.
Danielson
de la Garza
Devine
Dickinson
Downing, Va.
Duncan, Oreg.
Duncan, Tenn.
du Pont
Edwards, Ala.
Esch
Eshleman
Evins, Tenn.
Fenwick
Findley
Fish
Flynt
Forsythe
Fountain
Goldwater
Goodling
Gradison
Grassley
Guyer
Hagedorn
Haley
Hammerschmidt
Hansen
Harsha
Hays, Ohio
Hechler, W. Va.
Henderson
Hicks
Hightower
Hillis
Hinshaw
Holt
Hubbard
Hutchinson
Hyde
Ichord
Jeffords
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Tenn.
Kasten
Kazen
Kelly
Kemp
Ketchum
Kindness
Krueger
Lagomarsino
Landrum
Latta
Lent
Lloyd, Tenn.
Lott
Lujan
McCollister
McDade
McDonald
McEwen
McKinney
Madigan
Mahon
Martin
Mathis
Mazzoli
Michel
Milford
Miller, Ohio
Mitchell, N.Y.
Moore
Moorhead, Calif.
Mosher
Myers, Ind.
Myers, Pa.
Natcher
O'Brien
Perkins
Pettis
Poage
Pressler
Pritchard
Quie
Quillen
Railsback
Randall
Regula
Rhodes
Roberts
Robinson
Rousselot
Runnels
Ruppe
Satterfield
Schulze
Sebelius
Sharp
Shriver
Shuster
Sisk
Skubitz
Smith, Nebr.
Snyder
Spence
Stanton, J. William
Steelman
Steiger, Wis.
Stephens
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thone
Treen
Vander Jagt
Waggonner
Walsh
Wampler
Weaver
Whalen
White
Whitehurst

Whitten
Wiggins
Wilson, Bob
Winn
Wydler
Wylie
Young, Fla.

NAYS—235

Abzug
Adams
Alexander
Ambro
Anderson, Calif.
Andrews, N.C.
Annunzio
Ashley
AuCoin
Badillo
Bafalis
Baldus
Barrett
Baucus
Beard, R.I.
Bedell
Bergland
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bowen
Brademas
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burton, Phillip
Carney
Carr
Chisholm
Clay
Cohen
Collins, Ill.
Conable
Conte
Conyers
Corman
Cornell
Cotter
D'Amours
Daniels, N.J.
Davis
Delaney
Dellums
Dent
Derrick
Dingell
Dodd
Downey, N.Y.
Drinan
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Emery
English
Evans, Colo.
Fascell
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Frenzel
Frey
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Green
Gude
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Hastings
Hawkins
Hayes, Ind.
Heckler, Mass.
Hefner
Heinz
Helstoski
Holland
Holtzman
Horton
Howard
Howe
Hughes
Hungate
Jacobs
Jenrette
Johnson, Calif.
Jones, Okla.
Jordan
Karth
Kastenmeier
Keys
Koch
Krebs
LaFalce
Leggett
Lehman
Levitas
Litton
Lloyd, Calif.
Long, La.
Long, Md.
McCloskey
McCormack
McFall
McHugh
McKay
Macdonald
Madden
Maguire
Mann
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mills
Mineta
Minish
Mitchell, Md.
Moakley
Moffett
Mollohan
Montgomery
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murtha
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Peyser
Pickle
Pike
Preyer
Price
Rangel
Rees
Reuss
Richmond
Riegle
Rinaldo
Risenhoover
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rostenkowski
Roush
Roybal
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Schroeder
Seiberling
Shipley
Simon
Slack
Smith, Iowa
Solarz
Spellman
Staggers
Stanton, James V.
Stark
Steed
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Thompson
Thornton
Traxler
Tsongas
Ullman
Vander Veen
Vanik
Vigorito
Waxman
Wilson, C. H.
Wilson, Tex.
Wirth
Wolff
Wright
Yates
Yatron
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NOT VOTING—31

Addabbo
Anderson, Ill.
Aspin
Burke, Fla.
Burton, John
Cleveland
Cochran
Collins, Tex.
Derwinski
Diggs
Erlenborn
Evans, Ind.
Fary
Fraser
Hébert
Jarman
Jones, Ala.
McClory
Matsunaga
Mink
Murphy, N.Y.
Passman
Pepper
Rosenthal
Scheuer
Schneebeli
Sikes
Steiger, Ariz.
Udall
Van Deerlin
Young, Alaska

So the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Addabbo against.

Mr. Sikes for, with Mr. Matsunaga against.

Mr. Passman for, with Mr. Murphy of New York against.

Mr. Jarman for, with Mr. Rosenthal against.

Mr. Steiger of Arizona for, with Mr. Diggs against.

Mr. Young of Alaska for, with Mrs. Mink against.

Mr. Burke of Florida for, with Mr. Van Deerlin against.

Mr. Collins of Texas for, Mr. Mr. Pepper against.

Until further notice:

Mr. Udall with Mr. Fary.

Mr. Fraser with Mr. Aspin.

Mr. Evans of Indiana with Mr. Burton, John L.

Mr. Scheuer with Mr. Anderson of Illinois.

Mr. Cochran with Mr. Derwinski.

Mr. Schneebeli with Mr. Erlenborn.

Mr. Cleveland with Mr. Jones of Alabama.

The result of the vote was announced as above recorded.

The **SPEAKER**. The question is on the committee amendment.

The committee amendment was agreed to.

The **SPEAKER**. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The **SPEAKER**. The question is on the passage of the bill.

Mr. **ROGERS**. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 382, nays 11, not voting 40, as follows:

[Roll No. 510]

YEAS—382

Abdnor
Abzug
Adams
Alexander
Ambro
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashley
AuCoin
Badillo
Bafalis
Baldus
Barrett
Baucus
Bauman
Beard, R.I.
Bedell
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Casey
Cederberg
Chappell
Chisholm
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cochran
Cohen
Collins, Ill.
Conable
Conlan
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Devine
Dickinson
Dingell
Dodd
Downing, Va.
Downey, N.Y.
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flowers
Flynt
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Frenzel
Frey
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Green
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harkin
Harrington
Harris
Harsha
Hastings
Hawkins
Hayes, Ind.
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hicks
Hightower
Hillis
Hinshaw
Holland
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kasten
Kastenmeier
Kazen
Kemp
Ketchum
Keys
Kindness
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
McCloskey
McCollister
McCormack
McDade
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Maguire
Mahon
Mann
Martin
Mathis
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Michel
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mineta
Minish
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Risenhoover
Roberts
Robinson
Rodino
Roe
Rogers
Rooney
Rose
Rostenkowski
Roush
Rousselot
Roybal
Runnels
Ruppe
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Satterfield
Scheuer
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Stanton, J. William
Steed
Steelman
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Wylie
Yates
Yatron
Young, Fla.
Young, Ga.
Zablocki
Zeferetti

NAYS—11

Beard, Tenn.
Brown, Mich.
Crane
Holt
Kelly
McDonald
McEwen
Madigan
Shuster
Symms
Wydler

NOT VOTING—40

Addabbo
Anderson, Ill.
Ashbrook
Aspin
Brown, Ohio
Burke, Fla.
Burton, John
Cleveland
Collins, Tex.
Derwinski
Diggs
Eckhardt
Erlenborn
Evans, Ind.
Fary
Fraser
Hays, Ohio
Hébert
Jarman
Jones, Ala.
McClory
Matsunaga
Mills
Mink
Murphy, N.Y.
Nowak
Passman
Pepper
Quillen
Roncalio
Rosenthal
Schneebeli
Staggers
Stanton, James V.
Stark
Steiger, Ariz.
Udall
Van Deerlin
Young, Alaska
Young, Tex.

So the bill was passed.

The Clerk announced the following pairs:

Mr. Addabbo with Mr. Aspin.
Mr. Hébert with Mr. Murphy of New York.
Mr. Matsunaga with Mr. Fary.
Mr. Passman with Mr. James V. Stanton.
Mr. Hays of Ohio with Mr. Nowak.
Mr. John L. Burton with Mr. Derwinski.
Mr. Evans of Indiana with Mr. Collins of Texas.
Mr. Diggs with Mr. Van Deerlin.
Mr. Udall with Mr. Mills.
Mr. Stark with Mr. Anderson of Illinois.
Mr. Staggers with Mr. Burke of Florida.
Mr. Rosenthal with Mr. McClory.
Mr. Roncalio with Mr. Ashbrook.
Mr. Fraser with Mr. Cleveland.
Mr. Eckhardt with Mr. Erlenborn.
Mr. Jones of Alabama with Mr. Brown of Ohio.
Mrs. Mink with Mr. Jarman.
Mr. Pepper with Mr. Quillen.
Mr. Steiger of Arizona with Mr. Schneebeli.
Mr. Young of Alaska with Mr. Young of Texas.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. ROGERS. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce be discharged from further consideration of the Senate bill (S. 2017) to amend the Drug Abuse Office and Treatment Act of 1972, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 2017

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 101 (21 U.S.C. 1101) of the Drug Abuse Office and Treatment Act of 1972 (hereinafter in this Act referred to as the "Act") is amended by adding at the end thereof the following new paragraph:

"(10) Although the three-year period subsequent to the original enactment of this Act saw a significant reduction in the rate of increase of drug abuse, and during certain periods of time and, in certain areas of the country, an apparent reduction in its incidence, the increase and spread of heroin consumption in 1974, as well as continuing problems with other drugs, make it clear that governmental policy must be predicated on a recognition that drug abuse must be dealt with on a continuing basis, rather than as a crisis which can be attacked and forgotten.".

Sec. 2. Section 102 of the Act (21 U.S.C. 1102) is amended by striking "immediate objective of significantly reducing the shortest possible period of time, and to develop" and inserting in lieu thereof "objective of significantly reducing the incidence, as well as the social and personal costs, of drug abuse in the United States, and to develop and assure the implementation of".

Sec. 3. Section 103(b) of the Act (21 U.S.C. 1103(b)) is amended by striking "education training," and inserting in lieu thereof "education or training (including preventive efforts directed to non-users and marginal users),".

Sec. 4. (a) Section 104 of the Drug Abuse Office and Treatment Act of 1972 is amended by striking "1975" and inserting in lieu thereof "January 1, 1976".

(b) For the purposes of carrying out the functions of the Director, there are authorized to be appropriated such sums as may be necessary to carry out the provisions of titles II and III of this Act.

(c) The amendment made by subsection (a) of this section shall take effect June 29, 1975, and for the purposes of section 12 of the Revised Statutes (1 U.S.C. 28) shall be deemed to have been enacted on such date.

Sec. 5. Section 305 of the Act (21 U.S.C. 1165) is amended by striking "from time to time as the President deems appropriate, but not less often than once a year" and inserting in lieu thereof "prior to June 1 of each year".

Sec. 6. Section 407 of the Act (21 U.S.C. 1174) and the heading of such section are each amended by striking "emergency", and the word "refused" and by inserting in lieu thereof "discriminated against in", and amending where appropriate the table of sections at the beginning of title IV of the Act.

Sec. 7. (a) The first sentence of section 409(a) of the Act (21 U.S.C. 1176(a)), is amended by striking "and $45,000,000 for the fiscal year ending June 30, 1975," and inserting in lieu thereof "$45,000,000 for each of the fiscal years ending June 30, 1975, and June 30, 1976, $11,250,000 for the period July 1, 1976, through September 30, 1976, and $45,000,000 for each of the fiscal years ending September 30 1975, and September 30, 1978,".

(b) Section 409(c) of the Act is amended by adding at the end thereof the following new paragraphs:

"(3) In determining, for the purposes of paragraph (1), the extent of need for more effective conduct of drug abuse prevention functions, the Secretary shall (within one hundred and eighty days after the date of enactment of this paragraph) by regulation establish a methodology to assess and determine the incidence and prevalence of drug abuse to be applied in determining such need.

"(4) The Secretary may authorize a State to use a portion of its allotment under this subsection to carry out a study to determine the incidence and prevalence of drug abuse in such State in accordance with the methodology established under paragraph (3).".

(c) Section 409(c)(1) of the Act is further amended by inserting "or, after the effective date of any regulation issued pursuant to paragraph (3) of this subsection $200,000," immediately after "shall be less than $100,000".

Sec. 8. (a) Section 409(e)(5) of the Act (21 U.S.C. 1176(e)(5)) is amended by inserting "in accordance with such needs" immediately before the semicolon at the end thereof.

(b) Section 409(e) of the Act (21 U.S.C. 1176(e)) is amended by (a) striking "and" at the end of paragraph (11) and redesignating "(12)" to "(14)"; and (b) inserting the following:

"(12) in carrying out the provisions of subsection (e)(5) each State shall establish a system of substate planning for the purpose of providing the State with information regarding existing and projected substate needs and resources for drug abuse treatment and rehabilitation facilities, and a plan for the development and distribution of such facilities and programs throughout the planning area. The State must provide written assurance that (1) a mechanism for substate planning has been established and demonstrate how substate information will be utilized in the State planning process; and (2) the State agency will provide a mechanism for obtaining information from elected officials of units of general purpose government, that is, cities and counties, as well as individuals who are providing either treatment per se, or who are engaged in the provision of ancillary services to drug programs or their clients. This information shall be used by the State to determine the methods for dealing with drug abuse in such an area and designing programs for the actual delivery of services in this area; and

"(13) provide reasonable assurances that treatment or rehabilitation projects or programs supported by funds made available under this section have provided to the single State agency a proposed performance standard or standards or research protocol to measure the effectiveness of such treatment or rehabilitation programs or projects; and".

Sec. 9. Section 410(b) of the Act (21 U.S.C. 1177(b)) is amended by striking "and $160,000,000 for the fiscal year ending June 30, 1975," and inserting in lieu thereof "$160,000,000 for each of the fiscal years ending June 30, 1975, and June 30, 1976; and $160,000,000 for each of the fiscal years ending September 30, 1977, and September 30, 1978,".

Sec. 10. Section 410(c) of the Act (21 U.S.C. 1177(c)) is amended by adding at the end thereof the following new paragraphs:

"(4) In the implementation of his authority under this section, the Secretary shall accord primary prevention a high priority. To the extent that appropriations authorized under this section are used to fund treatment services, the Secretary shall not limit such funding to treatment for opiate abuse, but shall also provide support for treatment for nonopiate drug abuse including polydrug abuse.

"(5) Each applicant within a State, upon filing its application with the Secretary for a grant or contract to provide treatment or rehabilitation services shall provide a proposed performance standard or standards, or research protocol, to measure the effectiveness of such treatment or rehabilitation program or project.".

Sec. 11. Title V of the Act is amended by adding at the end thereof the following new section:

"§ 503. Encouragement of certain research and development.

"In carrying out his functions under this title, the Director shall encourage and promote (by grants, contracts, or otherwise) expanded research programs to create, develop, and test—

"(1) nonaddictive or less-addictive synthetic analgesics, antitussives and other drugs to replace opium and its derivatives in medical use;

"(2) long-lasting, nonaddictive blocking or antagonistic drugs or other pharmacological substances for treatment of heroin addiction; and

"(3) detoxification agents which, when administered, will ease the physical effects of withdrawal from heroin addiction.

In carrying out this section the Director is authorized to establish, or provide for the establishment of, clinical research facilities.".

(d) The table of sections at the beginning of title V of the Act is amended by adding at the end thereof the following new item:

"503. Encouragement of certain research and development.".

MOTION OFFERED BY MR. ROGERS

Mr. ROGERS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Rogers moves to strike out all after the enacting clause of the Senate bill S. 2017 and to insert in lieu thereof the provisions of H.R. 8150, as passed.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 8150) was laid on the table.

PERMISSION FOR MANAGERS TO HAVE UNTIL MIDNIGHT FRIDAY, SEPTEMBER 12, 1975, TO FILE CONFERENCE REPORT ON H.R. 4005, DEVELOPMENTAL DISABILITY AMENDMENTS OF 1975

Mr. ROGERS. Mr. Speaker, I ask unanimous consent that the managers may have until midnight, Friday, September 12, 1975, to file a conference report on H.R. 4005, Developmental Disability Amendments of 1975.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

GENERAL LEAVE

Mr. ROGERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill (H.R. 8150) just passed.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

FURTHER LEGISLATIVE BUSINESS FOR THIS WEEK AND FOR WEEK OF SEPTEMBER 15, 1975

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, I take this time for the purpose of inquiring of the distinguished majority leader as to the program for the balance of this week and the program for next week.

Mr. O'NEILL. Mr. Speaker, if the acting minority leader will be kind enough to yield, I will be happy to respond.

Mr. MICHEL. I am happy to yield to the distinguished majority leader.

Mr. O'NEILL. Mr. Speaker, we have concluded business for this week.

The program for the House of Representatives for the week of September 15, 1975, is as follows:

On Monday and Tuesday there will be no legislative business because of the religious holidays.

On Wednesday and the balance of the week, we will take up H.R. 7014, Energy Conservation and Oil Policy Act, votes on amendments and the bill.

Then we will take up H.R. 6844, consumer product safety, votes on amendments and the bill.

Following that, we will take up H.R. 5620, construction of mint buildings, with an open rule and 1 hour of debate.

Next, we will take up H.R. 8757, river basin authorizations, with an open rule and 1 hour of debate.

Then we will take up H.R. 7656, beef research and information, with an open rule and 1 hour of debate.

Conference reports may be brought up at any time, and any further program will be announced later.

May I say that the first item for Wednesday next which we will bring up is H.R. 7014, the Energy Conservation and Oil Policy Act. Under that bill, the first item would be a vote on the Brown amendment, which would come immediately, because the vote was pending when we adjourned and took that bill off the calendar.

Therefore, that should be the first vote, and we should notify the Members on both sides of the aisle that they should be here promptly on Wednesday because there will be a rollcall vote at that time.

Mr. MICHEL. May I ask the majority leader, is it not true that on the last bill, on H.R. 7656, we have already adopted the rule?

Mr. O'NEILL. The gentleman is correct.

Mr. MICHEL. Does the majority leader have in mind several unanimous-consent requests?

Mr. O'NEILL. I have.

ADJOURNMENT TO MONDAY, SEPTEMBER 15, 1975

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachuestts?

There was no objection.

ADJOURNMENT FROM MONDAY, SEPTEMBER 15, 1975, TO WEDNESDAY, SEPTEMBER 17, 1975

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns on Monday, September 15, 1975, it adjourn to meet on Wednesday, September 17, 1975.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AUTHORIZING CLERK TO RECEIVE MESSAGES FROM THE SENATE AND THE SPEAKER TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS NOTWITHSTANDING ADJOURNMENT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until Wednesday, September 17, 1975, the Clerk be authorized to receive messages from the Senate and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. BROWN of Ohio. Mr. Speaker, reserving the right to object, will the gentleman yield?

Mr. O'NEILL. I will be happy to yield to the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Speaker, the question of H.R. 7014, which is scheduled for Wednesday next, brings this thought to mind: Is it correct that immediately upon our taking up that legislation there will be a vote on the motion to strike the pricing provisions from that legislation and that that vote occurs immediately upon taking up the legislation, because under the rules of debate that were established by agreement or by unanimous consent at the time that the debate was being pursued before we adjourned on August 1, we had no opportunity to debate the motion that was pending.

Mr. O'NEILL. The gentleman is correct. That is why I have urged all of the Members to be present at noontime on Wednesday next.

Mr. BROWN of Ohio. I thank the gentleman.

The SPEAKER. Is there an objection to the request of the gentleman from Massachusetts?

There was no objection.

AUTHORIZING SPEAKER TO ACCEPT RESIGNATIONS AND APPOINT COMMISSIONS, BOARDS, AND COMMITTEES AUTHORIZED BY LAW OR BY THE HOUSE NOTWITHSTANDING ADJOURNMENT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that notwithstanding adjournment of the House until September 17, 1975, the Speaker be authorized to accept resignations and to appoint commissions, boards, and committees authorized by law or by the House.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, and I shall not object, I do so only for the purpose of asking the gentleman from Massachusetts, the majority leader, a question. Earlier today, Mr. Speaker, we passed a resolution extending the energy allocation law for 45 days. I believe that some of the Members thought there might be final action taken in the other body today, and that we would be here this afternoon, if necessary, if further action was needed. I wonder if the gentleman from Massachusetts could inform the Members as to the status of this legislation at the present time.

Mr. O'NEILL. Mr. Speaker, in answer to the inquiry of the gentleman from Maryland, may I say that to my knowledge there is some controversy in the other body but there has been no action taken at this time, from what I understand. We are hoping that after we adjourn here that the Senate will accept our resolution as it passed in the House. If it does not, then it would be a matter that in all probability would have to go to conference committee on Wednesday next.

Mr. BAUMAN. I thank the gentleman.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts.

There was no objection.

DISPENSING WITH BUSINESS IN ORDER UNDER THE CALENDAR WEDNESDAY RULE ON WEDNESDAY NEXT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule may be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PERSONAL EXPLANATION

Mr. RONCALIO. Mr. Speaker, on the rollcall which has just been completed, I ask that the permanent Record show that I was unavoidably detained. Had I been present and voting, I would have voted "aye."

The SPEAKER. The gentleman's statement will appear in the Record.

COMMUNICATION FROM CHAIRMAN ON COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

The SPEAKER laid before the House the following communication from the chairman of the Committee on Standards of Official Conduct:

Washington, D.C.,
September 10, 1975.

Hon. Carl Albert,
The Speaker, House of Representatives,
Washington, D.C.

Dear Mr. Speaker: By letter dated 5 September 75, you were informed that on 29 August 1975, Representative Michael J. Harrington had filed a complaint, in writing and under oath, against the Chairman and 16 other Members of the House Committee on Armed Services. A copy of the complaint, alleging willful violation of House Rule X 4 (e) (2) (B) by the named Members, was attached.

Four of the Members named in the complaint are Members of this Committee. In order to schedule the complaint for consideration by the Committee you are, pursuant to House Rule X 4(e) (2) (D), requested to designate three Members from the majority party to act as Members of this Committee to sit in lieu of Representatives Price, Hébert and Bennett, and one Member from the minority party to sit in lieu of Representative Mitchell of New York.

Respectfully,

John J. Flynt, Jr.,
Chairman.

Floyd Spence,
Ranking Minority Member.

DESIGNATION OF MEMBERS TO SIT WITH AND ACT AS MEMBERS OF THE COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

The SPEAKER. Pursuant to rule X, clause 4(e) (2) (D), the Chair designates the following Members of the House to sit with and act as members of the Committee on Standards of Official Conduct in all committee proceedings relating to the complaint filed with that committee by Representative Harrington, of Massachusetts, and the operation of this clause: The gentleman from South Carolina, Mr. Mann; the gentleman from Utah, Mr. McKay; the gentleman from New Jersey, Mr. Florio, and the gentleman from California, Mr. Wiggins.

HUD NEGLECT CAUSES ADDITIONAL PROBLEMS FOR HOUSING SUBSIDY PROGRAMS

(Mr. BARRETT asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BARRETT. Mr. Speaker, the GAO in a report released Tuesday, September 9, charges the Department of Housing and Urban Development with negligence in allowing 110,000 American homeowners to cheat the Federal Government out of $25 million in Federal mortgage subsidy payments last year. Mr. Speaker, this is just another demonstration of the inadequacies of the Department of Housing and Urban Development's administration of the FHA subsidized housing programs. In January of 1973 the Nixon administration abruptly and without warning terminated the section 235 homeownership program, the section 236 rental subsidy program, the rent supplement program, and the conventional public housing program. At that time and for the past 2 years, the Republican administration has charged that the programs were filled with scandal, were unworkable, and have cost the taxpayer's untold sums of money.

But we are beginning to see, Mr. Speaker, that it was not these housing subsidy programs as such that have caused numerous and demonstrated problems, but the complete lack of proper administration. This particular GAO report charges that the Housing and Urban Development Department has not complied with the legislative intent of the Congress in enacting the 1968 Housing and Urban Development Act. In that act we provided that the Department must certify, at least every other year, that the incomes of the families receiving the subsidies must fall within the income eligibility requirements.

According to this GAO report, the Department failed miserably in living up to this provision. The report cites "weaknesses in the procedures and practices" of HUD for massive overpayments on the part of the Federal Government on the home mortgage subsidy program, the so-called 235 program. This situation has led to a loss to the taxpayers of some $25 million. When the homeowner's income under the section 235 program rises, the subsidy on the mortgage payment should decline in relation to the increase of his income. Apparently, the Department has not bothered to follow the intent of Congress in this particular aspect.

Mr. Speaker, this and many other reasons is why I intend to conduct a wide ranging investigation and evaluation of the FHA and its maladministration by the Department of Housing and Urban Development. At this early stage, it is my belief that the reasons we have had so many failures in the Department of Housing and Urban Development is that the administration has failed to run the programs as the Congress set forth.

Mr. Speaker, I include, following my remarks, the article that appeared in the Washington Post on September 10, 1975, concerning the report on the GAO study:

HOMEOWNERS CHEATING UNITED STATES—HUD OUT $25 MILLION, GAO FINDS

(By Charles A. Krause)

Negligence on the part of federal housing officials allowed 110,000 American homeowners to cheat the government out of about $25 million in federal mortgage subsidy payments last year, according to a General Accounting Office report released yesterday.

The GAO report blames "weaknesses in the procedures and practices" of the Department of Housing and Urban Development for massive overpayments, which accounted for more than 10 per cent of the $205 million HUD spent last year on the department's home mortgage subsidy program.

Although GAO auditors uncovered several ways that participants in the mortgage subsidy program were able to cheat the government, the most costly abuse resulted from widespread understatement of annual incomes by homeowners.

The 1968 housing act that created the mortgage subsidy program, which was designed to encourage low- and moderate-income Americans to become homeowners, requires participants to pay at least 20 per cent of their adjusted gross income toward their mortgages. The federal government assumes most of the additional mortgage costs.

In 1972, to guard against the very abuses uncovered in the GAO report, HUD initiated a procedure whereby participants in the program signed consent agreements to allow HUD to check the homeowners' income statements with their tax returns, filed with the Internal Revenue Service.

This procedure was designed to insure that participants in the program were not underreporting their income to HUD and thereby receiving more of a subsidy than they were entitled to. "HUD officials advised us that they have not felt the need to implement this procedure," the GAO report said.

However, GAO auditors checked income statements against tax returns and estimated that 60,000 of the mortgage subsidy program's 400,000 participants were underreporting, which resulted in $15.4 million in overpayments by HUD last year.

The GAO report estimated that 29,000 of those who underreported did so by not including secondary sources of income such as part-time jobs. "The remaining 31,000 who reported all sources of income simply understated the amount of their income," the GAO report said.

"Furthermore, on the basis of the incomes reported to IRS, we estimated that 13,800 of these (60,000) homeowners had incomes so high that they were ineligible to receive any assistance under the program."

To correct the widespread underreporting, GAO's Henry Eschwege recommended in a letter sent last week to HUD Secretary Carla A. Hills that HUD develop a program to "compare incomes reported [by program participants to lending institutions] with those reported to the Internal Revenue Service," as HUD is authorized to do.

Hills declined to comment on the GAO report until she has read it. She may implement or ignore the GAO recommendations but, by law, HUD must officially comment on them within 60 days.

HUD's problems administering the federal mortgage subsidy program are complicated by the department's dependence on private banks and other financial institutions that hold the subsidized mortgages.

The financial institutions are responsible for certifying that the homeowners' yearly income statements are correct. GAO investigators found many institutions were not performing this function properly.

At the same time, the GAO report said, local HUD officials were not monitoring banks to ensure that the financial institutions were carrying out their responsibilities. This failure resulted in $10 million in subsidy overpayments to homeowners, the report said.

Eschwege recommended to Hills that HUD "implement an effective program under which your field offices periodically visit mortgagees [financial institutions] to evaluate practices for obtaining homeowners' " income statements.

The GAO report is the latest criticism of the nearly dormant federal mortgage subsidy program, which has had serious problems almost from its beginning in 1969.

In early 1973, President Nixon placed a moratorium, which has not been lifted, on the program. Nevertheless, HUD is committed to subsidizing about 400,000 mortgages authorized before the freeze and the agency will ultimately pay more than $3 billion before the program ends.

BUREAUCRATIC BUNGLING

(Mr. ROUSH asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ROUSH. Mr. Speaker, it has reached the point where I am afraid to pick up the daily newspaper because the latest estimate of overpayment by the Social Security Administration of benefits under the SSI program seems to advance daily.

We began with the notification that in the first 18 months of the program there were overpayments totaling $403.7 million and that there was an error rate of 23 percent for payments during the first half of the year.

The Agency's commissioner, James Cardwell, testified on Monday that the latest estimate of overpayment to recipients as of June 30 totaled $461 million—but they may exceed $800 million. The $800 million is shocking enough, but the wide variation in what the expected overpayment may turn out to be increases my concern about the whole operation. No wonder there are overpayments if even the projected overpayment varies within a range of $400 million.

I am a supporter of the SSI program, but I do not support overpayment, duplicate payments and payments to ineligible clients—all of which seem to be involved. In addition to overpayments inevitably this kind of mismanagement and bureaucratic bungling results in underpayments to others whom the program is supposed to serve. So in effect the program the Congress passed to replace State-administered old age assistance and welfare for blind and disabled persons in 1972 ends up serving the wrong people. Social security will have to make up for underpayments. In the case of overpayments there are cases where the individuals innocently received the excess funds and they probably cannot afford to reimburse the funds. Frankly, it was not their fault in the first place, so how can we penalize them by reducing future benefits?

I feel it ironic and depressing that a program intended to simplify and coordinate the Nation's adult welfare programs has resulted in such mass confusion. I am encouraged by the fact that several congressional committees and the General Accounting Office are investigating this situation. But the fact remains, the mistakes are irrevocable, the cost to the taxpayer irretrievable. No wonder our constituents complain about the Federal bureaucracy. Today I join them in that complaint. We owe them better stewardship of their taxes.

WASHINGTON STAR EDITORIAL—POT CALLS KETTLE BLACK

(Mr. KETCHUM asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. KETCHUM. Mr. Speaker, through an intellectually insulting editorial criticizing so-called tax shelters, the Washington Star yesterday presented us with a classic example of wanting to have one's cake and eat it too.

We are all familiar, I am sure, with the Star's struggle to maintain radio and television stations owned by its parent company in order to offset the unprofitable return of the paper itself. Yet, the Star has seen fit to blast, and I quote, "the sinister forces" at work behind an effort to maintain tax incentives, encouraging our citizens to invest in high-risk, but vitally needed, enterprises. Without such incentives, there would be little motivation to risk money in chancy endeavors, such as construction and real estate, farm operations, and oil drilling. Without the protective security of its radio and television stations, there would be equally little incentive to continue carrying the unprofitable Star.

The Star has stated that those of us on the Ways and Means Committee were presented with a "barrage of illuminating material" about tax shelter abuse. In actuality, we were shown a small pamphlet listing 64 cases out of millions of tax returns filed annually. Furthermore, we were not given the total tax picture—subsequent years' returns, filed when deferred taxes must be paid after the high-risk property began to make money, were not available. We were indeed working in the dark—but apparantly our light is not as dim as that in which the Star's editors compose their critical editorials.

The Star cited an example of a man earning $448,000, and paying $1,200 in tax. No mention was made of later years. It was an incomplete example, just as those presented to the committee. What about the number of jobs generated by the investment, the amount of capital formation? That is a story which the Star has chosen not to tell.

It cannot be denied that there are abuses, and that they must be corrected. We have a means of doing that in the minimum tax. Those "sinister forces" referred to include a desire to revitalize the construction industry, provide more domestic petroleum, and increase food production, goals the Star would do well to support. Instead, they have wasted scarce paper and ink encouraging us to dry up even scarcer capital for the sake of a handful of inaccurate and flashy arguments.

Meanwhile, without meaning to drive the nail home too hard, what is happening with the Star's own methods of offsetting its losses?

TOWARD FURTHER IMPROVEMENT OF THE DEMOCRAT CAUCUS

(Mr. FRENZEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FRENZEL. Mr. Speaker, I congratulate the Democrat Caucus, which on Tuesday eliminated its undemocratic, unrepresentative "unit rule" for votes taken on the floor. The unit rule was a means by which Democratic Members could be coerced to vote as directed by the caucus.

Unfortunately, the caucus has only come a tiny part of the way toward reform in this area. As I unedrstand the rules, the caucus can still force its Members to vote a certain way in Committee despite the feelings of the Member or his constituents. As long as Members of Congress cannot vote as they and their constituents want in committee, the "unit rule" lives and still perverts our representative assembly.

Nevertheless, I suppose we should be thankful even for such crumbs as partial repeal of the unit rule, as long as they are not misrepresented as a full loaf. Now that the caucus has taken this tiny step forward, I urge that it eliminate any use of the unit rule from its procedures and then begin to help in passing other Republican-sponsored reforms, at least a dozen of which are pending in the Rules Committee.

Examples of these languishing reforms are abolition of proxies, improvement in House rules and elimination of secret meetings of conference committees.

ROBERT J. ARTHUR

The SPEAKER pro tempore (Mr. McFALL). Under a previous order of the House, the gentleman from Pennsylvania (Mr. McDADE) is recognized for 5 minutes.

Mr. McDADE. Mr. Speaker, a familiar face is no longer behind the editor's desk at the Scranton Tribune these days. On September 1, Robert J. Arthur retired from the desk after 55 years as newsman, editor, columnist, and civic leader of both the Scranton Tribune and the Scrantonian.

Bob Arthur and the Scranton Tribune have been synonymous for over half a century. Bob has given 55 years of his life to the Tribune. It is hard to imagine the newspaper without him. He started at the Tribune as an office boy back in 1920 while still a high school student. He learned his trade by working his way from general assignments to sports, court reporting and as a political columnist, a labor reporter and a correspondence editor. He served as sports editor of the paper as well as assistant managing editor. This broad exposure to all facets of journalism made Bob Arthur the complete reporter. It also earned him the responsibility of editor of the Tribune and the Scrantonian.

Bob Arthur's sense of community responsibility helped him to be a newsmaker as well as news reporter. He was named to the Board of the Scranton Redevelopment Authority where he helped to shape policies that led to flood control, relief of mine cave victims, better housing, and a revitalized downtown Scranton.

Bob's service on the redevelopment authority of Scranton was not his only civic endeavor. A former director of the Chamber of Commerce, he won the Red Feather Award for his work with the United Community Chest, the predecessor of our modern United Fund. The Red Cross, the Muscular Dystrophy Foundation and many other charitable organizations have all benefited from Bob Arthur's talents.

At the Tribune Bob's endeavors have won him and the paper special recognition from numerous sources. The Veterans' Administration honored him with their citation for outstanding service in promoting the readjustment of veterans to society in the wake of World War II. Former Pennsylvania Gov. George Leader awarded Bob the Certificate of Merit for his work in urging job opportunities for the handicapped. He championed the area's industrial development programs and was instrumental in leading a news campaign to provide better housing opportunity for veterans.

Through all these activities that have filled a hectic career, Bob Arthur has remained an unflappable, hard working, effective journalist whose opinions were valued, whose advice was sought, and whose columns were read by thousands throughout Northeastern Pennsylvania.

Mr. Speaker, President Thomas Jefferson once talked about the importance of the press to American life. He said,

> The basis of our government being the opinion of the people the very first object should be to keep that right; and were it left to me to decide whether we should have a government without newspapers, or newspapers without a government, I should not hesitate a moment to prefer the latter.

But an effective press is only as good as the reporters who do the day to day hard work of reporting the news. Bob Arthur is such a man. He represents the finest in American journalism. I know the Congress will join with me and his many colleagues and readers in wishing much health and happiness for the future.

SECRECY DESTROYS CONFIDENCE IN BANK REGULATORS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PATMAN) is recognized for 5 minutes.

Mr. PATMAN. Mr. Speaker, very soon, H.R. 7590—a bill to provide for a General Accounting Office of the Federal Reserve System—will be on the House floor for consideration.

On of the most important functions of the Federal Reserve is supervision and regulation of the more than 6,000 System member banks and all of the Nation's bank holding companies. The total includes virtually all of the country's largest banking organizations—the backbone of our banking industry.

The rash of bank failures in recent years, particularly during 1973 and 1974, has raised serious questions concerning bank lending and investment practices which have been tolerated by the Federal Reserve and other bank regulatory agencies until it was too late to take corrective action. As a result, confidence in the Nation's banking system has been shaken.

Under these circumstances, it is of extreme importance to Congress that an ongoing evaluation of the Federal Reserve's bank supervisory role be undertaken. H.R. 7590 provides GAO with the authority to analyze this function of the Federal Reserve and to suggest timely, corrective administrative and legislative action.

Mr. Speaker, a recent editorial in the Columbia, S.C., State, makes the point very clearly and I quote:

> It is a bad business to have any government agency completely isolated from outside monitoring, auditing, and oversight.

The editorial, entitled "Auditing the Auditors," supports passage of H.R. 7590 and concludes:

> After all, "accountability" is essential in any responsible banking enterprise.

Mr. Speaker, I place in the RECORD a copy of this editorial:

AUDITING THE AUDITORS

For years, the Federal Reserve System has successfully beaten off every attempt to bring it within the purview of congressional scrutiny, contending that it must operate independently in establishing financial policy.

That point of view has been steadfastly supported by a majority of the nation's bankers, who obviously have greater confidence in the fiscal acumen of the Federal Reserve Board than in Congress itself.

Now, however, the Fed's free-wheeling status may come a cropper, not out of criticism of its financial policy-making or financial administration but because of seemingly excessive spending on non-essentials within its own organization.

The House Subcommittee on Domestic Monetary Policy has found that the Fed has been dispensing money with a rather lavish hand for what might be called "in-house" prodigality. Among items reported by the subcommittee as 1974 expenditures were $237,000 for social and recreational activities for Fed employes; $280,000 for transporting employes from one bank to another on reassignment (including almost $14,000 for a single move from Miami to Atlanta) and $94,000 for "employee recognition."

It may be that these expenditures can be justified as necessary for morale and motivation, although they do seem somewhat extravagant to the ordinary taxpayer. But what rubs the wrong way is the Fed's immunity from having to justify such spending. (It generates its own revenues, by the way, without appropriations from Congress.)

The National Observer reports in its July 26 issue that the Fed has "no comment" on the subcommittee's findings. Perhaps a factor in that "no comment" lies in the identity of the subcommittee chairman, Rep. Wright Patman of Texas, a long-time critic of the Fed's independent standing.

We share what appears to be the sense of the banking community in preferring that the Federal Reserve Board not be fettered by congressional interference in the determination of fiscal policy. But it is a bad business to have any government agency completely isolated from outside monitoring, auditing, and oversight. Recent disclosures of Central Intelligence Agency operations make that point.

We conclude therefore, that the Fed, while maintaining its policy-making independence, should have its operations periodically reviewed by the General Accounting Office, just as happens to every other major federal agency. After all, "accountability" is essential in any responsible banking enterprise.

ON THE STATE OF THE CITY OF NEW YORK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 5 minutes.

Mr. KOCH. Mr. Speaker, the entire Nation has watched as the city of New York has suffered a serious financial crisis, teetered on the brink of default, and received considerable criticism. While the crisis is not over, significant steps have been taken in recent weeks setting in motion the mechanism for restoring financial solvency and investor confidence in the city. It is appropriate at this time to recognize that the gains made in recent weeks are the result of great cooperation among those involved: Mayor Beame, Governor Carey, State Senate Majority Leader Warren Anderson, the unions, the banks and the people of the city. They deserve our commendation.

On Tuesday, the New York State Legislature passed a $2.3 billion aid plan to insure the city's immediate fiscal solvency and establish the means by which the city's finances can be better controlled. Part of the plan involves $750 million in new State loans and $725 million in financing from the public employees pension plans. The package also requires more credit from the banking industry. In short the package represents sacrifices from all sectors involved, including the mayor's willingness to allow the emergency financial control board to supervise the city's financial management and the State legislature and Governor's willingness to take on some of the burden of resolving the city's financial problems. Governor Carey has set out as the principal mission of the emergency control board, the enforcement of austerity and accountability.

In an address to the people of the city of New York last night, Mayor Beame echoed this dedication to, in his words, "the achievement of fiscal and management efficiencies to build confidence in the ability of this city to govern itself wisely and economically."

Today, the city of New York is saddled with a $3.3 billion deficit. By October 20, the mayor will give the emergency financial control board his plan of the necessary economies and efficiencies to eliminate the deficit in 3 years.

Yesterday, the mayor also requested his management advisory board to "intensively review" the city's municipal pension system.

Mr. Speaker, the final resolution of the city's financial problems and large deficit undoubtedly will require further sacrifices from all sectors. So I was especially troubled to learn of the recent statement made by Ron Nessen on behalf of the President, which my office checked today for verification. Apparently Mr. Nessen said:

> The Executive Branch could not play a role in New York City's troubles and that it was up to the Legislative Branch.

That statement must be condemned. Our form of government provides for overlapping jurisdiction in a whole host of areas by the executive branch and the legislative branch: by the President and Congress. Mr. Nessen's statement is cavaliere and shows a lack of interest. Indeed, it appears to be more than indifference, and perhaps can be construed as a vendetta against the city of New York. I hope I am wrong. I believe the Federal Government has a responsibility in this matter because it is not only the health of New York City that is involved but the health of the Nation.

Both the executive branch and the Congress without regard to political partisanship have a duty to meet the problems of our cities. The Federal agencies instead of being told by the White House to have an aloof attitude toward the city should be seeking to assist the city under whatever current authority they now have. And the Congress should enact appropriate legislation to deal with the problems that cities and States are having to market their bonds because if we do not, there will be less housing, fewer schools, inadequate police and fire protection and less done to clean up our pollution because all of that requires the floating of bonds and the issuing of notes—not only in New York City but in every community in the country. And when New York City is unable to market its bonds two things happen. Other cities ultimately meet the same refusal or pay higher interest.

So what I am saying, Mr. Speaker, is that we have got to come to grips with this problem and remove from the backs of our cities burdens which are not theirs but really fall to the Federal Government. Let me cite just one affecting the city of New York—that of welfare. New York City's local share of welfare and medicaid is close to $1 billion. What an impossible burden for the people of the city of New York to bear. That cost should be fully borne by the Federal Government. And the Federal Government can provide guarantees so as to make municipal bonds more marketable with the city's paying less interest than is now demanded. This is especially so when as here in the city of New York we have provided local guarantees through tax diversion in support of such bonds and yet find it difficult to market those bonds.

Let us put sectional differences aside, for mayors across the country have recognized that they have a commonality of interest and their respective citizens have a commonality of interests with the citizens of the city of New York seeing to it that the city of New York survives.

MY VOTE AGAINST THE INTERNATIONAL DEVELOPMENT AND FOOD ASSISTANCE ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. FORD) is recognized for 5 minutes.

Mr. FORD of Tennessee. Mr. Speaker, I wish to clarify my vote against the International Development and Food Assistance Act.

The merits of this bill are obvious. There is no question that this bill is far superior to any previous foreign aid legislation. It goes a long way toward improving the standard of living and productive capacity of Third World nations. In normal times, I perhaps would not hesitate to vote in favor of such a program, but, Mr. Speaker, I contend these are not normal times.

In my home district the city of Memphis is now troubled with an 8.5 percent unemployment rate, 120,202 residents of this city are forced to exist on food stamps. We do, indeed, have a responsibility to the underdeveloped nations, but do we not at the same time have a responsibility toward our own citizens?

If there is to be any foreign aid, there should be a reasonable amount that the taxpayers of this Nation can afford to contribute. This legislation is $123 million above the amount requested by President Ford—whose own request was 76 percent higher than last year. Is this responsible action during the most severe economic recession this country has faced since the 1930's?

Mr. Speaker, I would be glad to support a reasonable foreign aid bill, but I cannot in good conscience support this bill when my own constituents are also in need.

GABRIEL INJEJIKIAN, FOUNDER OF ARMENIAN HIGH SCHOOL, TO BE HONORED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. DANIELSON) is recognized for 10 minutes.

Mr. DANIELSON. Mr. Speaker, this Saturday evening, September 13, 1975, Mr. Gabriel Injejikian, founder-principal of the Holy Martyrs Ferrahian Armenian High School, is being paid special tribute at the 12th anniversary banquet of the school.

An extremely dynamic and versatile individual, Mr. Injejikian has had a broad and varied educational background both in the United States and the Middle East. Upon completing his education he taught school both in the United States and in Beirut, Lebanon.

He returned to the United States in August 1964, with his wife, Rose, and three children, bringing thousands of dollars in pledges from the Beirut Armenian community to aid in starting an Armenian school in the United States. He also had blessings from Zareh Catholicos the First.

He was excited, eager, and determined to open an Armenian day school in this country in September of that year. Despite the lack of community organization or faith in the success of an "impossible dream," Mr. Injejikian persevered. After several unsuccessful attempts to convince other community institutions to open a school, he approached the Board of Trustees of Holy Martyrs Armenian Apostolic Church in Encino, Calif. The board believed in him and agreed unanimously to establish a school under its auspices.

Thus, with faith in his objective and determination in its accomplishment, Mr. Injejikian founded the first Armenian day in the United States.

The long awaited dream of countless Armenians in this country, and Mr. and Mrs. Mateos Ferrahian in particular, became a reality because one man—Mr. Gabriel Injejikian—who had great pride in his 3,000-year-old heritage and love for his culture and community, continued to strive relentlessly to establish a school wherein the Armenian language, history, and the arts could be taught and perpetuated through the Armenian youth in this country.

CREATION OF A JOINT COMMITTEE ON INTELLIGENCE OPERATIONS

(Mr. SISK asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include a section by section analysis of a bill.)

Mr. SISK. Mr. Speaker, over the past months, we have heard extremely disturbing reports about the intelligence operations of our Government. Charges of grave wrongdoings fill the airwaves and the newspapers. The Rockefeller Commission confirmed some of the reports and left others hanging. Our own congressional committees are still in the process of sorting out the facts. Out of all this, one thing becomes increasingly evident—Congress must exercise more thorough oversight for Federal intelligence activities.

In pursuit of this goal, I am introducing today a resolution to create a Joint Committee on Intelligence Operations. My resolution would create a strong joint committee. It would have responsibility for extensive oversight for all Federal agencies which conduct any intelligence gathering activities or intelligence operations. Further, it would have the power to consider and report legislation relating to intelligence matters.

The intent of my resolution is to create a joint committee with jurisdiction over the overall policies, goals, and functions of the intelligence agencies. This jurisdiction, however, is not intended to be exclusive. Standing committees of both the House and Senate which presently or which may at some future time have jurisdiction over intelligence matters could exercise that jurisdiction concurrently with the joint committee. The purpose of this jurisdictional proviso is two-fold: First, to allow standing committees to maintain a complete picture of the operations of the departments for which they are responsible, and second, to provide for any future contingency in which standing committee investigations or legislative action might be necessary.

To encourage both Houses of Congress to use the joint committee as the primary committee in the intelligence field, my resolution specifies that 12 of the 20 seats on the joint committee be allocated to the House and Senate standing committees which presently have jurisdiction over the matter. However, to maintain balance on the joint committee, my resolution provides that the chairman and vice chairman must be elected from the eight at-large members appointed to the joint committee.

Several other features of the resolution tend to strengthen the joint committee. The heads of all Federal agencies involved in any intelligence activities are required to keep the joint committee fully and currently informed of all intelligence operations of their respective agencies. The joint committee has subpena power. In addition, it has the authority to request from any instrumentality of the Federal Government any information necessary to perform its duties and such agencies are directed to furnish the information requested.

The joint committee also is required to establish guidelines for the protection of classified information including security clearances for employees and contract personnel.

To assist the joint committee in its work, the current House and Senate select committees on intelligence are required to turn over their records and files to the joint committee within 30 days after their expiration or abolition. This provision not only provides for safekeeping of sensitive records, but it assures the joint committee of the basic background materials for future oversight activities.

I am introducing this resolution today in the hope that my colleagues will use it as a starting point for consideration of a joint committee. For that purpose, I will submit for the RECORD a section-by-section analysis of the resolution at the conclusion of my remarks.

I urge my colleagues to begin thinking seriously about the creation of a Joint Committee on Intelligence Operations. At the appropriate time, I intend to ask the Rules Committee to take up the resolution for consideration.

The resolution follows:

SECTION BY SECTION ANALYSIS OF HOUSE JOINT RESOLUTION ——— TO CREATE A JOINT COMMITTEE ON INTELLIGENCE OPERATIONS

Section 1 establishes a Joint Committee on Intelligence Operations which shall be a permanent joint committee with legislative function.

Section 2 specifies membership and organization. Paragraph (a) fixes membership of the joint committee at twenty with ten members selected from each House. Twelve of the members are specified as the chairmen and ranking minority members or their designees of the House and Senate Committees on Appropriations, Armed Services, and Foreign Relations/International Relations. Eight members are to be appointed at-large: four from the House and four from the Senate including three members from the majority party and one member from the minority party. This gives an overall 12 majority to 8 minority ratio. The chairmen and ranking minority members of the specified committees may designate another member of their committee to serve in their stead if they so choose.

Paragraph (b) provides for the selection of a chairman and vice chairman at the beginning of each Congress from among the at-large membership only. In each even-numbered Congress, the chairman shall be selected from the at-large members of the House and the vice chairman from the at-large members of the Senate. In odd-numbered Congresses, the reverse shall occur with the chairman selected from the at-large members of the Senate and the vice chairman from the at-large members of the House.

Paragraph (c) requires that a majority of the members constitute a quorum for transaction of business except that a lesser number may take testimony. Vacancies may be filled in the same manner as the original appointment.

Paragraph (d) authorizes the joint committee to establish such subcommittees as it deems necessary.

Section 3 specifies the authorities and duties of the joint committee including its jurisdiction. Paragraph (a) requires a continuing oversight for all intelligence gathering activities and operations of the United States Government. Studies include but are not limited to: the effect of intelligence operations on foreign, domestic, and military policies; the collection, use, and cost of intelligence information; coordination efforts among intelligence agencies and reorganization needs for such agencies; executive branch oversight and control of intelligence agencies; the need for and extent of both overt and covert operations by intelligence agencies in the U.S. and abroad; and the procedure for and means of protecting sensitive data.

Paragraph (b) specifies the agencies over which the joint committee has jurisdiction including the CIA, DIA, NSA, the intelligence components of the Departments of the Army, Navy, Air Force, and the Department of State. A separate subparagraph grants jurisdiction over any instrumentality of the U.S. Government responsible for or engaged in intelligence gathering activities thereby allowing the joint committee to investigate agencies whose primary function may not be intelligence activities but who, nonetheless, engage in such activities to a certain extent. This subparagraph would also cover any new intelligence gathering agencies which might be created in the future.

Paragraph (c) requires the heads of all intelligence agencies to keep the joint committee fully and currently informed of all intelligence activities carried out by their respective agencies.

Paragraph (d) requires that all House and Senate bills and resolutions relating primarily to the overall functions, policies, and goals of the intelligence agencies specified in subsection (b) shall be referred to the joint committee. However, this does not prevent any committee of the House or Senate which has jurisdiction over intelligence activities from exercising such jurisdiction concurrently with the joint committee. Members of the joint committee may report to their respective Houses, by bill or otherwise, their recommendations on matters referred to or within the jurisdiction of the joint committee.

Section 4 provides general administrative powers to the joint committee. Paragraph (a) grants the authority to sit and act at any place or time, to subpena both witnesses and materials, to administer oaths, to take testimony, to procure printing and binding, and to make expenditures as necessary.

Paragraph (b) authorizes the joint committee to establish its own rules of organization and procedure. However, approval by majority vote of the joint committee is required to report a recommendation or to issue a subpena. Subpenas may be issued over the signature of the chairman or of any member designated by him or by the joint committee. The chairman or any member may administer oaths.

Section 5 specifies the conditions under which the joint committee may hire staff and acquire outside assistance. It is empowered to appoint such staff as it deems advisable, to prescribe their duties, to fix their pay within the limits of the General Schedule of section 5332(a) of Title 5, United States Code (ratings GS 1–18), to terminate their employment as appropriate, and to provide assistance for training of professional staff.

Paragraph (b) allows the joint committee to reimburse staff members for travel and expenses incurred in the performance of their duty outside the District of Columbia.

Paragraph (c) allows the joint committee to obtain assistance from outside sources. It is empowered to utilize on a reimbursable basis the services, information, facilities, and personnel of executive agencies. The joint committee also may procure the temporary or intermittent services of individual consultants or consulting organizations. Such services may be obtained by fixed-fee contract or, in the case of individuals, by employment on a per diem basis not to exceed the highest rate of basic pay set forth in the General Schedule of section 5332(a) of Title 5, United States Code (ratings GS 1–18). Contracts let by the joint committee shall not be subject to the provisions of law requiring advertising.

Section 6 grants the joint committee additional power to secure information. The chairman or vice chairman upon approval by majority vote of the joint committee may request from any instrumentality of the Federal Government any information for the purpose of carrying out its duties. Such Federal instrumentalities are directed to furnish the information requested by the joint committee.

Section 7 requires the joint committee to establish guidelines for the classification of information originating within the joint committee.

Paragraph (b) requires joint committee employees or those persons engaged by contract to be given an appropriate security clearance as determined by the joint committee.

Section 8 requires the joint committee to keep a complete record of all committee actions. Such records must be kept in the joint committee offices or in some other location under such security safeguards as the joint committee may determine.

Section 9 provides that funds for the joint committee shall be paid from the contingent fund of the House from funds appropriated for it annually in the Legislative Branch Appropriations Act. Expenses shall be paid upon presentation of vouchers signed by the chairman or vice chairman of the joint committee.

Section 10 requires that the records and files of the House Select Committee on Intelligence and the Senate Select Committee to Study Governmental Operations With Respect to Intelligence Activities be transferred to the Joint Committee on Intelligence Operations no later than 30 days after the expiration or abolition of such select committees. The chairmen of the House and Senate select committees are required to make appropriate arrangements for the transfers.

ADDRESS OF HENRY M. JACKSON ON THE MIDDLE EAST

(Mr. BRADEMAS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, on September 9, 1975, I was privileged to be present to hear an address in New York City by the distinguished junior Senator from Washington, the Honorable HENRY M. JACKSON, in which the Senator expressed his views with respect to the proposal now being considered by Congress for settlement of the crisis between Egypt and Israel.

The occasion at which Senator Jackson delivered this address was, Mr. Speaker, the induction of Mrs. Zmira Goodman of New York as a fellow of Brandeis University.

Mrs. Goodman is an outstanding business executive who has also been active in political and philanthropic endeavors and who eminently deserves the honor which she was accorded earlier this week by this outstanding university.

Mr. Speaker, at this point in the RECORD I insert the text of Senator JACKSON's address:

REMARKS BY SENATOR HENRY M. JACKSON ON THE ISRAELI-EGYPTIAN DISENGAGEMENT AGREEMENT

For the second time since the Yom Kippur War Israel has agreed to withdraw from defensive positions in the Sinai in the hope that peace, like the Israeli defense line, will be brought closer to home. But unlike the earlier disengagement with Egypt or last year's agreement with Syria, this most recent agreement involves, for the first time, the stationing of American personnel in the zone separating two hostile armies.

This is a development that many Americans and many Israelis have greeted with reservations; and I am bound to say that I am among those who are concerned at the implications of superpower involvement in the Arab-Israeli dispute. In my judgment the greatest chance for a durable peace in the Middle East lies in agreements that the parties themselves can oversee and defend—agreements that leave Israel with borders that Israel can protect and that incorporate the fundamental political reconciliation on which—alone—a lasting peace *must* be based. In the search for peace, a change of line is no substitute for a change of heart. The fact that even the meager understandings on movement toward a political settlement have been relegated to a secret letter from Secretary Kissinger to Foreign Minister Allon, rather than an open accord between Israel and Egypt, is a disappointment to many of us here this evening, to many in Israel and to those in Egypt who have come to understand the futility of continuing military conflict.

I believe that many of us in this country and in Israel who long for peace were prepared to press harder for an agreement between Israel and Egypt that would begin the long process of political reconciliation—an agreement that would permit Arabs and Israelis to work together, to trade with one another, to talk with one another, to see for themselves the truth about their neighbor. But the American side was unwilling to take the time and lacked the inclination to pursue such an agreement; and the result of American impatience was sustained pressure on Israel that, in the end, Israel could not resist. First, Israel was blamed for the failure of the March shuttle. Then the flow of vital military equipment to Israel, including spare parts, was cut off. Finally, uncertainties about the continuation of American diplomatic support for Israel were voiced behind the closed doors of background press briefings. The message to Israel was unmistakable: it would be necessary to settle for an essentially military disengagement with only the most limited elements of political reconciliation.

Yet in the face of these pressures—overwhelming between friends so disproportionate in size and power—Israel summoned the resources to resist last Spring, with the result that the agreement initialed on September 1st is, for all its shortcomings, better than the agreement pressed upon Israel in March. Better not only for Israel, but for the United States as well. The disengagement line is more readily defended by Israel and is therefore more stable. The duration of the agerement is longer by a good measure. And in other ways as well the new agreement is a more promising one than the proposal that Israel could not accept in March. The conclusion is unavoidable that the Israelis were wise to say "no" in March; only time can establish the wisdom of the agreement signed in September.

The Administration proposal to place American personnel in the strategic Sinai passes is the most troublesome element in the new accord. Despite Administrative claims that this arrangement was essential to the negotiation I remain unpersuaded that no alternative could be found. The Israelis and Egyptians are now to conduct virtually all the necessary surveillance by themselves in any case; the marginal contribution of American personnel to this purpose raises more problems than it solves. I have simply not seen sufficient evidence that all other approaches were exhausted before we agreed to go into the passes.

Our presence in the Sinai has created apprehensions at home. It is even possible that the Soviets might make the wholly unacceptable demand for a presence in a subsequent Middle East agreement. But most disturbing, our presence in the Sinai could become the precedent for a most dangerous and unwise conviction that somehow an American presence can substitute for secure borders for Israel. Should this notion gain currency it could well become a source of pressure on Israel to accept indefensible borders that would somehow be protected by an American presence. Such an approach would, in my judgment, be a mistake of historic proportions, which would rob Israel of its security and independence and put off, perhaps indefinitely, the genuine accommodation between Arab and Israeli that we are all seeking.

In expressing these reservations I wish to be clear on one point: the analogy between the stationing of American personnel in the Sinai and the errors of American policy in Vietnam—even its earliest stages—is shallow and misleading. We must not allow the mistakes of that tragic war to haunt us in the pursuit of a deliberate and measured foreign policy. We must not recoil from the responsibilities that our leadership of the free world imposes upon us. I believe, as I have indicated, that there are arguments against sending Americans into the passes, but a mistaken reference to Vietnam is not among them.

In 1970, three years before the Yom Kippur War, I urged that the total demilitarization of the Sinai was an essential element in any long-term peace between Israel and Egypt. The war of attrition, the Yom Kippur War, and the events of the two years following it have strengthened that conviction. Among the disappointments of the current agreement I count the forward movement of Egyptian military forces deeper into the Sinai and the agreed augmentation of those forces, however modest. I hope that this part of the current agreement will not become a pattern for a subsequent settlement and that, on the contrary, any final settlement will involve Egyptian as well as Israeli withdrawals from the Sinai east of the Suez Canal.

In the long run the real test of the disengagement agreement will come in the evolution of relations between Egyptians and Israelis. The larger their role in establishing a Middle East peace, and the smaller the role of the great powers, the better for all concerned.

By first pressuring Israel to withdraw from the strategic passes—and now by proposing to insert Americans into them—the Administration has assumed awesome responsibilities on behalf of the United States. The assumption of these responsibilities evolved without Congressional consultation—even, at times, over the objections of Congressional majorities. The nature of the negotiations, in which the American presence has become inextricably bound up with the agreement as a whole, has left the Congress little opportunity other than to give voice to the concerns that many of us feel.

When the issue comes before the Congress I hope to vote to approve the substance of the agreement as it has been presented to the American people. Needless to say the Congress will wish to have Secretary Kissinger and President Ford confirm that there are no secret understandings, written or oral, that have been withheld from the Congress. Full disclosure is essential, not only to retain the confidence of the American people but to assure the integrity of the agreement.

I hope to vote to support the agreement, despite the misgivings that I have shared with you this evening—misgivings that I took pains to express long before the agreement was reached. I do so in recognition of the fact that Congress has unhappily been denied an opportunity to exercise the constructive role that it would have preferred and that I am confident it would have played had it been consulted before the agreement was concluded. The issue now is, essentially, black and white, yes or no.

It is my hope that, with this agreement behind us, the next step in Israeli-Egyptian relations will be taken along a different path—along the path of political reconciliation which alone can lead to a stable and lasting peace.

H.R. 9511 INTRODUCED, IMPOSING MINIMUM INCOME TAX ON OIL COMPANIES

(Mr. GIBBONS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GIBBONS. Mr. Speaker, yesterday I introduced a bill, H.R. 9511, a bill to impose a minimum income tax on the oil companies. For years we have been told that the oil companies are permitted to report small earnings for purposes of the Federal income tax even though they are reporting much larger profits to their shareholders. For instance, during the 1969 tax reform hearings we learned that one oil company—Atlantic Richfield—during a 5-year period reported earnings to its shareholders of $410 million before income taxes, and the company did not pay a cent of Federal income taxes on the $410 million of profits. The company had a very small amount of foreign oil production, so practically all of its profits were earned in the United States.

Recent reports have alleged that for 1974 the Federal income taxes paid by Texaco amounted to only 1.6 percent of the book profits—before income taxes—reported to shareholders; similarly, the Federal income taxes of Gulf Oil amounted to only 2.9 percent of its pretax book earnings; that the Federal income taxes paid by Mobil Oil amounted to only 3.6 percent of such earnings, and Exxon's Federal income taxes amounted to only a 6.4 percent of its pretax book earnings.

The April 21, 1975, issue of Tax Notes listed the 1974 income tax burden of the nine largest oil companies, and reported, among other things, the following: Exxon's pretax earnings—worldwide book income before income taxes—for 1974 were $11 billion, and only 6.4 percent of that was paid in Federal income taxes; Texaco's pretax earnings were $2.9 billion on which Federal income taxes were paid at a rate of 1.6 percent; Mobil's pretax earnings were $3.74 billion on which Federal income taxes were paid at a rate of 3.6 percent; and Gulf's pretax earnings were $3.8 billion on which Federal income taxes were paid at a rate of 2.9 percent.

The bill I have introduced will impose a minimum tax on the economic worldwide income of an oil company, measured by the book earnings—before Federal income taxes—reported to shareholders by the company. The tax is imposed at a 30 percent rate on the economic income but it will apply only if it produces a larger tax than is imposed under the regular tax on corporations. The regular tax is computed for this purpose without taking into account carrybacks of net operating losses, capital losses, investment credits or foreign tax credits. The tax is not an additional tax as is the case of the existing minimum tax on tax preferences of corporations. It is an alternative minimum tax, imposed only if it produces a larger tax.

The enactment of my bill would insure that the oil companies pay a reasonable amount of Federal income taxes. In addition, the bill would end the embarrassment now experienced by Members of Congress when a wage earner asks for an explanation why he must pay income taxes at a minimum rate of 14 percent, in addition to the social security tax on his wages at a rate of over 5.8 percent, when the large oil companies are allowed to get by at the rates set forth earlier in this statement.

The bill is based on a simple concept—a minimum tax on the actual economic incomes of oil companies as reported to shareholders or a tax based upon existing law whichever is higher. I believe it is a better answer to the untaxed profits of oil companies than the complex windfall profits tax which the Ways and Means Committee reported last year. The windfall profits bill reported last year required 21 pages of exceedingly complicated provisions to impose a windfall profits tax which would be very difficult to administer.

Income taxes paid to Saudi Arabia and other foreign countries will not be allowed as a credit against the minimum tax imposed by my bill. The foreign income taxes may, of course, be deducted, as are all other taxes and expenses in computing the book earnings of any oil company. The investment credit for purchase of machinery and equipment will be allowed as a credit against the minimum tax.

The 30-percent tax is imposed on the book earnings of the oil company—before Federal income taxes—adjusted by excluding from the book earnings—

First, 85 percent of the dividends received from U.S. corporations;

Second, any amount otherwise included in the book earnings as the corporation's share on an equity basis of losses or undistributed earnings of subsidiary corporations; and

Third, tax-exempt interest from State and municipal bonds .

If the book earnings as reported by the corporation to its shareholders for the year are certified to by a firm of independent public accountants, the Commissioner of Internal Revenue must assume the burden of proof if he contends that the book earnings are greater than the amount reported to shareholders.

The minimum tax will not apply to a corporation having a small amount of oil income. The tax can apply only if the corporation's gross income from oil-related sources during the taxable year is more than $3 million and the oil income is more than 30 percent of its gross income from all sources during the year, computed by excluding dividends and capital gains. Income from oil-related sources includes, in addition to income from extracting minerals from oil and gas wells, the income from processing the minerals into primary products and from transporting and selling the minerals and primary products. The definition of "oil-related sources" is taken from the definition of oil-related income in section 907(c), which was added to the Internal Revenue Code by the Tax Reduction Act of 1975.

The bill provides that the minimum tax shall apply to the taxable years ending after the date of enactment.

Very preliminary and tentative estimates reveal that this minimum tax will produce an estimated $4 billion in additional revenue.

DEMOCRATS WOULD DO WELL TO FOLLOW GOP AGENDA

(Mr. CONABLE asked and was given permission to extend his remarks at this point in the Record.)

Mr. CONABLE. Mr. Speaker, Republicans in the House of Representatives have been proud to lead the way in adopting significant congressional reforms in recent years.

In 1970, I chaired a task force which recommended to the House Republican conference that the "seniority system" in choosing ranked Republican members of standing committees be abolished. These reforms were adopted and followed by Republicans at the beginning of the 92d Congress.

It took several years for the House Democrats to follow our example and revise their old habit of following strict seniority in selecting committee chairmen.

In May, the House Republican conference voted to open its meetings to the public. At that time, we indicated our hope that the Democratic Caucus, whose votes often directly affect the course of legislation here on the floor, would again follow our lead and open their meetings to the public.

On Tuesday, the Democratic Caucus adopted this reform, this time lagging behind the Republican initiative by only a few months.

On September 8, the minority leader, John Rhodes, announced the legislative agenda of the House Republicans. This document outlined the issues Republicans would pursue should they achieve a majority in the House of Representatives.

It may be pressing our luck, but we would like to urge the Democrats to follow our lead once again—this time on a substantive rather than a procedural matter—by moving quickly to act on the proposals contained in our legislative agenda.

One of the central areas of the agenda is prompt, decisive action to deal with the energy situation. The Democratic leadership in the Congress has demonstrated its own ineptitude in pushing through an energy program. Rather than criticizing Republican proposals, perhaps they should use them as a beginning point for the kind of constructive action this country needs.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Anderson of Illinois (at the request of Mr. Rhodes), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Hyde) to revise and extend their remarks and include extraneous material:)

Mr. McDade, for 5 minutes, today.

Mr. Kemp, for 10 minutes, today.

(The following Members (at the request of Mr. Harkin) to revise and extend their remarks and include extraneous material:)

Mr. Gonzalez, for 5 minutes, today.

Mr. Patman, for 5 minutes, today.

Mr. Koch, for 5 minutes, today.

Mr. Ford of Tennessee, for 5 minutes today.

Mr. Danielson, for 10 minutes, today.

Mr. Dodd, for 10 minutes, today.

Mrs. Keys, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Hyde) and to include extraneous matter:)

Mr. Broomfield.
Mr. Dickinson.
Mrs. Heckler of Massachusetts.
Mr. Hastings in two instances.
Mr. Crane.
Mr. Rhodes.
Mr. Forsythe in two instances.
Mr. Goodling.
Mr. du Pont.
Mr. Ashbrook in four instances.
Mr. Peyser.
Mr. Del Clawson.
Mr. Michel.
Mr. Shuster.
Mr. Frenzel in three instances.
Mr. Gilman.
Mr. Kemp in two instances.
Mr. Coughlin.

(The following Members (at the request of Mr. Harkin) and to include extraneous matter:)

Mr. Gonzalez in three instances.
Mr. Anderson of California in three instances.
Mr. Baucus.
Mr. Moakley.
Mr. Blanchard in two instances.
Mr. Macdonald of Massachusetts.
Mr. Hefner.
Mr. Diggs in two instances.
Mr. Karth in two instances.
Mr. Wolff in two instances.
Mr. Russo.
Mr. Patten.
Mr. Stark.
Mr. Waxman.
Mr. Clay in 10 instances.
Mr. Rodino.

Mr. DUNCAN of Oregon.
Mr. ROSENTHAL.
Mr. DRINAN.
Mr. HUBBARD.
Mr. RANGEL.
Mr. ROSTENKOWSKI.
Mr. WON PAT.
Mr. VANIK.
Mr. HARRIS.
Mr. FRASER.
Mr. MADDEN.
Mr. LONG of Maryland.
Mr. FITHIAN.
Mr. McDONALD of Georgia.
Mrs. KEYS.
Mr. ECKHARDT.
Mr. HELSTOSKI.

SENATE BILL AND CURRENT RESOLUTION REFERRED

A bill and a current resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 848. An act to amend section 2 of the National Housing Act to increase the maximum loan amounts for the purchase of mobile homes; to the Committee on Banking, Currency and Housing.

S. Con. Res. 62. Concurrent resolution making apportionment of funds for the National System of Interstate and Defense Highways. to the Committee on Public Works and Transportation.

ADJOURNMENT

Mr. HARKIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 50 minutes p.m.), under its previous order, the House adjourned until Monday, September 15, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1722. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a cumulative report on rescissions and deferrals of budget authority for fiscal year 1976 as of September 1, 1975, pursuant to section 1014(e) of Public Law 93–344 (H. Doc. No. 94–251); to the Committee on Appropriations and ordered to be printed.

1723. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report on loan, guarantee and insurance transactions supported by Eximbank during July 1975, to Communist countries; to the Committee on Banking, Currency and Housing.

1724. A letter from the General Manager, Washington Metropolitan Area Transit Authority, transmitting the sixth quarterly report on the Metrorail construction program; to the Committee on the District of Columbia.

1725. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report on recommendations and actions related thereto contained in the report of the President's Advisory Council on Management Improvement entitled "Report for the President on Federal Civilian Personnel Management," pursuant to section 6(b) of the Federal Advisory Committee Act (H. Doc. No. 94–252); to the Committee on Government Operations and ordered to be printed.

1726. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a report on political contributions made by Career Minister-designate Deane R. Hinton and his family, pursuant to section 6 of Public Law 93–126; to the Committee on International Relations.

1727. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting a copy of an order entered in the case of an alien found admissible to the United States, pursuant to section 212(a)(28)(I)(ii) of the Immigration and Nationality Act [8 U.S.C. 1182(a)(28)(I)(ii)(b)]; to the Committee on the Judiciary.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. AMBRO (for himself, Mr. EDGAR, Mr. MINETA, and Mr. NOWAK):

H.R. 9544. A bill to authorize appropriations for certain transportation programs in accordance with title 23 of the United States Code, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. BENITEZ:

H.R. 9545. A bill to make a technical amendment to the Elementary and Secondary Education Act of 1965 so as to include the Commonwealth of Puerto Rico and the District of Columbia as a State for purposes of title IV, and for other purposes; to the Committee on Education and Labor.

By Mr. BURLISON of Missouri:

H.R. 9546. A bill to amend the U.S. Grain Standards Act for the purpose of providing that inspections made under such act be made by Federal and State employees, and for the purpose of providing, without compensation, inspection and classification services to producers of grain; to the Committee on Agriculture.

By Mr. COHEN:

H.R. 9547. A bill to provide that certain individuals who receive a share of the catch as compensation for services performed on fishing vessels will be treated as being self-employed for purposes of employment taxes and the Social Security Act, and to exclude such individuals from certain Federal workmen's compensation provisions; jointly to the Committees on Ways and Means, and Merchant Marine and Fisheries.

By Mr. CRANE (for himself and Mr. MIKVA):

H.R. 9548. A bill to amend section 174 of the Internal Revenue Code of 1954 to make clear that product development and improvement costs of publishers are research or experimental expenditures, and to prohibit the retroactive application of Revenue Ruling No. 73–395; to the Committee on Ways and Means.

By Mr. DERRICK:

H.R. 9549. A bill to provide for the establishment of the Old Ninety-six Star Fort National Battlefield in the State of South Carolina; to the Committee on Interior and Insular Affairs.

By Mr. DICKINSON:

H.R. 9550. A bill to amend title 5, United States Code, to provide that civilian air traffic controllers of the Department of Defense shall be treated the same as air traffic controllers of the Department of Transportation for purposes of retirement and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 9551. A bill to amend section 218 of the Social Security Act to require that States having agreements entered into thereunder will continue to make social security payments and reports on a calendar-quarter basis; to the Committee on Ways and Means.

By Mr. DRINAN:

H.R. 9552. A bill, the Civil Rights Attorney Fees Act of 1975; to the Committee on the Judiciary.

By Mr. EVINS of Tennessee:

H.R. 9553. A bill to amend section 218 of the Social Security Act to require that States having agreements entered into thereunder will continue to make social security payments and reports on a calendar-quarter basis; to the Committee on Ways and Means.

By Mr. FLYNT:

H.R. 9554. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for optometric and medical vision care; to the Committee on Ways and Means.

By Mr. GINN:

H.R. 9555. A bill to amend the Federal Water Pollution Control Act; to the Committee on Public Works and Transportation.

By Mr. HARKIN:

H.R. 9556. A bill to amend the Internal Revenue Code of 1954 to release the lien for the estate tax on property which is transferred by the executor to a purchaser or holder of a security interest; to the Committee on Ways and Means.

By Mr. HAYES of Indiana:

H.R. 9557. A bill to provide for payments to compensate county governments for the tax immunity of Federal lands within their boundaries; to the Committee on Government Operations.

H.R. 9558. A bill to require candidates for Federal office, Members of the Congress, and officers and employees of the United States to file statements with the Comptroller General with respect to their income and financial transactions; jointly to the Committees on the Judiciary, and Standards of Official Conduct.

H.R. 9559. A bill to regulate lobbying and related activities; jointly to the Committees on the Judiciary, and Standards of Official Conduct.

By Mr. JONES of Alabama (for himself, Mr. HARSHA, Mr. ROBERTS, and Mr. DON H. CLAUSEN):

H.R. 9560. A bill to amend the Federal Water Pollution Control Act to provide for additional authorizations and for other purposes; to the Committee on Public Works and Transportation.

By Mr. JONES of Alabama (for himself, Mr. HARSHA, Mr. ANDERSON of California, and Mr. SNYDER):

H.R. 9561. A bill to amend the Airport and Airway Development Act of 1970; to the Committee on Public Works and Transportation.

By Mr. KEMP (for himself and Mr. TREEN):

H.R. 9562. A bill relating to the settlement of debts owed the United States by foreign countries; to the Committee on International Relations.

By Mr. KEMP (for himself, Mr. JOHNSON of California, Mr. MITCHELL of New York, and Mr. MOLLOHAN):

H.R. 9563. A bill to incorporate the National Ski Patrol System Inc.; to the Committee on the Judiciary.

By Mr. McDADE:

H.R. 9564. A bill to amend the Regional Rail Reorganization Act of 1973 to prohibit any railroad in reorganization from abandoning or discontinuing service over certain light density lines of railroad; to the Committee on Interstate and Foreign Commerce.

H.R. 9565. A bill to amend the Atomic Energy Act of 1954 to provide that no license shall be issued for the construction of a new nuclear fission powerplant until after the people of the affected counties or political subdivisions have approved such construction in a referendum; to the Joint Committee on Atomic Energy.

By Mr. MACDONALD of Massachusetts:

H.R. 9566. A bill to amend the Communications Act of 1934 with regard to the broadcasting of certain professional sports clubs' games; to the Committee on Interstate and Foreign Commerce.

By Mr. MOLLOHAN (for himself, Mr. AuCoin, Mr. Baucus, Mr. Brown of California, Mr. Burgener, Mrs. Collins of Illinois, Mr. Coughlin, Mr. D'Amours, Mr. Danielson, Mr. Dodd, Mr. Eckhardt, Mr. Eilberg Mr. Fauntroy, Mr. Harrington, Mr. Howard, Ms. Keys, Mr. Lehman, Mr. Mathis, Mr. Ottinger, Mr. Rooney, Mrs. Spellman, Mr. Weaver, Mr. Charles H. Wilson of California, Mr. Winn, and Mr. Wolff):

H.R. 9567. A bill to amend title 10 of the United States Code in order to provide that no veteran may be denied care or treatment under the CHAMPUS program for any service-connected disability solely because care or treatment for such disability is available at Veterans' Administration medical facilities; to the Committee on Armed Services.

By Mr. MOORHEAD of Pennsylvania:

H.R. 9568. A bill to amend the Housing Act of 1949; to the Committee on Banking, Currency and Housing.

By Mr. PICKLE:

H.R. 9569. A bill to amend section 174 of the Internal Revenue Code of 1954 to make clear that product development and improvement costs of publishers are research or experimental expenditures, and to prohibit the retroactive application of Revenue Ruling No. 73-395; to the Committee on Ways and Means.

By Mr. PRICE (for himself and Mr. Bob Wilson) (by request):

H.R. 9570. A bill to authorize the sale and shipment incident to such sale of the chemical substance carbonyl chloride by the Department of Defense; to the Committee on Armed Services.

H.R. 9571. A bill to approve the sale of certain naval vessels and for other purposes; to the Committee on Armed Services.

H.R. 9572. A bill to approve the sale of certain naval vessels and for other purposes; to the Committee on Armed Services.

H.R. 9573. A bill to amend section 501 of title 37, United States Code, to limit the total cumulative entitlement to payment for unused accrued leave to 60 days, and for other purposes; to the Committee on Armed Services.

H.R. 9574. A bill to amend the Aviation Career Incentive Act of 1974 (88 Stat. 177) to make certain technical amendments for purposes of clarification, and for other purposes; to the Committee on Armed Services.

By Mr. RINALDO (for himself, Mr. Blanchard, Ms. Chisholm, Mr. Gude, Mr. Harrington, Mr. Mottl, Mr. Murphy of New York, Mr. Nowak, Mr. Rodino, Mr. Ottinger, Mr. Roe, Mr. Sarasin, Ms. Schroeder, and Mr. Young of Georgia):

H.R. 9575. A bill to amend the Urban Mass Transportation Act of 1964 to increase the amount of the Federal grant which may be made for certain mass transportation projects from 80 to 90 percent of the costs of such projects; to the Committee on Public Works and Transportation.

By Mr. ROBERTS (for himself, Mr. Hammerschmidt, Mr. Teague, Mrs. Heckler of Massachusetts, Mr. Wolff, Mr. Hannaford, Mr. Wylie, Mr. Walsh, Mr. Satterfield, Mr. Montgomery, Mr. Carney, Mr. Danielson, Mr. Hefner, Mr. Hillis, Mr. Abdnor, Mr. Guyer, Mr. Hansen, and Mr. O'Brien):

H.R. 9576. A bill to amend title 38 of the United States Code in order to set a termination date for veterans' educational benefits under chapters 34 and 36 of such title, to extend the maximum educational benefits to 45 months under chapter 34 of such title, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. ROBERTS (for himself, Mr. Hammerschmidt, Mr. Teague, Mr. Satterfield, Mr. Montgomery, Mr. Carney, Mr. Danielson, Mr. Wolff, Mr. Brinkley, Mr. Charles Wilson of Texas, Mr. Cornell, Mr. Hefner, Mr. Hannaford, Mr. Ford of Tennessee, Mr. Edgar, Mr. Holland, Mr. McHugh, Mrs. Heckler of Massachusetts, Mr. Wylie, Mr. Hillis, Mr. Abdnor, Mr. Walsh, Mr. Guyer, Mr. Hansen and Mr. O'Brien):

H.R. 9577. A bill to designate the Veterans' Administration hospital in Loma Linda, Calif., as the Jerry L. Pettis Memorial Veterans' Hospital, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. ROSENTHAL (for himself, Mr. Badillo, Mr. Biaggi, Mr. Bonker, Mr. Brodhead, Mr. Carney, Ms. Chisholm, Ms. Collins of Illinois, Mr. Conyers, Mr. Cornell, Mr. Danielson, Mr. de Lugo, Mr. Edgar, Mr. Ford of Tennessee, Mr. Hannaford, Mr. Harrington, Mr. Hechler of West Virginia, Mr. Helstoski, Mr. Jenrette, and Mr. Karth):

H.R. 9578. A bill to amend title XX of the Social Security Act to provide that no State shall be required to administer individual means tests for the provision of education, nutrition, transportation, recreation, socialization, or associated services provided thereunder to groups of low-income individuals aged 60 or older, and to limit the frequency of recertifications of eligibility for services under such title; to the Committee on Ways and Means.

By Mr. ROSENTHAL (for himself, Mr. Krebs, Mr. LaFalce, Mr. Lehman, Mr. Martin, Mr. Meeds, Mr. Mikva, Mr. Mitchell of Maryland, Mr. Moorhead of Pennsylvania, Mr. Murphy of New York, Mr. Nowak, Mr. Rees, Mr. Richmond, Mr. Roe, Mr. Solarz, Mr. Stark, Mr. Wolff, Mr. Won Pat, and Mr. Yatron):

H.R. 9579. A bill to amend title XX of the Social Security Act to provide that no State shall be required to administer individual means tests for the provision of education, nutrition, transportation, recreation, socialization, or associated services provided thereunder to groups of low-income individuals aged 60 or older, and to limit the frequency of recertifications of eligibility for services under such title; to the Committee on Ways and Means.

By Mr. SEIBERLING (for himself, Mr. Badillo, Mr. Blouin, Mr. Brown of California, Ms. Burke of California Mr. Don H. Clausen, Mr. D'Amours, Mr. Danielson, Mr. Downey of New York, Mr. Edgar, Mr. English, Mr. Fascell, Mr. Ford of Tennessee, Mr. Gibbons, Mr. Harris, Mr. Hawkins, Mr. Hays of Ohio, Mr. Hechler of West Virginia, Mr. Hefner, Mr. Hyde, Mr. Ketchum, Mr. Krebs, Mr. LaFalce, Mr. Lehman, and Mr. Litton):

H.R. 9580. A bill to amend title II of the Social Security Act to require that procedures be established for the expedited replacement of undelivered benefit checks, to require that decisions on benefit claims be made within specified periods and to require that payment of benefits on approved claims begin promptly; to the Committee on Ways and Means.

By Mr. SEIBERLING (for himself, Mr. McHugh, Mr. McKinney, Ms. Meyner, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Nolan, Mr. Nowak, Mr. Ottinger, Mr. Patterson of California, Mr. Rangel, Mr. Rhodes, Mr. Rodino, Mr. Roush, Mr. Roybal, Mr. Ryan, Mr. Simon, Mr. Vander Veen, Mr. Whalen, Mr. Charles H. Wilson of California, Mr. Won Pat, Mr. Yatron, and Mr. Zeferetti):

H.R. 9581. A bill to amend title II of the Social Security Act to require that procedures be established for the expedited replacement of undelivered benefit checks, to require that decisions on benefit claims be made within specified periods and to require that payment of benefits on approved claims begin promptly; to the Committee on Ways and Means.

By Mr. SHIPLEY:

H.R. 9582. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for optometric and medical vision care; to the Committee on Ways and Means.

By Mr. STEELMAN (for himself and Mr. Edwards of California):

H.R. 9583. A bill to amend section 552 of title 5 of the United States Code to clarify certain exemptions from its disclosure requirements, to provide guidelines and limitations for classifying official information; to the Committee on Government Operations.

By Mr. STUDDS:

H.R. 9584. A bill to amend the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. TAYLOR of North Carolina (for himself and Mr. Sebelius):

H.R. 9585. A bill to provide for the addition of certain lands to Mount McKinley National Park and Katmai National Monument, to establish nine new areas of the national park system, and to designate 21 new additions to the wild and scenic rivers system, all in the State of Alaska, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. TRAXLER:

H.R. 9586. A bill to amend the Regional Rail Reorganization Act of 1973 to require the Consolidated Rail Corporation to provide rail service over certain light density lines, to provide increased financial assistance for local rail services, to direct the Rail Services Planning Office to conduct an analysis of certain rail lines not designated for inclusion in the final system plan, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. VANDER VEEN (for himself, Mr. Vander Jagt, Mr. Esch, Mr. Harrington, Mr. Ford of Michigan, Mr. Helstoski, Mr. Badillo, Mr. Riegle, Mr. Beard of Rhode Island, Mr. Moakley, Mr. Traxler, Mr. Cederberg, Mr. Ottinger, Mr. Pickle, Mr. Blanchard, Mr. Brodhead, Mr. Hughes, Mr. Broomfield, Mr. Roe, Mr. Cornell, Mr. Ruppe, Mr. Drinan, Mr. Harris, Mr. John L. Burton, and Mr. Phillip Burton):

H.R. 9587. A bill to amend the Social Security Act to expedite Federal payments to States under the Aid to Families with Dependent Children, medicaid, and social services programs (and under the other Federal-State public assistance programs where those programs are in effect), and for other purposes; to the Committee on Ways and Means.

By Mr. VANDER VEEN (for himself, Mr. Stark, Mrs. Spellman, Ms. Keys, Mr. Preyer, Mr. Waggonner, Mr. Oberstar, Mr. Moss, Mr. Sharp, Mr. Blouin, Mrs. Schroeder, Mr. Rees, Mr. Boland, Mr. Conte, Mr. Sarbanes, Mrs. Meyner, Mr. Howard, Mr. Diggs, Mr. Studds, Mr. Hicks, Mr. Downey of New York, Mr. Nedzi, Mr. O'Hara, Mr. Brown of Michigan, and Mr. Carr):

H.R. 9588. A bill to amend the Social Security Act to expedite Federal payments to States under the Aid to Families with Dependent Children, medicaid, and social services programs (and under the other Federal-

State public assistance programs where those programs are in effect), and for other purposes; to the Committee on Ways and Means.

By Mr. VANDER VEEN (for himself and Mr. BINGHAM):

H.R. 9589. A bill to amend the Social Security Act to expedite Federal payments to States under the Aid to Families with Dependent Children, medicaid, and social services programs (and under the other Federal-State public assistance programs where those programs are in effect), and for other purposes; to the Committee on Ways and Means.

By Mr. WAGGONNER:

H.R. 9590. A bill to amend title XX of the Social Security Act to provide that the regulations prescribed by the Secretary of Health, Education, and Welfare to impose staffing standards for day care centers thereunder shall require staff-to-child ratios of one adult for each child under 6 weeks old and (subject to State action in certain cases) one adult for each eight children between 6 weeks and 3 years old; to the Committee on Ways and Means.

By Mr. WHALEN:

H.R. 9591. A bill to authorize the Secretary of Transportation to make grants for the construction of bikeways in urbanized areas; to the Committee on Public Works and Transportation.

By Mr. BYRON (for himself, Mr. STARK, Mr. FUQUA, Mr. SIKES, Ms. KEYS, Mr. RUPPE, and Mr. ICHORD):

H.J. Res. 655. Joint resolution authorizing and requesting the President to issue a proclamation designating Sunday, September 14, 1975, as National Saint Elizabeth Seton Day; to the Committee on Post Office and Civil Service.

By Mr. SISK:

H.J. Res. 656. Joint resolution to create a Joint Committee on Intelligence Operations; to the Committee on Rules.

By Mr. ABDNOR (for himself and Mr. FLORIO):

H. Con. Res. 394. Concurrent resolution to promote and encourage the removal of architectural barriers to the access of handicapped persons ot public facilities and buildings; to the Committee on Public Works and Transportation.

By Mr. ANNUNZIO (for himself and Mr. BURKE of Massachusetts):

H. Con. Res. 395. Concurrent resolution expressing the sense of Congress with respect to the Baltic States; to the Committee on International Relations.

H. Con. Res. 396. Concurrent resolution expressing the sense of Congress that it remains the policy of the United States not to recognize in any way the annexation of the Baltic nations by the Soviet Union, the President's signature on the Final Act of the Conference on Security and Cooperation in Europe notwithstanding; to the Committee on International Relations.

By Mr. EVINS of Tennessee:

H. Res. 716. Resolution establishing a select committee to study the problem of U.S. servicemen missing in action in Southeast Asia; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. WEAVER introduced a bill (H.R. 9592) for the relief of Gunther Griffel, which was referred to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

219. By the SPEAKER: Petition of George B. Roden, Waco, Tex., relative to fuel policy; to the Committee on Interstate and Foreign Commerce.

220. Also, petition of the Grand Council, Order Fraternal Americans, Bridgewater, Va., relative to the immigration of Vietnamese; to the Committee on the Judiciary.

SENATE—*Thursday, September 11, 1975*

The Senate met at 10:30 a.m. and was called to order by Hon. WENDELL H. FORD, a Senator from the State of Kentucky.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal God,
"Our vows, our prayers, we now present
Before Thy throne of grace;
God of our Fathers, be the God
Of their succeeding race."
Philip Dodridge, 1702–1751.

In the light of Thy presence may we know that we live only as we love; that we are strong only as we are pure; that we succeed only as we are just and merciful and good. In the solemn silence of this hallowed moment deliver us from all that obstructs the reality of Thy nearness. Bind our hearts to Thee, for in Thee do we trust. Endow us with that higher wisdom which only Thou canst give. Come to us, O God, abide with us in the depths of our being, that despite our sins and errors and frailties, we may be channels for Thy redemptive purpose for all mankind.

In Thy holy name we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., September 11, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. WENDELL H. FORD, a Senator from the State of Kentucky, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. FORD thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, September 10, 1975, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

DISAPPROVAL OF CERTAIN REGULATIONS PROPOSED BY THE ADMINISTRATOR OF GENERAL SERVICES

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 358, Senate Resolution 244.

The ACTING PRESIDENT pro tempore. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 244) disapproving certain regulations proposed by the Administrator of General Services.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. RIBICOFF. Mr. President, the Presidential Recordings and Materials Preservation Act, popularly referred to as the Nixon tapes legislation, which was handled by the Government Operations Committee, passed the Senate late last year. The legislation, in effect, set aside the arrangement worked out between the General Services Administration, Arthur Sampson, and Richard M. Nixon to return his papers and tapes to him, and required the GSA to take possession and control of all Nixon tapes and materials. The legislation also required the GSA to propose regulations providing for public access to the tapes and materials, and gave Congress 90 legislative days to review the GSA regulations by providing that they would become effective at the expiration of that period unless disapproved by either House by the adoption of a simple resolution.

By and large, the GSA regulations were reasonably good. However, they failed to implement congressional intent in about four key areas, and these were the areas in which the committee disagreed with GSA. They are:

First. GSA's regulations would give final administrative judgment to the GSA Administrator over who should have access to the tapes and papers. The committee believes that since this is an archival decision, a Presidential appointee should not have exclusive power in this respect; the committee decided that the power should be vested in a Presidential Materials Review Board, which would consist of the Archivist of the United States, the Librarian of Congress and a representative of the Society of American Archivists, all of whom are skilled in archival sciences.

Second. GSA's regulations would have permitted GSA to restrict access to any material which might "tend to embarrass, damage, or harass living persons." The committee believed this definition could be applied to almost any Watergate-type material, and used as an excuse to restrict access. The committee suggested to GSA that this provision be rewritten.

Third. The GSA regulations, in stating that access to national security material would be restricted, devised a new definition of national security. The committee believed that it would be wiser to stick to the definition of "national security material" contained in existing law in determining which material should be restricted from public view.

Fourth. The GSA regulations provide a procedure whereby researchers may obtain Xerox copies of papers in the materials. However, they provide that no reproductions may be made of the tape recordings. The committee believed that such distinction between the papers and the tapes is not warranted, and suggested that GSA provide a mechanism which would allow legitimate researchers an opportunity to be provided with copies of the tapes as well.

It should be noted that none of the regulations can take effect, in any event, until the court challenge by Nixon to the constitutionality of the underlying legislation is disposed of. It will probably be next spring, at the earliest, before the case reaches the Supreme Court.

Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 94-368), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

SENATE REPORT 94-368

DISAPPROVING REGULATIONS PROPOSED BY THE GENERAL SERVICES ADMINISTRATION IMPLEMENTING THE PRESIDENTIAL RECORDINGS AND MATERIALS PRESERVATION ACT

PURPOSE

The purpose of this resolution is to disapprove the regulations submitted by the Administrator of General Services pursuant to title I of Public Law 93-526 which, in the judgment of the Committee, are not consistent with the basic objectives of the Act, and do not conform to the specific criteria set forth therein.[1] (Copies of the resolution, the Act and the pertinent regulations are set forth in the appendix to this report.)

The regulations here involved will become effective upon the expiration of 90 legislative days[2] following their submission to the Congress on March 19, 1975, unless disapproved by either House of Congress by the adoption of a simple resolution.

BACKGROUND

Title I of Public Law 93-526, the Presidential Recordings and Materials Preservation Act, provides that the U.S. Government retain custody of the Presidential materials of former President Richard M. Nixon and that the Administrator of General Services, who is made responsible for their preservation and custody, propose regulations governing public access to such materials, taking into account certain criteria set forth in section 104 of the Act.

The Act further requires the Administrator, within 90 calendar days following enactment, to submit to the Congress such proposed regulations, together with an explanatory report, and provides that such regulations are to become effective upon the expiration of 90 legislative days following their submission, unless they are disapproved by either House of the Congress by the adoption of a simple resolution.

Pursuant to these provisions, the GSA Administrator submitted the proposed regulations to the Congress on March 19, 1975.

The basic objectives of the Act are (1) to protect and preserve the tape recordings of conversations, and other materials, recorded or prepared in the White House, the Executive Office Building, and certain other specified places, between January 20, 1969 and August 9, 1974; (2) to make them available to the Special Watergate Prosecution Force; (3) to provide for appropriate public access to them; and (4) to make them available to Richard M. Nixon, or his designees, for copying or any other purpose consistent with the Act and with regulations promulgated by the Administrator of General Services relative to their security and preservation.

The specific criteria, which the Administrator is required to take into account in developing the regulations, are set forth in section 104 of the act, as follows:

(1) the need to provide the public with the full truth, at the earliest reasonable date, of the abuses of governmental power popularity identified under the generic term "Watergate";

(2) the need to make such recordings and materials available for use in judicial proceedings;

(3) the need to prevent general access, except in accordance with appropriate procedures established for use in judicial proceedings, to information relating to the Nation's security;

(4) the need to protect every individual's right to a fair and impartial trial;

(5) the need to protect any party's opportunity to assert any legally or constitutionally based right or privilege which would prevent or otherwise limit access to such recordings and materials;

(6) the need to provide public access to those materials which have general historical significance, and which are not likely to be related to the need described in paragraph (1); and

(7) the need to give to Richard M. Nixon, or his heirs, for his sole custody and use, tape recordings and other materials which are not likely to be related to the need described in paragraph (1) and are not otherwise of general historical significance.

HEARINGS

A hearing on the proposed regulations was held on May 13, 1975 in order to afford the Committee an opportunity to determine whether the proposed regulations were in accord with the basic objectives of the Act, and whether they conformed to the specific criteria set forth in section 104 thereof.

Appearing in support of the proposed regulations were Mr. Arthur F. Sampson, Administrator of General Services, accompanied by Mr. Ted Trimmer, General Counsel, Dr. James B. Rhoads, the Archivist of the United States, and other members of Mr. Sampson's staff.

Senator Gaylord Nelson, principal sponsor of the legislation, presented comments with respect to the proposed regulations, with special reference to those provisions which, in his judgment, appeared to be ambiguous or inconsistent with the intent of the Act, and suggested alternate language designed to eliminate inconsistencies and clarify ambiguities.

In addition, the Committee received a joint submission from the American Historical Association and the American Political Science Association, statements from the Society of American Archivists, the Organization of American Historians and the Watergate Special Prosecution Force.

At the close of the hearings, the Chairman of the Committee, and Senator Nelson, each submitted to the Administrator a list of questions relative to various aspects of the proposed regulations. Mr. Sampson's replies thereto have been inserted in the hearing record. Thereafter, the American Historical Association and the American Political Science Association submitted responses to some of the legal contentions contained in Mr. Sampson's replies which were also inserted in the record. Senator Nelson also submitted two legal memorandums prepared at his request by the American Law Division of the Congressional Research Service, Library of Congress.

Following a complete review of the proposed regulations and the hearing record, the Committee concluded that many of the regulations complied with the Act and were consistent with the intent of Congress. The Committee found, however, that a significant number of provisions were not consistent and should be disapproved. Since the proposed regulations cannot be revised or amended, except as provided for in the Act, and GSA contends that it would be difficult for them to implement the remaining regulations if only those provisions were disapproved, the Committee concluded that it should recommend disapproval of all of the regulations to prevent the unacceptable provisions from becoming effective.

Although, under the Act, the Administrator of General Services will have 90 calendar days following the adoption by the Senate of the resolution of disapproval, to submit revised regulations, the Committee expects the Administrator to submit revised regulations no later than October 10, 1975, in accordance with the directions of the Committee. Thereafter, the amended regulations will become effective following the expiration of 90 legislative days from the date of submission, unless disapproved by either House of Congress.

The major issues which developed from the hearings and subsequent discussions between members of the Committee staff and representatives of the General Service Administration related to (1) the validity and propriety of restrictions on access involving national security and personal embarrassment, and (2) whether final determinations for the purposes of judicial review should be vested solely in the Administrator, a political appointee, or whether they should be vested in the Presidential Materials Review Board, to be estabilshed by the regulations and composed of persons professionally trained in archival science, with respect to (a) whether materials are historically significant and are to be retained by the Government, or are of a purely personal nature to be returned to Mr. Nixon; and (b) whether materials should be withheld from public access.

The Administrator of General Services has contended that he does not have authority irrevocably to delegate judgmental responsibilities imposed upon him by the Congress pursuant to the Act, since the Act does not authorize such delegation. Based upon its own studies, supported by the legislative history of the Act and a memorandum from the American Law Division of the Congressional Research Service of the Library of Congress, the Committee believes that the Act grants the Administrator authority only to propose and explain regulations and not to control and regulate access to the materials. However, if such authority had been delegated to the Administrator, such a subdelegation would have been authorized. (A copy of the memorandum from the Library of Congress is set forth in the appendix.)

Finally, the Committee believes that in order to carry out the intent of the Act, final judgment relative to public access should

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Footnotes at end of article.

be lodged in persons competent in archival sciences such as the members of the proposed Presidential Materials Review Board.[3]

Set forth below is an analysis of 10 provisions of the proposed regulations which, in the judgment of the Committee, require amendment or modification. Accompanying each such provision is an explanation and proposed substitute language to guide the Administrator of General Services in submitting amended regulations.[4] Where appropriate, the new submission by the GSA Administrator should include amended section headings to reflect changes in substance.

PROVISIONS WHICH SHOULD BE REVISED

1. Section 105–63.401–1. Rights and privileges; rights to a fair trial. Subsection (c) provides as follows:

(c) In his discretion, the Administrator may consider claims and petitions described in paragraphs (a) and (b) of this subsection after the expiration of 90 calendar days from the effective date.

This provision must be read in conjunction with the other provisions to which it refers. Paragraph (a) allows an individual (i.e. Mr. Nixon or a former White House aide) to petition GSA, within 90 calendar days after the effective date of the regulations, to restrict access to certain Presidential materials because of a legal or constitutional right or privilege possessed by the petitioner (i.e. right to privacy). Paragraph (b) allows a Federal, State or local government attorney to petition the GSA, within 90 calendar days after the effective date of the regulations, to restrict access to Presidential materials whose public disclosure would prejudice a particular individual's right to a fair and impartial trial.

Paragraph (c) provides that a person will have no *right* to have a petition considered after the 90 days have passed. While the Administrator may, in his discretion, consider petitions filed after that date, the GSA states that it will not consider any petition concerning materials already made public.

This provision raises a very significant issue. Since a concerned individual is not likely to have any knowledge or reason to know that the materials include information about him which can lawfully be restricted, he may not learn of the existence of such information until the 90-day period has expired. Likewise, a Government attorney may not learn of the inclusion of relevant materials until the expiration of such period.

To provide adequate protection of individual rights, GSA should be *required* to consider a petition filed after 90 days, even if the material has already been made available to the public. Otherwise, a person would be powerless to exercise his legal rights meaningfully in situations in which he may suffer a violation of a constitutional or legal right. (Although available, the materials might not have been inspected by anyone before the late petition is filed; or if someone has already inspected the relevant materials, he may not publish them to the world.)

To remedy these problems, it is recommended that this subsection be amended as follows:

(c) *The Administrator will consider claims and petitions described in paragraphs (a) and (b) of this subsection, filed after the expiration of 90 calendar days from the effective date, where there is good cause for the failure to file the claim or petition within such 90-day period, and the claim or petition is filed within 90 calendar days after the claimant or petitioner becomes aware of the release of such materials, or has reasonable cause to file such petition or claim, to prevent release of such materials.* [In his discretion, the] The Administrator may consider *other* claims and petitions described in paragraphs (a) and (b) of this subsection after the expiration of 90 calendar days from the effective date.

Footnotes at end of article.

2. Section 105–63.401–2.—Segregation and review; Senior Archival Panel; Presidential Materials Review Board.

Subsection (d) provides as follows:

(d) If, during the processing period described in § 105–63–401(b), the archivists should discover any materials which they determine reflect an apparent violation of law which has not been the subject of prior investigations, the archivists shall bring the material to the attention of the Administrator for referral to the Department of Justice or other appropriate action.

This subsection places an unnecessary qualification on the archivists' and Administrator's responsibilities. Archivists may not be familiar with all "prior investigations"; and even if they were, the prior investigation may be ongoing or capable of being reopened. Therefore, the archivists should refer *all* information bearing on potential criminal activity to the Administrator. The Administrator, in turn, should be required to forward all such material—however innocuous in appearance—to the Justice Department. The Administrator is in no position to evaluate the relevance of any material to any ongoing investigation which may or may not be known to him. Further, the determination of what information may be relevant to an ongoing investigation is not an appropriate function of the Administrator.

To remedy this problem, this subsection should be amended as follows:

(d) If, during the processing period described in § 105–63.401(b), the archivists should discover materials which reflect an apparent violation of law, [which has not been the subject of prior investigation,] the archivists shall bring the material to the attention of the Administrator for referral to the Department of Justice [or other appropriate action.] *or any other appropriate agency of the United States which has the responsibility for investigating violations of law.*

3. Section 105–63.401–2.—Same.

Subsection (h) provides as follows:

(h) When the matter certified to the Board[5] by the Senior Archival Panel involves a determination required in paragraphs (a) or (b) of this subsection, the Administrator will publish notice in the Federal Register of the materials to be considered by the Board. In order to protect the privacy of persons who may have such an interest in the materials, the notice shall consist only of a generic description and listing of the materials to be considered by the Board. Any person may intervene in the Board's consideration by petitioning the Administrator in writing within 30 calendar days of publication of notice. The Board shall submit to the Administrator its written recommendation, together with dissenting and concurring opinions, of the proper categorization and disposition of the pertinent materials. The Administrator will make the final administrative determination. If the determination of the Administrator is different from that recommended by the Board, he will state his reasons in writing. The Administrator will notify the petitioner by certified mail, return receipt requested, of the final administrative determination. The Administrator will refrain from transferring any materials in accordance with § 105–63.401–5(a) as a result of the final administrative determination for at least 30 calendar days from the petitioner's receipt of such notice.

The problem with this subsection is that it affords the Administrator unfettered discretion to make the final administrative determination as to which materials should be retained for public access.[6] It is ill-advised to provide the Administrator with such power for at least two reasons.

First, as the GSA report states, decisions regarding the retention of the Nixon presidential materials should be made on a nonpartisan basis and should reflect the judgment of those trained in archival science. The GSA Administrator—a political appointee who serves at the pleasure of the President and who normally is not trained in archival science—can add little to the substance of nonpartisan, archival decisions. The Presidential Materials Review Board is composed of three individuals trained in archival sciences.

Second, granting the Administrator unchecked power is likely to increase the risk—both in reality and in appearance—that partisan political concerns will govern decisions concerning the retention of the Nixon Presidential materials. This is not intended as a criticism of the current Administrator. The Congress and the American people should not have to be concerned with the possibility that at some future time, under some future circumstances, the Administrator might succumb to political temptations.

To eliminate these problems, this subsection should be amended as follows:

(h) When the matter certified to the Board by the Senior Archival Panel involves a determination required in paragraphs (a) or (b) of this subsection, the Administrator will publish notice in the Federal Register of the materials to be considered by the Board. In order to protect the privacy of persons who may have such an interest in the materials, the notice shall consist only of a genetic description and listing of the materials to be considered by the Board. Any person may intervene in the Board's consideration by petitioning the Administrator in writing within 30 calendar days of publication of notice. The Board shall submit to the Administrator its written [recommendation] *decision,* together with dissenting and concurring opinions, of the proper categorization and disposition of the pertinent materials. *For purposes of judicial review,* the [Administrator] *Board's decision* will [make] *be* the final administrative determination. [If the determination of the Administrator is different from that recommended by the Board, he will state his reasons in writing.] The Administrator will notify the petitioner by certified mail, return receipt requested, of the final administrative determination, within 30 calendar days following receipt of such determination. The Administrator will refrain from transferring any materials in accordance with § 105–63.401–5(a) as a result of the final administrative determination for at least 30 calendar days from the petitioner's receipt of such notice.

4. Section 105–63.401–4.—Appeals.

Subsection (d) provides as follows:

(d) Upon consideration of appeals as described in paragraphs (a) or (b) of this subsection, the Board shall submit to the Administrator its written recommendation, together with dissenting and concurring opinions, of the proper categorization and disposition of the pertinent materials. The Administrator will make the final administrative determination. If the determination of the Administrator is different from that recommended by the Board, he will state his reasons in writing. The Administrator will notify the petitioner by certified mail, return receipt requested, of the final administrative determination. The Administrator will refrain from transferring any materials in accordance with § 105–63.401–5(a) as a result of the final administrative determination for at least 30 calendar days from the petitioner's receipt of such notice.

This provision, like section 105–63.401–2 (h), affords the Administrator unfettered discretion to dispose of petitions concerning the retention of certain materials.[7]

Therefore, this subsection should be amended as follows:

(d) Upon consideration of appeals as described in paragraphs (a) or (b) of this subsection, the Board shall submit to the Administrator its written [recommendation] *decision,* together with dissenting and concurring opinions. of the proper categorization and disposition of the pertinent materials. *For the purposes of judicial review,* the [Administrator] *Board's decision* will [make] *be* the final administration determination. [If the determination of the Administrator is different from that recommended by the Board, he will state his reasons in writing.] The Administrator will notify the petitioner by certified mail, return receipt requested, of the final administrative determination *within 30 calendar days following receipt of such petition.* The Administrator will refrain from transferring any materials in accordance with § 105–63.401–5(a) as a result of the final administrative determination for at least 30 calendar days from the petitioner's receipt of such notice.

5. Section 105–63.402–1.—Restrictions; materials related to abuses of governmental power.

Subsection (a) provides, in pertinent part, as follows:

(a) The Administrator will restrict access to materials determined during the processing period to relate to abuses of governmental power, as defined in § 105–63.104(c), when:

* * * * *

(4) The release of the materials would disclose or compromise national security classified information. However, the Administrator may waive restriction when:

* * * * *

(iv) The requester has signed a statement, satisfactory to the Administrator and to the heads of agencies having subject matter interest in the material, which declares that the requester will not publish, disclose, or otherwise compromise the classified material to be examined and that the requester has been made aware of Federal criminal statutes which prohibit the compromise or disclosure of this information.

* * * * *

There are two principal difficulties with this subsection.

First, it would restrict access to materials whose disclosure would "compromise" national security classified information. This standard is far too vague. Conceivably, it could be argued that disclosure of virtually any Presidential material would "comprise" national security information. Congress should therefore rely on existing standards. Under present law, the Government can classify any item when its disclosure would reveal or compromise sensitive information. (See Exec. Order 11652, secs. 1, 6, 12). If the Government has not classified the item, there should be no further national security restrictions on access to it.

Second, if a researcher is otherwise authorized to review classified material and has signed a sworn statement that he will not disclose the sensitive material, that should be sufficient to allow him access. The sworn statement should not, in addition, have to be "satisfactory" to the Administrator or any Federal agency. No standards are offered to determine when a statement would be deemed "satisfactory." Use of the term, consequently, would allow government officials arbitrarily to deny access to otherwise authorized persons.

To correct these problems, this subsection should be amended as follows:

(a) The Administrator will restrict access to materials determined during the processing period to relate to abuses of governmental power, as defined in § 105–63.104(c), when:

(4) [The release of the materials would disclose or compromise national security classified information.] *The materials are authorized under criteria established by Executive Order to be kept secret in the interest of national defense or foreign policy and are in fact properly classified pursuant to any executive order.* However, the Administrator may waive this restriction when:

(iv) The requester has signed a statement [, satisfactory to the Administrator and to the heads of agencies having subject matter interest in the material,] which declares that the requester will not publish, disclose, or otherwise compromise the classified material to be examined and that the requester has been made aware of Federal criminal statutes which prohibit the compromise or disclosure of this information.

6. Section 105–63.402–1.—Same.

Subsection (b) provides as follows:

(b) The Administrator may restrict access to portions of materials determined to relate to abuses of governmental power when the release of those portions would tend to embarrass, damage, or harass living persons, and the deletion of those portions will not distort, and their retention is not essential to an understanding of, the substantive content of the materials.

The intent of this restriction is understandable and acceptable: to protect the reputations of living persons from unnecessary embarrassment. To the extent that such concern is legitimate, this regulation seems largely superfluous. Any purely personal items would automatically be exempt from disclosure and perhaps even retention by GSA. (See sections 105–63.104(b); 105–63.401–5.)

Even if it were not superfluous, the provision would still be objectionable. Almost by definition, the Watergate affairs are embarrassing to those who were associated with them. Therefore, virtually all of the Watergate materials could, conceivably, be subject to this restriction.

The additional qualification does not remedy the situation. It states only that embarrassing materials will not be withheld if their deletion will not "distort" the Watergate history and if their retention is not "essential" to an understanding of that history. But Congress did not direct that only the "essentials" of the Watergate affairs be made public. Congress directed that "the full truth" be made public. This provision would undermine that congressional purpose.

Another problem with the provision is that the Administrator has total, unfettered discretion to determine whether personal matter included within the Watergate materials should be withheld. If the material is personal and not necessary to understand an abuse, the Administrator should be *required* to restrict access.

To remedy this problem, this subsection should be amended as follows:

(b) The Administrator [may] *will* restrict access to any portions of materials determined to relate to [abuses of governmental power when the release of those portions would tend to embarrass, damage or harass living persons, and the deletion of those portions will not distort, and their retention is not essential to an understanding of the substantive content of the materials] *an individual's personal affairs, such as personnel and medical files, if after being given a reasonable opportunity to review the materials, the individual involved expresses, in writing, a desire to withhold such portions from public access: Provided, That if material relating to an abuse of governmental power refers to, involves or incorporates such personal information, the Administrator will make available such personal information, or portions thereof, if such personal information, or portion thereof, is essential to an understanding of the abuse of governmental power.*

7. *Section 105–63.402–2.*—Materials of general historical significance unrelated to abuses of governmental power.

Subsection (b) provides as follows:

(b) The Administrator may restrict access to materials of general historical significance, but not related to abuses of governmental power, when the release of the materials would:

(1) Disclose or compromise trade secrets or commercial information obtained from a person and privileged or confidential; or

(2) Constitute a clearly unwarranted invasion of personal privacy; or

(3) Disclose or compromise investigatory materials compiled for law enforcement purposes; or

(4) Tend to embarrass, damage, or harass living persons.

GSA states in its report that, with the exception of paragraph (4), these restrictions were derived from the Freedom of Information Act. The problem is that GSA's restrictions are written in terms much more vague than the Freedom of Information Act provisions. If archivists and administrators are to apply these regulations in a manner consistent with the Act, the restrictions should be clear and specific.

In addition, subparagraph (4), like subsection (b) of section 105–63.402–1 (item 7, above), is too vague. It is not at all clear how this exemption is to be applied. (GSA's report contains virtually no information to communicate an understanding of how similar terms were in fact applied by custodians of other Presidential papers.) In any event, this regulation seems superfluous. Any investigative or purely personal information—which are presumably the materials GSA has in mind—are already withheld from disclosure under other exemptions.

To remedy these problems, this subsection should be amended as follows:

(b) The Administrator [may] *will* restrict access to materials of general historical significance, but not related to abuses of governmental power, when the release of these materials would:

(1) Disclose [or compromise] trade secrets and commercial or financial information obtained from a person and privileged or confidential; or

(2) *Disclose personal and medical files and similar files or information when their disclosure would* constitute a clearly unwarranted invasion of personal privacy; or

(3) Disclose [or compromise] investigatory materials compiled for law enforcement purposes, *but only when the disclosure of such records would*

(i) *interfere with enforcement proceedings*

(ii) *constitute an unwarranted invasion of personal privacy,*

(iii) *disclose the identity of a confidential source and, in the case of a record compiled by a criminal law enforcement authority in the course of a criminal investigation, or by an agency conducting a lawful national security intelligence investigation, confidential information furnished only by the confidential source,*

(iv) *disclose investigative techniques and procedures, or*

(v) *endanger the life or physical safety of law enforcement personnel.*

[(4) Tend to embarrass, damage, or harass living persons.]

8. *Section 105—63.402–4.*—Appeal of restrictions.

This section provides as follows:

Upon the petition of any researcher who claims in writing to the Administrator that the restriction of specified materials is inappropriate and shoud be removed, the archivists shall submit the pertinent materials, or representative examples of them, to the Presidential Materials Review Board described in § 105–63.401–2(g). The Board shall review the restricted materials, consult with interested Federal agencies as necessary, and make a written recommendation to the Administrator, including dissenting and concurring opinions, as to the continued restriction of all or part of the pertinent materials. When the determination of the Administrator is different from that recommended by the Board, he will state his reasons in writing. The Administrator will notify the petitioner of the final administrative decision.

This provision is unclear in that it does not state explicitly that the Administrator has the authority to make the final administrative determination. However, it is known that it was the Administrator's intention to vest that authority in the Administrator, and the provision is likely to be so interpreted. Since, as in subsection (h) of section 105-63.401-2 (item 4, above), this would vest in the Administrator unfettered discretion to make such final determination (here with respect to the limits of public access), it is unacceptable. The Administrator is a political appointee serving at the pleasure of the President. If he has unfettered discretion to make the final decision concerning the availability of materials, there is a risk that, in reality or appearance, his decision will be influenced—consciously or subconsciously—by partisan political considerations.

There is no need to assume that risk. Application of the restrictions only requires a decision as to whether or not a particular item falls within one or more specified categories. This is precisely the kind of judgment which archivists are trained to make. Therefore, the final administrative determination should be made by the Presidential Materials Review Board after consultation with appropriate federal departments and agencies.

To remedy the problem, this section should be amended as follows:

Upon the petition of any researcher who claims in writing to the Administrator that the restriction of specified materials is inappropriate and should be removed, the archivists shall submit the pertinent materials, or representative examples of them, to the Presidential Materials Review Board described in § 105-63.401-2(g). The Board shall review the restricted materials, consult with interested Federal agencies as necessary, and [make a written recommendation] *submit* to the Administrator *its written decision*, including dissenting and concurring opinions, as to the continued restriction of all or part of the pertinent materials. [When the determination of the Administrator is different from that recommended by the Board, he will state his reasons in writing.] *For purposes of judicial review, the Board's decision will be the final administrative decision*. The Administrator will notify the petitioner of the final administrative decision *within 60 calendar days following receipt of the petition*.

9. *Section 105-63.404.*—Reproduction of tape recordings of presidential conversations.

Subsection (c) provides as follows:

(c) No researcher may reproduce or have reproduced sound recordings of the reference copies of the tape recordings described in paragraph (a) of this section.

GSA states that this regulation to prohibit reproduction of the tape recordings "is to prevent unwarranted commercial exploitation of the tape recordings."

This provision is, at best, unnecessary, and at worst, inconsistent with the spirit if not the letter of the act.

To begin with, the regulations and existing judicial procedures already protect every person's constitutional and legal rights. If Mr. Nixon, or any other person, believes he has a constitutional or legal right to prevent reproduction of the recordings, he can petition the GSA under section 105-63.401-1(a) or assert the right in court.[8]

In evaluating this regulation, it is also necessary to consider the basic intent of the Act. This legislation was designed, within certain limitations, to provide as much public access to the materials as is physically possible as quickly as possible. To that end, GSA recognizes that legitimate research requires the reproduction of printed materials; reproduction is no less necessary when the material is a tape recording. Indeed, the legitimate research need for the reproduction of tape recordings is particularly acute for two reasons: (1) the recordings provide especially invaluable and new raw data concerning the history of the Nixon Presidency; and (2) it may take many, many hours of listening to identify and understand the nuances of voices.

This subsection should be deleted:

(c) No researcher may reproduce or have reproduced sound recordings of the reference copies of the tape recordings described in paragraph (a) of this section.

10. *Section 105-63.405.*—Reproduction and authentication of other materials.

Subsection (a) provides as follows:

(a) The copying for researchers of materials other than tape recordings described in § 105-63.404 normally will be done by personnel of the General Services Administration using government equipment. With the permission of the Administrator or his designated agent, a researcher may use his own copying equipment. Permission shall be based on the determination that such use will not harm the materials or disrupt reference activities. Equipment shall be used under the supervision of GSA personnel.

In item 10, the Committee proposes the deletion of subsection (c) of section 105-63.404 which forbids reproduction of the reference copies of the tape recordings described in subsection (a) thereof.

Section 105-63.405 provides procedures for the reproduction of materials other than the tapes for use by researchers. Since the prohibition against reproduction of the tape recordings will be deleted, it will be necessary to provide a procedure for their reproduction. Accordingly, subsection (a) of section 105-63.404 should be amended to include reference copies of the tape recordings, as follows:

(a) The copying for researchers of materials, [other than] *including reference copies of the* tape recordings described in § 105-63.404, normally will be done by personnel of the General Services Administration using government equipment. With the permission of the Administrator or his designated agent, a researcher may use his own copying equipment. Permission shall be based on the determination that such use will not harm the materials or disrupt reference activities. Equipment shall be used under the supervision of GSA personnel.

In addition to the above provisions, which the Committee has found to be unacceptable, attention is called to a provision in the so-called "safety regulations"—section 105-63.206(d)—which appears to allow the Counsel to the President to limit access or restrict materials for so-called "national security" reasons, even though the material itself is not classified and no such authority has been delegated to the Counsel to the President. The Committee believes that this provision should be revised, as indicated below.[9]

Section 105-53.206.—Access Procedures.

Subsection (d) provides as follows:

(d) Prior to each access which may result in the examination of Presidential historical materials that relate to matters of national security, the Administrator of General Services or his designated agent shall notify the Counsel to the President who shall be given the opportunity to examine these materials and raise any objections, defenses, or privileges to prevent or limit the proposed access.

Subsection (d) is troublesome in at least two respects: first, it appears to recognize a right in the Counsel to the President originally to classify national security materials, even though no such authority has been delegated to him, either by existing law or Executive Order (11714, April 24, 1973); second, the resolution appears to allow the Counsel to limit access to materials even though they have not been, and cannot be, classified under existing law.

It would appear more appropriate to refer such requests to the National Security Council which does have such authority. It would also appear more appropriate to rely on language already approved by the Congress in the Freedom of Information Act.

To remedy these problems, the Committee recommends that this subsection be amended, as follows:

"(d) Prior to each access which may result in the examination of Presidential historical materials [that relate to matters of national security,] *which are required to be kept secret in the interest of the national defense or foreign policy*, the Administrator of General Services or his designated agent shall notify the [Counsel to the President] *National Security Council* [who] *which* shall be given the opportunity to examine these materials and raise any objections, defenses, or privileges to prevent or limit the proposed access. *In asserting any such objections, defense or privilege, the National Security Council shall state in writing why the materials involved are to be kept secret, under existing law or executive order: Provided, That this provision shall not be construed to allow the restriction of public access to material which is not and cannot be properly withheld from the public under existing law or executive order.*

CONCLUSION

Following a careful analysis of the proposed regulations and the hearing record, the Committee has concluded that, with the exception of the 11 provisions discussed above, the Administrator of General Services has performed creditably in drafting regulations to implement the Presidential Recordings and Materials Preservation Act.

However, the Committee believes that the provisions discussed above must be modified in order fully to carry out the basic objective of the Act which is to provide the public with the "full truth," at the earliest reasonable date, of the abuses of governmental power popularly identified under the generic term "Watergate", and to provide public access to those materials which have general historical significance and are not otherwise related to Watergate matters.

Accordingly, the Committee has identified those provisions of the proposed regulations which, in its judgment, unduly delay or restrict public access, or are otherwise likely to thwart the expressed intention of the Congress. In this connection, care has been taken to preserve or strengthen those provisions which are designed to protect individual constitutional and legal rights, including the right to privacy.

Adoption of this resolution of disapproval will permit the balance of the proposed regulations to become effective now, and will provide the GSA Administrator with an additional 90 calendar days, under the terms of Public Law 93-526, to submit amended regulations with respect to the provisions covered by this report.

In view of the foregoing, the Committee urges favorable action by the Senate on this resolution.

FOOTNOTES

[1] It should be noted, however, that none of the regulations will actually become operative until the basic issues of constitutionality have been decided by the courts. Present indications are that such court action is not likely to be concluded before some time next year.

[2] For the purposes of the Act, the term "legislative days" does not include any calendar day on which both Houses of the Congress are not in session.

[3] The Presidential Materials Review Board is to be composed of the Archivist of the United States, the Librarian of Congress and a representative of the Society of American Archivists.

[4] The full text of the pertinent regulations is set forth in the appendix, at pp. 25, 31.

[5] The Presidential Materials Review Board is to be composed of the Archivist of the United States, the Librarian of Congress and a representative of the Society of American Archivists.

[6] This regulation concerns *only* whether

particular items are historically significant and therefore within the legislative definition of "presidential historical materials." This regulation does *not* concern the restrictions on public access, such as national security limitations.

[7] This regulation concerns *only* the retention of the materials and *not* the restrictions to be imposed on public access.

[8] It should be noted here that the U.S. District Court in Washington, D.C., rejected a petition by the television networks to release to the public the recordings used in evidence. The court was primarily concerned that release of the recordings would result in commercial exploitation and that this, in turn, might prejudice an individual's right to a fair trial (especially since some of the Watergate defendants might have to be retried). The court implicitly recognized that, at some point in the future after all the trials have been completed, the recordings might be available for reproduction. *United States* v. *Mitchell*, Misc. No. 74-128 (D.D.C. April 4, 1975).

[9] The safety regulations are set forth in the appendix, pp. 25-31.

Mr. PERCY. Mr. President, I will keep my remarks very brief. This resolution expresses congressional disapproval of the proposed General Services Administration regulations governing public access to the Nixon Presidential materials. The Government Operations Committee considered the possibility of disapproving only those few provisions which it found unacceptable, and allowing the bulk of the regulations to go into effect as soon as the issue of ownership is settled in the courts. However, the law does not clearly state that the committee has the authority to act selectively. Thus we would have invited a legal challenge on procedural grounds—a risk which we need not take. Moreover, I question the wisdom of proceeding in a piecemeal fashion with important regulations which should be treated as an integral unit. I am pleased that the committee chairman with the support of the distinguished Senator RIBICOFF voted unanimously yesterday to send the entire package back to GSA, with instructions to submit acceptable language on the disputed provisions no later than October 10.

Finally, Mr. President, I would like to note that this resolution represents many hours of difficult and highly technical work by our excellent committee staff. Particular credit should be given to Brian Conboy, Eli Nobleman—who has been with the committee for many years—and Lew Paper of Senator NELSON's staff. They did a fine job.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the resolution.

The resolution (S. Res. 244) was agreed to, as follows:

Resolved, That pursuant to the provisions of section 104(b) of the Presidential Recordings and Materials Preservation Act (Public Law 93-526), the Senate hereby disapproves the regulations proposed by the Administrator of General Services in his report to the Senate submtited on March 19, 1975.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Does the Senator from Michigan (Mr. GRIFFIN) seek recognition?

Mr. GRIFFIN. No; I thank the Chair.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the recognition of Mr. RIBICOFF at this time be vacated.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 5 minutes each.

ORDER FOR RECESS UNTIL 11 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 11 o'clock tomorrow morning.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

REPORT OF THE ADMINISTRATION OF THE COOLEY'S ANEMIA PROGRAMS—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. FORD) laid before the Senate the following message from the President of the United States, which was referred to the Committee on Labor and Public Welfare:

To the Congress of the United States:

I am pleased to send to the Congress the Third Annual Report on the Administration of the Cooley's Anemia Programs in accordance with the requirements of Section 1115 of the Public Health Service Act, as amended.

The Report describes the activities of the National Institutes of Health (NIH), the Health Services Administration (HSA), and the Center for Disease Control (CDC). Research and development are underway at NIH in the diagnosis, treatment, and prevention of Cooley's anemia. High priority is being given to the development and evaluation of effective, nontoxic iron chelating agents to reduce iron buildup which occurs in the bodies of patients treated for Cooley's anemia with periodic blood transfusions.

High priority also is being given to pilot programs in screening, education, and counseling in coordination with NIH and HSA. In addition, HSA is evaluating the information gained from the extensive screening, treatment, and counseling studies in sickle cell anemia (which is also a genetic blood disease) as a means to plan more effectively the Cooley's anemia screening programs. CDC is involved in a number of activities concerned with the laboratory detection of Cooley's anemia, including screening techniques and educational programs.

GERALD R. FORD.

THE WHITE HOUSE, *September 11, 1975*.

REPORT OF THE NATIONAL ADVISORY COUNCIL ON ECONOMIC OPPORTUNITY—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. FORD) laid before the Senate the following message from the President of the United States, which was referred to the Committee on Labor and Public Welfare:

To the Congress of the United States:

I herewith transmit the Eighth Annual Report of the National Advisory Council on Economic Opportunity.

The report provides a perspective and recommendations which are, of course, limited to the particular area of interest of the National Advisory Council on Economic Opportunity. Thus, the report does not reflect the Administration's policies which must be formed in the context of a comprehensive review of the total Federal role and capability to assist the poor in light of other competing priorities.

GERALD R. FORD.

THE WHITE HOUSE, *September 11, 1975*.

MESSAGES FROM THE HOUSE

At 10:30 a.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the bill (H.R. 9005) to authorize assistance for disaster relief and rehabilitation, to provide for overseas distribution and production of agriculture commodities, to amend the Foreign Assistance Act of 1961, and for other purposes, in which it requests the concurrence of the Senate.

The message also announced that the Speaker has appointed Mr. Leggett as an additional manager on the part of the House in the conference on the disagreeing votes of the two Houses on the bill (H.R. 6674) to authorize appropriations during the fiscal year 1976, and the period beginning July 1, 1976, and ending September 30, 1976, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes.

At 1:00 p.m., a message from the House of Representatives delivered by

Mr. Berry announced that the House has passed the following bills in which it requests the concurrence of the Senate:

H.R. 9524. An act to extend the Emergency Petroleum Allocation Act of 1973; and

H.R. 9497. An act to amend the computation of the level of price support for tobacco.

At 5:15 p.m., a message from the House of Representatives delivered by Mr. Berry announced that the Speaker has appointed Mr. Young of Texas and Mr. Brown of California as additional managers on the part of the House in the conference on the disagreeing votes of the two Houses on the bill (H.R. 3474) to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSTON, from the Committee on Interior and Insular Affairs, with amendments:

S. 327. A bill to amend the Land and Water Conservation Fund Act of 1965, as amended, to establish the National Historic Preservation Fund, and for other purposes (Rept. No. 94–367).

By Mr. BURDICK, from the Committee on the Judiciary, with amendments:

H.R. 5727. An act to establish an independent and regional United States Parole Commission, to provide fair and equitable parole procedures, and for other purposes (Rept. No. 94–369).

By Mr. ALLEN, from the Committee on Agriculture and Forestry, with amendments:

S. 1617. A bill to clarify the authority of the Secretary of Agriculture to control and eradicate plant pests (Rept. No. 94–370).

PROPOSED REGULATIONS BY THE GENERAL SERVICES ADMINISTRATION RELATING TO PRESIDENTIAL RECORDINGS—(REPT. NO. 94–368)

Mr. RIBICOFF, from the Committee on Government Operations, submitted a report on Senate Resolution 244 disapproving the regulations proposed by the Administrator of General Services under the Presidential Recordings and Materials Preservation Act, which was ordered to be printed.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

John L. Briggs, of Florida, to be U.S. attorney for the middle district of Florida;

Terry J. Knoepp, of California, to be U.S. attorney for the southern district of California;

G. Kent Edwards, of Alaska, to be U.S. attorney for the district of Alaska; and

Donald B. Mackay, of Illinois, to be U.S. attorney for the southern district of Illinois.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. EASTLAND, from the Committee on the Judiciary:

Clarence A. Brimmer, Jr., of Wyoming, to be U.S. district judge for the district of Wyoming; and

Terry L. Shell, of Arkansas, to be U.S. district judge for the eastern and western districts of Arkansas.

ORDER FOR HOUSE MESSAGE TO BE HELD AT THE DESK

Mr. HUDDLESTON. Mr. President, I ask unanimous consent that a message from the House of Representatives on H.R. 9497, a bill to amend the computation of the level of price support for tobacco, be held at the desk pending further action.

The PRESIDING OFFICER. Without objection, it is so ordered.

HOUSE BILL REFERRED

The following bill was read twice by its title and referred as indicated:

H.R. 9005. An act to authorize assistance for disaster relief and rehabilitation, to provide for overseas distribution and production of agricultural commodities, to amend the Foreign Assistance Act of 1961, and for other purposes; to the Committee on Foreign Relations.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. STAFFORD:

S. 2332. A bill to amend the Rehabilitation Act of 1973 to provide assistance for Governor's Committees on the Employment of the Handicapped. Referred to the Committee on Labor and Public Welfare.

By Mr. JACKSON (for himself and Mr. Fannin) (by request):

S. 2333. A bill to authorize the Secretary of the Interior to transfer franchise fees received from certain concession operations at Glen Canyon National Recreation Area, in the States of Arizona and Utah, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. MAGNUSON (for himself and Mr. Pearson) (by request):

S. 2334. A bill to amend section 15(B) of the Endangered Species Act of 1973 to extend the appropriation authorization. Referred to the Committee on Commerce.

By Mr. MOSS (for himself, Mr. Magnuson, Mr. Philip A. Hart, Mr. McGovern, Mr. Abourezk, Mr. Stevenson, and Mr. McGee):

S. 2335. A bill to regulate commerce by providing franchisors and franchisees with certain remedies to assure fairness and to protect against overreaching, unjust enrichment, and unjustifiable termination, and for other purposes. Referred to the Committee on Commerce.

By Mr. BARTLETT:

S. 2336. A bill to amend title XX of the Social Security Act. Referred to the Committee on Finance.

By Mr. JACKSON:

S. J. Res. 126. A joint resolution consenting to an extension and renewal of the Interstate Compact to conserve oil and gas. Referred to the Committee on Interior and Insular Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. STAFFORD:

S. 2332. A bill to amend the Rehabilitation Act of 1973 to provide assistance for Governor's Committees on the Employment of the Handicapped. Referred to the Committee on Labor and Public Welfare.

Mr. STAFFORD. Mr. President, today I introduce legislation to provide a $50,000 grant for the formation, or continued operation, of Governor's Committees on Employment of the Handicapped in each State and the District of Columbia.

The amount of the grant for each State is admittedly small, but the purpose is not to provide total support to these programs at the State level. Rather it is to provide incentive to the States to help handicapped individuals reach their full employment potential by establishing effective outreach and community awareness programs, as well as by educating local officials and businesses to the needs of barrier free design in public buildings and areas throughout the community used by the public.

I believe some of the most meaningful work in helping handicapped persons reach these goals is done at the State and local level. I hope this bill will provide the impetus for States to intensify their efforts on behalf of handicapped individuals who are struggling every day against physical and attitudinal barriers to become full-time members of society.

By Mr. JACKSON (for himself and Mr. Fannin) (by request):

S. 2333. A bill to authorize the Secretary of the Interior to transfer franchise fees received from certain concession operations at Glen Canyon National Recreation Area, in the States of Arizona and Utah, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. JACKSON. Mr. President, by request, I send to the desk on behalf of myself and the Senator from Arizona (Mr. Fannin) a bill to authorize the Secretary of the Interior to transfer franchise fees received from certain concession operations at Glen Canyon National Recreation Area, in the States of Arizona and Utah, and for other purposes.

Mr. President, this draft legislation was submitted and recommended by the Department of the Interior, and I ask unanimous consent that the executive communication accompanying the proposal from the Secretary of the Interior be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Department of the Interior,
Washington, D.C., July 28, 1975.

Hon. Nelson Rockefeller,

Dear Mr. President: Enclosed is a draft of a proposed bill, "To authorize the Secretary of the Interior to transfer franchise fees received from certain concession operations at Glen Canyon National Recreation Area, in the States of Arizona and Utah, and for other purposes."

We recommend that this bill be referred to the appropriate committee for consideration, and that it be enacted.

The bill directs the placement, in a separate fund of the Treasury, of the annual franchise fee received by the Secretary of the Interior from the concessioner in connection with the Rainbow Bridge floating concession operation in Glen Canyon National Recreation Area. The bill further authorizes the Secretary to transfer such fees annually from the fund to the Navajo Tribe of Indians, in consideration of the tribe's continued agreement to the use of former Navajo Indian Reservation lands for the purpose of anchoring the Rainbow Bridge floating concession facility.

It is intended that the compensation commence after the enactment of the legislation, and be for franchise fees that accrue after that date. Under the terms of an agreement with the Tribal Council, the annually transferred franchise fees will be the only compensation the tribe receives for use of the lands as an anchor for the floating complex.

Glen Canyon National Recreation Area, Arizona and Utah, is administered by the National Park Service pursuant to P.L. 92–593, the 1972 Act establishing the national recreation area. Prior to passage of that Act, substantially the same area was administered by the National Park Service pursuant to a cooperative agreement with the Bureau of Reclamation, dated April 18, 1958, and revised September 17, 1965. As a part of recreational developments for the area, in January 1965 the National Park Service and its concessioner constructed a floating marina complex, installed it on Lake Powell in Forbidding Canyon, and anchored the facility to former Navajo Indian Reservation land. Pursuant to section 2 of the Act of September 2, 1958 (72 Stat. 1683), former reservation lands transferred to the United States for the Glen Canyon project may not be used for public recreational facilities without the approval of the Navajo Tribal Council. (Section 2(b) of P.L. 92–593, the Act establishing the national recreation area, explicitly continues the Tribal Council's right to approve recreational use of Parcel B lands.) The tribe has construed the use of former reservation lands for anchoring the Rainbow Bridge floating concession complex in Forbidding Canyon as a use for public recreational facilities within the purview of section 2 of the 1958 Act. While the use of the lands for this purpose was necessary to protect the floating complex, we believe the tribe is correct in its view.

The Navajo Tribal Council has approved the use of the former reservation lands for this purpose, in an agreement approved September 11, 1970, which relates generally to the use and development of the Glen Canyon National Recreation Area and adjacent tribal lands. The tribe's approval, however, and its agreement to any recreational use of former reservation land within the recreation area, as well as cooperative development of contiguous tribal lands, is contingent upon transfer of the annual franchise fee for the Rainbow Bridge floating concession complex in Forbidding Canyon to the tribe.

The facility at Forbidding Canyon consists of a floating marina offering emergency boat repair services, boat fuel and oil, and the services of a camping supply store. Pursuant to a concession contract executed March 26, 1969, it is operated by Canyon Tours, Inc. The contract covers the 30-year period January 1, 1969, to December 31, 1998, and authorizes the concessioner to provide visitor services at both the Rainbow Bridge floating complex and Wahweap. The franchise fee is a $60 annual fee for the use of Government-owned structures, plus 2¼ percent of the annual gross receipts from the combined facilities.

Under an earlier contract, which was superseded by the one mentioned above, Canyon Tours, Inc., has provided services at the Rainbow Bridge floating complex from July 1, 1964, through December 31, 1968. That contract—applicable only to the Rainbow Bridge floating complex—provided for a franchise fee of $200 annually, plus 3 percent of the annual gross receipts. Under that formula the franchise fee paid was as follows:

1965	$1,064
1966	3,065
1967	3,784
1968	4,923

On the basis of past receipts, it can be estimated that payments to the Navajo Tribe under the proposed legislation will probably be in excess of $5,000 per year. As noted above, the tribe will receive only those franchise fees accruing after passage of the legislation.

Although there are no other situations in which franchise fees are transferred by the National Park Service to an Indian Tribe, at Bighorn Canyon National Recreation Area, Montana, the Crow Indian Tribe of Montana is given a preferential right to construct and operate revenue-producing facilities on certain Federal lands, and to retain any resulting revenues, pursuant to the Act of October 15, 1966 (80 Stat. 913; 16 U.S.C. 460t).

The Office of Management and Budget has advised that there is no objection to the presentation of this draft bill from the standpoint of the Administration's program.

Sincerely yours,

Curtis Bohlen,
Acting Assistant Secretary of the Interior.

By Mr. MAGNUSON (for himself and Mr. Pearson) (by request):

S. 2334. A bill to amend section 15(B) of the Endangered Species Act of 1973 to extend the appropriation authorization. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce, by request, for appropriate reference, a bill, to amend section 15(B) of the Endangered Species Act of 1973 to extend the appropriation authorization, and I ask unanimous consent that the letter of transmittal, statement of need and the bill be printed in the Record.

There being no objection, the bill and material were ordered to be printed in the Record, as follows:

S. 2334

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Endangered Species Act of 1973 (87 Stat. 884; 16 U.S.C. 1531, et seq.), is amended by striking in section 15(B) the words "fiscal year 1976," and inserting in lieu thereof the words "each of the fiscal years 1976 through 1978,".

Washington, D.C.,
May 23, 1975.

Hon. Nelson A. Rockefeller,
President of the Senate,
U.S. Senate
Washington, D.C.

Dear Mr. President: Enclosed are six copies of a draft bill "To amend section 15(B) of the Endangered Species Act of 1973 to extend the appropriation authorization," together with a statement of purpose and need in support thereof.

This proposed legislation has been reviewed by the Department in the light of Executive Order No. 11821 and has been determined not to be a major proposal requiring evaluation and certification as to its inflationary impact.

We have been advised by the Office of Management and Budget that there would be no objection to the submission of our draft bill to the Congress.

Sincerely,

Rogers C. B. Morton,
Secretary of Commerce.

STATEMENT OF PURPOSE AND NEED

The Endangered Species Act of 1973 (16 U.S.C. 1531–1543) was passed in December 1973. Primary responsibility for this legislation was placed with the Departments of Commerce and the Interior. General authorization of appropriations under the Act for the Departments to carry out functions and responsibilities, other than certain financial assistance to the States under Section 6, is provided for by Section 15 of the Act. The authorization for appropriations under Section 15 expires on June 30, 1976. Under this section, the Act authorized to the Department of Commerce $2 million for FY 1974, $1.5 million for FY 1975 and $2 million for FY 1976. The authorization for appropriations under Section 6 expires on June 30, 1977.

Under Section 15 of the Act, funds in the amount of $2.0 million will be required to carry out the program in FY 1977 and FY 1978. These figures represent the best estimate of our Department's needs to implement the program. There are many unknown factors involved in predicting the future costs of the program since our program costs are directly related to the animals and plants listed on the U.S. Endangered and Threatened Species Lists and those under consideration for possible future listing.

Amendatory legislation is vitally needed to continue the authorization under this landmark Act.

By Mr. MOSS (for himself, Mr. Magnuson, Mr. Philip A. Hart, Mr. McGovern, Mr. Abourezk, Mr. Stevenson, and Mr. McGee):

S. 2335. A bill to regulate commerce by providing franchisors and franchisees with certain remedies to assure fairness and to protect against overreaching, unjust enrichment, and unjustifiable termination, and for other purposes. Referred to the Committee on Commerce.

FAIRNESS IN FRANCHISING ACT

Mr. MOSS. Mr. President, for myself, Mr. Magnuson, Mr. Philip A. Hart, Mr. McGovern, Mr. Abourezk, Mr. Stevenson, and Mr. McGee, I introduce, for appropriate reference, a bill to regulate commerce by providing franchisers and franchisees with certain remedies to assure fairness and to protect against overreaching, unjust enrichment, and unjustifiable termination, and for other purposes. The short title of the bill is the "Fairness in Franchising Act."

Franchising is a method of distribution whereby one party, the franchisor, contracts with or licenses another party, the franchisee, to distribute goods and services pursuant to a uniform and standardized method of doing business. Franchise systems usually include a trademark or service mark—the principal ingredient in the system which is licensed; a territory in which the franchise operates; an initial payment, periodic royalty payments, or both—paid by the franchisee to the franchisor for the right to operate under the system; and the name which the franchisor has developed. In order to penetrate markets with speed, franchisors have found it desirable or necessary to operate through "subfranchisors." Under this system, a franchisor contracts with another party permitting him to develop a territory for the recruitment and training of subfranchisees. In effect, subfranchising grants a single franchisee the right to develop more than a single franchise unit of operation for the original franchisor. This is a method used for speeding franchise development into a greater area than would be the case if the franchisor operated solely on a 1-to-1 relationship. In a typical subfranchise arrangement, the subfranchisor will recruit and train franchisees for a particular area, provide followup services such as the franchisor provides to the franchisee, and share in the payment which would otherwise flow directly from the franchisee to the franchisor. The majority of franchise systems in the United States have at one time or another employed either multiple franchising or subfranchising practices, as opposed to an exclusive system of 1-to-1 franchising.

A substantial amount of useful business activity is today carried on and conducted pursuant to franchise agreements or relationship between franchisors and franchisees.

Such agreements and relationships are beneficial to the economy. They enhance commerce, and they promote competition because they provide a means for combining centralized planning, direction, and standardsetting—franchisor—with local decisionmaking, initiative, and capital formation—franchisee—in a way that appears to be as effective or more effective than commercial arrangements based on principal and agent relationships.

Because the franchise relationship in its present form is a relatively new one, however, the law applicable to franchising has not evolved sufficiently to protect adequately the parties to the agreements and to insure against overreaching, unjust enrichment, and unjustifiable termination. The law applicable to franchise agreements and relationships should not be traditional agency and contract law doctrines to the extent that such doctrines permit inequities to occur and fail to provide sufficient remedies for conduct that should, in this context, be characterized as wrongdoing.

The purpose of the Fairness in Franchising Act is to provide certain remedies to franchisors and franchisees to assure fair dealing, to protect franchisees from inequitable practices, and to guarantee to consumers the greater benefits that would flow from more equitable franchise agreements and relationships.

The soft drink distributor who has fallen between the fine print of his franchise agreement and the practicalities of doing business needs this type of legislation in order to insure his ability to remain in business or recoup his investment should he fail to fulfill the requirements of the franchise agreement.

Coming on the heels of the successful "Dealer Day in Court" legislation which recently passed the Senate, this measure is another step forward in insuring the equity of the small businessman who is operating as the farflung agent of a major service or product manufacturer. Clearly there is a need to study the franchising situation in the United States today, and to develop appropriate remedies where the need exists.

The bill as introduced is merely the first step in this process. But it is an important first step for us to take in stating clearly the congressional responsibility to insure the viability of this important method of commerce.

Mr. President, I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2335

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Fairness in Franchising Act".

DECLARATION OF POLICY

Sec. 2. (a) Findings.—The Congress finds that—

(1) A substantial amount of useful business activity in and affecting interstate commerce is today carried on and conducted pursuant to franchise agreements or relationship between franchisors and franchisees.

(2) Such agreements and relationships are beneficial to the economy, the enhancement of commerce, and the promotion of competition because they provide a means for combining centralized planning, direction, and standard-setting (franchisor) with local decisionmaking, initiative, and capital formation (franchisee), in a way that appears to be as effective or more effective than commercial arrangements based on principal and agent relationships.

(3) Because the franchise relationship in its present form is a relatively new one, however, the law applicable thereto has not evolved sufficiently to protect adequately the parties thereto and to insure against overreaching unjust enrichment, and unjustifiable termination. The law applicable to franchise agreements and relationships should not be traditional agency and contract law doctrines to the extent that such doctrines permit inequities to occur and fail to provide sufficient remedies for conduct that should, in this context, be characterized as wrongdoing.

(b) Purposes.—It is therefore declared to be in the interest of Congress in this Act to provide certain remedies to franchisors and franchisees to assure fair dealing, to protect franchisees from inequitable practices, and to guarantee to consumers the greater benefits that would flow from more equitable franchise agreements and relationships.

DEFINITIONS

Sec. 3. As used in this Act, the term—

(1) 'antitrust laws' means the Act of July 2, 1890 (15 U.S.C. 1 et seq.), as amended; the Act of October 15, 1914 (15 U.S.C. 12 et seq.), as amended; the Federal Trade Commission Act (15 U.S.C. 41 et seq.), as amended; sections 73 and 74 of the Act of August 27, 1894 (15 U.S.C. 8 and 9), as amended; and the Act of June 19, 1936, ch. 592 (15 U.S.C. 13, 13a, and 212), as amended;

(2) "Commission" means the Federal Trade Commission;

(3) "franchise" means a relationship in or affecting interstate commerce—

(A) that is established and maintained by contract, agreement, lease, or any other written or oral, express or implied, arrangement or understanding between the parties thereto;

(B) pursuant to which one party (the franchisor) grants, and a second party (the franchisee) receives, the right to, or permission, to sell, to offer to sell, to provide, or to distribute in commerce certain goods or services in return for the performance of certain obligations and on certain terms and conditions;

(C) that is characterized by such franchisee substantially associating its business with that of such franchisor through the use of the latter's trademarks, service marks, trade names, commercial symbols, standards, and/or advertising; or that involves a representation by such franchisor that it will extend more than nominal assistance to the franchisee with respect to such franchisee's business organization, management, promotional activities, marketing, operational plans and methods, and/or the resolution of other business problems; and

(D) in which annual gross volume is equal to or more than $25,000.

The term includes any such relationship pursuant to which the franchisee is granted the right, or permission, to sell or to negotiate, on behalf of or in the name of the franchisor, the sale of additional such franchises. The term does not include any relationship that would otherwise be included, if the second party thereto has been engaged in the same type of business for a period of two or more years prior to entering upon such relationship with such a first party so long as such parties do not contemplate or anticipate that such second party will be involved, predominantly or primarily, in the sale or distribution of goods or services covered by such relationship;

(4) "good cause", with respect to the termination or attempted termination of a franchise by a franchisor, means—

(A) a failure by the franchisee involved to comply substantially, without reasonable excuse or justification, with an essential and reasonable requirement imposed by such franchise; or

(B) bad-faith conduct or unjustified and unreasonable failure to act, by the franchisee involved with respect to the carrying out of the terms of such franchise;

(5) "legitimate business reason" means a commercial determination that is fair and reasonable in light of all the circumstances;

(6) "market area" means the geographic zone or area within which a franchisee is granted exclusive or special rights to sell or distribute any goods or services covered by the applicable franchise;

(7) "marketing area withdrawal" means a cancellation, failure to renew, or other termination of a franchise by a franchisor for the purpose of enabling such franchisor to withdraw entirely from the business of granting, organizing, supplying, or directing franchises within a multi-State region, a State or a standard metropolitan statistical area. There is legitimate business reason for such withdrawal and good cause for such a termination if—

(A) it is not in violation of any of the antitrust laws;

(B) there is no subsequent commercial reentry by such franchisor into such region, State, or area within five years thereafter; and

(C) such franchisor pays such franchisee a reasonable compensation for the value of the latter's business (including, but not limited to, goodwill) or provides such franchisee, with the latter's consent, with a new and equivalent franchise for a different market area; and

(8) "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and any territory or possession of the United States.

REVIEW OF LAWS

Sec. 4. The Commission shall, in accordance with this section, conduct a continuing review and study, in consultation with the Department of Justice, the National Conference of Commissioners on Uniform State Laws, the American Law Institute, and other knowledgeable groups and individuals interested in improving the fairness, functionality, and uniformity of the substantive and procedural law applicable to franchises and franchising. Such study shall include, but need not be limited to, (1) a restatement of the law applicable to franchises and franchising in each of the States; (2) an evaluation of the appropriateness and adequacy of such provisions in assuring fair dealing between present and potential franchisors and franchisees, in protecting franchisees from practices that are unfair or inequitable, in insuring against overreaching, unjust enrichment, and unjustifiable termination, and in guaranteeing consumers the full benefit potential of the franchise form of business; (3) a "model code" of franchise law, including minimum standards and mandatory provisions to be incorporated into each franchise agreement and relationship by operation of law; and (4) recommendations for legislative and administrative action by the Congress and the executive branch of the Federal Government and by the several State governments. A preliminary report of such study shall be submitted to the Congress and the President, and shall be published by the Commission, not later than two years after the date of enactment of this Act. A final such report shall be prepared on the basis of public hearings and comments on the preliminary report, and such final report shall be so submitted and published not later than three years after the date of enactment of this Act. Nothing in this section or Act shall be constructed to annul, suspend, or in any way limit the authority of the Commission under section 18 of the Federal Trade Commission Act (15 U.S.C. 57a), with respect to franchises and franchising. There are authorized to be appropriated to the Commission such sums as are necessary for the conduct of such study, not to exceed $1,000,000, such sums to remain available until expended.

REQUIREMENT OF NOTICE

SEC. 5. (a) Except as otherwise provided in subsection (b) of this section, no franchisor who is doing business in or affecting interstate commerce, shall cancel, fail to renew, or otherwise terminate a franchise unless he furnished prior notice thereof to each franchisee affected thereby, pursuant to this subsection. Such notification shall be in writing and shall be sent to each such franchisee by certified mail not less than ninety days prior to the date on which such franchise will be so terminated. Such notice shall contain a statement of intent, together with the reasons thereof; the date on which such action shall take effect; and a statement of the remedy or remedies available to such franchisee under this Act, including a summary of the applicable provisions of this Act.

(b) Notwithstanding the provisions of subsection (a) of this section, a franchisor may cancel, fail to renew, or otherwise terminate a franchise upon forty-eight hours notice thereof to the applicable franchisee—

(1) in order to protect against an imminent danger to public health or safety; or

(2) in the event of insolvency, bankruptcy, or receivership proceedings involving such franchisee.

TERMINATION

SEC. 6. (a) A franchisor who is doing business in or affecting interstate commerce shall not cancel or terminate a franchise unless—

(1) such franchisor has good cause for such cancellation or termination; or

(2) such franchisor is effecting a marketing area withdrawal

The provisions of this subsection are not applicable to a termination by failure to renew a franchise, in accordance with the terms thereof.

(b) (1) A franchiser who is doing business in or affecting interstate commerce shall not terminate a franchise by failure to renew unless—

(A) such franchisor has good cause for such failure to renew;

(B) such franchisor has legitimate business reason for such failure to renew if the term of the agreement which is not being renewed was five years or more; or

(C) such franchisor is effecting a marketing area withdrawal upon the expiration of the terms of the franchises outstanding in the area involved.

(2) A franchisor who fails to renew for a legitimate business reason shall pay to the franchisee involved a reasonable compensation for the value to the latter's business, including, but not limited to, goodwill.

JUDICIAL REMEDIES AND BURDEN OF PROOF

SEC. 7. (a) If a franchisor engages in conduct prohibited under this Act, a franchisee may maintain a civil action against such franchisor.

(b) The court shall grant such equitable relief as is necessary to remedy the effects of conduct which it finds to exist and which is prohibited under this Act, including declaratory judgment, mandatory or prohibitive injunctive relief, and interim equitable relief. The court may, unless required by this Act, award damages, including the value of goodwill. The court shall, if such suit is successful, direct that costs, including reasonable attorney and expert witness fees, be paid by the franchisor. The court shall, if it finds that the franchisor has acted in bad faith in invoking the termination provisions of section 5(b) of this Act, award actual and punitive damages, as well as costs, as provided in this subsection.

(c) A civil action under this section may be brought, without regard to the amount in controversy, in the district court of the United States for any judicial district in which the franchisor against whom such suit is maintained resides, is found, or is doing business. No such action shall be maintained unless commenced within two years after the cancellation, failure to renew, or other termination of the franchise, unless the franchisor has allegedly re-entered the marketing area after having effected a marketing area withdrawal, in which case no such suit shall be maintained unless commenced within two years of such alleged reentry.

(d) In any civil action brought pursuant to section 5(b) or 6 of this Act, the burden of proof shall be upon the franchisor.

PROHIBITION ON WAIVER OF RIGHTS AND ARBITRATION

SEC. 8. (a) Except as provided in subsection (b) of this section, any condition, stipulation, provision, or term of any franchise agreement waiving any rights granted under this Act or relieving any person from liability imposed by this Act shall be void and unenforceable.

(b) Nothing contained in this Act shall limit the right of a franchisor and franchisee to agree to binding arbitration of disputes, if—

(1) the standards applied in such arbitration are no less than the requirements specified in this Act; and

(2) any arbitrator employed in such arbitration is chosen from a list of impartial arbitrators supplied by the American Arbitration Association or other impartial third parties designated after the occurrence of the dispute.

ANTITRUST LAWS

SEC. 9. No provision of this Act shall repeal, modify, or supersede, directly or indirectly, any provision of the antitrust laws. This Act is and shall be deemed to be supplementary to, but not a part of, the antitrust laws.

By Mr. BARTLETT:

S. 2336. A bill to amend title XX of the Social Security Act. Referred to the Committee on Finance.

Mr. BARTLETT. Mr. President, I am introducing legislation today which will overcome the adverse effect of recent legislation and HEW regulations pertaining to staffing standards for day/child care centers.

The new standards, effective October 1, 1975, are unrealistic and intolerable. Under these standards day care centers would be required to provide greater supervision of children than that required for children who are in intensive care units of many of our finest hospitals.

Additionally, rather than providing care for more children, the HEW regulations will deny day care services to many families because of the outrageous cost of increased staff personnel. Rather than providing better care for the children, the regulations may result in inferior care because centers may not be able to find the qualified and experienced personnel needed to provide greater supervision.

It is for these reasons that I introduce this legislation and call upon my colleagues to join with me to correct this intolerable situation.

By Mr. JACKSON:

S.J. Res. 126. A joint resolution consenting to an extension and renewal of the interstate compact to conserve oil and gas. Referred to the Committee on Interior and Insular Affairs.

Mr. JACKSON. Mr. President, at the request of the Interstate Oil Compact Commission, I am introducing today a joint resolution which would give the consent of Congress to an extension and renewal of the interstate compact to conserve oil and gas. The compact was originated by six member States and consented to by the Congress in 1935. The compact has been extended periodically since that time, with congressional consent for each extension. The most recent congressional consent, given in 1972, expired on September 1, 1974.

The 1972 extension called for a report by the Attorney General "as to whether the activities of the Interstate Oil Compact Commission and the States under the provisions of such compact have been consistent with the purposes as set out in article V or such compact, and have been limited to activities related directly to the immediate purpose of such compact as set out in article II of such compact."

The Attorney General's report was received by the committee late last month. For the information of Senators and other interested persons, I ask unanimous consent that the findings and conclusions of the report be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

III: FINDINGS AND CONCLUSIONS

After this review of Compact Commission activities over recent years, we must consider whether these varied activities meet the dual criteria set by the Congress for our report. Are they consistent with the anti-price-fixing and anti-monopoly purposes of Article V of the Compact? Are they also related directly to the immediate purpose of the Compact set out in Article II: conservation of oil and gas by the prevention of physical waste from any cause? We turn first to the latter, the more difficult question.

A. ACTIVITIES IN RELATION TO ARTICLE II

In determining whether the activities of the IOCC and the States under the Compact have been limited to activities related directly to the Compact's immediate purpose set forth in Article II, it is useful first to consider the legislative context of the current report requirement. That review makes clear that the key background question is the meaning of the phrase "physical waste," as set forth in Article II. Thus, we next consider how the term has been used by the Compact Commission in recent years in relation to its meaning in the context of the Compact as originally drafted. Finally, we appraise the degree to which IOCC activities conform to the legislative standard for our report.

1. *Congressional Amendment of the Report Requirement.* S.J. Res. 72 and H.J. Res. 586, identical measures to renew Congressional consent to the Interstate Compact to Conserve Oil and Gas and to continue it in effect until such time as Congress withdraws its consent, were introduced in Congress in April, 1971. After hearings, the Senate Committee on Interior and Insular Affairs reported the resolution with minor amendments,[41] and as so amended it passed the Senate on August 6, 1971.[42] The resolution was amended to extend the Compact for a three-year period in lieu of the indefinite extension originally provided. But no change was made in the traditional substance of the report required of the Attorney General; it was still to be "whether the activities of the States under the provisions of such Compact have been consistent with the purposes as set out in Article V of such Compact." [43]

In the House, however, hearings were not held until April, 1972. Then, considerable concern was expressed to Compact representatives over certain activities of the IOCC, particularly those dealing with Federal Government policy in the field of oil and gas.[44] As subsequently stated in the report of the Committee on Interstate and Foreign Commerce, Congressmen were concerned over "activities on the part of the Interstate Oil Compact Commission which appear to fall outside, or at best, have a very tenuous connection with, the limited purposes of the Compact to which the Congress has consented." [45]

The Committee reported that, as referred to in the Attorney General's report submitted on June 18, 1971, these "extra-curricular" activities involved the following matters:

(1) opposition to tax reform legislation designed to reduce the oil depletion allowance:

(2) opposition to changes in the oil import quota system;

(3) opposition to assumption by the Federal Government of control over production of oil and gas on the outer continental shelf;

(4) seeking amendments to Federal legislation dealing with the establishment of natural gas rates;

(5) urging the Federal Power Commission to abandon area pricing for natural gas and to authorize immediate increases in gas rates; and

(6) becoming a focal point for formulating State positions on national energy policies.

These matters had been the frequent subjects of resolutions adopted by the Commission. It was clear that the House Committee's concern was not with the general range of IOCC work or the activities by committees in its name. It was limited to the semi-annual resolutions adopted by the Commission which usually originated in the Energy Resources Committee and were forwarded via the Resolutions Committee.

The Congressional subcommittee had questioned the IOCC's General Counsel about the relationship of these activities to the stated purposes of the Compact set forth in Articles II and V. He asserted that all of these activities were related to the Compact purposes and that the pricing of oil and gas affected the conservation of oil and gas since ". . . pricing is definitely a conservation tool . . ." He was contending, in effect, that these policy recommendations came within the scope of "prevention of physical waste thereof from any cause," as correctly understood. He was also pointing out that while any action attempting to control prices was forbidden to the Compact Commission, it still must recognize that the level of prices for oil or gas at a particular time was a factor impacting in maximum ultimate recovery and possible physical waste.

Disagreeing, the House Committee report expressed the opinion that these activities of the Commission and its officials transcended the limited purposes for which the Compact was entered into and consented to by the Congress. In other words, they "fall outside, or at best have a very tenuous connection with" what the Committee took to be the meaning of "prevention of physical waste from any cause."

Rather than recommending that Congress withhold its consent to extension of the Compact, the Committee decided on an amendatory warning to assure that henceforth the Compact Commission would limit its activities strictly to Article II purposes as it conceived them. It therefore further amended the resolution to require that the Attorney General also report on whether the activities of the Commission and the States have been limited to activities *related directly* to the *immediate* purpose of the Compact as set out in Article II. It seems clear that these more restrictive terms were intended to guard against the Commission's continued issuance of resolutions on subjects which the Committee regarded as having merely a very indirect or "tenuous" relationship to Article II.

In further explanation of its course the Committee stated that

"[T]hese views . . . are not designed in any way to prevent State officials, members of the oil and gas industry or other individuals from expressing their views on the aforementioned subjects. The Committee feels, however, that concerted action under the aegis of the Compact with regard to various aspects of this Nation's energy policies on the part of State officials, industry members, and other individuals are not in the national interest. Such concerted action is likely to put special producer interests against special consumer interests, thus making more difficult rather than facilitating the formulation by the Congress of urgently needed, long-range energy policies." [46]

As so amended, the House considered and passed the resolution and the Senate subsequently concurred.[47] The resolution became law on June 30, 1972.

2. *Physical Waste Defined.* At the Commission's Midyear Meeting immediately following issuance of the Committee report and House amendment many were privately upset, but believed the Commission was in no position to comment officially. It was generally felt that the Commission had not exceeded the scope of the Compact purpose, that its activities had been entirely proper, and that the House amendment would not affect the activities of the IOCC. Sill, open opposition to the House amendment might be considered an admission of wrongdoing. Accordingly, the Commission's response was indirect and circumspect.

The Commission has continued to issue similar resolutions on the same subject-matter as before. But the resolution adopted at that Midyear Meeting and others since have been prefaced by a definition of "prevention of physical waste from any cause" as found in Article II:

"The Compact believes that waste includes the failure to find, develop and direct the full potential domestic petroleum resources to fill the present and future consumer needs. Such failure is not limited to operating practices of those who develop the petroleum resources, nor the action or lack of action by state regulatory agencies, but can result from federal policies as well."

This language is very broad and general. Rather than clarifying what the Commission means by waste, the explanation raises more problems.

For example, the "full *potential*" domestic petroleum resources to be found, developed and directed to fill consumer needs certainly would include all producing reservoirs in the United States and all those recently discovered and still in the process of definition. But it would also seem to include all underlying oil not yet discovered and perhaps never to be discovered. Under this interpretation failure to discover, or cause to be discovered, every last pocket of oil or gas locked beneath our soil or waters would seem to expose the oil companies, the State regulatory agencies and the Federal Government to a charge by the IOCC that they are engaged in physical waste.

Again, the phrase "full potential" resources would seem to mean not only finding all the oil underlying the United States, but developing all of it. This might mean, on the one hand, that an operator's abandonment of a discovery well whose show of oil appears less than sufficient for commercial development is an exercise of physical waste. It would seem under this reading that the State agency or even the Federal Government should be required to forbid this abandonment—a step they have never thought of taking.

On the other hand, does the phrase mean that all producing reservoirs must be drained of *all* their oil? In hearings on the last extension of the Compact, the IOCC's chairman, while conceding much more had to be done, pointed out with pride that recovery from the average reservoir had risen from 10 percent of the oil in place when the Compact was organized in 1935 to a present level of 36 percent—three-and-a-half times better.[48] Under this interpretation it would appear that the producers and governmental agencies—including the IOCC—are guilty of physical waste to the extent of the remaining 64 percent.

In practice, it is unlikely that technology can ever be developed to attain "full" recovery. Thus, the word "potential" may well be intended to modify the phrase to mean only the maximum practicable under such future technology. But the cost of production under such increasingly sophisticated and effective technology is likely to rise to increasingly unacceptable levels. Under such circumstances, it would seem that the IOCC would not be justified in continuing to take action or advocate action in the name of physical waste prevention, regardless of cost, in order to assure that all oil in this country has been recovered.

Similar problems exist with the word "direct": the failure to direct resources—once found and developed—to fill present and future needs. This may have a connotation of above-ground physical losses in the course of transmission from extraction through refining and distribution to the consumer. On the other hand, it may refer alternatively to a failure to establish an appropriate balance as between present and future needs of consumers, or a failure to provide mechanisms to assure appropriate priorities of uses, so that petroleum resources are not "directed" to "inferior end uses." [49]

The second sentence quoted above may be read as suggesting a balance of blame for these failures constituting waste. Some could be laid to operating practices by the industry, others to inadequate State regulatory effort, and still others to poor Federal policies. But in practice most Commission action in resolutions and statements of policy for many

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Footnotes at end of article.

years past has been directed towards Federal Government policies.[50] True, the technical work of the Compact committees is made available to the State agencies if they choose to use it. This work could be helpful in improving State agency performance, and might also be of use to the industry. But this is availability, not strong advocacy by the Commission.

In any event, whatever the precise range of meaning of this definition, it can be agreed that it is certainly very broad. It would seem to permit Compact recommendations in the name of waste prevention on virtually every subject dealing in some way with oil or gas.

This breadth of meaning is all the more remarkable in view of the background to initial adoption of the Compact in 1935 and the plain language the Compact contains. As prior reports of the Attorney General and various background materials make clear, the final provisions of the Compact were a blend of conflicting views of what a Compact should embody, epitomized by the positions of Governors Allred of Texas and Marland of Oklahoma. At that time the Texas statute specifically excluded the concept of "economic waste" as a basis for controls over oil production. Consequently, Governor Allred viewed as inappropriate any Compact provision having the effect of binding Texas to adopt conservation measures grounded more on economic than physical factors. For this reason the language of Section II specifically limits the purpose of the Compact to the prevention of *physical* waste of oil and gas.[51]

This interpretation is buttressed by consideration of how this purpose is applied in the following section of the Compact. Section III binds each State to enact or maintain laws to prevent within reasonable limits six specific forms of waste. Some refer to above-ground waste at the well site, others to below-ground waste, and one to a mixture of both.

But all refer immediately to a concrete loss of a physical substance, rather than to economic factors such as disincentives to produce attributable to adverse price levels.

Two forms of waste listed, for example, were the venting or wasteful burning of gas from a natural gas well and the creation of unnecessary fire hazards. The former was a common practice in those days, while the latter arose in part from open-ditch storage—and associated leakage—of oil produced in a mad race to prevent underground drainage by other operators. Both refer directly to the physical loss of hydrocarbon already brought to the surface but unable to be used because of wasteful practices.

There is also a catchall provision against drilling, equipping, locating, spacing or operating wells so as to bring about physical waste or loss in ultimate recovery. In the context of the period, the reference to "equipping" wells referred at least in part to inadequate safety equipment to control pressures, leading to blowouts and gushing of oil, with attendant fire hazards; while "operating wells" included the factor of slipshod above-ground storage, leakage and loss associated with rampant over-production.

On the other hand, the balance of this item dealt with the closely spaced, uncoordinated drilling of a multitude of adjacent leaseholds, where rapid production by everyone to avoid underground drainage had the effect of dissipating natural reservoirs pressures and rendering most of the oil in place unrecoverable. By 1935, although sophisticated methods of secondary and tertiary recovery had not yet been developed, petroleum engineering had already advanced to the recognition that careful management practices to preserve reservoir pressures would make possible over time the recovery of a much greater proportion of the estimated oil in the reservoir. This concept informs the remaining forms of waste listed in Section III: operation with an inefficient gas-oil ratio; drowning of an oil or gas stratum with water; and the generalized injunction against the inefficient, excessive or improper use of reservoir energy.

These illustrative examples of what the compact framers meant by physical waste have several threads in common. Whether dealing with waste above ground or still in the underground reservoirs, they all concern operations immediately at the wellhead; they all deal with practices by the operator; they all relate to oil that is already discovered; they all concern directly the physical loss of oil or gas through destruction or rendering it unrecoverable; and they all imply operations at whatever levels of recovery techniques and knowledge of reservoir engineering are current. None implies a direct relationship between physical waste and externally-imposed governmental policies which might ultimately affect levels of production. In short, the Compact's framers knowingly and specifically dealt with direct physical waste, as the term is commonly understood, with no significant admixture of indirect "economic waste" factors.[52]

3. *Conformity to the Legislative Criteria.* As we have suggested, the recent explanations by the Compact Commission of what it understands to be the scope of physical waste prevention under its charter seems at odds with the plain language of the Compact and the intent of its framers. This is not to say there is no relation between a multiplicity of external factors, including a variety of State, Federal and foreign governmental policies, which bear on the economic climate of the petroleum industry, influence its rate of investment in production of known reserves and exploration for undiscovered resources, and thus in the long run affect the maximum ultimate recovery of domestic oil and gas in place. Usually there is a relation, and it can be easily—if in some cases lengthily—traced.

Fortunately, however, the mandate for our report does not require us to undertake such a complex tracing process for each of the Compact Commission's activities. We need not consider the exact degree to which these activities relate to the prevention of physical waste of oil or gas from any cause, or whether, in the words of the House Committee report, they "fall outside, or at best have a very tenuous connection with" that Compact purpose. We are asked simply to report whether the activities of the Commission and the States have been limited to activities *related directly* to the *immediate* purpose of the Compact, the prevention of physical waste. As so qualified, and considering our review of the meaning of physical waste, we conclude that some Compact activities have been so limited and some have not.

Without undertaking an item-by-item inspection it is clear that on a fair appraisal most of the work of the Compact Commission's technical committees can be considered as directly related to physical waste prevention. This would seem to apply unqualifiedly to such groups as the Engineering Committee, the Research Committee and the Secondary Recovery and Pressure Maintenance Committee. The Legal Committee and the Regulatory Practices Committee deal with a body of conservation laws and regulations which partly concern the protection of correlative rights of leaseholders and other subjects in addition to physical waste prevention. But this whole body of State regulatory effort is so interrelated that it would be merely quibbling to object to activities by these committees which on occasion may overlap waste prevention to focus on another regulatory concern. The work of other committees, including the statistical updatings sponsored by the Energy Resources Committee, together with the work of the headquarters office, is housekeeping in nature or otherwise supportive of the substative work of the Commission. It may thus be considered as within the prescribed relationship to physical waste prevention.

The Public Lands Committee stands somewhat apart in its work at monitoring legislative and regulatory developments affecting public lands. This stems from a concern to ensure that petroleum operations on public lands are subject to the same regulations as those on adjacent private lands. The physical waste rationale is that if reservoirs along the borders which underlie both public and private lands should be put to uncoordinated development under differing regulatory practices, this could unduly dissipate their underground pressures and thus subject them to losses in maximum ultimate recovery. It is obvious that the connection with physical waste prevention is direct only for the portion of public lands along their borders. It fails when applied to reservoirs wholly underlying public lands. Moreover, the work of this Committee over many years has been concerned at least as much with efforts to open to oil and gas development those public lands presently reserved for other uses. This activity obviously bears no relationship to physical waste prevention.

One group whose work definitely falls outside our prescribed criteria is the Environmental Protection Committee. No matter how beneficial its developing program may otherwise be considered or how laudable its objectives, it clearly is concerned with effects upon air, water, wildlife and other elements of the environment rather than physical waste of oil and gas. Indeed, during the 1969 House hearings the Compact Commission's General Counsel himself explicitly conceded that the scope of the Compact's purpose under the present charter might be inadequate to cover the work of this newly-organized committee.[53]

Next, we conclude it is premature to consider at this time the future activities of the Compact pursuant to the recommendations adopted at the 1974 Midyear Meeting. Some of these are unobjectionable in any event, merely intensification of existing activities clearly within the legislative criteria. Others may be partly within or without the criteria depending on how far and in what way they may be implemented. Still others which may clearly present problems under the criteria, such as recommendation Seven to monitor "the impact of pricing and market regulatory anomalies," may never be implemented at all in any meaningful way.

Finally, we must consider the action by the Commission in issuing resolutions and statements of policy for the guidance of member State Governors and the Federal Government. As we have already indicated, this activity also involves, successively, the work of a subcommittee of the Energy Resources Committee and most of the work of the Resolutions Committee. In recent years these resolutions have turned to focus increasingly on generalized energy problems, concentrating on the developing energy shortage in particular. Some of the specific recommendations to alleviate these problems relate directly to physical waste prevention. Recommendations for research and development efforts to improve secondary and tertiary recovery in production and for effective unitization laws in all the producing States bear directly on improvements in control of underground pressures in a reservoir and thus on maximizing ultimate recovery of the known oil in place. Ironically, a novel series of recent recommendations on a subject never before seriously considered by the Compact Commission would seem to come squarely within the terms of its charter—the promotion of specific measures designed to minimize or avoid physical waste by *consumers* of oil and gas, as distinct from producers.

The same cannot be said, however, for other frequently reiterated pronouncements on various subjects. This would include recommendations dealing with oil import con-

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trols, including incentives to expand domestic refinery capacity; increasing price incentives for natural gas production; moderating environmental restraints in such diverse areas as environmental discharge requirements, emission standards, and oil and gas developments in Alaska and the outer continental shelf; opening public lands to development and revising leasing policies applicable to coal, oil shale and tar sands; research and development to develop other energy sources; and granting priority to the oil and gas drilling industry in Federal allocation of scarce drilling equipment, fuels and tubular goods. As for these, the connecting link with prevention of physical waste of oil and gas is either invisible or long and extremely attenuated. Where there exists any connection at all, it cannot be fairly concluded that the subject is *directly* related to the *immediate* purpose of the Compact as set out in Article II.

B. ACTIVITIES IN RELATION TO ARTICLE V

Our second question for consideration is easier to answer. In ten prior reports since 1955 the Attorney General has been presented with the question whether the activities of the States under the Compact have been consistent with the purposes set out in Article V of the Compact, namely its proscriptions against authorizing the States to limit production "for the purpose of stabilizing or fixing the price [of oil or gas], or create or perpetuate monopoly, or to promote regimentation."

Under the present extension of the Compact the question has been enlarged to include the activities of the Interstate Oil Compact Commission as well as those of the States. We do not consider this a substantial change. Earlier reports have consistently taken the view that any continuing activity of the States under the Compact has basically been undertaken through their participation in the work of the Commission established by the Compact. Thus, the activities of the Interstate Oil Compact Commission have always been given appropriate consideration in our prior appraisals.

In ten prior reports since 1955 the Attorney General has consistently answered this question in the affirmative. Activities under the Compact have been found to be consistent with the purposes of Article V. They have not been found to be involved in the proscribed conduct set forth therein. From our continuing and detailed surveillance of Compact activities during the period under review, we reiterate that conclusion in this report.

It must be understood at the outset that the views expressed earlier in Section III of this report do not imply that certain Compact Commission activities, found to be not directly related to physical waste prevention, are thereby within the ambit of conduct proscribed by Section V of the Compact. In testimony during House hearings on the 1972 extension of the Compact, Donald I. Baker, now Deputy Assistant Attorney General, Antitrust Division, expressed the prevailing view of the Department of Justice concerning Compact activities, with particular reference to the promulgation of resolutions which Congressmen were questioning. He indicated three kinds of situations: the first, involving activities directly in accord with the heart of the Compact's purpose; the second, dealing with activities directly prohibited, such as controlling prices and other proscribed practices; and the third, concerning activities which came within neither category but fell somewhere in the broad area in between them. In the latter he included resolution-making efforts "trying to influence the Congress with respect to the decisions of the Congress by offering the views of the State regulators. . ."[54] We continue to adhere to that view.

We consider that these resolutions can be equated with any organization's right to petition the Government for action in accord with the views of the petitioner. Moreover, the Compact Commission could well consider that the Congress had agreed that expression of these views were its right and not proscribed under the terms of its charter. Certainly, similar resolutions commenting on Federal policies and recommending Federal actions had been promulgated by the Commission all during the 1940's, the 1950's and the 1960's. Since 1955, successive reports of the Attorney General have taken appropriate note of these Compact Commission actions. Despite all this, the Congress has continued its periodic consent to extension of the Compact without ever, before 1971, raising any serious question about the propriety of these pronouncements.

As for other aspects of Compact work, prior reports by the Attorney General have repeatedly pointed out that the Interstate Oil Compact Commission has no power to authorize or to exercise price-fixing authority. It is not so constituted as to be able to engage in the other actions proscribed under Section V of its charter. Its only function is to undertake studies or research on matters associated with waste prevention, to discuss these matters, and to make recommendations thereon to its member States. Even here, acceptance of these recommendations by the States is entirely voluntary. The States are free to ignore them, even as the Federal Government has similarly ignored many Compact Commission resolutions on Federal policies over the years.

Apart from questions of conformity to the strict mandates of the Compact charter, the IOCC has served a generally useful purpose not elsewhere duplicated. Its technical committees have been of value to State regulatory agencies, and perhaps to the industry, in their collection, collation and dissemination of information and data in their several fields of study. Compact meetings have provided a convenient forum for exchange of ideas by State regulatory officials in dealing with mutual conservation problems. As indicated in this report, the Compact Commission has begun to provide individualized assistance to member States in appraising and updating their regulatory effort. And finally, the Compact Commission serves as a convenient focal point for the Federal Government to obtain needed information and statistics on petroleum industry operations from State regulatory agency files or from State regulatory agency inquiries specifically requested by Federal officials.

There is, of course, room for argument as to exactly how valuable the work of the Compact Commission is under present conditions. It may be claimed that its period of greatest usefulness is now past, that it is unsuited to present-day concern with the whole spectrum of energy development, and that its functions could as well be performed in other forums and by various other agencies. On the other hand, it can be argued that even under changed circumstances it still has a unique role to perform, which cannot be duplicated by any other single agency or undertaken piecemeal by several other agencies without long delays and losses in efficiency and expertise. All of these may perhaps be legitimate considerations for the Congress in making a determination on extending the Compact. From our individual perspective, however, and based on our close surveillance of Compact activities in terms of our report responsibilities, we see no occasion to recommend that Congress withhold its approval to renewal of the Compact.

FOOTNOTES

[41] S. REP. No. 356, 92d Cong., 1st Sess. (1971)

[42] 117 Cong. Rec. 30215–30217 (1971)

[43] However, the Senate Interior Committee rejected a recommendation by the Department of Justice that although our surveillance should be continued, statutory report by the Attorney General in future be made only from time to time as circumstances warranted. See, S. Rep. No. 356, *op. cit.*, p. 3.

[44] Interstate Compact on Oil and Gas (12th Extension), *Hearings Before the Subcommittee on Communications and Power of the House Committee on Interstate and Foreign Commerce*, 92d Cong., 2d Sess. 56–67 (1972).

[45] H.R. Rep. No. 1098, 92d Cong., 2d Sess. 4 (1972). During the hearings the subcommittee had also been concerned over the expressed view of the Compact Commission's General Counsel that the Compact did not in fact require the consent of the Congress because the Compact agency performed merely advisory functions. In response to its request, the Acting Attorney General submitted a supplemental report on the legislation which took issue with this contention. As a result, on the basis of interpretations of the Constitution's Compact Clause by the judiciary and legal scholars quoted in the Acting Attorney General's report, as well as on the practical construction by the Congress expressed in its initial consent in 1935 and its periodic extensions and renewals to this day, the Committee report concluded that the Interstate Compact to Conserve Oil and Gas is subject to the Commerce Clause and thus does require Congressional consent. *Id.* at pp. 3. 4.

[46] *Id.* at pp. 4–5.

[47] 118 Cong. Rec. 19623–19625, 21913 (1972).

[48] *Hearings, op. cit.* p. 52.

[49] See *supra*, p. 10, for a similar unclear statement on this theme, contained in the resolution adopted at the 1973 Midyear Meeting.

[50] In all the resolutions adopted in the period under review, there was only a single recommendation for State action. Urging the formulation of effective unitization laws in all the States was one of a number of recommendations adopted at the 1973 Mid-year Meeting. It was repeated in the statement of policy adopted at the Annual Meeting that year. Similarly, these resolutions have included only occasional general exhortations to the industry to do its part to alleviate the energy crisis by increasing exploration and production.

[51] See *First Report*, pp. 48–52; *Ninth Report*, pp. 8–13; Interstate Oil Compact Commission, *The Compact's Formative Years* 37–49 (1954); Murphy, *The Interstate Compact to Conserve Oil and Gas: An Experiment in Co-operative State Production Control*, 17 Mississippi Bar Journal 314 (1946).

[52] The one possible exception is concern with measures to avert abandonment of marginal or stripper wells. From the beginning this has been a traditional concern of the Compact as well as of the States. It is now a concern of the Federal Government. At the State level, the economic measures utilized have involved exemption from production limitations, leading to maximization of potential income from the well. At the Federal level, as epitomized in current price controls on crude oil, these measures involve special price relief.

In each case the rationale for this special economic treatment is that if the income from this marginal production becomes insufficient to support the operating costs of pumping out these few barrels per day and return a fair profit, then the well will ultimately be capped and abandoned. After that is done, it is generally concluded, there would be no reasonably conceivable economic climate which would make it profitable to undertake the heavy investment required to reopen the well. Thus a portion of known reserves, otherwise recoverable, would be lost forever. And while this portion may be small as to each individual well, the number of domestic wells in this category is very large and the proportion of our total production and reserves they represent is quite substantial.

[53] *Hearings, op. cit.*, p. 53.

[54] *Id.* at pp. 79–80.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 5

At the request of Mr. Chiles, the Senator from Illinois (Mr. Stevenson) was added as a cosponsor of S. 5, the Federal Government in the Sunshine Act.

S. 1173

At the request of Mr. Curtis, the Senator from Vermont (Mr. Stafford) was added as a cosponsor of S. 1173, a bill to amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal estate tax, to increase the estate tax marital deduction, and to provide an alternate method of valuing certain real property for estate tax purposes.

S. 1479

At the request of Mr. Williams, the Senator from New Jersey (Mr. Stevenson) was added as a cosponsor of S. 1479, a bill to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers.

S. 1617

At the request of Mr. Allen, the Senator from Florida (Mr. Stone) was added as a cosponsor of S. 1617, a bill to clarify the authority of the Secretary of Agriculture to control and eradicate plant pests.

S. 1925

At the request of Mr. Roth, the Senator from Oregon (Mr. Hatfield) was added as a cosponsor of S. 1925, a bill to amend the Internal Revenue Code of 1954 of provide assistance to taxpayers.

S. 2015

At the request of Mr. Eagleton, the Senator from Washington(Mr. Magnuson) was added as a cosponsor of S. 2015, a bill to amend title 39, United States Code, to assure that certain publications of institutions of higher education continue to qualify as second-class mail.

S. 2088

At the request of Mr. Mathias, the Senator from Wyoming (Mr. McGee), the Senator from Massachusetts (Mr. Brooke), the Senator from Illinois (Mr. Stevenson), and the Senator from Idaho (Mr. Church) were added as cosponsors of S. 2088, a bill to prohibit the use of dogs by the Department of Defense in connection with the research, testing, development, or evaluation of radioactive, chemical, or biological warfare agents, and to require the Department of Defense to develop and use, where feasible, alternative, nonanimal methods of experimentation.

S. 2221

At the request of Mr. Percy, the Senator from Arizona (Mr. Fannin) was added as a cosponsor of S. 2221, the Securities' Protection Act of 1975.

S. 2299

At the request of Mr. Roth, the Senator from New York (Mr. Javits), the Senator from Vermont (Mr. Stafford), and the Senator from Massachusetts (Mr. Brooke) were added as cosponsors of S. 2299, a bill which extends the Emergency Petroleum Allocation Act of 1973 to October 15, 1975.

S. 2300

At the request of Mr. Bellmon, the Senator from South Dakota (Mr. McGovern) was added as a cosponsor of S. 2300, a bill to direct the Secretary of the Army to issue permanent easements for certain docks constructed on property under his jurisdiction.

SENATE RESOLUTION 197

At the request of Mr. Leahy, the Senator from Indiana (Mr. Bayh) was added as a cosponsor of Senate Resolution 197, to establish a Select Committee on Federal Responsiveness and Accountability.

SENATE JOINT RESOLUTION 101

At the request of Mr. Burdick, the Senator from Montana (Mr. Mansfield) was added as a cosponsor of Senate Joint Resolution 101, to authorize the President to issue annually a proclamation designating that week in November which includes Thanksgiving Day as "National Family Week."

AMENDMENTS SUBMITTED FOR PRINTING

FOREIGN ASSISTANCE ACT AMENDMENTS OF 1975—S. 1816

AMENDMENT NO. 876

(Ordered to be printed and referred to the Committee on Foreign Relations.)

Mr. ABOUREZK (for himself and Mr. Cranston) submitted an amendment intended to be proposed by them jointly to the bill (S. 1816) to amend the Foreign Assistance Act of 1961, and for other purposes.

INDOCHINA REFUGEE CHILDREN ASSISTANCE ACT 1975—S. 2145

AMENDMENT NO. 877

Mr. JAVITS (for himself and Mr. Mondale) submitted an amendment intended to be proposed by them to the bill (S. 2145) to provide Federal financial assistance to States in order to assist local educational agencies to provide public education to Vietnamese and Cambodian refugee children, and for other purposes.

ADULT EDUCATION FOR INDOCHINA REFUGEES

Mr. MONDALE. Mr. President, I am very pleased to submit today, with Senator Javits, an amendment which authorizes funds for adult education services to Vietnamese and Cambodian refugees to S. 2145, the Indochina Refugee Children Assistance Act of 1975. I wish to commend Senators Cranston and Tunney for their initiatives in advancing this terribly important legislation, which I cosponsored, to enable local school districts to provide for the special educational needs of Vietnamese and Cambodian children. This amendment expands the scope of that legislation to address also the pressing needs of refugees over the age of 18. It would amend the existing Adult Education Act to provide funds for programs of instruction to adult refugees in the development and enhancement of necessary skills, supportive services such as career guidance and employment counseling, other special educational programs and services, and the administrative costs of planning and implementing those programs of instruction.

Mr. President, this amendment responds to the serious need that has been expressed in my home State of Minnesota by the state department of education and the superintendents of numerous local school districts for the resources to develop these special adult education programs. Minnesota expects approximately 3,000 Vietnamese adults who will require a wide range of educational services such as language skills, mathematics and budget planning, career development, and social skills in the adjustment to American life. At the State and local levels, educators are tremendously concerned about these problems and are planning with great commitment to respond to the challenge. This amendment will provide them with the resources to address these critical needs.

These educators recognize that comprehensive adult education programs are of great importance not only to adult refugees but also to their children. For the important educational services that will be provided by this Bill to children to be truly effective, they must be reinforced by parents at home. These children, who are future American citizens, will have far greater success in adapting to American life if their parents are progressing in their own right and are thus able to encourage and help their children in their language and social development.

While I recognize that the Department of Health, Education, and Welfare is planning to disperse $5 million for special adult education efforts, I am concerned that this amount is insufficient to support the full range of programs that are required. In the case of Minnesota, this expenditure would provide only $17 for each adult refugee. The National Advisory Council on Adult Education has estimated that approximately $21.4 million over 2 years will be necessary to provide these services on a scale appropriate to the need.

For these reasons, I believe that this amendment is of tremendous importance to our country's efforts to respond compassionately and effectively to this challenge. It addresses a very specific need for a definite, 2-year time period. I also wish to point out that it involves no increase in the present level of funds authorized for adult education. I hope that my distinguished colleagues will consider it carefully, and I urge them to support its passage.

ADDITIONAL COSPONSOR OF AN AMENDMENT

AMENDMENT NO. 586

At the request of Mr. Pearson, the Senator from Ohio (Mr. Taft) was added as a cosponsor of amendment No. 586, intended to be proposed to the bill (S. 692), the Natural Gas Production and Conservation Act of 1975.

NOTICE OF HEARINGS ON S. 2305—THE CONSTRUCTION INDUSTRY COLLECTIVE BARGAINING ACT OF 1975

Mr. WILLIAMS. Mr. President, the Labor Subcommittee of the Committee on Labor and Public Welfare will hold hearings on S. 2305, the Construction Industry Collective Bargaining Act of 1975, on Tuesday, September 16, 1975, at 9:30 a.m. and Wednesday, September 17, 1975, at 9:30 a.m. in room 4232 of the Dirksen Senate Office Building.

The hearing originally scheduled **for** Friday, September 12, 1975, has been canceled.

ADDITIONAL STATEMENTS

A STEP TOWARD PEACE IN THE MIDDLE EAST

Mr. RIBICOFF. Mr. President, I express my strong support for the interim peace agreement between Israel and Egypt that was announced last week. It is a necessary step toward peace in the Middle East, but even more important, the accord has eased tensions that threatened to break into open confrontation. It has created a breathing space during which serious discussions can continue toward a more permanent and lasting settlement. Because of the accord, Israel and Egypt are closer to each other and closer to peace than they have ever been before. The signing of this agreement after so many years of frustration and war presents an opportunity which the Congress should seize and support.

I congratulate the Israelis and the Egyptians on this important achievement. It was not easy for the leaders of either nation to come to this point. There were highly sensitive military and political questions on both sides, and the leaders of both these nations showed great courage and statesmanship in coming to this historic pact.

I also wish to congratulate the Secretary of State, Dr. Kissinger. The combination of his stamina and his imaginative diplomacy was responsible for this accord.

The accord proves that solutions to difficult problems can be found by peaceful means without fighting wars, if there is enough imagination and leadership. It is my profound hope that Egypt's courage and wisdom in signing the pact will encourage some of her Arab neighbors to work toward peace through discussion and negotiation. I am greatly encouraged that Egypt's most substantial neighbors, including Saudi Arabia, have supported both the idea of an interim agreement and the document initialed last week. It is, therefore, a moment of opportunity for the other countries in the region, too.

Peace in the Middle East is vital to the global interests of the United States. I have been saying for some time that ecopolitics has replaced geopolitics in the forces of history. It is our economic interest, in the most vital ways, that economic stability and political stability coincide in the Middle East as a whole. The successful conclusion of the interim agreement has brought us new friends without costing us our old ones. In fact, the Soviet Union is now no longer the primary power in the Middle East. The United States as a result of this accord has become the Nation from which other major nations in the Middle East seek counsel—a development we must all welcome.

As an integral aspect of the agreement, both sides requested that the United States maintain a civilian peacekeeping force in the demilitarized buffer zone between them. Had we not found some way of meeting this demand, any agreement would have been impossible, and there would be no peace in the Middle East.

The small American peacekeeping force will be only one of the peacekeeping forces stationed in the area. The United Nations will increase the number of men already stationed in the buffer zone to 5,000.

The American peacekeeping force will be composed of technicians not combat soldiers. I am informed that it will not be part of the military chain of command. The agreement restricts the size of the peacekeeping force to not more than 200 men, with probably fewer than half that number on duty at any one time. The force is further limited by the agreement to activities in specific and limited areas of the buffer zone. Its purpose is to monitor the early warning system required by the accord for both sides.

Militarily, the fact that both Egypt and Israel will be using the same equipment monitored by common advisers means that the chances of false alarms and misinterpreted maneuvers will be drastically reduced. The force is an impartial one working for both Egypt and Israel to protect the peace.

The stationing of Americans in the Sinai has been the subject of some controversy here at home. Some compare it with our early involvement in Vietnam. However, the situation in the Middle East is very different from the one in Southeast Asia. In Vietnam the United States sent its military to help one side to fight and win a war. In the present case, the United States has been requested by both sides to establish an impartial peacekeeping force in order to preserve peace in the area. Today's New York Times has a cogent article by Anthony Lewis and I ask unanimous consent to print an excerpt from it in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXCERPT FROM THE NEW YORK TIMES

> Some critics talk of the possibility of "another Vietnam" in the provision for 200 American technicians in the Sinai. U.S. involvement in Vietnam began, it is recalled, with President Eisenhower's dispatch of 800 "advisers." But the comparison is false.
>
> America's adventure in Vietnam was a terrible blunder for several reasons. It took us into an area of the world where we had no clear national interest or historic role. The objective was impossible to achieve within rational limits—to defeat a nationalist revolution by external force, without effective indigenous political support. And the methods used to take us in, the executive secrecy and lies, were outrageously wrong in terms of our constitutional system.
>
> Those factors are not duplicated in the Sinai agreement. The United States has the most obvious imaginable interests in the Middle East—political, economic, moral, historical. To help separate opposing armies by operating an early-warning system is a reasonable objective and one quite capable of limited definition.
>
> And the surreptitious means by which Presidents slid into the Vietnam war without fairly advising Congress or seeking its approval are not being used this time. No sensible person could expect a collective body such as Congress to be brought into actual diplomatic negotiations. But Congress is being told the results now—fully, it appears—and explicitly being asked for its approval.
>
> Moreover, Mr. Kissinger's commitments are apparently conditioned on Congressional approval. According to a report by Bernard Gwertzman in The New York Times, the text for example pledges future aid to Israel from the United States "within the limits of its resources, Congressional authorization and appropriation." To include such language reflects one of the essential lessons of the Vietnam disaster.

Mr. RIBICOFF. Mr. President, the interim agreement has already helped to stabilize the turbulent political situation in the Middle East. The accord is an important beginning. But, of course, the negotiating effort must be continued. Very sensitive problems remain. Hostile interests still seek alternatives to peace. The potential for trouble still remains very great.

The interim accord provides a strong foothold from which to work—let us approve it in that perspective. We have no choice but to support it—and by supporting it, we gain in terms of our national interest and in terms of our search for peace.

EXCESSIVE FEDERAL REGULATION

Mr. LAXALT. Mr. President, as this Nation approaches its 200th year, we should again remember the words of Thomas Jefferson that, "eternal vigilance is the price of liberty." Again our liberty is threatened, not from external forces such as those which menaced our Nation at its birth, but instead from congressional mandates, well-meaning bureaucrats, and innumerable printed forms. In an understandable desire to protect our citizens and consumers, we have unintentionally unleashed a stifling excess of overregulation.

Subtle, quiet, and full of good intentions, Federal regulations are nonetheless strangling competition and costing billions of dollars. But of far greater importance, as columnist James J. Kilpatrick pointed out recently, is the fact that we are now reaching a point in excessive regulation where our free society itself is beginning to be jeopardized. To quote Mr. Kilpatrick—

> We are within a drop or two of the critical moment at which freedom crystallizes into regimentation, when the people no longer are masters of government but government is master of the people.

Mr. President, we in the Senate must become more aware of the dangers of pervasive regulation. Our free society is currently the envy of the rest of the world. Yet, this society is based on the ability to experiment, adapt, and take prudent risks for purposes of securing personal reward, and as such, it could easily wither if shackled by bureaucratic inertia.

So as our 200th birthday as a nation approaches, we should renew our commitment to the principles of a free society. But, an essential part of such a renewal must be an awareness of both the present danger and how little time is left. For this reason, I ask unanimous consent that Mr. James J. Kilpatrick's editorial in the August issue of the Nation's Business, entitled "The New National Nightmare," be printed in the RECORD.

There being no objection, the editorial

was ordered to be printed in the RECORD, as follows:

[From the Nation's Business, August 1975]

THE NEW NATIONAL NIGHTMARE

(By James J. Kilpatrick)

The tip point is among the most familiar phenomena of our everyday life. A child discovers the tip point of a tricycle and a teeter-totter. A boatman perceives the turning of a tide. A baseball umpire will take so much sass from a player and then no more. At a certain point, matter will boil, freeze, crystallize, or jell. The tip point is the moment at which conditions change not in degree, but in kind, or in direction.

Two hundred years after our free society began, we are close to such a tip point now. We are within a drop or two of the critical moment at which freedom crystallizes into regimentatiton, when the people no longer are masters of government, but government is master of the people.

The dangers are widely perceived, but they are separately and not collectively perceived. It is the occluded vision of the man who cannot see the forest for the trees. Doctors see one part of the picture, educators another, businessmen yet another. We dwell in small rooms, in little shutoff cells, and sometimes we labor to breathe. "It is stifling in here," we complain. And we are not always aware that air is being sucked from the next room also. Yet the atmospheric changes are so slow, so gradual, so apparently insignificant, that we seldom complain at all. We do not understand what is missing: It is the very air of freedom.

Thomas A. Murphy, chairman of General Motors, recently spoke to the National Association of Accountants. As a businessman, he spoke from his own small room:

"Our economic system, founded with our nation 200 years ago, has come more and more under government control. Very conspicuously in the marketplace, the government, by mandate and edict, is substituting its sovereignty for that of the individual consumer. Government, rather than the buying public, is increasingly determining the kinds of products and services offered for sale, and government regulations are influencing their costs and consequently their prices. What is of greatest concern is that each intrusion of government, because it takes decision-making power away from the individual consumer, diminishes his economic freedom."

Dr. Murray L. Weidenbaum, director of the Center for the Study of American Business, notes a "second managerial revolution." The first such revolution saw the rise of professional managers, as distinct from owners. "This new revolution is far more stable. It involves the shift of decision-making from managers, who represent the shareholders, to a cadre of government officials, government inspectors, government regulators." [See "Where Overregulation Can Lead," *Nation's Business*, June, 1975.]

The last word is the key word: regulators. If we were to give a name to the ominous new age that lies ahead, the age beyond the tip point, we might well term it the Age of the Regulators. A part of the ominous aspect of the approaching era is that many Americans see nothing ominous in regulation. It is a friendly word. We are favorably inclined toward a regular fellow. We shy from the irregular. The dictionary lumps regular with "normal, typical, natural," as in "a regular pulse." A regulated life is popularly thought to be a good life.

This very complaisance contributes to the creeping oppression. "The people never give up their liberties," said Edmund Burke, "but under some delusion." Here the delusion is that, if a little regulation is good, more regulation is better. On the sound premise that freedom cannot exist without order, a fallacious conclusion is erected: the more order, the more freedom. It does not work that way.

The enveloping process begins with a perceived ill. Thalidomide. Smog. Racial discrimination. The fly-by-night private school. The fire ant. The rickety ladder. The dangerous toy. In our struggle toward a more perfect society, it is altogether natural and desirable that ills be remedied. A boy drowns at summer camp; a little girl dies when her nightgown catches fire. Such tragedies pluck at the heart; and compassionate government responds.

But the vice of regulation is that it follows an inexorable process: first a little, then a lot. Within the Congress—and the state legislatures are not materially different—there develops what John Randolph called the legislative itch. On the body politic a rash is seen; it must be scratched. Statutes tumble upon statutes, head over heels, pell-mell, laws upon laws, and these laws must be administered. They must be interpreted, construed, amplified, extended, and enforced. Enter the regulator. He is a decent man, more often than not, eager to do good. But his passion is to regulate. It becomes a consuming passion.

Out of the perceived ill of thalidomide came the straitjacketing procedures that now govern new drug applications; and these procedures have stifled the drug industry. Out of the perceived ill of smog came the staggering array of environmental controls—controls that have accomplished some good and have added billions of dollars to the cost of consumer goods.

The perceived ill of discrimination has produced the new egalitarianism. Its purpose is to redress old wrongs with new wrongs. Thus, Boston writhes in the unhappiness of racial-balance busing. At Washington University in St. Louis, the chancellor is given four days to sign a 30-page statement of conciliation or be denied a $1.8 million contract. Athletic directors are commanded to rewrite their budgets. The Supreme Court holds that "great deference" must be accorded the "guidelines" of the Equal Employment Opportunities Commission. Whole states embark upon the neuterization of their codes, solemnly amending chairman to read chairperson.

Increasingly, the process pervades the field of health care. At Kettering Medical Center, near Dayton, the regulators descend. The hospital is new, sparkling, modern, safe, efficient; it has met or surpassed every state and local building requirement; it has been professionally accredited. But the regulators are not pleased: The windows are wrong, the airflow system is wrong, the kitchen doors are wrong. And these deficiencies must be corrected at once, never mind the cost, or else—! Or else Kettering will not be reimbursed for Medicare and Medicaid patients.

Kettering is not alone. Scores of hospitals face the same threat.

One of the busiest agencies in Washington is the Consumer Product Safety Commission. Its mimeographs run night and day. Here the regulators, in an altogether typical week, are concerned with book matches, lawn mowers, television receivers, playground equipment, bicycle brakes, and baseball bat grips. The regulators are concerned with carpets, cigarette lighters, and a prototype child-resistant closure for use by the elderly. They will regulate these things.

Committees of the House of Representatives are at war over FIFRA. This is the Federal Insecticide, Fungicide, and Rodenticide Act, administered by the Environmental Protection Agency. In their zeal to regulate, the FIFRA regulators set up a toll-free telephone network to generate complaints of pesticide misuse. To some members of the House, this is an "indefensible informant system." To others, it is a justified step in pesticide regulation.

Our regulators, state or federal, have this in common: They mean to be obeyed. The smallest offender cannot be ignored, lest larger offenders be encouraged. Thus, in Ohio, the regulators of education have cracked down upon the Tabernacle Christian School in Greenville and brought criminal prosecution against 15 disobedient parents. It is of no consequence that the children in this fundamentalist school are achieving at levels higher than comparable students in public schools. The school does not comply with regulations. Whip it into line!

More than a hundred years ago, Alexis de Tocqueville visited the young American republic. He returned to France and between 1835 and 1839 delivered himself of that great work, "Democracy in America." Toward the end of volume II, he reflected upon "what sort of despotism democratic nations have to fear." It would be a different kind of despotism, he thought, from the despotism of old. "It would be more extensive and more mild; it would degrade men without tormenting them." Looking far ahead, he foresaw a nation populated by an innumerable multitude, all absorbed in their own affairs, preoccupied with "the petty and paltry pleasures with which they glut their lives."

This was De Tocqueville's terrible vision:

"Above this race of men stands an immense and tutelary power, which takes upon itself alone to secure their gratifications and to watch over their fate. That power is absolute, minute, regular, provident, and mild. . . . For their happiness such a government willingly labors, but it chooses to be the sole agent and the only arbiter of that happiness; it provides for their security, foresees and supplies their necessities, facilitates their pleasures, manages their principal concerns, directs their industry, regulates the descent of property, and subdivides their inheritances. What remains, but to spare them all the care of thinking and all the trouble of living?

"Thus it every day renders the exercise of the free agency of man less useful and less frequent; it circumscribes the will within a narrower range and gradually robs a man of all the uses of himself. The principle of equality has prepared men for these things; it has predisposed men to endure them and often to look on them as benefits.

"After having thus successively taken each member of the community in its powerful grasp and fashioned him at will, the supreme power then extends its arm over the whole community. It covers the surface of society with a network of small, complicated rules, minute and uniform, through which the most original minds and the most energetic characters cannot penetrate, to rise above the crowd. The will of man is not shattered, but softened, bent, and guided; men are seldom forced by it to act, but they are constantly restrained from acting. Such a power does not destroy, but it prevents existence; it does not tyrannize, but it compresses, enervates, extinguishes, and stupefies a people, till each nation is reduced to nothing better than a flock of timid and industrious animals, of which the government is the shepherd."

A magazine recently counted 63,444 federal regulators. It put the cost to consumers of federal regulation alone at $130 billion a year. The regulatory network spreads and grows; the tip point approaches; and De Tocqueville's nightmare consumes the American dream.

H.R. 5901—EDUCATION BILL VETO

Mr. BENTSEN. Mr. President, every time the President sends a veto message to the Congress, I believe we must judge it on its merits. In some instances, the President has good and valid reasons for disapproving congressional actions. When he does, I will support him. At other times, the President advances specious or inadequate reasons for his veto. When he does, I will vote to override him. In this case, on the education bill, the President did not make the case for his veto, and I voted to override him.

I must say, Mr. President, that President Ford seems to be following in the footsteps of his predecessor when it comes to education funding. Before his election, Mr. Nixon told us—

> We must not shortchange education . . . for it is one of our most important National priorities.

He then proceeded to veto three education appropriation bills on the grounds that they were inflationary.

Now President Ford has advanced the same reasons for his action on this crucial bill. Since I, too, am concerned about inflation and since I recognize that money spent on education is not exempt from charges of inflation, I believe we should look at the total picture.

This education money bill contains a 3.6-percent increase in appropriations for 1976 over 1975. As we all know, the Consumer Price Index for fiscal year 1975 showed an increase of 8.5 percent. Consequently, our increased appropriation of 3.6 percent is not even half of the amount needed for education to keep pace with inflation.

Let us look at a special area, higher education. For higher education programs in this bill, there is less than a 1-percent increase over 1975. Yet, during this year there was a 12-percent increase in the cost of public colleges and an 8-percent increase at private colleges. These institutions had asked for some $2 billion in student aid funds alone. The bill provides them with under $1 billion, less than one-half of their requests. Is it fair, I wonder, to call this bill inflationary? I believe not.

We have set ourselves a task in this Congress of establishing budget levels and sticking to them, and I think we are doing a pretty good job. This particular appropriations bill comes in some $800 million under the Senate budget ceiling. In my view, that shows responsibility, and it does so without eviscerating our crucial programs of bilingual education, student aid, grants to school districts having disadvantaged children, and a host of other educational programs that our schools and our children depend on.

I strongly believe Congress acted properly in rejecting the veto of the education appropriation bill.

RETURN URGED TO DISCIPLINE OF GOLD

Mr. GOLDWATER. Mr. President, in recent months I have appealed repeatedly for a return to the discipline of gold in the conduct of our international monetary policy. It has been my strong belief that our failure to do this has led to many of the economic ills which are today plaguing the economy of the United States and the entire free world.

Now comes Mr. Jacques Rueff, a member of the French Academy and one of the most distinguished economists in France with the same argument. Mr. Rueff claims emphatically that—

> It is a mistake and a lie to claim that it is not within the power of the body of Western states to bring a swift halt to the inflation undermining their existence.

The French expert has set forth his arguments for a return to the discipline of gold in an article published in the June 27 issue of the London Times. He insists that gold is the only key available to the Western democracy that can open the door to a new era of prosperity. He put it this way:

> The restoration of effective convertibility into gold, with gold at an adequate price, far from involving a risk of economic deceleration, will immediately set a powerful wave of prosperity, security and well-being in motion throughout the world.

Mr. President, I ask unanimous consent that Mr. Rueff's article be printed in the Record, making the entire article available to my colleagues.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the London Times, June 27, 1975]

The Golden Key That Will Open the Door to a New Era of Prosperity

(M. Jacques Rueff, a member of the French Academy, is one of the most distinguished economists in France. He was the architect of the currency reform of 1958 after General de Gaulle's return to power which laid the basis for French prosperity and expansion. As early as 1961, he predicted the disintegration of the Western monetary system, and has preached unceasingly for a return to discipline of gold. The following is a condensed version of two articles published last week in Le Monde.)

To all those affected, the crisis ravaging the West is an intolerable scandal. It is possible to demonstrate that Western inflation is the inevitable result of a misguided monetary system which, having broken down between 1929 and 1933 in the immense catastrophe of the great depression, has once again been wreaking its disastrous effects for the past 15 years.

I maintain, without fear of being contradicted by events, that the present recession is the inevitable consequence of the blind institution of a monetary system which could have resulted in nothing else. As long as this diagnosis is not accepted in all its harsh simplicity by all the governments concerned, action taken to deal with the evil is doomed to failure, because it will only be concerned with correcting the effects while allowing their cause to subsist.

This cause is easy to identify: The fact that, since 1922, many countries have been able to create domestic currency, not only against gold or domestic currency debts, but also against debts in foreign currencies, basically dollars and sterling.

The result was painfully simple. Any deficit in the United States balance of payments led to a corresponding payment in dollars to the creditor countries. The dollars were bought by the banks of issue in those countries, which created an equivalent amount of domestic currency. The dollars against which this currency had been created were immediately returned to the United States market through bank deposits or treasury bonds.

This process inevitably led to three consequences: Perpetuation of the United States balance of payments deficit, inflation in the creditor countries and, finally but surely, inconvertibility of the dollar.

Admittedly, the mechanisms and outward appearance of the system have changed over the years. The unchecked creation of Euro-dollars and Euro-currencies generally, especially in connexion with the oil crisis, has accelerated and amplified the effects of inflation. Nevertheless, despite minor differences, no one today can doubt that the widespread inflation engulfing the West is the inescapable consequence of the new machinery for the creation of money.

This inflation lies at the root of the explosion of wage claims throughout the world. Today, wage claims are no longer being put forward on the grounds of increased productivity, but centre on inflationary surpluses whose effect is to impoverish and erode the standards of living of all the social groups whose incomes do not rise with prices.

Eradicate inflation and wage negotiations will be settled peacefully through the tried and tested procedure of collective bargaining. No social order lasts forever. Nevertheless, rest assured that, were it not eroded from inside by inflation, the social order still prevailing today in all Western societies would be defended, whether consciously or not, by the beneficiaries of the legitimate and desirable satisfactions which it has made possible.

Three simple but indisputable principles should be put before all our partners for their approval:

The international monetary system based on the possibility of monetizing foreign currency is inevitably inflationary;

Inflation leads to wage claims and revolutionary aspirations. Were it to continue, it could not fail to jeopardize the already weakened political structures of the West. In so doing, it would provide conclusive confirmation of Lenin's theory according to which "to destroy the bourgeois regime it is sufficient to corrupt its currency";

It is a mistake and a lie to claim that it is not within the power of the body of Western states to bring a swift halt to the inflation undermining their existence.

I maintain, in the face of the contrary belief of almost all public opinion, and accepting the accusations of presumptuousness which this article will earn me, that it is easy to put an end to inflation in the West, that the remedies I propose could not fail to be effective and that they would produce definitive results within a matter of a few weeks.

The objection immediately raised to any policy calling for the re-establishment of monetary inconvertibility is that there are not enough resources with which to put it into effect and carry it on. It was to make up for this shortage of resources that "Special Drawing Rights" were brought into being as a supplementary currency. However, in view of the discretionary basis on which these rights are created, the absence of any indisputable criterion for determining the needs to be met and, above all, the political impossibility of curbing the greed which they would arouse, it may be stated that any system of convertibility based on Special Drawing Rights would not succeed in eradicating inflation but, on the contrary, would sustain it and promote its development.

If convertibility is necessary and cannot validly be founded on Special Drawing Rights, it must be based on gold and currencies which are effectively convertible into gold. This said, it is not true that the resources required for the re-establishment of durable convertibility are lacking. They are available, but they are concealed by the widespread undervaluation of gold reserves in the West, on the arbitrary basis of 42.22 dollars an ounce, whereas the free market price is roughly four times as much.

Only France's gold reserves are valued in the balance-sheet of the bank of issue at a price closer to their real value; since January 9, 1975, they have been valued at 170.4 dollars an ounce. At 42.22 dollars an ounce, the gold reserves of the principal Western countries making up the membership of the International Monetary Fund amount to 43,000 million dollars. At 170.4 dollars an ounce, they would be worth 173,500 million dollars.

With such resources, it would be possible overnight and without any risk to re-establish the convertibility of the two- or three-hundred-thousand-million dollars which make up the total amount of Western liquidity (the reserves of the member countries of the IMF alone amount to 224,000 million dollars). Moreover, the value of holdings in gold would depend on the new price adopted for it in the reserves of central banks. This price would have to be calculated on a systematic basis in the light of all the relevant facts at the time; an important factor to be taken into consideration would be the burden which each of the countries involved could be called upon to meet, although in fact this burden would never be more than a limited fraction of the balances for which a central bank would be liable under the convertibility system.

Nevertheless, one cannot disregard the fact that the latent resources realized by the revaluation of gold reserves could be unfairly distributed. I have long pointed out in answer to this fear that loans could be made available by countries whose holdings are too high to those less favourably placed. More specifically, I am convinced that, in the context of renewed solidarity, such loans would be offered very widely to the United States, whose indebtedness in dollar and Euro-dollar balances is exceptionally high and whose gold receipts have been reduced very considerably in terms of both weight and value by the burden which the convertibility of the dollar placed on that country until 15th August 1971.

Once the means for a return to convertibility had been obtained in this way, it would still be necessary to ensure that the situation did not deteriorate again through the gradual accumulation of new dollar, Eurodollar or Euro-currency balances. To avert this danger, an international agreement between all the Western states would be essential. This should remove, once and for all, the possibility of unlimited quantities of money being printed by banks of issue against inconvertible foreign currencies. In other words, the agreement would oblige them to comply with the orthodox rules of the gold standard and, subject to their current financing needs, only issue domestic currency against gold and debts in the domestic currency or in foreign currencies which are convertible into gold and never against those in inconvertible foreign currencies.

With the re-establishment of such a system, the mechanisms of monetary control would once again work towards balance of payments equilibrium—with an accuracy and efficiency which can be guaranteed on the basis of countless precedents.

Outlined in this way, the intention is apposite and desirable. But for it to be realized on a lasting basis, there must be no excessive variation between rates of inflation in the countries participating. However, such a result can only be achieved lastingly by the implementation of unconditional regional convertibility, not by the discretionary credit policies pursued hitherto by the central banks.

Moreover, the existence of the "snake" only makes sense if the basket of currencies within it floats freely against the dollar. However, any substantial fall in the exchange value of the dollar will represent a major threat to other countries' foreign trade.

I am convinced that any system of regional convertibility, however desirable it may appear in itself, will remain precarious as long as it does not embrace the majority of the major Western states and, in particular, the most powerful of all: the United States.

There remains the last and most insurmountable obstacle to the re-establishment of convertibility in the West: The almost unchallenged affirmation that, for overriding social reasons, the governments of the West will never agree to allow the pace of their economic activities and their development policies to be governed by gold. About this point I am in no doubt: The restoration of effective convertibility into gold, with gold at an adequate price, far from involving a risk of economic deceleration, will immediately set a powerful wave of prosperity, security and well-being in motion throughout the world.

The first consequence of the control of inflation will be a very considerable and lasting fall in long-term interest rates. There will be an almost immediate disappearance of aberrant rates which, in addition to the normal return on capital, have a built-in premium to cover anticipated depreciation during the investment period. The fall in long-term interest rates will spark off a full-scale explosion in investment on quite of different scale from the meagre programmes born of a monetary inflation which unavailing efforts are being made to curb.

With the end of inflation, economic forecasting, on which long-term ventures are based, will regain its significance; the will to save will be reborn and people will once again believe that they have a future, which they have all but ceased to do.

The crisis dragging the West into the abyss is the product of errors which can be corrected. Let us hope that they will be before our political structures are submerged to irreversible transformations whose disastrous effect would be to destroy the well being, independence and liberty of our peoples.

—Jacques Rueff.

THE FOOD STAMP ISSUE

Mr. McGOVERN. Mr. President, the recent controversy over food stamps unfortunately has been based too often on misrepresentation, misstatement and unsupported assertion. Today, in releasing its latest quality control food stamp program report, USDA provided a powerful dose of facts which can enable the Congress and the administration to review the program rationally and enact the right kind of reforms.

Contrary to the misimpression that there are large numbers of citizens abusing food stamps the report indicates that 91.2 percent of nonpublic assistance food stamp households are "eligible for participation based on satisfying financial and other basic program criteria." Indeed, the small percentage of households who receive benefits even though they are ineligible is approximately the same as the percentage of applicants who are denied benefits even though they are eligible.

In addition, the report indicates that more than 90 percent of all food stamp benefits were paid to eligible households. The dollar amounts of excess payments to eligible households were characterized by the USDA as "relatively small," representing only 8.4 percent of total food stamp benefits. Once again, on the other side of the ledger, over 10 percent of the eligible households "either paid too much for their stamps or received fewer stamps than they were entitled to." This denial of benefits accounted for 2.6 percent of food stamp benefits.

Nearly half of the errors which do exist were attributed to the agencies which issue food stamps. Of the half attributed to food stamp recipients, the report explains:

> Errors caused by recipients are usually unintentional, arising from carelessness or lack of knowledge concerning the program.

None of us in the Congress should be content with the present food stamp error rate, though some errors are inevitable in any large scale program. No one in the administration should be content with the administrative errors of agencies conducting the food stamp program under the supervision of USDA, though some administrative mistakes are also inevitable. But all of us can be reassured about the essential soundness of the food stamp program by this responsible, straightforward, factual Department of Agriculture report.

My hope is that this report will move the food stamp debate away from highly charged rhetoric which only confuses the issue to a fair and accurate analysis which can meet the national goal that no citizen shall be hungry because of unemployment or inadequate income. The most effective, most efficient food stamp program requires the nonpartisan cooperation of the Congress and the administration. At the beginning of October, Senator Dole and I will introduce a food stamp reform bill aimed at advancing that purpose.

Mr. President, I ask unanimous consent that the USDA report and the covering release which were issued today be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

USDA Reports on Food Stamp Quality Control Program, For July-December 1974

Washington, September 11.—The U.S. Department of Agriculture (USDA) today reported the results of quality control activities, in the administration of its food stamp program, during the half-year from July through December 1974.

Quality control measures the extent to which participating households are eligible, and the appropriateness of the amount charged and total amount of coupons issued to the non-public-assistance sector of the food stamp program. State agencies which cooperate in administering the food stamp program are required to draw a sample of the non-public assistance households taking part in the program, to make a careful analysis of the certification of those cases, and to report the results to USDA's Food and Nutrition Service (FNS), the federal agency which administers the food stamp program.

A total of 91.2 percent of the households reviewed were verified to be eligible for participation based on satisfying financial and other basic program criteria, but 8.8 percent of the households reviewed were determined to be ineligible for these reasons.

Of the bonus dollars issued, a total of 91.6 percent were issued to households determined to be eligible on the basis of satisfying financial and other basic program criteria, but 8.4 percent of the bonus dollars were issued to households found ineligible for these reasons.

An additional 8.5 percent of the households reviewed were determined ineligible because of administrative complexities such as work registration, arithmetic computation, and procedural omissions. These problems were directly responsible for an additional 9.1 percent of the total bonus dollars issued to ineligible households.

Errors were found in determining the stamp allotments to which eligible households are entitled, and establishing their purchase requirements for these stamps, but the dollar amounts involved were relatively small. Twenty-six percent of the sample households had either paid too little for their stamps or had received more stamps than they were entitled to, but these errors represented only 8.4 percent of the bonus dollars issued. A total of 10.7 percent of the sample households had either paid too much for their stamps or received fewer stamps than they were entitled to; but the dollar value of these errors was 2.6 percent of the bonus dollars issued.

In quality control, the kind of errors made are analyzed to help states to take corrective action, and identification is established of who made the errors—agencies or recipients. Errors in income data accounted for 43 percent of all errors, and errors in deductions accounted for another 29 percent.

Of the sample cases with errors, 45.5 percent of the errors were attributed to the agencies; they involved such matters as policy interpretation, failure to take required appropriate action, or miscellaneous arithmetic and procedural errors. The remaining 54.5 percent of the errors were attributed to food stamp recipients who supplied incorrect or incomplete information or failed to notify the food stamp office of changes which would affect their allotments or purchase requirements.

The quality control program also reviews "negative actions," which deny food stamps to an applicant or terminate participation of a household already in the program. A total of 7.3 percent of the negative actions that were reviewed were found to be in error.

The complete Food Stamp Quality Control Report, for July-December 1974, includes both nationwide and state results. Copies are available from the Information Division, Food and Nutrition Service, U.S. Department of Agriculture, Washington, D.C. 20250.

QUALITY CONTROL IN THE FOOD STAMP PROGRAM: NONPUBLIC-ASSISTANCE HOUSEHOLDS, JULY-DECEMBER 1974

SUMMARY

1. Participation in the Food Stamp Program, and the value of bonus coupons during the period covered by this report were (preliminary estimates) as follows:

Month and year	Total participation (persons)	Nonpublic assistance	Value of bonus stamps
July 1974	13, 955, 948	6, 457, 499	$289, 851, 295
August 1974	14, 322, 545	6, 748, 348	296, 404, 210
September 1974	14, 522, 040	6, 871, 814	299, 302, 097
October 1974	15, 233, 226	7, 403, 978	315, 136, 830
November 1974	15, 930, 631	7, 978, 286	333, 871, 733
December 1974	17, 254, 117	9, 145, 480	364, 171, 659

2. A Quality Control Program has been implemented in the nonpublic-assistance segment of the total Food Stamp Program to ensure that households receiving food stamps are legally eligible to receive them, and receiving the correct allotment, and are charged the correct purchase amount. This is carried out by reviewing a randomly selected sample of households in each State for each six-month period. This report presents the sample findings for July–December 1974.

3. Of the 29,674 sample households reviewed, 17.3 percent were found to be ineligible for participation in the Food Stamp Program compared to 21.6 percent a year earlier.

Twenty-six percent of the sample households were eligible for food stamps but had either been issued too many or charged too little, i.e., "overissued." On the other hand, 10.7 percent had either been charged too much or had not received the full stamp allotment to which they were entitled, i.e., "underissued."

4. Some of the errors inadvertently made in issuing food stamps involve only small dollar amounts. In terms of bonus dollars issued to the sample cases, 17.5 percent was made to ineligible households, 8.4 percent overissued to eligible households, and 2.6 percent underissued to eligible households.

5. The complexity of the Food Stamp Program gives rise to a wide variety in the kinds of errors which can occur. For the sample cases when errors were found, 43 percent resulted from miscalculated or incomplete income data, and another 29 percent from incorrect information on deductions (medical expenses 12.8 percent, shelter costs 12.0 percent, other deductions 4.0 percent). Financial resources and household composition accounted for 9 percent of the errors; residency and cooking facilities for less than 1 percent.

Lack of work registration accounted for 9 percent of the error cases although the households were otherwise eligible to receive food stamps. If these errors had not occurred, the ineligible error rate would have been 12.5 percent instead of its actual level of 17.3 percent.

Progress has been made in reducing work registration errors. They comprised 9 percent of the errors found in this sample for the last half of 1974 compared to 11 percent in the sample for January through June 1974.

6. Errors in food stamp issuance may occur by mistakes of the issuing agency in interpreting policy, failing to take some appropriate action, or simple errors in arithmetic. They will also occur if the recipient supplies incorrect or incomplete information, or fails to notify the agency of changes in his circumstances which would affect his stamp allotment or purchase requirement. Of the sample cases with errors, 45.5 percent were attributed to the issuing agency, 54.5 percent to the recipient.

7. A "negative action" is one which denies food stamps to an applicant or terminates participation of a household already in the program. For every household denied or terminated, approximately 19 households are authorized to participate.

Among the 19,449 sample negative actions reviewed as part of the quality control system, 7.3 percent were denied or terminated incorrectly. Corrective action aimed at reducing this rate is another safeguard for ensuring that the Food Stamp Program reaches all eligible families in need of food assistance.

BACKGROUND

The Food Stamp Quality Program is administered by the U.S. Department of Agriculture and carried out by the States in accordance wtih uniform national policies and procedures. A random sample of nonpublic-assistance households is selected in each State and all elements of eligibility are verified to establish that those who are receiving food stamps are legally eligible to receive them, are receiving the correct allotment, and are charged the correct purchase amount. A sample of households denied food stamps is also reviewed to verify that the reasons for denial were proper and valid.

The Food Stamp Quality Control Program is presently carried out only for nonpublic-assistance households, but plans are being developed to extend the coverage to all households receiving food stamps. The nonpublic-assistance segment of the program has increased from 34 percent of all food stamp households in July 1973 to 55 percent in December 1974.

The quality control sample of cases described in the following sections of this report consists of 29,674 non-assistance households which purchased food stamps from July through December 1974 in 50 States and the District of Columbia. The average household consists of between three and four persons; the average monthly caseload from which the sample cases were selected consisted of 2,366,000 households.

This quality control sample provides a management tool for both the States and the national office to identify problem areas and to distinguish between those shared by all Regions and those arising out of special situations. With this information, sound planning can be made for corrective action to reduce errors. A reduction in errors holds down program costs, at the same time it ensures that families in need of food assistance receive full benefits of the program.

The data presented here must, however, be interpreted carefully. The complex, changing nature of the Food Stamp Program raises many administrative and sampling problems which have not yet been fully resolved. Furthermore, all States did not enter the program at the same time and various start-up and staffing problems have impeded full implementation of quality control. As a result, the sample data reported are not equally valid for all States and Regions and differences must be evaluated accordingly.

CASELOADS

State monthly non-assistance caseload averaged 46,393 households, and ranged from 1,660 households in Wyoming to 236,362 households in Texas.

Table 1, on page 9, shows the regional distribution of caseloads, ranging from a monthly average of 285,000 households in the West to 690,000 households in the Southeast. There are eight States in each of these two Regions but the West contributes 12 percent of the national caseload, the Southeast 29 percent.

ERROR RATES—NUMBER OF CASES

The quality control review process focuses on identifying the kinds and sources of errors made in determining a household's eligibility for the Food Stamp Program, whether it receives the correct allotment of stamps, and whether it pays the correct amount for them. With this information available, corrective and preventive action can be taken where it is most needed to improve the overall level of program administration.

Of the 29,674 sample cases reviewed, 17.3 percent were found to be ineligible, continuing the downward trend from 21.6 percent a year earlier and 18.2 percent during the first half of 1974.

The West-Central Region had the lowest eligibility error rate, 11.4 percent compared to the national average of 17.3 percent; the Midwest Region had the highest eligibility error rate, 22.4 percent. Corresponding rates are shown in Table 1 for each administrative Region and in Table 2 for each State.

Sample households which were eligible for the program but in which errors of overissuance were found, (i.e., too many stamps allotted or too small purchase charges), made up 26.0 percent of the cases reviewed, the same proportion as a year ago. On the other hand, in 10.7 percent of the sample cases the recipients were either overcharged for the stamps issued or the allotments of coupons were less than those to which they were entitled. These latter kinds of error, resulting in losses to the recipients, declined from 12.1 percent a year earlier.

ERROR RATES—BONUS DOLLARS

Some of the errors made in issuing food stamps involve only small dollar amounts. For stamps issued to ineligible households, the dollar error is the total value of the bonus stamps issued to those households, but errors in the allotment or purchase requirement for eligible households may amount to only a few dollars.

The monthly bonus dollars issued to all households in the sample amounted to $1,905,285. Bonus dollars issued to ineligible households accounted for 17.5 percent of this amount. That number is approximately the same as the proportion of sample cases found to be ineligible, 17.3 percent.

However, 8.4 percent of the bonus dollars issued were overissued in error to eligible households (undercharges and overallotments) compared to 26.0 percent of the sample cases found to contain this type of error. Similarly, underissued bonus dollars are 2.6 percent of all bonus dollars issued compared to the corresponding proportion of sample cases reviewed, 10.7 percent.

ZERO-PURCHASE CASES

A "zero-purchase" household is one to which food stamps are issued at no cost to the recipient. Such households have little or no reported income or high deductible expenses. These factors, in relation to the number of persons in the households, place them in the lowest financial bracket. Households which are apparently eligible at zero-purchase level and are in immediate need of food assistance may be certified for up to one month pending future verification. Concern over potentially high error rates among these households is partially borne out by findings in the quality control sample. The proportion of zero-purchase households found to be ineligible for food stamps is 20.1 percent compared to the corresponding overall rate of 17.3 percent. In terms of bonus dollars, the eligibility error rate is 17.5 percent—the same for zero-purchase households as for all households.

However, these relations are not uniform in all parts of the country, as Table 1 shows. The Northeast and Southeast Regions have lower eligibility error rates among zero-purchase households than among other households. In the Northeast Region the zero-purchase error rate is 12.3 percent compared to the overall rate of 18.1 percent; and, in terms of bonus dollars, the corresponding rates are 10.4 percent and 17.3 percent.

SOURCES OF ERROR

Responsibility for case errors is seldom a clear-cut decision. The agency issuing food stamps may apply the established policies incorrectly, fail to take appropriate action, or make arithmetic and other miscellaneous mistakes. Recipients may supply incorrect or incomplete information on which the amount and cost of stamps is based, or they may fail to notify the agency of changes in their circumstances which would alter their stamp allotment or payments, (e.g., changes in income, and/or shelter costs). If a combination of factors contributes to an error and the major responsibility is doubtful, the error is assigned arbitrarily to the issuing agency rather than to the recipient.

Nevertheless, Table 1 shows that more than half, 54.5 percent, of the error cases in the quality control sample were attributed to recipients, about evenly divided between their reporting incorrect or incomplete information and not reporting changed circumstances which would affect their eligibility or purchase requirement. Among errors attributed to the issuing agency, the primary cause was failure to take some action required by the program rules and regulations.

Errors caused by recipients are usually unintentional, arising from carelessness or lack of knowledge concerning the program.

TYPES OF ERRORS

Table 1 lists some of the major elements which contributed to errors in the quality control sample. Calculation of income accounted for 43.3 percent of the errors, and deductions (primarily medical expenses and shelter costs) another 28.8 percent. Financial resources and household composition made up 9 percent of the errors; residency and cooking facilities less than 1 percent. The remaining errors resulted from failure to comply with the work registration requirements, procedural errors such as unsigned applications, etc., and arithmetic mistakes.

Many of the errors in this last group could be eliminated by additional staff training. For example, in this sample of cases, if no work registration errors had occurred, the ineligible error rate would have been 12.5 percent instead of its actual level of 17.3 percent. Progress has been made in this direction as evidenced by a decreasing proportion of work registration errors. In this sample they comprised 9 percent of all errors, compared to 11 percent in the previous sample for January through June 1974.

TIME OF ERRORS

Quality control reviews the accuracy and status of cases as of the month from which the sample cases are selected. Since households are certified for food stamps for varying periods of time up to a year, errors can occur not only at the time of certification but at any time thereafter. In addition to information concerning the sources and kinds of errors being made, the time when they occur is also relevant in giving direction and emphasis to those areas where corrective action will prove most effective.

Although data are not available on the time lapse between certification and review for all sample cases, reports by 21 States indicate that 57 percent of their errors occurred at the time the households were certified. Again, additional staff training is strongly suggested—in this instance, of certification workers at the local agency level.

NEGATIVE ACTIONS

A "negative action" is one which denies food stamps to an applicant or terminates participation of a household already in the program. Households which do not apply for further participation after their current certification has expired are not considered to be "negative actions."

For every household denied or terminated from participation in the program, approximately 19 are authorized to receive food stamps. State monthly negative actions during July through December 1974 averaged 2,463 cases, compared to an active or participating caseload of 46,393. Nationwide the monthly number of negative actions averaged 123,159 cases.

Review of negative actions for quality control purposes consists of determining whether the reasons for denial or termination are correct: it does not indicate that all households in this category are ineligible for food stamps. For example, an applicant who has insufficient information on hand and is requested to return with additional records frequently fails to do so and, after a reasonable time, his application is closed.

Table 3, on page 14, shows that among the 19,449 sample negative actions reviewed, 7.3 percent were in error. Corrective action aimed at reducing this rate is another safeguard for ensuring that the Food Stamp Act is effectively implemented in reaching all families who request and are in need of food assistance.

TABLE 1.—CASE CHARACTERISTICS BY ADMINISTRATIVE REGION

Characteristic	Total	Northeast	Southeast	Midwest	West-central	Western
Number of States (including District of Columbia)	51	14	8	10	11	8
Average monthly caseload:						
Number of households (thousands)	2,366	415	690	447	529	285
Percent	100.0	17.5	29.2	18.9	22.4	12.0
Number of cases reviewed:						
Total	29,674	6,588	7,607	6,301	5,762	3,416
Percent with errors: [1]						
Ineligible	17.3	18.1	18.5	22.4	11.4	13.3
Eligible—Overissue	26.0	29.8	28.8	22.6	24.9	20.1
Eligible—Underissue	10.7	13.8	13.6	8.4	7.4	7.8
Bonus dollars issued to reviewed cases (monthly): [2]						
Total	$1,905,285	$380,391	$561,048	$344,002	$378,779	$241,065
Percent in error: [1]						
Ineligible	17.5	17.3	19.2	22.3	13.9	13.1
Eligible—Overissue	8.4	10.0	8.6	8.2	7.9	6.4
Eligible—Underissue	2.6	3.4	3.1	2.3	1.6	2.0
Reviewed cases having zero-purchase costs:						
Number	2,513	382	540	403	485	703
Percent of cases ineligible	20.1	12.3	16.5	33.3	19.4	20.1
Bonus dollars issued (monthly)	$277,778	$41,915	$63,011	$55,101	$52,991	$64,760
Percent of dollars ineligible	17.5	10.4	16.7	24.1	20.8	14.4
Percent distribution of error cases by source of error: [3]						
Agency	45.5	36.5	44.0	59.2	39.5	54.7
Recipient	54.5	63.5	56.0	40.8	60.5	45.3
Total	100.0	100.0	100.0	100.0	100.0	100.0
Agency errors:						
Policy incorrectly applied	15.0	9.4	16.6	22.2	13.3	11.5
Failure to take indicated action	21.9	20.2	20.2	26.4	17.7	29.4
Arithmetic/transcription	4.7	4.6	2.6	5.4	4.9	10.6
Other	3.9	2.3	4.6	5.2	3.6	3.2
Recipient errors:						
Information incorrect or incomplete	28.3	26.6	28.0	21.9	40.5	27.7
Change in circumstances not reported	26.2	36.9	28.0	18.9	20.0	17.6
Percent distribution of error cases by type of error: [3]						
Income:						
Earnings	19.6	20.1	21.9	15.4	19.1	21.5
Social security/pensions	17.6	22.5	13.7	19.5	16.7	13.7
Other income	6.1	7.1	5.0	4.6	7.2	8.8
Deductions:						
Medical expenses	12.8	10.6	14.8	8.8	20.4	8.8
Shelter costs	12.0	15.7	12.2	10.5	7.2	12.2
Other deductions	4.0	4.2	2.8	3.8	4.2	7.2
Resources	4.2	6.7	2.5	4.1	3.8	3.7
Household composition	4.8	4.8	5.2	5.4	4.3	3.3
Residence/cooking facilities	.7	.7	.6	.7	1.0	.7
Work registration	9.0	4.4	12.3	10.0	8.7	9.1
Arithmetic/procedural	9.2	3.2	9.0	17.2	7.4	11.0
Total	100.0	100.0	100.0	100.0	100.0	100.0
Percent distribution of error cases by time error occurred: [4]						
At certification	57.0	47.8	47.3	71.5	75.9	79.7
Less than 30 days later	12.8	8.8	18.3	11.0	6.2	5.5
30 days but less than 3 mo later	14.6	15.7	18.2	8.8	9.3	6.9
3 mo but less than 6 mo later	9.4	10.9	11.8	5.1	5.8	3.2
6 mo or more later	6.2	16.8	4.4	3.6	2.8	4.7
Total	100.0	100.0	100.0	100.0	100.0	100.0

[1] "Ineligible" errors do not necessarily reflect households which are not in need of food stamp assistance. The errors include work registration and procedural errors where the households were otherwise eligible. For example, if errors due to the absence of work registration are excluded, the ineligible error rate becomes 12.5 percent compared to 17.3 percent when they are included. "Overissue" errors represent an overallotment of stamps or an undercharge for their purchase cost. "Underissue" errors represent an underallotment of stamps or an overcharge for their purchase cost.

[2] Bonus dollars underissued are not available for all States as indicated in table 2. Percents are based on reported data.

[3] Based on 15,699 cases for which data are available.

[4] Based on 5,631 cases for which data are available.

TABLE 2.—ERROR RATES BY STATE

State	Percent of cases reviewed			Percent of bonus dollars issued to reviewed cases		
		Eligible			Eligible	
	Ineligible	Overissue	Underissue	Ineligible	Overissue	Underissue
Total	17.3	26.0	10.7	17.5	8.4	2.6
Alabama	15.3	32.9	13.8	16.6	8.7	(1)
Alaska	17.6	21.6	9.8	13.0	4.5	2.8
Arizona	12.6	23.0	7.0	12.7	6.2	.8
Arkansas	10.4	29.1	8.1	13.4	8.6	1.4
California	17.1	21.1	11.6	14.1	6.7	3.3
Colorado	22.3	29.0	5.7	21.5	8.3	1.5
Connecticut	24.0	36.1	15.3	25.0	12.5	(1)
Delaware	22.2	37.8	14.4	28.8	17.7	2.6
District of Columbia	17.9	47.7	8.4	20.5	13.0	2.5
Florida	25.6	27.3	15.7	24.6	7.3	2.7
Georgia	31.3	23.6	13.1	33.5	7.9	3.8
Hawaii	9.5	34.3	9.5	8.3	11.5	6.1
Idaho	2.3	23.3	8.5	1.7	6.7	1.2
Illinois	51.5	12.9	5.0	43.8	4.7	(1)
Indiana	9.4	19.7	7.6	8.6	6.3	(1)
Iowa	14.8	26.6	11.5	19.2	7.7	(1)
Kansas	14.6	22.3	5.1	16.6	9.7	1.1
Kentucky	15.4	25.5	10.3	16.0	8.0	(1)
Louisiana	11.4	31.5	8.5	14.5	8.8	1.3
Maine	9.1	22.9	10.4	6.3	8.5	.3
Maryland	24.2	32.9	12.8	25.4	10.9	3.1
Massachusetts	50.0	30.4	13.0	41.0	16.0	4.2
Michigan	20.4	18.1	7.5	22.4	7.2	1.5
Minnesota	28.6	29.0	12.5	29.1	9.1	3.2
Mississippi	9.2	25.9	13.1	10.5	6.9	1.9
Missouri	12.3	26.0	7.7	17.4	11.5	2.5
Montana	35.1	22.8	4.1	41.5	6.0	.9
Nebraska	10.0	21.1	8.3	16.2	6.4	2.3
Nevada	8.8	25.0	3.8	10.2	6.2	.9
New Hampshire	17.8	39.7	17.8	21.4	13.1	8.1
New Jersey	14.7	37.1	17.4	17.2	13.6	4.5
New Mexico	28.7	22.3	3.2	27.8	7.2	.8
New York	25.6	23.8	17.8	22.1	7.6	5.3
North Carolina	14.4	30.7	19.1	15.2	10.3	4.7
North Dakota	7.6	15.2	3.0	7.6	3.5	.2
Ohio	19.6	29.2	10.5	21.8	8.7	(1)
Oklahoma	2.5	15.1	6.1	3.1	6.3	2.3
Oregon	26.1	22.1	6.9	24.0	7.6	1.6
Pennsylvania	20.9	31.6	10.7	21.7	11.3	2.9
Rhode Island	23.6	48.6	12.3	28.7	17.2	5.9
South Carolina	27.8	41.1	14.6	26.8	12.2	2.8
South Dakota	7.0	19.0	15.0	7.9	23.5	14.6
Tennessee	14.2	28.2	9.9	18.5	8.8	(1)
Texas	7.7	26.5	9.2	8.2	7.4	(1)
Utah	3.1	25.5	8.2	2.1	7.1	--------
Vermont	19.5	32.3	14.0	17.9	14.1	3.7
Virginia	11.1	28.5	12.7	13.7	10.2	(1)
Washington	5.2	13.8	5.5	6.9	4.9	1.2
West Virginia	6.3	20.1	13.6	4.9	6.2	2.3
Wisconsin	16.2	18.4	13.2	15.6	7.7	(1)
Wyoming	14.8	22.2	9.9	19.0	6.2	1.6

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[1] Not available.

TABLE 3.—NEGATIVE ACTIONS BY ADMINISTRATIVE REGION

Characteristic	Total	Northeast	Southeast	Midwest	West Central	Western
Number of States (including District of Columbia)[1]	50	13	8	10	11	8
Average monthly actions:						
Number of households (thousands)	123	33	28	22	20	20
Percent	100.0	26.8	22.7	17.9	16.3	16.3
Number of actions reviewed:						
Total	19,449	4,672	4,669	3,708	3,455	2,945
Percent with invalid decision	7.3	6.6	12.3	7.5	5.4	2.4

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[1] Massachusetts did not report data for negative actions.

REPORT ON WORLD CONFERENCE ON INTERNATIONAL WOMEN'S YEAR

Mr. RIBICOFF. Mr. President, Senator PERCY, ranking minority of the Committee on Government Operations, represented the committee and the Senate as congressional adviser to the World Conference on International Women's Year, held in Mexico City this past summer.

I am pleased that Senator PERCY has reported back to the committee on the proceedings of this Conference, and I feel his observations and recommendations for follow-up activities will be of interest to the Members of the Senate.

I ask unanimous consent that Senator PERCY's report and some sections from its appendices be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

LETTER OF TRANSMITTAL

U.S. SENATE,
Washington, D.C., September 8, 1975.

Hon. ABRAHAM RIBICOFF,
Chairman, Committee on Government Operations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: As a congressional adviser to the World Conference of the International Women's Year, I submit to you and the Committee the following report on the Conference, including my comments and observations.

It was an honor to serve as a congressional adviser to the Conference. Because of my service on the Senate Foreign Relations Committee, and as a member of the U.S. delegation to the 29th session of the United Nation General Assembly, I have had the opportunity to work in every way I could to help improve and strengthen the role of women in economic development. The Conference provided an excellent chance to further this effort. As a member of the Government Operations Committee I appreciate the role the Committee can play in assuring that the U.S. Government promotes equality for all men and women. The Committee also has a role in assuring that the United States, in its relationships with the United Nations and other international organizations, assists in improving the status of women worldwide. Finally, as a member of the U.S. Commission on the Observance of International Women's Year, I realized the importance of U.S. Government implementation of the proposals passed by the Conference.

It is my hope that the following report will serve both as a factual resource and a guide to action. The report describes major activities and proceedings of the Conference, with emphasis on the efforts of the U.S. Delegation. It also includes guidelines and resolutions passed by the Conference. In addition, I have suggested ways in which the U.S. Government, and Congress in particular, can implement the World Plan of Action adopted by the Conference. Because of its oversight responsibilities in the operation of Government activities, the Government Operations Committee can play a major role in this effort. I have outlined some suggestions for Government Operations activities in the Recommendations for Action section (page 14).

Two Government Operations Committee staff members, one from the majority, Marilyn Harris, and one from the minority, Hannah McCornack, participated in most of the Conference proceedings and served the entire U.S. delegation. I appreciate your willingness to make it possible for them to help represent the Committee and the Senate. I was also assisted by Julia Bloch of the Senate Nutrition Committee.

I would like to thank and compliment Pat Hutor, chairperson of the U.S. delegation to the Conference; Dan Parker of AID; Jewel Lafontant and Jill Ruckelshaus, official U.S. delegates to the Conference; and other delegation members and advisers. The delegation was dedicated to full participation in the Conference and the entire group deserves praise. I extend thanks to Ambassador John Jova, U.S. Ambassador to Mexico, and State Department staff for providing assistance to me and the staff members who accompanied me.

CHARLES H. PERCY.

INTRODUCTION

The World Conference of the International Women's Year was a first in many respects. It was the first United Nations conference devoted specifically to women, the first U.N. conference where a majority of the delegates were women, and the first major forum held for women from throughout the world for consideration of common problems and aspirations.

International Women's Year was proclaimed by the U.N. General Assembly in 1972 at the suggestion of the U.N. Commission on the Status of Women. The year is being marked by intensified action by the U.N. and its member nations to promote equality among men and women, to insure full integration of women in social and economic development, to underline the importance of women's increasing contribution to cooperation among States and to recognize women's role in pursuing world peace.

Upon the recommendation of the U.N. Economic and Social Council, the World Conference on International Women's Year was called as a focal point for IWY activities. The purpose of the Conference was to develop an action program for implementation of the IWY goals of equality, development and peace, to bring together participants from nations with diverse cultural traditions and economic systems, and to encourage awareness of the need to eliminate discrimination against women.

The World Conference was preceded in 1974 and 1975 by three regional meetings sponsored by the U.N. Economic Commissions for Asia and the Far East, and Africa and Latin America. Recommendations for national and regional action made at these meetings were useful in development of the World Plan of Action adopted in Mexico City.

The Conference was held in Mexico City from June 19 to July 2, 1975. Helvi Sipila, the highest ranking woman at the U.N., was Secretary-General of the Conference. An estimated 7,000 persons, three-quarters of whom were women, attended the Conference's official and unofficial activities.

The organization and activities of the official Tribune for nongovernmental organizations as well as the work of the official Conference are described in separate sections of this report. Other activities included a preconference Journalists Encounter, organized for 50 journalists by the Centre for Economic and Social Information (CESI) of the U.N. Office of Public Information. The Encounter was open to all 1,500 journalists accredited by the Conference and was devoted to discussion of the goals of IWY as well as media attitudes toward IWY.

Immediately following the Conference, CESI joined with the U.N. Educational, Scientific and Cultural Organization (UNESCO) in sponsoring a media workshop to expand on the results of the Encounter.

Another preconference event was the Seminar on Women and Development, organized by the American Association for the Advancement of Science in conjunction with the U.N. Institute for Training and Research and the U.N. Development Programme. The Seminar developed guidelines for national and international action programs for the greater integration of women in the development process.

THE OFFICIAL CONFERENCE

The official U.N. Conference was held at the Conference Centre of the Mexican Ministry of Foreign Affairs at Tlateloco. Each participating nation was allowed three official delegates and as many alternates and advisers as it wished. At final count, 1,300 delegates representing 133 nations, 7 intergovernmental organizations, 21 U.N. bodies and specialized agencies, 8 liberation movements, and 114 non-governmental organizations with consultative status with the U.N. Economic and Social Council participated.

The U.S. Delegation, which numbered 43 and included 10 Congressional advisers, was one of the largest. It was a group that reflected a wide range of professional experience and expertise.

Conference agenda

The official Conference considered the following topics for discussion and action:

Policies and programs to implement the objectives and goals of IWY.

The role of women in building international peace and eliminating racial discrimination.

Current trends and changes in the status and roles of women and men and major obstacles to be overcome to achieve equal rights, opportunities and responsibilities.

The integration of women in the development process as equal partners with men.

Adoption of a World Plan of Action to carry out the objectives of IWY during the next decade.

Work of the conference

The work of the Conference was divided among two main committees and the Conference Plenary.

The First Committee was charged with proposing amendments to the World Plan of Action, a draft of which had been prepared by the U.N. Secretariat and revised at a Consultative Committee meeting of 23 nations held last March at the U.N. The Second Committee debated the Conference topics of current trends and changes in the status and roles of men and women and the integration of women in the development process. Conference topics dealing with the effect of existing policies and programs on the goals of IWY and the role of women in building international peace and eliminating racism were considered in Plenary as part of the general debate.

The First Committee was faced with considering 894 amendments submitted by official delegations to the World Plan of Action. This did not include 69 amendments proposed by an ad hoc group from the Tribune. The Second Committee had nearly as many measures before it as the First Committee.

A great deal of time was spent in plenary and both committees on purely political matters not related to the official Conference agenda. The main topic of discussion was implementation of the Declaration and Programme of Action on the Establishment of a New Economic Order and the Charter of Economic Rights and Duties of States adopted by the U.N. General Assembly last year. Not until the final hours of the Conference were the World Plan of Action amendments and resolutions recommended by the committees considered in plenary.

Because of time constraints, the First Committee proposed amendments to only the introduction and first chapter of the World Plan of Action and recommended that the remaining five chapters be adopted as originally prepared by the U.N. Secretariat. This was done by consensus of the delegates.

The World Plan of Action

The World Plan of Action provides a set of guidelines and timetables for action to improve the status of women throughout the world. Its purpose is to stimulate national and international action to help solve the problems of underdevelopment and existing socioeconomic structures that place women in an inferior position. It also calls upon governments to establish short, medium and long-range deadlines for its implementation. Although the World Plan would have benefited from additional amendments, it provides a guide and impetus to action to improve the status of women on national, regional and international levels.

The U.S. delegation worked to strengthen the World Plan, and was successful in pressing the concept of equal pay for work of equal value. Unfortunately, the United States was unsuccessful in adding "sexism" to the official U.N. list of forms of oppression. Time constraints precluded the consideration of several other U.S. sponsored amendments to the plan, including recognition of pregnancy as a temporary disability for job-related purposes, provision of temporary or permanent allowances for disabled spouses and for spouses who lose opportunities for education or employment because of homemaking responsibilities, collection of data on women to establish their position in society relative to men and a statement in all U.N. assistance plans and programs of their affect on women as participants and beneficiaries.

A summary on the World Plan of Action as adopted by the Conference is in appendix B.

Resolutions

The Conference also adopted 35 resolutions and a decision to overcome major obstacles to the achievement of equal rights for women and to strentghen various actions to be taken by national governments and international bodies as outlined in the World Plan of Action.

The U.S. delegation initiated or cosponsored with other governments the following seven resolutions adopted by the Conference:

Intergration of Women in the Development Process as Equal Partners With Men.—The resolution calls on the United Nations Development System, including technical and financial assistance programs and agencies, to give special attention to programs that integrate women into the development process. It recommends the use of impact statements, review and appraisal systems and research efforts to measure progress and evaluate program impact on women. It also calls for equal employment opportunities for women in decisionmaking positions that govern planning and implementation of development assistance programs.

Education and Training.—This resolution affirms the right of every individual to basic education and advocates free and compulsory primary and secondary education as far as resources permit. It recommends the elimination of sex bias from all aspects of education, including educational materials, teacher training, counseling, and school administration and suggests the use of media and technology to expand educational opportunities. It also calls on governments, the U.N. and nongovernmental organizations to support programs that enhance educational opportunities for women.

The Situation of Women in the Employ of the United Nations and Specialized Agencies.—This measure calls on the U.N., its specialized agencies and subsidiary bodies to set an example to member States in the hiring and promotion of women.

Women's Contribution to World Peace through Participation in International Conferences.—The resolution urges governments of member States to increase substantially the number of women delegates to all U.N. meetings, especially meetings of the main committees of the General Assembly.

Population Participation (Self-Help).—This resolution asks member States to sponsor voluntary social promotion programs, such as self-help groups, cooperatives, women's groups and other organizations at all socioeconomic levels to improve the status of women and their families.

International Research and Training Institute for the Promotion of Women.—The resolution establishes the Institute under the auspices of the United Nations, with voluntary contributions, to finance research and training programs to increase earning potential for women and encourage their pursuit of leadership.

Family Planning and the Full Integration of Women in Development.—This measure urges implemtation of the World Population Plan of Action and calls on governments to provide women and children with access to health services. It also calls for women's access to advice about the number and spacing of children and information on parenthood for young people. It recommends that women be included proportionately with men at all levels on boards and policymaking bodies concerned with socioeconomic development and population planning.

This record of initiative and contribution to seven major Conference resolution shows the scope of the U.S. delegation's role. Two of the seven resolutions initiated or cosponsored by the U.S. delegation dealt with the integration of women in development. Eight resolutions adopted by the Conference focused on the same issue. I was particularly pleased that this issue received such strong international support. Many of the Conference resolutions directed the U.N. not to launch further development projects without evaluating their impact on women. This shows world recognition of women's role in economic development.

As a member of the U.S. Delegation to the 29th session of the U.N. General Assembly, I urged the U.N. to live up to its Charter by taking immediate action to eliminate discrimination in the hiring and promotion of women, especially for key policy positions. Three of the resolutions adopted by the Conference, two of which were initiated by the U.S. delegation, addressed this problem. The resolutions called on the U.N. and its member states to provide women a greater role in international diplomacy and directed the U.N. in particular to set an example in its own personnel policies.

Full texts of the resolutions and the decision as adopted by the Conference are in appendix C.

Declaration of Mexico

By a vote of 89 to 3,[1] with 18 abstentions, the Conference adopted the "Declaration of Mexico." The declaration, which was drafted by the "Group of 77" Third World nations, states the need to advance women's rights, linking these goals with economic and political objectives. Regrettably, a negative reference to Zionism and a call for implementation of the Charter of Economic Rights and Duties of States precluded U.S. support of the Declaration. A summary of the Declaration of Mexico is in appendix D.

THE TRIBUNE

The IWY Tribune, which met concurrently with the World Conference of IWY, was an unofficial forum organized by nongovernmental organizations in consultative status with the U.N. Economic and Social Council. It was attended by representatives of U.N. affiliated nongovernmental organizations, other national and international groups representing a variety of women's interests and a large number of individuals, many of whom were from Mexico and the United States. Over the two-week period, approximately 5,000 men and women participated in activities at the Tribune.

The Tribune activities consisted of panel discussions, speeches by experts in various fields and general discussion. Along with the themes of the World Conference, the Tribune considered numerous issues and topics such as "Women Across Culture," "Law and the Status of Women," "Population," "Women in Public Life," and "Changing Patterns of the Family." Organizers of the Tribune stressed that the forum took no political positions. Participants issued statements as individuals or groups but not in the name of the Tribune.

Tribune participants published a daily newspaper as a vehicle for communication, but the distance between the Tribune and Conference meeting places, as well as the Tribune's format made it difficult for Tribune participants to make an impact on the deliberations of Conference delegates. Frustrated by the lack of communictaion with the Conference, Tribune participants formed "speak-out" sessions to communicate among themselves. These sessions were as varied as the interests of the 5,000 participants.

Tribune amendment to world plan

A core of Tribune activists formed a steering committee of 15 women to consider revisions of the World Plan of Action. After several days of intensive work, the committee drafter changes for the World Plan. The fact that these suggested changes were discussed and endorsed by a meeting of 2,000 Tribune participants attests to the level of agreement at the Conference on matters of concern to women worldwide.

Many of the Tribune's amendments were concerned with strengthening the World Plan's review and appraisal mechanisms. The changes call for creation of a U.N. Office for Women's Concerns to be staffed by at least two-thirds women and headed by a woman Under Secretary General. The office would review and monitor the implementation of the World Plan, investigate complaints of civil rights violations against women, analyze and report on the impact of various U.N. programs on women and issue annual public reports.

Tribune amendments also condemned hiring and promotion policies at the U.N. where no woman heads an agency or serves as a deputy to the head of an agency, and where only 16 percent of the professional staff are women. The revisions demand an equal proportion of men and women serving in policy-making positions in the U.N. system, and call for a woman Secretary General in 1977.

In addition, the revisions called for changes in every section of the World Plan including provisions for equal access for women to training and employment programs, freedom for women to join unions and the abolition of all forms of discrimination in union organizations, availability of family services such as day care, freedom of women to control their own bodies, the right of women in developing countries to plan and decide on U.N. development programs in those countries, and the placing of greater value on women's work in the home.

Acting on these changes, a group which called itself the Voice of the United Women of the Tribune met with Helvi Sipila, the Secretary-General of the Conference, to present the revisions and to request 10 minutes of Plenary session time to present the revisions to the Conference delegates.

Ms. Sipila agreed to study the group's request and respond to the Tribune the following day. In her response. Ms. Sipila complimented Tribune participants for their efforts, especially the revisions to the World Plan. She declined the request for Plenary session time, explaining that the Conference Management Committee could not set a precedent by granting floor time to a group not accredited to the Conference. Instead, she suggested that Tribune participants urge their own governments to implement the World Plan of Action as approved by the Conference.

U.S. delegation activities

The U.S. delegation made three official appearances at the Tribune. The first, a forum on development assistance which I chaired, will be discussed in the next section. The second was a delegation briefing at which Pat Hutar, Jewel Lafontant, Joan Goodin and Arvonne Fraser discussed U.S. Delegation activities. The presentations were well received, particularly because Pat Hutar announced that the U.S. Embassy would print the Tribune revisions of the World Plan of Action in English and Spanish, and that the U.S. Delegation would support the Tribune's request to present its suggested changes in the World Plan to the Conference. The third activity was an appearance by Congresswoman Bella Abzug, a U.S. congressional adviser, who delivered a forceful and provocative statement on "Women Power in the Future".

OPEN FORUM ON DEVELOPMENTAL ASSISTANCE

During my stay in Mexico City, I chaired an open forum on Developmental Assistance at the Tribune. As author of two provisions of the Foreign Assistance Act which require U.S. agencies and U.S. representatives to international organization to integrate women into bilateral and mutilateral development assistance programs. I was pleased that the IWY Conference offered an opportunity to hear first hand from Third World women on how best to implement this concept.

The forum was designed as an opportunity for Third World women to present their views and to foster an exchange of ideas between Third World women, nongovernmental organizations and representatives from donor countries in the hope that future development assistance programs would integrate women into the economies of their countries.

Panelists and forum participants confirmed that women and their economic roles have been neglected in development planning. Too often, development has undermined the traditional economic roles of women in developing countries. Moreover, development assistance has not reached or benefited enough women who are usually the poorest citizens.

Panelists emphasized the urgent need to assist women who live and work in rural areas. U.N. sources indicate that over a billion women, or the majority of the world's female population, work long hours every day of the year. Their typical day includes work in the fields, care of livestock, collection of firewood, carrying water, preparation of meals and care of children. These women need development assistance programs to ease their daily burden and to provide appropriate technology and training to help them increase their productivity.

Panelists also agreed that illiteracy among women poses staggering obstacles to the integration of women into the development process. According to U.N. statistics, about 500 million of the world's two billion women are illiterate. One out of every three women over 15 years of age cannot read or write. In 1970, women made up 60 percent of the world's illiterates, and as the world population increases, the gap between the number of illiterate women and illiterate men will become even wider. Because basic literacy skills are a key to training programs, developmental assistance must give literacy training for women high priority.

Forum participants, however, noted that literacy training alone would be an exercise in futility. Unless development assistance also helps rural women overcome their heavy workloads, poor health, malnutrition and constant pregnancies, physical exhaustion will rob these women of the interest and energy needed to improve themselves and acquire basic skills.

Although some Forum participants disagreed, citing the elitist nature of international nongovernmental organizations, the panelists proposed that donor countries consider funding development assistance programs through nongovernmental organizations. A number of panelists charged that under the existing system development assistance money often does not reach the people. Nongovernmental organizations, the panelists argued, are closer to the people and have a better understanding of their needs. Ms. Enid Kirton, a panelist, presented the Forum a model for development assistance funding through nongovernmental organizations.

The Open Forum was cosponsored by the League of Women Voters, U.N.-U.S.A., the World Watch Institute, Women's International Network, and the Women Food and Population Program. Assistance was provided by five outstanding women representing major international women's organizations: Irene de Lipkowski, President, International Alliance of Women; Beryl Nashar, President, International Federation of Business and Professional Women; Elizabeth May, President, International Federation of University Women; Olive L. Farquharson, President, Associated Country Women of the World; and Irmgard Bohm, Board member, International Council of Women. Panel members were

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[1] The United States, Israel, and Denmark voted against. Denmark later stated that it had intended to abstain.

Sylvia Francisca B. Bolanos, Filipina International Labor Organization, rural development expert in Ghana; Lee Yun-Sook, Korean television personality; Diane Opondo, field representative for the Economic Community Association of Africa; and Enid Kirton, women's organization activist from Trinidad.

Full texts of my opening remarks before the Forum and Ms. Kirton's development assistance model are in appendixes F and G.

PERSONAL OBSERVATIONS: PROBLEMS AND ACHIEVEMENTS

The World Conference of the International Women's Year was a major step toward attainment of equality for women. Its most important achievement was adoption of the World Plan of Action, a 10-year program to improve the status of women. It gives national governments guidelines to help increase women's participation in the economic, social, political and cultural life of their countries.

The nongovernmental Tribune also was a success. It achieved unity despite seemingly impossible national, political and ideological differences. Tribune participants suggested revision to the World Plan of Action, thus producing a blueprint for improving the status of women throughout the world.

These achievements are especially impressive because of the odds against success. Just as women are less equal than men in every country of the world, the International Women's Year Conference was less equal than other international conferences.

From the beginning, neither the United Nations nor its member nations took International Women's Year seriously. The U.N. budgeted $258,000 for the IWY Conference when the World Population Conference spent $3.5 million, relegating the IWY Conference to dependence on voluntary contributions. As late as October, 1974, the conference site was changed from Bogota, Columbia, to Mexico City, Mexico. Then, the conference date was moved up suddenly.

In Mexico City, the lack of funding and the last minute site and date changes brought reported administrative and technical problems. Space was short and physical support facilities were inadequate. The distance between the Conference and Tribune sites made communication and transportation difficult. Documentation and translation services were insufficient.

Unlike other international conferences, women delegates at the IWY Conference were in the majority, outnumbering males four to one. For the first time in the history of international conferences, women served on almost every delegation and headed a majority of the delegations. Having been generally excluded from the forums of international diplomacy, women delegates in Mexico City worked against the dual handicaps of inexperience and lack of confidence. Much time and effort were spent in learning the rules and procedures of international meetings.

The IWY Conference reflected women's lack of power in society. At the conference inaugural session, three men spoke first, followed by Helvi Sipila. A man, Attorney General Pedro Ojeda Paullada, head of Mexico's Delegation, became President of the Conference because U.N. protocol stipulates that the head of the host country delegation presides. Despite the attendance of women officials, legislators, judges and, even, a women head of state, the women who received the most press attention at the Conference were wives of prominent men. In pointing this out, however, I do not mean to detract from their own competence or contribution.

Women had little control over the first intergovernmental conference ever held to focus on their concerns. As members of delegations, they were bound by the instructions of their governments, many of which had not assigned high enough priority to women's issues. Women delegates generally had no problem agreeing among themselves that the conference should focus on closing the social, economic and political gap between men and women, and not between developed and developing countries.

Government instructions, however, politicized the conference following the pattern established by the 1972 U.N. Conference on Human Environment. Since 1972, Third World nations have used international forums to press the theme that world problems, whether they concern the environment, population, food or women, are symptomatic of economic exploitation and political injustice. Third World nations claim that such problems can only be resolved by changing existing economic and political relations between countries and establishing a new world economic order.

The question of a world redistribution of wealth emerged as a dominant theme at the IWY Conference. Third World nations argued that a reordering of economic structures to correct the imbalances between rich and poor countries must precede the struggle for women's equality. Otherwise, they said equality would mean little more than shared disadvantaged.

Western industrialized nations, including the United States, contended that women cannot wait for economic development to bring equality because equality does not necessarily follow prosperity. There is evidence that women have not always benefited from the development process and, indeed, their position in relation to men has as times deteriorated as a result. Although the advancement of the status of women is linked to improving the lot of all mankind, the two processes must go together and women must participate with men as partners in both processes.

The IWY Conference and Tribune provided an opportunity for Third World nations, assisted by countries aligned with the Soviet Union, to charge Western countries with alleged crimes and unresolved obligations. Many nations and ethnic groups made charges against the United States for imperialism, colonialism, neo-colonialism and racism. Representatives of a group called the Federation of Puerto Rican Women accused the United States of practicing genocide because the U.S. sponsored a family planning program in Puerto Rico. Panama, incited by a Congressional proposal which would forbid the use of State Department funds for Panama Canal negotiations, charged the United States with violating Panamanian sovereignty. Other nations, groups and individuals called the United States the warmonger and arms dealer of the world. The CIA was vilified as the main perpetrator of U.S. interventionist policies. AID was alleged to be an arm of the CIA. U.S. multi-national corporations were attacked for alleged economic exploitation and oppression. The U.S. delegation was charged with being unrepresentative of minority interests. For some, this was the usual diversion from the practical purpose of international meetings to beat familiar propaganda drums.

Some elements of the news media did not take the conference any more seriously than many in the U.N. or its member nations. It overplayed disputes and failed to understand that the Conference provided a vital forum for the pursuit of equality for women. Without fully understanding the Conference, some journalists could not accurately report its accomplishments or the achievements of unity under trying circumstances; others did better.

Women at the Conference and Tribune were united in their desire for a strong World Plan of Action. This unity of purpose kept irrelevant political considerations out of the World Plan of Action, allowing it to be adopted by consensus. Controversial political issues were relegated to the Declaration of Mexico, which was adopted after considerable dissension.

The most striking example of the politicization of the Conference was the inappropriate reference to Zionism and its equation with forms of oppresson in the text of the Declaration of Mexico. To condemn Zionism, linking it with apartheid, colonialism, imperialism and other forms of oppression in a document produced by a conference held to consider the status of women seemed to many unreasonable. Such action only served to reenforce the stereotype of the U.N. as a "tyranny of the majority."

Although the United States and Israel were a minority of two on the Declaration of Mexico vote, the United States was not isolated at the IWY Conference. In fact the United States was the foremost delegation to communicate with nongovernmental organizations and work with the Tribune. The U.S. delegation also took anti-American attacks in stride and considered some as constructive challenges. The United States has a credible record on women's rights. The U.S. delegation stood by that record and helped strengthen Conference actions in the interest of improving the status of women throughout the world. This effort was illustrated in the delegation's strong participation drafting Conference resolutions.

Women can be proud of their first intergovernmental conference. The meeting of women from developed and developing countries helped educate each group about the fundamental concerns and priorities of the other. It made women more aware of their common goals and made governments more conscious of issues of concern to women.

The World Plan of Action clearly articulates women's problems and goals on a worldwide scale and provides a stimulus for future action. The Conference also set a target date to hold a second women's conference in 1980, ensuring that efforts made in 1975, International Women's Year, will not be forgotten.

The intangible achievements of the Conference should also be noted. The Conference was an opportunity for women to meet, find reassurance in each other's experiences and gain new challenges in each other's ideas. The Conference toughened and matured the international women's movement. Women at the Conference began the process of building the informal associations and networks so important in the exercise of influence and power.

MAKING THE WORLD PLAN A REALITY

Recommendations for action

The World Conference on International Women's Year achieved considerable success, but the recommendations contained in the World Plan of Action and Resolutions adopted by the Conference will never be realized without a concerted and dedicated follow-up effort.

The World Plan of Action adopted by the Conference provides guidelines and recommendations for action on the international, regional and national levels. I am hopeful that the U.S. Commission on the Observance of International Women's Year will make recommendations for governmental and nongovernmental action in its final report to the President. Also, the Congressional Symposium on International Women's Year which was held prior to the World Conference, provided specific recommendations for Congressional action. A list of Symposium recommendations is contained in appendix (H).

Following are suggestions which I believe Congress, and the Government Operations Committee in particular, should consider as responses to these proposals.

Government Structures.—The World Plan of Action emphasizes the importance of effective and sufficiently-financed government structures for implementation of its goals and recommends the creation of commissions and bureaus for this purpose.

The U.S. Government is not lacking in such organizations. Eight Federal agencies are charged specifically with enforcing Federal antidiscrimination laws. Other agencies have antidiscrimination provisions in their authorizing legislation and many have prescribed complaint procedures. In addition, there are ten major Federal organizations with research, advisory and informational functions relating to women, and many smaller groups, both formal and informal, have similar functions. These efforts, however, have not been especially effective in improving the status of women.

The Government Operations Committee, with its broad oversight jurisdiction, can play a major role in establishing an effective government framework. In any oversight effort, the following questions should be addressed and answered:

Are the existing programs carrying out their mandate?

Can existing programs be better organized to eliminate waste and duplication and produce maximum efficiency?

Is effectiveness suffering from a lack of funds or enforcement authority?

Should there be a single agency to coordinate intragovernmental efforts on behalf of women, including a clearinghouse for information on women?

How effectively is the Federal Government utilizing the expertise of nongovernmental organizations and private individuals in its women's programs?

The World Plan also recommends that governments adopt their own strategies and timetables for implementation of the Plan. There is no single government agency equipped to undertake this task. Nor is there a government agency equipped to assess and review U.S. progress regarding the goals of the Plan. Suggestions have been made for a special commission, a cabinet-level department, and/or a series of official conferences to promote and monitor the U.S. implementation plan for the World Plan of Action. The existing and proposed organizations should be reviewed so that an effective mechanism can be established as soon as possible.

U.S. Relations with International Organizations—The World Plan of Action and the resolutions adopted by the Conference call for increased participation of women in international affairs. Like the Congressional Symposium on International Women's Year, the Conference concluded that women have been virtually excluded from every aspect of the foreign policy area. International organizations, including the United Nations, are major offenders in denying women equal opportunities in this field.

In response to this problem, I sponsored an amendment to the Foreign Assistance Act of 1974 that requires all U.S. representatives to international organizations to integrate women into the implementation of assistance programs as well as professional positions in those organizations. Conclusions from both the Conference and the Symposium indicate that the role of women in foreign policy ought to be reviewed by appropriate Congressional Committees.

Congressional activity on this issue has centered in the Foreign Relations Committee. The Government Operations Committee may want to examine it from the perspective of how our relations with international organizations can be geared to improve the status of women throughout the world. An examination of the causes and consequences of exclusion of women by international organizations would be useful in determining what steps can be taken to substantially increase women's active role in society.

Other Areas for Congressional Action.—Many of the specific recommendations for national action contained in both the World Plan of Action and the report of the Congressional Symposium require Congressional action for implementation. These recommendations fall within the jurisdiction of several Committees. Some remedial measures are already under consideration.

Education.—The importance of equal educational opportunity to equal rights and opportunities for women cannot be overstated. The United States has made significant progress in this area, but much remains to be accomplished.

Federal agencies must have the funds and authority to effectively enforce existing antidiscrimination statutes, particularly Title IX of the Elementary and Secondary Education Act. Sufficient funds should be provided for research and development efforts under existing programs designed to combat sex discrimination in education. Existing education statutes should be amended to assure that federally-funded education and educational materials are free from sex role stereotypes.

Employment and Career Opportunities.—Equality in education alone is not sufficient to guarantee equal access to employment and career opportunities.

As with education, existing antidiscrimination statutes must be effectively enforced. A special program should be established to assist female-owned business through loans or loan guarantees, technical information and government contract opportunities. The effectiveness of recently-enacted legislation prohibiting discrimination in the granting of credit on the basis of sex or marital status should be closely monitored. The Federal Government should provide or encourage the provision of aids to women and men who have both work and family duties such as flexible work hours, part-time employment opportunities, quality child-care, and maternity protection.

Health and Nutrition.—Although the United States has greater resources in this area than any other nation, it lags behind many countries in maternal and child health. Many people, particularly women and children, still do not have an adequate or nutritious diet.

Adequate health care, particularly maternal and child care, should be physically and financially accessible to all. The Federal Government should expand its nutrition education programs and should assure that all those who are eligible for food stamps are able to apply for and receive them.

APPENDIX A

UNITED STATES DELEGATION TO THE UNITED NATIONS WORLD CONFERENCE OF THE INTERNATIONAL WOMEN'S YEAR, MEXICO CITY, JUNE 19–JULY 2, 1975

United States Delegation

Delegates

Patricia Hutar, United States Representative on the Commission on the Status of Women of the Economic and Social Council of the United Nations (Head of the Delegation).

Jewel Lafontant, Deputy Solicitor General, Department of Justice.

Daniel Parker, Administrator, Agency for International Development (Co-Head of Delegation June 19–21).

Jill E. Ruckelshaus, Presiding Officer, National Commission on the Observance of International Women's Year.

Alternate Delegates

Virginia R. Allan, Deputy Assistant Secretary for Public Affairs, Department of State.

Anne L. Armstrong, Member, National Commission on the Observance of International Women's Year.

Ruth Clusen, President, League of Women Voters of the United States.

Arvonne S. Fraser, Former President, Women's Equity Action League.

Joan Goodin, Assistant Director, International Affairs Department, Brotherhood of Railway, Airline, and Steamship Clerks, Freight Handlers, Express and Station Employees, American Federation of Labor—Congress of Industrial Organizations.

Rita E. Hauser, Member, United States Advisory Commission on International Educational and Cultural Affairs.

Rita Johnston, United States Delegate to and Vice Chairman of the Inter-American Commission of Women.

Joseph J. Jova, Ambassador Extraordinary and Plenipotenitary United States Embassy Mexico City.

Patricia H. Lindh, Special Assistant to the President for Women, The White House.

Carmen R. Maymi, Director, Women's Bureau, Department of Labor.

Virginia Trotter, Assistant Secretary for Education, Department of Health, Education and Welfare.

Barbara M. White, Ambassador, Alternate United States Representative for Special Political Affairs, United States Mission to the United Nations.

Congressional Advisers

Hon. Birch Bayh, United States Senate.

Hon. Charles H. Percy, United States Senate.

Hon. Bella S. Abzug, United States House of Representatives.

Hon. Margaret M. Heckler, United States House of Representatives.

Advisers

Ruth E. Bacon, Director, United States Center for International Women's Year, Washington, D.C.

Muriel M. Berman, Pennsylvania.

Harrison W. Burgess, Bureau of International Organization Affairs, Department of State (Secretary of Delegation).

Emily Carssow, Assistant Professor of Law, University of Georgia.

Catherine S. East, Deputy Coordinator, Secretariat for International Women's Year, Department of State.

Gilda Bojorquez Gjurich, Member, National Commission on the Observance of International Women's Year.

Mary M. Haselton, Bureau of Oceans and International Environmental and Scientific Affairs, Department of State.

Carl J. Hemmer, Bureau of Population and Humanitarian Assistance, Agency for International Development.

Shirley B. Hendsch, Bureau of International Organization Affairs, Department of State.

Marion N. Javits, Public Affairs Consultant, New York.

Karen Keesling, Director, Office of Women's Programs, The White House.

John W. Kimball, Bureau of International Organization Affairs, Department of State.

Nira H. Long, Coordinator for Women in Development, Agency for International Development.

Mildred K. Marcy, Coordinator for International Women's Year, Department of State.

Morag M. Simchak, Office of Labor Affairs, Agency for International Development.

Sally Werner, Bureau of International Organization Affairs, Department of State.

Guy A. Wiggins, United States Mission to the United Nations.

Special Delegation From U.S. House of Representatives

Hon. Lindy Boggs, U.S. House of Representatives.

Hon. Marjorie S. Holt, U.S. House of Representatives.

Hon. Martha E. Keys, U.S. House of Representatives.

Hon. Patsy T. Mink, U.S. House of Representatives.

Hon. Patricia Schroeder, U.S. House of Representatives.

Hon. Leonor K. Sullivan, U.S. House of Representatives.

APPENDIX B

SUMMARY OF WORLD PLAN OF ACTION

Introduction

Notes that despite the adoption of various U.N. instruments proclaiming that the full and complete development of a country, the welfare of the world and the cause of peace require the maximum participation of women as well as men in all fields, progress in translating these principles into practical reality is proving slow and uneven. While there are significant differences in the status of women in different countries and regions of the world, basic similarities unite women to fight differences wherever they exist.

States that Governments should ensure for both women and men equality before the law, equality of educational opportunities, equality in conditions of employment, including remuneration and adequate social security, the right to employment on equal conditions regardless of marital status, and maternity protection.

Notes individuals and couples have the right to determine the number and spacing of their children and the vital importance of child-care centers in promoting equality between men and women.

States that it is the aim of the Plan to ensure that the original and multidimensional contribution of women is not overlooked in existing concepts for development action programs and an improved world economic equilibrium.

National action

States that the Plan is intended to provide guidelines for national action over the 10-year period from 1975 to 1985 as part of a sustained long-term effort to achieve the objectives of International Women's Year. Recommends that governments decide on their own national strategies, identify their own targets and priorities within the Plan, and establish short, medium and long-term targets to implement the Plan. Recommends the establishment of interdisciplinary and multisectoral machinery within government, such as national commissions, women's bureaus and other bodies, with adequate staff and budget, as effective transitional measures for accelerating the achievement of equal opportunity for women and their full integration in national life.

States that by the end of the first 5-year period, the achievement of the following should be seen as a minimum:

A marked increase in literacy of women;

Extension of vocational training in basic skills, including modern farming methods;

Parity of enrollment at the primary level of education;

Increased employment opportunities for women;

Establishment and increase of instrastructural services required in rural areas and others;

Enactment of legislation on equal political participation with men, equal employment opportunities and remunerations, and on equality in legal capacity and the exercise thereof;

Encouragement of increased participation of women in the formulation of action-policies at all levels;

Increased provision for comprehensive measures for health, education and services, sanitation, nutrition, family education, family planning and other welfare services;

Provision for parity in the exercise of civil, social and political rights such as those pertaining to marriage, citizenship and commerce;

Recognition of the economic value of women's work in the home, in domestic food production and marketing and in voluntary activities not traditionally remunerated;

To direct formal, non-formal and life-long education towards the re-evaluation of men and women in order to ensure their full realization as individuals in the family and in society;

The promotion of women's organizations as an interim measure within workers organizations and educational, economic and professional institutions;

The development of modern rural technology, cottage industry, pre-school day centers, time and energy-saving devices so as to help reduce the heavy workload of women, particularly those living in rural sectors and for the urban poor, and thus facilitate the full participation of women in community, national and international affairs;

The establishment of an interdisciplinary and multisectoral machinery within each Government for accelerating the achievement of equal opportunities for women and their full integration in national life.

Specific areas for national action

International co-operation and the strengthing of international peace.—Recommends that women be given every encouragement to participate actively in intergovernmental and nongovernmental organizations having as their aim the strengthening of international security and peace, that the exchange of visits between women of different countries to study common problems to be promoted, and that the U.N. proclaim a special day to be devoted to international peace.

Political participation.—Notes that women, who numerically constitute half the population of the world, still occupy a small percentage of leadership positions in the various branches of government. To correct the situation, Governments are urged to establish goals, strategies and time-tables for increasing within the 1975–85 decade the number of women in elective and appointive public offices and public functions at all levels. It suggests that special efforts to achieve these objectives could include the issuance of special governmental instructions for achieving an equitable representation of women in public offices and the undertaking of special activities for the recruitment, nomination and promotion of women especially to fill important positions, until equitable representation of the sexes is achieved.

Education and Training.—Notes that illiteracy and lack of education and training in basic skills are some of the causes of the vicious circle of under-development, low productivity and poor conditions of health and welfare. The Plan urges Governments to provide equal opportunities for both sexes at all levels of education and training within the context of a life-long education, vocational and guidance programs free of sex role stereotyping, and research activities to identify discriminatory practices in education and training to ensure educational equality.

Employment and related economic roles.—Suggests that Governments formulate policies and action programs expressly directed toward equality of opportunity and treatment for women workers and the guarantee of their right to equal pay for equal work. Governments should also establish specific target dates for achieving a substantial increase in the number of women employed in skilled and technical work, and make special efforts to increase the number of women in management and policy-making in commerce, industry, and trade. Protective legislation applicable to women only should be reviewed in light of scientific and technological knowledge and revised, repealed or extended to all workers as necessary. The Plan notes the importance of access to credit, adequate training, and assistance in marketing to extending the range of women's economic roles and the need for multilateral approaches such as flexible working hours, part-time employment, child-care facilities and child-care leave systems to facilitate the combination of family and work responsibilities.

Health and nutrition.—Urges the development of such educational programs that would help overcome prejudices, taboos and superstitions which prevent women from using existing health facilities. In addition, programs should be formulated for the reduction of infant, child and maternal mortality by means of improved nutrition, sanitation, maternal and child health care and maternal education.

The Family in modern society.—States that the functions and roles traditionally alloted to each sex within the family should be continually re-examined and reassessed in the light of changing conditions if women are to enjoy equal rights, opportunities and responsibilities in society. Legislation relating to marriage should insure, among other things, equal rights for both sexes to free choice of spouse and to enter into marriage only with their free and full consent. Official registration of marriages should be made compulsory and such practices as child marriages and inhertance of widows should be abolished. As to unmarried mothers, the Plan recommends that they be granted full-fledged status as parents and that children born out of wedlock have the same rights and obligations as those born in wedlock.

Population.—Endorses the recommendation of the 1974 World Population Plan of Action and stipulates that while States have a sovereign right to determine their own population policies, individuals and couples should have access, through an institutionalized system, to the information and means that will enable them to determine freely and responsibly the number and spacing of their children. The Plan recommends that all legal, social or financial obstacles to the dissemination of family planning knowledge, means and services should be abolished.

Housing and related facilities.—Notes the importance of the house, its related facilities and its neighborhood to improvement in the lives of women and urges that the needs of women be taken into account in the planning and design of such structures.

Other Social Questions.—Notes the importance of social services to the development process and the special needs of migrant women and elderly women.

Research, data collection and analysis

Pointing out that a major difficulty in assessing the economic contribution of women is the lack, or incompleteness, of data and indicators to measure their situation as it affects the process of development and vice versa, the Plan suggests that a scientific and reliable data base be established and suitable economic and social indicators urgently be developed to correct the situation. The United Nations should prepare, in cooperation with interested specialized agencies, an inventory of social and economic indicators relevant to the analysis of the status of women as soon as possible and not later than 1980.

Mass communication media

The Plan states that the media could exercise a significant influence in helping to remove prejudices and stereotypes, accelerating the acceptance of women's new and expanding roles in society and promoting their integration into the development process as equal partners. At present, it says, the media tend to reinforce traditional attitudes, often portraying an image of women that is degrading and humiliating, and fail to reflect the changing role of the sexes. The media may also have harmful effects in imposing alien cultures upon different societies. Those in control of the media should be urged to project a more dynamic image of women (as well as of men) and to take into account the diversity of women's roles and their actual and potential contribution to society, according to the Plan. It urges that a greater number of women be appointed to media management and decisionmaking positions and to such positions as columnists, reporters and producers, and that they encourage the critical review, within the media, of the image of women projected.

International and regional action

International measures.—The Plan states that the United Nations should proclaim the decade 1975–1985 as the United Nations Decade for Women and Development to insure that national and international action will be sustained throughout that period. Organizations of the United Nations should evaluate what has been done to improve the status of women and enhance their contribution to development and identify the measures needed to implement the Plan. The Plan calls for the full involvement of women in policy-making at the international level as well as the national level. Governments are asked to insure that women are equitably represented among the principal delegates at international meetings including those dealing with political and legal questions, economic and social development, disarmament, planning, administration and finance, science and technology, environment and population. Secretariats of international organizations should act to insure an equitable balance between men and women staff members before the end of the Second Development Decade of 1980.

Regional action.—The United Nations regional commissions are asked to stimulate interest in the Plan and provide national Governments and non-governmental organizations with the technical and informational support they need to develop strategies to further the Plan's objectives in the various regions. The regional development banks, sub-regional banks and bilateral funding agencies should be asked to give high priority in their development aid to projects that include the integration of women into the development effort and the achievement of equality.

Review and appraisal

To gauge its impact, the Plan calls for a comprehensive and thorough review and appraisal of progress made in meeting its goals, to be undertaken at regular intervals by the United Nations system. That exercise, says the Plan, should be part of the procedures for measuring progress made in the Second Development Decade and closely coordinated with any new world development strategy that may be formulated. The Economic and Social Council should review the findings of a systematic evaluation with the aim of making, whenever necessary, appropriate modifications of the Plan's goals and recommendations. The Plan also suggested that trends and policies relating to women and revelant to the Plan of Action should be undertaken continuously as a specialized activity of the United Nations. At the regional level, the Plan suggests that regional commissions should have responsibility for monitoring progress towards greater and more effective participation of women in all aspects of development efforts. Nationally, Governments should undertake their own regular review and appraisal of progress made in achieving the Plan's goals and report to the Economic and Social Council.

NATIONAL HISPANIC HERITAGE WEEK, 1975

Mr. TOWER. Mr. President, I am pleased to note that President Ford has designated the week beginning September 14, 1975, as "National Hispanic Heritage Week, 1975." As my colleagues know and as many Americans are aware, September 16 will mark the 165th anniversary of Mexico's independence.

Our Nation is presently preparing to celebrate 200 years of independence next year on July 4. To mark this very special occasion, our country's citizens are already planning and developing exciting events, activities, and displays that will serve to underscore the tremendous impact and significance of the actions of our forefathers in issuing the Declaration of Independence almost 200 years ago.

It is precisely because we are preparing for our Bicentennial celebration that we are particularly able to recognize and appreciate the meaning of September 16 to Mexico and to our own country's citizens who proudly are of Mexican ancestry. The achievements and contributions of our citizens of Mexican ancestry have strengthened the very fiber of our society as they have touched upon every aspect of our lives, including political, religious, literary, and cultural. This influence on our Nation has certainly been both positive and enriching.

Mr. President, the spirit of freedom and brotherhood today finds our two Nations and our two peoples standing shoulder to shoulder. It is, therefore, with understanding and appreciation that we extend our best wishes during this special observance.

SINAI AGREEMENT: A STEP TOWARD PEACE OR A SETTING FOR DISASTER?

Mr. McGOVERN. Mr. President, last week in my remarks to the Senate, I noted my belief that the step-by-step approach to peace in the Middle East has run its course and that we should now concentrate on obtaining an overall peace settlement. The Sinai agreement is not a Middle East peace settlement. Indeed, it will set the stage for even greater violence unless it is followed rapidly and intelligently by efforts to reach an overall settlement of the major Middle East issues: First, recognition of Israel by her neighbors; second, the return of the occupied territories by Israel with practical modifications; and third, recognition of Palestinian self-determination.

The following interview, which recently appeared in Newsweek magazine and an editorial from the Washington Post, reflect this viewpoint, and I thought they would be of interest to my colleagues. Newsweek magazine of September 15 also carries an important piece by former Under Secretary of State George Ball pointing up the hazards of resting on the Sinai agreement. I urge every Member of Congress to read Mr. Ball's perceptive warning.

I ask unanimous consent that the three articles referred to be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Washington Post, Aug. 24, 1975]

The Middle East: "Peace" Is Not at Hand

Something there is, as Robert Frost would say that doesn't love a nice, clean-cut diplomatic deal. It could be something peculiar to the methods of Secretary Kissinger, or something that makes today's international conflicts uniquely intractable. Maybe it isn't as new and different as it looks. Whatever the case, we raise the subject to a sound a cautionary note about the developing Egyptian-Israeli agreement on a further disengagement of forces in the Sinai desert. At the risk of leaping to premature conclusions, we have the uncomfortable feeling that if you liked the Vietnam cease-fire agreement, with its separate, secret presidential commitment to uphold it by the use of force, or the U.S.-Soviet trade and Jewish emigration "understandings," you may well grow to love what Secretary Kissinger is trying to pull together in his airborne effort in the Middle East.

From everything we have heard about the deal that seems to be rapidly moving to a conclusion, it will be anything but clean-cut. Instead, the signs suggest one of those arrangements held together by the fine invisible wires of contradictory promises held out to conflicting parties, loosely connected commitments of heavy and continuing American support of one kind or another, unacknowledged undertakings quietly made through third parties, a heavy reliance on ambiguities, and lavish resort to euphemisms and code words. In short, the emerging next step to "peace" in the Middle East has about it that all too familiar suggestion of the quick fix to buy time, which has proved to be so dangerous in the recent past.

There will be less danger and much to be grateful for, of course, if a further disengagement on the Sinai is plainly recognized for what it is: a necessary precondition to further progress down a very long hard road toward a genuinely comprehensive settlement in the Middle East—a settlement of the grievances for all parties concerned on terms, and under conditions, which could reasonably qualify for the designation "peace." But there will be very real danger if, in the predictable euphoria, the President and his aides choose to treat an interim disengagement between Israel and Egypt as some great diplomatic breakthrough that promises instant stability and an automatic easing of tension in the world's most precarious trouble spot. For a case can be made that another interim agreement, strictly limited to Israel and Egypt, could be a prescription for greater tension, less stability—and diminished security for Israel in particular—if it is not followed quickly by substantive and successful efforts to reach the kind of comprehensive settlement that would deal with the real grievances of both sides in the Arab-Israeli conflict.

To see why this is so, it is necessary merely to remember that the Arab-Israeli conflict has to do at bottom, with (1) the right of Israel to exist within secure borders and to co-exist in a normal way with its neighbors, (2) the claims of the Palestinians for recognition of their rights to exist in some sort of sovereign state, and (3) the demands of the Arabs for a return of all Israeli-occupied territory. The ideal answer, obviously, would be a comprehensive settlement in one fell swoop. The next best answer would be to build into the next step a reasonably foolproof process by which the next steps would be taken. Instead, by all accounts, there will be nothing in any new Israeli-Egyptian agreement that offers any assurance of, for example, a further tension-easing disengagement between Israeli and Syrian forces on the Golan Heights. There will be nothing that offers any assurance of an early attempt to resolve the future of the Israeli-occupied West Bank or to deal with the Palestine issue in any meaningful way. It will be generally "understood," apparently, that another Geneva conference will be reconvened, perhaps early next year, and that these hard questions will be taken up at that time. But there will be no agreed-upon timetable for another Geneva meeting. On the contrary, there is some reason to suspect that

Syria, on the one hand, is being assured that its turn will come next, while Israel is simultaneously being reassured that hard questions about the level of American aid it receives will not be reintroduced as leverage in pursuit of further Mideast accommodations—at least before next year's elections.

It is not, in brief, a promising prospect, however welcome a further disengagement on the Sinai will be. And yet the United States Congress is apparently going to be asked to underwrite the future stability of the Mideast with undiminished military aid to Israel and a commitment for an American presence, to consist of as many as 200 civilian technicians in the demilitarized area between Egyptian and Israeli forces on the Sinai desert. We have no quarrel in theory with either commitment. The Israelis must be secure in the knowledge that they will have access to a reasonable amount of American military aid. Just as clearly, there is little validity in the "Vietnam" analogy, which some people are raising as a basis for questioning the introduction of Americans to monitor early-warning devices between Israel and Egypt; what was wrong with our Vietnamese involvement was not that Americans were introduced on the scene but that they were introduced not as peacekeepers but as active participants on one side of the conflict.

True, there are risks in both commitments. But they are risks worth taking if these commitments are made in reinforcement of an urgent, concentrated effort to move on to wider agreements. The announcement the other day of a joint Syrian-Jordanian military command, and the vigorous denunciation by both Syria's President Assad and Jordan's King Hussein of the impending, separate Egyptian-Israeli agreement, points up the peril of allowing the Mideast to fester without attention while an interim plum for a campaigning President and as a sign that somehow "peace" is now at hand, or even measurably closer.

Secretary Kissinger and the Ford administration are entitled to high marks for what they have already accomplished in rescuing the Israeli-Egyptian disengagement negotiations from the collapse of last March. The Israeli government of Prime Minister Rabin is entitled to praise for the way it stared down its opposition and yielded important concessions. Egypt's President Sadat is no less to be commended for the considerable risk he is running, both a home and in his relations with his Arab allies, in working out a separate agreement with Israel. But the developing coalescence between Jordan and Syria, and presumably the Palestine Liberation Organization, threatens to isolate Egypt and other moderate Arab elements and to encourage the lowest common denominator of Arab frustrations, militancy and intransigence. That is why the prospective Sinai agreement will only be worth celebrating if it is followed by a swift and serious effort to get on with the job of producing a comprehensive Mideast settlement.

[From Newsweek magazine, Aug. 25, 1975]

A Talk With Three Israelis

As Israel and Egypt moved closer last week to a new interim Sinai agreement, Newsweek Senior Editor Arnaud de Borchgrave talked with three prominent Israelis—who urged that the Jerusalem government should now forgo further step-by-step diplomacy and press for an over-all Mideast peace settlement. The participants were Joseph Sarid, 34, the youngest Labor Party member of Israel's Knesset; Prof. Emanuel Sivan, 37, a leading Arabist and chairman of the history department at Hebrew University; and Eli Eyal, 40, political commentator for the newspaper Maariv and Israeli television. Highlights of their discussion:

De Borchgrave. Some experts argue that a new interim deal in Sinai will halt the momentum toward peace based on Arab recovery of lost territories by freezing the situation once again. This, they contend, will hasten rather than retard another major explosion in the area. What do you think?

Sivan. Firstly, I don't think anything will be gained by the interim agreement. Secondly, I don't believe there's any immediate danger of war whether the interim plan goes through or collapses again. When it fell through last March, nothing happened, contrary to all of Kissinger's gloomy prophecies. Thirdly, much depends on how it collapses. If the U.S. were to take immediately the quantum leap toward the over-all Middle East settlement—which it should have done long ago—nothing would be lost.

Sarid. The step-by-step approach merely pretends to lead us toward peace. We are giving up valuable oil and very strategic passes without these steps even being linked to an over-all perception of the final settlement. A group of us in the Knesset advised the government immediately after the talks collapsed in March to get rid of the whole concept of interim accords because it would mean giving up valuable cards that are needed for the final settlement. The government, which apparently prefers improvisation to planning, ignored us. But as an M.P., I will support the interim, albeit reluctantly.

Eyal. The interim is an agreement between the U.S. and Israel, inspired primarily by internal American considerations, unrelated to the search for a lasting settlement in the Mideast. Unfortunately, it has nothing to do with Egypt and Israel—outward appearances notwithstanding. We give territory, Egypt gives the U.S. time and both of us give the U.S. the shadow of a diplomatic achievement—which of course the Ford Administration will exploit for electoral purposes. For the first time since 1967, there is no dividing line between doves and hawks in Israel—everyone thinks the interim is a sham.

De Borchgrave. If the Sinai deal isn't linked to further disengagement on the Golan Heights, won't it collapse before its final implementation six to nine months hence?

Sivan. If nothing materializes between Israel and Syria—and it's difficult to visualize anything happening—it will certainly precipitate an immediate crisis.

De Borchgrave. How can Israel Prime Minister Yitzhak Rabin say he sees little possibility of doing anything with Syria, Jordan or the PLO and at the same time expect a relaxed period of several years after another Sinai accord?

Sarid. Anyone who doesn't see the linkage between Sinai, Golan, Jordan and the Palestinian solution is deluding himself and misleading others. An interim agreement cannot possibly stand on its own feet for more than a few months. The other parties will band together to torpedo what little has been negotiated with Egypt . . . Right after the next Sinai agreement, we should announce we are not ready to continue with step-by-step and then invest all our diplomatic efforts in the over-all settlement. This means we must state clearly our final intentions—which can only be readiness to withdraw from most of the occupied territories but only on one condition—readiness of the Arab parties directly concerned to sign peace treaties with Israel.

De Borchgrave. Egyptian President Anwar Sadat is convinced the Israeli Government is playing for time until 1976—when Israel will have maximum leverage on the U.S. and the U.S. minimum leverage on Israel—thus easing pressures on Israel for concessions. Do you think his fears are justified?

Sarid. I don't think so because American presidents, senators and congressmen have already clearly proved that they can get themselves elected without the Jewish vote. Ford is convinced that what he's doing in the Mideast is very popular, and that the majority will support his policies. If he loses some Jewish votes, he will by the same token gain other constituencies.

Eyal. Our fear is that Sadat is giving Ford a year to appease the Jewish community, and then after the elections the new Ford Administration's hands would be free to exert further pressure on Israel to withdraw.

Sarid. Sadat should be more afraid of our own elections in 1977 than the U.S. elections in 1976. If the U.S. isn't very careful about its pressures on Israel, you may see our own rejectionist front—the Likud—win a majority.

De Borchgrave. Many influential Arabs are now saying that they accept the challenge of real peace, but that the only response that they ever hear from Israel is that the Arabs are not serious and don't mean it.

Sivan. Untrue. The Arabs simply are not paying attention to what we are saying among ourselves as we follow what the Arab elites are saying to each other. We are aware that there is a new direction in the Arab world—however tentative and timid—and we are encouraging it.

Sarid. We must put forward our program for total peace. Let's say a ten-year timetable, at the end of which nearly all the territory now occupied will be in Arab hands.

De Borchgrave. The trouble with a ten-year process is that every year Israel will get the feeling it is being amputated and sooner or later there will be an extremist right-wing reaction saying "no further." Isn't it better to do it rapidly, provided, of course, you get real peace from the Arabs?

Sarid. You're right. Ten years is much too long if we are only talking about a series of improvised interim agreements. I'm talking about the two sides declaring their final intentions in advance with a specific timetable and then moving toward this goal in digestible stages. We don't expect the Arabs to sign peace treaties before they get their territories back. But if they declare their willingness to do so, then we've got a whole new ball game.

Sivan. For example, we could state our willingness to see the immediate establishment of a Palestinian state on the West Bank and Gaza, but that for ten years it will have to be demilitarized under the guarantee of the two superpowers and if all goes well then there will be no further impediment to this new state enjoying full sovereignty like any other country. The same principle could be applied to the Golan Heights—return to Syrian sovereignty but with a special status for a decade. Sinai is no real problem.

Sarid. On Golan, for instance, we could prove to the Syrians our serious intent about the ultimate goal by removing two or three civilian settlements there to begin with. Then the Syrians would realize that a pledge to begin removing our forces five years hence should be taken equally seriously.

De Borchgrave. But the Syrians could also conclude that in five years there can be internal changes in Israel that might negate what is pledged today.

Sarid. This argument cuts both ways. There can be another coup in Syria that might cancel a pledge to sign a peace treaty with us at the end of the transitional period. It is much harder to change a solemn international commitment in a democracy than in a dictatorship.

De Borchgrave. Some of your opposite numbers in Cairo told me that total peace must be given a new dimension—peaceful competitive coexistence with neither side renouncing its basic aims. Do you see any merit in this?

Sivan. Certainly. Some [Israelis] will go on dreaming about a greater Israel and the Palestinians about a greater Palestine. But the realities being what they are, both sides will come to realize that to achieve these dreams military options will henceforth be closed. This is the precondition for a Palestinian state.

Eyal. The two cultures should be allowed to compete freely as they did for centuries before we became a state. And if their culture proves superior to ours—which I don't believe—then we wouldn't deserve to survive as a purely Jewish state.

De Borchgrave. The Egyptians whom I spoke with last week talked about the need for positive economic incentives that would lock both sides into real peace, a Mideast Common Market with Israel as a full member and accepting its economic integration in the area.

Eyal. That's an excellent idea that we must grab and run with.

Sarid. Economic integration with the Arab world? Not only would we be willing but also enthusiastic. Otherwise, peaceful coexistence would be meaningless. Most of us would rather join the area than live as a beleaguered state.

Sivan. If we can agree at the outset about the degree of economic cooperation that will become possible, then many suspicions will evaporate, especially among the younger generation.

Eyal. This will open all sorts of new vistas. There is no reason why Arabs from all countries shouldn't visit Israel by air and by road—not just the Palestinians who already do so by car to visit their families on the West Bank and Gaza and make side trips to Israel.

De Borchgrave. In the final analysis, doesn't everything break down eventually over Israel's refusal to recognize the Palestinians and to accept a Palestinian state bordering its own?

Sarid. I don't think so. Even Rabin, in a new departure, said this week that the Mideast conflict will not be settled until the Palestinian problem is solved with some sort of confederation between the two states.

Sivan. All three of us belong to the Zionist consensus and we do not refuse a Palestinian state on our borders. There is a Palestinian reality that has finally dawned on Rabin.

[From Newsweek magazine, Sept. 15, 1975]

Step by Step to Where?

(By George W. Ball)

Fourteen months ago when Henry Kissinger completed the negotiations that separated the armies on the Egyptian and Syrian fronts, he faced a choice of strategies:

By independently setting forth American principles for an over-all settlement and seeking Soviet and Western European support for those principles, the Secretary of State could take advantage of the presence of moderate leaders in all the relevant capitals to try to bring permanent peace to the area.

Alternatively, he could—as he did—concentrate on promoting an Israeli-Egyptian truce, leaving the hard, substantive issues, such as the Golan Heights, the Palestinians and Jerusalem, for negotiations at some future date.

In choosing the second course, Secretary Kissinger was, he explains, seeking to buy time; and, by removing the most powerful Arab state from the Arab-Israeli contest, that is what he did, since Syria and Jordan are not yet militarily equipped to fight Israel effectively without Egyptian participation, even with help from Iraq. Yet time is worth buying only if it works on the side of peace —and in this case that is doubtful.

MUTED VOICE

For, just as Egypt is, for the time being, essential to the fighting, it is also essential to the peacemaking, and, by eliminating Egypt from the struggle, we have muted the most powerful voice for moderation on the Arab side. Facing economic catastrophe, Sadat needs peace far more than any other Arab leader, and, had we involved him in the search for a total settlement, prospects would have been greatly enhanced. A further Sinai withdrawal could, for example, have been traded off for concessions on obdurate issues elsewhere. But with a three-year truce, not only has Sadat lost incentive for further bargaining, but his voice no longer carries authority with the other front-line states, since he has violated Arab unity. Nor is there stomach in Jerusalem for further settlement talks. Having coerced Israel into making the agonizing decision to withdraw 8 to 30 miles in the Sinai (though still keeping 87 per cent of the Sinai), we have exhausted Israeli tolerance for further compromise without even touching the festering issues.

No matter what gestures we may make in the weeks ahead, it is smoking opium to assume we can go farther with step-by-step diplomacy. The Sinai pattern cannot be applied to the Golan Heights. The heights are covered with Israeli settlements, are too small to permit significant acreage to be given up, and are strategic high ground considered vital to Israeli security. Nor can the Jerusalem and Palestinian issues be resolved by bilateral negotiations, since they concern the interests of all the Arab states.

STALEMATE

So we face a long but far from tranquil stalemate. Can anyone seriously believe that the 3 million to 5 million Palestinians scattered throughout the Middle East will let the Arab states do nothing while Israel continues to occupy the West Bank and the Gaza Strip and progressively incorporates them within her own political and economic system? Or that Syria will sit by placidly while Israel builds more settlements on the Golan Heights? Or that Islam will leave Jerusalem permanently in Israeli hands without a struggle?

Once they recover from their shell shock, the front-line Arab states will accelerate their preparations for war. Syria, Iraq, and even possibly Jordan and Lebanon will be drawn more tightly into dependence on Moscow to keep pace with the buildup of Israeli armaments. For, by that buildup, we are drastically raising the bidding against the Soviets and the oil-rich Arab states, which will divert increasing amounts of their surplus revenues to stock the arsenals of the front-line countries.

The aid the Israelis request for this year—and presumably for each year thereafter—totals $3.3 billion, the rough equivalent of $1,000 for every man, woman and child in Israel. Yet the danger is not the financial burden, but the fact that we are, by perpetuating the Israeli occupation of Arab lands, freezing a situation that is inherently unstable and explosive, while engaging America more deeply as a guarantor. We are lancing a boil while leaving a cancer untouched.

What, then, could happen? Even though Syria and Iraq have long-standing differences, Egypt's defection might well bring them together, just as it is already bringing Jordan and Syria into a joint command. Those three states alone have six times the population of Israel, and, once they have acquired sufficient arms, Arab frustration could well lead to war.

On one level, it would be a conflict between the Arabs and Israelis; on the other, a proxy war between the United States and the Soviet Union. If Israel threatened the fall of Damascus, the Soviets would be under pressure to air-drop paratroop divisions. What, then, would be our response? If SCUD missiles destroyed the Haifa oil depot and the facilities at Elath were knocked out, how would America provide Israel with oil except through military intervention? If, alarmed by mounting Arab armaments, the Israelis attacked pre-emptively—or if war began in some ambiguous way—would Egypt stay out? Yet, if the advance posts were overrun and our own civilians got hurt, would America stand by silently? Why has Israel insisted on our technicians except as a trip wire to assure America's commitment?

DUBIOUS VOYAGE

These are tough questions. What the Congress is being asked to consider against a two-week deadline is as freighted with future implications as the Tonkin Gulf resolution, and Congress should not be deterred by threats of disaster if it refuses to approve everything the Secretary of State has promised. For, who authorized those promises? Though the idea of American civilians to man listening posts has apparently been under discussion for several months, was Congress ever consulted? And why were no members of Congress on the Secretary's airplane while he flew back and forth between Jerusalem and Alexandria?

In default of consultation at an earlier time, Congress should at least ask searching questions before signing us on for a dubious voyage into uncharted waters, and it should make a careful legislative history as to why we are providing technicians. It owes it to the country not to be bullied by a *fait accompli*.

SAINT ELIZABETH SETON

Mr. BEALL. Mr. President, this Sunday, September 14, 1975, will be a very special day for thousands of Americans. On that day, Mother Elizabeth Ann Bayley Seton will be canonized by Pope Paul VI as the first American-born saint of the Roman Catholic Church. Countless numbers of people have worked throughout the years to accomplish this goal and thus they can take deep pride in this momentous spiritual milestone.

Earlier this week, the Congress passed legislation sponsored by Senators Kennedy, Mansfield, Mathias and me, among others, which authorized the President to proclaim this Sunday as "National Saint Elizabeth Seton Day." I ask unanimous consent that the text of this joint resolution be printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BEALL. Mr. President, Elizabeth Seton was born in New York City on August 28, 1774. In 1794, she married a wealthy merchant, William Seton. Unfortunately, 9 years later, Mr. Seton died, leaving his wife penniless with five children to raise. Drawn to Catholicism, Mrs. Seton converted to that faith and in 1809 she took vows in order to found the first American Order of the Sisters of Charity in Baltimore.

From Baltimore, Mother Seton journeyed on foot to remote Emmitsburg, Md., to found a hospital, a leper asylum and an orphanage. Before her death in 1821, she founded over 20 community-based Sisters of Charity Orders in America. Now, more than 7,500 American Sisters of Charity are spread throughout this hemisphere and beyond.

This canonization honors both Mother Seton and the many sisters and nuns who have followed in the footsteps of this special woman. The contributions of her followers, from caring for orphan children to the easing of the last days of abandoned elderly, cannot be measured, but each can take deep personal pride on this occasion.

Today I join with many Americans in looking forward to the canonization of Elizabeth Ann Seton. Her accomplishments have served as a beacon light to many thousands of persons and thus it is indeed fitting that she be named to sainthood.

Mr. President, I ask unanimous consent that the statement by the President on the canonization of Mother Seton as well as various articles relating to her work be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Exhibit I

Senate Joint Resolution 125

(The joint resolution, with its preamble, reads as follows:)

Whereas Elizabeth Seton, who was born in New York City on August 28, 1774, and who died in Emmitsburg, Maryland, on January 8, 1821, who was the founder of the first religious order for women in the United States and who also established the first Catholic parish school in the United States, will be canonized and proclaimed to be a saint on September 14, 1975, at official ceremonies in St. Peter's Basilica in Rome, thus becoming the first person born in what is now the United States to be so recognized; and

Whereas Elizabeth Seton, who will then be known as Saint Elizabeth Seton, through her own life and work and through the work of thousands of women who traced the origins of their religious foundations to her founding of the Sisters of Charity of St. Joseph of Emmitsburg, Maryland, on July 31, 1809, made an extraordinary contribution to the religious and moral life of our country as well as to the education, health, and welfare of vast numbers of our citizens: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating Sunday, September 14, 1975, as "National Saint Elizabeth Seton Day" and calling upon the people of the United States and interested groups and organizations to observe that day with appropriate ceremonies and activities.

Elizabeth Bayley Seton

(Statement by the President on the Canonization of Mother Seton as the First American-Born Saint. December 13, 1974:)

The announcement by Pope Paul VI that Elizabeth Bayley Seton will be canonized in 1975 as the first American-born saint of the Roman Catholic Church is a milestone in our Nation's diverse spiritual history. The fact that a woman is the first native-born American named to sainthood by the Holy See is all the more historic since women have never made a greater contribution to America's national life than today.

It is fitting that we recall at this time another woman—Mother Cabrini who was born in Italy—who was named a saint by the Holy See after devoting much of her life to religious work in the United States.

Mother Seton's singular honor is a tribute to all American women who have entered the religious life to serve in schools, hospitals, and charitable work. She died in 1821, but today there are thousands of Sisters of Charity—the religious order she founded—carrying on the important service which Mother Seton began. I congratulate them on this most joyous occasion and wish them well in their future endeavors.

[From the New York Times, Dec. 14, 1974]

Homilies Are Set for Mother Seton—Parishes Will Pay Tribute to Proclaimed Saint

Homilies in Roman Catholic parishes across the country this Sunday will pay tribute to Blessed Elizabeth Ann Bayley Seton, who is to become the first American-born saint.

Mother Seton's canonization was proclaimed Thursday by Pope Paul VI with the concurrence of the Sacred College of Cardinals.

Five other saints were also proclaimed by the Pope. They are: Juan Bautista de la Concepción, the 18th-century Spanish founder of the Reformed Brothers of the Holy Trinity; Juan Masfas, a Dominican friar who died in 1965 in Lima, Peru; Guistino de Jacobis, an Italian missionary who died in 1860 in Ethiopia; Archbishop Oliver Plunkett, primate of Ireland who was martyred at Tyburn on July 1, 1681, and Sister Vincencia Maria López Vicuña, the 19th-century founder of the Daughters of Mary the Immaculate.

All will be formally canonized during the 1975 Holy Year, which begins with ceremonies at the Vatican on Christmas Eve.

It is customary for Popes to name new saints during Holy Years, which occur normally every five years. Pope Pius XII was the last to do so during the 1950 Holy Year.

Canonization is a complex, lengthy process. Advocates of Mether Seton's sainthood had worked intermittently for 92 years. She was beautified in 1963 by Pope John XXIII and the final steps toward canonization was officially advanced at the Vatican by the late Francis Cardinal Spellman of New York in 1965. Following her conversion to Catholican from Episcopalianism in 1805, Mother Seton went on to found the Sisters of Charity and was responsible for the establishment of many charitable institutions, among them the New York Foundling Hospital and St. Vincent's Hospital.

Her canonization rite is set for next Sept. 14 in Rome.

[From the New York Times, Dec. 15, 1974]

Mother Seton, an American Saint

Elizabeth Ann Bayley Seton, a pioneer in parochial education and charitable institutions in the United States, has been recognized by the Roman Catholic Church as the first American-born saint.

The Vatican completed the long canonization procedure last week when it approved the legitmacy of a miracle attributed to Mother Seton. Pope Paul VI announced that her formal induction into sainthood would take place next September.

Mother Seton's supporters have been working in her behalf for 92 years, and the Vatican has been officially pursuing her cause since 1940. The canonization process involves painstaking scrutiny of biographical records and efforts to confirm the miracles necessary for sainthood. Mother Seton lived from 1774 to 1821.

Beatification, the last major step toward canonization, was bestowed on Mother Seton in 1963 after the Vatican approved two miracles—one a cure of cancer, the other a recovery from leukemia—attributed to her intercession with God after her death. Last week Pope Paul waived the requirement for two more miracles for sainthood, accepting a single case of recovery from meningitis.

Though more significance was perhaps attached to sainthood in earlier days of the church, canonization is still widely regarded by Catholics as symbolic of heroism and inspiration.

[From the Washington Post, Dec. 27, 1974]

Saint Elizabeth of Emmitsburg

The trouble with the saints, the argument goes, is that they led lives of such perfection that mortals of average weakness see them as far beyond imitation. Halos never fit heads crammed with the thoughts and temptations of this world. Little of this applies, though, to the most recent addition to the calendar of saints—Elizabeth Ann Bayley Seton. Far from being remote from daily life, she was intensely involved in it. In the acts that led to her becoming America's first native-born saint—as announced recently at a special consistory at the Vatican—Mother Seton threw herself into works of mercy that required the full energies of her body, mind and spirit.

St. Elizabeth came to Maryland and the village of Emmitsburg in the early 1800s. She was a widow with five children, from a prominent upper-class New York family and was a recent convert to Catholicism. Wanting to practice her faith as well as believe in it, she began operating a free parish school—the first of what was to become the Catholic Church's nationwide parochial school system—an orphanage, a leper asylum and a hospital. Caring for the sick and poor led her to found the Sisters of Charity in the United States. This was to be Mother Seton's most enduring contribution to society. Today the Sisters of Charity are a renowned and heroic religious order, with some nine institutions in the Washington area being run by its members.

Aside from honoring Mother Seton, the canonization calls attention to the selfless work not only of the women of her own order but also to the sisters and nuns of the Church's other orders. The contributions they make to an improved social order cannot be measured, from caring for orphaned children to easing the last days of the abandoned elderly. Much of this work is hidden from view and often it is carried on with little help from public institutions. In fact, fewer and fewer women are joining the religious orders today. The current Commonwealth notes that enrollment in Catholic sisterhoods is down 81 per cent since 1965. If the attention now being given Mother Seton helps reverse this trend, then her canonization will have had a practical as well as a spiritual effect. It would be fitting, because few saints have involved themselves more deeply in practical affairs than St. Elizabeth of Emmitsburg.

[From America, Dec. 28, 1974]

Elizabeth Seton, American Saint

The Catholic Church that grew so impressively in the United States during the past 150 years has been described as an immigrant church, because it expanded under the impact of 19th-century European migrations. So it was appropriate that Francis Xavier Cabrini (1850–1917), herself an immigrant, should have been in 1946 the first American citizen canonized. But even on the Atlantic seaboard, the American Catholic Church was colonial long before it was immigrant, in that 19th-century sense of the word. Now it is about to receive, as its second officially proclaimed saint, a representative of impeccably old American stock. On December 12, Pope Paul VI announced that Elizabeth Ann Bayley Seton, born in New York City in 1774, will be canonized next year.

With her lineage, Mother Seton was certainly entitled to be called, as John XXIII noted at her 1963 beatification, "an authentic daughter" of this nation. She is really remarkable, however, not because she was the child of a particular age, as we all necessarily are, but because she transcended her age as only saints do. But that was not accomplished without the degree of travail that saints usually experience.

Elizabeth Bayley was married to William Seton at 19. Widowed, with five children, before she was 30, she died when she was 46. Her conversion to Catholicism in 1805 alienated her relatives and friends, but in the 16 years of life that remained to her, she got so much done that seven congregations of Sisters of Charity honor her as founder, and "she is rightly considered," to quote John XXIII again, "one of the precursors of the parochial school system" in this country. But perhaps her most precious legacy is the reminder that holiness does not require some marvelous invulnerablity to suffering that allows one lightly to overstep pain. In the final months of her life, when Mother Seton was dying of several ailments, including what seems to have been breast cancer, she was still deeply worried by the troubled lives of her two sons. In the last letter she wrote to her closest childhood friend, she remarked: "All is bleak with me but the blue sky." But Elizabeth Seton could be patient with bleakness too, because she knew, as St. Thomas More once said, that we can hardly hope to go to heaven on a feather bed, seeing that Christ went there on a cross.

[From Newsweek Magazine, Dec. 23, 1974]

AN AMERICAN SAINT

The United States has the fourth largest Roman Catholic population in the world, but because it is a young country, there has never been a native-born American on the crowded calendar of saints.* Last week, Pope Paul VI remedied that situation. He announced that, after decades of research and debate, Mother Elizabeth Seton, a nineteenth-century nun and a converted Episcopalian, had been approved for canonization and will become Saint Elizabeth Seton in Vatican rites next year.

Elizabeth Ann Bayley Seton's path to sainthood began in a pious Huguenot household securely ensconced in the Protestant upper crust of New York City. In the years just after the American Revolution, Betty Bayley attended finishing school, where she developed a taste for theater and dancing and grew so fond of French that she prayed in that language for the rest of her life. From among a horde of suitors, she selected a wealthy merchant, William Seton, and their marriage in 1794 was the event of the season. "My own home at 20," she marveled to a friend. "Quite impossible! All this and heaven, too."

FAITH

Heaven lasted nine years. In 1803, Betty Seton's genteel life collapsed when her newly bankrupt husband died of tuberculosis in Italy, leaving her penniless with five children to raise. The widow remained for a time in Italy, where she was drawn to Catholicism, and then returned to New York to be baptized in her new faith, to the consternation of her Episcopal family and friends. "Every day," she wryly noted, "some one of the kind women sheds tears for the poor, deluded Mrs. Seton." Finally, Mrs. Seton packed up her brood and moved to Baltimore, where a local priest had invited her to establish a Catholic free school, the first in America. A year later, in 1809, she took vows in order to found the first American order of the Sisters of Charity.

From Baltimore, the intrepid Mother Seton journeyed on foot to remote Emmitsburg, Md., to found a hospital, a leper asylum and an orphanage. By the time of her death from tuberculosis in 1821, Mother Seton also had established a hospital and a foundling home in New York. A nephew, James Roosevelt Bayley, also converted to Catholicism, rose to bishop and founded Seton Hall University in New Jersey in his aunt's name.

The canonization process began in 1911 with an investigation into Mother Seton's voluminous correspondence: 3,700 documents in her own handwriting were scrutinized, and it wasn't until 1959 that she was declared "Venerable." Beatification took four more years and required the verification of two miracles. Finally the Vatican was satisfied that in 1935 and 1952 Mother Seton had answered prayers and healed what were thought to be incurable cancers. One of the patients, a 4-year-old Baltimore girl, had a complete remission of leukemia soon after her mother and others prayed to Mother Seton and touched her with a shred of cloth once handled by Mother Seton. Two more miracles usually are required for canonization, but Pope Paul decided to settle for one, the recovery from meningitis of a New York man in 1963.

Mother Seton was one of six new saints proclaimed last week, and the requirement for a fourth miracle was waived in some of the other cases, too. A vatican spokesman explained that the Pope wanted to canonize several saints in 1975, which will be the church's first Holy Year since 1950. The theme of the Holy Year is piety, penance and charity as a sign of spiritual renewal, and the gentle convert from America stood well for those qualities.

GOSPEL TRUTH

Who was to blame for the death of Jesus? The Romans or the Jews?

That was the crucial issue in one of French legal history's weirdest libel trials, which came to an end last week. The dispute pitted a right-wing Roman Catholic lawyer against a conservative Catholic priest, and much of the evidence was drawn from the New Testament. The decision suggested that the Romans, not the Jews, were to blame.

The uproar began in 1967 with the publication of a book entitled "The True Trial of Jesus," by lawyer and legal historian Jacques Isorni, now 63, who had defended Marshal Philippe Pétain against charges of collaborating with the Nazis. Isorni absolved the Jews of responsibility for Jesus' death by arguing (1) that they had not realized Christ was divine, (2) that only the Roman regime of Pontius Pilate had the legal authority to impose a death sentence and (3) that the Romans wanted Jesus out of the way because they considered him politically subversive.

Last year, Isorni's book was excoriated in a newsletter published by Father Georges de Nantes, 50, whose retrograde theological views are so inflammatory (he once called Pope Paul VI a heretic) that he is forbidden to preach or celebrate Mass. De Nantes charged that Isorni was something of a "forger" who was "falsifying the New Testament" to protect the Jews. "I will not say that Isorni is an agent of Israel in the church," de Nantes wrote, "but I say nonetheless that in this great eternal trial of the Jews against Jesus and the Church against the Jews, he opted for the Jews against their victim."

SWIPE

Isorni sued for libel, asking $2,222 in damages. The case was argued amid fusillades of Gospel quotations. Isorni called de Nantes a "harmful and dangerous" man who "seeks to justify all the crimes of the Nazis" by branding Jews as "Christ-killers." In reply, the renegade priest declared that Isorni had to be either "an ignoramus" or "a liar." And he took a swipe at some recent Vatican policies. "To absolve the Jews of their crime, even in the cause of better ecumenical understanding," thundered de Nantes, "is to contradict all that constitutes Catholic dogma."

In its decision last week, the three-judge panel tried to skirt that issue. The chief judge, Pierre Bondouaire, and his colleagues pronounced themselves unfit to rule on theological matters, but they noted that Vatican Council II had absolved the Jews of guilt in a historic proclamation nine years ago. On the libel issue, the judges ruled for Isorni, on the ground that Father de Nantes had overstepped the bounds of free speech. They required him to print their verdict in his newsletter. Then the judges restored a sense of proportion to the case by awarding Isorni his damages: 1 franc.

[From the Washington Star-News, Dec. 12, 1974]

BELLS TOLL FOR NEW SAINT

(By John Sherwood)

EMMITSBURG, MD.—Just after daybreak, as the sun swept the winter chill off the back of St. Mary's Mountain, carillon chimes and bells began ringing and playing hymns continuously in the valley of St. Joseph today.

Black-robed nuns, barely able to conceal the joy of a lifetime, formed a silent procession over highly polished marble floors to attend an early high mass in the chapel that houses the bones of Mother Seton, who today is to be proclaimed formally the first American-born Catholic saint.

Thousands devoted to the canonization cause of Elizabeth Ann Bayley Seton, who died here in 1821 at the age of 47, have been praying for this to happen since the 1880s. Many thought it a hopeless cause.

Pope Paul VI announced today that Mother Seton will be canonized during holy year celebrations on Sept. 14, 1975.

Mother Seton was a member of a prominent Protestant New York family when she was disowned after converting to Catholicism in 1805. It seems ironic that she rode into sainthood on the wings of a Protestant, one Carl Kolin, subject of the third and clinching "miraculous" cure attributed to her intercession.

Born in New York City in 1774, Mother Seton's father was a famous Colonial physician, and her mother the daughter of a prominent Episcopalian minister. At 19, she married the 25-year-old son of a wealthy importer and they had five children.

In 1808, as a widow with five children and no means of support, Mother Seton founded the American Community of the Sisters of Charity of St. Joseph in Baltimore. She also founded the first parochial school in the United States.

Settling her little community of nuns in Emmitsburg in 1809, she went on to establish St. Joseph's Academy here. The girl's college closed in 1973.

Mary V. Columbus, a D.C. social worker, is only one of thousands who have been praying and making novenas for Mother Seton for decades. "I don't remember ever not knowing about her," she says. "She has been a major part of my life."

Miss Columbus has traveled to Rome three times on behalf of the "Cause," the last time in 1963 when Mother Seton was "beatified," a step to sainthood. She presented a bound volume to Pope Paul VI then containing thousands of signatures urging the canonization. The return to Rome, for the solemn formal canonization at St. Peter's, "will be the highlight of my life," she says.

The second of three miracles attributed to Mother Seton came about in 1951 after Mrs. Felixena A. O'Neill of Catonsville, Md., brought her 4-year-old daughter, Ann, to Baltimore's St. Agnes Hospital.

"She was suffering from acute lymphatic leukemia," she recalled last night. "Her blood count was 43. The doctor said it was hopeless, that she was dying fast."

She said a nun suggested she pray to Mother Seton. "Everyone thought it was ridiculous," she said. "I prayed anyway, but Ann got worse and worse. I took her up to Mother Seton's grave in Emmitsburg and we helped her stand over the tomb while a sister touched her with a relic (a piece of bone).

Mrs. O'Neill then brought her back to the hospital, she says, and the blood count was normal. She said, "The doctors couldn't explain it. Ann was in perfect health!"

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*Mother Frances Cabrini, an Italian-born American citizen, was cannonized in 1946.

Ann—now Mrs. Robert Hooe of Severn Md.——recovered completely. She has four children of her own today.

The first accepted Mother Seton "miracle" involved a man who was supposedly cured of pancreatic cancer in New Orleans in 1934.

"The church is extremely skeptical about miracles," says the Rev. Sylvester A. Taggart, C.M., the vice postulator of Mother Seton's canonization cause for the last 10 years. "We get 15 or 20 calls a week about miracles on behalf of Mother Seton, but 99 percent fizzle out. The only one I had personal contact with was Kolin's case."

Kolin was moribund in 1963 with a rare brain disease that had been fatal in all five cases on medical record. An attending physician announced that he would not last the night; that death was certain.

According to Taggart, now stationed at the St. Joseph's Provincial House here, the sisters of Charity at St. Joseph's Hospital in Yonkers, N.Y., and Mr. Kolin prayed for Mother Seton's intercession. The novena continued and Kolin grew more terminal.

A first-class relic was applied to Kolin's head and chest. The violent convulsions stopped. The high temperature dropped to normal, and on Oct. 16, 1963, he awakened, completely alert, as if nothing had happened. He was discharged Nov. 2, fully recovered. Doctors were dumbfounded.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, I feel that the time has come for this body of Congress to sit down and formally express our conviction that genocide is cruel and inhuman and should be declared illegal under international law. History has taught us that too often the unthinkable acts of mass executions, mass torture, and mass sterilization has taken place. Within the last 50 years we have witnessed all sorts of atrocities committed by the Nazis, Greeks, Russians, Chinese, Cuban, et cetera. We are painfully aware of the strife and grief that the inhabitants of these nations have been subjected to, yet officially it is not the policy of this Government to oppose such actions.

Irrational acts must and can be stopped by a consensus of rational men. Therefore, I am taking this opportunity to appeal to you to act on this crucial matter. It has been said that those who do not learn from history are destined to repeat it. But our actions here can alter the future for the better.

There is no doubt in my mind, that the ratification of the genocide convention would be a major step in this direction. What is involved is the issue of dealing in good conscience with a significant aspect of human rights. I trust that we all have some convictions as to the rights of human beings to live under amiable conditions. I hope that we find it fitting to take action soon for the benefit of all mankind.

WILL DÉTENTE FORCE ITALY BEHIND THE IRON CURTAIN?

Mr. GOLDWATER. Mr. President, it strikes me that Members of the Senate have paid all too little attention to the effects and fallacies which détente with the Soviet Union has had on the international political affairs of other nations.

All too often, it seems to me, we seem to forget that as the accepted leader of the free world, the United States will to a large degree create the political climate that exists in that world. Thus it is that our political, cultural rapprochement with the Russians has given us a world climate in which communism has become politically and culturally respectable.

This appraisal of détente is set forth very graphically by Mrs. Clare Boothe Luce, former American Ambassador to Italy in an article published in the August 6 edition of the London Times. In it Mrs. Luce raises the question of whether détente will force Italy behind the Iron Curtain. She pointed out that our policy of accommodation with the U.S.S.R. has had the effect of weakening democratic parties in the western democracies. At the same time, she says, détente has strengthened Communist parties and caused opportunists on the left in many countries to join forces with the upcoming Marxist Socialists.

Mrs. Luce wrote:

> Those on the right, who refuse to accept political détente with their domestic Communists, have no choice but to join hands with the hard-core anti-Communist elements, whose programs are all too often "neofascist" or "militaristic."

Mrs. Luce contends that Italy's resources today are not adequate to meet the demands the people are making on its Government adding:

> This situation is dangerous, precisely because détente has now made the communist alternative to democratic government much more acceptable than it was in the Cold War era. Italians no longer fear that the U.S. would not recognize a communist Italy, extend aid, or refuse to trade with it.

Mr. President, I ask unanimous consent that Mrs. Luce's article, entitled "Will Détente Force Italy Behind the Iron Curtain?" be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Will Détente Force Italy Behind the Iron Curtain?

(By Clare Boothe Luce)

As the accepted leader of the free world, the United States creates, to a large extent, the political climate in it. The effect of US political and cultural détente with Soviet Russia has been to create a world climate in which communism has become politically and culturally respectable.

Détente has strengthened communist parties—and weakened democratic parties in the western democracies. Because of détente, many democratic parties have begun to suffer defections both from the left and the right. Opportunists on the left hasten to join forces with the upcoming Marxist socialists. Those on the right, who refuse to accept political détente with their domestic communists, have no choice but to join hands with the hard-core anti-communist elements, whose programmes are all too often "neofascist" or "militaristic".

In the new climate of détente, which tends to make the anti-communist right almost as disreputable as it was in the fascist era, the weakened centre is forced to weaken itself even more by joining the communists in attacking its right-wing defectors. Thus, there is a gradual erosion of the centre towards the left. Sooner or later the point is reached where the centre can no longer govern, because it can no longer form a parliamentary majority. And in order to avoid civil strife, and maintain the facade of democracy, it must bring the communists into government.

The great gains scored by the Communist Party in the recent Italian elections are among the first—but not the last—sour fruits of détente.

American liberals, whose passionate belief in economic determinism might astound Marx himself, have attributed the communist gains in Italy entirely to the adverse *economic* conditions prevailing there, and have failed to see their connexion with political and cultural détente.

It is true that there is considerable economic discontent in Italy. Like all the democracies, Italy is plagued by inflation and unemployment, and has been hard hit by the rising costs of fuel. But even when the Italian recession is taken into account, the fact remains that the majority of the people are better off today than they have been in their entire history.

Moreover, "economic discontent" is par for any democratic course. As Tacitus once observed about the human appetite for the goods of this world, "There is no such thing as enough". And the desire of a democratic electorate for more—and more—is increased, rather than satisfied by the progress it has previously made. In the past 25 years, no country in Europe has made relatively more progress than Italy, and no electorate is demanding more of its government.

All political scientists seem agreed that the hour when a democracy begins to collapse is when the people's demands exceed the country's resources, and refusing to face this fact, they begin to raid their own Treasury.

The resources of Italy today are simply not adequate to meet the excessive demands that the people are making of their Government. This situation is dangerous, precisely because détente has now made the communist alternative to democratic government much more acceptable than it was in the Cold War era. Italians no longer fear that the US would not recognize a communist Italy, extend aid, or refuse to trade with it. The US wheat deal with Russia, and the extension of credits are ample proof that a communist Italy would not be cut off from US commerce, support and friendship.

Despite the efforts of the communists to hasten the collapse of the Christian Democratic government by endlessly agitating the most unreasonable economic demands of the electorate, if it were not for détente, there would be no reason to fear the entrance of the communists into the government. But détente has maximized not only the gains of communist political penetration of Italy, but also the gains of communist *cultural* penetration.

In their struggle to create a communist world, the men of Moscow are long-range totalitarian planners and campaigners. They have neglected no field of human thought or endeavour. For three decades now, seemingly apolitical communists have been carefully woven into the fabric of Italian culture. Twenty-five years ago, the American Embassy was aware of a communist directive instructing every Italian communist to concentrate on converting the *youngest* male member of non-communist families. Today, these cultural converts, now matured, are present in large numbers, not only in the party, but also in the Italian educational system, the arts, the professions, the media, the military, and even in the church.

In the Cold War days, this process of cultural penetration was called "subversion", and was stoutly resisted, especially by the church. In the climate of "peaceful coexistence", resistance—even by the Vatican—is viewed as "religious intolerance", or an undemocratic, even "fascist" attitude.

The political and cultural *coup de grace* to anti-communism was recently delivered by President Ford himself when he refused to receive Nobel Prize winner Alexandr Solzhenitsyn in the White House. When the world's most famous anti-communist, and political exile, who has won his credentials as a "freedom-fighter" in Russian labour camps, is *persona non grata* to the leader of the free world—how can anyone in Italy, or anywhere else, fail to get the message that communism is "in" and anti-communism is "out"? The President later changed his mind, but by then it was too late and Mr. Solzhenitsyn declined the invitation.

So long as the United States fails to realize that the struggle against Soviet world expansionism is being lost in the cultural and political field, it will be impossible for democratic governments to devise effective strategies, no less find convincing arguments for keeping their domestic communist parties from increasing participation in government. It is predictable that once the communists enter the Italian government, the pattern, with variations dictated by local considerations, will eventually follow that of Czechoslovakia.

The Mediterranean, once the Mare Nostrum of the Romans, is still a western sea. But if Italy ships behind the Iron Curtain, nothing short of the Third World War will keep it from becoming a Russian lake. When this happens, the US defence of Europe will become impossible. And the USA will be isolated.

Altogether a pretty heavy price to pay, when one comes to think of it, for a detente that has produced nothing for the West but a very slight increase in trade, and a series of nuclear disarmament deals that have, on balance, favoured the Russians.

SENATOR JOHN J. SPARKMAN "IN A WORD, LEADER"

Mr. ALLEN. Mr. President, in the August 1975 edition of Birmingham magazine, the official publication of the Birmingham, Ala., Area Chamber of Commerce, there appeared a fine article by Mr. Clarence Doucet profiling my distinguished colleague and fellow Alabamian, Senator John Sparkman.

In recognition of 39 years of outstanding leadership and service contributed by Mr. Sparkman in both Houses of Congress, Mr. President, I ask unanimous consent that this article, entitled "In a Word, Leader" be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

In a Word, Leader

Washington.—John Sparkman is a man of wit and wisdom.

He blends the delicate caution of an attorney and the precision of an English teacher as he selects the most accurate words in responding to questions, *saying* exactly what he means. That is most important for the 75-year-old Alabama senator because he is constantly being asked questions and almost anything he says will find its way into print.

Senator Sparkman is a quiet yet forceful giant of American politics; an individual who blends the positive gentlemanly charm and courtesy of a Southern upbringing with the sagacity of nearly four decades of exposure to national and international politics. In short, he is one of a handful of individuals who come along in a lifetime and prove the truth of the adage, "The taller the bamboo, the lower it bends."

Yet, The Senator would probably chuckle at such high-falutin' praise and, perhaps, even be a little embarrassed by it. "Heck," he might say in that husky 'Bama drawl, "them folks back home know the kinda fella I am. I'm one of them." And, in spirit, he is—even in his awesome position as chairman of the Senate Foreign Relations Committee.

John Sparkman, one of 11 children of a cotton sharecropper, born in a tenant farm home near Hartselle, *leads* the most prestigious committee in Congress. The word "leads" is important because it provides the key to John Sparkman's methodology as head of the committee that serves in an advise-and-consent capacity to the President on international relations.

It is that responsibility that makes the committee prestigious and makes John Sparkman much sought after and important to Political Leaders and newsmen from around the world. The word "leads," when Sen. Sparkman uses it, is an indication that he has never forgotten his humble beginnings nor the importance of responsibility that he learned early in life.

"From time to time," he explains, "you hear about committee chairmen *running* the committee and *making* it do things that it doesn't want to do by being tyrannical. I have served on a good many committees during the nearly 39 years that I've been here and I've never known—I've never served under or with a chairman who was tyrannical and tried to *run* the committee without taking into regard and account the feelings of the members of the committee. My feeling has always been that the chairman is not supposed to *run* the committee; that is, to *force* things.

"Now in the Foreign Relations Committee—I've been on it, well, this is my 25th year so I've come up through the ranks—I've served under seven different chairmen and I have never known any of them to try to *run* the committee. They tried to *lead* the committee and that's my feeling as to how it should be done.

"People have often said to me, 'How are you going to *run* the committee?' and I've said, 'Let me tell you something. That committee is made up of 17 individuals and every one thinks for himself and speaks for himself and they have no hesitancy about making their views known and the decision is always decided by the majority of the committee.' As a matter of fact it is virtually non-partisan. Politics doesn't play a part in the committee in deciding issues of foreign policy."

While that statement does not tell all about the methodology of John Sparkman, The Chairman, it is the cornerstone. But one needs only to examine the list of members of the committee to appreciate how such a straight-forward approach is not necessarily that easy to carry out. There are Mike Mansfield, the Senate Majority Leader, and former presidential candidates George McGovern and Hubert Humphrey—some of the Democrats—and Hugh Scott, the Senate Minority Leader, Jacob Javits, Clifford Case and Charles Percy—on the GOP side—and they represent less than half the membership of the full committee. It clearly puts John Sparkman in the position of being a leader of leaders.

Senator Sparkman sees his committee as an advise-and-consent committee and he says that although the committee does not make foreign policy it can help shape it:

"I can see that a lot of people might not understand that fully, but under the Constitution the Senate is supposed to advise and consent with the President. Now, with reference to treaties and foreign policy, the Foreign Relations Committee fills that job for the Senate.

"In other words, we make recommendations to the Senate for carrying out that Constitutional provision. The Constitution places upon the President not just the authority, but the responsibility for conducting foreign policy. A lot of people talk about Kissinger. Kissinger is the Secretary of State and the Secretary of State is the President's alter-ego in connection with foreign policy.

"They *execute* foreign policy, but we can have considerable impact on that foreign policy in our capacity of advising and consenting."

Case in point: It is April, 1975, and South Vietnam is crumbling. Concern mounts throughout the United States over the safe evacuation of Americans *and friendly* Vietnamese. Everyone can see the collapse except Graham Martin, the U.S. Ambassador to the Republic of South Vietnam.

Senator Sparkman explains:

"Here is the problem we had: Evacuation of American citizens and friendly Vietnamese citizens. They had worked with, cooperated with and collaborated with the Americans and we felt a very keen responsibility to help those people get out. We took a very strong position on it. We insisted that our ambassador in Vietnam formulate a plan that would assure an orderly evacuation of those people; the Americans and the friendly Vietnamese who might have been in danger had they stayed.

"All of the reports coming from there indicated we had a very strong-willed ambassador who insisted on working out his own plan and our people were not pleased with it. The ambassador seemed to have the feeling that the Thieu government was not going to fall and that the Vietnamese were going to stage a tremendous comeback. We were just not satisfied with that and decided that it was just important enough to talk to the President and the *entire* committee wanted to go."

(The Foreign Relations Committee had sent two staff members to South Vietnam who were familiar with the country and the people. Upon their return to Washington they submitted a secret report saying Ambassador Graham was not making a satisfactory plan and did *not* have evacuation in mind because he wanted to stay.)

"We made contact with the White House," continues Senator Sparkman, "and asked if the entire committee could come down there and meet around the Cabinet table with the President and he very readily said yes. So we discussed this whole thing with the President and made it very clear that we were not pleased with the lack of action on the evacuation of the people we felt a responsibility for.

"Senator Hugh Scott, the Republican leader, took a copy of that secret report and gave it to President Ford. President Ford assured us he would get a message off to Graham Martin immediately and that he was going to see that he carried it out. Well, it was never satisfactorily done."

Nevertheless, what *was* done can probably be tracked directly to that meeting and one might wonder what would have happened had there not been a unified committee led by John Sparkman.

"Martin, by the way," continued the Senator, "is in southern Europe, I understand, and he hasn't been back here. Of course, we would count on having him before our committee if he comes back and some of the members would give him a very rough going-over. A lot of different people have said to me, 'I sure hope you skin him alive.' I said, 'Let me tell you something. I *preside* over that committee. When he comes before us I'll certainly put proper questions to him, but I'm sitting, more or less, in the capacity of a judge and *not* a prosecutor.' Well, he hasn't been here and somebody said they thought he was going to stay over there."

Wit and wisdom. Caution and precision. Humility and accommodation. According to one of Senator Sparkman's aides: "You would think that when a man has accomplished as much as the senator he might tend to become egotistical and self-centered; godlike, but he is as humble and as modest today as when I started working for him 18 years ago."

F. Edward Hébert, the Louisiana Democrat who is now the fifth-ranking member of the U.S. House, first came to Congress in 1941. Then Representative Sparkman had already been serving in the House for five years. They served together five more years. Hébert, recalling John Sparkman of the early 1940s, said "He was the majority whip; one of the leaders. That speaks for itself."

There is no question that John Sparkman is a great and responsible leader. He worked his way through the University of Alabama as a laborer in a Tuscaloosa steel mill; was editor of the student newspaper; earned his law degree and practiced in Huntsville until 1936 when he was elected to the House. On Nov. 5, 1946, he was simultaneously elected to the U.S. Senate and to his sixth consecutive term in the U.S. House—the only time in American history one person was elected to both houses of Congress at the same time. And, in 1952 he was the Democratic candidate for Vice President.

What has made John Sparkman different?

"I believe it was Saint Paul who said 'I am part of everyone I have met,' " he answers. "Well, when you start trying to pick out people who influence you, especially when you go through as many years as I've been through, you can hardly name them without omitting somebody you certainly wouldn't want to omit." But because he is an accommodating gentleman he will try. "Of course, my mother and father. I had a brother who was about 15 years older than me. I was just a little tot and he would take me on long walks and talk to me about things and he had a tremendous influence. . . ."

The Senator continues, recalling grade school, high school and university teachers and professors and mentors in Congress. One incident stands out:

John Sparkman is a college student. His Latin professor calls him to his desk after a class and asks, "Young man, what are you going to do when you finish your studies. What's gonna be your job in life?"

Student Sparkman thinks and finally answers, "Well, I've been wantin' all along to study law; to be a lawyer, but you know I've been givin' it some serious thought here of late. It seems to me that the law profession is becomin' overcrowded."

The Latin professor looks at Student Sparkman rather solemnly and nods in agreement: "It's true all right. They *are* overcrowded at the *bottom* of the ladder, but not the *top*!"

The student remembered that advice. It has stood the test of time because John Sparkman has always been at the top of the ladder.

HIWASSEE RIVER FLOAT TRIP

Mr. BAKER. Mr. President, on August 29, I had the great pleasure of taking a float trip down the beautiful and scenic Hiwassee River. Located in the heart of the Cherokee National Forest in Delano, Tenn., below the Appalachian powerhouse, the Hiwassee River remains one of the Nation's most glorious mountain streams.

Under the experienced guidance of Mr. H. C. "Buck" and Edith Sartin, rafting proved to be a most enjoyable experience. The Sartins gladly shared their vast knowledge of the outdoors during this 3-hour trip down the winding stream. Mrs. Sartin prepared a variety of homemade specialties for midday refreshment, which made our brief interlude most pleasant.

In addition to the picturesque scenery along its borders, the Hiwassee River is considered one of the finest rainbow trout rivers in Eastern America. A haven for any sportsman, trout fishing is available along the Hiwassee year-round. The surrounding foliage is magnificent and represents the largest know variety of wild flowers of any temperate zone on earth. The fast-moving water and occasional whitecaps add to the thrill and excitement of the entire experience.

It is certainly encouraging to discover a beautiful part of the country where the preservation of our land, air, and water has been so successful. The vast forests located along the Gee Creek Wilderness contribute to the unspoiled environment and provide incentive for the continued maintenance of the area. The Hiwassee River float trip can be appreciated by people of all ages and beautifully displays the benefits of conservation. I heartily encourage my colleagues to visit Mr. and Mrs. Sartin in Cherokee National Park while traveling in the eastern region of Tennessee.

NUCLEAR EXPORTS TO SPAIN FINANCED BY EXIMBANK

Mr. PROXMIRE. Mr. President, on July 29, 1975 I called the attention of the Senate to a notification from the Export-Import Bank that there was a pending loan and guarantee for the construction of two nuclear power reactors in Spain.

This prior notification is required by the Export-Import Bank Act under section 2(b) (3). After 25 days of continuous session of Congress, the loan and guarantee can be put into effect. Congress, of course, can move to stop this loan, should it so desire.

The present transaction involves a $130.4 million credit and a guarantee for $81.5 million obtained from private financing.

Of the 11 Spanish nuclear power reactors in operation, under construction or on order, 9 have been or will be supplied by the United States.

Leaving aside the financial commitment of this Government, the proposed commercial activity raises a number of extremely troubling points.

First, Spain is not a member of the Non-Proliferation Treaty. And Spain does not accept the international safeguards established by the International Atomic Energy Agency.

Therefore, even though the proposed reactors are for the generation of power and not weapons there should be a strong effort made by this country to insure that IAEA safeguards are required on all Spanish nuclear facilities and that Spain join the Non-Proliferation Treaty.

I am very, very concerned about the proliferation of nuclear weapons nations and the potential instability that would result from a world of 20 or 30 nuclear powers. As has been recently proven by the Indian covert development of nuclear weapons, from reactors supplied by other nations, the possibility for diversion of nuclear materials, without full safeguards, is not only practical but tempting.

Therefore, in considering this proposed loan and guarantee, I call upon the Department of State and U.S. Arms Control and Disarmament Agency to take the following steps:

First, that negotiations be opened immediately to persuade the Spanish Government to join the Non-Proliferation Treaty.

Second, that the Spanish Government be encouraged to agree to a plan for the reprocessing of spent fuel either in a regional facility controlled by IAEA safeguards or by the United States and that the United States has veto power over this decision.

Third, that Spain be dissuaded from accepting offers from any other country for the construction of a reprocessing plant on Spanish soil.

Fourth, that Spain be requested to allow IAEA inspection and IAEA safeguards at all Spanish nuclear facilities regardless of the supplying country. In fact, I would strongly recommend against consummation of this agreement until Spain agrees to this step.

Mr. President, this is the second time in recent months that a request for loans or loan guarantees under the Eximbank Act have come before the Congress. In view of the complex negotiating steps involved in each case and considering the overwhelming dangers involved, Senator STEVENSON, chairman of the International Finance Subcommittee of the Banking Committee, and I, are introducing a bill which if enacted will heretofore limit Eximbank assistance to countries which have not signed the Non-Proliferation Treaty.

The prohibition could be overturned only by a Presidential determination, at least 25 days prior to final Eximbank approval of the assistance, that the export of nuclear materials or technology were required for national security purposes. This determination would be sent to Congress.

In addition, the bill would require that the Eximbank notify the U.S. Arms Control and Disarmament Agency 50 days prior to final approval of nuclear assistance to any country.

Although I am disposed to take even stronger measures at this time, by offering this bill I hope that the State Department will immediately show evidence and report to the Committee on Banking, Housing and Urban Affairs on the status of negotiations with the Spanish Government.

SOLAR ENERGY RESEARCH INSTITUTE

Mr. GOLDWATER. Mr. President, as the nationwide energy crisis deepens, I am sure the Members of Congress are extremely interested in what has been accomplished, what is pending, and what the future holds for solar energy.

This is a pursuit in which we in the sunny Southwestern part of the Nation are deeply interested. We have long recognized the great benefit which could accrue if solar energy could be harnessed and utilized in an efficient manner. Mr.

President, I am sure that I do not have to remind the Members that one of the leading proponents of solar energy research in this Chamber has been my friend and colleague, the senior Senator from Arizona, Paul Fannin.

Since 1970, when he helped establish the Geothermal Steam Act, Senator Fannin has pushed consistently for a greater congressional role in the matter of alternate energy sources. He also was in the forefront of those who obtained additional geothermal, solar, and nonnuclear energy legislation in 1974. A key piece in this program was legislation calling for solar energy research, development, and demonstration. It encompasses a bold approach to the energy problem which was overwhelmingly endorsed by both Houses of Congress.

The history of the solar research program and the details which it includes for the easing of our nationwide energy shortage have been ably set forth by Senator Fannin in the August issue of the magazine, Arizona Highways. Because of its great interest, not only to Arizona, but to the people of the United States generally, I ask unanimous consent that the Senator's article, entitled "Solar Energy Research Institute," be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Solar Energy Research Institute

(By Hon. Paul Fannin, U.S. Senate)

In 1973 it became painfully obvious that our nation was in an energy crisis. This possibility had been forecast by farsighted experts for a long time, and some efforts had been made to offset its effects. But with alarming suddenness we joined long lines of vehicles waiting for gasoline that too often was gone almost immediately. Many people had to bundle up against the cold as heating oil, natural gas, and other fuels were also severely curtailed. With the crisis in transportation, heating and power production, came shortages of plastic products, fertilizers, and other necessary items of our modern society.

Fortunately we have been given a breather since those trying times, but the harsh truth is that our country and the world has seen the last of the era of cheap fuels when natural gas, oil and coal were abundant and economical. We currently are spending over $60 million a day for imported petroleum, and the world supply is definitely a limited resource destined to become more precious. Congress was at last convinced that it was imperative to develop other methods of meeting our ever-growing energy needs. The trend I helped establish with the Geothermal Steam Act of 1970 was followed with other geothermal, solar, and non-nuclear energy legislation in 1974. A key piece of legislation for solar is the Solar Energy Research Development, and Demonstration Act. It was notable not only for a bold approach to the energy problem but also for the overwhelmingly favorable reception it received on the floors of both houses. It passed with scarcely a dissenting vote and was quickly signed into law by President Ford. Here is the intent of that legislation:

"(1) To pursue a vigorous and viable program of research and resource assessment of solar energy as a major source for our national needs; and (2) to provide for the development and demonstration of practicable means to employ solar energy on a commercial basis."

All of our fossil fuels were formed ages ago by the sun. Coal, oil, and natural gas were slowly created from plant and animal life which had stored up energy during their lifetimes. We can't wait more millions of years for this provident cycle to repeat itself. Happily, the sun showers us with the equivalent of all our fossil fuels in just three days. Reaping this bounty and providing our society with solar energy will not be easy. But neither has it been easy to develop nuclear energy, or even our conventional fossil-fueled powerplants.

The Solar Energy Act was drafted to meet a vital national need. It can be compared to earlier programs that came into being to meet other national problems: the Manhattan Project development of nuclear energy, for example, and also the challenging Apollo Project that put Americans on the moon in less than ten years. Both projects succeeded, largely because it was recognized that they would require bold new approaches to be successful. The development of solar energy and its application to our many needs is also a crucially needed project. Harnessing the sun offers an alternative energy source that can provide significant amounts of energy for heating and cooling our homes, as well as energy for industrial processes. Someday the sun may provide appreciable amounts of electric power as well.

In another bold move toward making our nation energy self-sufficient, Congress passed legislation creating the Energy Research and Development Administration, an agency charged with managing all of our energy programs. One major move was the termination of the Atomic Energy Commission, transferring many of its functions to the Administrator of ERDA, as the new agency is commonly known. Dr. Robert Seamans, administrator of the agency, and his assistant administrators manage energy programs including nuclear projects, fossil fuels, energy conservation, and alternative energy sources including geothermal energy, wind power, water power, and solar energy.

We must continue to make use of oil and natural gas and greatly expand the utilization of coal. We must also continue to use nuclear power and to develop more and better such powerplants, always insisting on the ultimate in safety and reliability in plant operation and the handling of radioactive fuels necessary for the production of electric power. But we must supplement these conventional sources with alternative sources. Except for geothermal energy, which arises from the inner heat of the earth, this means solar energy, either in indirect forms, as in wind and water energy, or used directly. It is a tribute to the imagination and perseverance of pioneers in many countries that solar energy is ready to supplement our traditional energy sources.

Key to the National Solar Energy Program is the national Solar Energy Research Institute chartered in the Solar Energy Act:

"Sec. 10. (a) There is established a Solar Energy Research Institute, which shall perform such research, development, and related functions as the [ERDA Administrator] may deem to be necessary or appropriate in connection with the Project's activities under this act or to be otherwise in furtherance of the purpose and objectives of this Act.

"(b) The Institute may be located (as designated by the [ERDA Administrator] at any new or existing laboratory (including a non-Federal laboratory performing functions under a contract entered into with the Project or with any of the agencies represented in the Project as well as a laboratory whose personnel are Federal employees)."

From the rather broad general guidelines given in the law, the Institute may take many forms. In fact, a National Academy of Sciences panel currently is studying concepts for the Institute. Based upon the national needs as I see them, it is interesting to speculate on the form the Institute might take.

The first task falling to the Institute will be the determination and assessment of all solar energy resources regionally and nationally. Included would be data on insolation, wind, sea thermal gradients, and photosynthetic conversion potentials.

Although a wealth of solar energy data is available, much more work must be done to develop better methods of measurement and prediction of its availability. To conventional methods of data-gathering must be added innovative and sophisticated techniques in meteorology, oceanography, high-altitude physics, remote sensing, and other areas.

It is logical that the Solar Energy Information Data Bank mandated by the Solar Energy Act to maintain and disseminate information on a national and global basis would be located at the Institute. A large computer facility tie-in is mandatory.

Also desirable would be supportive industrial facilities within reasonable distance for fabrication of necessary hardware. Since it is essential that industry participate in solar technology, there must be communication and coordination between the Institute and involved industries. Exchange of personnel would be desirable. The law also requires the support of educational programs to provide trained personnel to carry out the research, development, and demonstration responsibilities of the Act. Ties are thus needed between the Institute and educational institutions to coordinate such programs.

Among the personnel at the Institute might be undergraduates completing their degrees working on actual projects with professionals. Furthering the exchange and interchange of ideas, Institute people could act as visiting professors both in the United States and abroad. There could be personnel from these institutions participating in the interchange. Institute personnel might also perform research analysis and technology assessment in the various areas of solar energy research and development.

The Institute should carry out research and development in these eight specific technologies listed by the Law:

1. Direct heat as a source for industrial processes including utilization of low-level heat for process and other industrial purposes;
2. Thermal energy conversion, and other methods for the generation of electricity and the production of chemical fuels;
3. The conversion of cellulose and other organic materials (including wastes) to useful energy or fuels;
4. Photovoltaic and other direct conversion processes;
5. Sea thermal gradient conversion;
6. Windpower conversion;
7. Solar heating and cooling of housing and commercial and public buildings;
8. Energy storage.

The Institute, charged with research and development in all these areas, should also be involved in their demonstration. Institute personnel thus would work on projects from ideas to construction and testing of prototype, and perhaps production devices as well.

THE MAKE-UP OF THE INSTITUTE

The Solar Energy Research Institute, then, could be a sizable assembly of professionals with appropriate supportive personnel. Some scientists should be involved in basic research into solar sources, chemistry, materials, and biology. Others should do systems studies and technology assessment. Some should be involved in development work including heating and cooling, process heat, thermal conversion, organic conversion, photovoltaics, and energy storage. Supporting both basic and applied research at the central Institute would be branch laboratories doing wind energy research and development, sea thermal gradient work and perhaps ocean bioconversion studies.

While solar research might conceivably be done in many places, it will be done better and faster in an area of high insolation and clear air. Geography is a consideration too, since development and demonstration projects may require sizable land areas. The ideal site will offer a broad spectrum of climatic conditions to facilitate testing. Freedom from strong winds, dust storms, hail and seismic hazards are also desirable features of the Institute site.

There are other reasons for siting the Institute in an area of abundant sunshine than merely to hasten testing periods. People involved in solar science will do it better in an atmosphere of abundant sunshine—it takes great faith to work on solar energy in an area of only intermittent sun. The psychological factor is also involved in the cultural surroundings of the Institute. Cultural amenities are potent factors in attracting—and keeping—professional and other people at a facility such as the Institute. Thus the location chosen should be one in proximity to a large population center, with good living conditions, transportation, schools, and cultural opportunities.

THE NEED FOR A NEW FACILITY

According to the Law, the Solar Energy Research Institute may be located at either a new or existing Federal laboratory. Since there are no existing Federal laboratories of such nature as to provide an ideal environment for carrying out the Institute charter, it is important that the Institute be sited in a new laboratory.

Given its responsibility for the advancement of solar energy, it seems proper that the Institute be designed and constructed from the ground up to make use of solar energy for hot water, heating, and cooling, as well as electricity produced by solar cells or other solar powerplants. While a "no new bricks and mortar" approach to the Solar Energy Research Institute might save some money in the short term, this would hardly be a wise approach to the task of carrying out a national solar energy program.

It is my firm belief that Arizona is uniquely qualified in all relevant areas to be the site for this perhaps most important in an impressive line of national laboratories.

As Arizona's farmers and ranchers and tourists from all over the world have known for decades, Arizona is blessed with more and brighter sunshine than any other state in our nation. Solar radiation is at its brightest in our state, and we have upwards of 4,000 hours of sunshine a year on a statistical average.

Ample land is available for siting the Institute, as well as demonstrations, pilot plants, and even huge "solar farms" that may one day provide electricity for the nation. Our land is relatively free of earthquake hazards, and not plagued with strong and potentially damaging winds that could play havoc with solar power installations.

Arizona scientists have been pioneers in solar energy research, and it is indicative of this capability that the Association for Applied Solar Energy was established in Arizona in 1955 by these scientists in company with industry and civic leaders. The Association has become the prestigious International Solar Energy Society, whose World Congress this year will host members from around the world.

Our three universities are deeply involved in solar research and development, and engineers and scientists travel frequently to Arizona for seminars and other gatherings. Arizona industry too is tuned to solar energy and offers an excellent base for the development of solar heating and cooling hardware.

Coupled with all its capabilities and assets, Arizona has the further blessing of sizable population centers and excellent cultural amenities. Both are important in attracting solar scientists and technicians—and their families—to the Solar Energy Research Institute.

ENERGY AND THE ECONOMY

Mr. MOSS. Mr. President, during our August recess I delivered a speech in Utah on energy and the economy. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

ENERGY AND THE ECONOMY

I want to talk to you about energy policy. For the last 18 months much has been said and little has been done about energy use and supply in this country. Much confusing information has been thrown at the public by government officials, energy industry representatives, and crusaders of various stripes. Congress and the President seem to be deadlocked over the question of oil prices.

How did we arrive at this state of affairs and what can be done to break the impact?

So I begin by describing the energy problem as I see it.

There are still many Americans who believe that there is no real energy crisis. With gasoline plentiful at the pumps—with stories appearing in the news of an excess of oil on the world market—with gasoline storage capacity filled to the brim, it is not surprising many people don't believe we face an energy crisis. But we do!

The heart of the problem is that this country is now dependent upon foreign sources for approximately 40 percent of the oil which we consume. This overwhelming dependence is both a national security problem and an economic problem as well.

The middle east countries now provide us with roughly half of our imports or 20 percent of our total consumption. The middle east is one of the most unstable spots in the world. It truly is a tinder box that could blow up at any time. One certain consequence of such a blow-up would be another oil embargo. The U.S. simply cannot afford to be constantly threatened with a loss of 20% of its oil supply.

Even though the other half of our imports come from friendlier nations, such as Canada, Nigeria, and Indonesia, those nations still insist on charging the U.S. the oil price set by the OPEC cartel. That price is going to continue to escalate for the foreseeable future. Morover, some of these sources, such as Canada, are sharply curtailing exports of oil to the United States in order to keep them for the development of domestic petrochemical industries and other purposes. In sum, our national security is threatened by the strong likelihood that imports at some point will be shut off.

The economic problem growing out of our reliance on imported oil is twofold. First, imports drain huge amounts of money from the U.S. and thus adversely affect our balance of payments and depress the dollar in world markets. In 1974 for example, we paid over 25 billion dollars for the oil we imported from abroad.

This drain of dollars creates a loss of jobs here at home. All of those dollars which go abroad are dollars which, if spent here, would create jobs for American workers and increase the income of American consumers.

Under these circumstances, it is clear that the U.S. must take decisive steps to reverse the current trend, which is toward ever greater reliance on imported oil. We must instead move to a position of being self sufficient in energy.

In order to achieve self-sufficiency, there is general agreement that the U.S. must do two things. It must increase domestic production of energy and it must adopt policies which will eleminate energy waste.

There is no difference between Congress and the President on those goals. There is, however, sharp disagreement on the best way to achieve those goals. It is this disagreement which has brought us to the current impasse between the President and the Congress.

The President's philosophy has been to bring about conservation and stimulate production by increasing the price of all forms of energy. He favors rationing by price. He favors giving oil companies a price for all oil high enough to pay for the production of very expensive oil even though it may represent only a small fraction of the total amount of oil produced. Already, newly drilled oil has jumped from three dollars and seventy five cents per barrel before the embargo to thirteen dollars and fifty cents per barrel today—with the price going up. Even old oil is up to five dollars and twenty-five cents per barrel—and soon will be on its way to twelve dollars and fifty cents or thirteen dollars and fifty cents.

The Democratic majority in Congress, on the other hand, has favored mandatory efficiency of used standards, instead of price, as a means of achieving energy conservation. By requiring automobile manufacturers to produce more efficient cars—by requiring industry to meet certain energy targets—by offering incentives for residential insulation—the savings we need in energy can be realized, at substantially less cost to consumers.

The majority in Congress has also questioned the need for sudden large price increases to stimulate production. It takes time to find and bring new oil wells into production—as much as three to five years. The certainty that price will be at an adequate level at the end of that period, rather than what price oil brings today, determines whether high cost exploration and production are undertaken.

There is no doubt that a price of thirteen dollars a barrel will produce more oil than a price of nine dollars a barrel. Congress has been concerned, however, how much more production will be obtained for the increased price. Should every consumer be charged thirteen dollars for every barrel of oil today, even though a small percentage of the barrels we produce cost that much to find and produce?

Another consideration which stirred opposition to the President's original plan of immediate decontrol of oil and gas prices is the adverse economic consequences that immediate decontrol would have. If oil prices are allowed to shoot through the roof, natural gas and coal prices will follow oil upward. The result will be a new burst of inflation, fueled by high energy costs—and will result in hundreds of thousands of further job lay-offs as businesses, unable to afford the higher cost of energy, close down.

At the same time, however, there is much to be said for moving away from the present two-tiered price system for oil. Having one price of "old oil" and one price for "new oil" creates inequities and dislocations in the economy. It requires the existence of an expensive bureaucracy to administer and enforce price regulations, the entitlements program, and the whole complex of administrative regulations which have grown out of the maintenance of oil price controls.

While the President's original policy of immediate decontrol was truly misguided, he has now backed a long way off toward a more reasonable position. I have commended him for moving from his original policy to one of decontrol over thirty-nine months. I believe that it is now incumbent on Congress to concede some ground in an effort to reach a workable compromise. The institutions of government should work, not break down, when faced with tough policy decisions. An intransigent position by Congress will only contribute to further stalemate. That will give us the worst of all possible worlds.

If Congress and the President remain stalemated and all authority for maintaining oil price controls lapses, we will have immediate decontrol with its inflationary and recessionary effects. In addition, Congress will have failed to keep its trust with the American people by failing to try and try again to take positive action. Congress will have weakened the confidence of people in our system of representative government and thereby further shaken the foundation on which our democracy rests. Presidential vetoes do not relieve Congress from its obligation to continue to seek compromise.

As I see it, there are two issues involved in reaching a compromise with the President: Price and time. Some upward movement in price is inevitable. We need price rise in order to stimulate production and to restore a single price for all oil. No compromise is going to be ideal. Whatever decision we finally reach is going to be detrimental to some desirable goals.

Higher prices will place a burden on consumers and may retard economic recovery, but failure to increase price may not get us the oil we need in order to escape reliance on foreign sources. But it is clear that whatever price increases occur must be gradual in order to cushion the shock to the economy and in order to allow time for consumers to adjust to the reality of higher prices. Gradualism, however, creates a problem of its own. Producers may decide to withhold production if prices are escalating rapidly enough for it to be profitable for them to do so.

While these various considerations make clear that the formulation of a workable policy in this area is not easy, one fact stands out: the current chaos must be replaced with certainty so that the energy industries can plan their investment programs—so that work on synthetic fuels, such as coal gasification and oil shale, can proceed—and so that current speculative withholding of oil and gas will be brought to an end.

The President's most recent plan, while it would provide certainty, still has defects. The decontrol period is too short and will likely cause some withholding. The price is initially too high and escalates too rapidly in the second and third years.

As I said before, because it takes years to bring in an oil field, there is little that price can accomplish in terms of additional production in the three year time period of the President's program. Five years or longer is a more realistic time frame provided there is certainty as to the price of oil at the end of that time. Three years is also too short to expect any sigificant contribution from alternative energy sources (coal, shale, solar, tar sands, etc.) but we may have production in commercial amounts from such sources in five years.

It was with these considerations in mind that I proposed a compromise to resolve the deadlock between Congress and the President. Under my plan, new oil would be rolled back in price from its present level of thirteen dollars and fifty cents to ten dollars. That price would be allowed to increase by five cents a month over 66 months—five and one-half years. Old oil would continue at the five dollars and twenty-five cent price level, but each month one and one-half percent of old would be released from its ceiling to climb in price. The one and one-half percent per month figure, or 18 percent a year, corresponds roughly to the rate at which an oil well depletes without secondary or tertiary recovery methods being introduced into the reservoir. The proposal therefore is a realistic approximation of how oil behaves in the real world. Thus, under my plan we would come finally to a single price for all oil after 66 months. That price would be thirteen dollars and thirty cents per barrel, which is about four dolars a barrel higher than the average price of oil today.

There is some evidence that that price, which will be a ceiling price, won't be the floor as well. Market forces may keep the price of gasoline, for example, lower than the ceiling would allow. And that is as it should be, of course. In the long run, market forces will be a more efficient protection for consumers than administrative regulation.

Higher prices are going to be painful, but it now seems that they are inevitable. There is general agreement that oil prices are going to have to go above ten dollars a barrel if the U.S. is to solve its energy problem. The President is in a strong position in the present impasse. By use of the veto he can push his position. Congress appears not to have the votes to override a veto on oil prices.

But Congress, on the other hand, does hold some trump cards. Congress has the votes necessary to keep the President's 39 month decontrol plan from going into effect. This conflict simply does not admit a solution which either side believes is perfect. If Government is to work in this situation, as it must, both sides have to give. Continuous, non-compromising confrontation must cease. The result is going to be higher energy prices. But do we get higher prices with an abrupt jolt to jobs and inflation or do we phase in over five and one-half years?

In a very real sense, this is the end of an era. We are in the twilight of the fossil fuel age, which has been the main building block of an unbelievably abundant technical and industrial society. It has become clear that the old assumptions about having an unlimited amount of cheap fossil fuel to burn are false.

We now must use our technical capacity and the genius of our people to carry ourselves into the next energy era. In the long run, we have limitless energy resources of many kinds—solar, fusion, hydrogen and many others—which research and development can bring into practical use.

In order to bridge the gap from now until then, we must get away from our dependence on foreign oil and still find enough energy to meet our industrial needs and our essential personal needs until the new undeveloped energy sources come of age.

U.S. energy use has soared in the past 20 years—not because of urgent need, but because energy was so cheap and seemingly so abundant. But now our wasteful economy is in serious trouble. But there is a solution to our problems. It lies in producing more energy domestically and learning to get to work, keep warm, and run factories with less energy consumed per unit of service. If we do this, the money saved can create thousands of new jobs. Once we bring the full genius of U.S. know-how to bear on the problems of energy efficiency, we will create a stronger and sounder economic system.

One thing is certain—the worst mistake any society can make in a time of change is to stand pat. Each month that we continue with our old energy-consumption-as-usual habits, we forfeit valuable options. We must start working on the hard decisions now and begin stretching our energy resources now. If we do so, we can create new jobs for tomorrow and preserve our remaining petroleum resources for future generations as well.

These are the tasks which lie before us. They will not be done until Congress and the President agree on an energy policy. If ever there were a time the country should hearken to the words of the prophet Isaiah, this is it: "Come now and let us reason together."

PERCY REBUKES PLO EXTREMISTS FOR THREATS AGAINST INTERIM SINAI AGREEMENT

Mr. PERCY. Mr. President, at this time when we have reason to expect a reduction of tensions in the Sinai as a result of the Israeli-Egyptian interim settlement, it is disturbing if not surprising to hear threatening sounds from certain Palestinian leaders.

It is clear that the Palestinian extremists feel alienated as they see other Arab leaders now acting in a more conciliatory manner, one which provides the first glimmer of hope that the Arab-Israeli dispute can be settled by negotiation rather than war. To extremists, the path of negotiation is so contrary to their hit-and-run tactics that the very thought of it is threatening. So threatening in this case, in fact, that the PLO newspaper in Beirut has urged Arabs to shoot to kill any Americans stationed as cease-fire observers in the Sinai.

This threat is patently designed to encourage opposition in the U.S. Congress to sending 200 American civilian technicians to the Sinai. It deliberately ignores the fact that American technicians in the passes will be in the U.N. buffer bone under the protection of U.N. troops, and that provision is made to withdraw the Americans immediately should they ever be in jeopardy.

The PLO threat will not influence congressional action one way or another. What it will do—like previous PLO threats and acts of terrorism—is to further hinder the legitimate rights and goals of the Palestinian people.

I would hope that Yasser Arafat would realize the inestimable damage to his cause every time such an irresponsible threat is published or broadcast. Every threat, every raid, every murder, can only delay the day when the Palestinians are given a homeland of their own.

Palestinian interests were not included in the new settlement because the settlement was between Israel and Egypt and covered only a partial withdrawal in the Sinai. Should the PLO decide publicly to accept the continued existence and sovereignty of the State of Israel as a Jewish state, I feel confident that the PLO and other Palestinians could also negotiate with Israel. Not all Israelis reject the thought of a Palestinian homeland on the West Bank, but nearly all Israelis refuse to approve negotiations with a movement most of whose leaders still speak out for the destruction of Israel as a Jewish state.

If Yasser Arafat wishes to prove to the world that he is indeed less extreme than his rivals in the PLO, now is the time for him to initiate some restraint over the belligerent PLO propaganda and the savage attacks on Israeli civilians which continue to poison the Palestinian cause.

It may be too much to hope at this time, but I hope that very soon the Palestinians will learn from President Sadat the advantages of accepting the reality of Israel's existence and of negotiating cooperatively to reduce tensions. The interim settlement will allow Egypt to develop her economy in the interest of her people. An end to physical and rhetorical violence by the Palestinians is their best bargaining chip if they really want peace, stability and a homeland for their people.

GOALS OF CITY OF HOPE

Mr. CRANSTON. Mr. President, for 62 years the City of Hope National Medical Center in Los Angeles has fought to conquer the major diseases of our times. The name has become synonymous with concern for human suffering, with quality medicine and superior biomedical research. I believe we all owe a debt of gratitude to these individuals whose humanism has done so much to improve the health and well-being of Americans.

Mr. President, I would like to share with my colleagues a very fine speech given at the 1975 biennial convention of the City of Hope. I ask unanimous consent that the keynote address of Ben Horowitz, executive director of the City of Hope, be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

KEYNOTE ADDRESS, 1975 BIENNIAL CONVENTION

(By Ben Horowitz, Executive Director)

Once again we come together for a Biennial Convention of the City of Hope.

It is an occasion for reports and deliberations, for sharing and decision-making, regarding our mutual objectives of furthering health and humanism in America. As is our custom we will view with pride the strides we have made and passionately resolve to push forward the frontier of medical knowledge, to measurably enrich the values of our society. One thing we all take for granted ... we are here not only to predict a better future for humanity, but to make it happen.

The tasks involved in such a mission are not undertaken lightly or in a spirit of arrogance. You delegates and the tens of thousands of auxiliary workers you represent know that the steady growth of the City of Hope has not been a matter of accident or luck. It reflects the feeling, thinking, believing, and working poured into our movement by committed supporters of our cause.

All of us accept the premise that our personal goals and those of the City of Hope intimately coincide. As an organization our purposes are: to provide the best, personalized, free care to those coming to our doors; to seek out the prevention, causes, and cures of catastrophic diseases afflicting millions everywhere; to project a society where the welfare of each must be the concern of all. As individuals, we recognize that these endeavors help us toward self-realization and self-fulfillment, making us happier human beings.

We will be meeting in sessions at this 1975 Convention to hear from those to whom we have entrusted the responsibility for implementing the resolutions of our 1973 Convention. With this as a foundation, we will act on policies to be pursued in the next biennial period. More important, we will act on a ten year master plan, inspiring in concept and vast in scope. You will vote, I am confident, not just with upraised hands but with uplifted hearts.

In my keynote address two years ago at a similar assemblage, I expressed apprehension about conditions in America, particularly the mood of its people and the feverish crisis in medicine. I urged our supporters to reject the prevailing pessimism and to raise the banner that "the City of Hope refuses to stand still or retreat."

Since that time setbacks in political, social, economic and foreign affairs have deepened a general feeling of helplessness and despair. How fared your City of Hope in this time of stress? It is gratifying to state that, as a result of your deep convictions and heroic efforts, our organization has expanded in every phase of its operations, experiencing the greatest advances in our history!

Let me review these accomplishments for you:

OUR HOSPITAL

The unsurpassed quality of care at the City of Hope, rendered in loving kindness and preserving the self respect of patients, has become a yardstick for all hospitals. This has earned us the characterization in the mass media of "a hospital with a soul" and a comment by a recent patient that "God walks the corridors of the City of Hope."

Our census of inpatients and outpatients reached a new all-time high. They come afflicted with such catastrophic diseases as cancer and leukemia; heart, blood and respiratory maladies; diabetes and other disorders of heredity and metabolism. Innovative approaches included: the utilization of biofeedback training; a cystic fibrosis clinic for young adults; a Pain Clinic employing diverse specialists and techniques; a rehabilitation facility for victims of chronic lung diseases; coordinated diagnostic screening and treatment for patients with diabetes and other metabolic disorders; the extension of the Genetics Counseling services to other hereditary maladies; better therapy for several forms of cancer by the use of new combinations of surgery with radiation and chemicals; significant increases in the number of long term survivors among leukemic children by new and aggressive rotational chemotherapy; enhancement of the role of social workers, nurses and occupational therapists; and many, many others.

Unhesitatingly, the most modern equipment known to medical science has been installed. Outstanding medical specialists in various fields were added to our staff, whose stature is world-renowned.

OUR CONSULTATION SERVICE

The know-how of our Medical Center staff is at the service of private physicians and institutions, on behalf of patients throughout America and the world. It is intriguing to note that on a single day this year, we had requests for diagnostic confirmations and therapeutic recommendations from several states in this country, Hong Kong and South America. The demands on the expertise of this panel of specialists are constantly increasing.

OUR PILOT MEDICAL CENTER

Our quest is the relief of pain, the prolongation of life, and the effecting of cures. We will settle for nothing less than the elimination of crippling and killer diseases. There is no question that the weapons to achieve this can only come from research, more research, and still more research. To attain this we have created a Pilot Medical Center, unceasingly probing the mysteries of health and disease, of life and death.

Some 330 discoveries and findings emerged from our laboratories during the past two years. Prestigious journals have published the work of our staff. Invitations were extended to them to present papers at conferences in this country and abroad. Awards and positions in professional societies were bestowed on our physicians and scientists.

Some 100 research projects are underway, conducted by every department. The outcome of their investigations will have influence on the fate of present and potential sufferers of major ailments.

OUR THINK TANK FOR HOSPITALS

The crisis in the delivery of health care in America is aggravated every year. Confronted by soaring medical costs, personal savings disappear. Depersonalized mass medicine is the rule and patients lose a sense of human identity.

The City of Hope has been fully justifying its claim that, figuratively speaking, "we are a hospital without walls." Our task forces in various aspects of hospital functions, have been studying and projecting new techniques for improving the quality, quantity, economy and efficiency in the delivery of medical care.

It is an indication of our contributions to this field that investor-owned hospitals in various communities are organizing fundraising events for the City of Hope, as a mark of appreciation for enabling them to provide more effective services.

OUR AUXILIARY MOVEMENT

In a real sense, our auxiliaries are the propelling force of our organizational progress. The dedication, ingenuity and perseverance of their members have made possible tremendous increases in our funds, relayed information about our programs to ever-widening audiences, and enlisted multitudes to our ideology.

The activities and memberships of existing auxiliaries have mushroomed. The number of auxiliaries chartered during the last two years has been double that of any previous convention span . . . we can point to 115 new groups; this makes a total of 513 affiliates, in 220 cities, 30 states and Washington, D.C.

What is exciting is the ferment of new ideas, new formats, and new techniques that are bursting forth in our auxiliary movement, in all parts of the nation. They herald a bright prospect for the future.

OUR FUNDRAISING

The income for 1973–75 will be $47,500,000—an increase of more than $7,000,000 over 1971–73. We have met our operating costs in full and allocated funds for essential components of our New Horizons Program.

On Sunday, at the visit to our Medical Center, you will see the fruition of some of these New Horizons dreams. A sum of $13,850,000 (inclusive of previously earmarked funds and a bank loan) has brought into being a Northwest-John Shubert Building, a Sunny and Isadore Familian Children's Center, a Graff Garden Plaza, remodeling of almost every nook and cranny of our facilities. Look, hear, and wonder as you tour at these miracles of creation which have come from your minds and hearts.

OUR IDEOLOGY

No recounting of our onward course would be complete without reference to our ideology. We describe it as humanism, a way of life which insists on the preciousness and uniqueness of each person. The survival of the human race depends upon concern . . . not with humanity as a vague generality . . . but with the well-being of each individual. We cannot accept the view that people are in the same category as animals . . . merely to be born, to exist, to die. It is our insistence that humankind is qualitatively different, that what distinguishes us is our ability to love, to hope, to share. This is not just altruism. In giving, we receive; without holding results in becoming lonely and deprived, emotionally and spiritually.

The ideology of the City of Hope encompasses a vision, both personal and social. True, it may be difficult to attain within our own generation. Nevertheless, we have accepted the obligation of pursuing the betterment of the human condition. We are doing our part to forge a society where people can think better, live better, and feel better.

In doing this, our auxiliary workers are piloting side by side with our Medical Center staff.

OUR LEADERSHIP

It has been often said that people get the leadership they deserve. How true this has been of the City of Hope!

Our auxiliaries have been fortunate in their choice of officers. Those at the helm of our national organization have been wise and dynamic in the conduct of our affairs. The presidency of Percy Solotoy, the officcers and membership of our Board of Directors, the full-time association of Honorary President Mannie Fineman, Executive Medical Director Rachmiel Levine, Medical Center Administrator Robert Sloane, and so many others have significantly contributed to our ever-expanding momentum. We owe them a debt of gratitude.

OUR FUTURE

We have no crystal ball to foretell events to come. Economists tell us that the recession is bottoming out and the pace of inflation is slowing down. Good! But at best this means that, sometime next year, there will be an improvement, with lingering unemployment. Yes, these are tough times, but it's tougher on those battling for their lives, particularly when personal means are modest and the medical care is expensive. The City of Hope cannot say to patients coming to our doors, "Sorry, come back next year when things are better." Nor can we cut back on research—it's poor economy to save dollars and lose lives, those millions of victims who inevitably will be stricken by catastrophic diseases year after year.

I wish I could believe that federal, state or local agencies will expand the funding of health care in the immediate future. We have seen hospitals closing their doors, research staff cut, laboratories phased out, and even slowdowns by doctors. It is unlikely that this atmosphere will be reversed. Unfortunately, there are so many political, fiscal, and human factors standing in the way.

More than ever before, the nation will look to the City of Hope as pilot, charting a course which aims at higher sights. The American people know what to expect from the City of Hope. We make no small plans, for they have no magic to stir the blood and spirit of men and women ready to dare. The doctors, scientists, nurses, technicians and support personnel of our Medical Center are poised for the gigantic tasks that lie ahead. They await words and deeds from you delegates at this Convention, and subsequently from our auxiliary volunteers in their communities. Give them the signal that nothing will deter us, that the material resources will be available to reach the goals we have set for the future.

A NEW MASTER PLAN

There is good reason for confidence in what you will be doing. The past is precedent for the future. In 1965, the City of Hope reached the conclusion that bold actions must match lofty aspirations and launched its New Horizons Expansion Program. Our income ten years ago was $7,900,000 and this year it is approximately $25,000,000.

Now, in 1975, you will be asked to give a mandate to a budget of $56,600,000 for the next two years. Also for your consideration will be a ten-year New Horizons master plan for raising and expending an additional $28,400,000 for new facilities. These dollars of hope and life will strengthen the unique programs already in effect at our Medical Center. They will bring into being innovative, expensive programs such as bone marrow transplantation, cancer immunotherapy, explorations of the impact of disease on workers in industry, and prepare for more piloting programs.

Such planning is testimony to our grand ambitions. The budget given to you will not contain cold statistical figures, but warm human hopes. Its realization depends upon each auxiliary worker acting as if the success or failure of the entire City of Hope program rests upon his or her shoulders, individually. If that sense of personalized responsibility is accepted, our goals for physical healing and spiritual restoration will become a reality.

This generation of Americans is the recipient of a heritage of some 200 years. It is appropriate that the United States Bicentennial Committee is designating the City of Hope as a site of interest for visitors from all over the nation and countries overseas.

The slogan of this Convention is "City of Hope . . . A Heritage for All Humanity." Of course, this indicates pride in our past. More important, the leaders and members of our organization have continuously augmented this heritage.

We are projecting new challenges. They will be met with foresight, courage, and determination by our volunteer workers throughout the land. The society of tomorrow will be shaped in great measure by what the family of the City of Hope does today. We are engaged in a race against the clock, a race to save men, women and children from excruciating suffering, a race for life. But we are concerned with doing more than curing the diseases of flesh, bone, and tissue. The promise of the City of Hope encompasses the quality of life, the flourishing of the human spirit, the togetherness of a Family of Humankind. This is the faith, vision and inspiration you bring to the people of a sorely-troubled world. Reach out to them for the sake of ourselves and that of our posterity!

MENNINGER'S—50 YEARS AND LOOKING TO THE FUTURE

Mr. PEARSON. Mr. President, this year the Menninger Foundation of Topeka, Kans., is celebrating 50 years of service to Kansas and the Nation. On this occasion, I feel that it is appropriate to call attention to the past accomplishments and future goals of this remarkable organization.

The term "Menninger's" is synonymous with excellence and leadership in the field of psychiatric care. Over 50 years ago, Dr. Charles Menninger and his two sons, Drs. Will and Karl, established the hospital facility in Topeka. Today, this institution admits 300 patients annually, 95 percent of whom come from outside Kansas. On the current staff of 880 people, 120 are either psychiatrists or psychologists. The contributions of the foundation to the Nation are exemplified by the fact that 5 percent of all psychiatrists in the United States were trained at the Menninger facility in Topeka.

But Menninger's is more than a hospital or a treatment facility. It is a composite of dedicated human beings engaged in training, research, and treatment. Under the leadership of Dr. Roy Menninger, eldest son of cofounder Dr. Will, the foundation has its eye on the future.

The foundation is branching out, and in addition to psychiatric treatment at the hospital has sponsored the use of trained mental-health workers in a community setting to reduce tensions and promote better community relations.

Another new project conducted under the auspices of the foundation is the development of "the Villages," a home for children near Topeka. The Villages demonstrates that group homes for children can provide a normal family setting for the emotionally disturbed child. Children growing up at the Villages have a new environment, and learn while there, what it is to be loved, and to love, to cooperate instead of to hate and fight and steal.

In keeping with the foundation's refusal to rest on its laurels, Menninger's has commissioned a study of the foundation's future goals and methods for reaching them during this 50th anniversary year. Surely nothing would tell us more about the nature of this organization than the fact that its celebration of the past is focusing on the future.

Mr. President, as a Kansan I am proud to claim the Menninger Foundation as an institution centered in my State. As an American, I am proud to know that there are dedicated people in our country who commit their lives to serving others. As a human being, I am grateful to learn that there are people like the Menningers who care about others.

THE ADMINISTRATION'S NEW POLICY ON FOREIGN AGRICULTURE

Mr. McGOVERN. Mr. President, this morning's edition of the Washington Post carries a lengthy article entitled "Old Grain Policy Unworkable, U.S. Officials Found," written by Robert G. Kaiser. The thrust of the article indicates that the Secretary of State, the Secretary of Labor, and George Meany, with the blessings of the Ford administration, have ousted the Department of Agriculture and its Foreign Agricultural Service from the international grain sector and have dispatched the Under Secretary of State to Moscow to negotiate long-term grain commitments.

Though I applaud the general nature of the mission—in fact, I have cosponsored a Senate resolution with Senator Dole to this effect—I seriously question the wisdom of abruptly yanking the mechanisms from their traditional sources and giving a few labor leaders and the State Department the guiding role over the disposition of the hard work of American farmers without consulting the Congress and its appropriate committees.

When asked where this agreement came from, Secretary of Labor Dunlop proudly said, "Very simple; it came from me." Now, if foreign agricultural policy is going to be set by the Labor Department with the concurrence of the Secretary of State, I think the Congress ought to know about it. I have drafted a letter to Senator Humphrey, chairman of the Agriculture and Forestry Subcommittee on Foreign Agricultural Policy expressing my concern—a concern which I know he shares. I ask unanimous consent that the text of the Post article, together with the contents of my letter to Senator Humphrey, be printed in the Record.

There being no objection, the article and letter were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Sept. 11, 1975]

OLD GRAIN POLICY UNWORKABLE, U.S. OFFICIALS FOUND

(By Robert G. Kaiser)

The United States changed its policy on grain sales to the Soviet Union this week after the Ford administration concluded it could no longer afford the economic, political and diplomatic costs of its old policy, according to official sourcs.

The new policy—to seek a long-term commitment from the Soviet Union to buy a minimum amount of American grain every year—was announced Tuesday after George Meany, president of the AFL–CIO, agreed to call off a labor boycott of grain shipments to the Soviet Union.

Under Secretary of State Charles Robinson left for Moscow yesterday to begin talks with the Soviets on a new agreement.

Robinson was sent on this mission, according to informed sources, because of these administration calculations:

Volatile grain markets contribute to inflation and thus pose threats to the administration's economic policy and to its prospects in the 1976 elections.

The negative public reaction to grain sales to Russia—a consequence of the massive sales in 1972–73 that contributed to rising American food prices—threatened to spill over to the administration's entire policy toward the Soviets, thus endangering detente.

The Soviets will continue to need American grain for years to come and should therefore be amenable to a new, long-term purchasing agreement.

These calculations are not new, but external factors—the labor boycott of grain shipments to Russia and a bad harvest this year in the Soviet Union—brought them to the forefront of administration discussions on grain policy.

This account of the administration's change of policy is based on a series of interviews yesterday with officials involved in the process, and on statements by Secretary of Labor John T. Dunlop, perhaps the key official in these events.

Dunlop himself, according to associates, first got interested in the inflationary consequences of uncontrolled Soviet grain purchases in 1974, while still director of the Cost of Living Council. Dunlop, one source said, became convinced that the Agriculture Department had mishandled grain sales and allowed them to contribute unnecessarily to rising food prices.

This summer, when the Soviets again signaled their intention to make major new purchases of U.S. grain, administration officals in several offices began to worry about the repercussions. In early August the policy planning staff in the State Department discussed this issue with Prof. Marshall I. Goldman of Wellesley College, an expert on the Soviet economy, and later produced a paper recommending a moratorium on further grain sales to Russia until the effects were better understood.

Even earlier, organized labor began to take note of the new sales. The longshoremen's unions—which has its own sources among grain traders—told a committee of maritime unions that has been meeting regularly for the past two years that the Soviets were again planning major purchases. At their convention in late July, the longshoremen voted to boycott further shipments.

On Aug. 18 Meany reiterated the boycott threat in a news conference, and longshoremen in Houston began to implement it. Meany demanded that the administration adopt a new policy to protect American consumers against the consequences of Soviet grain purchases.

A week later Meany and other union leaders were invited to the White House, first for a working session with Secretary Dunlop, James T. Lynn, director of the office of management and budget, and L. William Seidman, assistant to President Ford for economic affairs.

Later they saw the President, too, and Mr. Ford designated Dunlop as his agent to try to work out some compromise.

The final plan announced Tuesday was Dunlop's work. "Where did it come from?" Dunlop said when asked about the plan's origins yesterday. "Very simple. It came from me."

Dunlop apparently had two kinds of negotiations to conduct—first among key officials in domestic agencies and the labor movement, and then with Secretary of State Henry A. Kissinger. The Dunlop plan was held up until Kissinger's return from the Middle East Sept. 3. Kissinger had to agree to change the administration's approach to the Soviets, which he did.

Dunlop was not sure that the deal would be accepted by Meany and the maritime unions until they met again with President Ford Tuesday.

At that meeting the President read a statement he proposed to release to the press, in which he said the United States "must have a new procedure for the sale of feed grains and wheat to . . . the Soviet Union." Meany heard him out, Dunlop said yesterday, then said he thought the longshoremen should voluntarily abandon their boycott.

"I nudged Teddy," Dunlop recounted, referring to Theodore Gleason, president of the International Association of Longshoremen, who was sitting next to him at the meeting. Gleason said he agreed with Meany, and the deal was made.

Administration sources said yesterday that there had been no serious disagreement about adopting the new policy. It was, several sources agreed, an idea whose time had come.

The new policy does contradict the philosophy of Agriculture Secretary Earl L. Butz, however. He has favored a completely free international grain market and has said that American consumers have to learn to live with higher grain prices.

Several officials noted the symbolic significance of the fact that Under Secretary of State Robinson was chosen to negotiate a new arrangement in Moscow. Previously, only Butz and his colleagues in Agricultural have dealt with the Soviets on agricultural matters.

One participant in the last fortnight's events speculated that Secretary Kissinger welcomed the chance to bring the last major element of relations with the Soviet Union—grain sales—within his personal domain.

One expert in the field suggested yesterday that the United States could now ask for a wide range of concessions, committing the Soviets to join an international system of grain reserves, promising fixed purchases of American wheat, providing more information about their own crops, and perhaps even making concessions on fishing rights.

The Russians do not appear to be in a strong bargaining position. They have apparently had a poor crop this year, and they are borrowing heavily from American and European banks to purchase grain. The United States now has a moratorium on further sales, and it would be politically difficult for the administration to lift that moratorium without substantial Soviet concessions.

COMMITTEE ON AGRICULTURE
AND FORESTRY,
Washington, D.C., Sept. 11, 1975.

Hon. HUBERT H. HUMPHREY,
Chairman, Subcommittee on Foreign Agricultural Policy, U.S. Senate, Washington, D.C.

DEAR SENATOR HUMPHREY: Fundamental changes in American policy on international agricultural trade have been made within the last three days.

Many in the Congress and in the agricultural community are deeply disturbed that such basic reversals in policy could be made without real consultation with the Congress, without any genuine consideration of the views of the farm community, and apparently with little study and thought, in response to pressure from a few leaders of the trade union movement who may not even be representative of the best interests of their own members.

This week's developments have raised more questions than they have answered, and I am deeply concerned that the Congress be made aware of what has happened, and where it will lead.

While the announced intention of seeking long-term agreement with the Soviets for minimum annual levels of purchases of grain from the United States is consistent with the views that you and I have shared for many years, nevertheless I am disturbed at the manner in which such a policy decision apparently has been reached.

Press accounts suggest that, in view of the involvement of a few labor leaders in the discussions which led to the President's announcement of September 9, the major role was played by Secretary of Labor Dunlop.

Further, the announcement suggests that future policy will be determined largely by a Food Committee of the National Security Council and the Economic Policy Board—by non-elected employees of the White House are not confirmed by and may not be answerable to the Congress.

There is every suggestion that the Department of Agriculture has been isolated from any substantive role in determination of international agricultural trade policy. If that has happened in fact, there are widespread implications for American agriculture of grave concern to this Committee.

Central to these recent developments, of course, is a policy determination that this Administration will place an effective lid on prices of farm products.

It appears to me that this Committee needs to know, among other things:

1. What is the price ceiling for farm products which the President seeks, and under what statutory authority does he intend to seek to impose it?

2. If the Administration has, in fact, put a price ceiling on farm products, will it reconsider its opposition to a meaningful minimum price?

3. Under what statutory authority would the Administration conclude an agreement with the USSR for minimum annual purchases over a long period?

To answer these and other questions, it seems appropriate that the Subcommitte on Foreign Agricultural Policy hold early hearings on what is almost certainly one of the most basic shifts in agricultural policy ever made in this country.

It would be appropriate to call Undersecretary of State Robinson before the Subcommittee to relate what he will have learned from his discussions with the Soviets this week and next, and to call the appropriate officials of the administration, including Secretary Dunlop, to relate how these policy determinations were made.

With every good wish, I am

Sincerely,

GEORGE MCGOVERN.

THE ENERGY SQUEEZE

Mr. McGOVERN. Mr. President, on September 10, 39 Members of this body voted to sustain the most dangerous and irresponsible of all the ill-advised Ford vetoes. I believe that we shall all soon regret their decision.

By voting to support the President on oil price decontrol, the 39 voted to inject a massive new dose of inflation into our economy. In order to bribe the oil companies to produce, they voted to tax each American family by as much as $1,575 in direct and indirect price increases for energy in the coming year. They voted against employment and for prolonged and deepening recession. They voted to transfer as many as $60 billion additional dollars from consumers and businessmen to the oil companies by the end of 1976.

Mr. President, energy is not just any commodity. It is the essential input for all of our industry. When energy prices rise all other prices must inevitably follow. Energy is the main trigger for inflation and recession in our economy. A responsible energy program could play an important part in recovery.

In testimony before the Committee on Agriculture and Forestry on September 9, Matthew Kerbec, president of Output Systems Corp. in Arlington, Va., gave a lucid, thoughtful, and carefully-documented presentation on the role of energy prices in our economic crisis. I consider his analysis very well worth our attention.

I ask unanimous consent that Mr. Kerbec's testimony before the Committee on Agriculture and Forestry be printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

DECONTROL OF OLD OIL PRICES

(By Matthew J. Kerbec)

I am Matthew J. Kerbec, engineer, economist and author of the study Superinflation/Recession—Causes, Effects and Cures which was the result of a three year research program. This effort provided the theoretical basis for predicting the present economic crisis over 24 months ago.

It is generally agreed that inflation and unemployment are the Nation's top concerns. In the past eighteen months since January 1974 the Consumer and Wholesale Price Indexes have consistently listed fuel and food as the major causes for inflation. It has been mistakenly argued by many that the Federal Reserve Board's manipulation of interest rates, government spending and the value of the dollar were the primary causes for the present inflation and resultant unemployment. These reasons had little to do with the OPEC decision to quadruple oil prices. This was and is the major cause for increased costs, lost jobs and soaring budget deficits. The direct and indirect economic effects of these price increases were tremendously magnified when the U.S. Government adopted high energy prices as a national policy and proposed legislation that would raise all U.S. energy prices to OPEC levels even though we only import 20% of our total energy needs (40% of our oil). Decontrol will seriously aggravate our current economic crisis.

Greatly publicized is the fact that foreign grain deals and the weather affect food prices. Unnoticed is the fact that energy represents a major food cost. William J. Scherle, Assistant Deputy Administrator for Programs for the U.S. Department of Agriculture has testified that "10% of the total energy consumed in America is consumed in the food and fiber sector—from the provision of inputs to the farmer, through production, processing, transportation, marketing and retailing." He also said, "If the energy required for home refrigeration and cooking of food is added, then about 13% of our total energy is used in the entire food system." According to the March 24, 1975, edition of Business Week the top 46 energy companies increased sales by $90 billion in 1974 compared to 1973 ($117 to $207 billion in one year). This was almost pure inflation in that less crude oil and natural gas was produced in 1974. In measuring the impact on the Nation's economy this is overstated as it includes international sales. It is understated in that it does not include sales from the 4,000 members of the Independent Petroleum Association of America nor the 15,000 independent petroleum wholesalers and retailers represented by the National Oil Jobbers Council.

Based on the Business Week figures, consumer costs for buying and preparing food went up by $11.7 billion in 1974. This only includes the direct costs. As food wholesalers and retailers calculate selling prices as a percentage of cost many of these energy price increases are compounded as they travel through the food pipeline. There is one absolute truism. Higher energy prices automatically guarantee higher food prices. Total farm income from all grains was only $23 billion in 1974.

As fuel and food are proven causes for the largest part of our past and present inflation there is no rational justification for adding to inflation by again hiking fuel and food costs. As energy is the only commodity that is absolutely necessary to obtain, produce and move all raw materials and products it has direct and economic ripple effects far exceeding other commodities such as steel, wheat, glass or timber.

In assessing the impact of decontrol of oil prices it is important to see what happened to the economy as the result of past energy price increases. In the eighteen months since January 1974 the CPI has shown an average annual rate of inflation of 10.8% on a monthly basis. Based on a Gross National Product of $1.4 trillion annually this represents a loss of consumer, business and government buying power of about $12.6 billion per month or $226 billion for the past eighteen months. The greatest part of this is recycled back into the economy in the form of interest bearing government or other securities, acquisitions, as payment for foreign oil and other purposes. Little is returned in the form of wage increases that will restore purchasing power. It is estimated that energy is responsible for about 60% of the total inflation. Most of the remainder of the high prices was triggered by the basic and other industries that were in a position to raise prices and still sell their products.

One of the most dangerous mistakes that can be made is in thinking that sudden large energy price increases only have a one shot effect. Actually they start a chain reaction that takes years to dampen. Massive energy price increases caused unprecedented economic distortions most of which could have been avoided. Five major effects are:

(1) Consumers, businesses and governments have lost and continue to lose about $100 out of every $1,000 they spend due to reduced purchasing power caused by higher prices. This process is continuing even as demand declines. Decontrol of old oil prices will make this situation worse.

(2) The Federal Reserve Bulletin for July 1975 shows that plant utilization dropped from 68.2% in the first quarter to 66.5% in the second quarter of 1975. This was the lowest rate ever recorded. The primary reason was production cutbacks due to reduced sales caused by inflation.

(3) Inflation caused high interest rates and prices for housing and cars. These industries are still lagging behind last year's sales. Retail sales for the first seven months of 1975 were up about 7% compared to last year. With an annualized rate of inflation of 9.7% this means less products were sold. This is doubly alarming when it is remembered that more than $13 billion was pumped into the economy in May, June and July to stimulate retail sales. The pump priming had little effect and this is understandable in that inflation is costing somewhere around $12 billion a month. Inventories in June 1975 were up $20 billion from a year ago.

(4) Inflation has cost 3 to 4 million jobs as the drop in purchasing power caused lost sales in those industries that produced products that people could do without or postpone buying (houses, cars, appliances, etc.). There is nothing on the horizon that indicates that this purchasing power will be restored to any meaningful degree. Decontrol of old oil prices will aggravate unemployment and the other items listed above.

(5) As a result of these effects all levels of government are squeezed between dropping tax revenues, higher material costs, increased wage demands, and growing expenditures caused by unemployment problems. The Federal Government is expecting a 1976 budget deficit between $60 and $100 billion. This is the tail end of the first round effects caused by high energy prices and still has to be paid. This is the bottom line showing how the Nation pays for a $12 billion a month inflation with no end in sight even without the decontrol of oil prices. Cities across the country are now in the middle of massive financial problems and labor-management confrontations. When it becomes necessary to lay off policemen, firemen, teachers and sanitation workers our economic problems assume a new meaning. These events transcend economic considerations and present a flashing danger signal that could be a first step in the dissolution of our civilization.

Far from being a one shot affair sudden massive price increases for energy and other basic commodities have started a series of economic shock waves that have yet to run themselves out. The economy is in precarious shape. According to a Congressional Research Report, dated August 6, 1975 the decontrol of old oil prices will force up prices for natural gas and coal. The total inflationary impact including the direct and indirect effects will amount to over $40 billion or another $3.3 billion per month. Superimposing another inflationary load of this magnitude on an already reeling economy poses serious questions concerning the ability of the government to manage the economy in any realistic way.

There are many actions that can be taken. Some of the major ones are listed below:

A. Stabilize energy prices by following Canada's example. The U.S. Government should buy foreign oil and sell it to refineries at a lower price, say $6 per barrel. This would cost about $16 billion a year in subsidies and stabilize costs for coal, natural gas and domestic crude oil. This in turn would bring down transportation, steel, farm, electric, industrial chemicals, plastic resins and agricultural chemical prices. As some combination of these items are used by all industries this would have a *deflationary* effect throughout all sectors of the economy, add to purchasing power, increase sales and put people back to work. If the $16 billion in subsidies is compared to the annual $151 billion we are now losing as a result of inflation it is the best bargain around. An added attraction is that the budget deficits will come down. There is a direct cause-effect relationship between massive inflation and massive deficits.

B. It is urgent that we increase energy production in the United States immediately. The many times proposed Government Energy Corporation should be implemented to produce coal, oil and natural gas from Federally owned lands. We are not sure when and if another oil embargo will occur. However, we are sure that if Canada's conservation program prevails they will stop all shipments to the U.S. by the end of 1982. This means a loss of about 900,000 barrels a day. The ability of the private sector to meet the Nation's energy needs on a crash basis at responsible prices is extremely questionable. In 1974 with increased revenues of $90 billion it produced less oil and gas.

C. Energy conservation is a must. However, allocating energy using price as a rationing device instead of some government controlled method is inhumanly inequitable. All people require a basic daily minimum input of energy for physical and/or economic survival yet the level of income people receive ranges from the poverty level upward. The high price approach for such a vital need raises serious doubt that indeed this is a government for the people and by the people. The mistaken belief that tax adjustments will balance out the economic effects of higher energy prices is the basis for an excess profits tax on decontrolled old oil. Government officials make the argument that when energy profits are taxed and these taxes are returned to the people the net economic effects will add to zero. This is a misconception of the first magnitude.

Exhibit 1 is a simplified diagram of the manufacturing sector of the economy. Government spokesmen have explained that under the energy proposals President Ford submitted to Congress on January 15, 1975, energy prices would increase by $30 billion. It was argued that this $30 billion would be taxed and this tax would be returned to consumers and the net economic effects would be zero. Dr. Alan Greenspan, Chairman of the Council of Economic Advisers, has many times testified that past and proposed energy price increases have negligible economic effects even though each month the Consumer Price Index lists as the largest inflationary items both fuel and food.

More informative are the variations in wholesale prices of the energy intensive basic industries. Attachment 1 shows that wholesale prices for energy and the energy intensive basic industries went up 68.8% in the year ending October 1974 and 16.6% for the preceding four months. The major reasons for these unprecedented price increases were the huge energy price increases and the concentrated monopoly marketing power of the basic industries. The economic ripple effects caused by these price increases include inflation, lost purchasing power, lost sales, unemployment, increased crime, strikes and skyrocketing budget deficits.

There is an immediate requirement for selective price and wage controls to keep basic product prices from continuing to rise in the face of falling demand. Anyone who maintains that there are no economic ripple effects has not looked at the price movements in the basic industries in the past eighteen months. The core of our current economic crisis has been in the lack of a comprehensive evaluation of economic ripple effects of past price increases with special emphasis on industry evaluations relative to competition, unemployment, sales, wages, inflation, profits, strikes and productivity.

The most rudimentary analysis of the economic damage caused by past energy price movements automatically rules out sudden huge energy price increases as a public interest solution to energy problems.

That ends my prepared statement. I would like to add for the record some of the major farm expenses from the Department of Agriculture's July 1975 issue of the Farm Income Statistics dealing with 1974 expenses:

	Billions
Purchased feed	$14.9
Hired labor	6.0
Fertilizer purchased	5.4
Seed	2.0
Petroleum fuel and oil	2.6
Tractors, trucks, and automobiles	3.0

About 43% of the raw material costs to produce fertilizer is natural gas and other fossil fuels. The fertilizer costs are almost as large as the labor bill. More important, is the feed costs which are the largest single farm expense. Feed grain is mostly corn which requires large amounts of fertilizer in addition to all the other energy costs which are part of growing grain (farms used 8 billion gallons of fuel in 1974). This means that energy is a significant part of the cost of feed grains which is in turn passed on as higher livestock costs with the attendant compounded markups. My personal belief is that, the 13% of the Nation's annual total energy bill understates the dollar costs to consumers.

When all permutations of food costs, which are triggered by energy price increases are computed the total dollar costs to consumers could be as high as 20%. For example, the total energy bill for 1974 was about $200 billion. At 13% the food component would amount to $26 billion, if both direct and indirect costs are included this could reach $40 billion.

One last important point should be made. From the planting of corn to marketable livestock may take up to 18 months. Energy price increases today will not be felt until 1977 on the consumer level. As prices for natural gas and coal are increasing regardless of whether old oil is decontrolled there is nothing to look forward to with respect to reduced food prices.

ATTACHMENT 1

CHANGES IN WHOLESALE PRICES FOR BASIC INDUSTRIES

[(Percent change in last 3 mo—28.1 percent) (Percent change in last month—2.3 percent adjusted) (Percent change in last year—22.6 percent)]

Wholesale price index October 1974	Percent change				
	October 1973 to October 1974	October 1974	September 1974	August 1974	July 1974
Coal	*75.9	6.1	3.9	4.0	7.0
Crude petroleum	69.7	.4	.1	.4	11.3
Gas fuels	**25.0		−12.3	1.3	23.8
Coke	82.3	8.7	3.9	5.6	2.7
Petroleum products, refined	*82.3	.5	−.4	1.9	3.1
Electric power	35.0	2.6	1.9	1.8	1.8
Industrial chemicals	*72.7	4.3	3.9	7.9	5.9
Agricultural chemicals	*77.7	17.3	2.3	8.4	9.0
Plastic resins and materials	*93.8	2.6	8.6	8.9	4.8
Iron and steel	*43.6	.5	1.2	2.8	7.0
Nonferrous metals	*35.6	−3.1	−1.7	1.0	−1.0
Farm products	−.5	2.6	−3.4	4.6	7.2
Grains	27.2	12.3	−6.6	12.4	10.2

COMMENT

*These are staggering monthly and annual wholesale and retail price increases in the basic industries. They have yet to pick up the cumulative markups which will result as these prices spread through the intermediate and finished goods manufacturing industries and finally through the wholesale and retail sectors of the economy.

NOTES

1. Price increases for coal, natural gas and refined petroleum products plus first stage Price Ripple Effects alone will siphon about $100,000,000,000 out of the buying power pool in 1974 compared to 1973. Only a small part of this will be recycled back into the lower and middle income families in the form of wage increases and dividends. Survival, not new capital expenditures, is the prime concern of the intermediate and finished goods industries (the basic industries are the last to feel the pinch as buyer resistance backs up through the retail, wholesale, and manufacturing sectors of the economy). Companies which cannot raise selling prices to cover these massive cost increases are desperately trying to borrow working capital and this is a primary reason for high interest rates.

2. On the average prices for items produced by the basic industries preceded by an asterisk increased by 68.8 percent for the past year and 16.6 percent for the past 4 mo.

3. **Gas fuels include natural gas and propane. According to an estimate by the Federal Power Commission the average contract price for natural gas increased by about 100 percent in the past (from $0.25 to $0.50 per 1,000 ft^3).

Source: Wholesale price index—October 1974.

ARMS AID TO JORDAN

Mr. BEALL. Mr. President, I ask unanimous consent that a letter I received from Robert J. McCloskey, Assistant Secretary of State for Congressional Relations; the enclosure entitled "U.S. Sale of Air Defense Equipment to Jordan"; a letter I received from Maj. Gen. Gordon Sumner, Jr., Director of the Near East and South Asia Region, Office of International Security Affairs; and the fact sheet entitled "Proposed Sale of Air Defense Weapons to Jordan" which accompanied General Sumner's letter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, D.C., August 18, 1975.

HON. J. GLENN BEALL, Jr.,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BEALL: Thank you for your letter of July 28 requesting information for use in replying to inquiries regarding the proposed sale of HAWK missiles to Jordan.

Assistant Secretary Atherton's July 16th statement before the Subcommittee of International Political and Military Affairs of the House Committee on International Relations explains why the Administration considers it in the interest of the United States to make this sale. In the belief that you will find it helpful in replying to your constituents, I enclose a copy for your use.

If there should be any specific aspects of the HAWK sale to Jordan on which you desire further information, I would be happy to provide it.

Sincerely,

Robert J. McCloskey,
Assistant Secretary for
Congressional Relations.

[The Department of State News Release]

U.S. SALE OF AIR DEFENSE EQUIPMENT TO JORDAN

Following is the statement of Alfred L. Atherton, Jr., Assistant Secretary of State for Near Eastern and South Asian Affairs, before the Subcommittee on International Political and Military Affairs of the House Committee on International Relations:

Mr. Chairman [Rep. Dante Fascell], I welcome this opportunity to appear before you to discuss the sale to Jordan of a modern air defense system composed of HAWK and REDEYE missiles and VULCAN anti-aircraft guns.

These sales were agreed to after the most careful consideration by the responsible agencies of the government. I am convinced that denial of these sales would be detrimental to U.S.-Jordanian relations and to the long-established pattern of cooperation between us which is essential in strengthening the foundation for Jordan's moderate policies. I believe, therefore, that they are in the best interest of the United States and of peace and stability in the Middle East. The alternative would not serve our interest or the interests of peace. In considering whether to proceed with these sales, we studied them within the context of our broad goals and relationships in this region, and I should like to approach them in that manner today.

REGIONAL STABILITY

Jordan's central geographic location makes it a major factor in the maintenance of regional stability. At the same time, its location exposes the country to a variety of pressures that could undermine its own stability and, with it, that of the area as a whole. Despite the pressures it faces, Jordan has consistently followed polices of restraint and moderation in the Middle East. It has consistently cooperated with the United States in our efforts to move toward the goals of peace and security in the area. It has been a force for peace and for moderation, and it has played—and we believe will continue to play—a positive role in the ongoing search for peace in the Middle East.

The United States has seen it in its interest to do what it could to insure that Jordan remained able to pursue these constructive policies. A Jordan committed to a process of peaceful and just resolution of the Arab-Israeli conflict is essential to the peacemaking effort. We have, therefore, worked to reinforce our traditionally close and fruitful cooperation with King Hussein's Government in order to achieve this.

A significant factor in this connection—in addition to the maintenance of Jordanian economic viability and growth—has been the readiness of the United States to provide effective assistance to help Jordan achieve and maintain a sense of confidence in its ability to defend itself from attack. Since 1970, a year in which Jordan successfully resisted internal and external threats to its existence, we have collaborated even more closely in helping the country meet its legitimate defense needs. During that time, the U.S. Government has undertaken first, to replace Jordan's combat losses, and then to assist in the modernization of Jordan's armed forces. U.S. military assistance to Jordan from 1970–75 has totaled approximately $210 million in grant military aid and $70 million in Foreign Military Sales (FMS) credits. This assistance has been provided under worldwide programs which Congress has authorized and for which funds have been appropriated on an annual basis.

Since 1970, and particularly since the war of October 1973, Jordan has watched with mounting anxiety as the build-up of sophisticated aircraft and the most modern air defense systems in the inventories of neighboring states caused its effective, but relatively modest, military establishment to become increasingly vulnerable to air attack. Almost alone among its neighbors, Jordan has no air defense system worthy of the name. Israel and Saudi Arabia have the HAWK, and Israel has other systems—including the REDEYE—as well. Syria and Iraq posses modern defense systems obtained from the Soviet Union. As a result, King Hussein some time ago—as early as December 1973—felt obliged to turn to the United States, his friend and Jordan's principal arms supplier, for assistance in this regard. Comprehensive discussions of Jordan's air defense capability were carried on for over a year, by which time the Jordanian Government had begun receiving funds from certain friendly Arab governments which placed it in a better position to afford modern air defense equipment.

ALTERNATE SOURCES OF SUPPLY

The situation reached a point early this year where King Hussein decided he had to act. In the absence of a positive response from the United States regarding the supply of air defense weaponry, there was an increasing possibility that the Jordanians would feel obliged to turn to alternate sources of supply—despite their clear preference for maintaining their continuing close and virtually exclusive military relationship with the United States. With modern air defense systems increasingly regarded as essential components of a meaningful military force, U.S. supply of an effective air defense system to Jordan was perceived as a measure of our support for Jordan's moderate policies. Within Jordan, the morale of the armed forces, so important for the stability of the state, was related increasingly to reducing their continuing vulnerability to air attack.

The issue, therefore, was not *whether* Jordan would acquire modern air defense equipment, but *from whom?* The U.S. Government with the concurrence of the Congress has long judged that U.S. cooperation in providing military equipment to Jordan would serve the interests of peace and stability better than any alternative. Further delay on our part in responding to Jordan's request to obtain American air defense equipment would have created a situation in which the United States was discriminating against one of its closest friends whose moderate policies and independent existence we have traditionally supported.

REVIEW OF REQUIREMENTS

Faced with this situation President Ford in early 1975 took a decision to accede, in principle, to Jordan's request to purchase air defense equipment. In February, he directed the Defense Department to conduct a study based on an in-country review of Jordanian air defense requirements. The findings of this study, together with advice from the Departments of State and Defense and further specific requests from the Jordanians, were then reviewed by the President, who made a further decision to maintain the U.S. commitment in principle to sell the equipment. The composition of such a system was discussed with the Jordanian Chief of Staff and with King Hussein during their visits at the end of April. In the ensuing negotiations, agreement was reached on a modest air defense system and training package to be supplied to Jordan at phased intervals over a period of several years. The details of the sales involved are included in Letters of Offer prepared by the Defense Department for submission to the Jordanian Government. Pursuant to the pertinent provisions of the Foreign Military Sales Act, as amended, information from the Letters of Offer on HAWK and VULCAN were submitted to the Congress last week, in part on a classified basis.

In conclusion, the sales we are considering today do not constitute the injection into the Middle East of new and advanced technology or of vast quantities of highly sophisticated weapons. Jordan is the last country with substantial military forces in the region to acquire these or other systems of comparable sophistication and effectiveness. Furthermore, Jordan will receive them in phased amounts over a considerable period of time; the other states already have sizable arsenals. While I do not want in open session to go into details on the numbers of weapons to be supplied ultimately to Jordan through these sales, I can say that they are modest indeed when compared to identical or similar weaponry already at the disposal of neighboring states. The provision of these weapons by the United States to Jordan is a restrained and considered step to help maintain the fragile balance and stability that exist in the Middle East, and preserve our position in the area. These in turn are essential conditions for the negotiations now in progress looking toward a settlement of the complex Arab-Israeli dispute. Denial by us of these weapons to Jordan would not prevent Jordan's acquiring similar weapons elsewhere, but it could not help but have an undesirable impact over time on our close and cooperative relations with Jordan. This, in turn, would further complicate our efforts to achieve peace in the Middle East.

Office of the
Assistant Secretary of Defense,
Washington, D.C., August 14, 1975.

Hon. J. Glenn Beall, Jr.
U.S. Senate,
Washington, D.C.

Dear Mr. Beall: This is in reply to your letter of 28 July 1975 concerning the proposed sale of air defense equipment to Jordan.

I believe the attached fact sheet provides a concise but comprehensive answer to your inquiry.

If we can be of further assistance, please let us know.

Sincerely,

Gordon Sumner, Jr.,
Major General, USA, Director, Near East and South Asia Region.

FACTSHEET—PROPOSED SALE OF AIR DEFENSE WEAPONS TO JORDAN

BACKGROUND

Our arms policy in the Mideast is designed to support a just settlement of the Arab-Israeli dispute which, if unchecked, could pose a serious threat to world order and economic stability. As a prerequisite to such a settlement our government has sought consistently to maintain a military balance which among other things would assure Israel's ability to defend itself. Our extensive arms transfers to Israel over the years have clearly supported this policy.

At the same time we have significant interests in the Arab World including Jordan, which for over two decades has been governed by a moderate pro-Western regime with longstanding ties to the United States. Jordan forms an important buffer between Israel and more militant states which in the past have opposed a peaceful settlement of the Arab-Israeli conflict. Throughout his reign King Hussein has resisted the spread of such influences in the Middle East. Perhaps more than any other leader in the area, he has given forthright and consistent support to US eneavors to resolve the Arab-Israeli problem.

Throughout its history Jordan has faced periodic threats from internal disruptive elements and external forces opposed to King Hussein's moderate regime. Consequently, for some years the United States has provided the Jordanian Armed Forces with limited quantities of military equipment and related training designed to help them maintain internal security and defend their national territory. Successive US administrations over the past two decades have emphasized the importance of Jordan in contributing to regional stability, and the US Congress has generally concurred in this determination.

The following facts apply to the specific sale under discussion.

FACTS:

1. Jordan alone among its neighbors has no viable air defense system and the proposed arms sale is designed to help fill this major gap in Jordan's defense posture.

2. Jordan's vulnerability to air attack has had an adverse effect on morale within the Jordanian Armed Forces, which over the years have provided essential support to King Hussein and his moderate policies.

3. The United States has previously released this type of weaponry to several Mideast states including two of Jordan's neighbors—Israel and Saudi Arabia—while the USSR has similarly equipped the armed forces of neighboring Syria and Iraq. In this connection the proposed package would increase by only a very small factor the amount of air defense weapons in the area and would give Jordan only a minimal defensive capability against neighboring air forces, which greatly outnumber its own. (For example, the Syrian Air Force alone exceeds the Jordanian Air Force in fighter aircraft by more than 8 to 1—Israel enjoys the same ratio over Jordan, in addition to the well-known qualitative superiority of its air force.)

4. The principal component of the proposed package, the HAWK surface-to-air missile system, is not an offensive weapon. The model we agreed to sell Jordan has only limited mobility in that it must be moved by trucks over road networks, which in Jordan are restricted and exposed.

5. The Jordanians plan to deploy these weapons at fixed installations; while they could be moved to forward areas it would not be in Jordan's interest to do so, since such forward deployment would leave key Jordanian facilities exposed in the event of an air attack.

6. The size of the proposed air defense package is considerably less than Jordan's original request. It is based on competent US military analysis of Jordanian requirements; furthermore, in view of limited financial resources available to Jordan, the package actually contains fewer weapons than the full range which the US would allocate to the defense of a comparable number of units and installations.

7. Deliveries of equipment will be spread over a period of more than 3 years. The need for extensive training will further delay an effective in-country air defense capability. By this time US endeavors to resolve the Arab-Israeli conflict will hopefully have borne fruit.

8. Jordanian Armed Forces security standards are exceptionally high. Throughout our relationship we cannot cite any instances in which Jordan has compromised sensitive material or weapons systems which we have provided. Furthermore, the provision of HAWK to Jordan would only marginally increase any possible risk of compromising this system, inasmuch as it has already been provided to 16 other states.

CONCLUSION

In view of the limited size of the package, the delivery schedule, considerations affecting the deployment of the weapons, and the overwhelming superiority enjoyed by the Israeli Defense Force we see no reason to believe that the projected sale would upset the Middle East arms balance. For similar reasons we do not believe that it would be a determining factor in any decisions King Hussein might make with regard to Jordanian participation in another war, in the unfortunate event that one should occur. However, the King has made a decision to acquire the elements of an air defense capability and he has naturally turned to his principal Great Power ally and leading source of arms to help him fulfill this requirement; however, he has not closed the door to alternate sources of air defense weapons. We believe that US assistance in an area which King Hussein regards as vital to his national defense posture will help maintain and strengthen our historically close relationship with a key participant in the search for stability in the Middle East.

AUTOMOBILE EMISSION STANDARDS

Mr. MUSKIE. Mr. President, on September 3, the four major domestic automobile manufacturers launched a national advertising campaign in an attempt to convince the public to support a 5-year delay in cleaning up the automobile. This advertisement appeared in 1,800 daily newspapers, at a cost to the industry—and ultimately the consumer—estimated at $750,000.

In light of the request for clarification, it may be useful to review a few of the facts relating to the automobile and air pollution.

The purpose of emission controls is simply stated: to achieve air quality adequate to protect public health and welfare. The air quality standards are set at a level specifically chosen to do this. The National Academy of Sciences reviewed these standards a year ago and found no substantial basis for changing them. In fact, they pointed out that the margin of safety provided by the air quality standards is uncomfortably small. In the case of nitrogen dioxide, a major air pollutant, they even recommended that a new short term standard be added to provide more health protection.

What is the effect of air pollution on public health? Dr. John H. Knelson, Director of the Human Studies Laboratory for EPA told us last spring that photochemical oxidant—smog—impairs breathing capacity and aggravates asthma and other respiratory ailments. Smog is formed by the chemical reaction of two air pollutants, hydrocarbons and nitrogen oxides with each other in the presence of sunlight. There is probably not a healthy person on the east coast who did not experience coughing and eye irritations this summer caused by hazardous oxidant levels similar to those reached in Washington during July and August.

There have already been over 60 alerts for oxidant this year. The problems of Los Angeles are well-known, but regions from Massachusetts, to Oregon, to Florida also had alerts. Detroit had its first air pollution alert ever for oxidant, as did Louisville and Kansas City. Nor is this just an urban problem. The entire State of Iowa celebrated the Fourth of July with record levels of air pollution and its first alert ever, according to EPA. A recent study by EPA shows that clouds of oxidant can be carried 50 to 75 miles or more from cities to rural areas.

Carbon monoxide, which comes primarily from cars is literally a lethal pollutant. It causes decreased alertness, which is especially serious for the driver of an automobile. In higher concentrations carbon monoxide increases incidence of heart attacks and hardening of the arteries and can cause death. And, nitrogen dioxide itself has been shown to increase susceptibility to acute respiratory disease.

The total health effect of these three automobile-related pollutants is severe. The National Academy of Sciences estimated as many as 4,000 deaths and 4,000,000 days of illness per year. It is true that these hazards are not spread equally among the population, but the susceptible groups are large and significant: older persons, those with respiratory or heart ailments, and even children, about 20 percent of the population or about 40,000,000 people. The fundamental purpose of the clean air standards is to protect the health of these people.

Under existing law the statutory automobile emission standards are scheduled to take effect in model year 1978. It has been asked whether those particular standards are set at the appropriate level to achieve the necessary air quality. The National Academy of Sciences recently stated that there is no new scientific evidence to justify a relaxation of the hydrocarbon or carbon monoxide emission standards and that, indeed, the attainment of these standards is technically feasible and worthwhile.

The automobile manufacturers claim that tighter standards would make only marginal improvement in air quality. However, they apparently base their analysis of air quality differences solely on the number of regions attaining primary standards, a procedure which tends to mask real differences in the health implications of different air quality levels short of full attainment of the standard by a region over the full year. For example, EPA's calculations show that in 1980 there will be 46 percent more occasions on which the carbon monoxide standard is exceeded in the 26 cities studied if a freeze is implemented instead of statutory standards.

What about cost? The question is not the cost of pollution but who is to bear the cost. The National Academy of Sciences recently estimated the benefits of cleaning up auto emissions alone to be $2.5 to $10 billion per year. At present this represents costs borne by the general public in terms of medical bills, lost work hours, and damage to materials and plant life. Their estimate of the cost of auto emission control is about the same, but with one major difference: it would be the polluter who pays.

The manufacturers claim the cost of clean up will be $150–$400 per car but the National Academy of Sciences found that compared to a conventional engine with a catalyst meeting 1975 standard, the added cost to meet the statutory standards would be only $126–$203. Compared to precatalyst 1974 vehicles, the developing three-way catalyst meeting statutory standards would add to initial cost, but would save $19 over the life of the car.

In fact, if the manufacturers are given a delay, the consumer will be asked to pay three ways: for the cost of cars, for the added health costs due to lack of control, and finally for the cost of the advertisement supporting delay.

The manufacturers claim that fuel economy could be reduced by 5 percent to 30 percent by stricter standards, but EPA has pointed out that there is no inherent relation between emission standards and fuel economy. The 1975 emission standards had a favorable impact on fuel economy, which improved 14 percent over 1974. The Department of Transportation and EPA, last fall, reported that a 60 percent fuel economy gain is possible for 1980 model cars, assuming emission standards close to the statutory level. This would give a fleet average of 22 miles per gallon. Their analysis suggests that automobile weight, not emissions, is the most important factor in fuel economy. This assessment is generally confirmed by the National Academy of Sciences Report of June 5, 1975.

It is interesting that a study performed by the Jet Propulsion Laboratory at California Institute of Technology for the Ford Motor Co., and just released this August concluded that goals for emission reduction and energy conservation for the automobile over the next 5–10 years can be met with improvements in the conventional engine and to the vehicle.

The present automobile emission standards call for a 90 percent emission reduction from 1970 vehicles. Originally scheduled for 1975–76, these standards have been delayed several times already, as requested by the automobile manufacturers, and now are scheduled to become effective in 1978. The President and the auto manufacturers are now asking for a further delay of the statutory standards, until 1982. The table below gives the numerical details.

The Subcommittee on Environmental Pollution held extensive oversight hearings this spring on the Clean Air Act, and is now in the midst of marking up proposed amendments to the act. I hope this discussion will assist Members in understanding this complex issue as we continue to consider the control of automobile emissions and their effect on air quality.

TABLE OF AUTOMOBILE EMISSION STANDARDS

Year	Present law	President/auto manufacturers
1975–76	1. 5 /15 /3. 1	1. 5 /15 /3. 1
1977	1. 5 /15 /2. 0	1. 5 /15 /3. 1
1978	. 41/ 3.4/ . 4	1. 5 /15 /3. 1
1979	. 41/ 3.4/ . 4	1. 5 /15 /3. 1
1980	. 41/ 3.4/ . 4	1. 5 /15 /3. 1
1981	. 41/ 3.4/ . 4	1. 5 /15 /3. 1
1982	. 41/ 3.4/ . 4	. 41/ 3. 4/(2)

[1] Emissions are given in grams per mile, measured over a standard driving cycle in the order: HC/CO/NO_x.

[2] To be determined by additional analysis and study.

ROCKING CHAIR NOT SENATOR RANDOLPH'S STYLE

Mr. BAKER. Mr. President, yesterday I had the pleasure of journeying to West Liberty State College in West Liberty, W. Va., to participate in the college convocation and in a Bicentennial celebration sponsored by the college. During this appearance, I was accompanied by my esteemed colleague, Senator Jennings Randolph, under whose Public Works Committee chairmanship I have had the pleasure of serving.

While in West Liberty and in Wheeling, I was able to witness firsthand the great respect and admiration which the citizens of West Virginia feel toward Jennings Randolph. Moreover, it was brought to my attention that this past Tuesday's edition of the Charleston Gazette, the largest newspaper in West Virginia, carried an article by Harry Hoffmann, the Gazette's editor, noting that Jennings Randolph had made 36 appearances in West Virginia during the August recess, and that Jennings Randolph's code "is that he is in the Senate to serve the people."

Mr. President, I, too, possess great admiration and respect for Jennings Randolph, and I ask unanimous consent that Mr. Hoffmann's article, entitled "Rocking Chair Not His Style," be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Charleston Gazette, Sept. 9, 1975]

Rocking Chair Not His Style

(By Harry Hoffman)

During the August vacation of Congress, when the membership was scattered to the four corners of the earth in various pursuits or nonpursuits, it is safe to say that no member was working harder than the senior senator from West Virginia, Jennings Randolph.

At a time and age when he might be expected to seek rest and seclusion, the 73-year-old Randolph was extending his presence to the four corners of West Virginia—as well as to the byways of this curiously shaped state—talking with people in all walks of life, listening to their problems and exchanging counsel.

During the one-month period, he made 36 appearances in West Virginia and managed also to keep some speaking engagements beyond the state's borders. He addressed 600 engineers and technicians at West Virginia University on the problems of natural gas, visited senior citizens in their activity centers, and did the honors at ground-breaking or dedication ceremonies for various public projects such as a library, industrial park, water and sewage treatment plants, and the new Fort Hill Bridge that carries Interstate traffic across the Kanawha River in Charleston.

He found the time and the energy to meet with officials of Union Carbide and with 38 building trades people, to hear their respective problems, and also with the transportation committee of the Chamber of Commerce on what might be done to expedite the upgrading of the West Virginia Turnpike to interstate standards.

Sen. Randolph, as chairman of the Senate Public Works Committee, is looked upon as the one man to perform miracles with respect to the turnpike, as if by the wave of a wand he can somehow change the dangerous two-lane toll road to modern design overnight.

Well, Jennings Randolph may not possess miracluous powers, but he can get action: the day after Congress reconvened, he was able to announce his committee's approval of a resolution calling for accelerated distribution of federal money for interstate highways—an action that could mean an additional $71.6 million for West Virginia during the current fiscal year.

Cynics may put down all this activity during a vacation period as nothing more than the self-serving efforts of a campaigning politician. They should ask themselves just what Jennings Randolph is campaigning for.

Sen. Randolph, who served seven terms in the House of Representatives throughout the Roosevelt New Deal years, has now been elected four times to the U.S. Senate—for the unexpired term of the late M. M. Neely in 1958, and for full six-year terms in 1960, 1966, and 1972. He gave serious consideration to not seeking reelection in 1972, when he reached the age 70, and it is doubtful that he will stand for re-election in 1978 at age 76.

But Jennings Randolph is not one to loaf on the job or even take it easy. His code is that he's in the Senate to serve the people—and so it is that, even during vacation, he keeps himself ever available to hear complaints and ideas alike in the belief that this better equips him to do his job.

In the process he keeps young by keeping active. And, whatever his decision in 1978, the people of West Virginia can be assured of one certainty: Jennings Randolph will never be a rocking chair senator.

ADA DISMUKES OVERTON

Mr. LONG. Mr. President, those of us who serve in Congress know well how much we depend on our wives as a source of wisdom and advice and how they sustain us in times of pressure as we try to do what is best for our country.

One woman who fulfilled this role so admirably, Mrs. John H. Overton, widow of the late Louisiana Senator, passed away last month while we were in recess.

Ada Overton was a source of strength to her husband, who came to the Nation's Capital in 1931 and served one term in the House of Representatives before winning election to this body. He served his Nation well until his death in 1948, with Mrs. Overton a constant helpmate to him.

Mrs. Overton knew three Presidents and was a personal friend of our late Chief Executive, Harry Truman, and Mrs. Truman. Mrs. Overton's background as a high school teacher and her interest in many other areas undoubtedly aided her while here in Washington.

Mrs. Long joins me in expressing our sympathy to her two daughters, Mrs. Mary Elizabeth Brazelton of Alexandria, and Mrs. Katherine Cailleteau of Baton Rouge, and their families.

Mr. President, I ask unanimous consent that an obituary that appeared in the Alexandria, La., Town Talk be printed in the Record.

Mrs. Overton Expires Here

Mrs. John H. Overton, 89, of Alexandria died Monday noon in St. Frances Cabrini Hospital. She was the widow of U.S. Sen. John H. Overton.

Mrs. Overton, the former Ada Ruth Dismukes, was born in Natchitoches. Her parents were Marcus L. and Katharine Jack Dismukes.

A graduate of old State Normal which later became Northwestern State University, Mrs. Overton came here in February, 1905, to teach in Alexandria High School, which stood on the site of the present Rapides Parish Court House.

Mrs. Overton went to Washington when her husband was elected U.S. Representative from the Eighth District in 1931, and a year later elected to the U.S. Senate, a seat he held until his death in 1948.

Mrs. Overton had known Presidents Herbert Hoover, Franklin D. Roosevelt and Harry Truman and was a personal friend of the Trumans.

She had met a number of world figures including King George VI and Queen Elizabeth of England and was a member of the Senate Ladies' Luncheon Club.

Mrs. Overton was one of the organizers of Loyalty Chapter, Daughters of the American Revolution, a charter member and former officer and lifetime honorary president of the Huguenot Society of Louisiana, organizing charter member of the Mother's Club which was predecessor to the Alexandria Service League, vice president of the Matrons Luncheon Club, a member of First United Methodist Church and La Renaissance Club.

Survivors are two daughters, Mrs. Mary Elizabeth Brazelton of Alexandria and Mrs. Katherine Cailleteau of Baton Rouge; three grandchildren and one great-grandchild.

Her body will be at the residence, Eighth and Washington Sts., until time for services at 11 a.m. Wednesday in First United Methodist Church with Rev. Harvey Williamson officiating. Burial will be in Mt. Olivet Cemetery, Pineville, under direction of Hixson Bros.

LET THE CONSUMER DECIDE

Mr. BARTLETT. Mr. President, I recently had the opportunity to read an open letter from General Motors Corp. to their suppliers. They are very concerned, as I am, about the recent trend toward substituting Government regulations for consumer decisions in the marketplace.

General Motors has certainly responded to consumer choice by producing 1975-model cars that average 28 percent better fuel economy than their 1974 cars. In addition, they have committed themselves to a goal of 53 percent average improvement over 1974 models by 1980.

It is their belief that fuel economy legislation such as taxing vehicles on the basis of fuel economy, size, weight, or horsepower, could delay progress in conserving gasoline, extend unemployment, and restrict economic progress.

At this time I ask unanimous consent that this letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

General Motors Corp.,
Detroit, Mich., July 11, 1975.

Dear Supplier: We at General Motors are very concerned about the recent trend toward substituting government regulations for consumer decisions in the marketplace. Some members of Congress are of the opinion that they know far more about what consumers should or should not buy than the consumers themselves. This paternalistic attitude has appeared in many recent legislative actions, one of which is the proposal to set fuel-economy standards or to tax vehicles on the basis of fuel economy, size, weight or horsepower.

GM spokesmen have tried to explain to Congress that we do not need government prodding to produce energy-efficient vehicles. Our customers vote in the marketplace everyday with their dollars. In short, it is in our best interest—our business interest—to produce the products that will sell.

General Motors has responded to consumer choice by committing billions of dollars to provide a new generation of automobiles. The first of these products are already on the market and the next few years will see all our cars smaller, lighter and more fuel efficient. Already, GM's 1975-model cars average 28 percent better fuel economy than our 1974 models, according to Environmental Protection Agency figures. We are committed to a goal of 53 percent average improvement over 1974 models by 1980.

Fuel economy legislation could delay progress in conserving gasoline, extend unemployment and restrict economic progress. It could also deny the choice of vehicles desired and needed by a large number of Americans. If legislation forces larger cars out of the market—as a 28 mile per gallon minimum certainly would—the likely result is that many will keep the cars they have, rather than buy new cars that someone thinks they should have. No matter how efficient and clean legislated models may be, they will save no gasoline—they will contribute nothing to cleaner air—unless they are purchased by our customers.

We of the General Motors team are not alone in these concerns. Our only wish is that more people who share them will voice them . . . to their associates and employes, to their friends and neighbors, and especially to their representatives in Congress. That kind of effort works, as evidenced by the repeal of the seat belt interlock system. Things get done when people let their opinions be known.

Sincerely,

T. E. Darnton,
Vice President, Procurement and Production Control Staff.

SENATOR BAKER DELIVERS THOUGHTFUL ADDRESS TO OPEN BICENTENNIAL YEAR AT WEST LIBERTY STATE COLLEGE—RECEIVES HONORARY DEGREE OF HUMANE LETTERS

Mr. RANDOLPH. Mr. President, throughout America people are beginning the celebration of our 200th birthday as an independent nation. Already the Bicentennial observances show evidence of planning that emphasizes our unique heritage. Many communities and institutions have planned activities that will continue through the Bicentennial year.

It was my privilege to participate yesterday in the beginning of ambitious Bicentennial activities at West Liberty State College in West Virginia. Hundreds of faculty, students, and townspeople attended the noonday program on the beautiful hill country campus. Our distinguished colleague, Senator Howard H. Baker, Jr., delivered the convocation address. He was awarded the degree of Doctor of Humane Letters.

An impressive series of events has been scheduled under the leadership of President James L. Chapman, throughout the academic year, culminating with the commencement address by Senator Robert C. Byrd on May 15, 1976. The college has planned two series of programs. The first is called "Heritage," and includes lectures, exhibitions, and competitions covering a wide variety of subjects. Three Bicentennial scholarships also will be awarded.

The second part of the program is "Horizons" and consists of a series of public forums on the general subject of "America and Appalachia: Horizons of Hope." The first of these was held last night at Linsly Military Institute in the nearby city of Wheeling and was also addressed by Senator Baker.

Senator Baker stressed the importance of individual responsibility and the challenge for citizens to help secure solutions to national and regional issues. He cogently outlined the resources available within the Appalachian region to aid our Nation in solving the energy crisis. He emphasized that this area forms a basic frontier for America—a frontier with people and resources that will contribute to the betterment of life for all citizens. He rightly cautioned, however, against the misuse of energy sources within Appalachia.

Following his remarks, Senator Baker responded to wide-ranging questions from the large audience for almost an hour.

Mr. President, Senator Baker's address at the college convocation was a thoughtful discussion of many of the major problems facing the people of our country today. His analysis of our Republic at the time of its Bicentennial and his view of what lies ahead is perceptive and thought provoking. I ask unanimous consent that excerpts of Senator Baker's address be printed in the Record.

There being no objection, the excerpts were ordered to be printed in the Record, as follows:

Convocation Address by Senator Howard H. Baker., Jr.

The American experience is a dynamic one and is constantly undergoing changes, both rapid and subtle; and at this particular moment in our 200-year history, in the aftermath of the unpleasantness of the American experience in Southeast Asia, in the wake of the disenchantment of Watergate, in the midst of severe, worldwide economic disorientation, and in the face of the threat of renewed distress in Portugal, in the Southern part of Africa, and in other areas of the world, this student body and this generation possess the unique opportunity to be grassroots participants in the evolution and development of a new era in the American experience.

Sharing the platform with Jennings Randolph, I think it especially appropriate to encourage the students of West Liberty State College to participate in the political process. In a remarkable way, Senator Randolph exemplifies the fact that politics is an honorable profession. I believe that Watergate might never have occurred had there been more politics instead of less in the White House, and I believe that politics is probably the free citizen's highest secular calling.

I particularly hope that the millions of citizen politicians, without whom the Republic could not function, do not become disenchanted with the political process.

Because of the willingness of the American people to involve themselves in the political process, our nation throughout its history has been remarkably right on major issue determinations. I believe that the calm, cautious, careful reassessment of the realities of today, in terms of our policy determinations for tomorrow, will continue to be conducted in that American way which gives full credence and effect to the unique political genius for self-determination.

And where will that lead us? No one knows for sure, but I possess extraordinary faith in the collective genius of the American people; and I believe that their determination at this time will be as correct as it has been in most cases in the past.

But, I have some ideas; for instance:

I think it highly unlikely that America will engage in another Vietnam in the near future.

If there is a foreign policy requirement of that sort, I suspect that it would be preceded by Congressional concurrence and would be characterized by the application of adequate force to end the confrontation very quickly. I do not, however, believe as some now suggest, that our disengagement from Indochina leaves South Korea, Thailand, and other of our allies open prey. I caution against such generalities; and I find that they are not consonant with the facts as I observe them.

I believe that we may witness a further elaboration and extension of détente, particularly in the fields of strategic arms limitations where the expense for greater delivery systems and explosive power already has reached the point of greatly diminished returns, and in trade, particularly with the Soviet Union, where the mutual advantages are obvious and apparent, if we can overcome the inevitable foreign and domestic complications.

The increasing pace of nuclear proliferation is perhaps our most urgent problem.

Very soon there may be a renewed effort to establish a realistic regulatory system to accommodate the expanding membership of the nuclear club.

Although an unpopular stance, I am compelled to say that, notwithstanding our disengagement from Southeast Asia, in view of the growing military strength and deployment of Soviet forces, in the future it may be necessary to expend more, and not less, for our national defense.

I expect that the governmental intelligence and law enforcement community will be brought into tighter reign and rendered more responsive and responsible to the President, the Congress, and the people.

And I believe that our nation must possess a strong intelligence and law enforcement capability and function. But I find that we have not yet fully understood the relationship of democratic government to that capability and function. Notwithstanding the necessity for effective intelligence and vigorous law enforcement, our dedication to the free institutions of a Republic, a representative democracy, must be as great.

I predict there will occur profound economic readjustments.

These will be occasioned by the continued outflow of currency and credit reserves to other nations, particularly the Persian Gulf countries, by the move to achieve American energy independence, by further expansion of the humanistic drive to improve one's status and condition, and by the identification and easing of economic inequities.

So, I urge the 1975 student body of this great institution to remain calm, during the course of the next several months, as we watch the accumulation of our mistakes, errors, and misjudgments, and the unfolding of our opportunities. This is not an occasion for bitterness nor despondence. Rather, we must understand that for the third century of America's existence, we must do what we have always done, and that is to take account of the situation as we find it, and adapt our policies and priorities to it.

OLD DEFENDERS DAY—A MARYLAND HOLIDAY

Mr. MATHIAS. Mr. President, September 12 is Defenders Day in Maryland, a day that marks the anniversary of one of the most important events in our State's history. This is the anniversary of the battles of North Point and Fort McHenry. In those two conflicts, the citizens of Baltimore successfully defended their city against the British.

In a history of Maryland, edited by Richard Walsh and William Lloyd Fox, and published by the Maryland Historical Society in 1974, the events that gave rise to the designation of Defenders Day are described. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

POLITICS AND DEMOCRACY IN MARYLAND, 1800–1854

Encouraged by their conquest of Washington, the British found the temptation of attacking Baltimore too strong to resist. They headed up the Bay. By Sunday morning, September 11, the sails of fifty British ships lined the horizon at the entrance of the Patapsco River. The British planned to attack Baltimore with a combined land and sea operation. The land force, comprising four thousand troops, debarked on September 12 at North Point and moved up the narrow peninsula between the Patapsco and Back rivers. A successful march here would bring them to the environs of Baltimore from the east. Simultaneously, frigates and bomb vessels sailed up the Patapsco, expecting to enter the Northwest Branch beneath Fort McHenry and assault Baltimore from its inner harbor.

The British strategy was obvious to General Samuel Smith, and he prepared to meet it. He assigned 3,200 troops to Brigadier General John Stricker to meet the British advance upon the peninsula from North Point. Smith then ordered that the mouth of the Northwest Branch, between Fort McHenry and the Lazaretto, be blocked with barges. He reinforced the troops and cannon at Fort McHenry and the garrison across the river at the Lazaretto.

On September 12 and 13, 1814, the two forces moved to carry out the strategy planned for them. General Stricker's militia met the seasoned British regulars, but unlike the battle at Bladensburg, the American militia held their ground. After two costly engagements and the death of their commander, Major General Robert Ross, the British retired to their vessels at North Point.

While the land forces were in combat, the British ships blasted away at Fort McHenry. Beginning early on the morning of September 13, a terrific hammering of cannon continued throughout the day and into the night. At dawn on the morning of September 14 aboard a flag-of-truce ship down the Patapsco, Francis Scott Key peered through spyglasses and to his joy and amazement saw the American flag still flying over Fort McHenry. Key had made contact with the British to seek the release of a captured Dr. William Beanes and had witnessed the bombardment aboard ship. As he gratefully discerned the flag in the foggy dawn, his emotions stirred his poetic nature, and he quickly jotted down phrases on the back of a letter he carried. Released and ashore, he published the verses written in celebration of the victory. Thus "The Star-Spangled Banner" came into being. The light of day also brought relief and joy to the defenders of Fort McHenry. They had withstood the British assault and for a few days tensely girded for another. But the disheartened British sailed away. Though Washington had been sacked Baltimore stood untouched, and by this defense the nation's honor was partially restored.

Mr. MATHIAS. Mr. President, those events were a turning point in the War of 1812. They are a proud chapter in the history of Baltimore, our State, and our country. They are a constant reminder that Americans are ready to defend themselves and their homes in the cause of peace and freedom. As each year we proudly observe Defenders Day in Maryland, let us never forget its significance.

CONCLUSION OF MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that morning business be closed.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

TWENTY-MINUTE RECESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess for 20 minutes.

There being no objection, the Senate, at 10:35 a.m., recessed until 10:55 a.m.; whereupon, the Senate reassembled when called to order by the Acting President pro tempore (Mr. FORD).

FOREIGN RELATIONS AUTHORIZATION ACT, 1976–1977

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of the unfinished business (S. 1517) which the clerk will state.

The assistant legislative clerk read as follows:

A bill (S. 1517) to authorize appropriations for the administration of foreign affairs; international organizations, conferences, and commissions; information and cultural exchange; and for other purposes.

The Senate resumed consideration of the bill.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. JOHNSTON). Without objection, it is so ordered.

Mr. SPARKMAN. Mr. President, I send to the desk a number of technical amendments for immediate consideration. I ask unanimous consent that the reading of the amendments be dispensed with and that the amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, the amendments are considered and agreed to en bloc.

The amendments agreed to en bloc are as follows:

On page 15, line 1, strike out "Sec. 103." and insert in lieu thereof "Sec. 18.".

On page 15, line 17, strike out "sections 101 and 102" and insert in lieu thereof "section 101".

On page 23, beginning with line 19, strike out through line 25 and insert in lieu thereof the following: "$3,985,000 for the fiscal year 1976; and

"(B) for facilities for the United States Information Agency, $2,800,000 for the fiscal year 1976;".

On page 24, line 7, strike out "not" and insert in lieu thereof "Not".

On page 24, line 23, strike out "$250,229,000" and insert in lieu thereof "$250,228,000".

On page 27, line 22, strike out "nondiscriminatory" and insert in lieu thereof "nondiscretionary".

On page 24, line 24, strike out "$18,993,000" and insert in lieu thereof "$19,993,000".

On page 25, lines 8 and 9, strike out "appropriated and paid" and insert in lieu thereof "expended".

On page 47, line 2, strike out "of" the first time it appears and insert in lieu thereof "after".

On page 47, line 3, strike out "present" and insert in lieu thereof "transmit".

On page 48, line 19, immediately after the period, insert quotation marks.

Mr. SPARKMAN. Mr. President, the bill now before the Senate, S. 1517, represents a new approach by the Foreign Relations Committee, intended to consolidate and logically structure a variety of individual bills which in past years have been dealt with piecemeal. This bill, which the committee has entitled the foreign relations authorization bill, contains the authorization of fiscal year 1976 appropriations for the State Department, for the State Department's Office of Foreign Buildings—which in the past has been funded through a separate authorization—for the U.S. Information Agency, for the Arms Control and Disarmament Agency, and for the Board for International Broadcasting. The only major foreign affairs agency not included in this consolidated bill is AID, the Agency for International Development, which receives its authorization through the annual foreign aid bill.

In combining these five authorizations, the committee has organized the various authorization items functionally rather than by agency. The first of the four functional categories is "Administration of Foreign Affairs," which contains most of the basic operating budget of the State Department—including the Office of Foreign Buildings—and all of the budget of the Arms Control and Disarmament Agency. The second functional category is "International Organizations, Conferences, and Commissions," which contains funds, administered by the State Department, providing for U.S. participation in a broad range of multilateral and bilateral organizations.

Mr. President, aside from my statement, I hope that notice will be given to Senator STENNIS, to Senator HUMPHREY, and to Senator McGEE, all of whom wanted to be in the Chamber during the presentation of this bill. I am not sure that they are aware of the fact that we are on it this early. I would like for notice to be given to those Senators, particularly.

The third functional category is "Information and Cultural Exchange," which contains the budgets of the U.S. Information Agency, of the State Department's Bureau of Educational and Cultural Exchange, and of the Board for International Broadcasting which makes grants to Radio Free Europe and Radio Liberty. The fourth category, entitled "Miscellaneous," contains, among other items, funds for the State Department's Office of Migration and Refugee Assistance, including a special congressionally initiated authorization for assistance to refugees from the Soviet Union and Eastern Europe.

In dealing with the fiscal year 1976 budgets for these various agencies, Mr. President, the committee, with a few exceptions, has approved the amounts requested by the executive branch. The committee draws a distinction between this bill, which for the most part provides the basic funds necessary for the conduct of American foreign relations, and the foreign aid bill, which for the most part contains "program" money and thus contains a much larger discretionary element. In dealing with the foreign aid bill, the committee has customarily attempted to bring the congressional perspective to bear through an examination and adjustment of the various program funding levels. In the bill before us today, however, the committee's approach, generally stated, has been to approve the amounts in the President's budget, finding economies where possible, and to bring the congressional perspective to bear through various policy-type amendments which serve to shape the executive branch's practices and procedures.

I ask unanimous consent to have printed in the RECORD at this point a table showing the various authorization items, organized functionally as I have described, and comparing the fiscal year 1975 appropriation, the administration's fiscal year 1976 request, and the committee's fiscal year 1976 recommendation for each item. This table also appears on page 2 of the committee report on S. 1517.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

	Fiscal year— 1975 appropriation	Fiscal year— 1976 request	Committee recommendation
I. Administrative of Foreign Affairs:			
A. State Department:			
1. Salaries and expenses	$361,662,000	[1]$428, 600, 000	$425, 550, 000
2. Representation allowances	1, 385, 000	1, 750, 000	2, 000, 000
3. Emergencies in the Diplomatic and Consular Service	2, 100, 000	2, 100, 000	2, 100, 000
4. Payments to the Foreign Service Retirement and Disability Fund	20, 535, 000	6, 355, 000	6, 355, 000
B. Arms Control and Disarmament Agency	9, 410, 000	10, 690, 000	12, 130, 000
C. Foreign service buildings (State Department):			
1. Regular account	22, 995, 000	29, 840, 000	29, 840, 000
2. Foreign currency account	4, 870, 000	9, 785, 000	9, 785, 000
II. International organizations, conferences, and commissions:			
A. International organizations and conferences (State Department):			
1. Contributions to international organizations	203, 903, 000	245, 707, 000	223, 496, 000
2. Contributions to international peacekeeping activities	5, 658, 000	29, 400, 000	9, 600, 000
3. Missions to international organizations	6, 708, 000	8, 696, 000	8, 696, 000
4. International conferences and contingencies	6, 540, 000	5, 840, 000	5, 840, 000
5. International trade negotiations	1, 900, 000	2, 596, 000	2, 596, 000
B. International commissions (State Department):			
1. International Boundary and Water Commission, United States and Mexico	11, 183, 000	13, 687, 000	13, 687, 000
2. American sections, international commissions	1, 379, 000	1, 576, 000	1, 576, 000
3. International fisheries commissions	4, 060, 000	4, 730, 000	4, 730, 000
III. Information and cultural exchange:			
A. United States Information Agency:			
1. Salaries and expenses	230, 668, 000	257, 692, 000	257, 692, 000
2. Special international exhibitions	6, 841, 000	6, 187, 000	6, 187, 000
3. Acquisitions and construction of radio facilities	4, 400, 000	10, 135, 000	10, 135, 000
B. Educational exchange (State Department):			
1. Mutual education and cultural exchange activities	54, 380, 000	65, 000, 000	65, 000, 000
2. Center for cultural and technical interchange between East and West	7, 400, 000	9, 000, 000	9, 000, 000
3. United States-Japan friendship activities (foreign currency program)	0	15, 000, 000	0
C. Board for International Broadcasting (Radio Free Europe/Radio Liberty)	49, 800, 000	65, 640, 000	65, 640, 000
IV. Miscellaneous:			
A. Migration and refugee assistance (State Department)	8, 420, 000	10, 100, 000	10, 100, 000
B. Assistance to Soviet refugees (State Department)	40, 000, 000	0	20, 000, 000
Total		1, 250, 106, 000	1, 201, 485, 000

[1] This item includes the administration's supplemental request of $15,400,000.

Mr. SPARKMAN. As the table indicates, the committee made reductions in four items. The first reduction, in State Department "Salaries and Expenses," was based upon reduced personnel requirements owing to the American withdrawal from Indochina. The second reduction, in "Contributions to international organizations," was made so as to eliminate all funds requested for U.S. contributions to UNESCO. Such contributions have, by previous legislation, been suspended pending a Presidential determination concerning UNESCO policy vis-a-vis Israel, and the committee sees no reason to provide funds until contributions can actually be made. The third reduction, in "Contributions to international placekeeping activities," was made possible by the termination of the International Commission of Control and Supervision in Vietnam, for which a large U.S. contribution has been budgeted. The fourth reduction—the elimination of all funds for "United States-Japan friendship activities"—was made only because the Senate had already approved such appropriations on June 13, in another bill, S. 824.

As the table also indicates, Mr. President, in three items the committee recommends increases in the amounts requested by the administration. The first is a modest increase in the State Department "Representation allowances" item. The committee was aware that the amount requested for this item was based upon the expectation that an estimated $250,000 in out-of-pocket expenses would be borne by State Department employees. The committee therefore increased this item by that amount, in keeping with its desire to see American representation abroad move away from dependence on private wealth. The second increase recommended by the committee is a $1.4 million addition to the budget of the Arms Control and Disarmament Agency so that ACDA may undertake two studies which the committee believes to be of great potential value: a study regarding the impact on military expenditures of Soviet-American arms control agreements; and a second study, to be conducted in consultation with the International Atomic Energy Agency, with respect to nuclear safeguard techniques. The final increase, Mr. President, was one which has been made by the Congress every fiscal year beginning in fiscal year 1973: a congressionally initiated appropriation for aid to refugees from the Soviet Union. For this purpose in fiscal year 1976, the committee has recommended a $20 million appropriation and an expansion of the coverage to include refugees from Eastern Europe.

In addition to the authorization of fiscal year 1976 appropriations, Mr. President, the committee approved a number of amendments designed—as I indicated earlier—to shape executive branch procedure and policy in the conduct of American foreign relations I shall summarize some of these briefly:

First. At the initiation of Senator MCGEE, the bill would establish a new $25 million U.S. Emergency Refugee and Migration Assistance Fund to be available to meet unexpected urgent refugee and migration needs. Under present law, in any year the President may transfer as much as $10 million of foreign aid funds to augment funds appropriated for migration and refugee assistance. The new emergency fund would be an alternative to the transfer authority approach. Once created through this authorization and the necessary appropriation, the fund would be available to meet emergency needs as determined by the President. For specific uses of the fund, congressional oversight would be retrospective, with justifications being sent to the Foreign Affairs and Appropriations Committees after the event. Over the longer run, however, the need for appropriations to replenish the fund should enable Congress to maintain control and effective oversight.

Second. At the initiative of Senators CLARK and PERCY, the bill also authorizes the appropriation of $25 million, to be available until expended, for a U.S. contribution to the endowment fund of the United Nations University. Originally proposed by Secretary-General U Thant in 1969, the U.N. University was formally chartered by the General Assembly in 1973 to deal with "the pressing global problems of human survival, development, and welfare." A description of the university's envisioned structure and activities is contained in the committee's report. Financing for the university will come primarily from income from its endowment which—once created—should enable the university to operate with financial, and thus political, independence. To date, the only sizable contribution has come from Japan, which has pledged $100 million to be paid over 5 years. The committee believes that the United States should join with Japan in providing early support for the university. In the committee's view, an initial contribution of $25 million will demonstrate U.S. support for the university, while reserving for Congress the opportunity to evaluate proposals for additional U.S. contributions on the basis of the university's demonstrated ability to fulfill its stated goals.

Third. At the initiative of Senator PEARSON, the bill also expands the program, established by last year's State-USIA bill, of assigning Foreign Service officers to domestic duty in State and local governments, public schools, community colleges, and other "grassroots" organizations. As enacted last year, this program called for the participation of at least 50 Foreign Service officers per year. As expanded by this year's bill, the program will involve the participation of every officer at some point before the 15th year of his or her career.

Fourth. At the initiative of Senator PELL, the bill also contains provisions intended to strengthen the Foreign Service personnel system. One provision will have the effect of requiring the application of stricter standards in the hiring and promotion of Foreign Service Reserve officers. Another provision will require the administration to prepare a comprehensive plan for the simplification of the State-USIA personnel system, to include a reduction in the number of personnel categories, each of which now has its own standards for hiring, tenure, and pay.

Fifth. Relatedly, at the initiative of Senators BAYH and CLARK, the bill would establish a fair grievance procedure for all Foreign Service personnel and their survivors. With slight variation, this provision has already passed the Senate three times; and the committee believes that the State Department's continuing inability to establish a satisfactory grievance system only strengthens the argument for congressionally initiated action.

Sixth. At the initiative of Senator PELL, the bill also would declare the sense of Congress concerning the selection of U.S. Ambassadors. In the words of the provision:

> . . . the position of United States ambassador to a foreign country should be accorded to men and women possessing clearly demonstrated competence to perform ambassadorial duties. No individual should be accorded the position of United States ambassador to a foreign country primarily because of partisan political activity or financial contributions to political campaigns.

In approving this section, the committee's intent was to set a clear standard of competence to be used in the selection and confirmation of ambassadors. The committee does not intend that political activities or contributions be a disqualifying factor in ambassadorial selection, but rather that a high level of ability be the primary qualifying factor. The committee is not trying to establish an iron-clad rule binding on the President.

Seventh. At the initiative of Senator HUMPHREY, the bill also amends the basic legislation of the Arms Control and Disarmament Agency with a variety of provisions intended to strengthen ACDA's role in U.S. Government arms control policymaking and negotiations. Among these provisions is the establishment of ACDA's Director as a statutory adviser to the National Security Council and a new procedure for the preparation of arms control impact statements in connection with significant new programs likely to have a direct or indirect effect on arms control goals.

Eighth. At the initiative of Senator PERCY, the bill places into law the charter of the Voice of America. Originally set forth by executive directive during the Eisenhower administration, the charter comprises a set of principles intended to govern broadcasts by the Voice of America. In the committee's view, the broadcasts of VOA can be effective only if they have the respect of their listeners, and such respect can be built only through a tradition of accurate and balanced news presentation. Because the VOA charter expresses this idea clearly, the committee approved its inclusion in the basic USIA legislation.

Ninth. And at the initiative of Senator PELL, and others, the bill declares the sense of Congress that the President should undertake to enter as soon as possible into comprehensive negotiations with the Soviet Union—"intended to achieve an agreement limiting the deployment of naval, air, and land forces of the Soviet Union,"—and the United States—"in the Indian Ocean and littoral countries."

The provision also requires the President to report to Congress by July 1, 1976, on steps he has taken to achieve the negotiations envisioned in the congressional declaration.

Mr. President, there are other provisions in this bill, but I believe I have mentioned those which are most prominent.

In closing, Mr. President, I wish to express my hope that the Senate and the House will be able to cooperate in enacting this legislation in the new consolidated format. It is the view of the Committee on Foreign Relations that, in consolidating what have in the past been treated as five bills, Congress gains a number of advantages. The total picture of foreign affairs expenditures is more easily perceived and evaluated by Members. Considerable paperwork is saved. Time on the floor of each House is conserved. And the number of conferences is reduced. At the same time, nothing about the consolidation prevents Congress, or any relevant committee, from delving as deeply as possible into the budget or activities of any agency funded through the consolidated bill. I thus repeat, on behalf of the Committee on Foreign Relations, a sincere hope that this new format will be accepted by the House of Representatives.

Mr. President, that concludes my statement.

But before I yield to our distinguished colleague, I wish to make certain that the ones whose names I have mentoned already, particularly Senator McGee, Senator Humphrey, Senator Stennis, and been notified that this bill is now under consideration, because they are all interested in certain parts of it. I wish them to know what we are already at work on the bill.

Mr. BENTSEN and Mr. CASE addressed the Chair.

Mr. BENTSEN. Mr. President, has a time limitation been set?

The PRESIDING OFFICER. There is no time limit on the bill.

Mr. BENTSEN. Mr. President, the Senator from Texas will be offering an amendment later on in the discussion.

Mr. SPARKMAN. I did not intend by naming those to limit it to that.

Mr. BENTSEN. Yes.

Mr. SPARKMAN. I knew they were definitely interested in certain parts.

Mr. CURTIS. Mr. President, will the chairman yield?

Mr. SPARKMAN. Yes.

Mr. CURTIS. I have an amendment that I have taken up with the distinguished chairman and the ranking Member.

The staff has made a suggestion. My amendment appears acceptable. I wish to dispose of this early, whenever it is convenient.

Mr. SPARKMAN. I am willing any time.

Mr. CASE. Mr. President, I have no statement to present in addition to the fact that I concur with and support the chairman's statement and the report. This was a thoroughly well worked out bill, and the committee's recommendation is, as I understand it, unanimous. There were certain amendments that will be offered, and each be dealt with on its own merits.

I am prepared at the moment to concur with the chairman, if that be his wish, in accepting Senator Curtis' amendment as a consideration to him.

Mr. SPARKMAN. Yes. I desire the amendment to be presented, and I wish to say a little about it.

Mr. CURTIS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Nebraska (Mr. Curtis) proposes an amendment on page 4, after line 12, insert the following:

The amendment is as follows:

(d) Of the funds authorized to be appropriated by subsection (a) (1) of this section, the sum of $1,000,000 shall be available for the establishment of a new travel document and issuance system by the Passport Office.

Mr. CURTIS. Mr. President, this amendment is in little different form than I had originally planned, but the staff made a very good suggestion. It does not add to the authorization, but it earmarks certain money for the travel document issuance system.

Briefly stated, this brings up to date the mechanical system for handling these documents.

It is estimated by the Office of Management and Budget that the Government will receive $1.70 for every $1 spent because of the savings this would bring about.

It is the first improvement of this kind since 1955.

Mr. President, our country today faces an economic situation of critical proportions. It is a problem brought on by our ever-increasing Government bureaucracy—with its inherent inefficiency—and the staggering size of the Federal budget. There is no greater benefit the 94th Congress can perform for the American people than to begin the process of reversing this dangerous trend and institute procedures which will reduce spending rather than relentlessly increase the budget.

Mr. President, the amendment I offer will accomplish this very objective.

The Passport Office has requested funds to initiate a new travel document and issuance system which, by conservative estimates, will bring about savings of $31 million during its first 10 years in operation. It will also benefit the American people by increasing the speed and efficiency with which passports can be processed. I strongly believe Congress should authorize the implementation of this system.

The system presently in operation for the issuance of passports consists of paper-type writing machines. In 1955, when the system was first instituted, three companies manufactured this equipment. Today, paper-type machines are considered obsolete. They are no longer being produced, and the existing inventory of machines and spare parts will be exhausted in a short space of time. The alternative to approving a new passport issuance system, therefore, is to have none at all within a few years. The situation brought about by this would be chaotic.

The Passport Office's TDIS is the result of 5 years of intensive study and research, and has been enthusiastically approved by the passport experts at the 1974 International Civil Aviation Organization Conference.

It is a modern, efficient electronic system which will increase productivity from the present 3,000 units per man-year to 10,000 units per man-year. Data on the information page will be "frozen," a technique which will substantially reduce passport fraud—and, in itself, save the American people millions of dollars every year. Other benefits include a reduction in the size of the passport so it can be carried in pocket or purse, thus decreasing the risk of its being lost; grid-patterned visa pages to encourage the orderly placement of visa stamps, and a new cover which will neither fade nor crack as the present one does.

Mr. President, the entire conversion to this system, which can be fully implemented in less than 5 years, is estimated to cost between $19 and $20 million. On the basis of a study by the Office of Management and Budget, the Government will receive a $1.70 return for every $1 spent.

For fiscal year 1976, the Passport Office requests $1 million for the development of TDIS. Authorization of this request should be included in S. 1517.

Postponement of the program for just 1 year will cost the Government—and the American people—$3.1 million in lost savings. Furthermore, if our present issuance system is not replaced within a relatively short period of time, it will come close to collapsing altogether.

Mr. President, I cannot emphasize too strongly the need for this authorization. Our country cannot afford to have as its only passport issuance system one which is rapidly deteriorating; nor, in view of the economic crisis we face, can the Government pass up the savings which will accrue from TDIS.

Mr. SPARKMAN. Mr. President, for my part, I am willing to accept the amendment. I do want to say this: It simply states in clear and unmistakable terms what is already in the bill.

It is in the bill in this way: We provide a large amount in the category of administration of foreign affairs; and in making up that sum, we took into consideration and included the same $1 million, which, by the way, is a part of the President's program. It has been requested, and I understand that it has been approved by the State Department.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. CURTIS. I thank the Senator for his consideration. I know that his explanation of the matter is in accord with the facts.

I also thank the ranking minority Member, Senator Case, for his cooperation, and I thank Senator Javits and others who have been involved in this matter. I believe it is important that we make this modernization.

I thank the Senator very much for his cooperation.

Mr. SPARKMAN. Even though it is already in the bill as a part of the overall sum, it certainly does no harm to include this language. It spells it out in terms that cannot be misunderstood.

Mr. CURTIS. I thank the Senator very much.

Mr. CASE. Mr. President, on this point, I ask the Senator from Nebraska this question: There has been some suggestion that the director of the Passport Office has made a recommendation about what amounts to a national identity card system for all Americans. I take it this is not a part of anything of that sort.

Mr. CURTIS. I would think that would be a totally different thing.

Mr. CASE. I think it is a totally different matter, not within the purview of this commission, which is to deal with travel documents.

Mr. CURTIS. Yes, that is right.

Mr. THURMOND. Mr. President, there

is not one member of this body who has not been called upon by a constituent to provide expeditious passport service in cases of emergency or extreme need. We all know that the surest and fastest means of assisting our constituents in these instances is to pick up the telephone and call the Passport Office. Even on weekends, holidays and at night, the Passport Office reacts immediately to our constituents' problems. It was not always so prior to the assumption of the directorship of that Office by Miss Frances G. Knight. Are we now to deny the Passport Office the opportunity to improve itself further by moving into the modern technological era? For this reason, I support the amendment authorizing $1,000,000 initial funding for the Passport Office's new Travel Document and Issuance System and urge my colleagues to do likewise.

Mr. HRUSKA. Mr. President, I certainly wish to associate myself with the amendment offered by my esteemed colleague, Senator Curtis. The amendment is directly related to a request for $1,000,000 in the appropriation bill for the Department of State. This sum is to be used for the development of a project which will provide the United States with a new passport with an improved format more easily handled, more convenient for the citizen and inspecting officers at our ports of entry. Along with this modern document is an issuance system which will improve greatly the mechanical processing of the passport. All these modern improvements will provide better service, more accuracy, more efficiency and speed in the operation of the Passport Office.

In 1957, a previous modernization of the Passport Office brought about the development of a new passport document, a machine system of production to replace manual systems, and a move to new quarters which would permit the efficient handling of an ever-increasing workload. This project was overwhelmingly supported by the Congress and it paid off many times over in the first year of operation. Modern machinery was installed, new equipment introduced, a retraining program for employees was developed—all of which greatly improved passport services rendered to American citizens. All phases of application acceptance, passport processing, filing, recording and communications were improved and speeded up. Not only the American traveling public, but we, in Congress, were the beneficiaries of this tremendous improvement. In many offices it virtually eliminated the follow-up telephone calls and communications from congressional offices which were required because of months of backup workload with resulting delays in the issuance of passports.

Nineteen years have passed since that major overhaul of the Passport Office occurred and it is now time to prepare for another step forward in meeting the challenge of modern technical developments. Today the Passport Office issues approximately 2,400,000 passports annually. The procedures and machinery it developed in 1957 are now obsolete and breaking down. In addition, the basic passport writing machines are no longer produced in this country. A new look is essential, if we are to move ahead with the times. According to the conservative calculations of the Office of Budget and Management, the program recommended by the Passport Office will save the Federal Government a minimum of $31,000,000 within the next 5 years. Certainly, this is not a project to be denied or delayed by the Congress.

I wish every Federal agency would demonstrate this kind of effort to improve its operations and save money for the Government. This is the kind of action program our country needs. It demonstrates initiative and dedication to the improvement and effectiveness of Government services.

In an extension to these remarks, I am describing the proposed Travel Document and Issuance System developed by the Passport Office with the purpose of making the essentials of the program available to my colleagues.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. CURTIS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SPARKMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PROXMIRE. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 15, immediately below line 25, insert the following new section:

FOREIGN GIFTS

Sec. 106. The Act entitled "An Act to provide certain basic authority for the Department of State", approved August 1, 1956, as amended, is amended by adding at the end thereof the following new section:

"Sec. 17. (a) No property purchased with appropriated funds in excess of $50 and no appropriated funds in excess of $50 may be given to any person of any foreign country.

"(b) Not later than 30 days following the end of each fiscal year, the President shall transmit a report to the Speaker of the House of Representatives and Committee on Foreign Relations of the Senate describing fully and completely—

"(1) any gift given on behalf of any person by, or with the assistance of, any officer or employee of the United States to any person of any foreign country; and

"(2) the activities of such officer or employee with respect to the giving of such gift.

"(c) Any financial transaction involving any funds made available to meet unforseen emergencies arising in the Diplomatic and Consular Service shall be audited by the Comptroller General and reports thereon made to the Congress to such extent and at such times as he may determine necessary. The representatives of the General Accounting Office shall have access to all books, accounts, records, reports, files, and all other papers, things, or property pertaining to such financial transaction and necessary to facilitate the audit."

(b)(1) Section 7342 of title 5, United States Code, is amended—

(A) by striking out the section caption and inserting in lieu thereof the following:

"§7342. Foreign gifts and decorations"; and

(B) by striking out subsection (c) and inserting in lieu thereof the following:

"(c) Congress does not consent to the accepting or retaining by an employee of any gift. No gift may be accepted by an employee."

(2) Item 7342 in the analysis of subchapter iv of chapter 73 of such title 5 is amended to read as follows:

"7342. Foreign gifts and decorations."

(c) The amendments made by this section shall apply only with respect to gifts tendered on or after the date of enactment of this Act.

GIFT-GIVING-AND-RECEIVING AMENDMENT

Mr. PROXMIRE. Mr. President, I think it will take only a very few minutes to dispose of this amendment, because I do not intend to press it; but I do want to bring it up and discuss it on the floor with the chairman.

I have prepared an amendment to this Foreign Relations Authorization Act of 1976–77 which would preclude the giving or receiving of gifts valued at more than $50. The prohibition would apply to individuals in foreign governments and all employees of the U.S. Government.

This is identical to an amendment which was accepted on the foreign aid bill last year but which subsequently died with that bill.

Mr. President, having just returned from my State of Wisconsin, I can tell my colleagues that there is nothing that disturbs voters more than giveaway programs to foreign governments. And at the top of the list of those items found objectionable are the free gifts that have been given to foreign heads of state and other officials.

In many instances these multi-million-dollar gifts are nothing more than subtle bribes. We are buying friendship and cooperation.

Gift giving by American diplomats has reached epidemic proportions. We are showering foreign leaders with a broad range of gifts that range in price up to millions of dollars.

The State Department has informed me that gift giving has quadrupled over the last 25 years, and it now takes nearly $1 million annually just to administer the foreign gift-giving program. One million dollars just to find ways to give away more of our resources, more of our tax dollars.

One gift that remains in the minds of many is the $3 million Sikorsky helicopter to Egyptian President Anwar Sadat. The State Department justified this gift as "essential to the national interest of the United States." They took the money for this giveaway out of the disaster relief fund.

The General Accounting Office found that "although not strictly illegal, the gift was contrary to the intent of Congress."

On President Nixon's journey to the Near East, 76 personal gifts—ranging from expensive crystal to gold jewelry—were presented to various foreign dignitaries at public expense. These gifts were funded out of the Emergencies in the Diplomatic and Consular Services account. What emergency was involved is beyond me.

And who can forget the $10 million in Egyptian pounds donated to Mrs. Sadat's favorite charity—the Loyalty and Hope Society—an organization that provides medical treatment to a number of Arab nations' civilian and military personnel? This was a pure gift, with no assurances as to how the money was spent.

Over the past year, I have inquired of the State Department as to which other foreign dignitaries were receiving gifts and at what expense. The State Department refuses to provide the details linking the gifts with the specific foreign dignitaries. Similarly, the General Accounting Office has been blocked from auditing the accounts of the State Department from which the funds for gifts flow.

One of the provisions of my amendment will allow the GAO access to all State Department records dealing with foreign gifts.

I ask, just what good did this extraordinary gift giving do? What did we buy with our largess? Are bribes necessary in the conduct of diplomacy?

It may be of interest that our $3 million helicopter, according to press accounts, is sitting unused in the Egyptian desert. What good purpose did it serve?

Mr. President, on December 3, 1974, I submitted a similar amendment to the Foreign Assistance Act, my prior amendment having died with the recommital to the Senate Appropriations Committee. I withdrew that amendment when the acting chairman and floor manager, Senator McGee, suggested that it more properly belonged on the bill being considered today. Senator McGee has been most helpful in pursuing this matter, as has the distinguished Senator from South Dakota (Mr. McGovern).

This bill and amendment come at a time when once again the public's attention is being drawn to massive gift giving. The proposed agreement in the Middle East apparently carries with it a very high price tag. Just how high is not yet known. Even granted that this type of aid would not fall under the provisions of this amendment since it only deals with individuals, the issue of diplomatic bribery and dollar diplomacy are quite prominent.

Is it the policy of this Nation to sweeten diplomatic agreements by providing massive grants of U.S. aid? What happened to the old-fashioned diplomacy where "good offices" means bringing two sides to agreement with diplomatic negotiations? Today, "good offices" means that the United States will be the sugar daddy—the unlimited reservoir of financial aid. We are buying diplomatic success, and that is a very tenuous base for the negotiating posture of the United States. It is the worst possible waste of tax dollars.

Mr. President, I understand that the Committee on Foreign Relations has discussed this matter at some length and that the committee has taken an adverse position. Frankly, I feel that this amendment could prevail on the floor if it were offered, as indeed it has prevailed in the past. I do not intend to offer it today, if my understanding is correct—and I ask the distinguished chairman of the Foreign Relations Committee to tell me whether or not it is. It is my understanding that the committee expects to hold hearings on this matter and that those hearings will be held within the next few months. Is that correct, if I may ask?

Mr. SPARKMAN. The Senator is correct.

We had a good bit of discussion, but there are many complexities to this matter. We just had a discussion without holding hearings on it.

We had the GAO recommendation before us, but we did not have time to give it adequate consideration, and we do plan to take it up and hold hearings on it.

Let me ask the Senator a question or two. As I understand it, his proposal would prevent Ambassadors abroad from making these gifts. Is that correct?

Mr. PROXMIRE. Yes. It would prevent any official of the United States, whether an ambassador or a President of the United States or a Secretary of State, from making gifts in excess of $50 to an official of a foreign government.

Mr. SPARKMAN. I wanted to ask whether it covered the President and all other public officials of the United States.

Mr. PROXMIRE. That is correct.

Mr. SPARKMAN. There is another thing: This really is not involved in the Senator's proposal, but we also had a discussion about gifts to Members of Congress, gifts to Senators from foreign governments. That happens sometimes. I may say that I have applied the rule all along—and this was in accord with the advice we received from somebody in the State Department—of a limitation of $50.

I have received some gifts that I felt exceeded $50, and I have sent those to the Department of State, again, in accordance with advice that I had received. I understand that the State Department gets an accumulation of gifts and then they have an auction. Senator Scott raised some questions, and maybe some other members of the committee raised some questions, with reference to those auctions, as to whether they were conducted in a way so as to get the real value out of these gifts instead of just making an easy disposition of them.

I remember when the head of government of some country was here and the Senate Committee on Foreign Relations gave him a luncheon or coffee. He went home and sent me an autographed portrait in a most elegant silver frame. I felt that its value surely exceeded $50, so I sent it over to the Department of State, and it either rests there or has been disposed of in an auction. I am not sure. I have received other gifts and, if I had any question about the value, I always sent them to the Department of State.

I feel that that is a good course of conduct for Senators to follow, but there has been some concern expressed in our committee as to whether or not the Department of State, in turn, was getting full value out of the disposition of gifts.

Mr. PROXMIRE. I say to the distinguished chairman of the committee that I appreciate this very much. I appreciate the fact that the committee has considered it. I think, after all—I am sure—that there is no lack of integrity on the part of Presidents or on the part of Members of Congress or on the part of other people who accept these gifts. I think it is just an embarrassing practice. It is very difficult to say no when, out of the goodness of their heart, apparently, foreign Presidents or foreign guests give a gift to a President or some official. I think the law will help, however. I think it will help to say that, unfortunately, this is illegal, it cannot be done.

When we give a $3 million helicopter to the President of Egypt or donate a large sum to a foreign charity, it is not the person who gives the gift who gives it. It is the American taxpayer who pays for it. I believe the taxpayer, in many cases, would not want to pay out that kind of money for a fancy, expensive gift to a particular individual in a foreign country.

Mr. SPARKMAN. We gave away some Cadillacs, did we not?

Mr. PROXMIRE. We have given away Cadillacs, all kinds of things. It must stop.

Mr. SPARKMAN. I say "we." I mean our Government.

Mr. PROXMIRE. Individual officers in our Government did. This is something that is not diminishing now, it is increasing. It is four times as great as it was a few years ago.

I hope that the Committee on Foreign Relations will really consider this amendment very seriously and will come up with a recommendation one way or the other, this year, if possible—if not, early next year—so that we can dispose of this.

Frankly, if the Committee on Foreign Relations takes an adverse position after the hearings, and I think it is open as to which position they will take, I intend to press as vigorously as I can for the adoption of this amendment on the floor of the Senate.

Mr. SPARKMAN. From the discussion we had in the Committee on Foreign Relations, I believe we will be sympathetic to some such proposal as this. We do intend to hold hearings.

Mr. PROXMIRE. I thank the distinguished Senator.

Mr. President, I withdraw my amendment.

The amendment was withdrawn.

AMENDMENT NO. 870

Mr. BENTSEN. Mr. President, I have an amendment at the desk which I ask to have read.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. BENTSEN. Mr. President, I ask unanimous consent that further reading of my amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> At the end of the bill, add the following new section:
>
> No person who holds the position of Secretary of State may at the time he is holding such position also hold the position of Assistant to the President for National Security Affairs, Executive Secretary of the National Security Council, or any other position supervising, directing, or controlling the staff of the National Security Council. This Act shall apply with respect to any individual who is appointed to the position of Secretary of State on or after the date of enactment of this Act.

Mr. BENTSEN. Mr. President, my amendment provides that in regard to future Secretaries of State, there will be a division of responsibility between the National Security Adviser and the Secretary of State so we do not have the same person occupying both offices. I think that many of my colleagues share my concern that there has been an overconcentration of the decisionmaking mechanism for foreign policy by putting it all under the auspices of one man, however brilliant and however able that man might be. My amendment would begin the job of restructuring the foreign policy decisionmaking apparatus in this country. I am seeking to prohibit future Secretaries of State from serving as the President's National Security Adviser, the executive secretary of the National Security Council, or any other position directly controlling the National Security Council.

The office of National Security Adviser was set up to coordinate foreign policy recommendations submitted to the President of the United States. It was not set up to have the man who is Secretary of State acting as National Security Adviser to determine how good a job he is doing as Secretary of State—in effect, monitoring his own work.

I was struck recently by an article in the New York Times by John Hersey, who described several days he spent with President Ford.

In the article, Mr. Hersey pointed out that a sizable group of aides and Cabinet officers met regularly with the President to debate, discuss, and advise him as he shapes domestic policy.

But on foreign policy questions, the President meets with the Secretary of State alone. Just the two of them. No outside views. No differing perspectives.

If we had a National Security Adviser who was a different person, we would have someone else involved in expanding the options on foreign policy being presented to him. What we have here is two different types of position. The Secretary of State's position is that of a line officer. That of the National Security Adviser is of a staff person, one who correlates the flow of information that is coming into the White House involving foreign affairs and national security and who tries to put that information together in a readable and sensible form while making policy recommendations for the President of the United States to examine. But we do not see that now.

Mr. Hersey wrote:

> In the formulation of settled policy, this President, who had a minimal exposure to foreign affairs before he came to office, hears, I am told, only one voice, and a mercurial voice it is, Henry Kissinger's.

He continued:

> Yes, this is the most alarming thought I have had all week.

Mr. President, that alarms me, too. I believe we should look at the report of the President's Commission on the Organization of the Government for the Conduct of Foreign Policy. Time after time, we see Congress create commissions, see them spend a year or 2 years studying a problem, spending the taxpayers' money, filing reports, then we watch it gather dust; nothing is ever done with it. It is time that something is done with this very major recommendation made by the Murphy Commission. This thought is shared by the Washington Post in their editorial, "How To Make Foreign Policy," which endorses this Commission's recommendation on dividing these responsibilities.

I ask unanimous consent that it be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

How To Make Foreign Policy

Three years ago, prodded by a Congress resentful of both the method and substance of executive-made foreign policy, President Nixon named a commission headed by retired diplomat Robert Murphy to devise "a more effective system" of policy making. Its report, now in, suggests that the President should have available the organizational machinery to give him closer policy control. Among particular pieces of machinery, the report identifies the State Department as the leading one. The "Commission on the Organization of the Government for the Conduct of Foreign Policy" makes dozens of useful recommendations to serve these ends.

These ends are not, however, universally shared in the Washington policy community. In particular, the Congress is hardly ready to enhance the President's role in a process it believes he already excessively controls. The Congress, with its institutional pride and its committee structure, prefers a weaker rather than stronger President and an executive branch divided into separate bureaucracies. Moreover, as Sen. Mike Mansfield, a Commission member, makes clear in a separate comment, little or nothing in the Murphy report points toward the fuller and more timely consultation, and the greater and more orderly sharing of information, which the Congress has been seeking in recent years. He surely speaks for a majority when he dismisses the proposal for a new Joint Committee on National Security (to conduct intelligence oversight, and to receive War Powers and intelligence reports) as a device to circumvent the standing committees and to facilitate executive manipulation. On intelligence overall, the report has little beyond the routine to offer, and Mr. Mansfield suggests waiting for the Senate Select Committee to weigh in.

The commission's recommendation to split the jobs of Secretary of State and President's national security adviser, now both held by Henry Kissinger, is unarguable. But otherwise its claims to make the State Department king of the bureaucratic jungle are not uniformly persuasive. Commission member Mrs. Charles Engelhard, in a comment of her own, notes that since economic policy cannot avoid having a large domestic component, it makes sense to establish as the President's chief adviser in this field a domestic department—Treasury. There is room for continuing discussion here but at this point few people outside the State Department need to be convinced that State should not run the foreign economic show. Mr. Murphy, one notes, is an old State Department man.

What is the trouble with the succession of more than 80 expert, hard-working, good-willed committees and commissions that have studied the organization of the foreign policy process since World War II? For one thing, in a changing world the external demands on policy are constantly changing, and this requires constant review. For another thing, as every good bureaucrat knows, organization and procedure are not—as this report suggests—merely the aseptic and disinterested servants of policy. Organization and procedure are power. Like its predecessors, this study recommends not so much a way to organize the government as a way to distribute power between and within the executive and congressional branches, in respect to foreign policy. This assures that the report will be contested, and that it will not be the last.

Mr. BENTSEN. My bill is also recommended in the editorial of the Los Angeles Times on July 1, 1975, entitled "No Quiet Burial, Please." It says that:

> The Commission, accepting this reality, conceded "special circumstances" in Kissinger's case, but emphasized that no man should wear both hats in the future. Senator Lloyd Bentsen has introduced a bill to require separation of the jobs; it deserves more attention than it has received.

I ask unanimous consent that that be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record as follows:

No Quiet Burial, Please

There have been exceptions, but presidential commissions generally follow a predictable life cycle: They are appointed with instructions to produce answers to one or another national problem. Two years later they return with recommendations that, in many cases, are received with great fanfare. Then nothing happens. It is as though the commission never existed.

In all likelihood, this is the fate awaiting the proposals for changes in the foreign policy apparatus that were submitted by a presidential commission over the weekend. This is unfortunate, because whether or not the group's specific suggestions are the best in every instance, the problems to which they are addressed are all too real.

The commission's recommendations covered a wide range of foreign policy organizational problems. Two of the most important were that, in the future, one man should not serve both as secretary of state and as national security adviser to the President, and that the White House organize itself to do a more intelligent job of foreign economic policy making.

Both proposals amount to indirect but valid criticisms of Secretary of State Kis-

> singer's role. We urge both President Ford and Kissinger to take the criticism seriously.
>
> The secretary of state is a man of remarkable talent and energy, a diplomatic superstar with impressive achievements to his credit. But he is only one man, and his function as Ford's national security adviser is not compatible with his other job as Cabinet officer in charge of a huge, sprawling department. He spreads himself too thin; while applying himself however brilliantly to one foreign policy problem, he neglects others. Also, his perspective as national security adviser, an interagency role, is inevitably colored by his other function as secretary of state.
>
> It appears obvious, however, that Kissinger will not voluntarily surrender either job and that Ford will not force the issue because of his respect for the secretary of state's "unique" talents.
>
> The commission, accepting this reality, conceded "special circumstances" in Kissinger's case, but emphasized that no man should wear both hats in the future. Sen. Lloyd Bentsen (D-Tex.) has introduced a bill to require separation of the jobs; it deserves more attention than it has received.
>
> Foreign economic policy making raises organizational problems that no President has been able to resolve satisfactorily and that have been especially troublesome in recent years.
>
> During most of the Nixon years, Kissinger did not interest himself much in economic problems. When it became obvious that such neglect was having an unfortunate effect on U.S. political relations with other countries, he moved aggressively to assert an influential, even dominant, voice on world economic issues.
>
> Unfortunately, Kissinger has sometimes found himself making commitments that neither Congress nor other departments of the Administration itself were prepared to back. His espousal of a global floor under oil prices is a case in point.
>
> The proper weaving of economic considerations into foreign policy and vice versa is easier to say than to do. No one should imagine that the problem can be solved merely by drawing new lines on organization charts, or for that matter by exchanging one secretary of state for another.
>
> In the final analysis, only the President has the power to demand, and get, the maximum feasible coordination of economic and foreign policy making. However, the commission's proposal for adding the treasury secretary to the National Security Council could contribute toward that end, as could the suggestion for creation of an Economic Policy Advisory Board composed of private citizens.

Mr. BENTSEN. Mr. President, the Murphy Commission, blue ribbon commission on the Organization of the Government for the Conduct of Foreign Policy, held comprehensive hearings over the course of a year and a half on the foreign policy structure of the Government. It heard over 200 witnesses and employed well over 250 consultants. They support my contention that future Secretaries of State should not also exercise the function of Assistant to the President for National Security Affairs. I quote from that commission's report.

The Assistant for National Security Affairs states:

> It is eloquent testimony to the extraordinary abilities of the present Assistant to the President for National Security Affairs that he has met the requirements of that post while simultaneously serving as an active and effective **Secretary of State. His holding of** both positions has arisen from quite special circumstances, it is well established, and we make no recommendation concerning it.

In this legislation, I do not make any recommendation concerning the current Secretary of State. We do not legislate to that, we legislate to future Secretaries of State.

The report says:

> As we have stressed earlier, we seek not to address matters of topical interest, but the enduring and longer-term problems of Government organization.
>
> Having reviewed the responsibilities the Assistant for National Security Affairs must meet over the long term, we conclude that these responsibilities, involving essential personal assistance to the President, management of issues for Presidential decision, and the direction of the National Security Council staff, should normally in future be performed by an individual with no other official responsibilities. The actual choice would of course rest with the President.
>
> The reasons for this are two. The first is simply that the responsibilities of that Assistant are heavy and important enough to require the undivided attention of even the ablest public servant. The second is that an Assistant to the President must be a facilitator of decision, a conduit to the President, a force for balance and even-handedness in the presentation and consideration of issues.

As I was saying earlier, these are staff functions, these are not line functions as held by the Secretary of State.

> These are staff functions. They are not easily made compatible with the responsibilities of a Cabinet officer, a line official who must necessarily act as the chief of a great department.

I have seen a lot of brilliant and able men, men who were great tacticians, but men who found it so difficult to give up any responsibility and delegate any authority. This is one of the problems that we are running into in this kind of situation with the incredible problems facing us around the world, with the problem of the Middle East, with the problem of South Korea, with the problem of the Helsinki agreement, and compliance with it.

To have one man who develops a foreign policy that is really an extension of his own personality and who then, in a staff position within the White House, monitors how good a job he is doing as Secretary of State, that really does not give the President of this country any options when it comes to advice or counsel concerning foreign affairs.

It is difficult enough to make government work, but to try to take these two incompatible positions and say that one man will wear the hat of both is really bad management, bad structure, and a limitation of counsel for the President.

The issue is a clear one, and I urge that the distinguished chairman and the ranking minority member give serious consideration to the acceptance of this amendment.

Mr. HUMPHREY. Will the Senator yield?

Mr. BENTSEN. I am delighted to yield to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I rise to commend the distinguished Senator from Texas for this initiative of his. It is long overdue and thoroughly merited and justified.

As the Senator said, the Murphy Commission has made this recommendation. I was privileged to be one of the witnesses before that commission, and I testified at that time very strongly for the separation of functions of the National Security Adviser and the Secretary of State.

The Senator from Texas has explained this in considerable detail. I am just noting the fact that the Secretary of State is in a very real sense a line officer, as we say in public administration terminology.

The National Security Adviser is a staff officer.

The Senator is absolutely right. I saw, for example, in those days of the Johnson administration, McGeorge Bundy as the National Security Adviser, and also Walt Rostow. These men had as their responsibility the coordination of information for the President, they had as their responsibility bringing to the President the options, they had as their responsibility from time to time bringing to the President the contestants within the Government on a particular policy.

I can recall instances where, for example, Mr. Bundy would have Robert McNamara, Secretary of Defense, and Dean Rusk, Secretary of State, and the then-current CIA Director all in the room at the same time with the President on a matter that needed to be resolved in a dialog and a discussion where the President could make his decision.

The current situation is exactly as the Senator has described it. This is no reflection upon the abilities and the capacity and talents of Dr. Kissinger, but it is bad public policy and bad administration to have those two positions in one office and in one man. It just does not give the President the kind of counsel and advice that any President of the United States should have.

I do not know of any other thing we could do here today that would be more helpful in the long term formulation of foreign policy and national security policy than to, by law, delineate the functions to be performed.

I support vigorously the amendment of the Senator from Texas. I am hopeful the chairman and ranking member will see fit to concur in it. It just seems to me that it is a change long overdue and one that we ought to come to grips with here today.

Mr. BENTSEN. I thank the distinguished Senator from Minnesota.

No one man, however brilliant and able that man might be, can carry out the enormous responsibilities of a great department, while negotiating abroad through shuttle diplomacy and still carry out the responsibilities of the National Security Adviser.

The President should have greater balance in the foreign policy advice he receives.

Mr. President, I ask consideration of the chairman and the ranking minority member for the acceptance of this amendment.

Mr. SPARKMAN. Mr. President, I can certainly recognize the argument that the Senator from Texas makes, and I realize the fact that it is a part of the Murphy Commission report.

However, as the Senator knows, we have just recently received the Murphy Commission report, and we have not had an opportunity to consider it.

Remember, this is only one of many recommendations contained in the Murphy report. We fully intend to have hearings on the commission report. As a matter of fact, we looked forward to the receipt of it and we are going into all of the recommendations that they make.

I wish the Senator would not insist on his amendment until we have an opportunity in our committee to consider this and the other things contained in the Murphy Commission report.

Mr. HUMPHREY. Will the Senator yield?

Mr. CASE. May I say a word on that point?

Mr. SPARKMAN. I yield to the Senator from New Jersey.

Mr. CASE. I support the chairman in his particular position. I think there is great merit to the recommendation. I do not believe I want to accept the amendment out of hand. For that reason, I would hope that the amendment would not be pressed now. I would certainly concur in any assurance that the chairman would give to the Senator from Texas to hold the earliest hearings on this and the other parts of the Murphy report.

There is an interesting little example of what I think are probably many ramifications of this particular subject. As some of the Members who are active on the committee know—and I think this was largely during the period of the temporary absence of the Senator from Minnesota—we found it very difficult to get information from the present Secretary of State when he was only acting as the security adviser to the President. There was the consideration of executive privilege and the delicacy of his appearance on Capitol Hill which intervened.

We have received much more information from that individual since he adopted his second hat.

Just as a practical matter I think we know a great deal more about what is going on downtown now than we did in the times when the Secretary of State was a separate person.

I do not mention this as any means of controlling but just as an example of the interesting ramifications of suggestions of this sort. I think, therefore, it would be most wise for us to consider this in the regular course at the earliest possible, feasible time with the other recommendations of the Murphy Commission report. I do not think we ought to pick this one thing out and act on it apart from the report as a whole.

Mr. HUMPHREY. Will the Senator from Texas yield to me?

Mr. BENTSEN. I yield.

Mr. HUMPHREY. I never like to be in disagreement with my esteemed chairman and the very able and distinguished Senator from New Jersey. But if there is any one violation of the intent of public law, it is the combining of the national security advisor position with the office of Secretary of State.

The law that establishes the National Security Council provides for a security advisor. This position was combined in the instance of Dr. Kissinger because of the rather unique relationships between Dr. Kissinger and Mr. Nixon and subsequently Dr. Kissinger and the present President of the United States, Mr. Ford.

Again, to debate this issue may sometimes be looked upon as an adverse reflection or observation of Dr. Kissinger. To the contrary, I am one of his admirers.

I will say, however, that the President of the United States needs to have somebody in that office as national security adviser who can coordinate the Defense Department, the State Department, and the intelligence operations of this Government in hands that are separate and distinct from any one of those other offices.

I wonder what we would think if today we had the Director of the Central Intelligence Agency as the head of the National Security Council or the National Security Adviser, on the one hand, and also head of the CIA. There would be an uproar here. But the precedent has been established. As a matter of fact, the precedent now has been established that you can take the Secretary of the Treasury, who is a member of the National Security Council, and make him your National Security Adviser at the same time.

I feel those offices should be separated. I do not think we ought to delay. I realize that the Murphy Commission has many other recommendations. Indeed, it is prudent practice to take those before the committee. The Committee on Foreign Relations, under the direction of Senator SPARKMAN, will examine into these recommendations with care and in a timely fashion. But in my mind, there is no greater single weakness in the foreign policy formulation of this country, and no greater danger to national security policy formulation, than consolidating in the hands of one man all of the authority that comes with the National Security Adviser. He has access to every department of Government that relates to national security, and, at the same time, the whole apparatus of the State Department.

I think it is wrong. I think it has been wrong. I think it leaves this man who is presently there with too much to do.

I can say that I have personally witnessed time after time where a national security adviser had to be the broker, so to speak, or the coordinator between sharply contesting points of view. That national security adviser is the one who does the legwork for the President. He brings in the Chairman of the Joint Chiefs, who may be in substantial disagreement with the Secretary of Defense. He brings in the Secretary of State with the intelligence services of the State Department, which may be in substantial disagreement with the Central Intelligence Agency. Somebody has to precipitate the argument in the presence of the President. That is the man known as the national security adviser.

Sometimes the national security adviser does this all by paper, the options are there by paper.

It seems to me that the Senator from Texas has just put his finger upon one of the most important areas of national security policy formulation and the procedures used in advancing his amendment. I would hope that because it is so obvious that it ought to be done we would not hesitate to do it.

If the Chairman of the Foreign Relations Committee—and I think he can and I think he most likely will—will assure the distinguished Senator from Texas that this is going to be acted upon rather promptly, maybe the Senator from Texas would be of the mind that he would withhold. But I am ready to vote for it now because I think it is needed.

Mr. BENTSEN. I thank the Senator from Minnesota.

Mr. SPARKMAN. Will the Senator yield to me very briefly?

Mr. BENTSEN. I yield to the distinguished chairman.

Mr. SPARKMAN. Here is the way I look at this: This does not affect the present situation.

Mr. HUMPHREY. That is correct.

Mr. SPARKMAN. It is postponed until he goes out of that job. I do not know when that is going to be, but it is sometime in the future. This is not an emergency.

Mr. HUMPHREY. I agree with that.

Mr. SPARKMAN. We do have time.

It is true that this is a recommendation of the Murphy Commission, but I do not know how many more recommendations are in the report. If we now take up one of them and act on it, the Senator knows there is going to be pressure to act on those other recommendations. I just do not feel that that is the orderly way that we, as a committee, ought to be required to handle this. I hope the Senator will withhold his amendment.

I say again I do not find anything in the amendment that I could not go along with. It relates to the future; it does not relate to the present. There is plenty of time. I would like for our committee to have the opportunity to consider the commission's report with all of its recommendations instead of pulling out a single one.

Mr. BENTSEN. May I say to the distinguished chairman, and I certainly do not want to quarrel with him over this, that I do think there is some urgency in it from this standpoint: that we send a message to the President, and my amendment would do that, expressing our concern. Especially when I read something like Mr. Hersey's comments in the New York Times about his days with the President, I am interested to hear how the other cabinet officers would come in with staffs and you would have great discussion and debate in order to develop a consensus on questions involving financing, or defense, or housing. But all of a sudden, when you are talking about foreign affairs, one of the most serious problems facing this Nation today, there is one man the President confers with, and one man alone.

That was not the intention when they created the job of Adviser to the President for National Security Affairs. The intention was that there would be someone in there counseling the President, someone who would say, "Now, on the other hand, we really ought to think about this."

We have a President who has not had great exposure to foreign affairs in the past, who needs options in arriving at a decision. True, this does not affect the present Secretary by law. But certainly the concern of the Senate would be shown, and the concern of Congress, if this were passed. I think it would buttress the President in trying to look for an alternative source of counsel and advice in this regard.

Here we have, in the distinguished Senator from Minnesota, a man who has seen the intimate working of decisionmaking on foreign policy from the inside, has seen how it works, feels strongly about the issue, and feels there should be a separation between the line office of the Secretary of State and the staff office of the National Security Adviser who would correlate the policy recommendations and present them to the President, without having the Secretary of State saying, "Yes, Mr. President, the Secretary of State is absolutely right, and you ought to go right down the line on it." To develop the kind of debate that is essential for the President, the two offices should be divided.

But I would like to ask the chairman this, if I may, in all candor: I feel there is an urgency for consideration, but if I have the statement of the distinguished chairman, as I have just heard it from the ranking minority Member, that this amendment of mine will be given early consideration by the committee——

Mr. SPARKMAN. I can assure the Senator that it will be given early consideration. Of course, the Senator knows that we have a lot of work in that connection, but I see no reason why we should not be able to get to it in the very near future.

Mr. CASE. I think we should. I think we should take up the whole Murphy Commission report promptly.

Mr. BENTSEN. I know that the distinguished chairman and the distinguished Senator from New Jersey are men of their word, and that if they commit themselves to do it, they will find a way.

With that, Mr. President, I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. SPARKMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. TOWER). Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I believe the Senator from New Mexico has an amendment.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, I have an unprinted amendment which I send to the desk on behalf of myself and Senators BROCK and HELMS, and I ask for its immediate consideration.

The PRESIDING OFFICER (Mr. BROCK). The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. DOMENICI. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Beginning on page 49, line 23, strike out through line 4 on page 50, and insert in lieu thereof, the following:

Section 454. (a) The President shall direct the United States Ambassador to the United Nations to insist that the United Nations take all necessary and appropriate steps to obtain an accounting of members of the United States Armed Forces missing in action in Southeast Asia.

(b) Unless the President certifies in writing to the Congress not more than six months after the date of enactment of this section that the United Nations has taken all necessary and appropriate steps to obtain such an accounting, the amendment made by subsection (c) of this section shall take effect.

(c) Public Law 92-544 (86 Stat. 1109, 1110), is amended in the paragraph under "INTERNATIONAL ORGANIZATIONS AND CONFERENCES" headed "CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS", by striking out "25 per centum" the first time it appears and inserting in lieu thereof "10 per centum."

Mr. DOMENICI. Mr. President, I ask unanimous consent that Charles Gentry and Mickey Barnett, of my staff, be granted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, is the Senator from New Mexico going to give us a full explanation of that amendment?

Mr. DOMENICI. Yes; indeed.

Mr. President, before I explain the amendment, I believe the distinguished managers of the bill have agreed that we would vote on this amendment at 2 p.m.

Mr. HUMPHREY. Do I understand the Senator is asking unanimous consent that a rollcall vote be held on his amendment?

Mr. DOMENICI. Yes; at 2 p.m., and that, since there are not sufficient seconds now, I ask unanimous consent that the yeas and nays be in order, and we will ask for them sometime prior to 2 p.m.

Mr. HUMPHREY. I have no objection here.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the vote occur at 2 p.m.

Mr. HUMPHREY. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, so the managers will understand my amendment, there was a printed amendment that had been circulated. This amendment has a few changes in it, and there is on the desks in front of the Senators the amendment that I sent to the desk.

Let me just briefly explain what I am trying to do.

First, I commend the committee for including a portion of the goal or objective of my amendment where they have done that. On page 49 they have recognized the fact that the United Nations has a very serious responsibility to attempt in a serious manner to obtain or attempt to obtain information with reference to the Americans missing in action in Southeast Asia. I commend them for that. They have mandated that the President use his power to see that our United Nations Ambassador insist that the U.N. attempt to do that.

Basically, my amendment says that our President shall insist that our U.N. Ambassador seek from the United Nations the implementation of what they have already agreed to, because the distinguished Senators know that by 95 to 0, 32 abstentions, the United Nations did, in fact, adopt a resolution, in fact it was proposed by the distinguished Senator from Illinois (Mr. PERCY), that it is a legitimate role of the United Nations to obtain information with reference to the U.S. military who are missing in action in Southeast Asia.

The problem we have is that the resolution has been adopted and as of this date the U.N. has done nothing. I am not saying they can obtain the information with reference to what we think are at least 1,000 that are still MIA's in the legitimate sense, but that they have not taken any steps. They have not set into motion any machinery. They have made no formal requests. They have not created any kind of thrust to get an accounting. If they cannot get it, at least they could take the steps.

So all my amendment does—so it will be understood—it does not require the results, it does not say, if we do not get an accounting, we cut U.N.'s funding from the United States of America. It merely says the President will see to it that our U.N. Ambassador pursue this objective, which they have adopted, and he has 6 months to report to us that the U.N. has, in fact, made every effort to obtain the information.

I explain to Senators the major difference between the printed amendment and this one is that we do not say that they must get the results, because we cannot expect the impossible, but they have to take every reasonable effort to obtain the information and let us know that they have done that.

The other big difference between my amendment and the language that we have in the bill is that I have included what has grown to be a typical approach of the U.S. Government when we talk to our own States, when we say to them: "We have a Federal law and, if you do not follow it, then you are not going to get funding." So the part that I know is onerous to the distinguished leader is that I say, if they do not do this minimal thing, then the funding from the United States of America to the U.N., which we know is disproportionate and which we have lived with in spite of its disproportionate share, would be cut from 25 to 10 percent.

So I have a number of distinguished Senators who are cosponsors of this measure, and it is for that reason that I say to the distinguished Senators that I must ask for the yea-and-nay vote.

I send to the desk the names of the cosponsors and ask unanimous consent that they be printed in the RECORD.

There being no objection, the names were ordered to be printed in the RECORD, as follows:

COSPONSORS OF AMENDMENT

Eastland, Allen, Beall, Brock, Buckley, Curtis, Garn, Goldwater, Laxalt, Nunn, Packwood, Roth, Stone, and Thurmond.

Mr. DOMENICI. I state for the RECORD that heretofore we have had a resolution that said the same thing as the sense of the Senate, and I have a list of other Senators who have cosponsored that resolution which contained basically the same language that is contained in my amendment.

I ask unanimous consent that those names be printed in the RECORD.

There being no objection, the names were ordered to be printed in the RECORD, as follows:

ADDITIONAL COSPONSORS OF A SIMILAR RESOLUTION

Fannin, Helms, McClure, Stevens, Talmadge.

Mr. DOMENICI. Mr. President, on Tuesday, September 9, 1975, the Washington Post had an interesting editorial that was called "Vietnam: The Hostage Game Again?"

I ask unanimous consent that that editorial be printed in the RECORD.

The last part of it is particularly germane, and it indicates that when we are talking about something humanitarian and as basic as just giving us information that this is not an area where any country ought to play blackmail and use this kind of information as some kind of a leverage to get something from us.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

VIETNAM: THE HOSTAGE GAME AGAIN?

The new Communist Government in South Vietnam seems to be holding about 50 Americans hostage to win not only diplomatic relations but economic aid. Some of the Americans—church people, deserters, individuals with Vietnamese families—stayed behind voluntarily when the Thieu regime fell in April; others were trapped. Most live around Saigon but 10, including two government officials, three women and a 5-year-old girl, are in custody in the interior. All are cut off from communication with the outside. Until early August, Americans were trickling out. Then South Vietnam lowered the gate in apparent reaction to the American veto of its application for United Nations membership. Saigon was evidently not much mollified by the fact that the American veto was cast for considerations entirely extraneous to Saigon, whose application Washington supported in principle; U.S. opposition was in protest of the U.N.'s refusal to admit South Korea. The other day the last American correspondent was expelled. A report he then filed made painfully clear that the remaining Americans are hostages to recognition and payment of "damages."

The official American view has been that the Americans in South Vietnam should be allowed to leave on humanitarian grounds. To this end Washington has sought to prod Saigon through the Red Cross, United Nations and other intermediaries. But the regular response of the Provisional Revolutionary Government in Saigon has been that it would discuss the Americans only in a package including political considerations. While the status of the Americans was unclear, the United States was careful not to confirm any Vietnamese tendency to regard them as chips for which Washington would pay in political bargaining. But in the last month Saigon appears to have reached this position on its own.

Saigon is making a big mistake if it believes that the few Americans now in South Vietnam can somehow be equated, in terms of their value as hostages, with the large number of military POWs for which the United States was willing to "pay" North Vietnam, with a "peace agreement," several years ago. The condition of internal American division, which alone made North Vietnam's manipulation of hostages a feasible tactic, no longer exists. Saigon should also consider that no single wartime policy of Hanoi's brought upon it more popular antagonism than its use of the hostage issue. We say this not as a threat to Saigon but merely as a judgment of the current American scene. There are some legitimate diplomatic and moral reasons why the United States ought to be considering the normalization of relations with South Vietnam. Renewed Vietnamese use of a hostage tactic associated with the ugliest days of the war period can only set this necessary process back.

Mr. DOMENICI. I say to the distinguished Senator from Minnesota that I am not just shooting from the hip when I concern myself about them having more information, because I think the distinguished Senator will remember that it was not too long ago that the Senator from Massachusetts (Mr. KENNEDY) had occasion to learn more on this subject, and we all found out that one of the new leaders of Vietnam indicated they had some information about some of our MIA's and that they were not going to give it to us. At that point they said, "we are not going to give it to you unless you agree to give us economic assistance." Can anyone imagine that status at this point in history?

We are not asking that the U.N. affect their government. We are not at this point asking the U.N. to pick up where we left off. Nothing like that. It is a pure, basic, simple, humanitarian goal which the U.N., in its charter, says they shall do, regardless of what countries are involved or the circumstances, coupled with a unanimous resolution by the U.N. that it should be done.

All I am asking is that the U.S. Senate just say, loud and clear: "U.N., you said you are going to do it; now just show us that you are going to take some action. Do some things that will indicate to the people anxiously awaiting, anticipating information about their loved ones, the true status of the MIA's."

I think it is a reasonable approach. I do not believe that the Senator from Minnesota should be concerned about the cut from 25 percent to 10 percent; because I truly believe that if we did this, this time, the U.N. would respond. I believe they would set into motion some reasonable mechanism to be able to tell our President, and thus us, whether or not information is available, what it is. That should not be too onerous a demand to place on a body that receives substantial support from the United States of America, whose people frequently question whether or not the U.N. has good faith toward the American people. This would be a little token of U.N. recognition that America has been a good part of that body.

I do this on the money end because we not only have been a good part of the U.N. in terms of participation, but also, many people think we have been unreasonably generous in supporting it monetarily.

I hope the Senator from Minnesota will accept the amendment. I know that he has some concern about it, but I honestly believe that this body should adopt it and try, for once, to see if the U.N. would respond, especially since we are not asking them to do anything impossible, anything terribly onerous. In fact, we are asking them merely to do what they already have resolved is right, by 95 to 0, to do.

I reserve the remainder of my time.

Mr. THURMOND. Mr. President, several times over the past year I have spoken concerning the tragic plight of the families of our courageous men who are still listed as missing-in-action in Southeast Asia. As the months have passed, the refusal of North Vietnam and their allies to provide a complete account of the fate of these men has made the problem more acute and urgent than ever.

It has been more than 2½ years since the Paris agreement was signed. By the terms of that agreement, the North Vietnamese promised to return all our prisoners of war, account for the missing-in-action, and return the remains of those who died. I am not here to belabor the mockery which the North Vietnamese have made of that agreement. However, we must not tolerate their refusal to comply with the solely humanitarian provisions relating to those who died and those still missing.

Since the Paris agreement, we have asked the United Nations to assist us in obtaining information concerning our men. These efforts include a resolution which Senator Percy presented to the United Nations General Assembly last November calling for aid in this matter. This resolution was passed 95 to 0, 32 nations abstaining. Although this resolution had good intentions, the continued failure of the United Nations to take any substantial action has proved it to be a meaningless gesture.

Individual member countries of the United Nations have been requested to persuade North Vietnam to repatriate the remains of American war dead to their homeland so that they can be given a decent and honorable burial. The North Vietnamese have admitted publicly, on more than one occasion, that they do have information on missing Americans. In effect, they are holding hostage the families of these men in order to gain their own political objectives.

To date, no meaningful efforts have been made by members of the United Nations to assist the U.S. Government with this dire problem. Because of this, I urge the adoption of the amendment introduced by Senator Dominici, which I am pleased to cosponsor. This amendment provides that unless the President certifies to Congress not more than 6 months from the passage of this bill that the United Nations has taken action which resulted in an accounting of Americans still missing, the United States will reduce its contribution to the United Nations from 25 percent to 10 percent. The legislation will remain in effect until the United Nations pursues an active policy of gaining compliance by North Vietnam of the Paris agreement.

Senators will recall that last year the Senate helped pass into law the bill which discontinued all United States contribution to UNESCO, the United Nations' Educational, Scientific, and Cultural Organization, because of their ousting of Israel from that humanitarian body. The Senate and the Congress took a very strong stand on behalf of Israeli interests. Can we do less for American dead and missing? I submit that we cannot. This amendment presents a critical opportunity to show our concern and support for these men.

We in Congress must accept our share of the responsibility for sending these courageous men overseas. Regardless of our feelings about that conflict, we have a solemn responsibility to do all we can to help bring about the complete account of our prisoners of war, missing-in-action, and the return of the remains of those who died.

It is not my intent to disparage or intimidate the United Nations. Unlike a large and increasing number of our citizens, I believe the United Nations can be a useful organization for promoting the cause of peace and justice among the nations of the world, particularly in providing a forum for debate and promoting cultural exchange. However, in this instance, an organization which is suppose to stand for humanitarian ideals has stood idly by while the anguish of the wives and children of these brave men continues.

It is regrettable that this method must be utilized to compel the United Nations to take the effective action which it should have done on its own initiative long ago, but this is an extreme situation which calls for extreme measures.

To illustrate my point that this is a continuing problem that is growing worse, I ask unanimous consent that a news item entitled "Years in Limbo End," from the front page of the September 5 issue of the Washington Post, be printed in the Record. The article concerns a young wife who has lived in limbo for the past 7 years because of the callous refusal by the North Vietnamese Government to provide information on her husband who was missing in action in Indochina.

Mr. President, I respectfully urge the adoption of this amendment.

There being no objection, the article was ordered to be printed in the Record, as follows:

Years in Limbo End: MIA Wife Rebuilds Her Life

(By B. D. Colen)

Annapolis, September 4.—Two weeks ago the Air Force freed Laura Held and her four children after seven years of life in limbo by changing her husband's status from "missing in action" to "killed in action."

The change was not brought about by some long delayed discovery in the jungle north of Saigon where then—Capt. John W. (Jack) Held crashed in 1968. There was no word from the North Vietnamese or Vietcong. No new word from former POW's.

Rather, the Air Force changed the record because Laura Held "asked that Jack's status be reviewed," because she had met a man she wanted to marry "and I realized you can't have any real future if you can't get married."

"We really buried him a while back," said Mrs. Held during an interview yesterday in the house she and the children have rented beside Weems Creek in Annapolis. "We had a memorial service last Saturday, the 30th. It was very sad. There were a lot of tears. But at the same time, it was something we'd been waiting to do for years. We knew it would have to happen, it was just a matter of time."

The wait began on what Laura Held remembers was a beautiful spring afternoon in Annapolis.

"It was the 17th of April, 1968" she answered immediately when asked the date. It had been a fun day, and she and a friend were sitting in the kitchen drinking coffee after taking the children to a parade at the Naval Academy.

Seven-year-old Scott answered the knock on the door, saw three Air Force officers standing on the stoop and "When he saw the uniforms he said, 'Mommy, mommy, some of Daddy's friends are here!' I knew right away that something was wrong," Laura Held recalled.

"All I know is his plane (a fighter bomber) was hit by gunshot fire and he had to eject because the plane caught on fire. They were never able to find any trace of him. They found his parachute, but he just vanished."

Because no one saw John Held killed, and no one saw his body, they declared him to be "missing in action." Not quite dead. Not quite living. And never home.

And Laura Held joined the ranks of wives and mothers of men missing in action, women burdened by the grief of loss, but deprived of the relief of mourning, living on an equal mixture of hope and fear.

Mrs. Held and the children returned to San Antonio, Tex., where her husband had been stationed prior to his assignment in Vietnam, after receiving word of Capt. Held's disappearance.

She returned there "because at the time I thought I had to. I knew I had a lot of growing up to do. I had to get away from friends and family (in Annapolis) who cared very much. It was the only way I could learn to do things on my own."

Laura Held had never done much on her own. An Annapolis native, she had been 18 when she met Naval Academy Midshipman John Held at the College Avenue Baptist Church one Sunday in 1956.

Two years later, the day after Held graduated from the Academy and received his commission they were married.

"I was a very, very dependent wife," she recalled yesterday. "When Jack was here, the kids and the house were my total responsibility. He took care of the bills, insurance papers, everything.

"I think Jack would have had real difficulty recognizing me if he had come back," said Laura Held. "I was almost a little girl (when he left for Vietnam), but you grow up very quickly. You have to."

The probability that Jack Held would have to go to Vietnam was a fact of family life "when the buildup began around 1966 and '67. When he heard his squadron was being assigned, he volunteered. Jack believed in what he was doing. He really felt he was helping to stop communism."

Laura Held did not totally give up hope for almost five years. "At first, I thought he'd been captured. We all thought he'd be coming back. But I don't think the Vietcong, or whoever was in the area, was taking many prisoners. They couldn't," she said, without any bitter mess.

Hope ended, she said, "when the POW list came out two years ago in March. Of course, we'd suspected (Held was dead) before then. But how many years go by without word?

"I guess I'd always felt that God was in control of the situation and nothing could happen to Jack. The hope built up that he'd been on the (POW) list. But I'd been telling the children that there wasn't much hope." When Held's name wasn't on the list "we had to pick ourselves up and go on from there. There were a lot of tears, but I could tell the children 'look nothing's really different from a year ago.'

"But the hardest thing we had to go through as a family was watching the POWs come back," said Mrs. Held.

"They came (off the planes) in the order in which they'd been shot down. They brought someone off who was, say April 15. In the next one was the 20th and there was that gap in between. It was final."

Mrs. Held continued: "I remember Scott (who is now 15 and barely remembers his father) saying—we were sitting on my bed and Scott said, 'Well, that's that.' "

About six months later, Laura Held began to date again. And just after moving back to Annapolis at the beginning of this summer she met and fell in love with Lt. John Saxman, a Naval Academy instructor, whom she will marry Sept. 27. Scott will be the best man.

Mrs. Held said she has not been embittered by her experiences. She did not have time to be. She was too busy, she said, raising four children—who now range in age from 10 to 15—and earning a degree in nursing.

She also said she was too busy to become very involved in the MIA–POW cause. "In San Antonio I joined a group for a little while," she said, "but I found it took a great deal of time, and it kept me upset and the children upset. My basic goal was to keep life as normal as possible for myself and the children."

Finances were no problem for the family, she said, because Mrs. Held kept receiving her husband's monthly checks and during the time he was missing the size of the payments increased as her husband was promoted from captain to major to lieutenant colonel.

What was most difficult, said Laura Held, was the uncertainty of it all. "I know some of the girls in San Antonio still have hopes their husbands will come back, and I just ache for them. There has to be a time to accept reality.

"In many ways, it would have been easier if he'd been declared dead (earlier). A big part of me was looking forward for a very long time to the day when I wouldn't be an MIA wife . . . now I'm just looking forward to being a wife and mother again."

Mr. HUMPHREY. Mr. President, I fully understand the very deep and sincere concern that the Senator from New Mexico has in seeking information relating to the MIA's, those missing in action. He has been a leader in this effort, and for this we are all grateful to him.

The amendment, however, poses some problems, and I want to discuss those for just a moment.

First of all, as the Senator knows, his amendment was given consideration in the full committee—in fact, considerable information. As a result, much of the amendment that the Senator from New Mexico proposes was adopted.

For example, the bill reads, on page 49, section 454, line 23, as follows:

> SEC. 454. The President shall direct the United States Ambassador to the United Nations to insist that the United Nations take all necessary and appropriate steps to obtain an accounting of members of the United States Armed Forces missing in action in Southeast Asia and to call on North Vietnam to comply with the provisions of the Agreement on Ending the War and Restoring Peace in Vietnam.

That is a strong directive.

We in the committee did not see it desirable to take the further action that the Senator from New Mexico proposes—namely, a sharp reduction, a precipitate reduction, down to 10 percent in our funding of U.N. activities if the United Nations did not respond to our insistence.

Let me say very quickly that only recently the United States of America vetoed the admission of North and South Vietnam to the United Nations. I am not protesting that veto. I simply want it clear that in one real sense we cut off contact by our own veto. I simply point out that we, in a very real sense, cut off what possibility of communication there might be.

Second, it is important to know that the portion of the amendment directing the President to have our ambassador push the question of MIA's within the United Nations institutions is a very strong provision in the proposed legislation; but we could not approve the portion of the amendment which would threaten to reduce the U.S. contribution limit from 25 percent to 10 percent. The committee rejected that approach for two reasons.

First, as a matter of general procedure, the committee does not believe that the way to do this in the United Nations is to threaten a fund cutoff each time an issue arises.

Second, as a matter of international law, the adoption of this provision would lead the United States to defaulting on existing assessments, and it is part of our formal commitment to the United Nations, which is a treaty, that we will pay our assessments.

I point out that several years ago, Congress placed a limit of 25 percent on such assessments. It did so only with a leadtime sufficient to allow a properly negotiated reduction of those assessments in accordance with the established U.N. procedures.

Therefore, Mr. President, on the basis of these reasons, the committee opposed certain parts of the amendment of the Senator from New Mexico.

We can huff and we can puff and we can storm and we can pound and we can scream and we can holler about what the South Vietnamese and the North Vietnamese should do, but that is not necessarily going to get some action.

Recently—to give a case example—I was privileged to be in Paris for a meeting with the Prime Minister and the Foreign Minister and the planning officers of the French Government. While I was there, I arranged for an appointment with the representatives of the current South Vietnamese Government. I did so because certain people are being held hostage in South Vietnam, some of whom are from Minnesota—missionaries.

I had an appointment set for September 1 at 11 a.m. It had been cleared by our Government. It also had the assistance of other governments, to make sure that everything was in order.

I arrived at the gate of the PRG Embassy or Legation— whatever one wants to call it—and I sought admission, and a secretary came and told me that there was no appointment. The representative of our embassy in Paris was there and said,

> Now, wait a minute. This appointment was made; it was confirmed.

Also, I had a cable. It was confirmed. They looked me right in the eye and said:

> There is no appointment.

Mr. President, I was upset as anybody could be; but I stood there and said:

> Here is the cable confirming the appointment. Here is the member of our mission who confirmed the appointment. Here is the record of the telephone calls about the appointment. Here is the exchange of correspondence on the appointment.

They said we have no appointment.

I know that it would be very easy for me to call them all sorts of names. I suppose the good Lord was looking inside of me, anyway, and said, "You're already doing it. Why don't you say it out loud?" But I knew it was not going to do me any good.

North Vietnam and South Vietnam are not in the United Nations. One of the reasons they are not is that we will not let them in. There are reasons why we did not let them in—because they would not permit a vote on South Korea. We had good, legitimate reasons for it. But this move to scold the U.N. and threaten them with a reduction of our funding and payment of our assistance, after we already have taken the action that prevented any contact in the United Nations with South Vietnam and North Vietnam, does not make much sense to me. Had we voted in the U.N. that North Vietnam and South Vietnam shall come in as members of the U.N., with the obligations of the charter, I think that the proposed amendment would have genuine merit.

The U.N. has no jurisdiction over North Vietnam and South Vietnam—none whatsoever. And may I say that for two administrations—the Johnson administration and the Nixon administration—insofar as Vietnam was concerned, very little attention was paid to the United Nations. They did not want the U.N. involved in it. This I know. Now, of course, it is a matter of recorded history.

I believe that what we have done here in the bill is about as much as we can do. We have directed the President to direct his Ambasador to the United Nations to insist that the United Nations take all necessary and appropriate steps to obtain an accounting of members of U.S. Armed Forces missing in action in Southeast Asia .

Mr. DOMENICI. Will the Senator yield?

Mr. HUMPHREY. How I wish we could do something more. If we pass this amendment, we can reduce the funding. Does it get us any results? Not a bit. All it does is injure the U.N.

Mr. DOMENICI. Will the Senator yield?

Mr. HUMPHREY. Yes.

Mr. DOMENICI. Let me ask my distinguished friend, does he know of anything in the United Nations Charter that says they cannot attempt—attempt—humanitarian efforts unless the country belongs to the United Nations?

Mr. HUMPHREY. No, I do not. I think the Senator's point is well taken. I am simply saying that, insofar as any obligations of the North Vietnamese and the South Vietnamese are concerned under the terms of the U.N. Charter, that obligation was negated by the action of our own country in vetoing admission.

My other point is that I am sure that our friends in the United Nations have been trying to help as best they can. There is no doubt of that. But they have not gotten any results and nobody else has. The Red Cross does not get any results. The Catholic Church cannot get any results, the Lutheran Church cannot get any results. Senators cannot get any results, because these people are literally playing a cruel and inhuman game. They were that way and that is one of the reasons we went to war with them. I never did feel they were a bunch of Christian social workers.

Mr. DOMENICI. Will the Senator yield again on that last point?

Mr. HUMPHREY. Yes.

Mr. DOMENICI. Does the Senator know of any activities since the 95 to 0 resolution saying that the U.N. supports this objective? Does he know of any U.N. activity or by its leadership to attempt to obtain information regarding the MIA's?

Mr. HUMPHREY. That I do not. I cannot say that I do. But I know that the organizations that I have mentioned have all tried, including individual Members of this body, I say to the Senator.

My point is that we have a good Ambassador up there, Mr. Moynihan. We are instructing him through the President to insist that the U.N. do everything possible.

Mr. DOMENICI. I thank the Senator for putting that in. I thank the committee. I suggested it.

Mr. HUMPHREY. That is correct.

Mr. DOMENICI. But let me make this point: If, in fact, they cannot, as the Senator seems to indicate they cannot, have any effect on the people he just described far more admirably than I can, all they have to do under my resolution is answer in that manner and document what they have tried to do, and the President will send us, in 6 months, a certification that they have tried to obtain it and failed.

The point is that the families of MIA's, who have spoken to this Senator—and I happen to have a staff member who has gratuitously acted as their legal counsel in the past, so I am kind of close, not only to those in my State but to the thousands who meet—have said, "We have seen absolutely nothing since the resolution was adopted to indicate that the U.N. apparatus, from top to bottom to anywhere in between, has made any effort."

All I am saying is, "Mr. President, tell our Ambassador that they must make an effort, since they have already adopted the resolution, and tell us that they have, and they are home free."

Mr. HUMPHREY. All right, let us do this. We are saying for the first time in this legislation that the President shall direct the Ambassador to the United Nations to insist that the United Nations take all necessary and appropriate steps to obtain an accounting of members of the U.S. Armed Forces missing in action in Southeast Asia and call upon North Vietnam to comply with the provisions of the agreement on ending the war and restoring peace in Vietnam. That, I think, is the minimum of what we ought to be asking for, the insistence on it. Let us see what happens when we insist on it by a directive of Congress. Let us see whether or not that insistence can produce some results.

I say to the Senator, I think it is very unwise practice for us to insist by threatening the cutting off of our assistance to the United Nations General Assembly and its operations here. I will say why: once we start this, we are going to have others. We had trouble with the Soviet Union some years ago on peacekeeping operations. They did not want to pay for any peacekeeping operations. We had trouble with the French. They did not want to pay for certain things in the United Nations. The minute we start to water down our position, we are in no position from there on out to be able to stand up to the Soviet Union or anyone else and say, "Look, you have a commitment; keep it." We would weaken our position appreciably if we took that kind of language now.

If the United Nations does not want to respond at all after this insistence, this directive, I suggest that the Senator come back with another amendment. Let me say there is no Member of the body more active in helping with the work of our MIA's than the Senator from New Mexico. I am one of his allies. I am his junior partner in this. I give him top billing because he deserves it.

But I do not like the business of saying, "You do this or we cut you back 25 percent," because this relates to the whole general assessment of the U.N. operation—a tremendous commitment that we have, negotiations that we have undertaken, where we have reduced our overall assessment from 33 percent down to 25 percent within the procedures of the United Nations. I am afraid we will open up a Pandora's box of trouble if we follow the suggestions made here in terms of the sanctions or penalties of this amendment.

Mr. DOMENICI. Let me respond for just a few moments, and I am concluding. I do not want to take any more of the Senate's time. I want to make sure we figure out a way to get the yeas and nays, which we have just agreed that I can do.

I thank my distinguished friend for the kind words. I think he knows that I am not one to yell and scream and holler and accuse people, but I am terribly serious about this one. This is one of the simplest humanitarian gestures that the U.N. can do. Yet it is so serious to 2,000, 3,000, or 4,000 Americans that it has a huge ripple effect in terms of "what is the U.N. doing?" "Why can it not do this kind of thing?"

I understand the Senator's concern that we ought not to be, willy-nilly, cutting their budget based upon mandates coming from this body, since that is, by nature, a group of nations and we must participate in it in that manner. But I think this one is a very easy one. I think a vote on it by those who want to support me will clearly indicate to the U.N. that the U.S. Senate is worried about the U.N. living up to some of its very, very basic, simply executed commitments. It is for that reason that I think we have to have the yeas and nays on this and get the vote and let them know that, even though it is not a tough one for them to carry out, it is basic to a kind of American concept of justice that is so fundamental that we worry about that institution if it cannot do it.

I thank the Senator for his kindness on the floor and for the genuine debate on this matter.

Mr. President, this amendment relates to American POW/MIA's and the lack of an adequate response by the United Nations to engage in efforts to secure an accounting of Americans whose fate in Southeast Asia is still unknown. I am gratified that the Foreign Relations Committee included a part of my amendment in section 454. This amendment, in blunt terms, is fine as far as it goes, but it has no incentive and it has no teeth. We have already seen what happens to the kind of general approach reflected by the committee bill. Last November, the U.N. unanimously accepted a resolution generated by our distinguished colleague from Illinois, Senator PERCY. As we all know, absolutely nothing has happened implementing this resolution. To this date, the U.N. has even failed to institute the barest of procedural mechanisms to help terminate the lengthy suffering of families and loved ones of those Americans still unaccounted for.

I am ashamed that we, the leaders of this Nation, have been unable to help those people learn the answers about their loved ones despite the fact that 2½ years ago they were assured that peace would bring an accounting.

My concern has prompted me to support all reasonable efforts to secure the accounting these people are due. I recognize a high degree of responsibility for doing all I can toward that end, because the missing men were in legitimate service of their country, creating in all of us—leaders and citizens alike—the obligation to at least see that they are accounted for.

The idea that these are fundamental human rights is not a new or novel proposition. The United Nations, by its very charter, and by the Universal Declaration of Human Rights of 1948, is dedicated to the protection and enhancement of fundamental human rights of all the people of the Earth. The United Nations has consistently and repeatedly recognized the 1949 Geneva Convention Relative to the Treatment of Prisoners of War as an instrument designed to protect the fundamental human rights of prisoners of war and their families. This recognition was formally approved by the U.N. General Assembly in December 1970, and again in November of 1974.

In fact, Mr. President, last November, the General Assembly adopted the previously mentioned Percy resolution calling the participants in an armed conflict to take actions within their power to find and mark the graves of the dead, to facilitate the return of remains if this is requested by families, and to provide information on the missing in action. This resolution was adopted 95 to 0, with 32 nations abstaining.

Even with the adoption of this resolution, and with the U.N.'s obligations under its charter and the Universal Declarations of Human Rights, to date, no meaningful effort has been made by the United Nations to assist the U.S. Government in this purely humanitarian cause.

I am convinced that the obligation we have as citizens of the United States extends to all citizens of the world to recognize and protect fundamental human rights—one of the primary reasons for the creation of a world body—the United Nations.

I believe in the concept of the United Nations, but I also believe that concepts must be translated into action if any organization is to be effective. By its charter, the U.N. is obligated to promote universal respect for, and observance of fundamental human rights. Yet, I have seeen no willingness by the United Nations to undertake to help us obtain a full and accurate accounting of American POW/MIA's in Southeast Asia. This is in spite of several recent indications by the North Vietnamese that more information exists, but it is being cruelly withheld to force the United States to take certain actions unrelated to humanitarian matters. In other words, Mr. President, the U.N. has ignored this assault on human rights perpetrated for political purposes. The Washington Post, in an editorial of September 9, very correctly criticizes that effort for what it is—a hostage game.

If the United Nations cannot, or will not, perform even this basic humanitarian function, I do not believe that it is an agency worthy of the Nation's continued disproportionate financial support and the substantial burden that it places on citizens of this Nation. My amendment would not withdraw the United States from membership, but would simply reduce our payments to a fair share of the financial requirements of the United Nations if the United Nations cannot, or will not, at least try to secure an accounting of Americans still unaccounted for in Southeast Asia.

Many Senators will question the use of the purse string as a tool to influence a world body such as the U.N. I can only reply by stating that we do the same thing on virtually all Federal education moneys and scores of other Federal programs in dealing with the States of this Union.

Are we to say that we are willing to coerce our own States to achieve some objective thought by Congress to have merit, but are unwilling to use that process to persuade the U.N. to perform in an obviously humanitarian role? Surely no one can dispute the goal of this amendment, but we all know what will happen if this amendment is passed without the use of economic sanctions—nothing. It will be recorded, and duly noted, and then lay and gather dust along with the U.N. charter, the Geneva Convention, the Percy resolution, and all the others. The U.N. will continue its silence and inaction on this subject. The U.N. will continue its "business as usual," and ignore pleas from a member nation, a nation which has provided the bulk of its financial support, to act in a purely humanitarian role.

I have pledged my support to the families and loved ones of those Americans, as many of you have. It is now late 1975, and yet over 2,400 Americans remain unaccounted for in Southeast Asia. The Department of Defense has nearly 1,000 individuals still listed as missing in action. This deplorable situation must be resolved so that these families can go on with their lives. This war has already been far too costly without further prolonging untold grief and sorrow for those here in the United States still waiting for some believable word on their loved ones.

Mr. President, I simply say again that if the United Nations cannot or will not perform this basic humanitarian function, that organization does not deserve the continued disproportionate financial support this country has historically provided. This amendment provides those who feel as I do a means to act on our convictions and discharge our obligation to those brave Americans who answered their country's call, and to their families who still bear the lingering and seemingly unending anguish of not knowing the fate of their loved ones.

Mr. HUMPHREY. Mr. President, may I add that it will be the intention of the committee to include in the language relating here to the MIA's a call upon the President to give us a report within the year. I think we could call upon the President to give us a report within 1 year on how this section has been implemented; namely, how the insistence of our Ambassador has been received.

I might add and suggest that could be accomplished in an interim report, one report within 6 months and the final report within the year. At an appropriate time, I would ask that we amend the committee bill accordingly.

I am not sure how the parliamentary situation stands now. Might I ask as a point of information, could I on behalf of the committee so amend the language of the provision known as section 454 accordingly?

The PRESIDING OFFICER. The Chair would advise the Senator that an amendment to the bill would not be in order while the Domenici amendment is pending.

Mr. HUMPHREY. That was my understanding, but I wanted the Senator to understand what our intention would be on this.

I yield to the Senator from New York.

Mr. JAVITS. Mr. President, first, I wish to associate myself with the statements of the Senator from Minnesota. I, too, sat in the debate that occurred before our committee. He has accurately portrayed it.

Second, I would like to join him in praising our colleague from New Mexico for leading this fight which demonstrates our conscience on this matter.

I believe that in the desire to get passed what he wants, and which he is deeply convinced we should pass, we should not forget that he is the author of the amendment in the bill and that it is his fight which is producing the additional amendment to the bill specifying exact reports.

I do not think our colleague ought to feel he stands or falls in how the vote goes. The Senator has already accomplished at least half of his mission.

I would like to add one word of evidence on that, only as justifying our own consciences, which is what I am speaking to now. I do not know how the vote will go and I am not even debating that. I have just been at the U.N., as has Senator HUMPHREY, as a member of an advisory committee specially appointed for this 2-week session, which gives the developing countries their opportunity to seek what they consider the new economic order.

Largely because of our views—that is, Senator McGEE, Senator HUMPHREY, Senator PERCY, myself and others; there were 18 of us—the United States had a very forthcoming position. Yet at no point in that presentation was there any hint of abandoning our position, or being soft and easy on it, or feeling that we were perfectly satisfied.

It was most exacting in self-help and in the fact that we were not going to play ball if they did not play ball with us.

Yet it had an enormous lot to do with changing the climate in the U.N., and I think this is the attitude of the Foreign Relations Committee, on this issue too. There is no dearth of determination and conviction. We will take risks for the purpose. It is only a question of what we think will work, what is the best technique to get done what our colleague wants done, and which we want done, too.

In that respect, I think Senator HUMPHREY's description of our situation right now as a tactical proposition, does actually depict the situation.

Mr. DOMENICI. I thank the Senator.

Mr. President, I ask unanimous consent that the distinguished Senator from Tennessee (Mr. BROCK) be added as a cosponsor and that the distinguished Senator from Oregon (Mr. PACKWOOD) be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, let me thank the Senator from New York for his kind remarks and also to indicate that I was to have been with him in that 2-week venture in the U.N. I have kept abreast of it. I just could not attend because of other commitments, but I read of the effect of having congressional advisers and what I read is that it was very successful and I commend the Senator and the others for it.

Mr. CASE. Mr. President, if I may, I ask the Senator if he has any more to say on his amendment now?

Mr. DOMENICI. I do not.

Mr. CASE. I think then that perhaps we can go on to another matter. Before we do go on to the next matter, I fully support our acting chairman and I agree with the Senator from New York in the position he stated.

I want to emphasize also my own personal feeling of indebtedness to the Senator for having raised this matter and for the contribution he made to our committee's action on it.

I am sure that the Senator can take great satisfaction, which is due him, for being the initiator of this proposal and I hope that we can get the kind of report from the President that will justify the action we are taking today.

I thank the Senator.

Mr. HUMPHREY. Mr. President, I think we have an amendment or two that we can handle very quickly and then we will arrive at a point at 2 o'clock where we can vote on the Senator's amendment.

Mr. DOMENICI. I wanted to see if we could find sufficient Senators for the yeas and nays.

Mr. HUMPHREY. We will see that we get that before 2 o'clock, I assure the Senator.

Mr. DOMENICI. If I am not here, will the Senator——

Mr. HUMPHREY. I can assure the Senator, we will have it.

Mr. DOMENICI. Mr. President, I yield back the remainder of my time.

Mr. HUMPHREY. I yield back the remainder of my time.

Mr. GARN. Mr. President, I rise in support of the Domenici amendment, and wish to associate myself with his thoughtful remarks. I believe he has made a strong argument for the amendment, and urge that it be accepted by the Senate.

There are two points I would like to mention, Mr. President, in connection with this amendment. The first deals with the argument that has been raised that the reduction in U.S. support for the U.N. from 25 percent of its budget to 10 percent is too harsh a penalty if the U.N. does not take action.

Mr. President, we are not asking very much. We are asking that the U.N. live up to its own charter; we are asking that the U.N. follow up its own resolution, adopted unanimously; we are asking that the U.N. do something, anything, to demonstrate that its charter and its resolutions are more than just words, more than just window dressing for the folks back home.

The Senator from New Mexico has modified his amendment to remove the requirement that the U.N. actually produce results. That would be too much to ask. All they have to do now is something. The Secretary General might write a letter to North Vietnam, saying "are there any Americans still around over there?" There is no requirement that the Secretary get a body count; there is not even a requirement that he get an answer from North Vietnam. He might just write the letter, then he could tell the President, "We sent a letter, and did not get any answer."

Now surely, Mr. President, that is not too much to ask. The second point that needs to be mentioned, Mr. President, is that somehow we should not take this action because we vetoed the admission of North and South Vietnam to the U.N. Those who make this argument are careful not to hint that we should not have cast that veto; they understand why we did, and they defend it. But at the same time they use the veto as an argument against our amendment. I submit that it is unfair to make that kind of argument. Either the vetos ought to be attacked, or they ought not to be used in argument. You cannot have it both ways.

Having said that, Mr. President, I again urge an affirmative vote on this amendment. Let us for once insist that the U.N. do something. If it cannot do this, it cannot do anything, and does not deserve any support from the United States. Certainly not as much as it gets.

Mr. GRIFFIN. Mr. President, I wish to commend the distinguished junior Senator from New Mexico, Senator DOMENICI, for once again calling to our attention one of the most tragic consequences of the Vietnam war—the plight of over 2,000 Americans who remain missing or unaccounted for in Southeast Asia.

Like the sponsors of this amendment and other Members of this body, I have for many years shared the anguish felt by relatives and friends of these brave young men. Without success, I have sought ways by which we might motivate the Vietnamese Communists to abide by their obligations under article 8(b) of the Paris agreement to provide a full accounting for the missing. From time to time, I have acted to make my deep concern for the status of these men known to officials of the North Vietnamese Government.

For example, last Christmas, I wrote in a letter to the North Vietnamese Ambassador in Paris and said:

> I cannot overemphasize the great importance the people of America place on securing a full accounting of our missing, and the potential consequences your country's continued refusal to comply with the provisions of article 8(b) may have on future relations and opportunities for peaceful cooperation between our two countries.

I strongly support the thrust and objective of the Domenici amendment. However, I believe it should be modified as suggested by the amendment proposed by the Senator from Minnesota (Mr. HUMPHREY). I have reached that conclusion for several reasons.

The question of U.S. financial support for the operations of the United Nations is one of considerable controversy both in the Congress and in the Nation. I can understand, and I share, the frustration of many of my colleagues with respect to the U.N. However, I do not believe it would serve the interests of our missing in action if we were to tie their fate to the strange and complex crosscurrents which shape the debates and decisions of the United Nations.

In other words, I have serious doubts about the effectiveness of such an automatic cutoff provision. It should not be difficult to predict how other sovereign nations would react to an effort by one member, particularly the United States, to coerce them in the way they should vote on any issue. And, if by some chance we were to succeed in this instance, our example would then encourage other nations to employ similar tactics to get their way on matters of special concern to them.

Such a move by the United States now would be particularly untimely in light of some of our own efforts at the present time. When Ambassador John Scali—then our Representative to the United Nations—appeared before the Foreign Relations Committee on May 22 of this year, he told us:

> . . . Unless we move with care and understanding, our confrontation with the Third World will worsen . . . There is no single surefire formula which can reform the United Nations and reverse the trend toward confrontation there. The tone in which we conduct our dialog can soothe, or it can inflame our current differences. Our language, our posture, can enhance or set back the prospects of compromise.

When Ambassador Daniel P. Moynihan appeared before the committee a few weeks later, following his nomination to succeed Ambassador Scali as U.S. representative to the United Nations, he told us that—

> The first problem, the first question, is how to get away from the confrontation system back toward the quest for understanding and agreement in a situation where this is wholly possible and entirely necessary.

Earlier this month, Secretary Kissinger stressed the importance of solving problems through cooperation, rather than confrontation, in his address to the Seventh Special Session of the U.N. General Assembly.

It should be noted that the record of the United Nations in dealing with the MIA question is not as bad as some may assume. Last November, acting upon a proposal submitted by Senator PERCY, the U.N. General Assembly overwhelmingly approved a resolution on "assistance and cooperation in accounting for persons who are missing or dead in armed conflict," which, among other things:

> Calls upon parties to armed conflicts, regardless of their character or location, during and after the end of hostilities and in accordance with the Geneva Conventions of 1949, to take such action as may be within their power to help locate and mark the graves of the dead, to facilitate the disinterment and the return of remains, if requested by their families, and to provide information about those who are missing in action.

This was the first time in its history that the U.N. General Assembly has gone on record on this subject.

It has been said that the U.N. has failed to carry out its declared policy. While I am not satisfied by any means, it should be noted that the U.N. has taken some concrete steps to be of assistance. For example, the United Nations High Commissioner for Refugees currently has representatives in Vietnam, and he has been actively trying to bring about an accounting of our MIA's. It is true that the U.N.—like every other group which has tried—thus far has been unable to secure an accounting. But the record is clear that he has been trying.

Under the circumstances, Mr. President, I believe the Domenici amendment should be modified as suggested.

AMENDMENT NO. 874

Mr. CULVER. Mr. President, I have an amendment at the desk and I ask that it be stated.

The PRESIDING OFFICER. The Chair would advise the Senator that there will be a requirement for unanimous consent because there is an amendment pending.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the amendment of the Senator from Iowa be in order despite the fact that another amendment has been pending.

The PRESIDING OFFICER. Is there objection?

Without objection, it is ordered.

The clerk will state the amendment.

The assistant legislative clerk read as follows:

> The Senator from Iowa (Mr. CULVER) for himself and Mr. KENNEDY proposes an amendment No. 874.

The amendment is as follows:

> On page 50, after line 26, add a new subsection (c) to section 455:
>
> (c) Not later than November 1, 1975, the President shall transmit a detailed report to the Speaker of the House of Representatives and to the President of the Senate with respect to—
>
> (1) the history of all United States Government agreements, commitments, and financial arrangements regarding persons who inhabited, or were native to, the island of Diego Garcia prior to 1972;
>
> (2) the history of any other United States requests, understandings, and relevant communications with the Governments of the United Kingdom, or Mauritius, or the inhabitants of Diego Garcia themselves concerning these persons; and
>
> (3) the current status of any United States Government obligation to, proposed efforts to assist, or estimated cost of assistance for, these persons.

Mr. CULVER. Mr. President, this amendment No. 874 requires a detailed report from the President on the history of U.S. involvement with the former inhabitants of Diego Garcia, who were reportedly forced to move to the Island of Mauritius when the United States began to build a communications facility on that island.

Only this week, through press reports, did we learn of the plight of these people who live in what is described as abject poverty, their requests for help ignored by the Government of Mauritius, the Government of the United Kingdom, and by the U.S. Government.

I do not know whether the United States has any technical, legal obligation to help these people find a new livelihood; but we clearly have a moral obligation to listen to their pleas and to see whether we can provide some humanitarian relief.

After all, these people would not have been evicted from their homes if we had not sought to acquire a military base on Diego Garcia.

The report required by this amendment would reveal to the Congress, for the first time, the history of American agreements, commitments, understandings—or whatever else—and financial arrangements regarding these people. In addition, the amendment requires the President to report on any proposed efforts to assist these people and the estimated costs of such assistance. These matters could then be considered further by the Congress.

There is a deadline of November 1, 1975, for submission of this report because I believe that this information may have a direct bearing on congressional attitudes toward the funding requested for Diego Garcia base expansion, which must still come before us in the military construction appropriations bill.

Mr. President, I would not trouble the Senate with a routine request for information or for a simple history of negotiations on a long-settled issue. This matter is of much greater importance and urgency.

When this problem first came to light on Monday, my staff, and other staffs of which I am aware, began making inquiries in several different offices of the executive branch. I wanted to know whether the article was correct and precisely what was the U.S. involvement in the resettlement of these people.

I still want to know.

Did the United States demand that these people be removed so that our base could be built?

Did we subsidize the relocation, either directly or indirectly?

What remaining legal or moral obligation do we have toward these people?

And why was the Congress not fully informed about these matters?

These efforts until now have not produced the information requested. Initial, partial answers have been followed by a stonewall of silence.

I think I know why.

The evidence we have been able to uncover so far suggests that the Congress was misled, or left totally in the dark, about several crucial aspects of this matter. Involved is not only the question of relocation of the inhabitants of Diego Garcia, but also the whole question of that base itself, and other international issues related to it.

Since some of this evidence is said to be classified, I am prepared to discuss these matters in a secret session, if need be.

But I believe that adoption of this amendment will provide a means to get the facts on the table, and we can then decide how to proceed.

As just one illustration of the way in which the Congress has been misled, let me cite the testimony regarding the former inhabitants of Diego Garcia.

The Chairman of the Joint Chiefs of Staff, General Brown, told the Senate Armed Services Committee last June 10 that Diego Garcia was "an unpopulated speck of land." I was present.

In 1974, Adm. Charles Grojean told the Military Construction Subcommittee that "there are no indigenous people on the island."

Admiral Zumwalt told the Foreign Relations Committee last year that Diego Garcia was "uninhabited."

One administration official emphasized that the absence of a local population increased the attractiveness of that island as a military base. The Director of the State Department's Bureau of Politico-Military Affairs, Seymour Weiss, told a House Foreign Affairs Subcommittee last year:

> The nature of the island itself, which is a rather small piece of land, is also fortuitous in that it has no local population whatsoever so we have a minimal degree of the sort of political problems that are sometimes associated with establishing a facility of this sort.

At the time these statements were made, Mr. President, they were technically correct, for the local inhabitants, some native to the island and many residents for at least two generations, had been evicted between 1965 and 1972.

But it was misleading to imply that there never had been an indigenous population, and deceitful to suggest that there was no local population to create "political problems" for us.

Moreover, my staff has been unable to locate any mention of the local inhabitants, or of the relocation scheme, in the public record. They have discovered some references to local residents in classified documents, but even these call the people "rotating contract personnel" rather than longtime inhabitants.

Now we know that several hundred people had lived and worked on Diego Garcia, and that they were required to move to Mauritius when their copra plantation was closed, in the words of an official statement yesterday from the British Foreign and Commonwealth Office, "to enable the island to be used for defense purposes."

We still do not know the full story behind this relocation decision, or the compensation which was paid.

These will have to await the detailed report required by this amendment.

Mr. President, I hope that the distinguished manager of this bill will accept this amendment and join with me in insisting that the full story of Diego Garcia be presented to the Congress.

I yield back the remainder of my time to the distinguished Senator from Minnesota.

The PRESIDING OFFICER. There is no time limit on the amendments.

The Senator from Minnesota.

Mr. HUMPHREY. Mr. President, as I understand the amendment of the Senator from Iowa, it is essentially a reporting requirement, calling for a one-time report regarding those persons who inhabited or were native to the islands of Diego Garcia prior to 1972.

In view of the recent questions which have been raised on this matter—and the Senator from Iowa is so well informed on it—I would agree with the Senator that such a report is very much in order and very much needed.

Speaking for the committee, and having consulted with the minority members of the committee, I would support the Senator in amending the bill as he proposes. I not only support him but I commend him.

Mr. CULVER. I thank the Senator.

Mr. HUMPHREY. I would hope that we would put the amendment for a vote at this point. I yield back the remainder of my time.

Mr. CULVER. I thank the Senator for his kind remarks.

Mr. President, today's Washington Post contains an excellent editorial concerning the former inhabitants of Diego Garcia. As it points out:

> The dubious case for planting an American base and fleet in the Indian Ocean has been rendered practically indefensible by dis-

closure of how the site got to be the "uninhabited"—and therefore politically uncomplicated—place which its United States government sponsors repeatedly proclaimed it to be.

I ask unanimous consent that the entire editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

THE DIEGO GARCIANS

The dubious case for planting an American base and fleet in the Indian Ocean has been rendered practically indefensible by disclosure of how the site got to be the "uninhabited"—and therefore politically uncomplicated—place which is United States government sponsors repeatedly proclaimed it to be. It got that way, we now are told in a dispatch from Washington Post correspondent David Ottaway, only because virtually all of the 1,200 or 1,400 residents of Diego Garcia and its two neighbor islets were *forcibly* removed to Mauritius 1,000 miles away to make way for the base. One of several dozen former Diego Garcians interviewed by Mr. Ottaway recalls being told by an American who participated in the evacuation: "If you don't leave you won't be fed any longer." Since their removal, the Diego Garcians have lived in poverty and neglect in Mauritius, futilely petitioning the Mauritian, British and American governments for relief or return.

Granted, a lot went wrong in the world in the years, 1966–72, in which this act of mass kidnapping took place. But it takes a very jaded observer not to be repelled by the sordidness of it all. First, there was the complicity of the British leasors and American leasees in solving the politically inconvenient problem of people on Diego Garcia by uprooting them from their homes and traditional ways. One wonders what strategic rationale was concocted inside the bureaucracy to justify the transfer of these few people who had gotten in the way of the cold war juggernaut. Then, there was through the years, on both sides of the Atlantic, a highly effective coverup, facilitated no doubt by the fact that the Diego Garcians in their poverty and their remoteness had scant recourse. Finally, there were the constant affirmations by the Pentagon that the lack of people on Diego Garcia was precisely one of those characteristics that made the island an appropriate place for a "modest" facility in the Indian Ocean.

Only last summer did the Congress vote the funds to start building an air base and carrier task force facility on the island. It did so only after a two-or-three-year-long debate over whether an American military presence in the Indian Ocean would unnecessarily antagonize the riparian states, provoke the Russians into a more intensive Indian Ocean naval competition, and fuel a naval arms race; or whether such a presence was justified in order to "stabilize" a region rendered increasingly sensitive by the oil tankers that ply its waters and by hints of Soviet interest in it. In the end, it took a full-scale Pentagon campaign to play up the existence of a new Soviet naval facility in the Somali Republic to persuade a reluctant Congress that the United States should build its own base in Diego Garcia. There is little evidence that Congress realized that it was committing itself not simply to the current costs of the base (measured in millions of dollars) but to the future costs of the fleet (billions) that is meant to be permanently deployed there when it is built. Congressional efforts to induce the administration to negotiate limits on naval deployment with the Soviet Union were brushed aside with the retort, by one high State Department official, that the United States did not have to "tug its forlock" and petition Moscow to remove the American Navy from the Indian Ocean.

The strategic case for a base on Diego Garcia was always a close question, one which its sponsors never made particularly well. But it is not a close question at all that the people of Diego Garcia were treated in a shameful way and that they should not be allowed to languish now in the miserable condition to which high strategy unfeelingly consigned them. For the United States government to keep on insisting that it has no responsibility for the people displaced by its lease on Diego Garcia is intolerable. At the very least, Congress should review the issue to ensure fair treatment to the forgotten people of the island.

Mr. GARY W. HART. Mr. President, one of the big advantages of building a base on the island of Diego Garcia in the Indian Ocean is, the Defense Department has told us, the fact that the island is uninhabited, and therefore no native population will be disrupted by massive military activity. As the Washington Post pointed out in an article Tuesday and an editorial today, the Pentagon has not dealt candidly with the Congress because the inhabitants of Diego Garcia and some neighboring islands were practically kidnapped to smooth the way for American base construction. We also now know that these displaced persons, some of whom were threatened with starvation if they failed to do our Navy's bidding, have subsequently been neglected by the governments of Great Britain, whose subjects they were, and the United States whose military leaders coveted their homes. Now they live in abject poverty on Mauritius, strangers in a land not their own.

It can, of course, be argued by those who have no concern for the rights of individuals anywhere in the world that the alleged security interests of the United States are much more important than the lives and cultures of alien peoples. Should we really care what becomes of a small colony of natives? I think that we should and that we had no right to trample on their freedom of choice and certainly no right to deny them adequate compensation for their losses. But the rights of the people of the United States were also ignored by the Pentagon's concealment of the true facts about Diego Garcia. What is more, the coverup can in no way be justified by the usual explanation that "national security" had to be protected. The fact that the United States was a party to a forceable dislocation of people may be embarrassing, but even by the questionable standards of the executive branch, classification is not justified to protect officials from public criticism. Once more, the American people had a right to know what was being done in their name and at their expense, but once more the administration hoped to eliminate controversy through concealment.

The Congress and the American taxpayer have been told practically nothing about the circumstances under which Diego Garcia became a U.S. Navy possession in all but name. In December of 1966, the world was told that Great Britain was offering the island for base-building purposes to the United States without charge.

Nothing was said about the people living there. Subsequently, we have been told practically nothing about the early arrangements which smoothed the way for Navy occupation.

I have learned, however, that not only have the public announcements by the United States and Great Britain been inaccurate, but that financial arrangements between the two nations may have been in violation of U.S. law. I am prevented from telling the Senate details of this matter because the State and Defense Departments have assigned a security classification of confidential to the entire matter, no doubt in furtherance of the continuing concealment. However, we have a right to know and the public has a right to know what happened and how it happened in respect to the forceable dislocation of the population of the Diego Garcia group. Therefore, I am asking the General Accounting Office to investigate the arrangements with the British which led to the virtual acquisition of Diego Garcia by the United States and especially to tell the Congress what financial arrangements were made. I am asking the GAO also to determine if grounds exist to continue to deny the facts on this matter to the American people by the arbitrary assignment of a security classification label. I ask unanimous consent that my request to the GAO be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. GARY W. HART. The Pentagon appeared to have scored a victory by convincing the Senate to allow expansion of Diego Garcia facilities in another round of its campaign to meet political problems with military force. We now know that success was due at least in part to concealment of the facts. Congress has the responsibility to ask why we were not told the whole truth and to determine if the facts now revealed was the only concealment perpetrated by the administration. It is not too late for us to reopen the whole matter of Diego Garcia, and we have a duty to do so in the interests of the Diego Garcians and the people of the United States.

EXHIBIT 1

U.S. Senate,
Washington, D.C., September 11, 1975.

Hon. Elmer B. Staats,
Comptroller General of the United States, General Accounting Office, Washington, D.C.

Dear Mr. Staats: I have received information that the financial arrangements preparing the way for construction of United States military facilities on the island of Diego Garcia differ from the public explanations offered by our government and the government of Great Britain. I am in possession of the details of these arrangements, but, because they have been classified confidential by the Administration, I shall not here describe what they were. I shall, however, give this information to the members of your staff who will conduct the investigation I am requesting.

Please report to me how the dislocation of the inhabitants of Diego Garcia and its associated islands was financed and whether U.S. law was violated. It would be useful if you would also determine what public officials made decisions which might have been violations of the law if any, in fact, occurred. Furthermore, I would appreciate your opinon as to whether security classification of this matter is justified.

Thank you for your assistance.

Sincerely,

Gary Hart,
U.S. Senate.

Mr. KENNEDY. Mr. President, I wish to express my strong support for the amendment offered by the distinguished Senator from Iowa (Mr. Culver). The charges made in the press this week, both in Washington and in London, raise extremely grave questions: about the actions of our Government in securing its original agreements for base rights on Diego Garcia; about our role in the removal of the inhabitants of that island to make way for an American base there; and about whether the Pentagon willfully misrepresented to Congress the facts in this matter in seeking our approval to build this base. Most disturbing is the charge made today in this British press by the Guardian, that the U.S. Government actually paid for the evacuation of those people and was perhaps even the instigator of this action. This article refers to sources in the U.S. Navy as saying that Britain was given a discount of up to $8.5 million, on equipment purchased for the United States, after agreeing to remove 1,200 inhabitants from Diego Garcia.

This amendment, which I am happy to cosponsor is the very least we can do in response to these allegations. The British Government, in a statement issued yesterday, admitted that there had been some 1,200 inhabitants on the island, and that they were in fact evicted "with some reluctance." But the British Government has denied that coercion was used, and insists that humanitarian assistance for their resettlement was provided. Thus far there has been no word from the Pentagon or the State Department as to the American Government's involvement. This amendment will assure that Congress will receive a complete, detailed, factual accounting in a few weeks, as to the truth of the reports. At that time, we can determine what action, if any, should be taken.

Mr. President, I also wish to note my support for the Foreign Relations authorization bill being considered by the Senate today. I am particularly pleased that the bill, as reported by the committee, contains the amendment which I introduced with my distinguished colleagues, Senators Pell and Cranston, last July. This provision expresses the sense of the Congress that the President should seek direct negotiations with the Soviet Union to achieve agreement on the limitation of deployments of naval and other military forces in the Indian Ocean by outside powers. The timing has become crucial. Last July the Senate defeated attempts to delay construction of expanded facilities on the island of Diego Garcia after a long and serious debate. As a result, the fledgling arms race in that area has escalated one step further. If we let the moment pass, it can only become harder in the future to secure arms control in the Indian Ocean.

Mr. President, I submitted this proposal, because I believe it is critical for the administration to sound out the Soviet Union on this matter before countries make decisions which will increase naval competition in the Indian Ocean—competition that would clearly pose high economic costs, political uncertainties, and dangers of heightening tensions. The fact of the matter is that the administration apparently made no approach to the Soviet Union for mutual limitations before the President submitted his certification of national interest to the Congress, concerning Diego Garcia, despite a clear congressional mandate to do so. We must not again miss the chance of discovering whether the Soviet Union will join with us in discussion of Indian Ocean arms control.

I ask unanimous consent that two articles from the Guardian, and the statement issued by the British Foreign Office be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Manchester Guardian, Sept. 10, 1975]

Britain Evicts for Base Aims, Tell How Britain Hushed up the Enforced Exodus of 1,000 People to Make Way for a U.S. Base

(By Martin Walker in London and David Ottaway in Mauritius)

More than 1,000 inhabitants of the Indian Ocean Islands of Diego Garcia, which the British and the American Governments have repeatedly said are virtually uninhabited, were forced to leave to make room for an American naval base.

Between 1966 and 1971 the islands processed 3,434 families, many of whom had lived there for 3 and 4 generations, were taken 1,000 miles away to Mauritius where they now live in poverty. The government of Mauritius is still negotiating with Britain to secure compensation for the Islanders.

"This evacuation took place in the days when we were still a colony and we had little say in the matter," a spokesman for the Mauritius High Commission said in London yesterday. "The evacuation was not exactly a secret—let us say it—was done with minimum publicity."

One of the Islanders, an old man who claims to have been among the last group evacuated in 1971, says he was told by one American Official "if you don't leave, you won't be fed any longer."

This new controversy over the Diego Garcia a base comes just after the American government had secured the grudging Agreement of the U.S. Senate to provide $60 million for improved facilities. The Senate Agreement by a narrow 53–43 vote followed well-timed U.S. intelligence reports of a mysterious new Russian base in Somalia on the fringe of the Indian Ocean.

Senator Edward M. Kennedy last night in a statement to the *Guardian* called for "the reopening of the entire issue of the Base," and charged that "our government has acted with a clear lack of human sensitivity." Echoing complaints by one British Member of Parliament, Senator Kennedy has accused the American government of "clearly misrepresenting the case", and has charged the British and American governments of collusion to evict the Island's communities. "The insult is compounded", he said "by reports that these Islanders are now living in abject poverty."

When Britain bought the Island from Mauritius in 1966, Britain also bought out and closed the Copra plantations, the only source of work for the Island community. This forced the Islanders to leave, to the satisfaction of the military planners. The fate of these forgotten Islanders, whose homes were sacrificed for a controversial American base, is now to be raised in Parliament. Mr. Tam Dalyell labor Member of Parliament for West Lothian, has been a leading critic of the proposed base for almost 10 years, and he is now to press for an inquiry into the evacuation. He is also concerned that the facts have taken almost 10 years to emerge.

"I had been given to understand that the Islanders were namely contract laborers, and that they had left of their own accord." Mr. Dalyell said yesterday "but if we now learn that the settled community was deliberately uprooted to make way for a military base then we must have a full and urgent inquiry."

The last Islanders were evacuated in late 1971. This permitted the US Defense Department to inform Congress in 1972 that "the Island is virtually uninhabited and erection of the base would thus cause no indigenous political problems."

In December, 1974 the British and American Defense Departments prepared a joint aid memoir for the information staffs, sent out in question and answer form. It reads, "Is there any native population on the Island? Answer: No. At one time a small number of contract laborers from Seychelles and Mauritius were working on the Copra Plantations but this has now ceased."

A spokesman for the British Defense Department denied yesterday that this represented a deliberate misrepresentation of the fact about the Islanders. "There is nothing in our files about inhabitants, or about an evacuation," the spokesman said.

Mauritius diplomats have widely and publicly repeated their claims for compensation on behalf of the Islanders with little apparent result. In Delhi, in April 1974, the Mauritius High Commissioner to India complained that the 500 families who have been moved from Diego Garcia still awaited compensation.

Britain claims that "a full and final payment" of £650,000 (pounds) was given to Mauritius in 1972 to provide housing and resettlement facilities for the Islanders, but the Islanders say that little of this help reached them.

Of the 434 families uprooted, 422 have signed a petition to the British and American government in which they say "we want to let the British government know how many people have died through sorrow, poverty and lack of food and care. We have at least 4 old persons who have died."

Working conditions on the island were close to slavery—on the plantations they received food, shelter and about £2 (pounds) a month to buy clothes and small luxuries from the company store.

"But life was easy, very easy", says Christian Ramdas, one of the Islanders leaders. "We have animals and chickens. We could fish, and we didn't need many clothes." He and other Islanders have petitioned the US Embassy in Mauritius to be allowed to return and work at the American base, but their appeal has not been answered.

A recent survey of the Islanders in Mauritius found that only 17 percent of family heads got full time jobs, 33 percent were unemployed, and the remainder had part-time work.

[From the Manchester Guardian, Sept. 11, 1975]

U.S. MISSILES "PAID FOR NAVY BASE"

(By Simon Winchester in Washington and Martin Walker in London)

British officials involved in the evacuation of Diego Garcia's inhabitants to make way for a United States naval station on the Indian Ocean island arranged to have the operation paid for by America in a complicated deal involving the sale of Polaris missiles to the United Kingdom, it was alleged in Washington yesterday.

According to U.S. Naval sources, quoted by Capitol Hill investigators yesterday, Britain won a discount said to be worth as much as £4 million (pounds) on a sale of the missiles or missile parts in 1966, after agreeing to remove the strategically placed Island's 1,200 inhabitants.

The disclosure of the alleged deal came yesterday amid urgent congressional attempts to get a full explanation from the Pentagon of the circumstances surrounding the evacuation. Senator John Culver, an Iowa Democrat prominent in earlier attempts to scuttle the U.S. Navy's Diego Garcia plans, yesterday introduced an amendment making the granting of money for the running of the State Department this year, contingent on a full report from the Pentagon before November 1. The Senator explained, "I have done this so that Congress can get the full story without delay before we act on the Diego Garcia appropriations. We had assumed the Island was uninhabited—now it turns out the Pentagon has made misleading statements—there are more than 1,200 people living on the island who are now living a disgruntled and impoverished life on Mauritius. We need to know if the U.S. Government put pressure on the British to evict the Islanders whether we subsidized their relocation and whether we have fulfilled all our obilgations to the Islanders. Until we have this report, the State Department, if the Amendment's approved, will not be getting any money."

If the Amendment is passed, authorization for expenditure of $1,200 million granted (about £570 million pounds), for the running of the U.S. diplomatic services, the U.S. Information Agency, the Voice of America, and other routine State Department functions, will be delayed until the Pentagon provides the details.

"If the details show the U.S. government did have a hand in persuading the British to move the Garcians to Mauritis, there could be further hearings up here on the propriety of the move," a staff assistant of the Senator said.

"This could delay further the Navy's expansion of the base. It could also prompt some form of American aid to give restitution to the men and women who are now on Mauritius."

Meanwhile, investigators in another Senate office, said yesterday that U.S. Navy representatives in early negotiations about the island base had concern that the U.S. government had agreed to pay for the evacuation indirectly, so long as Britain agreed to move the Islanders to Mauritius and allow the Island to be used as an American staging base. According to two Capitol Hill sources, the government here agreed to reduce the cost of a British Polaris missile purchase—although it conceivably could have involved Polaris missile parts for a research and development agreement by some £4 million (pounds).

Another lower figure has also been mentioned on the Hill, but it does not agree with Tuesday's disclosure that the British government paid Mauritius £650,000 (pounds) in 1972 as a final installment for the settlement. The same sources on the Hill say that the deal was probably not completed at Cabinet level—at the time President Johnson was in power here, and Mr. Wilson in Downing Street—but at senior levels in the two Defense Departments.

The disclosures, a Senate source said, would probably ease the passage of Senator Culver's amendment, and this increases the likelihood of a full explanation from the Pentagon. "At present both the British government and the Pentagon are being rather less than helpful," a source said. "It will take the Culver amendment to force it out of them."

Chances are high that the amendment will pass. The Diego Garcia authorization and appropriations measures sneaked through the Senate by somewhat less than decisive margins. In the Senate Armed Services Committee the Island base was approved by 10 votes to 6, and in the full Senate, a resolution sponsored by Senator Mansfield, condemning the base, was defeated by 53 votes to 43.

"With this latest news, we feel the amendment will pass easily," a source said. "Diego Garcia could be delayed even further which we feel will lessen American expansion in the Indian Ocean which is what we see as our ultimate goal."

In London the Foreign Office last night admitted that the Islanders had been moved "with some reluctance on the part of the older people," but denied that any coercion was used. The British government has been very conscious of humanitarian considerations througout, a foreign-office statement said. That conflicts directly with evidence of a British eye witness to one stage of the evacuation, Mrs. Dianna Gopaul of Cliff Lane, Leeds. It also conflicts with information given to British lawyers who visited the evacuated Islanders in Mauritius gathering evidence for a law suit now being brought against the British government by the Islanders. "In the first week of November, 1972, I saw the SS Nordvaer, a tiny ship which normally carried only 12 passengers between the Island, arriving in Victoria in the Seychelles," Mrs. Gopaul said yesterday. "There were about 140 people crammed on the decks sheltered only by tarpolins. They were transport—that is the only word for it. Consignments of these poor individuals." Mr. Gurnard Sheridan, a Solicitor for one of the Islanders, said his clients had been "ordered, coerced, compelled to leave the Island. They were taken away wrongfully and prevented from returning." The plaintiff against the British government, Mr. Vencattassen has a birth certificate to prove he was born on the Island in 1919, and his parents were also born and died and were buried there. The British government maintains that the Islanders were contract workers on the Copra Plantation, were not a British responsibility, and left of their own accord. Against that, it must be said that Ordinance Number 1 of the British Indian Ocean Territory dated 1971, which decreed that nobody could henceforth remain on the Island, nor return to it without a special permit. No official spokesman could confirm yesterday that any such permit had been issued.

"I am absolutely disgusted," Mr. Frank Allaun, Labor Member of Parliament for Salsord East and a member of the Labor Party's National Executive, said yesterday. He is to go with a hastily gathered delegation of angry Labor Members of Parliament to the Foreign Secretary to discuss the matter. "This is the first we have heard about these islands being inhabited." Mr. Olean said. "A lot of members of Parliament have been misled."

Lord Brockway is also to raise the matter in the House of Lords. "No mention of these poor inhabitants was made in the last debate in the Lords," he said. "We were under the mistaken impression that the Island was uninhabited."

STATEMENT OF BRITISH FOREIGN OFFICE

Diego Garcia is part of the Chagos archipelago which is itself of the British Indian Ocean territory which was established by order in council in nineteensixtyfive. Under a published exchange of notes with the U.S. Government in nineteensixtysix, the territory was made available to meet the defence needs of both governments.

Compensation for the loss of sovereignty over Chagos archipelago amounting to three million sterling was paid to the Mauritian Government and in nineteensixtyseven the British Government bought out the commercial interests of the company operating the coconut plantations on the islands. Plantation operations were continued by a commercial company acting as managers for the Biot administration.

2. In nineteenseventyone the plantation on Diego Garcia was closed to enable the islands to be used for defence purposes, as envisaged in the nineteensixtysix exchange of notes. Other closures followed in the other islands of the Chagos archipelago. The people on the islands affected were Mauritian and Seychellois contract labourers and their families. None owned property on the islands but there were instances of families who had worked on a contract basis there for two generations. The number of employees fluctuated in accordance with the demand for their labour. In nineteenseventyone there were about eighthundred and thirty people of all ages in the archipelago including some threehundred and sixty on Diego Garcia itself.

3. The plantation company which had been responsible for their movements over many years undertook the arrangements for the evacuations which the closure of the plantations necessitated. Not surprisingly there was some reluctance on the part of the older people on Diego Garcia to move. But we understand that in the event all went willingly, and no coercion was used. No British or American servicemen were involved.

4. The British Government has been very conscious of humanitarian considerations throughout and has since nineteensixtyfive been on record as willing to pay appropriate compensation. In nineteenseventythree agreement was reached with the Mauritian Government whereby HMG paid sixhundredand fifty thousand sterling for relief and resettlement. Including those who had been living in the Chagos archipelago in nineteensixtyfive but had settled in Mauritius prior to the avacuations, the total number to be compensated was, according to Mauritian Government registers, one thousandonehundred and fiftyone. The Mauritian Government acknowledge that the nineteenseventythree payment represented a full and final discharge of HMG obligations in this regard.

5. On first October nineteenseventyfour representatives of those concerned petitioned the British Government asking it to intervene with the Mauritian Government to give each family a piece of land, a separate house and jobs, in Mauritius. HMG took note of a statement made by the prime ministers of Mauritius the following day in which he drew attention to the nineteenseventythree agreement with HMG and confirmed that efforts were being made to resettle these people.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HUMPHREY. Mr. President, on behalf of the chairman of the committee (Mr. Sparkman), I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 26, immediately below line 23, insert the following new section:

DELEGATES TO INTERPARLIAMENTARY UNION

Sec. 206. The Act of June 30, 1958 (Public Law 85–474; 72 Stat. 244) is amended by adding at the end thereof the following new sentence: "Not less than two Senators so designated shall be members of the Committee on Foreign Relations."

Mr. HUMPHREY. Mr. President, the purpose of this amendment is to require that at least two members of the Senate delegation to the conferences of the Interparliamentary Union shall be from the Committee on Foreign Relations.

Under Rule XXV of the Standing Rules of the Senate, the Committee on Foreign Relations has jurisdiction over international conferences and congresses. Although interparliamentary activities concern and involve the entire Senate, legislation authorizing the participation in such activities has been referred to the Committee on Foreign Relations and it is, therefore, more directly involved than other committees. As the principal committee dealing with international relations, the Committee on Foreign Relations has taken an active interest in assuring adequate preparation and representation at the various interparliamentary meetings. Accordingly, I believe it is appropriate that at least two members from the committee should be appointed to each conference of the Interparliamentary Union.

I might add, Mr. President, this is in keeping with the provisions of the laws governing the Canada-United States Interparliamentary Group and the Mexico-United States Interparliamentary Group. In both cases there is a requirement that not less than four members of the Committee on Foreign Relations be appointed to each of the delegations.

Mr. CASE. Mr. President, I think this is a good amendment. I suggest we accept it.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HUMPHREY. Mr. President, there are other amendments but I see the sponsors are not present at the moment. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Stone). Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that during the consideration of the pending legislation Mr. Jack Brooks and Mr. Peter Hughes, of my office, be granted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of S. 1517, the pending legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. I yield to the Senator from Indiana.

VISIT TO THE SENATE BY MEMBERS OF THE COMMITTEE ON TRAFFIC OF THE SWEDISH PARLIAMENT

Mr. HARTKE. Mr. President, it is my distinct honor at this moment to introduce to the U.S. Senate some distinguished fellow parliamentarians from the country of Sweden. This is a group of people who have come here with the Ambassador from Sweden, and they are the members of the Committee on Traffic of the Swedish Parliament.

I would like to say at this time that it has been our distinct honor to have a chance to visit with them. They are having a tour, not only of the Senate, but of all Washington, D.C.

The relationship between our two countries is extremely warm, and will be much nicer after this wonderful visit and these fine meetings.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. HARTKE. I yield.

Mr. HUMPHREY. Mr. President, we are highly honored today in this body to have the visit of these distinguished parliamentarians from Sweden. They represent a country of great democratic tradition and of progressive social and economic policy, and needless to say, as a Senator from the State of Minnesota, they are very precious and very important people to us. We are blessed, in our State, with a very large segment of our population being of Swedish descent.

Just the other day I discovered, through a friend in the British Parliament of Welsh extraction, that away back in the 17th century a member of the Humphrey family married a very lovely lady of Swedish descent, which has strengthened me immeasurably in my State. I as yet have not gotten that information out to Minnesota, but I intend to see that it is properly distributed.

But let me say in all sincerity that just recently the Senator from Indiana and I had the privilege of being in Sweden. I was in Stockholm for 3 days. I met with members of the government, with the distinguished Prime Minister, Mr. Palme, the former Prime Minister, my old friend Tage Erlander, and with other members of the Ministry and the Cabinet. We discussed the economic planning that is underway in Sweden. We have much to learn from our friends in Sweden.

I had the privilege of visiting once again Hogsund, the summer home of the Swedish Prime Minister. It was beautiful. Let me say that I took my regular trip in the rowboat with the Prime Minister.

So I salute this delegation. Nothing has given me more joy in recent months than to see in the Senate Chamber the members of the delegation, and also the most distinguished and much loved and highly respected Ambassador representing Sweden. We wish him well.

Mr. President, in order that we can really have a chance in the old-fashioned Swedish-American way to express our thoughts and our feelings, I shall move very shortly that we take a temporary recess. But I want my friends from Sweden to know that in the bill we have before us, there is a chapter in the legislation that relates to the reestablishment of the consular office at Gothenburg. Let me read it:

Sec. 104. (a) It is the sense of the Congress that the United States Consulate at Gothenburg, Sweden, should be reopened as soon as possible after the date of enactment of this Act.

That is our first consulate. The first head of state to recognize the United States was Gustav III of Sweden.

We have not forgotten that. We are going to reopen that consulate, and it is going to be another binding tie between the United States and Sweden.

Mr. HARTKE. Mr. President, will the Senator yield?

Mr. HUMPHREY. Yes.

Mr. HARTKE. I ask unanimous consent that the names of the members of this delegation be printed in the Record.

There being no objection, the names were ordered to be printed in the Record, as follows:

His Excellency Count Wilhelm Wachtmeister, Ambassador of Sweden.

Members, Committee on Traffic of Swedish Parliament:

Mr. Sven Gustafson, Mr. Sven Mellqvist, Mr. Anders Dahlgren, Mr. Carl-Wilhelm Lothogius, Mr. Essen Lindahl, Mr. Arne Persson, Mr. Nils Hjorth, Mr. Kurt Hogosson, Mr. Alfred Haakansson, Mr. Birger Rosqvist, Mr. Rolf Clarkson, Mr. Olov Ostrand, Mr. Per Stjernstrom, Mr. Rolf Sellgren, Mrs. Sunden.

Staff, Committee on Traffic of Swedish Parliament:

Mr. Sven-Olof Runesten, Mr. Staffan Hansson.

Officials, Royal Swedish Embassy:

Mr. Hans Gronwall, First Secretary, Mr. Yngve Vesterlund, Scientific Attache.

RECESS UNTIL 1:55 P.M.

Mr. HUMPHREY. Mr. President, I move that the Senate stand in recess until 1:55 p.m. today.

The motion was agreed to, and at 1:20 p.m., the Senate recessed until 1:55 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Office (Mr. STONE).

FOREIGN RELATIONS AUTHORIZATION ACT, 1976–1977

The Senate continued with the consideration of the bill (S. 1517) to authorize appropriations for the administration of foreign affairs; international organizations, conferences, and commissions; information and cultural exchange; and for other purposes.

Mr. HUMPHREY. Mr. President, I understand that we have at least two more amendments, one from the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.) and another from the distinguished Senator from Mississippi (Mr. STENNIS).

If the Senator from Virginia is ready to open discussion, we will then vote on the Domenici amendment.

Do we have enough Senators here for the yeas and nays?

Mr. HARRY F. BYRD, JR. May I say in response to the Senator from Minnesota, as I understood it, we would vote at 2 o'clock on the Domenici amendment.

Mr. HUMPHREY. That is correct.

Mr. HARRY F. BYRD, JR. It is about 2 minutes of.

Mr. HUMPHREY. I did not know if the Senator wanted to open his discussion or not.

Mr. HARRY F. BYRD, JR. We only have a minute or so.

Mr. HUMPHREY. Mr. President, I ask for the yeas and nays on the Domenici amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. McGEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. Mr. President, I ask unanimous consent that my staff man, Dick McCall, be granted privilege of the floor for the duration of this discussion.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I rise to offer an amendment to the amendment proposed by the Senator from New Mexico.

Mr. HELMS. Will the Senator yield?

Mr. HUMPHREY. Yes, I yield to the Senator.

The PRESIDING OFFICER. First, the clerk will state the amendment.

Mr. HUMPHREY. This is my amendment to the amendment of the Senator from New Mexico.

The PRESIDING OFFICER. Will the Senator withhold until the clerk states the amendment?

The legislative clerk read as follows:

> The Senator from Minnesota (Mr. HUMPHREY) proposes an amendment to the amendment of the Senator from New Mexico (Mr. DOMENICI), strike sections (b) and (c) and insert the following: (b) Not later than 6 months after the date of enactment of this section, the President shall transmit to the Speaker of the House of Representatives and the Chairman of the Committee on Foreign Relations in the Senate a report on actions taken by the United Nations to obtain such an accounting.

Mr. HUMPHREY. Mr. President, this amendment is being offered on behalf of the Senator from New Jersey (Mr. CASE) and myself.

As I understand, we were going to have a vote on the amendment of the Senator from New Mexico at 2 o'clock, it is now 3 minutes after 2.

The PRESIDING OFFICER. The amendment is in order, but debate is not in order because of the previous order to vote on the amendment of the Senator from New Mexico at 2 o'clock.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that there be a 10-minute period of debate on the Humphrey amendment to the Domenici amendment, equally divided between the Senator from Minnesota and the Senator from New Mexico, and that the vote on the Domenici amendment then follow the vote on the Humphrey amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, the Senator from New Mexico is here now.

Mr. President, may I just say to my good friend, the Senator from New Mexico, that what I have done is to offer an amendment to his amendment that will require a reporting procedure on the basic thrust of the Senator from New Mexico's proposal relating to the United Nations activities concerning those missing in action.

So the full amendment would read as follows:

> The President shall direct the United States Ambassador to the United Nations to insist that the Untied Nations take all necessary and appropriate steps to obtain an accounting of members of the United States Armed Forces missing in action in Southeast Asia.

Then my amendment would strike sections (b) and (c) of the Domenici amendment and I would add in lieu thereof the following:

> Not later than 6 months after the date of enactment of this section, the President shall transmit to the Speaker of the House of Representatives and the Chairman of the Committee on Foreign Relations in the United States Senate a report on actions taken by the United Nations to obtain such an accounting.

This is in substance what I had indicated I was going to do earlier in the debate.

I now yield the floor and reserve the remainder of my time.

Mr. DOMENICI. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOMENICI. Is this amendment in order in that we had a unanimous consent that we would vote on my amendment at the hour of 2 o'clock?

The PRESIDING OFFICER. There was a further unanimous-consent request posed by the Senate from Michigan which was agreed to without objection that there would ensue 10 minutes of debate equally divided between proponents of the Humphrey amendment and the Senator from New Mexico.

Mr. GRIFFIN addressed the Chair.

Mr. DOMENICI. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. In the absence of that, the amendment was in order, even without that, it was not debatable, but by further unanimous consent it was made debatable for 10 minutes.

Mr. GRIFFIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GRIFFIN. Is it not also true that, just for the information of the Senate and the Senator from New Mexico, it was not only in order, it was offered and was pending before the Senate?

The PRESIDING OFFICER. That is correct.

Mr. GRIFFIN. And that we were about to vote on the Humphrey amendment to the Domenici amendment and it would have been voted on without debate?

The PRESIDING OFFICER. That is correct.

Mr. DOMENICI. I understand what the Senator from Michigan did and I appreciate the opportunity to discuss the matter with the Senator from Minnesota.

Certainly, I do not want to accept the amendment. The Senator indicated to me this morning after hearing my discussion that perhaps the bill which contained half of my amendment was to some extent, somewhat deficient in that it had no time limitation; it mandates the President to do all he can to get this accounting through our Ambassador, but there was not any time in it.

I had both time and a penalty of cutting our financial help to the U.N. from 25 to 10 percent.

What the Senator is doing, of course, is very understandable. It is his concern that we ought not be cutting the U.N. for their failure to take this account, at least not for this one failure.

I tend to disagree. I disagreed this morning.

I think this is a very good situation where we should, indeed, let the U.N. know that if they cannot do this simple act, and it is very simple under my amendment and under the language in the bill, it does not say to go get the accounting, it just says to take some action to implement our own resolution, we ought to decline to fund the U.N. in such a disproportionate amount.

I think we should vote on the Senator's amendment. I hope those who want to will have a chance to impose a little bit of muscle for once for a very humanitarian mandate, that they have already agreed to do; to wit, by 95 to 0, their own resolution in the U.N. says an accounting is due.

It is not disputed that from the adoption of that, they have not done one thing. In fact, generally the Senator from Minnesota has said, "I am sure they have tried." My information is that they have done nothing substantive.

My amendment says they must at least tell our President what they have done and make an effort to get an accounting, or the result will be, if they do not do that, they take a 15-percent cut in our funding.

What the Senator from Minnesota is doing with his amendment is gut the leverage, and everyone ought to understand that. It is no hammer; it is a nice declaration that we encourage our President to attempt to get it, and give us a report in 6 months. I do not think it will do a thing except get a nice report for the Senate in 6 months.

I think my own amendment offers a chance of causing the U.N. to do something, because for the first time they will know that otherwise they will not get the full funding from us. So, if the Senator from Minnesota is through, I will ask for the yeas and nays on his amendment.

Mr. HUMPHREY. Let us get that now. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HUMPHREY. Mr. President, first I want to modify our amendment to strike the language "the chairman of the Committee on Foreign Relations"——

The PRESIDING OFFICER. At this point, that will require unanimous consent.

Mr. HUMPHREY. I ask unanimous consent to do so. It is a technical matter. To strike the reference to the chairman of the Committee on Foreign Relations and make it "the President of the Senate."

The PRESIDING OFFICER. Is there objection to the request of the Senator from Minnesota? Without objection, it is so ordered. The amendment is so modified.

Mr. HUMPHREY. Mr. President, here is the issue: the Senator from New Mexico, as fair as he always is, has stated the matter very directly.

It is the judgment of many of us, and it was the judgment of the Committee on Foreign Relations unanimously, that what we should do was insist that the American Ambassador to the United Nations—that the President should direct the Ambassador to the United Nations to insist that the U.N. do everything humanly possible to get information on those missing in action in Southeast Asia. That is No. 1. Second, in our amendment we have asked that the President report to us within 6 months what has been done.

Already the U.N. High Commissioner for refugees has gone to Hanoi. I have been informed of that by the State Department. He got no information. He went to Hanoi at the direction of the Secretary General of the United Nations.

So, Mr. President, what we are really talking about is whether we are going to open up a Pandora's box of trouble in the United Nations where, if a nation does not get what it wants, it cuts its assessment.

That assessment is a part of a treaty obligation. The present assessment that we pay was negotiated over a long period of time—negotiated down from 33 to 25 percent.

As I said in debate earlier today, we have had trouble with the Soviet Union, and once trouble with France, who were unwilling to pay their assessments because they did not think the U.N. did their bidding. We stood our ground with both the Soviet Union and France, and brought them to a reconciliation.

I think if we accept the Domenici proposal instead of the one offered here on a bipartisan basis, it will cause us great trouble in the years to come.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired. The Senator from New Mexico has 1 minute remaining.

Mr. DOMENICI. Mr. President, I thank the committee for putting in the original bill one-third of my amendment. Today, after understanding it further, they put two-thirds of my amendment in. The real problem is that that which makes it really effective, that last third which provides that, if it does not happen, we cut this funding, the Senators have left that out. We have two-thirds of what was a very simple, humanitarian approach with just a little muscle for the first time.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. GRIFFIN. Mr. President, does the Senator have any time remaining?

The PRESIDING OFFICER. All time has expired. The question is on agreeing to the Humphrey amendment.

Mr. HUMPHREY. The Humphrey-Case amendment.

The PRESIDING OFFICER (Mr. STONE). The question is on agreeing to the Humphrey-Case amendment to the amendment of the Senator from New Mexico (Mr. DOMENICI). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Hawaii (Mr. INOUYE), the Senator from New Mexico (Mr. MONTOYA), and the Senator from North Carolina (Mr. MORGAN) are necessarily absent.

I further announce that the Senator from New Hampshire (Mr. MCINTYRE) and the Senator from Alaska (Mr. GRAVEL) are absent on official business.

I also announce that the Senator from Michigan (Mr. PHILIP A. HART) is absent because of illness.

I further announce that, if present and voting, the Senator from North Carolina (Mr. MORGAN) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. CURTIS), the Senator from Nevada (Mr. LAXALT), the Senator from Idaho (Mr. MCCLURE), and the Senator from New Hampshire (Mr. COTTON) are necessarily absent.

I also announce that the Senator from Massachusetts (Mr. BROOKE) and the Senator from Pennsylvania (Mr. HUGH SCOTT) are absent on official business.

On this vote, the Senator from Pennsylvania (Mr. HUGH SCOTT) is paired with the Senator from Nebraska (Mr. CURTIS). If present and voting, the Senator from Pennsylvania would vote "yea" and the Senator from Nebraska would vote "nay."

The result was announced—yeas 55, nays 32, as follows:

[Rollcall Vote No. 391 Leg.]

YEAS—55

Abourezk
Baker
Bayh
Bentsen
Bumpers
Burdick
Cannon
Case
Church
Clark
Cranston
Culver
Eagleton
Eastland
Fong
Glenn
Griffin
Hart, Gary W.
Hartke
Haskell
Hathaway
Hollings
Humphrey
Jackson
Javits
Johnston
Kennedy
Leahy
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
Metcalf
Mondale
Moss
Muskie
Nelson
Pastore
Pearson
Pell
Percy
Ribicoff
Roth
Schweiker
Sparkman
Stafford
Stennis
Stevenson
Symington
Taft
Tunney
Weicker
Williams

NAYS—32

Allen
Bartlett
Beall
Bellmon
Biden
Brock
Buckley
Byrd, Harry F., Jr.
Byrd, Robert C.
Chiles
Dole
Domenici
Fannin
Ford
Garn
Goldwater
Hansen
Hatfield
Helms
Hruska
Long
Nunn
Packwood
Proxmire
Randolph
Scott, William L.
Stevens
Stone
Talmadge
Thurmond
Tower
Young

NOT VOTING—13

Brooke
Cotton
Curtis
Gravel
Hart, Philip A.
Huddleston
Inouye
Laxalt
McClure
McIntyre
Montoya
Morgan
Scott, Hugh

So the Humphrey-Case amendment, as modified, was agreed to.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HUMPHREY addressed the Chair.

Mr. NUNN. Mr. President, may we have order? I understand that the Senator is going to offer a very important amendment, and I think the Senate will be interested to hear it.

The PRESIDING OFFICER. The Senate will be in order. The Chair asks Senators to take their seats. Since no debate is in order, any reading of an amendment can be heard only if Senators are in their seats when the Senate is in order.

Mr. HUMPHREY. Mr. President, I ask unanimous consent for 2 minutes on the proposal that will be offered by the distinguished Senator from New Mexico.

Mr. DOMENICI. Mr. President, is there a unanimous-consent agreement with reference to time on amendments now?

The PRESIDING OFFICER. There

is no time for debate on the amendment. The Senator is making the unanimous-consent request for 2 minutes for the amendment of the Senator from New Mexico.

Mr. DOMENICI. I thank the Senator.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Minnesota? The Chair hears none, and it is so ordered.

Mr. DOMENICI. Mr. President, I have an amendment to my amendment, and I send it to the desk.

The PRESIDING OFFICER. The amendment will be stated.

Mr. DOMENICI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Beginning on page 49, line 23, strike out through line 4 on page 50, and insert in lieu thereof, the following:

SEC. 454. (a) The President shall direct the United States Ambassador to the United Nations to insist that the United Nations take all necessary and appropriate steps to obtain an accounting of all U.S. citizens, military as well as civilian, missing in Southeast Asia.

(b) Unless the President certifies in writing to the Congress not more than six months after the date of enactment of this section that the United Nations has taken all necessary and appropriate steps to obtain such an accounting, the amendment made by subsection (c) of this section shall take effect.

(c) Public Law 92-544 (86 Stat. 1109, 1110) is amended in the paragraph under "INTERNATIONAL ORGANIZATIONS AND CONFERENCES" headed "CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS", by striking out "25 per centum" the first time it appears and inserting in lieu thereof "10 percentum".

Mr. DOMENICI. Mr. President, I address this to the distinguished manager——

The PRESIDING OFFICER. The amendment is not in order. The Senator may proceed for 2 minutes and then offer the amendment.

Mr. DOMENICI. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOMENICI. I am now addressing myself to the amendment.

The PRESIDING OFFICER. Until the time on the amendment has been yielded back, another amendment is not in order.

Mr. DOMENICI. I withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn. That is the amendment just sent to the desk?

Mr. DOMENICI. Yes.

The PRESIDING OFFICER. The Senator has 2 minutes.

Mr. DOMENICI. I have conferred with the floor manager, and the amendment is too restrictive, in that it just refers to U.S. Armed Forces. I will propose an amendment that will broaden that, so that everything in the amendment will cover all U.S. citizens, military as well as civilians, in Southeast Asia. I will offer substitute language which will broaden it from military to that.

Mr. HUMPHREY. That is very desirable, and I commend the Senator. It is a necessary technical adjustment.

Mr. DOMENICI. I yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator reoffer the amendment?

Mr. DOMENICI. I offer the amendment which I previously sent to the desk.

The PRESIDING OFFICER. Is the Senator offering this as a substitute for his previous amendment?

Mr. DOMENICI. No. I am offering it as an amendment.

The PRESIDING OFFICER. The Chair advises that, as it is drawn, it would not be in order, except as a substitute amendment.

Mr. DOMENICI. I offer it as presented at the desk, in toto, as a substitute.

Mr. HUMPHREY. Including the Humphrey-Case amendment.

The PRESIDING OFFICER. Is that the understanding of the Senator from New Mexico?

Mr. DOMENICI. A substitute to the substitute.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from New Mexico (Mr. DOMENICI) proposes an amendment to his amendment:

In section 454(a), following the words "United States Armed Forces", insert the words "and United States civilians".

Mr. DOMENICI. Mr. President, I ask unanimous consent that the name of the Senator from Michigan (Mr. GRIFFIN) be shown as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HUMPHREY. Mr. President, we have the amendment as amended. Is that correct?

The PRESIDING OFFICER. That is correct.

Will the Senate kindly come to order, and will Senators kindly take their seats? In the absence of debate, unless Senators can hear, they will not understand on what they are voting.

Mr. HUMPHREY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HUMPHREY. Am I correct that what we will be voting on now is the Domenici amendment as modified by the Domenici-Griffin amendment as amended by the Humphrey-Case amendment?

The PRESIDING OFFICER. The Senator is correct.

Mr. GRIFFIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GRIFFIN. Have the yeas and nays been ordered on the amendment?

The PRESIDING OFFICER. The yeas and nays have been ordered.

The question is on agreeing to the amendment as amended. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Hawaii (Mr. INOUYE), the Senator from Montana (Mr. METCALF), the Senator from New Mexico (Mr. MONTOYA), and the Senator from North Carolina (Mr. MORGAN) are necessarily absent.

I further announce that the Senator from Alaska (Mr. GRAVEL) and the Senator from New Hampshire (Mr. MCINTYRE) are absent on official business.

I also announce that the Senator from Michigan (Mr. PHILIP A. HART) is absent because of illness.

I further announce that, if present and voting, the Senator from North Carolina (Mr. MORGAN) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. CURTIS), the Senator from Nevada (Mr. LAXALT), the Senator from Idaho (Mr. MCCLURE), the Senator from Ohio (Mr. TAFT), and the Senator from New Hampshire (Mr. COTTON) are necessarily absent.

I also announce that the Senator from Massachusetts (Mr. BROOKE) and the Senator from Pennsylvania (Mr. HUGH SCOTT) are absent on official business.

I further announce that, if present and voting, the Senator from Nebraska (Mr. CURTIS), the Senator from Pennsylvania (Mr. HUGH SCOTT), and the Senator from Ohio (Mr. TAFT) would each vote "yea."

The result was announced—yeas 85, nays 0, as follows:

[Rollcall Vote No. 392 Leg.]

YEAS—85

Abourezk
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bentsen
Biden
Brock
Buckley
Bumpers
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Culver
Dole
Domenici
Eagleton
Eastland
Fannin
Fong
Ford
Garn
Glenn
Goldwater
Griffin
Hansen
Hart, Gary W.
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Humphrey
Jackson
Javits
Johnston
Kennedy
Leahy
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
Mondale
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott,
  William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Stone
Symington
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—0

NOT VOTING—15

Brooke
Cotton
Curtis
Gravel
Hart, Philip A.
Huddleston
Inouye
Laxalt
McClure
McIntyre
Metcalf
Montoya
Morgan
Scott, Hugh
Taft

So Mr. DOMENICI'S amendment, as amended, was agreed to.

Mr. ABOUREZK addressed the Chair.

Mr. HUMPHREY addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. ABOUREZK addressed the Chair.

Mr. HUMPHREY. Will the Senator yield?

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SPARKMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HUMPHREY. Mr. President, I wonder if the Senator from South Dakota will take into consideration the fact that the Senator from Virginia had been promised that his amendment would come up. I know we do not have any right to do that sort of thing, but it was sort of a gentleman's understanding—unless the Senator from South Dakota wants to briefly discuss his amendment, may I say to the Senator from Virginia, and we could dispose of that.

Mr. ABOUREZK. If I might, and the Senator discusses it briefly. I will withhold for as long as he wants, if that is all right.

Mr. HUMPHREY. Why not do it this way. The Senator from South Dakota withhold just now. We will finish the work of the Senator from Virginia. Really, the Senator from Virginia has been waiting here all day.

Mr. PERCY. Mr. President, reserving the right to object to the whole proceeding, could we set some time limit?

Mr. HUMPHREY. Yes, we are prepared to do that.

Mr. HARRY F. BYRD, JR. Mr. President, if I am permitted to call up amendment No. 875, I would ask unanimous consent there be a time limitation not to exceed 30 minutes.

Mr. HUMPHREY. 30 minutes, and we most likely will not use it.

Mr. ABOUREZK. Mr. President, included as part of that request is that my amendment will be called up as soon as the amendment of the Senator from Virginia is disposed of.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered. The Senator from Virginia is recognized.

AMENDMENT NO. 875

Mr. HARRY F. BYRD, JR. Mr. President, I call up amendment No. 875 and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The Senate will be in order. Senators and Senate staff will kindly take their seats. Staff members as well as Senators will kindly take their seats and if they wish to converse, withdraw to the cloakroom.

Will the Senators clear the aisles and will the Senate staffs clear the aisles? Will officers of the Senate clear the aisles?

The Senator from Virginia.

Mr. HARRY F. BYRD, JR. Mr. President, I call up my amendment No. 875 and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. PACKWOOD). The amendment will be stated.

The assistant legislative clerk read as follows:

> On page 26, strike section 205.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the distinguished Senator from Delaware (Mr. BIDEN) be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that there be a time limitation on this amendment not to exceed 30 mintues, with the time equally divided between the manager of the bill, or his designee, and the Senator from Virginia.

The PRESIDING OFFICER. That has already been granted. Who yields time?

Mr. HARRY F. BYRD, JR. Mr. President, I yield myself 5 minutes.

Mr. President, this amendment would eliminate section 205 from the bill. Section 205 states:

> There are authorized to be appropriated for the Department of State, for contribution to the Endowment Fund of the United Nations University, to remain available until expended, $25,000,000.

The proposed amendment, Mr. President, would strike that section and would save $25 million for the American taxpayer.

Mr. President, this is a new program in the international field. I see no reason, in this period of great inflation in the United States, in this time when the wage earner is finding it very difficult to make ends meet, to go into a new program in the United Nations.

I submit that the United States already is contributing ample funds to the United Nations. For example, in fiscal 1975, the total U.S. contribution to the United Nations was $428,745,000.

My purpose in inviting the attention of the Senate to this proposed $25 million for the United Nations University is to point out that it is a new program and it is only the beginning of a very expensive one.

The United Nations University would be established in Tokyo, Japan. The total cost for the endowments is estimated to be $500 million. Undoubtedly, the $25 million included in today's bill is a small part of what the United States will be called upon to put up in the future.

I see no justification for this expenditure of $25 million of tax funds of the American people.

In that connection, Mr. President, a wage earner, an individual, with a gross income of $10,000—a person earning $10,000—a family of four, a man, his wife and two children, he or she will pay an income tax of $766.

In order to obtain $25 million in tax funds, the total taxes of 32,500 families with a wage of $10,000 would be required to pay the taxes for this $25 million which is included in the bill.

The proposal that I have submitted to the Senate, cosponsored by the Senator from North Carolina and the Senator from Delaware (Mr. BIDEN) would strike the $25 million. I reserve the remainder of my time.

Mr. HANSEN. Mr. President, I ask unanimous consent that David Stang and Nolan McKean, members of the Senate Interior staff and my personal staff, be allowed the privilege of the floor during the consideration of the pending legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. CLARK. Mr. President, I yield myself 5 minutes.

Mr. President, this is not a new idea. It was originally proposed by Secretary General U Thant in 1969. It has been discussed at great length in the United Nations. Indeed, the General Assembly itself, in 1973, chartered this U.N. University. It is to deal with the pressing global problems of human survival, development, and welfare.

It is not simply another university. It is not, for example, a degree-granting institution. The university is conceived to be a worldwide network of advanced study institutes which would devote itself to research, to postgraduate training, and to general dissemination of knowledge.

This network, which is clearly yet to be established, is envisioned to be larger in scope and structure than any existing institution for training or research. Its overall objectives are to focus the best thought throughout the world on the major problems of humanity. It will be particularly interested in solving the problems of development. It is particularly concerned with problems of world hunger and all of the other problems of development that we are all becoming very much aware of.

We have had an excellent start in the special session of the U.N. General Assembly this last 2 weeks. The Congress has worked very closely with the President and Secretary Kissinger. For the first time, I believe, in several years, the United States has a position in the United Nations which is a most positive one. The interest is in finding a way for all the countries of this world, through a knowledge of interdependence, to work together. This is another way, it seems to me, in which we can express ourselves positively for developing nations, because that is what this university is all about.

Its status is that of an autonomous agency within the United Nations' framework. It already has a rector. He happens to be an American, Dr. James Hester. Each of the 24 academic leaders are going to be from a different country.

The Japanese, of course, have already committed themselves to $100 million in this endeavor. It is one of their major interests in the United Nations, one of their major interests at this time.

I think all we are really saying here is that the United States, with this American contribution of $125 million, will demonstrate to the rest of the world that the United States supports this university, as we have said we would do in the past. At the same time, it reserves for Congress the opportunity to evaluate proposals for additional U.S. contributions on the basis of the university's ability to fulfill its stated goals.

We are not prepared to give our total contribution.

I would just say in conclusion, Mr. President, that if we now renege on our agreement, which we have discussed widely for the last 6 years in the United Nations, we will lose credibility in this great international organization. We are not appropriating $25 million today. We are simply authorizing $25 million.

We know that no appropriation will come until the administration asks for that appropriation—probably next year. It gives us the opportunity to say to the other countries of the world, "We want you to contribute with us."

If there is no response, if there are no other contributions, if other countries are not prepared to take their part, then clearly we will not appropriate the money.

But it does encourage others to join with us and with the Japanese now to go ahead with this long-planned proposal.

Last, I think it is particularly important that, as we enter the summit with the Japanese, as the Emperor and the Empress of Japan visit here later this year——

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. CLARK. One additional minute.

That the President be able to tell them of our interest in this institution, in which they are most interested. We do, after all, have a strong alliance with the Japanese. They have done a great deal in this area, and I think they would be most disappointed if we were now to say we are not interested in even proceeding with the authorization for this university.

I yield to the Senator from Illinois.

Mr. PERCY. Mr. President, first, I should like to commend my distinguished colleague, the Senator from Virginia (Mr. HARRY F. BYRD, JR.), for his constant interest in looking at matters of budgetary impact. Certainly this matter is important enough to be discussed in the Senate, and certainly this $25 million authorization should not go through without comment. It is a very important project, and I think the Senator from Virginia has performed a service in pointing up this issue.

Mr. President, the Senate is becoming more budget conscious. This year we have seen the Appropriations Committee reversed, and a military authorization sent back to conference because it exceeded our budget target. Usually the Committee on Nutrition and Human Needs fights for money—but this year when our budget was exceeded by $350 million, the Senator from South Dakota (Mr. MCGOVERN) and the Senator from Kansas (Mr. DOLE) cosponsored a resolution to send it back to conference because it went over the budget. So I say a new day has been seen here in the Senate, and we have become very budget conscious.

I assure the Senator that before we put this item in our budget, we are going to give it a good hard look, and we will have more information about it.

The reason why we feel that this proposed authorization of $25 million—originally it was $50 million, but that amount was reduced to $25 million at the suggestion of the Senator from New York (Mr. JAVITS)—is worthy of being put forward now is because this university is new and it embraces a new concept. It is not a degree-granting university. No students will be going through it. It is essentially designed to carry on research.

The headquarters building will be in Tokyo, and the first $100 million of endowment, donated by Japan, has already been made. I think the Senator from Virginia would find very appealing indeed the fact that whereas traditionally we have financed one-third of the cost of United Nations activities, and now it has been brought down to 25 percent; here for the first time, on a major undertaking of this kind, at the outset, the most that we could be putting in of the overall amount would be something less than 20 percent, and that as other countries join us, our percentage or pro rata portion would be decreasing. This is a healthy trend, and I hope as other nations become more affluent, the burden of U.N. financing we share can be gradually decreased over a period of time.

The next point that I think is important is that this is a multination effort. This is the direction we ought to be going: away from unilateral assistance and aid, and in the direction of doing it only if other countries join in and put up their money as well. The essence of the whole concept of this university is that it must be supported by a group of nations, and I think already there is an implication that if the United States and Japan will go ahead, other nations will join us, because a great many other nations have already added distinguished members to the proposed board or council which will actually govern the university.

This is to help the developing world and it is one of the lowest cost ways we can do it—to fight hunger, malnutrition, and low productivity, and to study the management of natural resources. The research will be done all over the world, wherever it can be done at the lowest cost and using the best available experts. It will be managed out of Tokyo, but the research can be done anywhere in the world. That research will supplement research we have been doing to help our own rural and urban poor here in this country. The problems of poverty are universal problems; there is no reason why every country should be carrying on research, if it can be done universally and shared with the rest of the world.

Certainly I think the wisdom of the committee in approving this amount of requested authorization was reaffirmed by the fact that one of the great educators in this country, Dr. James Hester, former president of New York University, the largest university in the United States, and one of the most respected and hard-headed educational administrators in America, thinks enough of this project that he would give up that job, one of the most desirable in the United States, and agree to undertake to head the university.

I think it was a great example of our close Japanese-American relationships that Japan would put up $100 million and be agreeable to having an American head the university.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. PERCY. May I have 1 additional minute?

Mr. CLARK. Yes.

Mr. PERCY. This is simply an authorization; nothing is to be appropriated until fiscal 1977, and then it will come up for detailed discussion, but certainly our action today would encourage others to put their money in.

So, Mr. President, I urge my colleagues to vote favorably on the U.N. University by voting against the amendment, and I again commend our distinguished colleagues—the Senator from North Carolina (Mr. HELMS) has joined Senator BYRD—in once again seeking out budget savings. However, I think here the dividends that will be paid out and the return on investment over a period of years will be proved to be very great and will fully justify my confidence in Dr. Hester and the concept of the U.N. University.

The PRESIDING OFFICER. Who yields time?

Mr. CLARK. Mr. President, there are 3 minutes remaining on our side, are there not?

The PRESIDING OFFICER. The Senator is correct.

Mr. CLARK. I yield 3 minutes to the Senator from New York (Mr. JAVITS), but first I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. JAVITS. Mr. President, though Jim Hester, a very distinguished educator, was president of New York University, from the law school of which I graduated as a lawyer myself, I had grave concerns about this particular matter. The basis of my decision to back half of what was requested—let us remember that $50 million was requested, and we supported half of it; I think that was on my own motion—was twofold: First, Japan, the most important point of all; and second, our relations with the developing world.

In respect of Japan, I have just been there on the way to China with other Senators and Members of the House of Representatives, and it was very clear to me from discussions, not only in the public but in the private sector, that the Japanese took enormous pride in their sponsorship of the U.N. University—involving the U.N., a world community in which, other than economically, they have relatively minor contacts, considering their power economically.

This was a very big feather in their cap. Frankly, Mr. President, our relationship with Japan is so critical to the security of the Pacific as far as we are concerned, and so critical to the economy of the world, that if we did it only for that reason, because the Japanese feel very set up and very proud to have this university, on that score it would be worthwhile. I state that as strongly as I can, because even the Chinese told us they felt that it was the best policy for Japan to maintain its close alliance with the United States.

Considering their antipathies to Uncle Sam in Asia, one can really understand the situation.

The **PRESIDING OFFICER**. The Senator's 3 minutes have expired.

Mr. **JAVITS**. So, I conclude with that point. It is critical in my judgment to our relations with Japan.

The **PRESIDING OFFICER**. The Senator from Virginia has 10 minutes remaining.

Mr. **HARRY F. BYRD, JR.** Mr. President, I yield 5 minutes to the Senator from North Carolina.

Mr. **HELMS**. I thank the Senator.

Mr. President, section 205 of S. 1517, the foreign affairs authorization bill, allows for an appropriation of $25 million to endow and establish a United Nations University. According to the committee report:

> The University's overall objective is to focus the best thought throughout the world on the major problems of humanity.

It seems to me that we would perform a greater service to the American people and to the world that we are trying to keep free and prosperous if we focused the best thought throughout this Chamber on how to save the taxpayer's money instead of wasting it. Whatever the problems of humanity—and they are as numerous as they are complex—surely foolish and unnecessary and costly give-a-way programs are the major problem of this body. Section 205 of this bill, it seems to the Senator from North Carolina, is characteristic of the kind of fiscal irresponsibility which has come to dominate Congress. Lofty in conception, demeaning in actuality, it reduces us from the sublime to in the judgment of so many American people today, the ridiculous.

We live in a world of twisted priorities, and there are loud voices calling upon us every day to legislate for mankind, so to speak, and to put the needs and interests of the world person—who is an abstraction at that—ahead of those of the Americans we are supposed to be representing. This is not my order of priorities, and I do not believe for 1 minute that we have either a right or a duty to compromise our first priority, and that is to promote the security and well-being of the American people. The voice that I hear is that of our Founding Fathers, who declared almost 200 years ago that we were establishing this country not for the purpose of distributing our wealth to the world, not for the purpose of surrendering our sovereignty to a world government that would, like the United Nations University, be out of sight and out of control, but "in order to form a more perfect union, establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare and secure the blessings of liberty to ourselves and our posterity."

These are the words of the Preamble to our Constitution, and until they are abolished I shall continue to regard the United Nations Organization and its operations as secondary to the United States and the American citizen.

As we examine our priorities, Mr. President, let us consider the possibility that the United Nations University, like the United Nations itself, will rapidly degenerate into another lobby against our national and economic interests. Let us consider the state of the American economy—the high unemployment, the people who are out of jobs, and our current budget deficit of some $70 billion for this year alone. And let us consider the financial plight of many of our own fine universities and colleges. In my own State of North Carolina, Kittrell College, a church-affiliated black school near Henderson, has had to close its doors this month because it lacks the necessary funds to keep going in these inflationary times. To my way of thinking, our priorities must surely be distorted when it comes to pass that we are contemplating the establishment of a United Nations University, far beyond our own shores, when our very own colleges and universities are on the verge of bankruptcy. Have we forgotten that our own children come first?

As cosponsor of the amendment to delete section 205 from the foreign affairs authorization bill, and deny funding to a United Nations University, I urge my colleagues to join with Senator Harry F. Byrd, Jr., and me, to defeat this provision of the bill.

I thank the Senator for yielding.

The **PRESIDING OFFICER**. The Senator from Virginia is recognized.

Mr. **HARRY F. BYRD, JR.** Mr. President, I emphasize again that this is a new program, and it is a beginning of a program that will cost the taxpayers untold millions of dollars. This is the first installment of $25 million.

I emphasize again, also, that the American taxpayers are putting up this year, as they put up last year, more than $400 million for the United Nations. This $25 million is on top of that and on top of all the other appropriations to the United Nations.

I reemphasize that, in order to pay this $25 million, it requires the total taxes paid into the Federal Treasury by 32,500 American families with an income of $10,000 each.

As high sounding as the purpose of the new proposed United Nations University is; namely, to deal with the pressing global problems of human survival, I do not think we can justify taking tax funds out of the pockets of the hard-working laboring people of our country to endow a university in Tokyo, Japan.

Mr. President, I yield back the remainder of my time and ask for the yeas and nays.

The **PRESIDING OFFICER**. The remainder of the time has been yielded back.

The yeas and nays have already been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. **ROBERT C. BYRD**. I announce that the Senator from Hawaii (Mr. Inouye), the Senator from New Mexico (Mr. Montoya), and the Senator from North Carolina (Mr. Morgan) are necessarily absent.

I further announce that the Senator from Alaska (Mr. Gravel) and the Senator from New Hampshire (Mr. McIntyre) are absent on official business.

I also announce that the Senator from Michigan (Mr. Hart) is absent because of illness.

I further announce that, if present and voting the Senator from North Carolina (Mr. Morgan) would vote "yea."

Mr. **GRIFFIN**. I announce that the Senator from Nebraska (Mr. Curtis), the Senator from Nevada (Mr. Laxalt), the Senator from Idaho (Mr. McClure), the Senator from Ohio (Mr. Taft), and the Senator from New Hampshire (Mr. Cotton) are necessarily absent.

I also announce that the Senator from Massachusetts (Mr. Brooke) and the Senator from Pennsylvania (Mr. Hugh Scott) are absent on official business.

On this vote, the Senator from Nebraska (Mr. Curtis) is paired with the Senator from Pennsylvania (Mr. Scott).

If present and voting, the Senator from Nebraska would vote "yea" and the Senator from Pennsylvania would vote "nay."

The result was announced—yeas 58, nays 29, as follows:

[Rollcall Vote No. 393 Leg.]

YEAS—58

Allen
Baker
Bartlett
Beall
Bellmon
Bentsen
Biden
Brock
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Church
Dole
Domenici
Eagleton
Eastland
Fannin
Garn
Goldwater
Griffin
Hansen
Haskell
Hatfield
Helms
Hollings
Hruska
Jackson
Johnston
Leahy
Long
Magnuson
Mansfield
McClellan
Moss
Nelson
Nunn
Packwood
Pastore
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, William L.
Stafford
Stennis
Stevens
Stone
Symington
Talmadge
Thurmond
Tower
Weicker
Williams
Young

NAYS—29

Abourezk
Bayh
Bumpers
Case
Clark
Cranston
Culver
Fong
Ford
Glenn
Hart, Gary W.
Hartke
Hathaway
Huddleston
Humphrey
Javits
Kennedy
Mathias
McGee
McGovern
Metcalf
Mondale
Muskie
Pearson
Pell
Percy
Sparkman
Stevenson
Tunney

NOT VOTING—13

Brooke
Cotton
Curtis
Gravel
Hart, Philip A.
Inouye
Laxalt
McClure
McIntyre
Montoya
Morgan
Scott, Hugh
Taft

So the amendment of Mr. Harry F. Byrd, Jr., was agreed to.

Mr. **HARRY F. BYRD, JR.** Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HELMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senator from South Dakota was to be recognized.

Mr. ABOUREZK. Mr. President, I have an amendment at the desk which I ask to have considered.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. ABOUREZK. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill add a new section as follows:

"TRADE WITH CUBA"

"SEC. —. (a) Section 301(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 221(b)) is amended by striking out the second sentence.

(b) Section 620 of such Act is amended—

(1) by striking out the last sentence of paragraph (1) of subsection (a) of such section; and

(2) by amending paragraph (3) of subsection (a) of such section to read as follows:

"(3) No funds authorized to be made available under this Act (except under section 214) shall be used to furnish assistance to any country which failed to take appropriate steps, not later than sixty days after the date of enactment of the Foreign Assistance Act of 1963, to prevent ships or aircraft under its registry from transporting to Cuba (other than to the United States installations in Cuba) any items which are, for the purposes of title I of the Mutual Defense Assistance Control Act of 1951, arms, ammunition, and implements of war, atomic energy materials, or items of primary strategic significance used in the production of arms, ammunition, and implements of war.".

(c) Clause (3) of section 103(d) of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1703(d)(3)) is amended—

(1) by striking out "Cuba or";

(2) by striking out "(excluding United States installations in Cuba)";

(3) by striking out "they are" and inserting in lieu "it is";

(4) by striking out the proviso following clause (3).

(d) Section 385.1 of the Export Control Regulations (15 C.F.R. 399) shall have no force or effect.

(e) Section 371.9(b)(2) of the Export Control Regulations (15 C.F.R. 368–399) shall have no force or effect.

(f) The Cuban Asset Control Regulations (31 C.F.R. 515) shall have no force or effect.

(g) Section 51.72 of Department of State Regulation 108.583, of April 12, 1968 (22 C.F.R. 51.72–51.73) shall have no force or effect with respect to Cuba.

(h) Section 1488.16 of the Commodity Credit Corporation Regulations (7 C.F.R. 1488) shall have no force or effect with respect to Cuba.

(i) Presidential proclamation numbered 3447 of February 3, 1962, shall have no force or effect.

Mr. ABOUREZK. Mr. President, this amendment to the State Department authorization bill will lift the trade embargo which the United States has placed against Cuba. The thrust of this amendment would be to lift that trade embargo only in one direction—that is, on the sale of U.S. goods from the United States to Cuba. It would not affect the sale of any kind of Cuban goods or commodities to the United States.

The reason for that distinction in this amendment, Mr President, is to allow negotiations and calculations to be made on commodities such as sugar and other things that Cuba will have to sell, allow negotiations to protect, in a way, American commercial interests. I understand that those kinds of details will have to be worked out at a later date.

I think the Senate is well aware that the administration has recently lifted the trade embargo against Cuba so far as American companies in other nations are concerned. What that means is that if an American owns a company in Brazil, it can sell something to Cuba, but if someone owns a company located only within the United States, he cannot sell anything to Cuba. It seems to me that this is another of those actions that does not make very much sense at all and should be changed.

The original reason for establishment of the embargo against Cuba by the Government of the United States, with participation by Congress, a number of years ago, was an effort to make the Government of Prime Minister Castro fail. I do not think there is any question about it. Any observer of the Government of Cuba knows and understands that that policy of attempting to make that government fail has, itself, failed. It seems to me that that government is extremely well established and they are not in danger of falling, no matter what this country does in the way of trade restrictions. So the only result of the embargo of trade commodities by the United States against Cuba is to cause a great deal of deprivation and some suffering among the Cuban people themselves, which I think is not worthy of the United States nor of the U.S. Congress.

I urge the adoption of the amendment and I reserve the remainder of my time.

Mr. CHILES. Mr. President, I rise to speak against the amendment. I have not had a chance to study it, but as I understand the amendment of the Senator from South Dakota, it would mean that there would be no prohibition against trade from the United States to Cuba, but there would still be a prohibition against trade from Cuba to the United States. I think that adopting this amendment now would be the height of folly. The reason I think that is that there are some outstanding differences now between Cuba and the United States, and it seems to me that those differences certainly have to be negotiated in toto. For us now to stop our ban of trade from the United States to Cuba without stopping it the other way would be a complete sellout as far as having any kind of negotiating hand with Cuba.

If Castro wants to have better relations with the United States, that may be the direction in which the Government of the United States is going to go some day, but it seems to me there are several outstanding things that have to be considered before that. One of those things is the over $2 billion of U.S. property that was expropriated by the Government of Cuba.

I beg to differ with the distinguished Senator from South Dakota that the reason for the embargo, the prime reason, was that we wanted to see the Government of Cuba fail. The prime reason for the embargo and for the action of Congress was on the basis that Cuba expropriated property belonging to the citizens of the United States and failed, would make no effort toward compensation for that property, and completely disregarded any of the rights of the people whose property they had expropriated.

In addition to that item there is property still with outstanding leases, and that has gone through the Court of Claims of the United States. Those claims have been validly established and they are legal claims, as far as our country is concerned, to be recognized.

In addition to those outstanding claims, I think we have items of prime importance to be negotiated. One is how is Cuba going to treat its political prisoners?

Is it going to allow the OAS, is it going to allow the U.N., is it going to allow the International Red Cross to be able to come in and see how they are treating political prisoners?

We put all kinds of attachments on the foreign aid bills we are sending to Brazil and Chile, and to other governments, because we do not like the way they are treating their political prisoners.

Mr. ABOUREZK. Will the Senator yield for a question?

Mr. CHILES. Yet we are going to turn around—I have the floor now, I will be glad to yield when I finish my statement.

But it seems to me that is another subject.

Then again, what are we going to do with regard to travel between the Cuban-Americans or Cuban nationals we now have in this country, whether they are going to be able to travel back and forth to Cuba?

Those are vital issues, I can say, to the citizens of my State, some of whom are now American citizens and some of whom have not obtained their citizenship and maybe do not want to change their citizenship, whether they are going to be able to travel back and forth.

I, for one, certainly think those have to be considered together and before we would release something as important as our right to trade, regardless of what the Organization of the American States has done, and I think that is their right to do that if they wish to.

I certainly clearly feel those things should be considered in this.

Mr. ABOUREZK. I only want to comment on one part of the Senator's argument where he discussed the human rights aspect of opening up trade relations with Cuba and also in discussing the amendments that come up every year on the foreign aid bill with regard to sending money aid to other countries that violate the human rights of its own citizens.

If my memory is correct, I think the Senator from Florida voted against every one of those.

Mr. CHILES. No; that is not correct.

Mr. ABOUREZK. Has the Senator voted for them each time?

Mr. CHILES. No; that is not correct. In fact, the Senator from Florida on a trade bill voted to put restrictions or to put limitations on whether we would allow emigration of the citizens who feel they were being persecuted out of the Soviet Union.

So I have not voted that way.

Mr. ABOUREZK. I wonder if I might ask the Senator from Florida a question. I have offered, I guess in the past 3 years, an amendment to the foreign aid bill each year which would prevent the use of American foreign aid money to other nations that violate the human rights of its citizens. Has the Senator supported those amendments?

Mr. CHILES. I cannot recall what the Senator from South Dakota's amendments on this particular issue might be.

Mr. ABOUREZK. My memory is that the Senator has been against them all.

If the Senator would support those amendments that would encompass Cuba as well, so that the Senator's fears in that regard would be put to rest.

Mr. CHILES. Is this a question the Senator is asking me?

I yielded for a question.

I yield to the distinguished Senator from Florida.

Mr. STONE. Mr. President, will the Senator yield the floor to me briefly?

Mr. CHILES. I am delighted to yield to the Senator.

Mr. STONE. Mr. President, the Senator from Florida seeks recognition.

The PRESIDING OFFICER. The Senator from Florida.

Mr. STONE. Mr. President, I have a lot to say on this issue. I have a very great amount of facts as well as opinions, as well as arguments, that I want to offer on this.

First, Mr. President, let me ask the Chair a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. STONE. Is there a time limitation on this amendment?

The PRESIDING OFFICER. There is no time limit.

Mr. STONE. Then the Senator from Florida wishes to announce that this is the time for extended debate and that this Senator from Florida will continue to offer his views on this particular amendment without limitation as to time.

The first thing the Senator from Florida wants to state is this. The Secretary of State of the United States has committed privately as well as publicly not to make unilateral, bilateral concessions to the Castro regime.

That, instead, when it came to further concessions, in addition to the recognition of third-party trade which the State Department announced several days ago, any additional concessions would be made on the basis of reciprocity.

Deputy Secretary of State Rogers assured me of that and I think that is the appropriate way to proceed.

For example, does it make any sense for the United States to confer trade advantages on the Castro regime while U.S. citizens who wish to leave the Republic of Cuba are not permitted to leave?

It is not a question of one, two, or a dozen such U.S. citizens. We are talking about hundreds of U.S. citizens kept against their will, without the right of emigration, on the island of Cuba.

Second, when one of our distinguished colleagues visited the island of Cuba recently—and he is on the floor—there was a television interview of the Prime Minister of Cuba, Mr. Castro. In that television interview a question was asked, "Do you have political prisoners?" And the Prime Minister, Mr. Castro, answered, "We have political prisoners."

In effect, he said, "We had more before, we have less now." But he neither put the numbers on what he had before nor what he had now, but he definitely admitted that he had political prisoners there.

Mr. McGOVERN. Will the Senator yield?

Mr. STONE. I am glad to yield for a question, retaining my right to the floor.

Mr. McGOVERN. Mr. President, I ask unanimous consent that the Senator not lose his right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGOVERN. I would like to raise a question that may involve the junior Senator from South Dakota and I think we could perhaps resolve this matter today.

I quite agree that the Senator is touching on some other issues that are very important—they are important to the United States, they are important to Cuba—as did Senator Chiles a moment ago.

There is an important development that I would call to the Senator's attention. Prime Minister Castro has said up until this point that none of these other issues can be discussed until the embargo is lifted, but on the occasion of my visit to Cuba in early May, for the first time, he adopted a considerably more moderate position.

He said that even the lifting of the U.S. embargo on pharmaceuticals, on medicine, and on agricultural produce, would open the way for negotiations on all other issues, including the one Senator Chiles talked about here a while ago, the matter of political prisoners, the matter of American claims, the matter of travel, the visitation rights on families. That seemed to me to be an important step forward.

I have prepared an amendment that I had hoped to offer on the foreign assistance bill, which is not pending now, but will be later on, that would lead to the lifting of the embargo on agricultural produce and on pharmaceuticals, acting on good faith that this may then open the way for negotiations on a further range of issues which the Senator is interested in.

So the reason I took the floor was to ask my colleague from South Dakota (Mr. Abourezk), under these circumstances, if he would agree to withdraw the amendment that he now has pending with the understanding that I will request early hearings before the Foreign Relations Committee, not only on the amendment that I have proposed, but any amendment the Senator would propose, or others, relating to this, to give us an opportunity to go into this in an orderly way, rather than attempt to exhaust it here on the Senate floor this afternoon.

So I raise that in the form of a question.

Mr. ABOUREZK. I am sorry, I was talking to someone else.

Mr. McGOVERN. I was asking the Senator if he would agree, if we could give some assurance that this is a matter that would be taken up before the Foreign Relations Committee, the proposals that I intended to offer with regard to a partial lifting of the embargo.

This would be an opportunity for the Senator to bring up his proposal, or any other thing he would care to propose, or for other Senators to do so, and to deal with the matter in an orderly way before the committee. I think it could be done at a very early time.

Mr. ABOUREZK. Does my colleague intend to hold hearings to mark such a bill up?

Mr. McGOVERN. I intend to ask the chairman of our committee, who is also very much interested in this matter and who, as a matter of fact, has gone on record here on the Senate floor as favoring reconsideration of the embargo, that we move on this as quickly as possible.

Mr. SPARKMAN. I would certainly be glad to commit, so far as I can, the Foreign Relations Committee to consideration of not only this matter, but the whole Cuban question.

As a matter of fact, it is not as simple as some people think. It is a complex problem. We have some experts on our committee staff. I have one in mind who has been to Cuba many times and to other parts of Latin America, Robert Dockery. He tells me that it is going to take a long time and there will be a lot of different things that will have to be done before we can really get into normalizing relations with Cuba; that there will have to be legislation; there will have to be executive action; there will have to be OAS action.

It is not something that can simply be solved by offering an amendment to this particular bill. I hope the Senator will comply with the request made by his colleague, who is a member of the Foreign Relations Committee, and withhold his amendment at this time in order to give us a chance to go into all of these matters in the Foreign Relations Committee.

Mr. ABOUREZK. Do I understand the chairman to say that he will either allow hearings or chair hearings himself and then proceed to the consideration——

Mr. SPARKMAN. I do not use the term "allow," nor do I promise outright. I will do my best. But the committee determines what is to be done. I feel certain, however, that the committee will have no difficulty. Senator Case has just left the Chamber, but I am sure that he would agree, along with Senator McGovern and myself, and any other Foreign Relations Committee members who may be in the Chamber at this time.

Mr. McGOVERN. I will say to the Senator I will make a formal request of the committee that the hearings be held. The chairman has never said no to anything we have requested. He is a very cooperative chairman.

I commend the Senator for bringing this matter up today because it does help to bring it to a head, bring it to public view, and to the attention of the Congress. I feel that there are a number of questions that we should explore in the committee. We should hear some witnesses on it and explore what the parameters of the problem are. Then I think we can legislate more effectively on this issue.

Mr. ABOUREZK. Before I respond to that, I want to offer to my distinguished colleagues from Florida (Mr. STONE and Mr. CHILES) a chance to cosponsor an amendment which I will propose to the foreign aid bill, which would refuse United States foreign aid to any government which consistently violates the human rights of its citizens. I would like to submit this amendment now, Mr. President.

Mr. BROCK. Mr. President, a point of order.

Mr. President, there is no possibility of offering another amendment at this time.

Mr. ABOUREZK. This is to a different bill totally. It is just to be submitted for printing.

The PRESIDING OFFICER. Is the Senator submitting it for printing?

Mr. ABOUREZK. It is not to this bill. It is to the foreign aid bill.

The PRESIDING OFFICER. You are sending the amendment to the desk for printing?

Mr. ABOUREZK. Yes, and I am offering a chance for anyone concerned with human rights to be a cosponsor.

The PRESIDING OFFICER. The amendment will be received, printed, and appropriately referred.

Several Senators addressed the Chair.

Mr. STONE. Do I still retain my right to the floor under the unanimous-consent agreement?

The PRESIDING OFFICER. The Senator still has the floor.

Mr. ABOUREZK. Will the Senator yield?

Mr. HUMPHREY. Will the Senator from Florida yield to me for a question?

Mr. STONE. I yield.

Mr. HUMPHREY. Would the Senator from South Dakota give consideration to having his amendment which he has now offered set aside and let us take that amendment to the Foreign Relations Committee? The chairman of the committee has assured the Senator as he has me that the committee is going to be looking at all of our relationships with Cuba. We will give it the most careful consideration. I have assured the Senator on other occasions relating to his amendment that there would be every possible consideration given. I do not believe that at this stage this is the bill on which we ought to take an amendment of this consequence without some further study and discussion. Would the Senator be willing to do that?

Mr. ABOUREZK. Under the urging of my friend from Minnesota, my senior colleague from South Dakota and the chairman of the Foreign Relations Committee, with the prospect and the commitment that hearings will be held and such legislation will be moved as rapidly as possible, I would be very willing to withdraw this amendment.

Mr. HUMPHREY. Will the Senator do that now?

Mr. ABOUREZK. I ask unanimous consent that the amendment be withdrawn.

The PRESIDING OFFICER. The amendment is withdrawn. The Senator from Florida still has the floor.

Mr. McGOVERN. Will the Senator yield further?

Mr. STONE. I yield.

Mr. McGOVERN. I want to thank my colleague from South Dakota for his cooperative attitude and also the cooperation of the Senator from Florida (Mr. STONE).

Mr. STONE. Mr. President, I thank both Senators from South Dakota for their thoughtfulness for one in persuading the other to withdraw his amendment at this time.

Without losing my right to the floor, I yield to the Senator from Tennessee briefly.

Mr. BROCK. Mr. President, I want to do two things: One is to thank the Senator from Florida. He and I have shared an interest in this problem for a long time. I apreciate the vigor of his entry into this debate and his opposition to the amendment. I appreciate the fact that he and I have cosponsored a resolution regarding the situation of Cuba. More than that, however, I want to make it abundantly clear that this amendment, which I consider to be a disastrous exercise, with all of the assurances that the leadership of the Foreign Relations Committee has given, reflects something that is terribly fundamental about this country's foreign policy.

I think it is important to know when this matter is taken up, either in the committee or in the Chamber. The Senator from Tennessee is going to make every conceivable effort that he is capable of making to see that some basic changes occur in Cuba before this Nation takes a step toward shoring up, buttressing, aiding, assisting or abetting in any fashion whatsoever a dictatorship that is inimical to the interests of its own people and the people of the United States of America. I cannot believe the Senate would honestly consider unilaterally lifting trade restrictions in order to make a profit when there are human lives in jails down there that can have no protection whatsoever. The condition of political prisoners in Cuba is utterly unacceptable to anyone.

The PRESIDING OFFICER. There will be order in the Senate, please. The Senator will continue.

Mr. BROCK. I believe we have an obligation to see that some major changes are made down there to see that the rights of American citizens are protected, that the rights of Cuban nationals are protected, the right of immigration, the rights of political prisoners, that these fundamental things are done and done a great deal differently from what they have been done in the past. I am delighted the amendment is withdrawn.

I wanted the Senate to be very well aware that this matter will not die as long as the Senator from Tennessee is here.

The PRESIDING OFFICER. The Senator from Florida has the floor.

Mr. ABOUREZK. Will the Senator yield?

Mr. STONE. I yield to the Senator from South Dakota without losing my right to the floor.

Mr. ABOUREZK. I only want to ask the Senator from Tennessee if he would like to join as a cosponsor to the human rights amendment I have just offered. I understand from his statement just now he is extremely concerned about political prisoners. There is a way to do something about that not only in Cuba but worldwide. That is by supporting the passage of my amendment to the foreign aid bill.

The Senator is entirely welcome to come on as a cosponsor.

Mr. BROCK. I say to the Senator that I will look at his amendment. It has been my experience that these things are best negotiated by an administration that believes in human rights, and I do not think we have done an adequate job in that regard in any part of the world in recent years. If the Senator's amendment would help, I will be delighted to see it.

Mr. ABOUREZK. I believe it would be of tremendous help in dealing with those governments that violate the human rights of their citizens. I know that the Senator from Tennessee has not supported that amendment each year I have offered it, but I hope he will support it this year.

The PRESIDING OFFICER. The Senator from Florida still has the floor.

Mr. STONE. Mr. President, the Senator from Florida will not abuse the time of the Senate. I shall only take a minute or two to talk about this amendment just withdrawn.

Mr. President, this is a very, very important matter to the State of Florida. More than a quarter of a million Cubans have left Cuba to reside in my State for purposes of living a life of freedom, but their families remain behind. The telephones are occupied daily and hourly with information flowing back and forth in their own family codes as to what is going on on that island. The political prisoners on that island live under conditions so bad that the Government of Cuba has refused repeatedly to allow the Human Rights Commission of the Organization of American States, which just concluded sessions on that government, to come in and inspect those conditions.

We believe, those of us who live in Florida and have that information, that the number of those political prisoners is not in the dozens or hundreds, but in the thousands. We believe there is not one, not dozens, but maybe hundreds and more than hundreds of United States citizens who want to get out of there and cannot.

Under such conditions, to proffer trade advantages to an administration that does that to its own people and to us is intolerable. The concept that that leadership down there has stopped exporting its revolution is rather ludicrous when the just-deposed prime minister of Portugal, after traveling back and forth to Cuba, acknowledged his spiritual leadership by Castro; and when Castro himself did the same thing, urging, in effect, his own people and anyone connected with his administration further to support and export that mess that is going on in Portugal today.

Mr. HELMS. Mr. President, may we have order, so that the Senator can be understood?

The PRESIDING OFFICER. The Senate will be in order.

Mr. HELMS. The Senate is not in order.

The PRESIDING OFFICER. The Senate will be in order. The Chair does not see any evidence of disorder.

Mr. STONE. To grant concessions under circumstances such as that, and without the kind of hearings that involve not merely the trade benefits to be gained, but the human conditions to be considered, would be to do a great injustice to this, our 200th birthday. That is not why this country was organized, and that is not what we want to celebrate in this coming year.

So the Senator from Florida, joining his senior colleague, who has already spoken on the subject, the Senator from Tennessee, and I know the Senator from North Carolina (Mr. Helms) feels as I do, wants to put his colleagues in the Senate on good and adequate notice that if unilateral recognition or concessions to that administration come up before this body, this body can expect a thorough airing of all these issues, fact by fact, abuse by abuse, torture by torture, and inhumanity by inhumanity, so that a vote in favor of that type of concession will be a vote that is made on the peaks of inhumanity that will have been recited to the Senate.

I thank the Senator from South Dakota for withdrawing the amendment at this time, and I thank the Senator for allowing me——

Mr. HELMS. Mr. President, will the Senator yield for one moment?

Mr. STONE. I yield.

Mr. HELMS. I simply want to commend the Senator from Florida for his excellent comments. If there is an expert in this Chamber on the perils of patting a rattlesnake on the head, namely, Cuba, the distinguished Senator from Florida (Mr. Stone) is that expert.

Insofar as the question of exporting revolution by Fidel Castro is concerned, as to whether it has ended, I think Members of the Senate had better check with some of the South American countries, such as Argentina, or even Panama, Mr. President.

So I am delighted that the Senator from South Dakota has chosen to withdraw his amendment. Like the Senator from Tennessee (Mr. Brock), I shall watch with great attention any move to bring this matter up again, in any fashion.

I thank the Senator.

Mr. STONE. I thank the Senator from South Carolina, and I thank the Presiding Officer.

The PRESIDING OFFICER. The Senator from California is recognized.

Mr. TUNNEY. Mr. President, I have a statement on a different subject. I yield briefly to the Senator from Virginia.

Mr. HARRY F. BYRD, JR. Mr. President, I just want to applaud the able Senator from Florida for the magnificent statement he made to the Senate a few moments ago. I think in that statement he put in focus the conditions which exist in Cuba, just as did the able Senator from Tennessee (Mr. Brock) in his comments, and the able Senator from North Carolina (Mr. Helms) in his comments.

When this matter is brought to the floor of the Senate in the form of an amendment or in the form of legislation, I shall align myself four square with the able Senator from Florida in helping to bring out on the floor of the Senate the conditions which exist in Cuba today, and what Castro has done to that fine little island of wonderful people so close to the coast of the great State of Florida.

Again I applaud the Senator from Florida for his leadership on this matter.

Mr. STONE. I thank the Senator.

A BUSHEL A BARREL

Mr. TUNNEY. Mr. President, today I have sent a letter to the President urging him to direct his special emissary, the Under Secretary of State, Charles Robinson, to explore the possibility of exchanging American grain for Soviet oil during the upcoming negotiations with the Soviet Union.

The United States currently enjoys a favorable balance of trade with the Soviet Union of 4 to 1. I think that, faced with this large deficit in its balance of payments, it is entirely possible that the Soviet Union will welcome the opportunity to use their oil or other scarce resources as foreign exchange, rather than other types of hard currency.

The United States, of course, is the largest producer of grain in the world. The Soviet Union produces a surplus of oil. The Soviet Union exports oil to Eastern European countries. There seems to be no doubt, the futurists tell us, that the Soviet Union will not peak in the development of its natural resources until the next century, and that the Soviet Union is going to have vast quantities of oil as we move into the next century, whereas the United States will, in all probability, have depleted its oil resources.

It seems to me that there is no question but that one of the really great benefits that our country could enjoy would be to see, on a basis of, let us say, a bushel of wheat for a barrel of oil, a good and favorable trade with the Soviet Union.

As I looked at the figures the other day, wheat was selling for approximately $3.60 a bushel. Up until the time that the OPEC cartel decided that they were going to dramatically increase the price of oil, oil was selling for somewhat less than $3.50 a barrel.

I am not pretending now that I am an expert economist. But it seems to me as a matter of commonsense that we ought to be able to work out a barter arrangement with the Soviet Union whereby we would send wheat to them if they would send oil to us. It would also, in my view, not be beyond the realm of rationality to expect that the value of a bushel of wheat would be equivalent to the value of a barrel of oil.

I think that there are some technical difficulties that would have to be worked out between the U.S. Government, representing American farmers, and the Soviet Government, which would be the purchasing agent for the Soviet Union. But I think that these technical difficulties can and should be worked out. With the inflation and the unemployment that we have in this country, energy is the No. 1 critical problem for us.

The reason that we have had the kind of inflation in food prices is because of the increased cost of energy. We have energy intensive agriculture in this country. It is clear that we need more energy, we need more oil. Inasmuch as we have something that we produce so well, wheat, and the Soviet Union has these vast resources of oil, I think that such a barter only makes commonsense.

Perhaps because it makes so much commonsense, it is impossible to work it out. But I cannot imagine anything as far as simplicity of design or simplicity of the concept is concerned that would be more logical and more rational than this kind of barter agreement.

Mr. President, at this time I ask unanimous consent to have printed in the Record a copy of my letter to the President, as well as an editorial report by William Randolph Hearst, Jr., who writes that this is a time for "horse trading," in which he outlines the feasibility of the proposal that I have made today.

There being no objection, the material was ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, D.C., September 11, 1975.

The President,
The White House,
Washington, D.C.

Dear Mr. President: I strongly urge you to direct the Under Secretary of State to pursue vigorously the possibility of exchanging American grain for Russian oil, natural gas or other scarce resources in the upcoming grain negotiations with the Soviet Union. With the Soviets facing a tremendous balance of payments deficit, it is entirely possible that they will welcome the opportunity to ease their situation by compensating the United States with oil rather than currency.

Further, I believe that this is an excellent opportunity to prove that detente is not a one way street with all the benefits going to the Soviets and all the liabilities to the United States.

While there are certainly problems to be overcome before such an exchange could take place, I believe that they could be worked out in a manner favorable to both American farmers and consumers. I would be anxious to assist in such an effort.

Sincerely,

John V. Tunney,
U.S. Senator.

TIME FOR "HORSE TRADING"

(By William Randolph Hearst, Jr.)

NEW YORK.—Why not swap our plentiful grain for much-needed oil or for other Russian resources that we can use?

The idea has been going the rounds and it appears, on the surface at least, to have sufficient merit to warrant going into here today.

The suggestion for setting up some kind of swap with the grain-hungry Russians apparently originated with my old friend Senator Henry M. (Scoop) Jackson, who is seeking the Democratic presidential nomination. It has been proffered also by Senator John V. Tunney and AFL–CIO President George Meany is firmly behind the idea.

Everyone seems interested except the two American agencies which would be involved in such a deal: the State Department and the Agriculture Department. Officials in these two departments at least ought to give the matter some serious thought and then give us their views.

Old-fashioned Yankee horse trading had many good things about it. Most important, both the buyer and seller dealt with tangible items, not currencies whose values might fluctuate. In the situation with the Russians we have some tangible grain that they want and they have some oil and other natural resources that we want. Direct swapping might be a good deal for both nations.

George Meany, who can be blunt when he wishes to, puts it right on the line: "Should we not say, 'As you do with the oil which we need, so shall we do with our grain which you need'? "

The trouble, of course, is that our grain dealers trade with the Russians as private businessmen while the Russians buy or sell through government agencies. Canada has a central board which sells its wheat crop and its techniques might be worth studying by our Agriculture Department officials if, as seems likely, the United States is going to be called upon increasingly to supply food for a hungering world.

A spokesman at the State Department reported to us that a "number of suggestions" had been received for setting up a swap arrangement with the Russians, but that only a few discussions had been held and no decision had been reached. No negotiations are planned at this time, he said.

In the Agriculture Department, Dale Sherwin, assistant secretary in charge of foreign agriculture and commodities, said that no talks are being held concerning a swap, but that "we do want the Russians to become regular customers." As predictable buyers, the Russians would have a better chance of acquiring American grain, since farmers could plant according to an expected market. As it is, we may not be able to provide them with as much grain as they need and want this year.

I certainly agree with Agriculture Secretary Earl Butz when he says of the Russian purchases, "It is far better to exchange bushels rather than bullets." However, there is nothing wrong with being hard-nosed businessmen. The Russians are, whenever and wherever they do business.

A spokesman for the Soviet trade mission was typically noncommittal when I asked if his country would be open to talks about bartering some resources for our grain. He said that he had not been officially requested by anyone in our government to consider such a deal, but that he would be happy to take it up with Moscow if such a request were made.

The truth is the U.S.S.R. is in serious trouble because of its poor harvest this year. If positions were reversed and we were asking them for grain, you can be sure they would be driving some hard bargains which might well include demands for some of our dwindling natural resources. An example of how the Russians conduct business was demonstrated when they quadrupled the price of their oil immediately after the Arab-dominated oil and petroleum exporting countries cartel did.

No one knows exactly how bad the Russian situation is. Scoop Jackson, who terms the grain sales "horrendous" and "asinine," says that as of this last week the Russians were 50 million metric tons short of normal.

The Soviets are currently buying 9.8 million tons of American grain, purchases that will have a small inflationary impact on American food prices, but it is open talk in Washington that they want to buy as much as 11 million additional tons. This would total 21 million bushels or about 10 per cent of the estimated American grain crop. How much inflation that would cause in this country is not known.

It seems like a most opportune time for our government to work out a barter deal with the Soviets. One important factor that should not be overlooked is that the Soviet Union is running a soaring deficit in its trade with western countries, notably the U.S.

In the first half of this year Soviet imports exceeded exports by more than $1.4 billion with just four of its active trading partners, West Germany, Japan, France and the United States. That does not include an upcoming expenditure of $2 billion for grain purchases from the West. Experts say that the bilateral trade balance between the Soviet Union and the United States is 4 to 1 in favor of the U.S., compared to a 2-to-1 favorable balance for the U.S. at this time last year.

In view of this, it seems logical to think that the Russians would welcome a chance to swap goods for grain instead of dipping into their diminishing supply of currencies that are convertible in the West.

There are many things in the Soviet that could be bartered. Oil, of course, is most important. Then there is liquefied natural gas. Also chrome to be used in the manufacture of steel. They can export as well such resources as coal and timber. The most prized natural resource of all, and the Soviets have a goodly supply, is gold. Experts in Geneva think that the Russians plan to sell gold on the open market soon to help finance their trade deficits.

Just a few days ago, Senator Jackson said: "The idea of a grain-oil barter deal (with the Soviet Union) is no longer light talk. It grows more and more serious."

I agree and say let's give it some serious consideration. Now is the time for our leaders to act like mature businessmen. Kindly old Uncle Sam has given to all the world until his pockets are nearly empty, and it is now time to get back to basic hard bargaining.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT—H.R. 9524

Mr. ROBERT C. BYRD. Mr. President, at the direction of the distinguished majority leader, I make the following request:

I ask unanimous consent that upon the disposition of the bill now before the Senate, the Chair lay before the Senate a message from the House of Representatives on H.R. 9524, that that measure be considered as having had its first and second readings, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. GRIFFIN. Mr. President, this is the House-passed measure to extend the oil price controls. This will make it possible for the Senate today to have an opportunity to consider the measure that the House passed. We could have, and otherwise would have, considered taking up the bill sponsored by the Senator from Delaware (Mr. ROTH); but procedurally it seems a cleaner and better way to proceed, to lay the House bill before the Senate, rather than to take up another bill and take the chance that it might go to conference.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR—S. 2299

Mr. JACKSON. Mr. President, I ask unanimous consent that Mr. William VanNess and Mr. Thomas Platt be granted the privilege of the floor during the consideration of the Emergency Petroleum Extension Act of 1975.

The PRESIDING OFFICER. Without objection, it is so ordered.

FOREIGN RELATIONS AUTHORIZATION ACT, 1976–77

The Senate continued with the consideration of the bill (S. 1517) to authorize appropriations for the administration of foreign affairs; international organizations, conferences, and commissions; information and cultural exchange; and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, I ask for the yeas and nays on passage of the pending measure.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ROTH. Mr. President, I ask unanimous consent that Bruce Thompson and George Jett have the privilege of the floor for the remainder of the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, we have an amendment to this bill which has been prepared by the distinguished Senator from Mississippi (Mr. STENNIS) and the distinguished Senator from South Carolina (Mr. THURMOND). I have worked with them on a couple of amendments which I believe will clarify the bill and make it very acceptable. I have fully informed my colleagues that the amendments that are being offered are to a section that has been approved by the House by an overwhelming majority of 382 to 28. Therefore, whatever changes we make here will have their problems, undoubtedly, in conference.

The whole purpose of this section of the bill, starting on page 17, line 10, and going through page 19 down to line 23, is to give certain statutory authority to the Arms Control and Disarmament Agency under the terms of the Arms Control and Disarmament Act.

First of all, it provides for agency participation in assessing and analyzing the impact on arms control and disarmament policy and negotiations of proposed weapons programs or technology.

On the basis of that assessment analysis the director would register his advice and recommendation to the National Security Council, the Office of Management and Budget, and the initiating agency.

In addition, on the basis of his assessment analysis and resulting advice and recommendations, a complete statement assessing the arms control and disarmament impact of such programs would be included with authorization or appropriations requests to Congress.

Furthermore, these proposals to which we are addressing ourselves would provide for an expanded agency annual report to include a complete and analytical statement of arms control and disarmament roles, negotiations, and activities and an appraisal of the status and prospects of arms control negotiations and of arms control measures in effect.

The sections to which I referred, section 145, 146 and section 36 of the bill before us, S. 1517, in section 145 the Arms Control Director would have a statutory position as an adviser to the National Security Council; and then in section 36 the Arms Control Director would receive basic information from the Department of Defense upon certain weapons systems, and those weapons systems are the subject of the amendment being proposed by the distinguished Senator from South Carolina and the distinguished Senator from Mississippi.

The whole purpose here is to provide more accurate information to the National Security Council on all weapons systems, on the one hand and, second, to provide the appropriate committees of Congress with information on request by those committees.

Now, the amendment we have been discussing here privately during the period of a quorum call is, one of the amendments would define what we mean by appropriate committees of the Senate and the House of Representatives. Those appropriate committees would be the Armed Services Committees of the two Houses; the House International Affairs Committee, the Senate Committee on Foreign Relations; the Committees on Appropriations of the two Houses and the Joint Atomic Energy Committee, so that we spell that out more precisely so that we know exactly where the information is going.

Other than that, the emphasis here in the assessment, in section 36, is on nuclear weapons, in engineering, construction, deployment, and modernization and, as it will be indicated, any other program involving weapons systems or technology which such Government agency and the Director agree may have a significant impact on arms control and disarmament policy negotiations.

Now, since the arms control impact reports contain information which, for the most part, is already gathered and analyzed by ACDA officials, the Senate Foreign Relations Committee believes this assessment analysis and reporting function should require some additional personnel, but not a great deal. Nor would it require any additional personnel or funding of the agency at this time.

If the Senator from South Carolina would like to offer the amendments, we can discuss them, and I am sure we can dispose of them rather readily.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, section 146 of S. 1517 would require an arms control and disarmament impact statement be made by the Director of the Arms Control and Disarmament Agency on a vast number of military programs. This provision could have far-reaching consequences and create substantial problems for the equipping of U.S. military forces.

I have serious reservations about this provision, and I am disturbed that the Armed Services Committee has not had an opportunity to consider the full implications of this bill. As far as I know, the Department of Defense has not testified as to the impact of this bill. As a result it is unclear to me to what extent this provision may needlessly delay or obstruct crucial defense programs.

Similarly, it is unclear what the cost in terms of time and manpower will be as a result of this provision. At this late hour I feel it is important at the very least to make certain modifications which would strengthen the present form of the arms control impact statement.

Therefore, I would like to offer an amendment to S. 1517 which is designed to minimize the disruption to the detailed and rigorous procedures by which U.S. military forces are equipped.

This amendment would more approximately focus the energy of the Arms Control and Disarmament Agency on the more critical weapons systems which could affect arms control.

Specifically, the amendments would restrict the requirement of an arms control impact statement to nuclear weapons systems only. However, in considering a compromise on this matter we have agreed with the distinguished Senator from Minnesota to broaden this to cover any other weapons systems or technology on which such government agency and the Director agree.

Mr. HUMPHREY. That is correct.

Mr. THURMOND. Now, Mr. President, this would eliminate the overwhelming task for ACDA of evaluating every weapons system that could be developed or procured by U.S. forces, systems such as military personnel carriers, support ships, handguns, and so forth, and would only be done where there is agreement with the government agency director.

Mr. HUMPHREY. That is correct.

Mr. THURMOND. Now, under existing law, ACDA already has the function of the conduct, support, and coordination of research in arms control and disarmament policy formulation.

The Director of ACDA, under existing law, is the principal adviser to the President on arms control and disarmament matters. If the Director of ACDA feels it necessary to study weapons other than nuclear weapons systems, he already has the authority, indeed the responsibility, to do so under existing law. However, this amendment makes it clear that he and the director of the Government agency concerned would work together and reach an agreement.

Now, second, the amendment would provide the committees of the House and Senate which specifically deal with matters of arms control and weapons systems that they will have direct access to the Director of ACDA regarding his assessment of any particular weapons system. These committees would be the Armed Services Committee, the Foreign Relations Committee, and the Appropriations Committee in the Senate, and the Armed Services Committee, the International Affairs Committee, and the Appropriations Committee in the House, and also the Joint Committee on Atomic Energy.

Now this, of course, is consistent with existing practice, but it is necessary in order to eliminate the ambiguities in the existing provisions.

So, Mr. President, implementing just what I have said, and which the distinguished Senator from Minnesota has stated. I would offer the following amendments:

On page 17, line 23, beginning with the dash mark after "for" strike out all down through the period in line 7 and insert in lieu thereof the following: "any program of research, development, testing, engineering, construction, deployment, or modernization with respect to nuclear armaments, nuclear implements of war, military facilities or military vehicles designed or intended primarily for the delivery of nuclear weapons."

Then on line 9 of page 18, after "government agency" strike "or" and insert "and"; and on line 10, the second word "believes" strike "believes" and insert "agree."

On page 19, beginning with line 1, strike out all down through line 18, and insert in lieu thereof the following:

"(2) Any request to the Congress for authorization or appropriations for any program described in subsection (a) shall include a complete statement analyzing the impact of such program on arms control policy and negotiations.

And then three:

> Upon the request of the Committee on Armed Services of the Senate or the House of Representatives, the Committee on Appropriations of the Senate or House of Representatives, the Committee on Foreign Relations of the Senate, or the Committee on International Relations of the House of Representatives, or the Joint Committee on Atomic Energy, the Director shall, after informing the Secretary of State, advise such committee on the arms control and disarmament implications of any program with respect to which a statement has been submitted to the Congress pursuant to paragraph (2).

Now, I have stated——

The PRESIDING OFFICER. Could the Senator send his amendment to the desk?

Mr. THURMOND. It will have to be rewritten to embrace these changes, with the distinguished Senator from Mississippi, and we believe we can get it up after, if it is agreeable.

Mr. HUMPHREY. Will the Senator yield?

The PRESIDING OFFICER. It will have to be here, the Parliamentarian advises me, before we can act on it.

Mr. HUMPHREY. Will the Senator yield?

Mr. THURMOND. I am pleased to yield to the Senator.

Mr. HUMPHREY. As I understand it, on page 17, line 23, we have the language that reads:

> Military vehicles designed or intended primarily for the delivery of nuclear weapons.

The Senator did not include the phrase, "or military facilities."

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Gary Hart). Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I send to the desk an amendment, now written out. I think it covers the agreement, the compromise reached between the distinguished Senator from Minnesota and the distinguished Senator from Mississippi and myself, and I ask for immediate consideration of the amendment.

The PRESIDING OFFICER. The clerk will state the amendment.

Mr. HUMPHREY. Mr. President, may I ask unanimous consent that the amendment just be printed in the Record and not read because we have already read it all in the debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> On page 17, line 23, beginning with the dash mark after "for" strike out all down through the period in line 7 page 18 and insert in lieu thereof the following: ["any program of research, development, testing, engineering, construction, deployment, or modernization with respect to nuclear armaments, nuclear implements of war, military facilities, or military vehicles designed or intended primarily for the delivery of nuclear weapons.]
>
> On page 18, line 9, strike "or" and insert "and"; on line 10 strike "believes" and insert "agree";
>
> On page 19, beginning with line 1, strike out all down through line 18, and insert in lieu thereof the following:
>
> "(2) Any request to the Congress for authorization or appropriations for any program described in subsection (a) shall include a complete statement analyzing the impact of such program on arms control policy and negotiations.
>
> "(3) Upon the request of the Committee on Armed Services of the Senate or the House of Representatives, the Committee on Appropriations of the Senate or the House of Representatives, the Committee on Foreign Relations of the Senate, or the Committee on International Relations of the House of Representatives, or the Joint Committee on Atomic Energy the Director shall, after informing the Secretary of State, advise such committee on the arms control and disarmament implications of any program with respect to which a statement has been submitted to the Congress pursuant to paragraph (2).

Mr. STENNIS. Mr. President, before the vote is taken, just for the Record, first, I commend the Senator from South Carolina and the Senator from Minnesota for the work they have done here with reference to working out something in connection with the subject matter and the proposed amendment.

No. 2, Mr. President, this is as far as I think we should go with reference to the power of this Director being adviser to the National Security Council.

I am willing for him to do that, of course, but to save time, that is a body that has to be a small body. There are other officers that I think could well be added to it on a priority basis, rather than this gentleman, although he is very fine and I voted for the Director of the Arms Control Disarmament Agency, for which the Senator from Minnesota deserves a great deal of credit, but at the same time I want to have a warning word here that this is as far as I think we could possibly go.

I could not see how the President could sign a bill that goes as far as the original language in this bill on a full analysis.

So I am most grateful and I think the Senate is, too, for the consideration here in what has been worked out. I would have to oppose going any further than that.

Mr. HUMPHREY. May I say to the distinguished Senator from Mississippi that we had discussions about this.

By the way, the complaints about the original language, as the Senator knows, came in very late. It is my understanding that the original text we had in the bill had been pretty well cleared with the appropriate agency of Government.

I do not want a veto of any bill of this consequence and I assure the Senator we will be meticulous and careful in our design of this legislation when we go to conference. But I was very fair, may I say, to my colleagues when I told them of the vote in the House of Representatives. But I know that as a Member of this body, once we have adopted legislation here, they will work to try to support it to the best of their ability in conference.

Mr. STENNIS. I appreciate the assurances of the Senator and I know he will do exactly that and that he appreciates that this is a serious matter. I am glad we have this agreement.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Carolina.

The amendment was agreed to.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. THURMOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BROCK. Mr. President, today the Senate will, I hope, conclude work on the State Department Authorization legislation. Despite a great deal of effort on the part of the members and staff of Permanent Subcommittee on Investigations into drug interdiction which began in early June, few lessons have been learned to date by the State Department on the role which Congress favors it take in coordinating foreign policy with drug enforcement policy.

A cursory reading of testimony given by Victor Lowe, Director, General Government Division, General Accounting Office, in the early days of the PSI hearings put into bold perspective how the absence of international cooperation has hamstrung our own national effort.

Regarding Mexican efforts, he reported—

> DEA officials estimated that, as of September 1974, 70 percent of all heroin reaching the U.S. comes from poppies grown in Mexico. Although the U.S. Government can take certain steps to improve the planning and management of its operations and help to train and equip Mexican enforcement personnel, the Mexican Government must act if there is to be any real success. We reported that factors which have hindered greater effectiveness in reducing the flow of drugs from Mexico to the United States include:
>
> Lack of full cooperation between the two governments regarding drug information and extradition; and
>
> Limited Mexican manpower and technical resources.

Despite the establishment of drug committees within each embassy in 1971, the priority this program has received from within the executive branch of Government has been continuously downgraded, and with each downgrading has come an even greater resurgence of drug flow into the United States and an even greater addiction problem.

Again, from Mr. Lowe's testimony—

> DEA believes that its drug suppression activities overseas provide the best return in terms of drugs removed from worldwide traffic and therefore intends to continue expanding these activities.

Drug suppression clearly means one thing and one alone, cutting off supply. What does happen when supply is dried up? According to expert testimony—

> In the cities on the East Coast where a substantial fraction of the users lived, the heroin problem improved significantly. While we have sometimes found it treacherous to use single cities as indications of general trends in drug use, the experience of Washington, D.C., during this period of shortage is close to the experience of other East Coast cities. In Washington, D.C., both incidence and the prevalence of heroin use declined significantly. The decline in incidence is indicated by data derived from treatment including dramatically reduced numbers of users with recent onset of heroin use and progressive increases in the average age of user population.

Mr. President, there is no comprehensive antidrug policy in our Government today. These hearings still continuing within the Permanent Subcommittee on Investigations will, I predict, reveal in the coming sessions a bankruptcy of our policy to encourage shifting of crops away from foreign opium production. Yet our foreign policy continues to ignore this. In the same testimony, one fear is expressed which must receive public recognition—

> The resumption of poppy cultivation in Turkey—if not controlled—threatens a significant increase in the amount of heroin reaching the United States. Mexico continues to be a major problem. New connections and destinations for Southeast Asian heroin have been noted.

When will the U.S. State Department pay attention to this? Possibly never, I regret. Where, I ask, is the suppressed staff study of a blue ribbon commission set to study this problem? Mr. Jack Anderson asked that question in a syndicated article of July 23, 1975. I shall ask unanimous consent that this article be printed in the Record at the end of my remarks.

Last year many wondered at the difficulty of passing a foreign aid bill. I do not wonder that finally the public, poisoned by the flow of heroin from nations receiving taxpayer-supported foreign aid, encouraged their representatives to do away with this program. I am only astonished at its patience.

In conclusion, I can only wonder at yesterday's news of resuming aid to India. According to a New Delhi press release of August 13, India "plans to increase production of opium for legitimate users at home and abroad." Perhaps that is the link, Mr. President, which we have failed to see. Does foreign aid go as a reward to those countries who encourage the growth of opium for export to the United States? Does Mr. Kissinger have an answer?

I ask unanimous consent that an article from the New York Times of April 24 by Mr. Nicholas Gage tracing additional problems in this area be printed in the Record, as well as the article to which I have referred dated July 23, 1975, and an article by Richard Weintraub printed in the Washington Post.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the New York Times, Apr. 24, 1975]

Lack of Treaties Hinders Drug Control Effort Here

(By Nicholas Gage)

The United States has indicted more than half of the 200 active drug traffickers in Colombia for narcotics violations in this country, but under existing international agreements they cannot be extradited from Colombia or prosecuted at home. So these dealers continue in business, supplying much of the cocaine sold in New York and other major cities.

The lack of adequate extradition agreements and treaties with Latin American nations to allow the prosecution of major drug traffickers in their own countries has been a major stumbling block in the efforts of United States agents to stem the rising flow of narcotics from Latin America.

Many law enforcement officials involved in those efforts are critical of the State Department for not pushing to achieve such agreements and treaties.

What is missing from the United States effort in Latin America, they say, is the kind of concerted drive the United States Government made at its highest levels a few years ago to persuade France to go all out against what had then been the major narcotics traffic into this country.

The heroin traffic from France was seriously disrupted, they remember, after France responded to such pressure by expanding its own narcotics enforcement units, establishing close investigative cooperation with United States agencies and agreeing to prosecute French traffickers on evidence gathered in the United States.

"We started off strong with Latin America, too," said one official, who, like others, requested anonymity because of his professional relationship with State Department. "But with all the Watergate problems, Washington's interest faded and we lost the momentum. We haven't got it back yet."

A number of agencies are involved in the United States narcotics effort in Latin America, but the most active are the Federal Drug Enforcement Administration, the Central Intelligence Agency and the Agency for International Development.

Individual agents work under the supervision of the United States ambassador in the country in which they are posted. The over-all narcotics effort, however, is directed from Washington by the Cabinet Committee of International Narcotics Control, which is headed by the Secretary of State and which has among its members the Attorney General and the Secretaries of Agriculture and Defense.

But officials from several participating agencies believe that Secretary of State Kissinger has little interest in the narcotics effort and that, as a result, many American diplomats in Latin America haven't devoted themselves wholeheartedly to it either.

KISSINGER IS DEFENDED

A State Department spokesman denied such allegations. "Obviously he's been busy with other problems," he said of Secretary Kissinger. "But if he didn't have a strong interest in narcotics control, he wouldn't remain as chairman of the cabinet committee."

Evidence of the Secretary's concern with the narcotics problem, the spokesman said, is the strong support Mr. Kissinger has given the committee's executive director, Ambassador Sheldon Vance, a career diplomat who coordinates United States narcotics control efforts throughout the world.

The United States declared narcotics control a "major" foreign policy goal four years ago, but some diplomats to South America concede they have not yet given it that kind of attention.

"I must admit I haven't registered our concern about narcotics sufficiently with the top people here," said one ambassador. "We've had so many little crises."

Another diplomat said, "We could jeopardize our relations by pushing too hard on narcotics. These countries don't have a drug problem themselves. There's no mutual interest to work with."

While some narcotics officials have been grumbling about lack of support from the State Department, the most active and visible of the agencies fighting narcotics abroad—the Drug Enforcement Administration—has come under its own share of criticism, much of it from the Senate Permanent Subcommittee on Investigations headed by Senator Henry M. Jackson.

"INEFFECTIVENESS" IS EXPLORED

The subcommittee is now conducting an investigation of the agency and will hold hearings later this spring. But a spokesman for Senator Jackson said that the subcommittee has collected information showing that the agency has been "ineffective" on several fronts in Latin America and that its agents have been involved in situations that threaten to embarrass the United States.

"No one person from the subcommittee has come down here to see what we're doing," countered Louis Bachrach, the Drug Enforcement Administration regional director for South America.

The spokesman for Senator Jackson said the subcommittee may send investigators to South America later, but that it was now concentrating on studying the agency's files.

Mr. Bachrach and his staff maintain that the agency's achievements in South America have been significant. Since the Drug Enforcement Administration was formed in July 1973, he said, cooperative efforts with the police in South America have resulted in the destruction of 73 cocaine laboratories, the arrest of 457 important traffickers and the seizure of more than 1,300 kilograms of cocaine and cocaine base.

Furthermore, Mr. Bachrach said, agents in his region should be credited for wiping out the South American Connection, the rings headed by Corsican gangsters that formerly handled 35 per cent of all the French heroin entering the United States.

The South American Connection collapsed after a series of arrests, extraditions and expulsions of the major Corsican traffickers operating in Latin America.

COCAINE GAINS CITED

Another achievement cited by Mr. Bachrach was the disruption of cocaine production in Chile. Shipments of cocaine to the United States from Chile have now been reduced from more than 200 kilos a month to less than ten, he said.

The important advance in fighting narcotics in Chile came after the military coup against President Salvador Allende, Mr. Bachrach said. The junta that overthrew him agreed to expel 19 Chilean traffickers to the United States, where they faced narcotics charges, even though they were Chilean citizens. Most of the other traffickers, fearing similar action against them, fled the country, he said.

Chilean officials cite several factors for taking such unusual action against the traffickers. "We don't want to wind up with a big drug problem like the United States has," said Lieut. Col. Luis Fountaine, head of the narcotics unit of the Chilean Carabineros. "We want to nip it in the bud."

"There is evidence that supporters of Allende have been involved in narcotics," Colonel Fountaine added. When pressed to discuss such evidence, he said that he hadn't seen it himself, but that the junta's intelligence agency was in possession of it.

UNIT IS ELIMINATED

Despite its energetic prosecution of narcotics traffickers, the Chilean junta did not hesitate to eliminate the Customs Investigative Agency, by all accounts the most effective police unit fighting narcotics in Chile. It is believed that the junta did so because the unit had been identified closely with President Allende.

The head of the unit was Luis Sanguinetti, a friend of President Allende. He and his top assistants were arrested immediately after the coup and his body was later found in the hold of a ship taking political prisoners to an island prison.

The junta said that Mr. Sanguinetti committed suicide by jumping head first into the hold. His two assistants were shot while allegedly trying to escape from detention, and two others were killed in a shootout with the police.

Another accomplishment which Mr. Bachrach cited in response to criticism of his agency is the removal of 57 fugitive Latin American drug traffickers to the United States through a campaign called "Operation Springboard."

The operation was conceived as a means of getting around the refusal of almost all Latin countries to extradite their own nationals. Since existing treaties do not allow for evidence collected in the United States to be used against traffickers in their native countries, drug enforcement agents in Latin America decided to coax traffickers to third countries and to try to persuade authorities there to expel them to the United States.

The Drug Enforcement Administration calls "Operation Springboard" a success. But a number of the expelled traffickers have appealed their convictions in Federal courts, maintaining that their rights under due process were violated because they were kidnapped.

The Federal Court of Appeals has upheld the contention of one defendant, Francisco Toscanino, an alleged associate of Lucien Sarti and Auguste Joseph Ricord of the South American Connection. Mr. Toscanino said his rights were violated because he was tortured by the police in Brazil, the country that expelled him.

The Government now is appealing the Toscanino decision to the Supreme Court. It has been upheld thus far on all other appeals by defendants extradited from Latin America and later convicted of drug violations here.

Mr. Bachrach said that if Mr. Toscanino was tortured in Brazil, it was done without the knowledge of his agents. "Our men are instructed to get the message to local police that torture is not professional or productive and cases in which torture is used will not stand up in the States," he said. "We have a vested interest in discouraging torture."

BUILDING SOME BRIDGES

Although they cannot make arrests in Latin America, Federal narcotics agents there develop cases and turn them over to the local police. When the police then go to make arrests on the cases, the agents accompany them.

"Too many things happen to foul up the case when we don't," said an agent in Ecuador.

The task of drug enforcement agents is complicated by the fact that many countries have more than one police force—sometimes three or four—working on narcotics, and the various police units are sometimes fervent rivals.

To keep on good terms with the different police groups, drug enforcement agents from the United States try to distribute the cases they develop to all the various local police units.

But the potential hazards of police rivalry within Latin American countries were illustrated in March when United States narcotics agents heard that a 23,000-pound cache of marijuana was hidden in a spot 180 miles south of Bogotá.

Two drug enforcement agents told the Colombian customs police about the marijuana and acompanied them in a private plane to the spot. Unknown to the agents, however, the Colombian security police also had been informed of the same cache of marijuana and were already there.

When the plane arrived with the United States agents in it, shooting broke out, with each police group thinking the other was the traffickers.

Although no one was killed, newspapers in Colombia labeled the incident a "Keystone Kop raid" and back in Washington, Senator Jackson termed it "greatly disturbing."

Mr. Bartels, the Drug Enforcement Administrator, thought his men performed well under the circumstances. "Although under attack neither of them fired their guns," he said. "And they got 23,000 pounds of marijuana."

"BUY AND BUST"

The drug enforcement agents in Latin America also are criticized by Senator Jackson and others for allegedly relying excessively on the "buy and bust" method of getting indictments. In such cases, an agent works under cover to buy drugs and when the sale is made, the local police arrest the seller, the undercover "buyer" somehow managing to escape.

The buy-and-bust method could prove politically embarrassing to the United States, an aide to Senator Jackson said, if the agent is exposed or shot during an arrest. Or what would happen, he asked, if the agent shot a national in his own country.

Agents in Latin America maintain that they don't rely on the buy-and-bust method frequently, but have developed other techniques that allow them to keep a low profile.

In eight of the 12 Drug Enforcement Administration offices in South America, "special action units" patterned on similar groups maintained by the Central Intelligence Agents, have been established.

The agents in these units hire local investigators, some of them police officers, to conduct surveillance, observe arrests and perform other functions that the United States agents cannot do without risking exposure.

Some of the special units are said to be quite effective. In Buenos Aires, for example, when terrorists began kidnapping diplomats, the United States ambassador asked the head of the narcotics agency's special action unit to set up a security company to provide protection for high officials in the embassy.

The Drug Enforcement Administration also has been criticized by members of the Jackson committee for failing to cooperate with the Central Intelligence Agency in developing a unified attack against narcotics traffickers.

Mr. Bartels acknowledged that differences between the two agencies did develop at one time over the handling of informants.

"They [the C.I.A.] were so protective of their informants, we couldn't make cases with what they gave us," he said. "But in the last year we've settled our differences."

The C.I.A. was asked to join the campaign against narcotics by President Nixon in 1971, but apparently its agents in South America have never taken fully to the idea.

One of the reasons given for the C.I.A.'s discontent is that while agency missions in South America have been given extra funds for narcotics work, they have not received additional men, except in Argentina.

Some drug enforcement agents said that the C.I.A. has helped them on several levels in South America, providing them with intelligence reports on the narcotics traffic in each country and on political power structures.

"If we want to coax a fugitive trafficker to a third country to expel him to the States," one narcotics agent explained, "they can tell us if he's got enough pull in that country to beat us there."

EFFORT IS IMPAIRED

The drug agency's effort was impaired earlier this year, however, when it acknowledged that it had hired 53 former C.I.A. agents. The disclosure upset many South American officials, who maintained that it would be impossible to tell narcotics agents from spies.

As a result, Mr. Bartels said, the agency has found resistance in trying to open four new offices in South America—two in Colombia and two in Brazil—which were considered necessary for adequate coverage of the continent.

Mr. Bartels said that none of the former C.I.A. agents now with the agency is serving as a drug enforcement agent in South America.

In an attempt to reassure South American officials, Mr. Bartels said he intended to invite Latin narcotics agents to come to the United States and work with his own men here.

"We want them to see that we're not C.I.A. and that we don't mean narcotics cooperation to be a one-way street," he said.

INTELLIGENCE AREA LAGS

Ironically, the Drug Enforcement Administration effort in South America probably needs improvement most in an area that is the strength of the C.I.A.—intelligence gathering and coordination. For example, in the agency's regional headquarters in Caracas, only one staff member handles intelligence duties for all of South America.

"We've had three more people waiting to go down for months, but the C.I.A. furor has held us back," Mr. Bartels said.

In addition to enforcement efforts, American agencies in Latin America are trying to fight narcotics through a variety of training and assistance programs. Over the last three years, the United States has provided an average of $22-million annually in grant assistance for fighting narcotics.

The largest chunk of assistance for narcotics control in Latin America—$12-million last year—has gone to Mexico reflecting the high priority given in Washington to diminishing the flow of Mexican heroin to the United States.

In South America, many of the narcotics assistance programs are being implemented by the Agency for International Development. The agency operates training classes for narcotics and customs police and arranges for material assistance, such as communications equipment, vehicles and weapons.

PICKING THE PRIORITY

Still, the assistance programs and the enforcement efforts have not appreciably stemmed the flow of drugs to the United States.

The best way to stop the drug traffic, enforcement officials believe, is to go after the major traffickers in their own countries.

They point out that the cocaine traffic in Chile and the heroin traffic in France were disrupted when major traffickers in those countries were either expelled or prosecuted even when the evidence was gathered elsewhere.

"As long as traffickers feel safe in their own countries," said Frank Macolini, the Drug Enforcement Administration's deputy regional director for South America, "they're going to keep sending drugs to ours."

[From the Washington Post, July 23, 1975]

OPIUM POLICY—APATHY TO THREATS

(By Jack Anderson and Les Whitten)

The State Department's response to opium trafficking abroad has ranged from leaden apathy to blunt threats. A pro-U.S. dictator, for example, was menaced with an immediate $35 million aid cutoff if he didn't extradite a drug kingpin.

The astounded dictator, Paraguay's Gen. Alfredo Stoessner, stammered that cutting the aid would be like "an atomic explosion" on his impoverished land. But the State Department man on the scene, Assistant Secretary Nelson Gross, persisted and bullied him into submission.

The dope king, Auguste Ricord, was snatched from his luxurious life in a Paraguayan hoosegow, although Paraguayan courts had previously held the extradition was illegal. He was put on a plane to a grim U.S. prison, and as a result, Stroessner kept his $35 million.

The conventional diplomats in Foggy Bottom were so stunned at the audacious and probably unlawful threat that one official report inaccurately stated Gross had "threatened the head of state with nuclear extinction."

But the State Department is rarely so zealous, according to a suppressed staff study by a blue ribbon commission. Some ambassadors refused to believe that Asian heroin ever even made its way to the United States.

The commission, whose members include Vice President Rockefeller and Senate Majority Leader Mike Mansfield (D-Mont.) was set up to produce in-depth papers on U.S. foreign policy.

While most of the papers have been released, the one on the State Department's handling of narcotics abroad has been withheld both because it is late and it is "questionable in its conclusions," a commission spokesman said.

But another factor may be its unstinting criticism of the way the department has dealt with the drug problem. The study concluded that "the State Department is not likely to respond creatively and rapidly to (any) new foreign policy initiatives."

The snafu on drugs is important because once again the nation is being flooded with heroin. Turkish opium fields are blossoming and "skag" from the mountainous regions of Laos, Thailand and Burma is being loaded on mules for eventual shipment to America.

The report indicates the State Department has no machinery even for dealing with its own "country team" members abroad, and fights constantly with the Drug Enforcement Agency, the White House, the National Security Council and the CIA over anti-drug tactics.

When President Nixon's White House team picked 60 major drug trafficking nations in 1971 for U.S. pressure, the State Department went at the job with all the zeal of octagenerians at a pillow fight.

The White House quickly "became disenchanted with the slowness and unimaginativeness of the State Department's response," according to the report.

Secretary of State Henry Kissinger "typically concentrates on a small number of policy issues. Narcotics control was not on his agenda." Narcotics, the report observed acidly, "is not the Cuban missile crisis."

To justify its do-nothing attitude, the State Department began grumbling about the narcotics agents attached to embassies abroad. The striped pants boys feared the agents would offend allies with talk about "'those damn Turks' or 'those damn French,' poisoning our youth with heroin."

State also complained about the CIA, which issued reports lambasting corrupt narcotics police in Thailand, drug-trafficking officials in South America and bumbling "narcs" in Mexico.

United States Seen Set To Resume Aid To India

(By Richard M. Weintraub)

Indian Finance Minister Chidambaram Subramaniam predicted yesterday on his return to New Delhi from Washington that the United States will shortly resume development aid to India.

U.S. officials confirmed the report and noted that the administration has requested $75 million in development loans and $1 million in development grants for India in the foreign aid bill now before Congress.

With the exception of food assistance, U.S. aid to India has been cut off since the 1971 India-Pakistan war.

Officials concede that there is some nervousness about congressional approval for a resumption of Indian economic aid because of the current political climate in New Delhi.

Prime Minister Indira Gandhi's government suspended a number of political and legal guarantees under a state of emergency last June. Some officials fear that resumption of aid now might be misconstrued as U.S. approval of these actions.

Others point out that the current willingness of the Indian government to resume an aid relationship offers the United States an opportunity to renew closer ties with a country where relations have been strained in recent years.

In New Delhi, Subramaniam said that "Indo-American relations are improving."

The finance minister said he had discussed economic aid with Treasury Secretary William Simon and Agriculture Secretary Earl Butz while he was in Washington last week to attend the annual meetings of the World Bank and the International Monetary Fund. He said he had received no firm commitment on resumption of aid.

Indian Foreign Minister Y. B. Chavan is expected to discuss the aid question with Secretary of State Henry A. Kissinger when he visits Washington on Oct. 6 and 7.

Officials here said that in addition to the development projects, the administration has requested that $68.9 million be loaned to India to allow it to buy 500,000 tons of food grains on concessional terms. Last year the Indian government bought 800,000 tons for $130 million under similar terms.

The United States has provided direct food aid to India since 1971. Approximately $100 million was provided last year, and some $70 million is included in current plans.

The administration asked for $75 million and Congress approved $50 million in development aid to India last year, but the Indian government showed no interest in resuming aid then.

. . . nearly 1,000 national and local opposition leaders and political workers arrested after the state of emergency was proclaimed in June. This is the first known instance of such releases.

In New Delhi, meanwhile, the government announced that some 380 persons have been arrested in various parts of India for publishing and displaying clandestine pamphlets and wall posters criticizing the state of emergency. It also said 14 printing presses had been seized.

A government press release said that state officials had been asked to prevent such activity.

Mr. BAYH. Mr. President, I commend the distinguished chairman of the Foreign Relations Committee, Mr. Sparkman, and other members of the committee for the fine work that they have done in bringing this omnibus authorization bill to the floor. I am especially pleased that the committee bill includes an amendment I introduced to provide a grievance system for Foreign Service employees.

The amendment adopted unanimously by the committee is substantially the same as the bill I introduced with our former colleague, John Sherman Cooper, in 1971. It was at that time that I became aware of the long-standing practice of the State Department to deny due process to employees in employee-management disputes. There was no recourse, no chance for a hearing or appeal, for an employee who had been injured by arbitrary personnel action.

The bill we introduced in 1971 and consider today as part of this authorization is quite simple. It provides for an impartial board to hear grievances of Foreign Service employees. The rights it conveys are the basic and essential rights of due process so fundamental to our American system—the right to a hearing, the right to representation, the right to cross-examine witnesses, and the right to be free from interference or coercion while presenting a grievance.

The Senate has passed this Foreign Service grievance bill on three occasions. Unfortunately, it has died in conference or in the House on each occasion due largely to the opposition of the State Department.

Since 1971, the Department has done everything possible to delay the implementation of a grievance system. Again and again, they have asked Congress to wait for the Department's own legislative proposal or to wait until it negotiated a grievance procedure with the employee's association. But after nearly 4 years, Mr. President, there is still no permanent procedure to provide Foreign Service employees with the right to due process of law.

Mr. President, passage of this bill is especially urgent at this time. On July 9, 1975, the public members of the Interim Grievance Board, a temporary panel established by the Department due to our prodding to provide protection for employees, resigned in protest because the Agency for International Development refused to carry out a direct order from the Board. Consequently, Foreign Service employees are now as unprotected as they were before 1971.

Mr. President, I am confident that we can succeed in enacting a grievance bill this year. Members of the House have become much more aware of the problems in the Foreign Service due to the resignation of the Interim Board, and I believe that conferees from that body will look favorably upon our action.

I again thank the committee for including my amendment in the authorization bill. I express my special gratitude to my colleague from Iowa, Senator Clark, who proposed the amendment in committee. The efforts expended by Senator Clark and his staff in studying personnel problems in the Foreign Service were the key to committee approval.

Mr. President, I ask unanimous consent that an article from the Washington Star regarding the resignation of the Interim Grievance Board be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Washington Star, July 12, 1975]

(By Joseph Young)

Seven Quit in Protest After AID Balks

In an unprecedented action, all seven public members of the Foreign Service grievance board have resigned in protest over the Agency for International Development's refusal to obey its order to reinstate an AID official who lost his job in a reduction-in-force.

William Simkin, chairman of the panel and former director of the Federal Mediation and Conciliation Service, wrote to Secretary of State Henry A. Kissinger to announce his resignation as as well as those of all the other public members of the board.

The decision of the public board member to resign leaves the more than 12,000 foreign service employes of the State Department, United States Information Agency and AID without any grievance procedures.

The Board had ordered the reinstatement of former AID official William Baumann, who it found to have been illegally RIFed from his job.

However, AID refused to do so, leading to the mass resignation of the board's public members.

The American Foreign Service Association, which holds bargaining rights for Foreign Service employes and represented Baumann in the case, said it "condemns in strongest terms the willingness of top-level management in the three foreign affairs agency to permit the foreign service grievance system to be destroyed in this manner."

The association said it regretted the decision of the board members to resign, "but we recognize they had no alternative." It added that the action had the effect of "turning the clock back more than four years, to a period of exceptional bitterness, battered morale and ruined careers which had characterized much of the personnel system until that time, and which culminated in the tragic suicide of Charles Thomas."

The Association said that Congress should enact a law setting up a grievance board with statutory authority to enforce its rulings—a power which the current board lacks.

In the letter submitting his resignation as well as those of the other board members, Simkins said "The climate needed for good-faith resolution of grievances in the Foreign Service has been effectively destroyed."

Other public board members who resigned are: Alexander Porter, a labor arbitrator and currently umpire for Republic Steel and the United Steelworkers; William R. Tyler, a former ambassador and assistant secretary of state for foreign affairs, who currently is director of the Dumbarton Oaks Research Library and Collection of Harvard University; John Gentry, former deputy assistant secretary of labor, currently a partner in the firm of Wirtz and Gentry.

Also resigning were John W. McConnell, recently retired as president of the University of New Hampshire and an economist and author; Eva Robbins, former deputy chairman of the office of collective bargaining in New York City and now a labor arbitrator and lawyer, and Rolf Valtin, a labor arbitrator and umpire for General Motors and the United Auto Workers.

The board was created by the State Department and the other two Foreign Service agencies following intense criticism of the lack of grievance and appeal rights by foreign service employes. The move was seen as an effort to head off legislation that would have given employes statutory rights. The public members' resignation is considered certain to revive such legislation in Congress.

Mr. HUMPHREY. Third reading, Mr. President.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendments to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The question is, Shall the bill pass? The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Hawaii (Mr. INOUYE), the Senator from New Mexico (Mr. MONTOYA), the Senator from North Carolina (Mr. MORGAN), the Senator from Nevada (Mr. CANNON), the Senator from Utah (Mr. MOSS), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

I further announce that the Senator from Alaska (Mr. GRAVEL), and the Senator from New Hampshire (Mr. MCINTYRE) are absent on official business.

I also announce that the Senator from Michigan (Mr. HART), and the Senator from Maine (Mr. HATHAWAY) are absent because of illness.

I further announce that, if present and voting, the Senator from North Carolina (Mr. MORGAN) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Idaho (Mr. MCCLURE), the Senator from Ohio (Mr. TAFT), and the Senator from New Hampshire (Mr. COTTON) are necessarily absent.

I also announce that the Senator from Massachusetts (Mr. BROOKE), and the Senator from Pennsylvania (Mr. SCOTT) are absent on official business.

I further announce that, if present and voting, the Senator from Pennsylvania (Mr. SCOTT), and the Senator from Ohio (Mr. TAFT) would each vote "yea."

The result was announced—yeas 76, nays 8, as follows:

[Rollcall Vote No. 394 Leg.]

YEAS—76

Abourezk
Baker
Bayh
Beall
Bentsen
Biden
Brock
Buckley
Bumpers
Burdick
Byrd, Harry F., Jr.
Case
Chiles
Church
Clark
Cranston
Culver
Curtis
Domenici
Eagleton
Eastland
Fong
Ford
Garn
Glenn
Griffin
Hansen
Hart, Gary W.
Hartke
Haskell
Hatfield
Hollings
Hruska
Huddleston
Humphrey
Jackson
Javits
Johnston
Kennedy
Laxalt
Leahy
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
Metcalf
Mondale
Muskie
Nelson
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Stone
Symington
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—8

Allen
Bartlett
Byrd, Robert C.
Dole
Fannin
Goldwater
Helms
Nunn

NOT VOTING—16

Bellmon
Brooke
Cannon
Cotton
Gravel
Hart, Philip A.
Hathaway
Inouye
McClure
McIntyre
Montoya
Morgan
Moss
Scott, Hugh
Taft
Talmadge

So the bill (S. 1517), as amended, was passed, as follows:

S. 1517

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Foreign Relations Authorization Act, Fiscal Year 1976".

TITLE I—ADMINISTRATION OF FOREIGN AFFAIRS

PART 1—DEPARTMENT OF STATE

AUTHORIZATION

SEC. 101. (a) There are authorized to be appropriated for the Department of State for fiscal year 1976, to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States, including trade negotiations, and other purposes authorized by law, the following amounts:

(1) for the "Administration of Foreign Affairs", $435,755,000; and

(2) such additional amounts as may be necessary for increases in salary, pay, retirement, other employee benefits authorized by law, or other nondiscretionary costs.

(b) Amounts appropriated under this section are authorized to remain available until expended.

(c) The Act entitled "An Act to provide certain basic authority for the Department of State", approved August 1, 1956, as amended, is further amended by adding at the end thereof the following new section:

"SEC. 17. The Secretary of State is authorized to use appropriated funds for unusual expenses similar to those authorized by section 5913 of title 5, United States Code, incident to the operation and maintenance of the living quarters of the United States Representative to the Organization of American States.".

(d) Of the funds authorized to be appropriated by subsection (a)(1) of this section, the sum of $1,000,000 shall be available for the establishment of a new travel document and issuance system by the Passport Office.

BEQUEST OF AMBASSADOR THURSTON

SEC. 102. There is authorized to be appropriated to the Department of State for fiscal year 1976 the sum of $125,000, to remain available until expended, for the purpose of furnishing or refurnishing the diplomatic reception rooms of the Department of State, such sum representing the amount bequeathed by the late Ambassador Walter Thurston to the United States of America.

CRITERIA REGARDING SELECTION AND CONFIRMATION OF AMBASSADORS

SEC. 103. The Act of August 1, 1956 (Public Law 84–885; 70 Stat. 890) is amended by adding at the end thereof the following new section:

"SEC. 18. It is the sense of the Congress that the position of United States ambassador to a foreign country should be accorded to men and women possesing clearly demonstrated competence to perform ambassadorial duties. No individual should be accorded the position of United States ambassador to a foreign country primarily because of partisan political activity or financial contributions to political campaigns.".

REOPENING OF UNITED STATES CONSULATE AT GOTHENBURG, SWEDEN

SEC. 104. (a) It is the sense of the Congress that the United States Consulate at Gothenburg, Sweden, should be reopened as soon as possible after the date of enactment.

(b)(1) There are authorized to be appropriated for the Department of State for fiscal year 1976, in addition to amounts authorized under section 101 of this Act, such sums as may be necessary for the operation of such consulate.

(2) Amounts appropriated under this subsection are authorized to remain available until expended.

AGRICULTURAL ATTACHE IN CHINA

SEC. 105. It is the sense of the Congress that the President should establish an agricultural attache in the People's Republic of China.

PART 2—ARMS CONTROL AND DISARMAMENT AGENCY AUTHORIZATION

SEC. 141. Section 49(c) (22 U.S.C. 2589(a)) of the Arms Control and Disarmament Act is amended by inserting in the second sentence thereof, immediately after "$10,100,000", a comma and the following: "and for the fiscal year 1976, the sum of $12,130,000".

STUDY REGARDING IMPACT OF CERTAIN ARMS CONTROL MEASURES UPON MILITARY EXPENDITURES

Sec. 142. Of the amount authorized under section 141 of this Act, not to exceed $1,000,000 shall be available for the purpose of conducting a study regarding the impact upon military expenditures of arms control agreements entered into by the United States and the Soviet Union. The Director of the Arms Control and Disarmament Agency shall transmit to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate not later than July 1, 1976, a report with respect to the study conducted pursuant to this section.

RESEARCH REGARDING DEVELOPMENT OF NUCLEAR SAFEGUARD TECHNIQUES

Sec. 143. Of the amount authorized to be appropriated under section 141 of this Act, not to exceed $440,000 shall be available for the purpose of conducting research, in consultation with the International Atomic Energy Agency, with respect to the development of nuclear safeguard techniques.

PURPOSES OF ARMS CONTROL AND DISARMAMENT ACT

Sec. 144. Section 2 of the Arms Control and Disarmament Act (22 U.S.C. 2551) is amended by striking out "It must be able" in the second sentence of the third paragraph and inserting in lieu thereof "It shall have the authority, under the direction of the President and the Secretary of State.".

NATIONAL SECURITY COUNCIL

Sec. 145. Section 22 of the Arms Control and Disarmament Act (22 U.S.C. 2562) is amended by inserting ", the National Security Council," immediately after "Secretary of State" in the first sentence.

ARMS CONTROL AND DISARMAMENT IMPACT STATEMENT

Sec. 146. Title III of the Arms Control and Disarmament Act (22 U.S.C. 2571–2575) is amended by adding at the end thereof the following:

"ARMS CONTROL IMPACT INFORMATION AND ANALYSIS

"Sec. 36. (a) In order to assist the Director in the performance of his duties with respect to arms control and disarmament policy and negotiations, any Government agency preparing any legislative or budgetary proposal for—

'(1) any program of research, development, testing, engineering, construction, deployment, or modernization with respect to nuclear armaments, nuclear implements of war, military facilities or military vehicles designed or intended primarily for the delivery of nuclear weapons,

"(2) any other program involving weapons systems or technology which such Government agency and the Director agree may have a significant impact on arms control and disarmament policy or negotiations, shall, on a continuing basis, provide the Director with full and timely access to detailed information, in accordance with the procedures established pursuant to section 35 of this Act, with respect to the nature, scope, and purpose of such proposal.

"(b)(1) The Director, as he deems appropriate, shall assess and analyze each program described in subsection (a) with respect to its impact on arms control and disarmament policy and negotiations, and shall advise and make recommendations, on the basis of such assessment and analysis, to the National Security Council, the Office of Management and Budget, and the Government agency proposing such program.

"(2) Any request to the Congress for authorization or appropriations for any program described in subsection (a) shall include a complete statement analyzing the impact of such program on arms control policy and negotiations.

"(3) Upon the request of the Committee on Armed Services of the Senate or the House of Representatives, the Committee on Appropriations of the Senate or the House of Representatives, the Committee on Foreign Relations of the Senate, or the Committee on International Relations of the House of Representatives or the Joint Committee on Atomic Energy, the Director shall, after informing the Secretary of State, advise such committee on the arms control and disarmament implications of any program with respect to which a statement has been submitted to the Congress pursuant to paragraph (2).

"(c) No court shall have any jurisdiction under any law to compel the performance of any requirement of this section or to review the adequacy of the performance of any such requirement on the part of any Government agency (including the Agency and the Director).".

SECURITY REQUIREMENTS FOR CERTAIN CONSULTANTS AND CONTRACTORS

Sec. 147. (a)(1) The second sentence of section 45(a) of the Arms Control and Disarmament Act (22 U.S.C. 2585(a)) is amended by striking out "The Director" and inserting in lieu thereof "Except as provided in subsection (d), the Director".

(2) The fifth sentence of section 45(a) of such Act is amended by striking out "No person" and inserting in lieu thereof "Except as provided in subsection (d), no person".

(3) Section 45 of such Act is amended by adding at the end thereof the following new subsection:

"(d) The investigations and determination required under subsection (a) may be waived by the Director in the case of any consultant who will not be permitted to have access to classified information if the Director determines and certifies in writing that such waiver is in the best interests of the United States.".

(b) Section 45(b) of such Act (22 U.S.C. 2585(b)) is amended by adding at the end thereof the following: "Notwithstanding the foregoing and the provisions of subsection (a), the Director may also grant access to classified information to contractors or subcontractors and their officers and employees, actual or prospective, on the basis of a security clearance granted by the Department of Defense, or any agency thereof, to the individual concerned; except that any access to Restricted Data shall be subject to the provisions of subsection (c).".

ACCESS TO CLASSIFIED INFORMATION

Sec. 148. Section 45(b) of the Arms Control and Disarmament Act is amended by adding at the end thereof the following: "Notwithstanding the foregoing and the provisions of subsection (a) of this section, the Director may also grant access to classified information to contractors or subcontractors and their officers and employees, actual or prospective, on the basis of a security clearance granted by the Department of Defense, or any agency thereof, to the individual concerned, except that access to restricted data shall be subject to the provisions of subsection (c) of this section."

PUBLIC INFORMATION

Sec. 149. Section 49(d) of the Arms Control and Disarmament Act (22 U.S.C. 2589 (d)) is amended by striking out "None" and inserting in lieu thereof "Except as may be necessary to carry out the purposes of this Act specified under section 2(c), none".

REPORT TO CONGRESS; POSTURE STATEMENT

Sec. 150. Section 50 of the Arms Control and Disarmament Act (22 U.S.C. 2590) is amended by adding at the end thereof the following new sentence: "Such report shall include a complete and analytical statement of arms control and disarmament goals, negotiations, and activities and an appraisal of the status and prospects of arms control negotiations and of arms control measures in effect.".

CONSULTATION REGARDING ARMS TRANSFERS

Sec. 151. (a) Section 414 of the Mutual Security Act of 1954 (22 U.S.C. 1934) is amended by adding at the end thereof the following new section:

"(f) Decisions on issuing licenses for the export of articles on the United States munitions list shall be made in coordination with the Director of the United States Arms Control and Disarmament Agency and shall take into account the Director's opinion as to whether the export of an article will contribute to an arms race, or increase the possibility of outbreak or escalation of conflict, or prejudice the development of bilateral or multilateral arms control arrangements.".

(b) Section 42(a) of the Foreign Military Sales Act (22 U.S.C. 2791(a)), is amended by striking out "(3)" and inserting in lieu thereof "(3) in coordination with the Director of the United States Arms Control and Disarmament Agency, the Director's opinion as to".

(c) Section 511 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321(d)) is amended by striking out the words "take into account" and inserting in lieu thereof "be made in coordination with the Director of the United States Arms Control and Disarmament Agency and shall take into account his opinion as to".

Part 3—Foreign Service Buildings

AUTHORIZATION

Sec. 171. Section 4 of the Foreign Service Buildings Act 1926 (22 U.S.C. 295), is amended—

(1) by redesignating subsection (h) as subsection (i) and by inserting immediately after subsection (g) the following new subsection:

"(h) In addition to amounts authorized before the date of enactment of this subsection, there is authorized to be appropriated to the Secretary of State—

"(1) for acquisition by purchase or construction (including acquisition of leaseholds) of sites and buildings in foreign countries under this Act, and for major alterations of buildings acquired under this Act, the following sums:

"(A) for use in the Near East and South Asia, $3,985,000 for the fiscal year 1976; and

"(B) for facilities for the United States Information Agency, $2,800,000 for the fiscal year 1976;

"(2) for use to carry out the other purposes of this Act for the fiscal year 1976, $32,840,000,"; and

(2) by striking out paragraph (2) of subsection (i) as so redesignated by paragraph (1) of this Act, and inserting in lieu thereof the following new paragraph:

"(2) Not to exceed 10 per centum of the funds authorized by any subparagraph under paragraph (1) of subsections (d), (f), (g), and (h) of this section may be used for any of the purposes for which funds are authorized under any other subparagraph of paragraph (1) of any such subsection.".

TITLE II—INTERNATIONAL ORGANIZATIONS, CONFERENCES, AND COMMISSIONS

GENERAL AUTHORIZATIONS

Sec. 201. (a) There are authorized to be appropriated for the Department of State for the fiscal year 1976, to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States, including trade negotiations, and other purposes authorized by law, the following amounts:

(1) for "International Organization and Conferences", $250,228,000;

(2) for "International Commissions", $19,993,000; and

(3) such additional amounts as may be necessary for increases in salary, pay, retirement, other employee benefits authorized by law, or other nondiscretionary costs.

(b) Amounts appropriated under this section are authorized to remain available until expended.

SPECIAL AUTHORIZATION FOR UNESCO AND ICAO

SEC. 202. There are authorized to be expended, $3,089,000 to complete the United States contribution toward the calendar year 1974 budgets of the United Nations Educational, Scientific, and Cultural Organization and the International Civil Aviation Organization, notwithstanding that such payments are in excess of 25 per centum of the total annual assessment of such organizations.

LIMITATIONS ON CONTRIBUTIONS AND PAYMENTS TO IAEA, ICAO, AND UNITED NATIONS PEACEKEEPING ACTIVITIES

SEC. 203. Public Law 92–544 (86 Stat. 1109, 1110) is amended, in the paragraph headed "CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS" under "INTERNATIONAL ORGANIZATIONS AND CONFERENCES", by inserting a period after "organization", striking out the text following and inserting in lieu thereof the following: "Appropriations are authorized and contributions and payments may be made to the following organizations and activities notwithstanding that such contributions and payments are in excess of 25 per centum of the total annual assessment of the respective organization or 33⅓ per centum of the budget for the respective activity: the International Atomic Energy Agency, the joint financing program of the International Civil Aviation Organization, and contributions for international peacekeeping activities conducted by or under the auspices of the United Nations or through multilateral agreements.".

ANNUAL CONTRIBUTION TO INTERPARLIAMENTARY UNION

SEC. 204. The first section of the Act entitled "An Act to authorize participation by the United States in the Interparliamentary Union", approved June 28, 1935 (22 U.S.C. 276), is amended by—

(1) striking out "$120,000" and inserting in lieu thereof "$170,000"; and

(2) striking out "$75,000" and inserting in lieu thereof "$125,000".

DELEGATES TO INTERPARLIAMENTARY UNION

SEC. 205. The Act of June 30, 1958 (Public Law 85–474; 72 Stat. 244) is amended by adding at the end thereof the following new sentence: "Not less than two Senators so designated shall be members of the Committee on Foreign Relations.".

TITLE III—INFORMATION AND CULTURAL EXCHANGE

PART 1—UNITED STATES INFORMATION AGENCY

AUTHORIZATIONS

SEC. 301. (a) There are authorized to be appropriated for the United States Information Agency for fiscal year 1976, to carry out international informational activities and programs under the United States Information and Educational Exchange Act of 1948, the Mutual Educational and Cultural Exchange Act of 1961, and Reorganization Plan Number 8 of 1953, and other purposes authorized by law, the following amounts:

(1) for "Salaries and Expenses" and "Salaries and Expenses (special foreign currency program)", $257,692,000;

(2) for "Special International Exhibitions", $6,187,000;

(3) for "Acquisition and Construction of Radio Facilities", $10,135,000; and

(4) such additional amounts as may be necessary for increases in salary, pay, retirement, other employee benefits authorized by law, or other nondiscretionary costs.

(b) Amounts appropriated under this section are authorized to remain available until expended.

VOICE OF AMERICA CHARTER

SEC. 302. Title V of the United States Information and Educational Exchange Act of 1948 is amended by adding at the end thereof the following new section:

"VOICE OF AMERICA CHARTER

"SEC. 503. The long-range interests of the United States are served by communicating directly with the peoples of the world by radio. To be effective, the Voice of America (the Broadcasting Service of the United States Information Agency) must win the attention and respect of listeners. These principles will govern Voice of America (VOA) broadcasts:

"(1) VOA will serve as a consistently reliable and authoritative source of news. VOA news will be accurate, objective, and comprehensive.

"(2) VOA will represent America, not any single segment of American society, and will therefore present a balanced and comprehensive projection of significant American thought and institutions.

"(3) VOA will present the policies of the United States clearly and effectively, and will also present responsible discussion and opinion on these policies.".

PART 2—EDUCATIONAL EXCHANGE

AUTHORIZATION

SEC. 341. (a) There are authorized to be appropriated for the Department of State for fiscal year 1976, to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States, including trade negotiations, and other purposes authorized by law, the following amounts:

(1) for "Educational Exchange", $74,000,000; and

(2) such additional amounts as may be necessary for increases in salary, pay, retirement, other employee benefits authorized by law, or other nondiscretionary costs.

(b) Amounts appropriated under this section are authorized to remain available until expended.

PART 3—RADIO FREE EUROPE AND RADIO LIBERTY

AUTHORIZATION

SEC. 371. Section 8(a) of the Board for International Broadcasting Act of 1973 (22 U.S.C. 2877(a)) is amended—

(1) by striking out $49,990,000 for fiscal year 1975, of which not less than $75,000 shall be available solely to initiate broadcasts in the Estonian language and not less than $75,000 shall be available solely to initiate broadcasts in the Latvian language" in the first sentence and inserting in lieu thereof "$65,640,000 for fiscal year 1976"; and

(2) by striking out "fiscal year 1975" in the second sentence and inserting in lieu thereof "fiscal year 1976".

TITLE IV—MISCELLANEOUS

PART 1—FOREIGN SERVICE

LIMITATION ON NUMBER OF SCHEDULE C-TYPE FOREIGN SERVICE RESERVE APPOINTMENTS

SEC. 401. Section 522 of the Foreign Service Act of 1946 is amended as follows:

(1) Immediately after "SEC. 522." insert "(a)".

(2) At the end thereof add the following new subsections:

"(b) The Secretary of State shall by regulation establish procedures to insure that—

"(1) all persons hired as Foreign Service Reserve officers are selected in accordance with generally established merit-hiring principles, intended to assure that the best available personnel are hired as such officers;

"(2) all Foreign Service Reserve officers are assigned and promoted on a strictly competitive basis in accordance with recognized merit standards; and

"(3) all Foreign Service Reserve officers are selected for conversion to career status on the basis of (A) merit standards and the needs of the Service, or (B) for officers hired prior to the enactment of this section, policies announced by the Department of State.

"(c) The Secretary of State is authorized to employ and assign persons to serve as Foreign Service Reserve officers in policy support or confidential employee positions without regard to subsection (a) of this section or any provision of law relating to employee classification, except that on and after October 1, 1976, not more than fifty such persons may serve at the same time in the Department of State in such positions. The Secretary of State shall transmit as a part of the annual budget presentation materials to the Speaker of the House of Representatives and the Chairman of the Committee on Foreign Relations of the Senate a report concerning any assignments made under the authority of this section.".

FOREIGN SERVICE ASSIGNMENTS TO PUBLIC ORGANIZATIONS

SEC. 402. (a) Section 576 of part H of title V of the Foreign Service Act of 1946, as amended, is amended as follows:

(1) Subsection (a) is amended to read as follows:

"(a)(1) Each Foreign Service officer shall, before his fifteenth year of service as an officer, be assigned in the United States, or any territory or possession thereof, for significant duty with a State or local government, public school, community college, or other public organization designated by the Secretary. Such duty may include assignment to a Member or office of the Congress, except that of the total number of officers assigned under this section at any one time, not more than 20 per centum may be assigned to Congress, and no officer assigned to Congress may serve as a staff member of the Committee on Foreign Relations of the Senate or the Committee on International Relations of the House of Representatives.

"(2) To the extent practical, assignments shall be for at least twelve consecutive months and may be on a reimbursable basis. Any such reimbursements shall be credited to and used by the appropriations made available for the salaries and expenses of officers and employees.".

(2) Strike out the second and third sentences of subsection (b).

(3) At the end thereof add the following new subsections:

"(e) Not later than six months after the date of enactment of this section, the Secretary shall transmit a report to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate describing the steps he has taken to carry out the provisions of this section; and he shall transmit such reports annually thereafter.

"(f) The provisions of this section shall apply only to a Foreign Service officer who has completed his tenth year of service as such an officer on or after October 1, 1975. The Secretary may exempt any Foreign Service officer from the provisions of this section if he determines such exemption to be in the national interest; however, he shall include a full explanation of any such determination in the annual report to the Congress required under subsection (e) of this section.".

TECHNICAL AMENDMENTS RELATING TO PERSONNEL ADMINISTRATION

SEC. 403. (a) Section 621 of the Foreign Service Act of 1946, as amended, is further amended by adding the following sentence at the end thereof: "A Foreign Service officer who has executed the affidavits described in sections 3332 and 3333 of title 5, United

States Code, shall not again be required to execute such affidavits upon successive promotions to higher classes without a break in service.".

(b) Section 625 of such Act is amended to read as follows: "Any Foreign Service officer or any reserve officer whose services meet the standards required for the efficient conduct of the work of the Service and who has been in a given class for a continuous period of nine months or more, shall, on the first day of the first pay period that begins on or after July 1 each year, receive an increase in salary to the next higher rate for the class in which he is serving. Credit may be granted in accordance with such regulations as the Secretary may prescribe toward such nine-month period for prior Federal or District of Columbia civilian govenment service performed subsequent to the officer's last receipt of an equivalent increase in pay and subsequent to any break in service in excess of three calendar days. Without regard to any other provision of law, the Secretary is authorized to grant to any such officer additional increases in salary, within the salary range established for the class in which he serves, based upon especially meritorious service.".

GRIEVANCE PROCEDURE

SEC. 404. (a) Title VI of the Foreign Service Act of 1946 (22 U.S.C. 981) is amended by adding at the end thereof the following new part:

"PART J—FOREIGN SERVICE GRIEVANCES

"STATEMENT OF PURPOSE

"SEC. 691. It is the purpose of this part to provide officers and employees of the Service and their survivors a grievance procedure to insure the fullest measure of due process, and to provide for the just consideration and resolution of grievances of such officers, employees, and survivors.

"REGULATIONS OF THE SECRETARY

"SEC. 692. The Secretary shall, consistent with the purposes stated in section 691 of this Act, implement this part by promulgating regulations, and revising those regulations when necessary, to provide for the consideration and resolution of grievances by a board. No such regulation promulgated by the Secretary shall in any manner alter or amend the provisions of due process established by this section for grievants. The regulations shall include, but not be limited to, the following:

"(1) Informal procedures for the resolution of grievances in accordance with the purposes of this part shall be established by agreement between the Secretary and the organization accorded recognition as the exclusive representative of the officers and employees of the Service. If a grievance is not resolved under such procedures within sixty days, or if no such procedures have been so established, a grievant shall be entitled to file a grievance with the board for its consideration and resolution. For the purposes of the regulations—

"(A) 'grievant' shall mean any officer or employee of the Service, or any such officer or employee separated from the Service, who is a citizen of the United States, or in the case of death of the officer or employee, a surviving spouse or dependent family member of the officer or employee;

"(B) 'grievance' shall mean a complaint against any claim of injustice or unfair treatment of such officer or employee arising from his employment or career status, or from any actions, documents, or records, which could result in career impairment or damage, monetary loss to the officer or employee, or deprivation of basic due process, and shall include, but not be limited to, actions in the nature of reprisals and discrimination, actions related to promotion or selection out, the contents of any efficiency report, related records, or security records, and actions in the nature of adverse personnel actions, including separation for cause, denial of a salary increase within a class, written reprimand placed in a personnel file, or denial of allowances; and

"(C) 'foreign affairs agency', 'agency', and 'agencies' shall mean the Department of State, the United States Information Agency, and the Agency for International Development.

"(2)(A) The board considering and resolving grievances shall be composed of independent, distinguished citizens of the United States well known for their integrity, who are not officers or employees of the Department, the Service, the Agency for International Development, or the United States Information Agency. The board shall consist of a panel of three members, one of whom shall be appointed by the Secretary, one of whom shall be appointed by the organization accorded recognition as the exclusive representative of the officers and employees of the Service, and one who shall be appointed by the other two members from a roster of twelve independent, distinguished citizens of the United States well known for their integrity who are not officers or employees of the Department, the Service, or either such agency, agreed to by the Secretary and such organization. Such roster shall be maintained and kept current at all times. If no organization is accorded such recognition at any time during which there is a position on the board to be filled by appointment by such organization or when there is no such roster since no such organization has been so recognized, the Secretary shall make any such appointment in agreement with organizations representing officers and employees of the Service. If members of the board (including members of additional panels, if any) find that additional panels of three members are necessary to consider and resolve expeditiously grievances filed with the board, the board shall determine the number of such additional panels necessary, and appointments to each such panel shall be made in the same manner as the original panel. Members shall (i) serve for two-year terms, and (ii) receive compensation, for each day they are performing their duties as members of the board (including traveltime), at the daily rate paid an individual at GS–18 of the General Schedule under section 5332 of title 5, United States Code. Whenever there are two or more panels, grievances shall be referred to the panels on a rotating basis. Except in the case of duties, powers, and responsibilities under this paragraph (2), each panel is authorized to exercise all duties, powers, and responsibilities of the board. The members of the board shall elect, by a majority of those members present and voting, a chairman from among the members for a term of two years.

"(B) In accordance with this part, the board may adopt regulations governing the organization of the board and such regulations as may be necessary to govern its proceedings. The board may obtain such facilities and supplies through the general administrative services of the agencies, and appoint and fix the compensation of such officers and employees as the board considers necessary to carry out its functions. The officers and employees so appointed shall be responsible solely to the board. All expenses of the board shall be paid out of funds appropriated to the agencies for obligation and expenditure by the board. The records of the board shall be maintained by the board and shall be separate from all other records of the agencies.

"(3) A grievance under such regulations is forever barred, and the board shall not consider or resolve the grievance, unless the grievance is filed within a period of three years after the occurrence or occurrences giving rise to the grievance, except that if the grievance arose prior to the date the regulations are first promulgated or placed into effect, the grievance shall be so barred, and not so considered and resolved, unless it is filed within a period of five years after the date of enactment of this part. There shall be excluded from the computation of any such period any time during which the grievant was unaware of the grounds which are the basis of the grievance and could not have discovered such grounds if it had exercised, as determined by the board, reasonable diligence.

"(4) The board shall conduct a hearing in any case filed with it. A hearing shall be open unless the board for good cause determines otherwise. The grievant and, as the grievant may determine, his representative or representatives are entitled to be present at the hearing. Testimony at a hearing shall be given by oath or affirmation, which any board member shall have authority to administer (and this paragraph so authorizes). Each party (A) shall be entitled to examine and cross-examine witnesses at the hearing or by deposition, and (B) shall be entitled to serve interrogatories upon another party and have such interrogatories answered by the other party unless the board finds such interrogatory irrelevant or immaterial. Upon request of the board or grievant, the agencies shall promptly make available at the hearing or by deposition any witness under the control, supervision, or responsibility of the agencies, except that if the board determines that the presence of such witness at the hearing would be of material importance, then the witness shall be made available at the hearing. If the witness is not made available in person or by deposition within a reasonable time as determined by the board, the facts at issue shall be construed in favor of the grievant. Depositions of witnesses (which are hereby authorized, and may be taken before any official of the United States authorized to administer an oath or affirmation, or, in the case of witnesses overseas, by deposition on notice before an American consular officer) and hearings shall be recorded and transcribed verbatim.

"(5) Any grievant filing a grievance, and any witness or other person involved in a proceeding before the board, shall be free from any restraint, interference, coercion, discrimination, or reprisal. The grievant has the right to a representative of his own choosing at every stage of the proceedings. The grievant and his representatives who are under the control, supervision, or responsibility of the agencies shall be granted reasonable periods of administrative leave to prepare, to be present, and to present the grievance of such grievant. Any witness under the control, supervision, or responsibility of the agencies shall be granted reasonable periods of administrative leave to appear and testify at any such proceeding.

"(6) In considering the validity of a grievance, the board shall have access to any document or information considered by the board to be relevant, including but not limited to, the personnel and, under appropriate security measures, security records of such officer or employee, and of any rating or reviewing officer (if the subject matter of the grievance relates to that rating or reviewing officer). Any such document or information requested shall be provided promptly by the agencies. A rating officer or reviewing officer shall be informed by the board if any report for which he is responsible is being examined.

"(7) The agencies shall promptly furnish the grievant any such document or information (other than any security record or the personnel or security records of any other officer or employee of the Government) which the grievant requests to substantiate his grievance and which the board determines is relevant and material to the proceeding.

"(8) The agencies shall expedite any security clearance whenever necessary to insure a fair and prompt investigation and hearing.

"(9) The board may consider any relevant evidence or information coming to its attention and which shall be made a part of the records of the proceeding.

"(10) If the board determines that (A) a foreign affairs agency is considering any action (including, but not limited to, separation or termination) which is related to, or may affect, a grievance pending before the board, and (B) the action should be suspended, the agency shall suspend such action until the board has ruled upon such grievance.

"(11) Within sixty days after the conclusion of any hearing, the board shall make written findings and issue a statement of reasons for its decision. If the board resolves that the grievance is meritorious—

"(A) and determines that relief should be provided that does not directly relate to the promotion, assignment, or selection out of such officer or employee, it shall direct the Secretary to grant such relief as the board deems proper under the circumstances, and the resolution and relief granted by the board shall be final and binding upon all parties; or

"(B) and determines that relief should be granted that directly relates to any such promotion, assignment, or selection out, it shall certify such resolution to the Secretary, together with such recommendations for relief as it deems appropriate and the entire record of the board's proceedings, including the transcript of the hearing, if any. The board's recommendations are final and binding on all parties, except that the Secretary may reject any such recommendations only if he determines that the foreign policy or security of the United States will be adversely affected. Any such determination shall be fully documented with the reasons therefor and shall be signed personally by the Secretary, with a copy thereof furnished the grievant. After completing his review of the resolution, recommendation, and record of proceedings of the board, the Secretary shall return the entire record of the case to the board for its retention. No officer or employee of any agency participating in a proceeding on behalf of an agency shall, in any manner, prepare, assist in preparing, advise, inform, or otherwise participate in, any review or determination of the Secretary with respect to that proceeding.

"(12) The board shall have authority to insure that no copy of the Secretarys' determination to reject a board's recommendation, no notion of the failure of the board to find for the grievant, and no notation that a proceeding is pending or has been held, shall be entered in the personnel records of such officer or employee to whom the grievance relates or anywhere else in the records of the agencies, other than in the records of the board.

"(13) A grievant whose grievance is found not to be meritorious by the board may obtain reconsideration by the board only upon presenting newly discovered relevant evidence not previously considered by the board and then only upon approval of the board.

"(14) The board shall promptly notify the Secretary, with recommendations for appropriate disciplinary action, of any contravention by any person of any of the rights, remedies, or procedures contained in this part or in regulations promulated under this part.

"RELATIONSHIP TO OTHER REMEDIES

"SEC. 693. If a grievant files a grievance under this part, and if, prior to filing such grievance, he has not formally requested that the matter or matters which are the basis of the grievance be considered and resolved, and relief provided, under a provision of law, regulation, or order, other than under this part, then such matter or matters may only be considered and resolved, and relief provided, under this part. A grievant may not file a grievance under this part if he has formally requested, prior to filing a grievance, that the matter or matters which are the basis of the grievance be considered and resolved, and relief provided, under a provision of law, regulation, or order, other than under this part, and the matter has been carried to final adjudication thereunder on its merits.

"JUDICIAL REVIEW

"SEC. 694. Notwithstanding any other provision of law, regulations promulgated by the Secretary under section 692 of this Act, revisions of such regulations, and actions of the Secretary or the board pursuant to such section, may be judicially reviewed in accordance with the provisions of chapter 7 of title 5, United States Code.".

(b) The Secretary of State shall promulgate and place into effect the regulations provided by section 692 of the Foreign Service Act of 1946 (as added by subsection (a) of this section), and establish the board and appoint the member of the board which he is authorized to appoint under, as provided by such section 692, not later the ninety days after the date of enactment of this Act.

PREDEPARTURE LODGING ALLOWANCE

SEC. 405. Paragraph (2) of section 5924 of title 5, United States Code, is amended by striking out clause (A) thereof and inserting in lieu thereof the following:

"(A) a foreign area (including costs incurred in the United States prior to departure for a post of assignment in a foreign area); or".

AUTHORITY OF CERTAIN OFFICERS AND EMPLOYEES TO CARRY FIREARMS

SEC. 406. The Act of June 28, 1955 (22 U.S.C. 2666), is amended to read as follows:

"Under such regulations as the Secretary of State may prescribe, security officers of the Department of State and the Foreign Service who have been designated by the Secretary of State and who have qualified for the use of firearms, are authorized to carry firearms for the purpose of protecting heads of foreign states, official representatives of foreign governments, and other distinguished visitors to the United States, the Secretary of State, the Deputy Secretary of State, official representatives of the United States Government, and members of the immediate families of any such persons, both in the United States and abroad. The Secretary shall transmit such regulations to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate not more than twenty days before the date on which such regulations take effect.".

PLAN FOR IMPROVING THE FOREIGN SERVICE

SEC. 407. It is the sense of the Congress that the proliferation of personnel categories within the State Department and the United States Information Agency—the several categories being characterized by various standards for hiring, tenure, and pay—has resulted in a personnel system susceptible to inefficiency, inequity, and abuse. Therefore, within one hundred and twenty days after the enactment of this Act, the Secretary of State shall transmit to Congress a comprehensive plan for the improvement and simplification of this system, such plan to include a reduction in the number of personnel categories, and proposed legislation if necessary.

PART 2—GENERAL

TRANSFER OF APPROPRIATION AUTHORIZATION

SEC. 451. In addition to the amount authorized under section 101(a), 201(a), 301(a), 341(a), or 453(b) of this Act, any unappropriated portion of the amount authorized under any such section is authorized for appropriation under any other such section, provided the amount authorized under such section is not increased by more than 10 per centum.

INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO

SEC. 452. Section 2 of the Act of June 4, 1936 (41 Stat. 1463), is amended by (a) striking out "$3,000,000" and inserting in lieu thereof "$4,500,000"; and (b) striking out "exceed $4,000,000", and inserting in lieu thereof "exceed $5,500,000".

MIGRATION AND REFUGEE ASSISTANCE

SEC. 453. (a) Section 2(c) of the Refugee and Migration Assistance Act of 1962 is amended to read as follows:

"(c)(1) Whenever the President determines it to be important to the national interest he is authorized to furnish on such terms and conditions as he may determine assistance under this Act for the purpose of meeting unexpected urgent refugee and migration needs.

"(2) There is established a United States Emergency Refugee and Migration Assistance Fund to carry out the purposes of this section. There is authorized to be appropriated to the President from time to time such amounts as may be necessary for the fund to carry out the purposes of this section, except that no amount of funds may be appropriated which, when added to amounts previously appropriated but not yet obligated, would cause such amounts to exceed $25,000,000. Amounts appropriated hereunder shall remain available until expended.

"(3) Whenever the President requests appropriations pursuant to this authorization he shall justify such requests to the Committee on Foreign Relations of the Senate and to the Speaker of the House of Representatives, as well as to the Committees on Appropriations.".

(b)(1) There are authorized to be appropriated for the Department of State for fiscal year 1976, to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States, including trade negotiations, and other purposes authorized by law, the following amounts:

(A) for "Migration and Refugee Assistance," $10,100,000; and

(B) such additional amounts as may be necessary for increases in salary, pay, retirement, other employee benefits authorized by law, or other nondiscretionary costs.

(2) Amounts appropriated under this subsection are authorized to remain available until expended.

(c) In addition to amounts otherwise available, there are authorized to be appropriated to the Secretary of State for fiscal year 1976 not to exceed $20,000,000 to carry out the provisions of section 101(b) of the Foreign Relations Authorizations Act of 1972 (relating to Russian refugee assistance) and to furnish similar assistance to refugees from Communist countries in Eastern Europe. Not to exceed 20 per centum of the amount appropriated under this subsection may be used to resettle refugees in any country other than Israel. Appropriations made under this subsection are authorized to remain available until expended.

UNITED NATIONS COOPERATION REGARDING MEMBERS OF UNITED STATES ARMED FORCES MISSING IN ACTION IN SOUTHEAST ASIA

SEC. 454. (a) The President shall direct the United States Ambassador to the United Nations to insist that the United Nations take all necessary and appropriate steps to obtain an accounting of members of the United States Armed Forces and United States civilians missing in action in South east Asia.

(b) Not later than six months after the date of enactment of this section, the President shall transmit to the Speaker of the House of Representatives and the President of the Senate a report on actions taken by the United Nations to obtain such an accounting.

CONTROL OF MILITARY FORCES IN THE INDIAN OCEAN

SEC. 455. (a) It is the sense of Congress that the President should undertake to enter into negotiations with the Soviet Union intended to achieve an agreement limiting the deployment of naval, air, and land forces of the Soviet Union and the United States in the Indian Ocean and littoral countries. Such negotiations should be convened as soon as possible and should consider, among other things, limitations with respect to—

(1) the establishment or use of facilities for naval, air, or land forces in the Indian Ocean and littoral countries;

(2) the number of naval vessels which may be deployed in the Indian Ocean, or the number of "shipdays" allowed therein; and

(3) the type and number of military forces and facilities allowed therein.

(b) Not later than July 1, 1976, the President shall transmit a report to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate with respect to steps he has taken to carry out the provisions of this section.

(c) Not later than November 1, 1975, the President shall transmit a detailed report to the Speaker of the House of Representatives and to the President of the Senate with respect to—

(1) the history of all United States Government agreements, commitments, and financial arrangements regarding persons who inhabited, or were native to, the island of Diego Garcia prior to 1972;

(2) the history of any other United States requests, understandings, and relevant communications with the Governments of the United Kingdom, or Mauritius, or the inhabitants of Diego Garcia themselves concerning these persons; and

(3) the current status of any United States Government obligation to, proposed efforts to assist, or estimated cost of assistance for, these persons.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXTENSION OF THE EMERGENCY PETROLEUM ALLOCATION ACT OF 1973

The PRESIDING OFFICER (Mr. HASKELL). Under the previous order, the Senate will proceed to the consideration of H.R. 9524, which the clerk will state.

The assistant legislative clerk read as follows:

A bill (H.R. 9524) to extend the Emergency Petroleum Act of 1973.

The PRESIDING OFFICER. Without objection, the bill will be considered as having been read twice by its title, and the Senate will proceed to its consideration.

Mr. MANSFIELD. Mr. President, I call up an amendment in the nature of a substitute which is at the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Montana (Mr. MANSFIELD) proposes an amendment to strike out all after the enacting clause and insert new language as follows:

SHORT TITLE

SECTION 1. This Act may be cited as the "Emergency Petroleum Allocation Act of 1975".

EXTENSION OF MANDATORY ALLOCATION PROGRAM

SEC. 2. Section 4(g)(1) of the Emergency Petroleum Allocation Act of 1973 is amended by striking out "August 31, 1975," wherever it appears and inserting in lieu thereof "sixty days after the date of enactment of the Emergency Petroleum Allocation Act of 1975".

SEC. 3. It is the intent of the Congress that the regulations promulgated under the Emergency Petroleum Allocation Act of 1973 shall be effective for the period between August 31, 1975 and the date of enactment of this Act.

SEC. 4. The purpose of this limited extension of the Emergency Petroleum Allocation Act is to provide Congress and the Executive adequate time and opportunity to reach mutual agreement on a long-term petroleum pricing policy. During the period of this extension it is the intent of the Congress that the status quo shall be maintained and the President shall institute no major change in petroleum pricing policy under Section 4 (g)(2) of the Act for 45 days after the date of enactment of this Act. Any adjustment the President may make in price shall be in accord with his policy on inflation impact statements and economic justification set forth in Executive Order No. 11821 and in Circular No. A–107, January 23, 1975, Office of Management and Budget.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. GRIFFIN. Mr. President, if the majority leader does not seek recognition, I rise to urge the Senate to reject this substitute and to pass the House measure that is before us.

The first important fact for consideration, that of which I think everyone should be aware, is that the House of Representatives has adjourned not only for the day but has adjourned until next Wednesday. Any amendment that we add to this bill, passed by the House now before the Senate, means that there will be no legislation for consideration until next Wednesday, so the extension of price controls will have been delayed at least a week, requiring a conference or acceptance by the House of any Senate amendment.

Furthermore, it seems to me that this 60-day extension runs the risk and almost invites the President to again veto the action of Congress. The President indicated that he would go along with a 30-day extension to give Congress time to move and to act. Then that was stretched to 45 days. Now the House of Representatives has passed a bill providing for a 60-day extension from September 1. A 60-day extension from September 1 would be approximately a 50-day extension. The President has not indicated that he would sign that. But surely we really stretch the situation a good deal if we are going to now go to 60 days from enactment.

Furthermore, the amendment of the distinguished majority leader would seek to suspend or deny the President certain discretionary powers that he would otherwise have under the extension. I have no doubt that the President would not seek to exercise those powers for a reasonable period of time, but I do not and cannot say that he would support legislation that would take those powers away from him.

It seems to me that we owe to the country here and now to do what the country expects Congress to do, and that is to pass a simple extension of the price controls that have been in effect. The House bill is eminently fair and reasonable.

The right and proper thing for the Senate to do is to reject the majority leader's substitute, then proceed to pass the House bill, and send it down to the White House where it can become law tonight.

Mr. MUSKIE and Mr. PASTORE addressed the Chair.

Mr. MUSKIE was recognized.

Mr. MUSKIE. Mr. President, the substitute offered by the distinguished majority leader is designed to implement the resolution, considered and adopted by the Senate Democratic Caucus this afternoon, which I introduced. Needless to say it would have been impossible in the caucus to reach an agreement substantively on a pricing policy to be supported by the caucus with a view to resolving the issue which has separated the President and Congress all these many months. So the effort in the caucus was precisely what the distinguished Senator from Michigan has suggested, a spirit of constructive cooperation to lay down a means for reaching an accommodation on substantive policy.

There was disagreement even on that point within the caucus, and we have finally reached an agreement.

There is nothing negative about this proposal. It is all positive. We have discussed it with the distinguished Senator from Michigan, and some of his colleagues, in an effort to reach agreement at the leadership level so that we need not have this debate.

As I understand the difficulty in reaching agreement was because the President was unavailable. The President had indicated before he became unavailable, traveling I gather in New Hampshire, that 45 days was the period he could accept. I do not know whether he laid down any imperatives with respect to the section 4(g) policy. It is not our doing that he is unavailable. I find it incredible to consider that he would not accept these modifications, which the majority leader has proposed to the Senate.

I have always regarded the President as a cooperative and moderate kind of a man. If he were available, I find it incredible to consider that he would not accept these modifications if he understood their purpose.

So I explain to the Senate what the purpose of these modifications is.

First of all, let me make the point that, with respect to the Emergency Allocation Act, the President by his veto rejected the option of continuing it in its present form or in the form in which it existed prior to

September 1. There is no 4(g) authority available to the President today. There is no Emergency Allocation Act authority available to the President today.

There has been created deliberately by his veto this hiatus. With respect to the importance of acting today rather than next Wednesday, if a hiatus between today and next Wednesday is important to the President, then he should have considered that when he vetoed it. I assume when he vetoed he accepted the reassurances he says he received from oil companies, and others, who make pricing policy in the petroleum field, that they would exercise restraint following his veto to give the President and Congress some time to work out a policy.

If that restraint were available to the President in connection with his veto, surely it is available to us for the purpose of implementing the majority leader's proposal between now and next Wednesday.

So I do not see any greater sense of urgency in that connection than the President saw when he exercised his prerogative of vetoing the extension of the Emergency Allocation Act.

I will be happy to yield to anyone. But, first, to get down to this proposal. Why 60 days? Was this some arbitrary number, simply for the purpose of being different from the President? Not at all. As a number, I chose it because looking ahead to the legislative schedule, it is the number that made sense if we really wanted a constructive period of congressional consideration not only of the President's proposals but also of congressional initiatives in the substantive field.

We have already agreed informally to try to complete appropriations bills by October 10, and that is going to take some doing, if we concentrate on that job alone. There may well be some slippage on the October 10 date for that purpose.

Second, we are required, under the program we have adopted, to complete consideration of the congressional budget by the end of October. It is not a requirement of law, because that period, under law, is different this year from what it will be next year, because it is the budget program we have adopted. There will be some slippage with respect to the budget if there is slippage in the consideration of appropriation bills. So at best, if we are to finish the second budget resolution by the end of October, we are going to have a very full plate, indeed, without trying to precipitate this issue into the middle of October.

So it seemed to me not unreasonable, taking into account these legislative problems—which I assume the President did not, because he had no responsibility for doing so—that the President would not find it unreasonable to consider an additional 15 days within the ball park. If the President presumably undertook to consider the conveniences of the administrative process in suggesting a time frame, I do not think it inappropriate for us to consider the conveniences or imperatives of the legislative time frame. I do not think it is unreasonable to present them to him.

The distinguished Senator from Michigan has told us that the President is not available so that we can present them to him. We have from now until Wednesday for that purpose; and I repeat: I do not believe the President would be unreasonable. I doubt very much that he would veto the majority leader's proposal because of 15 days. If he does, that is his prerogative.

With respect to the 4(g) authority, the majority leader's proposal says that this period, whether it is 45 days or 60 days, shall not be interrupted by the President's use of this 4(g) authority to precipitate consideration of his decontrol proposals.

If we adopt whatever time it is—45 days or 60 days—and 2 or 3 days after that period the President sends up a decontrol plan under his 4(g) authority, then we have to abandon, in effect, the time that we have voted ourselves for consideration and plunge into the substantive debate in order to act within 5 days.

Incidentally, that 5-day period under 4(g), as a practical matter, is useful only on the House side. We cannot conceivably exercise our legislative prerogatives on the Senate side within 5 days.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. MUSKIE. I yield.

Mr. JACKSON. I just want to corroborate what the Senator has said, and that is that we were unable to act on the last proposal sent up by the President. We were in the embarrassing situation of being ready to move for days and days and we could not do a thing, and it was only the House that could act. That particular provision of the law must be corrected so that the legislative process can function. It cannot function in the Senate. It can function only in the House, and even there it was a tight squeeze.

Mr. MUSKIE. I thank the Senator from Washington. He is correct.

In addition, in the formal discussion we had with some of the Republican leaders before we came to the floor, they tried to reassure us on this point by saying that they could not imagine that the President would use the 4(g) authority to vitiate the time period to which we refer. If they cannot imagine it and implicitly would not approve of it, then what is their objection to including it? Then there is no doubt. Then there is no doubt that for 45 days we will be free of the kind of confrontation which an exercise of the 4(g) authority would create. We would be free of that kind of confrontation, free to devote our time to finally resolving this issue, which we have found so difficult to resolve during these many months.

I think it makes sense to create this kind of period in which we try to generate a spirit of compromise and accommodation.

I cannot really believe that the difference between 45 days and 60 days is that much of a hangup to the President, if it accommodates us under our legislative pressures and our legislative schedule. Surely, accommodation must take that into consideration.

Second, with respect to the 4(g) authority, I simply repeat that if everybody all around says it is inconceivable that the President would interrupt this period by an exercise of 4(g) authority, then what in Heaven's name is the objection to simply suspending that authority for 45 days?

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. MUSKIE. I yield.

Mr. PASTORE. Mr. President, I associate myself with everything the distinguished Senator from Maine has said.

The voice that speaks now is the voice within a group of 61 Senators who voted to override that veto. We are not speaking from a minority position. We are speaking from a majority position. Sixty-one Members of the Senate voted to override that veto. We were unsuccessful because, under the law, a two-thirds vote is required. I am not lamenting that fact. It is in the Constitution.

But, after all, whether one is a Republican or a Democrat, whether one comes from a consuming State or a producing State, it should be recognized that what we are saying now comes from the voice of 61 Senators of the 100 Members of this body.

There is no animosity involved here. There is no venom involved here. There is no embarrassment to the President. There is no embarrassment to the Republican Party. There is no embarrassment to anyone. But we have been admonished from time to time that we should cooperate; that whatever we should do to resolve this energy crisis should be done in a spirit of partnership.

What are we quibbling about? Here is the proposal. The proposal says that for 45 days, the Senate and the House should be left alone to analyze the proposals of the President and to come up with their own program; that if they do not do so within 45 days, then within the next succeeding 15 days, the President would have a perfect right to send up his own program and have it either approved or rejected in toto. That is what this is all about. How anyone can infer that this is some kind of backhanded strategy to embarrass the President is beyond me.

If you really want the Congress of the United States, if you really want 61 Members of this body, to join hands with you in doing what needs to be done for the benefit of the people of this country, I say the time has come when we have to begin to join hands and stop our confrontation.

I am not against Oklahoma. I am not against Wyoming. I am not against Michigan. I am not against Arizona. I am for the people. People are disturbed. People are greatly disturbed about these high prices and what might happen. I say, very frankly, that the President of the United States understands that today we are in a very bad way.

We are in a very bad way, because everyone admits that if these controls come off suddenly, it will be cataclysmic.

Already unemployment is high. Already, inflation is on the rampage. The big question here is how do we get together to stop it?

The point is that we do not have that much time and these programs have to be analyzed. All we are saying is, "If we cannot reach a consensus within 45 days, then, Mr. President, you do what you want under this 4(g) reserve." I do not know how much fairer we could be.

I do not know, really, what you want from us. What is it that you want? We are 61 and you are 39. What is it that you really want?

Do you want crucifixion? Is that the only answer? Must we march to Calvary? What is this?

I say, gentlemen, the time has come when we must say, let us sit down, as Lyndon Johnson used to say, and visit with one another.

No one here is trying to be political. No one here is trying to crucify anybody; nobody here is trying to embarrass anybody.

So I say, America is sick and tired of confrontation. What the people want today is cooperation. What they want is partnership.

They look at us and they say,

> We have elected 100 decent people to the Senate of the United States and all we hear back home is wrangle, wrangle, wrangle; politics, politics, politics.

All we are talking about here is the price of petroleum. And I tell the Senators, it is a serious problem. It is not easy for JOHN PASTORE to go home and tell John Doe, whom he meets on Main Street, that the price of gasoline is going to go up, and the price of home heating oil is going to go up. Our people are becoming more and more desperate. In my State, unemployment is over 16 percent. That is what this is all about.

I beg you—I beg you—if you want me to get on my knees, I will get on my knees, but I beg you, for once in your lives, will you listen to the voice of 61?

Mr. GARN. Will the Senator yield?

Mr. MUSKIE. For a question?

Mr. GARN. No, I would like to respond briefly to the Senator from Maine and the Senator from Rhode Island.

Mr. MUSKIE. I will be happy to yield the floor. I had finished my remarks and what I did not finish, I think the Senator from Rhode Island took care of.

Mr. GARN. If I may, briefly, speak in the continuity of debate here.

Mr. MUSKIE. Well, I have yielded the floor.

Mr. GARN. I have listened to the debate. I have talked to the Senator from Montana and I would like the Senator from Maine to know that I do not object to the proposal or the substitute. I think 60 days is reasonable. I have no objection to removing the 4(g) authority during that time. I do not think it would be reasonable of the President of the United States to haggle over 15 days. I am only speaking as the Senator from Utah. I do not represent the President or the minority, but I would not support a veto if he vetoed 60 days. I think that would be ridiculous.

Having said that, let me say that I think it is just as ridiculous for the 61 on that side to haggle over 10 days with the House. The American public is sick and tired of wrangling. They are sick of the bickering. I have been out in Utah and they are darned tired of it. They would like some compromise.

We have an opportunity here just to pass a bill which was passed in the House, where the Democrats are 2 to 1. They are the Senators' Democratic colleagues over there, not ours. I think it is just as ridiculous for the Senate to haggle over 10 days as it would be for the President to haggle over 15.

Mr. PASTORE. Will the Senator yield?

Mr. GARN. In just a moment, Senator.

Both sides, I think, are being ridiculous. If what the Senator said is true, why not get on with it, pass the House bill, get it into law tonight and avoid any possibility of the prices going up. The House could have stayed around long enough to work on it tomorrow, but it did not. If it had, then I would not object to the substitute.

I think we should ask the President to be fair, but let us be fair, too.

Mr. MUSKIE. Will the Senator yield?

Mr. PASTORE. Will the Senator yield?

Mr. GARN. I yield to the Senator from Maine.

Mr. MUSKIE. The Senator will remember that when I made the proposal, I made it not trying to ridicule the President's proposal for 45 days. I said the reason for choosing 60 is not just to be different. The reason for choosing 60 is solidly based upon a thoughtful consideration of the legislative pressures and activities that face us between now and November 1. Fifteen days makes a great deal of difference. It is not inconsequential. It makes a great deal of difference.

Mr. GARN. We are talking about 10 days of difference on the other side with the House.

Mr. MUSKIE. I think the House, after mature reflection—we have not presented this case to the House yet. I think the House, on mature reflection of what is involved with us, may decide the 60 days is a good idea.

Mr. GARN. I think the Senator is probably right, but they cannot until next Wednesday. I think that is the point.

Mr. PASTORE. Will the Senator yield?

Mr. GARN. Yes, I yield.

Mr. PASTORE. It is true that the House term now is shorter than the Senate. But the essential difference that led us to our conclusion is the fact that the House bill contains, by a simple extension, this 4(g), which would mean that the President has the authority to send up here his own program, which would have to be either accepted or rejected in toto within 5 days. Now, all we are saying, and the reason why we went our way is that we wanted 45 days to analyze the program, to initiate our own, subject, of course, to a veto, if the President wanted. But then, if we did not act, the President would have those 15 days within which he could send up his own program, which would be subject to a vote up or down in 5 days.

Mr. GARN. I understand it completely.

Mr. PASTORE. That is the only difference.

Mr. GARN. I did not disagree with that. Our difference of opinion is that I think it is more important to act tonight and get it into law than to wait until next Wednesday.

Mr. ROTH. Will the Senator yield?

Mr. FANNIN. Will the Senator yield?

Mr. GARN. I yield to the Senator from Arizona.

Mr. FANNIN. Mr. President, we are not just talking about waiting until next Wednesday, because we do not know what is going to happen on next Wednesday when the House returns from its recess. The House gave consideration to everything that has been discussed here today, as the Senator from Maine has said. Several of the Members here have been talking to the Members over there, both Democrats and Republicans. This was discussed between them.

I know that the leadership were discussing back and forth in the House as to what kind of a bill they should pass. They agreed to just a simple extension. The amendment made by the first section of the act shall take effect on midnight, August 31, 1975. They are talking about 50 days, because this happens to be the 11th of the month. We have today and we have the rest of the 60 days to go forward with additional legislation.

Mr. PASTORE. Will the Senator yield? He is a fair man. What do you have to lose?

Mr. FANNIN. What we have to lose is the unknown. We do not know what the House is going to do.

Mr. PASTORE. Tell me what the unknown is.

Mr. FANNIN. Can the Senator tell me what the House is going to do on Wednesday?

Mr. PASTORE. No, I cannot.

Mr. FANNIN. I can say this: I know that we are willing to go along with what the House has done today.

Mr. PASTORE. What difference does it make what the House is going to do? The question is what should we do?

Mr. FANNIN. The question is we should do it together, the two Houses acting together. The Senator knows that.

Mr. PASTORE. This idea that we use the House as a crutch, when it has been abundantly clear—here is the Senator from Maine.

Mr. MUSKIE. Will the Senator yield?

The PRESIDING OFFICER. The Senator from Arizona has the floor.

Mr. FANNIN. All I am saying is that the House took into consideration everything that we have the right to take into consideration. When the Senator from Maine says that their legislative work is, of necessity, the budget, I realize that. But the Committee on the Budget is working along with the other committees and we are all working on different programs and legislation.

The same thing is happening in the House. In fact, they have a more difficult situation in many ways. They must initiate some of the legislation that we cannot initiate over here. There are many ways in which the House must be involved that we are not involved.

All I am saying is that here we have an opportunity to take action today. We are offering to take this action that would be well accepted, as has been proven by the recent public opinion polls. I just say that if we do not take advantage of the opportunity here, with the act that has been sent over by the House, then we are delaying action on an unkown amount of time. We do not know whether it will be Wednesday next week or Wednesday the week after. We just do not know.

Mr. PASTORE. Will the Senator yield?

Mr. HANSEN. Will the Senator yield?

Mr. FANNIN. I yield to the Senator from Wyoming.

Mr. HANSEN. Mr. President, I thank my distinguished colleague from Arizona for yielding to me because, with a weak voice, I might not otherwise have been heard here this afternoon, and I do appreciate his consideration.

There are some differences, and I think they have been explained very well by the distinguished Senator from Utah, when he pointed out that it really is not quite accurate to say, as has been said, that it is the case here this afternoon of the 61 persons who represent the majority speaking through the 39 who obviously are part of the minority. The fact is that the House of Representatives of the U.S. Congress spoke with complete unanimity this afternoon. They passed their bill without a single dissenting vote and, having been convinced, as they were, they acted in the best public interest, with more than two-thirds of that body being members of the Democratic Party. Keep that in mind, more than two-thirds of them are Democrats.

They acted, and they had the full support of everybody, all who voted, who said, "This is what we want to do."

The House is unlike the Senate in another respect. They have fewer Presidential candidates than we have, and I can understand why it is not very easy on the heels of the defeat yesterday of the majority in this body to override the Presidential veto, it is a little tough trying to do what is in the public interest. But there can be no doubt, Mr. President, about what the public interest is.

The fact is that the President of the United States three times in January spoke about the policies he felt were important to accomplish several very important ends. One was to bring about the conservation of energy in the United States. A second was to do something about supply; and, third, by blending these two together to develop an energy policy that would be clearly in the interests of all of the people of the United States.

May we have order, Mr. President. I am certain——

The PRESIDING OFFICER (Mr. STONE). Will the Senators take their seats and the Senate will be in order.

Mr. HANSEN. Now, the fact is we heard these same cries, we heard the same pleas, we heard the same overtures and these same offers to get down on bended knees. I would have to say to my good friend, my cherished friend, the former Governor of Rhode Island, it is not inappropriate to speak of Calvary. The way we are going it is going to be Easter before we come up with an energy policy. It may be later than that. [Laughter.] It could be later than that, and it very likely will be if we are persuaded once more to put off yet again the formulation of an energy policy.

What happened? The Democratic majority said last January, "We cannot get it done in 30 days. We will need just a little bit more time."

So they have had more time. We have gone through this same scenario time after time after time. Each time the President comes forward with a proposal, a comprehensive proposal, and when my good friend from Rhode Island says the only issue is price, I say to him he had better get back to some other parts of the country besides Rhode Island and find out what the facts are because, as my good friend from Louisiana knows, the distinguished chairman of the Finance Committee, price is important. But of greater importance to the continuing well-being of the United States is supply, and I mean domestic supply, and if you are myopic enough to think the only issue before Congress is price, then I can easily understand why, with the dedicated contributions that my dear friend from Rhode Island has been making, it has been difficult for the Democratic majority to put together a policy that would work. It is no reason. It is understandable why they have had trouble. Well they should if they are thinking that price is the only answer.

All of the time we have increased our dependency upon foreign supplies from a very unimportant amount until today we have to import 40 percent of the oil we use. Yet there are those who say, and some of those who have said this are present at the moment, that 2 years ago we had to have rationing; we would not get through the winter, we would have people cold and some might even be frozen, and there would be people out of jobs, and really we were going to have nothing short of chaos.

We did not pass any rationing, we did not pass a program that would have cost in excess of $100 million the first year just to put rationing into effect. We did not hire the great multitudes necessary to implement the simplest kind of a rationing program, and we did not roll prices back, as some said had to be done or we were going to go down the drain.

The first two quarters of this year, I think the first 8 months, as a matter of fact, we have had a positive balance.

Now, I do not say that trying to minimize for one moment the importance of the fact that we are paying a lot of money out for oil. We are fortunate in that we have still a period of relative peace in the Middle East, and the OPEC countries have not seen fit to reimpose their embargo.

But there is no doubt at all among people on both sides of the aisle that that is a very tenuous, fragile peace over there. We are hoping the pieces can be put together. We are hoping that what Dr. Kissinger has done will be acceptable to the people of the United States when it is all told to them, and I want to read the fine print because I am not sure how far I want to go.

But I can say this: The President of the United States is the only person who has addressed all of the energy issues. He is the only person insofar as the confrontation between Congress, on the one hand, and the White House, on the other, who is concerned or who has recognized that we are not looking just at price in trying to say, "Solve that problem and you have solved all the problems." He knows that that will not solve those problems.

That sort of approach has contributed today to our dependency to the tune of 40 percent of the fuel we use having to be imported, and we need to turn that around. It is not going to get turned around by saying, "Let us postpone it again. Let us give the Congress time again."

Thirty days, 45 days are long enough. Forty-five days were long enough back in January when proclamations were being issued by all of us Presidential hopefuls. I have not yet declared my candidacy. I am one of the seven who so far in this body have not, but there were plenty of people saying they were going to get the job done, they were going to write this policy, they were going to make it comprehensive, and it was going to take care of everything. We have not achieved it.

I think the House has addressed the issue in a responsible fashion. It is composed and it speaks for the big majority that my friend from Rhode Island talks about, the Democratic Party. Over two-thirds of them there are Democrats. The House has spoken. So it is not the 61 Senators against the minority. It is the 61 Senators against America, and they had better understand that the people are getting a little bit tired——

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. HANSEN. I know the Senator from Rhode Island wants to respond, but I have got to deny him that opportunity for a half minute.

I just want to say, Mr. President, we have got to face the facts. The American people have been sold this bill of goods long enough. Polls show they would rather bite the bullet and, given the opportunity to address the problem of supply, pay more. Certainly their actions, I think, were reflected by the Senate of the United States yesterday afternoon when it refused to override the veto of the President of the United States.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. HANSEN. I will not yield. I will be very happy to yield the floor to the Senator from Rhode Island.

Mr. PASTORE. Will the Chair recognize me for a few minutes?

I really want to state to my good friend from Wyoming, for whom I have a tremendous amount of admiration and affection, when it comes to the problem of oil I understand we disagree, understandably so. But can he give us the assurance that if the House measure is passed that the President of the United States will not exercise his discretionary powers of 4(g)?

Mr. HANSEN. I would hope very much he would not.

Mr. PASTORE. I would like to say here, the Senator has a wish. I want an assurance. Have we got the assurance? That is the problem here!

Mr. HANSEN. The problem here——

Mr. PASTORE. This is going to be a "sneakaroo."

Mr. HANSEN. Whether we are going to agree to what the House did or not, it is not for me to say what the White House——

Mr. PASTORE. I have the floor.

Mr. HANSEN. The Senator does, indeed.

Mr. PASTORE. I have the floor now. If the Senator had yielded to me he would have had that privilege, but I have the floor now.

The point here is that what they are angling to do—is a travesty upon the American consumer.

The President's proposal will be on a basis of take it or leave it within 5 days, which has already been repudiated by the House.

All we are saying, give us 45 days to come up with something, always having the discretionary power under the Constitution to veto it if he does not like it. We have been challenged to come up with a program, and we are saying if we do not do it in 45 days, then vote on his plan up or down.

Mr. BROCK. Will the Senator yield?

Mr. PASTORE. Yes.

Mr. BROCK. The Senator stated he would like some assurances and none of us can do that.

Mr. PASTORE. Of course, it can be done.

Mr. BROCK. But what assurance of us that the Senate will do something favorably, since January, assurances, all kinds of assurances, every month, every week, we can come up with a program, and we have not seen the program, what is the assurance from the other side?

Mr. PASTORE. If the Senator from Tennessee will yield, does he know that the President of the United States fired John Sawhill because he suggested in October just before the election a 15-cent rebatable tax on gasoline?

When the Senator says we have not done anything since January, what did the President do in October?

He fired the man who had the program he is advancing now, and the way he changed in January, he changed again in July.

Mr. BROCK. All right, he has done the changing, he has offered the compromise.

Mr. PASTORE. By the time he gets through, nobody knows what this administration's final program will be.

Mr. BROCK. Compromise after compromise.

Mr. PASTORE. I yield to the Senator from Washington.

Mr. JACKSON. Mr. President, first let me just say, I hope that we can move expeditiously here this evening and not go on and on. We have got a sensible, sensible compromise.

If we are going to go back over what has happened since January, Mr. President, I think we should again point out that the President of the United States in January, talked about a whole energy program—and from then on he said he had one, and we did not—based primarily on the deregulation of old oil by April 1.

Now, that was the policy that he announced to the American people and that was the message sent to the Congress.

Yesterday, Mr. President, the President of the United States achieved his original program. That is what he did. His original program was to deregulate all oil by April 1. That was precipitately done under that program and the President achieved that objective.

I respect him for changing his position because he gradually got educated by some of his economists who warned that if the controls were taken off suddenly, the impact on the economy could be catastrophic, and so he made these various modifications.

We are in a situation where we are trying to do something very simple.

All we are asking is, by reason of his veto being sustained, we want to reimpose price controls—and that is what the American people want—retroactively, Mr. President, to September 1 and to have a reasonable period of time to work out a new pricing policy insofar as petroleum is concerned.

I cannot think of anything that is more fair. The President of the United States insisted 180 days was unreasonable, then he came in for 45 and all we are asking is 60, which is one-third of what was rejected yesterday.

We tried day after day in this body to operate under the 5-day rule, to act on the President's recommended changes, and the minority managed to take the steps they have a right to take to make it impossible for the Senate to work its will under the 5-day rule provided in the act.

It is for that reason, Mr. President, that we made the necessary changes, so that we would have a 45-day period of grace in which we could operate freely, and I hope that we now proceed without delay to get a vote to act on this measure.

Mr. President, the purpose of this 60-day extension—offered in the spirit of compromise—is to permit the Congress and the Executive an opportunity to develop a mutually acceptable solution to the problem of domestic energy pricing in an orderly fashion. During this period it is the intent of the Congress that the President shall initiate no major change in petroleum pricing policy, and that the status quo shall be maintained. Congress and the Executive, during this 60-day period, will work to find some common ground on this all-important issue.

This will require restraint and accommodation on both sides of the aisle and from both branches of Government. A key element of this restraint and accommodation must be maintenance of current petroleum price levels. Therefore, this 60-day extension of the act, which is retroactive to August 31, 1975, directs the President to make "no major change in petroleum pricing policy * * * for 45 days after the date of enactment of this Act." Any major change in petroleum pricing must come thereafter; that is, during the last 15 days before the act expires.

Although the President is directed to make no major changes, any minor adjustments in petroleum prices may be made by him during this period provided that he complies with the inflation impact statement and economic justification required by OMB Circular A–107, which was issued pursuant to Executive Order No. 11821.

Mr. President, I ask unanimous consent to have printed in the Record a number of relevant documents: First, the text of Executive Order No. 11821 and OMB Circular A–107; second, a legal memorandum prepared by the Library of Congress regarding the effect of retroactive extension of the Allocation Act on current oil price controls; and finally, a legal memorandum regarding the continuity of the Allocation Act's operation under present circumstances.

There being no objection, the material was ordered to be printed in the Record, as follows:

EXECUTIVE ORDER 11821

INFLATION IMPACT STATEMENTS

In my address to the Congress on October 8, 1974, I announced that I would require that all major legislative proposals, regulations, and rules emanating from the executive branch of the Government include a statement certifying that the inflationary impact of such actions on the Nation has been carefully considered. I have determined that this objective can best be achieved in coordination with the budget preparation, legislative clearance, and management evaluation functions of the Director of the Office of Management and Budget.

Now, therefore, by virtue of the authority vested in me as President of the United States of America by the Constitution and laws of the United States, it is hereby ordered as follows:

Section 1. Major proposals for legislation, and for the promulgation of regulations or rules by any executive branch agency must be accompanied by a statement which certifies that the inflationary impact of the proposal has been evaluated. Such evaluation must be in accordance with criteria and procedures established pursuant to this order.

Sec. 2(a) The Director of the Office of Management and Budget is designated and empowered, to the extent permitted by law, to develop criteria for the identification of major legislative proposals, regulations, and rules emanating from the executive branch which may have a significant impact upon inflation, and to prescribe procedures for their evaluation.

(b) The Director, in carrying out the provisions of this order, may delegate functions to the head of any department or agency, including the Chairman of the Council on Wage and Price Stability, when appropriate in the exercise of his responsibilities pursuant to this order.

Sec. 3. In developing criteria for identifying legislative proposals, regulations, and rules subject to this order, the Director must consider, among other things, the following general categories of significant impact:

a. cost impact on consumers, businesses, markets, or Federal, State or local government;

b. effect on productivity of wage earners, businesses or government, at any level;

c. effect on competition;

d. effect on supplies of important products or services.

Sec. 4. Each Federal department and agency must, to the extent permitted by law, cooperate with the Director of the Office of Management and Budget in the performance of his functions under this order, furnish him with such information as he may request, and comply with the procedures prescribed pursuant to this order.

Sec. 5. This order expires December 31, 1976, unless extended prior to that time.

Gerald R. Ford.

The White House, *November 27, 1974.*

[FR Doc.74–28157 Filed 11–27–74;12:09 pm]

OFFICE OF MANAGEMENT AND BUDGET,
Washington, D.C., January 28, 1975.

CIRCULAR NO. A-107—TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

Subject: Evaluation of the Inflationary Impact of Major Proposals for Legislation and for the Promulgation of Regulations or Rules.

1. Purpose. This Circular prescribes guidelines for the identification and evaluation of major proposals for legislation and for the promulgation of regulations or rules.

2. Authority. Executive Order No. 11821 provided that major proposals for legislation and for the promulgation of regulations or rules by any Executive branch agency shall be accompanied by a statement which certifies that the inflationary impact of the proposal has been evaluated. The Director of the Office of Management and Budget (OMB) was designated to develop criteria and prescribe procedures for carrying out the Order.

3. Coverage. For purposes of this Circular major proposals for legislation and for the promulgation of regulations or rules for which evaluations will be required will be determined by criteria developed by each Executive branch agency and approved by the Director of OMB in accordance with this Circular. Agencies which did not propose legislation or promulgate rules or regulations may be exempted from the requirements of this Circular (pursuant to Section 4(e)).

4. Requirements.

a. Agency heads are responsible for the development of criteria to determine which proposed legislation, regulations, or rules originated by the agency are "major" and therefore require evaluation and certification. In developing criteria, each agency head shall consider, among other things,

(1) cost impact on consumers, businesses, markets, or Federal, State, or local government;

(2) effect on productivity of wage-earners, businesses, or government;

(3) effect on competition;

(4) effect on supplies of important materials, products or services;

(5) effect on employment;

(6) effect on energy supply or demand.

b. Each agency shall develop procedures for the evaluation of proposals identified by application of approved criteria. The evaluation should include, where applicable,

(1) an analysis of the principal cost or other inflationary effects of the action on markets, consumers, businesses, etc., and, where practical, an analysis of secondary cost and price effects. These analyses should have as much quantitative precision as necessary and should focus on a time period sufficient to determine economic and inflationary impacts.

(2) a comparison of the benefits to be derived from the proposed action with the estimated costs and inflationary impacts. These benefits should be quantified to the extent practical, and

(3) a review of alternatives to the proposed action that were considered, their probable costs, benefits, risks, and inflationary impacts compared with those of the proposed action.

c. Agencies should comply with the requirements of this Circular with existing resources and personnel.

d. Identification criteria established by each agency shall be submitted to the Office of Management and Budget within 30 days of the issuance of this Circular for review and approval by OMB in consultation with the Council on Wage and Price Stability. Each agency shall designate an official to be responsible for compliance with this Circular and shall also notify OMB and the Council within 30 days of that officer's name and title.

e. Agencies that do not propose major legislation, rules, or regulations, may be exempted from the requirements of this Circuit by the Director of the Office of Management and Budget, acting in consultation with the Council on Wage and Price Stability. Requests for exemption should be submitted to OMB within 30 days of issuance of this Circular.

5. Disclosure.

a. As provided in Executive Order No. 11821, major proposals for legislation and for the promulgation of regulations or rules by any Executive branch agency shall be accompanied by a statement which certifies that the inflationary impact of the proposal has been evaluated. The statement of certification should be repeated whenever the proposal is published or issued. Upon request, agencies shall provide the Office of Management and Budget with the information necessary to ascertain that the approved criteria and procedures are adequately implemented.

b. When legislative proposals determined to warrant evaluation are forwarded to OMB for review and clearance pursueant to OMB Circular No. A-19 (Revised), agencies should furnish upon request appropriate data and analyses.

c. After a legislative proposal is forwarded to the Congress, economic data and analyses developed in evaluating the inflationary impact of the proposal along with other data and analyses concerning the overall impact of the proposal will, of course, be furnished to the Congress, as part of the overall justification of the proposal.

d. With respect to major proposals for rules or regulations, the proposing agency shall also, at the time it first certifies it has evaluated the inflationary impact of the proposal, submit to the Council on Wage and Price Stability a copy of the proposed rule or regulation, the accompanying certification, and a brief summary of the agency's evaluation pursuant to Section 4(b) above.

6. Responsibilities.

a. Council on Wage and Price Stability. Each Executive branch agency should be prepared to respond to requests for information from the Council on Wage and Price Stability, or from other authorized agencies, concerning the identification or evaluation of a major proposal for legislation, rule, or regulation or of a particular class of proposals.

b. The Office of Management and Budget. The Office of Management and Budget will cooperate with the agencies in developing criteria and evaluation procedures in compliance with this Circular.

c. Interim Provisions. In the interim prior to final approval of criteria, agency heads are responsible for identifying which proposed legislation, regulations, or rules originating from their agency require evaluation and certification. In making such determinations, agency heads shall consider the categories of impact in Section 4(a) of this Circular. For assistance, agencies may consult the following: for legislative proposals, the Assistant Director for Legislative Reference (OMB), telephone 395-4864; or for proposed regulations or rules, the Assistant Director for Government Operations and Research (Council on Wage and Price Stability), telephone 456-6493.

7. Inquiries. Inquiries and requests for other assistance should be directed to the Associate Director for Economics and Government (OMB), telephone 395-4844 (code 103).

ROY L. ASH,
Director.

[The Library of Congress, Congressional Research Service]

EFFECT OF RETROACTIVE EXTENSION OF THE EMERGENCY PETROLEUM ALLOCATION ACT ON CURRENT OIL PRICE CONTROLS

Circumstances surrounding enactment of legislation extending the Emergency Petroleum Allocation Act have given rise to a serious question regarding its impact on existing relevant statutory and implementing regulation. Specifically, it is asked whether any hiatus occurring between expiration on August 31, 1975, of the current price regulations under the Emergency Petroleum Allocation Act, as amended, 15 U.S.C.A. 753(a), (g)(1) (Supp.), and an assumed congressional override of an expected presidential veto of S. 1849, the Emergency Petroleum Allocation Extension Act, would permit petroleum producers to irrevocably revise oil prices upward.

That Congress as a general matter could have properly legislated a price rollback in the present circumstances seems fairly clear. See, generally, *Amalgamated Meat Cutters & Butcher Work* v. *Connally*, 337 F. Supp. 737 (D.C.D.C. 1971), and authorities cited therein. Because there exist statutory price setting authority and implementing regulation in place, Congress instead chose to extend it for an additional period in order to give itself time to consider a broad attack on the Nation's energy problems. For reasons hinted above and soon to be examined, such authority may expire before the recently adopted extension becomes effective.

Congress, and particularly the House of Representatives which was acutely aware of the possible gap between expiration and reinstatement of the price control law and regulation, took the position that extension, if and when effective, would be retroactive to August 31, 1975. Accordingly, if such action is valid, there would be no gap in the current price control mechanism when S. 1849 becomes law. Moreover, the clear intent of the Congress to have S. 1849 apply retroactively together with delaying its submission to the President for his signature until resumption of the current session, seeems effective notice to all parties concerned that existing price levels are to be maintained through March 1, 1976.

Section 4(a) of the Emergency Petroleum Allocation Act, as amended, 15 U.S.C.A. 753(a) Supp.), gives the President authority to issue regulations fixing the price of petroleum products as well as allocating them. Current regulations fix the per barrel price of a substantial amount of domestically produced oil at $5.25. This latter is substantially below the world price (and even below the price of oil obtained from more recently developed domestic sources). 10 C.F.R. Part 212. However, the price regulation now in effect and the "authority to promulgate and amend [it] . . . expire at midnight August 31, 1975." 15 U.S.C.A. 753(g)(1) (Supp.). Because final House action on S. 1849 came on the eve of the congressional August recess and faces an all but certain Presidential veto, a hiatus of uncertain duration will likely result before the new March 1, 1976 expiration date becomes effective.

As will be noted shortly, key congressional spokesmen were aware that the resulting gap presented the oil companies with an opportunity to raise prices. Accordingly, they made legislative history clearly indicating that S. 1849 was retrospective legislation violation of which was undertaken "at the [violator's] peril".

That S. 1849 was intended to hold the present price line while Congress worked out a comprehensive energy program is unquestionable. In its report on the bill, the Senate Interior and Insular Affairs Committee declared its

". . . strong [] belie[f] that a six month extension of the Act is essential to assure an orderly transition period for resolving the significant issue of domestic crude oil pricing. Without such an extension, there will be no opportunity either to phase out price controls gradually or to extend the Act with appropriate amendments for an interim period. Moreover, the abrupt termination of price control authority and the consequent increase in domestic prices may occur simultaneously with further price increases contemplated by the OPEC cartel this fall. This would place an intolerable burden on the economy and destroy any prospect of recovering from the current recession. . . .

"Because the Emergency Petroleum Allocation Act of 1973 contains the only existing authority to control prices of crude oil and petroleum products and to allocate fuels in time of shortage, the Committee believes it should not be allowed to expire. Accordingly, it is proposing a simple six month extension of the Act, without further amendment, from August 31, 1975 to March 1, 1976." Senate Report No. 94–220, at 2, 7.

During the course of the Senate debate on S. 1849, Interior and Insular Affairs Committee Chairman and floor manager on the legislation, Senator Henry Jackson, spoke of the adverse economic consequences likely to follow upon the lifting of oil price controls. He said:

". . . In addition to providing the authorities necessary for dealing with the shortage induced by the Arab embargo, the act has served to insulate the economy and the American consumer from the drastic petroleum price increases which followed.

"The act is now scheduled to expire on August 31, 1975. If it is not extended, . . . the two-thirds of domestic crued oil production now under price controls will jump abruptly from $5.25 to over $13 per barrel. With the President's $2 tariff, the cost to the U.S. economy of decontrolling old domestic crude oil—coupled with the higher costs for new and imported oil and intrastate natural gas—will amount to a staggering $33.5 billion per year. Assuming the OPEC cartel raises world oil prices by $2 this fall, . . . the total drain on the economy would approach $50 billion.

* * * * *

". . . S. 1849 extends the act for 6 months. Without such an extension there will be no opportunity either to phase out price controls gradually, or to extend the act with appropriate amendments for an interim period. Since the Allocation Act permits the President to increase crude oil prices, or exempt any category of petroleum from regulation, the issue of domestic crude pricing can and should be resolved while preserving the important protection provided by the act.

* * * * *

"The problem of exhorbitant world oil prices and their adverse impact on the domestic economy and American consumers, coupled with the ever present danger of another embargo or other shortage condition, persuasively demonstrates the need for extending the Allocation Act an additional 6 months. The uncertain action of the oil producing cartel, which may raise world oil prices this fall by as much as $2 or $4 per barrel, further reinforces the case for maintaining a capability to control domestic crude oil prices in the next term." 121 Cong. Rec., p. 22548 (July 14, 1975). (Emphasis supplied).

Of course, the Senate did not directly consider the matter of retroactive application of the bill in so many words. At the time of the Senate's consideration of S. 1849—July 14 and 15—the lapse of price control authority was not imminent. Indeed, fully two weeks remained before the Congress would begin its summer recess. However, as clearly indicated by the remarks of Senator Jackson and others, the intent to retain unimpaired existing oil prices controls through March 1, 1976, is unmistakable. To all intents and purposes, this intent seems to be the equivalent of an outright *in haec verba* call for retroactive application.

The time situation was altogether different when the House considered the bill. It was now July 31 and the day before the beginning of a month long recess. The prospect of a gap in the price control authority, a foregone conclusion if the President as widely anticipated vetoed the measure, was a matter uppermost in the minds of supporters.

As Senator Jackson had before him, House Commerce Committee Chairman Harley O. Staggers stressed the need for a lid on oil prices for an additional period thereby giving the Congress sufficient time to develop a more comprehensive energy program. In his words:

". . . this bill contains interim extensions of certain energy authorities to allow an additional period of time for the Congress to work out a well reasoned energy policy.

". . . the provisions of the Emergency Petroleum Allocation Act are proposed to be extended beyond their August 31 termination date to March 1 of next year—an additional 6-month period. As my colleagues know, the Allocation Act constitutes the only existing authority for continued price regulation of crude oil and petroleum products. A failure to extend this act would result in abrupt decontrol of existing price ceilings. Every economic analysis available to the committee indicates that abrupt decontrol holds great peril. Although different estimates of impact have been made, there is general agreement that resulting price increases would wound our economy, prevent recovery and drive this Nation into a deeper recession." 121 Cong. Rec., p. 26181 (July 31, 1975).

Following similar supportive remarks by proponents of the legislation, Congressman John Dingell, Chairman of the Subcommittee on Energy and Power, and Chairman Staggers undertook to make it clear that the bill embodied retrospective legislation, that is, that it was to preserve the status quo ante midnight August 31, 1975 insofar as oil price controls were concerned. In brief, it was intended to preclude a gap in the current price control authority. Their remarks, in relevant part, follow:

Mr. DINGELL. Mr. Speaker, I have a question I would like to direct to the chairman of the committee in light of the comments I have raised.

There is a possibility of a veto of this extension. If a veto of this legislation does occur, there is a possibility that there would be a hiatus or a brief period during which there would be no authority to enforce the allocation and price control regulations relating to petroleum products, to supply relationships, to allocations and to entitlements.

Mr. Speaker, I am satisfied on the basis of reading the language in S. 1849 that it is the intent of the Congress that the extension of the allocation act included in S. 1849 take effect immediately and retroactively in the event of a veto and an override of that veto, and that there be no hiatus or gap during which violations of these regulations would not be subject to civil sanctions. Am I correct?

Mr. STAGGERS. Mr. Speaker, the gentleman is correct.

Mr. DINGELL. I am apprehensive that someone might interpret our actions today as failing to provide adequate notice to persons who might be affected by these regulations and it is my view that the consideration of this legislation at this time and the long history of the legislation, both in the House and in the Senate, makes it very plain that it is the intention of the Congress that there be no gap, no hiatus, and that the legislation be considered as following immediately and successively. That is to say, the allocation act as amended by this bill, if amended after the 31st of August, would none the less be read quite literally. As amended, the allocation act would continue, without interruption, to make enforceable the regulations. Thus, if this bill has not become law before August 31, and therefore, the authority to enforce the regulations under the EPAA should expire, if this bill becomes law thereafter, violations of the regulations during the interim would subject the violator to civil liability under the act.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. STAGGERS. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr DINGELL. Thus, this legislation be considered as following immediately and successively upon expiration of the Emergency Petroleum Allocation Act on the 31st of August of this year at 12 o'clock midnight; is that correct?

Mr. STAGGERS. The gentleman is correct.

Mr. DINGELL. So, therefore, I might assume that all persons are necessarily on notice and there is no peril that this legislation would raise constitutional questions as to lack of notice by Congress regarding retroactivity in these matters; is that correct?

Mr. STAGGERS. The gentleman is correct.

Mr. ADAMS. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Washington.

Mr. ADAMS. Mr. Speaker, I want to associate myself with the remarks of the gentleman from Michigan, the chairman of the subcommittee, and the gentleman from West Virginia, the chairman of the full committee, in the colloquy they have just finished. I am in support of the resolution.—121 Cong. Rec., p. 26186 (July 31, 1975).

Congressman Bob Eckhardt, also a member of the Commerce Committee, rose "to further emphasize [the] point . . . because . . . it is extremely important." His remarks in this regard follow:

. . . That is, that this act does not permit for any hiatus between the termination of the present Allocation Act and its effective date. Of course, this act would not to into effect until a veto override, assuming there were a veto and then an override, but the act purports to take effect immediately at the termination of the Allocation Act. If there were a veto override, there would indeed be a hiatus during which prices might rise, but Congress would have given notice that such rise is made illegal if Congress ultimately prevails by a veto override. Clearly Congress has authority to act retroactively, and that retroactive effect would be unconstitutional when those acting with notice of Congress intention have deliberately acted at their peril.—121 Cong. Rec., p. 26186 (July 31, 1975).

Accordingly, "any increase in price during the hiatus period could result in treble damages against whose [sic] who deliberately raised prices above the level that Congress ultimately mandated." 121 Cong. Rec., p. 26186 (July 31, 1975).

When challenged by an opponent of the bill, Congressman Eckhart, citing *First National Bank of* [sic] *Dallas* v. *United States*, 420 F. 2d 725 (Ct. Cl. 1970), stated that extensive nonstatutory notice prior to enactment regarding retroactive effect of a statute constituted sufficient information in advance that if the act had retroactive effect such would not deny due process.

I was simply trying to make it clear that there is obviously extensive nonstatutory notice here and by this debate that the Allocation Act extension refers to and incorporates the Economic Stabilization Act, which provides for treble damages and other penalties and puts that into effect retroactively, assuming the President vetoes the bill and we override the veto, and that constitutes a binding effect.—121 Cong. Rec., p. 26187 (July 31, 1975).

Accordingly, if there were an ultimate override of a veto, that act would be in effect continuously until March 1, 1976.

The hiatus time would be, in effect, be a time subject to a retroactive penalty governed by section 210 of the Stabilization Act which is adopted in this act, which reads to this effect:

> In any action brought under subsection (a) against any person renting property or selling goods or services, who is found to have overcharged the plaintiff, the court may, in its discretion, award treble damages or $1,000 in each case, whichever is the lesser.—121 Cong. Rec., p. 26188 (July 31, 1975).

Congressmen Dingell and Staggers again made the point of intended retroactive effect before the final vote was taken on S. 1849. There comments follow:

> Mr. DINGELL. Mr. Speaker, I observe that the legislation before us strikes out the date "August 31, 1975," and inserts in lieu thereof "March 1, 1976." I observe that the language of section 4(g) (1) of the Emergency Petroleum Allocation Act states:
>
> The regulation promulgated and made effective under subsection (a) shall remain in effect until midnight August 31, 1975. . . . The authority to promulgate and amend the regulation and to issue any order under this section, and to enforce under section 5 such regulation and any such order, expires at midnight August 31, 1975, but such expiration shall not affect any action or pending proceedings, civil or criminal, not finally determined on such date, nor any action or proceeding based upon any act committed prior to midnight August 31, 1975.
>
> I note that the practical effect of the amendment is to extend the period during which the regulations must remain in effect and the life of the authority to promulgate amend and, most importantly, amend the regulations until the first of March 1976. I think this is a very important point. I ask if my chairman of the committee agrees.
>
> Mr. STAGGERS. Mr. Speaker, I yield 1 additional minute to the gentleman from Michigan.
>
> Mr. Speaker, the answer is "Yes."
>
> Mr. DINGELL. I ask my friend, the chairman of the Committee on Interstate and Foreign Commerce who is managing this bill, if it is not the clear intention of this Congress that the literal reading of the plain language of S. 1849 and of the Allocation Act as amended by S. 1849 be followed. Thus, it is the Congress intent that the regulations be viewed as having continued in effect without interruption from their original effective date until March 1 of 1976.
>
> Mr. STAGGERS. That is correct.
>
> Mr. DINGELL. Therefore, if this bill is vetoed, and the veto overridden, the regulation and the authority to enforce it would continue according to the literal language of the Allocation Act as amended by this bill. No constitutional impediments exist to this interpretation in view of the notice which this debate and the legislative history of this bill affords all interested persons.—121 Cong. Rec., p. 26189 (July 31, 1975).

That the Congress intended to maintain the status quo relative to oil prices seems clear. That the Congress, particularly the House of Representatives where the issue became both apparent and acute, intended to maintain the status quo ante August 31, 1975, should a reconsideration of S. 1849 become necessary because of a presidential veto, also seems clear. The question, therefore, is whether the retroactive application of the measure, if then enacted, is valid. It would so appear.

The Constitution does not expressly prohibit retroactive or retrospective laws. ("The terms . . . are synonymous in judicial usage and may be employed interchangeably." 2 *Sutherland Statutory Construction* 4th (Sands) ed. s. 4101.) True, certain specific kinds of statutes with retrospective aspects are prohibited by the Constitution: ex post facto laws, bills of attainder, and legislation impairing the obligation of contracts. However, none of these constitutional restrictions has any application to S. 1849. The first two relate generally to the area of criminal law and to nonjudicial determinations of guilt, respectively. See *Calder* v. *Bull*, 3 Dall. (3 W.D.) 386 (1798); *United States* v. *Lovett*, 338 U.S. 303 (1946)." . . . the impairment of contracts clause of the Constitution . . . is applicable on its face only to the states." *Amalgamated Meat Cutters & Butcher Workers* v. *Connally*, 337 F. Supp., at 763.

In the words of the court in the last mentioned case, "[a]s to the Federal Government [the application of legislation to existing contracts raises] concern [under] the due process clause." Ibid.

The essential problem posed by retroactivity relates to fundamental fairness. In the words of a leading treatise writer:

"It is a fundamental principle of jurisprudence that retroactive application of new laws involves a high risk of being unfair. There is general consensus among all people that notice of warning of the rules that are to be applied to determine their affairs should be given in advance of action whose effects are to be judged by them. The hackneyed maxim that everyone is held to know the law . . . presupposes that the law is at least susceptible of being known. But this is not possible as to law which has not been made. 2 *Sutherland Statutory Construction*, at s. 41.02.

As noted, the Congress, both in actions and words, gave notice of its intent to have S. 1849, when enacted, apply back to September 1, 1975. It has been held that "where there is reasonable cause to believe or expect that a tax will be imposed upon a presently nontaxable transaction, the retrospective application of such tax does not constitute a denial of dues process." *First National Bank in Dallas* v. *United States*, 420 F. 2d 725, 730 (Ct. 1970). "Preenactment notice of a tax, followed by the enactment of such tax" was sufficient notice to comply with constitutional requirements. *Id.*, at 732. Such "warnings" were declared to "represent . . . elements of fairness, reasonableness, and equity." Accordingly, it was held that persons who in these circumstances "gamble" that a bill will not become law or will not cover their personal situation, act at their peril. *Id.*, at 731. This case, *inter alia*, was relied on by the House in passing S. 1849. 121 Cong. Rec., p. 26188 (July 31, 1975).

However, even if the fact of notice were less conspicuous than it is in the present circumstances, persons potentially affected by extension of the Emergency Petroleum Allocation Act, would seem to be in a weak position to challenge it as a denial of due process. Such persons are not newly found subjects of government regulation. "Those who do business in the regulated field cannot object if the legislative scheme is buttressed by subsequent amendment to achieve the legislative end." *F.H.A.* v. *The Darlington, Inc.*, 358 U.S. 84, 91 (1958). As stated in *Flemming* v. *Rhodes*, 331 U.S. 100, 107 (1947);

"Federal regulation of future action based upon rights previously acquired by the person regulated is not prohibited by the Constitution. *So long as the Constitution authorizes the subsequently enacted legislation, the fact that its provisions limit or interfere with the previously acquired rights does not condemn it. Immunity from federal regulation is not gained through forehanded contracts.*" (Emphasis supplied).

In *Flemming*, the Court sustained rent regulations as applied to prevent execution of a judgment of eviction rendered by a state court before the enabling legislation was passed.

RAYMOND J. CELADA,
Senior Specialist in American Public Law.

[Memorandum, Aug. 18, 1975]

CONTINUITY OF THE EMERGENCY PETROLEUM ALLOCATION ACT

In accordance with Section 4(g) (1) of the Emergency Petroleum Allocation Act (EPAA), existing "authority to promulgate and amend [an allocation and price control] regulation . . . and to enforce . . . such regulation . . . expires as of midnight August 31, 1975 . . . ." Apart from "proceedings, civil or criminal, not finally determined on such date, [on] any action or proceeding based upon any act committed prior to midnight, August 31, 1975," where jurisdiction continues under the specific terms of the EPAA, the EPAA will have no operative significance after August 31, 1975.

Immediately before adjourning on July 31, 1975, the House completed congressional action on S. 1849 which had been passed by the Senate on July 14. That bill, entitled the Emergency Petroleum Allocation Extension Act, would amend Section 4(g) (1) of the EPAA by substituting the date March 1, 1976 for the date August 31, 1975.

S. 1849, the Extension Act, is expected to be transmitted to the President not earlier than August 28, 1975. Under Article I, Section 7, Clause 2 of the Constitution, the President will then have 10 days (excepting Sundays) to determine whether to sign the bill into law, permit it to become law without his signature, or veto it and return it to Congress for possible override. President Ford has made clear his continuing determination to veto S. 1849 and decontrol the prices of all crude oil and petroleum products as of September 1, 1975.

Because Congress will not even be in session until September 3, there will clearly be a hiatus between the expiration of price control authority under the EPAA and the completion of any override action. Moreover, it is well settled that a bill which becomes law by virtue of a veto override is considered to take effect on the data that the override action is completed regardless of the date of original congressional action. *Matthews v. Zane*, 20 U.S. (7 Wheat.) 164, 211 (1822); *Gardner v. Collector*, 73 U.S. (6 Wall) 499 (1868); 2 C. Sands, Sutherland's Statutory Construction, § 33.06 at 9 (4th Ed. 1972). Thus, the Extension Act amendment to the EPAA will not take effect until *after* the EPAA's major provisions have expired by their own terms.

There is a body of law to the effect that when an amendment applies to a statute which has been repealed, or is otherwise ineffective, the amendment itself is void. *See*, e.g., *United States v. Auffmordt*, 122 U.S. 197 (1887); *State v. Blackwell* 246 N.C. 642, 99 SE. 2d. 867 (1957); 1A C. Sands, *supra* § 22.03 at 108. But cf., e.g., *Mayor and Council of Wilmington v. State ex rel. DuPont*, 44 Del. 332, 57 A.2d 70 (1947) (where amendment is complete and interpretable on face as independent statute, its terms will be valid).

Given this precedent, and the obvious syllogism that one cannot change something which does not exist, it might be possible to argue that a veto override on the Extension Act would be useless. In fact, the Administration might well consider refusing to promulgate and enforce further allocation and price control regulations unless Congress passed a new act *replacing*, rather than amending, the EPAA.

The possibility of a Presidential veto and consequent hiatus before override was readily apparent in the House debate on the S. 1849 Extension Act. That debate took place after the House had disapproved the President's proposed 39-month phaseout of crude oil controls and Congressman Brown had introduced a letter from FEA Administrator Zarb clearly warning of a veto. While there was no specific discussion of the legal consequences of a hiatus before override, a colloquy between Representatives Dingell and Eckhardt made clear that the majority not only looked forward to continuation of the EPAA after August 31, by override if necessary, but also sought to put sellers on notice that revised regulations past September 1 could have retroactive effect in the hiatus period. 121 Cong. Rec., pp. 26186–89 (July 31, 1975).

Based on a study of all applicable precedents, it appears almost certain that the clear intent of Congress to revise EPAA authority would prevail over any technical argument that the Extension Act is void because of the price expiration of rulemaking and enforcement authority under the EPAA. As more fully discussed below, the courts might either hold that the Extension Act itself reenacted and thus revived the EPAA or that the EPAA's saving clause preserving federal jurisdiction over controversies relating to pre-September transactions sufficed to keep the EPAA alive and hence amendable. Under either theory, the President would be obligated to reinstitute allocation and price controls on the date of override.

At the outset, it is important to note that the technical limitation on amending "nonexistent" statutes has been operative almost exclusively where the underlying statute have been repealed. In fact, a leading commentator states flatly that "there is no question about the amendability of a statute which has lapsed by operation of its own terms." A. C. Sands, *supra* § 22.03 at 109.[1]

In the case of repealed statutes, judicial voiding of amendments has served to force legislators to be more precise in specifying when they intend to revive a moribund statute. The doctrine also prevents a minority from surreptitiously, or a majority from inadvertently, resurrecting a repealed statute by referring to its title in an act which might be argued to take the form of an amendment to the repealed statute. *See Brig Aurora v. United States,* 11 U.S. (7 Cranch.) 382 (1813) (revival of statute by reference to title); 1A C. Sands, *supra,* § 22.26 at 168. However, these considerations are inapplicable to a specific legislative effort to revive statute where the intent, impact and scope of the legislative action are clear.

In *Kersten v. United States,* 161 F.2d 337 (10th Cir.), *cert. denied* 331 U.S. 851 (1947), the court faced the revival problem in a context quite similar to the existing situation under the EPAA. *Kersten* arose under the Price Control Extension Act of 1946 (PCEA) which amended the Emergency Price Control Act of 1942 (EPCA). Price control authority under the EPCA expired, by its own terms, on June 30, 1946, although the EPCA, like the EPAA, survived as a basis for jurisdiction for litigation over events prior to its expiration. On June 19, 1946 Congress passed the PCEA to extend price control authority for one year. President Truman then vetoed the PCEA and his veto was sustained. However, on July 25, 1946 the PCEA was reenacted by Joint Resolution and signed by the President.

Section 1 of the PCEA was drafted in precisely the same terms as Section 102 of S. 1849 merely replacing the June 30, 1946 expiration date with a June 30, 1947 date. In addition, the PCEA expressly reinstituted the regulations in force on June 30, 1946 retroactive to that date with a proviso which exempted from civil or criminal liability any acts or transactions occurring between expiration and passage of the extension.

In *Kersten,* the defendant was charged with violating the statutory price ceilings in sales occurring on June 21 (prior to expiration) and August 10 and August 12 (after passage of the extension). He argued that because price regulation authority had lapsed prior to the amendment, the amendment was void.

The Tenth Circuit rejected the argument. Although, as was noted by another court reviewing the PCEA, neither Section 1 nor any of the other provisions of the Extension Act undertook in "express formal enacting words to re-enact or adopt provisions of [the EPCA]," *United States* v. *Gantt,* 72 F. Supp. 205, 206 (E.D.S.C. 1947), the Tenth Circuit found that the language of the extending act made it "plain" that the EPCA was to be extended and remain in force. 161 F.2d at 337. Per the Court: "Congress may revive or extend an act by any form of words which makes clear its intention so to do." *Id.* at 338.

Similarly, indications of Congressional intent to extend the EPAA abound in the Extension Act. The name of the act and the subtitle (Extension of Mandatory Allocation Program) are fairly strong indications in and of themselves. Moreover, the language of Section 102 of the Extension Act is identical to that of Section 1 of the post-World War II provision. Both take the form of an amendment and simply substitute a later expiration date. The sole difference on the face of the bills is Section 18 of the PCEA which provides for continuation of "all regulations, orders, price schedules, and requirements" under the original statute which were in effect as of the original expiration date. Under the EPAA, however, the President is not only authorized but *required* to promulgate an allocation and price control regulation. That regulation was to be devised and take effect within 15 days of the enactment of the EPAA. Specifying the continuation of such a regulation would appear to be largely superfluous. Further, the President is given the authority, within the general guidelines of the EPAA, to amend orders and regulations. By specifying the continuation of the regulation and orders in existence on August 31, 1975, Congress might have in effect been removing this power.

Moreover, there is one other common bond between the EPAA extension and the post-World War II extension of price controls. In both cases, Congress completed its initial passage of the Extension Act prior to the lapse in authority. Although this fact was not specifically mentioned in *Kersten,* other courts have regarded it as a significant indication of legislative intent to provide for the continuous enforcement of the statute. An example of this thinking is *Milk Control Board* v. *Pursifull,* 219 Ind. 396, 36 N.E. 2d 850 (1941).

In *Pursifull,* an amendment extending the date of expiration of a state milk control law was passed and approved by the governor prior to the expiration date of the law. Indiana, however, has a constitutional provision that unless an emergency clause is attached to a statute, it does not become effective until published acts have been distributed to all counties of the state. Through some oversight, the legislature neglected to attach an emergency clause to the extension. The governor was not able to proclaim statewide distribution until a week after the expiration of the underlying act.

The Indiana court was laboring under a broad commonlaw rule that the legislature cannot amend an act or a section of an act "not then in force." Yet it distinguished *Pursifull* from the previous case law on the grounds that at the time of passage, the earlier act was still in effect and "delay in performing these purely administrative acts [should not] be permitted to thwart the purpose and intention of the legislature [.]" 36 N.E.2d at 851.

Pursifull may itself be unique because formal approval by the governor was the last necessary step in the legislative process, that the bill had then become a duly enacted law and all that remained were "purely administrative acts." On the other hand, failure to include an emergency clause nevertheless meant that the statute was not valid in the sense of being enforceable until after those "purely administrative acts" were performed. Regardless of the actual result, it is clear from the court's opinion that the fact that the enactment was passed prior to expiration was a strong indication of legislative intent for continuous enforcement.

Another example of this approach is found in *State v. Lanza,* 74 N.J. Super. 362, 181 A.2d 399 (App. Div. 1962), *aff'd.,* 190 A.2d 574 (1963), *app. dis.,* 375 U.S. 451 (1964). At issue in *Lanza* was the expiration of condemnation authority. A two-year extension passed the legislature two weeks prior to the termination date, but the governor failed to sign the bill until 11 days after expiration. It was argued that the authority had lapsed and that, at the very least, the extension represented a new act, a fact which would require the state to stop all present condemnation proceedings and start them over again from scratch.

Opting for continuity, the court admitted that a statute "cannot make itself operative as of a date prior to its enactment but it can apply retrospectively." 18 A.2d at 398. Since the statute was passed prior to the lapse in condemnation authority, this is, of course, judicial fictionalizing. It indicates, however, the lengths to which courts will go to avoid thwarting the clear purpose of the legislature.

In light of these decisions, it is almost certain that a court faced with a challenge to the validity of the S. 1849 Extension Act would sustain the act. Congressional intent to give continuity to the full scope of existing control powers is clear from both the language and legislative history of S. 1849. And the choice of a format recognized to provide after-expiration continuity in *Kersten* certainly bolsters the argument that the August 31 expiration is no bar to revival.

An additional line of authority to the "indicia of intent" approach of *Kersten* distinguishes statutory existence from prospective regulatory authority and thus rejects the notion that because the authority to prospectively promulgate and enforce regulations under a statute has expired that the act itself has become a nullity.

The clearest explication of this view is found in *State ex rel. Dawes v. Bailey,* 56 Kan. 81, 42 P. 373 (1895). *Bailey* involved the amendment of an appropriations measure passed in 1889. Under the Kansas constitution, appropriations measures could not be valid for more than two years. In 1895, the Kansas Legislature passed an appropriations act purporting to amend the act of 1889. The amendment was attacked on the grounds that the 1889 measure had necessarily expired in 1891, four years before the amendment. The court was not receptive to this argument:

"The contention that this act is invalid because the act of 1889 had spent its force, and is therefore not a law capable of amendment, is not sound. It was a valid law for raising revenue for two years. It had a continuing force until amended for various purposes; among others, the collection of the amount levied wherever the same remained delinquent, and as a basis for all the necessary tax proceedings provided for its collection. It was never a mere nullity, and the legislature had ample power to amend it." 42 P. at 374.

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[1] It must be said, however, that the authorities backing this rather sweeping statement, though clear and unanimous, are not extensive. The most plausible reason for this occurrence is that there are very few circumstances in which a legislature will be found trying to amend an expired temporary act. The institutional structures are such that most intense pressures for the extension of an act will occur prior to its expiration rather than at some later date. This observation is borne out in the negative by the fact that in all of the cases thus far, the post-expiration amendments have been the result of procedural snafus or, as in the present case, the veto of an extension act passed prior to expiration.

A similar situation occurred in *Fenolio v. Sebastian Bridge District*, 133 Ark. 380, 200 S.W. 501 (1917), where the underlying statute authorized the county commissioners to levy assessments and issue bonds for the construction of a bridge. Authorization, however, was contingent upon the institution of certain proceedings within two years from the effective date of the statute. These proceedings were not undertaken. One month after the expiration of the two-year period, the legislature amended the act changing the words "two years" to "six years." The court held that this was a valid amendment:

"[F]or if the law was enacted by the legislature it remained in force, even though the time for exercising the powers conferred expired before the amendment extending the time was enacted. The law itself was not dead, so the power conferred could no longer be exercised without further legislative action. *State v. Bailey*, 56 Kan. 81, 42 P. 373." 200 S.W. at 503.

There is a hint of this same approach in the tacit approval of the Price Control Extension Act of 1946 by the Supreme Court in *Fleming v. Mohawk Wrecking & Lumber Co.*, 331 U.S. 111 (1947). In *Mohawk*, in the context of a procedural issue, the Court said that the EPCA "was amended in 1946 to provide for its termination not later than June 30, 1947, saving, however, rights and liabilities incurred prior to the termination date. . . . Though most of the controls have been lifted, the Act is *still in effect*. Liabilities incurred prior to the lifting of controls are not thereby washed out. . . ." 331 U.S. at 119 (1947) (tacit approval of the PCEA); *Woods v. Cobleigh*, 75 F. Supp. 125 (D.N.H. 1947) (explicit approval of PCEA); *United States v. Gantt*, 72 F. Supp. 205 (E.D.S.C. 1947) (same).

Viewed from this perspective, it should be clear that the EPAA will not be a nullity on September 1, 1975. Because the savings clause maintains all pre-lapse causes of action, whether or not they had already been filed, all that will happen on the expiration date is the demise of the authority to promulgate, amend and enforce regulations concerning conduct after that date. Thus, the Extension Act could well be considered an amendment to existing rather than moribund legislation even if it is enacted by veto override.

In short, whatever mode of analysis is employed, the Extension Act will almost certainly be found to be valid means of extending the energy and pricing program, despite the hiatus in some operative provisions of the EPAA. The statutory language, timing, legislative history and presence of a savings clause in the original act all support, under applicable precedent, the validity of the extension.[2]

Mr. BUMPERS. I have a question I would like to direct to the chairman of the committee in light of the recent events which have occurred.

It is my understanding that if we now extend the Emergency Petroleum Allocation Act, and this extension expires and is not renewed, the FEA's price and allocation control will expire but its important "house-cleaning" authority to remedy violations that occurred, and to enforce liabilities that were incurred, when the act and regulations were in effect will not expire.

Mr. President, I have heard it said that even with the savings clause in section 4(g)(1) of the act and the familiar general savings statute at 1 U.S.C. 109, some members of the industry have questioned FEA's enforcement authority after the act expires. Some have suggested, for example, that after controls expire FEA may order rollbacks or refunds only to customers of the violators but cannot order them to be passed all the way downstream to consumers who ultimately were the victims of the overcharges.

Others have apparently questioned FEA's authority after the act expires to issue entitlements and to order transfers of entitlements under its crude cost equalization program for crude oil that was purchased and refined while the program was in effect.

Still others apparently contend that the FEA would not have authority to complete its transfer pricing investigation and order companies that have established excessive bookkeeping prices with their own affiliated companies to order appropriate refunds and rollbacks. I understand that, with respect to transfer prices, as much as $250 million in overcharges to the American consumer during the period of price controls may be at stake.

In sum, I want to be clear in my own mind these and similar contentions are unfounded and that the FEA can complete its work after control authority has expired and that if the extension we are discussing today becomes law these problems will not arise upon expiration of controls. The consumers' interest must be protected, the valid laws and regulations that were passed must be enforced, and no one should be able to avoid obligations and liabilities incurred while the act was in effect through a narrow and technical reading of the savings clause.

Mr. President, do you agree I am correct in my understanding of the act and that the FEA can perform these critical tasks if and when controls expire?

Mr. JACKSON. The Senator is fully correct. That is my understanding of what section 4(g)(1) of the act currently provides. In short, section 4(g)(1) means that after controls expire the President has the clear authority to enforce all prior valid liabilities and take whatever remedial action is necessary to provide full relief to those who obtained rights under or were injured by violations of the act when it was in effect.

NEED FOR PROMPT ACTION ON OIL CONTROL LEGISLATION

Mr. STENNIS. Mr. President, the Senate has now spoken and has sustained the President's veto of oil price control legislation. This leaves us without any price controls on either old or new domestic oil. Taking into consideration the welfare of the ordinary consumer, I find this situation to be unsound.

I voted to override the President's veto because of my conviction that it was unwise—and unfair to the American people—to remove all controls over oil prices suddenly and overnight. These people have already been hit too hard by inflation, and prices of food, clothes, gasoline, electricity, and other necessities are still going up and up. I could not cast a vote which might cause the already high price of gasoline to go up perhaps as much as 7 or 8 cents a gallon over a period of weeks or months. I know many of my colleagues share my concern about the inflationary pressures being added to by increases in petroleum product prices.

Our work is clearly cut out for us. The veto issue, which has been a roadblock since we returned after the recess, is out of the way. I think the way is now cleared for legislation which, while reimposing controls on the price of old oil, would provide for a removal of the controls gradually over a reasonable period of time, say 40 months, thus providing time for the economy to absorb the change and give Congress and the President their chance to correct errors and make adjustments. I have firmly advocated this for some time. Many Members of the Senate, many Members of the House, and the President have expressed support for such a bill. This is an urgent matter and we should make it our first and foremost priority until it is disposed of.

A start definitely needs to be made on some kind of energy policy. While we do not know for sure that decontrol of "old" oil prices will cause greater production and conservation, it is a step we must take. If later it appears that this program is not working we can always refine, amend, or scrap it.

But to remove these controls suddenly is to take a chance on further worsening our economic recession. A sudden decontrol could have a devastating effect on our people. I therefore favor a phased-out program for decontrolling the "old" oil prices.

The vote on the override issue shows that we are dealing with honest differences of opinion. We can now make a new start. The President has already shown a fine spirit of cooperation by announcing that he would accept a 45-day extension of present controls in order that the Congress might have the time to come up with a plan which will be in the overall best interests of the country. I think the Congress should promptly pass a bill extending controls on old oil for a reasonable period of at least 45 days so that during that period we can work out a law providing for phased and gradual decontrol.

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[2] *Lanza* raises the additional point of retroactive application of the Extension Act to any statutory hiatus prior to final adoption. The unregulated period is unlikely to be more than a few days and it is doubtful that producers and refiners will raise prices dramatically before Congress has attempted to override the veto. Nevertheless, should the issue become important, it would appear that the act probably could be enforced for the intervening period. The validity of retroactive application is a very muddled and unclear area but basically boils down to questions of fairness and notice. *See* generally, 2 C. Sands, *supra*, § 41.05 et seq. at 259; *First National Bank in Dallas* v. *United States*, 420 F.2d 725 (Ct. Claims 1970). Retroactive application of the penal and treble damage provisions might cause problems, the former almost assuredly invalid as an ex post facto law. Retroactive civil and criminal liability were explicitly removed in the PCEA of 1946. The retroactive validity of the price regula- *Shibe*, 160 F.2d 397 (10th Cir. 1947); *cf. Fleming* v. *Rhodes*, *supra*, and it seems assured that a rollback could be effected.

In closing, Mr. President, I emphasize my support for a plan of gradual removal of controls. However, I find the present situation, whereby all controls are off and the price of oil products are free to soar upward potentially harmful. I hope we will remedy this situation, working cooperatively with the administration, by immediately buckling down and adopting legislation which will provide for a sound, fair, and equitable national oil and energy policy. We must get about this. The time is very late.

If we can get prompt approval of a short extension of oil price controls and then enact a gradual decontrol bill, hopefully we can avoid these overnight substantial increases in the price of gasoline and all products and services utilizing petroleum products.

Mr. ROTH addressed the Chair.

The **PRESIDING OFFICER.** The Senator from Delaware.

Mr. ROTH. Mr. President, as we approach this vote, it seems to me that the important question is not what is good for the Senate, not whether we should agree with the House, not whether or not we agree with the President, but what is good for this country.

I think the important fact that we must all face today is that it is important that we continue for a limited period the control of oil prices.

It was I who proposed about 4 weeks ago to Frank Zarb in a telephone call that we seek to avoid a confrontation with those who wanted to continue the 6 months control and I urged at that time that there be a 30-day extension.

Unfortunately, we were not able to avoid that confrontation, and yesterday the veto was sustained.

I think the problem we face today is what can we do in the Nation's best interests. It seems clear to me that we have only one course of action and that is to vote favorably on the House legislation which extends controls for 60 days.

Something has been said about the willingness to compromise and to make accommodations. I believe that there are a number of people on both sides who have been seeking this.

I would like to point out that as far as I am concerned I was willing to compromise, even though I was in a parliamentary position where I could have brought up my own bill to extend controls. I preferred to see us consider the House legislation so that we could take final action today.

I would like to point out to those on the other side that there were a number of meetings today with representatives of the Democratic leadership, as well as a number on our side.

There are a number of us who were willing to agree either to a sense of the Senate resolution or we would seek to get some kind of approval from the President that he would not propose a decontrol program during the first 45 days of the extension. If they would agree to that and also agree to the House version, it seemed to me we were all getting pretty much what we wanted.

To me, it is a little foolish to argue about 15 more days. We started with 30, we have gone up to 45, the House went to 60, and now someone will add another 15. The only way we can get final action today is to take the House version.

What I would like to suggest is there are some of us on this side who would be willing to try to get some kind of assurance, either from the White House, or, if preferred, some kind of a sense of the Senate resolution, that no Presidential proposal on decontrol should be made during the first 45 days. It seems to me if we can approach it in this direction we might well be able to remove the first problem in developing a national energy program.

Mr. NUNN. Will the Senator yield for one brief comment?

Mr. ROTH. I will be happy to yield.

Mr. NUNN. I believe I understood what the Senator was saying. He is saying we are arguing about a few days and about whether the President is going to send up a so-called program under section 4(g) or the section which relates to having 5 days by either body to veto. It seems to me what the Senator proposed would be a very reasonable situation, if we can just get some assurance that during the first 45 days of the 60-day period under the House bill the President would not send up a provision under the veto section. That does not mean he would not send up a program. He could send up all the programs that he would want to. I would think everybody would want that. But under the veto section he would not send up anything in the first 45 days. If that were the assurance, I think it would be a reasonable proposal and I would support the House bill on that basis.

Mr. ROTH. I thank the Senator from Georgia. I think that is a way out of the impasse with the Democratic majority getting essentially what they want. More important, I think it would enable us to adopt the House version, which means that it could become law immediately, or at least it could be sent to the President immediately. He has already indicated that he would sign the House version. It would take no conference. I think this is the direction we ought to move.

Mr. BROCK. Will the Senator yield?

Mr. ROTH. I will be happy to yield.

Mr. BROCK. I have been intrigued by this conversation. I think it does make sense. I was particularly interested in the remarks of the Senator from Georgia. I wonder if I might have the privilege of asking the Senator from Maine, who authored this particular resolution, if it is a matter of confidence in the President or if it is a matter of the 15 days, or is it something where he has to have both? What I am wondering is if there is some area of compromise where we might work it out with an assurance from the President.

Mr. MUSKIE. First of all, let me make it clear with respect to the confidence of the President we just do not know what the President's intentions are with respect to 4(g). We want to make sure, and the resolution was our way of making sure, that we have that time, unobstructed by the kind of intervention that 4(g) holds out. This was discussed in the meeting in the majority leader's office, this possibility of getting the President's assurance in lieu of legislative language.

I could not speak for all my colleagues, but if the President gives us that assurance, so far as I am concerned that assurance is as good as writing it into law. But that suggestion was not pursued then. The President was said to be unavailable. In any case there were other objections on the Republican side. At that point it seemed fruitless to pursue a compromise. That is where it washed out.

On the time thing, I repeat this time question is not a frivolous question.

Mr. BROCK. I understand that.

Mr. MUSKIE. Fifteen days at the end of a legislative session is a critical amount of time, as we all know. I cannot believe that if the President were made available to consider the 4(g) question he would be insensitive to the considerations that prompted us to seek 60 days. I would urge that if the President's ear could be obtained for the purpose of considering the first question, he also be asked to consider the second.

Mr. ROTH. I would just like to comment that we not only have the President involved in this, but, of course, we also have the House. This would necessarily delay things until they returned, and that is next Wednesday. It would seem to me that we would very easily be spending the next 10 to 15 days just trying to take this first step. I think we would be better off acting now on the time problem. I do not think 15 days really will make that much difference.

I appreciate and fully support what the distinguished chairman of the Budget Committee is trying to do and what he is faced with. But I think a more important question is what a further delay would mean to the country. We must bring some certainty into this whole energy picture. This seems to me a reasonable compromise if we can bring it about. The House feels that they can act effectively within 60 days. It was adopted unanimously.

I recognize we can make arguments for 15 days. I originally wanted 30 days. Now I am arguing for 60. But somewhere we have to compromise. It seems to me that we have a very logical compromise here.

I think the press has shown that they want us to act. I would like to again point out to the Senate that the New York Times yesterday said:

> The 45-day truce represents yet another test of their sincerity.

Here we are now at 60 days, and people are talking about 75. Editorial after editorial calls for action. The Los Angeles Times said:

> The President has met Congress half way. We urge the same spirit of pragmatic compromise on Members of the House and Senate.

The Philadelphia Evening Bulletin said on August 28:

If Federal price controls end and oil prices start rising as a result, Congress will be more to blame than President Ford.

What I urge is that we face this in the spirit of compromise and see if we cannot resolve this impasse tonight and then move on next week with the more serious problem of developing a national energy program.

UNANIMOUS-CONSENT REQUEST

Mr. BUMPERS. Mr. President, there are not many Senators here and I suspect every Senator in the Chamber right now knows how he will vote. I was just looking through the RECORD. There are 49 pages in the RECORD of yesterday's debate. I doubt if anything could be said here tonight that was not said yesterday in that space.

Mr. President, I therefore ask unanimous consent that we set a time of 6:45, no later than 6:45, to vote on this substitute.

Mr. HANSEN. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. BUMPERS. Would it be possible to get a unanimous-consent agreement on, say, 7 or 7:30? I will renew the request and make it a unanimous-consent request that we vote on this at 7 p.m.

Mr. LONG. I object.

The PRESIDING OFFICER. Objection is heard.

The Senator from Alabama.

Mr. ALLEN. I will yield to the distinguished Senator without losing my right to the floor.

Mr. LONG. Mr. President, my impression is that we are moving toward an agreement, but I do not think it will be resolved by a unanimous-consent agreement. I think progress is being made. I am pleased to see the Senators debate. I think we should discuss the matter a little longer. I do not think we will reach an agreement by agreeing on a time to vote.

Mr. ALLEN. Mr. President, the distinguished Senator from Maine has mentioned that the proposal of the distinguished majority leader embraced in the substitute now before the Senate was approved by the Democratic Caucus earlier today.

I do not believe in rule by caucus. I do not believe in legislating by caucus action, unless the product of the caucus is the superior document. I do not feel bound by the action of the caucus, unless I feel that the recommendation of the caucus is the best recommendation that is made.

But I do believe that the substitute offered by the Senate majority leader is the better course to pursue. I would not have thought that unless the provision was added to the effect that for 45 days after the date of enactment, the President would not submit his plan for decontrol to Congress to be accepted or rejected within 5 working days.

Mr. President, the truth of the matter is that if the House bill is approved and is signed by the President, then the President, if he saw fit, the very next day could submit a decontrol plan. The chances are that the Senator from Alabama would approve that, because he would approve the 39-month decontrol plan. But I do believe that Congress should be given the opportunity, without fear of interference, to agree on legislation which it deems essential to regulate the price of domestic oil.

That, of course, would not preclude the President from submitting his program for legislation, not a decontrol plan to be accepted or rejected but his proposal for legislation to be considered by Congress in conjunction with any plan that Congress might have. But for a period of 45 days, Congress would know that it would have exclusive jurisdiction, so to speak, of legislation regarding a decontrol plan.

It does not seem to the Senator from Alabama that that is unreasonable. It is not against the public interest, because the controls would again be in effect; and as to the argument about not being able to do anything until next Wednesday, I do not believe that is tenable because both proposals, that is, both the House bill and the proposed substitute, are retroactive, going back to September 1.

So I believe that this proposed substitute, giving Congress the uninterrupted and unchallenged right for a period of 45 days to act in this area is a sound proposal. That would still leave controls lasting for another 15 days, during which the President, if he saw fit, could submit his decontrol plan. It seems to me that it preserves the right of the legislative body to be supreme in the field of legislation, but if it falls down completely on the job, if it does not come up with any proposal that it can agree upon——

Mr. STENNIS. Mr. President, may we have order? This is a matter of great importance.

The PRESIDING OFFICER. The Senate will be in order. Senators will take their seats.

Mr. ALLEN. If Congress is unable to come to an agreement on the legislation needed, then I would say that there would be very little opposition in Congress to a decontrol plan offered by the President at the expiration of that 45-day period. All the while, we would have the price under control. So the public interest would be protected, the right of the legislature to be supreme in the field of legislation for a period of 45 days would be protected, and then the President would have the right to come in, while controls are still on, and make his decontrol proposal.

I do not believe that we are going to lose a great deal by waiting until next Wednesday to get agreement by the House of Representatives. I feel that the proposal which came out of the conference is a better proposal than the House bill, and for that reason I shall support the substitute. I would not support the substitute, even though the conference has approved it, unless I thought it was the better plan.

I recommend the adoption of the proposed substitute.

Mr. STENNIS. Mr. President, will the Senator yield for a brief question? I did not get to hear all the discussion at noon, and I just came into the Chamber and did not hear the first part of the Senator's remarks.

Mr. ALLEN. Yes.

Mr. STENNIS. What would be happening during this 45 days to which the Senator refers? Would that be the time when Congress would be trying to get its own bill together?

Mr. ALLEN. Yes. During the 45 days, controls would be on. Controls would be on, and Congress would have a 45-day period during which it would not have to be looking over its shoulder to see if the President was going to submit a decontrol plan on a take-it or leave-it basis within 5 days. It would know its right to proceed in this area was protected for 45 days.

Under the House proposal, the President could submit his decontrol plan the very next day. So it seems to me that if Congress is to protect its rights in this area, the substitute proposal would be in order.

Mr. LONG. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. LONG. With the strong feelings that exist on more than one side in connection with all this, it is possible, any time someone does not like the way the thing is going, to start debating at length. As the chairman of the Committee on Interior and Insular Affairs (Mr. JACKSON) pointed out, someone could engage in a lengthy debate and prevent the matter from coming to a vote.

But the same thing works both ways. We need to resolve this thing, and I believe it is going to be impossible to resolve it by any two-thirds, or even maybe any 60-percent vote.

If we leave the President with the authority, at least it does have the advantage that if the President sends something down, and Congress does not vote it down, it could become law.

Mr. ALLEN. That is correct.

Mr. LONG. It seems to me the fair answer would be to see if we can get a unanimous-consent agreement that if the President sends something down, it would be permitted to come to a vote here in the Senate up or down, however the majority wants to act. We could get a vote that way on that issue, and likewise perhaps with regard to the decontrol issue. We could get an agreement that the matter would come to a vote, in any event.

As far as I am concerned, I would like to see the Senate do whatever a majority wants to do. I would hate to think we will be engaged in another debate, which someone who feels very strongly about the matter would have every right to do.

I favor an agreement to simply agree that if the President sends a plan down within 5 days, it would be permitted to come to a vote here in the Senate. In the House of Representatives, they do not need that. As the Senator knows, the House does not worry about that, because they have procedures over there whereby they can get a matter to a vote anyway, if a majority wants to do that.

So I would hope we could get an agreement here that if the President sends a plan down, within 5 days after the plan comes down it would be permitted to reach a vote. That is all I really think we need to satisfy those who felt frustrated when the President sent a plan down and it was not permitted to come to a vote on that occasion. The House did reject that plan, so it would not have come to a vote in the Senate anyway. I would hope that we would try to resolve this issue in such a way that we will have an assurance that, with regard to whatever decontrol plan to which the majority might agree or disagree, the measure would be permitted to come to a vote and it would not drag out in any lengthy debate.

I respect the right of any Senator to take full advantage of his parliamentary rights. I have done it myself.

The distinguished Senator from Alabama has done it, and I applaud him for fighting for what he believes is right and in taking full advantage of his parliamentary rights when he feels strongly that he should.

I would think that the best answer would be to simply seek an agreement that, if a plan comes down, it would be permitted to come to a vote within that 5 days.

Mr. ALLEN. That would be in conjunction with the House bill then and not the substitute bill.

Mr. LONG. Take the House bill but agree that any plan submitted by the President we could do it by unanimous consent, or even the leadership, in connection with the Senators who have been most interested in this matter, could agree that they would agree to use their best efforts to bring this matter to a vote. But I believe we could probably get unanimous consent here tonight that it would be permitted to come to a vote.

The last and best answer to the Senator is to agree no matter what way we are going to resolve this decontrol issue that it should come to a vote.

Mr. DOMENICI. Mr. President, will the Senator yield?

Mr. ALLEN. Yes, I am delighted to.

Mr. DOMENICI. A few moments ago I discussed with the Senator from Louisiana the proposition that he just put forth to the Senate. I commend him for bringing it to the full Senate Chamber. It appeared to me that the reason the House did this so quickly is they have agreed on the time. Sixty days does not seem to be our particular hangup. We probably would agree with them tonight. But because of the 5 days to veto any plan that comes up under the bill, we have not had an opportunity to vote on it. We would never pass that legislation again.

I think the distinguished Senator from Alabama would agree, if we are going to have a 5-day veto on a plan, he probably would waive the filibuster rule or he would not have it in there. At least the Senate now knows that. So the reason they did not concern themselves about trying to take his authority away is because they can just turn it down and go on about their business.

We are legitimately concerned, because, as a matter of fact, we have found we cannot do that because we had one experience, and we did not get it to a vote.

I was looking for something that was completely within our control; yet we could adopt their 60-day plan, and it does appear to me it might be procedural. I do not know whether someone ought to propose at this point that we do this by unanimous consent. I am not going to do it at this point.

But it seems to me it would solve the procedural problem about being concerned about the Senate not having an opportunity to quickly, during the 60 days, turn down a Presidential plan. If he does not want to agree, he is not going to send us one anyway. We do not know about that. But I think that puts us in this posture, that we are discussing, where indeed we can send him a 60-day bill because we agree with the House and do something procedurally that is within our power alone to protect us from the dilemma that we seem to be groping for in terms of the 45-day legislative prohibition, which would have to be agreed upon over in the House of Representatives, and then looked at veto-wise by the President.

We might accomplish the same thing in the manner that the Senator from Louisiana and I have been discussing.

I thank the Senator from Alabama, and I appreciate his views and thoughts on it. Perhaps it is not workable.

Mr. ALLEN. I have no objection to any such agreement. Since it is such a basic change, we have to ask more Senators to be present before any such request is made.

Mr. DOMENICI. That is precisely why I would not make it and why I discussed it with the Senator from Louisiana. Everyone should know that maybe this is our approach, if somebody is serious about it, and understand that it is being almost substantially in the sense of what the majority has proposed.

Mr. ALLEN. The point that the Senator from Alabama is making is that the substitute proposal does give the legislative body the opportunity to work out something, without fear of a series of suggested decontrol plans by the President coming in, that is has the exclusive jurisdiction for a period of 45 days to try to work something out, and while controls are still on the President would have the remaining 15 days within which to submit his decontrol plan.

I say that, if Congress has failed in that 45 days to come up with some sort of plan, I feel that a decontrol plan for the President would receive very strong support.

Mr. DOMENICI. Mr. President, will the Senator yield for another question?

Mr. ALLEN. Yes.

Mr. DOMENICI. I wish to ask the Senator this question. I do not know the answer to it either. But it appears to me that here again we may have within our own control, if we are talking about the House bill, and we may be able to procedurally determine in advance that any bill submitted to us, during that first 45 days, would be turned down. That would accomplish the same thing as the Senator desires by taking away the power, and all I am trying to do is obviate additional legislation from having to be passed and accepting the House bill, with the full knowledge we are going to have the same thing we started with. I do not know the answer, but I think it is certainly worthy of discussion.

Mr. ALLEN. I think that could be done by a unanimous-consent agreement or by a gentleman's agreement.

Mr. DOMENICI. I thank the distinguished Senator.

The PRESIDING *OFFICER. The question* is on agreeing to the amendment.

Mr. FANNIN addressed the Chair.

Mr. FANNIN was recognized.

Mr. FANNIN. We are talking about turning down an opportunity to have this matter settled and have it definitely settled. The argument is made all we have to do is wait until next Wednesday. When we are talking about what the President will do, certainly we assume that, from what has been said and what has been submitted, the President would sign this act, H.R. 9524, which today passed the House of Representatives.

But we do not know, as has been related by the Senator from Arizona before, what the House will do next Wednesday, or the Wednesday after that. We do not know what the House of Representatives will do. We know that they are very concerned, as has been shown by the legislation that they are considering.

We have a very serious responsibility. We have bills in the House that certainly would indicate the intention that they wish to take into consideration more the price of oil than the availability of oil, and the supply of oil.

As far as the Senator from Arizona is concerned—and the Senator is not, unfortunately from an oil producing State—I am hoping we can go forward with a program and we can have the cooperation of the House of Representatives, the Senate, and the President in legislation that will be for the best interest of the American consumer, for the best interest of the economy of this Nation, and for the convenience of this Nation. We know that there are many needs we have in this country that cannot be cut back.

One most serious problem is facing us this winter if we do have some cold weather. Fortunately, we have been blessed with warm weather in the last two winters. That was especially true last winter. I know that there still has been a great effort on the part of many people to conserve. As has been expressed very eloquently by the distinguished Senator from Maine, people have been inconvenienced, but they have been willing to take those inconveniences. I feel the American people are willing to sacrifice. But the American people realize just exactly what this Nation is up against.

We do have a problem from the financial standpoint. Certainly we have a tremendous problem from the standpoint of the balance of payments in this Nation of ours and the maintaining of the value of the dollar.

I praise the Senator from Maine for

his great efforts on the Committee on the Budget. I know there are circumstances which prevail that has made it necessary for him to consider what will be happening on certain dates along the way. I am very pleased that he is giving consideration to what is involved in that regard.

But at the same time, if we do not go forward tonight and pass this bill, that has passed the House and send it down to the President, then we are placing another barrier in our path. We do not know how serious a barrier, because it will be a very serious one if the House will not act. I know it has been said that the vote over there was unanimous, but we all know what that sometimes means. No opposition was expressed. In fact, when negotiations were going on, we were notified that the House had adjourned. This is one of the problems we face. But we still do not know what is going to happen next Wednesday.

Mr. MUSKIE. Mr. President, will the Senator yield?

Mr. FANNIN. I am pleased to yield to the distinguished Senator from Maine.

Mr. MUSKIE. I should like to make the point that one event that created an uncertainty beyond all other uncertainties was the President's veto. When he vetoed the bill, that gave him no assurance that the House or the Senate—both or either—would agree to an extension for 45 days or 60 days or 30 days or any period of time, nor that they would act on it.

Nothing was said yesterday, when the Senator from Arizona voted to support the President's veto, that next Wednesday we would begin a period of 45 days for consideration. The Senator did not ask for that assurance yesterday, but he is asking for it today.

Mr. FANNIN. May I answer that?

Mr. MUSKIE. May I finish my question?

He is asking for it today. Why is it so important today, if it was not important yesterday? That is the question I would like to put to the Senator.

I do not think that if the leadership on both sides, with the support of the administration, agree to the majority leader's proposal, the House would fail early on Wednesday, or whatever day it comes in next week, to acquiesce.

I have had indications from the House side that many of the leaders there consider the majority leader's proposal superior because it takes into account considerations that had not been taken into account. That may not unanimously be the case over there, but certainly some Members at the leadership level are beginning to think that perhaps the majority leader's proposal is the better one.

So I really do not see this great uncertainty about what will happen next Wednesday if the proposal is adopted by the Senate.

Mr. FANNIN. The distinguished Senator from Maine has a different reading from the one I have from the House.

Mr. MUSKIE. We read different sides.

Mr. FANNIN. We talk to different people.

Evidently, they felt satisfied that the Senate would accept their proposal, the measure they passed, or they would not have gone home. I think they would have had some concern about it. There certainly is communication back and forth. If there had been great concern about whether or not the Senate would be willing to accept their measure, I think they still would have been in session and considered it important to go ahead with this legislation. They did it and recessed and knew they would be in recess until Wednesday.

Mr. FORD. Mr. President, will the Senator yield for a question?

Mr. FANNIN. I will yield when I have concluded.

I believe we should consider the action that was taken by the House certainly, the indication from the House as to why that action was taken. This is a very important factor involved in what we discussed.

I yield to the Senator from Kentucky.

Mr. FORD. Will the Senator agree that whether either proposal is accepted, whichever one is accepted, both are retroactive? So, as to the argument that we do not know what this House is going to do, if we accept the House version on Wednesday or Thursday, it is retroactive to midnight of August 31, and both proposals are retroactive. So we will not lose anything in the protection of the people in accepting this substitute proposal tonight.

Mr. FANNIN. Can the Senator from Kentucky assure me that if we pass the distinguished majority leader's proposal, the House will accept it?

Mr. FORD. No. But the point I am trying to make to the Senator is that if the House does not accept our proposal and we, in turn, accept the House proposal, it still is retroactive, so we have not lost a thing.

Mr. FANNIN. I have never had anybody in the Senate Chamber tell me that if the House will not accept it on Wednesday, we will accept the House proposal on Wednesday.

Mr. FORD. I am not predicting what will happen; but both proposals have a retroactive paragraph that goes back to midnight of August 31. So whatever we do, whatever conclusion is arrived at, it will be retroactive.

Mr. FANNIN. I thank the Senator from Kentucky. I understand his reasoning.

Mr. President, I yield to the Senator from Wyoming.

Mr. HANSEN. Mr. President, I should like to make a unanimous-consent request—because we have been unable to get in touch with the President of the United States—that if the President should send up a proposal under 4(g) (2), we agree tonight to vote on it.

The PRESIDING OFFICER. Is there objection?

Mr. STEVENSON. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. HANSEN. Mr. President, may I note that the objection came from the Democratic side?

Mr. HOLLINGS. If the Senator cannot tell the difference at this time——

[Laughter.]

Mr. HANSEN. Mr. President, is it fair to inquire who objected?

The PRESIDING OFFICER. Yes. The Senator from Illinois objected.

Mr. HANSEN. Which Senator from Illinois? There are two.

The PRESIDING OFFICER. There apparently is only one Senator from Illinois in the Chamber at the moment.

Mr. HANSEN. Is that the junior Senator from Illinois?

The PRESIDING OFFICER. That is the junior Senator from Illinois.

Mr. HANSEN. I should like to note that the objection came from the Democratic side, Mr. President, and I say that because I am very sincere in thinking that we want to try to reach a compromise.

I can appreciate the dilemma in which some people find themselves in being able to agree. The distinguished minority whip tried to reach the President. He was unable to reach the President, and that was the next best thing we could do.

The argument that has been made over this approach is that we could not get a vote. I am persuaded to believe that there is not one Republican present in the Chamber now who objects to that. If that is the argument, if the argument is being made that this procedure is no good because the Senate cannot vote in 5 days, then I think it is important to note where the objection came from, and that is my purpose in asking the Chair who did object.

I thank the Chair, and I thank my colleague.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. FANNIN. Mr. President, reaching a compromise seems to be very difficult. I understood from the distinguished Sentaor from Maine that that was one of the concerns, one of the very serious concerns, that they would not be able to get a vote.

Mr. MUSKIE. If I may clarify that, we had two concerns.

Incidentally, may I begin my discussion of this matter by reminding the Senator of something I said earlier in connection with the meeting which a few of us had in the majority leader's office earlier today. It was said then, all around, that it was inconceivable that if we could agree on a time for Congress to consider energy policy, the President would use 4(g) authority. If that is the case, I really find it hard to understand what the argument is all about. If we assume that he will not, then what is wrong with including it in the legislation to make it clear? I make that point.

Second, if the President uses 4(g) authority, I am concerned not only whether or not under the Senate rules it would be possible for the Senate actually to work its will in 5 days, but I am also concerned about the disruptive effect of that kind of initiative on the part of the President in the period when all concerned are to be focusing on reaching accommodation on energy policy.

I think that can be as disruptive of a constructive environment of accommoditions as anything the President could do. I cannot believe that the President, given the mood of accommodation which he has tried to express, would not agree with me on that point.

I just cannot believe it.

In connection with the remarks that the Senator from Arizona was making earlier about the House, the House acted without asking whether the Senate would agree to its proposal. The House acted without considering the Senate's proposal.

Mr. FANNIN. Will the Senator yield?

Mr. MUSKIE. No, not until I finish.

Mr. FANNIN. This conversation was going back and forth all the time. I do not agree with the Senator.

Mr. MUSKIE. I was not engaged in these conversations, nor was the majority leader on these questions.

This proposal before the Senate today——

Mr. FANNIN. I know it was the majority leader. I understand that the majority leader was talking to the Speaker.

Mr. MANSFIELD. No, he was not.

Mr. FANNIN. It must have been on another subject.

Mr. MUSKIE. Let me say to the Senator that this proposal presented to us today was presented by me this afternoon to the Democratic Caucus.

Mr. MANSFIELD. If the Senator will yield, after the House had passed its bill.

Mr. MUSKIE. After the House had acted. There was no opportunity for the Senate to present its proposal.

Mr. FANNIN. This proposal was discussed with the Senator from Arizona this morning by one of the members of my party from the House, and I would say it was certainly under consideration all day long.

Mr. MANSFIELD. If the Senator will yield, I was surprised that the House had acted so quickly. I got no word until we started our discussion in the Democratic conference this afternoon. There were no conversations between me and any Member of the House on either side. Therefore, that was the reason——

Mr. FANNIN. On this subject?

Mr. MANSFIELD. Or on any other subject this morning. I talked to the Speaker this afternoon, about 3 o'clock, while we were meeting—as a matter of fact, in my office. That was the first time.

Mr. MUSKIE. I suggest to the Senator from Arizona that he would not permit me to represent the Republican minority on this side in discussions with the Republican minority on the House side on matters of substance. If, in fact, the Senator discussed with his Republican counterparts on the House side a proposal resembling this one, he may or may not have presented it more persuasively than I might have to our side in the House. In any case, I think a negotiation has to go from the majority to the majority before we get the view of the majority of the other side on it.

Mr. FANNIN. That is certainly agreed upon. I certainly understand it that way. I will say that this was not passed without considerable discussion. I know that it was being discussed early this morning; I am not saying discussed with the Senate or with the majority leader or with the leadership, but I know there was considerable discussion because it was brought to my attention.

Mr. MANSFIELD. Will the Senator yield?

Mr. FANNIN. Yes.

Mr. MANSFIELD. It is my understanding, secondhand, that the matter was brought up under unanimous consent and just passed.

Mr. MUSKIE. Without debate.

Mr. FANNIN. As I say, it had been discussed about 2 hours before. I considered it was long before that. Nevertheless, I do not think that is an important matter that is involved.

Mr. MUSKIE. May I say to the Senator, we considered in our informal discussions, before we adopted a policy, the 45-day thing.

Mr. FANNIN. Yes.

Mr. MUSKIE. We did and we rejected it. We rejected it and adopted this one instead.

The fact that we considered the 45-day thing does not mean that we rejected it as a House initiative at that point. We rejected it as one of several ideas for our consideration. It did not occur to us that the only idea we could consider is one adopted by the House. I have not observed that that was the Senator's habit, either.

The Senator does not automatically rubber-stamp House proposals.

Mr. FANNIN. It was referred to as a 50-day proposal. I think the Senator understands that.

Mr. MUSKIE. It was not referred to.

Mr. FANNIN. That was referred to as a 50-day proposal, counting today as one of the days. Figuring out that 10 days have passed, this was the 11th day, so it was figured as a 50-day proposal. Why argue about that length of time?

I realize that there are many reasons why we should go forward and do something tonight. I certainly do not like to be responsible for holding back or holding the Senate from voting on a measure that they have under consideration. But I do feel that when we are taking that action, we are working against the best interests of the American people.

I certainly realize the sincerity of the majority leader in offering this proposal, and the caucus certainly had the right to work out this particular proposal, the Senator from Maine was within his rights, so we are not questioning that. I am just questioning the benefits that would accrue by having something done immediately. I think that that is the whole issue at hand.

Yes, we have not had a report back from the President and there have been a lot of assumptions. The Senator from Arizona assumes that the President is very anxious to get a program through. He has so stated. He has cooperated, I think, in every way possible. He talked about 30 days and he wanted to hold it to 30 days. He said, yes, I will go 45 days. Then, of course, we go past the 45 days when he was talking about the 30 days. I do not think he had in mind going 30 days in 10, but now we are talking about going 60 days.

If we are just arguing over 10 days, I agree that that is not very much to argue over, but I am very concerned as to what is going to happen if we do not pass this legislation tonight. It goes back over to the House. The House Members have gone home. We do not know what is going to take place as far as their feelings when they come back. I am vitally concerned that if this does go over, there may be entirely different feeling in the House when they consider it again. That is the reason that I feel we should act tonight on this legislation and end the arguments that we have. I think that certainly, we are close enough together that the differences would not affect—I do not feel they would—the final outcome of the legislation that will be adopted by Congress.

If we have the 50 days in which to write that legislation or we have 60 days, I think it is not going to make a great deal of difference. I know that the Senator from Maine, because of the schedule of the Committee on the Budget, will be involved, and of course, the House will be involved, too, in their particular activities in that regard. They will be coming up at a certain time. That is all the more reason why we should work to get this out of the way. I think we will.

I know that we can schedule even a nighttime schedule, if necessary, to get this out of the way. There is not any doubt in my mind that if we want to go forward with legislation, we will not have a barrier if we accept the dates that are in this particular proposal that was passed by the House.

I hope, Mr. President, that we will reconsider the substitute and that it will be voted down and that then, we can go ahead and adopt this and have the legislation sent to the President and we will end the worry that I know exists as to what is going to be done.

Mr. HOLLINGS. Mr. President.

The PRESIDING OFFICER. Was the Senator from Arizona finished?

Mr. FANNIN. I will yield to the Senator from South Carolina.

Mr. HOLLINGS. I would like to have the floor.

Mr. FANNIN. I yield the floor.

Mr. HOLLINGS. Mr. President, I was in the minority within the caucus and I was going to be consistent with that position in my vote here. But I find that may take some important votes away from the distinguished majority leader in passing the majority decision made in that caucus. So I am determined that I should vote for this substitute but oppose final passage of the extension. That moves me to an explanation.

I would have preferred to stay quiet. Everybody has heard me enough on this particular score already. But the reason why I would oppose any kind of date at this point should be explained. The reason is that such an extension is highly misleading, Mr. President, whether it is 45 days, 60 days, or another number of days. It is like one of those Kissinger Paris peace treaties, where everybody understands something different. Now in the Middle East, we are beginning to understand things differently. I do not like to mislead on this energy question.

Congress has fought the good fight. The President announced in January and said he was against controls and that he was going to impose a $3-a-barrel excise tax. Thereupon, he got in his airplane to build a constituency for his position.

Filling the plane with exotic dishes, he went down to Atlanta, to Houston, and Kansas City, building a constituency.

Congress listened to the people; we debated it, and we determined that the President had not built a sufficient constituency, so we voted him down.

He vetoed that bill, and we have been in an impasse since that time.

Responding still, we passed H.R. 4035, an extension to December 31. The President vetoed that.

We have tried our level best to either take away the excise authority, to continue the controls, or here again to extend for a 6-month period, and each time veto, veto, veto.

Then it comes to a point where I think those who take the view that controls have generally served well are going to have to build a constituency. I was in the debates yesterday and the day before, and I was rather appalled, even amazed, Senator from North Carolina, to hear that the controls were blamed for the high prices by those who opposed extension. Here we have price controls, and yet controls were being blamed for the high prices. If that were the case, why did they not come in and say the controls should be stronger? But that was not the argument. The argument was that controls have given us high prices. It was veritably looking into the mirror and blaming the mirror.

The day before yesterday at 2 o'clock in the afternoon the President vetoed this extension measure. We debated it out, and at 3 o'clock yesterday the majority will of the U.S. Senate was frustrated; working with President Ford the majority loses in America. His veto was sustained with 39 votes, a minority.

Now, there are different ways of going about this particular problem.

I happen to be of the school of thought who believes we should allow the President's program to have a run, and then come up here with these Harris polls and Gallup polls and the American people's reaction and that of chambers of commerce and the business leaders and the free enterprisers who are all against controls now. Let us not give the President 60 days more for this discombobulation or misunderstanding. On the contrary, Mr. President, let us give the people of America 60 days for President Ford's program to work in full. I think I could build a constituency that way. It is a harsh way, in a sense, certainly. But milder methods thus far have been frustrated.

Being a parent, we all know that sometimes a child has got to get burned in order to learn a lesson. If you have got a young son or daughter driving for the first time, and they have a propensity to roar off and drive fast, you may keep cautioning and nagging and fussing at them to little avail, and then you finally say, "Well, maybe if they get into a slight accident or are stopped for speeding, they will learn and slow down." On energy, at this point I believe the only way they are going to learn is through hard experience.

Now the situation is that we need to have President Ford fully prevail. Evidently that is what the minority, playing with the duplicity of the President of the United States, wants to guard against since they are so anxious to accept the House extension.

The President has not been candid. In with his veto message, he still contends "the country has seen no congressional action." The Senate has passed 19 important, formative bills dealing with different aspects of the energy problem, including strip mining, oil depletion, extension of controls, automobile fuel economy, industrial fuel economy, coal conversion, and housing insulation. We just had a plethora of them. But he still says the country has seen no congressional action.

Then the veto message says what he will do. "I will take the following actions to insure an orderly transition from Government controls to the free market," and then he runs down five or six things, but he does not include that 39-month plan in his list for orderly transition.

All during August, and early part of September, the majority leader and Speaker have been run in and out of the White House; it has been a veritable charade, and each time the President was intransigent for a 39-month program. But he does not even mention that in his veto message because he knows that if he gets this extension with section 4(g) he will have those days and he can send that 39-month program over here, which is exactly what the Senator from Michigan said indirectly and almost, by a Freudian slip, when he says now to vote for 60 days, but then not to take away the power.

Here is a man who has taken away his own power the day before yesterday at 2 o'clock when he vetoed the bill which contains section 4g. What kind of power? He does not have power, whatever Senator GRIFFIN says is going to take away his power.

So I say, without question, that when we extend the President intends to send over one of these 39-month plans. Now it could well be—if a majority wanted to vote it and let that program come in, perhaps we should let it. But I think that would be bad. I did not want to mislead; I am not going to support it. I refuse to support that plan, Mr. President, for two principal reasons: number one, of course, the President is talking about removing controls in that message. He says, "We can reduce dependence upon imported oil without controls on domestic oil."

Now, with the graduated approach obviously in these tight times, I do not know any better way to guarantee exacerbation and shortages. And these would come at just the time we would hope other efforts, such as in the solar coal gasification, and nuclear fields, would be beginning to take hold and be assuring us of an easier supply picture.

Phased decontrol is like money in the bank. The interest grows, and you hold back your oil and wait until the last month and the last time as it grows to get to withdraw it and get the highest amount. If you have got oil, you wait until the last part. So instead of bringing on new supplies, you really have stultified the entire development and worsened the problem.

Of course, the second reason, Mr. President, why I oppose the extension is that it is a political copout. Everyone who looked at that 39-month plan can see that fact. I thought Bo Callaway had formulated the plan as the campaign manager. I could well see him come in and say, "Now, you might be President, but look here, you have done given me a Vice President which I am having a difficult time carrying, and now you are going to give me this deregulation and inflate the whole economy and put every independent operator, both refiner and filling station man in America out of business, they will all be against it."

They said, "What we will do is have gradual decontrol, so they won't know what is happening until after the election."

It will be like, Senator from Louisiana, one of those Saturn rockets at Cape Canaveral, barely rising off that pad until November 1976 and, thereupon, Astronaut GLENN, zooming, without you aboard; without you aboard, I can tell you that, into the stratosphere.

Those who were pinning the badge of courage on each other and biting the bullet, explain that 39-month copout to me.

So I oppose the 60 days and the 45 days. If we are going to adopt any days, what are we saying?

We are saying to the President, "we are working", as this resolution says, "the purpose is to provide Congress and the Executive adequate time and opportunity to reach mutual agreement." We are saying to the President. "You want to agree, to move forward with these windfall profits taxes, with the regulation of the small and independent refiners, the household users, and the unwarranted actions by the major oil companies mentioned in your message."

That brings me back, finally, to the conversation we had with Frank Zarb.

I asked him to explain the big drive to decontrol old oil? No one has had the audacity to propose deregulating old gas. There are emergency gas bills, there are long-range gas bills, short-range bills, Pearson amendment, Stevenson amendment, but in none of them has anyone had the audacity to say, "Let us deregulate old gas." So why deregulate old oil?

He said:

> Senator, this two-tier system, an administrative hiatus.

So in lieu of the President's so-called administrative hiatus, what does he give us? All in the name of decontrols, here is what he asked for by way of controls in the veto message.

This veto message is like Alice in Wonderland. A gremlin, a gnome, wrote it. I really thought the last line would say, "And night is day."

Here he says what he is going to do: the first thing is that he says he is going to act legally. He said here that the $2 per barrel import fee, which the court found illegal, would be eliminated by him as well. He would start acting legally.

Then let us go to the controls. In the name of decontrol first he asks for enactment of a windfall profits tax "to control the taxes." On the one hand we decontrol to bring on line all the gas, oil.

But then, we are going to take it all away over here with a windfall tax, to control profit.

How could one administer a windfall profits tax more easily than the two-tiered price system that we have had working during the past 2 years?

The next control he asked for: "I will propose legislation to provide price controls for small and independent refiners."

That is on page V. Page IV says without price controls and that we will have all this grandiosity with decontrol, but over on page V, the next page, he says "I will propose legislation to provide price controls."

Here is a man running on about free enterprise, but he has controls; and that is only the second control he wants.

The third is on the allocation of liquefied petroleum gases to rural householders and curtailed natural gas users, to farmers.

That is our friend and campaign manager Calloway. That is who wrote this veto message to get him by the election.

We have graduated decontrol to November 1976, and then impose allocation so we do not get farmers mad, rural householders mad, small refiners mad, or independent refiners mad.

And then the next control, all in the plea for decontrol, all in the veto message which decries controls, he asks for:

> Authority to provide further controls over the actions by the major oil companies to protect the interests of retail service station dealers.

Is that not clever?

And then goes on up to New Hampshire and says he is too busy to speak to the majority leader.

I can say right now, I have reached the end of the road. He has built his constituency. I do not, but I will start building mine and the only way I know to build that constituency is to forget all these days.

All he really wants is the 5 days to send his program up here, to again let it bog down over here and perhaps pass it in the House, and I will not even give him the chance, and I object to that idea. I will not let it get up here on that score.

Mine is not a stone wall; it is a proposition of realism. It is a proposition of saying that we have looked at it, we have been back and forth, he has not given a blooming inch. He has nagged since January about controls and free enterprise and congressional inaction. We have done our best to act and while filibusters and vetoes have hampered us, we have made a respectable showing with 19 bills passed.

We do not believe that under the OPEC cartel there is such a thing as free enterprise, and the only way we can prove it is to give him his way, for he has agreed to that; he has asked for that. But do not give the President 60 days; give the consumers 60 or 90 days and then we can come back and pick up a few votes and go back to where we were with an orderly bill.

I will read later from the conference report when this bill was first enacted to show what the Senator from Arizona, the Senator from Wyoming, the Senator from Oregon signed. They are the ones that signed the report on the Petroleum Emergency Allocation Act that they are trying to get a 60- or 45-day extension to now.

When they signed it, they found inflation. They wanted price controls, they wanted allocations.

I will say since November 1973, when they signed that report, those conditions have worsened, not improved.

Remember when the President of the United States was with us, when he came to North and South Carolina last fall. He was with us when Sawhill mentioned gasoline price rises. "Hit the road, John." He was gone in 30 days.

He left town, was not even here, because an election was coming up, so no mention of price rises was allowed.

Now we have another election coming up, and all in the name of decontrol he asks for controls on everything else.

What kind of way is that to do business? The only way to do business, in my view, is forthrightly; we should say that we have done the best we can do.

Let him have his program, and then come back in at the end, at Thanksgiving, and maybe we will give thanks for the commonsense of the American consumer whom we are all trying to protect.

Mr. President, the conference report states, "In the face of the present shortage, large integrated oil companies understandably protect their own interests first. As shortages deepened, and all figures and analyses available seem to indicate they will, it is reasonable to expect businessmen to share their limited supplies with their competitors. Indeed, some have argued that it may be inconsistent with their obligations to shareholders to do so." Hence, it concludes, we need allocations and price controls.

Signed MARK HATFIELD, Senator from Oregon; PAUL FANNIN, Senator from Arizona; CLIFFORD HANSEN, Senator from Wyoming.

Now, that is what they signed and what they found, and what I agree to. This idea of the President talking to them, I rather agree having seen what has occurred, that they are going to go up, but the only way we will ever know is to not fool around with this excess profits tax, or the protection for retailers, independent refiners, farmers, rural householders, and he even has the audacity to put down here "unwarranted actions by the major oil companies."

Who else over there in the White House is interested in that? I yield the floor.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Montana.

Mr. FANNIN. Mr. President, I yield to the Senator from Oklahoma.

Mr. BARTLETT. Mr. President, earlier I believe the Senator from Maine used the word "incredible." I find the action here tonight to fill the word very well.

When I first came to the Senate a little over 2 years ago and had the privilege and pleasure of being on the Committee on Interior and Insular Affairs, one of the things I thought we would do very early in the discussion of the energy policy would be to talk about what the basic problem is, where we are, where we want to go, and what it is going to cost, what our options are, and then approach the different options that we might have.

I think most people do agree that our basic problem is one of a shortage of domestic energy, both oil and gas, and a shortage of other energy.

In the Committee on Interior and Insular Affairs we just have not had that kind of discussion, and I do not think we have had it in the other subcommittees on energy of the various committees of the Senate. I think this is unfortunate because I believe it is very incredible that we are quibbling in this matter. What we are quibbling over is a delay.

We did accomplish something yesterday when the President's veto was sustained. We did agree that the controls are off, at least for the time being. That established an energy policy for the first time in a long time. This brings the powers of the market place to bear on our energy shortage.

The price controls have been self-defeating. They do not achieve low prices because we in the United States do not control the prices that we have. The OPEC countries control those prices. We continually give them more and more leverage to raise the price of imported oil as we control the price of our oil at a lower level, providing less and less domestic production, but at the same time making certain that we are going to import more and more high-cost foreign oil.

I think it is incredible that we, as a Congress, do not have a plan; that we have not decided to just have a good discussion about how we do get from where we want to go; how much energy sufficiency do we want and what specialized areas of energy—oil, gas, nuclear, coal, or whatever—we plan to put our efforts into; how we plan to move to the short term; what our goals are; what we plan to do for the middle term and for the long term.

Well, we pretty well established the long-term on research and development, and I think we all have high hopes it will be successful by the turn of the century. But because Congress has not developed a plan, and because Congress now is wanting to delay further, I think that the people of this Nation find it incredible and almost unbelievable that here we are tonight quibbling over how many more days' delay there will be before we resolve this issue.

I do not believe there are many Members of this body who do not have a pretty clear idea of what the facts are. I believe they know that each year we are producing less and less because we are not spending enough money in developing and producing energy in this country—petroleum, gas. We are making some progress in coal but then there is the question of how much progress we can make and whether we can produce enough coal to really do the job.

I was recently at a seminar in Oslo, Norway, where there were energy experts and authorities from all over the free world talking about the problems of the North Sea. They could not understand why this country——

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator yield to me with the understanding that he will not lose his right to the floor?

Mr. BARTLETT. Yes.

UNANIMOUS-CONSENT REQUEST— S. 1537

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of S. 1537, with the understanding that there will be no action taken thereon tonight.

The PRESIDING OFFICER. Is there objection?

Mr. BARTLETT. Reserving the right to object, could the Senator tell me what this bill is?

Mr. ROBERT C. BYRD. That bill is Calendar Order 342, a bill to amend the Defense Production Act of 1950. It is my understanding that there is no opposition to the bill on either side, except there may be an amendment by Mr. HOLLINGS and one by Mr. PROXMIRE. Some action will be taken on it tomorrow. It would be the intention of the leadership to go out immediately.

Mr. BARTLETT. Could I ask the Senator if this has been cleared with the leadership on this side?

Mr. ROBERT C. BYRD. I did not hear.

Mr. BARTLETT. Has this been cleared with the leadership on this side of the aisle?

Mr. ROBERT C. BYRD. The matter of taking up this legislation would not necessarily have to be cleared. This bill has been cleared on both sides of the aisle, the bill I am trying to get up.

Mr. LONG. Reserving the right to object, could I inquire what is the nature of the amendment to be offered?

Mr. HOLLINGS. It has to do with the Appropriations Committee. It is procedural. Frankly, I am not ready to call the amendment up. I am not tyring to be evasive, but this came as a surprise to me. I do not know the bill, but I do know that it is with respect to payments made under our legislative appropriations and the staff found we ought to correct inequities. They want to present it on this particular bill. What it is at this minute I do not honestly know.

Mr. LONG. All I want to know is if the amendment the Senator is talking about is likely to be a controversial amendment. That is all I want to know. If it is an amendment I am not going to be against, I am perfectly all right. I am ready to agree now.

Mr. ROBERT C. BYRD. The bill has been cleared on both sides of the aisle and could be done by unanimous consent except we had a notation on our calendar that Mr. HOLLINGS and Mr. PROXMIRE might have an amendment.

It is my understanding that there is a time problem with this particular bill.

Mr. LONG. All I am saying is I do not think I object to anything about it. All I want to know is what is the nature of the amendment. I do not think I object to the bill. I do not think I will object to the amendment. But I would like to know what is the nature of the amendment.

Mr. HOLLINGS. Is it the leadership's intention to proceed to consider the bill tonight?

Mr. ROBERT C. BYRD. No.

Mr. HOLLINGS. We will not submit the amendment until the distinguished Senator from Louisiana and myself have seen it. I can call the staff at home and get it tonight.

The PRESIDING OFFICER. Is there objection?

Mr. BARTLETT. Reserving the right to object——

The PRESIDING OFFICER. Does the Senator from Oklahoma object?

Mr. BARTLETT. I would like to inform the Senator from West Virginia I have been doing a little checking and there apparently was a desire to do a little further checking. I wonder if the Senator would withhold this for a very short time.

Mr. ROBERT C. BYRD. I have no objection to withholding the request.

Mr. BARTLETT. I am not trying to delay, but I am having difficulty trying to find out whether it really has been cleared or not. If it has been, it is certainly fine with me.

EXTENSION OF THE EMERGENCY PETROLEUM ALLOCATION ACT OF 1973

The Senate continued with the consideration of the bill (H.R. 9524) to extend the Emergency Petroleum Act of 1973.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. BARTLETT. Mr. President, in talking about high prices that might be occasioned by complete decontrol—and I suppose none of us know exactly what will happen—I think we can look for sure on what has happened with price controls, with our prices continually going up and our production continually going down.

Second, I believe we can analyze what the price increase will be and estimate that it should be about 2 cents a gallon.

We can also look at certain areas, speaking of gasoline, Mr. President, such as propane, where all indications are that price increases might be considerably higher than that, and where the supply of gas is at such a low level and the demand so high that there could be real pressure for a very sizeable increase.

So I think it is important that the President has recommended legislation here to deal with this matter on a shotgun basis. I think likewise there can be a problem with both the independent marketer and the independent refiner, although I certainly would like to see legislation there that would not provide such huge subsidies for the very large oil companies in this country.

Mr. ROBERT C. BYRD. Mr. President, will the Senator allow us to put in a quorum call, with the understanding he not lose his right to the floor, so that this discussion, which may bear some fruit, can have the attention of Senators?

Mr. BARTLETT. Yes.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT. C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL MONDAY, SEPTEMBER 15, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, when the Senate completes its business today, it stand in recess until the hour of 12 noon on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, there has been a good deal of discussion and negotiation pointing toward the possibility of some kind of assurance from the President that he would not exercise the authority under section 4(g)(2) for a period of time during the extension; that, perhaps if we could get that kind of assurance from the President, it would be possible, then, to pass the House bill which is before us so that it could become law. It has been difficult to get in touch with the President. He is in New Hampshire, in a motorcade. But we have been able to.

There were several on the other side who spoke to us about the possibility of getting assurance that the President would not send up a plan under section 4(g)(2) which would have to be acted upon by either House within 5 days, some assurance that he would not do that before October 15. The House bill provides for an extension of the act until October 31. That would mean that, during the last 15 days, if Congress were not moving and if there were not substantial progress being made, then the President could go ahead and act.

We have done better than that. He has agreed, I am authorized to say in his behalf, that if we will pass the House bill tonight and get the extension on the books, I can give his personal assurance that he would not send up a plan under this particular provision prior to October 20, so that only in the last 11 days would that be any kind of pressure point for Congress.

It seems to me that that is going a long way in the spirit of compromise. It seems to me that there should be some give on both sides. I should like to think that with that kind of assurance from the President, which goes a long way toward what those on the other side have sought as a result of their caucus, we could accept that and go ahead and pass this House bill tonight. I think there would be a great sight of relief that would go across the country because, if we do not do this, then we are asking for confrontation, not only with the White House but confrontation with the House of Representatives, which passed this extension bill unanimously.

I do not think the country wants any more confrontation. This is about as far as we can surely expect the President to go. He has gone and stretched and stretched and extended and extended.

I lay that proposal before the body and urge its acceptance in good faith and then we can go on about our business now and pass the House bill.

Mr. MUSKIE. Mr. President, I have listened with interest to the comments of the distinguished acting minority leader. He has not really presented to the Senate the full picture. He speaks of this offer from the minority as though it were addressed to a Mansfield proposal which had an October 15 date in it for the expiration of section 4(g) (2) authority and October 31 for the expiration of controls. No such offer was made officially to the Republican side whatsoever. The Mansfield proposal—and I describe it again to make it clear—is this: A 60-day extension of controls from the date of enactment. That is about November 15. The first 45 days of that 60-day period was to represent a suspension of section (g) (2) authority. That would be roughly November 1. That is the position that we start with.

I do not recall hearing an October 15 proposal advanced except by a single Senator on this side as a good-faith effort to offer a constructive suggestion. But there has been no offer of compromise on the part of the majority.

I shall repeat why 60 days and 45 days were important to us. Let me remind the Senate that 61 Members of the Senate voted for 180 days yesterday—180 days. We have come down from 180 days to 60 days. Prior to yesterday, the President had offered 45 days. He has not moved an inch from that 45 days since yesterday's vote—not an inch. We have come down 120 days, if we want to look at who is giving and who is taking.

On the section (g) authority, I do not recall that the President ever discussed the question of section (g) authority and its usefulness to him in any extension, whether it is 45, 60, or 180 days. In a discussion this afternoon with Republican leaders, we were not impressed that they thought this was important authority for the President to retain. Suddenly, in the course of the discussion here, from the time the Mansfield proposal was presented to the Senate, section (g) authority has acquired greater and greater significance and importance for the administration.

Well, as one of those cautious New Englanders, I become suspicious as this emerging importance becomes clearer and clearer.

It is clear that the President wants to use it, but if he intends to use it at the first opportunity that is given to him, then on our side, we want to be sure that we have enough time before that point is reached to develop our alternatives. That is it, pure and simple.

Mr. JACKSON. Will the Senator yield?

Mr. MUSKIE. The October 20 date, given the already agreed-to October recess, means that we would have to have our alternative ready on October 10. That is what the minority is presenting to us. We cannot get started on this until next week. So the 45 days suddenly gets squeezed down to something less than that for a good-faith, uninterrupted congressional consideration of an alternative policy.

What the President is trying to create through this counteroffer is pressure upon Congress, not to develop a congressional alternative, but to knuckle under to the President's plan. If that is what it amounts to, then I say to the minority, "You had your victory yesterday. The veto was sustained. You have gotten what the President asked for last February—total decontrol. You do not have any section (g) (2) authority today. The President vetoed that yesterday and you sustained. Now you are asking us to give it back to him on his terms so that he can use it."

Obviously, it has become of such importance that we have to conclude that he intends to use it. When? On October 20, the last day of the congressional recess, all before we have had an opportunity to develop our alternative. That is no alternative whatsoever.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. MUSKIE. Yes, I yield to the Senator from Washington.

Mr. JACKSON. I think the Senator has made the real point and that is that the time that we seek here is to be able to develop a congressional policy. All of this will be for naught if while we are completing it the President comes in with another program, another policy, which Congress will then have to wrestle with in the midst of our own legislative effort. Certainly that is inconsistent with the whole concept of a period of time here for the House and the Senate to work its will in cooperation with the White House. They will be testifying, they will be submitting their proposals. But what it boils down to is that if they do not like the way it is going then all of a sudden in the midst of the legislative process we are confronted with another program, and that just does not make any sense.

I want to associate myself with the remarks of the able Senator from Maine.

Mr. MUSKIE. May I say, finally, we have indicated our willingness not to insist on the section (g) (2) language in the Mansfield proposal and to take the administration's word, and I still stand ready to do that.

But what do we get in return, you know, from the administration? I mean a proposal the very assumption of which is that they cannot trust us. Well, maybe they honestly feel they cannot. If that is the attitude, then what about the climate of accommodation we are trying to create? What about the climate of accommodation? I mean, if we are asked, you know, to accept the good faith of the administration I do not think it is too much to ask in return acceptance of our good faith that we want a constructive, adequate, not excessive, period in which to develop alternatives, including the administration's—including the administration's—so that when we come to the end of that period Congress can work its will.

But if the effort instead is to put us into the pressure of another situation where the alternative is the President's policy or nothing I, for one, you know, will not agree.

Mr. BROCK. Mr. President, I have been participating in these discussions on and off the floor in conversations with the President and his staff for the last several hours, as I participated in our discussions in the last 2 weeks in July in an effort to resolve the problem at that time.

I speak only for the Senator from Tennessee, but I would have to say I have absolute confidence in the integrity of the Senator from Maine in his desire to work something out, in his willingness to bend every effort to achieve that result.

But, having said that, I think I have got to point out that while I have total faith in the Senator, I have to remember what has been happening for the last several months. In the last several months I have seen the President of the United States offer this Congress more plans than I can count now, more alternatives. I have seen him offer a 30-month decontrol—that was unacceptable. I saw him talk about 36—that was unacceptable. I saw him talk about 39—that is unacceptable. Then I saw him say, "Well, I will not put on the second dollar because you have asked for more time," and that was unacceptable.

We went through a 60-day extension from January, and then we added 60 more days in March and 60 more days in May. We got into July, we worked the last 2 weeks intensively to try to work it out. We were within a gnat's eyelash of an agreement, but we were unable to achieve it. And here we are.

We are asked again for more delay. I do trust the Senator from Maine; I trust him implicitly. I trust his sincerity and his ability. But I am beginning to wonder whether or not Congress will exercise the fortitude that is necessary to come up with a plan.

Mr. MUSKIE. Mr. President, will the Senator yield?

Mr. BROCK. And I think it does require a certain timetable or pressure, if you will, in order to force that action.

Mr. MUSKIE. Will the Senator yield, Mr. President?

Mr. BROCK. Sure.

Mr. MUSKIE. What is the Senator's comment on my point that the President now has, without further action by Congress, the policy he asked for in February, decontrol of old oil? Why does the Senator belabor us, you know, to save him from the consequences of that policy? I mean, he has got it. He does not have to accept a moment's more delay from Congress. He has got what he asked for. Is that not good enough for him? He has asked for a congressional alternative. The Senator has been reciting the record that we have not given him one. So not having a congressional alternative, he has got the one he presented. So why is he not satisfied? Why does he not take it and go to the country and say, "I won over the Congress. I have got my plan. We have got decontrol and now the problem is solved."

Mr. BROCK. I would say to the Senator I would hope he never tries to hold me to something that I proposed a long time ago about which I may have changed my mind.

Mr. MUSKIE. Well, the Senator is trying to do that to us.

Mr. BROCK. No, no.

Mr. HANSEN. Mr. President, will the Senator yield on that point?

Mr. BROCK. I will not try to do it to the Senator from Maine.

Mr. MUSKIE. Incidentally, has not the President changed his mind about his original proposal?

Mr. BROCK. I think he has.

Mr. MUSKIE. And he said so.

Mr. BROCK. I think he has made it clear when he proposed a gradual decontrol over 39 months.

Mr. MUSKIE. He said that was in his compromise with us. He never told us because he changed his mind about the wisdom of his own proposal. There is a difference between the two.

Mr. BROCK. I am not in the business of mind-reading, but I do know that that office, the Presidency, has made the most incredible series of gestures to work out a compromise with this Congress that I have seen in years in this body.

Mr. MUSKIE. Is the Senator saying that the President no longer believes in the policy that he has not denounced?

Mr. BROCK. I think all of us feel that ultimately decontrol is going to have to come. But we do think it is going to take an amount of time to achieve it rationally, and if the President supports that why challenge his position?

Mr. MUSKIE. Because he is constantly challenging our position. Why should we not challenge his?

Mr. BROCK. Well, the Senator has no position, Senator. I have not seen anything.

Mr. MUSKIE. I will say this——

Mr. BROCK. In writing what is the position?

Mr. MUSKIE. I will tell the Senator this: If the President has backed off from his February position, then he has come around to the congressional position that decontrol was wrong. So do not tell me——

Mr. BROCK. Why then does not the Congress accept that?

Mr. MUSKIE. We were defeated in Congress. He won. He snatched defeat from the jaws of victory yesterday.

Mr. BROCK. If the President adopted the Senator's own position, we would reject that tomorrow, too. I cannot believe we are rejecting this last offer again. In an effort to compromise he has bent over backwards.

Mr. MUSKIE. I do not acknowledge that characterization, Senator.

Mr. HANSEN. Mr. President, will the Senator from Tennessee yield?

Mr. BROCK. Yes.

Mr. HANSEN. It seems to me that, to the Senator from Wyoming that, a very proper and appropriate response to the question raised by the Senator from Maine when he says is not the offer the President made in February now acceptable to him, is to ask the Senator from Maine who, along with a number of other Democrats, was making great boasts about in 30 days they would have an energy policy all drafted, they would have it all finished, and here it is——

Mr. MUSKIE. Is the Senator saying that I said that? When did I say that?

Mr. HANSEN. I thought every Presidential candidate aspirant on that side had said it. Maybe the Senator from Maine did not; maybe he did not.

Mr. MUSKIE. Is the Senator aware that I am not a Presidential aspirant?

Mr. HANSEN. Then I do not include the Senator.

Mr. MUSKIE. I wanted that point clear in the RECORD.

Mr. HANSEN. Let me make the point——

Mr. BROCK. Is that a permanent guarantee? [Laughter.]

Mr. HANSEN. And it is a point that if we had assurances from that side on how quickly an energy policy would be written, we have had hundreds of them. We were told in January that 30 days would be enough; and then the only person who has made any effort at all to come forth with a comprehensive, constructive energy policy has been the President of the United States.

The Senator from Rhode Island spoke about the only concern here was price and, of course, there are those who think that it is not really quite that simple. So I say to my good friend from Tennessee, in expressing my appreciation to him, I think the question is to be turned around the other way. If the boasts that were begun early in January had any validity to them at all, if we are to place any credence at all in the assurances that we are going to have a policy written in 45 days now, I simply have to say, boy, we have heard that record over and over and over again and, so far, they have not produced more than a small mouse.

Mr. BROCK. Of course, the Senator is right.

Mr. HANSEN. The Senator from Tennessee has the floor.

Mr. BROCK. Why should we believe something will happen in 45 days when it has not happened in 10 months?

I tell the Senator that I accept his pledge. I accept his commitment and I believe him, but I do not understand why, then, he cannot accept this offer from the President. I do not know how many compromises we have to offer.

Mr. MUSKIE. If we had been as efficient as the Senator from Wyoming, as we should have been——

Mr. HANSEN. The press releases, that is all.

Mr. MUSKIE. I issued none, but if we had been that efficient and pursued a policy in 30 days, the President would not have had all this time during which he has been persuaded his February policy was wrong, so we did him a service by not acting as expeditiously as the——

Mr. BROCK. Now, we are getting to the point where we are doing great favors for the President of the United States and killing the American people, because we have no policy at all, and that is what I think is intolerable.

I yield to the Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, does the Senator yield the floor?

Mr. BROCK. Yes, of course.

MOTION TO PROCEED TO CONSIDER S. 1537

Mr. ROBERT C. BYRD. Mr. President, S. 1537, a bill to amend the Defense Production Act of 1950, as amended, has to be acted on quickly because that act, the Defense Production Act, will expire on September 30, and this measure has to go to the House, has to be acted on there, and if necessary may have to go to a conference.

Therefore, I move that the Senate proceed, with the understanding there will be no action taken thereon until Monday, to the consideration of S. 1537.

The PRESIDING OFFICER. The question is on the motion.

Mr. TOWER. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The question is on the motion.

Mr. GRIFFIN. Mr. President, the motion is debatable, is it not?

The PRESIDING OFFICER. It is debatable.

The Senator from Texas.

Mr. TOWER. I would like to say to my good friend from West Virginia that I have no objection to that measure being taken up on Monday and I think that has been communicated to my distinguished friend, the chairman of the Banking, Housing and Urban Affairs Committee which exercises jurisdiction.

However, I did not know it was going to be laid down tonight and made the pending business. I would prefer it be laid down on Monday.

Mr. ROBERT C. BYRD. Well, Mr. President——

Mr. TOWER. Obviously, the Senator from West Virginia has the vote and he can roll me on a motion to take it up.

Mr. ROBERT C. BYRD. From the Senator's standpoint, there is no difference, it is a jug half full and jug half empty, but——

Mr. TOWER. That is West Virginia talk, which Texans do not understand.

Mr. ROBERT C. BYRD. That is all right. I will not argue that, but I will have to insist on my motion.

The PRESIDING OFFICER. The question is on the motion.

Mr. BROCK. Will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. BROCK. I wonder if the Senator would advise us then, what would be the process for consideration of the bill now pending? Does it go back on the calendar?

I am not quite sure what his motion was.

Mr. ROBERT C. BYRD. If the motion is agreed to, the House bill together with the amendment by Mr. MANSFIELD will go on the calendar.

Mr. TOWER. In other words, we are ducking out on the energy issue.

Mr. ROBERT C. BYRD. No, we are not. I could ask for unanimous consent that this measure be taken up and that would leave the House bill at the desk and it would take unanimous consent at some future time to get that bill up before the Senate. But with the thought that there may yet be some resolution of that matter, I was attempting to get it on the calendar so that it can be taken up at some future time on a motion or unanimous consent.

Mr. PASTORE. Will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. PASTORE. Could we have a unanimous-consent agreement to vote at 9 o'clock on this House measure that has been amended by the majority leader?

Mr. TOWER. No.

Mr. PASTORE. Why not?

Mr. BROCK. It has not been amended yet, for one thing.

Mr. CHILES. Is the Senator from Texas ducking the issue on the energy bill?

Mr. PASTORE. Now is the chance to debate it. That is one thing. The point here is that if we are really serious about this, let us have a vote. If we have the votes, it will carry. If the other side has the votes, they will carry it.

Mr. TOWER. All right.

Mr. PASTORE. Is that not the democratic way of doing it? Let us have a vote at 9 o'clock.

Mr. HANSEN. Mr. President, reserving the right to object, I make this observation, and I do intend after having made the observation to object, but I do not now object at this moment. The fact is that if we want to get away from posturing and try to address the problem of the energy crisis in this country, there is a very clear-cut course of action for us: It is to consider the House bill, which has the stamp of approval of every Member of the House of Representatives, Democrat and Republican alike, who was present this afternoon when the issue was placed before that body and was passed unanimously.

That represents the people of the United States and they are saying to us, as they did this afternoon, this is the way we should try to move.

Earlier this afternoon, I asked unanimous consent——

Mr. PASTORE. Well, now——

Mr. HANSEN. I did not yield the floor.

Mr. PASTORE. I do not know if the Senator has the floor, I had the floor.

Mr. HANSEN. Reserving the right to object——

Mr. PASTORE. Reserving the right to object, that is all the Senator did. He is making a political speech, and he made the same speech all night.

Now, I have the floor and I refuse to yield.

Mr. HANSEN. I do object.

The PRESIDING OFFICER. Objection is heard.

Mr. ROBERT C. BYRD. I repeat my motion.

The PRESIDING OFFICER. The question is on the motion.

Mr. TOWER. Will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

The PRESIDING OFFICER. The Senator from Texas.

Mr. TOWER. The Senator from West Virginia I know is acting in good faith, probably feeling that we cannot resolve this issue at this moment. If he can give me an assurance that there will be no further action on the Defense Production Act until Monday, then I will withdraw any objection that I have, or if he could propound a unanimous consent agreement and dispose of it in that way instead of going into a motion.

Mr. ROBERT C. BYRD. Well, no, I have explained the reason why I have taken the route of making the motion.

Mr. TOWER. Well, if the Senator wants to make a motion, I think it can be disposed of by voice vote.

Mr. ROBERT C. BYRD. Yes.

DEFENSE PRODUCTION ACT AMENDMENTS OF 1975

Mr. ROBERT C. BYRD. So I move, Mr. President, that the Senate now proceed to the consideration of the bill S. 1537.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia.

The motion was agreed to.

The PRESIDING OFFICER. The clerk will state the bill by title.

The legislative clerk read as follows:

> A bill (S. 1537) to amend the Defense Production Act of 1950, as amended.

The Senate proceeded to consider the bill which had been reported from the Committee on Banking, Housing and Urban Affairs, with an amendment.

ORDER FOR ROLLCALL VOTES IF ORDERED ON MONDAY TO GO OVER UNTIL TUESDAY, SEPTEMBER 16, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that if any rollcall votes are ordered on any measure or matter on Monday that such rollcall votes go over until Tuesday.

Mr. TOWER. Until what?

Mr. ROBERT C. BYRD. Tuesday.

Mr. TOWER. Until Tuesday?

Mr. ROBERT C. BYRD. Until Tuesday.

Mr. PASTORE. Monday is Yom Kippur.

The PRESIDING OFFICER. Objection is not heard.

Without objection, it is so ordered.

RECESS TO MONDAY, SEPTEMBER 15, 1975

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 12 noon on Monday.

The motion was agreed to; and at 8:39 p.m. the Senate recessed until Monday, September 15, 1975, at 12 noon.

EXTENSIONS OF REMARKS

TOBACCO STATEMENT

HON. JOHN W. JENRETTE, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 10, 1975

Mr. JENRETTE. Mr. Speaker, Ralph Nader's organization has widely distributed an alleged study of tobacco and the Government's tobacco price support program. Mr. Nader and his organization have turned out a report that is so distorted and full of half-truths that any rational person will see from even a casual reading that it will do much to undermine Mr. Nader's shaky credibility.

Mr. Nader has performed many invaluable services through his diligence and his percipience. But most of the value of Mr. Nader's work has included those projects in which he personally was involved earlier in his career. Lately he has begun turning over projects to a staff of young zealots who seem to develop a premise and then move Heaven and Earth to prove that premise through an alleged study purporting to be cloaked in scientific objectivity.

The latest such report is a beautiful example of why Mr. Nader's credibility is rapidly declining. The research is not only flimsy, but depends heavily on assertions regarding tobacco from known critics of tobacco. It is a mildly hysterical and even ludicrous "study." For example, it includes the flat assertion that "smoking causes 85 to 90 percent of all lung cancer." Few people in the medical profession would make such an all-encompassing declaration.

A quick check shows that the Nader group based this on a statement from the Department of Health, Education, and Welfare.

The Nader report implies that farmers receive handouts from the Government when, in fact, the price support program is simply a floor under prices. Prices paid by the tobacco companies are usually far above this support level and even the Nader report could not show that this has cost the American taxpayer 1 cent.

They also stated quite callously, "It is true that small independent farmers would suffer from elimination of tobacco subsidies."

Typical of the hysteria in this report is this statement:

> Unlike other commodities such as wheat, soybeans and dairy products, which sustain life, tobacco predictably causes disease and death!

Much of this wild and unsubstantiated nonsense derives from experiments like the one in which mice were shaved and tobacco condensate smeared on their backs. Half the mice developed skin cancer. But a more rational scientist later said a person would have to smoke 100,000 cigarettes daily to achieve a comparable dosage. Then of course mice are not men, are they?

One Nader argument against tobacco production is that it makes no sense to provide Federal price supports for growing a plant that the Surgeon General has determined is harmful to one's health. Those who offer this argument smugly refuse to listen to a rebuttal, interpreting this as unassailable logic. I submit that there are not only very good arguments to such critics, but highly persuasive ones.

First of all, let us look at a few positive things about tobacco: Other nations can duplicate the quality of our cotton, our soybeans, and our grain. But the one thing they have not been able to duplicate is the unique flavor and quality of our tobacco. Accordingly, American tobacco exports made a positive contribution to our balance-of-payments dilemma last year as we exported $1 billion worth. About 40 percent of our tobacco is earmarked for export.

At home, taxes on tobacco are an intrinsic part of the economy in every State. Excise taxes on tobacco last year amounted to $5.8 billion throughout the United States.

The present 65 percent formula—dating from 1959—is far behind the realities of today's production costs, which increased last year by 35 percent. We tried unsuccessfully earlier in this session to raise the support level to 70 percent of parity. This modest increase would have raised the support level for Flue-cured tobacco from 93.2 cents a pound to $1.04½. It would have raised the level for burley from 96 cents to $1.12.

I want to emphasize that even with that effort, we were not really doing the tobacco farmer a big favor. Prices are expected to stay well above this support level. We were simply trying to offer the much neglected tobacco farmer a psychological boost. The chances were overwhelming that this support level increase would not have cost the taxpayer 1 cent. One of the reasons that the legislation ran into tough sledding was the health issue. Again: Why should the Federal Government subsidize a product deemed injurious to a person's health?

First of all, since the Surgeon General's report, cigarette smoking has continued to increase steadily. People apparently will continue to smoke regardless of such reports. I do not smoke. But that certainly does not mean that I would tolerate for an instant being told that I could not smoke because of the Surgeon General's report. We tried prohibition once, but alcohol was the target. This resulted in such a ridiculous scofflaw situation that the "noble experiment" was summarily abandoned.

A big killer is the overeating habits of many Americans. But would Mr. Nader dare suggest that the Government begin telling Americans they can eat only portions of a certain size? Can you see a message on a sack of potatoes that states: "Warning: The Surgeon General has determined that overeating potatoes is dangerous to your health?" There is no warning on a bottle of gin or bourbon, and yet we know that immoderate drinking can be fatal. The Government does not require motorcycle manufacturers to print a warning that states: "Warning: Motorcycle riding may be harmful to your health." Yet we all know that cyclists involved in motorcycle accidents have a very high mortality rate.

People are going to indulge themselves in life's minor vices. This is as inevitable as the rise and fall of the tides. So we know that the people of the United States will resist any attempt to restrict the use of tobacco or alcohol by legislative fiat as stubbornly as we resisted British attempts to keep us a servile, colonial fiefdom.

Granted those facts—and I think that all reasonable men will—why on earth should we penalize the one agricultural commodity that rewards us by helping the balance-of-payments deficit? Why should we penalize a program that is not costly to the American Government?

Statistics from the U.S. Department of Agriculture show that the average tobacco farm is only two acres. Tobacco is one of the few cash crops a man can raise on small acreage and still make a little money. There are many States—and not all Deep South States by any means—where tobacco is a vital part of the economy. To use my own State as an example, there are over 33,000 families who are associated with tobacco farms or the tobacco industry. They depend on tobacco for sustenance. It is not as if they were growing Turkish poppies and preying on the broken lives of others. There are 600,000 American families whose livelihood depends either in whole or in part on the production of tobacco. Mr. Nader apparently cares nothing for them.

In the past few years, a group of antitobacco zealots has sprung up in this country. A couple of months ago, the so-called "Third World Conference" on smoking and health was held at the Waldorf-Astoria in New York. Some 500 antitobacco activists from nearly 50 nations got together to discuss a strategy to end all smoking. Sir George Godber of Great Britain led the conference. He said:

> Our target in the long run is the elimination of cigarette smoking.

He called smoking a "dirty, antisocial practice." He called tobacco companies "the enemy" and "merchants of death."

I found it amazing that a group could get so hysterical about smokers and not care enough to make the same public outcry over pollution by heavy industry, automobiles, or cancer-causing substances in our rivers and streams.

You and I, and every other taxpayer contributed our share to pay for this silly conference. The affair cost U.S. citizens more than $250,000. The money went from HEW to the American Cancer Society, and from there into the expense accounts of about 150 foreign delegates who were paid air fare and $50 a day for living and food and beverage expenses at the Waldorf-Astoria.

Perhaps we should remind Mr. Nader that tobacco was the product that saved the Jamestown Colony, that financed the war that freed us from the British Empire, and without which there might not be a Bicentennial celebration to observe.

Here are some quick facts on the economic impact of tobacco:

Tobacco provides employment for warehousemen and their employees in 900 warehouses in 176 markets in 12 States.

Some 600,000 farm families depend on tobacco for most or part of their income.

Some 125,000 other workers get their incomes from the tobacco industry.

There are 66,100 tobacco manufacturing employees.

There are 2,374 tobacco wholesalers in the United States.

Tobacco is the fifth largest cash crop in the United States behind corn, cotton, soybeans, and wheat.

Tobacco is grown in 25 States on 420,000 farms and worth, in farm income, approximately $2 billion.

Under the support program maligned by Mr. Nader, the Commodity Credit Corporation makes loans to farmers through their associations with the tobacco as collateral. The associations handle and sell the tobacco and repay the loans as the tobacco is sold. The realized cost of the price support program since its inception in 1933 has been only 0.13 percent of 1 percent of the cost of all farm commodity price support operations. So never let Mr. Nader say that tobacco is being subsidized by the Federal Government, because it simply is not true.

Why do we even bother to have a floor under prices—or provide price support at all? The answer to that is simple. It costs from $1,000 to $1,500 per acre in investment to grow tobacco. It is not like corn or soybeans because it requires a substantially higher investment to start. What most people do not realize is that banks help all but the extremely wealthy tobacco farmers begin each year. The banks feel much more at ease with at least the minimal floor under prices in the event that hail or some other natural disaster wipes out a crop.

As I mentioned before, tobacco is one of the few crops that aids our balance-of-payments dilemma. The United States is the leading tobacco exporter in the world. You can buy Brazilian tobacco at 30 cents a pound if you want to smoke a bland, tasteless mixture. But only the soil conditions and the climate of the U.S. Tobacco Belt can produce a leaf whose flavor has no parallel anywhere else in the world. In 1974, for example, the U.S. exported tobacco products totaling $1,200 million. This was a $1 billion shot in the arm for our balance-of-payments deficit.

Despite all of this, tobacco carries what I believe is an unfair tax burden. The almost $6 billion that was collected in 1974 from municipal, State, and Federal taxes on tobacco represented half the average retail price of a package of cigarettes.

To the allegation that tobacco manufacturers are "merchants of death," let me remind you that the combined commitment by the tobacco industry for smoking and health research, has amounted to approximately $46 million since the mid-1960's. In many years, the tobacco industry's commitment in this area has exceeded that of any Government agency, and substantially exceeds the research expenditures on smoking and health by all of the voluntary health associations combined. But Mr. Nader did not go into this because it did not fit his preconceived ideas.

Although tobacco uses only about 4 percent of the Nation's cropland, it usually ranks—as I stated—fourth or fifth as our most valuable cash crop. One of the biggest—if not the biggest—tobacco farm in the United States is a farm in North Carolina of about 1,500 acres. That would be a small wheat farm in Kansas.

We are constantly lamenting the demise of the small farm. If we should ever, through some misguided policy, drive the small tobacco farmers to the city, then some 600,000 farm families would follow their predecessors of other crops to the cities where welfare rolls would grow and manpower retraining programs would have to be beefed up. Corporate farms would grow bigger, and prices paid by consumers would skyrocket.

Despite the Surgeon General's report, consumer demand for tobacco products has risen steadily. There is no fluctuation as with other farm commodities. The demand is rock steady and increases annually. During the 1974 fiscal year, U.S. consumers spent an estimated $14 billion for tobacco products. Taxes represented about four times the amount tobacco farmers received from their tobacco sales.

Incidentally, some of the most respected medical researchers in this country have disputed the findings of the Surgeon General's report. One noted that the Surgeon General's own statistics show that a person who smoked cigarettes for 10 years and then stopped, would be less likely to develop cancer than someone who had never smoked at all. Now, I do not claim to know about the validity of such interpretations of the statistics, but I do know that medical researchers are in sharp disagreement. Still others blame traces of polonium 210 on tobacco leaves as causal agents. Others feel that today's high pollution, stress-filled environment—particularly in big city areas—has more to do with lung disease than cigarettes. Again, Mr. Nader chose to ignore these aspects.

But we are sure of some things: Tobacco is the most successful commodity program ever operated in the United States. Farmers have voted upon themselves production controls for mandatory price supports. That 0.13 percent of the percent cost of the USDA price support operation was on over 55 billion pounds of tobacco produced since 1940. Not one other farm commodity can match that record.

Tobacco farmers are a breed apart. They voluntarily opted for minimum Government outlay and chose to limit production to high quality tobacco. That is why the American tobacco product is still in demand. That is why Brazilian tobacco sells for 30 cents a pound. But the world is not beating a path to the door of Brazil or any other country to purchase their tasteless tobacco.

Here are some quick facts about tobacco Mr. Nader should consider. Total U.S. consumption of tobacco, including U.S. servicemen overseas, included:

Over 610.4 billion cigarettes in 1974, the highest consumption ever despite curtailment of advertising on television.

About 6.4 billion cigars and cigarillos in 1974.

About 59.6 million pounds of pipe and roll-your-own tobacco during the same time span.

About 79.2 million pounds of chewing tobacco.

About 25.0 million pounds of snuff.

U.S. cigarette manufacturers produced 635 billion cigarettes. Of this number, 10.4 billion were shipped to our overseas forces; another 1.9 billion went to Puerto Rico and U.S.-owned islands, and 46.9 billion went to other countries.

Per capita U.S. consumption of cigarettes last year, for persons 18 and over, was 4,150 compared with 3,985 in 1970.

In view of the solid record of achievement of the tobacco industry, the economic value of tobacco to the Nation, the contribution in the form of taxes and health research, it is most difficult for farmers to understand the unrelenting efforts of a small but vocal segment of society—people like Mr. Nader—apparently bent on destroying the tobacco industry.

NATIONAL DAYS TO COMMEMORATE EVERYTHING

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. GOODLING. Mr. Speaker, the Post Office and Civil Service Committee adopted a policy for the consideration of legislation dealing with commemorative days and periods earlier in this year which I applaud. The policy is more restrictive than past Congresses in what can be considered in the committee and then brought to the floor in the area of commemorative legislation. I have gone one step further in my own philosophy on national day-type legislation,and will not support any legislation which would establish new commemorative days.

I came to this conclusion only after I, myself, cosponsored legislation very early in the session to establish a "National Hunting and Fishing Day." My predecessor who has the same name as I, and for whom I have the highest respect, was also a cosponsor of this legislation. After being contacted by the chief sponsor of the legislation—since my name was on the bill last year—to be a cosponsor, I agreed. At that time I saw no harm in the intent of the legislation.

Soon after that however, I realized that we in Congress were being asked by many groups to set up national days to commemorate everything from, and I kid you not, "Peanut Butter and Milk Day" to "Trauma Day." I, too, began to have a trauma at that point. I have no objections to people getting together to celebrate just about any civil purpose, but is it necessary to introduce a bill in Congress to allow these celebrations to occur or to publicize an event? Should the taxpayer pick up the cost of enacting legislation to designate "National Ski Week" for instance? I have skiing resorts in my own district, but do not feel the necessity to ask taxpayers in Florida to pay their Congressmen and their staffs, the committee staffs, as well as printing costs of legislation to promote this popular sport.

I recently found that almost 400 bills have been introduced dealing with holidays and commemorative events. Of these approximately 100 are original bills and the rest are duplicates. Many Members are well aware of some costs in introducing a bill but I was surprised to learn that the Congressional Research Service estimates that for a hypothetical 20-page bill, the cost is $2,442. This is just for the introduction of the bill and does not cover if the Congress takes action on it. The introduction of a bill would include the preparation of the bill by the staff of the Congressman or legislative counsel, printing of the bill, CRS analysis, placing information on the bill in the computers of the bill status office, preparation and printing of an introducing statement for the CONGRESSIONAL RECORD and the preliminary work by the committee. While I realize that most national day-type bills are not 20 pages, I am sure that the costs are quite substantial.

For these reasons, I hope that organizations which sponsor national day-type legislation will not turn to me for support in the legislative process. I shall continue to make my own personal services available to worthwhile commemorative events through appearances and endorsements which do not require bills to be passed.

IN RECOGNITION OF SGT. EDWARD A WILLING, MISSING IN ACTION IN VIETNAM

HON. PIERRE S. (PETE) du PONT

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. DU PONT. Mr. Speaker, as a leading nation in the free world, we cannot allow ourselves to forget those Americans missing in action in Vietnam. We honor them for their courage and their measure of devotion to this country. We also honor their families and loved ones who have suffered so much anguish for so long due to the undisclosed fate of the missing in action. I would like to take this opportunity, on the day the House passed House Resolution 335 establishing a Select Committee on MIA's, to pay particular tribute to Sgt. Edward A. Willing, who was 19 when he was reported missing on July 21, 1968, when he failed to reach his post at an observation tower guarding a bridge on Highway 1 about 20 miles south of Danang. He was last seen near the gate of the Marine compound with rifle and gear ready to return to duty. Shortly thereafter, rifle fire was heard in the vicinity and a perimeter guard later reported some activity at a distance down the road, too far to clearly determine.

Search parties sent into the area were unable to find any trace of Sergeant Willing or his gear and subsequent inquiry teams questioned nearby villagers and offered a reward for information without results. No further information has ever been obtained.

Ed was born and raised in Delaware and attended schools in the Alfred I. du Pont District. He was a Boy Scout, loved camping, swimming, and athletics. He enlisted in the Marine Corps at age 17, took basic training at Parris Island and further training at Camp LeJeune. He attended radio school at San Diego and was assigned as a radioman with an artillery outfit upon reaching Vietnam in October 1967. He served at Hoi An, Phu Bai, and other areas near Danang.

Ed, who was born August 28, 1949, is the second child and second son of Mr. and Mrs. E. G. Willing of suburban Wilmington. He has four brothers and three sisters.

The agony of uncertainty suffered by Sergeant Willing's family, as well as the families of all those missing in action, makes peace a hollow word. The United States owes it to these missing servicemen and their families to finally determine their fate. While recent events have resolved the question of U.S. involvement in Vietnam, what has not been resolved is the accounting of those missing in action. My colleagues both here in Congress and in the executive branch must continue to do their upmost to secure a complete accounting from the Vietnamese.

While Sergeant Willing is missing in action, he is neither missing in memory or in our hopes that he may be alive.

STATEMENT OF AUGUST CONGRESSIONAL VISITS TO GUAM

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. WON PAT. Mr. Speaker, during the August congressional recess Guam had the most welcome experience of hosting fact-finding visits by members of five House subcommittees.

As the Delegate from Guam and on behalf of Guam's people I wish at this time to publicly express our sincere thanks to Chairman Joshua Eilberg and members Thomas Railsback and Carlos Moorhead of the Judiciary Committee's Subcommittee on Immigration, Citizenship, and International Law; Charles H. Wilson of California, and delegation chairman, and Mendel Davis of the Armed Services Committee's Subcommittee on Military Installations and Facilities; Shirley Pettis of the Interior Committee's Subcommittee on Territories and Insular Affairs; Paul Findley of the International Relations Committee's Subcommittee on International Security and Scientific Matters; and a delegation headed by Joseph Addabbo, with members Robert Giaimo, K. Kenneth Robinson, Clarence Miller, Lawrence Coughlin, and Jack Edwards of the Appropriations Subcommittee on Defense. That their interest in matters concerning Guam is such that they would include personal visits to their busy recess schedules is greatly appreciated.

It was my privilege to welcome these colleagues to Guam, and discuss with them matters concerning Guam.

I am certain these colleagues benefited from their opportunities to gain firsthand knowledge of Guam and to confer with numerous officials of the Government of Guam concerning our several unique situations and problems.

Although many Representatives of Congress have visited Guam briefly during enroute stops, it is not often we are honored by visits primarily to explore and consider Guam's problems, and certainly not by so many visits during a single month.

The people of Guam are very aware of its unique position far from the U.S. mainland and as a viable American community on the periphery of the Far East. It is very gratifying to us to have these demonstrations by Members of Congress of the growing awareness of Guam's presence and as an integral part of the United States.

I would like to extend an invitation to my other colleagues, particularly those whose congressional concerns include matters concerning Guam, to also gain firsthand knowledge of our territory. I believe they may be pleasantly surprised to discover the extent of social, commercial, and political development taking place of which we of Guam are particularly proud.

NATIONAL BATON TWIRLING CHAMPIONS

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. ROSTENKOWSKI. Mr. Speaker, I would like to bring to the attention of all my colleagues the wonderful accomplishment of a group of young women and men from the Third Congressional District of Illinois.

During the recently concluded National Baton Twirling Week held in South Bend, Ind., the Jorgensen Rangerettes became the grand national champions. In the 12 years of their existence, the Rangerettes Dance-Twirl Corps has captured the title four times.

This outstanding record is a tribute to the ability and dedication of the founders, William "Grumpy" Jorgensen, his wife, Kay, and their daughters, Karen, Pat, and Judy, who have unselfishly given of their time to foster the progress and ideals of healthy competition with a view toward the growth of individual abilities.

The recent competition was held July 29–August 3 at the University of Notre Dame. Groups from nearly every State were present—even Canada, France, and Japan were represented.

The Rangerettes were accompanied by their combo, the Jet Stream, which also won the combo competition for a clean sweep.

Rangerettes range in age from 8 to 20 years of age and travel from nearly all the southern suburbs to participate in this group—girls and boys are from Chicago, South Holland, Dolton, Riverdale, Oak Forest, Calumet City, Lansing, Oak Lawn, Burbank, Tinley Park, Bolingbrook, Palos, Orland Park, New Lenox, and Muenster, Ind.

I salute these young men and women for their dedication and hard work, and congratulate my distinguished colleague from Illinois, the Honorable Marty Russo, who is lucky enough to be married to Karen (Jorgensen) Russo.

REVENUE SHARING AND THE PROBLEMS OF INDIANA'S TOWNSHIP TRUSTEES

HON. FLOYD J. FITHIAN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. FITHIAN. Mr. Speaker, one of the most pressing problems facing the country in the next few months is the question of the renewal of general revenue sharing. I am deeply concerned about the potential cancellation of all revenue sharing funds for township governments and township trustees in Indiana and the Midwest.

It is my firm belief that the township trustees provide a much-needed and useful service to their constituents throughout the State of Indiana. In my conversations with township trustees, they have stressed their responsibilities for public safety, including firefighting, ambulance service, health and safety factors, and establishing contracts for waste disposal. Other trustees have stressed their general responsibility for assistance to the poor or the unemployed, which includes providing for the physical and psychological needs of citizens. Still other trustees pointed out their responsibilities for parks, recreation, and land use. These services are absolutely necessary and in my judgment should not be eliminated.

It is my understanding that revenue sharing funds provide betwen 10 and 20 percent of the township trustee's budget. If these funds were withdrawn, advanced planning could possibly be snarled and plans for capital investment upset. By curtailing much-needed funds for the trustees, it would handicap their capacity. It is also my understanding that either service would have to be reduced or taxes would have to be increased. I think either choice would be catastrophic.

This summer I conducted a survey of the township trustees and their views of revenue sharing and its impact on rural and small towns in Indiana's Second District. I was appreciative of their excellent analysis and keen insight into the problems facing local government. I want to share the results of this survey with my colleagues in the House. The survey results are as follows:

Township Trustees Defend Revenue Sharing

(By Floyd Fithian)

Township trustees in the 2nd District of Indiana agree by an overwhelming margin that federal revenue sharing funds are important to townships and the funding level should neither be reduced nor eliminated.

Trustees expressed great concern about a recent Brookings Institute study entitled "Monitoring Revenue Sharing." The study stated that "small municipal and township units should be eliminated" from revenue sharing funds, especially targeting that recommendation to rural Midwestern and New England areas. Local elected officials perceive the study as indicating that government would be more effective if the township-level officials were eliminated and services now provided by townships were consolidated into other levels of government.

The 2nd District of Indiana is a largely rural area with a population of about 472,000 persons residing primarily in small communities and on small farms. Some townships in the district are near urban areas, such as south of Gary and surrounding Lafayette. A total of 142 townships are included in the district.

A questionnaire was mailed to each of the 142 township trustees in August, seeking their replies to the following questions:

(1) It has been proposed that revenue sharing funds for townships be eliminated or drastically reduced. Do you agree or disagree?

(2) Of the various services provided by township trustees, which service would you rank in importance as first and second?

(3) In general terms, what are your budget priorities? What percentage is spent on public safety, poor relief, parks and recreation and other areas?

(4) How has revenue sharing money been utilized? What percentage has been spent on public safety, poor relief, parks and recreation and other areas?

(5) If revenue sharing funds to your township were reduced or eliminated, would that:

(a) Force across-the-board reduction of services.

(b) Force a cutback in only one or two specific programs; if so, which areas?

(c) Cause you to request additional taxes to cover needed services.

(d) Have little effect at all.

(6) What specific comments or recommendations do you have on revenue sharing for townships?

Replies to the questionnaire were received from 96 township trustees, or 65 per cent of the total questioned. Their responses indicate overwhelming support for continuation of the present federal revenue sharing program, including allocation of funds to townships.

Fully 95.6 per cent of those responding disagree with the proposal to eliminate or drastically reduce revenue sharing funds for townships. In fact, only six trustees in the entire district believe the program should be reduced or eliminated, and the objections of those few seemed primarily to reflect frustration with the general idea of the federal government being involved at all with financing any local governmental activity.

Comments of the trustees, written on the questionnaire form, indicate their strong desire for retention of the revenue sharing program. For example, Trustee Ralph J. Ostrom of Lincoln Township in Newton County, Indiana, had this to say:

I feel very strongly insofar as the township is concerned it (revenue sharing) is a very necessary program. Without it, Lincoln Township would be in very bad straits, being as we are under a freeze figure on our budget (imposed by the state legislature). Without revenue sharing this year and last, I don't know what we would have done. Please do everything to convince the Intergovernmental Subcommittee of the Government Operations Committee that we need revenue sharing and we need township trustees.

A picture of financial crisis in the township was painted by Trustee Charles E. Robbins of Prairie Township, White County, Indiana, if revenue sharing funds are withheld from townships:

If they do away with revenue sharing we will have no poor relief or fire department. We will have to cancel our recreation program for next year already, because of the cut coming next year.

Financial impact would not be the only negative result of a discontinuation of revenue sharing funding on the township level, according to Trustee Kenneth Babcock of Liberty Township, Porter County, Indiana:

I feel that singling out the trustee's office for discontinuing revenue sharing funds in effect discredits that governmental office which is closest to the people. I am concerned about whose priorities are misplaced. . . .

Trustee Robert McKee of Union Township in Tippecanoe County, Indiana, called revenue sharing "the greatest federal program:"

It is efficient, it's quick responding, it is used for people's services by people who know what services are needed.

Township trustees perform numerous services for their constituents, the poll respondents noted. Most important services, they said, related to poor relief funds, fire protection and public safety. Those important services also were reflected in the trustees' budget priorities.

That revenue sharing funds are important to the total township program is demonstrated by examination of the allocation of revenue sharing funds in the townships. Almost without exception, revenue sharing funds in 2nd District townships are being pumped into already-established priority budget areas: fire protection, public safety and poor relief, in that order of priority.

It should be noted that the 1973 Indiana General Assembly froze the property tax rate of local governmental units as well as the amount of funds that can be raised by local governmental units. Thus, while expenses of townships have increased, their tax-raising ability has remained constant, placing a critical financial squeeze on the local level. Revenue sharing funds, many trustees noted, have kept much-needed priority budget areas from disappearing. The funds have kept local services alive.

What would happen if revenue sharing funds to townships were reduced or eliminated?

More than 80 per cent of the 2nd District township trustees responding to that question answered that they would be forced to request additional taxes to cover needed services. But with the tax rate frozen by state legislation, the financial picture for townships for the immediate future would be bleak, indeed. Even if higher taxes were requested, the likelihood of townships receiving state authorization to collect the additional funds is remote. The result would be a reduction of services.

In fact, more than 40 per cent of the responding trustees believe that an across-the-board reduction in services would be necessitated by the loss of revenue sharing funds. Another 25 per cent of the trustees say that cutbacks would be necessary in one or two specific programs, prominently citing fire protection and recreation programs as endangered services.

Only 5 per cent of the respondents said that the cutback in revenue sharing funds for townships would "have little effect at all," a response undoubtedly coming from the same 4.4 per cent of the respondents who do not want revenue sharing funds in the townships in the first place.

The future of townships without revenue sharing funds, then, is viewed with alarm by township trustees. They almost unanimously agree, according to our poll, that revenue sharing funds should be allocated to townships and that the level of government closest to the people should remain a recipient of federal funds.

THE OAU: CONSENSUS AND CONFLICT

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. DIGGS. Mr. Speaker, today I am submitting for the Record an informative assessment of the Organization of African Unity, OAU, by Colin Legum, an astute and respected observer of the African scene. This article appeared in the August 3, New York Times, following the 12th annual OAU Summit Meeting which took place at the end of July in Kampala, Uganda under the chairmanship of Ugandan President Idi Amin Dada.

In light of the dire predictions from many of our major newspapers preceding this particular OAU meeting, I think the Legum article is very timely. Despite the gloomy predictions, the OAU reiterated in responsible fashion its commitment to promote peaceful change in southern Africa with respect to the white minority regimes of South Africa and Rhodesia. The OAU called upon Portugal to assume its legal authority in strife-torn Angola. And with special implications for the upcoming U.N. General Assembly, Africa's leaders rejected an economic boycott of Israel and Israel's suspension or expulsion from the United Nations—which also probably accounted for a less militant Arab stance on Israel at the August nonaligned conference meeting in Lima, Peru.

Hopefully Mr. Speaker, these constructive decisions taken by the African heads-of-state at their latest OAU meeting will not be lost on the Congress, the President, and the Secretary of State with respect to our responsibility to go forward in improving mutual African-American relations. Therefore, I think the following assessment of the OAU is worthy of serious attention:

The O.A.U.: Consensus and Conflict

(By Colin Legum)

The 45-nation Organization of African Unity has existed in a chronic state of crisis ever since it was born out of a welter of conflicting interests and ideas on May 25, 1963. Having survived 12 years of sometimes bitter political rivalries, it is likely to endure even the controversial chairmanship of President Idi Amin of Uganda, who will hold office for a year.

The Chairman's role is mainly representational. Between the annual meetings of African heads of state, all policy decisions are made by the organization's bodies: the Council of Ministers, which comprises the continent's foreign ministers, and the Liberation Committee with its headquarters in Tanzania.

Africa is the first continent which has created a pan-continental movement, although "pan" ambitions have been pursued throughout the modern history of Europe, the two Americas and Asia. The reasons for Africa's success are that until the 1960's almost the entire continent was under foreign rule so that there were no irresistibly strong dominant nation-state interests to overcome, and because the idea of Pan-Africanism was vigorously championed at the close of the colonial era by the then prestigious President of Ghana, Kwame Nkrumah.

Although Mr. Nkrumah was on bad terms with many of his contemporaries, nevertheless the time was ripe for the idea of an international organization that would both harmonize relations between the nascent African states and establish "an African presence" in the world community.

The dynamic impulse of black consciousness at the end of more than a century of white alien rule was strong enough in 1963, and remains so today, to overcome any resistance to a unifying government.

However, Mr. Nkrumah's fervent advocacy of a politically unified African superstate was rejected by virtually all his contemporaries. Instead they created an association which, in many respects, resembles the framework of the United Nations and its specialized agencies. The Organization of African Unity has no power to bind its member-states. Its influence comes from collective decision-making and moral pressures against backsliders. It is significant that not a single member has resigned since the founding and no new qualifying member has refused to join despite the strong disagreements within the organization.

Three major obstacles faced the organization at its inception and, in some degree, two of these still persist. The first was the basic differences in attitude between the francophone and anglophone African states caused by the former's original desire to retain close links with Paris. In recent years the francophone family in Africa has undergone many changes and former close ties with France have been considerably eroded.

The second obstacle was the historical barrier of the Sahara between the Arab states in North Africa and the black states. Although the ending of colonialism broke down the Sahara's political barriers, the Arabs' overriding commitments arising from their confrontation with Israel have kept alive the tensions between Arabs and black Africans.

A third obstacle has been the differences of political attitudes between the so called radicals and the moderates in African politics. The earlier divisiveness of this ideological conflict has become much less of a threat; as African leaders have had to face up to the immense difficulties of governing their own countries they now tend to divide over particular issues rather than over broad ideologics.

The Organization of African Unity has increasingly become a forum where common African policies are forged, or disputed, and where the disagreements between member-states can be discussed and sometimes conciliated. This function of the organization explains why the meetings of heads of state have become critical annual events in the affairs of the continent.

Every year these meetings provide occasions for speculation about whether the organization is on the point of collapse; but these judgments are facile. If the organization was indeed so divisive it would have collapsed under the weight of the many difficult disputes that have divided its members over the last 12 years.

The pan-African organization suffers from precisely the weaknesses that are inherent in all international bodies whose membership represent strongly divergent interests. They are severely limited in the number of issues on which they can take effective action.

Although the 46-member organization has failed to act effectively on a number of occasions—as, for example, in ending the civil war in Nigeria or in settling the border dispute between Somalia and its neighbors—it has played an important role in stopping fighting—as in the conflict between Algeria and Morocco and, more recently, between Mali and Upper Volta. It has acted with some success in promoting the decolonization of Africa through its Liberation Committee, which was crucial in the support it gave to the anti-Portuguese liberation movements.

Perhaps the most outstanding recent success was the role it played to produce a collective African stand in the negotiations with the European Economic Community which produced the Lomé Treaty.

Little is ever written about the functional agencies of the O.A.U. They have been responsible for a considerable amount of practical work in promoting inter-African cooperation in trade, education, regional economic planning and, especially, communications.

The group which has exercised more influence in recent years than any other is that led by President Julius Nyerere of Tanzania and President Kenneth Kaunda of Zambia, supported by President Seretse Khama of Botswana and President Samora Machel of Mozambique. The only other influential leader is President Houari Boumediene of Algeria.

It is perhaps the absence of any single strong bloc or dominant leader which is responsible for the organization's success in maintaining its essential unity, which depends on African leaders not interfering too openly in each others affairs.

THE APPALACHIAN NATIONAL SCENIC TRAIL

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. BYRON. Mr. Speaker, recently in Boone, N.C., the Appalachian Trail Conference held its 20th meeting on the occasion of the 50th anniversary of the conference. It was my privilege to attend this conference and to follow the conclusions of the assembled delegates.

One of the major concerns expressed by speaker after speaker at the conference was the slowness of the National Park Service in implementing the National Trails System Act in 1968. A resolution on this subject was introduced by Mr. Edward B. Garvey, one of the few Americans to have hiked the entire length of the Appalachian Trail. The resolution passed overwhelmingly, and I would like to share it with my colleagues:

RESOLUTION

The members and delegates assembled at Boone, N.C., for the 20th general meeting (50th anniversary of the Appalachian Trail Conference) have voiced their dissatisfaction with the lack of progress in acquiring the Appalachian Trail right-of-way since the passage of the National Trails System Act of 1968.

By resolution of the members here assembled, the Chairman of the Conference is requested to direct a letter to each member of the Interior and Insular Affairs Committee of both the House of Representatives and the U.S. Senate and to the Chairman and ranking member of the Interior Appropriations Subcommittee of both the House and Senate—such letters to recite the situation that exists and to urge the Congress:

1. To take such action as may be necessary to correct the situation and
2. To request the Secretary of the Interior to implement the recommendations of the Appalachian National Scenic Trail Advisory Council as adopted at its meeting at Boone, N.C., on June 20, 1975.

A PROTESTER-BOMBER GOES FREE: TV PROPAGANDA AT ITS WORST

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. ASHBROOK. Mr. Speaker, I guess you have to spend an hour watching it sometime to see just how biased TV programs can be. Yesterday, I read a review in the Washington Post about a new TV series, "Kate McShane." Normally, this would not draw my attention but my eye was attracted to the fact that the TV heroine was going to defend an alleged antiwar activist-bomber.

So I made a point of watching the show last night. About the best that I can say for it is that it was sheer propaganda of the most nauseating type. Of course, the poor girl was a social worker at the time of her arrest, spreading good everywhere. As the facts developed, after her first lie was discovered, it seems that she was a protester who had escalated her activities a la Bernardine Dohrn and the SDS-Weathermen type of mid-1960's protesters into dynamiting and bombing.

Poor girl, as she confessed to Kate, she was once tracked by police dogs in Pennsylvania and shivered in an ice house in New Hampshire. All, of course, because those foul law enforcement agencies of the establishment had the audacity to pursue and endeavor to track down these fine American activists for their criminal conduct.

What motivated her? Kate was from another generation and could not understand it. With a poignant appeal, the young radical client looked her attorney in the eye and said:

> You don't have Vietnam, napalm and Kent State.

Oh, how those magic words seem to cover up everything from the American left.

The other mad bombers had to be recruited to help their quote—sister—unquote Barbara, and of course, the establishment snared them in a trap—a heinous plot by law enforcement people to capture fugitives which came through as a dastardly act when portrayed by these TV propagandizers. Of course, the young men were really good guys.

The U.S. attorney was portrayed as a cheat who would use underhanded methods to track down the young terrorists. The high point of the show was Kate's righteous indignation when the young terrorists were arrested—think of that. Only a murder charge was involved but it was clearly wrong that the law enforcement officials would use their available means to trap these activist bombers.

Then her cruel mother revoked bail. Of course, the fact that Kate's client was going to split and jump bail was only secondary. It showed that mothers really cannot be trusted and we all know that the only honorable course is to take the law into your own hands.

That most dreadful species of all, the informant and the police infiltrator testified to what the subheroine of the show had already admitted: She had volunteered for the bombings. With some tilt toward editorial justice, the seamy plot indicated that she drew the line on this last bombing. Moral: A little dynamite here and there, scattered bombings when you are very careful, are all right but draw the line at the big ones.

The TV plot made her dissent translate very logically into dynamite. Society was wrong. Everything was there including a reference to a lonely man walking a California beach—obviously our former President.

Then as the Sun sets in the West, as the old movie theater travelogs used to put it, and we left this transparent and contrived travesty of propaganda, the cute little dynamiter goes free and even makes up with her establishment type mother. Thus, subtly TV brainwashed the American people into a sympathy for the SDS types who still range at large and the Lynette Fromme types who now and again surface to give vent to their radical actions, all of which are obviously caused by our guilt-ridden society.

MILFORD, MILFORD TOWNSHIP HONORED FOR BICENTENNIAL PROGRAM

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. BROOMFIELD. Mr. Speaker, the enthusiasm and energy the people of the village and township of Milford in my district are putting into the celebration of America's Bicentennial is encouraging and impressive. If communities all over the Nation are entering with the same vision and vigor into the observance of the 200th birthday of our country, I believe we can look forward to a most enjoyable and beneficial Bicentennial year.

Milford's planned events and projects for the observance of our Nation's Bicentennial earned its designation as a Bicentennial Community by the American Revolution Bicentennial Administration.

The major project is restoring an old home built around 1870 to use as a permanent museum for the Historical Society.

A second project now almost complete is the beautification of two old community cemeteries.

Other projects include a study of original civic groups and a book on the history of schools in the area.

Cemetery tours, walking tours of the village, and viewing store displays of the early days will be included also.

Finally, on July 4, 1976, there is a large parade scheduled followed by an ice cream social or community picnic reminiscent of the 1800's. A display of crafts and old-fashioned fun activities are planned for the day also.

I want to extend my wholehearted congratulations to all the citizens of Milford for their interest, imagination, and effort in observing the 200th birthday of our Nation, and am pleased to share their Bicentennial program with my colleagues and other communities all over the Nation.

INFLATION, UNEMPLOYMENT, AND OUR ELDER CITIZENS

HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. MADDEN. Mr. Speaker, during the last 6 years, with the high interest rates ascending annually coupled with a proportionate increase in food costs, rents, and all other commodities necessary for our elder folks, the Lake County Indiana chapter of the American Association of Retired Persons is undergoing extreme difficult conditions to provide for even the meager necessities to meet the increasing living costs.

Regardless of the various legislative programs enacted by the Congress and unfortunately presidential vetoes have handicapped further legislation for elder citizens not only in the Calumet region, but throughout the Nation. It is necessary that further Federal aid be extended, especially in highly industrial areas where unemployment is rampant, to aid thousands of needy retirees to meet the most devastating inflation and unemployment rates since the early thirties.

Mr. Speaker, I ask unanimous consent to include with my remarks a letter from the Indiana Association of Retired Persons and a resolution which was unanimously passed on August 5 of this year.

Lake County Indiana Chapter 1552,
Schererville, Ind., August 29, 1975.

Hon. Ray J. Madden,
Rayburn House Office Building,
Washington, D.C.

Dear Congressman Madden: Enclosed find a copy of a Resolution passed at the American Association of Retired Persons, Chapter 1552, Lake County, Ind. meeting on August 5, 1975.

AARP thanks you for the support you have shown to the elderly in the past. We hope that you will consider the Resolution and let our position be known to the other members of the Congress.

Sincerely,

Vera L. Haralovich,
Secretary.

Resolution

Whereas, Every homeowner receives the normal $1,000.00 mortgage exemption, and

Whereas, The disabled veterans are receiving an extra $2,000.00 mortgage exemption on their homes, and

Whereas, The Constitution and Bylaws have non-discriminatory clauses, and

Now, therefore, be it resolved: That the American Association of Retired Persons, Chapter 1552, Lake County, Ind. go on record that all disabled retirees and citizens 65 and over receive $2,000.00 mortgage exemption on their homes.

Louise Pugh, *President.*

SHIP'S BOILER USED TO SAVE ENERGY—"HOPE" BRINGS HOPE

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. PICKLE. Mr. Speaker, looking at rising electric bills and a plentiful supply of wood shavings, chips, and sawdust on the floor Economy Furniture Industries of Austin, Tex., conceived a plan to use the fuel resources they have at hand to save energy costs.

After numerous sessions with engineers and extensive research into the problems of conversion and costs involved, Helen and Milton Smith, founders of the company, began a search for suitable equipment.

They wound up transporting the mountainous boiler from the scrapped famed hospital ship SS *Hope* 500 miles across Texas backroads to the site of their furniture industry. By the end of this year the old boiler hopefully will be part of a setup supplying all the electricity used by the plant during working hours.

The experiment is full of risks, but the Smiths and their industry are an uncommon company run by a lively pair of entrepreneurs, not afraid to be leaders.

I would like to reprint in the Record an article from a local publication telling the story of Economy Furniture's own "Energy project" and add my own praises to the many others for this concern's enterprising attitude.

Economy Furniture's "Project Energy"

(By Jim McDonald)

Have skyrocketing electricity bills got you down with those ol' energy crisis blues? Well take heart friend, because Economy Furniture has brought HOPE to Austin, Texas.

On June 24, 1975, about midafternoon, a convoy carrying the mountainous boiler from the famous hospital ship S. S. HOPE rumbled into Austin along Highway 183.

With the arrival of the 18-foot tall, 18½ foot wide boiler, the first phase of Economy's "Project Energy" had been completed.

It had taken a 110 foot Cozad trailer and tractor three days, to haul the colossus over the back roads from a salvage company in Brownsville to the Economy complex on FM 1325. A line crew was used to raise and lower power and telephone lines along the way and a contingent of San Antonio policemen also accompanied the trailer on its precarious trek.

Transporting this troublesome hunk of steel more than 500 miles, at a speed of only 20 miles per hour was a task that many had said just couldn't be done.

The "Project Energy" concept was first conceived at Economy Furniture Industries in the latter part of 1974. Concerned with the rising cost of the electricity needed to run its several plants on the north side of Austin, company executives began to envision their wood shavings, chips and sawdust, as a potential energy source.

After numerous sessions with City of Austin engineers, extensive research into the problems of conversion, and a comparison of the costs involved, the decision was made to begin the search for suitable surplus naval equipment. This search led to the Port of Brownsville where the S. S. HOPE had been taken for salvage after 15 years of service as the world's first peacetime hospital ship.

Besides the boiler, EFI purchased three steam turbine generators, three condensers for cooling purposes, electrical distributor panels, a section of the deck, and numerous pumps, valves and gauges—all taken from the defunct goodwill ship.

At present the equipment is being steam cleaned and processed for assembly into a working system designed to convert once-wasted wood remnants to steam, for the production of electrical energy. The completed unit will utilize sawdust as fuel to fire up the giant HOPE boiler.

Although the efficiency of the steam turbines still remains in question, EFI executives are optimistic that supplemental fuel will not be required.

Economy anticipates that by the end of 1975 the system will be in use, generating all the electricity used by the plant during working hours.

"I like to believe that even though we will eventually be effecting a savings for ourselves, we are at the same time releasing energy for the citizens of Austin to enjoy," says company president Milton T. Smith. Smith anticipates that it will take EFI from 7 to 10 years to pay for the initial investment in equipment.

With today's tight money situation most companies would welcome such a risky entanglement like it was the plague. But then Economy Furniture Industries is a rather uncommon company.

EFI is a privately-owned local business, manufacturing den and family room furniture for distribution throughout the United States and its possessions. Economy's product line is designed largely for consumers in the middle income range and is sold by independent stores and national chain stores alike.

"We make furniture for the people that drive the Chevrolets and the Fords," says Helen Smith, Milton's wife and strong right arm in the family-run business. "There are a lot more of them than those driving Cadillacs."

Because they cut their own frames from raw lumber, the Economy plant contains one of the finest mills in the country. The company also maintains about 26 diesel trucks which handle most of the shipping and transport.

Economy was founded in downtown Austin in 1930, by Milton Smith. It now employs over 300 persons at its facilities on FM 1325, north of Highway 183. In 1972 EFI was selected by the Retail Furniture Association of the Southwest, as the "1973 Manufacturer of the Year," an award based on excellence in delivery service, response to complaints, and the quality condition of the merchandise received.

"We make our furniture to stand up to the uses it will be put to," says Milton proudly. "We are actually selling four things: style, price, quality and service."

A hard working and industrious duo, Milton and Helen Smith are also conscientious and involved citizens. Their seemingly limitless enthusiasm and energy has kept them both looking considerably younger than their actual ages.

In addition to his position as company president, Milton is also a Capital National Bank Director, a KLRN Board member, and a past president of Austin's Goodwill Industries.

Helen has been active in the furniture business for 36 years now and is also currently the president of the International B'nai Brith Women, a Jewish women's service organization. Her two full-time jobs keep her traveling much of the time, both to her organization's headquarters in Washington, D.C. and to furniture shows around the country.

"Milton and I make a good combination," says Mrs. Smith, in the distinctive accent of a girl born and raised in New York City. "He's the idea man, a dreamer. I handle all the details and we cover up each other's faults. I like to say that between us, we make up a person."

Her accent aside, Helen Smith is most often remembered by the unorthodox style she uses in the many letters and communiques she sends out daily. Her writing is filled with multiple dots and dashes and she likes to spell words exactly as she pronounces them.

"I write the way I speak," says Mrs. Smith, "I mutilate the English language. I never say Dear Sir or Gentlemen; I say Hi, Hello, or Good Morning instead. And you know, I always get answers to all my letters."

All checks at Economy are signed personally by Mrs. Smith and the bottom of these checks often contain her personal messages to employees and creditors. During UT football seasons she signs checks in a bright orange ink and the executive offices at Economy are decorated with the two-line limericks she composes to urge the Longhorns on to victory.

"Both my boys were girls," jokes Milton Smith in reference to the Smiths' two married daughters Lonnie and Tina. Mrs. Smith refers to their girls' respective husbands, Richard Karotkin and Paul Gardner, both EFI executives, as "the future of Economy."

It takes a far-sighted and imaginative company to dare to rise above complacency in pursuit of innovation; to refuse to pass on soaring energy costs to their inflation weary customers and instead accept the risk involved in an unconventional energy conservation measure.

This is the same type of company that garners the respect and esteem of all of its customers by making sure that the smallest one is made to feel just as important as the largest. Economy Furniture is just such a company and largely so, because Milton and Helen Smith are such exceptional people.

NEW YORK CITY'S FISCAL CRISIS

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. PEYSER. Mr. Speaker, we are all painfully aware of the serious fiscal crisis now facing our Nation's largest city. It is a crisis which not only affects the 8 million residents of New York City, but which has severe consequences for the rest of the State and Nation as well.

Like all problems of such magnitude, there simply are no easy answers to New York's financial situation. However, one thing is absolutely clear: If we are to meet this problem, it is imperative that all levels of government—Federal, State, and local—become fully involved in the quest for a solution.

That is why I want to take this opportunity to compliment the State senate and assembly of New York State for their responsiveness and their constructive action to aid New York City. Certainly their efforts have constituted a major step in meeting the financial burdens which plague New York.

It is my hope that the Federal Government will soon recognize its responsibilities in this matter and set forth its requirements on what steps municipalities must take to qualify for Federal assistance. At stake is more than just the well-being of the men and women who live and work in New York. What is at stake is the future of urban America.

BLACK ACHIEVEMENT

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. RANGEL. Mr. Speaker, the contributions that black Americans have made to the growth and development of this country have often been ignored by those in the best position to articulate them. I refer specifically to the final remarks of the Secretary for the Department of Health, Education, and Welfare, Mr. Caspar W. Weinberger. The former Secretary cites examples of those "who exemplified his idea of competitors for the rewards of excellence" and in doing so made not one single reference to the many accomplishments made by black Americans. Mr. Speaker, I consider the omission to be an affront to blacks and other minorities throughout this country and because of this commend to my colleagues an article on the former Secretary's negligence which was written by Robert C. Maynard and appeared recently in the Washington Post.

The article follows:

[From the Washington Post, Aug. 29, 1975]

Remembering Black Achievements

(By Mr. Robert C. Maynard)

Not long ago, Caspar W. Weinberger delivered his valedictory address as secretary of Health, Education, and Welfare before the Commonwealth Club of San Francisco. In remarks later repeated in Newsweek's "My Turn" column, he lambasted the current equal employment opportunity effort as "egalitarian tyranny." Equal opportunity, he said, "means the right to compete equally for the rewards of excellence, not share in its fruits regardless of personal effort."

He then gave some examples of those who exemplified his idea of competitors for the rewards of excellence:

"Our country was built by people of energy, daring and ingenuity—the Edisons, the Wright brothers, the Helen Kellers, the Fultons, the Carnegies, the great musicians and artists and countless others brimming with dreams and filled with the courage to reach out and realize those dreams whatever the odds."

Given the context, you might expect that in the next breath Weinberger was going to cite those black Americans whose "energy, daring and ingenuity" made this a better place to live. Would a cabinet officer whose mandate included health overlook Dr. Charles Drew in such a speech? Drew's discovery of a method of separating blood plasma saved millions of lives in World War II and afterward. How about Dr. William Hinton? He discovered a simple test for syphilis that saved millions from the dread consequences of that disease. Not only was neither of them on the list, but Weinberger would have left any American unfamiliar with the inventions of black Americans under the impression that blacks have given nothing to American industrial life worthy of note—and this in a speech that was highly critical of the effort to lift the yoke of racial discrimination from American life.

Weinberger could have lengthened his list, and in the lengthening, he might also have helped place the problem of racial discrimination in a larger context, one that would have brought more light than heat to an already overheated topic.

Light, in fact, would have been a wonderful place to have begun. I have in mind Lewis Latimer, an inventor who was the son of a runaway slave. The invention for which we—and especially Thomas Edison—are indebted to him was the first electric light bulb with a carbon filament. It made possible large-scale public lighting and brought electric light to the streets and railroad stations of the 1880s. Latimer went on to supervise the installation of the earliest electric lamps in the streets and railroad stations of New York, London, Philadelphia and Montreal. He was an associate of Alexander Graham Bell, at whose request he made the first detailed drawing of the workings of the telephone. And he was at one time the chief draftsman of Westinghouse and of General Electric. At the time of his death, he was the only black member of the Edison Pioneers, the scientists and inventors who worked most closely with Edison.

In 1872, Elijah McCoy patented the first device that made it possible for steam driven machinery to be lubricated without being stopped. White resentment at the time was high, and this black man's invention was often referred to as "McCoy's nigger oil cup." Nonetheless, McCoy persevered, and soon his invention was being imitated. Those in the know wanted only those devices the black man made, and so they would inquire of sellers of industrial machinery whether they had "the real McCoy." That's where the phrase originated.

Perhaps no black inventor suffered more for the color of his skin than Garrett Morgan. He introduced, in 1922, the first automatic traffic signal in the United States. But the invention that mattered even more, was a smoke inhalator that first made mine rescues possible and became the basis of the gas mask that the doughboys took across the sea in World War I. Yet, Morgan had to arrange for his inventions to be shown by a white man because he lost orders whenever his race was discovered.

The point is about learning and leadership, two things it is reasonable to expect of even a departing Secretary of Health, Education, and Welfare. If the myth is permitted to prevail that blacks are absent from the rolls of major, material contributors to the development of American society, then it is possible to miss the larger lesson on history: When permitted—and against the great odds imposed by racism—black people have made contributions to nearly every phase of American life.

If those with the power and position to influence what the rest of us think about such subjects as the relationship of discrimination to poverty took care to give due recognition to the black counterparts of Edison and Fulton in their proper role, that lesson might be better understood.

PERSONAL ANNOUNCEMENT

HON. MARTHA KEYS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mrs. KEYS. Mr. Speaker, I was unavoidably absent when the House voted today on final passage of House Resolution 335 which establishes a Select Committee for Missing In Action Servicemen in Southeast Asia. Had I been present, I would have voted "yea."

SENIORS THREATENED BY MEANS TEST

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. ROSENTHAL. Mr. Speaker, another blow is being dealt to the integrity of our older Americans and to their fight to remain self-reliant and community active.

In 1974, Congress approved title XX to the Social Security Act to increase home- and community-based care services. Title XX regulations, however, require senior citizens to submit to means tests to determine senior center eligibility. As a result, thousands of older Americans who currently participate in senior center activities under a group eligibility standard will be disqualified when the new regulations become effective on October 1. Moreover, thousands of elderly persons who would be eligible under the means test have stated they will be unwilling to participate in these programs if they are forced to submit to extensive financial scrutiny. This would lead to the closing of numerous centers with the denial of activities to countless additional senior citizens.

The emphasis of the title XX regulations on income determinations is inappropriate and without justification when applied to senior centers. The role these centers play in making seniors part of a community, avoiding their needless institutionalization and encouraging their self-sufficiency cannot be purchased for any amount of money.

There is no evidence that maintaining the present process of group eligibility determination is more costly than the use of the individual means tests. In fact, the administrative costs of implementing title XX regulations are likely to be far greater than any conceivable savings which might result from mandatory individual means tests.

Fifty-five of our colleagues have joined me in introducing H.R. 9280 and companion bills. This legislation would correct the tragic social and economic consequences of the present title XX regulations. It would allow States to waive individual means tests for predominantly low-income groups of senior citizens.

The measure also includes a provision which limits to 6 instead of 3 months frequency of recertification of all participants in programs covered by title XX. The existing requirement that recertification for eligibility be required on a quarterly basis is totally unrealistic and unreasonable and would cost each State millions of dollars annually to administer.

A complete list of sponsors follows:

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WORLD BANK PROGRAM AGAINST URBAN POVERTY

HON. CLARENCE D. LONG

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. LONG of Maryland. Mr. Speaker, President Robert McNamara has recently outlined to the Board of Governors of the World Bank Group a new and realistic plan for attacking urban poverty in the developing world, an area of poverty that has been overlooked and underfavored in the past.

This new plan to improve the productivity in the so-called informal sector of the urban economy by providing modest capital for enterprises, small plots of land so that the poor can improve their own dwellings, and education which is directed toward their vocational needs, is welcome and refreshing. The urban poor are numerous and desperate. In part, they represent the overflow of the rural poor who are even more numerous and desperate.

I bring Mr. McNamara's plan to the attention of my colleagues in the hope that it will get congressional support. I also hope that in coming to the aid of the urban poor, the World Bank will not neglect the rural poor.

Excerpts from Mr. McNamara's speech follow:

THE UNDERLYING CAUSES OF URBAN POVERTY

To comprehend the pathology of poverty in the cities, one must begin with an analysis of the employment opportunities of the poor.

Employment in the urban areas of the developing world is a function of an economic dualism that is widespread. Two sectors coexist side by side. One is the organized, modern, formal sector, characterized by capital-intensive technology, relatively high wages, large-scale operations, and corporate and governmental organization.

The other is the unorganized, traditional, informal sector—economic units with the reverse characteristics; labor-intensive, small-scale operations, using traditional methods, and providing modest earnings to the individual or family owner.

In the modern sector, wages are usually protected by labor legislation and trade union activity; in the informal sector, there is easier entry, but less job security and lower earnings.

Though jobs in the modern sector may be more desirable, as a practical matter they are often beyond the reach of the poor. They require literacy, experience, and a level of training the poor find it difficult to acquire; and in a labor-surplus market, employers can afford to insist on exceptional qualifications.

Even more important, the growth of employment in modern manufacturing and distribution lags considerably behind both the growth of its output, and the growth of the urban labor pool: output has increased 5 to 10% per year, but employment rose only 3 to 4%, while the labor pool was growing at a rate of 4 to 5%.

Though it is true that as the formal sector expands it tends to generate some indirect employment in the informal sector, it can also eliminate jobs there on an alarming scale. At the cost of $100,000, for example, a corporation may set up a plastic footwear plant, with only 40 employees, that can displace 5,000 traditional shoemakers and their suppliers.

High population growth rates, and massive migration to the cities, have swollen the urban labor pool. But the capital-intensive nature of the modern sector has kept openings for additional workers down. In some developing countries, manufacturing techniques have already become so mechanized that an investment of $50,000 to $70,000 is often required to create a single new job.

Given, then, the limited potential of the formal sector in most developing countries to absorb labor, it is not surprising that the informal sector is a critical component in urban employment. It provides, for example, nearly half of all the jobs in Lima, more than half in Bombay and Jakarta; and over two-thirds in Belo Horizonte.

And yet, the fact is that governments tend to view the informal sector with little enthusiasm. They consider it backward, inefficient, and a painful reminder of a less sophisticated past.

It is true that economies of scale are important in some activities. But it is not true that all small-scale enterprises are uneconomic. They can frequently operate at acceptable cost levels when costs of labor and capital are measured carrectly, and when production operations are broken up into individual processes and products. In the production of many types of food, clothing, and furniture, and in construction, transportation, assembly, packaging, repairing, and service activities, small units can compete effectively.

But government prejudice against the informal sector frequently gets translated into public policies which give undue advantages to big firms: unrealistically low exchange rates for capital imports, special tax exemptions, high minimum wages, underpriced public utilities, and subsidized interest rates. All of these measures favor the large and capital-intensive firm over the small enterprise, and have the net effect of reducing the employment opportunities of the poor.

A STRATEGY TO REDUCE URBAN POVERTY

Though the dynamics of poverty in the cities differ substantially from those in the countryside, the key to dealing with them both is fundamentally the same. What is required are policies and actions that will assist the poor to increase their productivity. Primarily this calls for measures that will remove barriers to their earning opportunities, and improve their access to public services.

The following are essential steps governments should consider in any comprehensive program:

Increase earning opportunities in the informal sector;

Create more jobs in the modern sector;

Provide equitable access to public utilities, transport, education, and health services;

And establish realistic housing policies.

The fundamental consideration underlying such a program is the reassessment of the role of the cities in the development process. Let me begin with that, and then turn to the others in sequence.

THE ROLE OF CITIES IN THE DEVELOPMENT PROCESS

We need to remind ourselves what the role of cities in development really is.

Cities are, of course, many things, but essentially they are an instrument for providing their inhabitants—all their inhabitants—with a more productive life. They are not primarily collections of elaborate architecture, or of city planners' theories perpetuated in stone. Even less should they be thought of as sanctuaries of the privileged, who wish to put a decent distance between themselves and the masses of the rural poor.

Urban poverty can be cured nowhere in the world unless cities are thought of as absorptive mechanisms for promoting productive employment for all those who need and seek it. In the past 25 years in the developing countries some 200 to 300 million individuals have benefited at least marginally by migration, and since even at their unacceptably low levels of income they have been more productively employed in the cities than they would have been had they remained in the rural areas, the national economy itself has benefited.

This is not to make a case for wholesale migration from the rural areas. It is only to recognize that poverty will persist in the cities until governments determine to increase their capacity not simply to absorb the poor, but to promote their productivity by providing the employment opportunities, the infrastructure, and the services necessary for that purpose.

Now specifically how is this to be done? Our understanding of so complex an issue is limited, but at least it is possible, on the basis of what we do know, to identify policies and actions that could have a significant impact on the problem. The Bank's approach in the urban sector will be different from the strategy we are following in rural areas, although the basic objectives are the same.

The Bank's rural development strategy is focused on the small farmers. The main thrust is to provide the organizational structure and financial resources to increase the supply of essential inputs and raise the productivity of a specific target group. In the urban sector we will retain the emphasis on productivity. But we need a more flexible an diversified approach to match the greater diversity in the nature of the urban environment, the difficulty in identifying a readily accessible target group, and the variety of opportunities arising from the complex linkages in modern economic activity.

Any realistic strategy must place major emphasis on increasing the earning opportunities of the poor in the informal sector.

INCREASING EARNING OPPORTUNITIES IN THE INFORMAL SECTOR

The employment problem in urban areas is not simply "jobs" in the conventional sense but rather the level of productivity and earnings. There is relatively little open unemployment among the urban poor. Without some kind of job, they simply cannot eat. But they are often prevented from increasing their earnings by a combination of market forces, institutional arrangements, and public policies which confer privileges on the large, well-established firms and which penalize the informal sector.

Governments must take steps to moderate the bias in favor of large-scale, capital-intensive production, and turn their attention more positively to small producers, not only in manufacturing but also in transport, construction, commerce, and other service sectors.

The informal sector offers the most immediate opportunities of greater productivity for the urban poor. It already, of course, provides the livelihood for the vast majority, and though its earnings are considerably less than those in the formal sector, its flexibility and ease of entry are an important asset. What is required is that government policy support it, without attempting to standardize it.

The informal sector's great virtue is its responsiveness to opportunity, its high degree of resourcefulness, and its entrepreneurial originality. The understandable enthusiasm of governments to "modernize" their economies must be restrained in their dealings with the informal sector. The point is not to try to transform it into the formal sector, but to support it without undue insistence on regulating it.

There are a number of ways in which governments can assist the small producer and the self-employed.

They can, for example, assure access to credit facilities on reasonable terms. The informal sector usually has very limited access to government banking and credit services. It must rely largely on the urban moneylender, who, like his village counterpart, is responsive but usurious. What are needed are improved banking policies that will make adequate capital available.

This can be done through rediscounting commercial bank loans to small-scale enterprises by central banks; by government guarantees to cover additional risks in informal-sector loans; and by new specialized institutions designed specifically to finance small enterprises. Like the small farmer, the urban informal-sector businessman is usually starved for credit. He does not need it in large amounts, nor does he need it at unrealistically low interest rates. But he needs it without excessive bureaucratic obstruction, and he needs it without procedural delay.

Further, governments can promote mutually beneficial relationships between the informal and formal sectors by reserving land for small enterprises in the vicinity of industrial developments. One effective technique is to establish industrial estates which will provide space neither exclusively to large nor to small industries, but which will deliberately situate firms of all sizes in close proximity, specifically to encourage economic linkages between them.

Since small enterprises individually have only very limited purchasing and marketing capacity, governments can promote cooperative facilities to lower their costs and increase their efficiency. At the national, regional and municipal levels, government agencies, as well as banks and private firms, can offer technical assistance to the small entrepreneur, analogous to the extension services for small farmers.

Finally, governments can help the informal sector to flourish by the removal of onerous and often out-dated licensing and regulatory controls.

Taken together, the removal of biases favoring the modern sector, and the special assistance to the informal sector, can substantially improve the earning opportunities of the urban poor in the informal sector.

CREATING MORE JOBS IN THE MODERN SECTOR

But the strengthening of the informal sector need not prevent the continued growth of the larger enterprises. On the contrary, special efforts must be made in many countries to turn their manufacturing enterprises away from the relatively small markets associated with import substitution, and toward the much larger opportunities flowing from export promotion. Korea, Taiwan, Mexico and Brazil, which achieved 15 to 20% annual growth in their manufactured exports in the late 1960s and early 1970s, clearly demonstrated the feasibility of bolstering manufacturing employment with this policy.

Further, the gradual reduction, and the ultimate elimination of capital subsidies to the modern sector, as has been done in Hong Kong and Singapore, can make both production and service activities significantly more labor-intensive. Even in relatively automated modern factories, substantial labor-capital substitution possibilities exist in such activities as material-handling, packaging, and intrafactory transport. When producers have to pay realistic prices for capital, they not only explore more labor-intensive solutions for each process and product, but tend to use the plant's capacity more intensively, thus creating more jobs per unit of capital.

The first element, then, in the strategy to increase the productivity of the urban poor is to remove barriers to their earning opportunities. The second is to provide them with essential public services at standards they can afford.

ASSURING ACCESS TO PUBLIC SERVICES

About one-third of the population in most of the cities of the developing world lives in slums that are either wholly without or very inadequately served by public water, sewerage, transport, education and housing. These conditions have a seriously detrimental effect on the health, productivity, and incomes of the poor.

The urban poor are frequently denied access to public services, not because they don't exist, but because they have been designed or located largely for middle and upper-income city dwellers, and are simply beyond the reach of the less privileged.

The whole question of "standards" of urban services works to the disadvantage of the urban poor for they are often written with middle-class or upper-income orientations, and have little relevance to the situation the poor find themselves in.

Standards are important, but they must be formulated to meet realistic and attainable time span, public utilities and social services will have to be provided at costs which they can afford to pay.

WATER AND SEWERAGE SERVICES

The single most important factor in improving the health environment of the poor is to provide clean water and adequate sewerage. A commonly used standard calls for cities to supply 200 liters of water per person per day. Many cities in the developing world simply cannot afford to do that. That is understandable. What is not understandable is that instead of lowering the standard to fit their resources, some cities pipe 200 liters per person per day to individual houses in the affluent and middle-class neighborhoods, but leave 60% of the population—the poor on the periphery of the city—without any piped water at all. The result is frequently endemic cholera among the poor, because they must depend on unclean water from other sources.

Often, all that low-income families can afford are standpipes, but this form of water supply, together with technical assistance in improving sanitation facilities, can have an immensely beneficial impact on their health.

HEALTH AND EDUCATION SERVICES

Essential health and education services for the poor are also seriously deficient in most of the cities of the developing world. Health care, for example, is frequently confined to modern and expensive hospitals, when what is needed are small clinics located in areas of the city where most health problems begin: in the slums and squatter settlements. Indeed the whole orientation of health care should emphasize low-cost preventive medicine rather than high-cost curative care. The poor are often ill—and their children often die—but the causes are almost always diseases that could have been readily prevented by a more sanitary environment and simple preventive measures.

Inexpensive health delivery systems can be designed around community-based health workers who can provide the poor with a broad spectrum of simple and effective services: immunization, health and nutrition education, and family planning service.

The same principle applies to education. What is required are small, inexpensive, and informal basic education units, located in accessible areas, and designed to serve minimum learning needs of both children and adults: literacy and elementary arithmetic, child care, vocational advice, and the knowledge necessary for responsible civic participation.

TRANSPORTATION

The poor must also be within reach of employment possibilities. This means transport facilities which they can afford. Usually the urban transport available is either too expensive, or does not serve the areas in which the poor live. It is clear that most cities would benefit substantially from a radical reallocation of their transport systems away from domination by the private automobile, and in the direction of public transport that can move large numbers of passengers at low unit costs.

What is needed is healthy pluralism in transport: buses, jitneys, taxis, motor rickshaws, pedicabs, bicycle paths—whatever is cost-effective and appropriate to the distances involved.

ESTABLISHING REALISTIC HOUSING POLICIES

City governments often congratulate themselves on their subsidized blocks of low-income housing, and the physical structures are frequently impressive. What is depressing is that the so-called low-income housing is almost always too expensive for the poor. Surveys indicate that up to 70% of the poor cannot afford even the cheapest housing produced by public agencies.

Slums and squatter settlements are the inevitable result. Authorities typically strongly disapprove of them: they are illegal, they are unsightly, and they are unsanitary. But too often cities have failed to find any solution—short of demolition—to deal with them. The fact is that the upgrading of existing squatter settlements can be a low-cost and practical approach to low-income shelter. Upgrading legalizes the settlement, provides secure tenure, and supplies minimum infrastructure: water, roads, storm drainage, security lighting, and rubbish collection. Education and other community facilities can generally be added.

One of the most interesting features of squatter settlements is that though they are inhabited by the very poor, there is a very strong sense of saving among the residents. Out of their minuscule earnings, they save every cent they can. Their great ambition is to have a better home for their families. But they are prudent men and women: they are unwilling to invest their savings in home improvement until they have tenure. That is why squatter settlements are often so ramshackle. Once upgraded projects provide legal tenure, the poor are not only willing to spend on home improvement, but do so with enthusiasm, and remarkable transformations often take place.

The housing that can be provided by upgrading existing slums and squatter settlements is of course limited. A somewhat more costly, but still practical, alternative is the "sites and services" approach. It can provide the framework for improved housing for vast numbers of the poor, patricularly if it is planned with adequate lead time.

The city provides a suitable area of new land, grades and levels it, and furnishes it with essential infrastructure: access roads, drainage, water, sewerage, and electricity. The land is divided into small plots and is leased or sold to the poor, who are supplied with simple house plans, and a low-cost loan with which to purchase inexpensive building materials. The actual construction is made the responsibility of the poor, who build their houses themselves.

And as communities are more than just housing, sites and services projects include schools, health clinics, community halls, day-care centers, and some provision for creating jobs: land, for example, set aside for the establishment of an appropriate small-scale industry.

Sites and services projects, then, stimulate self-help, and make it possible for the poor to house themselves in a viable, cohesive community with a minimum of public expenditure.

But though this is a highly desirable approach, it often suffers from two constraints: the understandable economic constraint of the availability of the land, infrastructure, and building materials; and the less understandable institutional constraint of regulations governing tenure, building codes, and zoning restrictions.

The determination of appropriate standards is critical for the poor family's ability to acquire housing. If, for example, standards relating to land use, floor space durability of materials, quality of finish, and utilities were modified to meet low-income household budgets, it should be possible for some 80% of the population in the cities of the developing world to afford much improved shelter with no subsidy at all.

It is also important that reasonable user charges and taxes should be levied on the middle and upper-income consumers of city services of all kinds—housing, utilities, education, health facilities, transport, and others—to generate surpluses which can be used to expand coverage of these services, and give the poor a more equitable opportunity to benefit from them.

These, then, are some of the measures that governments should ponder as they confront the growing pressures of urbanization. For the next decade or two—indeed for as far forward as anyone can realistically plan—the urban problem will be a poverty problem.

The urban poor are not simply a statistical inconvenience to planners, a disturbing reminder of what might be possible if they would somehow just go away, a continually disappointing factor in budget allocations because of their chronic inability to pay taxes. That is not what urban poverty is about.

The urban poor are hundreds of millions of human beings who live in cities, but do not really share the good and productive life of cities. Their deprivations exclude them.

It is within the power of governments to change that.

We in the Bank can help, and we propose to do so in the future on a scale far greater than that of the past.

Any serious effort in solving the problems of urban development will clearly involve a number of sensitive and difficult political choices. Those, of course, are for governments to make, not for the Bank. Moreover, the Bank's own lending can finance only a very small proportion of the necessary investments in productive facilities and supporting urban services.

The Bank, however, can play a significant role in pointing out the extent to which governments' present policies, practices, and investment allocations are seriously biased against the poor. And the Bank can expand and redirect its own investments in urban areas to insure that they result in increased earning opportunities and more adequate services for the poor in both the modern and traditional sectors. This will be a major objective of our five-year program for the years FY 1976–80.

In future years, I will report to you on our progress in helping to achieve the objective of assuring minimum standards of decency for the nearly two billion people who will be living in the cities of the developing world by the end of this century.

CHECKS AND BALANCES IN HEALTH SYSTEMS, PLANNING, REGULATION, AND DEVELOPMENT

HON. JAMES F. HASTINGS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. HASTINGS. Mr. Speaker, I am delighted to have the opportunity to bring to my colleagues' attention remarks made by the House Interstate and Foreign Commerce Health Subcommittee Chairman PAUL G. ROGERS at the American Hospital Association Annual Convention in Chicago on August 18.

Mr. ROGERS' presentation has been called to my attention by many experts in the health field who were able to hear his comments and I thought it would be beneficial to share them with my colleagues in the House:

PUBLIC LAW 93-641: CHECKS AND BALANCES IN HEALTH SYSTEMS PLANNING, REGULATION, AND DEVELOPMENT

(By PAUL G. ROGERS)

It was with pleasure that I accepted the American Hospital Association's invitation to speak here today, and not only because this assembly brings together so many thousands of the dedicated men and women who are responsible for the operation of America's hospitals, but also because the American Hospital Association has so uniquely been able to combine its legitimate responsibilities as an organization serving its dues-paying members, with a consistent record of pushing for a more effective, more accessible, and more efficient health services delivery system for the American people.

I would like to share with you some thoughts about what the Congress had in mind when it wrote The National Health Planning and Resources Development Act of 1974, Public Law 93-641.

I am mindful of the strong positions the hospital field took on several aspects of the bill which are, in fact, reflected in the direction taken in the planning law, such as mandatory state rate review, recertification of facilities, and with respect to the Hill-Burton program.

In the Report which our Committee issued to accompany H.R. 16204, the House version of the bill which eventually became the planning law, just eleven months ago, we noted that we were ". . . convinced that the nation needs strong and effective health planning." We pointed to areas of the nation in which, because of "a lack of effective planning and control over facilities development, excesses of costly hospitals and nursing homes have developed."

The Committee Report noted that the present worrisome rises in health care costs are "attributable in large part to the unplanned development of excess capacity in some areas and failure to plan for the most efficient possible use of scarce resources." Fully mindful of the nearly 30 years of fitfully growing federal support for strengthened health planning, our Committee paid tribute to the ". . . very important and impressive contributions to their own communities and to our knowledge of how to achieve effective health planning . . ." which the state and areawide comprehensive health planning, or CHP programs, and the Regional Medical Programs, or RMPs, have made in recent years. We pointed out that "the fact that the Committee has chosen to move beyond these programs to a new effort is not meant as any disparagement of them."

Just to review quickly for you, P.L. 93-641 establishes at the areawide level a new kind of health planning organization: The Health Systems Agency, or HSA. The HSAs, which are currently being organized by community leaders in over 200 health service areas across the nation.

The HSA is a planning body. Its mission, through an informed participatory planning process, is to influence various parties that make important decisions in the health service area as well as at the State level and at the federal level. Its role is advisory, as distinct from regulatory, to provider institutions, to governmental regulatory agencies, and to public and private entities that provide resources to the health system.

Because of the nature of its planning assignment, the HSA is intended to reflect a kind of coalition of interests in the area, with consumer forces in the majority. No single interest is supposed to dominate.

The goverance of an HSA, irrespective of its corporate form, is designed to incorporate an array of checks and balances within the pluralism that characterizes the American health system.

And the staffing of the HSA is a matter about which the Congress also had some pointed concerns. The HSA has a complex set of assignments and a complicated environment within which to function. We felt strongly about the great importance of attracting into the HSA's senior staff positions knowledgeable, capable, and experienced men and women. While there is much talent in CHP and RMP that should be conserved, we went so far as to require that salaries be set high enough to be competitive to attract qualified administrators and planners now working in "similar positions in . . . public or private health service entities, including, obviously, hospitals and related organizations.

P.L. 93-641 also makes significant new demands on state government. In order to continue to participate in various federal-state health programs, states will have to establish new Health Planning and Development Agencies with responsibility for several areas of activity. The new State Agencies have three major functions:

(1) Regulatory activities related to the development of the health system throughout the state;

(2) Development activities related to both federal and state resources made available to the health system; and

(3) Planning activities related to the state's decision-making which impacts on the health system, and related also to coordination of the areawide planning which is being conducted by the Health Systems Agencies.

Most of the functions of the State Agency are related to the state's executive and judicatory responsibilities. In contrast to the HSA's broad and important advisory role, the State Agency is either a key decision-maker itself or plays an official role in shaping the decisions of other components of the state government.

Let me take just a moment to list just some of the specific requirements in P.L. 93-641 regarding the State Agency.

First, we are insisting that every state implement a "certificate of need" program. These are programs in which state government takes on to approve in advance any significant change or investment in institutional health service programs. About half of the states already have such quasi-judicial programs, which can play a key role in discouraging the development of unneeded or inappropriate health services and facilities.

In making its decisions about whether or not to issue a certificate of need, the state is required first to consider the recommendations of the HSA in the area in which the applicant facility is located.

Second, we're insisting that the State Agency develop State Plans for Health—to help shape the state's own decisions regarding health programs as well as to guide its allocation of developmental resources from various federal funding programs such as community mental health centers, neighborhood health centers and Hill-Burton, among others. P.L. 93-641 requires that the HSAs' long-range statements of health goals, or Health Systems Plans, be basic building blocks for the states' health plans, and that the HSAs play an advisory role in allocation of federal-state health resources. Further, such State Systems Plans should assure that needed resources for capital assistance to health care institutions be targeted principally for the modernization of facilities and improvement of our capacity to deliver ambulatory services. We agreed with the position of your Association that pointed up the importance of continued federal assistance in these areas.

Third, the statute requires the State Agency to issue periodic reports regarding the continued "appropriateness" of existing institutional health services. Once again, we required that the state's judgments be informed by recommendations from the HSAs. There is a kind of rough logic to the proposition that if the state is going to judge whether new or altered services should be given approval through the certificate of need process, an equivalent judgment ought to be applied to the status quo: should existing health services be permitted to continue even if they might be obsolete or in some other way inappropriate?

What we did, was to create an assignment in P.L. 93-641 for the State Health Planning and Development Agency to publish periodic advisory reports regarding the "appropriateness" of existing institutional health services, after getting recommendations from the Health Systems Agency.

The concept that we had of the periodic reports on appropriateness as consist of detailed findings to fit the complex realities of health services in an area. A report could discuss a particular health program in terms of its "appropriateness" regarding various points of its aspects: location, hours of opertion, staffing, financing, costs, quality, coordination with related services, and so forth. A state report could—and I suspect frequently would—deal with a given facility or service by mixing commendations and criticisms, and hopefully making constructive suggestions for change.

There are other jobs for the State Health Planning and Development Agency enumerated in P.L. 93-641, but time does not permit me to describe them for you today, not to discuss why we concluded, as was expressed by the hospital field, that rate review is a concept that needs more experimentation and demonstration before it is mandated for use across the land.

Although we did not mandate a rate structure review, we did include funds for demonstration projects for six states. And I think it will be interesting to see what those states do along these lines.

The important thing to me is that we must find a handle on the costs of health care. I do not single out hospitals. But they are important.

It is estimated that of the $100 billion we spend annually on health care, $40 billion is related to hospitals. I do not think that anyone has come up with a formula which says 40 percent is too much or too little or about right as a percent of total health care cost.

We do know that in 1965 we spent slightly less than six percent (5.9) of our Gross National Product (GNP) on health care. We now spend about eight percent. The dollar figures are $38.9 billion in 1965, compared to $104 billion.

We also know that the patient cost for hospital care rose from less than $40 per day in 1963, to $114 in 1973. I think it is about $125 now.

Something must be done to curb health care costs. I think the Planning Bill will help.

I also hope the PRSO Program will help curb cost and improve quality of care.

Checks and balances are also written into Public Law 93–641 between the areawide agency and the State agency. The HSA, representing the community level but dominated by no single interest groups, was conceived by the Congress as providing a distinct check on the activities of the State Health Planning and Development Agency. Converesly, the fact that its recommendations are going to be strong influences on various executive decisions of the State on such matters as certificates of need and resource allocations, will act as a check on the HSA's performance. We envisioned these two agencies, with their quite different but complementary responsibilities, as helping to keep each other on the right track.

Just to make sure that this key concept did not get obscured, the Congress wrote another new concept into Public Law 93–641: The Statewide Health Coordinating Council. This Council is simultaneously governmental and nongovernmental, representing a bridge between the essentially nongovernmental HSA's functioning in a State and the State Health Planning and Development Agency.

The majority of the Council's members represent the HSA's which nominate them. In addition, the State Governor may name up to 40 percent of the council's membership with people he or she chooses. By virtue of its composition, therefore, the council's membership included checks and balances—among the various HSA's whose representatives serve on the Council, and between the HSA representatives and those chosen at large by the Governor.

The Statewide—notice that it is Statewide, not State—Health Coordinating Council has a general statutory charge: To advise the State Health Planning and Development Agency on the perfromance of its functions. It also has some specific authority; namely, to review and approve or disapprove certain State plans and Federal-State grants. Its main purpose, however, is to be an important check and balance tool.

What about the federal role? Are there checks and balances built in here as well? The answer is yes. We did not—absolutely not—envision the HSA as a primary instrument of the Department of HEW to implement current federal policy at the local level. We hope that each HSA will be able to work within the flexible framework of the statute in order to develop fundamentally as an instrument of the local community, not of its health system alone or its health-interested consumer forces alone or its public officials or state government or any other single group, but reflecting the pluralistic reality of American community life. The Secretary of HEW has an important role to play in monitoring the performance of each HSA and in assuring its adequate financial support, but not including the establishment of the HSA's program goals, objectives, or priorities. The federal government has a check and balance role vis-a-vis the HSAs, not a policy governance role.

Conversely, the HSA is given a measure of check and balance authority in dealing with the Secretary of HEW. (This is not a new idea in fields other than health—for example, in urban renewal, law enforcement, and highway planning). The HSA is given the power to "review and approve or disapprove" certain HEW grants to local health providers. There are provisions for any HSA "disapprovals" to be reversed by the Secretary of HEW, so this provision is really more in the nature of a strengthened "review and comment" advisory authority. The intent is clear, however, to assure that federal grants to local entities for activities that have impact on the local health system are made to conform to that area's health planning process.

P.L. 93–641 is not an all-purpose law to straighten out America's health delivery system. Its goals are more modest than that, and its purposes more focused. If the law is implemented effectively by the federal Administration, if local communities respond by forming strong and capably-staffed Health Systems Agencies, and if the states rise to their new challenges to establish competent planning and regulatory and development programs—if, and only if, these developments take place, then the National Health Planning and Development Act may live up to the expectation that it will help create a new measure of orderly planning, development, and fair and disciplined controls for the nation's health delivery system.

And only if that happens can we move with confidence to enact and implement a program of universal, comprehensive national health insurance—without the severe danger that such a program would result in uncontrolled expansion and runaway costs in the health delivery system. That, in essence, is what P.L. 93–641 is about.

In closing, I would add one more thought. Health is a basic concern of all Americans. Health care is also big business. Yet the priority which has been placed on health does not reflect these facts. As I have said so often, health is treated as a stepchild in HEW.

Eight months after the passage of the Planning Bill the members of the National Health Policy Council have not been appointed. This represents a total lack of priority on a very important issue—the setting of our National goals in health.

The only way that health can truly be spoken for is if we establish a cabinet level Department of Health. We need this leadership, this spokesman and this priority to make our system work.

This is not a new idea. But it is one whose time has come. I plan to introduce such legislation this year and would ask your support.

We have much to do. But I do not dispare. It can be done if all Americans work together.

CAPTAIN GEORGE MENGES

HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. BYRON. Mr. Speaker, September 14, 1975, will mark the 37th birthday of Capt. George Menges.

Captain Menges is now missing in action in Southeast Asia. He was sent to Vietnam in 1966 for service as a forward air controller. On January 2, 1967, his observation plane went down in Laos amid heavy ground fire. He has been missing in action since that date.

Captain Menges attended schools in Ohio, and in 1963 he joined the U.S. Air Force and went to Officer's Training School and earned his wings. He trained in F–101's and was sent to Suffolk County Air Force Base in New York before being assigned to the Republic of Vietnam.

Since Captain Menges disappeared in Laos, no word has been received by his parents on his fate. His parents are Mr. and Mrs. George Menges of 10307 Crimson Tree Court, Columbia, Md. 21044.

SOCIALIZED MEDICINE AN INCREDIBLE FAILURE

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. McDONALD of Georgia. Mr. Speaker, in spite of the examples all around us, certain lobbies and indeed Members of both bodies continue to sponsor legislation to completely socialize our Nation's medicine. The results of such a program are very predictable as Allan Brownfeld recently outlined in a column in the Anaheim Bulletin of September 2, 1975. It is my hope that many of my colleagues will read and take heed of the column that follows:

SOCIALIZED MEDICINE AN INCREDIBLE FAILURE

There are many in the Congress, Senators Edward M. Kennedy (D-Mass.) and Abraham Ribicoff (D-Conn.) among them, who advance the thesis that there is a "crisis" in American health care and that a system of national health insurance would provide Americans with health care which was both more efficient and less expensive. They point to the socialized medical systems in England, France, Sweden, and West Germany and hold these out as models for the United States.

The advocates of national health insurance must be reading data which is entirely different from that which is available to the rest of the world regarding the manner in which socialized medicine has worked in those countries which, in the years since World War II, have adopted it. While the remainder of the world has come to its own conclusions about socialized medicine—conclusions which are decidely negative—the advocates of nationalized medicine in the U.S. tell a different story.

Before Americans sacrifice the system of medical care they have always had, and which has made Americans the healthiest people in the world, they would do well to take a hard and objective look at the available data.

A report on the British National Health System by Professor John Jewkes, who served on Britain's Royal Commission on Remuneration of Doctors and Dentists concluded that, "The average American now has more medical services than the average Briton" and "the gap between the two has been widening" since the inception of the National Health Service.

More and more Britons, according to the evidence presented by Jewkes, are seeking medical care outside of the National Health Service. These people, the report notes, are "ready to make sacrifices in other directions in order to enjoy prompt hospital and specialist treatment, free choice of consultant and private accommodation." To make things even more difficult, there is a massive exodus of doctors from Great Britain—a recreation against the regimentation of the National Health Service.

It seems clear that medical care would be far more costly under a nationalized system than it is today. People would tend, if the experiences in Western Europe are indicative, to overuse and overcrowd existing facilities. In a recent article, Dr. Klaus Rentzsch of Hamburg, West Germany, notes that while U.S. patients stay in the hospital about six to eight days on the average. "In Germany we have a 24 days average hospital stay. The situation is comparable in every country with a total medical care program such as ours. There is an evident lack of interest by the patient in regaining health as soon as possible. Also doctors in hospitals in this system have no concrete feeling for the costs that could be avoided if the hospital stays were shortened."

In a recent issue, the West German newspaper Bremer Nachrichten discusses the long waiting lists for surgery in that country: "Patients needing complex surgery are often forced to wait a matter of months or years. Many large hospitals have drawn up waiting lists. Heart operations involving the use of heart and lung machines, kidney transplants, tonsillectomies and fitting of false joints are often subject to long delays." Waiting lists of up to 6 months are looked upon as "almost normal" at large hospitals in Baden-Wurttemberg, the paper reported. In Hamburg, there is a waiting list of about 1,000 for operations involving use of the city's only heart and lung machine. One hospital in Stuttgart has a 2½ year waiting list for patients requiring an artificial joint and in Dortmund the delay can be as long as 3 years.

While visiting in Stockholm, New York Times correspondent Harry Schwartz notes in his book, "The Case For American Medicine," that he learned this: "Don't get sick in Sweden. You have never seen such impersonal care and such long waits in your life. Every time you go to the clinic, you see a different doctor. And if you're hospitalized and are seen by a physician three times in one day, it will almost certainly be three different doctors."

Under socialized medicine, medical facilities throughout England have declined at a disastrous rate. The handicap under which deaf children must labor, for example, has been increased by a severe shortage of new hearing aids, largely the result of increased demand for "free" health appliances. At the end of 1970 one Birmingham school for the deaf was awaiting a long overdue supply of 140 hearing aids. At another school, the headmaster complained: "We have got to the state where there is just not a supply of aids, and this sometimes lasts for months. . ."

While most Americans can count on being hospitalized within a short distance from their homes, the French patient often has to be treated many miles away from home and family. Medical writer Joan Hobson notes that, "Public criticism of socialized medicine is now so much a part of French life that a weekly radio hour is devoted to a listener-participation program in which dissatisfied patients air their grievances."

Americans have more hospital beds than they can use, and waiting lists are almost non-existent. Before replacing the private practice of medicine with some form of socialization, Americans should heed the examples of Western Europe. In his important book, Hazardous To Your Health, Marvin H. (Mickey) Edwards sums it up this way: "Those who criticize isolated instances of government failure as they occur—and marvel at the frequency of such occurrences—fail to recognize that the fault is in the system itself; that wastefulness, incompetence and inefficiency are an integral part of any attempt by a massive bureaucracy to provide for distinctly human individuals in cities and towns many hundred miles from the seats of power... Today loud voices call for massive government intervention into the highly technical realm of providing medical care for human beings. Government's record in other fields should cause advocates of national health insurance to consider carefully the possible dangers of this course."

IRVING KRISTOL ON THE DEFENSE OF CAPITALISM AND OTHER "LIBERAL" INSTITUTIONS

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. KEMP. Mr. Speaker, this article speaks eloquently:

ON CONSERVATISM AND CAPITALISM

(By Irving Kristol)

These days, Americans who defend the capitalist system—i.e., an economy and a way of life organized primarily around the free market—are called "conservative." If they are willing to accept a limited degree of government intervention for social purposes, they are likely to be designated as "neo-conservative." Under ordinary circumstances these labels would strike me as fair and appropriate. Capitalism, after all, is the traditional American economic and social system; unlike the nations of Europe, we have never known any other. And people who wish to defend and preserve traditional institutions are indeed conservative, in the literal sense of that term.

But the circumstances surrounding the use of such labels today are not ordinary; they are almost paradoxical. To begin with, the institutions which conservatives wish to preserve are, and for two centuries were called, *liberal* institutions, i.e., institutions which maximize personal liberty vis-a-vis a state, a church, or an official ideology. On the other hand, the severest critics of these institutions—men who wish to enlarge the scope of governmental authority indefinitely, so as to achieve even greater equality at the expense of liberty—are today commonly called "liberals." It would certainly help clarify matters if they were called, with greater propriety and accuracy, "socialists" or "neo-socialists." And yet we are oddly reluctant to be so candid.

In part, this lack of candor is simply the consequence of a great many "liberals" being demagogic or hypocritical about their political intentions. It really is absurd that Bella Abzug should call herself a "liberal" when her political views are several shades to the left of Harold Wilson, Helmut Schmidt, Olaf Palme, or probably even Indira Gandhi. Obviously, however, she is not about to reject the label, which is so useful to her. Indeed, when asked she may blandly assert that she is truly an enlightened defender of the free enterprise system. One would have to be naive to blame her, and others like her, for saying it; we can only blame ourselves for believing it.

CURIOUS SELF-DECEPTION

It is clear that, in addition to such routine political deception, there is an enormous amount of a most curious self-deception going on. I find it striking that the media, and members of the business community too, should consistently refer to John Kenneth Galbraith as a "liberal" when he has actually taken the pains to write a book explaining why he is a socialist. And even Michael Harrington, who is the official head of a minuscule socialist party, will often find himself being introduced as "a leading liberal spokesman."

Why does this happen? And why, especially, do conservatives permit it to happen? Why should those who defend liberal institutions have yielded the term "liberal" to those who have no honorable intentions toward these institutions—or, indeed, toward liberty itself?

The answer, I think, has to do with the fact that the idea of "liberty" which conservatives wish to defend, and which our liberal institutions are supposed to incarnate, has become exceedingly nebulous in the course of the past century. This puts conservatives in the position of being—or seeming to be—merely mindless defenders of the status quo. Indeed, to many they seem merely intransigent defenders of existing privileges, issuing appeals to "liberty" for such an ulterior purpose alone. This, in turn, has permitted "liberals" to impress their own definition of "liberty' on public opinion.

This "liberal" definition has two parts. First, it entails ever-greater governmental intervention in certain areas—economics, educational administration, the electoral process, etc.—to achieve greater equality, itself now identified with "true liberty." Secondly, it entails less governmental intervention in those areas—religion, school curricula, culture, entertainment, etc.—which have to do with the formation of character, and in which it is assumed that "the marketplace of ideas" will "naturally" produced ideal results.

The success which this "liberal" redefinition—a combination of moralistic egalitarianism and optimistic "permissiveness"—has achieved means that, in the United States today, the law insists that an 18-year-old girl has the right to public fornication in a pornographic movie—but only if she is paid the minimum wage. Now, you don't have to be the father of a daughter to think that there is something crazy about this situation, and the majority of the American people, if asked, would certainly say so. Nevertheless, conservatives find it very difficult to point out where the craziness lies, and to propose an alternative conception of liberty. As the saying goes, you can't beat a horse with no horse; and right now conservatives are horseless.

Ever since the beginnings of modern capitalism in the 18th Century, two very different conceptions of liberty have dwelt within its breast. The first is "libertarian," and asserted that God and-or nature had so arranged things that, by the operations of an "invisible hand," individual liberty, no matter how self-seeking, could only lead ultimately to humanity's virtuous happiness. "Private vices, public benefits" was its motto—and still is.

The second idea of liberty may be called the "bourgeois" idea. It asserted that liberty implied the right to do bad as well as the right to do good, that liberty could be abused as well as used—in short, that a distinction had to be made between liberty and "license." The making of this distinction was the task of our cultural and religious institutions, especially the latter. It was these institutions which infused the idea of liberty with positive substance, with "values," with an ethos. The basic belief was that a life led according to these values would maximize personal liberty in a context of social and political stability, would ensure—insofar as this is humanly possible—that the exercise of everyone's personal liberty would add up to a decent and good society. The practical virtues implied by the "bourgeois" values were not very exciting: thrift, industry, self-reliance, self-discipline, a moderate degree of public-spiritedness, etc. On the other hand, they had the immense advantage of being rather easily attainable by everyone. You didn't have to be a saint or a hero to be a good bourgeois citizen.

It did not take long for the culture emerging out of bourgeois society to become bored with, and hostile to, a life and a social order based on such prosaic bourgeois values. Artists and intellectuals quickly made it apparent that "alienation" was their destiny, and that the mission of this culture was to be anti-bourgeois. But so long as religion was a powerful force among ordinary men and women, the disaffection of the intellectuals was of only marginal significance. It is the decline in religious belief over the past 50 years—together with the rise of mass higher education, which popularized the culture's animus to bourgeois capitalism—that has been of decisive importance.

ADAM SMITH'S MISTAKE

The defenders of capitalism were (and are) helpless before this challenge. Businessmen, after all, had never taken culture seriously. They have always rather agreed with Adam Smith when he wrote:

"Though you despise that picture, or that poem, or even that system of philosophy which I admire, there is little danger of our quarreling on that account. Neither of us can reasonably be much interested about them."

He could not have been more wrong. It is ideas which rule the world, because it is ideas that define the way reality is perceived; and, in the absence of religion, it is out of the culture—the pictures, the poems, the songs, the philosophy—that these ideas are born.

It is because of their indifference to culture, their placid philistinism, that businessmen today find themselves defending capitalism and personal liberty in purely amoral terms. They are "libertarians"—but without a belief in the providential dispensations of God or nature. Capitalism, they keep insisting, is the most *efficient* economic system. This happens to be true—if you also agree with Adam Smith when he said: "What can be added to the happiness of man who is in health, who is out of debt, and has a clear conscience?" But if you believe that a comfortable life is not necessarily the same thing as a good life, or even a meaningful life, then it will occur to you that efficiency is a means, not an end in itself. Capitalist efficiency may then be regarded as a most useful precondition for a good life in a good society. But one has to go beyond Adam Smith, or capitalism itself, to discover the other elements that are wanted.

It was religion and the bourgeois ethos that used to offer this added dimension to capitalism. But religion is now ineffectual and even businessmen find the bourgeois ethos embarrassingly old-fashioned. This leaves capitalism, and its conservative defenders, helpless before any moralistic assault, however unprincipled. And until conservatism can give its own moral and intellectual substance to its idea of liberty, the "liberal" subversion of our liberal insinuations will proceed without hindrance.

(Note.—Mr. Kristol is Henry Luce, Professor of Urban Values at New York University and co-editor of the quarterly The Public Interest. He is also a member of the Journal's Board of Contributors, five distinguished professors who contribute periodic articles reflecting a broad range of views.)

A TRIBUT TO AUSBON McCULLOUGH

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. STARK. Mr. Speaker, it is my honor today to recognize a dedicated employee of Alameda/Contra Costa Transit in California on the occasion of his retirement after 28 years of service.

Ausbon, "Little Mack" McCullough was the first black operator hired by the predecessors of A/C Transit and continued on to retirement. Originally, employed by the Key System in the maintenance department, he was given the opportunity to operate a coach on December 15, 1951.

Those familiar with urban public transportation know that impersonality in service is prevalent. "Little Mack," however, never allowed the harried nature of his work to prevent him from serving his passengers in a friendly and warm manner—a manner that was much appreciated. Over the years, he has received 16 awards and countless accommodations for his distinguished service. And on September 13 "Little Mack" will again be honored by his friends and colleagues at a dinner and a dance. It is with great pleasure that I pay tribute to this man who has taken such pride in his work and a sincere interest in those he served.

THE KEMP JOBS CREATION BILL ACHIEVES NATIONAL PROMINENCE

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. FRENZEL. Mr. Speaker, our distinguished colleague, Jack Kemp of New York, is the chief author of the jobs creation bill, a thoughtful attempt to increase capital investment and create more American jobs.

His bill, of which I am only one of a long list of cosponsors, provides for various tax incentives to stimulate investment and jobs. It is not Congressman Kemp's intention, nor that of his cosponsors, that every element in the jobs creation bill become law. Rather, he seeks to have all these various job-building factors analyzed carefully and then to have Congress tailor its incentive program to meet national needs.

Jack Kemp's jobs creation bill has begun to attract national attention. Since the bill is engineered to help small business, it is not surprising that all major small business associations, including the National Federation of Small Business and the National Associated Businessmen, Inc., have endorsed it.

The Kemp bill is also generating press enthusiasm. Recently, editorialist William Rusher praised it and author Kemp in a piece in the San Diego Union of August 23. The Cincinnati Enquirer of August also declared that the jobs bill "deserves immediate attention by the House."

Unfortunately, the Ways and Means Committee has scheduled only 1 day to work on capital formation this fall in its omnibus tax bill. In my judgment, the committee should denote whatever time is required to consider carefully all of the features of the Kemp jobs creation bill.

A letter from the NAB to Congressman Kemp, the Rusher editorial, and the Enquirer editorial follow:

September 6, 1975.

Congressman Jack Kemp,
Cannon House Office Building,
Washington, D.C.

Dear Congressman Kemp: This morning Columnist William Rusher highly praised your bill for capital formation. It is praise well deserved, and I am suggesting that the officers of the National Associated Businessmen contact you and offer to help obtain support for your bill.

It is unfortunate that it is not understood that labor, capital and management have a common bond which is not served by government interference and regulation. As a matter of fact, government interference prevents essential interplay in a free economy.

Today's inflation is caused by government intervention in the economic system. Present anger and frustration are directed against business rather than against the authorities within government responsible for the value of money.

We must have a stable currency. Ultimately there is no other answer to the problem. With a stable currency the present credit and inflationary excesses would automatically come under control. There would, for a period be some difficulties and unemployment, but nothing compared to what we are presently enduring and what lies ahead unless inflation is stopped.

Sincerely,

H. Vernon Scott,
Chairman, Advisory Committee.

[From the San Diego Union, Aug. 23, 1975]

Kemp Jobs Bill Outstanding

(By William A. Rusher)

A young congressman from Buffalo has introduced a bill which, whether it passes or not, ought to be remembered by a grateful nation as a shining example of just how constructive a conscientious legislator can be.

All too many congressmen (and I am not excluding senators, who after all are congressmen too) are merely grandstand players, eagerly associating themselves with splashy happenings that they calculate will enhance their "image."

A good current example is Senator Frank Church, D-Idaho, who accepted the chairmanship of the special Senate committee investigating the CIA back when it seemed sure to provide him with favorable nationwide publicity every day for at least six months.

Then there are the nitpickers—senators and representatives who engage in a certain amount of useful criticism but who are essentially lightweights.

Here the current titleholder is Senator William Proxmire, D-Wis., who is having a lot of fun in garnering a certain amount of welcome publicity with his Golden Fleece of the Month awards: miscellaneous examples of typical governmental inanities such as $50,000 grants to study the love life of the European newt, etc. Badgering of this sort is helpful, but not truly important.

Even if a congressman seriously wants to be constructive in a major way, the blunt truth is that he will waste his fragrance on the desert air unless Mike Mansfield and Robert Byrd in the Senate or Carl Albert and Thomas P. O'Neill in the House—the Democratic bosses of the two bodies—decide to get behind his idea and push it.

So the achievement of Congressman Jack Kemp is all the more remarkable and worthy of praise.

Kemp is the football hero who went on to Congress five years ago as a youthful Republican from Buffalo. Since then, he has earned a reputation among connoisseurs of political horseflesh as one of the ablest younger members of the House.

On May 21 this year, Kemp introduced the

Jobs Creation Act of 1975. In doing so, he was joined by almost 80 other members of the House, all of whom were proud to act as cosponsors of this genuinely constructive idea.

Kemp's basic point is that true prosperity rises only as private investment of capital increases. Only this can provide jobs, increase wages, improve efficiency, reduce costs to consumers, expand the over-all amount of goods and services available, and provide the return on investment that makes further investment possible.

Yet capital investment in America today is falling far short of what would be needed to restore and maintain national prosperity. Government programs, financed by taxes, will only make matters worse.

So Kemp's bill proposes a ten-point plan aimed squarely at the problem. It would (1) encourage savings and investments by offering tax advantages; (2) eliminate the present double taxation of common dividends; (3) further encourage investment by granting a $1,000 exclusion from capital gains; (4) extend the time for paying estate taxes involving small businesses; (5) increase the estate tax exemption for family operations; (6) reduce corporate income taxes about 6 per cent; (7) increase and make permanent the investment tax credit; (8) ease depreciation schedules; (9) permit a one-year write-off of required but nonproductive pollution control facilities; and (10) provide for the financing of employee stock-ownership plans.

Jack Kemp's bill predictably got little play in the liberal media. You may be sure that, if it shows any signs of legislative life, the Democratic leaders of Congress will cannibalize it and pass something similar for which they themselves can take the credit. But Kemp, I suspect, isn't worried about who gets the credit. He has made a powerful point, and a serious and highly constructive proposal concerning it, and he will be satisfied if it does this country good.

[From the Cincinnati Enquirer, July 23, 1975]

AND LET THERE BE JOBS

With unemployment at 9.2% of the work force and capital with which to create new jobs as scarce as the jobs themselves. Americans need greater incentives to invest in American business. For that is one certain way to provide the capital business needs to create jobs and ultimately lower taxes.

Rep. Jack Kemp's (R-N.Y.) proposed Job Creation Act of 1975, which would use tax benefits for investors to stimulate the growth of capital, may well be the key to adding 20 million more jobs, increasing median family income and reducing by half the number of people living in poverty.

Mr. Kemp's bill would allow investors to exclude from their taxable income up to $1000 or $2000 for a joint return, if that money were invested in savings accounts or common stock in American business. In addition, Mr. Kemp's proposal would eliminate the double taxation on common-stock dividends and grant a $100 exclusion from certain capital-gains transactions.

This could provide the special incentive investors need to put their money to work so business can put people to work.

By reducing corporate taxes by 6% and increasing the investment tax credit to 15% from the present 10%, the Job Creation Act of 1975 would free business' hand in making job-generating investments. Money that would have gone for taxes would now go, perhaps quite literally, for jobs.

The one disadvantage to Mr. Kemp's bill, a loss of from $27.5 billion to $32.5 billion in tax revenues this year, could be offset in succeeding years by the increaseed revenue that would be the result of higher employment and greater productivity and decreasing demands for unemployment and welfare benefits.

At a time when this country ranks 18th among the 20 most industrialized nations in its investment rate, it is vital that every effort be made to move capital into job-creating investments.

Behind Mr. Kemp's bill lies the assumption that those who have money to invest are not doing so, that they are hoarding it in shoe boxes and mattresses or spending it on staying alive and that tax breaks for everyone will bring money out of hiding. If Mr. Kemp and his cosponsors, including Rep. Donald Clancy (R-Ohio), are right, they may have found a key to restoring the economy to a rate of growth that will put America back to work.

This bill deserves immediate examination by the House.

INDIA SUFFERS AN ABERRATION

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. FRASER. Mr. Speaker, I would like to insert in the RECORD an article by Prof. Ved Nanda, "India Suffers an Aberration," that appeared Sunday July 6 in the Rocky Mountain News.

The proclamation of a state of emergency in India and the concurrent imposition of restrictions on many of the liberties essential for the functioning of a democratic government have been a serious blow to people throughout the world. India had often been cited to illustrate that a developing nation can retain democratic traditions while achieving economic and social reforms. Now, India's democratic heritage is in jeopardy. Let us hope that India can soon return to its normal constitutional processes.

The article follows:

INDIA SUFFERS AN ABERRATION

(By Ved Nanda)

World reaction to the recent totalitarian moves by Indira Gandhi has been understandably one of stunned disbelief.

The only exception is the Soviet Union which hailed the proclamation of a state of emergency by the president of India on June 26 and continues to support the subsequent measures taken by Mrs. Gandhi's government—arrest and jailing of hundreds of political opponents, suspension of basic civil rights which are guaranteed as "fundamental rights" under the Indian constitution, and the imposition of strict press censorship which has led to the expulsion of Washington Post correspondent Lewis M. Simons.

Ever since Mrs. Gandhi's conviction of corrupt electoral practices (obviously reminiscent of Watergate), the U.S. media and public have been closely watching events in India with renewed interest. The conclusion is inescapable that by resorting to these unprecedented measures to suppress opposition, Mrs. Gandhi has dealt a blow to the evolving democratic traditions in India.

The extent of the damage done is hard to assess at present, for it will depend on several contingencies including the duration of the emergency and the shape of Indian politics in the near future.

This turning point in independent India's history is an appropriate time for reflection and to raise some serious questions such as: Why did Mrs. Gandhi resort to such drastic measures? What special conditions were present in India which allowed her to undertake these measures, compared with conditions in the U.S. which forced Nixon to resign? What are the major legal and political ramifications of Mrs. Gandhi's actions? What lies ahead for India?

In declaring that a "grave emergency" exists, Fakhruddin Ali Ahmed, president of India, who under the Indian constitution is a mere figurehead while the real power rests with the prime minister, announced that India's security was "threatened by internal disturbances." Mrs. Gandhi pointed to the "deep and widespread conspiracy which has been brewing ever since I began introducing progressive measures of benefit to the common men and women of India in the name of democracy."

She accused "certain powers" of "inciting our armed forces to mutiny and our police to rebel," and said that she had learned of groups conspiring to challenge "law and order throughout the country with a view to disrupt normal functioning."

This is how the government justified its "firm action"—in the name of the country's unity, stability and integrity. In her four-minute radio broadcast over the government-controlled All India Radio, (termed as All Indira Radio by the opposition because of its partisan nature), she assured the people that the "new emergency proclamations will in no way affect the rights of law-abiding citizens," and promised to lift the proclamation "as soon as possible." She also pledged to take economic measures to relieve the hardship of the poor.

Ever since the proclamation, Mrs. Gandhi's government has further tightened its grip by issuing stringent regulations under which arrests can be made without giving reasons, and without bringing the person arrested to trial. Judicial review of these actions is suspended as are basic civil rights carefully enumerated and guaranteed under the Indian constitution. Processions, demonstrations and public meetings are prohibited and strict press censorship is enforced. The government has announced price controls, and further economic measures may be in the offing.

Mrs. Gandhi's rationale for taking the "firm action" sounds hollow. The "conspiracy" theory lacks supporting evidence. Although the opposition parties were intensifying their efforts to force Mrs. Gandhi to resign and had threatened to launch a civil disobedience movement, veteran observers of India remind us that the place of agitational politics in India's political life is totally different from perhaps anywhere else.

Mohandas Gandhi (no relation to Mrs. Gandhi), under whose leadership Mrs. Gandhi's father, the late Jawaharlal Nehru and many political leaders of modern India struggled for India's freedom, relied upon mass participation in the independence movement and, ever since, demonstrations, processions, and taking to the streets in support of various causes have been accepted modes of political behavior.

Mrs. Gandhi's supporters might cite the opposition leader, 72-year-old Jaya Prakash Narayan's call at a New Delhi rally for extralegal actions, including strikes by the police and the military. They could argue that in case of a widespread civil disobedience, breakdown of law and order and of democratic institutions was a distinct possibility which in turn forced Mrs. Gandhi to take these stern measures.

The argument is not persuasive, for during the last year, Narayan has repeatedly accused Mrs. Gandhi's government of being corrupt, incompetent and undemocratic, calling on her to quit.

The real reason for the action must lie in Mrs. Gandhi's perception that the opposition's call for her resignation was likely to gain further momentum, eventually perhaps forcing her to step down. The timing of the action is important. The high court of Allahabad (her home town) convicted her on two counts of election malpractices, ruling that she was not entitled to her seat in parliament, which is a prerequisite for her staying as prime minister.

The Supreme Court of India which is in recess until mid-July, will finally decide the case on appeal. In the interim, the vacation judge, V. R. Krishna Iyer, has granted her conditional stay, ruling that she may continue as prime minister but may not participate in parliamentary proceedings pending the outcome of her appeal. That was just two days before the declaration of emergency. The opposition was mustering strength for a political showdown not in the parliament, where Mrs. Gandhi's party has overwhelming majority, but in the streets. Also, Mrs. Gandhi's party has recently lost crucial state assembly elections in the western state of Gujarat where in the last elections it had won by a comfortable margin.

Mrs. Gandhi's political problems were further compounded by a continuing stagnant economy. With the national elections due early next year, she must have felt insecure in the face of a high population growth rate (adding 10 to 12 million babies a year), low agricultural production because of drought and high cost of oil needed for irrigation and fertilizers, mounting unemployment, and steadily rising prices.

She equated her political survival with the survival of India. (Therein lies a striking parallel with Nixon and Watergate.) Several of her cabinet members have echoed her sentiments by suggesting that she is indispensable. For her supporters, India and Indira are synonyms.

The reason why she could assume dictatorial powers and Nixon could not lies in part in public awareness and the strength of the governing institutions. But the technical basis for her action lies in the constitution of India, Articles 352, Clause 1 of which states: "If the President is satisfied that a grave emergency exists whereby the security of India or any part of the territory thereof is threatened, whether by war or external aggression or internal disturbance, he may, by proclamation, make a declaration to that effect."

Once the president has declared an emergency, the government can exercise unlimited powers to maintain public order and insure the movement of essential supplies. Regulations suspending and curtailing civil rights can be adopted under it.

The critical point is that ever since India's independence in 1947, such national emergency has never been declared in peacetime. It was only during the India-China and India-Pakistan wars that the Maintenance of Internal Security Acts had been invoked. The situation on June 26 did not warrant the promulgation of such extreme measures.

The immediate effect of the suspension of constitutional rights is that the opposition has gone underground, but the long range effects are uncertain. If the emergency is lifted soon, as Mrs. Gandhi has promised, there may be little else to remember of this unfortunate episode but for a footnote in history books.

Mrs. Gandhi seems to be biding her time. If on appeal the Supreme Court overrules the lower court, vindicating Mrs. Gandhi, she is likely to lift the proclamation, free her opponents, and argue that the "undemocratic" actions of the opposition had forced her to take these stringent measures which she found unpleasant but essential, "in the best interests of the country."

If the Supreme Court upholds the lower court, she will find it almost impossible to continue in power. The military, which has a long tradition of scrupulously avoiding politics, is not likely to support her grab for power. No matter how loyal to her the Congress party leaders are, a majority of them are likely to draw the line at that point. Even now there are ominous rumblings within her party and some members of parliament who are among those arrested in the last few days are also members of her Congress party.

What lies ahead for India is obviously hard to predict. Mrs. Gandhi's immediate action can be seen as miscalculation or bad judgment. But to raw simplistic conclusions from her actions to the effect that democracy in India, has gone down the drain is equally unwarranted.

First, it is unwise to judge the democratic nature of events happening elsewhere based on value judgments derived from one's own society. Not only do traditions and circumstances differ, demanding a contexual analysis, but even constitutional provisions may be dissimilar, permitting certain actions in one society which we do not like but which may still be democratic. Obviously there is no simple definition of democracy which can be universally and objectively applied.

Second, these measures might be of short duration.

Third, as one of my colleagues and a noted constitutional lawyer, William Beaney, says, Mrs. Ghandi's actions do not reflect a prevalent current of thought in India and perhaps not even dominant thinking of the ruling elite.

And finally, as Justice Krishna Iyer remarked during his visit at the University of Denver last year, judicial supremacy and the rule of law in India are very well entrenched.

The Indian democratic institutions go back to several centuries before the British introduction of the western concept of democracy. Through the village Panchayats, the Indian society was for generations governed by elected representatives. The tradition is too strong for any political aberration to last very long.

CARDIOPULMONARY RESUSCITATION

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. GILMAN. Mr. Speaker, recently I attended a screening of a film entitled "A Life in Your Hands," an excellent and educational documentary, produced by the nonprofit, Advanced Coronary Treatment Foundation—ACT—of Bridgewater, N.J., in cooperation with the American Heart Association. The film, narrated by Dr. Michael DeBakey, the renowned heart surgeon, describes the procedure of cardiopulmonary resuscitation—CPR.

Heart attacks strike almost 700,000 persons each year. More than half of the heart victims die needlessly before they can receive medical care. Prompt CPR treatment could have saved many of those heart attack victims.

Proper CPR treatment is a relatively simple procedure, and once learned, it can mean the difference between life and death for heart attack victims. Almost anyone can effectively apply cardiopulmonary resuscitation, an efficient, life-saving therapy.

The efforts of the ACT Foundation and its director, John E. Haas, are to be commended in providing CPR information to the public and in making available to any interested group, its free film, "A Life in Your Hands." I am pleased to note that many of my constituents in the 26th Congressional District have expressed an interest in the work of the ACT Foundation and its lifesaving information. Hopefully, knowledge of this lifesaving technique will become widespread and readily available to all citizens.

THE SOVIET GRAIN DEAL

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. HAMILTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include my Washington Report entitled "The Russian Grain Deal":

THE SOVIET GRAIN DEAL

Massive sales of U.S. grain to the Soviet Union have renewed fears of double-digit food price increases, secret dealings, and a repetition of the disastrous grain sales to the Soviet Union in 1972, and have raised again the question of whether grain sales to the Soviet Union are in the United States' national interest.

The Soviets have already purchased about 16½ million metric tons (a metric ton equals 2200 lbs) of grain on the world market, and approximately 10.3 million tons of this amount has been purchased from the United States. This total is substantially below the 19 million tons they bought from the U.S. in 1972, but estimates are that they will buy another 8½ to 10 million metric tons on the market, most of which would have to come from the United States. The Department of Agriculture announced in August that there will be no further sales made to the Soviets until the size of the United States' corn crop can be better gauged.

The full impact of the sales, of course, cannot be determined until the amount of the 1975 grain harvest is certain and the total extent of the Soviet purchases is known. Agriculture Secretary Butz predicted that sales in grain already committed to the Soviets will push up United States food prices in 1975 by 1½%, for a total increase of 9%. Chairman Arthur Burns of the Federal Reserve Board forecast that additional sales to the Soviets may increase food costs by 2½% in 1976. The inflationary impact of the sales varies. The higher wheat prices, for example, have a relatively modest impact on bread prices, but the impact of a jump in grain prices in meat and dairy products is greater. Since news of the latest round of grain sales to the Soviet Union broke earlier this summer, grain prices have risen substantially.

There are a number of differences between the 1972 and the 1975 sales. In 1972 the Soviets bought nearly twice as much grain from the U.S. as has been sold thus far this year, and the total U.S. crop will be larger for 1975. More important is that the Administration's approach to the sales to the Soviets is more cautious this year. No government credit for grain purchases or government subsidy, which amounted to $160 million in 1972, will be extended in 1975. One-third of the grain shipped to the Soviet Union must now be transported in U.S. ships, and there is a requirement now that U.S. grain export firms report grain sales of 100,000 metric tons or more to the Department of Agriculture within 24 hours.

Although not as great a problem as it was 3 years ago, secrecy continues to cloud U.S.-Soviet grain dealings. In 1972 shrewd Soviet grain buyers were able to close huge grain contracts with big U.S. grain companies in unchallenged secrecy for corn and wheat purchased on the American market at bargain prices. This year the Soviets quietly chartered ships to carry grain in an attempt to hide their intentions, and they continue to withhold statistical information on their grain crops with the result that U.S. grain sale policy must be made on the basis of our estimates.

Unpredictability is a major difficulty in selling grain to the Soviets. Soviet grain purchases on the world market during the past few years have ranged from as little as 5 million metric tons to the 25 million tons or more which will be purchased in 1975. Grain sales announcements send shockwaves through U.S. agricultural markets, which are relatively open and unprotected from foreign economic forces. Wild price level swings are particularly damaging to U.S. agriculture, creating great difficulty for American farmers.

The issue is not whether to encourage American exports of food. These exports clearly serve the national interest by helping the balance of trade and standard of living. Agricultural exports, in fact, are the chief reason for the significant improvement in the U.S. balance of payments and now earn 10 to 12 billion dollars in foreign exchange a year which we must have to pay for imports. These sales improve our international standing, strengthen the American dollar, and help to offset greatly increased prices for imported oil. The American farmer prospers or languishes on the size of the American grain exports, and the Soviet grain exports have been welcomed by midwestern grain farmers.

Selling grain to the Soviets on commercial terms is reasonable if it is done within the limits of the size of our crops and the demands upon them. The difficulty arises from the secrecy, irregularity, and unpredictability of the Soviet purchases, which add a dangerous element of instability to the agricultural markets. It is my view, then, that exports of grain products are in the fundamental interest of the United States and that they should continue, but with appropriate safeguards. If the Soviets want access to our markets, then we should have full information on their grain situation each year. Sales should be conditional on the size of the crop, not as estimated in the middle of the growing season, but after it has actually been harvested. We must improve our monitoring of agricultural commodity transactions and end the secrecy that surrounds the sales, so that agricultural markets can adjust to indications of future transactions and so that we can prevent those involved in the negotiations from taking advantage of privileged information. We also need to ensure that foreign governments do not receive a better price then domestic users, that American farmers receive a fair return for their efforts, and that the profits from such sales do not fall into the pockets of the few.

HEADED FOR CONFRONTATION ON THE PANAMA CANAL

HON. DEL CLAWSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. DEL CLAWSON. Mr. Speaker, yesterday's Washington Star contains a column by William F. Buckley, Jr., listing some of the reasons why the United States cannot afford to relinquish its rights to the Panama Canal. It is a position which I and others in this House have affirmed and reaffirmed. At this point in the RECORD I would like to insert the column by Mr. Buckley:

HEADED FOR CONFRONTATION ON THE PANAMA CANAL

(By William F. Buckley, Jr.)

Everyone is agreed that, in respect of the Panama Canal, we are headed for confrontation. It's our fault, mostly, though the anticolonialist *zeitgeist* plays a role in it. It's our fault in the sense that nobody would be talking about the necessity of the United States abandoning the Panama Canal if the United States hadn't begun, as it did under Eisenhower, making concessions on the subject.

Nobody, outside the deejays in Radio Havana, talks about the United States giving up its naval base in Guantanamo, Cuba, and the reason is every bit as simple as that we have no intention of abandoning our naval base in Guantanamo, Cuba. But treat yourself to one president, or even one chairman of the Senate Foreign Relations Committee, on "Meet the Press" or the "Today" show, beating his breast about our atavistic presence in Cuba, and the subject comes up for immediate negotiation. Then the entire Third World closes in on you, and you make silly defensive speeches in the United Nations, and pretty soon we have a ceremony, and John-John pulls down the American flag, and our last destroyer steams out into the sunset.

But what then steams in, in all probability and given the dynamic flux of the world situation, is the Soviet Navy. And of course it is the Soviet Navy we are properly concerned about in Panama. Running Panama at the moment is a talkative left-wing despot who staged a coup in 1968 and has suspended democratic elections. He studied his economics from Allende, and openly praises Castro. He has talked publicly about the need for a guerrilla war of liberation if the United States does not give in to his demands. Behind him is all the United Nations, whose Security Council junketed down to Panama to thunder and shake over the vestigial act of western colonialism, ending its filibuster only when interrupted by a U.S. veto.

Meanwhile, Henry Kissinger has gone down there to mollify Torrijos, and Ambassador Bunker, the kindliest and most intelligent of men, whose footsteps, unfortunately, are dogged by historical scavengers, is down there trying to work something out. While the executive was planning an orderly retreat from Panama, suddenly a Senate minority and a House majority acted in separate resolutions indicating quite clearly that they had no intention of backing away from Panama. The canal, for those who've forgotten it, is United States territory. As much so as Key West or Atlantic City. And the Constitution requires an acquiescence by both houses in the abandonment of U.S. territory.

But don't you see, we won't abandon it, they reassure us. We'll merely modify the existing situation, which is unacceptable to Panamanian pride, and still maintain effective military control over the area.

No doubt the plans for retreat are more sophisticatedly drawn up than as intimated here. But we are in fact losing sight of the scaffolding of the American argument:

1. We don't "lease" the canal—we compensate Panama for the use of the railroad, not the canal, which is ours.

2. We don't make a profit from the canal, we plow all revenue back in toward its maintenance.

3. If France and England weren't able to maintain, according to the schedule agreed upon, their hold on Suez, how could we expect, having relinquished effective operational control, to contain the likes of Terrijos?

4. The big and important countries of Latin America, Venezuela excepted, aren't all that hot to give little Torrijcs the keys to a canal on which they depend so heavily. There has been only formalistic pressure from Argentina, Brazil, Chile, Uruguay and Ecuador.

5. It may just not be too soon for somebody in the United States government responsibly placed to open up the question whether our flight from colonialism is historically or morally justified. In a world that seeks stability so that it can focus on the problem of producing food for hungry people, the passion to decolonialize becomes an abstract imperative alongside the humanitarian alternative of staying in there, particularly if you have strategic responsibilities to defend. Resolved, the United States should hang on to its canal in Panama.

WHY CONGRESS MUST ASSIST CAPITAL FORMATION IF AMERICA IS TO RESTORE ITS LEAD IN PRODUCTIVITY AND CREATE JOBS

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. KEMP. Mr. Speaker, I take this time to further plead with my colleagues and the Ways and Means Committee to help restore American productivity and help create jobs by incentives in our tax system for constructive capital formation techniques such as those in my Jobs Creation Act of 1975.

The need is clearly outlined in the following article on why America is falling so low in productivity and plant modernization. It further explains how increasing productivity and creating more efficient tools does not destroy jobs, it creates jobs:

OTHER INDUSTRIAL NATIONS CHIP AWAY AT U.S. LEAD IN WORKER PRODUCTIVITY

(By Edward W. O'Brien)

WASHINGTON, September 8.—Foreign industrial powers are catching up to the United States in worker productivity, the key to national living standards and competitive prowess.

The United States is still ahead of all rivals in manufacturing output per hour of work, but the American lead "has been substantially diminished," according to the National Commission of Productivity & Work Quality.

The commission, a small federal body of top leaders from labor, business, government and the public warned in a report that since World War II, "things have not gone as well as we would like."

The report called on Americans to "pay attention and give positive support to factors favorable to higher productivity." The alternative, members said, is continued "retardation" in the economic forces responsible for rising living standards, individual advancement and national strength.

Among seven leading industrial countries, the United States ranked last in manufacturing productivity gain from 1950 to 1974, the report showed.

The average annual increase for this country was only 2.9 per cent. The leader was Japan, with 9.5 per cent per year, followed by Germany, 6.0; Italy, 5.9; France, 5.4; Canada, 4.1, and Britain, 3.4.

With huge yearly improvement, Japanese productivity rose from about 30 per cent of the American level in 1960 to approximately 65 per cent by 1974. As the commission noted, Japan and the others are "closing the gap."

Last year's American performance was especially dismal. Productivity dropped 2.7 per cent for the first decrease in 25 years and only the second since the depression of the 1930s.

The commission attributed the decline in part to the business recession, with factories being operated at less than capacity and labor forces being retained at needlessly high levels.

With a sales pick-up, the commission said, "the current decline in productivity is likely to end, and output per man-hour will begin to increase."

But the commission's cheeriness was carefully limited. Its forecast of productivity improvement dealt only with short-term changes, while members' deeper worry is with the sluggish long-term trend dating at least from 1950 extending well into the future.

A principal element in rising productivity, the commission stressed, is new and more efficient plants and machinery that can convert the same or less manpower into a larger volume of output.

But the United States has been lagging behind its competitors in capital investments. Among five major nations, this country spent the smallest proportion of its gross product on plant and equipment between 1960 and 1973.

The inevitable result, according to the commission report: Was that "output also increased less rapidly in the United States."

Further, while the United States has been cutting back on its relative investment in research and development, Japan, Germany and the Soviet Union have been increasing theirs.

"As we look to the future in the United States, it appears likely that capital spending for modernization and expansion of plant and equipment will be increasingly in competition for available funds with programs for expanding energy supplies, improving the quailty of the environment, and meeting housing and other needs," the commission said.

Other worries: "The deterioration of workers' attitudes; a tendency toward slackness on the part of management; impediments to savings, investment, and enterprise created by the tax system; government 'interference'; and imperfections of competition."

The report conceded that workers sometimes resist labor-saving machinery because of instinctive fear of job loss. However, what often happens, the commission said, is that as automation reduces or presses down on costs and selling prices, output is expanded, and employment is maintained or even increased.

"In the long run, industries whose productivity has risen more rapidly than in the whole economy have often raised their employment by a larger percentage than industry generally, and not by a smaller percentage, as might be supposed," the report said.

"Correspondingly, industries whose productivity has seriously lagged, such as footwear, have often raised their employment less than industry generally or have actually cut employment."

The same lesson—of higher productivity creating more jobs—is evident in the world economy, the commission found. Japan and many European countries with faster rates of productivity gain have also had "substantially lower rates of unemployment."

MAGNETOHYDRODYNAMICS RESEARCH AND DEVELOPMENT

HON. MAX S. BAUCUS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. BAUCUS. Mr. Speaker, on Monday, September 8, I was notified by the Energy Research and Development Administration—ERDA—that a permanent division had been established "to give added stature to program management efforts" in magnetohydrodynamics—(MHD)—research and development. The division is charged with developing MHD as required by Public Law 93–404.

On Friday, September 5, I spoke on the floor about the MHD issue particularly as it pertains to the ERDA authorization conference. I urged my colleagues to support an MHD authorization equivalent to that of the Senate Interior Committee. I cited the administration's revised MHD funding request as evidence that ERDA has substantially modified its attitude toward this important technology. I also said I expected ERDA to establish an MHD division in the near future. That expectation is now reality. Moreover, ERDA recently endorsed a much higher commitment to the development of MHD.

MHD is a process of heating coal to produce a gas which is then ionized and jettisoned through a magnetic field at high velocity. The result is electricity for transmission to utilities. MHD is highly efficient since it employs no moving parts like the heavy armatures in conventional coal-fired steam generators. It is also clean since it allows recovery of sulfur dioxides and nitrogen oxides. MHD technology has progressed beyond theoretical research and requires only engineering development and testing before actual commercial use. As I mentioned in my statement last Friday, vast savings in coal are possible through MHD along with tremendous reductions in gaseous, thermal, and particulate pollution. A vigorous national program of MHD development should be initiated as part of America's energy policy.

The Senate Interior Committee's authorization for ERDA allocated $50 million for a national program in MHD—$36.3 million more than ERDA's original request and $21.2 million than ERDA's revised MHD request submitted on June 30, I would point out, Mr. Speaker, that the congressional prerogative of increasing authorizations beyond the amounts requested by agencies is traditionally well exercised. The Science and Technology Committee exercised this prerogative in setting allocations for the development of other technologies. The committee, for example, recommended a 134-percent increase in geothermal development funding—$30.5 million over the amount requested by ERDA. For solar power development the committee recommended a 104-percent budget increase—$73.2 million more than ERDA requested. The committee, however, approved the exact amount requested by ERDA for MHD—$13.7 million. This amount is less than half ERDA's revised request for MHD. In fairness to the committee, we must note that action on the ERDA authorization was completed before ERDA submitted its new request to Congress.

It is essential that we notify our conferees of the need for a greater MHD effort. I hope the House will not oppose experts in science, engineering, industry, the Senate and ERDA on the MHD issue, but will offer MHD the kind of national effort it deserves.

U.S. Energy Research and
Development Administration,
Washington, D.C., September 5, 1975.

Hon. Max Baucus,
House of Representatives, Cannon House Office Building, Washington, D.C.

Dear Mr. Baucus: Attached is an announcement of the approval of a permanent organization for ERDA Fossil Energy. This organization has created two new divisions: Division of Magnetohydrodynamics (MHD) and Division of Fossil Demonstration Plants.

These divisions have been established in recognition of the essential role that MHD and Synthetic Fuel Demonstration Plants must play in providing the United States the technical options to meet future energy goals.

This organization will provide primary emphasis on research on the development, conversion and utilization of our fossil energy sources and the transition of these research technologies to large-scale demonstration plants.

Please let me know if you have any questions or need additional copies of the organization.

Sincerely,

David O. Webb,
Assistant Director for Fossil Energy,
Office of Congressional Relations.

EXTENSION OF PRICE CONTROLS FOR 60 DAYS

HON. HERBERT E. HARRIS II

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. HARRIS. Mr. Speaker, President Gerald Ford has to date sent the Congress a variety of plans, messages, and programs to deal with the unresolved question of controls on the price of domestic energy. Despite the great mix of energy plans the President has displayed—overnight decontrol, 24-month decontrol, 39-month decontrol; with a windfall tax, without a windfall tax—he has remained consistent on two points: First, it is the intention of the administration to ration fuel by price, and second, the price of our domestic fuel is to be dictated by foreign nations in concert with the international oil companies.

The President has falsely spoken of

"compromise" while failing to yield an inch on these essential points. The White House has decided to hold stubbornly to its gouge-American-consumer plans. The Congress must have the courage and the stamina to resist Ford's disastrous blueprint for recession and energy bankruptcy. Given the decided lack of courage displayed by the other House in failing to override the veto of S. 1849, the House of Representatives may well become the last battleground on which to defend consumers and working people against a ruthless raid on their pocketbooks by the administration and the oil companies.

Let us take another look at what the removal of controls on oil will mean to the American economy. The international oil companies operating in this country are now technically free to raise all of their domestic prices to the price they are getting in the Middle East. That means we could be paying $13.50 per barrel for oil which was profitable at $5.25. With the expected OPEC increases this fall, that figure could go even higher. This means a quadrupling of prices over the past 2 years.

Recently, the chairman of the House Budget Committee, the Honorable BROCK ADAMS of Washington, testified before a House energy panel to warn the Congress of the staggering $11 billion effect price decontrol could have on the mounting Federal deficit. In addition, another 600,000 Americans can be expected to lose their jobs, with a 1.4-percent increase in the cost of living and a 2.1-percent drop in the GNP.

The staff of the Congressional Joint Economic Committee saw the situation this way in an evaluation published June 27, 1975. The annual impact on domestic oil prices will be to the tune of $16.3 billion for the same amount of oil. Unregulated natural gas prices can be expected to go up by $3.6 billion, and coal will rise by $3.16 billion. Of course, under the Ford decontrol plan, OPEC nations could cause these figures to rise even higher at any time.

In addition, the President's $2 oil import tariff will raise domestic prices by $8.68 billion per year, and the JEC sees the additional "ripple effect" as high as 50 percent. An example of the ripple is the estimate of the Chase Manhattan Bank that interest rates would go as high as 15 percent next year if price controls are permanently removed. Quite simply, the working families of this country cannot afford the additional $500 to $900 per year called for in the President's decontrol plans.

Under the bill vetoed on Tuesday, S. 1849, President Ford had the power to raise the price of oil as high as he pleased by his own administrative action, if he could show the economic necessity of doing so. Clearly, no such justification exists. His dogged demand for Congress to go along with decontrol is a thinly disguised effort to share the responsibility for an inflationary, multibillion dollar giveaway to the international oil companies.

The path of the House in this struggle is clear. We must pass a quick extension of the lapsed price controls as soon as possible. This quick and simple extension should be for at least 60 days and should have no strings attached by the White House. I am confident that such an extension, if vetoed, can be overridden by the House.

Upon passage of this extension of price controls, we must act quickly to pass and send to the Senate H.R. 7014, the comprehensive energy program drafted by the Committee on Interstate and Foreign Commerce. This bill is critically important to the country because it calls for tough conservation without raising the price which consumers must pay for gasoline, heating oil, food, drugs, and other petroleum intensive products. Most of all, H.R. 7014 holds the line on the price of oil, and it provides for energy policy which is consistent with economic recovery.

We must not fall into the trap of passing only what we are led to believe the President will sign. The best that we can do for our constituents and for America is to pass a good bill and let the President decide what action he desires to take in the full light of public understanding. If Mr. Ford is determined to play partisan politics by portraying himself as an embattled Executive fighting an unyielding Congress, we cannot stop him. But let the people decide who is siding with the special interests like the oil companies, and who stood up for the average American family.

NOW ACCOUNT SYSTEM

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. MOAKLEY. Mr. Speaker, I am pleased to present for the consideration of my colleagues the testimony of Mr. Ronald W. Haselton of the Savings Bank Association of Massachusetts before the Senate Subcommittee on Financial Institutions, summarizing the impact of the NOW account system in Massachusetts.

NOW accounts are interest-bearing checking accounts. They are available only in Massachusetts and New Hampshire. Two years ago, there was a good deal of congressional concern as to the wisdom of retaining this system. As a proponent of the maintenance of the NOW account option in these two States, I am encouraged by Mr. Haselton's findings, which clearly demonstrate the positive impact of the new system. The statement follows:

STATEMENT OF RONALD W. HASELTON

Mr. Chairman, Senator Brooke, ladies and gentleman; my name is Ronald W. Haselton. I am President of the Consumers Savings Bank here in Worcester, which is proud to have been the first bank in the nation to offer N. O. W. accounts, having begun in June, 1972. However, I am here today to represent the Savings Banks Association of Massachusetts. I am accompanied by Elliott G. Carr, Executive Vice President of the Association and Bartow Kelly, President of the Worcester County Institution for Savings and First Vice President of the Association.

Massachusetts savings banks are mutual thrift institutions operated solely for the benefit of their depositors and communities. They have no stockholders. They are the principal source of home mortgage funds in Massachusetts. Their deposits, which now exceed over $15 billion in over 4 million savings accounts, represent approximately 75% of all savings deposits in thrift institutions in Massachusetts and are invested primarily in residential mortgage loans. We are an industry comprised of small units. The largest savings bank in Massachusetts ranks only 26th nationally, and is less than one-fifth of the size of the largest Massachusetts commercial bank.

Although we have submitted for the record a statement opposed to removal of the "differential" on interest rates payable on savings accounts by commercial banks and savings banks, and are prepared to answer questions on that subject, my remarks will be entirely on N. O. W. accounts.

The savings banks of Massachusetts are proud of their role in launching N.O.W. accounts and appreciate the opportunity to appear here today to discuss the progress of these accounts. We are particularly glad that we are able to appear before the two Senators present, Chairman McIntyre of New Hampshire, and Massachusett's Senator Brooke, because the savings banks and public of these two states owe you a tremendous vote of thanks for the successful battle which you conducted two years age to protect this valuable new consumer banking service from what at that time seemed to be overwhelming pressure to outlaw the service.

My basic message in this regard can be summed up in one sentence. All of the good things which were said about N.O.W. accounts two years ago have turned out to be true, whereas most of the bad things have turned out to be false.

When he spoke to your Subcommittee on March 21, 1973 as a representative of this Association, Mr. John S. Howe, President of the Provident Institution for Savings in Boston indicated that N.O.W. accounts had produced two major new benefits for consumer/depositors.

First, N.O.W. accounts gave savings account depositors "a new flexibility as to making a withdrawal from a savings account at a time and place of their own choosing". In this regard, the first group of customers to utilize N.O.W. accounts were savings depositors who occasionally come into the bank to make a withdrawal and buy several "counter checks" in order to pay regular bills. Massachusetts savings banks sold over 9,000,000 counter checks in 1972.

Second, N.O.W. accounts for the first time enabled depositors to receive interest on an account which can be utilized to "transfer funds".

Until the N.O.W. account offered these breakthroughs to consumers, banking had been like an industry which offered only Cadillacs or Volkswagens to the public. You could either write checks or be paid interest, but you could not obtain a combination of the two.

The N. O. W. account has in three years if anything exceeded the expected public benefits cited by Mr. Howe. Exhibit I accompanying my statement indicates that at the end of June, 1975, there were over 475 thousand N. O. W. accounts in Massachusetts and that this number was growing approximately 30,000 a month. There are approximately 2 million households in Massachusetts, of which perhaps 1.5 million have some form of transfer account at a bank. Hence, the N. O. W. account has already reached one in every four Massachusetts households, and probably one in every three households which utilize a bank. If current growth continues, within three to five years every Massachusetts household will have a N. O. W. account.

This rate of public acceptance of a complex new banking service is unprecedented and certainly indicates that the public likes the service.

Furthermore, N. O. W. customers are enthusiastic. In 1973 approximately 40,000, N. O. W. customers, when notified that Congress was considering outlawing this service, wrote several thousand letters to Massachusetts Congressmen. People like their accounts and want to keep them.

Exhibit II accompanying my statement indicates that the source of N.O.W. accounts opened is somewhat equally divided between prior checking account customers and prior savings account customers, thus fulfilling Mr. Howe's prophesy that portions of both groups would find the account useful.

The growing tendency of banks to drop the per item service charge, which is illustrated in Exhibit III, has resulted in even greater benefits to the public than anticipated. Whereas it appeared in 1973 that the N. O. W. account would be most useful to a customer whose needs were in between those of a traditional savings account and a traditional checking account who writes a limited number of checks on a moderately large account, as Exhibit III indicates, the free N.O.W. account has literally offered that portion of the public which wants it everything in one package regardless of how many checks are written. I will discuss the long run implications of this change shortly.

EXHIBIT I

TOTAL NUMBER OF NOW ACCOUNTS OUTSTANDING IN MASSACHUSETTS

Month ending	All banks	Savings banks
September 1972	N/A	N/A
December 1972	23,936	23,936
March 1973	34,226	34,226
June 1973	51,434	51,434
September 1973	60,668	60,668
December 1973	89,036	89,036
March 1974	117,824	109,365
June 1974	151,916	132,214
September 1974	218,084	168,404
December 1974	288,620	205,704
March 1975	383,027	247,648
June 1975	475,191	291,035

Source: Federal Reserve Bank of Boston and Savings Banks Association of Massachusetts.

EXHIBIT II

SOURCES OF NOW ACCOUNT DEPOSITS IN MASSACHUSETTS

[In thousands of dollars]

Month ending	All banks		Savings banks	
	Demand deposits	Time and savings	Other	Time and savings
September 1972		NA		NA
December 1972		$4,673		$4,673
March 1973		2,843		2,843
June 1973		1,805		1,805
September 1973		1,756		1,756
December 1973		1,736		1,736
March 1974	$223	1,992		1,505
June 1974	376	2,108		1,665
September 1974	337	2,777		1,967
December 1974	272	2,536		1,849
March 1975	3,434	3,119		2,038
June 1975	3,396	3,240		2,254

Note: These are transfers to new NOW accounts during the month from the institutions own time and savings or demand deposits.

Source: Federal Reserve Bank of Boston and Savings Banks Association of Massachusetts.

EXHIBIT III

NOW ACCOUNT DEVELOPMENT IN MASSACHUSETTS

Month ending	All banks		Savings banks		All banks—Average balance in NOW accounts	Savings banks—average balance in NOW accounts	All banks—Average number of drafts	Savings banks—Average number of drafts
	Number of banks offering NOW accounts	Number offering free NOW accounts	Number offering NOW accounts	Number offering free NOW accounts				
September 1972	23	None	23	None	NA	NA	NA	NA
December 1972	59		59		$1,860.00	$1,860.00	4.9	4.9
March 1973	69		69		1,878.06	1,878.06	5.7	5.7
June 1973	69		69		1,784.61	1,784.61	1.9	4.9
September 1973	74		74		1,660.15	1,660.15	5.2	5.2
December 1973	90		90		1,550.24	1,550.24	5.3	5.3
March 1974	146	46	98	32	1,341.71	1,351.85	7.4	7.4
June 1974	193	60	114	38	1,172.96	1,179.50	7.8	7.7
September 1974	218	117	122	68	1,044.04	1,040.27	7.9	7.7
December 1974	252	157	131	92	993.76	972.67	9.3	9.2
March 1975	286	191	137	101	1,083.33	994.39	9.80	9.2
June 1975	320	214	146	109	1,107.71	972.85	10.3	9.6

Source: Federal Reserve Bank of Boston and Savings Banks Association of Massachusetts.

EXHIBIT IV

TOTAL ANNUAL DEPOSITS IN MASSACHUSETTS SAVINGS BANKS

[Dollar amounts in millions]

	Savings banks		Commercial Banks		Totals
	Amount	Percent	Amount	Percent	
1950	$3,284,571	43.5	$4,273,727	56.5	$7,550,298
1951	3,365,776	42.9	4,480,225	57.1	7,846,001
1952	3,556,176	44.1	4,509,853	55.9	8,066,029
1953	3,795,933	46.0	4,456,910	54.0	8,252,84
1954	4,072,990	46.9	4,611,093	53.1	8,684,083
1955	4,404,674	47.6	4,855,663	52.4	9,260,337
1956	4,700,575	49.2	4,855,817	59.8	9,556,392
1957	4,910,485	50.2	4,881,102	49.8	9,791,587
1958	5,223,381	50.3	5,162,931	49.7	10,386,312
1959	5,480,129	51.1	[1] 5,249,610	48.9	10,729,739
1960	5,732,013	51.1	[1] 5,492,946	48.9	11,224,959
1961	6,127,205	51.1	[1] 5,861,564	48.9	11,988,769
1962	6,610,576	52.3	[1] 6,036,636	47.7	12,647,212
1963	7,132,891	54.0	[1] 6,068,584	46.0	13,201,475
1964	7,752,996	53.9	[1] 7,631,478	46.1	14,834,474
1965	8,348,084	53.6	[1] 7,229,385	46.4	15,577,469
1966	8,639,722	52.6	[1] 7,773,642	47.4	16,413,364
1967	9,178,445	50.1	[1] 9,135,293	49.9	18,313,738
1968	9,704,076	48.8	[1] 10,167,386	51.2	19,871,462
1969	10,395,798	52.0	[1] 9,598,706	48.0	19,994,504
1970	11,079,680	50.2	[1] 11,010,531	49.8	22,090,211
1971	12,502,171	51.4	11,807,188	48.6	24,309,359
1972	13,870,430	51.8	12,920,138	48.2	26,790,568
1973	14,613,449	50.6	14,246,644	49.4	28,860,093
1974	14,894,903	50.3	14,705,455	49.7	29,600,358

[1] Non-FDIC insured banks and trust company figures not available

Sources: FDIC and Massachusetts Commissioner of Banks.

In summary the public benefits of N. O. W. accounts cannot be challenged.

Obviously N. O. W. accounts have injected a new life into thrift institutions as well. In only one month of the 40 month history of N.O.W. accounts in Massachusetts savings banks has the amount of the total balances declined. Obviously it is a good account to have around, particularly in periods of disintermediation.

But the major benefit of N.O.W. accounts to thrift institutions probably has come through the changed attitude which they have helped to engender. In the late 1960's the growth rate of Massachusetts savings banks, even in personal savings deposits, lagged far behind that of "full service" commercial banks. (See Exhibit IV.) Although this growth gap has not been eliminated, there are signs that it may have been reduced, hence thrift institutions look to the future with more aggressiveness as well as genuine pride at having innovated this service.

The 1973 criticisms of N. O. W. accounts fell into two primary categories: forecasts that they would disrupt the competitive balance and growth rates between the various banking industries in Massachusetts, and predictions that they would be unprofitable, thus jeopardizing profit margins or loan interest rates.

Despite the noteworthy market penetration figures which I have already cited, N. O. W. accounts have not altered interindustry flows in Massachusetts on a statewide basis or in any one market. This apparent paradox between substantial market penetration and no disruptions in aggregate deposit flows has been possible for several reasons.

First, N. O. W. deposits, indeed all money transfer accounts, represent a very small portion of total deposits. Hence, large movements within these categories get totally lost when aggregated with far larger categories of deposits. The usefulness of N. O. W. accounts, and checking accounts, to banks comes not through the volume of deposits which they generate, but rather in that they are a key to the location of other more voluminous accounts, primarily personal savings accounts. Exhibit V illustrates that N. O. W. deposit growth has grown to only 16.1% of total deposit growth in Massachusetts, a figure not capable of disrupting inter-industry deposit flows.

Second, as illustrated by Exhibit VI, most new N.O.W. accounts at all banks are coming from the banks' existing customers. The N.O.W. account has thus become a means of transferring customers to a better account within a bank, rather than attracting customers from another bank.

The charges that N.O.W. accounts would disrupt inter-industry deposit flows were launched primarily by commercial banks, which believed that they might lose large portions of their personal checking business to all other industries. Exhibit VII indicates that this has not been the case in that commercial banks have already assumed the leadership position in N.O.W. account growth despite the fact that more savings banks have offered the service, for longer, and frequently with better terms. Checking account customers transferring to N.O.W. accounts are doing so primarily at their own commercial bank.

The largest commercial bank in Massachusetts, the First National Bank of Boston, an aggressive marketing organization, does not yet offer N.O.W. accounts, which is further evidence to the fact that N.O.W. accounts have not hurt commercial banks.

The tendency towards "free" N.O.W. accounts has raised further doubts concerning the profitability of N.O.W. accounts, but we see no major problems in this area.

EXHIBIT V

NOW ACCOUNTS AS A PROPORTION OF TOTAL DEPOSIT GROWTH IN MASSACHUSETTS BANKS

[Dollars in thousands]

Month ending—	Commercial bank deposits	Savings bank deposits	Total deposits	Actual deposit growth	Actual NOW account growth	NOW growth as a percent of total deposit growth
June 1972	$11,549,920	$13,491,589	$25,041,509			
December 1972	12,920,138	14,056,294	26,976,432	$1,934,923	$44,552	2.3
December 1973	14,246,644	14,696,052	28,942,696	1,966,264	93,556	4.7
December 1974	14,705,455	14,975,471	29,680,926	738,230	118,994	16.1

Sources: Federal Reserve Bank of Boston and Savings Banks Association of Massachusetts.

EXHIBIT VI

SOURCES OF NOW ACCOUNT DEPOSITORS IN MASSACHUSETTS

	Banks			
	All banks		Savings banks	
Month ending—	Existing customer [1]	New customer	Existing customer [1]	New customer
September 1972	NA	NA	NA	NA
December 1972	1,651		1,651	
March 1973	937		937	
June 1973	749		749	
September 1973	944		944	
December 1973	761		761	
March 1974	6,680	5,842	4,960	4,157
June 1974	6,591	6,613	4,802	4,467
September 1974	13,383	15,229	7,928	10,200
December 1974	12,187	9,727	6,583	5,422
March 1975	21,143	15,618	9,704	7,670
June 1975	21,059	18,296	10,179	9.400

[1] The Federal Reserve Bank of Boston defines existing customers as those having an account at the institution at the time the NOW account was opened.

Sources: Federal Reserve Bank of Boston and Savings Banks Association of Massachusetts.

My own bank has retained the service charge, as we believe that one of the N.O.W. account's most attractive features is that it permits the bank to pay the depositor all he deserves for his funds, but to charge him for the checks he uses, the most logical pricing basis. Both the bank and the customer pay for what they get. Exhibit VIII, excerpted from Consumers Savings Bank cost account analysis, indicates that on this basis N.O.W. accounts are profitable. Our growth in N.O.W. accounts has been satisfactory as well.

Exhibit IX presents the cost account information on N.O.W. accounts for the latest quarter for a $400 million savings bank with over 7,000 "free" N.O.W. accounts. It indicates that on a "marginal" basis, including all costs directly attributable to N.O.W. accounts, they are profitable at this bank as well.

However, in this bank when a pro-rated portion of existing "overhead" for fixed branch and administrative expense is added, N.O.W. accounts produce a slight loss on a full costing basis. This loss is not alarming, however, in that it represents an alternative to advertising or other uses of the funds which the bank's management with full knowledge, has chosen to expend in this fashion.

It is certainly not a matter for Congressional or regulatory concern. The banking public benefited, and the solvency of the bank is not threatened. Indeed, if all savings banks were forced to make all services profitable at all times, many of us would be forced to drop other services, including mortgages, from time to time.

Yet, the question remains concerning how large a N.O.W. account volume can be absorbed on this basis. For this reason I expect to see further changes in the N.O.W. account. A number of options are open to banks including:

1. Reimpose the per item charge.

EXHIBIT VII

NOW ACCOUNT GROWTH IN MASSACHUSETTS SAVINGS AND COMMERCIAL BANKS

[Dollars in thousands]

Month ending	Total savings bank NOW deposits	Total commercial bank NOW deposits	Savings bank percent of total	Commercial bank percent of total	Savings bank dollar growth	Commercial bank dollar growth	Savings bank percent of growth	Commercial bank percent of growth
September 1972	$11,094		100	0	$11,094		100.0	0
October 1972	22,306				11,292			
November 1972	34,363				11,977			
December 1972	44,522				10,159			
January 1973	59,661				15,139			
February 1973	71,975				12,314			
March 1973	84,162				12,187			
April 1973	92,341				8,179			
May 1973	99,633				7,292			
June 1973	105,688				6,055			
July 1973	110,486				4,798			
August 1973	113,852				5,366			
September 1973	116,259				2,407			
October 1973	125,873				9,614			
November 1973	131,795				5,922			
December 1973	138,078				6,233			
January 1974	134,832	$2,274	98.3	1.7	−3,196	$2,274	0	100.0
February 1974	133,453	3,857	97.3	2.7	3,621	1,583	69.6	30.4
March 1974	147,845	5,916	96.2	3.8	9,392	2,059	82.0	18.0
April 1974	150,309	8,458	94.7	5.3	2,464	2,542	49.2	50.8
May 1974	151,510	9,296	94.2	5.8	1,201	838	58.9	41.1
June 1974	155,946	11,156	93.3	6.7	4,436	1,860	70.5	29.5
July 1974	161,544	14,175	91.9	8.1	5,598	3,019	65.0	35.0

Month ending	Total savings bank NOW deposits	Total commercial bank NOW deposits	Savings bank percent of total	Commercial bank percent of total	Savings bank dollar growth	Commercial bank dollar growth	Savings bank percent of growth	Commercial bank percent of growth
August 1974	169,042	22,532	88.2	11.8	7,498	8,357	47.3	52.7
September 1974	175,185	33,597	83.9	16.1	6,143	11,065	35.7	64.3
October 1974	184,830	40,245	82.1	17.9	9,645	6,648	59.2	40.8
November 1974	192,536	48,167	80.0	20.0	7,706	7,922	49.3	50.7
December 1974	200,083	56,989	77.8	22.2	7,547	8,822	46.1	53.9
January 1975	206,797	73,517	73.8	26.2	6,714	16,528	28.9	71.1
February 1975	221,506	96,647	69.6	30.4	14,709	23,130	38.9	61.1
March 1975	246,259	124,706	66.4	33.6	24,753	28,059	46.9	53.1
April 1975	250,780	136,165	64.8	35.2	4,521	11,459	28.3	71.7
May 1975	213,978	155,318	13.0	37.0	13,198	19,153	40.8	59.2
June 1975	283,134	185,923	60.4	39.6	19,156	30,605	38.5	61.5

Sources: Federal Reserve Bank of Boston and Savings Banks Association of Massachusetts.

EXHIBIT VIII.—*Consumers Savings Bank—Statement of operating income and expense—NOW Department, 10 months ending August 31, 1975*

[Year to date]

	Actual
Income:	
Miscellaneous fees	$30,933
Miscellaneous incomes	5,389
Fees and miscellaneous	36,322
Use of funds	282,903
Allocated income	282,903
Total income	319,225
Expense:	
Employees salaries—regular	15,846
Employees salaries—overtime	104
Agency salaries	883
Employee salaries	16,833
Automobile parking—employees	310
Educational promotions	191
Insurance—group and health	1,304
Retirement association	217
Unemployment compensation—FICA	1,388
Employee benefits	3,410
Deposit insurance fund	2,830
Other insurance	187
Insurance	3,017
Computer service bureaus	13,618
Computer Services	13,618
Depreciation—furniture and fixtures	164
Equipment service	77
Equipment rentals	2,054
Furniture and fixtures direct	69
Equipment expense	2,364
Stationery and supplies	4,171
Telephone	858
Postage	6,078
Express, trucking, and courier	0
Consulting services	—3
Miscellaneous	905
Travel and/or entertainment	15
General	12,024
Main office occupany	10,320
Allocated expense	10,320
Total expense	61,585
Dividend applied	238,289
Net operating earnings	19,350

EXHIBIT IX.—*NOW account cost analysis*

	Marginal
Income:	
Direct	$5,326
Investment	203,516
Total	208,842
Operating expenses:	
Controllable	15,252
Noncontrollable	44,146
Occupancy	-------
Total	59,398
Closing costs:	
Branch 1	-------
Branch 2	-------
Branch 3	-------
Branch 4	-------
Main office	-------
Branch 5	-------
Branch 6	-------
Branch 7	-------
Subtotal	-------
Administration	-------
Accounting	-------
Auditing	-------
Supply/service	-------
Total	-------
Dividends	139,209
Net profit/loss	10,235

Source: Savings Banks Association of Massachusetts.

2. Lower the interest rate.

3. Tie the service on to profitable services, as indeed the bank in Exhibit IX has done.

Banks will surely be able to take such steps as necessary.

Mortgage rates in Massachusetts remain more than competitive with the rest of the nation, hence N.O.W. accounts have not raised the cost of borrowing.

In summary, the N.O.W. account must be regarded as a successful experience at this time. The public has benefited substantially. No banks have been hurt and many of the original opponents of change now realize that it was for the best. For this reason we hope that the Congress will soon act on the Financial Institutions Act so that the job of modernizing the public services available at banks can continue.

PERSONAL ANNOUNCEMENT

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. FORSYTHE. Mr. Speaker, on September 4, 1975, I was absent from Washington due to an inspection trip of Fort Monmouth and Fort Dix in New Jersey. As a result of that necessary absence due to official business, I unfortunately missed several votes on the floor of the House. For the benefit of my constituents, I would like to make public how I would have voted if I had been present:

Rollcall No. 492.—Quorum call—Absent.

Rollcall No. 493.—H.R. 3884—National emergencies: adoption of the rule—House Resolution 524—providing for House floor consideration of the bill to terminate certain authorities of the President and Federal agencies with respect to national emergencies still in effect, and to establish procedures for declaring and terminating future national emergencies, yeas—382, nays—0. If I had been present, I would have voted "yea."

Rollcall No. 494.—H.R. 3884—National emergencies: passage of the bill to terminate certain authorities of the President and Federal agencies with respect to national emergencies still in effect, and to establish procedures for declaring and terminating future national emergencies, yeas—388, nays—5. If I had been present, I would have voted "yea."

MAINTAINING THE QUARTERLY BASIS FOR DEPOSITS OF SOCIAL SECURITY CONTRIBUTIONS

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. HELSTOSKI. Mr. Speaker, I introduced a bill last week which addresses an issue of deep concern to States and localities throughout the Nation. The Social Security Administration has under consideration a proposal which would direct States to deposit social security contributions more frequently than on the present quarterly basis, a change which would, if implemented, impose serious financial hardships on these units of government.

My bill, H.R. 9396, would amend section 218 of the Social Security Act to require that States having agreements entered into thereunder will continue to make social security payments and reports on a calendar-quarterly basis. The quarterly remittance of these funds and filing of reports has been the procedure since the outset of this program relative to the coverage of State and local government employees almost 25 years ago.

Whereas so many States and local governments are currently experiencing severe financial difficulties, this would be an especially inappropriate time to add to their economic straits by causing them to forfeit the interest earned on these deposits and creating extra administrative burdens and costs.

In my own State, it is estimated that

New Jersey would have to provide an additional $24.1 million in the first year while local governments would have to furnish an additional $15.6 million. The loss of interest income is estimated at $1.7 million to the State and $1.4 million to local jurisdictions. Other States and municipalities across the country would be similarly adversely affected.

The Social Security Administration has indicated that factual data will be compiled to ascertain legislative and administrative problems which an accelerated depository schedule would impose on the States. A recommended course of action will be transmitted to the Secretary of the Department of Health, Education, and Welfare once this information has been collected and evaluated. I submit that this data will illustrate with striking clarity the highly detrimental consequences of requiring more frequent deposists of social security contributions than the calendar-quarterly basis for State and local finances, which are already sufficiently strained without this added encumbrance.

HAILE SELASSIE: MEMORIAL TRIBUTE TO A TOWERING FIGURE OF THE 20TH CENTURY

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. **DIGGS**. Mr. Speaker, I think it fitting that the RECORD acknowledge in memoriam the life and death of Haile Selassie, former Emperor of Ethiopia. The passing of Emperor Selassie at the age of 83—August 27, 1975—indeed marks the end of an era, not only for Ethiopia, but for America and the world. The highlights of the life of this great man are certainly cause for reflection in terms of African-American relations as we move toward the 21st century. Selassie himself ruled his ancient land for a half century, during which both he and Ethiopia came to symbolize much of the hope and tragedy of this century.

Selassie's moving plea before the League of Nations in 1936 in the wake of the infamous Mussolini-led Italian invasion of Ethiopia, and the failure of the Western powers to respond to his appeal exposed the bankruptcy of the post-World War I international order, and signalled the war that was to come. In a very real sense, the appeasement of Hitler at Munich was a footnote to the prior appeasement inherent in the League's impotence at Geneva in the face of Mussolini's fascist aggression against Ethiopia. Of course, then as now, what little of black Africa that was free—at that time—received little serious attention from the West, and despite the fact of Ethiopia's ancient role in the development of Christian civilization, its appeal to the Christian nations of the West were to go tragically unheeded. Yet, the failure of the West to discourage Mussolini in Ethiopia was prelude to the much greater disaster that was World War II.

Nevertheless, for Selassie and Ethiopia, adversity brought about by the Italian occupation would ultimately be conquered, and the Emperor would play a leading role in the formation of the United Nations and the Organization of Selassie's Ethiopia would also initiate the Africans Unity. Along with Liberia, Selassie's Ethiopia would also initiate the protracted international campaign the system of racial tyranny that still prevails in Southern Africa today. However, just as the African roots of war were ignored by the West when Emperor Selassie issued his poignant appeal in 1936 at Geneva, we—particularly in the United States—confront a similar danger in taking Africa for granted at a point of growing economic interdependence with the developing world. Hopefully, we will reflect back on the sins of omission of that period as a guide to the initiatives we must take during this period. Ultimately, the greatest tribute that we as Americans can pay to one who was a true friend of this country will be reflected in the decisive actions we take to raise Africa to the level of significance in our foreign policy that it deserves. And nowhere would a greater clue to our intentions be provided than in a renewal of our country's commitment to freedom, justice, equality, and majority rule in the remaining white-dominated strongholds of Southern Africa: Namibia, Rhodesia, and South Africa.

Finally, for the record, the statement by our President, Gerald Ford, followed by a biography published in the Washington Post August 28, 1975, by David Ottaway capture, I think, the significance of Haile Selassie and his legacy to Ethiopia, Africa, America, and the world:

[From the New York Times, Aug. 28, 1975]

FORD SALUTES SELASSIE AS LEADER OF ALL AFRICA

WASHINGTON, August 27.—President Ford paid tribute today to the late Emperor Haile Selassie of Ethiopia as a "towering leader for 50 years, not only of his own country but of the entire African continent."

At the time of the Italian invasion 40 years ago, Mr. Ford said, "he was an inspiration to everyone around the world who believes in national independence and peace with freedom among nations.

"As a friend of this country and as a symbol of the emergence of developing nations, he will be greatly missed," the President said in a statement.

"But his achievements—peaceful cooperation among African states and between African states and the rest of the world—will live on and continue to have the fullest American support."

[From the Washington Post, Aug. 28, 1975]

HAILE SELASSIE: VISIONARY RULER OF A FEUDAL LAND

(By David B. Ottaway and Anthony Astrachan)

Conquering Lion of the Tribe of Judah, Elect of God, King of Kings, Emperor of Ethiopia. His titles were ancient, but Haile Selassie was a towering figure of the 20th century.

His endurance was unequaled—more than half a century in power. No other leader came close to matching it.

When Haile Selassie became regent in 1916, Nicolai Lenin was in exile in Switzerland and few in or out of Russia had heard of Josef Stalin. Mao Tse-Tung was one of the faceless Chinese millions. Adolf Hitler was a message runner in the Kaiser's army. Benito Mussolini, who tried to swallow up Ethiopia and failed, was an Italian corporal. Franklin D. Roosevelt was assistant secretary of the Navy.

Of the century's greats, only Winston Churchill was then a figure of note in his own country. The men who were to become leaders of the new Africa, and the current generation of leaders of the developed nations, were still children. Haile Selassie outlasted his contemporaries and became, in some respects, the contemporary of the new leaders.

The emperor incarnated the 20th century's faith in the tools and machinery of international diplomacy. He lobbied his country into the old League of Nations and touched the conscience of the world with his gallant, pathetic plea to the league for collective security against Mussolini's aggression in 1936.

His betrayal by the weary or cynical men who then led the "civilized" world did not destroy his belief in collective security and international forums. His Ethiopia helped to found the United Nations in 1945 and the Organization of African Unity in 1963.

Haile Selassie led his country from a largely medieval state to the threshold of the modern world. Anticipating one of the main trends of the second half of this century, he was the first ruler of an undeveloped country to articulate its right to equality with the wealthy nations and to a share in the social and economic benefits of the 20th century.

His achievements, however, seldom matched his intentions. They were frustrated not only by the usual obstacles to development but also by the emperor's own autocratic ways and his fear of too-rapid change.

So he became the target of laughter and criticism. Evelyn Waugh lampooned him in fiction in the 1930s. Africans who had seldom had a good word for imperialists came to Addis Ababa in the 1950s and later, saw its slums and appalling poverty and said: "If this is the result of 2,000 years of independence, give us colonialism."

The cricticism reached its first peak in an abortive coup in December 1960. That event deeply affected the conduct of the emperor through all the years of his reign until his overthrow in a successful military coup in September 1974.

Haile Selasse was only a little over 5 feet tall, but his majestic bearing, bearded face and bright twinkling eyes left an indelible impression on the world community. In spirit, bearing and pride, there was no mistaking his belonging to the Ethiopian nobility.

He was born Tefari Makonnen on July 23, 1892, in eastern Harrar Province, where his father was governor. (Haile Selassie, the baptismal name that Tefari adopted on becoming emperor in 1930, means "power of the trinity.")

He was the great grandson of Sahle Selassie, king of Shoa Province in central Ethiopia, where Addis Ababa is. He was a scion of the line supposedly descending from King Solomon and the Queen of Sheba, to which most Ethiopian emperors have belonged. Officially, he was later said to be the 225th successor in the Solomon dynasty.

But blood alone was seldom enough to make kings in Ethiopia. Tefari's preparation for threading the labyrinth that faced him began with his education by Ethiopian and French tutors in Harrar and later at the court of Emperor Menelik II.

He may have gained some of his modernizing ideas at Menelik's side. There, too, he became skilled in Ethiopian intrigue and interncine warfare. He served as governor of different provinces including his own Harrar and began his first attempts at progressive reform to end corruption, register the land, set up a provincial administration and lay the groundwork for economic development.

Tefari's talents as courier, administrator and tactician helped him to prevail in the complex and bitter struggle that followed Menelik's death. After five years of intrigue, Lij Yasu, Menelik's grandson, was deposed and Tefari became regent in 1916.

There then ensued a three-way struggle among Menelik's daughter, Zauditu, the empress; Tefari, heir apparent and regent; and Habte Giorgis, a conservative feudal lord, minister of war and counterweight to Tefari's modernizing tendencies.

Tefari had a continuing struggle with his fellow rulers to achieve reforms in a country that could only be described as backward and traditionalist. For his first success, he turned outward and got Ethiopia admitted to the League of Nations in 1923.

He became the first Ethiopian ruler to travel abroad, visiting Aden in 1923 and Europe in 1924. What he saw encouraged him in his domestic campaigns against slavery and for education, but neither really came to flower until after World War II.

He also made efforts to limit the feudal independence of his provincial governors, and this led him into a confrontation with the empress in 1928. He turned the conflict to his advantage; even some conservatives switched their support from the empress to him, and he gained the title of negus, or king.

In 1930, the empress died and Tefari became emperor and king of kings as Haile Selassie. He was to be the last of the line.

Haile Selassie continued his modernizing efforts but his dreams of developing the country faded before the imperial ambitions of Benito Mussolini. The Italian invasion of Ethiopia forced the emperor to flee in 1936 and to take his cause to the League of Nations.

"It is confidence," he told the League, "that each state is to place in international treaties. It is the value of promises made to small states, that their integrity and that their independence be respected and insured . . . apart from the kingdom of the Lord, there is not on this earth any nation that is superior to any other . . . God and history will remember your judgment."

The league did not respond. Haile Selassie was destined to endure years of exile in Britain before returning to Ethiopia with the British army that liberated his country from Italian rule in 1941.

After Ethiopia's liberation, he resumed his struggle to modernize his feudal realm. It was the work of a lifetime to institute change and to drag lords and peasants together into the modern world. However, his role as Ethiopia's chief modernizer was complicated by his own ambiguity toward reform and reformers.

He once told a visiting European dignitary that reform was "at once a benefit and a misfortune; it will expedite our development, but we are afraid of being swamped." And he was more likely to dismiss than to support reformers who pushed their cause too hard and alienated the emperor's aristocratic allies.

But at a two-steps-forward, one-step back pace, change came to Ethiopia. Indeed, near the end of his reign, the cadence of reform had quickened to the point where the monarchy was being overwhelmed and the emperor left behind.

In the process, Haile Selassie managed to lay the foundations of a modern state—a civil service, a relatively sophisticated military establishment, penal and civil codes, a national education system and state banks and enterprises.

The outcome gave Ethiopia a facade of modernity behind which traditional clan and family politics continued unabated, deforming rather than fulfilling the emperor's much-prized and twice-revised constitution of 1931.

Not until the political turmoil that befell his empire in 1974 did Haile Selassie finally move to turn his autocracy into a functioning constitutional monarchy with a prime minister increasingly responsible to an elected parliament. But by then it was too late.

The abortive 1960 coup which saw the head of his own bodyguard, Brig. Gen. Mengistu Neway, turn against him, left the emperor badly shaken and distinctly less interested in reforms whose effect might be to undermine his authority.

Only his hurried return from abroad, at great risk to his own life, and a few miscalculations by the conspirators save the monarch. The coup ended in a bloody battle on the palace grounds, the slaughter of ministers being held hostage inside the palace and the death of hundreds of rebel bodyguards and loyal army soldiers.

In the 14 years that separated the two cataclysmic events of the second part of 1960 and his deposition in 1974, Haile Selassie showed a good deal more interest in foreign policy than in domestic reform.

Reversing Ethiopia's traditional introversion and isolation on the African continent, the emperor turned his energies to promoting pan-Africanism and to establishing Addis Ababa as the "capital of Africa."

This finally became a reality in 1963 when the Organization of African Unity was established with its headquarters in Addis Ababa. Through sheer force of personality and persuasion, Haile Selassie became Africa's grand mediator of disputes, whether they were between nations, as in the border war between Algeria and Morocco in 1963, or within a country, as in the 1967–70 Nigerian civil war.

No African leader traveled more for the sake of African unity. Thanks in large part to his moderating efforts, the African organization survived the shocks of numerous intra-African wars and diplomatic squabbles and was able to turn the thrust of its actions toward the liberation of southern Africa from white minority rule.

Together with Liberia, the only other African nation that escaped colonial domination, Ethiopia went to the international court of Justice at The Hague to help Nambia (southwest Africa) in its efforts to gain independence from South Africa.

Haile Selassie was highly respected beyond Africa. In the early decades of this century, he and his nation were the symbols of African independence for black Americans involved in the "back-to-Africa" movement, and for peoples everywhere struggling to throw off the British and French colonial yoke.

Such Caribbean and American leaders of pan-Africanism as W. E. B. DuBois, Marcus Garvey and George Padamore all drew strength and inspiration from Haile Selassie's struggle against the invading forces of fascist Italy.

After the Italians were driven out of Ethiopia in 1941, several hundred Black Americans went there to live and were warmly welcomed by the emperor with gifts of land. Some of these settlers are still there.

In the early 1930s other blacks from Jamaica, calling themselves Rastefarians after his name, started a sect dedicated to the worship of Haile Selassie as a living god. When the emperor visited Jamaica in 1966, he was mobbed by thousands of the cult's fanatical adherents.

But the fascination of American blacks with Haile Selassie faded in the 1960s as they became more aware of Ethiopia's backwardness and poverty. Indeed, in the waning years of his rule, the emperor's international prestige and image suffered greatly from numerous setbacks at home and abroad.

Under the pressure of unrelieved poverty, food shortages stemming from a nearly nationwide drought and growing political discontent, Ethiopians finally vented their frustrations and resentments against the government in an explosion of anger in February 1974.

For weeks, workers, students, women, Moslems and even conservative priests staged almost daily strikes or demonstrations demanding everything from higher wages to land reform. Mutinies within the armed forces spread from garrisons in northern Ethiopia to southeastern Harrar Province until the emperor was no longer certain who would defend his throne.

The 13-year-old government of Prime Minister Aklilu Habte Wolde collapsed, ministers and top officers were imprisoned and for a while it seemed that the emperor himself would be toppled then and there. But mutineers and demonstrators were unable to agree immediately upon a common course, and so the emperor stayed—for a few more months.

By fall, however, the army had found unity and the emperor had been isolated from most of his allies. On Sept. 12 he was quietly driven from his palace to prison in a Volkswagen.

There was no public outcry. Clearly the emperor had outlived his time and place in Ethiopian history. With him disappeared the Solomnic dynasty and the 2,000-year-old Ethiopian monarchy.

200-MILE LIMIT

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. PATTEN. Mr. Speaker, we, in the United States, are facing a serious economic problem, and more, a change in the way of life of our commercial and sport fishermen. I speak of the vast devastation being felt due to the plundering of the seas contiguous to the United States by foreign fishing vessels. Many cases can be cited to document this serious situation. Experts have testified that the supply of valuable species of fish is becoming depleted, and in certain instances, species are becoming extinct. This is due in large part to the rapid growth of foreign fishing from stocks off the U.S. coast. Since 1938, one-third of all increases in Japanese catches, and one-fifth of the U.S.S.R.'s increases, have come from the waters within 200 miles of our coastline.

We must quickly act on legislation, which I have cosponsored, to establish an interim extension of the fishery zone of the United States to 200 miles. This extension is expected to become international law upon action by the Law of the Sea Conference, but that Conference may not act until it is too late to effectively slow the depletion and prevent the extinction of various species of fish.

A 1975 General Accounting Office report states that the waters within the 200-mile limit of the United States contains 20 percent of the world's fish resources. Passage of this legislation would effectively preserve the right of the U.S. fishing industry to expand its technology and recapture control of the domestic fishery market.

This control of the 200 miles of contiguous sea, coupled with environmental conservation and proper cultivation, would supply an unlimited source of sustenance and wealth which would provide a vital extra strength to broaden our reliance on domestic supplies of food. U.S. demand for fisheries products has nearly doubled since 1955, and that demand has been met by a fourfold increase in imports. We have the power to reverse those figures by giving U.S. fishermen priority over this extended zone.

The industry is not the only one suffering from overfishing by foreign vessels. Sport fishing bears much of the impact. As one of my constituents wrote recently, "After fishing in the past years, any fisherman can sense the emptiness of our waters." Recreational fishing is a large seasonal business in New Jersey, and in many other States. In the 15 years between 1955 and 1970, the number of anglers has increased by 100 percent, yet the number of fish caught by them has increased only by about 30 percent. This is discouraging, to say the least, and it is widely held that seaside communities share this discouragement in loss of revenue ordinarily enjoyed by benefits from the angler/tourist industry. Few economic surveys have been taken to analyze the value of supportive commercial services to anglers: boat rentals and dealerships; fishing guides; charter operators; tackle and bait sales. These services, in most instances, are the primary livelihood of residents of those communities. One's imagination does not have to wander far to understand the devastation caused by the ongoing decline in fish resources to the providers of these services.

It is imperative that we act affirmatively on this legislation, for without it, the United States will continue to be damaged by the decline and possible irreversible depletion of our fisheries resources.

MASS TRANSPORTATION

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. RINALDO. Mr. Speaker, I am today introducing a bill which would amend the Urban Mass Transportation Act of 1964 to increase the amount of the Federal grant which may be made for certain mass transportation projects from 80 to 90 percent of the costs of such projects. The lack of good, convenient, and reasonable mass transit systems exists throughout our Nation. Almost all of us recognize the fact that more and improved mass transportation is needed. Many of our cities and States do not have the funds to meet their share of the funding ratio. As a result, many proposed mass transit projects are never undertaken, even when sorely needed.

In addition, Mr. Speaker, in this 1st session of the 94th Congress, we have spent much of our time on the energy crisis. This crisis is a very real problem, and while we have tried to solve it, it is far too complex to lend itself of a simple, one-time solution. Though we have already passed one energy bill, and are about to consider another, we must continue our efforts to "get back to normal. The aim of this bill is just that. By aiding mass transit projects at a 90 percent contribution, we will continue to help ease the energy crisis, we will continue to help alleviate rising unemployment, and we will continue to help combat our growing traffic congestion.

Although increased Federal funding is no panacea for the current ills of our society, we do have a duty to help where no other resource is available. I believe that my bill would provide at least a little of that badly needed help.

CONGRESSMAN DRINAN INTRODUCES THE CIVIL RIGHTS ATTORNEY FEES ACT OF 1975

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. DRINAN. Mr. Speaker, on May 12, 1975, the Supreme Court severely crippled the ability of victims of discrimination to pursue their Federal claims in Federal courts. In *Alyeska Pipeline Service Co.* v. *the Wilderness Society,* 95 S. Ct. 1612 (1975), the Court held that prevailing plaintiffs in public interest cases could not ordinarily recover counsel fees in the absence of a statute authorizing such an award. In the course of its opinion, the Court disapproved many lower court decisions which awarded attorney fees to civil rights litigants.

On June 17, 1975, Congressmen RODINO and EDWARDS of California and I introduced a bill (H. 7969) to overturn the Alyeska decision with respect to cases involving civil and constitutional rights. My friend and colleague from Ohio (Mr. SEIBERLING) has also introduced a bill to change the result of Alyeska in suits brought under certain civil rights statutes. These bills, together with others directed at different aspects of the Alyeska decision, have been referred to the House Judiciary Subcommittee on Courts, Civil Liberties, and the Administration of Justice, of which I am a member.

On the last day of the session before the August recess, Senator TUNNEY, the chairman of the Senate Judiciary Subcommittee on Constitutional Rights, introduced a bill (S. 2278) which would alter the burden placed by Alyeska upon civil rights complainants in vindicating their Federal claims. That measure would allow a prevailing plaintiff to recover counsel fees in any action under sections 1981, 1982, 1983, 1985, 1986, or 2000d of title 42.

Although Senator TUNNEY's proposal is more limited than H.R. 7969, it would nonetheless affect important changes in the attorney fee-shifting doctrine announced by the Supreme Court in Alyeska. I am therefore introducing the Tunney bill, with some technical changes, so that our subcommittee will have the full range of alternatives before it.

I should add that the Tunney bill is identical to section 403 of the Senate version of the Voting Rights Act amendments of 1975, a provision inserted by the Senator. That measure, including the attorney fees section for civil rights cases, passed the Senate Judiciary Committee by a 10 to 4 vote. It was put aside in favor of the House bill when the time for extending the Voting Rights Act of 1965 came dangerously close to expiring.

The importance of enacting forthwith legislation to overturn Alyeska with respect to civil rights cases cannot be overemphasized. Counsel fees account for approximately 15 percent of the budget of the NAACP legal defense fund. For small practitioners across America, cutting off attorney fees has an even greater impact. In its August newsletter, the Council for Public Interest Law discussed the effect of Alyeska on the public interest bar. Based upon its initial survey, "the area most adversely affected will be civil rights litigation brought under the post-Civil War civil rights acts." *Pipeline* at 2 (August 1975).

In view of the pressing need and the legislative action underway in both the House and the Senate, the passage of legislation to change the rule of Alyeska in civil rights cases must receive the highest priority. The distinguished chairman of our subcommittee, Mr. KASTENMEIER, is fully aware of the gravity of the situation and has asked the subcommittee staff to prepare for hearings on the pending bills. In light of the expediting provisions which Congress has put into recent civil rights acts, directing the courts to accelerate consideration of these matters, we should not ourselves fail to move with dispatch when civil rights interests are at stake.

The bill follows:

THE CIVIL RIGHTS ATTORNEY FEES ACT OF 1975

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title XI of the Civil Rights Act of 1964 is amended by adding at the end the following new section:

"SEC. 1107. In any action to enforce a provision of sections 1977, 1978, 1979, 1980, and 1981 of the Revised Statutes, or title VI of the Civil Rights Act of 1964, the court, in its discretion, may allow the prevailing party, other than the United States, reasonable attorney fees as part of the costs."

TRIBUTE TO AMERICAN LEGION AUXILIARY

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mrs. HECKLER of Massachusetts. Mr. Speaker, not the least of America's strength is the spirit of volunteerism that has long been a part of our society.

In few places is the principle of neighbor helping neighbor any stronger than in the ranks of the American Legion Auxiliary, which has a long and illustrious record of selfless concern and love for those in our midst who have been shattered by war or sickness and who are lonely and in need for friendship.

A fitting tribute to the good work of the American Legion Auxiliary was given on August 18, 1975, when the Honorable Richard L. Roudebush, Administrator of the Veterans' Administration, spoke at their annual convention in Minneapolis, Minn.

Mr. Speaker, I insert those remarks in the Record:

Remarks by Hon. Richard L. Roudebush, Administrator of Veterans' Affairs to the American Legion Auxiliary, National Convention, August 18, 1975

It is always good to meet with those who do so much of the work of the American Legion and who are so instrumental in making Legion programs and activities successful.

I appreciate your thoughtfulness in having me here this afternoon. I know that this will be a highlight of my convention schedule for this year, because of the hospitality for which you are noted and because the spirit of purpose and dedication that prevails at your meetings is always inspiring.

The convention schedule I speak of will include the national meetings of five veterans' organizations. This is my second convention. There will be three more before I return to the relative quiet of the VA Central Office in Washington.

I know from past experience that the chance to meet with members of these great organizations is of much benefit to those of us who have the responsibility of directing veterans' programs. We gain ideas and knowledge with every meeting and we are able to bring new thought and a different point of view to the work we do.

That isn't all. There is inspiration to be gained by attending sessions like this one. To know that we have so many people interested in the activities we conduct and in the problems we meet day to day has a way of creating new energy that can be brought to our tasks.

I think every Administrator of Veterans Affairs should meet with the American Legion Auxiliary . . . and with the auxiliaries of other veterans' groups . . . whenever he can.

You have things to teach us that we do not always find in our meetings with the main organizations. The perspective from which you view the work of VA is different because you have chosen assignments for your group that vary somewhat from those of the Legion and you often see deeper into a situation than they do.

I say this with full respect to the individuals you represent in this auxiliary and to their objectives and their accomplishments, of course.

It was written a long time ago that "After the verb 'to love,' 'to help' is the most beautiful verb in the world."

Your activities bring new beauty and great meaning to both of these verbs . . . not only for those Legion members in whose behalf you are in the Auxiliary but for others to whom you give so much attention and so much assistance.

Your zeal, your imagination, your intelligence and your devotion have been felt in nearly every community in America as you have set up tasks for yourselves and then proceeded to accomplish them for the betterment of your neighbors and neighborhoods, your hometowns and your country.

But I am not here just to praise past accomplishments. I am here also to urge that you continue your valuable service, increase it and intensify it.

I know you have such plans.

Since my main interest is the welfare of veterans and their families, and since that welfare is also my responsibility as head of VA, I will speak mainly of the needs of these most deserving citizens, although I am aware that others count heavily on your help and will probably want your increased attention also.

There are 29½ million veterans in the United States today and the number will continue to rise for the next little while, before leveling off and then starting a slow decline.

There are also some 70 million citizens who are members of veterans' families or survivors of deceased veterans.

The great majority of veterans and dependents will never need any special help from VA or from other sources. Indeed, as you know better than most people, veterans are less likely to need help than other citizens. Those who have been to war are less likely to be dependent on others in time of peace.

But we know that even the strongest and the bravest cannot always master life's problems and we know that the time does come when assistance is needed.

There are more than 200,000 of us who work for the Veterans Administration. I consider my colleagues there to be skilled, conscientious, hard-working people and I am proud to be associated with them.

But it is not enough to pledge to you that we will do all we can to provide the help our veterans need . . . although I make such a pledge.

It is not enough to tell you that VA is better funded, better equipped, better staffed, better organized to do its job than it has ever been . . . although I am proud to tell you that it is.

The fact still remains that we need your help and the help of others like you. And the people in whom VA is interested need your help.

I speak of help for the older veteran whose age constitutes a handicap for him, who has health problems and perhaps has difficulty caring for himself and feeding and housing himself properly.

I speak of those disabled by military service or civilian disease or mishap.

I speak of help for younger veterans who, for a variety of reasons, may be having problems readjusting to civilian life.

I speak of those in VA hospitals and those receiving other kinds of VA medical care.

I speak of the wives and widows and the children of veterans who may be as much the victims of war as those who went to war.

You have a magnificent record of having helped all these people through various programs you have engaged in, as an organization and individually. You have compiled this record because of your concern and your love . . . and, because you are the kind of people you are, I am sure you will continue to build upon that record.

I think I should express special thanks to you for the service you have given in VA hospitals.

I often tell groups like this that there is no way that our hospitals could function without our volunteer help.

This does not mean that we are not funded generously enough or that we are not organized properly. It would simply be impossible for us to do all the tasks that volunteers do if they were not available.

Without volunteers in our hospitals, patients would still get the treatment and the medication they need. Surgery would go on. X-ray pictures would be taken. Therapy would be provided. Meals would be served.

All these activities would continue, even though volunteers help out in each of these areas now.

But, without volunteers, many patients would be without company. There would be fewer letters written, fewer books read and fewer games played. There would be fewer recreational activities, fewer parties, less entertainment, less opportunity for religious services.

If we had no volunteers in our hospitals, the hospitals would be less spirited and more dreary. Morale of both patients and employees would suffer, and what was done would be done less well as a result.

But the most serious consequence would be that patients would be deprived of the power that interested and devoted volunteers have to promote healing by their demonstration of love and concern.

So I hope . . . and VA medical people hope . . . that the American Legion Auxiliary will send those wonderful women to help out in VA hospitals in larger and larger numbers.

We greatly appreciate the work you do to help veterans and their dependents personally but there is another and less direct way you can be of service to VA.

I refer back to what I said earlier about your often having a different perspective from which you view VA activities and veterans' problems.

Believing this to be true, I solicit your suggestions and your ideas about how we can meet the needs of our clientele more successfully.

I have made this request at Legion meetings many times and I have made it at meetings of other veterans' organizations. I have reminded them that they and the people at VA are generally interested in the same things, have the same objectives as far as veterans' affairs are concerned and need to work as closely as possible together.

I have invited them to suggest new approaches and different ways of doing things. I have made no promises concerning changes but have said that we like to explore new concepts.

I say the same things to you.

I do so sincerely because I value what you think and because I don't believe your good sense, your imagination and your resourcefulness have been utilized fully in developing programs of help for veterans.

Since we need all the help we can get, it makes no sense for your opinions to remain unexpressed and your ideas uncommunicated.

You were very kind to invite me to be with you this afternoon and you have been most hospitable.

Before I leave you I would like to take note of the fact that you, as a group and as individuals, have many interests besides those involving veterans and that you do many things of a constructive and compassionate nature to help all citizens.

Let me drop my VA affiliation for the moment and thank you and commend you . . . as an admiring private citizen . . . for all the work you do. It is a privilege to associate with persons who feel their responsibility to others so keenly and who do so much to make this a better country in which to live.

Thank you for the chance to talk with you today. I hope that your convention meets all your expectations and that the year ahead is good to all of you.

HOW BUSINESS SUPPORTS THOSE WHO WOULD DESTROY IT

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. CRANE. Mr. Speaker, support for free enterprise is, unfortunately, diminishing in the American society. Recent polls show that young people are indifferent to preservation of economic freedom and the individualism which is directly connected with it. If, in the long run, freedom ceases to exist in the American society it will be the responsibility of those, particularly in business itself, who have not seen fit to inform the coming generation of its value.

In a speech to the Business Council at Hot Springs, Va., W. Allen Wallis, chancellor of the University of Rochester, noted that:

> People who believe in a free society, limited government, in individualism, in private property, in free enterprise, and in a market economy are, with a few notable exceptions, remarkably indiscriminate in their support of intellectual activities, including universities, research organizations, and public information programs. They are at least as likely to support activities that are part of the problem as to support those that can do someing about it.

One example of the manner in which American business finances and supports those who would destroy it may be found in their continued advertising in publications which advocate an end to free enterprise.

In its September 13, 1975, issue Human Events notes that:

> General Motors and the American Telephone and Telegraph Co., two giant corporations benefiting from America's free market economy and the concept of private ownership of industry, are directly in the business of subsidizing socialism and promoting communism. Officials of the companies would sharply deny this characterization of what they're doing, but this is clearly the result of the astonishing decision by both companies to place large advertisements in The Progressive, a left-wing monthly published in Madison, Wisconsin.

Human Events details the left-wing nature of the magazine in question and concludes that:

> Despite such radical stuff, however, officials at GM and AT and T apparently have no plans to alter their advertising policies. They seem extremely content to use corporate assets to beef up a virulent left-wing propaganda organ designed to overturn America's free enterprise system.

It is time that business end this suicidal policy. If freedom is to be maintained it must be carefully nurtured. At the present time, we are failing in this most important task.

I wish to share with my colleagues the article, "How GM and AT and T support Socialism," as it appeared in the September 13, 1975 issue of Human Events and insert it into the Record at this time.

[From the Human Events, Sept. 13, 1975]

How GM and AT&T Support Socialism

General Motors and the American Telephone and Telegraph Co., two giant corporations benefiting from America's free market economy and the concept of private ownership of industry, are directly in the business of subsidizing socialism and promoting communism. Officials of the companies would sharply deny this characterization of what they're doing, but this is clearly the result of the astonishing decision by both companies to place large advertisements in The Progressive, a left-wing monthly published in Madison, Wis.

The September issue of The Progressive, for instance, has a full-page ad by General Motors in defense of the catalytic converter, and GM admits placing several full-page ads in the magazine over the past few months. In the September issue, also, AT&T has taken out a four-page ad explaining the corporation's history. Since The Progressive charges approximately $600 a page, that means the anti-business, pro-Socialist—and frequently pro-Communist—publication took in about $3,000 from private enterprise for its September issue.

Spokesmen for both companies contended that their advertising agency in New York—both use N. W. Ayer—largely shaped their decision on the matter. While they acknowledged that The Progressive hardly reaches a mass market, with only 40,000 or so subscribers a month, they claimed that readers of the magazine were among the "thought" leaders of the country, and hence, the ads could be defended on that score. Officials at GM and AT&T, moreover, said that similar ads had appeared in some conservative publications as well.

Whatever the rationale, however, the prestigious corporate advertising appearing in The Progressive can only enhance the magazine's capacity to operate and to propagate views totally antithetical to the economic system which allows both GM and AT&T to flourish.

Consider the September issue alone. Ironically, there is a major article ballyhooing the seizure of companies throughout Portugal by radical workers, an event described as "an experiment in building socialism from the bottom up." The authors, Michael Uhl and Tod Ensign, writing from Lisbon, acknowledge that production in one of these plants "now operates at only 60 per cent capacity," but laud the takeover anyway because workers no longer "dread coming to work" and "absenteeism" is no longer a problem.

The authors, who, incidentally, are organizers of a group promoting "unconditional amnesty for Vietnam War resisters," warn that the "social revolution" in Portugal is "by no means complete" and they lament the fact that "capitalism, with its attendant social values, still flourishes."

Will the Portuguese revolution be successful? they ask. "One visiting American Marxist was skeptical because he perceived too much indecisiveness in Portugal. 'Socialism is not for the timid,' he warned, and he urged the Portuguese to learn well the lessons of Chile. His recommended course of action: immediate nationalization of all foreign trade as a defense against the sort of economic warfare likely to be waged by the major capitalist countries, and a rapid Socialist transformation of all social and economic relations. 'To delay,' he warned, 'is to allow the local owners and their foreign friends time to prepare their counteroffensive.'

"But there is a crucial distinction between the Portuguese revolution and Salvador Allende's ill-fated experiment in Chile: For the present, at least, the Portuguese military, instead of serving as a bastion of conservation, is actively leading the revolution."

But this is standard fare for The Progressive. In the August issue, James Rowen, who accompanied his father-in-law, Sen. George McGovern (D.-S.D.), to Cuba, wrote a five-page article expounding on the virtues of the Communist economy there. "My impression of Cuba," he concludes, "is that the revolution is in high gear and that the material benefits it is extending to its people will make it a model for emulation throughout the hemisphere." (Rowen, apparently, likes a system of extensive rationing and undoubtedly would dismiss Eldridge Cleaver's observations in the Rolling Stone deprecating Castro's economic achievements. According to Cleaver [see story below], Castro economics meant waiting in lines and inoperable equipment. "The whole country," he says at one point, "is waiting for parts.")

In the same issue, The Progressive features long-time pro-Communist radical Sidney Lens, a frequent contributor to the publication. "Our sympathies," he writes, "quite naturally are with the Viet Minh, the Provisional Revolutionary Government, the Sihanouk and Khmer Rouge forces of Cambodia, the Pathet Lao, who suffered so much at the hands of our government."

While Lens warns The Progressive readers that they can't necessarily endorse each act of the revolutionaries—and Lens is somewhat troubled by the Khmer Rouge's forced marches of civilians to the countryside—he says that the revolutionaries in Indochina still "deserve our accolades, our encouragement, our moral help. . . ."

Despite such radical stuff, however, officials at GM and AT&T apparently have no plans to alter their advertising policies. They seem extremely content to use corporate assets to beef up a virulent left-wing propaganda organ designed to overturn America's free enterprise system.

PERSONAL ANNOUNCEMENT

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. FORSYTHE. Mr. Speaker, on July 25, 1975, I was absent from Washington due to hearings in New York of the ad hoc Select Committee on the Outer Continental Shelf, of which committee I am a member. As a result of that necessary absence due to official business, I missed several votes on the floor of the House. For the benefit of my constituents, I would like to make public how I would have voted if I had been present.

Rollcall No. 431, S. 555—Farm disaster loans: Adoption of the conference report on the bill to amend and simplify the authority of the Farmers Home Administration—FMHA—to make emergency loans to victims of natural disasters and to extend such benefits to persons engaged in aquaculture. Yeas, 398; nays, 0. If I had been present, I would have voted "yea."

Rollcall No. 435, H.R. 5900—Common-site picketing: Erlenborn amendment to insure that union and nonunion employers not primarily engaged in the construction industry would be exempt from the common-site picketing allowed by the bill. Yeas, 176; nays, 223. If I had been present, I would have voted "yea."

Rollcall No. 433, H.R. 5900—Common-site picketing: Esch amendment to insure that common-site picketing could not legally occur against a contractor receiving a bid from a State agency in a State which requires separate bids for different phases of the work to be let on public projects. Yeas, 229; nays, 175. If I had been present, I would have voted "yea."

Rollcall No. 435, H.R. 5900—Common-site picketing: Each amendment to to insure that common-site picketing could not legally occur against any prime contractor engaged on a construction project under separate and direct contract. Yeas, 176; nays, 222. If I had been present, I would have voted "yea."

Rollcall No. 535, H.R. 5900—Common-site picketing: Esch amendment to insure that common-site picketing could not take place in an effort to force a contractor on common construction site to refrain from use of a certain product. Yeas, 204; nays, 188. If I had been present, I would have voted "yea."

Rollcall No. 436, H.R. 5900—Common-site picketing: Anderson amendment to exempt residential structures of three stories or less without an elevator from the common-site picketing allowed by the bill. Yeas, 200; nays, 202. If I had been present, I would have voted "yea."

Rollcall No. 437, H.R. 5900—Common-site picketing: Passage of the bill to amend the National Labor Relations Act to allow labor unions in the construction trades to strike and picket contractors and subcontractors engaged on the same construction job at a common site. Yeas, 230; nays, 178. If I had been present, I would have voted "nay."

BUSING—THE ARROGANCE OF POWER

HON. JAMES J. BLANCHARD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. BLANCHARD. Mr. Speaker, the Detroit metropolitan area has been in a state of turmoil for the last several years because of efforts to impose a massive and far-reaching forced busing plan on the central city and many of its suburbs.

Those efforts have now been at least temporarily blocked by a U.S. District Court ruling which has ordered only very limited student reassignment within the city of Detroit alone.

Sweeping "pie-in-the-sky' plans to make every school in the metropolitan area 25 percent or 30 percent black and to bus thousands of pupils will, in my opinion, fail to deal with the fundamental problem of providing quality education. In addition, they will very likely fail even to produce substantial desegregation after the familiar pattern of home sales and "white flight" follows.

In connection with this issue, I would like to call to the attention of my fellow Congressmen a very thoughtful article entitled "Busing—The Arrogance of Power" which appeared recently in the Wall Street Journal and which was written by Michael Novak.

Mr. Novak points out graphically the racist notions which are inherent in the idea of busing to bring about equality of education, and accurately details the legal evolution which has led to this travesty of commonsense.

[From the Wall Street Journal, July 25, 1975]

BUSING—THE ARROGANCE OF POWER

(By Michael Novak)

Busing is, in important ways, the Vietnam of the 1970s. It is a quagmire; a lost cause; taxation without representation; a policy of massive social engineering with little clear prospect of benefit; a mistake; a tragedy; breeder of endless demonstrations, riots, and dissent.

At last count, only 4% of whites and 9% of blacks favored busing. Only "the best and the brightest," it seems, as in Boston, favor it. They designed it, they imposed it, and they will never suffer their children to experience it.

On its face, busing has racist presuppositions. A century ago, hardly literate immigrant Catholic young women established a massive parochial school system which soon rivaled the well-financed public schools in the quality of discipline, instruction, and social mobility they imparted. But the assumption behind busing is that blacks, unlike Catholic immigrants, cannot learn in largely separate environments. They need an infusion of "white magic." They can learn only among whites. This is a preposterous assumption. Excellent black schools like Dunbar in Washington give it the lie.

Busing arose as an issue in the South. There the court orders at first had the effect of *halting* busing—of allowing blacks to attend neighborhood schools rather than of being bused away from home to all-black schools.

JUDICIAL ASSUMPTIONS

Next, busing advanced in the South from being an issue in *dejure* segregation to being an issue in *de facto* segregation. In cities like Charlotte, historic patterns of residential segregation were diagnosed by the courts as having an unconstitutional effect on equal opportunity in schooling. Here the courts made fresh assumptions: that education in more or less homogeneous neighborhood schools are inequitable; and that historic residential patterns have the force of unjust coercion. (The courts *might* have commanded *residential* integration rather than *school* integration.)

The structure of the courts' reasoning becomes weaker and more dubious still when Northern cities like Boston, Buffalo, Pittsburgh, Detroit and others come into view. Consider the following propositions:

(1.) The traditional residential patterns of Northern cities over the last 100 years have always involved *de facto* ethnic segregation, not only for blacks, but for virtually every ethnic group.

(2.) In some cases, as in Boston and Detroit, more financial resources, federal programs, and educational experimentation have been lavished on predominantly black schools than on predominantly white ethnic schools of the working class. Rates of entrance into college, drop-out rates, and other indices of the status of such schools are often comparable.

(3.) Before 1900, 90% of all blacks lived in the South; and 90% of the white ethnics who now live in the Northern cities had not yet arrived. These two great migrations were not linked by slavery, were culturally almost totally unprepared for their future meeting, and came to their rendezvous with some different social skills, family traditions, disciplines, needs and aspirations.

(4.) The average child of black migrants to the North was academically three or four years behind his average white counterpart even though blacks had English as a mother tongue. Even today, the average black child is academically at least a year behind the average white.

(5.) The patterns of parental discipline in the typical white ethnic home, particularly as between fathers and sons, is quite different from the patterns of discipline in the home, not of middle class blacks, but of the most poor, despairing and suffering blacks.

(6.) The "street culture" of poor black students is of a different moral and emotional "life style" from that of both middle class black and white ethnic students. In particular, incidences of premarital sexual expressions, illegitimate birth, hustling, intimidation, and disruptive behavior are significantly different.

(7.) The role of the family or family-substitute in bringing about differential attitudes, behaviors, and success in school is undoubtedly the greatest single factor influencing the classroom. The family is a more basic social unit than the school.

(8.) Class factors influence dramatically the attitudes, behaviors, aspirations and educational success of students in school.

(9.) Families choose their place of residence—or judge its merit—by their preference for its neighborhood school as much as, or more than, by any other factor.

If these propositions are true, then it must surely be predictable that 96% of the whites and 91% of the blacks would find busing a poor instrument for what a great majority, both black and white, also desire: a genuinely, peacefully integrated society.

What seems to have been forgotten is that busing is merely an *instrument, a tool, a method*, not an end. The most appropriate question with respect to busing, as for any instrument, is "Does it work?" However moral the instrument may sound, "What are its effects" in the central moral question.

In my view, busing of the Boston and Detroit sort is an immoral policy. It goes against the basic social principles of American life; against family, neighborhood, class, ethnic, and even educational realities which are so basic they are seldom even voiced. Working-class whites who are bused have too much to lose, they face possible downward mobility. Working-class blacks or poor blacks have too little to gain; indeed, the ensuing experience of cultural segregation within the purportedly integrated schools can be embittering.

It would be lovely if greater contacts between persons from different cultures always led to greater understanding and good will. In fact, contact often reinforces the worst stereotypes. This is particularly likely where the contact is unequal—when those of a more suffering lower class, educationally behind their peers, become tangible proof to other children of realities they had heretofore held to be mere bigotry.

Human beings are not parts of a machine, to be anonymously fitted into slots. They approach each other from complicated past histories and diverse personal experiences. They do not perceive each other accurately, or easily find it possible to share honest transactions. Even highly educated blacks and whites often find honesty anguishingly difficult. What, then, about the less articulate? To ride rough-shod over such histories is to exhibit gross human arrogance. It is to invite great human disaster. It is to destroy integration in the name of saving it.

EMBITTERING A GENERATION

Forced busing will set back the advances of civil rights made during the past generation by 20 years; a whole generation, and maybe another, will be embittered, just as South Boston and Roxbury are likely to be for decades to come. Finally folklore will recount the ugly history for years.

Busing is to black equality what Prohibition was to the moral crisis of the Depression. It is a flaming moral issue of dubious social judgment. Now, as then, the fundamental problem is economic.

Blacks do not need buses; they need jobs. Having acquired solid jobs, the black family will have an economic base. Then school will be meaningful, and its lessons liberating and inspiring. The key to integration in the United States is a plan to allow every available black worker to work; and to rebuild and to beautify black homes and neighborhoods. For families increase their net worth not so much through wages as through real estate.

Most black neighborhoods were, hardly a generation ago, among the most solidly built and desirable in the Northern cities; restored they would be far more valuable—as investments—than the flimsy modern housing of working-class suburbs. Under improved economic conditions, a black middle class working class will integrate with whites as eco-

nomic, social, cultural, and educational equals.

Economics first, education second. A cardinal principle both of Marx and of capitalism cannot be all wrong.

STATEMENT BY JAMES B. CARDWELL, COMMISSIONER OF SOCIAL SECURITY

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. MICHEL. Mr. Speaker, on September 8, James B. Cardwell, Commissioner of Social Security, appeared before the Subcommittee on Oversight of the Ways and Means Committee to discuss the supplemental security income program and the problems about which we have been reading in the press.

In his statement, he reviewed the status of the program, the press accounts, and the steps being taken to correct the deficiencies. In view of the recent widespread interest in the administrative problems of the program, I believe the Members ought to have the opportunity to review his statement in its entirety, and I am therefore having it inserted at this point in the RECORD:

STATEMENT BY JAMES B. CARDWELL, COMMISSIONER OF SOCIAL SECURITY

Mr. Chairman, Members of the Committee, as you are aware, Mr. Chairman, we appear before you on short notice. Nevertheless, we welcome the chance to review with the Subcommittee the current status of the Supplemental Security Income program (SSI).

Since the role of the Committee is oversight, it would seem appropriate at this time for us to refer the Committee to testimony, information and materials concerning the SSI program previously furnished to the Legislative Branch. Excluding appropriation hearings, this is the sixth appearance that the Social Security Administration has made before the Congress since the program began twenty months ago.

In the fall of 1974, we also briefed the Comptroller General and his top staff on an informal basis about the status of the program, including a discussion of problems facing the program.

Further, we have, at our own initiative, attempted to keep the two legislative committees having jurisdiction over SSI—the House Ways and Means Committee and the Senate Finance Committee—informed on a continuing basis about SSI program developments. For example, in the spring of this year, we reported the first results of our quality assurance reviews dealing with the accuracy of payments—something I am sure we are going to talk about before these hearings are over.

On the matter of accuracy rates, we have also furnished the Committees on Appropriations with information about overpayments and underpayments. I make this point only because inferences have been made in the press and by at least one member of the Congress suggesting that, were it not for the press, information about overpayments and underpayments would never have come to light.

The record will prove otherwise.

Both I personally and SSA institutionally believe strongly in our responsibility to be candid with the Congress and the public concerning our performances—be it good or be it bad. It is in this spirit that we appear before you today.

STATUS OF THE SSI PROGRAM

Before I get into a review of our accomplishments and the identification of our problems, permit me to summarize briefly the current status of the program.

First, 4.2 million persons are currently enrolled in the program at an annual cost of $5.5 billion for fiscal year 1975. Of the number currently in payment status, 1.6 million represent new claimants processed since January 1974, when SSA took over the program.

For the current fiscal year, 23,800 employees have been authorized to administer SSI. This compares to 15,000 authorized initially for the program.

We have contractual agreements within 31 States under which the Social Security Administration administers State supplements to the Federal SSI payment. We have agreements with 26 States for Medicaid determinations on their behalf. We also have arrangements with all of the States for the periodic furnishing by SSA or information about federally administered SSI payments. States that administer their own supplementation depend on these data for their own eligibility determinations.

A quality control program for SSI is in place. That program has, as of this time, developed information about payment accuracy during the second 6-month period of the program—July through December 1974. Attention has been concentrated on this time frame because our contracts with the States require that it be used as the base period for determining future Federal-State fiscal liability. Thereafter, the quality assurance program will provide payment accuracy information for each 6-month period. Experience for the first 6 months of the program, January through June 1974, is the subject of an independent HEW/State audit which was agreed to with the States last fall and is now in progress.

Accuracy rates, in terms of numbers of cases for the 6-month base period as determined by our quality control analysis and as previously reported to the Congress, stand as follows:

ACCURACY RATES AS A PERCENT OF TOTAL CASES

[Percent]

Overpayments	12.9
Ineligibility	5.0
Underpayments	6.3

ACCOMPLISHMENTS

The above represents a qiuck summary of the current status of key features of the program and its administration. I would now like to summarize what we believe to be some of the significant accomplishments and achievements of the program.

THE PROGRAM STARTED ON SCHEDULE

Although the conversion was traumatic and will clearly prove to have been expensive in terms of manpower and dollars expended, it was nevertheless completed without interruption of the mainstream of the original State payment system. Under the circumstances surrounding the conversion, this represents a significant achievement. The foundation for a permanent Federal payment system is, we believe, well established. As indicated, the new Federal system is paying over 4 million recipients a month and is processing new claims at a rate of 125,000–150,000 per month.

HIGHER ENROLLMENT AND BENEFITS—A RESULT OF THE LAW

In its first full year, the monthly beneficiary rolls increased by one-third, from 3 million to 4 million, and total benefit payments for the aged, blind and disabled increased by 59 percent, from $3.3 billion in 1973 under the former State program to nearly $5.3 billion in 1974. On this point, I would note that the Federal Government has financed almost all of this increase in benefit payment levels.

NEW CLAIMS

Of the nearly 3.4 million new claims since the SSI program began operations, 3.2 million have been processed to completion. During this period, the agency has also processed over 11 million inquiries concerning SSI.

The new claims backlog that reached a peak of about three quarters of a million claims by the spring of 1974 has been worked down to a normal operating level.

The processing time for new claims has been steadily improving. The median time for aged claims a year ago, for example, was about 60 days. Today, it stands at about 30.

SYSTEMS AND DATA BASE IMPROVEMENTS

Despite what one reads in the newspaper, we have made improvements in the basic SSI systems, including the computerized systems.

When the program became operational in January 1974, all of the systems needed to execute and update claims and payments were not available. Except for death and changes in address, an automated system for incorporating post-entitlement changes into the data base was not operational. Nor was there a capacity to apply such changes to current and future benefit amounts. Thus, when the program commenced, one of the most important parts of the automated process—the post-entitlement system—was not ready.

Nor were all features of those automated systems associated with initial claims and payments fully effective. Many refinements were still needed.

During the period since January 1974, and despite the burden of processing 3.2 million new claims and four legislative changes affecting payment status or amounts, the agency has put most of the needed post-entitlement automated procedures in place and has completed over 15 major enhancements to the basic claims payment system.

At the same time, a completely new check-replacement system has been designed and installed.

The process of reconstructing the conversion base is well underway. We have concentrated on a from-top-to-bottom redetermination of each and every case converted. Of the almost 2.6 million converted cases still in the system, nearly 90 percent have been reexamined, and the remainder will be finished this calendar year. I would note at this point that we may still need a second round of review on these cases if we are to be certain that we have cleared away built-in faults that existed at the time of the conversion and if we are to be assured of reaching acceptable accuracy rates for monthly benefit payments.

Once the data base is stabilized, we will, of course, continue to make redeterminations on a periodic basis.

OTHER ADMINISTRATIVE CHANGES

We have redesigned the SSI organization and management structure and are in the process of implementing the new design. In fact, our organizational changes go beyond SSI per se and also attempt to deal with the matter of communication and supervisory links with the district offices and between those offices and the central computer in Baltimore.

We have opened 329 new district and branch offices and input points around the country, primarily because of SSI.

PROBLEMS AND SOLUTIONS

In testimony given before the Subcommittee on Public Assistance of the Committee on Ways and Means, we cited excessive complexity as the number one problem facing the program. Our opinion in terms of program substance has not changed. Since these matters are under active consideration by the Public Assistance Subcommittee, I will not reiterate them here today. Instead, I will concentrate on a summary of operational problems and our view of their solutions within the framework of existing law.

UNRELIABLE DATA BASE

As already indicated, the conversion base is not yet stable and represents a threat to improved payment accuracy. We think the best solution to this is a careful, methodical and complete reconstruction of every one of the almost 2.6 million conversion records currently in the system. That is the process that is now underway. We have under consideration a 1976/77 budget recommendation which calls for a second complete review of these same records. This double check would serve two purposes: First, it should improve the ultimate reliability of the basic records. Secondly, it should give us a basis for identifying those classes of cases and eligibility and payment factors that require frequent and more extensive future checking and those that require less attention for purposes of assuring an acceptable level of payment accuracy.

CLAIMS PROCESSING AND PAYMENT SYSTEMS

We still have not developed a fully reliable systems capacity for all aspects of the program.

As already noted, we have not yet completed all of the needed systems and subsystems. Beyond the systems themselves, we are still not satisfied with the adequacy of our procedures for managing and controlling program changes and for verification and testing of such changes.

So far, we have taken several approaches to this latter question.

First, we have had the system examined by a consultant, and he has given us a number of recommendations, most of which we are prepared to adopt.

We have also asked the SSI study group which we commissioned this spring, and about which I will talk more in a moment, to make this subject a part of its review.

Meanwhile, we have increased the requirements for testing and verification of systems changes. A great deal of our current systems management effort is going toward testing and verification.

There also remains a communications problem as between the Bureaus of Supplemental Security Income and Disability Insurance, and the district offices and the Bureau of Data Processing. We believe that we have designed an organizational arrangement that will meet this requirement. What is needed now is to put that into effect. We are, at this moment, in the process of doing just that.

STATE DATA EXCHANGE

Although much improved since the early months of the program, our data exchange systems are still not satisfactory. Our system for providing the States with data with which they can make their own Medicaid eligibility determinations still needs some improvement. This is the so-called SDX system. We are working actively on that problem in cooperation with the States.

FISCAL SETTLEMENTS WITH THE STATES

On the question of Federal versus State fiscal liability, as already reported to the Ways and Means Committee and the Committees on Appropriations, a number of problems have arisen. One class of problem involves claims by the States that administer their own supplements to the effect that we owe them money because our SDX data during the early months was not accurate and caused them to make overpayments. In the case of those States for whom we administer State supplements, instances have arisen wherein a given State has failed to make an advance of State funds to SSA for a given month, as required by both the law and our contracts with the States. In such cases, Federal funds have had to be used because we lacked sufficient advance notice and/or in order to avoid interruption of the State share of individual benefit payments.

We see these as serious problems facing the program and ones that need more attention, by both the Executive and Legislative Branches. Both may require legislative action before they are resolved.

SUSCEPTIBILITY OF ON-LINE SYSTEM TO FRAUD

Next, as we have pointed out to GAO and others from the beginning of the program, the establishment of an on-line data system for the program creates the need for more stringent internal controls and checks and balances in order to prevent fraud. SSA has a considerable body of knowledge concerning internal controls but has only limited experience in the adaptation of such controls to an on-line automated system. We have been working on improved controls but are also looking to the SSI study group for recommendations in this area. I assume that GAO will also examine the issue as a part of its ongoing review of SSI .

STAFFING AND TRAINING

Adequacy of staffing, reliance on overtime, and employee training need further attention. We are reviewing these matters as a part of the 1976/77 budget cycle that is now getting underway within the Executive Branch.

PAYMENT ACCURACY RATES

There can be no question but that payment accuracy rates, at least as we understand them at this time, are unacceptable.

This, of course, has been a matter of concern to the Social Security Administration from the early days of the program.

Frankly, while our primary concern must be with improving the accuracy rates themselves, I am sure you can appreciate that we are also concerned about the way in which impressions might have been left that the overpayments and underpayments reported in the press—and previously reported to the Congress, I might add—all represent errors of omission and commission on the part of the Social Security Administration.

Mr. Chairman, that simply is not the case.

NEED FOR CONTEXT IN EVALUATING ACCURACY RATES

The problem is that the term "error rate" has unfortunately been used by the Government and the press alike to characterize a host of circumstances, many of which have little or nothing to do with true errors of omission and commission by those who take and prepare the SSI claims and those who operate the computerized payment system.

The term, of course, properly encompasses such errors, and such errors have clearly occurred, but the point to be understood is that many of the transactions characterized as errors are literally beyond anybody's direct control.

Perhaps one of the most striking examples of uncontrollable changes involves the requirement in the SSI law that a person's benefit entitlement be computed on a quarterly basis rather than a monthly basis. If a person eligible to receive $100 for each of the 3 months in a quarter receives unanticipated income from the second month and properly reports it to SSA, it reduces his average benefit right for each of the 3 months.

In this case, we, unfortunately, have credited ourselves (through our quality control system) with an error because we paid the beneficiary the full $100 in the first month. Yet, this does not represent a real error on anybody's part. We had no way of knowing that the $100 was anything but the right amount for the first month. It changed after the fact.

We have called this particular phenomenon to the attention of the Ways and Means Committee, and the Public Assistance Subcommittee now has under consideration a legislative provision which would put SSI benefit payments on a monthly basis, consistent with most other benefit payment systems. We, of course, endorse that change.

Let's review quickly the different kinds of transactions that go into the compilation of the so-called "error rates."

ADMINISTRATIVE ERRORS

A Federal employee taking a claim may fail to ask all the right questions about age, income, resources, living conditions, etc., and therefore either enroll somebody who is not eligible at all or calculate a payment level that is either too high or too low.

Administrative errors can also involve incorrect keying of information for the computer, or a mistake could be made in writing a computer program with a result that classes or blocks of beneficiaries later receive checks in the wrong amount.

POST-ENTITLEMENT CHANGES

It is this class of transaction that is often beyond anybody's control. It includes changes that have occurred in the beneficiary's circumstances which, if known to the Government, would require the Government to either raise or lower the benefit amount or, in some cases, to drop the person entirely from the benefit rolls. The more complex a program, the greater the opportunity for these changing circumstances to affect the literal accuracy of a person's benefit amount at a given point in time.

FAILURE OF CLAIMANTS TO FURNISH ACCURATE INFORMATION BEFORE OR AFTER THE FACT

This can affect payment accuracy both at the time of enrollment as well as during the post-entitlement period. The program administrators are, of course, responsible for making claimants and beneficiaries understand their requirement to furnish accurate and up-to-date information.

EFFECT OF CONVERSION ON PAYMENT ACCURACY

The types of errors previously described are found in all ongoing benefit payment systems. They are not peculiar to SSI.

However, in the formative period, SSI has been subject to other opportunities for error not normally found in an ongoing system. The conversion process itself produced the largest source of such errors. Within the conversion process, there were two major causes of error. The first involves the conversion of faulty and inaccurate information from State records into the new central Federal record. Literally thousands of errors were carried over into the new central system. Other errors were committed during the transfer of information from the State record to the new Federal record. Simply stated, neither the time nor the capacity was available to purge 3 million cases prior to conversion.

The second source of conversion faults and the greatest single source of the so-called errors that we have identified for the first eighteen-month period can be traced to the lack of an effective system for interfacing data and information between SSI and other benefit payment systems—regular social security, veterans benefits, railroad retirement and private pensions. Our quality control reviews tell us, for example, that inaccurate information about these other benefits represented the largest single cause for incorrect payment amounts during the early months.

SSA, as a part of its original planning, developed a system that was intended to correlate information in its own records about regular social security benefits with the new SSI cases. But this system, which was not tested prior to January 1, 1974, proved ineffective, and many months were required to correct it. It is just now going back into full operation. Meanwhile, thousands of people received either too much or too little during the interim because of incorrect calculations as to offsetting social security entitlement. As already noted, we are still working on an interchange system for veterans and railroad retirement benefits, and it will be some time before this can be done automatically as a part of each month's payment runs. We do, of course, have provisions in effect for obtaining these data from applicants and the benefit paying agencies.

In summary, the readings that we have taken so far about payment accuracy during the early months of the program reflect the precarious stage of the program during that period. We do not believe that they reflect the current status of the program and its current operating efficiency. In fact, we believe the current operation is significantly improved in contrast to that period.

It is my judgment that much of the conversion difficulty was unavoidable, given the limited time in which the agency had to prepare the new system and particularly given the fact that we went into operation without ever having tested that system. Yet, we had no choice. There was no way to turn back without putting at risk needed income maintenance payments to literally millions of America's elderly and disabled citizens.

I would like to relate one last point concerning payment accuracy. Our data suggest clearly that payment accuracy is, despite the conversion problems, running at about the same level experienced by the States when they managed the same program. Similarly, although it is not an entirely fair comparison, those rates are under the national rates for public assistance. What makes this comparison perhaps unfair is that, as complex as SSI might be, public assistance is even more complex. The greater the complexity, obviously the greater the potential for overpayments, underpayments, and the like.

Despite the picture that has been painted in the press, I feel strongly that the program is steadily coming under control and that it can generally be made to work. At the same tme, I think its effectiveness, both operationally and substantively, can be improved greatly if we can eliminate at least some of the complexities in the program. Many of these complexities grew out of a concern for accountability. Others grew out of a concern for equitable and humane treatment. We need to find a proper balance between these two concerns.

I would close, Mr. Chairman, by noting that numerous reviews and studies of SSI by outside groups have been initiated during this formative period. I would point out that several of these reviews were initiated by the Executive Branch; others, of course, have been initiated by the Congress. If you wish, I will submit a listing of these studies for the record.

Needless to say, the Social Security Administration itself has been constantly studying and reviewing its own systems and performance in order to improve its operation of the SSI program.

Mr. Chairman, that concludes my statement. I would be pleased to answer any questions the Committee may have.

THE SPORTS BROADCASTING ACT OF 1975

HON. TORBERT H. MACDONALD

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. MACDONALD of Massachusetts. Mr. Speaker, I am today introducing the Sports Broadcasting Act of 1975. This legislation makes permanent the sports antiblackout law—Public Law 93-107—which Congress passed in 1973. The existing law will expire on December 31, 1975, unless we act on its extension before that date.

The Subcommittee on Communications has already scheduled 4 days of hearings on the legislation beginning September 22. At those hearings, there will be testimony from the National Football League, the Commissioner of Baseball, the National Basketball Association, the National Hockey League, the three major television networks, local broadcasters, and the Federal Communications Commission which has been charged with monitoring the law. These hearings will explore the impact of the sports antiblackout law since its passage and enable our subcommittee to make a decision as to whether or not to extend the law and whether or not modifications are necessary.

The reason that I am introducing H.R. 9566 today is that I can honestly say that none of the arguments which have been raised to date by those who oppose the antiblackout law have persuaded me that professional sports have been harmed at all by its enactment 2 years ago. And, on the other hand, the public has benefited by being able to view their local teams playing at home, in many cases for the first time.

The key feature of both the original antiblackout law and the legislation which I am introducing today is that they are self-correcting. If the home game is not a sellout, the blackout imposed by the leagues remains in effect and the live gate is protected. The legislation requires the blackout be lifted and the telecast be made available only if the game is sold out in advance.

The existing law provides for blackout to be lifted if a game is sold out 72 hours or more in advance. This cutoff time has worked well for the most part, however, problems have arisen with regard to post-season games in professional baseball, basketball, and hockey. Unlike professional football which determines its playoffs and championship with single contests, the dates for which are set before the season begins, the other three sports use series play to determine their champions. Dates are uncertain until the teams involved are actually determined, and the number of games in each series cannot be predicted. Because of this uncertainty in scheduling, the 3 day or 72-hour cutoff is frequently ineffective.

Therefore, H.R. 9566 provides a 24-hour cutoff with respect to postseason games of baseball, basketball, and hockey, while continuing the 72-hour rule for postseason football games and regular season games of all four sports.

H.R. 9566 also covers only games which are televised under a contract negotiated by the league, as is the case with the existing antiblackout law. These league contracts were made possible as the result of an antitrust exemption enacted by the Congress originally in 1961 (Public Law 87-331), and both the current law and this new legislation merely condition the exercise of that exemption by the four major professional sports.

There are other problems which concern me, but which, for the time being anyway, I have not chosen to deal with in this legislation. I am concerned that, while most sports clubs have been extremely cooperative in living up to both the letter and spirit of the antiblackout law, some clubs have insisted that seats with obstructed views be sold before the blackout is lifted. This is the same kind of "public-be-damned" attitude that forced Congress to act in 1973.

Also of concern are reports that certain NFL teams have been increasing the number of stations which they blackout for their home games which are not sellouts. In some cases, this appears to conflict with the league's own constitution and bylaws which establish a 75-mile zone. The subcommittee will want to examine this matter carefully during the hearings.

There is a final point which should be emphasized. The two reports which have been made to the Congress by the FCC on the effect of Public Law 93-107 have concluded that while there might have been some negative impact on concession sales and on radio broadcast rights as a result of the law, the sports clubs themselves have not been harmed. The specious rhetoric about "no-shows" is thoroughly discredited by the most recent FCC report, and I would like to include a summary of the report's findings with regard to the NFL.

In conclusion, I feel that the legislation which I am introducing today, the Sports Broadcasting Act of 1975, provides the Congress with the opportunity to reaffirm the significant benefit to the public which has been derived from Public Law 93-107. I am convinced that the antiblackout law has worked well and that we should act before the end of the year to make certain that it does not expire under its own terms.

I include the following:

SUMMARY AND CONCLUSIONS

1. The anti-blackout law resulted in 86 home games being televised locally during the 1974 regular season, plus six of the seven post-season games (including the Super Bowl). This contrasts with 109 regular season games telecast locally during the 1973 season, plus five post-season games. In the 1972 season, before the passage of Public Law 93-107, the local blackout was voluntarily lifted for only one game—the Super Bowl between Miami and Washington at Los Angeles.

2. Although no-shows increased in 1974 and 1973 over 1972, there is no indication that professional football is about to become a "studio sport". Actual attendance, after deducting no-shows, declined by only 6.14 percent from 1973 to 1974, going from 9,707,943 to 9,112,160. Given the players' strike and the general state of the economy, plus the competitive threat of the World Football League, the NFL would appear to have had a "good" year in 1974 so far as regular season attendance was concerned. The actual attendance in 1972, after deducting no-shows, was 9,821,141—the third highest ever. In 1972, however, Dallas did not report no-shows, so the accurate actual attendance figure must be somewhat below that. In addition, no law was in effect in 1972 which had any bearing on no-shows; therefore any 1972 figure may be less accurate than the figures for 1973 and

1974, when much more attention was paid to no-shows because of Public Law 93–107. Without making allowance for these factors, actual regular season attendance in 1974 was down by 708,981 over 1972—or a 7.22 percent reduction. The actual attendance in the 1973 season was only 113,198 fewer than 1972—or 1.15 percent.

3. From the statistical tests conducted, the conclusion can be drawn that precipitation and team standings are much more important influences on the number of no-shows than is the anti-blackout law. Precipitation explained 46 percent of the variation in no-shows. In contrast, the lifting of the blackout indicated only a 2.2 percent increase in no-shows. With regard to the lifting of the television blackout on season ticket sales, it was found that the number of games televised locally had no statistically significant effect.

4. Because of adverse economic conditions affecting all sectors of the economy, it is not possible to say what impact, if any, the anti-blackout law had on concessionaires. Data supplied by the NFL were mixed. Sales of "PRO" magazine were most affected.

H.R. 9566

A bill to amend the Communications Act of 1934 with regard to the broadcasting of certain professional sports clubs' games

SECTION 1. This Act may be cited as the "Sports Broadcasting Act of 1975".

SEC. 2. Section 331 of the Communications Act of 1934 is amended to read as follows:

"BROADCAST OF GAMES OF PROFESSIONAL SPORTS CLUBS

"SEC. 331. (a) If any game of a professional sports club, other than a post-season game of a professional baseball, basketball, or hockey club, is to be broadcast by means of television pursuant to a league television contract and all tickets of admission for seats at such game which were available for purchase by the general public one hundred and twenty hours or more before the scheduled beginning time of such game have been purchased seventy-two hours or more before such time, no agreement which would prevent the broadcasting by means of television of such game at the same time and in the area in which such game is being played shall be valid or have any force or effect. If any post-season game of a professional baseball, basketball, or hockey club is to be broadcast by means of television pursuant to a league television contract and all tickets of admission for seats at such game which are available for purchase by the general public have been purchased twenty-four hours or more before the scheduled beginning time of such game, no agreement which would prevent the broadcasting by means of television of such game at the same time and in the area in which such game is being played shall be valid or have any force or effect. The right to broadcast any such game by means of television at such time and in such area shall be made available, by the persons having such right, to a television broadcast licensee on reasonable terms and conditions unless the broadcasting by means of television of such game at such time and in such area would be a telecasting which section 3 of Public Law 87–331, as amended (15 U.S.C. 1293), is intended to prevent.

"(b) If any person violates subsection (a) of this section any interested person may commence a civil action for injunctive relief restraining such violation in any United States district court for a district in which the defendant resides or has an agent. In any such action, the court may award the cost of the suit including reasonable attorneys' fees.

"(c) For the purposes of this section:

"(1) The term 'professional sports club' includes any professional football, baseball, basketball, or hockey club.

"(2) The term 'league television contract' means any joint agreement by or among professional sports clubs by which any league of such clubs sells or otherwise transfers all or any part of the right of such league's member clubs in the sponsored telecasting of the games engaged in or conducted by such clubs.

"(3) The term 'agreement' includes any contract, arrangement, or other understanding.

"(4) The term 'available for purchase by the general public', when used with respect to tickets of admission for seats at a game or games to be played by a professional sports club, means only those tickets on sale at the stadium where such game or games are to be played, or if such tickets are not sold at such stadium, only those tickets on sale at the box office closest to such stadium.

"(5) The term 'post-season game' means any game which is played following the regular season of a professional sports club and which determines or leads to the determination of the championship of such professional sport."

THE GUNS OF AUTUMN

HON. WILLIAM L. DICKINSON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. DICKINSON. Mr. Speaker, I have received two letters regarding a recent CBS documentary. I found these letters to be very interesting and the observations of their authors very astute. I hope my colleagues and others will read these two letters which I am placing in the RECORD and realize that our networks are guilty of using the publicly owned airwaves to propagate their own narrow views.

SEPTEMBER 9, 1975.

THE FEDERAL COMMUNICATIONS COMMISSION,
Complaint Division,
Washington, D.C.

DEAR SIR: I am writing to complain about the obviously one-sided television program which CBS television network aired on September 5, 1975.

The 90-minute special, "The Guns of Autumn," presented a biased, unfair, and totally unrealistic view of sport hunting in the United States.

There have been several court cases dealing with hunting recently, and many state governments are engaged in debate regarding hunting of various species. I would think that this qualifies hunting as a controversial issue, and as such, falls under the Fairness Doctrine.

There is much material that CBS could have used to show the positive aspects of hunting. They did not make any attempt to seek out this material.

I hope that the FCC will require CBS to give equal time, in the same time slot, to persons representing opposing viewpoints. The Wildlife Management Institute would be a good organization for them to contact.

I look forward to your reply.

Sincerely,

TOM GRESHAM,
Editor, Southern Outdoors Magazine.

THE BANK OF OZARK,
Ozark, Ala., September 8, 1975.

Mr. DAN RATHER,
CBS News Department,
New York, N.Y.

DEAR MR. RATHER: The CBS program, "The Guns of Autumn," which you recently narrated, represents the most astonishingly biased presentation I have ever witnessed.

Obviously your network is dedicated not only to completely undermining one of America's greatest sports, but is also dedicated to the proposition of undermining everything which might be considered "American".

I submit that such irresponsible programing must be curtailed otherwise, the television networks will destroy this country as we know it today.

You and those of your ilk are an abomination to mankind.

Yours very truly,

J. N. SNEED, Jr.

A POLITICAL PRINCE ON YOUR PAYROLL

HON. MARTIN A. RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. RUSSO. Mr. Speaker, it is an all too rare occasion to find someone singing the praises of a politician. The very word strikes a sour note with people whose faith has been sorely tested by disreputable, dishonest public officials—officials whose "antics" and misdeeds are publicized and become a backdrop against which all political activity is viewed.

To eradicate the negative picture from the minds of some citizens, to have it develop into a view inclusive of the strength, courage and simple humanity of the man or woman who seeks to serve the public, requires constant vigilence of our own actions. It also requires a simple "giving credit where credit is due." Publicize those people deserving of recognition whose job it is to serve the people, and who do just that.

Such a gentleman was recently commended by Bob Wiedrich of the Chicago Tribune and I want to bring to the attention of my colleagues this well-deserved tribute to the secretary of state of Illinois, the Honorable Michael Howlett. He is a fine and decent human being whose conscientiousness and commitment epitomize the consummate public official.

As you will note in the news article, Secretary Howlett recently celebrated his 61st birthday. I want to wish him continuing success in his work and many more fruitful and happy years.

The article follows:

A POLITICAL PRINCE ON YOUR PAYROLL

(By Bob Weidrich)

Compared to the late Paul Powell, Illinois Secretary of State Mike Howlett is a prince of a politician.

Instead of collecting shoeboxes crammed with illicit greenbacks, Howlett saves the taxpayers almost $7.5 million in 16 months. And instead of padding the payrolls with politically well-endowed loafers, he trims more than 9 per cent of his work force while providing more services per tax dollar during an almost 20 percent inflationary spiral.

That's pretty good politics and the kind that prompts people to speculate whether a pro like Howlett has his eyes on the governor's chair in this period of muddied Democratic politics in Illinois.

For the record, Howlett isn't chomping at the bit with desire to unseat the incumbent Democratic maverick Gov. Dan Walker. He says there are plenty of other fellows with that thought in mind, including Lt. Gov. Neil Hartigan and State Treasurer Alan J. Dixon.

Besides, Howlett isn't convinced serving as Illinois governor in the next two years would enhance his political reputation. He's spent many years polishing his image as a competent public servant during three terms as state auditor and one in his present job.

So why dump all that prestige down the drain by taking the reins of a government whose fiscal affairs are not the greatest and whose demands on the treasury might dictate an increase in the state income tax? That would hardly serve to burnish one's image, Howlett reasons.

Howlett marks his 61st birthday tomorrow, cloaked in the robes of a consummate politician whose record is unblemished and who is popular throughout the state.

Next year, he should have no problem winning reelection to a second term as secretary of state, a job he has mastered well to the profit of taxpayers. He could easily coast thru another four years with minimum sweat.

However, there are other considerations which must face the jolly, rotund Howlett as the 1976 general election draws closer.

For one thing, Mayor Daley might decide to confront the independent Democratic Walker in a primary fight. If so, he would almost certainly call on Howlett to make the race figuring he should use his biggest gun if he intends to meet Walker head on.

And Howlett, being a devoted and always loyal party man, would almost certainly feel compelled to accede to Daley's wishes barring a veto by Howlett's wife, Helen, who probably would have the last word.

Naturally, there is always the chance Daley may choose to ignore Walker, again figuring the tenuous state of Illinois finances will burn him out more certainly than a primary fight with the regular Democratic organization.

Further, Daley may not want to risk a second primary defeat at the hands of Walker. Walker, you will recall, trounced Daley's candidate for the Democratic gubernatorial nomination in 1972.

Were that to happen again, Walker might play a far more influential role at the national Democratic convention next year than becomes a relatively unknown maverick. That could rightly make him the darling of Daley haters everywhere.

No one, of course, knows what lurks in Daley's mind. When he is ready, he'll say so. But it does make sense that Daley might want to take on Walker because of his reputed mistreatment of Daley's sons.

It is one thing to take a bite at Daley personally in a political fight. He has enough to go around. But taking a crack at his sons is something else to a man who values family above all else.

Thus, if that kind of emotionalism were to play a role in Daley's decision [and we doubt that it will], it is almost a sure bet he won't chintz on the quality of his ammunition. And that means Howlett, the golden boy who has survived the gantlet of Illinois politics without a glove being laid on him.

That saving of $7,449,966 between Jan. 1, 1973, when Howlett took office, and the end of last April, was achieved by streamlining the operations of the secretary of state's office while functioning with 424 fewer employees. The cash saved would build more than seven miles of highway at today's costs of $1 million a mile.

Among other things, Howlett trimmed expenditures and personnel by closing some of the state's driver's licensing examining stations, an event that provoked some public protest. He replaced these services, tho, with mobile units at considerable savings.

Ordinarily, we're cautious about patting politicos on the back. They might get accustomed to the idea. But Howlett is already chubby enough not to get a swelled head.

That is why we have elected to extol his stewardship this morning instead of writing about some corrupt counterpart elsewhere in government. Besides, we've spent so much time pelting politicians in recent years, it is personally refreshing to say something nice about a public servant on the eve of his 61st birthday.

WATERGATE PLUS ONE

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. WOLFF. Mr. Speaker, I would like to take this opportunity to insert into the CONGRESSIONAL RECORD an editorial which appeared recently in the Great Neck Record.

The message contained in the article is most timely; to direct our efforts toward healing the Nation's wounds and turn to the future with new insight, direction, and a renewed sense of purpose.

The article follows:

WATERGATE PLUS ONE

Perhaps it was the sudden return of hot summer weather which slowed down our mental processes, but there has been a lot going on in the news in recent days that we found impossible to comprehend.

In newspapers and magazines, on radio and television, there was an overabundance of stories devoted to the fact that this was Watergate-plus-one-year. We saw Mitchell, Haldeman and Ehrlichman disporting themselves all over the country, lunching and dining, jogging and playing tennis, laughing and talking about their forthcoming memoirs. We saw Chuck Colson explaining that if it had brought about his spiritual conversion, Watergate had been worthwhile.

On the tiny screen, ex-President Nixon's former deputy press secretary was questioned on a panel show. Yes, it turned out, he thought the ex-President had been guilty of a crime, obstruction of justice, but later on he allowed as how all that foreign policy expertise shouldn't go to waste, and that Nixon still has a role to play in the Republican Party. Teddy White, whose book on Watergate has been widely acclaimed, was discovered by the ubiquitous camera helping a reporter out of a seaplane in the far reaches off Fire Island. As she gingerly held her skirt out of the waves, and they strolled barefoot along the beach, he pontificated to her about the question still to be answered by future historians: will Nixon's great statesmanlike achievements be outweighed by his Watergate involvement?

There were columns by William Safire and Pat Buchanan, the Gold Dust Twins of specious speechwriting, about how nothing anybody did during the Nixon era was really much worse than what other politicians have done, are doing and will do. They viewed with philosophical regret the stubbornness of the press and shrillness of the citizens who still refuse to forgive and forget.

Finally, we snapped off the damnable panel shows and interviews and news programs. We grabbed the papers and bundled them out to the garage for the recycling pile.

Because we couldn't stand it. That's not how we remember a year ago at all. We remember it as a time when everyone was afraid that this country was coming apart at the seams, because it had become apparent that we did indeed have a crook in the White House, a man whose entire political career was a shoddy fabric of opportunism with not even minimal commitment to principle of any kind. A vindictive man who surrounded himself with callow and petty people, ignorant of the history and political philosophy of the United States, and under the impression that everyone else also operated on their level of underhanded undergraduate manipulation.

We could stand to read and hear and see not one more item about the lonely life the former chief executive is leading in understaffed and neglected San Clemente, nor about the fact that he must sell his Florida property to remain solvent. At the risk of appearing unfeeling, we can't summon even one tiny tear when told that he may have to continue on anti-coagulants for the rest of his life. (How many people do most of us know who must take daily medication for some chronic condition and who swallow their pills routinely every morning without making a maudlin melodrama of it?)

But these are private matters. What we could stand even less is the information about briefing material still being flown to the coast from Washington, about calls on vital foreign policy matters to President Ford and Secretary Kissinger, about constant use of the phone to keep in touch with politicos all over the country. We bitterly resent the attempt to allow this man—who resigned in disgrace because of shameless financial greed and unprecedented political chicanery, who lied both to his associates and to the electorate—to masquerade as an honored elder statesman.

Repairing the damage done to our country during the Nixon years may take generations. It is that job to which our efforts should be devoted, not to the inappropriate rehabilitation of Richard Nixon's tattered reputation, a reputation that unfortunately for him and for us is a well-deserved one.

ON CONSERVATISM AND CAPITALISM

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. SHUSTER. Mr. Speaker, I commend to my colleagues the following thought-provoking article by Irving Kristol which appeared today in a leading newspaper:

ON CONSERVATISM AND CAPITALISM

(By Irving Kristol)

These days, Americans who defend the capitalist system—i.e., an economy and a way of life organized primarily around the free market—are called "conservative." If they are willing to accept a limited degree of government intervention for social purposes, they are likely to be designated as "neo-conservative." Under ordinary circumstances these labels would strike me as fair and appropriate. Capitalism, after all, is the traditional American economic and social system; unlike the nations of Europe, we have never known any other. And people who wish to defend and preserve traditional institutions are indeed conservative, in the literal sense of that term.

But the circumstances surrounding the use of such labels today are not ordinary; they are almost paradoxical. To begin with, the institutions which conservatives wish to preserve are, and for two centuries were called, *liberal* institutions, i.e., institutions which maximize personal liberty vis-a-vis a state, a church, or an official ideology. On the other hand, the severest critics of these institutions—men who wish to enlarge the scope of governmental authority indefinitely, so as to achieve ever greater equality at the expense of liberty—are today commonly called "liberals." It would certainly help clarify matters if they were called, with greater propriety and accuracy, "socialists" or "neo-socialists." And yet we are oddly reluctant to be so candid.

In part, this lack of candor is simply the consequence of a great many "liberals" being demagogic or hypocritical about their political intentions. It really is absurd that Bella Abzug should call hereself a "liberal" when her political views are several shades to the left of Harold Wilson, Helmut Schmidt, Olaf Palme, or probably even Indira Gandhi. Obviously, however, she is not about to reject the label, which is so useful to her. Indeed, when asked she may blandly assert that she is truly an enlightened defender of the free enterprise system. One would have to be naive to blame her, and others like her, for saying it; we can only blame ourselves for believing it.

CURIOUS SELF-DECEPTION

It is clear that, in addition to such routine political deception, there is an enormous amount of a most curious self-deception going on. I find it striking that the media, and members of the business community too, should consistently refer to John Kenneth Galbraith as a "liberal" when he has actually taken the pains to write a book explaining why he is a socialist. And even Michael Harrington, who is the official head of a minuscule socialist party, will often find himself being introduced as "a leading liberal spokesman."

Why does this happen? And why, especially, do conservatives permit it to happen? Why should those who defend liberal institutions have yielded the term "liberal" to those who have no honorable intentions toward these institutions—or, indeed, toward liberty itself?

The answer, I think, has to do with the fact that the idea of "liberty" which conservatives wish to defend, and which our liberal institutions are supposed to incarnate, has become exceedingly nebulous in the course of the past century. This puts conservatives in the position of being—or seeming to be—merely mindless defenders of the status quo. Indeed, to many they seem merely intransigent defenders of existing privilege, issuing appeals to "liberty" for such an ulterior purpose alone. This, in turn, has permitted "liberals" to impress their own definition of "liberty" on public opinion.

This "liberal" definition has two parts. First, it entails ever-greater governmental intervention in certain areas—economics, educational administration, the electoral process, etc.— to achieve greater equality, itself now identified with "true liberty." Secondly, it entails less governmental intervention in those areas—religion, school curricula, culture, entertainment, etc.—which have to do with the formation of character, and in which it is assumed that "the marketplace of ideas" will "naturally" produce ideal results.

The success which this "liberal" redefinition—a combination of moralistic egalitarianism and optimistic "permissiveness"—has achieved means that, in the United States today, the law insists that an 18-year-old girl has the right to public fornication in a pornographic movie—but only if she is paid the minimum wage. Now, you don't have to be the father of a daughter to think that there is something crazy about this situation, and the majority of the American people, if asked, would certainly say so. Nevertheless, conservatives find it very difficult to point out where the craziness lies, and to propose an alternative conception of liberty. As the saying goes, you can't beat a horse with no horse; and right now conservatives are horseless.

Ever since the beginnings of modern capitalism in the 18th Century, two very different conceptions of liberty have dwelt within its breast. The first is "libertarian," and asserted that God and-or nature had so arranged things that, by the operations of an "invisible hand," individual liberty, no matter how self-seeking, could only lead ultimately to humanity's virtuous happiness. "Private vices, public benefits" was its motto—and still is.

The second idea of liberty may be called the "bourgeois" idea. It asserted that liberty implied the right to do bad as well as the right to do good, that liberty could be abused as well as used—in short, that a distinction had to be made between liberty and "license." The making of this distinction was the task of our cultural and religious institutions, especially the latter.

It was these institutions which infused the idea of liberty with positive substance, with "values," with an ethos. The basic belief was that a life led according to these values would maximize personal liberty in a context of social and political stability, would ensure—insofar as this is humanly possible—that the exercise of everyone's personal liberty would add up to a decent and good society. The practical virtues inplied by the "bourgeois" values were not very exciting: thrift, industry, self-reliance, self-discipline, a moderate degree of public-spiritedness, etc. On the other hand, they had the immense advantage of being rather easily attainable by everyone. You didn't have to be a saint or a hero to be a good bourgeois citizen.

It did not take long for the culture emerging out of bourgeois society to become bored with, and hostile to, a life and a social order based on such prosaic bourgeois values. Artists and intellectuals quickly made it apparent that "alienation" was their destiny, and that the mission of this culture was to be anti-bourgeois. But so long as religion was a powerful force among ordinary men and women, the disaffection of the intellectuals was of only marginal significance. It is the decline in religious belief over the past 50 years—together with the rise of mass higher education, which popularized the culture's animus to bourgeois capitalism—that has been of decisive importance.

ADAM SMITH'S MISTAKE

The defenders of capitalism were (and are) helpless before this challenge. Businessmen, after all, had never taken culture seriously. They have always rather agreed with Adam Smith when he wrote:

"Though you despise that picture, or that poem, or even that system of philosophy which I admire, there is little danger of our quarreling on that account. Neither of us can reasonably be much interested about them."

He could not have been more wrong. It is ideas which rule the world, because it is ideas that define the way reality is perceived; and, in the absence of religion, it is out of the culture—the pictures, the poems, the songs, the philosophy—that these ideas are born.

It is because of their indifference to culture, their placid philistinism, that businessmen today find themselves defending capitalism and personal liberty in purely amoral terms. They are "libertarians"—but without a belief in the providential dispensations of God or nature. Capitalism, they keep insisting, is the most efficient economic system. This happens to be true—if you also agree with Adam Smith when he said: "What can be added to the happiness of man who is in health, who is out of debt, and has a clear conscience?" But if you believe that a comfortable life is not necessarily the same thing as a good life, or even a meaningful life, then it will occur to you that efficiency is a means, not an end in itself. Capitalist efficiency may then be regarded as a most useful precondition for a good life in a good society. But one has to go beyond Adam Smith, or capitalism itself, to discover the other elements that are wanted.

It was religion and the bourgeois ethos that used to offer this added dimension to capitalism. But religion is now ineffectual and even businessmen find the bourgeois ethos embarrassingly old-fashioned. This leaves capitalism, and its conservative defenders, helpless before any moralistic assault, however unprincipled. And until conservatism can give its own moral and intellectual substance to its idea of liberty, the "liberal" subversion of our liberal institutions will proceed without hindrance.

RISING PRICES

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. RHODES. Mr. Speaker, the problem of rising prices during an economic downturn disturbs us all. In the September 15 U.S. News & World Report, Peter G. Gould has written an incisive article on why this is occurring, and has some suggestions on how it can be remedied.

The Republican legislative agenda, which was released this week, contains many of the same kind of remedial actions that Mr. Gould outlines. In emphasizing balanced Federal spending, and steady growth of the money supply, Mr. Gould has hit upon the way Government can best help the economy. In addition, he notes that excessive Federal regulation of business is inflationary.

I urge that my colleagues, especially those who have been espousing the idea that the way out of inflation is to run up a massive Federal debt, and flood the economy with printing press money, read this detailed analysis of how we got where we are, and how we can move toward getting out.

Text of the article is as follows:

ARTICLE BY PETER G. GOULD

First price controls, then a credit crunch, and finally a full-blown recession have all failed to put a lid on inflation in the U.S.

That isn't the way it's supposed to work. All those moves, or any one of them, should have reined in rising costs, according to conventional economic theory. But the path of prices during recent recessions indicates that inflation is building up an immunity to the traditional economic remedies.

Consider the latest news. Consumer prices jumped at an annual rate of more than 14 per cent in July. And in August, wholesale prices posted an 0.8 per cent increase—9.6 per cent on a yearly basis. That rise, led by higher fuel prices, means the cost of living will move still higher in months ahead.

As a result, economists and Government officials are casting about for new cures before the accelerating inflation undermines the foundations of the U.S. economy.

If a slump will not stop inflation, what will? The record of the latest recession illustrates the problem.

The downturn, which experts say began in November, 1973, and ran through last May, was the deepest since World War II. At its worst, 9.2 per cent of American workers were out of jobs, and the economy's output of goods and services dropped more than 7 per cent below peak levels.

Yet by some standards, the recession had next to no impact on inflation. After a brief slowing in the rate of increase, prices began zooming again.

SCARY STATISTICS

Over the 18 months of the downturn, wholesale prices went up an average of 24.4 per cent. Consumer prices rose by 15.8 per cent. In fact, prices rose faster during the recession than before it began.

Industry after industry showed signs of responding perversely to shriveling demand for their products, if they responded at all.

Auto makers have been the most notable example. So far, 1975 has been one of Detroit's worst years. Yet the auto companies have announced price hikes for 1976 models in spite of the growing consumer resistance to high-priced cars.

General Motors will boost prices by an average of $206 per car. American Motors plans an average $200 rise.

Steel and aluminum companies hiked their prices in the face of both slack demand and initial opposition from officials at the Government's Council on Wage and Price Stability. At U.S. Steel, prices of some lines rose by an average of 3.8 per cent, effective October 1.

Throughout the recession, observers remarked on the stability of many raw materials prices in the face of slumping demand. Two big copper producers recently tried to shave prices, but resistance from others in the industry nudged them back to the old, higher prices.

CONFIRMING A TREND

The upward movement of prices in this recession is not new—just the latest, and worst, instance in a continuing trend.

To find a recession in which both wholesale and retail prices fell, economists have to turn back to the 11 month downturn that began in November, 1948.

Since then, as the chart on page 47 shows, the problem of inflation during recessions has worsened progressively.

The economic setback which began in July, 1957, for instance, marked the first time that both wholesale and retail prices rose during a recession.

By the time a year-long slump bottomed out in November, 1970, what was then a new trend had been established: Consumer prices rose faster during the downturn than they did during the preceding boom.

The phenomenon of prices which rise in the face of declining demand for products runs against the grain of basic economic theories. Those doctrines suggest that sinking demand should lead to declining or, at least, stable prices.

Further, the theories imply, pressure on prices from excess demand can be diminished by restraint in Government spending or tighter credit imposed by the Federal Reserve Board—policies that tend to bring on recessions.

In the past, inflationary bursts that contradicted those theories have been explained away as special developments. Inflation has been attributed to unusual events such as the oil price hike imposed last year by the Organization of Petroleum Exporting Countries or the impact on food prices of foreign grain sales.

But such events do not explain why the problem of inflation persists, or why it is getting harder for the Government to keep prices from rising.

FRAME OF REFERENCE

As a result, economists are focusing attention on a different pair of problems:

Increasingly troublesome biases toward inflation that are built into the economy.

The expectations of workers and businessmen that inflation will worsen.

Among inflation-causing biases, say some economic observers, is a national commitment to maintaining employment of workers and machines at the highest possible levels. Many critics say that an overemphasis on keeping employment high has led to overspending by the Government and too-easy credit policies at the Federal Reserve.

But economists who think the U.S. is unlikely to back away from its goal of full employment say this aim probably could be achieved easily if other sources of inflation were rooted out.

Another push toward rising costs comes from the way businessmen set their prices. In theory, prices are dictated by the marketplace, according to supply and the demand for products. In fact, most prices are set initially on the basis of production costs and are varied only rarely thereafter.

A side effect of cost-based prices is that when demand falls off, as in a recession, prices do not drop to lure customers back.

The reason is simple: The costs of many raw materials and the workers' wages are fixed by contract and cannot be reduced easily. Therefore, it often is less costly for a producer to close a plant than to cut prices and sell products at a loss.

The cost factor also helps to explain why prices rise during recessions. An example: When aluminum fabricators announced plans to raise prices this year despite declining demand, they said the increases were needed to boost profit margins that had been eaten away by recent increases of up to 17 per cent in the cost of materials, fuel and labor.

EASIER REDUCTIONS

One thing that made it relatively easy for businessmen to cut prices in 1948 in the first postwar recession was the fact that unit labor costs actually declined 4.6 per cent. Since then, costs have become increasingly sticky and, now, positively inflationary. In the latest slump, unit labor costs increased a full 18 per cent.

Why that stiff rise in costs? At least partly because of the fact that, with prices rising faster, unions were demanding and getting bigger pay raises to protect themselves against inflation. A vicious circle.

Another tilt toward inflation is introduced by federal regulations. Major industries such as airlines and power companies are often subject to extensive and expensive hearings before they are allowed to change the rates they charge.

Such procedures make it impractical for firms to cut prices for a short time in order to stimulate demand. And since rate-setting regulators base their decisions primarily on costs, companies have an incentive to push for rate hikes whenever costs rise, regardless of the state of the economy.

Some economists believe a fourth bias stems from the uncompetitive situation in major industries. When sales are concentrated in a few firms, the argument runs, sellers avoid making price cuts that might set off a price war, which would hurt all of them.

Concentrated industries may also hold prices above the levels in more competitive arenas by overt or unspoken price-fixing agreements.

Big labor unions are similarly blamed. A common charge is that their power to disrupt company operations is used to extract unduly high wage increases from employers.

To date, studies of the part that unions and big business play in inflation have been inconclusive. But whatever the reasons for an inclination toward rigid or rising prices, the effect is the same. Prices are less responsive to declines in demand, and inflation rates are less responsive to Government policies intended to reduce them.

INFLATION PSYCHOLOGY

This problem has been made worse by a growing tendency in recent years to expect inflation to be a permanent condition of the economy. Inflationary expectations affect prices in two general ways.

First, workers insist on escalators in contracts that push up wages as prices rise. Workers also tend to demand higher pay to protect themselves against inflation during the period a contract is in effect. And unions try to shorten the life span of labor contracts, bringing workers and employers to the bargaining table more frequently.

Businessmen likewise reflect inflationary expectations by offering resistance to cutting prices. Even if under-the-counter discounts are provided to customers, list prices are kept high out of the fear that the Government might slap on price controls in an election year. Managers want to avoid having prices on the books which would not cover costs if controls were imposed.

Business owners also push prices up a little faster than costs, if they can. They want to rebuild profits squeezed by recession and to protect themselves against increasing costs in the future.

Economists and Government officials are coming to recognize the reasons traditional anti-inflation policies have not worked. Many are arguing that the old-time solutions should be rejected and new approaches tried.

Recession alone, it has been demonstrated, will not end inflation quickly. And high unemployment for extended periods, many economists believe, would damage the economy seriously.

Many experts reject price controls as a solution. Eventually, these experts believe, increased costs must be passed on to consumers, and controls only delay the process. Furthermore, it is argued, artificially set prices often leave economic distortions in their wake—shortages, excessive inventories and other inefficiencies.

ATTACKING ROOTS

Instead of deflating or controlling prices, many economists are saying, the way to end inflation is to attack the sources of rigid and rising prices. A necessary first step, many believe, is a move to stabilize Government spending. Once the unemployment problem is solved, according to this view, the Government must keep the budget in balance or in surplus—through spending restraint or tax increases—if consumers and investors are to lose their fears that inflation will continue.

Likewise, the Federal Reserve would follow only moderately expansive policies once the economy hit full employment levels.

Price rigidity resulting from Government regulation would be reduced by reforming the regulatory apparatus, as President Ford has vowed to do.

And whenever concentrated industries engage in price fixing, the Government would bring full legal pressure to open up markets to competition.

Clearly, there are no quick fixes for inflation.

Rising costs and the pressures for future increases are embedded in the economy. For a time, therefore, Americans may have to learn to live with inflation while the Government hacks away at its root causes.

And without action to attack the sources of inflation, the future seems to promise only more price increases and more—and deeper—recessions.

CONGRESSMAN DINGELL REFUTES FALSE RIFLE RANGE REPORT

HON. JOSEPH E. KARTH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. KARTH. Mr. Speaker, on September 1 the Washington Star, under a page 1, eight-column headline, carried a lengthy article purporting to report on H.R. 9067 known as the wildlife restoration bill.

Unfortunately this account of legislation, which had been unanimously approved by the House Subcommittee on Fisheries and Wildlife Conservation, comprised far more sensationalism than factual reporting. The sensationalism was clearly not only in the headline which referred to "$9 Million a Year for Rifle Ranges" but also throughout the text which continued to imply that Congress was about to authorize $9 million for rifle ranges, an action that, again by implication would encourage more gun sales, more gun-toting, and thus more crime.

Mr. Speaker, the article was a series of untruths, half-truths, inaccuracies and utterly misleading allegations. Because it is true the Washington Star "story" also impugned the legislative integrity of our highly esteemed colleague, Congressman JOHN DINGELL, and other Members, including me, who sponsored this important and much needed legislation.

Fortunately Congressman DINGELL has prepared a detailed refutation of the Washington Star canards. Because this refutation will clear the air of the falsehoods and misrepresentations promulgated by Washington's "second newspaper," I insert the full text of Congressman DINGELL's letter to the Washington Star appear following these comments in the RECORD:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., September 5, 1975.

LETTER TO THE EDITOR,
The Washington Star,
Washington, D.C.

DEAR EDITOR: The article entitled "How About $9 Million a Year for Rifle Ranges?" which appeared in the Monday, September 1, 1975 edition of The Washington Star prompts this letter.

I have made careful inquiry into the article, including discussions with the author, a staff member of the Committee on Merchant Marine and Fisheries which handled the legislation, and colleagues who joined Mr. Karth and me in the cosponsoring of H.R. 9067, which is a bill to provide additional funds to the states for wildlife conservation restoration projects and programs.

I regret your article on this issue is inaccurate both in specific and in general detail.

It is most unfortunate, and shows a complete lack of journalistic news-reporter objectivity, in that Mr. Taaffe, the article's author, did not bother to talk to any of the Members of Congress who sponsored that bill before the article was written. The article's author apparently only consulted with opponents of the bill, and that could be the reason for both the apparent bias and lack of accuracy.

Mr. Taaffe plays down that the purpose of the legislation is to impose new taxes on component parts of firearm ammunition which are not now taxed. These new taxes under the bill would be for the excellent purpose of expanding the highly successful program of Federal grants-in-aid to the states for fish and wildlife conservation.

He equally disregards that the bill would expand valued hunter and firearm safety programs.

The article further does not point out that the bill recodifies three highly successful statutes. The first, over 30 years old, the Pittman-Robertson Act, imposes an 11 percent tax on rifles, shotguns, and all ammunition for aid to the states in wildlife conservation. The second, the Hart-Dingell Act, earmarks the 10 percent tax on pistols and revolvers, half for grants-in-aid to the states for wildlife restoration and half, at the option of the states, for hunter and firearm safety programs and range construction. The third, the Goodling Act, imposes an 11 percent tax on archery equipment, the proceeds of which go to the states, half for wildlife restoration and half, again at the option of the states, for hunter safety training and construction of ranges.

H.R. 9067, the subject of your article, is a good legislative vehicle desired by many, to continue and expand these programs under which sportsmen and conservationists tax themselves to support conservation of fish and wildlife and hunter and firearm safety training programs. Neither of the critics quoted so extensively in your article has contributed a plugged nickel to these important causes.

The bill would keep the status quo as to the amount of funds available to the states for wildlife conservation purposes and for hunter and firearm safety and range construction, except as the legislation relates to the use of the pistol and revolver and archery equipment revenues for hunter and firearm safety and range construction. The legislation would add a new tax amounting to about $6 million a year, half of which could be expended at the option of the states for hunter and firearm safety training programs and range construction and half of which would go to the states for conservation purposes. The new legislation would also authorize the pistol and revolver and archery equipment taxes to be used in the same manner as the new components tax.

There are a number of specific errors in the Washington Star article:

(1) It refers to "A bill mandating the states to spend millions of dollars of federal tax money each year for the construction of what critics fear will be a nationwide network of target ranges . . ."

The bill does not mandate or require the states to use this money for this purpose. They have an option to do so. If those funds are not spent accordingly the money goes to the Migratory Bird Conservation Fund to buy refuges for migratory birds.

(2) The article is misleading in that the bill would add only $3 million in grants for hunter and firearm safety and range construction to almost $5 million now available at the option of the states under existing law for the same purpose, not half of $594 million as indicated in the erroneous article.

(3) The article says "According to the best estimates, the bill would require the states to spend $9.25 million in tax money each year to create 'hunter education' programs in conjunction with the ranges."

Under the bill, the states would have the option of spending $2.5 million (not $9.25 million) of their own funds for construction of ranges and for hunter and firearm safety programs on a voluntary basis.

(4) The article says that since 1971 the states have financed training programs "at 1,000 gun clubs."

In fact, only 265 gun clubs have participated.

(5) The article infers that "Money for the target-range construction would come from 11 percent excise taxes paid by the purchasers of all firearms (including pistols and revolvers), bows and arrows and ammunition."

All of these taxes have already been imposed, except for the new tax which H.R. 9067 would impose on reloading components. Therefore, only a small portion of these taxes may be used for either target-range construction or hunter and firearm safety training programs, and there would be no change in allocation of user taxes now imposed.

(6) The article quotes broadly from proponents of restrictive firearm legislation but does not point out that the program, denounced in the article, is the only Federal program for hunter and firearm safety training. This program is financed by the sportsmen and shooters taxing *themselves* and not from general tax revenues.

After talking with the author of the article, I checked with the staff member of the Committee on Merchant Marine and Fisheries to whom the author spoke. I am advised by the staff member that although he diligently sought to explain the legislation to the writer of your article, the writer did not appear to understand the legislation or to even try to grasp the purposes of the bill. The reporter, Mr. Taaffe, did not call back for any clarification.

I also repeat, the author of your article also did not communicate with any of the Congressional authors of the bill.

Your article fails to point out that sportsmen, under the programs complained of, have put into conservation over $593 million under the Pittman-Robertson Act.

Under this program 3.8 million acres of wildlife habitat have been acquired; $128 million was spent on migratory waterfowl; 33 million acres managed on some 2,800 management areas; and, 93,000 head of big game has been restored to their ancestral ranges.

Under other portions of the law, discussed with regard to hunter and firearm safety, all 50 states have been active in establishing hunter safety and firearm safety training programs. Thirty-one states have voluntary programs and 18 require hunter and firearm safety training as a prerequisite to hunting. Since the hunter firearm safety program has gone into effect, over 2.5 million students have been trained by a volunteer corps of over 50,000 instructors and states have built or improved 40 ranges to assist in this Federal-State cooperative hunter firearm safety endeavor.

It is indeed unfortunate that neither of the opponents of the legislation quoted in the article appeared at the Subcommittee hearings to testify on any of the legislation about which they complained. Apparently, they seek to influence the legislative process by sneak attack, deceit, and falsehood outside of the regular legislative process.

To repeat one very important point, your article points out ". . . government's abysmal neglect of the imperatives of public safety in general. . . ." The only Federal statutes relating to firearm safety and firearm safety training programs are those denounced in your article. It would be more in the public interest if the critics of this program would put their money where their mouths are and participate in the financing of conservation and firearm safety, as do the shooters, sportsmen and hunters who have taxed themselves millions of dollars to support conservation and hunter firearm safety.

It is equally unfortunate that your newspaper has carelessly written a distorted and false description of legislation urgently needed to expand both Federal-State wildlife conservation and firearm safety programs.

Millions of sporting guns are and will be in the hands of hunters and sportsmen, and will be available to our youth. Let us train them in the wise, careful, and safe use of firearms.

Do we want our children who want to hunt or target shoot to learn to do so from the gutter, in unsponsored and unsupervised fashion?

Or, do we want our new and old hunters, target shooters, skeet and trap shooters or others, to have available to them supervised State and Federally-regulated hunter safety and firearm safety programs? I believe the latter is what Americans want along with continued and insured wildlife conservation programs.

And finally, since the Washington Star pointed me out rather prominently in the story, why didn't the Star call me for comment? I was here throughout the August recess. What happened to your newspaper's objectivity?

Sincerely,

JOHN D. DINGELL,
Member of Congress.

CORPORATE HECKLING OF RUSSELL TRAIN

HON. BOB ECKHARDT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. ECKHARDT. Mr. Speaker, Texans are, I think, known for their courtesy and hospitality. It would be unfair to impute to us the raucous discourtesy of the corporate officials who fly into our State to insert themselves into a press conference with epithets and vilification. Such was exactly what happened when Russell E. Train, the country's top environmental official, appeared in Houston as an invited speaking guest of several Texas groups.

Train, as chief of the Environmental Protection Agency, recently moved to ban chlordane and heptachlor, two pesticides made only by a company called Velsicol. The action was taken because the chemicals are alleged to constitute "imminent human cancer hazards." Such is a part of the regulatory action by EPA authorized by Federal law. The scientific basis of the findings and considerations of the agency are ultimately subject to review in the Federal courts. The action is now the subject of administrative adjudication before an administrative law judge. Velsicol is, of course, presenting its case, offering its expert scientific and medical testimony, engaging in cross-examination of Government witnesses, and arguing its case on the facts.

There is, of course, nothing wrong with Velsicol's defending its position publicly as well. But it is most unseemly for corporate officials to follow an official of the Government and rail at him as being dishonest and "a liar."

I certainly want to have it made clear that the discourtesy to Mr. Train was not that of Houstonians and Texans. I think that it should be further recognized that unless an agency of Government, like EPA, intervenes in cases of threat of release of dangerous chemicals into the environment, the health of Americans may be seriously jeopardized. It seems to me that a company whose activities threaten to change the environment should have the burden of showing that such changes will not be harmful. This is certainly true where evidence obtained thus far raises serious suspicion that the health of humans may be jeopardized.

The chemicals here involved have been shown to induce cancer in mice and rats. Officials who bear the heavy duty of looking into these threats in order to protect the health of Americans are entitled to more respect than is reflected by the activities described in the two attached articles from the Houston Post. It is to Houston's credit that Harold Scarlett, Post environmental writer, has exposed these discourtesies and explained the reason why environmental protection of the type which Mr. Train is engaged in is so important. His articles are attached.

[From the Houston Post, Aug. 24, 1975]

YOUR WORLD—VELSICOL ANTICS

(By Harold Scarlett)

News people try to maintain impartial and open minds in covering controversial issues.

But the antics of Velsicol Chemical Corp. officials in connection with last week's Houston visit by Russell E. Train, chief of Environmental Protection Agency, really put press impartially to the test.

To set the stage, Train recently moved to ban chlordane and heptachlor, two long lasting pesticides made only by Velsicol, as "imminent human cancer hazards."

This action had no real relevance or pertinence to Train's Houston visit, nor to the news people covering it.

Nevertheless, a Velsicol district sales manager showed up at a too-short 30-minute Train press conference and attempted to start a filibustering debate with Train.

Train was polite to the man, at one point even snapping at an EPA aide who was trying to turn the questioning back to the news people.

Several newsmen, however, bluntly told the Velsicol man to shut up and/or get lost, since there was little time at best and the event was a press conference for Train, not a debating forum.

Velsicol officials again tried to filibuster Train at another meeting with Houston environmental leaders. Aides said the same Velsicol people had also birddogged Train throughout a Dallas visit Wednesday.

Then on Friday, Velsicol chairman Robert M. Morris flew in from Chicago to hold his own press conference. He called Train dishonest and a liar and railed against government by regulatory agency.

A lot of people disagree with Train's actions, but to this reporter's knowledge, no one who knows him has ever before suggested he is anything but an honest and honorable man.

A former U.S. Tax Court judge, Conservation Foundation president and undersecretary of interior, Train is on almost everyone's list of outstanding appointments by former President Nixon. The lists are pretty short, but Train is there.

So the question arises—who are his accusers? What kind of company is Velsicol?

Well, last week's events in Houston were not the first time Velsicol has made a corporate ass of itself.

Back in 1962, for example, Velsicol tried to suppress the publication of Rachel Carson's memorable book "Silent Spring," which raised the first prophetic alarm about the dangers of pesticides.

Velsicol general counsel Louis A. McLean asked Houghton Mifflin in a letter to drop publication of the book because it contained "inaccurate and disparaging statements" about chlordane and heptachlor.

The letter suggested Carson, a distinguished biologist, was a tool of unnamed "sinister parties" who were trying to ruin big business and destroy American agriculture, reducing it to Iron Curtain parity.

Houghton Mifflin, incidentally, had an independent toxicologist review the questioned statements. The toxicologist confirmed their accuracy, the book was published and became a classic.

Then there is the case of the great Mississippi River fish kill of 1963—a remarkable example of scientific pollution detection.

The lower Mississippi had been suffering unexplained fish kills for years. Then in November 1963, there was a huge kill of five million fish, stretching from Baton Rouge to the river's mouth.

Louisiana called in the federal government, and the Public Health Service and Fish and Wildlife Service began a baffling painstaking search for the killer.

They finally found the cause in the river's mud-endrin-pesticide wastes apparently from a factory and not agricultural runoff.

The Public Health Service was alarmed because poor people along the river (few of which are chemical company presidents) depend heavily on Mississippi fish for food and because many towns get their drinking water from the river.

Federal investigators began checking out the 100,000 factories in the Mississippi and Ohio Valley which might be discharging the toxic wastes.

At the Velsicol pesticide plant in Memphis, the investigators did not get a very warm welcome. They were treated, in one writer's phrase, "more like agents of an alien government than members of the U.S. Public Health Service."

But the plant made endrin and the investigators found large quantities going into the river from an untreated waste by-pass, a solid waste dump and other sources.

It all stirred up a storm in Washington. There were Senate hearings. The scientific detective work nailing Velsicol seemed incontrovertible.

Velsicol never acknowledged responsibility, but did begin cleaning up its waste streams.

Friday in Houston, Velsicol chairman Morris said a "scientific panel" at the time had exonerated Velsicol. What panel? He didn't recall. It happened too long ago.

But Murray Stein, the canny old federal water pollution enforcer put it this way.

"Until we went after the Velsicol people the fish kills were persistent. Once the discharges stopped, the big fish kills stopped. Draw your own conclusions."

[Fom the Houston Post, Aug. 23, 1975]

CHEMICAL FIRM HEAD ACCUSES EPA'S TRAIN OF "DISHONESTY"

(By Harold Scarlett)

The head of the Velsicol Chemical Corp. Friday accused Russell E. Train, chief of the Environmental Protection Agency, of "dishonesty and lies" in the EPA's recent suspension of the pesticides heptachlor and chlordane.

Velsicol board chairman Robert M. Morris told a press conference Train's finding that the pesticides were an "imminent human cancer hazard" was a lie.

Morris said several other statements on research data in a July 30 EPA press statement announcing the suspensions were also lies or "scare propaganda."

The EPA said research has shown the pesticides cause cancer in mice and rats and that residues of the two pesticides are present in body tissues of 97 to 98% of the U.S. population—as well as in his mother's milk and unborn babies.

While heptachlor and chlordane are sold under many formulations and trade names, Chicago-based Velsicol is the sole U.S. manufacturer.

Morris flew to Houston for Friday's press conference after Train, while visiting Houston Thursday, got into exchanges with two Velsicol officials at what was supposed to be a press conference, and at a later meeting with Houston environmental and industrial leaders.

EPA sources said the same Velsicol officials had bearded Train at public appearances Wednesday in Dallas.

Train said later in Houston he suspected there was "a concerted effort by the chemical industry in this country to discredit the EPA with the American farmer."

Morris, however, said Velsicol was simply "trying to get our story to the people."

The Houston-born Morris contended banning of the two pesticides for food production—they are still approved for termite treatment and some non-food plant uses—would cost $100 million a year in lost corn production.

Morris also acknowledged Velsicol would lose $14 million in net annual sales of the two pesticides.

"Of course we're biased, we have a vested interest, but we're not stupid," Morris added. "Are we going to leave a product on the market that brings in $14 million if we are risking $100 million in cancer lawsuits?"

Morris said current EPA hearings before final suspension of the pesticides were "a kangaroo court" because Train had already made up his mind.

He conceded the EPA's final decision could—and would—be appealed to the federal courts by Velsicol. But he maintained that EPA in effect decides what evidence will reach the court.

DEFICIT SPENDING SHOULD BE A REAL CONCERN

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. HUBBARD. Mr. Speaker, as we of the 94th Congress continue to consider bills and resolutions which result in added expenditures by the Federal Government, and as I witness more and more big spending measures adopted by the 94th Congress, I ask that we pursue and consider the following news story appearing today in the Wall Street Journal:

BORROWING AIMS OF THE TREASURY ARE AGAIN RAISED

WASHINGTON.—The Treasury again raised its borrowing targets for 1975's second half and sketched out an elaborate financing plan to raise the billions of dollars needed to cover a ballooning budget deficit.

Federal cash needs in the second half will run $3 billion to $6 billion higher than estimated only last month, officials said yesterday. They disclosed net Treasury borrowing in the current six-month period will total $44 billion to $47 billion, up from the previous $41 billion projection. This is the third time the Treasury has had to raise its estimate of second half borrowing, originally put at $37 billion.

Officials cited higher-than-anticipated federal spending, the expected loss of revenue from the import fee on foreign oil, and desire for a larger year-end cash balance as a cushion against contingencies as the reasons prompting the bigger borrowing plans.

FINANCING PLANS

The Treasury's financing plans for the rest of 1975 were outlined yesterday at a news briefing. The immediate money-raising plans include:

—An auction, next Tuesday, of $3 billion of two-year Treasury notes due Sept. 30, 1977.

—Sale of an additional $2 billion of 29-month notes, due Feb. 28, 1978, on Sept. 24.

—Addition of $1 billion to the regular monthly auction of one-year Treasury bills, bringing the amount to be offered next Wednesday to $1.94 billion.

These steps will raise $4 billion in new cash, including the $1 billion from the beefed-up bill sale and $3 billion from the note auctions, which also will refund $2 billion of maturing notes.

Going beyond these immediate plans, Edwin H. Yeo III, under secretary of the Treasury for monetary affairs, outlined tentative Treasury thinking on how the rest of the year's borrowing will be accomplished. He sketched out a strategy that includes less reliance on the Treasury-bill market and a play-it-safe plan to build up a big cash cushion for year-end, just in case the estimates are off-base again or some unexpected events upset Treasury plans. Mr. Yeo also indicated the Treasury is worrying about a new round of "disintermediation," in which savers yank their money out of savings accounts to buy government securities. Such a development would hurt mortgage-lending and homebuilding.

DEFICIT OF $60 BILLION

Giving reasons for the bigger borrowing plans, Mr. Yeo said federal outlays for the current fiscal year, which ends next June 30, are running about $2 to $3 billion higher than anticipated. The White House has officially projected this fiscal year's budget deficit at $60 billion, but officials concede that total certainly will be exceeded by at least several billion.

Additionally, the expected removal of the $2-a-barrel oil import tariff will cost the Treasury about $1 billion in lost revenue this fiscal year, Mr. Yeo said. Finally, "We plan as a matter of policy to carry a higher cash balance" for a cushion against contingencies, the official told reporters.

The Treasury will shoot for a year-end cash balance of $7 billion to $9 billion, Mr. Yeo said. Previous projections were in the $5 billion to $6 billion range. The bigger balance could cover both another misjudgment of cash needs and unexpected events such as large-scale cash-ins of nonmarketable Treasury securities held by foreign governments, the official explained.

REMAINING NEEDS TOP $22.5 BILLION

The Treasury already has raised $21.5 billion of the estimated $44 billion to $47 billion of cash it will need in the current half-year, leaving $22.5 billion to $25.5 billion still to be brought in. The three offerings announced yesterday will raise $4 billion of that total.

Looking further ahead, Mr. Yeo outlined these tentative elements of second-half financing plans:

A $1 billion addition to each of the monthly auctions of one-year Treasury bills in October, November and December, netting $3 billion;

Sale of $3 billion of notes to mature Oct. 31, 1977;

A separate auction of $2.5 billion of "intermediate term" notes whose exact maturity will be determined later.

Those two notes sales, Mr. Yeo said, will be held sometime during "the second or third week of October." Details of those sales will be announced later.

Beyond those tentative plans, the Treasury expects to raise between $7 billion and $10 billion in the bill market and $1.5 billion to $4 billion in other notes of undetermined nature before year-end.

"Our present plan," Mr. Yeo commented, "is to reduce the emphasis on the bill market, and especially the three-month and six-month regular weekly bill auction." He didn't give any specific figures on future weekly bill auction totals.

"By the end of October," Mr. Yeo added, "our use of the note market to finance this year's second half deficit largely will be finished." He said the Treasury doesn't plan any significant note sales in either November or December. The Treasury will continue to use short-dated bills, which mature in as few as 18 days, for "cash management purposes," as in bridging a temporary gap in the government's money inflow, he said.

The official, who recently left his job as a Pittsburgh bank economist to become the Treasury's top debt-management man, said there are "persuasive reasons" for reducing reliance on short-term bills at this time. "I am concerned about the problem of disintermediation, which really starts in the bill market," he commented. The recent runup in short-term interest rates has led to fears among some economists that funds will begin draining out of savings institutions and into government securities, one form of disintermediation, or investment switching, which would hurt a recovery in home building.

The Treasury notes to be sold this month will be offered in minimum amounts of $5,000. The Treasury said tenders for the two-year notes will be accepted until 1:30 p.m. (EDT) Tuesday, and tenders for the 29-month notes are due before 1:30 p.m. (EDT) Sept. 24, at any Federal Reserve Bank or at the Treasury in Washington.

COUGHLIN CONSTITUENTS RATE FIGHT AGAINST INFLATION AS TOP ECONOMIC PRIORITY

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 11, 1975

Mr. COUGHLIN. Mr. Speaker, I am pleased to report to my colleagues the results of my annual mail poll to constituents of Pennsylvania's 13th Congressional District.

Since inaugurating the questionnaires in my first year as Congressman, I have found constituent response to be high and opinions accompanying answers to be articulate and informed. This year is no exception.

A total of 15,468 individual responses was received before the July 31, 1975, deadline, with many others mailed to my Norristown office after that date.

My constituents rated inflation as their major concern. In a two-part question on the economy, a clear majority picked fighting inflation as more important than reducing unemployment.

The inflation theme is a recurring one. In my poll 2 years ago, constituents listed inflation and the economy as the No. 1 of seven specified problems facing the Nation.

In last year's poll, constituents again expressed their concern with inflation by responding overwhelmingly for some form of wage and price controls.

The 1975 poll showed the same sentiment as a majority favored controls of varying sorts. Given a choice of one or more answers, 27 percent want selective wage-price controls in key areas such as food, fuel, and rent, while 25 percent approve of mandatory controls in all areas of the economy affected by inflation; 10 percent advocate standby controls only.

Answers were weighted by ZIP code to insure the accuracy of the results. Sentiment generally was the same throughout my district which consists of most of Montgomery County and Philadelphia's 21st ward. Basically urban and suburban, the district still contains areas of rural nature with sparse populations.

The questionnaires were printed—not at Government expense—and mailed to all households, apartments, and boxholders in the district.

In another part of the economy questions, almost half of those responding favor improved profit and investment incentives to encourage expansion and employment. Only 20 percent favored increased Federal spending stimulants including public works and public service jobs.

The critical issue of energy drew an overwhelming 72 percent who approve developing a policy of self-sufficiency even at the risk of significantly higher energy costs. Yet, constituents displayed an ambivalence when asked if they favor higher gasoline taxes as a means of curtailing consumption. A majority answered "No."

On other facets of the energy problem, majorities approve of increased offshore exploration for oil despite some environmental risks and favor proceeding with construction of as many nuclear generating plants as feasible. A plurality feel immediate action is needed to cut oil imports rather than awaiting recovery from recession.

Fifty-one percent of those responding believe our defense posture is adequate to meet our needs and we should maintain present spending. Only 23 percent favor military spending cuts. Respondents split over the course our foreign policy should take with a plurality agreeing that our national interests can best be served by selecting certain areas overseas for which we will make strong commitments.

On "Yes-No" questions, an overwhelming majority approve of exempting citizens 65 or older from paying a portion of Federal income taxes on retirement and pension benefits. Majorities were recorded for helping South Vietnamese and Cambodian refugees, opposing giving Postal Service employees the right to strike, and approving laws to limit individual ownership of handguns.

Constituents were fairly evenly divided on Federal financing with taxpayers' moneys of election campaigns for President, U.S. Senators and U.S. Representatives. Fifty-one percent thought that the Service Academies—Air Force, West Point and Annapolis—should accept women.

In addition to sharing the results with my colleagues, I will send them to the President:

QUESTIONNAIRE RESULTS

[Answers in percent]

1. The state of the economy is of prime concern to Americans:

A. At this time, which is most important? (one only)

Reducing unemployment	30
Fighting inflation	64
Neither of above	6

B. What would be most effective to improve economic conditions and stimulate employment? (one only)

Increase Federal spending stimulants including public works and public service jobs	19
Improve profit and investment incentives to encourage expansion and promote more jobs	49
Avoid any further Federal action on either and let economy take its own course	23
None of the above	9

2. Despite the recession, Americans still are beset by higher prices. Which action do you favor? (one or more)

Selective wage-price controls in key areas such as food, fuel, and rent	27
Mandatory wage-price controls in all areas of the economy affected by inflation	25
Standby controls only	10
Price controls without wage controls	5
Cutbacks in Federal programs and benefits	29
Higher interest rates and tighter money supply	4

3. How we deal with the issue of energy supplies is important to us as a Nation and as individuals.

A. Do you think we should strive to become energy self-sufficient even if it involves significantly higher energy costs?

Yes	72
No	18
Undecided	10

B. Should we take immediate action to cut oil imports rather than awaiting recovery from the recession?

Yes	48
No	38
Undecided	14

C. Leaving aside the present economic situation, do you favor high taxes on gasoline sold at the pump as a means of curtailing consumption?

Yes	30
No	65
Undecided	5

D. Do you approve of increased offshore exploration for oil despite some environmental risks?

Yes	71
No	21
Undecided	8

E. Based on present knowledge, do you favor proceeding with construction of as many nuclear generating plants as feasible?

Yes	69
No	21
Undecided	10

4. Which best reflects your opinion of our present defense posture? (one only)

Adequate to meet our needs—maintain present military spending	51
Inadequate to meet our needs—increase military spending	23
More than adequate to meet our needs—cut military spending	23
None of the above	3

5. In general terms, which statement best expresses your views on what should be the thrust of our foreign policy§ (one only)

Our national interests can best be served by reducing overseas commitments as quickly as possible	28
Our national interests can best be served by continuing to exercise strong American presence throughout the world	23
Our national interests can best be served by selecting certain areas overseas for which we will make strong commitments	45
None of above	4

6. Are you in favor of using taxpayers' monies to help finance:

Presidential campaigns?

Yes	49
No	45
Undecided	6

Campaigns for the House of Representatives?

Yes	41
No	51
Undecided	8

Senatorial campaigns?

Yes	42
No	50
Undecided	8

7. Regardless of past events, do you feel the United States has an obligation to help refugees who fled South Vietnam and Cambodia?

Yes	52
No	38
Undecided	10

8. Should employees of the Postal Service have the right to strike?

Yes	20
No	73
Undecided	7

9. Do you believe that citizens 65 or older should be exempted from paying income on a portion (say $5,000) of retirement benefits or earnings?

Yes	87
No	10
Undecided	3

10. Do you favor laws limiting individual ownership of handguns?

Yes	71
No	25
Undecided	4

11. Should the Service Academies—Air Force, West Point, and Annapolis—accept women?

Yes	51
No	43
Undecided	6

Party preference of those responding.

Republican	63
Democrat	20
Non-partisan	16
Other	1

Ages of those responding.

18 to 21	2
21 to 35	21
35–50	26
50–65	29
65 and over	22

SENATE—*Monday, September 15, 1975*

(Legislative day of Thursday, September 11, 1975)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by Hon. Quentin N. Burdick, a Senator from the State of North Dakota.

PRAYER

The Chaplain, the Rev. Edward L. R. Elson, D.D., offered the following prayer:

O God, our Father, as we hallow Thy name so may we hallow our own, keeping our hearts pure, our souls unsullied, our ideals untarnished, our motives uncorrupted, our honor unblemished, our dedication to Thy kingdom complete. Lead us in paths of righteousness for Thy name's sake. Show us again the truth that whoever is greatest is servant of all. Grant us Thy guiding light that amid the tensions of testing times we may ever possess an inner certainty which holds us in undeviating devotion to the right as Thou dost give us to see the right.

We pray in His name, who is the Light of the World. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. Eastland).

The legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, D.C., September 15, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. Quentin N. Burdick, a Senator from the State of North Dakota, to perform the duties of the Chair during my absence.

James O. Eastland,
President pro tempore.

Mr. BURDICK thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Thursday, September 11, 1975, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL 11 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 11 o'clock a.m. tomorrow.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXTENSION OF TIME FOR COMMITTEE ON RULES AND ADMINISTRATION TO REPORT S. 5

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on Rules and Administration have until midnight Friday to report S. 5 back to the Senate.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Does the Senator from Michigan seek recognition?

Mr. GRIFFIN. No.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a brief period for the transaction of routine morning business, for the purpose of the introduction of bills, joint resolutions, concurrent and simple resolutions, memorials, and statements only, of not to exceed 20 minutes, with statements therein limited to 5 minutes each, and with no legislative business to be transacted.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

HEARINGS ON CONSTITUTIONAL AMENDMENTS TO ELIMINATE DEFICIT FINANCING

Mr. CURTIS. Mr. President, in spite of the fact that many Senators are very much concerned about the Federal budget, and in spite of the fact that our Committee on the Budget has done some outstanding work, we are not controlling the Federal budget. I sometimes doubt whether we can accept the premise that we will have only a certain amount of debt. It would require a greater restraint than that.

Last January, the President spoke of holding the line on the deficit at $60 billion. The indications now are that, as a result of actions that have been taken, it will exceed $70 billion. Probably a more realistic figure for our current deficit would be in the neighborhood of $83 billion.

Mr. President, many of the States, I daresay most of them, operate under a constitutional provision that prohibits deficit financing. I firmly believe that we must do the same thing on the Federal level. I believe that we must have written into the Federal Constitution a provision that would bring an end to deficit financing, and compel the Government to go on a pay-as-you-go basis.

I have introduced a constitutional amendment to that effect by means of Senate Joint Resolution 55. A number of cosponsors have joined me. The distinguished Senator from Georgia (Mr. Talmadge), likewise, has introduced a joint resolution with the same objective, Senate Joint Resolution 93.

I am happy to report that hearings will be held on both of those joint resolutions by the Subcommittee on Constitutional Amendments of the Senate Committee on the Judiciary on September 23 and on October 7. I make this announcement for the interest and information of the Senate, and express the hope that many Senators will join in the support of constitutional restraint on Federal spending. I invite them to attend the hearings and to testify in support of this proposal.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. Is there further morning business?

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE FINANCIAL PLIGHT OF NEW YORK CITY

Mr. HARRY F. BYRD, JR. Mr. President, the drumbeat to have the American taxpayer bail out New York City is accelerating.

Daily, for example, the New York Times demands Federal action. It editorializes in its headlines and its news columns for its cause.

New York politicians are seeking to outdo one another in the shrillness of their demands for Federal loans or guarantees for New York City bonds.

President Ford and the Congress can expect accelerated pressure.

President Ford to date has stood firm, and I applaud him.

As late as last week, he expressed sympathy for New York City's difficulties, but he added that New York City must be forced to straighten out its own problems. I applaud the President for this position.

A week ago today, I wrote the President to urge that he stand firm and second, to say that as a Member of the U.S. Senate, I shall do all that I can to support that position.

I shall resist to the utmost the use of Federal funds to bail out a city whose politicians are responsible for its financial mess.

In my letter to the President, I analyze the New York problem—how the city got in its present bankrupt position, and what lessons can be learned from it.

I ask unanimous consent to print in the Record at this point, my letter to President Ford.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, D.C., September 8, 1975.

Hon. Gerald R. Ford,
The White House,
Washington, D.C.

My Dear Mr. President: I write in anticipation that you will face great pressure to have the federal government bail New York City out of the severe financial difficulties into which it has fallen because of mismanagement by its own officials.

You have firmly resisted pleas by New York Governor Carey and New York City Mayor

Beame. Press reports indicate, however, that you will face added pressure from the New York Congressional Delegation, and each day The New York Times becomes more insistent that the federal taxpayers come to New York's rescue. Saturday, the Republican leader of the New York Senate said federal help to New York City "makes political sense."

A great deal of thought and time on this matter convinces me that if political pressure stampedes the Administration and the Congress into using federal tax dollars or guarantees to rescue New York City from its self-made difficulties, a dangerous precedent will be set. Indeed, it will be a bottomless pit.

I write to urge that you stand firm in your position and, secondly, to say that as a member of the United States Senate, I shall do all that I can to support that position.

I shall resist to the utmost the use of federal funds to bail out a city whose politicians are responsible for its financial mess. I might say that the financial mess is bipartisan, having begun with a Democratic Mayor and having been accelerated—and multiplied—by a Republican Mayor.

Of course, each of us is aware of the national implications of New York's difficulties. Both of us, I know, regret the disruptive effect on the municipal bond market.

But New York City not only has thoroughly mismanaged its affairs; it has adopted devious procedures. It has deceived the public as to the true financial condition of the City and circumvented the balanced budget requirement of the City Charter.

Both the financial community and individual investors have lost confidence in the City government.

Recently, it was impossible to sell tax-exempt bonds to raise funds for the City, even at a 10-percent yield. Subsequently, some bonds were sold at the amazing yield of 11-percent tax-exempt. This means that a purchaser in the 50 percent federal income tax bracket would be obtaining a 22 percent return on his investment.

How could a federal bail-out of New York City, which would include the speculators and big banks and others who have invested in New York City bonds at a remarkably high and tax-free yield, be justified to this country's hardworking wage earners?

I think it unlikely that the American taxpayer would tolerate the use of his hard-earned tax dollars to guarantee tax-exempt income for New York City investors.

Even if the tax exemption is eliminated for any future government-guaranteed New York City bonds, the existing bond-holders would benefit. In addition, the two-signature paper would make the New York bonds more attractive than federal bonds.

A study of the record shows that the City's deficit spending originated in the last year of Mayor Wagner's administration. Its budget for 1964–1965 indicated a deficit of $100 million. Since the deficit could not be entirely covered by a contingent fund, the State Legislature passed a law which has had grave consequences.

Before the new law, the City could borrow by issuing revenue anticipation notes against forthcoming state and federal aid and certain fees and taxes. But the amount of the borrowing was limited by the fees and taxes currently due and aid collected in the previous year.

The new law, however, allowed the City to borrow against the Mayor's "estimate" of state and federal aid currently due.

It also allowed the City to borrow against fees and taxes not receivable currently.

The Wagner administration issued $56 million in notes under this new law and was therefore able to cover the deficit.

But this fiscal irresponsibility was just the beginning.

In the fall of 1965, Mayor Lindsay's administration came into office.

Between 1965 and 1969, the City experienced an economic boom. Some 220,000 new jobs were created in the City. Analysis shows, however, that municipal workers accounted for 37 percent of the increase.

And during this same prosperous period, the City's welfare roll doubled—from 500,000 in 1965, to 1,000,000 in 1969.

Since 1970, Mayor Lindsay's second term, the City has experienced a general economic downturn. Some 400,000 jobs were lost, or 11 percent of the jobs available in the City in 1969.

Yet, until recently, the City continued to put more people on its payroll. New York City now has 300,000 employees, or 51 for every 1,000 inhabitants. In most other large cities, the ratio is 35 per 1,000.

New York City employees' earnings increased 129 percent in the 1960's. For the comparable period, the increase in the private sector was only 85 percent.

The substantial increase in the number of City employees and their pay, of course, brought on enormous pension costs to the City. Under wage contracts negotiated by the Lindsay administration, a great many of City employees' pensions are based on their final year's pay, including overtime.

Under this formula, The New York Times recently reported an example of a $13,000-a-year bus driver who received a $15,000 pension.

The pension cost was $317 million per year when Mayor Lindsay took office. It doubled in the next eight years. Since Mayor Beame took office, it has doubled again. Experts now predict the pension system will cost $1.7 billion by 1980.

The City's welfare roll stands at over one million persons. Not only has the number of welfare recipients been sharply increased, but the welfare programs have been expanded. Now the City even offers day care for children of non-working mothers.

The City's welfare roll remains laden with ineligibles. The ineligibility rate in the City is nine percent, as compared to less than one percent in the rest of New York State. The significance is that one percentage point means a cost of $10 million.

Secretary Simon recently noted that among cities of one million or over, all of which have underprivileged populations, only New York City spends more than $20 per inhabitant on welfare.

But for every man, woman and child in New York City, an average of $315 in taxes is collected to pay for welfare costs.

The City also operates a university which is tuition-free to all its residents, including those who are able to pay.

To be sure, the free higher education, the generous welfare system, the substantial wages and pensions, all have been instituted for a better living.

But, as the financial crisis attests, nothing is free.

What is New York City's situation today?

The City now has some $8 billion in long-term debt and about $4 billion in short-term debt. New York City's short-term debt is about 30 percent of all short-term debt incurred by all states, cities, counties and local authorities in this nation.

The servicing cost of this total debt is an enormous $1.8 billion this year. This amount is nearly 17 percent of the City's budget and more than the City's cost for police, fire, and environmental protection.

The City's budget was $3.8 billion in 1965, $8.5 billion in 1972, and approximately $12 billion this year.

Thus, the cost of government in New York City has more than tripled in eleven years, despite a decline in population.

While total expenditure was thus increased at an annual rate of 15 percent, the increase in revenue was at a rate of only five percent per year.

Another point worthy of note is that the City's capital budget is separate from its operating expense budget. The capital budget items for school and road construction are financed by issuing debt.

Because the capital budget is not financed from normal revenues, the Lindsay administration found it an attractive place to hide great variety of operating expenses.

By the time the current year's capital budget was drawn up, City Comptroller Goldin announced that it included some $737 million worth of operating expenses—or about 50 percent of the entire city-financed portion of the budget.

Before the Municipal Assistance Corporation was created by the State Legislature last June, in an effort to put the City's finances in order, the City refused to disclose its cumulative operating deficit.

Just recently, the auditors of Municipal Assistance Corporation determined that during the past several years the City's operating expenditures exceeded revenues by a whopping $3.3 billion despite the City Charter requirement for a balanced budget. The Beame administration reluctantly conceded this to be correct.

Now pressure is building for assistance from the federal government.

As The Washington Post so accurately noted today, whatever the federal government does for New York, it must be prepared to do for other cities. I am informed that Newark, Cleveland, Philadelphia, Detroit, Buffalo—to name only a few—are faced with difficulties not too different from New York.

Help for New York, therefore, must be weighed not only in terms of what it will cost and what it will do for that City, but in terms of what it will cost and what its consequences will be if similar circumstances arise elsewhere.

And the dangers are not only financial: If the federal government bails out a troubled city, it will have to intrude itself into that city's internal operations. Thus the trend toward federal dictation and centralized power, which you and I strongly oppose, would be accelerated.

For all these reasons, I urge that you stand firm against a federal bailout of New York City, and in such a cause I shall stand four-square with you in the Senate.

With best wishes, I am

Sincerely,

HARRY F. BYRD, Jr.

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, is there further morning business?

The ACTING PRESIDENT pro tempore. Is there further morning business?

Mr. TOWER. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. ROBERT C. BYRD. Yes.

PRIVILEGE OF FLOOR—1537

Mr. TOWER. Mr. President, I ask unanimous consent that during the consideration of S. 1537 Michael **Hemphill** of the staff of the Joint Committee on Defense Production be permitted access to the floor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, on the same issue, if the Senator will yield, I ask unanimous consent that the director of the Defense Production Committee, Mr. William Kincade, and Mr. Kenneth McLean, the staff director of the Committee on Banking, Housing and Urban Affairs be permitted privileges of the floor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. BURDICK) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

APPROVAL OF JOINT RESOLUTION

A message from the President of the United States stated that on September 11, 1975, he approved and signed the joint resolution (S.J. Res. 125) authorizing and requesting the President to issue a proclamation designating Sunday, September 14, 1975, as "National Saint Elizabeth Seton Day."

MESSAGE FROM THE HOUSE

At 12:03 p.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the bill (S. 2017) to amend the Drug Abuse Office and Treatment Act of 1972, and for other purposes, with an amendment in which it requests the concurrence of the Senate.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

SENATE JOINT RESOLUTION 55

At the request of Mr. CURTIS, the Senator from Utah (Mr. GARN) was added as a cosponsor of Senate Joint Resolution 55, proposing an amendment to the Constitution of the United States relative to the balancing of the budget.

AMENDMENTS SUBMITTED FOR PRINTING

ADDITIONAL DISTRICT COURT JUDGES—S. 287

AMENDMENT NO. 879

(Ordered to be printed and to lie on the table.)

Mr. WILLIAM L. SCOTT submitted an amendment intended to be proposed by him to the bill (S. 287) to provide for the appointment of additional district court judges and for other purposes.

NOTICE OF HEARINGS BY THE AGRICULTURAL RESEARCH AND GENERAL LEGISLATION SUBCOMMITTEE

Mr. ALLEN. Mr. President, the Agricultural Research and General Legislation Subcommittee of the Committee on Agriculture and Forestry will hold hearings beginning at 9 a.m. on September 23, 1975 in room 324, Russell Office Building on an unpublished proposed plan of the U.S. Department of Agriculture to move from the existing Federal-State meat and poultry system to one fully utilizing the authorities of the Talmadge-Aiken Act (76 Stat. 663) on an 80–20 cost-sharing basis.

All parties interested in presenting testimony contact the committee clerk.

Mr. President, under the provisions of the existing Federal Meat Inspection Act, Federal-State funding of the system is on a 50–50 basis. Further, meat inspected in State-inspected plants is prohibited from moving in interstate commerce.

At the present time, Talmadge-Aiken authority plants are funded on a 50–50 basis but meat inspected in these plants is permitted to move in interstate commerce. Therefore, a move to 80–20 under Talmadge-Aiken has many implications.

In 1973, the Committee on Agriculture and Forestry and the Senate approved a bill (S. 1021) authorizing a change in the Federal-State cost-sharing basis from 50–50 to 80–20. This bill was not approved by the House.

In 1974, the Subcommittee on Agricultural Research and General Legislation held hearings on S. 1919, which would have permitted interstate shipment of meat inspected under State systems. However, this bill was disapproved by the full committee on a show of hands, 5 to 3.

Inasmuch as the Department's proposed plan has many ramifications, the Secretary of Agriculture has been requested to suspend consideration of that plan until the Committee on Agriculture and Forestry has had an opportunity to obtain public views on the matter and give the new proposal full consideration.

NOTICE OF HEARINGS ON BILLS TO AMEND THE CRIME CONTROL AND SAFE STREETS ACT

Mr. McCLELLAN. Mr. President, I wish to announce for the information of the Members and the public that the Subcommittee on Criminal Laws and Procedures will begin open hearings on bills to amend the Omnibus Crime Control and Safe Street Act of 1968 on October 1–2, 1975. Bills to be covered in the hearings include: S. 460 (Senator JAVITS), S. 1297 (Senator MORGAN), S. 1598 (Senator MORGAN), S. 1601 (Senator EAGLETON), S. 1375 (Senator BEALL), S. 2212 (Senator HRUSKA), and S. 2245 (Senator FONG).

The hearings will commence each day at 10 a.m. in room 1114, Dirksen Senate Office Building.

Any person wishing to appear and testify or to submit a statement should contact the subcommittee staff in room 2204, Dirksen Senate Office Building: telephone 202–224–3281.

NOTICE OF HEARING

Mr. METCALF. Mr. President, when he last appeared before the Subcommittee on Minerals, Materials and Fuels, Ambassador John Norton Moore said the executive branch of our Government was "now conducting a thorough reevaluation of our interim policy" on the law of the sea.

He continued:

> We hope to complete our study and consultation by, or soon after, the August Congressional recess at which time we will submit to the Congress not only our recommendations concerning interim legislation, but also a full and frank evaluation of the factors that we have weighted.

The hearing of this past June 4 was printed as part 3 of the "Status Report on Law of the Sea Conference."

Soon after I had tentatively scheduled a hearing for September 17 to hear about the reevaluation, the recommendations and the evaluation, I was asked to postpone the hearing to give the State Department the opportunity for discussions with its Advisory Committee. I agreed to do so.

This will notify my colleagues that the hearing will begin at 10 a.m., October 29, in room 3110, Dirksen Senate Office Building. The hearings will be devoted solely to hearing witnesses from the executive branch discuss the reevaluation, the recommendations and the "full and frank evaluation."

To testify, I have invited Mr. Carlyle E. Maw, Undersecretary of State for Security Assistance and Acting Special Representative of the President for the Third United Nations Conference on the Law of the Sea. I asked him to bring Ambassador Moore and other representatives of Federal agencies on the LOS Task Force who can contribute to the hearing. If there are questions about this hearing, they may be discussed with Mike Harvey, Deputy Chief Counsel for the Interior Committee, 41076, or with Brit Englund, my Administrative Assistant, 42651.

ADDITIONAL STATEMENTS

YOM KIPPUR

Mr. **PACKWOOD.** Mr. President, today is Yom Kippur, the most solemn of the Jewish religious festivals. It is a day when all work ceases and time is given over to fasting and prayer. It is a day of atonement, of seeking forgiveness for one's past offenses and renewing one's relationship with God and fellow man.

Two years ago, however, Yom Kippur took on a new significance. On that holy day, the solemn celebration in Israel was brought to an abrupt halt. Egypt and Syria launched a two-front attack on Israel and the October war began. The world's attention was riveted to the Middle East. Though the hostilities lasted only a few weeks, it became clear that continued war between the Arabs and Israelis would impact disasterously on the whole world. Diplomatic expertise was mobilized and renewed efforts to negotiate a lasting peace in the Middle East were given top priority. I think this is an appropriate occasion to review the results of those negotiations to date.

One of the decisive conclusions of the October war was that the problems intrinsic to the Arab-Israel conflict could not be solved by purely military means. The potential losses to all sides through continued military confrontations were unacceptable and the risks of big power confrontations untenable. Realization gave added impetus to negotiations aimed at a political settlement which would be acceptable to all sides.

Through the introduction of the step-by-step approach to a final peace agreement, in conjunction with the dramatic diplomatic shuttle technique, initial disengagement agreements between Israel and Egypt and Israel and Syria were achieved. Though ostensibly for the purpose of resettling the lines of demarcation, the primary significance of the accords lay in the fact that they were the first to be concluded between Israel and Arab States since the 1949 armistice agreements. Furthermore, they marked the first face-to-face meeting between Israel and Arab representatives at a peace table. The diplomatic foot was in the door.

As the saying goes, "Nothing succeeds like success," however tenuous. Consequently, having accomplished an initial agreement between the Israelis and Egypt and Syria, the machinery was set in motion for phase 2 of the peace negotiations.

In March of this year, the Secretary of State again made a whirlwind tour of the Middle Eastern countries. When the anticipated second accord between Egypt and Israel was not forthcoming, he returned to the United States. The wheels of State continued to turn, however, and by midsummer it became evident that the sought-after second agreement might yet be accomplished. Two weeks ago, it was initialed in Geneva by Israel and Egyptian representatives and it too makes marked progress toward an understanding of peace between the countries.

Most notable of the provisions contained in the document initialed in Geneva are an assumption by both parties that "the conflict between them and in the Middle East shall not be resolved by military force but by peaceful means"; the statement that "the parties hereby undertake not to resort to the threat or use of force or military blockade against each other"; and the agreement of Egypt to the "transit of nonmilitary cargoes destined for or coming from Israel through the Suez Canal."

Historically, Israel has sought recognition of her territorial integrity and assurances of nonbelligerency from the Arab nations surrounding her. She has made repeated offers to transfer captured land in exchange for assurances of nonbelligerence. However, those assurances were not granted and there was no concrete evidence that they were forthcoming. The three no's—no negotiation, no recognition, no peace—prevailed.

In this context, then, the most recent agreement between Egypt and Israel represents a major breakthrough in the intractable pan-Arab attitude on the subject of nonbelligerency. President Sadat's pledge to refrain from the use of threat or force for the duration of the agreement is unprecedented and, if steadfastly held to, could eventually pave the way for peaceful coexistence. It is a beginning—no more but no less—and should be appreciated as such.

In exchange for Egypt's promises, Israel has agreed to cede the valuable Abu Rudeis oilfields, won in the 1967 war, back to Egypt. The source of 60 percent of Israel's petroleum consumption, it is a considerable sacrifice at a time when energy resources are in great demand and sorely limited.

In conjunction with the transferral of the oil fields, Israel further agreed to pull back from a strip of land along the northeastern section of the Suez Canal to provide Egypt with access to the Abu Rudeis fields. The demilitarization of the Gidi and Milta Passes was a third Israel concession.

Central to the achievement and success of the new agreement, and those which preceded it, has been the continued participation of the United States in the efforts to negotiate a lasting peace in the Middle East. Certainly our interests in that region are considerable: the maintenance of the balance of power; insured access for ourselves and our allies to the vast oil resources of the Middle East and economic and regional stability.

However, it goes without saying, or should, that our major commitment is to the territorial integrity and security of Israel. As one of the architects of the Israel state, the United States has a deep-founded and continuing interest in her well-being. She is a good friend and a loyal ally. The difficulties of the last 27 years have served to strengthen, not shatter, that relationship. We have grown together in the pursuit of peace. It is imperative that we continue to work together to realize that common goal.

What then, constitutes peace? For Israel, it is recognition of her right to exist and assurances of nonbelligerency from her Arab neighbors. For the Arab countries, it is the return of territory captured in the 1967 war, a resolution of the Palestinian question and the status of Jerusalem. They need not be mutually exclusive. Marked progress has already been made.

The unique position the United States now occupies in the Middle East negotiations carries with it both great responsibilities and some risks. How we respond to the challenges they project depends largely on how we employ our expanded influence.

Theodore Draper offered one perspective in his article in the April 1975 issue of Commentary.

> In essence, the (American) . . . policy has tended to interpose the United States between Israel and the Arabs. The basic formula has been for the United States to do for the Arabs what the latter will not do themselves. If the Arabs cannot force Israel to give up territory, the United States is expected to put subtle and not-so-subtle pressure on Israel to give up territory. If a return to the pre-1967 boundaries decreases Israeli security, the United States considers making up the difference with an American or American-plus guarantee.

In my judgment, the primary responsibility of the United States in Middle East negotiations is to facilitate to the extent possible an agreement which is fully acceptable to all parties.

If we are successful, then I believe the risks will be negligible. However, if we follow the strategy Dr. Draper projects, substituting Israeli security for an American guarantee, our risks of direct involvement in renewed hostilities are heightened.

Israel has a right to exist and stand securely on her own. It is her desire to do so and we should be lending our support. Pressures like the "reassessment of our position in the Middle East" or slowed deliveries of essential military supplies undermine that independence and may be construed as a softening of our commitment to Israel's security.

Israel's bargaining strength lies in her territorial holdings. If she is asked to give them up, then she must be compensated with the appropriate tender; in this case, assurances of nonbelligerency and formal recognition. To pressure her in any way to settle for less would be to assure a new outbreak of hostilities, with the attendant risk of United States, or big power, involvement.

Mr. President, experience has proven over and over again that imposed settlements—or those concluded under pressure—never last. We know that and Israel knows that. Her so-called intransigence is caution bred by a quarter of a century of outright hostility and threats to her existence from those nations surrounding her.

The United States would find that an untenable situation for 24 hours, much less 27 years. We have always fiercely fought any threat—whether internal or external—to our territorial integrity and security. We can hardly expect that the Israelis would do less.

Mr. President, the newest Israeli-Egyptian agreement gives heart to those earnestly desiring peace in the Middle East. In the 2 years since Yom Kippur of 1973, some progress—however small and however tentative—toward the establishment of a nonhostile relationship between the Arabs and Israelis has been made.

Nadav Safran remarked, in the October 1974 issue of Foreign Affairs.

> No negotiated accord is proof against determined bad faith and no negotiated accord can therefore be concluded without each of the contracting parties granting a modicum of good faith to the others.

The initial gesture of good faith has been made. Hopefully, it will lead to others. As General Mordechai Gur said,

> As to whether I did a good thing, I'll only know in another five years.

We must continue to encourage progress toward a lasting-peace settlement in the Middle East; toward an agreement which will not in the process compromise Israel's security; toward an agreement which will—in 5 years—assure General Gur that he did do a good thing.

Centuries ago, Hippocrates remarked that:

> Healing is a matter of time, but it is sometimes also a matter of opportunity.

In the spirit of Yom Kippur, we should endeavor to responsibly use the opportunities now available to us to bind up old wounds. If we do not, the time will be a luxury lost to us.

THE RISING TIDE OF ADVISORY COMMITTEES

Mr. METCALF. Mr. President, in enacting the Federal Advisory Committee Act the 92d Congress declared that—

> New advisory committees should be established only when they are determined to be essential and their number should be kept to the minimum necessary.

Despite that declaration, and despite the fact that the act sets our guidelines for congressional committees, the President and agency heads to follow when considering the establishment of an advisory committee, the number of advisory committees is increasing rapidly, almost as if they were created through spontaneous regeneration.

As of August 1 there were 1,307 advisory committees, according to the Office of Management and Budget's Committee Management Secretariat, up from 1,242 at the end of December 1974. To top 1,300 is to set an unfortunate high water mark, given the management controls supposedly in place to eliminate unnecessary advisory committees and discourage creation of new ones.

For a time the Federal Advisory Committee Act really appeared to be stemming the tide. For example, from December 31, 1972, when the first advisory committee inventory was taken, to May 1, 1975, a span of 28 months, the number of advisory committees fell to 1,250 from 1,439, a net decrease of 189.

Actually, the Federal Advisory Committee Act was a far more effective weapon during that period than the net decrease would indicate. Since 525 or more advisory committees were newly created or newly discovered—that is, were belatedly recognized and tallied as advisory committees—during 1973 and 1974, the act really fended off more than 700 advisory committees during that 28-month period.

Mr. President, the rise in the number of advisory committees to 1,307 from 1,242 during the first 7 months of 1975 is especially disappointing because it occurred despite the January fallout from the automatic termination provision of the Federal Advisory Committee Act. That provided that any advisory committee in existence on the effective date of the act, January 5, 1973, would terminate automatically 2 years later unless it had been formally renewed or enjoyed a longer duration specified by statute.

The outlook for 1976 is not encouraging, either, when you consider that before the August recess Members of Congress had introduced more than 750 bills establishing, authorizing or otherwise affecting advisory bodies. If fewer than 10 percent were to become law, the output of the 94th Congress would substantially exceed that of the 93d Congress, which passed no fewer than 54 laws affecting advisory committees.

Congress can prevent the statutory proliferation of advisory committees if its standing committees will follow these guidelines contained in section 5(b) of the Federal Advisory Committee Act:

> In considering legislation establishing, or authorizing the establishment of any advisory committee, each standing committee of the Senate and of the House of Representatives shall determine, and report such determination to the Senate or to the House of Representatives, as the case may be, whether the functions of the proposed advisory committee are being or could be performed by one or more agencies or by an advisory committee already in existence, or by enlarging the mandate of an existing advisory committee. Any such legislation shall—
>
> (1) contain a clearly defined purpose for the advisory committee;
>
> (2) require the membership of the advisory committee to be fairly balanced in terms of the points of view represented and the functions to be performed by the advisory committee;
>
> (3) contain appropriate provisions to assure that the advice and recommendations of the advisory committee will not be inappropriately influenced by the appointing authority or by any special interest, but will instead be the result of the advisory committee's independent judgment;
>
> (4) contain provisions dealing with authorization of appropriations, the date for submission of reports (if any), the duration of the advisory committee, and the publication of reports and other materials, to the extent that the standing committee determines the provisions of section 10 of this Act to be inadequate; and
>
> (5) contain provisions which will assure that the advisory committee will have adequate staff (either supplied by an agency or employed by it), will be provided adequate quarters, and will have funds available to meet its other necessary expenses.

Mr. President, this is a serious matter. The President and agency heads cannot be expected to exercise restraint in the establishment of committees, boards, councils, and the like if it appears to them that Congress is unwilling to follow its own instructions on the subject.

I ask unanimous consent to have printed in the RECORD the list of bills affecting advisory bodies, and their sponsors, introduced in the 94th Congress, as compiled in August by the American Law Division of the Congressional Research Service.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

LIST OF BILLS

ADVISORY BODIES (BILL NO., SPONSOR, AND DSUB)

(NOTE.—DSUB is an index term; DTTL stands for short title.)

H. Res. 209.—Sponsor, Mr. Murphy (Ill.); DSUB, Crime and criminals.

H. Res. 289.—Sponsor, Mr. Murphy (Ill.), et al.; DSUB, Crime and criminals.

H. Res. 290.—Sponsor, Mr. Murphy (Ill.), et al.; DSUB, Crime and criminals.

H. Res. 291.—Sponsor, Mr. Murphy (Ill.), et al.; DSUB, Crime and criminals.

H. Res. 314.—Sponsor, Mr. Hays; DSUB, Elections.

H. Res. 374.—Sponsor, Mr. Murphy (Ill.), et al.; DSUB, Crime and criminals.

H.J. Res. 166.—Sponsor, Mr. Whitten; DSUB, Riots.

H.J. Res. 167.—Sponsor, Mr. Whitten; DSUB, Law enforcement.

H.J. Res. 169.—Sponsor, Mr. Whitten; DSUB, Constitution—U.S.

H.J. Res. 291.—Sponsor, Mr. Levitas; DSUB, Old age, survivors and disability insurance.

H.J. Res. 297.—Sponsor, Mrs. Mink; DSUB, Federal advisory bodies.

H.J. Res. 402.—Sponsor, Mr. Levitas, et al.; DSUB, Executive reorganizations.

H.J. Res. 410.—Sponsor, Mr. Diggs, et al.; DSUB, Public contracts.

H.J. Res. 416.—Sponsor, Mr. Downey; DSUB, Social security.

H.J. Res. 420.—Sponsor, Mr. Pepper, et al.; DSUB, Medical care.

H.J. Res. 424.—Sponsor, Mr. D'Amours, et al.; DSUB, American Revolution Bicentennial celebration.

H.J. Res. 465.—Sponsor, Mr. D'Amours, et al.; DSUB, Federal advisory bodies.

H.J. Res. 474.—Sponsor, Mr. Pepper, et al.; DSUB, Conferences.

H.J. Res. 475.—Sponsor, Mr. Pepper, et al.; DSUB, Conferences.

H.J. Res. 476.—Sponsor, Mr. Pepper, et al.; DSUB, Conferences.

H.J. 487.—Sponsor, Mr. Rees; DSUB—Federal advisory bodies.

H.J. Res. 489.—Sponsor, Mr. Won Pat; DSUB, Colonial affairs.

H.J. Res. 514.—Sponsor, Mr. Levitas, et al.; DSUB, Executive reorganizations.

H.J. Res. 540.—Sponsor, Mr. Simon, et al.; DSUB, American Revolution Bicentennial celebration.

H.J. Res. 560.—Sponsor, Mr. Rees, et al.; DSUB, Energy conservation.

H.R. 1.—Sponsor, Mr. Ullman; DTTL, National Health Care Services Reorganization Act/National Health Care Services Financing Act.

H.R. 13.—Sponsor, Mr. Nix; DTTL, Federal Employee Labor Management Act.

H.R. 21.—Sponsor, Mr. Corman, et al.; DTTL, Health Security Act.

H.R. 22.—Sponsor, Mr. Corman, et al.; DTTL, Health Security Act.

H.R. 23.—Sponsor, Mr. Corman, et al.; DTTL, Health Security Act.

H.R. 24.—Sponsor, Mr. Boland; DSUB, Rivers.

H.R. 35.—Sponsor, Mr. Teague; DTTL, Environmental Research Centers Act.

H.R. 50.—Sponsor, Mr. Hawkins, et al.;

DTTL, Equal Opportunity and Full Employment Act.

H.R. 60.—Sponsor, Mr. Perkins, et al.; DSUB, Executive reorganization.

H.R. 61.—Sponsor, Mr. Edwards (Calif.); DTTL, Criminal Justice Information Control and Protection of Privacy Act.

H.R. 62.—Sponsor, Mr. Edwards (Calif.); DTTL, Criminal Justice Information Control and Protection of Privacy Act.

H.R. 75.—Sponsor, Mr. Dingell; DTTL, National Environmental Policy Institute Act.

H.R. 76.—Sponsor, Mr. Ford (Mich.), et al.; DTTL, National Employment Priorities Act.

H.R. 79.—Sponsor, Mr. Forsythe, et al.; DTTL, Federal Employee Labor Management Act.

H.R. 81.—Sponsor, Mr. Ullman; DTTL, National Presidential Elections Act.

H.R. 93.—Sponsor, Mr. Bennett; DTTL, Health Care Insurance Act.

H.R. 94.—Sponsor, Mr. Dingell; DTTL, National Health Insurance Act.

H.R. 112.—Sponsor, Mr. Bennett; DTTL, Presidential Primaries Act.

H.R. 116.—Sponsor, Mr. Bennett; DTTL, Correctional Services Improvement Act.

H.R. 182.—Sponsor, Mr. Anderson (Calif.), et al.; DTTL, Asian American Affairs Act.

H.R. 198.—Sponsor, Mr. Flood; DTTL, Panama Canal Modernization Act.

H.R. 237.—Sponsor, Mr. de la Garza; DTTL, Small Business Tax Simplification and Reform Act.

H.R. 254.—Sponsor, Mr. Teague, et al.: DTTL, Metric Conversion Act.

H.R. 265.—Sponsor, Mr. Boland; DTTL, National Commission on Epilepsy and Its Consequences Act.

H.R. 287.—Sponsor, Mr. Carney; DTTL, Criminal Injuries Compensation Act.

H.R. 304.—Sponsor, Mr Cohen, et al.; DTTL, Marine Fisheries Conservation and Management Fund Act.

H.R. 305.—Sponsor, Mr. Cohen; DTTL, Fishing Vessels Claims Recovery Act.

H.R. 311.—Sponsor, Mr. Conte; DTTL, National Corrections Academy Act.

H.R. 353.—Sponsor, Mr. Dellums; DTTL, War Resisters Exoneration Act.

H.R. 363.—Sponsor, Mr. Downing; DTTL, Health Care Insurance Act.

H.R. 377.—Sponsor, Mr. Chappell; DSUB, Antitrust law.

H.R. 392.—Sponsor, Mr. Chappell; DTTL, Correctional Services Improvement Act.

H.R. 396.—Sponsor, Mr. Fish; DTTL, National Agricultural Marketing and Bargaining Act.

H.R. 401.—Sponsor, Mr. Fish; DTTL, Capital Markets Advisory Committee Act.

H.R. 407.—Sponsor, Mr. Fish; DTTL, Bill of Rights for the Mentally Retarded.

H.R. 411.—Sponsor, Mr. Fish; DTTL, Foreign Investment Control Act.

H.R. 427.—Sponsor, Mr Fish; DTTL, Small Business Tax Simplification and Reform Act.

H.R. 437.—Sponsor, Mr. Fish; DSUB, Medicare.

H.R. 492.—Sponsor, Mr. Hechler; DTTL, Metric Conversion Act.

H.R. 500.—Sponsor, Mr. Heinz; DTTL, Commission on Mental Health and Illness of the Elderly Act.

H.R. 537.—Sponsor, Mrs. Holt; DTTL, Health Care Insurance Act.

H.R. 551.—Sponsor, Mr. Koch; DDTL, Museum Services Act.

H.R. 556.—Sponsor, Mr. Koch; DTTL, Drug Safety Consumer Information and Medical Records Act.

H.R. 560.—Sponsor, Mr. Koch; DSUB, Medical research.

H.R. 598.—Sponsor, Mr. Lehman; DTTL, Victims of Crime Act.

H.R. 627.—Sponsor, Mr. McClory; DSUB, Metric system.

H.R. 634.—Sponsor, Mr. Meeds; DTTL, Land Use Policy and Planning Act.

H.R. 653.—Sponsor, Mr. Murphy (N.Y.); DSUB, Education.

H.R. 658.—Sponsors, Mr. Murphy (N.Y.), DTTL, Records Management Act.

H.R. 660.—Sponsor, Mr. Murphy (N.Y.); DSUB, Executive reorganization.

H.R. 677.—Sponsor, Mr. Murphy (N.Y.); DTTL, National Health Action Corps Act.

H.R. 678.—Sponsor, Mr. Murphy (N.Y.); DTTL, National Commission on Epilepsy and Its Consequences Act.

H.R. 679.—Sponsor, Mr. Murphy (N.Y.); DTTL, Drug Safety Consumer Information and Medical Records Act.

H.R. 682.—Sponsor, Mr. Murphy (N.Y.); DTTL, National Cancer Research Act.

H.R. 687.—Sponsor, Mr. Murphy (N.Y.); DTTL, Bill of Rights for the Mentally Retarded.

H.R. 689.—Sponsor, Mr. Murphy (N.Y.); DTTL, Travel Agents Registration Act.

H.R. 700.—Sponsor, Mr. Murphy (N.Y.); DTTL, Federal Correctional Ombudsman Act.

H.R. 702.—Sponsor, Mr. Murphy (N.Y.); DTTL, Immigration and Nationality Act.

H.R. 777.—Sponsor, Mr. Murphy (N.Y.); DTTL, Health Security Act.

H.R. 820.—Sponsor, Mr. Pettis; DSUB, Nature conservation.

H.R. 831.—Sponsor, Mr. Peyser; DTTL, Federal Scholastic and Amateur Sports Act.

H.R. 838.—Sponsor, Mr. Peyser; DTTL, Bill of Rights for the Mentally Retarded.

H.R. 870.—Sponsor, Mr. Price; DTTL, Intergovernmental Consumer Assistance and Protection Act/Intergovernmental Consumer Assistance Act.

H.R. 873.—Sponsor, Mr. Price; DTTL, National Kidney Disease Act.

H.R. 908.—Sponsor, Mr. Price; DSUB, Medicare.

H.R. 945.—Sponsor, Mr. Roe; DTTL, Foreign Investment Control Act.

H.R. 969.—Sponsor, Mr. Rooney; DTTL, National Landlord-Tenant Act.

H.R. 970.—Sponsor, Mr. Rooney; DSUB, Congressional employees.

H.R. 973.—Sponsor, Mr. Rooney; DSUB, Athletics.

H.R. 974.—Sponsor, Mr. Rooney; DTTL, Medical Devices Safety Act.

H.R. 987.—Sponsor, Mr. Rosenthal; DTTL, Intergovernmental Consumer Assistance and Protection Act/Intergovernmental Consumer Assistance Act.

H.R. 1009.—Sponsor, Mr. Roybal; DSUB, Credit.

H.R. 1011.—Sponsor, Mr. Roybal; DTTL, Public Energy Act .

H.R. 1024.—Sponsor, Mr. Shriver; DSUB, Federal employees.

H.R. 1032.—Sponsor, Mr. Shriver; DTTL, Small Business Tax Simplification and Reform Act.

H.R. 1070.—Sponsor, Mrs. Sullivan; DTTL, Fisheries Conservation Act.

H.R. 1081.—Sponsor, Mrs. Sullivan, et al.; DTTL, Homeowners Mortgage Loan Corporation Act.

H.R. 1170.—Sponsor, Mr. Charles H. Wilson; DTTL, Asian American Affairs Act.

H.R. 1171.—Sponsor, Mr. Charles H. Wilson; DSUB, Aged.

H.R. 1173.—Sponsor, Mr. Charles H. Wilson; DSUB, Right of Privacy.

H.R. 1180.—Sponsor, Mr. Wydler; DTTL, Airport Noise Curfew Act.

H.R. 1183.—Sponsor, Mr. Wydler; DTTL, Consumer Protection Act.

H.R. 1196.—Sponsor, Mr. Young (Alaska); DTTL, Marine Fisheries Conservation and Management Fund Act.

H.R. 1229.—Sponsor, Ms. Abzug; DTTL, War Resisters Exoneration Act.

H.R. 1235.—Sponsor, Mrs. Sullivan; DTTL, Consumer Protection Amendments.

H.R. 1242.—Sponsor, Mr. Bingham; DTTL, Pure Fish and Fishery Products Act.

H.R. 1249.—Sponsor, Mr. Carney; DSUB, Medicare.

H.R. 1257.—Sponsor, Mr. Danielson, et al.; DTTL, Relocation Benefits Act.

H.R. 1259.—Sponsor, Mr. Delaney; DTTL, Comprehensive Older Americans Services Amendments/Older Americans Community Service Employment Act.

H.R. 1260.—Sponsor, Mr. Delaney; DTTL, Rehabilitation Act.

H.R. 1262.—Sponsor, Mr. Delaney; DTTL, Bill of Rights for the Mentally Retarded.

H.R. 1266.—Sponsor, Mr. Delaney; DTTL, Consumer Protection Act.

H.R. 1278.—Sponsor, Mr. Eilberg, et al.; DTTL, Opportunities for Adoption Act.

H.R. 1300.—Sponsor, Mr. Heinz; DSUB, Nursing homs.

H.R. 1305.—Sponsor, Mrs. Holt; DSUB, Malpractice.

H.R. 1332.—Sponsor, Mr. Litton; DSUB, Executive departments.

H.R. 1335.—Sponsor, Mr. Murphy (N.Y.); DTTL, National Landlord-Tenant Act/Landlord-Tenant Act.

H.R. 1338.—Sponsor, Mr. Murphy (N.Y.); DSUB, Social security.

H.R. 1340.—Sponsor, Mr. Murtha, et al.; DTTL, Black Lung Benefit Act.

H.R. 1344.—Sponsor, Mr. Obey; DSUB, Social security.

H.R. 1350.—Sponsor, Mr. Ottinger; DTLT, Comprehensive Child Development Act.

H.R. 1356.—Sponsor, Mr. Perkins; DTTL, Energy Self-Sufficiency Act.

H.R. 1357.—Sponsor, Mr. Perkins; DSUB, Coal mines and mining.

H.R. 1358.—Sponsor, Mr. Perkins; DTTL, Mineral Gasification and Liquefaction Development Act.

H.R. 1363.—Sponsor, Mr. Peyser; DSUB, Continental shelf.

H.R. 1365.—Sponsor, Mr. Peyser; DSUB, Medicare.

H.R. 1370.—Sponsor, Mr. Price; DTTL, Emergency Coal Administration Act.

H.R. 1374.—Sponsor, Mr. Roe; DSUB, Medicare.

H.R. 1376.—Sponsor, Mr. Rosenthal; DTTL, Airport Noise Curfew Act.

H.R. 1445.—Sponsor, Mr. Dominick V. Daniels; DTTL, Energy Information Act.

H.R. 1449.—Sponsor, Mr. Gonzalez; DTTL, Victims of Crime Act.

H.R. 1475.—Sponsor, Mr. Roberts; DTTL, Emergency Coal Administration Act.

H.R. 1488.—Sponsor, Mr. Roybal; DTTL, National Public Employee Relations Act.

H.R. 1513.—Sponsor, Mr. Anderson (Calif.); DTTL, Small Business Tax Simplification and Reform Act.

H.R. 1550.—Sponsor, Mr. Zablocki, et al.; DTTL, Arms Control and Disarmament Act Amendments.

H.R. 1609.—Sponsor, Mr. Hawkins, et al.; DTTL, Equal Opportunity and Full Employment Act.

H.R. 1610.—Sponsor, Mr. Hawkins, et al.; DTTL, Equal Opportunity and Full Employment Act.

H.R. 1629.—Sponsor, Mr. Studds, et al.; DSUB, Environmental policy.

H.R. 1668.—Sponsor, Mr. Chappell; DSUB; Executive reorganization.

H.R. 1684.—Sponsor, Mr. Gude; DTTL, Federal Criminal Justice System Reorganization Act.

H.R. 1699.—Sponsor, Mr. McCollister; DTTL, Federal Election Campaign Reform Act.

H.R. 1708.—Sponsor, Mrs. Mink; DTTL, Energy Materials Conservation Education Act.

H.R. 1713.—Sponsor, Mrs. Mink; DTTL, National Hospital Act.

H.R. 1770.—Sponsor, Mr. Smith (Iowa); DTTL, National Land Resources Act.

H.R. 1815.—Sponsor, Mr. Corman, et al.; DTTL, Health Security Act.

H.R. 1837.—Sponsor, Mr. Ford (Mich.); DTTL, Federal Employees Labor Relations Act.

H.R. 1838.—Sponsor, Mr. Ford (Mich.), et al.; DSUB, Intergovernmental relations.

H.R. 1841.—Sponsor, Mr. Forsythe, et al.; DTTL, Federal Employee Labor Management Act.

H.R. 1881.—Sponsor, Mr. Matsunaga; DSUB, Military law.

H.R. 1892.—Sponsor, Mr. Matsunaga; DTTL, Intergovernmental Consumer Assistance and Projection Act/Intergovernmental Consumer Assistance Act.

H.R. 1903.—Sponsor, Mr. Matsunaga; DTTL, Criminal Injuries Compensation Act.

H.R. 1910.—Sponsor, Mr. Matsunaga; DSUB, Right of privacy.

H.R. 1926.—Sponsor, Mr. Matsunaga; DTTL, Small Business Tax Simplification and Reform Act.

H.R. 1942.—Sponsor, Mr. Matsunaga; DTTL, Consumer Protection Act.

H.R. 1949.—Sponsor, Mr. Mollohan, et al.; DSUB, Historic sites.

H.R. 1957.—Sponsor, Mr. Pettis, et al.; DSUB, Deserts.

H.R. 1967.—Sponsor, Mr. Quillen; DTTL, Geothermal Energy Control Act.

H.R. 1984.—Sponsor, Mr. Goldwater, et al.; DTTL, Comprehensive Right to Privacy Act.

H.R. 2025.—Sponsor, Mr. Rosenthal, et al.; DTTL, Intergovernmental Consumer Assistance and Protection Act/Intergovernmental Consumer Assistance Act.

H.R. 2026.—Sponsor, Mr. Rosenthal, et al.; DTTL, Intergovernmental Consumer Assistance Act/Intergovernmental Consumer Assistance and Protection Act.

H.R. 2037.—Sponsor, Mr. Rosenthal, et al.; DTTL, Airport Noise Curfew Act.

H.R. 2038.—Sponsor, Mr. Rosenthal, et al.; DTTL, Airport Noise Curfew Act.

H.R. 2049.—Sponsor, Mr. Staggers; DTTL, National Comprehensive Health Benefits Act.

H.R. 2050.—Sponsor, Mr. Staggers; DTTL, National Comprehensive Health Benefits Act.

H.R. 2058.—Sponsor, Mr. Talcott; DTTL, Child Nutrition Act.

H.R. 2077.—Sponsor, Mr. Young (Fla.); DSUB, Medicare.

H.R. 2142.—Sponsor, Mr. Gude; DTTL, Bicentennial Constitutional Commission Act.

H.R. 2151.—Sponsor, Mr. Preyer, et al.; DSUB, Petroleum.

H.R. 2207.—Sponsor, Mr. Hawkins; DTTL, Community Land Grant Act.

H.R. 2209.—Sponsor, Mr. Hawkins, et al.; DTTL, Equal Opportunity and Full Employment Act.

H.R. 2230.—Sponsor, Mr. McCloskey; DTTL, Amnesty Act.

H.R. 2241.—Sponsor, Mr. Pettis, et al.; DSUB, Public lands.

H.R. 2258.—Sponsor, Mr. Shriver, et al.; DSUB, Federal employees.

H.R. 2263.—Sponsor, Mr. Charles H. Wilson; DTTL, Public Energy Act.

H.R. 2265.—Sponsor, Mr. Archer; DTTL, Federal Records Management Act.

H.R. 2267.—Sponsor, Mr. Barrett; DTTL, Agricultural Products Export Control Act.

H.R. 2272.—Sponsor, Mr. Dent; DTTL, National Overseas Education Act.

H.R. 2274.—Sponsor, Mr. Forsythe; DSUB, Social security.

H.R. 2277.—Sponsor, Mr. Heinz, et al.; DTTL, National Commission on Regulatory Reform Act.

H.R. 2319.—Sponsor, Mr. Heinz, et al.; DTTL, National Commission on Regulatory Reform Act.

H.R. 2322.—Sponsor, Mr. Kastenmeier, et al.; DTTL, Parole Reorganization Act.

H.R. 2325.—Sponsor, Mr. Kastenmeier, et al.; DTTL, Federal Correctional Ombudsman Act.

H.R. 2326.—Sponsor, Mr. Kastenmeier, et al.; DTTL, Parole Reorganization Act.

H.R. 2349.—Sponsor, Mr. Roybal, et al.; DSUB, Power resources.

H.R. 2376.—Sponsor, Mr. Winn, et al.; DSUB, Agriculture.

H.R. 2385.—Sponsor, Mr. Kastenmeier, DTTL, Energy Information Act.

H.R. 2432.—Sponsor, Mr. Dodd; DTTL, Health Revenue Sharing Act/Nurse Training Act.

H.R. 2441.—Sponsor, Mr. Forsythe; DTTL, Small Business Tax Simplification and Reform Act.

H.R. 2443.—Sponsor, Mr. Fuqua; DSUB, Intergovernmental relations.

H.R. 2447.—Sponsor, Mr. Heinz, et al.; DTTL, National Commission on Regulatory Reform Act.

H.R. 2450.—Sponsor, Mr. Howard; DTTL, Congressional Award Program Act.

H.R. 2477.—Sponsor, Mr. Stuckey; DSUB, Social Security.

H.R. 2490.—Sponsor, Mr. Yates; DSUB, Social Security.

H.R. 2511.—Sponsor, Mr. Corman, et al.; DTTL, Health Security Act.

H.R. 2514.—Sponsor, Mr. Heinz, et al.; DTTL, National Commission on Regulatory Reform Act.

H.R. 2568.—Sponsor, Ms. Abzug, et al.; DTTL, War Resisters Exoneration Act.

H.R. 2580.—Sponsor, Mr. Bowen; DTTL, Small Business Tax Simplification and Reform Act.

H.R. 2618.—Sponsor, Mr. Shriver, et al.; DSUB, Executive reorganization.

H.R. 2658.—Sponsor, Mr. Eilberg, et al.; al.; DTTL, Homeowners' Loan Act.

H.R. 2662.—Sponsor, Mr. Ford (Mich.), et al.; DSUB, Executive departments.

H.R. 2663.—Sponsor, Mr. Ford (Mich.), et al.; DSUB, Executive departments.

H.R. 2664.—Sponsor, Mr. Ford (Mich.), et al.; DSUB, Executive departments.

H.R. 2673.—Sponsor, Mr. Gaydos; DTTL, National Presidential Elections Act.

H.R. 2682.—Sponsor, Mr. Helstoski; DTTL, National Employment Priorities Act.

H.R. 2691.—Sponsor, Mr. Lehman; DTTL, Health Revenue Sharing Act/Nurse Training Act.

H.R. 2709.—Sponsor, Mr. Patten; DTTL, Consumer Protection Agency Act.

H.R. 2757.—Sponsor, Mr. Talcott; DTTL, Foreign Investment Control Act.

H.R. 2788.—Sponsor, Mr. Biaggi; DSUB, Law enforcement officers.

H.R. 2803.—Sponsor, Mr. Dellums; DTTL, Omnibus Penal Reform Act.

H.R. 2804.—Sponsor, Mr. Downey; DTTL, Federal Medical Malpractice Insurance Act.

H.R. 2812.—Sponsor, Mr. Ford (Mich.), et al., DTTL, Homeowners' Loan Act.

H.R. 2836.—Sponsor, Mr. Obey, et al.; DSUB, Social security.

H.R. 2837.—Sponsor, Mr. Obey, et al.; DSUB, Social security.

H.R. 2838.—Sponsor, Mr. Obey, et al.; DSUB, Social security.

H.R. 2839.—Sponsor, Mr. Obey, et al.; DSUB, Social security.

H.R. 2841.—Sponsor, Mr. Railsback; DTTL, Rural Health Care Delivery Improvement Act.

H.R. 2846.—Sponsor, Mr. Railsback; DTTL, Small Business Tax Simplification and Reform Act.

H.R. 2852.—Sponsor, Mr. Ryan; DTTL, United States Amnesty Commission Act.

H.R. 2854.—Sponsor, Mr. St Germain; DTTL, Fishing Vessels Claims Recovery Act.

H.R. 2859.—Sponsor, Mr. Talcott; DTTL, National Commission on Regulatory Reform Act.

H.R. 2884.—Sponsor, Mr. Gonzalez; DTTL, Federal Medical Malpractice Insurance Act.

H.R. 2913.—Sponsor, Mr. Murtha, et al.; DTTL, Black Lung Benefit Act.

H.R. 2933.—Sponsor, Mr. White, et al.; Records Management Act.

H.R. 2954.—Sponsor, Mr. Rogers, et al.; DTTL, Special Health Revenue Sharing Act/Family Planning and Population Research Act.

H.R. 2956.—Sponsor, Mr. Rogers, et al.; DTTL, Health Manpower Act.

H.R. 3007.—Sponsor, Mr. Heinz, et al.; DTTL, National Commission on Regulatory Reform Act.

H.R. 3038.—Sponsor, Mr. Pettis, et al.; DSUB, Conservation.

H.R. 3082.—Sponsor, Mr. du Pont; DSUB, Medicare.

H.R. 3098.—Sponsor, Mr. Ford (Mich.), et al.; DSUB, Intergovernmental relations.

H.R. 3102.—Sponsor, Mr. Gude; DSUB, Rivers.

H.R. 3104.—Sponsor, Mr. Heinz, et al.; DTTL, National Commission on Regulatory Reform Act.

H.R. 3106.—Sponsor, Hr. Helstoski; DTTL, Federal Employee Labor Management Act.

H.R. 3108.—Sponsor, Mr. Helstoski; DTTL, Social Security Administration Act.

H.R. 3114.—Sponsor, Mr. Obey, et al.; DSUB, Social Security.

H.R. 3115.—Sponsor, Mr. Perkins; DTTL, Black Lung Benefit Act.

H.R. 3122.—Sponsor, Mr. Ashley; DTTL, National Medical Malpractice Insurance and Arbitration Act.

H.R. 3155.—Sponsor, Mr. Howard; DSUB, Mass rapid transit.

H.R. 3199.—Sponsor, Mr. Badillo; DTTL, Guaranteed Employment Act.

H.R. 3205.—Sponsor, Mr. Cohen, et al.; DTTL, National Health Education Policy and Development Act.

H.R. 3209.—Sponsor, Mr. Corman, et al.; DTTL, Health Security Act.

H.R. 3235.—Sponsor, Mr. Goldwater, et al.; DTTL, Comprehensive Right to Privacy Act.

H.R. 3236.—Sponsor, Mr. Goldwater, et al.; DTTL, Comprehensive Right to Privacy Act.

H.R. 3237.—Sponsor, Mr. Goldwater, et al.; DTTL, Comprehensive Right to Privacy Act.

H.R. 3256.—Sponsor, Mr. Leggett, et al.; DTTL, Agricultural Labor Relation Act.

H.R. 3270.—Sponsor, Mr. Perkins, et al.; DTTL, Career Guidance and Counseling Act.

H.R. 3279.—Sponsor, Mr. Rogers (by request); DTTL, Health Manpower Act.

H.R. 3283.—Sponsor, Mr. Staggers, et al.; DSUB, Railroad employees.

H.R. 3333.—Sponsor, Mr. Perkins; DTTL, Black Lung Benefit Act.

H.R. 3356.—Sponsor, Mr. Steiger (Wisc.), et al.; DTTL, Youth Council Act.

H.R. 3362.—Sponsor, Mr. Whalen; DTTL, National Commission on Regulatory Reform Act.

H.R. 3388.—Sponsor, Mr. Archer, et al.; DTTL, Federal Records Management Act.

H.R. 3389.—Sponsor, Mr. Archer, et al.; DTTL, Federal Record Management Act.

H.R. 3398.—Sponsor, Mr. Broomfield; DTTL, Foreign Investment Control Act.

H.R. 3412.—Sponsor, Mr. Dingell, et al.; DTTL, Marine Fisheries Conservation Act.

H.R. 3413.—Sponsor, Mr. Duncan (Tenn.); DTTL, Black Lung Benefit Act.

H.R. 3419.—Sponsor, Mr. Frenzel; DTTL, Federal Election Campaign Act Amendments.

H.R. 3420.—Sponsor, Mr. Frey; DTTL, Controlled Substances Administration Act.

H.R. 3426.—Sponsor, Mr. Gonzalez; DSUB, Executive reorganization.

H.R. 3431.—Sponsor, Mr. Hechler; DSUB, Mine safety legislation.

H.R. 3436.—Sponsor, Mr. Howard; DTTL, Full Employment and Job Development Act.

H.R. 3437.—Sponsor, Mr. Howard; DTTL, National Medical Malpractice Insurance and Arbitration Act.

H.R. 3491.—Sponsor, Mr. Roybal; DTTL, Drug Abuse Education Act.

H.R. 3502.—Sponsor, Mr. Shriver, et al.; DSUB, Executive reorganization.

H.R. 3538.—Sponsor, Mr. Hanley; DSUB, Intergovernmental relations.

H.R. 3588.—Sponsor, Mr. Hall; DSUB, Federal advisory bodies.

H.R. 3590.—Sponsor, Mr. Heinz, et al.; DTTL, Rape Prevention and Control Act.

H.R. 3591.—Sponsor, Mr. Heinz, et al.; DSUB, Rape.

H.R. 3595.—Sponsor, Mr. Lujan; DSUB, Treaties.

H.R. 3630.—Sponsor, Mr. Devine; DSUB, Petroleum.

H.R. 3635.—Sponsor, Mr. Ford (Mich.), et al.; DTTL, Homeowners' Loan Act.

H.R. 3636.—Sponsor, Mr. Ford (Mich.), et al.; DTTL, National Employment Priorities Act.

H.R. 3664.—Sponsor, Mr. Lujan; DTTL, Federal Medical Malpractice Act.

H.R. 3665.—Sponsor, Mr. Lujan; DSUB, Executive departments.

H.R. 3674.—Sponsor, Mr. Matsunaga; DTTL, Health Security Act.

H.R. 3703.—Sponsor, Mr. Whalen; DSB, Intergovernmental relations.

H.R. 3718.—Sponsor, Mr. Foley, et al.; DTTL, Beef Research and Consumer Information Act.

H.R. 3740.—Sponsor, Mr. White, et al.; DTTL, Records Management Act.

H.R. 3777.—Sponsor, Mr. Frey; DSUB, Social security.

H.R. 3822.—Sponsor, Mr. Abdnor, et al.; DSUB, Deserts.

H.R. 3825.—Sponsor, Mr. Archer, et al.; DTTL, Records Management Act.

H.R. 3895.—Sponsor, Mr. Roybal; DTTL, National Commission on Health Science and Society Act.

H.R. 3907.—Sponsor, Mr. Wiggins; DTTL, Criminal Justice Reform Act.

H.R. 3918—Sponsor, Mr. Biaggi, et al.; DSUB, Law enforcement.

H.R. 3919.—Sponsor, Mr. Biaggi, et al.; DSUB, Law enforcement.

H.R. 3937.—Sponsor, Mr. Downey, et al.; DTTL, Federal Medical Malpractice Insurance Act.

H.R. 3938.—Sponsor, Mr. Downey, et al.; DTTL, Federal Medical Malpractice Insurance Act.

H.R. 3956.—Sponsor, Mr. Gude, et al.; DTTL, Bicentennial Constitutional Commission Act.

H.R. 3989.—Sponsor, Mr. Oberstar; DTTL, Intergovernmental Consumer Assistance Act/Intergovernmental Consumer Assistance and Protection Act.

H.R. 4010.—Sponsor, Mrs. Schroeder; DSUB, Food relief.

H.R. 4091.—Sponsor, Mr. Rangel; DTTL, National Landlord-Tenant Act.

H.R. 4093.—Sponsor, Mr. Rangel; DTTL, Voter Registration Act.

H.R. 4095.—Sponsor, Mr. Rangel; DSUB, Public health administration.

H.R. 4097.—Sponsor, Mr. Rangel; DTTL, Prisoner Treatment Act.

H.R. 4103.—Sponsor, Mr. Richmond, et al.; DTTL, National School Lunch and Child Nutrition Act Amendments.

H.R. 4139.—Sponsor, Mr. Esch; DTTL, National Commission on Epilepsy and Its Consequences Act.

H.R. 4145.—Sponsor, Mr. Esch; DTTL, Small Business Tax Simplification and Reform Act.

H.R. 4185.—Sponsor, Mr. Ketchum; DTTL, National Commission on Epilepsy and Its Consequences Act.

H.R. 4192.—Sponsor, Mr. Lent; DSUB, Federal advisory bodies.

H.R. 4214.—Sponsor, Mr. McFall; DTTL, Concentrated Industries Anti-Inflation Act.

H.R. 4217.—Sponsor, Mr. Mezvinsky; DSUB, Mass rapid transit.

H.R. 4222.—Sponsor, Mr. Perkins, et al.; DTTL, National School Lunch and Child Nutrition Act Amendments.

H.R. 4228.—Sponsor, Mr. Rangel; DTTL, International Opium Control Act.

H.R. 4235.—Sponsor, Mr. Rogers, et al.; DTTL, Family Planning and Population Research Act/Community Mental Health Centers Amendments.

H.R. 4236.—Sponsor, Mr. Rogers, et al.; DTTL, Health Manpower Act.

H.R. 4298.—Sponsor, Mr. Foley, et al.; DTTL, Beef Research and Consumer Information Act.

H.R. 4316.—Sponsor, Mr. Patman, et al.; DSUB, Federal advisory bodies.

H.R. 4317.—Sponsor, Mr. Patman, et al.; DSUB, Federal advisory bodies.

H.R. 4318.—Sponsor, Mr. Patman, et al.; DSUB, Federal advisory bodies.

H.R. 4319.—Sponsor, Mr. Patman, et al.; DSUB, Federal advisory bodies.

H.R. 4321.—Sponsor, Mr. Preyer, et al.; DSUB, Natural gas.

H.R. 4329.—Sponsor, Mr. Roybal; DSUB, Federal advisory bodies.

H.R. 4346.—Sponsor, Mrs. Abzug; DSUB, Conferences.

H.R. 4374.—Sponsor, Mr. Eilberg; DSUB, Ocean floor ownership.

H.R. 4424.—Sponsor, Mr. Jones (Okla.); DTTL, National Commission on Regulatory Reform Act.

H.R. 4457.—Sponsor, Mr. Stuckey; DSUB, Securities regulation.

H.R. 4461.—Sponsor, Mr. Teague, et al.; DTTL, National Science Policy and Organization Act.

H.R. 4513.—Sponsor, Mr. Heinz, et al.; DTTL, Rape Prevention and Control Act.

H.R. 4514.—Sponsor, Mr. Heinz, et al.; DTTL, National Commission on Regulatory Reform Act.

H.R. 4549.—Sponsor, Mr. Quie; DTTL, Metric Conversion Act.

H.R. 4556.—Sponsor, Mr. Roybal; DTTL, Japanese-American Friendship Act.

H.R. 4570.—Sponsor, Mr. Van Deerlin; DTTL, Municipal Securities Act.

H.R. 4574.—Sponsor, Mr. White, et al.; DTTL, Records Management Act.

H.R. 4582.—Sponsor, Mr. Bonker; DTTL, Emergency Marine Fisheries Protection Act.

H.R. 4606.—Sponsor, Mr. Corman, et al.; DTTL, Health Security Act.

H.R. 4643.—Sponsor, Mr. Richmond, et al.; DTTL, National School Lunch and Child Nutrition Act Amendments.

H.R. 4644.—Sponsor, Mr. Richmond, et al.; DTTL, National School Lunch and Child Nutrition Amendments.

H.R. 4682.—Sponsor, Mr. Ford (Mich.), et al.; DTTL, National Employment Priorities Act.

H.R. 4684.—Sponsor, Mr. Hammerschmidt; DTTL, Beef Research and Consumer Information Act.

H.R. 4693.—Sponsor, Mr. McDade; DSUB, Petroleum.

H.R. 4696.—Sponsor, Mrs. Mink; DTTL, Domestic Volunteer Service Act Amendments.

H.R. 4699.—Sponsor, Mr. Morgan (by req.); DSUB, Broadcasting.

H.R. 4709.—Sponsor, Mr. Rosenthal; DTTL, National Commission on the Economy Act.

H.R. 4720.—Sponsor, Mr. Staggers, et al.; DTTL, Developmentally Disabled Assistance Act.

H.R. 4762.—Sponsor, Mr. Gaydos; DSUB, Civil liberties.

H.R. 4819.—Sponsor, Mr. Staggers; DTTL, Health Services Amendments.

H.R. 4837.—Sponsor, Mr. Cederberg; DTTL, Beef Research and Consumer Information Act.

H.R. 4859.—Sponsor, Mr. Kastenmeier, et al.; DTTL, Federal Correctional Ombudsman Act.

H.R. 4864.—Sponsor, Mr. Murphy (N.Y.); DTTL, Panama Canal Modernization Act.

H.R. 4870.—Sponsor, Mr. Price; DSUB, Atomic energy.

H.R. 4881.—Sponsor, Mrs. Spellman; DSUB, Physicians.

H.R. 4892.—Sponsor, Mr. Burton (Calif.), et al.; DTTL, Earthquake Disaster Mitigation Act.

H.R. 4903.—Sponsor, Mr. Ford (Tenn.); DTTL, Homeowners' Loan Act.

H.R. 4919.—Sponsor, Mrs. Mink, et al.; DTTL, Energy Materials Conservation Education Act.

H.R. 4921.—Sponsor, Mr. Patman, et al.; DSUB, Federal advisory bodies.

H.R. 4925.—Sponsor, Mr. Rogers, et al.; DTTL, Health Revenue Sharing and Health Services Act/Special Health Revenue Sharing Act.

H.R. 4943.—Sponsor, Mr. Archer, et al.; DTTL, Records Management Act.

H.R. 4974.—Sponsor, Mr. Roe; DTTL, National School Lunch and Child Nutrition Act Amendments..

H.R. 4982.—Sponsor, Mr. Vander Jagt; DSUB, Federal advisory bodies.

H.R. 4987.—Sponsor, Mr. Young (Alaska); DSUB, Indian claims.

H.R. 5005.—Sponsor, Mr. Ullman; DTTL, Energy Conservation and Conversion Act.

H.R. 5012.—Sponsor, Mr. Heinz, et al.; DTTL, National Commission on Regulatory Reform Act.

H.R. 5027.—Sponsor, Mr. Roybal, et al.; DTTL, Public Energy Act.

H.R. 5078.—Sponsor, Mr. Frey; DTTL, Education for Exceptional Children Act.

H.R. 5142.—Sponsor, Mr. Levitas; DSUB, Wage-price policy.

H.R. 5148.—Sponsor, Mr. Railsback; DTTL, Beef Research and Consumer Information Act.

H.R. 5149.—Sponsor, Mr. Rosenthal; DTTL, Social Security Amendments.

H.R. 5157.—Sponsor, Mr. Broomfield; DSUB, Tax reform.

H.R. 5163.—Sponsor, Mr. Esch; DTTL, Career Guidance and Counseling Act.

H.R. 5183.—Sponsor, Mr. Staggers; DTTL, National Medical Injury Compensation Insurance Act.

H.R. 5184.—Sponsor, Mr. Staggers; DTTL, Federal Medical Malpractice Insurance Act.

H.R. 5185.—Sponsor, Mr. Staggers; DTTL, National Medical Malpractice Insurance and Arbitration Act.

H.R. 5202.—Sponsor, Mr. Macdonald; DTTL, National Policy and Priorities for Science and Technology Act.

H.R. 5222.—Sponsor, Mr. duPont; DSUB, Submarine oil well drilling.

H.R. 5236.—Sponsor, Mr. Carter, et al.; DTTL, Rural Health Care Delivery Improvement Act.

H.R. 5280.—Sponsor, Mr. Whitehurst; DSUB, Federal advisory bodies.

H.R. 5321.—Sponsor, Mr. Ford (Mich.), et al.; DTTL, National Employment Priorities Act.

H.R. 5322.—Sponsor, Mr. Fuqua; DTTL, Beef Research and Consumer Information Act.

H.R. 5338.—Sponsor, Mr. Biaggi, et al.; DSUB, Civil liberties.

H.R. 5355.—Sponsor, Mr. Richmond, et al.; DTTL, National School Lunch and Child Nutrition Act Amendments.

H.R. 5382.—Sponsor, Mr. Ford (Mich.), et al.; DTTL, Homeowners' Loan Act.

H.R. 5389.—Sponsor, Mr. Ryan; DSUB, Immigration.

H.R. 5428.—Sponsor, Mr. Cohen, et al.;

DTTL, National Health Education Policy and Development Act.

H.R. 5447.—Sponsor, Mrs. Sullivan, et al.; DSUB, Ocean.

H.R. 5463.—Sponsor, Mr. Hastings, et al.; DTTL, Rural Health Care Delivery Improvement Act.

H.R. 5471.—Sponsor, Mr. McFall, et al., DTTL, Concentrated Industries Anti-Inflation Act.

H.R. 5472.—Sponsor, Mr. McFall, et al.; DTTL, Concentrated Industries Anti-Inflation Act.

H.R. 5473.—Sponsor, Mr. McFall, et al.; DTTL, Concentrated Industries Anti-Inflation Act.

H.R. 5474.—Sponsor, Mr. McFall, et al.; DTTL, Concentrated Industries Anti-Inflation Act.

H.R. 5476.—Sponsor, Mr. Mathis; DSUB, Civil liberties.

H.R. 5483.—Sponsor, Mr. Ottinger, et al.; DSUB, Interstate compacts.

H.R. 5486.—Sponsor, Mr. Richmond, et al.; DTTL, National School Lunch and Child Nutrition Act Amendments.

H.R. 5487.—Sponsor, Mr. Rogers; DTTL, Waste Control Act.

H.R. 5491.—Sponsor, Mr. Solarz; DTTL, Foreign Investment Control Act.

H.R. 5496.—Sponsor, Mr. Traxler; DTTL, Beef Research and Consumer Information Act.

H.R. 5521.—Sponsor, Mr. Leggett, et al.; DTTL, Agricultural Labor Relations Act.

H.R. 5522.—Sponsor, Mr. Leggett; DTTL, Atlantic Tunas Convention Act.

H.R. 5524.—Sponsor, Mr. McFall, et al.; DTTL, Concentrated Industries Anti-Inflation Act.

H.R. 5525.—Sponsor, Mr. McFall, et al.; DTTL, Concentrated Industrial Anti-Inflation Act.

H.R. 5526.—Sponsor, Mr. McFall, et al.; DTTL, Concentrated Industrial Anti-Inflation Act.

H.R. 5533.—Sponsor, Mr. Patman, et al.; DSUB, Federal advisory bodies.

H.R. 5546.—Sponsor, Mr. Rogers, et al.; DTTL, Health Manpower Act.

H.R. 5548.—Sponsor, Mr. Anderson (Calif.), et al.; DTTL, Asian American Affairs Act.

H.R. 5602.—Sponsor, Mr. Melcher, et al.; DTTL, Animal Health Research Act.

H.R. 5603.—Sponsor, Mr. Melcher, et al.; DTTL, Animal Health Research Act.

H.R. 5605—Sponsor, Mr. Moss; DSUB, Employment.

H.R. 5614—Sponsor, Mr. Rogers; DTTL, Fisheries Conservation Act.

H.R. 5639—Sponsor, Mr. Wylie; DSUB, Federal employees.

H.R. 5646—Sponsor, Mrs. Mink; DTTL, Energy Materials Conservation Education Act.

H.R. 5657—Sponsor, Mr. Corman, et al; DTTL, Health Security Act.

H.R. 5671—Sponsor, Mr. Anderson, (Calif.), et al.; DTTL, Asian American Affairs Act.

H.R. 5694.—Sponsor, Mr. Johnson (Calif.), et al.; DSUB, Interstate compacts.

H.R. 5699—Sponsor, Mr. McFall, et al.; DTTL, Concentrated Industries Anti-Inflation Act.

H.R. 5702—Sponsor, Mr. Mitchell (Md.), et al.; DTTL, Preschool Children Educational Assistance Act.

H.R. 5703—Sponsor, Mr. Mitchell (Md.), et al.; DTTL, Preschool Children Educational Assistance Act.

H.R. 5719—Sponsor, Mr. duPont, et al.; DSUB, Federal advisory bodies.

H.R. 5720—Sponsor, Mr. duPont, et al.; DSUB, Federal advisory bodies.

H.R. 5722—Sponsor, Mr. Frenzel; DTTL, Metric Conversion Act.

H.R. 5726—Sponsor, Mr. Kastenmeier, et al.; DTTL, Parole Reorganization Act.

H.R. 5727—Sponsor, Mr. Kastenmeier, et al.; DTTL, Parole Reorganization Act.

H.R. 5776—Sponsor, Mr. McFall, et al.; DTTL, Concentrated Industries Anti-Inflation Act.

H.R. 5777—Sponsor, Mr. Maguire; DTTL, Railroad Right-of-Way Protection Act.

H.R. 5792—Sponsor, Mr. White, et al.; DTTL, Records Management Act.

H.R. 5809—Sponsor, Mr. Fuqua; DTTL, Rural Health Care Delivery Improvement Act.

H.R. 5839—Sponsor, Mr. Carter; DTTL, National Health Education and Promotion Act.

H.R. 5856—Sponsor, Mr. Roe; DTTL, Social Security Administration Act.

H.R. 5862.—Sponsor, Mr. Byron; DSUB, Civil liberties.

H.R. 5884—Sponsor, Mr. Nix (by req.); DSUB, International relations.

H.R. 5884—Sponsor, Mr. Nix (by req.); DSUB, International relations.

H.R. 5887—Sponsor, Mr. Roe, et al.; DTTL, Foreign Investment Control Act.

H.R. 5898—Sponsor, Mr. Thornton, et al.; DTTL, Beef Research and Consumer Information Act.

H.R. 5910—Sponsor, Mr. Andrews (N.D.); DTTL, Beef Research and Consumer Information Act.

H.R. 5937—Sponsor, Mr. Hawkins, et al.; DTTL, Mexican-American Rural Community Anti-Poverty Act.

H.R. 5950—Sponsor, Mr. Hanley; DTTL, Social Security Administration Act.

H.R. 5952—Sponsor, Mr. Johnson (Calif.), et al.; DSUB, Federal officials.

H.R. 5962—Mr. Myers (Ind.); DSUB, Federal advisory bodies.

H.R. 5988—Sponsor, Mr. Brademas, et al.; DSUB, Federal advisory bodies.

H.R. 5990—Sponsor, Mr. Burleson, et al.; DTTL, National Health Care Act.

H.R. 6022—Sponsor, Mr. Burke (Mass.); DSUB, Social security.

H.R. 6030—Mr. McClory, et al.; DSUB, Metric system.

H.R. 6074—Sponsor, Mr. St Germain (by req.); DTTL, Credit Union Financial Institutions Act Amendments.

H.R. 6076.—Sponsor, Mr. Vigorito, et al.; DTTL, Freestone Peach Research and Education Act.

H.R. 6077—Sponsor, Mr. Whitehurst; DTTL, Metric Conversion Assistance Act.

H.R. 6078—Sponsor, Mr. Ashley, et al.; DTTL, National Center for Productivity Act.

H.R. 6079—Sponsor, Mr. Bonker; DTTL, State Voter Registration Act.

H.R. 6112—Sponsor, Mr. Mikva; DTTL, Airport Noise Control Act.

H.R. 6153—Sponsor, Mr. Seiberling, et al.; DTTL, Food Research and Development Act.

H.R. 6154—Sponsor, Mr. Teague, et al.; DTTL, Metric Conversion Act.

H.R. 6171—Sponsor, Mr. Moore; DSUB, intergovernmental relations.

H.R. 6177—Sponsor, Mr. Symington; DTTL, Metric Monitoring and Assistance Act.

H.R.6182.—Sponsor, Mr. Downey, et al.; DTTL, Federal Medical Malpractice Insurance Act.

H.R. 6186.—Sponsor, Mr. Edwards (Calif).; DSUB, Executive departments.

H.R. 6200.—Sponsor, Mr. McFall, et al.; DTL, Concentrated Industries Anti-Inflation Act.

H.R. 6205.—Sponsor, Mr. Patman, et al.; DSUB, Federal advisory bodies.

H.R. 6222.—Sponsor, Mr. Fulton, et al.; DTTL, Comprehensive Health Care Insurance Act.

H.R. 6244.—Sponsor, Mr. Murphy (N.Y.); DTTL, Comprehensive Health Care Insurance Act.

H.R. 6251.—Sponsor, Mr. Quie (by req.); DDTL, Vocational Education Act.

H.R. 6258.—Sponsor, Mr. Wylie; DTTL, National Health Care Act.

H.R. 6283.—Sponsor, Mr. Young (Ga.); DTTL, Comprehensive National Health Care Act.

H.R. 6292.—Sponsor, Mr. Corman, et al.; DTTL, Health Security Act.

H.R. 6293.—Sponsor, Mr. Cornell; DDTL, Comprehensive Medical Malpractice Insurance Act.

H.R. 6302.—Sponsor, Mr. Ryan, et al.; DTTL, United States Amnesty Commission Act.

H.R. 6361.—Sponsor, Mr. Hays; DSUB, Elections.

H.R. 6405.—Sponsor, Mr. Esch; DDTL, National Science Policy and Organizaton Act.

H.R. 6415.—Sponsor, Mrs. Mink, et al.; DTTL, Energy Materials Conservation Education Act.

H.R. 6421.—Sponsor, Mr. Simon, et al.; DTTL, Guaranteed Employment Opportunities Act.

H.R. 6426.—Sponsor, Mr. White, et al.; DTTL, Records Management Act.

H.R. 6516.—Sponsor, Mr. Annunzio, et al.; DTTL, Equal Credit Opportunity Act Amendments.

H.R. 6549.—Sponsor, Mr. Carter, et al.; DTTL, National Education and Promotion Act.

H.R. 6563.—Sponsor, Mr. Litton; DTTL, Rail Transportation Improvement and Employment Act.

H.R. 6577.—Sponsor, Mr. Brown (Mich.); DTTL, Council on Wage and Price Stability Act Amendments.

H.R. 6588.—Sponsor, Mr. Heinz, et al.; DTTL, Rape Prevention and Control Act.

H.R. 6610.—Sponsor, Mr. Rosenthal, et al.; DTTL, Airport Noise Curfew Act.

H.R. 6618.—Sponsor, Mr. Rosenthal et al.; DTTL, Intergovernmental Consumer Assistance/Intergovernmental Consumer Assistance and Protection Act.

H.R. 6631.—Sponsor, Mr. Dingell; DSUB-Protection of animals.

H.R.6650.—Sponsor, Mr. Anderson (Calif.), et al.; DTTL, Asian American Affairs Act.

H.R. 6654.—Sponsor, Mr. Bedell; DTTL, Rail Transportation Improvement and Employment Act.

H.R. 6700.—Sponsor, Mr. Fuqua; DSUB, Health Insurance.

H.R. 6725.—Sponsor, Mr. Obey, et al.; DSUB, Drugs.

H.R. 6726.—Sponsor, Mr. Patterson; DTTL, Credit Union Financial Institution Act Amendments.

H.R. 6728.—Sponsor, Mrs. Shirley N. Pettis, DSUB, Deserts.

H.R. 6737.—Sponsor, Mr. Seiberling, et al.; DTTL, Food Research and Development Act.

H.R. 6738.—Sponsor, Mr. Seiberling, et al.; DTTL, Food Research and Development Act.

H.R. 6791.—Sponsor, Mr. Walsh; DSUB, Intergovernmental relations.

H.R. 6796.—Sponsor, Mr. Downey; DSUB, Intergovernmental relations.

H.R. 6822.—Sponsor, Mr. Corman, et al.; DTTL, Health Security Act.

H.R. 6912.—Sponsor, Mr. Hanley; DTTL, Federal Employee Labor Management Act.

H.R. 6941.—Sponsor, Mr. Howard; DSUB, Civil Liberties.

H.R. 6968.—Sponsor, Mr. Hays; DTTL, Appalachian Regional Development Act Amendments.

H.R. 6977.—Sponsor, Mr. Obey, et al.; DSUB, Medicare.

H.R. 6978.—Sponsor, Mr. Quillen; DSUB, Health Insurance.

H.R. 1004.—Sponsor, Mrs. Burke (Calif.); DTTL, Opportunities for Adoption Act.

H.R. 7008.—Sponsor, Mrs. Spellman, et al.; DTTL, National Medical Injury Compensation Insurance Act.

H.R. 7010.—Sponsor, Mr. Bingham, et al., DTTL, Defense Economic Adjustment Act.

H.R. 7011.—Sponsor, Mr. Bingham, et al.; DTTL, Defense Economic Adjustment Act.

H.R. 7020.—Sponsor, Mr. Patman; DTTL, Credit Union Financial Institutions Act Amendments.

H.R. 7022.—Sponsor, Mr. Brinkley; DTTL, Freestone Peach Research and Education Act.

H.R. 7037.—Sponsor, Mr. Patten; DTTL, Health Security Act.

H.R. 7040.—Sponsor, Mrs. Schroeder, et al.; DSUB, Federal advisory bodies.

H.R. 7041.—Sponsor, Mrs. Schroeder, et al.; DSUB, Executive reorganization.

H.R. 7071.—Sponsor, Mr. Rees; DSUB, National seashores.

H.R. 7084.—Sponsor, Mr. Fuqua; DTTL, Rural Health Care Delivery Improvement Act.

H.R. 7092.—Sponsor, Mr. Maguire, et al.; DTTL, Interns for Political Leadership Act.

H.R. 7126.—Sponsor, Mr. Cederberg; DTTL, Comprehensive Health Care Insurance Act.

H.R. 7129.—Sponsor, Mr. Fulton, et al.; DTTL, Comprehensive Health Care Insurance Act.

H.R. 7135.—Sponsor, Mr. Melcher, et al.; DTTL, Animal Health Research Act.

H.R. 7144.—Sponsor, Mr. Cohen, et al.; DTTL, Fishing Vessels Claims Recovery Act.

H.R. 7153.—Sponsor, Mr. Bauman; DTTL, Shellfish Area Management Act.

H.R. 7159.—Sponsor, Mr. Alexander; DSUB, Rural economic development.

H.R. 7215.—Sponsor, Mr. Biaggi, et al.; DSUB, Civil liberties.

H.R. 7217.—Sponsor, Mr. Brademas, et al.; DTTL, Education for All Handicapped Children Act.

H.R. 7234.—Sponsor, Mr. Goldwater, et al.; DTTL, Comprehensive Right to Privacy Act.

H.R. 7241.—Sponsor, Mr. Corman, et al.; DTTL, Health Security Act.

H.R. 7453.—Sponsor, Mr. O'Hara; DTTL, Health Security Act.

H.R. 7456.—Sponsor, Mr. Pepper; DSUB, Coal.

H.R. 7472.—Sponsor, Mr. Russo; DSUB, Old age, survivors and disability insurance.

H.R. 7474.—Sponsor, Mr. St Germain, et al.; DTTL, Credit Union Financial Institutions Act Amendments.

H.R. 7475.—Sponsor, Mr. St Germain, et al.; DTTL, Credit Union Financial Institutions Act Amendments.

H.R. 7477.—Sponsor, Mr. Schulze; DSUB, Federal advisory bodies.

H.R. 7481.—Sponsor, Mr. James V. Stanton; DTTL, Cooperate Citizenship and Compensation Act.

H.R. 7533.—Sponsor, Mr. Hawkins, et al.; DSUB, Employment.

H.R. 7547.—Sponsor, Mr. Rogers, et al.; DSUB, Drug abuse.

H.R. 7548.—Sponsor, Mr. Brodhead; DSUB, Chemicals.

H.R. 7575.—Sponsor, Mr. Brooks, et al.; DTTL, Consumer Protection Act.

H.R. 7576.—Sponsor, Mr. Anderson (Ill.); DSUB, Executive reorganization.

H.R. 7600.—Sponsor, Mr. Edgar; DSUB, National security.

H.R. 7605.—Sponsor, Mr. Hechler, et al.; DSUB, Administrative procedure.

H.R. 7606.—Sponsor, Mr. Hechler, et al.; DSUB, Administrative procedure.

H.R. 7607.—Sponsor, Mr. Hebert; DSUB, Service academies.

H.R. 7620.—Sponsor, Mr. Seiberling, et al.; DTTL, Food Research and Development Act.

H.R. 7630.—Sponsor, Mr. Bedell, et al.; DTTL, Rail Transportation Improvement and Employment Act.

H.R. 7656.—Sponsor, Mr. Foley, et al.; DTTL, Beef Research and Information Act.

H.R. 7664.—Sponsor, Mr. McCollister; DTTL, Toxic Substances Control Act.

H.R. 7673.—Sponsor, Mr. Biaggi; DSUB, Medicare.

H.R. 7678.—Sponsor, Mr. Harrington; DSUB, Economic policy.

H.R. 7683.—Sponsor, Mr. Wirth; DSUB, Power resources.

H.R. 7713.—Sponsor, Mr. Duncan (Tenn.), et al.; DTTL, Comprehensive Health Care Insurance Act.

H.R. 7725.—Sponsor, Mr. Rinaldo; DSUB, Mine safety legislation.

H.R. 7741.—Sponsor, Mr. Roe; DTTL, Health Security Act.

H.R. 7773.—Sponsor, Mr. Hawkins, et al.; DTTL, Equal Opportunity and Full Employment Act.

H.R. 7778.—Sponsor, Mr. Rooney; DSUB, Railroads.

H.R. 7793.—Sponsor, Mr. Nowak; DTTL, Social Security Administration Act.

H.R. 7794.—Sponsor, Mr. Pepper; DTTL, Social Security Administration Act.

H.R. 7839.—Sponsor, Mr. Brooks, et al.; DSUB, Executive reorganization.

H.R. 7844.—Sponsor, Mr. Eilberg; DTTL, Social Security Administration Act.

H.R. 7858.—Sponsor, Mr. Wydler; DSUB, Presidential aides.

H.R. 7872.—Sponsor, Mr. Thornton; DTTL, Consumer Protection Act.

H.R. 7889.—Sponsor, Mr. Hammerschmidt; DSUB, Livestock industry.

H.R. 7903.—Sponsor, Mr. Eilberg; DTTL, Credit Union Financial Institutions Act Amendments.

H.R. 7945.—Sponsor, Mr. Derwinski; DTTL, Comprehensive Health Care Insurance Act.

H.R. 7950.—Sponsor, Mr. Hays, et al.; DSUB, Elections.

H.R. 7953.—Sponsor, Mr. Harrington; DSUB, Power resources.

H.R. 7980.—Sponsor, Mr. Maguire, et al.; DTTL, Railroad Right-of-Way Protection Act.

H.R. 7983.—Sponsor, Mr. Moorhead (Pa.); DSUB, Consumer protection.

H.R. 8012.—Sponsor, Mr. Lehman; DSUB, Social security.

H.R. 8031.—Sponsor, Mr. Ford (Mich.), et al.; DSUB, Federal employees.

H.R. 8034.—Sponsor, Mr. Hastings, et al.; DSUB, Malpractice.

H.R. 8036.—Sponsor, Mr. Kasten; DSUB, Federal advisory bodies.

H.R. 8140.—Sponsor, Mr. Foley, et al.; DSUB, Agricultural marketing.

H.R. 8141.—Sponsor, Mr. Foley, et al.; DSUB, Agricultural marketing.

H.R. 8201.—Sponsor, Mr. Dellums, et al.; DSUB, Administrative law.

H.R. 8213.—Sponsor, Mr. Nix, et al.; DSUB, Robbery.

H.R. 8227.—Sponsor, Mr. Edwards (Calif.); DSUB, Right of privacy.

H.R. 8243.—Sponsor, Mr. Wirth, et al.; DSUB, Energy resources.

H.R. 8258.—Sponsor, Mr. Crane, et al.; DSUB, Federal employees.

H.R. 8292.—Sponsor, Mr. Helstoski, et al.; DSUB, Social security.

H.R. 8307.—Sponsor, Mr. Rinaldo; DSUB, Social security.

H.R. 8351.—Sponsor, Mr. Pepper, et al.; DSUB, Depreciation and amortization.

H.R. 8397.—Sponsor, Mr. Pepper, et al.; DSUB, Depreciation and amortization.

H.R. 8425.—Sponsor, Mr. Gaydos; DSUB, Health insurance.

H.R. 8426.—Sponsor, Mr. Gaydos; DSUB, Social security.

H.R. 8459.—Sponsor, Mr. Brown (Calif.), et al.; DSUB, Energy research.

H.R. 8478.—Sponsor, Mr. Santini, et al.; DSUB, Marketing of farm produce.

H.R. 8480.—Sponsor, Mr. Staggers; DSUB, Coal mines and mining.

H.R. 8503.—Sponsor, Mr. Rogers; DSUB, Firearms control.

H.R. 8507.—Sponsor, Mr. Teague; DSUB, Federal employees.

H.R. 8525.—Sponsor, Mr. Jones (Okla.); DSUB, Agricultural marketing.

H.R. 8538.—Sponsor, Mr. Andrews (N.C.); DSUB, Executive reorganization.

H.R. 8569.—Sponsor, Mr. Burleson, et al.; DSUB, Health insurance.

H.R. 8674.—Sponsor, Mr. Teague, et al.; DSUB, Metric system.

H.R. 8675.—Sponsor, Mr. Teague, et al.; DSUB, Metric system.

H.R. 8676.—Sponsor, Mr. Udall, et al.; DSUB, Economic policy.

H.R. 8715.—Sponsor, Mr. Studds, et al.; DSUB, Fishery law and legislation.

H.R. 8731.—Sponsor, Mr. Ashley, et al.; DSUB, Wage-price policy.

H.R. 8732.—Sponsor, Mr. Beard (Tenn.); DSUB, Election law.

H.R. 8747.—Sponsor, Mr. Eilberg; DSUB, Federal employees.

H.R. 8753.—Sponsor, Mr. Green; DSUB, Crime and criminals.

H.R. 8768.—Sponsor, Mr. Wirth, et al.; DSUB, Power resources.

H.R. 8769.—Sponsor, Mr. Wydler; DSUB, Consumer protection.

H.R. 8786.—Sponsor, Mr. Perkins; DSUB, Kidney diseases.

H.R. 8836.—Sponsor, Mr. Ashley, et al.; DSUB, Labor productivity.

H.R. 8846.—Sponsor, Mr. Rooney, et al.; DSUB, Railroads.

HR. 8867.—Sponsor, Mr. Anderson (Ill.); DSUB, Collective bargaining.

H.R. 8869.—Sponsor, Mr. Aspin; DSUB, Historic sites.

H.R. 8887.—Sponsor, Mr. Young (Fla.), et al.; DSUB, Comprehensive health care.

H.R. 8903.—Sponsor, Ms. Abzug, et al.; DSUB, Women's organizations.

H.R. 8930.—Sponsor, Mr. Studds; DSUB, Seashores.

H.R. 8951.—Sponsor, Mr. Scheuer; DSUB, Mentally handicapped children.

H.R. 8957.—Sponsor, Mr. Edwards (Calif.); DSUB, Appropriations.

H.R. 8985.—Sponsor, Mr. Riegle; DSUB, Health insurance.

H.R. 8995.—Sponsor, Mr. Carter, et al.; DSUB, Public Health.

H.R. 9019.—Sponsor, Mr. Hastins, et al.; DSUB, Comprehensive health care.

H.R. 9051.—Sponsor, Mr. Rodino; DSUB, Social security.

H.R. 9058.—Sponsor, Mr. Teague, et al.; DSUB, Science policy.

H.R. 9072.—Sponsor, Mrs. Mink, et al.; DSUB, Energy conservation.

H.R. 9074.—Sponsor, Mr. Rodino; DSUB, Crime and criminals.

H.R. 9122.—Sponsor, Mr. Litton; DSUB, Executive reorganization.

H.R. 9159.—Sponsor, Mr. Fraser, et al.; DSUB, Natural gas.

H.R. 9165.—Sponsor, Mr. Harrington; DSUB, Right of privacy.

H.R. 9190.—Sponsor, Mr. Archer, et al.; DSUB, Public records.

H.R. 9199.—Sponsor, Mr. Broyhill, et al.; DSUB, Fuel allocation.

H.R. 9267.—Sponsor, Mr. Rosenthal, et al.; DSUB, Intergovernmental relations.

H.R. 9270.—Sponsor, Mr. Rosenthal, et al.; DSUB, Labeling laws.

H.R. 9277.—Sponsor, Mr. Rosenthal, et al.; DSUB, Airports.

S. Con. Res. 5.—Sponsor, Mr. Dole, et al.; DSUB, Military personnel.

S. Res. 150.— Sponsor, Mr. Fannin; DSUB, Medical care.

S. Res. 184.—Sponsor, Mr. Talmadge; DSUB, Federal advisory bodies.

S. Res. 227.—Sponsor, Mr. Culver, et al.; DSUB, Senate.

S.J. Res. 5.—Sponsor, Mr. Fong, et al.; DSUB, Social security.

S.J. Res. 27.—Sponsor, Mr. Mansfield, et al.; DSUB, Armed forces.

S.J. Res. 65.—Sponsor, Mr. Inouye, et al.; DSUB, Federal advisory bodies.

S.J. Res. 75.—Sponsor, Mr. Moss, et al.; DSUB, Medical care.

S.J. Res. 77.—Sponsor, Mr. McIntyre, et al.; DSUB, American Revolution Bicentennial celebration.

S.J. Res. 94.—Sponsor, Mr. Proxmire, et al.; DSUB, Federal advisory bodies.

S.J. Res. 97.—Sponsor, Mr. Proxmire, et al.; DSUB, Appropriations.

S.J. Res. 119.—Sponsor, Mr. Roth; DTTL, National Commission on School Busing Act.

S. 1.—Sponsor, Mr. McClellan, et al.; DTTL, Criminal Justice Reform Act.

S. 3.—Sponsor, Mr. Kennedy, et al.; DTTL, Health Security Act.

S. 26.—Sponsor, Mr. Moss, et al.; DTTL, Mining and Minerals Resources Reseach Act.

S. 32.—Sponsor, Mr. Kennedy, et al.; DTTL, National Policy and Priorities for Science and Technology Act.

S. 50.—Sponsor, Mr. Humphrey, et al.; DTTL, Equal Opportunity and Full Employment Act.

S. 61.—Sponsor, Mr. Pearson; DSUB, Executive reorganization.

S. 66.—Sponsor, Mr. Kennedy, et al.; DTTL, Nurse Training Act/Health Revenue Sharing and Health Services Act.

S. 68.—Sponsor, Mr. Montoya; DSUB, Treaties.

S. 71.—Sponsor, Mr. Cranston, et al.; DSUB, Public lands.

S. 79.—Sponsor, Mr. Mathias; DTTL, United States Science and Technology Board Act.

S. 81.—Sponsor, Mr. Mathias, et al.; DSUB, Coastal zone management.

S. 86.—Sponsor, Mr. Mathias; DSUB, Antitrust law.

S. 91.—Sponsor, Mr. Mathias, et al.; DSUB, National parks.

S. 100.—Sponsor, Mr. Pell, et al.; DTTL, Metric Conversion Act.

S. 188.—Sponsor, Mr. Nelson; DTTL, Federal Medical Malpractice Insurance Act.

S. 215.—Sponsor, Mr. Inouye, et al.; DTTL, National Medical Injury Compensation Insurance Act.

S. 230.—Sponsor, Mr. Kennedy; DTTL, Public Safety Officers' Group Life Insurance Act.

S. 335.—Sponsor, Mr. Stevens; DTTL, Fisheries Manpower Education Act.

S. 343.—Sponsor, Mr. Humphrey; DTTL, Community Chronicare Center Demonstration Act.

S. 388.—Sponsor, Mr. Church, et al.; DTTL, Social Security Administration Act.

S. 409.—Sponsor, Mr. Proxmire, et al.; DTTL, Council on Wage and Price Stability Act Amendments.

S. 458.—Sponsor, Mr. Javits; DTTL, National Correctional Standards Act.

S. 459.—Sponsor, Mr. Javits; DTTL, Emergency Urban Crime Reduction Act.

S. 460.—Sponsor, Mr. Javits; DTTL, Criminal Justice Professions Development Act.

S. 462.—Sponsor, Mr. Randolph, et al.; DTTL, Developmentally Disabled Assistance and Bill of Rights Act.

S. 472.—Sponsor, Mr. Javits, et al.; DTTL, Full Employment and Job Development Act.

S. 482.—Sponsor, Mr. Kennedy, et al.; DTTL, National Medical Malpractice Insurance and Arbitration Act.

S. 510.—Sponsor, Mr. Kennedy, et al.; DTTL, Medical Device Amendments.

S. 552.—Sponsor, Mr. Domenici, et al.; DSUB, Mines and mineral resources.

S. 563.—Sponsor, Mr. Humphrey; DTTL, Modern Congress Act.

S. 580.—Sponsor, Mr. Hollings; DTTL, Energy Policy Act.

S. 612.—Sponsor, Mr. Pearson; DTTL, Economic Adjustment Assistance Act.

S. 660.—Sponsor, Mr. Mondale, et al.; DTTL, Homeowners' Loan Act.

S. 662.—Sponsor, Mr. Williams, et al.; DSUB, Transportation.

S. 701.—Sponsor, Mr. Stevenson, et al.; DTTL, Oil Consumers' Price Protection/National Energy Supply Corporation Act.

S. 709.—Sponsor, Mr. Humphrey; DTTL, Marine Science, Engineering and Reserve Development Act.

S. 740.—Sponsor, Mr. Jackson, et al.; DTTL, National Energy Production Board Act.

S. 754.—Sponsor, Mr. Humphrey; DTTL, Education Reorganization Act.

S. 761.—Sponsor, Mr. Bellmon; DTTL, Environmental Centers Act.

S. 765.—Sponsor, Mr. Percy, et al.; DTTL, National Center for Productivity and Quality of Working Life Act.

S. 769.—Sponsor, Mr. Sparkman (by req.); DSUB, Broadcasting.

S. 772.—Sponsor, Mr. Talmadge, et al.; DTTL, Beef Research and Consumer Information Act.

S. 776.—Sponsor, Mr. Tunney, et al.; DTTL, Toxic Substances Control Act.

S. 783.—Sponsor, Mr. Domenici, et al.; DTTL, Ground Propulsion Systems Research, Development, and Demonstration Act.

S. 796.—Sponsor, Mr. Kennedy, et al.; DSUB, Administrative procedure.

S. 799.—Sponsor, Mr. Kennedy, et al.; DSUB, Federal employees.

S. 822.—Sponsor, Mr. Chiles; DSUB, Petroleum.

S. 850.—Sponsor, Mr. McGovern, et al.; DTTL, National School Lunch and Child Nutrition Act Amendments.

S. 862.—Sponsor, Mr. Church, et al.; DSUB, Medicare.

S. 881.—Sponsor, Mr. Hatfield, et al.; DSUB, Food relief.

S. 882.—Sponsor, Mr. Humphrey; DSUB, Food relief.

S. 894.—Sponsor, Mr. Humphrey; DTTL, Child Nutrition Act.

S. 909.—Sponsor, Mr. Byrd (W. Va.); DSUB, Bridges.

S. 940.—Sponsor, Mr. Pell, et al.; DTTL, Career Guidance and Counseling Act.

S. 961.—Sponsor, Mr. Magnuson, et al.; DTTL, Emergency Marine Fisheries Protection Act.

S. 973.—Sponsor, Mr. Bentsen; DTTL, Energy Conservation and Development Act.

S. 984.—Sponsor, Mr. Jackson, et al.; DTTL, Land Resource Planning Assistance Act/Energy Facilities Planning Act.

S. 989.—Sponsor, Mr. Kennedy, et al.; DTTL, Health Professions Educational Assistance Act.

S. 990.—Sponsor, Mr. Kennedy, et al.; DTTL, Health Manpower Act.

S. 992.—Sponsor, Mr. Kennedy, et al.; DTTL, Health Manpower Act.

S. 998.—Sponsor, Mr. Moss, et al.; DTTL, Records Management Act.

S. 1002.—Sponsor, Mr. Abourezk; DTTL, Indian Trust Counsel Authority Act.

S. 1109.—Sponsor, Mr. Burdick, et al.; DTTL, Parole Commission Act.

S. 1110.—Sponsor, Mr. Nunn, et al.; DTTL, Judicial Tenure Act.

S. 1112.—Sponsor, Mr. Gravel; DTTL, Remote Oil and Gas Discovery Incentive Act/Energy Revenue and Development Act.

S. 1144.—Sponsor, Mr. Hathaway, et al.; DTTL, Interstate Railroad Act.

S. 1170.—Sponsor Mr. Humphrey, et al.; DTTL, Arms Control and Disarmament Act Amendments.

S. 1174.—Sponsor, Mr. Cranston, et al.; DTTL, Earthquake Disaster Mitigation Act.

S. 1177.—Sponsor, Mr. McGee, et al.; DTTL, Voter Registration Act.

S. 1186.—Sponsor, Mr. Hathaway; DTTL, Outer Continental Shelf Lands Act Amendments.

S. 1194.—Sponsor Mr. Stafford (by req.); DTTL, Developmentally Disabled Assistance Act.

S. 1196.—Sponsor, Mr. Humphrey, et al.; DTTL, Interns for Political Leadership Act.

S. 1203.—Sponsor, Mr. Schweiker, et al.; DTTL, Health Services Amendments.

S. 1223.—Sponsor, Mr. Bayh, et al.; DSUB, Animals.

S. 1262.—Sponsor, Mr. Proxmire, et al.; DSUB, Federal advisory bodies.

S. 1276.—Sponsor, Mr. Percy; DSUB, Medicare.

S. 1282.—Sponsor, Mr. Kennedy, et al.; DTTL, Drug Utilization Improvement Act.

S. 1291.—Sponsor, Mr. Johnston, et al.; DTTL, Economic Growth Act.

S. 1299.—Sponsor, Mr. Church, et al.; DSUB, Federal officials.

S. 1300.—Sponsor, Mr. Kennedy, et al.; DTTL, Federal Transportation Improvement Act.

S. 1302.—Sponsor, Mr. Williams, et al.; DTTL, Federal Mine Safety and Health Amendments.

S. 1321.—Sponsor, Mr. Nelson; DTTL, National Drug Testing and Evaluation Act.

S. 1322.—Sponsor, Mr. Nelson; DTTL, Drug Quality Control and Formulary Act.

S. 1323.—Sponsor, Mr. Nelson; DTTL, Federal Drug Compendium Act.

S. 1325.—Sponsor, Mr. Nelson; DSUB, Drugs.

S. 1355.—Sponsor, Mr. Montoya; DTTL, National Youth Political Participation Act.

S. 1357.—Sponsor, Mr. Beall, et al.; DTTL, Health Manpower and Shortage Area Assistance Act.

S. 1385.—Sponsor, Mr. Humphrey, et al.; DTTL, Railroad Rehabilitation and Recovery Act.

S. 1399.—Sponsor, Mr. Mansfield; DTTL, Victims of Crime Act.

S. 1410.—Sponsor, Mr. Nelson; DTTL, National Commission on Supplies and Shortages Act/National Resources and Materials Information Act.

S. 1415.—Sponsor, Mr. Tunney; DTTL, Materials Information and Economic Forecasting Act.

S. 1427.—Sponsor, Mr. Tunney; DTTL, Criminal Justice Information Control and Protection of Privacy Act.

S. 1428.—Sponsor, Mr. Tunney; DTTL, Criminal Justice Information Control and Protection of Privacy Act.

S. 1436.—Sponsor, Mr. Randolph, et al.; DTTL, Rail Transportation Improvement and Employment Act.

S. 1438.—Sponsor, Mr. McIntyre, et al.; DTTL, National Health Care Act.

S. 1456.—Sponsor, Mr. Ribicoff, et al.; DTTL, Comprehensive Medicare Reform Act.

S. 1461.—Sponsor, Mr. Humphrey; DTTL, Petrodollar Reporting Act.

S. 1467.—Sponsor, Mr. Kennedy; DTTL, National Health Education and Promotion Act.

S. 1469.—Sponsor, Mr. Stevens, et al.; DSUB, Land use.

S. 1475.—Sponsor, Mr. Proxmire, et al.; DTTL, Credit Union Financial Institutions Act Amendments.

S. 1480.—Sponsor, Mr. Pearson, et al.; DTTL, Science and Technology Awards Act.

S. 1498.—Sponsor, Mr. Beall; DSUB, Federal advisory bodies.

S. 1504.—Sponsor, Mr. Montoya, et al.; DSUB, Social security.

S. 1513.—Sponsor, Mr. Randolph, et al.; DTTL, Appalachian Regional Development Act Amendments.

S. 1521.—Sponsor, Mr. Javits; DTTL, National Health Education Policy and Development Act.

S. 1544.—Sponsor, Mr. Magnuson, et al.; DSUB, Federal advisory bodies.

S. 1548.—Sponsor, Mr. Fong; DTTL, Defense Civilian Manpower Requirements Act.

S. 1593.—Sponsor, Mr. Cranston, et al.; DTTL, Opportunities for Adoption Act.

S. 1604.—Sponsor, Mr. Bayh; DSUB, Conferences.

S. 1606.—Sponsor, Mr. Clark; DSUB, Fertilizers.

S. 1627.—Sponsor, Mr. McGovern, et al.; DSUB, Food stamp plan.

S. 1651.—Sponsor, Mr. Talmadge; DTTL, Animal Health Research Act.

S. 1654.—Sponsor, Mr. Humphrey, et al.; DSUB, Agriculture in foreign trade.

S. 1655.—Sponsor, Mr. Tunney, DTTL, National Olympic Commission Act.

S. 1664.—Sponsor, Mr. Kennedy, et al.; DSUB, Lead poisoning.

S. 1674.—Sponsor, Mr. Sparkman (by request.); DSUB, Lead.

S. 1697.—Sponsor, Mr. Fong; DSUB, Federal employees.

S. 1715.—Sponsor, Mr. Javits, et al.; DTTL, National Genetic Diseases Act.

S. 1724.—Sponsor, Mr. Humhprey, et al.; DTTL, Rural Development Act Amendments.

S. 1737.—Sponsor, Mr. Javits, et al.; DTTL, Clinical Laboratories Improvement Act.

S. 1744.—Sponsor, Mr. Moss, et al.; DTTL, Resource Recycling and Conservation Act.

S. 1745.—Sponsor, Mr. McGovern, et al.; DTTL, Defense Economic Adjustment Act.

S. 1768.—Sponsor, Mr. Hollings, et al.; DSUB, Federal advisory bodies.

S. 1774.—Sponsor, Mr. Percy, et al.; DSUB, Executive reorganization.

S. 1807.—Sponsor, Mr. Clark; DSUB, Rural economic development.

S. 1834.—Sponsor, Mr. Scott (Pa.), et al.; DSUB, Federal advisory bodies.

S. 1838.—Sponsor, Mr. McGovern; DTTL, National Transportation Services Board Act.

S. 1863.—Sponsor, Mr. Beall, et al.; DSUB, Vocational education.

S. 1873.—Sponsor, Mr. Eagleton, et al.; DSUB, Federal advisory bodies.

S. 1882.—Sponsor, Mr. Inouye, et al.; DTTL, Metric Conversion Act.

S. 1905.—Sponsor, Mr. Magnuson, et al.; DSUB, Health planning.

S. 1945.—Sponsor, Mr. McGovern et al.; DSUB, Nutrition.

S. 2008.—Sponsor, Mr. Tunney; DSUB, Right of privacy.

S. 2022.—Sponsor, Mr. Hartke; DSUB, Compensation for victims of crime.

S. 2073.—Sponsor, Mr. Abourezk; DSUB, Indian affairs legislation.

S. 2091.—Sponsor, Mr. Hartke, et al.; DSUB, Federal officials.

S. 2102.—Sponsor, Mr. Buckley; DSUB, Federal advisory bodies.

S. 2104.—Sponsor, Mr. Tower et al.; DSUB, Small business.

S. 2121.—Sponsor, Mr. Bartlett; DSUB, Medical care.

S. 2152.—Sponsor, Mr. Javits, et al.; DSUB, Law enforcement.

S. 2177.—Sponsor, Mr. Kennedy, et al.; DSUB, Seashores.

S. 2195.—Sponsor, Mr. Nunn, et al.; DSUB, Labor productivity.

S. 2229.—Sponsor, Mr. Bayh; DSUB, Commemorations.

S. 2230.—Sponsor, Mr. Sparkman, et al.; DSUB, Foreign relations.

S. 2262.—Sponsor, Mr. Beall; DSUB, Federal advisory bodies.

S. 2265.—Sponsor, Mr. Hartke; DSUB, Railroads and state.

FAA CONFUSION OVER THE CONCORDE

Mr. PROXMIRE. Mr. President, confusion appears to exist within the Federal Aviation Administration concerning the Concorde supersonic jet transport.

According to a story in today's Washington Post, what the FAA said in its draft environmental impact statement conflicts with views contained in a memorandum signed by Walter D. Kies, the chief of the planning staff for FAA's eastern region.

The draft environmental impact statement asserts that—

> The Concorde does not require any unique air traffic procedures in which to operate in the approach, cruise, or departure phases of flight or in ground maneuvering. . . .

But Mr. Kies, in his memorandum, states that—

> The statement made [in] the subject draft . . . is not completely accurate.

Highlights of the Kies memo include the following points:

> Special procedures must be set up, according to the memo, if delays of 30 minutes or more are expected at destination airport.
>
> The Concorde in operation would require that broad bands of airspace be assigned exclusively to the plane during its climb and descent. Furthermore, a band of altitudes from 43,000 to 48,000 feet would need to be reserved for the plane while cruising.
>
> The Concorde may not be able to fly a holding pattern in existing airspace reserved for that purpose.
>
> Changes in takeoff and departure sequence with other aircraft might be required due to the Concorde's higher speeds.

William M. Flener, the FAA's Associate Administrator for Air Traffic and Air Facilities, has confirmed the authenticity of the Kies memorandum. But in response to the serious points raised in that memo, Flener blandly replies:

> As far as I am concerned, the aircraft is going to fit in with other traffic.

The Concorde is scheduled to begin service to Dulles International Airport in Washington and JFK Airport in New York early next year if the current FAA recommendation, contained in its draft environmental impact statement, prevails. But the Kies memorandum, in my view, poses a major challenge to the wisdom of that recommendation.

Mr. President, I ask unanimous consent that the article in today's Washington Post—entitled "Concorde Traffic Problems Seen" and written by Douglas B. Feaver—be printed in the RECORD so that my colleagues and others can be made fully aware of the serious questions that exist—within the FAA itself—about permitting the Concorde to land in the United States in 1976.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Sept. 15, 1975]

CONCORDE TRAFFIC PROBLEM SEEN

(By Douglas B. Feaver)

The Federal Aviation Administration's claim that the Concorde supersonic jet transport would not require "unique" air traffic control procedures if introduced in the United States "is not completely accurate," according to an internal FAA document.

The document, obtained by the nonprofit Environmental Defense Fund, cites five specific situations that could require at least an adjustment in air traffic control procedures, some of which could create delays for other flights. An FAA official said yesterday he was confident the Concorde could fly "within the system."

The Concorde, a joint Anglo-French venture, will be flying regularly scheduled service to Dulles International Airport here and JFK Airport in New York in early 1976 if current FAA recommendation stands.

That recommendation was contained in a draft environmental impact statement. The FAA has been holding public hearings and taking written testimony on that draft, and is expected to issue a final recommendation and impact statement within the next few weeks. Six Concorde flights a day—four into New York and two here—would begin early next year.

According to the draft statement, "The Concorde does not require any unique air traffic procedures in which to operate in the approach, cruise, or departure phases of flight or in ground maneuvering . . ."

But a memorandum signed by Walter D. Kies, the chief of the planning staff for the FAA's eastern region says: "The statement made [in] the subject draft . . . is not completely accurate."

The memo was, in part, a report on a meeting with British Airways officials at FAA headquarters to discuss operating characteristics of the Concorde, which would cut Transatlantic travel time from about 7 hours to about 3½ hours.

The most important point appears to concern the amount of fuel reserve the Concorde will have. "Special procedures must be set up if delays of 30 minutes or more are expected at destination airport," the memo said.

The memo also said operation of the Concorde would require that broad bands of airspace be assigned exclusively to the plane as it climbed or descended, and that a band of altitudes from 43,000 to 48,000 feet would have to be reserved for it while cruising. Top speed would be about 1,400 miles per hour.

Further, the memo questioned whether the Concorde could fly a holding pattern in existing airspace reserved for that purpose and suggested that changes in takeoff and departure sequence with other aircraft might be necessary because of Concorde's higher speeds.

William M. Flener, the FAA's associate administrator for air traffic and air facilities, confirmed the authenticity of the memorandum yesterday, but said, "As far as I'm concerned, the aircraft is going to fit in with other traffic."

Concerning the fuel question, Flener said, "If he gets into a critical fuel situation, he gets priority—but so does anybody else. If it happens time after time, however, then we would have to re-examine it."

He stressed that a final decision to permit the Concorde to land in the United States has not been made.

Most of the attacks against the Concorde have been mounted for environmental reasons. At public hearings here and elsewhere, persons have primarily complained about the superjet's noise, and of possible damage to the stratosphere because of the high altitudes it flies.

The Federal Energy Administration has said that the Concorde will not be fuel efficient, because it will use as much petroleum to carry 120 people across the Atlantic as a slower Boeing 747 would use to carry 340.

WHEAT EXPORT NEGOTIATIONS NEEDED

Mr. PACKWOOD. Mr. President, it is our responsibility to show American consumers that they can only gain when this country sells something they do not need—for example, two-thirds of the wheat we produce—and get in return something they do want—about $21.6 billion for fiscal year 1976 food exports. Richard Bell, Assistant Secretary of

Agriculture for International Affairs and Commodity Programs, said that even if the price paid to the producer for one bushel of wheat raised by as much as $1, the price of bread would only increase 1½ cents per loaf. We should be explaining to our constituents that food prices will not raise drastically due to these sales.

In June 1972, the month before the sale of wheat to Russia, farmers were getting 2.6 cents for the wheat in a 1-pound loaf of bread. In June of this year, farmers were getting 3.6 cents for the wheat in a loaf of bread—or an increase of 1 cent. Yet bread prices at the store have gone up 10.9 cents per loaf since June of 1972.

In 1974 Oregon's wheat crop was valued at $243 million. Since 85 percent of this wheat is traditionally exported, any export curb, tariff, restrictions, or transportation delay can seriously injure the State's economy, just as it would the Nation's economy. Last year agricultural commodity exports nearly equalized the drain on our economy created by the increased prices paid for imported oil, thereby preventing a reduction of the value of the dollar abroad.

It is also partially our responsibility to make sure the administration lives up to its commitment made to farmers this year. They were asked to maximize production and were assured they would have access to foreign markets. Agriculture Secretary Butz reports:

> They have responded with record or near-record crops. They need markets for this production, and that means exports. If they are not allowed to make full use of overseas marketing opportunities, they will not have the incentive—and the financial ability—to produce big crops next year.

He continued:

> American farmers need the Soviet market if they are to continue responding to an official policy of full production. We have already announced that farmers will produce without set-aside in 1976.

We cannot stand by while others claim that the 1975 sales to the Soviets will be a repetition of the 1972 "great grain robbery." There are many differences between the 1972 sales and the present ones:

First. In 1972 the United States paid $160 million in subsidies for the portion of wheat sold to the U.S.S.R. No export subsidies will be paid this year.

Second. The value of a bushel of wheat is more than double what it was then, making this year's sale much more valuable.

Third. There is no Government credit involved in the 1975 sales. In 1972, the Commodity Credit Corporation provided 3-year credit to the U.S.S.R. to buy about 7 million tons of the 12.8 tons shipped.

Fourth. Currently one-third of the Soviet grain shipments are required to move in American flag vessels. There will continue to be subsidies from the Maritime Administration to American flag vessels for carrying U.S. grain.

Fifth. Sales reporting procedure: On July 24, U.S. grain export firms were asked to advise USDA before beginning negotiations of large export sales of grain. They are required to report within 24 hours to the Department of Agriculture any sale of 100,000 metric tons or more to any destination. In 1972, there was no such requirement.

The biggest difference from the 1972 sales is that there is no shortage of wheat in this country. After reviewing the September 11 crop report, the Agriculture Department confirmed its earlier position that—

> We can make substantial further sales of both corn and wheat to the USSR and still remain within the range of current export projections. In fact, further sales will be entirely desirable and necessary from the standpoint of both agriculture and the national interest.

I have placed a great deal of confidence in the administration's handling of the wheat export problem. Virtually every official in the executive has supported wheat exports. The list includes Secretary of State Henry Kissinger, Federal Reserve Board Chairman Arthur Burns, Labor Secretary John Dunlop, Agriculture Secretary Earl Butz, and the President. I think the administration has shown the magnitude of its concern by the President's personal negotiations with George Meany while the longshoremen were boycotting grain shipments.

However, I am extremely upset by the President's willingness to delay further Soviet sales. First, he asked exporters to voluntarily withhold sales pending the USDA's August crop report to insure that the United States had enough wheat for its domestic customers. Then the date was put back to the September report, and has now been stalled until the mid-October report.

While previously sold grain will continue to be sent to the Soviets, it is certainly just as important that exporters be allowed to freely negotiate for further sales. I encourage each Senator to consider contacting the White House questioning this action.

We can do more than urge or plead or write telegrams to the White House. The President has sent a high-level delegation to the Soviet Union in order to negotiate a long term grain sale agreement. I would suggest that we take that effort one step further.

Whenever it becomes evident any country will be in the grain market for several years running, or they intend to make a large purchase in 1 year, negotiations with the country should be triggered to see if regular trading patterns can be established. Minimum contracts should be a major part of these agreements. Regular annual purchases would smooth out the impact on American food commodity prices and allow greater flexibility in USDA and producers' planning efforts. These negotiations should be initiated with any potential buyers, not only the Soviets. Any buyers of our wheat should also be willing to give us their best information predicting crop production in order to facilitate our domestic planning.

What this country really needs is more stability in its export market. Farmers want it in making their production plans. Consumers need stable retail prices to make their budget decisions. Cattlemen desparately need more reliability in feed grain prices to know how many calves to keep for feeding purposes. Entire nations need market stability.

To achieve this stability, the market does not need more regulations, manipulations, or price or export controls. A recent study done by the USDA shows how such controls have resulted in significant, and depressing, disincentives for agricultural producers. While the report concentrated chiefly on the less developed countries, it reported that recent controls in the United States have had similar effects. The controls studied included the following:

> 1. Controlling the retail price to the consumer.
> 2. Controlling the selling price of the producer.
> 3. Noncompetitive buying (procurement policy).
> 4. Export taxes.
> 5. Export controls.
> 6. Importing for sale at subsidized prices.
> 7. Exchanged rate controls.
> 8. Restrictions on credit, land tenure, and farm size.
> 9. Restrictions on domestic movement of agricultural products.

Nearly all of the above have been either tried or suggested for the U.S. food commodity market. On May 1, President Ford in his distaste for such controls, said—

> Farmers have my support for a vigorous export policy for their products. I recognize that agricultural exports have been restrained twice in the past two years. We have eliminated all restrictions on exports and we are determined to do everything possible to avoid imposing them again. Our farm products must have unfettered access to world markets.

The stability I am talking about can be achieved without Federal manipulation of the market. Of course, we will always have to live with the uncertainties of the weather, but adopting a plan such as the one I suggest will eliminate the uncertainties of large purchasers entering the market, making massive drains on domestic stocks, without prior notice of their possible need.

An excellent, August 31 editorial in the Washington Post pointed out that if more nations would set up regular trading patterns in wheat as the Japanese have, it would eliminate the instability of the market, and the need to set up any type of Federal export agency in the United States.

I ask unanimous consent that the text of the editorial be printed in the RECORD.

There being no objection the editorial was ordered to be printed in the RECORD, as follows:

JAPAN, RUSSIA AND GRAIN EXPORTS

Because food prices rose last month and promise to rise again, there is a spreading inclination in this country to cut back exports of grain. The demands of the AFL–CIO can be largely discounted, since it is mainly interested merely in more subsidies for the maritime unions. But the idea of reducing exports also seems to be gaining ground here and there in Congress. Since foreign demand for American foodstuffs is pushing up prices here at home, the reasoning goes, then lower demand would push those prices back down. That logic is profoundly and dangerously wrong-headed. Any substantial cut in agricultural exports would damage this country's balance of payments, and ultimately its standard of living, far out of proportion to any slight savings that might show up at the supermarket. It is not necessary to control exports in general in order to reach the source of the immediate trouble. The current inflationary disruption and uncertainty in the American grain markets are owed to one foreign buyer alone—the Soviet Union.

The point is best made by a comparison with the way the Japanese buy American grain. They buy steadily and consistently. They make their intentions clear, publicly, long in advance. The American grain markets know exactly what they can expect from Japanese buyers, and American farmers can set their own production with that in mind. It is the sudden drastic fluctuations in demand that keep knocking the American food industry off balance, and those fluctuations are caused mainly by the Soviet Union. The following brief table summarizes Japanese and Soviet grain imports, measured in millions of metric tons, over the past several crop years:

	1972–73	1973–74	1974–75	1975–76 (estimate)
Japan	17.5	19.4	18.1	18.5
U.S.S.R.	20.8	10.5	4.9	25.0

The sudden surges in Soviet demand reflect the hazards of trying to raise crops in a severe climate on land of which much is semi-desert, lying far to the north. Soviet production of grain has always suffered severe ups and downs, but Soviet requirements have risen sharply in recent years with the government's decision to increase meat production. By their sadly mistaken practice of leaving American markets open to huge sporadic Soviet purchases, the Nixon and Ford administrations have permitted the Russians to stabilize their agricultural system at the expense of ours.

Things are a little better this year than earlier because the Secretary of Agriculture, Earl Butz, has developed a fairly effective system of freezing sales to the Soviets whenever exports seem to be getting out of hand. But these intermittent freezes are mere makeshift, not a reliable policy. It is important for the United States government to arrive at a clear set of rules so that both foreign buyers and American producers know where they stand.

If the Russians are going to depend upon substantial imports of American grain, it is reasonable to ask them to buy more regularly. That means buying at least an agreed minimum even in their good years, and no more than an agreed maximum even in their bad years. This kind of agreement would limit the fluctuations in their demand to a fixed and relatively narrow band. The effect would be to force the Russians to maintain grain reserves—a precaution which, incidentally, would presumably serve their own national interest. It would be moderately expensive, as Americans have good reason to know, but it is a kind of insurance that nations with uneven climatic conditions usually find it useful to carry.

The present arrangement—or lack of arrangement—permits the Soviets to descend upon our market without warning and play it like a speculator. That runs up the price for our steady customers, like the Japanese, who buy at a constant rate, month after month, rather than using hit-and-run tactics. If the Soviets will not enter into a maximum-minimum agreement, the proper response by the United States would be a unilateral announcement limiting them, for example, to a percentage of the previous year's sales and no more.

Precisely to protect themselves from this kind of international disruption, all of the other major grain exporting countries have long since put foreign sales in the hands of government agencies. Until the 1970s, the sheer size of the American harvests and the American reserves insulated our markets and prices from the impact of foreign sales. But currently those sales are getting very much bigger. The buyers are increasingly governments that are committed to raising nutritional standards at home. The United States has never wanted to set up a state export agency for grain and, under the present circumstances, there is no need for it. Most of the major buyers are like Japan, willing to make long-term commitments and stick to them. All of the serious difficulties lie with one country alone and can best be resolved by negotiations with its government. Increasing American agricultural exports will benefit the whole country—as long as they increase steadily and predictably. It requires the kind of firm understanding that this country now has with its Japanese customers—but, notoriously, not so far with the Russians.

Mr. PACKWOOD. Mr. President, I would like to offer any assistance that I can provide in establishing such negotiations with nations that anticipate wheat purchases in this country. I can think of no activity which would directly benefit the people of Oregon and the Nation more.

FRAUD: A GROWING PROBLEM FOR BANKS

Mr. PROXMIRE. Mr. President, for the information of my colleagues I wish to insert into the RECORD an article appearing in the September 8, 1975, issue of Business Week magazine entitled "Fraud: A Growing Problem for Banks." The statistics reveal that losses to commercial banks because of fraud have increased from $20.4 million in 1964–65 to $188.7 million in 1974–75.

The disturbing upward trend in internal fraud at commercial banks raise the issue of whether the provisions of the Bank Protection Act which now apply to external crimes of violence should be amended. A serious question is raised respecting the efficacy of bank examination procedures and coordination among the fragmented regulatory structure to insure the implementation of adequate and uniform standards applicable to internal controls. These problems may be intensified as electronic funds transfer mechanisms are implemented in the financial system. One of the most distressing episodes in banking history was the failure of the Comptroller of the Currency to take effective and timely action against the flagrant conflicts of interests perpetrated by C. Arnholdt Smith which resulted in the failure of the U.S. National Bank in San Diego in 1973.

Mr. President, I ask unanimous consent that this article to which I refer be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Business Week magazine, Sept. 8, 1975]

FRAUD: A GROWING PROBLEM FOR BANKS

While banks and other financial institutions have suffered a variety of troubles in recent years, they have also been beset by a stunning surge in losses from internal embezzlement and other frauds. The losses remain tiny relative to total deposits, but the rising incidence of embezzlement is creating worries for officials concerned with bank security.

In 1965, insured financial institutions including commercial banks, savings & loan associations, mutual savings banks, and credit unions—lost $24.4-million to frauds. There were 2,835 cases reported, and the Federal Bureau of Investigation and U.S. attorneys obtained 604 convictions. By the fiscal year ended last June 30, the loot was up to $188.7-million, although $33.9-million was later recovered. Reported cases totaled 10,181, and there were 1,511 convictions.

The Insurance and Protection Div. of the American Bankers Assn. has kept a close watch on the increase in fraud but is at a loss to explain its causes. Hollis W. Bowers, director of the division, says: "There doesn't appear to be any one reason for the increase. We have social problems over which we don't have any control. There has been a large increase in all types of crime."

One factor that Bowers believes may account for part of the growth in fraud is simply increased opportunity. Ten years ago, there were 39,912 offices of insured institutions with total deposits of $451-billion. By fiscal 1975, there were 72,801 offices with deposits of just over $1-trillion. But the increase in crimes is too great to be explained merely by the growth of banking. In 1965 there was one fraud for each 11 offices, and by 1975 it was up to one for each seven.

THE QUANTUM JUMP IN EMBEZZLEMENTS (REPORTED CASES OF FRAUD AND EMBEZZLEMENT IN ALL FINANCIAL INSTITUTIONS)

Fiscal year	Losses (millions of dollars)	Cases	Convictions
1964-65	$20.4	2,835	604
1965-66	18.2	3,030	626
1966-67	20.4	3,157	669
1967-68	25.8	3,405	674
1968-69	32.9	3,773	730
1969-70	72.7	4,125	712
1970-71	113.5	5,494	949
1971-72	123.3	6,842	991
1972-73	135.6	6,787	1,064
1973-74	151.1	7,820	1,200
1974-75	188.7	10,181	1,511

Source: American Bankers Association.

Bowers does not believe the increase results from changes within the banking industry and specifically rejects the notion that computerized accounting methods have made embezzlement and other frauds easier to perpetrate. "A fraud would be committed with or without the computer," he says.

John S. Monroe, associate director of the Bank Administration Institute, says he believes the coming of electronic fund-transfer systems might help reduce embezzlements. "The fewer tellers you have and the less cash you have around, the less opportunity and temptation," he says.

Neither the ABA nor the FBI, which investigates most fraud cases, has statistics available on the types of financial institutions affected by embezzlement nor on the most common types of frauds.

LOAN FRAUDS

A survey by the BAI indicates embezzlement is most prevalent in multibranch banks, despite the fact these institutions generally have the best audits. Bowers, however, says that while any bank employee who has access to any type of account has the opportunity to become an embezzler, loan accounts are a major source of loss. Loan frauds create the opportunity for looting large sums and helped boost the average take from embezzlement to more than $17,000 last year. The most popular approach appears to be the creation of fraudulent accounts, where a loan officer, perhaps working with an outside confederate, processes loans for nonexistent borrowers and pockets the principal.

Bowers believes the key here is increased vigilance in audit procedures. "Loan accounts have to be watched all the time," he says. "You have to go out and talk to the borrowers to make certain they really exist and that the loans are what they appear to be."

Monroe agrees that better audit controls are the key to protection. "If a guy wants to steal from you, he can steal from you," he says. "It's a matter of catching him early."

He believes audits are of far greater use in finding and preventing embezzlements than various psychological testing procedures designed to screen out potential criminals among bank employees. "We could spend more money developing psychological profiles of potential embezzlers than we lose in frauds," Bowers says.

Banking industry sources also say that more vigorous prosecution of embezzlers could prove a deterrent. "Many U.S. attorneys won't even prosecute a case involving a couple of thousand dollars," one official says. "The embezzler is quietly fired, any benefits he may have coming are attached to recover the loss, and he is out of the banking industry forever. And that's the end of it."

Although embezzlement is a serious concern for banks, bonding insurance generally covers any loss, except for a deductible payment, which ranges from $1,000 up to $50,000. The only real trouble can come when the bank's top officers are doing the looting. Bank regulators, in fact, were so concerned over the health of U.S. National Bank in San Diego in 1973 that they insisted on its sale to the highest bidder. A main cause of the bank's demise: huge loans to Chairman C. Arnholt Smith's Westgate-California conglomerate that could never be paid back.

THE OZONE PRESERVATION ACT OF 1975

Mr. PACKWOOD. Mr. President, I would like to state to my colleagues today that I believe the evidence demonstrating the reductions in our essential levels of ozone in the atmosphere is gaining in preponderance. Legislation is needed now to limit the emissions of fluorocarbons into the atmosphere which are currently reaching 1 megaton annually.

Considering the dangers to our environment and the relatively easy transition to the available alternatives to fluorocarbon use, I believe we should take action now. Although absolute proof has not been shown for the ozone depletion theory due to fluorocarbons, I believe the preponderance of evidence is great enough to warrant a judgment of caution. A judgment that the present risks are too great to not immediately control fluorocarbon emissions into the ambient air.

This is the opinion I offered to the Senate Aeronautical and Space Sciences Subcommittee investigating the upper atmosphere this morning, together with my comments on the scientific information showing a preponderance of evidence that fluorocarbons are causing reductions of the Earth's ozone shield.

I ask unanimous consent that a copy of my testimony, and an article which appeared in the New York Times yesterday morning concerning climatic changes due to fluorocarbon emissions be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Statement Before the Senate Aeronautical and Space Sciences Ad Hoc Subcommittee on the Upper Atmosphere, September 15, 1975, Concerning the Ozone Depletion Theory, and the Ozone Preservation Act of 1975, by Senator Bob Packwood

Mr. Chairman, my fellow Colleagues, I truly appreciate the opportunity to testify before you today on the serious issue of stratospheric ozone depletion you are ambitiously investigating. The importance of the task you have taken upon yourselves is a fine mark of concern to a public awaiting definite answers to the questions of danger resulting from ozone reduction, and our Nation's scientists' vigorous efforts to produce conclusive proof of those health and environmental threats.

During the last five months the public has witnessed a number of significant decisions on the controversy over fluorocarbons causing a reduction in the ozone content of the stratosphere; ozone concentrations that are critical to our health, and our existing natural environment.

First, after exhaustive hearings and debate, my home State of Oregon statutorily banned from sale all aerosol spray cans containing fluorocarbons 11, 12 and others containing unbonded hydrogen, within the State beginning March 1, 1977. Oregon's forthright action sparked a legitimate alarm, together with other warnings, that has been building a preponderance of evidence lending support to the claims of ozone depletion.

The Federal Task Force on Inadvertent Modification of the Stratosphere pronounced that a "legitimate cause for concern" exists that two fluorocarbon gases are damaging the Earth's protective ozone shield. "Unless new scientific evidence is found to remove the cause for concern", the IMOS Task Force advocated restricted use of fluorocarbons 11 and 12.

Subsequently, the State of New York came within a few vital votes of enacting restrictive legislation on these freons. On June 20, 1975, the Johnson Wax Company made a startling announcement, that it would immediately cease to use all fluorocarbon propellant in its production lines. While some have discounted the importance of this decision, I believe it stands out as a striking expression of concern not yet shown by similarly affected interests in the fluorocarbon debate.

Drawing to a close the $30 million, three year, Climatic Impact Assessment Program by the Department of Transportation, a .5 percent depletion per year was described as a "negligible effect on the ozone layer." Mr. Chairman, ozone depletion calculations have provided dramatically higher estimates of 3, 5, 10, 14, and 22 percent depletion of our essential ozone concentrations, depending on the promptness we show in controlling the release of certain fluorocarbons.

The public has responded to the warnings offered thus far. Total 1974 aerosol sales, including those not containing fluorocarbons, were reported by industry to have decreased about five to ten percent over 1973. News articles over the last six months have resounded from the Wall Street Journal's statements of growing evidence of ozone depletion, to the hundreds of published scientific papers offering affirmative results on key aspects of the ozone depletion claim due to freons.

The concept of fluorocarbon caused reductions in the stratosphere is admittedly not a simple matter. As one ascends in the altitude the atmosphere becomes less and less dense because the pull of gravity on atmospheric gases weakens. The sun's invisible, ultraviolet radiation is extremely energetic at these levels in the ionosphere, but does not reach the earth's surface in great quantities, because the ultraviolet rays are absorbed by oxygen molecules as it turns them into oxygen atoms. It is precisely these free atoms drifting downward and colliding with oxygen molecules which creates the protection shield of that very reactive form of oxygen called ozone—or molecules made up of three atoms of oxygen.

Although ozone remains concentrated between roughly 10 and 40 miles of altitude, beneath the oxygen molecule shield above, it nonetheless performs an invaluable role absorbing energetic ultraviolet radiation; radiation strong enough to destroy or damage living cells.

Ozone's other unique feature in absorbing this radiation is that it makes the stratospheric air in which it rests—10 to 30 miles above the earth's surface, hotter than the air below 10 miles. Thus a situation is created in which gases introduced into the atmosphere finde it relatively easy to rise upward due to turbulence, and then once introduced to the stratosphere above 10 miles, fairly difficult to get out again, due to entropy.

Chlorofluoromethanes are themselves highly inert chemically, and do not react directly with ozone or ordinary oxygen atoms. However, after absorbtion of short wavelength ultraviolet radiation of 1900–2250 angstroms, each molecule decomposes, and releases a free radical atomic chlorine, which attacks ozone through catalytic chain reactions.

It is this very incidence of chlorine atoms which initiates the ozone depletion chain reaction. It is precisely this non-steady-state chain reaction we must seek to curtail, by regulating our continuous emissions of chlorine carrying fluorocarbons. It is our failure to control these freon emissions which can well lead to increases in ultraviolet radiation and corresponding levels of skin cancer. As it is generally accepted, a one percent decrease in ozone, would result in a two percent increase in deaths and skin cancer cases. For the upcoming year this would mean an additional 40 deaths and 1,200 new cases of skin cancer, totalling about 2,040 and 601,200 respectively. Moreover, the changes in physiological and growth characteristics of certain plant species, disturbances in aquatic and terrestrial ecosystems, and the probability of reduced crop yields are risks we may avoid with prompt action.

Mr. Chairman, I am sure two crucial points have been made on the impact of fluorocarbon emissions. First, at a lower, more conservative estimate, we can expect a delay period between freon emissions and their effect upon the ozone of approximately 10 years. Nearly 14 billion pounds of freons 11 and 12 have been released into the atmosphere to date; present production is doubling every 5 to 7 years, and on a planet of over four billion people, 220 million Americans release half of the world's freons. Gentlemen, we have a large responsibility.

Secondly, the removal rate of these damaging molecules from the stratosphere is extremely long, lasting an average of 50 to 100 years in the atmosphere.

Considering these two point and the level of emissions presently allowed to continue, I find the averaged estimates of a one to two percent reduction in ozone by the IMOS Task Force sufficiently alarming to warrant action limiting freon emissions.

Despite the preponderance of existing data, and lack of adequate rebuttal, what has been the response of the opponents to a control of freon releases. I judge their general arguments to be three:

First, that ozone depletion due to freons is a mere hypothesis and not to be believed. Our state of knowledge of the chemistry of the stratosphere is much greater than is being admitted. The United States has been funding an intensive, $30 million, 3 year study, which I have already mentioned, to focus closely on the chemical problems involving reactions with ozone in the stratosphere of nitrogen oxides. In addition, in the hundreds of papers on stratospheric chemistry to be reviewed over the last year or two, very few, if any, have originated from the industries involved here.

Scientific predictions of the future obviously rest on hypothesis, if not because of strict definition, then due to the usual reluctance in science to assign deductive certainty to novel theories, although proof is gaining in preponderance.

The second objection raised is that another source for the radical chlorine atoms must be considered, before freons are judged the contributing cause of ozone deconcentration. Other sources suggested are volcanic emissions and amounts deriving from the ocean. Significant evidence exists to the contrary.

Dr. Al Lazrus, at the National Center for Atmospheric Research, has measured levels of HCl as high as 28 kilometers. The amounts Dr. Lazrus has measured have been calculated as very close to the results expected, were either carbon tetrachloride, or the two fluorocarbons—freon, 11 and 12 present. More importantly, the incidence of HCl increased with altitude. As Dr. Rowland stated: "The fact that HCl increases with altitude is inconsistent with every proposed source of chlorine injection into the stratosphere, except the photolysis of an organic compound (freons 11 and 12). It is not consistent with volcanic erruptions and emission; it is not consistent with the sea salt ocean produced notion. The HCl occurence at higher rates at higher altitude is consistent only with the hypotheses that have been suggested so far of the loss of chlorine from some molecule which has managed to be carried up above the 27 kilometer level in such a way as not to react." In point of fact, it is exactly the photolysis of freon 11 or 12 that provides a way to get radical chlorine atoms up to altitudes above 27 kilometers which breaks apart ozone molecules.

Other research concerning HCl contents has recently rendered similar compelling results. Dr. Barney Farmer, at the Jet Propulsion Laboratory in Pasadena, California, has collected infrared spectrum measurements using a U–2 plane at high altitudes and taken readings from both a British and French Concorde SST. By recording sunlight spectrums during dawn and dusk, the gas properties of the atmosphere could be determined. Dr. Farmer found that HCl levels diminished from ground level to unmeasurably small amounts around 7 kilometers. HCl began to reappear in greater concentrations around 15–16 kilometers. This fall-off between 8–14 kilometers discounts quite well the alternative explanation of chlorine insertion from oceans or volcanoes, rather than freon decomposition. The point is that there would clearly be an incidence of HCl throughout this atmospheric "column", rather than just below and above the fall-out layer.

The third argument generally offered against the depletion theory is that the models from which calculations are drawn are simplistic, unidimensional, and therefore, do not accurately assess the "reality" of the complex atmospheric issues at question.

At face value this seems reasonable criticism, but how has the unidimensional model prejudiced the model's conclusion? Although other reactions of atmospheric molecules could occur to alter the conclusions drawn from the basic Rowland-Molina model, no alternate explanations have been offered. In fact, the two postulates upon which the model are based—the upward diffusion of freons and subsequent loss of chlorine atoms by fluorocarbons during photolysis—have been well documented.

Dr. Krey of the Health Safety Laboratory of the former Atomic Energy Commission made several measurements at altitudes of 12 to 19 kilometers which all contained concentrations of freon 11. Additionally, Dr. Krey found a fall-off in freon concentration with rising altitude, in accord with the photolysis reaction. Similar monitoring by Dr. Murcray, over the last six years indicates the presence of freon 12 as high as 21 kilometers.

Laboratory experiments have demonstrated conclusively that freon 12 releases a chlorine atom under the appropriate ultraviolet wavelength band, or "window". The University of California, Irvine, decomposed chlorine with 1,849 angstroms; Julian Hycrin's study group at Pennsylvania State determined 2,139 angstroms, which completes the lower and higher boundaries of freon decomposition in the ozone depletion model.

Finally, in analyzing the depletion model, Dr. Rowland has individually used the existing eddy-diffusion coefficients of Wotsy-McElroy, Crutzen and Chang, the principal researchers in this area. In each case, substituting coefficients into the model, Dr. Rowland stated that, "the fall-off with altitude which Dr. Krey has made is consistent with the photolysis decomposition approach." Thus, three separate and independent analyses of the fluorocarbon impact in ozone depletion are in agreement with the unidimensional model of Rowland and Molina.

Based on this research, Mr. Chairman, and after careful review of the statements made before this Committee, as well as the House Interstate and Foreign Commerce Subcommittee on Public Health and Environment, during December, 1974, I believe a judgement of caution should be made to control fluorocarbon emissions into the ambient air. Three fundamental reasons underscore my judgment of caution for the control of fluorocarbons.

First, consider the nearly ten year time lag between the release of fluorocarbons and their impact on the ozone layer. Even if a ban were enforced today, the deleterious effects due to ozone depletion would continue for a decade; a decade of potential damage we cannot anticipate with certainty.

Secondly, consider the degree of certainty, perhaps apodictic, which some say must be demonstrated before freon controls are initiated. Again, let me reiterate the preponderance of evidence which monthly, for the last year, has made the probability of ozone depletion more likely and closer to certain. I question how long we can wait proof positive while risking the sizeable, unforeseen impacts to our environment.

Third, I seriously doubt that the consequences of controlling freon as I have proposed imposes any undue or inequitable hardships on the public or industry. On balance, recognizing the great risks we take by waiting longer to restrict the present level of emissions, by waiting longer for research results that may be years away, and not by realizing the reasonable alternatives to freon propellants now, we may be making a grievous error. Mr. Chairman, as you have commented during these hearings, I too, would rather "err on the side of caution", than answer to my children for having not acted when dangers seemed imminent.

I introduced "The Ozone Preservation Act of 1975," on June 19, 1975, providing four separate fluorocarbon control features to become effective as regulations promulgated by the Environmental Protection Agency, one year and a half after enactment of the bill:

1. Prohibiting the sale and distribution of aerosol spray containers containing fluorocarbons -11 and -12, $CFCl_3$, and CF_2Cl_2, in line with the Task Force recommendations

2. For the control of fluorocarbon emissions into the ambient air from sources other than aerosol spray containers, including air conditioning and refrigeration systems.

3. For the control of other fluorocarbon and chlorofluoromethane compound emissions which the Administrator judges to threaten the public health, safety, or environment.

4. In addition, the regulations in (2) and (3) will include standards to limit emissions.

The approach I have taken is comprehensive, since it includes both aerosol propellant emissions and other sources, such as refrigeration and air conditioning systems. Inasmuch as it provides authority for the Administrator to limit other fluorocarbon emissions, the approach acknowledges there may be other controls needed as our knowledge expands in this area.

I would like to compliment my colleague, Senator Bumpers, for his suggestion to establish an Upper Atmosphere Research Center. While work is being done by numerous agencies at the Federal level, the coordination of the studies and program results are not coordinated within a center of common purpose. Both as an advising body, and information headquarters, I believe the concept is sound.

Again, gentlemen, I appreciate the opportunity to appear before you today. I hope your testimony in days to come proves clear and convincing. Thank you.

[From the New York Times, Sept. 14, 1975]

Climatic Changes by Aerosols in Atmosphere Feared

(By Walter Sullivan)

Although attention in the debate regarding the role of fluorocarbon aerosol sprays has hitherto focused on public health questions, it has now been proposed that they could alter world climates.

According to calculations by Dr. Veerabhadran Ramanathan of the National Aeronautics and Space Administration's Langley Research Center in Hampton, Va., fluorocarbons in the atmosphere could have a "greenhouse effect" similar to that caused by carbon dioxide.

Such an effect occurs when a gas, acting like the glass in a greenhouse permits sunlight to pass freely, but inhibits the escape of heat in the form of infrared radiation. The result is a warming of the lower atmosphere and the earth.

It is an extreme greenhouse effect that is believed to account for the oven-hot temperature of Venus, whose atmosphere consists of a heavy blanket of carbon dioxide.

Dr. Ramanathan's warning, based on calculations to be published shortly in the journal Science, coincides with a growing number of stratospheric observations that bear on the controversy.

According to the experimenters, these suggest—but do not prove—that fluorocarbons in the stratosphere have been broken down into chlorine, which can then act to deplete the ozone of that region. The public health concern relates to the role of ozone in absorbing wavelengths of ultraviolet sunlight that otherwise cause skin cancer and other injury to earth-borne life.

Dr. Ramanathan's calculations suggest the possibility of climatic effects far less dramatic than those on Venus, but nevertheless of major importance to mankind. If, he suggests, fluorocarbons reach a level of two parts per billion in the atmosphere, as predicted for the end of this century if present usage continues, global temperature would rise on the average about 1.6 degrees Fahrenheit.

He points out that significant changes in world patterns of rainfall, aridity, ice cover and other climatic variables have been predicted if average global temperatures vary as little as 0.09 degrees.

FEEDBACK EFFECTS

However, Dr. Ramanathan notes that his estimates do not take into account such complicating factors as atmospheric circulation and various feedback effects. Hence, he says, his proposal should be regarded as indicative of possible consequences, rather than as a firm prediction.

Recent long-term predictions of climate change have been contradictory. Some forecasters believe a cooling trend has begun that may mark the return to another ice age. Others say a natural 80-year cycle is nearing its coolest phase and that a marked warming is in store, reinforced by the greenhouse effect of carbon dioxide from fuel burning.

Whatever the effect of fluorocarbons, they would presumably be but one among several such factors.

Roughly half of all aerosol spray cans use pressurized fluorocarbon gas as a propellant. While these gases are categorized under various names, the term fluorocarbon is now most widely used, apart from the trade name Freon, used by E. I. du Pont de Nemours & Co., the primary manufacturer of fluorocarbons.

They are also used in refrigeration and air-conditioning systems.

They are compounds of chlorine, fluorine and carbon that are valued because they do not react chemically with the material being sprayed. Almost all cosmetic aerosols are propelled by one of the two forms in general use, FC–11 and FC–12.

POPULARITY INCREASES

Because they do not react chemically, they have accumulated in the atmosphere as their use became increasingly popular during the last decade. The current concern is that they are broken down by ultraviolet sunlight when they reach the stratosphere, releasing free chlorine whose reactions deplete the protective ozone of that region.

The chemical industry has questioned this hypothesis from the start. First, it expressed doubt that fluorocarbons were reaching that high in the atmosphere. However, the September issue of Environmental Science and Technology carries a report on stratospheric measurements from an Air Force jet showing fluorocarbons present at altitudes as high as 60,000 feet.

The study, carried out by scientists of the Statewide Air Pollution Research Center at the University of California, Riverside, was supported by a grant from the Manufacturing Chemists Association.

It was also argued by skeptics that chlorine of organic and volcanic origin was already in the stratosphere. From time immemorial, it was said, the ozone layer has survived in the presence of this chlorine, both in free atoms and as hydrogen chloride, and a little more is unlikely to make much difference.

SLOWER RELEASE

It was pointed out as well that the release of chlorine from fluorocarbons under ultraviolet exposure was slower at the chilly temperatures of the stratosphere than at typical laboratory temperatures.

This has been found in experiments by the National Bureau of Standards that, however, also showed that shorter ultraviolet wavelengths could release two chlorine atoms from each molecule, rather than just one.

Two groups of scientists have now made observations within the stratosphere that, they believe, indicate the presence there of a local source of chlorine. The most obvious such source would be fluorocarbon breakdown.

What they have detected are considerable amounts of hydrogen chloride. In telephone interviews, they expressed the view that its origin from ocean spray could be ruled out and that a volcanic source seemed unlikely.

PREDICTIONS UPHELD

Its abundance did conform to the predictions of atmospheric chemists based on the presence and breakdown of fluorocarbons.

Yet another finding was that the abundance of one fluorocarbon—FC–11—dropped off more rapidly with increasing altitude than its sister chemical, FC–12. This, too, had been predicted on the ground that FC–11 broke down more readily when subjected to ultraviolet light than did FC–12.

On Friday, Dr. Leroy Heidt of the National Center for Atmospheric Research in Boulder, Colo., said in a telephone interview that from direct observations it had been found that FC–11 virtually disappeared above 25 miles whereas FC–12 persisted almost to 35 miles. This is seen as strong evidence that a breakdown by ultraviolet is occurring. The observations were by balloon sampling rather than by the Nimbus 6 satellite, as was reported Wednesday in The New York Times.

The hydrogen chloride measurements were carried out by the Jet Propulsion Laboratory of the California Institute of Technology in Pasadena and by the National Center of Atmospheric Research in Boulder, Colo. In the former case, the observations were from U–2 aircraft above the San Francisco area.

Six flights were made in late May and June to elevations as high as 13 miles. At increasing altitudes up to a height of eight or nine miles, there was a steady decrease in the amount of hydrogen chloride, which, it was suspected, was chiefly of oceanic origin. But then the amount increased to the 13-mile ceiling of the flight.

MAXIMUM ABUNDANCE

According to Dr. C. B. Farmer, leader of the observing group, the abundance apparently reached its maximum only a short distance higher. The pattern, he said in a telephone interview, was "very much" like that predicted in the ozone depletion hypothesis.

Within a week or two, it is hoped the same sampling instrument can be lifted to 27 miles or more by a balloon.

The Colorado group made its measurements from Project Ash Can balloons flown from Holloman Air Force Base in New Mexico. Ash Can is one of two long-standing efforts by the Atomic Energy Commission—now the Energy Research and Development Administration—to keep track of debris from atomic explosions.

SEASONAL VARIATIONS

It consists of balloon flights, whereas its companion program, known as Airstream, consists of sampling by aircraft. Airstream missions are currently being flown at three seasons of the year and at four levels of the atmosphere along a route from north of Alaska to Panama.

Because FC–11 was a useful tracer for upper air movements, Airstream began sampling it in 1973, a year before it was proposed as a threat to the ozone layer.

According to Dr. Allan L. Lazrus of the balloon sampling team, the hydrogen chloride level reached its maximum of one part per billion at a height of 15 miles, with little dropoff from there to the 17-mile ceiling of a flight last July. From other flights, there seem to be seasonal variations of a few miles in this peak level, he said.

The chief remaining uncertainty, according to Dr. Theodore L. Cairns of du Pont, is the manner in which chlorine depletes ozone under the special conditions of the stratosphere. It has not been demonstrated, for example, that this breakdown process runs faster than the reactions that daily reconstitute to ozone layer. Dr. Cairns heads du Pont's Central Research and Development Department.

A variety of observations are under way to record changes in the ozone layer, particularly at a height of about 25 miles, where the strongest fluorocarbon effect has been predicted. Because the ozone layer varies with latitude, with the seasons and in other ways, defining such change may be difficult.

This alarms some scientists who fear that, by the time the effect becomes evident, enough fluorocarbons will have accumulated in the air to degrade seriously the ozone layer once these gases reach high altitudes. This could then cause many more cases of skin cancer and other problems.

The Nimbus 6 satellite, lauched June 12, is monitoring the ozone both in terms of geographical variations and vertical distribution. It scans close to the horizon for the characteristic infrared radiation given off by ozone when heated by sunlight.

An atmosphere Explorer satellite, to be launched in November, will monitor the ozone by looking down onto the atmosphere to see how much solar ultraviolet is scattered back into the sky. The less that is scattered, the more ozone there is. In its eccentric orbit, this vehicle will repeatedly plunge to within 85 miles of the earth, penetrating the upper atmosphere.

Another satellite, Nimbus 4, has been monitoring ozone in the same manner since 1970. Worldwide stations also monitor the total amount of ozone overhead by recording how much solar ultraviolet gets through to the ground.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, the failure of the Senate to ratify the Genocide Convention continues to jeopardize U.S. world leadership in two fundamental ways.

First and most obviously, it jeopardizes U.S. leadership and influence in the field of international human rights, an area in which the United States takes an extreme amount of pride.

Second, Senate delay in ratification jeopardizes U.S. influence in other matters of international significance. Who can deny that the whole range of American international relations is adversely affected by our failure to accept our responsibility for the single most abhorrent violation of human rights? Any nation which refuses to join almost 90 other sovereign nations to prevent and punish the crime of genocide must also suffer a lose of prestige affecting its other activities in the international arena. This lose of prestige and influence has been the stumbling block in American efforts to enhance international cooperation in the area of human rights.

I again urge this body to halt this disintegration of U.S. world leadership in the field of human rights, and to adopt the Genocide Convention.

NAVY WINS "FLEECE OF THE MONTH" AWARD

Mr. PROXMIRE. Mr. President, every month I offer an award to the Government organization offering the best example of wasting or squandering public tax funds. In the past several months awards have gone to the Corps of Engineers, Selective Service System, NASA, National Science Foundation, Department of Interior, FAA, and Congress.

This month's "fleece," for the first time, goes to one of the military services. The U.S. Navy receives this singular recognition for using 64 aircraft to fly 1,334 officers to the Hilton Hotel in Las Vegas for a reunion of a private, nongovernmental organization during the height of the energy crisis.

During the September 6–8, 1974, reunion of the Tailhook Association, the Navy placed 64 aircraft, ranging from tactical fighters to VIP jets, at the service of 1,334 Navy officers throughout the country who needed transportation to Las Vegas.

The flights cost more than $191,000 in tax funds and squandered 347,000 gallons of fuel in the midst of the most severe energy crisis the Nation has ever faced.

The flights were authorized by the Chief of Naval Operations and justified as "space required" travel. None of the officers carried the required documentation for "space required" travel, however, and none was involved in a temporary or permanent change of station as required by regulation. The designation was a subterfuge.

Many aircraft were taken off operational duty for these flights, including C–9, C–118, C–117 and CT–39 transports; trainers; A–7 and F–4 fighters; and the VIP configured C–131 and TA–3 planes. A number of flights were one way and several forced cancellation of planned training exercises.

The giant airlift was of such magnitude that it required the assignment of 13 Navy personnel for ground support and administration.

The Tailhook Association is a private, nongovernmental organization, comprising active duty, reserve, and retired military aviators and civilians interested in aircraft carrier affairs. About 1,600 personnel attended the reunion, according to the association, including 1 admiral, 6 vice admirals, 16 rear admirals, 69 captains, 1,055 other officers, 2 enlisted men, 40 naval Reservists, 146 Navy retired, 69 active duty marines, 7 retired marines, 8 other military officers, 17 Federal employee civilians, and 153 other civilians.

Planes left for Las Vegas from California, Washington, D.C., Florida, Texas, Mississippi, Louisiana, Virginia, Nebraska, Maryland, Pennsylvania, Arizona, and one aircraft carrier—the *Coral Sea*.

The GAO has informed me that the Navy has decided that it will not provide aircraft support for this year's September meeting of the Tailhook Association in Las Vegas.

AIR FORCE IN SECOND PLACE

The Air Force was runnerup to the Navy in this month's contest: On April 11–13, 1975, a group of 400 Air Force officers called the Red River Valley Fighter Pilots Association, nicknamed "River Rats," also held a social gathering in Las Vegas.

The officers of this private organization told investigators from the General Accounting Office that no Government transportation was used for the reunion, except for transporting an Air Force general who was guest speaker. Nonetheless, the GAO found a number of aircraft flights into nearby Air Force installations that carried Air Force officers attending the meeting.

The "River Rats" refused to provide details to the GAO and blocked entrance to the meeting for "security reasons."

The Air Force also refused to provide details because they considered the "River Rats" a private organization.

The GAO concluded that the little information provided by the "River Rats" officials was "inaccurate and misleading."

Considering that it will take weeks to reinforce our troops in Europe by air, there is great comfort in noting that the Navy and Air Force can quickly airlift thousands of officers to Las Vegas in the face of a compelling requirement. Where there is a will, there is a way.

This utter disregard for tax dollars and complete mockery of the national energy program can only be described as calculated stupidity. The generals and admirals should spend a lot more time in the Pentagon and a lot less time in Las Vegas at public expense.

The Chief of Naval Operations should wear an "I am fuelish" button for this boondoggle.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

NATIONAL MASS TRANSPORTATION ASSISTANCE ACT AMENDMENTS OF 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to Calendar Order No. 356, S. 662.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 662) to amend the Urban Mass Transportation Act of 1964 to provide operating assistance for projects located in areas other than urbanized areas, to provide for mass transportation assistance to meet the needs of elderly and handicapped persons, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from West Virginia?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Banking, Housing and Urban Affairs, with an amendment to strike out all after the enacting clause and insert the following:

OPERATING SUBSIDIES IN AREAS OTHER THAN URBANIZED AREAS

Section 1. The last sentence of section 4(c) of the Urban Mass Transportation Act of 1964 is amended by inserting before the period at the end thereof a comma and the following: "and such $500,000,000 may be used in such areas for the payment of the cost of construction projects or for the payment of subsidies for operating expenses. Grants for assistance in other than urbanized areas shall be subject to such terms, conditions, requirements, and provisions (similar as may be appropriate to those applicable to grants under section 5) as the Secretary may determine to be necessary or appropriate for nonurbanized areas."

FELLOWSHIP ASSISTANCE

Sec. 2. Section 10 of the Urban Mass Transportation Act of 1964 is amended to read as follows:

"GRANTS FOR TRAINING PROGRAMS

"Sec. 10. The Secretary is authorized to make grants to States, local public bodies, and agencies thereof and private mass transportation operators to provide fellowships for training of personnel employed in managerial, technical, and professional positions in the urban mass transportation fields. Fellowships shall be for not more than one year of training in public or private training institutions offering programs having application in the urban mass transportation industry. The recipient of a fellowship under this section shall be selected on the basis of demonstrated ability and for the contribution which he can reasonably be expected to make to an efficient mass transportation operation. The assistance under this section toward each fellowship shall not exceed the lesser of $12,000, or 75 per centum of the sum of (1) tuition and other charges to the fellowship recipient, (2) any additional costs incurred by the educational institution in connection with the fellowship and billed to the grant receipt, and (3) the regular salary of the fellowship (to the extent that salary is actually paid or reimbursed by the grant recipient)."

EXPANDED DEFINITION OF CONSTRUCTION TO INCLUDE ENGINEERING

Sec. 3. Section 12(c) of the Urban Mass Transportation Act of 1964 is amended—

(1) by striking out "and" at the end of clause (4);

(2) by striking out the period at the end of clause (5) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following:

"(6) the term 'construction' means the supervising, inspecting, actual building, and all expenses incidental to the construction, reconstruction, or acquisition of facilities and equipment for use in public mass transportation, including designing, engineering, location surveying, mapping, acquisition of right-of-way, relocation assistance, acquisition of replacement housing sites, acquisition and rehabilitation, relocation, and construction of replacement housing."

MASS TRANSPORTATION FACILITIES AND EQUIPMENT TO MEET THE NEEDS OF ELDERLY AND HANDICAPPED PERSONS

Sec. 4. Section 16 of the Urban Mass Transportation Act of 1964 is amended to read as follows:

"MASS TRANSPORTATION FACILITIES AND EQUIPMENT TO MEET THE NEEDS OF ELDERLY AND HANDICAPPED PERSONS

"Sec. 16. (a) It is hereby declared to be the national policy that—

"(1) elderly and handicapped persons have the same right as other persons to utilize mass transportation facilities and services;

"(2) special efforts shall be made in the planning, design, construction, and operation of mass transportation facilities and services so that the availability to elderly and handicapped persons of mass transportation which they can effectively utilize will be assured; and

"(3) all Federal programs offering assistance for mass transportation (including the programs under this Act) should effectively implement this policy.

"(b) The Secretary shall require that projects receiving Federal financial assistance under this Act shall be planned, designed, constructed, and operated to allow effective utilization of mass transportation services by elderly and handicapped persons who are unable without special facilities or special planning or design to utilize such facilities and services effectively. The Secretary shall not approve any program or project under this Act unless he finds that the program or project complies with the requirements mandated by this section. The Secretary shall, as part of carrying out this section, require the following:

"(1) Effective immediately, any new vehicle, station, building, or other structure for any new rapid rail system or for any new extension to an existing rapid rail system if the extension forms a usable segment, and any other new vehicle integrated with such a system when feasible shall be subject to accessibility standards issued by the Secretary. Standards issued under this paragraph shall insure accessibility by elderly and handicapped persons.

"(2) Any new bus or other step-entry vehicle shall be subject to accessibility standards issued by the Secretary. Standards issued under this paragraph shall insure accessibility by elderly and handicapped persons, with such reasonable exceptions from all accessibility standards as the Secretary may deem required by the nature of the vehicle, its proposed use, the commercial availability of reliable equipment to facilitate accessibility, the number of handicapped or elderly in the community, or the availability of alternative, equally adequate, transportation facilities for the elderly or handicapped. Such exceptions shall be granted only where the Secretary determines that the other provisions of this subsection are being carried out, and that transportation service at moderate fares is available to elderly and handicapped persons within the project area.

"(3) Effective immediately, a local advisory committee (at least half of the members of which shall be elderly or handicapped persons) shall be established for each geographical area in which assistance under section 3 or 5 is being furnished. The committee shall be utilized in drawing up a detailed timetable for compliance with this subsection and in carrying out provisions of this subsection. A project agreement for assistance under either such section shall specify the time, not to exceed ninety days from the grant of assistance, for implementation of the timetable.

"(4) Effective immediately, the service proposed to be provided for elderly and handicapped persons shall be presented at the public hearing required as part of the application process for assistance under section 3 of this Act.

"(5) Technical study grants made under section 9 of this Act in support of local transportation planning (including grants made for the fiscal year 1976 planning program) shall include work elements necessary to produce by July 1, 1977, a comprehensive local plan and implementation schedule for developing public transportation service for elderly and handicapped persons within the planning area.

"(c) The Secretary shall establish a National Advisory Council on Mass Transportation for Elderly and Handicapped at least 50 per centum of the members of which shall be elderly or handicapped persons. The Advisory Council shall advise and consult with the Secretary of Health, Education, and Welfare and the Secretary of Transportation on all matters relating to mass transportation for elderly and handicapped persons.

"(d) On or before October 1, 1977, the Secretary shall prepare and submit to the Congress a comprehensive report on the mass transportation needs of elderly and handicapped persons, including information generated under technical study grants subject to the requirements of subsection (b) (5) of this section; research, development, and demonstration activities undertaken in furtherance of the national goal set forth in subsection (a); the progress made in assuring the effective utilization by elderly and handicapped persons of mass transportation services and facilities assisted under this Act, and additional measures to assure such effective utilization; and a determination of the economic impact of regulations adopted under this section as measured in production, productivity, employment, prices, and incomes or other economic indicators as the Secretary may deem appropriate, and a determination of the benefits resulting from such regulations relative to the costs associated with implementing them.

"(e) In addition to the grants and loans otherwise provided for under this Act, the Secretary is authorized to make grants and loans—

"(1) to States and local public bodies and agencies thereof for the specific purpose of assisting them in providing mass transportation services which are planned, designed, and carried out so as to meet the special needs of elderly and handicapped persons, with such grants and loans being subject to such terms, conditions, requirements, and provisions as are applicable to grants and loans made under section 3(a), and for the purposes of all other laws, any grant or loan under this subsection shall be deemed to have been made under such section; and

"(2) to private nonprofit corporations and associations for the purpose of assisting them in providing transportation services meeting the special needs of elderly and handicapped persons for whom mass transportation services planned, designed, and carried out under paragraph (1) are unavailable, insufficient, or inappropriate, with such grants and loans being subject to such terms, conditions, requirements, and provisions (similar insofar as may be appropriate to those applicable to grants and loans under paragraph (1)), as the Secretary may determine to be necessary or appropriate for purposes of this paragraph.

Of the total amount of the obligations which the Secretary is authorized to incur on behalf of the United States under the first sentence of section 4(c), 2 per centum may be set aside and used exclusively to finance the programs and activities authorized by this subsection (including administrative costs).

"(f) Of any amounts made available to finance research, development, and demonstration projects under section 6 after the date of the enactment of this section 1½ per centum may be set aside and used exclusively to increase the information and technology which is available to provide improved transportation facilities and services planned and designed to meet the special needs of elderly and handicapped persons.

"(g) For the purposes of this section, the term 'elderly and handicapped persons' means any individual who, by reason of illness, injury, age, congenital malfunction, or other permanent or temporary incapacity or disability, including any individual who is nonambulatory wheelchair bound or who has semiambulatory capabilities, is unable without special facilities or special planning or design to utilize such facilities and services effectively."

LOAN FORGIVENESS

SEC. 5. (a) The Secretary of Transportation shall convert equipment and facilities loans heretofore made under section 3(a) of the Urban Mass Transportation Act of 1964 or title II of the Housing Amendments of 1955 (42 U.S.C. 1492), to grants under the conditions set forth below. A grant agreement for the acquisition, construction, reconstruction, or improvement of facilities and equipment under section 3(a) shall provide for forgiveness of principal and interest on a loan previously made in lieu of a cash grant in the amount forgiven. Such grant shall be subject to such terms and conditions as the Secretary may deem necessary and appropriate, taking into account the degree of completion of the project financed with the loan.

(b) In lieu of the local matching share otherwise required, the grant agreement may provide that State or local funds shall be committed to mass transportation projects in the urbanized area, on a schedule acceptable to the Secretary, in an amount equal to the local share that would have been required had the amount of principal and interest forgiven been the Federal share of a capital grant made when the original loan was made. The State or local funds contributed under the terms of the preceding sentence shall be made available for projects eligible for funding under section 3(a), and may not be used to satisfy the local matching requirements for any other grant project.

NEW REPORTING REQUIREMENT AND ELIMINATION OF LIQUIDATION SCHEDULE

SEC. 6. Section 4(c) of the Urban Mass Transportation Act of 1964 is amended by striking out the third, fourth, and fifth sentences and inserting in lieu thereof the following: "To assure for orderly planning and program development under section 3, the Secretary shall report to Congress on or before February 1, 1976, a detail estimate of the cost of grants to be made under section 3 for providing public mass transportation service in urban areas for each fiscal year within the period beginning with fiscal year 1977 and ending with fiscal year 1981. On or before February 1, 1978, the Secretary shall report to Congress a detailed estimate of the cost of grants to be made under section 3 for providing public mass transportation service in urban areas for each fiscal year within the period beginning with fiscal year 1979 and ending with fiscal year 1983.".

Mr. TOWER. Mr. President, this bill authorizes the use of $500 million which was previously authorized under Public Law 93-503, for capital grant programs in nonurbanized areas to be used, also, in providing operating assistance, removes certain restrictions on fellowship grants in the field of mass transportation, expands the definition of construction to include engineering, and requires the Secretary of Transportation to establish acceptability standards for mass transportation systems for the handicapped. These standards will have to be followed if any system is to receive Federal funds.

Mr. President, so far as I understand, there is no controversy on this measure.

I urge the Senate to dispose of the matter with an affirmative vote.

Mr. PROXMIRE. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the distinguished Senator from New Jersey (Mr. WILLIAMS) in connection with this matter.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

STATEMENT BY SENATOR WILLIAMS

The National Mass Transportation Assistance Act Amendments of 1975 (S. 662) has two major purposes. It would, for the first time, extend operating assistance to rural and small urban areas and would reaffirm and strengthen the federal commitment to provide accessible public transportation for elderly and handicapped persons.

OPERATING SUBSIDIES IN AREAS OTHER THAN URBANIZED AREAS

The National Mass Transportation Assistance Act of 1974, P.L. 93-503, authorized, in addition to an expansion of the existing mass transit capital grant program, a new program of formula grants to assist in meeting both the capital and operating assistance costs of public mass transportation service in urbanized areas.

P.L. 93-503 also requires the Secretary of Transportation to set aside $500 million out of the grant program to be used in "areas other than urbanized areas"—areas with populations of less than 50,000.

It has become apparent, however, that a program of capital assistance for rural and small urban places by itself, is insufficient to deal with the pressing need for improved transportation service in such areas and that the $500 million capital grant program should be made available for operating assistance, as well as for capital grants. S. 662 would, therefore, authorize the use of the $500 million for operating as well as capital assistance, on such terms and conditions as the Secretary may require. Under the proposed new assistance program the Secretary of Transportation would be authorized to make operating subsidy grants under terms and conditions similar to those now governing such grants to urbanized areas. Since the bill would provide for an alternative use of the $500 million in funds already authorized, no additional federal funding is required.

MASS TRANSPORTATION FACILITIES AND EQUIPMENT TO MEET THE NEEDS OF ELDERLY AND HANDICAPPED PERSONS

Section 4 of S. 662 will reaffirm and strengthen the Federal commitment to make public transportation accessible and usable by the elderly and handicapped. Section 16 of the Urban Mass Transportation Assistance Act of 1970 established that as a matter of national policy, elderly and handicapped persons have the same rights as other persons to utilize mass transportation facilities and services. This section authorized the Secretary of Transportation to make grants and loans to States and local public bodies to assist in providing services which are planned, designed, and carried out to meet the special needs of elderly and handicapped individuals.

However, even more must be done. While the Department of Transportation has been working on this program for five years, it has failed to establish standards for an accessible transit bus for persons in wheelchairs. In my opinion, an integrated transportation system of this type must be developed and established. Many persons with disabilities do not wish to have separate but equal transportation. And, after reviewing the proposed UMTA regulations on accessibility for the elderly and the handicapped, I for one, am greatly concerned that there are no provisions which would enable persons using wheelchairs to utilize mass transit buses. Elderly and disabled individuals have the same rights as non-disabled individuals to use public mass transit programs. These programs are funded out of taxpayers dollars and should not exclude any class of individuals.

The Department of Transportation has already promulgated regulations which require that all rapid rail systems must be accessible to persons who are elderly and handicapped. In these regulations, the Department has included accessibility features for persons using wheelchairs and should be commended for its work in this area.

BART in San Francisco is completely accessible to elderly and handicapped individuals and their experience has shown that there is no need for additional cars due to a loss in seating capacity. In addition, the Metro rapid rail system in Washington is being constructed so that it will be completely accessible to the elderly and handicapped. However, both the Metro and BART fail to provide accessible feeder systems to their trains. The result is that many individuals who would be able to use these rapid rail systems are being denied access. Section 4 of S. 662 would rectify this situation by requiring that, when commercially available, new buses and feeder lines to rail transit systems must be accessible to the elderly and handicapped, including persons in wheelchairs.

Mr. President, the problems of the elderly and the handicapped in the area of mass transportation are extensive. The failure to provide systems which meet their needs has resulted in many of these individuals being unable to seek employment. Other disabled and elderly persons who have been able to obtain employment find that the few alternate transportation systems which do exist charge such exorbitant prices that it is not economically feasible for them to maintain their jobs. It is not at all common for a disabled individual to pay $40 per day for transit service. According to 1970 census figures, 85% of the elderly and handicapped have incomes of less than $7,000 per year, and of these 52% have incomes of less than $2,000 annually. For these citizens, the limitations on mobility coupled with their inability to find accessible transportation and attendant care vastly constraints their opportunities to pursue active lives and results in their greater dependence on friends and families.

Certainly, Mr. President, in a country as advanced as ours, we are capable of planning economically feasible accessible mass transportation systems. There are those who argue that the cost of providing such a system would be astronomical. Yet, extensive research shows that the additional production cost of accessible buses will not exceed $2,000 to $5,000 per vehicle. When one considers the numbers of dollars being expended by Federal, State and local governments to provide alternate transportation services, it becomes apparent that the sooner we develop an integrated transportation system, the sooner millions of dollars will be freed for providing other services which our population so desperately needs.

Let me cite a few examples. Recently, a New York State survey of social service agencies estimated that at least $80 million per year is being spent to provide special transportation for physically, economically, and socially disadvantaged clients. Transportation services for these clients consumes as much as 30% of the total social services budget. Last year, the State of California's Department of Vocational Rehabilitation spent $700,000 on providing alternate transportation services for its clients. One can assume that if an integrated system existed many of these dollars would be freed for other vitally needed services.

Mr. President, Section 4 of S. 662 will provide solutions to many of the concerns of the disabled community while also allowing flexibility to develop and produce equipment that will be cost effective.

Specifically, Section 4 provides that:

1. Section 16 of the 1964 Act is revised and extended to require the Secretary of Transportation to promulgate standards governing transportation planning and equipment and facilities design in order to carry out the national policy that elderly and handicapped persons have equal rights in the utilization of mass transportation facilities and services.

2. The Secretary of Transportation is required to issue accessibility standards for all new rapid rail systems and usable segment extensions, including vehicles, stations, buildings and other structures. Additionally, any new vehicle integrated with such a system shall, when feasible, be subject to accessibility standards issued by the Secretary.

3. The Secretary is required to issue accessibility standards for buses and other vehicles whose design requires passengers to negotiate a step or steps, or to use a level-change mechanism, such as a lift or ramp, in order to board or alight from the vehicle. Once commercially available, new buses or other step-entry vehicles would be required to be accessible. The Secretary may issue such reasonable exceptions from full accessibility as he deems necessary after taking into consideration (1) the nature of the vehicle, its proposed use, or the commercial availability of the vehicle; (2) the number of handicapped and elderly persons in the community; or (3) the availability of an equally accessible alternative transportation system in the community. However, such exceptions shall only be applied if the Secretary determines that all other provisions of this subsection are being carried out and if an alternative transportation system which is providing service at moderate fares is available for use by elderly and handicapped individuals within the project area. Moderate fares are to be defined as equal to, and no more than, the fares charged riders on the public transportation system available to non-handicapped riders in the community. The service also must be available at a comparable range of hours and for the same purposes as the public transportation system available to non-handicapped riders in the community. The alternate transportation system must also be available to all elderly and handicapped persons and not require more than a few house advance notice prior to pick-up.

The bill also requires that local advisory committees be established to assist the Secretary and local officials in planning public transportation systems that will meet the needs of the elderly and handicapped and to draw up a detailed timetable for compliance with this legislation. No project agreement for federal assistance under the Act should be submitted to the Secretary of Transportation without the local advisory committees having been actively involved in its development.

In addition, the bill requires the Secretary to establish a National Advisory Council on Mass Transportation on all matters relating to mass transportation for the elderly and handicapped. This committee would be comprised of at least 50% elderly and handicapped individuals.

The Secretary must also prepare and submit to the Congress by October 1, 1977, a comprehensive report on the mass transportation needs of elderly and handicapped individuals, and recommend any additional measures necessary to assure the implementation of this legislation's goals.

The Secretary, in carrying out this study, must include an analysis of the costs and benefits of various methods of providing service to elderly and handicapped persons, utilizing parameters for accessible services such as: moderate fare, comparable hours and availability within relatively short advanced notice. Furthermore, in weighing the costs and benefits the Secretary shall evaluate such factors as (1) increased employment opportunities because of available low cost mass transportation, and thereby, decreased welfare costs; (2) increased opportunity for social interaction in the community; (3) decreased need and dependence on family, friends, hired attendant care; and, (4) decreased cost to other social welfare agencies for providing transportation service cost payments. The National Advisory Council on Mass Transportation for the Elderly and Handicapped is to be integrally involved in the development of this report.

The National Mass Transportation Assistance Act Amendments of 1975 also would increase the number of transit managerial training fellowships available, would expand the definition of "construction" in the capital grant programs to include preliminary engineering, would require the Secretary to convert outstanding capital loans into grants, and would require the Secretary to provide by February 1, 1976, a detailed estimate of major capital grants to be made in fiscal years 1977–81.

Favorable consideration of S. 662 is of the utmost necessity if we are to provide all of our nations citizens with the benefits of efficient mass transportation. It is legislation which should and must be enacted into law.

The ACTING PRESIDENT pro tempore. The bill is open to amendment. If there be no amendments to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The ACTING PRESIDENT pro tempore. The question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

DEFENSE PRODUCTION ACT AMENDMENTS OF 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar Order No. 342, S. 1537.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of the unfinished business (S. 1537) which the clerk will state.

The legislative clerk read as follows:

A bill (S. 1537) to amend the Defense Production Act of 1950, as amended.

The Senate resumed the consideration of the bill which had been reported from the Committee on Banking, Housing and Urban Affairs with an amendment to strike out all after the enacting clause and insert the following:

That this Act may be cited as the "Defense Production Act Amendments of 1975".

Sec. 2. The first sentence of section 717(a) of the Defense Production Act of 1950 (64 Stat. 822) is amended by striking out "September 30, 1975" and inserting in lieu thereof "September 30, 1977".

Sec. 3. Section 708 of the Defense Production Act of 1950 is amended to read as follows:

"Sec. 708. (a) Except as specifically provided in subsection (j) of this section and section 708A(j, of this Act, no provision of this Act shall be deemed to provide to any person any immunity from civil or criminal liability, or to create defenses to actions, under the antitrust laws.

"(b) As used in this section, the term 'antitrust laws' means—

"(1) the Act entitled 'An Act to protect trade and commerce against unlawful restraints and monopolies', approved July 2, 1890 (23 Stat. 290), as amended;

"(2) the Act entitled 'An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes', approved October 15, 1914 (38 Stat. 730), as amended;

"(3) the Act entitled 'An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes' (38 Stat. 717), as amended;

"(4) sections 73 and 74 of the Act entitled 'An Act to reduce taxation, to provide revenue for the Government, and for other purposes', approved August 27, 1894 (28 Stat. 579), as amended;

"(5) the Act of June 19, 1936 (49 Stat. 1526); and

"(6) the Act entitled 'An Act to promote export trade and for other purposes' (40 Stat. 516), as amended.

"(c) (1) Upon finding that conditions exist which may pose a direct threat to the national defense or to its preparedness programs, the President is authorized to consult with representatives of industry, business, financing, agriculture, labor, and other interests, with a view to providing for the making of voluntary agreements and programs by such persons, and may request the undertaking or entering into of such voluntary agreements or programs, in accordance with the provisions of this section, for the purpose of assuring adequate productive capacity and supply for mobilization.

"(2) The authority granted in paragraph (1) of this subsection shall be delegated only (A) to officials who shall for the purpose of such delegation be required to be appointed by the President, by and with the advice and consent of the Senate, unless otherwise required to be so appointed, and (B) upon the condition that such officials consult with the Attorney General and with the Federal Trade Commission not less than ten days before making any request thereunder, and (C) upon the condition that such officials obtain the prior approval of the Attorney General, after consultation by the Attorney General with the Federal Trade Commission, to any request thereunder. For the purpose of carrying out the objectives of title I of this Act, the authority granted in paragraph (1) of this subsection shall not be delegated except to one and only one official of the Government.

"(3) The authority granted in paragraph (1) of this subsection shall be exercised only if the official designated pursuant to subsections (c) (2) and (d) (1) (B) of this section certifies, with a written justification to be published in the Federal Register prior to approval of any proposed voluntary agreement, that such voluntary agreements and programs are necessary to accomplish the objectives of paragraph (1) of this subsection and if the Attorney General, after consultation with the Federal Trade Commission, certifies, in a report setting forth the competitive consequences of the proposed voluntary agreement, also to be published in the Federal Register, that such objectives cannot reasonably be accomplished through alternative means having lesser anticompetitive effects. Each voluntary agreement or program authorized under this section, together with any associated advisory committee provided for under subsection (d), shall expire two years from the date of the entering into force of the voluntary agreement, except that it may be extended for two more years every two years after—

"(A) the official designated pursuant to subsections (c) (2) and (d) (1) (B) of this section determines that its continuance is necessary to further the objectives of subsection (c) (1) and sets forth a detailed explanation of the reasons justifying its continuance, consistent with the need to protect the security of classified national defense information, to be published in the Federal Register at a reasonable time prior to the date of expiration; and

"(B) the Attorney General, after consultation with the Federal Trade Commission, determines that such objectives cannot reasonably continue to be accomplished through alternative means having lesser anticompetitive effects.

"(4) Upon making the determination that there no longer exists a requirement for a voluntary agreement or program or associated advisory committee, the official designated pursuant to subsections (c) (2) and (d) (1) (B) of this section shall recommend to the President that such voluntary agreement or program or associated advisory committee be terminated, setting forth the reasons for the recommendation, and shall inform the Attorney General and the Federal Trade Commission of the intended termination and date of its effect.

"(5) The requirements of this section shall be the sole procedures applicable to the development or implementation of the voluntary agreements or programs to accomplish the objectives of subsection (c) (1) of this section, and to the availability of immunity from the antitrust laws respecting the development or implementation of such voluntary agreements or programs.

"d) (1) (A) To achieve the objectives of subsection (c) (1) of this section, the official designated pursuant to subsections (c) (2) and (d) (1) (B) of this section may provide for the establishment of such advisory committees as he determines are necessary. In addition to the requirements specified in this section, any such advisory committee shall be subject to the provisions of the Federal Advisory Committee Act, whether or not such Act or any of its provisions expire or terminate during the term of this Act or of such committees, and in all cases such advisory committees shall be chaired by a Federal employee, other than an individual employed pursuant to section 3109 of title 5, United States Code, shall include representatives of the public, and the meetings of such committees shall be open to the public. The Attorney General and the Federal Trade Commission shall have adequate advance notice of any meeting and may have an official representative attend and participate in any such meeting.

"B The authority granted in paragraph (1) (A) of this subsection shall be delegated only (i) to officials who shall for the purpose of such delegation be required to be appointed by the President, by and with the advice and consent of the Senate, unless otherwise required to be so appointed, and (ii) upon the condition that such officials consult with the Attorney General and with the Federal Trade Commission not less than ten days before making any request thereunder, and (iii) upon the condition that such officials obtain the prior approval of the Attorney General, after consultation by the Attorney General with the Federal Trade Commission, to any request thereunder. For the purpose of carrying out the objectives of title I of this Act, the authority granted in paragraph (1) (A) of this subsection shall not be delegated except to one and only one official of the Government.

"(2) A full and complete verbatim transcript shall be kept of such advisory committee meetings, and shall be taken and deposited, together with any agreement resulting therefrom, with the Attorney General and the Federal Trade Commission. Such transcript and agreement shall be made available for public inspection and copying, subject to the provisions of section 552 (b) (1) and (b) (3), of title 5, United States Code.

"(e) The official designated pursuant to subsections (c) (2) and (d) (1) (B) of this section shall promulgate, by rule, subject to the prior approval of the Attorney General and the Federal Trade Commission, standards and procedures by which representatives of industry, business, financing, agriculture, labor, and other interests may develop and implement voluntary agreements and programs necessary to accomplish the objectives of subsection (c) (1) of this section.

"(f) The standards and procedures under subsection (e) shall be promulgated pursuant to section 553 of title 5, United States Code. They shall provide, among other things, that—

"(1) such agreements and programs shall be developed by meetings of committees, councils, or other groups which include representatives of the public, of interested segments of the relevant industry or industries and of consumers, and shall in all cases be chaired by a Federal employee other than an individual employed pursuant to section 3109 of title 5, United States Code;

"(2) meetings held to develop a voluntary agreement or program shall—

"(A) permit attendance by interested persons; and

"(B) be preceded by timely and adequate public notice, published in the Federal Register not less than ten days in advance of any such meeting, including identification of the agenda of such meeting;

"(3) interested persons shall be afforded an opportunity to present, in writing and orally, data, views, and arguments at such meetings; and

"(4) a full and complete verbatim transcript shall be kept of any meeting, conference, or communication held to develop or implement a voluntary agreement or program under this section and shall be taken and deposited, together with any agreement resulting therefrom, with the Attorney General and the Federal Trade Commission. Such transcript and agreement shall be available for public inspection and copying, subject to provisions of section 552(b) (1) and (b) (3) of title 5, United States Code.

"(5) No provision of this section may be exercised so as to prevent committees of Congress from attending meetings to which this subsection applies, or from having access to any transcripts or minutes of such meetings, or any logs of communications.

"(g) (1) The official designated pursuant to subsections (c) (2) and (d) (1) (B) of this section may exempt, subject to the prior approval of the Attorney General and the Federal Trade Commission, types or classes of meetings, conferences or communications from the requirements of subsections (d) (2) and (f) (4) of this section: *Provided,* That such meetings, conferences, or communications are ministerial in nature and are for the sole purpose of implementing a voluntary agreement or program authorized pursuant to this section. Such ministerial meeting, conference, or communication may take place in accordance with such requirements as the Federal Trade Commission may prescribe by rule. Such persons participating in such meeting, conference, or communication shall cause a record to be made specifying the date such meeting, conference, or communication took place and the persons involved, and summarizing the subject discussed, consistent with the need to protect the security of classified national defense information. Such record shall be filed with the Federal Trade Commission and the Attorney General, where it shall be made available for public inspection and copying.

"(2) The official designated pursuant to subsections (c) (2) and (d) (1) (B) of this section may suspend, subject to the prior approval of the Attorney General and the Federal Trade Commission, the application of—

"(A) sections 10 and 11 of the Federal Advisory Committee Act,

"(B) subsection (d) (2) of this section,

"(C) the requirement under subsection (f) (2) of this section that meetings be open to the public; and

"D) the second sentence of paragraph (f) (4) of this section;

if the official designated pursuant to subsections (c) (2) and (d) (1) (B) determines in each instance that such suspension is essential to protect the security of classified national defense information and that application of such provisions would be detrimental to the defense of the United States.

"(3) On complaint, the United States District Court for the District of Columbia has jurisdiction to enjoin any exemption or suspension pursuant to subsections (g) (1) and (g) (2) of this section and to order the production of the records filed with the Attorney General and the Federal Trade Commission as set forth in subsection (g) (1) of this section where the court determines that such records have been improperly withheld from the complainant. In such a case the court shall determine the matter de novo, and may examine the contents of such agency records in camera to determine whether such records or any parts thereof shall be withheld under any of the exemption or suspension provisions set forth in subsections (g) (1) and (g) (2) of this section, and the burden is on the agency to sustain its action.

"(h) (1) The Attorney General and the Federal Trade Commission shall participate from the beginning in any meeting to develop or implement voluntary agreements authorized under this section and, when practicable, in any meeting to implement programs authorized under this section. Each may propose any alternative which would avoid or overcome, to the greatest extent practicable, possible anticompetitive purposes of subsection (c) (1) of this section. A voluntary agreement or program under this section may not be implemented unless approved by the Attorney General and the Federal Trade Commission. The Attorney General or the Federal Trade Commission shall have the right, after consultation with the official designated pursuant to subsections (c) (2) and (d) (1) (.3) of this section, to review, amend, modify, disapprove, or revoke, on its own motion or upon the request of any interested persons, any voluntary agreement or program at any time, and, if revoked, thereby withdraw prospectively the immunity which may be conferred by subsection (j) of this section.

"(2) Any voluntary agreement or program entered into pursuant to this section shall be submitted in writing to the Attorney General and the Federal Trade Commission twenty days before being implemented, and it shall be made available for public inspection and copying, subject to the provisions of subsection (g) of this section. Any action taken pursuant to such voluntary agreement or program shall be reported to the Attorney General and the Federal Trade Commission pursuant to such regulations as shall be prescribed under subsections (i) (3) and (i) (4).

"(i) (4) The Attorney General and the Federal Trade Commission shall monitor the development and implementation of voluntary agreements and programs authorized under this section to assure the protection and fostering of competition and to prevent anticompetitive practices and effects.

"(2) The Attorney General and the Federal Trade Commission shall promulgate joint regulations concerning the maintenance of necessary and appropriate documents, minutes, transcripts, and other records related to the development and implementation of voluntary agreements and programs pursuant to this section.

"(3) Persons developing and implementing voluntary agreements and programs pursuant to this section shall maintain those records required by such joint regulations. Both the Attorney General and the Federal Trade Commission shall have access to and the right to copy such records at reasonable times and places and upon reasonable notice.

"(4) The Federal Trade Commission and the Attorney General may each prescribe pursuant to section 553, title 5, United States Code, such rules and regulations as may be necessary or appropriate to carry out their responsibilities under this Act. Each may utilize for such purposes and for purposes of enforcement any and all powers conferred upon the Federal Trade Commission or the Department of Justice, or both, by any other provision of law, including the antitrust laws, the Antitrust Procedures and Penalties Act, or the Antitrust Civil Process Act; and wherever such provision of law refers to 'the purposes of this Act' or like terms, the reference shall be understood to be this section.

"(j) There shall be available as a defense to any civil or criminal action brought under the antitrust laws (or any similar State law) in respect of actions taken to develop or implement a voluntary agreement or program (provided that such actions were not taken unnecessarily and for the purpose of injuring competition) and—

"(1) such action was taken—

"(A) in the course of developing a voluntary agreement or program pursuant to this section, or

"(B) pursuant to a voluntary agreement or program authorized and approved in accordance with this section, and

"(2) such persons fully complied with the requirements of this section and the rules and regulations promulgated hereunder.

Persons interposing the defense provided by this section shall have the burden of proof, except that the burden shall be on the plaintiff with respect to whether the actions were taken unnecessarily and for the purpose of injuring competition.

"(k) No provision of this section shall be construed as granting immunity for, nor as limiting or in any way affecting any remedy or penalty which may result from any legal action or proceeding arising from, any acts or practices which occurred (1) prior to the date of enactment of this section, (2) outside the scope and purpose or not in compliance with the terms and conditions of this section, or (3) subsequent to the expiration or repeal of this section or Act.

"(l) (1) The official designated pursuant to subsections (c) (2) and (d) (1) (B) of this section shall report annually to the President and to the Congress on performance under each voluntary agreement or program authorized and approved in accordance with this section on its contribution to achievement of the objectives of subsection (c) (1) of this section.

"(2) The Attorney General and the Federal Trade Commission are each directed to make surveys for the purpose of determining any factors which may tend to eliminate competition, create or strengthen monopolies, injure small business, or otherwise promote undue concentration of economic power in the course of the administration of this Act. Such surveys shall include studies of the voluntary agreements and programs authorized by this section. The Attorney General and the Federal Trade Commission shall each submit to the Congress and the President at least once every year reports setting forth the results of such studies of voluntary agreements and programs authorized by this section.

"(m) (1) Effective on the date of enactment of this Act, the immunity conferred by this section shall not apply to any action taken or authorized to be taken by or under the Emergency Petroleum Allocation Act of 1973.

"(2) Effective one hundred and twenty days after the date of enactment of this Act, the provisions of and immunity conferred by this section shall not apply to any actions taken or authorized to be taken by or under the Agreement on an International Energy Program, signed by the United States on November 18, 1974.".

SEC. 4. The Defense Production Act of 1950 is further amended by adding after section 708, the following new section:

"SEC. 708A. (a) Except as specifically provided in subsection (j) of this section and section 708(j) of this Act, no provision of this Act shall be deemed to convey to any person any immunity from civil or criminal liability, or to create defenses to actions, under the antitrust laws.

"(b) As used in this section—

"(1) The term 'antitrust laws' means—

"(A) the Act entitled 'An Act to protect trade and commerce against unlawful restraints and monopolies', approved July 2, 1890 (26 Stat. 290), as amended;

"(B) the Act entitled 'An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes', approved October 15, 1914 (38 Stat. 730), as amended;

"(C) the Act entitled 'An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes' (38 Stat. 717), as amended;

"(D) sections 73 and 74 of the Act entitled 'An Act to reduce taxation, to provide revenue for Government, and for other purposes', approved August 27, 1894 (28 Stat. 579), as amended;

"(E) the Act of June 19, 1936 (49 Stat. 1526); and

"(F) the Act entitled 'An Act to promote export trade, and for other purposes (40 Stat. 516), as amended.

"(2) The term 'international energy supply emergency' means any period (A) beginning on any date which the President determines allocation of petroleum products to nations participating in the international agreement is required by chapters III and IV of such program, and (B) ending on a date on which he determines such allocation is no longer required. Such a period may not exceed ninety days, but the President may establish one or more additional periods by making the determination under clause (A) of the preceding sentence. Any determination respecting the beginning or end of any such period shall be published in the Federal Register.

"(3) The term 'international agreement' means the Agreement on an International Energy Program, signed by the United States on November 18, 1974.

"(4) The term 'Administrator' means the Administrator of the Federal Energy Administration.

"(5) The term 'petroleum product' means—

"(A) crude oil,

"(B) natural gas liquids and other liquids produced in association with crude oil or natural gas,

"(C) refined petroleum products, including but not limited to gasoline, kerosene, distillates, residual fuel oil, refined lubricating oil, and liquefied petroleum gases; and

"(D) blending agents and additives used in conjunction with crude oil and refined petroleum products.

"(c) The requirements of this section shall be the sole procedures applicable to the development or implementation of voluntary agreements or plans of action to accomplish the objectives of the international agreement with respect to international allocation of petroleum products and the information system provided in such agreement, and to the availability of immunity from the antitrust laws respecting the development or implementation of such voluntary agreements or plans of action.

"(d)(1) To achieve the purposes of the international agreement with respect to international allocation of petroleum products and the information system provided in such agreement, the Administrator may provide for the establishment of such advisory committees as he determines are necessary. In addition to the requirements specified in this section, such advisory committees shall be subject to the provisions of the Federal Advisory Committee Act and section 17 of the Federal Energy Administration Act, whether or not such Acts or any of their provisions expire or terminate during the term of this Act or of such committees, and in all cases such advisory committees shall be chaired by a Federal employee, other than an individual employed pursuant to section 3109 of title 5, United States Code, and shall include representatives of the public, and the meetings of such committees shall be open to the public. The Attorney General and the Federal Trade Commission shall have adequate advance notice of any meeting and may have an official representative attend and participate in any such meeting.

"(2) A full and complete verbatim transcript shall be kept of such advisory committee meetings, and shall be taken and deposited, together with any agreement resulting therefrom, with the Attorney General and the Federal Trade Commission. Such transcript and agreement shall be made available for public inspection and copying, subject to the provisions of section 552(b)(1) and (b)(3) of title 5, United States Code.

"(3) For the purposes of this section, the provisions of subsection (a) of section 17 of the Federal Energy Administration Act shall apply to any board, task force, commission, committee, or similar group, not composed entirely of fulltime Federal employees, other than individuals employed pursuant to section 3109 of title 5, United States Code, established or utilized to advise the United States Government with respect to the formulation or carrying out of any agreement or plan of action under the international agreement.

"(e) The Administrator, subject to the approval of the Attorney General, after both of them have consulted with the Federal Trade Commission and the Secretary of State, shall promulgate, by rule, standards and procedures by which persons engaged in the business of producing, refining, marketing, or distributing petroleum products may develop and implement voluntary agreements and plans of action which are required to implement the provisions of the international agreement which relate to international allocation of petroleum products and the information system provided in such agreement.

"(f) The standards and procedures under subsection (e) shall be promulgated pursuant to section 553 of title 5, United States Code. They shall provide, among other things, that—

"(1)(A) Meetings held to develop or implement a voluntary agreement or plan of action under this section shall permit attendance by interested persons, including all interested segments of the petroleum industry, consumers, committees of Congress, and the public, shall be preceded by timely and adequate notice with identification of the agenda of such meeting to the Attorney General, the Federal Trade Commission, committees of Congress, and (except during an international energy supply emergency) to the public, and shall be initiated and chaired by a Federal employee other than an individual employed pursuant to section 3109 of title 5, United States Code; except that (i) meetings of bodies created by the International Energy Agency established by the international agreement need not be open to interested persons and need not be initiated and chaired by a Federal employee, and (ii) the Administrator, in consultation with the Secretary of State and the Attorney General, may determine that a meeting held to implement or carry out an agreement or plan of action shall not be public and that attendance may be limited, subject to reasonable representation of affected segments of the petroleum industry (as determined by the Administrator, after consultation with the Attorney General) if he finds that a wider disclosure would be detrimental to the foreign policy interests of the United States.

"(B) No meetings may be held to develop or implement a voluntary agreement or plan of action under this section, unless a Federal employee other than an individual employed pursuant to section 3109 of title 5, United States Code, is present; except that during an international energy supply emergency, a meeting to implement such an agreement or plan of action may be held outside the presence of such an employee (and need not be initiated or chaired by such an employee) if prior consent is granted by the Administrator and the Attorney General. The Administrator and the Attorney General shall each make a written record of the granting of any such prior consent.

"(2) Interested persons permitted to attend such a meeting shall be afforded an opportunity to present in writing and orally, data, views, and arguments at such meetings.

"(3) A verbatim transcript or, if keeping a verbatim transcript is not practicable, full and complete notes or minutes shall be kept of any meeting held or communication made to develop or implement a voluntary agreement or plan of action under this section, between or among persons who are parties to such a voluntary agreement or, with respect to meetings held or communications made to develop a voluntary agreement, persons who may become parties to such an agreement; except that, during any international energy supply emergency, in lieu of minutes or a transcript, a log may be kept containing a notation of the parties to, and subject matter of, any such communication (other than in the course of such a meeting). Such minutes, notes, transcript, or log *shall be* deposited, together with any agreement resulting therefrom, with the Administrator, and shall be available to the Attorney General and the Federal Trade Commission. Such minutes, notes, transcripts, logs, and agreements shall be available for public inspection and copying, except as otherwise provided in section 552 (b)(1) and (b)(3) of title 5, United States Code, or pursuant to a determination by the Administrator, in consultation with the Secretary of State and the Attorney General, that such disclosure would be determined to the foreign policy interests of the United States.

"(4) No provision of this section may be exercised so as to prevent committees of Congress from attending meetings to which this subsection applies, or from having access to any transcripts or minutes of such meetings, or logs of communication.

"(g) Subject to the prior approval of the Attorney General and the Federal Trade Commission, the Administrator may suspend the application of—

"(1) sections 10 and 11 of the Federal Advisory Committee Act,

"(2) subsections (b) and (c) of section 17 of the Federal Energy Administration Act.

"(3) the requirement under subsection (d)(1) of this section that meetings be open to the public; and

"(4) the second sentence of subsection (d)(2) of this section;

if the Administrator determines in each instance that such suspension is essential to the implementation of the international agreement as it relates to the international allocation of petroleum products or the information system provided in such agreement and if the Secretary of State determines that the application of such provisions would be detrimental to the foreign policy interests of the United States. Such determinations by the Administrator and the Secretary of State shall be in writing, shall set forth, to the extent possible consistent with the need to protect the security of classified national defense and foreign policy information, a detailed explanation of reasons justifying the granting of such suspension, and shall be published in the Federal Register at a reasonable time prior to the effective date of any such suspension.

"(h)(1) The Attorney General and the Federal Trade Commission shall participate from the beginning in any meeting to develop or implement voluntary agreements authorized under this section and, when practicable, in any meeting to implement plans of action authorized under this section. Each may propose any alternative which would avoid or overcome, to the greatest extent practicable, possible anticompetitive effects while achieving substantially the purposes of this section. A voluntary agreement or plan of action under this section may not be implemented unless approved by the Attorney General, after consultation with the Federal Trade Commission. Prior to the expiration of the period determined under paragraph (2), the Federal Trade Commission shall transmit to the Attorney General its views as to whether such an agreement should be approved, and shall publish such views in the Federal Register. The Attorney General, in consultation with the Federal Trade Commission, the Secretary of State, and the Administrator, shall have the right to review, amend, modify, disapprove, or revoke, on his own motion or upon the request of the Federal Trade Commission or any interested persons, any voluntary agreement or plan of action at any time, and, if revoked, thereby withdraw prospectively the immunity which may be conferred by subsection (j) of this section.

"(2) Any voluntary agreement entered into pursuant to this section shall be submitted in writing to the Attorney General and the Federal Trade Commission twenty days before being implemented (where it shall be made available for public inspection and copying subject to the provisions of subsection (g) of this section); except that during an international energy supply emergency, the Administrator, subject to approval of the Attorney General, may reduce such twenty-day period. Any action taken pursuant to such voluntary agreement or plan of action shall be reported to the Attorney General and the Federal Trade Commission pursuant to such regulations as shall be prescribed under subsections (i) (3) and (i) (4).

"(i) (1) The Attorney General and the Federal Trade Commission shall monitor the development and implementation of voluntary agreements and plans of action authorized under this section to assure the protection and fostering of competition and to prevent anticompetitive practices and effect.

"(2) In addition to any requirements specified under subsections (e) and (f) of this section and in order to carry out the purposes of this section, the Attorney General, in consultation with the Federal Trade Commission and the Administrator, shall promulgate regulations concerning the maintenance of necessary and appropriate records related to the development and implementation of voluntary agreements and plans of action pursuant to this section.

"(3) Persons developing and implementing voluntary agreements or plans of action pursuant to this section shall maintain those records required by such regulations. Both the Attorney General and the Federal Trade Commission shall have access to and the right to copy such records at reasonable times and places and upon reasonable notice.

"(4) The Attorney General and the Federal Trade Commission may each prescribe pursuant to section 553 of title 5, United States Code, such rules and regulations as may be necessary or appropriate to carry out their respective responsibilities under this section. They may both utilize for such purposes and for purposes of enforcement any and all powers conferred upon the Federal Trade Commission or the Department of Justice, or both, by any other provision of law, including the antitrust laws, the Antitrust Procedures and Penalties Act, or the Antitrust Civil Process Act; and wherever any such provision of law refers to 'the purposes of this Act' or like terms, the reference shall be understood to be this section.

"(j) There shall be available as a defense to any civil or criminal action brought under the antitrust laws (or any similar State law) in respect of actions taken to develop or implement a voluntary agreement or plan of action by persons engaged in the business of producing, refining, marketing, or distributing petroleum products (provided that such actions were not taken unnecessarily and for the purpose of injuring competition) that—

"(1) such action was taken—

"(A) in the course of developing a voluntary agreement or plan of action pursuant to this section, or

"(B) pursuant to a voluntary agreement or plan of action authorized and approved in accordance with this section, and

"(2) such persons fully complied with the requirements of this section and the rules and regulations promulgated hereunder.

Persons interposing the defense provided by this section shall have the burden of proof, except that the burden shall be on the plaintiff with respect to whether the actions were taken unnecessarily and for the purpose of injuring competition.

"(3) In any action in any Federal or State court for breach of contract there shall be available as a defense that the alleged breach of contract was caused solely by action taken during an international energy supply emergency in accordance with a voluntary agreement authorized and approved under the provisions of this section.

"(k) No provision of this section shall be construed as granting immunity for, nor as limiting or in any way affecting any remedy or penalty which may result from any legal action or proceeding arising from, any acts or practices which occurred (1) prior to the date of enactment of this section, (2) outside the scope and purpose or not in compliance with the terms and conditions of this section, or (3) subsequent to the expiration or repeal of this section or Act.

"(l) (1) The Administrator, after consultation with the Secretary of State, shall report annually to the President and the Congress on the performance under voluntary agreements or plans of action to accomplish the objectives of the international agreement with respect to international allocation of petroleum products and the information system provided in such agreement.

"(2) The Attorney General and the Federal Trade Commission shall each submit to the Congress and to the President, at least once every six months, reports on the impact on competition and on small business of actions authorized by this section.".

SEC. 5. The second sentence of section 710 (e) of the Defense Production Act of 1950, as amended (50 U.S.C. App. 2160(e)), is amended to read as follows: "Members of this executive reserve who are not full-time Government employees may be allowed transportation and per diem in lieu of subsistence, as prescribed under title 5 of the United States Code for individuals serving without pay, while away from their homes or regular places of business for the purpose of participating in the executive reserve training program."

SEC. 6. The provisions of sections 708 and 708A, as amended and added respectively by this Act, shall become effective one hundred and twenty days after the date of enactment.

Mr. TOWER. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar beginning with the Judiciary.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nomination will be stated.

THE JUDICIARY

Mr. ROBERT C. BYRD. The clerk will report the nomination.

The second assistant legislative clerk read the nomination of Clarence A. Brimmer, Jr., of Wyoming, to be United States district judge for the District of Wyoming.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

The clerk will report the second nomination.

The second assistant legislative clerk read the nomination of Terry L. Shell, of Arkansas, to be U.S. district judge for the eastern and western districts of Arkansas.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

DEPARTMENT OF JUSTICE

The second assistant legislative clerk proceeded to read sundry nominations in the Department of Justice.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations be considered and confirmed en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. TOWER. Mr. President, I ask unanimous consent that the President be notified of the confirmations of these nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. TOWER. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

ORDER FOR THE COMMITTEES TO MEET TODAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. TOWER. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro temport. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

DEFENSE PRODUCTION ACT AMENDMENTS OF 1975

The Senate continued with the consideration of the bill (S. 1537) to amend the Defense Production Act of 1950, as amended.

Mr. PROXMIRE. Mr. President, the legislation under consideration today—the Defense Production Act Amendments of 1975—is significant in two respects. It extends for 2 more years—or until September 30, 1977—the titles of the Defense Production Act of 1950. These titles provide the authority for a number of ongoing and standby programs aimed at assuring an adequate industrial production base for our national defense.

Second, the legislation before the Senate today provides the authority and the conditions for participation by American oil companies in the international energy program. It accomplishes this by providing for a limited grant of antitrust immunity to firms asked by the President to conclude voluntary agreements. Such agreements would ordinarily involve activities deemed to violate antitrust statutes. However, since its inception in 1950, the Defense Production Act has contained provisions for grants of antitrust immunity in support of paramount national interests. These provisions were widely used in the Korean war and have been resorted to since during our various petroleum emergencies in 1956, 1967, and in 1973.

When this bill was first introduced last spring by a number of us, including the Senator from Alabama (Mr. SPARKMAN), the Senator from New Jersey (Mr. WILLIAMS), and myself, it did not contain this authority for voluntary agreements in support of the International Energy Agreement.

Mr. President, last March the distinguished Senator from Washington (Mr. JACKSON) brought before the Senate the Standby Energy Authorities Act. That act, in effect, took the Defense Production Act out of the business of providing authority for voluntary agreements among oil firms in support of the international energy program. I thought then, and I still believe, that this is a wise course, since energy is a national concern that stands on its own merits. Energy permeates our social structure and the fabric of our economy. It does not need to be associated with industrial mobilization preparedness to command special attention or special measures.

Though the Senate passed the Standby Energy Authorities Act last spring, action in the other body has been slower. Since the Defense Production Act contained the original authority for voluntary agreements, including those relating to petroleum supplies, it has become necessary to retain this authority in the act until such time as superseding legislation is enacted.

Significant changes, however, have been made in the manner in which this authority is provided. The most noticeable change in S. 1537 is that it would provide separate but basically similar authorities for voluntary agreements which support military industrial production and those which support the international energy program. The first are taken up in the proposed new section 708 of the Defense Production Act, and the second would be treated under the new section 708A.

There are several reasons for making this distinction. First, the dual approach was more convenient and workable. Second, because the voluntary agreement supporting the International Energy Agreement involves dealing with foreign governments and foreign concerns, certain of the requirements which we might wish to levy on participants would be unacceptable to the foreign parties to the International Energy Agreement. A case in point is the public disclosure requirements, where we have had to take into account the need for exceptions for foreign policy reasons. And, finally, in the event that superseding legislation is enacted, such as the Standby Energy Authorities Act, then it will be easier to change the petroleum provisions of the Defense Production Act while leaving intact the basic authority for voluntary agreements in support of our national defense effort.

The Senate adopted—by a vote of 60 to 25—the measures contained in the Standby Energy Authorities Act. These measures are in all major respects the same as the provisions contained in S. 1537, so far as voluntary agreements on behalf of the international energy program are concerned.

Let me now turn to the other voluntary agreements—the ones which are aimed at improving our defense posture. When the Senate passed the Standby Energy Authorities Act, it became apparent that we might end up with two sets of standards for voluntary agreements. One set would be contained in the new legislation, would be carefully drawn and would contain a number of procedural requirements to safeguard the public interest. The other set would continue to reside in the existing Defense Production Act and would be open-ended, loosely drafted, and without any means of limiting the grant of antitrust immunity.

A double standard for voluntary agreements would be both confusing and poor lawmaking. Therefore, we asked the help of the able Senator from Michigan (Mr. HART) and his Subcommittee on Antitrust and Monopoly in drafting new provisions for the granting of antitrust immunity. Senator HART and his staff have been most generous of their time in this matter, and we are very grateful for their assistance. The new provisions are as parallel as they can be, allowing for the differences required by considerations of foreign policy.

Anyone who is familiar with the existing voluntary agreements provisions of the Defense Production Act will note that the proposed amendments go into considerably greater detail in specifying how the immunity shall be granted to such agreements and what steps shall be taken to ensure that the broader public interest is safeguarded in the implementation of these voluntary agreements. There is a long history behind these changes. But I believe I can sum this up very briefly.

Since shortly after the end of the Korean war, many Members of Congress have found the open-ended antitrust immunity granted under the Defense Production Act increasingly unsettling. While there has been relatively little resort to this authority over the years, it nevertheless represented a substantial potential breach in our Nation's longstanding policy of preserving free enterprise through antitrust statutes.

As recently as August 1, the Justice Department suggested to the President that the Defense Production Act provided the only basis for a voluntary agreement on oil pricing among the petroleum companies, assuming a relationship to the national defense could be established.

Some Members of Congress have opposed any kind of antitrust immunity but, on the whole, Congress has not wanted to tie the hands of the President in those very special cases where a more pressing and significant national interest—such as national defense—prevailed over the usual ban on anticompetitive activities. These two considerations—a need for strong antitrust laws and a need for certain exemptions—have kept Congress in an impasse.

It is to this problem that the current legislation addresses itself. The solution contained in S. 1537 is to provide for limited grants of antitrust immunity under specified conditions and with the use of procedures which seek to guarantee the general public interest in keeping anticompetitive activities to an absolute minimum.

Mr. President, the safeguards in this bill are as follows:

First, the bill requires that exemption from antitrust action be granted only under specified circumstances and after certain findings have been made.

Second, it defines what is meant by antitrust laws, so that there can be no mistake as to what the exemption addresses.

Third, it requires consistent monitoring and reporting on the development and implementation of voluntary agreements by the Attorney General and the Federal Trade Commission, as well as their initial approval for each voluntary agreement.

Finally, it provides for public participation and disclosure to the maximum extent compatible with foreign policy or national security considerations.

As a related matter, the bill authorizes the Attorney General and the Federal Trade Commission to review, amend, or revoke any voluntary agreement among firms in any given industry.

This is clearly not the broad immunity from antitrust action that is now available under the Defense Production Act. But we believe that it is fully responsive to those cases where a higher national interest is at stake and that the safeguards contained in S. 1537 are reasonable and to the point.

Throughout the development of this bill, we have consulted with the concerned agencies and departments of the executive branch and we have tried to accommodate their views wherever possible. We have worked with representatives of the Department of State, the Attorney General's office, the Federal Energy Administration.

The Federal Trade Commission staff, and the Federal Preparedness Agency, which has the primary responsibility for carrying out the programs authorized under the Defense Production Act.

Many of the changes in the reported version of S. 1537 are a consequence of this continuing dialog or of the suggestions that were made in hearings before the Banking Committee 2 months ago. In particular, we are grateful to Gen. Leslie Bray, the director of the Federal Preparedness Agency, who has given a number of very useful suggestions that have been incorporated in the present bill.

Nevertheless, Mr. President, one or two omissions have come to light since this bill was reported by the Banking Committee just before the recess. These concern the possibility of backdoor ratification of the International Energy Agreement, the possibility of extension of antitrust immunity by executive action beyond the scope envisioned by Congress, and the geographical applicability of the proposed amendments to the Defense Production Act.

The International Energy Agreement is an executive agreement among heads of state and, as such, does not have the same force or meaning as a treaty between sovereign nations. Nor does it require congressional ratification. We wish to be careful, therefore, that congressional passage of the authority necessary to implement the international agreement in no way can be construed as implied approval or endorsement of the international agreement itself. Such an implication could, I am informed, have a substantial impact on the normal ratification process. Moreover, it would unwittingly rob us of the opportunity to reserve judgment on the international agreement.

As to the extension on antitrust immunity, it is important that Congress make clear to the Executive that its legislative intent is to provide antitrust immunity only for those cases and under those circumstances set forth in this bill. An international agreement may be as fluid and subject to change as the international environment itself. In the event that there are changes to the agreement or the program stemming therefrom, we need to provide protection against the very broadening of immunity that this bill is designed to terminate.

Finally, the Defense Production Act contains a statement limiting its applicability to the United States and its territories and possessions. Clearly, there is no point in providing authority for the implementation of the international energy program and then limiting its scope to the United States and its territories and possessions.

Last week, therefore, I introduced an amendment which would disclaim any implication or intention relative to ratification or endorsement of the International Energy Agreement. The language of this amendment closely parallels that of the Standby Energy Authorities Act in this same connection.

A further amendment would also make it clear that any action taken under a voluntary agreement in support of the International Energy Agreement and authorized by this bill shall be deemed to be undertaken in the United States. These amendments, I believe, provide safeguards that are indispensable to the desired operation of this bill.

On the matter of ratification and on the question of extension of antitrust immunity by the Executive, I have asked the opinion of the Attorney General, the Secretary of State, and the Federal Energy Administrator. Their responses were nearly identical. All advised that passage of S. 1537 could not be construed as ratification of the International Energy Agreement and that, in their opinion, the grant of antitrust immunity cannot be expanded by executive action.

I am satisfied that we have done all that can be done to protect the interests of the Congress in these areas. Because of the importance of these issues, however, I ask unanimous consent to include in the RECORD at the conclusion of my remarks these letters to the Secretary of State, the Attorney General and the Federal Energy Administrator and their replies.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PROXMIRE. If it is agreeable to my colleague from Texas, I ask unanimous consent that these amendments, numbered 868 and 869 be accepted and that we proceed to consideration of the bill, S. 1537.

EXHIBIT 1

U.S. SENATE,
Washington, D.C., August 1, 1975.
Hon. HENRY KISSINGER,
Secretary of State,
Washington, D.C.

DEAR SECRETARY KISSINGER: As you may be aware, the voluntary agreement between U.S. oil companies in support of the International Energy Agreement comes under the provisions of the Defense Production Act. This week the Committee on Banking, Housing and Urban Affairs, which has jurisdiction over the Act, reported out a bill. S. 1537, to amend the Defense Production Act and to extend it for two more years, or until September 30, 1977.

In taking this action, the Committee sought to continue in effect the many vital preparedness programs which the Act authorizes. It sought also to provide the requisite authority, with suitable procedural safeguards, for the voluntary agreement developed pursuant to the International Energy Agreement and Program.

Nevertheless, we remain concerned about the possible implications of Congressional approval of authority for this voluntary agreement and we do not wish to bring the measure to a vote in the Senate until we are satisfied on these issues.

Specifically we seek your assurances and wish to know, with the greatest possible legal precision, the position of the administration with respect to the following matters:

(1) What is the position of the administration with respect to the passage of this measure as conferring, now or at any subsequent time, advice and consent, ratification, endorsement, or other form of Congressional approval or approbation, explicit or implicit, upon the International Energy Agreement signed by the United States on November 18, 1974.

(2) By executive action can the administration permit the scope of the immunity sought to be conferred under section 708A of the Act, if added by S. 1537 in its present form, to be expanded by any formal, functional or other expansion of the International Energy Agreement, or any program or policy thereunder, which is now contemplated or might be added at some future time?

The Defense Production Act presently expires on September 30th, 1975, and I would like to bring up the extension bill for a Senate vote as soon after the August recess as possible, in order to allow time for action by the House and for a conference on the bill before the end of September. Therefore, I would expect to have your response in hand prior to the 25th of August, so that we may consider it before taking action on the bill.

Sincerely,
WILLIAM PROXMIRE,
Chairman.

DEPARTMENT OF STATE,
Washington, D.C., August 28, 1975.
Hon. WILLIAM PROXMIRE,
U.S. Senate,
Washington, D.C.

DEAR MR. PROXMIRE: The Secretary has asked me to reply to your letter of August 1, requesting our views about whether or not certain implications might be drawn from Congressional approval of S. 1537, which contains authority for the development of a voluntary agreement pursuant to the Agreement on an International Energy Program.

The Agreement on an International Energy Program (Agreement) is an executive agreement which was signed on November 18, 1974 pursuant to the President's constitutional authority. It is applicable provisionally at the present time, i.e., to the extent it is not inconsistent with United States legislation. It is our view that passage of new legislation is required before we can notify our unqualified consent to be bound by the Agreement. Though the cooperation of the Congress, therefore, is essential to permit such notification, advice and consent or other form of legal approval of the Agreement by the Senate or the Congress as a whole is not required. The passage of S. 1537 would not, in our view, constitute such advice and consent or other form of legal approval.

The scope of antitrust immunity conferred under proposed section 708A of the Act in our view cannot be expanded by executive action. As we read the immunity provisions in conjunction with the rest of section 708A, immunity extends only to approved action taken to develop or implement two programs under the Agreement of November 18, 1974: (1) the international allocation of petroleum and (2) the information system. Immunity is not extended to actions pursuant to other present or future activities of the International Energy Agency and cannot be so extended by executive action.

If you have any further questions, please do not hesitate to call on us.

Sincerely,
ROBERT J. MCCLOSKEY,
Assistant Secretary for Congressional Relations.

U.S. SENATE,
Washington, D.C., August 1, 1975.
Hon. EDWARD H. LEVI,
The Attorney General, Department of Justice,
Washington, D.C.

DEAR MR. ATTORNEY GENERAL: As you may be aware, the voluntary agreement between

U.S. oil companies in support of the International Energy Agreement comes under the provisions of the Defense Production Act. This week the Committee on Banking, Housing and Urban Affairs, which has jurisdiction over the Act, reported out a bill, S. 1537, to amend the Defense Production Act and to extend it for two more years, or until September 30, 1977.

In taking this action, the Committee sought to continue in effect the many vital preparedness programs which the Act authorizes. It sought also to provide the requisite authority, with suitable procedural safeguards for the voluntary agreement developed pursuant to the International Energy Agreement and Program.

Nevertheless, we remain concerned about the possible implications of Congressional approval of authority for this voluntary agreement and we do not wish to bring the measure to a vote in the Senate until we are satisfied on these issues.

Specifically we seek your assurances and wish to know, with the greatest possible legal precision, the position of the administration wtih respect to the following matters:

(1) What is the position of the administration wtih respect to the passage of this measure as conferring, now or at any subsequent time, advice and consent, ratification, endorsement, or other form of Congressional approval or approbation, explicit or implicit upon the International Energy Agreement signed by the United States on November 18, 1974?

(2) By executive action can the administration permit the scope of the immunity sought to be conferred under section 708A of the Act, if added by S. 1537 in its present form, to be expanded by any formal, functional or other expansion of the International Energy Agreement, or any program or policy thereunder, which is now contemplated or might be added at some future time?

The Defense Production Act presently expires on September 30th, 1975, and I would like to bring up the extension bill for a Senate vote as soon after the August recess as possible, in order to allow time for action by the House and for a conference on the bill before the end of September. Therefore, I would expect to have your response in hand prior to the 25th of August, so that we may consider it before taking action on the bill.

Sincerely,

WILLIAM PROXMIRE,
Chairman.

DEPARTMENT OF JUSTICE,
Washington, D.C., August 29, 1975.
Hon. WILLIAM PROXMIRE,
Chairman, Committee on Banking, Housing and Urban Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your letter of August 1, 1975, concerning the position of the Administration with respect to certain legal implications of S. 1537, a bill to amend the Defense Production Act, which contains authority for the development of a voluntary agreement pursuant to the Agreement on an International Energy Program.

With respect to your first question, the Agreement on an International Energy Program is an executive agreement which was signed on November 18, 1974, pursuant to the President's constitutional authority. It is applicable provisionally at the present time to the extent it is not inconsistent with United States legislation. It is our view that passage of new legislation is required before we can notify our unqualified consent to be bound by the Agreement. Though the cooperation of the Congress is thus essential to permit such notification, we believe that advice and consent or other form of legal approval of the Agreement by the Senate or the Congress as a whole is not required. The passage of S. 1537 would not in our view constitute such advice and consent or other form of legal approval.

As to your second question, the scope of antitrust immunity conferred under proposed section 708A of the Act in our view cannot be expanded by executive action. As we read the immunity provisions in conjunction with the rest of section 708A, immunity is limited to approved actions under a voluntary agreement which are taken to develop or implement two programs under the Agreement of November 18, 1974, (1) the international allocation of petroleum during an emergency and (2) the information system provided in the Agreement. Immunity is not extended to actions pursuant to other present or future activities under the International Energy Agreement and cannot be so extended by executive action.

This letter has been coordinated with the Department of State and the Federal Energy Administration and they concur in our views. If we can be of further assistance in this matter please do not hesitate to contact us.

Sincerely,

MICHAEL M. UHLMANN.

U.S. SENATE,
Washington, D.C., August 1, 1975.
Hon. FRANK G. ZARB,
Administrator, Federal Energy Administration, New Post Office Building, Washington, D.C.

DEAR MR. ADMINISTRATOR: As you may be aware, the voluntary agreement between U.S. oil companies in support of the International Energy Agreement comes under the provisions of the Defense Production Act. This week the Committee on Banking, Housing and Urban Affairs, which has jurisdiction over the Act, reported out a bill, S. 1537, to amend the Defense Production Act and to extend it for two more years, or until September 30, 1977.

In taking this action, the Committee sought to continue in effect the many vital preparedness programs which the Act authorizes. It sought also to provide the requisite authority, with suitable procedural safeguards, for the voluntary agreement developed pursuant to the International Ennergy Agreement and Program.

Nevertheless, we remain concerned about the possible implications of Congressional approval of authority for this voluntary agreement and we do not wish to bring the measure to a vote in the Senate until we are satisfied on these issues.

Specifically we seek your assurances and wish to know, with the greatest possible legal precision, the position of the administration with respect to the following matters:

(1) What is the position of the administration with respect to the passage of this measure as conferring, now or at any subsequent time, advice and consent, ratification, endorsement, or other form of Congressional approval or approbation, explicit or implicit, upon the International Energy Agreement signed by the United States on November 18, 1974?

(2) By executive action can the administration permit the scope of the immunity sought to be conferred under section 708A of the Act, if added by S. 1537 in its present form, to be expanded by any formal, functional or other expansion of the International Energy agreement, or any program or policy thereunder, which is now contemplated or might be added at some future time?

The Defense Production Act presently expires on September 30th, 1975, and I would like to bring up the extension bill for a Senate vote as soon after the August recess as possible, in order to allow time for action by the House and for a conference on the bill before the end of September. Therefore, I would expect to have your response in hand prior to the 25th of August, so that we may consider it before taking action on the bill.

Sincerely,

WILLIAM PROXMIRE,
Chairman.

FEDERAL ENERGY ADMINISTRATION,
Washington, D.C., Sept. 9, 1975.
Hon. WILLIAM PROXMIRE,
Chairman, Committee on Banking, Housing and Urban Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Thank you for your letter of August 1, 1975 concerning the position of the Administration with respect to certain legal implications of S. 1537, amending the Defense Production Act.

With respect to your first question, we note that the Agreement on an International Energy Program is an executive agreement which was signed on November 18, 1974 pursuant to the President's constitutional authority. It is applicable provisionally at the present time to the extent it is not inconsistent with existing legislation, but passage of new legislation is required before the United States can notify its unqualified consent to be bound by the Agreement. Neither advice and consent, nor any other type of formal approval of the Agreement by the Senate or the Congress as a whole is required; and the passage of S. 1537 would not in our opinion constitute such approval, either explicit or implicit.

As to your second question, the antitrust immunity provided by Section 108A is limited by its terms to voluntary agreement or plans of action with respect to the international allocation of petroleum as provided by the IEP during an emergency, and to the information system provided in the Agreement. The immunity could not be extended by executive action beyond that provided by the statute. In particular, immunity could not be extended to activities other than those specifically set out in paragraph (c) of the proposed Section 708A.

As you know, we consider it essential to the successful implementation of the International Energy Program to have an adequate but limited antitrust immunity permitting the international allocation of oil during an emergency. We believe that this can best be accomplished by retaining Section 708 in its present form, but if Section 708 is to be divided as you propose, we believe Section 708A with certain changes, about which we shall be in contact with you or your staff shortly, should be adequate.

In addition, however, we have a larger concern that your revisions of Section 708 may not provide sufficient authority for all contingencies. There may be situations involving allocations to countries not adhering to the IEP or circumstances falling outside the IEP's scope in which emergency allocation of oil is required. Such situations could pose a threat to the national security but they might not fall within the limited scope of your revised Section 708. We believe some clarification in this regard is warranted if we are to be able to act promptly in such emergencies.

This letter has been coordinated with the Department of State and the Department of Justice, and they concur in our views on the two questions which you posed. If I can be of further assistance in this matter, please do not hesitate to contact me.

Sincerely,

FRANK G. ZARB.

Mr. TOWER. Mr. President, the legislation currently under consideration, S. 1537, has two major points. The first is the extension of the Defense Production

Act which has been in existence since 1950. The act was originally conceived to facilitate the procurement of materials necessary for wartime production. Since then an ongoing system of priorities has been established to familiarize those who would likely be involved in the provisions of the act with the system of priorities and the regulations promulgated to support it. Extension of the Defense Production Act is essential to provide for this system so that we will be prepared should we be confronted with a national emergency.

The second major point of the bill before us is the provision of several amendments to the original act. The amendments concern the antitrust aspects of voluntary agreements concluded under the auspices of the act and are, I believe, essential for the protection of the public interest. They do not significantly change the nature of these voluntary agreements, but rather enhance the public's protection from unwise or unnecessary use of voluntary agreements.

In connection with this, section 708A was added to the bill when it was seen that earlier legislation regulating the international energy program was not moving in the House. The most important subsection in 708A, I believe, is that which provides for immunity from antitrust prosecution. I want to point out that this subsection, "j," contains the same wording as S. 622, which has already passed the Senate by a healthy margin. That wording is the result of long hours of consultation between the interested parties and is essential if we expect oil firms to participate at the Government's request in the international energy program. I would be remiss if I did not thank the distinguished chairman of the committee (Mr. Proxmire) for this cooperation in resolving the problems associated with antitrust immunity. I might note that the wording of subsection "j" of section 708, which deals with all other voluntary agreements concluded under the Defense Production Act, is consistent with that in subsection "j" of section 708A on the international energy program.

We have worked at length with members of the administration and the interested committees in the Senate. I appreciate the splendid cooperation they have evidenced. However, there have come to our attention a few areas of potential misunderstanding that should be clarified before final passage of the bill. The chairman has, I believe, a small number of perfecting amendments which we on the minority are quite willing to accept. And there is one amendment the minority has relating to a statutory limitation on the costs of stenographic services. I believe we have worked out an agreement on that as well.

In addition, there is an amendment that had triggered the interest of Senator Jackson and Senator Hart. I think we have worked out agreement on all of these and we can dispose of them with dispatch.

Mr. PROXMIRE. Mr. President, I call up my amendments 868 and 869 and ask that they be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The question is on agreeing to the amendments.

The amendments were agreed to en bloc, as follows:

On page 39, following line 15, add the following:

(m) The authorities contained in this section with respect to the executive agreement, commonly known as the Agreement on an International Energy Program dated November 18, 1974, shall not be construed in any way as advice and consent, ratification, endorsement, or any other form of congressional approval of the specific terms of such executive agreement or any related annex, protocol, amendment, modification, or other agreement which has been or may in the future be entered into.

(n) Any action or agreement undertaken or entered into pursuant to this section shall be deemed to be undertaken or entered into in the United States.

On page 40, line 5, add the following new section:

Sec. 7. Section 713 of the Defense Production Act of 1950 is amended by adding at the end thereof the following new sentence: "Any action or agreement undertaken or entered into pursuant to section 708A of this Act shall be deemed to be undertaken or entered into within such areas.".

Mr. TOWER. Mr. President, I send to the desk an amendment and ask that it be stated.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The legislative clerk read as follows:

On page 40, after line 5, add the following new section:

Sec. 8. Subparagraph (c) of Section 712 of the Defense Production Act is amended by striking the following words: "The cost of stenographic services to report such hearing shall be in excess of 40 cents per hundred words."

Mr. TOWER. Mr. President, I believe that the amendment is self-explanatory.

After the bill was reported out of committee it was called to our attention that the Joint Committee on Defense Production was in technical violation of the law. The amendment seeks to remedy that situation.

In 1955 there was written into the act a statutory limitation on the costs of stenographic services of 40 cents per hundred words. That limitation was quite adequate for the midfifties, but there has been a considerable increase in costs since then. In fact the current costs for stenographic services for the joint committee is 15 cents per line or $2.25 per page, obviously quite a bit above the 40 cent-per-hundred-word limitation.

My amendment would simply strike that line in the act in subparagraph (c) of section 712 that relates to the statutory limitation on the costs of stenographic services. I understand the majority is willing to accept this amendment and, if that is the case, I am willing to yield back the remainder of my time.

I believe the chairman is prepared to accept the amendment.

Mr. PROXMIRE. I am happy to accept the amendment.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The ACTING PRESIDENT pro tempore. The bill is open for further amendment.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PROXMIRE. I ask unanimous consent that the Senator from Mississippi (Mr. Stennis) speak briefly out of order.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, as I understand, this is just while we are locating an amendment in which I have an interest.

If the Chair will advise me when the manager of the bill is ready to proceed or if the manager will advise me, I shall suspend.

OIL LEGISLATION

Mr. STENNIS. Mr. President, I take advantage of this interim time here to express my concern with reference to what I call, broadly, oil legislation, looking to the future.

I start with the proposition that the sustaining of the veto by President Ford of the 6 months' extension of the so-called Allocation Act brings us to the point where—if we really mean business with reference to having constructive legislation in this field of energy, particularly oil and gas—it seems to me we should proceed on a very broad base to get some renewal, even if it is only for 45 days, 60 days, or 70 days of this Allocation Act and control of price of old oil—the allocation, too, of propane gas and related matters and get that law renewed.

I hope that we will not take time from day to day and week to week arguing over points within that law that certainly are not controlling and do not amount to a great deal.

I feel that Congress and the President both are acting in good faith in this matter. As a practical matter, we will just have to lay down the differences in opinion on some of these points. They are well known to all of us. They have been debated over and over and over.

I was disappointed last Thursday that we did not go on and pass the act, which is temporary in nature, that the House had passed restoring those controls for a brief time and thus avoid the consequences of having no law at all and even the further consequences of the uncertainty in the entire business world about what is going to be the rules and guidelines and perimeters of their action.

Now, I understand, Mr. President, that the President has proposed and sent to the Congress legislation that would deal with the potential problems of the independent retail gasoline dealers. As I understand it, this legislation would:

Prohibit a refiner or distributor from canceling, failing to renew, or otherwise terminating a petroleum products franchise unless he provides 90 days' notice to the retail dealer affected, except for good cause.

Permit a retailer to bring a civil action for treble damages or injunctive relief in a Federal district court against any refiner or distributor which fails to act in "good faith" in performing or complying with the terms of the franchise, or in terminating, canceling, or failing to renew the franchise with the dealer.

This is something which obviously must be dealt with and soon, but today, Mr. President, my remarks deal with the potentially grave situation involving propane and butane allocation and price.

Mr. President, failure to act quickly on this propane problem means our facing here what may be a very severe winter—which could be just a few days away for certain areas of the country—without anything definite done with reference to allocation.

I am thinking now of what is a relatively simple thing, the allocations of propane gas and butane gas where there has been protection for the last few years for the users of this gas for industrial purposes when there was no other source of energy available, and for the users of butane and propane gas in rural areas, for instance. The law requiring those allocations has expired and these people, particularly the rural people, are just left at the mercy of chance, one might say.

The potential natural gas shortage could have a devastating effect on propane supplies as those who are curtailed may buy up a lot of the available propane as a substitute fuel. We cannot allow the possible situation to exist where large purchasers can buy up most of the propane and "captive" that supply to the exclusion of the farmers and rural people.

Frankly, I think prices are going up some. There will be a scramble for supplies of this kind of fuel. The consumer will not only be forced to pay a greater price, but, worse than that, he probably will be unable to get the product at all, without any reasonable time for adjustment, if there is any adjustment, that he could otherwise make.

I am not referring at this moment to the bill that the President has sent in, as he said he would do, providing for allocations, for instance, of this propane gas. I am referring to the fact that under the bill the House has already passed, as I understand it, extending these controls for the 60 days—this problem will be covered temporarily and presumably we will pass a more extensive bill than that, which will doubtless assure an adequate supply of butane and propane for our rural people and for agriculture and other essential users.

But while we are just talking and talking and talking, and one body is not acting on what the other one has passed, and not getting any steps nearer to something that the President will sign, we are leaving the people out in the rain, so to speak, left defenseless should they be cut off from supplies, there being no Allocation Act. We must give them some protection.

It is bad enough to have to pay what is most likely a great increase in the price of oil products, but it is just unthinkable to me that the Congress, representing all the people, will fail now, day after day, under all these circumstances, to meet this situation and then leave these people helpless.

In my State, we produce a great many broilers in the chicken industry, in which there is a demand for a great deal of this propane gas, certainly not an unconscionable amount, though, and it is used directly for the production of food. It is used in other light industrial uses. Many of our farmers use propane to operate their tractors and other farm machinery. This fuel is also used to dry cotton at the gin. Thus propane is essential to the well-being of our farms, economy, and people. Of course, butane and propane gas are almost the sole sources of heat in many areas of our rural States. The demand this year will probably be greater, the price higher, and the hardship almost defies full description.

I hope, Mr. President, that we will lay aside all differences here of policy in these fields and differences of opinion about the number of days that might be in a short-term bill and get down to the passage of legislation that will have meaning.

The quickest method available to remedy this propane problem and the many others brought about by the lapse of this act, is to reinstitute it for 60 days and to do it now.

Mr. STENNIS. Mr. President, I thank the manager of the bill very much for extending the floor to me at this time.

Mr. President, I yield the floor.

DEFENSE PRODUCTION ACT AMENDMENTS OF 1975

The Senate continued with the consideration of the bill (S. 1537) to amend the Defense Production Act of 1950, as amended.

Mr. TOWER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The legislative clerk read as follows:

On page 23, line 21, page 24, line 10, page 37, line 23, and page 38, line 13, strike out the word "and".

Mr. TOWER. Mr. President, this is an amendment that is the result of an objection raised to the language in subsection (j) by Senators JACKSON and PHILIP A. HART.

I believe this amendment removes that objection and I ask the manager of the bill if he will accept it.

Mr. PROXMIRE. Mr. President, this was a critical difference of opinion and it did involve the distinguished Senator from Michigan originally. As we all know, he is not able to be here today.

The change may seem very brief, but it is important. The amendment originally, as initially suggested by Senator PHILIP A. HART, would change the bill to say that actions carried out under voluntary agreements have to be both necessary to implement the agreement and free from intent to injure competition before the antitrust immunity conferred by the bill would be available.

Further, as I understand the import of these changes, they reflect an antitrust principle already confirmed by the Supreme Court on numerous occasions. The principle is that an action taken under a voluntary agreement would not be considered as a necessary action if there existed an alternative action to achieve the same purpose but with fewer anticompetitive consequences.

I thought this was a sound basis and was ready to accept the amendment. However, the Senator from Texas has proposed a modification and that modification, as I understand it, has been discussed with the Senator from Washington (Mr. JACKSON), with the Senator from Michigan (Mr. PHILIP A. HART).

It has been discussed with the interested Federal departments and agencies, all of whom, I believe, agree that this will be acceptable to them.

It is so rare that we can get any kind of compromise here that is acceptable to everybody that I am delighted to accept the amendment of the Senator from Texas. It is a good amendment. I hope the Senate will support it.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Texas.

The amendment was agreed to.

The ACTING PRESIDENT pro tempore. The bill is open to further amendment.

Mr. FORD. Mr. President, there is an unprinted amendment at the desk proposed by the Senator from South Carolina (Mr. HOLLINGS) and I would like to offer this amendment for the Senator from South Carolina.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. FORD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill insert the following new section:

SEC. . Section 712(e) of the Defense Production Act of 1950 (64 Stat. 820) is amended to read as follows:

"(e) The expenses of the committee under this section shall be paid from the contingent fund of the House of Representatives from funds appropriated for the Joint Committee upon vouchers signed by the Chairman or Vice Chairman."

Mr. FORD. Mr. President, this amendment simply gives the Joint Committee on Defense Production the ability to voucher as other joint committees do, since the authorization is exceeded by cost of living increases in the payroll, the 5 percent or 8 percent, or whatever it might be increased each year, with the current limitation. This just takes the cap off and allows the joint committee to voucher as other joint committees do. I ask the floor leader of the bill to accept the amendment.

Mr. PROXMIRE. Mr. President, I am happy to, it is very acceptable and it is overdue.

Mr. President, I think the amendment proposed by the distinguished Senator from South Carolina is a desirable one and probably long overdue. It will put the Joint Committee on Defense Production on an authorization footing similar to that of other joint committees, such as the Joint Economic Committee. It will clear up an anomalous situation wherein appropriations for the committee—by virtue of cost of living increases—have outstripped the authorization level mandated in the Defense Production Act.

Before I propose to accept the amendment, however, I do want to make one point very clear. As I understand the amendment, it is intended not to prepare the ground for future escalation of the joint committee's budget; it is rather to clear up a situation that has developed in the past, and I am sure the distinguished Senator from Kentucky as well as the distinguished Senator from South Carolina, both of whom are very much concerned about increases in spending in the legislative branch as well as in the executive, would concur.

It is a good amendment, and I commend it to the Senate.

Mr. TOWER. Mr. President, I am prepared to accept the amendment on behalf of the minority.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Kentucky.

The amendment was agreed to.

The ACTING PRESIDENT pro tempore. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The ACTING PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill (S. 1537) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1537

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Defense Production Act Amendments of 1975".

SEC. 2. The first sentence of section 717(a) of the Defense Production Act of 1950 (64 Stat. 822) is amended by striking out "September 30, 1975" and inserting in lieu thereof "September 30, 1977".

SEC. 3. Section 708 of the Defense Production Act of 1950 is amended to read as follows:

"SEC. 708. (a) Except as specifically provided in subsection (j) of this section and section 708A(j) of this Act, no provision of this Act shall be deemed to provide to any person any immunity from civil or criminal liability, or to create defenses to actions, under the antitrust laws.

"(b) As used in this section, the term 'antitrust laws' means—

"(1) the Act entitled 'An Act to protect trade and commerce against unlawful restraints and monopolies', approved July 2, 1890 (23 Stat. 290), as amended;

"(2) the Act entitled 'An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes', approved October 15, 1914 (38 Stat. 730), as amended;

"(3) the Act entitled 'An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes (38 Stat. 717), as amended;

"(4) sections 73 and 74 of the Act entitled 'An Act to reduce taxation, to provide revenue for the Government, and for other purposes', approved August 27, 1894 (28 Stat. 579), as amended;

"(5) the Act of June 19, 1936 (49 Stat. 1526); and

"(6) the Act entitled 'An Act to promote export trade and for other purposes' (40 Stat. 516), as amended.

"(c) (1) Upon finding that conditions exist which may pose a direct threat to the national defense or to its preparedness programs, the President is authorized to consult with representatives of industry, business, financing, agriculture, labor, and other interests, with a view to providing for the making of voluntary agreements and programs by such persons, and may request the undertaking or entering into of such voluntary agreements or programs, in accordance with the provisions of this section, for the purpose of assuring adequate productive capacity and supply for mobilization.

"(2) The authority granted in paragraph (1) of this subsection shall be delegated only (A) to officials who shall for the purpose of such delegation be required to be appointed by the President, by and with the advice and consent of the Senate, unless otherwise required to be so appointed, and (B) upon the condition that such officials consult with the Attorney General and with the Federal Trade Commission not less than ten days before making any request thereunder, and (C) upon the condition that such officials obtain the prior approval of the Attorney General, after consultation by the Attorney General with the Federal Trade Commission, to any request thereunder. For the purpose of carrying out the objectives of title I of this Act, the authority granted in paragraph (1) of this subsection shall not be delegated except to one and only one official of the Government.

"(3) The authority granted in paragraph (1) of this subsection shall be exercised only if the official designated pursuant to subsections (c) (2) and (d) (1) (B) of this section certifies, with a written justification to be published in the Federal Register prior to approval of any proposed voluntary agreement, that such voluntary agreements and programs are necessary to accomplish the objectives of paragraph (1) of this subsection and if the Attorney General, after consultation with the Federal Trade Commission, certifies, in a report setting forth the competitive consequences of the proposed voluntary agreement, also to be published in the Federal Register, that such objectives cannot reasonably be accomplished through alternative means having lesser anticompetitive effects. Each voluntary agreement or program authorized under this section, together with any associated advisory committee provided for under subsection (d), shall expire two years from the date of the entering into force of the voluntary agreement, except that it may be extended for two more years every two years after—

"(A) the official designated pursuant to subsections (c) (2) and (d) (1) (B) of this section determines that its continuance is necessary to further the objectives of subsection (c) (1) and sets forth a detailed explanation of the reasons justifying its continuance, consistent with the need to protect the security of classified national defense information, to be published in the Federal Register, at a reasonable time prior to the date of expiration; and

"(B) the Attorney General, after consultation with the Federal Trade Commission, determines that such objectives cannot reasonably continue to be accomplished through alternative means having lesser anticompetitive effects.

"(4) Upon making the determination that there no longer exists a requirement for a voluntary agreement or program or associated advisory committee, the official designated pursuant to subsections (c) (2) and (d) (1) (B) of this section shall recommend to the President that such voluntary agreement or program or associated advisory committee be terminated, setting forth the reasons for the recommendation, and shall inform the Attorney General and the Federal Trade Commission of the intended termination and date of its effect.

"(5) The requirements of this section shall be the sole procedures applicable to the development or implementation of the voluntary agreements or programs to accomplish the objectives of subsection (c) (1) of this section, and to the availability of immunity from the antitrust laws respecting the development or implementation of such voluntary agreements or programs.

"(d) (1) (A) To achieve the objectives of subsection (c) (1) of this section, the official designated pursuant to subsections (c) (2) and (d) (1) (B) of this section may provide for the establishment of such advisory committees as he determines are necessary. In addition to the requirements specified in this section, any such advisory committee shall be subject to the provisions of the Federal Advisory Committee Act, whether or not such Act or any of its provisions expire or terminate during the term of this Act or of such committees, and in all cases such advisory committees shall be chaired by a Federal employee, other than an individual employed pursuant to section 3109 of title 5, United States Code, shall include representatives of the public, and the meetings of such committees shall be open to the public. The Attorney General and the Federal Trade Commission shall have adequate advance notice of any meeting and may have an official representative attend and participate in any such meeting.

"(B) The authority granted in paragraph (1) (A) of this subsection shall be delegated only (i) to officials who shall for the purpose of such delegation be required to be appointed by the President, by and with the advice and consent of the Senate, unless otherwise required to be so appointed, and (ii) upon the condition that such officials consult with the Attorney General and with the Federal Trade Commission not less than ten days before making any request thereunder, and (iii) upon the condition that such officials obtain the prior approval of the Attorney General, after consultation by the Attorney General with the Federal Trade Commission, to any request thereunder. For the purpose of carrying out the objectives of title I of this Act, the authority granted in paragraph (1) (A) of this subsection shall not be delegated except to one and only one official of the Government.

"(2) A full and complete verbatim transcript shall be kept of such advisory committee meetings, and shall be taken and deposited, together with any agreement resulting therefrom, with the Attorney General and the Federal Trade Commission. Such transcript and agreement shall be made available for public inspection and copying, subject to the provisions of section 552 (b) (1) and (b) (3), of title 5, United States Code.

"(e) The official designated pursuant to subsections (c) (2) and (d) (1) (B) of this section shall promulgate, by rule, subject to the prior approval of the Attorney General and the Federal Trade Commission, standards and procedures by which representatives of industry, business, financing, agriculture, labor, and other interests may develop and implement voluntary agreements and programs necessary to accomplish the objectives of subsection (c) (1) of this section.

"(f) The standards and procedures under subsection (e) shall be promulgated pursuant to section 553 of title 5, United States Code. They shall provide, among other things, that—

"(1) such agreements and programs shall be developed by meetings of committees, councils, or other groups which include representatives of the public, of interested segments of the relevant industry or industries and of consumers, and shall in all cases be chaired by a Federal employee other than an individual employed pursuant to section 3109 of title, United States Code;

"(2) meetings held to develop a voluntary agreement or program shall—

"(A) permit attendance by interested persons; and

"(B) be preceded by timely and adequate public notice, published in the Federal Register not less than ten days in advance of any such meeting, including identification of the agenda of such meeting;

"(3) interested persons shall be afforded an opportunity to present, in writing and orally, data, views, and arguments at such meetings; and

"(4) a full and complete verbatim transcript shall be kept of any meeting, conference, or communication held to develop or implement a voluntary agreement or program under this section and shall be taken and deposited, together with any agreement resulting therefrom, with the Attorney General and the Federal Trade Commission. Such transcript and agreement shall be available for public inspection and copying subject to provisions of section 552(b) (1) and (b) (3) of title 5, United States Code.

"(5) No provision of this section may be exercised so as to prevent committees of Congress from attending meetings to which this subsection applies, or from having access to any transcripts or minutes of such meetings, or any logs of communications.

"(g) (1) The official designated pursuant to subsections (c) (2) and (d) (1) (B) of this section may exempt, subject to the prior approval of the Attorney General and the Federal Trade Commission, types or classes of meetings, conferences or communications from the requirements of subsections (d) (2) and (f) (4) of this section: *Provided*, That such meetings, conferences, or communications are ministerial in nature and are for the sole purpose of implementing a voluntary agreement or program authorized pursuant to this section. Such ministerial meeting, conference, or communication may take place in accordance with such requirements as the Federal Trade Commission may prescribe by rule. Such persons participating in such meeting, conference, or communication shall cause a record to be made specifying the date such meeting, conference, or communication took place and the persons involved, and summarizing the subject matter discussed, consistent with the need to protect the security of classified national defense information. Such record shall be filed with the Federal Trade Commission and the Attorney General, where it shall be made available for public inspection and copying.

"(2) The official designated pursuant to subsections (c) (2) and (d) (1) (B) of this section may suspend, subject to the prior approval of the Attorney General of the Federal Trade Commission, the application of—

"(A) sections 10 and 11 of the Federal Advisory Committee Act,

"(B) subsection (d) (2) of this section,

"(C) the requirement under subsection (f) (2) of this section that meetings be open to the public; and

"(D) the second sentence of paragraph (f) (4) of this section;

if the official designated pursuant to subsections (c) (2) and (d) (1) (B) determines in each instance that such suspension is essential to protect the security of classified national defense information and that application of such provisions would be detrimental to the defense of the United States.

"(3) On complaint, the United States District Court for the District of Columbia has jurisdiction to enjoin any exemption or suspension pursuant to subsections (g) (1) and (g) (2) of this section and to order the production of the records filed with the Attorney General and the Federal Trade Commission as set forth in subsection (g) (1) of this section where the court determines that such records have been improperly withheld from the complainant. In such a case the court shall determine the matter de novo, and may examine the contents of such agency records in camera to determine whether such records or any parts thereof shall be withheld under any of the exemption or suspension provisions set forth in subsections (g) (1) and (g) (2) of this section, and the burden is on the agency to sustain its action.

"(h) (1) The Attorney General and the Federal Trade Commission shall participate from the beginning in any meeting to develop or implement voluntary agreements authorized under this section and, when practicable, in any meeting to implement programs authorized under this section. Each may propose any alternative which would avoid or overcome, to the greatest extent practicable, possible anticompetitive effects while achieviing substantially the purposes of subsection (c) (1) of this section. A voluntary agreement or program under this section may not be implemented unless approved by the Attorney General and the Federal Trade Commission. The Attorney General or the Federal Trade Commission shall have the right, after consultation with the official designated pursuant to subsections (c) (2) and (d) (1) (B) of this section, to review, amend, modify, disapprove, or revoke, on its own motion or upon the request of any interested person, any voluntary agreement or program at any time, and, if revoked, thereby withdraw prospectively the immunity which may be conferred by subsection (j) of this section.

"(2) Any voluntary agreement or program entered into pursuant to this section shall be submitted in writing to the Attorney General and the Federal Trade Commission twenty days before being implemented, and it shall be made available for public inspection and copying, subject to the provisions of subsection (g) of this section. Any action taken pursuant to such voluntary agreement or program shall be reported to the Attorney General and the Federal Trade Commission pursuant to such regulations as shall be prescribed under subsections (i) (3) and (i) (4).

"(i) (1) The Attorney General and the Federal Trade Commission shall monitor the development and implementation of voluntary agreements and programs authorized under this section to assure the protection and fostering of competition and to prevent anticompetitive practices and effects.

"(2) The Attorney General and the Federal Trade Commission shall promulgate joint regulations concerning the maintenance of necessary and appropriate documents, minutes, transcripts, and other records related to the development and implementation of voluntary agreements and programs pursuant to this section.

"(3) Persons developing and implementing voluntary agreements and programs pursuant to this section shall maintain those records required by such joint regulations. Both the Attorney General and the Federal Trade Commission shall have access to and the right to copy such records at reasonable times and places and upon reasonable notice.

"(4) The Federal Trade Commission and the Attorney General may each prescribe pursuant to section 553, title 5, United States Code, such rules and regulations as may be necessary or appropriate to carry out their responsibilities under this Act. Each may utilize for such purposes and for purposes of enforcement any and all powers conferred upon the Federal Trade Commission or the Department of Justice, or both, by any other provision of law, including the antitrust laws, the Antitrust Procedures and Penalties Act, or the Antitrust Civil Process Act; and wherever such provision of law refers to 'the purposes of this Act' or like terms, the reference shall be understood to be this section.

"(j) There shall be available as a defense to any civil or criminal action brought under the antitrust laws (or any similar State law) in respect of actions taken to develop or implement a voluntary agreement or program (provided that such actions were not taken unnecessarily for the purpose of injuring competition) that—

"(1) such action was taken—

"(A) in the course of developing a voluntary agreement or program pursuant to this section, or

"(B) pursuant to a voluntary agreement or program authorized and approved in accordance with this section, and

"(2) such persons fully complied with the requirements of this section and the rules and regulations promulgated hereunder.

Persons interposing the defense provided by this section shall have the burden of proof, except that the burden shall be on the plaintiff with respect to whether the actions were taken unnecessarily for the purpose of injuring competition.

"(k) No provision of this section shall be construed as granting immunity for, nor as limiting or in any way affecting any remedy or penalty which may result from any legal action or proceeding arising from, any acts or practices which occurred (1) prior to the date of enactment of this section, (2) outside the scope and purpose or not in compliance with the terms and conditions of this section, or (3) subsequent to the expiration or repeal of this section or Act.

"(l) (1) The official designated pursuant to subsections (c) (2) and (d) (1) (B) of this section shall report annually to the President and to the Congress on performance under each voluntary agreement or program authorized and approved in accordance with this section on its contribution to achievement of the objectives of subsection (c) (1) of this section.

"(2) The Attorney General and the Federal Trade Commission are each directed to make surveys for the purpose of determining any factors which may tend to eliminate competition, create or strengthen monopolies, injure small business, or otherwise promote undue concentration of economic power in the course of the administration of this Act. Such surveys shall include studies of the voluntary agreements and programs authorized by this section. The Attorney General and the Federal Trade Commission shall each submit to the Congress and the President at least once every year reports setting forth the results of such studies of voluntary agreements and programs authorized by this section.

"(m) (1) Effective on the date of enactment of this Act, the immunity conferred by this section shall not apply to any action taken or authorized to be taken by or under the Emergency Petroleum Allocation Act of 1973.

"(2) Effective one hundred and twenty days after the date of enactment of this Act, the provisions of and immunity conferred by this section shall not apply to any actions taken or authorized to be taken by or under the Agreement on an International Energy Program, signed by the United States on November 18, 1974.".

SEC. 4. The Defense Production Act of 1950 is further amended by adding after section 708, the following new section:

"SEC. 708A. (a) Except as specifically provided in subsection (j) of this section and section 708(j) of this Act, no provision of this Act shall be deemed to convey to any person any immunity from civil or criminal liability, or to create defenses to actions, under the antitrust laws.

"(b) As used in this section—

"(1) The term 'antitrust laws' means—

"(A) the Act entitled 'An Act to protect trade and commerce against unlawful restraints and monopolies', approved July 2, 1890 (26 Stat. 290), as amended;

"(B) the Act entitled 'An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes', approved October 15, 1914 (38 Stat. 370), as amended;

"(C) the Act entitled 'An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes' (38 Stat. 717), as amended;

"(D) sections 73 and 74 of the Act entitled 'An Act to reduce taxation, to provide revenue for the Government, and for other purposes', approved August 27, 1894 (28 Stat. 579), as amended;

"(E) the Act of June 19, 1936 (49 Stat. 1526); and

"(F) the Act entitled 'An Act to promote export trade, and for other purposes (40 Stat. 516), as amended.

"(2) The term 'international energy supply emergency' means any period (A) beginning on any date which the President determines allocation of petroleum products to nations participating in the international agreement is required by chapters III and IV of such program, and (B) ending on a date on which he determines such allocation is no longer required. Such a period may not exceed ninety days, but the President may establish one or more additional periods by making the determination under clause (A) of the preceding sentence. Any determination respecting the beginning or end of any such period shall be published in the Federal Register.

"(3) The term 'international agreement' means the Agreement on an International Energy Program, signed by the United States on November 18, 1974.

"(4) The term 'Administrator' means the Administrator of the Federal Energy Administration.

"(5) The term 'petroleum product' means—

"(A) crude oil,

"(B) natural gas liquids and other liquids produced in association with crude oil or natural gas,

"(C) refined petroleum products, including but not limited to gasoline, kerosene, distillates, residual fuel oil, refined lubricating oil, and liquefied petroleum gases; and

"(D) blending agents and additives used in conjunction with crude oil and refined petroleum products.

"(c) The requirements of this section shall be the sole procedures applicable to the development or implementation of voluntary agreements or plans of action to accomplish the objectives of the international agreement with respect to international allocation of petroleum products and the information system provided in such agreement, and to the availability of immunity from the antitrust laws respecting the development or implementation of such voluntary agreements or plans of action.

"(d)(1) To achieve the purposes of the international agreement with respect to international allocation of petroleum products and the information system provided in such agreement, the Administrator may provide for the establishment of such advisory committees as he determines are necessary. In addition to the requirements specified in this section, such advisory committees shall be subject to the provisions of the Federal Advisory Committee Act and section 17 of the Federal Energy Administration Act, whether or not such Acts or any of their provisions expire or terminate during the term of this Act or of such committees, and in all cases such advisory committees shall be chaired by a Federal employee, other than an individual employed pursuant to section 3109 of title 5, United States Code, and shall include representatives of the public, and the meetings of such committees shall be open to the public. The Attorney General and the Federal Trade Commission shall have adequate advance notice of any meeting and may have an official representative attend and participate in any such meeting.

"(2) A full and complete verbatim transcript shall be kept of such advisory committee meetings, and shall be taken and deposited, together with any agreement resulting therefrom, with the Attorney General and the Federal Trade Commission. Such transcript and agreement shall be made available for public inspection and copying, subject to the provisions of section 552(b)(1) and (b)(3) of title 5, United States Code.

"(3) For the purposes of this section, the provisions of subsection (a) of section 17 of the Federal Energy Administration Act shall apply to any board, task force, commission, committee, or similar group, not composed entirely of full-time Federal employees, other than individuals employed pursuant to section 3109 of title 5, United States Code, established or utilized to advise the United States Government with respect to the formulation or carrying out of any agreement or plan of action under the international agreement.

"(e) The Administrator, subject to the approval of the Attorney General, after both of them have consulted with the Federal Trade Commission and the Secretary of State, shall promulgate, by rule, standards and procedures by which persons engaged in the business of producing, refining, marketing, or distributing petroleum products may develop and implement voluntary agreements and plans of action which are required to implement the provisions of the international agreement which relate to international allocation of petroleum products and the information system provided in such agreement.

"(f) The standards and procedures under subsection (e) shall be promulgated pursuant to section 553 of title 5, United States Code. They shall provide, among other things, that—

"(1)(A) Meetings held to develop or implement a voluntary agreement or plan of action under this section shall permit attendance by interested persons, including all interested segments of the petroleum industry, consumers, committees of Congress, and the public, shall be preceded by timely and adequate notice with identification of the agenda of such meeting to the Attorney General, the Federal Trade Commission, committees of Congress, and (except during an international energy supply emergency) to the public, and shall be initiated and chaired by a Federal employee other than an individual employed pursuant to section 3109 of title 5, United States Code; except that (i) meetings of bodies created by the International Energy Agency established by the international agreement need not be open to interested persons and need not be initiated and chaired by a Federal employee, and (ii) the Administrator, in consultation with the Secretary of State and the Attorney General, may determine that a meeting held to implement or carry out an agreement or plan of action shall not be public and that attendance may be limited, subject to reasonable representation of affected segments of the petroleum industry (as determined by the Administrator, after consultation with the Attorney General) if he finds that a wider disclosure would be detrimental to the foreign policy interests of the United States.

"(B) No meetings may be held to develop or implement a voluntary agreement or plan of action under this section, unless a Federal employee other than an individual employed pursuant to section 3109 of title 5, United States Code, is present; except that during an international energy supply emergency, a meeting to implement such an agreement or plan of action may be held outside the presence of such an employee (and need not be initiated or chaired by such an employee) if prior consent is granted by the Administrator and the Attorney General. The Administrator and the Attorney General shall each make a written record of the granting of any such prior consent.

"(2) Interested persons permitted to attend such a meeting shall be afforded an opportunity to present in writing and orally, data, views, and arguments at such meetings.

"(3) A verbatim transcript or, if keeping a verbatim transcript is not practicable, full and complete notes or minutes shall be kept of any meeting held or communication made to develop or implement a voluntary agreement or plan of action under this section, between or among persons who are parties to such a voluntary agreement or, with respect to meetings held or communications made to develop a voluntary agreement, persons who may become parties to such an agreement; except that, during any international energy supply emergency, in lieu of minutes or a transcript, a log may be kept containing a notation of the parties to, and subject matter of, any such communication (other than in the course of such a meeting). Such minutes, notes, transcript, or log shall be deposited, together with any agreement resulting therefrom, with the Administrator, and shall be available to the Attorney General and the Federal Trade Commission. Such minutes, notes, transcripts, logs, and agreements shall be available for public inspection and copying, except as otherwise provided in section 552(b)(1) and (b)(3) of title 5, United States Code, or pursuant to a determination by the Administrator, in consultation with the Secretary of State and the Attorney General, that such disclosure would be detrimental to the foreign policy interests of the United States.

"(4) No provision of this section may be exercised so as to prevent committees of Congress from attending meetings to which this subsection applies, or from having access to any transcripts or minutes of such meetings, or logs of communication.

"(g) Subject to the prior approval of the Attorney General and the Federal Trade Commission, the Administrator may suspend the application of—

"(1) sections 10 and 11 of the Federal Advisory Committee Act,

"(2) subsections (b) and (c) of section 17 of the Federal Energy Administration Act,

"(3) the requirement under subsection (d)(1) of this section that meetings be open to the public; and

"(4) the second sentence of subsection (d)(2) of this section;

if the Administrator determines in each instance that such suspension is essential to the implementation of the international agreement as it relates to the international allocation of petroleum products or the information system provided in such agreement and if the Secretary of State determines that the application of such provisions would be detrimental to the foreign policy interests of the United States. Such determinations by the Administrator and the Secretary of State shall be in writing, shall set forth, to the extent possible consistent with the need to protect the security of classified national defense and foreign policy information, a detailed explanation of reasons justifying the granting of such suspension, and shall be published in the Federal Register at a reasonable time prior to the effective date of any such suspension.

"(h) (1) The Attorney General and the Federal Trade Commission shall participate from the beginning in any meeting to develop or implement voluntary agreements authorized under this section and, when practicable, in any meeting to implement plans of action authorized under this section. Each may propose any alternative which would avoid or overcome, to the greatest extent practicable, possible anticompetitive effects while achieving substantially the purposes of this section. A voluntary agreement or plan of action under this section may not be implemented unless approved by the Attorney General, after consultation with the Federal Trade Commission. Prior to the expiration of the period determined under paragraph (2), the Federal Trade Commission shall transmit to the Attorney General its views as to whether such an agreement should be approved, and shall publish such views in the Federal Register. The Attorney General, in consultation with the Federal Trade Commission, the Secretary of State, and the Administrator, shall have the right to review, amend, modify, disapprove, or revoke, on his own motion or upon the request of the Federal Trade Commission or any interested person, any voluntary agreement or plan of action at any time, and, if revoked, thereby withdraw prospectively the immunity which may be conferred by subsection (j) of this section.

"(2) Any voluntary agreement entered into pursuant to this section shall be submitted in writing to the Attorney General and the Federal Trade Commission twenty days before being implemented (where it shall be made available for public inspection and copying subject to the provisions of subsection (g) of this section); except that during an international energy supply emergency, the Administrator, subject to approval of the Attorney General, may reduce such twenty-day period. Any action taken pursuant to such voluntary agreement or plan of action shall be reported to the Attorney General and the Federal Trade Commission pursuant to such regulations as shall be prescribed under subsections (i) (3) and (i) (4).

"(i) (1) The Attorney General and the Federal Trade Commission shall monitor the development and implementation of voluntary agreements and plans of action authorized under this section to assure the protection and fostering of competition and to prevent anticompetitive practices and effect.

"(2) In addition to any requirements specified under subsections (e) and (f) of this section and in order to carry out the purposes of this section, the Attorney General, in consultation with the Federal Trade Commission and the Administrator, shall promulgate regulations concerning the maintenance of necessary and appropriate records related to the development and implementation of voluntary agreements and plans of action pursuant to this section.

"(3) Persons developing and implementing voluntary agreements or plans of action pursuant to this section shall maintain those records required by such regulations. Both the Attorney General and the Federal Trade Commission shall have access to and the right to copy such records at reasonable times and places and upon reasonable notice.

"(4) The Attorney General and the Federal Trade Commission may each prescribe pursuant to section 553 of title 5, United States Code, such rules and regulations as may be necessary or appropriate to carry out their respective responsibilities under this section. They may both utilize for such purposes and for purposes of enforcement any and all powers conferred upon the Federal Trade Commission or the Department of Justice, or both, by any other provision of law, including the antitrust laws, the Antitrust Procedures and Penalties Act, or the Antitrust Civil Process Act; and wherever any such provision of law refers to 'the purposes of this Act' or like terms, the reference shall be understood to be this section.

"(j) There shall be available as a defense to any civil or criminal action brought under the antitrust laws (or any similar State law) in respect of actions taken to develop or implement a voluntary agreement or plan of action by persons engaged in the business of producing, refining, marketing, or distributing petroleum products (provided that such actions were not taken unnecessarily for the purpose of injuring competition) that—

"(1) such action was taken—

"(A) in the course of developing a voluntary agreement or plan of action pursuant to this section, or

"(B) pursuant to a voluntary agreement or plan of action authorized and approved in accordance with this section, and

"(2) such persons fully complied with the requirements of this section and the rules and regulations promulgated hereunder.

Persons interposing the defense provided by this section shall have the burden of proof, except that the burden shall be on the plaintiff with respect to whether the actions were taken unnecessarily for the purpose of injuring competition.

"(3) In any action in any Federal or State court for breach of contract there shall be available as a defense that the alleged breach of contract was caused solely by action taken during an international energy supply emergency in accordance with a voluntary agreement authorized and approved under the provisions of this section.

"(k) No provision of this section shall be construed as granting immunity for, nor as limiting or in any way affecting any remedy or penalty which may result from any legal action or proceeding arising from, any acts or practices which occurred (1) prior to the date of enactment of this section, (2) outside the scope and purpose or not in compliance with the terms and conditions of this section, or (3) subsequent to the expiration or repeal of this section or Act.

"(l) (1) The Administrator, after consultation with the Secretary of State, shall report annually to the President and the Congress on the performance under voluntary agreements or plans of action to accomplish the objectives of the international agreement with respect to international allocation of petroleum products and the information system provided in such agreement.

"(2) The Attorney General and the Federal Trade Commission shall each submit to the Congress and to the President, at least once every six months, reports on the impact on competition and on small business of actions authorized by this section.

"(m) The authorities contained in this section with respect to the executive agreement, commonly known as the Agreement on an International Energy Program dated November 18, 1974, shall not be construed in any way as advice and consent, ratification, endorsement, or any other form of congressional approval of the specific terms of such executive agreement or any related annex, protocol, amendment, modification, or other agreement which has been or may in the future be entered into.

"(n) Any action or agreement undertaken or entered into pursuant to this section shall be deemed to be undertaken or entered into in the United States."

SEC. 5. The second sentence of section 710 (e) of the Defense Production Act of 1950, as amended (50 U.S.C. App. 2160(e)), is amended to read as follows: "Members of this executive reserve who are not full-time Government employees may be allowed transportation and per diem in lieu of subsistence, as prescribed under title 5 of the United States Code for individuals serving without pay, while away from their homes or regular places of business for the purpose of participating in the executive reserve training program.".

SEC. 6. The provisions of sections 708 and 708A, as amended and added respectively by this Act, shall become effective one hundred and twenty days after the date of enactment.

SEC. 7. Section 713 of the Defense Production Act of 1950 is amended by adding at the end thereof the following new sentence: "Any action or agreement undertaken or entered into pursuant to section 708A of this Act shall be deemed to be undertaken or entered into within such areas."

SEC. 8. Subparagraph (c) of section 712 of the Defense Production Act is amended by striking the following words: "The cost of stenographic services to report such hearing shall not be in excess of 40 cents per hundred words.".

SEC. 9. Section 712(e) of the Defense Production Act of 1950 (64 Stat. 820) is amended to read as follows:

"(e) The expenses of the committee under this section shall be paid from the contingent fund of the House of Representatives from funds appropriated for the joint committee upon vouchers signed by the chairman or vice chairman.".

Mr. TOWER. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of S. 1537.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

QUORUM CALL

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. WILLIAM L. SCOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ADDITIONAL DISTRICT COURT JUDGES—S. 287

AMENDMENT NO. 879

Mr. WILLIAM L. SCOTT. Mr. President, I send to the desk an amendment to the bill (S. 287), a measure to provide for the appointment of additional district court judges, with which the present occupant of the Chair (Mr. BURDICK) is thoroughly familiar. I ask that the amendment be printed and that it be held at the desk.

The ACTING PRESIDENT pro tempore. The amendment will be received and printed, and will lie on the table.

Mr. WILLIAM L. SCOTT. Mr. President, what the amendment does is add a second title to the bill, which relates to transferring jurisdiction over all cases and controversies involving the public schools from the Federal to the State courts.

As Senators know, the Constitution does give authority to Congress to constitute and fix the jurisdiction of all courts inferior to the Supreme Court of the United States, and to determine the appellate jurisdiction of the Supreme Court. My amendment, however, would not address itself to the appellate jurisdiction of the Supreme Court, but would transfer jurisdiction over all issues and controversies that might arise regarding the public schools from the Federal to the State courts.

There is some question as to the jurisdiction of the Federal courts over the various controversies that arise in the public schools. In some instances, they undoubtedly would have jurisdiction, where a constitutional question is involved. In other instances, the cases would be tried in the State courts. But this amendment would provide that all cases would be tried in the courts of general jurisdiction in the State, with the right of appeal, through regular procedures of the State courts, to the highest court in the State, and then preserve Federal supremacy by providing that the Supreme Court of the United States could grant certiorari and the final determination could be made by the Supreme Court.

We know, through the media, that we have mothers in Boston praying in the streets. We have policemen injured in Louisville, Ky. We have, supplementing the regular police forces, the National Guard, and Federal marshals. We even have regular Army personnel standing by to prevent rioting.

I do not say this critically of the precautions being taken, because we all want order to be preserved in our cities. But, Mr. President, if we believe that the ultimate will or sovereignty resides in the people of this country collectively, then we have a problem that I feel we should cope. Certainly the public will is not being carried out in this instance. I believe that the State court judges, bound as they are by oath to support the Constitution and the laws of the United States, are more in tune with local conditions; and if anyone is to establish guidelines for the school administrators, being familiar with the local problems, or the local situation, the State judges are better able to establish the guidelines, and the constitutional rights of all of our citizens can be preserved, with the reservation of the final decision being made by the Supreme Court of the United States.

This would not vitiate the decisions already made by the Supreme Court, but I would think that if jurisdiction is transferred to the State courts, the Federal decisions in the Federal districts courts would be persuasive authority only, and would not be binding upon the State court judges.

Mr. President, I see that the majority whip is in the Chamber. When this bill comes before the Senate, I would like to reserve time, perhaps 2 hours, if any time limit is put upon the measure, so that this amendment might be fully considered on the floor of the Senate.

Mr. ROBERT C. BYRD. Mr. President, the Senator's wishes will be kept in mind.

Mr. WILLIAM L. SCOTT. I thank the Senator.

ORDER FOR RECESS UNTIL 12 NOON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 12 o'clock noon tomorrow.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS HUGH SCOTT, BAYH, AND ROBERT C. BYRD TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the two leaders or their designees have been recognized under the standing order tomorrow, the Senator from Pennsylvania (Mr. HUGH SCOTT) and the Senator from Indiana (Mr. BAYH) be recognized for not to exceed 15 minutes each, and that the Senator from West Virginia (Mr. ROBERT C. BYRD) then be recognized for not to exceed 15 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. FORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. FORD. Mr. President, I ask unanimous consent that the Senate stand in recess subject to the call of the Chair.

There being no objection, the Senate, at 1:08 p.m., took a recess, subject to the call of the Chair.

The Senate reassembled at 1:11 p.m., when called to order by the Presiding Officer (Mr. HELMS).

AMENDMENT OF COMPUTATION OF LEVEL OF PRICE SUPPORT FOR TOBACCO

Mr. ROBERT C. BYRD. Mr. President, at the behest of Senators HUDDLESTON and FORD, the two distinguished Kentucky Senators, I ask unanimous consent that the Chair lay before the Senate a message from the House of Representatives on H.R. 9497.

The PRESIDING OFFICER (Mr. HELMS) laid before the Senate H.R. 9497, an act to amend the computation of the level of price support for tobacco, which was read twice by its title.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

Mr. HUDDLESTON. Mr. President, the wisdom of having a tobacco production control and price support program is not in question. The issue has been debated in Congress and is provided for in permanent legislation already on the books.

The tobacco price support and production control program provides protection to the over 580,000 tobacco producing families in the United States. This bill, H.R. 9497, increases the price support level and, hence, provides greater grower security.

The tobacco support level is currently determined under a formula which provides for multiplying the 1959 support price by the ratio of the average index of prices paid by farmers for the immediately preceding 3 calendar years to the average index of prices paid by farmers in 1959.

This means that the 1975 support price for tobacco is calculated according to the prices paid by farmers for production inputs during calendar years 1972, 1973, and 1974. There is no doubt that this formula is inequitable during periods of rising input prices as the percentage increase in input costs has clearly outstripped the increase in support price.

H.R. 9497 would change the term "calendar year" to "marketing year" in the existing formula. This would, in effect, update the price support formula by 6 months for flue-cured and 9 months for all other tobaccos.

Tobacco is a major agricultural commodity that several hundred thousand farm families depend on for most or a significant part of their livelihood. Although tobacco uses only 0.3 percent of the Nation's cropland, it is usually the fourth or fifth most valuable crop and accounts for about 4 percent of cash receipts from all U.S. crops.

There are no bonanzas for the tobacco farmer in this bill. It merely provides increased protection for the nearly 600,000 families that share in the proceeds of the sale of tobacco.

Mr. GRIFFIN. Mr. President, I say briefly for the RECORD that we have been checking on this legislation with members of the Committee on Agriculture and Forestry. We find that it is a bill somewhat less controversial than a bill that passed the Senate earlier on the same subject matter and that so far as we are able to determine the Committee on Agriculture and Forestry is not opposed to it and has indicated that it is all right to pass it in this manner.

So I just say that for purposes of the RECORD.

Mr. HUDDLESTON. Mr. President, I just point out for the information of the Senator from Michigan that this legislation is somewhat similar in nature to what the Senate has agreed to in the past recent months and, as a matter of fact somewhat milder, so it is not something that is new to the Committee on Agriculture and Forestry nor to the Senate.

Mr. THURMOND. Mr. President, the bill before us, H.R. 9497, is an extremely important one for tobacco farmers in South Carolina and the Southeast. It provides for a very modest upward adjustment in the price support levels for flue-cured and burley tobaccos, but it adds a great deal insofar as the economic security of some 580,000 tobacco-producing families in the United States is concerned.

Specifically, this bill increases the level of price support for the 1975 crop of Flue-cured tobacco from 93.2 cents per pound to 99.9 cents per pound. Price support levels in future years are also revised slightly upward from what they would be under present law.

H.R. 9497 modifies the formula for determining price support levels to reflect sharp increases in production costs that have occurred in recent months. Virtually every input which tobacco farmers must buy to produce their crop is substantially more costly today than it was a year ago. At the same time, 1975 tobacco prices are averaging about $5 per 100 pounds less than 1974 tobacco prices.

One of the important factors determining the prices tobacco-buying companies are willing to pay for tobacco on warehouse floors is the level of price supports. In the past several years, prices have been above support levels. However, there seems to be a direct, parallel relationship between the price support level and the prices bid on the auction floors. Thus, this bill should not greatly add to the cost of the tobacco program. Instead, it should prod the tobacco manufacturers and dealers to bid higher prices in order to obtain tobacco leaf for their domestic and export needs.

Mr. President, I urge the passage of this legislation, as it provides greatly needed protection for thousands of hard-pressed tobacco farmers, who collectively make a great contribution to our agricultural economy.

The bill was ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. What is the will of the Senate?

RECESS

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 12 noon tomorrow.

The motion was agreed to; and at 1:13 p.m., the Senate recessed until Tuesday, September 16, 1975, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate September 15 (legislative day of September 11), 1975.

DEPARTMENT OF COMMERCE

Creighton Holden, of Michigan, to be Assistant Secretary of Commerce for Tourism, vice C. Langhorne Washburn, resigned.

IN THE ARMY

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. George Sammet, Jr., [redacted] U.S. Army.

CONFIRMATIONS

Executive nominations confirmed by the Senate September 15 (legislative day of September 11), 1975.

DEPARTMENT OF JUSTICE

John L. Briggs, of Florida, to be U.S. attorney for the middle district of Florida for the term of 4 years.

Terry J. Knepp, of California, to be U.S. attorney for the southern district of California for the term of 4 years.

G. Kent Edwards, of Alaska, to be U.S. attorney for the district of Alaska for the term of 4 years.

Donald B. Mackay, of Illinois, to be U.S. attorney for the southern district of Illinois for the term of 4 years.

(The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.)

THE JUDICIARY

Clarence A. Brimmer, Jr., of Wyoming, to be U.S. district judge for the District of Wyoming.

Terry L. Shell, of Arkansas, to be U.S. district judge for the eastern and western districts of Arkansas.

HOUSE OF REPRESENTATIVES—*Monday, September 15, 1975*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Teach me to do Thy will; for Thou art my God; Thy spirit is good; lead me into the land of uprightness.—Psalms 143: 10.

Eternal Father, on this day, holy unto Israel, we lift our hearts unto Thee in prayer. May this moment of devotion awaken within us an awareness of Thy presence and bring peace to our hearts.

We thank Thee for work to do and the strength to do it, for courage to meet trials and temptations and for the spirit to live humbly with Thee. Help us to banish all worry and fear, all fretting and complaining, all malice and ill will and sustain us with faith and hope and love.

Send forth Thy light and Thy truth that we may walk in the way of Thy Word becoming promoters of good will in a firm determination to cross all barriers of color, creed, and culture until justice and peace shall encircle the Earth. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1517. An act to authorize appropriations for the administration of foreign affairs; international organizations, conferences, and commissions; information and cultural exchange; and for other purposes.

The message also announced that pursuant to the provisions of section 104(b) of the Presidential Recordings and Materials Preservation Act (Public Law 93–526), the Senate hereby disapproves the regulations proposed by the Administrator of General Services in his report to the Senate submitted on March 19, 1975.

DISPENSING WITH CALL OF THE CONSENT CALENDAR TODAY

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the call of the Consent Calendar be dispensed with today.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 4222

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the bill (H.R. 4222) amending the National School Lunch Act and the Child Nutrition Act of 1966.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

CONFERENCE REPORT (H. REPT. NO. 94–474)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4222) to amend the National School Lunch Act and the Child Nutrition Act of 1966 in order to extend and revise the special food service program for children and the school breakfast program, and for other purposes related to strengthening the school lunch and child nutrition programs, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

That this Act may be cited as the "National School Lunch Act and Child Nutrition Act of 1966 Amendments of 1975".

SCHOOL BREAKFAST PROGRAM

SEC. 2. Section 4(a) of the Child Nutrition Act of 1966 (80 Stat. 885, as amended) is amended by striking out "for the fiscal year ending June 30, 1973, June 30, 1974, and June 30, 1975,".

SEC. 3. Section 4 of the Child Nutrition Act of 1966 is amended by adding at the end thereof the following new subsection:

"(g) As a national nutrition and health policy, it is the purpose and intent of the Congress that the school breakfast program be made available in all schools where it is needed to provide adequate nutrition for children in attendance. The Secretary is hereby directed, in cooperation with State educational agencies, to carry out a program of information in furtherance of this policy. Within 4 months after the enactment of this subsection, the Secretary shall report to the committees of jurisdiction in the Congress his plans and those of the cooperating State agencies to bring about the needed expansion in the school breakfast program.".

DIRECT FEDERAL EXPENDITURES

SEC. 4. Section 6(b) of the National School Lunch Act (60 Stat. 230, as amended) is amended—

(a) By striking out "nonprofit private" the first time such term occurs in the proviso of the third sentence and inserting in lieu thereof "any of the".

(b) By striking out "nonprofit private" the second time such term occurs in the proviso of the third sentence and inserting in lieu thereof "such".

(c) By striking out "nonprofit private" where such term occurs in the fourth sentence.

MATCHING

SEC. 5. Section 7 of the National School Lunch Act is amended by inserting after the seventh sentence thereof the following new sentence: "The requirement in this section that each dollar of Federal assistance be matched by $3 from sources within the State (with adjustments for the per capita income of the State) shall not be applicable with respect to the payments made to participating schools under section 4 of this Act for free and reduced price lunches: *Provided*, That the foregoing provision shall not affect the level of State matching required by the sixth sentence of this section.".

INCOME GUIDELINES FOR REDUCED PRICE LUNCHES AND MODIFICATION OF PROGRAM REQUIREMENTS

SEC. 6. Section 9 of the National School Lunch Act is amended as follows:

(a) Subsection (a) is amended by adding at the end thereof the following new sentences: "The Secretary shall establish, in cooperation with State educational agencies, administrative procedures, which shall include local educational agency and student participation, designed to diminish waste of foods which are served by the schools participating in the school lunch program under this Act without endangering the nutritional integrity of the lunches served by such schools. Students in senior high schools which participate in the school lunch program under this Act shall not be required to accept offered foods which they do not intend to consume, and any such failure to accept offered foods shall not affect the full charge to the student for a lunch meeting the requirements of this subsection or the amount of payments made under this Act to any such school for such a lunch.".

(b) Subsection (b) is amended—

(1) By inserting "(1)" immediately after the subsection designation.

(2) By striking out in the fifth sentence thereof the following: ", if a school elects to serve reduced-price lunches".

(3) By inserting immediately after the fifth sentence thereof the following new sentence: "Any child who is eligible for a reduced price lunch under income guidelines prescribed for schools in that State under the preceding sentence shall be served a reduced price lunch.".

(4) By adding at the end thereof the following new sentence: "Notwithstanding any other provision of this subsection, beginning with the fiscal year ending June 30, 1976, the income guidelines prescribed by each State educational agency for reduced price lunches for schools in that State under the fifth sentence of this paragraph shall be 95 per centum above the applicable family size income levels in the income poverty guidelines prescribed by the Secretary, and any child who is a member of a household, if that household has an annual income which falls between (A) the applicable family size income level of the income guidelines for free lunches prescribed by the State educational agency and (B) 95 per centum above the applicable family size income levels in the income poverty guidelines prescribed by the Secretary, shall be served a reduced price lunch at a price not to exceed 20 cents.".

(c) Effective January 1, 1976, paragraph (1) of subsection (b) is revised to read as follows:

"(b) (1) No later than June 1 of each fiscal year, the Secretary shall issue revised income poverty guidelines for use during the subsequent 12-month period from July through June. Such revisions shall be made by multiplying the income poverty guideline currently in effect by the change in the Consumer Price Index for the 12-month period ending in April of such fiscal year: *Provided*, That such revision for use from July 1976 through June 1977 shall be made by multiplying the income poverty guideline currently in effect by the change between the average 1974 Consumer Price Index and the Consumer Price Index for April 1976. Any child who is a member of a household which has an annual income not above the applicable family-size income level set forth in the income poverty guidelines prescribed by the Secretary shall be served a free lunch. Following the announcement by the Secretary of the income poverty guidelines for each 12-month period, each State educational agency shall prescribe the income guidelines, by family size, to be used by schools in the State during such 12-month period in making determinations of those eligible for a free lunch as prescribed in this section. The income guidelines for free lunches to be prescribed by each State educational agency shall not be less than the applicable family-size income levels in the income poverty guidelines prescribed by the Secretary and shall not be more than 25 per centum above such family-size income levels. Each fiscal year, each State educational agency shall also prescribe income guidelines, by family size, to be used by schools in the State during the 12-month period from July through June in making determinations of those children eligible for a lunch at a reduced price, not to exceed 20 cents. Such income guidelines for reduced-price lunches shall be prescribed at 95 per centum above the applicable family size income levels in the income poverty guidelines prescribed by the Secretary. Any child who is a member of a household, if that household has an annual income which falls between (A) the applicable family size income level of the income guidelines for free lunches prescribed by the State educational agency and (B) 95 per centum above the applicable family size income levels in the income poverty guidelines prescribed by the Secretary, shall be served a reduced price lunch at a price not to exceed 20 cents. Local school authorities shall publicly announce such income guidelines on or about the opening of school each fiscal year, and shall make determinations with respect to the annual incomes of any household solely on the basis of a statement executed in such form as the Secretary may prescribe by an adult member of such household: *Provided*, That such local school authorities may for cause seek verification of the data in such application. No physical segregation of or other discrimination against any child eligible for a free lunch or a reduced price lunch shall be made by the school nor shall there be any overt identification of any child by special tokens or tickets, announced or published lists of names, or by other means. For purposes of this subsection, 'Consumer Price Index' means the Consumer Price Index published each month by the Bureau of Labor Statistics of the Department of Labor.".

(d) Subsection (b) is further amended by adding at the end thereof the following new paragraph (2):

"(2) Any child who has a parent or guardian who (A) is responsible for the principal support of such child and (B) is unemployed shall be served a free or reduced price lunch, respectively, during any period (i) in which such child's parent or guardian continues to be unemployed and (ii) the income of the child's parents or guardians during such period of unemployment falls within the income eligibility criteria for free lunches or reduced price lunches, respectively, based on the current rate of income of such parents or guardians. Local school authorities shall publicly announce that such children are eligible for a free or reduced price lunch, and shall make determinations with respect to the status of any parent or guardian of any child under clauses (A) and (B) of the preceding sentence solely on the basis of a statement executed in such form as the Secretary may prescribe by such parent or guardian. No physical segregation of, or other discrimination against, any child eligible for a free or reduced price lunch under this paragraph shall be made by the school nor shall there be any overt identification of any such child by special tokens or tickets, announced or published lists of names, or by any other means.".

(e) Subsection (c) is amended by striking out "nonprofit private schools" and inserting in lieu thereof "schools (as defined in section 12(d)(6) of this Act which are private and nonprofit as defined in the last sentence of section 12(d)(6) of this Act)".

NONPROFIT PRIVATE SCHOOLS

SEC. 7. Section 10 of the National School Lunch Act is amended to read as follows:

"DISBURSEMENT TO SCHOOLS BY THE SECRETARY

"SEC. 10. If, in any State, the State educational agency is not permitted by law to disburse the funds paid to it under this Act to any of the schools in the State, or is not permitted by law to match Federal funds made available for use by such schools, the Secretary shall disburse the funds directly to such schools within the State for the same purposes and subject to the same conditions as are authorized or required with respect to the disbursements to schools within the State by the State educational agency, including the requirement that any such payment or payments shall be matched, in the proportion specified in section 7 for such State, by funds from sources within the State expended by such schools within the State participating in the school lunch program under this Act. Such funds shall not be considered a part of the funds constituting the matching funds under the terms of section 7.".

SUBMISSION OF STATE NUTRITION PLAN

SEC. 8. Section 11 of the National School Lunch Act is amended—

(a) By striking out in paragraph (1) of subsection (e) "Not later than January 1 of each year" and inserting in lieu thereof the following: "Each year by not later than a date specified by the Secretary".

(b) By striking out in paragraph (1) of subsection (e) the word "fiscal" and inserting in lieu thereof the following: "school".

MISCELLANEOUS PROVISIONS AND DEFINITIONS

SEC. 9. (a) Section 12(d) of the National School Lunch Act is amended by striking out paragraph (3) and by redesignating paragraphs (4) through (7) as paragraphs (3) through (6), respectively.

(b) Section 12(d)(1) of the National School Lunch Act is amended by striking out "or American Samoa" and inserting in lieu thereof "American Samoa, or the Trust Territory of the Pacific Islands".

(c) Section 12(d)(6) of the National School Lunch Act (as redesignated by subsection (a) of this section) is amended to read as follows:

"(6) 'School' means (A) any public or nonprofit private school of high school grade or under, (B) any public or licensed nonprofit private residential child care institution (including, but not limited to, orphanages and homes for the mentally retarded), and (C) with respect to the Commonwealth of Puerto Rico, nonprofit child care centers certified as such by the Governor of Puerto Rico. For purposes of clauses (A) and (B) of this paragraph, the term 'nonprofit', when applied to any such private school or institution, means any such school or institution which is exempt from tax under section 501(c)(3) of the Internal Revenue Code of 1954.".

(d) Section 12 of the National School Lunch Act is amended by adding at the end thereof the following new subsection (e):

"(e) The value of assistance to children under this Act shall not be considered to be income or resources for any purposes under any Federal or State laws, including laws relating to taxation and welfare and public assistance programs.".

COMMODITY DISTRIBUTION PROGRAM

SEC. 10. Section 14 of the National School Lunch Act is amended by inserting "(a)" immediately after the section designation, by striking out "June 30, 1975" and inserting in lieu thereof "September 30, 1977", and by adding at the end thereof the following new subsection:

"(b) Among the products to be included in the food donations to the school lunch program shall be cereal and shortening and oil products.".

FEDERAL EXPENDITURES

SEC. 11. Section 6 of the National School Lunch Act is amended—

(a) By adding at the end of subsection (a) the following new sentence: "In making purchases of such agricultural commodities and other foods, the Secretary shall not issue specifications which restrict participation of local producers unless such specifications will result in significant advantages to the food service programs authorized by this Act and the Child Nutrition Act of 1966.".

(b) By adding at the end of subsection (e) the following new sentence: "Notwithstanding any other provision of this section, not less than 75 per centum of the assistance provided under this subsection (e) shall be in the form of donated foods for the school lunch program.".

ELECTION TO RECEIVE CASH PAYMENTS

SEC. 12. The National School Lunch Act is amended by adding at the end thereof the following new section:

"SEC. 16. (a) Notwithstanding any other provision of law, where a State phased out its commodity distribution facilities prior to June 30, 1974, such State may, for purposes of the programs authorized by this Act and the Child Nutrition Act of 1966, elect to receive cash payments in lieu of donated foods. Where such an election is made, the Secretary shall make cash payments to such State in an amount equivalent in value to the donated foods that the State would otherwise have received if it had retained its commodity distribution facilities. The amount of cash payments in the case of lunches shall be governed by section 6(c) of this Act.

"(b) When such payments are made, the State educational agency shall promptly and equitably disburse any cash it receives in lieu of commodities to eligible schools and institutions, and such disbursements shall be used by such schools and institutions to purchase United States agricultural commodities and other foods for the food service programs.".

SUMMER FOOD PROGRAM

SEC. 13. Effective October 1, 1975, section 13 of the National School Lunch Act is amended to read as follows:

"SUMMER FOOD SERVICE PROGRAM FOR CHILDREN

"SEC. 13. (a) (1) There is hereby authorized to be appropriated such sums as are necessary for the fiscal year ending June 30, 1976, for the period July 1, 1976, through September 30, 1976, and for the fiscal year ending September 30, 1977, to enable the Secretary to formulate and carry out a program to assist States through grants-in-aid and other means, to initiate, maintain, and expand nonprofit food service programs for children in service institutions. For purposes of this section, the term 'service institutions' means nonresidential public or private, nonprofit institutions, and residential public or private nonprofit summer camps that develop special summer programs providing food service similar to that available to children under the school lunch program under this Act or the school breakfast program under the Child Nutrition Act of 1966 during the school year. To the maximum extent feasible, consistent with the purposes of this section, special summer programs shall utilize the existing food service facilities of public and nonprofit private schools. Any eligible service institution shall receive the summer food program upon its request.

"(2) Service institutions eligible to participate under the program authorized under this section shall be limited to those which conduct a regularly scheduled program for children from areas in which poor economic conditions exist, for any period during the months of May through September, at site locations where organized recreation activities or food services are provided for children in attendance.

"(3) For the purposes of this section, 'poor economic conditions' shall mean an area in which at least 33⅓ per centum of the children are eligible for free or reduced price school meals under the National School Lunch Act and Child Nutrition Act as shown by information provided from model city target areas, departments of welfare, zoning commissions, census tracts, by the number of free and reduced price lunches or breakfasts served to children attending schools located in the area of summer food sites, or from other applicable sources. 'State' shall mean any of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands.

"(b) Disbursement to service institutions shall equal the full cost of food service operations, except that such financial assistance to any such institution shall not exceed (1) 75.5 cents for all costs excepting administrative costs for each lunch and supper served, (2) 6 cents for administrative costs for each lunch and supper served, (3) 42 cents for all costs except administrative costs for each breakfast served, (4) 3 cents for administrative costs for each breakfast served, (5) 19.75 cents for all costs except administrative costs for each meal supplement served, and (6) 1.5 cents for administrative costs for each meal supplement served: *Provided,* That the above amounts shall be adjusted each March 1 to the nearest one-fourth cent in accordance with changes for the year ending January 31 in the series for food away from home of the Consumer Price Index published by the Bureau of Labor Statistics of the Department of Labor. The initial such adjustment shall reflect the change in the series for food away from home during the period January 31, 1975, to January 31, 1976. The cost of food service operations shall include the cost of obtaining, preparing, and serving food and related administrative costs. No service institution shall be prohibited from serving breakfasts, suppers, and meal supplements as well as lunches unless the service period of different meals coincides or overlaps.

"(c) Disbursements shall be made to service institutions only for meals served during the months of May through September, except that the foregoing provision shall not apply to institutions which develop food service programs for children on school vacation at any time under a continuous school calendar or prevent such institutions, if otherwise eligible, from participating in the program authorized by this section.

"(d) No later than June 1, July 1, and August 1 of each year, the Secretary shall forward to each State an advance payment for meals to be served in that month pursuant to subsection (b), which amount shall be no less than (1) the total payment made to such State for meals served pursuant to subsection (b) for the same calendar month of the preceding calendar year or (2) 65 per centum of the amount estimated by the State, on the basis of approval applications, to be needed to reimburse service institutions for meals to be served pursuant to subsection (b) in that month, whichever is the greater. The Secretary shall forward any remaining payment due pursuant to subsection (b) no later than 60 days following receipt of valid claims. Any funds advanced to a State for which valid claims have not been established within 180 days shall be deducted from the next appropriate monthly advance payment unless the claimant requests a hearing with the Secretary prior to the 180th day. Institutions operating programs during nonsummer vacations during a continuous school year calendar shall receive advance payments not later than the first day of each month involved.

"(e) Service institutions to which funds are disbursed under this section shall serve meals consisting of a combination of foods and meeting minimum nutritional standards prescribed by the Secretary on the basis of tested nutritional research. Such meals shall be served without cost to children attending service institutions approved for operation under this section.

"(f) The Secretary shall publish proposed regulations relating to the implementation of the summer food program by January 1 of each fiscal year, and shall publish final regulations, guidelines, applications, and handbooks by March 1 of each fiscal year. In order to improve program planning, the Secretary is authorized to provide that service institutions receive as startup costs not to exceed 10 per centum of the Federal funds provided such service institutions for meals served pursuant to this section during the preceding summer. Any such startup costs shall be subtracted from payments subsequently made to service institutions for meals served pursuant to subsection (b) of this section.

"(g) Each participating service institution shall, insofar as practicable, utilize in its program foods designated from time to time by the Secretary as being in abundance, either nationally or in the institution area, or foods donated by the Secretary. Irrespective of the amount of funds appropriated under this section, foods available under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431), or purchased under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), or section 709 of the Food and Agriculture Act of 1965 (7 U.S.C. 1446a–1), shall be donated by the Secretary to service institutions in accordance with the needs as determined by authorities of these institutions for utilization in their feeding programs.

"(h) If in any State the State educational agency is not permitted by law or is otherwise unable to disburse the funds paid to it under this section to any service institution in the State, the Secretary shall disburse the funds directly to service institutions in the State for the same purpose and subject to the same conditions as are required of a State educational agency disbursing funds made available under this section.

"(i) Expenditures of funds from State and local sources for the maintenance of food programs for children shall not be diminished as a result of funds received under this section.

"(j) There is hereby authorized to be appropriated such sums as may be necessary for the Secretary's administrative expenses under this section.

"(k) The Secretary shall pay to each State for administrative costs incurred pursuant to this section an amount equal to 2 per centum of the funds distributed to that State pursuant to subsection (b): *Provided*, That no State shall receive less than $10,000 each fiscal year for its administrative costs unless the funds distributed to that State pursuant to subsection (b) total less than $50,000 for such fiscal year.

"(l) Nothing in this section shall be construed as precluding a service institution from contracting on a competitive basis for the furnishing of meals or administration of the program, or both.

"(m) States, State educational agencies, and service institutions participating in programs under this section shall keep such accounts and records as may be necessary to enable the Secretary to determine whether there has been compliance with this section and the regulations hereunder. Such accounts and records shall at all times be available for inspection and audit by representatives of the Secretary and shall be preserved for such period of time, not in excess of 5 years, as the Secretary determines is necessary.".

SPECIAL SUPPLEMENTAL FOOD PROGRAM

SEC. 14. Effective beginning with the fiscal year ending June 30, 1976, section 17 of the Child Nutrition Act of 1966 is revised to read as follows:

"SPECIAL SUPPLEMENTAL FOOD PROGRAM

"SEC. 17. (a) The Congress finds that substantial numbers of pregnant women, infants, and young children are at special risk in respect to their physical and mental health by reason of poor or inadequate nutrition or health care, or both. It is, therefore, the purpose of the program authorized by this section to provide supplemental nutritious food as an adjunct to good health care during such critical times of growth and development in order to prevent the occurrence of health problems.

"(b)(1) During the fiscal year ending June 30, 1976, the period July 1, 1976, through September 30, 1976, the fiscal year ending September 30, 1977, and the fiscal year ending September 30, 1978, the Secretary shall make cash grants to the health department or comparable agency of each State, Indian tribe, band or group recognized by the Department of the Interior; or the Indian Health Service of the Department of Health, Education, and Welfare for the purpose of providing funds to local health or welfare agencies or private nonprofit agencies of such State; Indian tribe, band, or group recognized by the Department of the Interior; or the Indian Health Service of the Department of Health, Education, and Welfare, serving local health or welfare needs to enable such agencies to carry out health and nutrition programs under which supplemental foods will be made available to pregnant or lactating women and to infants determined by competent professionals to be nutritional risks because of inadequate nutrition and inadequate income, in order to improve their health status. The program authorized by this section shall be carried out supplementary to the food stamp and food distribution program and operate side by side with existing supplemental food programs.

"(2) Any eligible local health or welfare agency or private nonprofit agency that applies to operate such a supplemental food program immediately shall be provided with the necessary funds to carry out the program. The requirements set forth herein shall not be construed to permit the Secretary to reduce ratably the amount of foods that an eligible health or welfare agency shall distribute under the program to pregnant or lactating mothers and infants.

"(c) In order to carry out such program during each fiscal year during the period ending September 30, 1977, there is authorized to be appropriated the sum of $250,000,000, but in the event that such sum has not been appropriated for such purpose by the beginning of each fiscal year, the Secretary shall use $250,000, or, if any amount has been appropriated for such program, the difference, if any, between the amount directly appropriated for such purpose and $250,000,000, out of funds appropriated by section 32 of the Act of August 24, 1935 (7 U.S.C. 612c). Any funds expended from such section 32 to carry out the provisions of this section shall be reimbursed out of any supplemental appropriation hereafter enacted for the purpose of carrying out the provisions of such subsection, and such reimbursements shall be deposited into the fund established pursuant to such section 32, to be available for the purpose of such section. In order to carry out the program during the fiscal year ending September 30, 1978, there is authorized to be appropriated not to exceed $250,000,000.

"(d) Whenever any program is carried out by the Secretary under authority of this section through any State or local or nonprofit agency, he is authorized to pay administrative costs not to exceed 20 per centum of the program funds provided to each State under the authority of this section. Each health department or comparable agency of each State, Indian tribe, band, or group recognized by the Department of the Interior; or the Indian Health Service of the Department of Health, Education, and Welfare receiving funds from the Secretary under this section shall, by January 1 of each year (by December 1 in the case of fiscal year 1976), for approval by the Secretary as a prerequisite to receipt of funds under this section, submit a description of the manner in which administrative funds shall be spent, including, but not limited to, a description of the manner in which nutrition education services will be provided. The Secretary shall take affirmative action to insure that programs begin in areas most in need of special supplemental food. During the first 3 months of any program, or until the program reaches its projected caseload level, whichever comes first, the Secretary shall pay those administrative costs necessary to commence the program successfully.

"(e) The eligibility of persons to participate in the program provided for under this section shall be determined by competent professional authority. Participants shall be residents of areas or members of populations served by clinics or other health facilities determined to have significant numbers of infants and pregnant and lactating women at nutritional risk.

"(f) State or local agencies or groups carrying out any programs under this section shall maintain adequate medical records on the participants assisted to enable the Secretary to determine and evaluate the benefits of the nutritional assistance provided under this section. The Secretary shall convene an advisory committee made up of representatives from the Maternal and Child Health Division of the Department of Health, Education, and Welfare, the Center for Disease Control, the Association of State and Territorial Public Health Nutrition Directors, the American Academy of Pediatrics, the National Academy of Science—National Research Council, the American Dietetic Association, the American Public Health Association, the Public Health Service, and others as the Secretary deems appropriate. The committee shall study the methods available to evaluate successfully and economically, in part or in total, the health benefits of the special supplemental food program. The committee's study shall consider the usefulness of the medical data collected and the methodology used by the Department of Agriculture and the Comptroller General of the United States prior to March 30, 1975. The study shall also include the applicability to an evaluation of the special supplemental food program of other Federal and State health, welfare, and nutrition assessment and surveillance projects currently being conducted. The purpose of the advisory committee shall be to determine and recommend in detail how, using accepted scientific methods, the health benefits of the special supplemental food program may best be evaluated and assessed. The advisory committee shall report its study to the Secretary no later than March 1, 1976. The Secretary shall submit to Congress his recommendations based on such study no later than June 1, 1976.

"(g) As used in this section—

"(1) 'Pregnant and lactating women' when used in connection with the term 'at nutritional risk' includes women from low-income populations who demonstrate one or more of the following characteristics: known inadequate nutritional patterns, unacceptably high incidence of anemia, high prematurity rates, or inadequate patterns of growth (underweight, obesity, or stunting). Such term (when used in connection with the term 'at nutritional risk') also includes low-income individuals who have a history of high-risk pregnancy as evidenced by abortion, premature birth, or severe anemia. Such lactating women shall include women who are breast feeding an infant from birth up to one year of age and also all women for a period of six months post partum.

"(2) 'Infants' when used in connection with the term 'at nutritional risk' means children under 5 years of age who are in low-income populations which have shown a deficient pattern of growth, by minimally acceptable standards, as reflected by an excess number of children in the lower percentiles of height and weight. Such term, when used in connection with 'at nutritional risk', may also include children under 5 years of age who (A) are in the parameter of nutritional anemia, or (B) are from low-income populations where nutritional studies have shown inadequate infant diets.

"(3) 'Supplemental foods' shall mean those foods containing nutrients known to be lacking in the diets of populations at nutritional risk and, in particular, those foods and food products containing high-quality protein, iron, calcium, vitamin A, and vitamin C. Such term may also include (at the discretion of the Secretary) any commercially formulated preparation specifically designed for women or infants. The contents of the food package shall be made available in such a manner as to provide flexibility, taking into account medical and nutritional objectives and cultural eating patterns.

"(4) 'Competent professional authority' includes physicians, nutritionists, registered nurses, dietitians, or State or local medically trained health officials, or persons designated by physicians or State or local medically trained health officials as being competent professionally to evaluate nutritional risk.

"(5) 'Administrative costs' include costs for referral, operation, monitoring, nutrition education, general administration, startup, clinic, and administration of the State office.

"(h)(1) There is hereby established a council to be known as the National Advisory Council on Maternal, Infant, and Fetal Nutrition (hereinafter in this section referred to as the 'Council') which shall be composed of 15 members appointed by the Secretary. One member shall be a State director of the special supplemental food program, 1 member shall be a State fiscal director for the special supplemental food program (or the equivalent thereof), 1 member shall be a State health officer (or equivalent thereof), 1 member shall be a project director of a special supplemental food program in an urban area, 1 member shall be a project director of a special supplemental food program in a rural area, 1 member shall be a State public health nutrition director (or equivalent thereof), 2 members shall be parent recipients of the special supplemental food program, 1 member shall be a pediatrician, 1 member shall be an obstetrician, 1 member shall be a person involved at the retail sales level of food in the special supplemental food program, 2 members shall be officers or employees of the Department of Health, Education, and Welfare, specially qualified to serve on the Council because of their education, training, experience, and knowledge in matters relating to maternal, infant, and fetal nutrition, and 2 members shall be officers or employees of the Department of Agriculture, specially qualified because of their education, training, experience, and knowledge in matters relating to material, infant, and fetal nutrition.

"(2) The 11 members of the Council appointed from outside the Department of Agriculture, and the Department of Health, Education, and Welfare shall be appointed for terms of 3 years, except that the 9 members first appointed to the Council shall be appointed as follows: Three members shall be appointed for terms of 3 years, 3 members shall be appointed for terms of 2 years, and 3 members shall be appointed for terms of 1 year. Thereafter all appointments shall be for a term of 3 years, except that a person appointed to fill an unexpired term shall serve only for the remainder of such term. Members appointed from the Department of Agriculture and the Department of Health, Education, and Welfare, shall serve at the pleasure of the Secretary.

"(3) The Secretary shall designate one of the members to serve as Chairman and one to serve as Vice Chairman of the Council.

"(4) The Council shall meet at the call of the Chairman but shall meet at least once a year.

"(5) Eight members shall constitute a quorum and a vacancy on the Council shall not affect its powers.

"(6) It shall be the function of the Council to make a continuing study of the operation of the special supplemental food program and any related Act under which diet supplementation is provided to women, infants, and children, with a view to determining how such programs may be improved. The Council shall submit to the President and the Congress annually a written report of the results of its study together with such recommendations for administrative and legislative changes as it deems appropriate.

"(7) The Secretary shall provide the Council with such technical and other assistance, including secretarial and clerical assistance, as may be required to carry out its functions under this Act.

"(8) Members of the Council shall serve without compensation but shall receive reimbursement for necessary travel and subsistence expenses incurred by them in the performance of the duties of the Council.".

AMENDMENTS PERTAINING TO THE COMMONWEALTH OF PUERTO RICO, THE VIRGIN ISLANDS, AMERICAN SAMOA, AND THE TRUST TERRITORY OF THE PACIFIC ISLANDS

SEC. 15. Section 3 of the Child Nutrition Act of 1966 is amended—

(1) By inserting immediately after "Guam," in the second sentence thereof the following: "the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, the Trust Territory of the Pacific Islands,".

(2) By adding at the end thereof the following new sentence: "Notwithstanding any other provision of this section, in no event shall the minimum rate of reimbursement exceed the cost to the school or institution of milk served to children.".

(b) Section 4(b)(1) of the Child Nutrition Act of 1966 is amended by striking out "and American Samoa," in both places where such term occurs and inserting in lieu thereof "American Samoa, and the Trust Territory of the Pacific Islands,".

(c) Section 15(a) of the Child Nutrition Act of 1966 is amended by striking out "or American Samoa" and inserting in lieu thereof "American Samoa, or the Trust Territory of the Pacific Islands".

CHILD CARE FOOD PROGRAM

SEC. 16. The National School Lunch Act is amended by adding at the end thereof the following new section:

"CHILD CARE FOOD PROGRAM

"SEC. 17. (a)(1) There is hereby authorized to be appropriated such sums as are necessary for the fiscal year ending June 30, 1976, the period July 1, 1976, through September 30, 1976, the fiscal year ending September 30, 1977, and the fiscal year ending September 30, 1978, to enable the Secretary to formulate and carry out a program to assist States through grants-in-aid and other means to initiate, maintain, or expand nonprofit food service programs for children in institutions providing child care.

"(2) For purposes of this section, the term 'institution' means any public or private nonprofit organization where children are not maintained in permanent residence including, but not limited to, day care centers, settlement houses, recreation centers, family day care programs, Head Start centers, Homestart programs, and institutions providing day care services for handicapped children. No institution shall be eligible to participate in this program unless it has either local, State, or Federal licensing or approval as a child care institution, or can satisfy the Secretary that its standards are no less comprehensive than the Federal interagency day care requirements as approved by the Department of Health, Education, and Welfare, the Office of Economic Opportunity, and the Department of Labor on September 23, 1968. An institution may be approved for funding under this section only if, under conditions established by the Secretary, such institution is moving toward compliance with the requirements for tax exempt status under section 501(c)(3) of the Internal Revenue Code of 1954, or is currently operating a federally funded program requiring nonprofit status. For purposes of this section, the term 'State' means any of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands. Any eligible institutions shall receive the child care food program upon its request.

"(b) For each fiscal year beginning with the fiscal year ending June 30, 1976, the Secretary shall make child care food payments no less frequently than on a monthly basis to each State educational agency in an amount no less than the sum of the products obtained by multiplying (A) the number of breakfasts served in child care food programs within that State by the national average payment rate for breakfasts under section 4 of the Child Nutrition Act of 1966, (B) the number of breakfasts served in child care food programs within that State to children from families whose incomes meet the eligibility criteria for free school meals by the national average payment rate for free breakfasts under section 4 of the Child Nutrition Act of 1966, (C) the number of breakfasts served in child care food programs within that State to children from families whose incomes meet the eligibility criteria for reduced price school meals by the national average payment rate for reduced price school breakfasts under section 4 of the Child Nutrition Act of 1966, (D) the number of lunches and suppers served in child care food programs within that State by the national average payment rate for lunches under section 4 of the National School Lunch Act, (E) the number of lunches and suppers served in child care food programs within that State to children from families whose incomes meet the eligibility criteria for free school meals by the national average payment rate for free school lunches under section 11 of the National School Lunch Act, (F) the number of lunches and suppers served in child care food programs in that State to children whose families meet the eligibility criteria for reduced price school meals by the national average payment factor for reduced price lunches under section 11 of the National School Lunch Act, (G) the number of snacks served in child care food programs in that State by 5 cents, (H) the number of snacks served in child care food programs in that State to children from families whose incomes meet the eligibility criteria for free school meals by 15 cents, and (I) the number of snacks served in child care food programs in that State to children from families whose incomes meet the eligibility criteria for reduced price school meals by 10 cents. The rates established pursuant to clauses (G), (H), and (I) shall be adjusted semiannually to the nearest one-fourth cent by the Secretary to reflect the changes in the series for food away from home of the Consumer Price Index published by the Bureau of Labor Statistics of the Department of Labor. The initial such adjustment shall become effective January 1, 1976, and shall reflect changes in the series for food away from home during the period June through November 1975. Reimbursement for meals provided under this section shall not be dependent upon the collection of moneys from participating children.

"(c) Meals served by institutions participating in the program under this section shall consist of a combination of foods and shall meet minimum nutritional requirements prescribed by the Secretary on the basis of tested nutritional research. Such meals shall be served free to needy children. No physical segregation or other discrimination against any child shall be made because of his inability to pay, nor shall there be any overt identification of any such child by special tokens or tickets, announced or published lists of names, or other means. No institution shall be prohibited from serving a breakfast, lunch, dinner, and snack to each eligible child each day.

"(d) Funds paid to any State under this section shall be disbursed by the State educational agency to institutions approved for participation on a nondiscriminatory basis to reimburse such institutions for their costs in connection with food service operations, including labor and administrative expenses.

All valid claims from such institutions shall be paid within 30 days.

"(e) Irrespective of the amount of funds appropriated under this section, foods available under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431) or purchased under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), or section 709 of the Food and Agriculture Act of 1965 (7 U.S.C. 1446a-1), shall be donated by the Secretary of Agriculture to institutions participating in the child care food program in accordance with the needs as determined by authorities of these institutions for utilization in their feeding programs. The amount of such commodities (or, upon the application of a State educational agency, cash in lieu of commodities in such amounts as may be provided in appropriations Acts) donated to each State for each fiscal year shall be, at a minimum, the amount obtained by multiplying the number of lunches and suppers served in participating institutions during that fiscal year by the rate for commodities and cash in lieu thereof established for that fiscal year in accordance with the provisions of section 6(e) of the National School Lunch Act.

"(f) If in any State the State educational agency is not permitted by law or is otherwise unable to disburse the funds paid to it under this section to any institution in the State, the Secretary shall disburse the funds so withheld directly to institutions in the State for the same purpose and subject to the same conditions as are required of a State educational agency disbursing funds made available under this section.

"(g) Expenditures of funds from State and local sources for the maintenance of food programs for children shall not be diminished as a result of funds received under this section.

"(h) There is hereby authorized to be appropriated for any fiscal year sums as may be necessary for the Secretary's administrative expenses under this section.

"(i) States, State educational agencies, and institutions participating in programs under this section shall keep such accounts and records as may be necessary to enable the Secretary to determine whether there has been compliance with this section and the regulations hereunder. Such accounts and records shall at all times be available for inspection and audit by representatives of the Secretary and shall be preserved for such period of time, not in excess of 5 years, as the Secretary determines is necessary.

"(j) (1) Of the sums appropriated for any fiscal year pursuant to the authorization contained in this section, $3,000,000 shall be available to the Secretary for the purposes of providing, during each such fiscal year, nonfood assistance for the child care food program. The Secretary shall apportion among the States during each fiscal year the aforesaid sum of $3,000,000: *Provided,* That such an apportionment shall be made according to the ratio among the States of the number of children below age 6 who are members of households which have an annual income not above 125 per centum of the applicable family-size income level set forth in the income poverty guideline prescribed by the Secretary under section 9(b) of this Act.

"(2) If any State cannot utilize all of the funds apportioned to it under the provisions of this section, the Secretary shall make further apportionments to the remaining States. Payments to any State of funds apportioned under the provisions of this subsection for any fiscal year shall be made upon condition that at least one-fourth of the cost of equipment financed under this section shall be borne by funds from sources within the State, except that such condition shall not apply with respect to funds used under this section to assist institutions determined by the State to be especially needy.

"(k) The regulations issued by the Secretary to carry out this section shall be issued and become effective not later than 90 days after the date of enactment of the National School Lunch Act and Child Nutrition Act of 1966 Amendments of 1975. During the period prior to the effective date of the regulations, the Secretary is authorized to conduct a food service program in the same manner and under the same conditions and limitations as the special food service program for children was conducted under section 13 of the National School Lunch Act during the fiscal year ending June 30, 1975. Notwithstanding the foregoing, the child care food payment rates provided in subsection (b) of this section and the provisions of subsection (e) of this section shall become effective on the date of enactment of the National School Lunch Act and Child Nutrition Act of 1966 Amendments of 1975.".

CONFORMING AMENDMENTS

SEC. 17. (a) Section 4(f) of the Child Nutrition Act of 1966 is amended by striking out "nonprofit private schools" in the second sentence and inserting in lieu thereof "schools (as defined in section 15(c) of this Act which are private and nonprofit as defined in the last sentence of section 15(c) of this Act)".

(b) Section 15 of the Child Nutrition Act of 1966 is amended by striking out paragraph (c), by redesignating paragraphs (d) and (e) as (c) and (d), respectively, and by amending paragraph (c) (as redesignated by this subsection) to read as follows:

"(c) 'School' means (A) any public or nonprofit private school of high school grade or under, including kindergarten and preschool programs operated by such school, (B) any public or licensed nonprofit private residential child care institution (including, but not limited to, orphanages and homes for the mentally retarded), and (C) with respect to the Commonwealth of Puerto Rico, nonprofit child care centers certified as such by the Governor of Puerto Rico. For purposes of clauses (A) and (B) of this subsection, the term 'nonprofit', when applied to any such private school or institution, means any such school or institution which is exempt from tax under section 501(c)(3) of the Internal Revenue Code of 1954".

NONFOOD ASSISTANCE PROGRAM

SEC. 18. Section 5 of the Child Nutrition Act of 1966 is amended—

(a) By changing the period at the end of subsection (b) to a comma and adding the following: "except that such conditions shall not apply with respect to funds used under this section to assist schools if such schools are especially needy, as determined by the State.".

(b) Effective beginning with the fiscal year ending June 30, 1976, by changing subsection (e) to read as follows:

"(e) For the fiscal year ending June 30, 1976, the period July 1, 1976, through September 30, 1976, and the fiscal year ending September 30, 1977, 33⅓ per centum of the funds appropriated for the purposes of this section shall be reserved to the Secretary to assist schools without a food service program and schools without the facilities to prepare or receive hot meals. For the fiscal year ending June 30, 1976, the Secretary shall apportion the funds so reserved among the States on the basis of the ratio of the number of children in each State enrolled in schools without a food service program to the number of children in all States enrolled in schools without a food service program. After the fiscal year ending June 30, 1976, the Secretary shall apportion the funds so reserved among the States on the basis of the ratio of the number of children in each State enrolled in schools without a food service program and in schools without the facilities to prepare or receive hot meals to the number of children in all States enrolled in schools without a food service program and in schools without the facilities to prepare or receive hot meals. In those States in which the Secretary administers the nonfood assistance program in nonprofit private schools, the Secretary shall, for the fiscal year ending June 30, 1976, withhold from the funds apportioned to any such State under this subsection an amount which bears the same ratio to such funds as the number of children enrolled in nonprofit private schools without a food service program in such State bears to the total number of children enrolled in all schools without a food service program in such State. In those States in which the Secretary administers the nonfood assistance program in nonprofit private schools, the Secretary shall, after the fiscal year ending June 30, 1976, withhold from the funds apportioned to any such State under this subsection an amount which bears the same ratio to such funds as the number of children enrolled in nonprofit private schools without a food service program or without the facilities to prepare or receive hot meals in such State bears to the total number of children enrolled in all schools without a food service program or without the facilities to prepare or receive hot meals in such State. The funds so reserved, apportioned, and withheld shall be used by State educational agencies, or the Secretary in the case of nonprofit private schools, only to assist schools without a food service program and schools without the facilities to prepare or receive hot meals. If any State cannot so utilize all the funds apportioned to it under the provisions of this subsection, the Secretary shall make further apportionments to the remaining States for use only in assisting schools without a food service program and schools without the facilities to prepare or receive hot meals: *Provided,* That if after such further apportionments any funds reserved under this subsection remain unused, the Secretary shall immediately apportion such funds among the States in accordance with the provisions of subsection (b) of this section to assist schools with a food service program and with the facilities to prepare or receive hot meals. Payment to any State of the funds provided to it under the provisions of this subsection shall be made upon the condition that at least one-fourth of the cost of the equipment financed shall be borne by funds from sources within the State, except that such condition shall not apply with respect to funds used under this subsection to assist schools which are especially needy, as determined by the State.".

NUTRITION STUDY

SEC. 19. The National School Lunch Act is amended by adding at the end thereof the following new section:

"NUTRITION PROGRAM STAFF STUDY

"SEC. 18. The Secretary is authorized to carry out a study to determine how States are utilizing Federal funds provided to them for the administration of the child nutrition programs authorized by this Act and the Child Nutrition Act of 1966, and to determine the level of funds needed by the States for administrative purposes. The study shall report on the current size and structure of State staffs, job descriptions and classifications, training provided to such staff, representation of minorities on staffs, and the allocation of staff time, training time, and Federal administrative dollars spent among each of the various child nutrition programs. The study shall assess State needs for additional staff positions, training, and funds, for each of the above areas, including additional State needs to implement adequately the provisions of this Act and the Child Nutrition Act of 1966. The study shall also determine State staffing needs and training program support required to conduct effective outreach for the purpose of reaching the maximum number of eligible children in the summer food service program and the child care food program. As part of this study, the Secretary shall also examine the degree and cause of plate waste in the school lunch program. The Secretary shall examine possible relationships between plate waste and (1) lack of adequate menu development, (2) the service of competitive foods, and (3) the nature of the type A lunch pattern. The Secretary shall review the study design with the appropriate congressional committees prior to its implementation, and shall report his findings together with any recommendations he may have with respect to additional legislation, to the Congress no later than March 1, 1976.".

SPECIAL APPROPRIATION

Sec. 20. The National School Lunch Act is amended by adding at the end thereof the following new section:

"APPROPRIATIONS FOR THE TRUST TERRITORY OF THE PACIFIC ISLANDS

"Sec. 19. There is hereby authorized to be appropriated (a) for each of the fiscal years beginning July 1, 1975, and October 1, 1976, the sum of $500,000 and (b) for the period July 1, 1976, through September 30, 1976, the sum of $125,000, to enable the Secretary to assist the Trust Territory of the Pacific Islands to carry out various developmental and experimental projects relating to programs authorized under this Act and the Child Nutrition Act of 1966 to (1) establish or improve the organizational, administrative, and operational structures and systems at the State and local school levels; (2) develop and conduct necessary training programs for school food service personnel; (3) conduct a thorough study of the children's food and dietary habits upon which special meal and nutritional requirements can be developed; and (4) establish and maintain viable school food services which are fully responsive to the needs of the children, and which are consistent with the range of child nutrition programs available to the other States, to the maximum extent possible.".

STUDY OF COST ACCOUNTING REQUIREMENTS

Sec. 21. (a) The Secretary shall not delay or withhold, or cause any State to delay or withhold, payments for reimbursement of per-meal costs with respect to school food service programs authorized pursuant to the National School Lunch Act and Child Nutrition Act of 1966 on the basis of noncompliance with full cost accounting procedures unless and until the requirements of subsection (b) of this section are met.

(b) The Secretary shall study the additional personnel and training needs of States, local school districts, and schools resulting from the imposition of a requirement to implement full cost accounting procedures under the National School Lunch Act and Child Nutrition Act of 1966, and, on the basis of the results of such study, shall within one year after the date of enactment of this Act, submit a report and make such legislative recommendations as he deems necessary to the appropriate committees of the Congress.

TECHNICAL AMENDMENT

Sec. 22. The National School Lunch Act is amended by striking out the following:

"Sec. 15. (a) In addition to funds appropriated or otherwise available, the Secretary is authorized to use, during the fiscal year ending June 30, 1971, not to exceed $35,000,000 in funds from Section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), to carry out the provisions of this Act, and during the fiscal year ending June 30, 1972, not to exceed $100,000,000 in funds from such section 32 to carry out the provisions of this Act relating to the service of free and reduced-price meals to needy children in schools and service institutions.

"(b) Any funds unexpended under this section at the end of the fiscal year ending June 30, 1971, or at the end of the fiscal year ending June 30, 1972, shall remain available to the Secretary in accordance with the last sentence of section 3 of this Act, as amended.".

CASH GRANTS FOR NUTRITION EDUCATION

Sec. 23. The Child Nutrition Act of 1966 is amended by adding at the end thereof the following new section:

"Sec. 18. (a) The Secretary is hereby authorized and directed to make cash grants to State educational agencies for the purpose of conducting experimental or demonstration projects to teach schoolchildren the nutritional value of foods and the relationship of nutrition to human health.

"(b) In order to carry out the program, provided for in subsection (a) of this section, there is hereby authorized to be appropriated not to exceed $1,000,000 annually. The Secretary shall withhold not less than 1 per centum of any funds appropriated under this section and shall expend these funds to carry out research and development projects relevant to the purpose of this section, particularly to develop materials and techniques for the innovative presentation of nutritional information.".

TECHNICAL AMENDMENT

Sec. 24. Section 3 off the National School Lunch Act is amended by striking out "section 13" and inserting in lieu thereof "sections 13, 17 and 19".

And the Senate agree to the same.

Carl D. Perkins,
William D. Ford,
Patsy T. Mink,
Lloyd Meeds,
Shirley Chisholm,
Ike F. Andrews,
William Lehman,
Ted Risenhoover,
Paul Simon,
Ronald M. Mottl,
Tim L. Hall,
Michael T. Blouin,
James G. O'Hara,
Leo C. Zeferetti,
George Miller,
Albert H. Quie,
Alphonzo Bell,
Edwin D. Eshleman,
John Buchanan,
Larry Pressler,
William D. Goodling,
James M. Jeffords,
Managers on the Part of the House.

Herman E. Talmadge,
George McGovern,
James B. Allen,
Hubert H. Humphrey,
Dick Clark,
Robert Dole,
Carl T. Curtis,
Henry Bellmon,
Managers on the Part of the Senate.

Joint Explanatory Statement of the Committee of Conference

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4222) to amend the National School Lunch Act and the Child Nutrition Act of 1966 in order to extend and revise the special food service program for children and the school breakfast program, and for other purposes related to strengthening the school lunch and child nutrition programs, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

The Senate amendment strikes all of the House bill after the enacting clause and inserts a substitute. The House recedes from its disagreement to the amendment of the Senate, with an amendment which is a substitute for both the House bill and the Senate amendment. The differences between the House bill and the Senate amendment and the substitute agreed to in conference are noted in the following outline, except for conforming, clarifying and technical changes.

(1) EXTENSION OF SCHOOL BREAKFAST PROGRAM

The *House* bill makes permanent the authorization for appropriations in the Child Nutrition Act of 1966 for the school breakfast program.

The *Senate* amendment extends the school breakfast program through September 30, 1977.

The *Conference* substitute adopts the *House* provision.

(2) EXPANSION OF SCHOOL BREAKFAST PROGRAM

Under the *Senate* amendment, the Secretary would have 6 months, instead of 90 days, as provided in the *House* bill, to report his plans to expand the school breakfast program to the appropriate Congressional committees.

The *Conference* substitute adopts the *House* provision with the modification that the Secretary would have 4 months to submit his plans.

(3) REDUCED PRICE LUNCHES

The *House* bill deletes the option to serve reduced price lunches and provides that any child in a school participating in the school lunch program under the National School Lunch Act who is eligible for reduced price lunches under the State's income guidelines shall be served a reduced price lunch. The *House* bill also requires that, beginning with the 1976 fiscal year, State educational agencies are to establish income guidelines for reduced price lunches at levels which are 100 percent above those in the income poverty guidelines prescribed by the Secretary.

The *Senate* amendment strikes the *House* provision.

The *Conference* substitute adopts the *House* provision but modifies the eligibility for reduced price lunches to 95 percent above the income poverty guidelines. The *Conferees* expect that the Secretary of Agriculture will issue regulations implementing the mandatory reduced price lunch provisions in sufficient time to insure that such provisions are in operation at the State and local level by January 1, 1976.

(4) INCOME POVERTY GUIDELINES

Effective June 1, 1976, the *Senate* amendments amends existing law under which the Secretary issues revised income poverty guidelines. Under the *Senate* amendment, the guidelines would be based on more current data. Under existing law, the guidelines that take effect on July 1 of each year are based on the average Consumer Price Index for the previous calendar year. Under the *Senate* amendment, the guidelines that take effect July 1 of each year would be adjusted according to the percentage change in the Consumer Price Index for the 12-month period ending in April of that year. The first adjustment under the *Senate* amendment—which would be effective July 1, 1976—would be made according to the percentage change between the average CPI for 1974 (on which the 1975–1976 guidelines are based) and the CPI for April 1976.

The *House* bill contains no comparable provision.

The *Conference* substitute adopts the *Senate* amendment.

(5) INCOME VERIFICATION

The *Senate* amendment provides that local school authorities may for cause seek verification of the data contained in applications for free and reduced price lunches.

The *House* bill contains no comparable provision.

The *Conference* substitute adopts the *Senate* amendment.

(6) WASTE OF FOOD SERVED UNDER THE SCHOOL LUNCH PROGRAM

The *House* bill requires that the Secretary establish procedures to diminish the waste of foods served by schools participating in the school lunch program. Senior high school students would not be required to accept foods they do not intend to eat and their failure to accept such foods would not affect the amount of payments the school receives under the National School Lunch Act.

The *Senate* amendment strikes the *House* provision.

The *Conference* substitute adopts the *House* provision, with an amendment which clarifies that failure to accept such foods shall not affect the full charge to the student for a lunch.

(7) ADDITIONAL 5-CENT REIMBURSEMENT

The *House* bill provides an additional 5-cent reimbursement for fiscal year 1976 for each lunch served to children who do not qualify for free or reduced price meals.

The *Senate* amendment strikes the *House* provision.

The *Conference* substitute adopts the *Senate* amendment.

In connection with the funding of the school lunch program, the *Conferees* intend that no State shall lose Federal funds because of the amount of funds appropriated by State governments for school meals. States shall have maximum flexibility in using section 4 funds and State funds as a means of reaching the paying child. It is the intent of Congress that States and local school districts use available financial resources, including section 4 funds, government donated foods, and State and local government funds to maintain, in participating schools, the lowest possible lunch prices to children who do not qualify for free or reduced price lunches.

The Congress has, consistently throughout the years, expressed its intent that maximum State and local participation be encouraged in the child nutrition programs. Therefore, any administrative action which would have the effect of penalizing or discouraging such participation would run directly contrary to Congressional intent.

(8) FREE LUNCHES FOR CHILDREN OF UNEMPLOYED PARENTS

The *House* bill provides that any child whose parent or guardian (providing the child's principal support) is unemployed shall be served a free lunch during the period of unemployment. The provision is to terminate one year after enactment.

The *Senate* amendment makes the *House* provision permanent, but amends it to provide that the income of the child's parent or guardian during the period of unemployment must fall within the income eligibility criteria for free lunches.

The *Conference* substitute retains the *Senate* provision but also provides that children of an unemployed parent or guardian whose family income falls within the income eligibility criteria for reduced price lunches shall be served a reduced price lunch. Current rates of income shall be utilized as the basis for determining such income eligibility. The *Conferees* are concerned that substantial numbers of children from families of unemployed parents are not receiving the benefits of the free or reduced price lunch program. Recognizing that we are in a situation where there are frequent and indefinite periods of unemployment in certain heavily-industrialized areas, the *Conferees* intend that this provision be implemented so as to provide immediate eligibility for a free or reduced price lunch to any child where the head of the household, heretofore employed, becomes unemployed. Such eligibility is to cover the entire period of unemployment and the family income during such period of unemployment, and only during such period of unemployment, is to be utilized in determining whether the income eligibility criteria have been met. In order that eligible children will be able to receive the benefits intended for them, the Secretary is to issue appropriate regulations requiring local school districts to develop and make available informational materials, relating to the income eligibility criteria for free and reduced price lunches, to local unemployment offices and to major employers contemplating large layoffs throughout the school year. Such a procedure should serve to alert unemployed persons to the potential eligibility of their children to receive free lunches or to purchase reduced price lunches.

(9) SUBMISSION OF STATE NUTRITION PLANS

The *Senate* amendment authorizes the Secretary to prescribe the date (*under* existing law, not later than January 1) by which State educational agencies shall file their annual plans of child nutrition operations for the following school year.

The *House* bill contains no comparable provision.

The *Conference* substitute adopts the *Senate* amendment.

(10) DEFINITION OF SCHOOL

Both the *House* bill and the *Senate* amendment expand the definition of school under the National School Lunch Act and Child Nutrition Act of 1966 to include any public or licensed nonprofit private residential child care institution, including, but not limited to, orphanages and homes for the mentally retarded. In addition, the *House* bill specifically names as public or licensed nonprofit private residential child care institutions "homes for the emotionally disturbed, homes for unmarried mothers and their infants, temporary shelters for runaway children, temporary shelters for abused children, hospitals for children who are chronically ill, and juvenile detention centers."

The *Senate* amendment names by way of illustration only orphanges and homes for the mentally retarded.

The *Conference* substitute adopts the *Senate* amendment. However, the new definition would include all of the institutions named in the *House* bill.

(11) SCHOOL LUNCH ASSISTANCE AS INCOME OR RESOURCES

The *Senate* amendment provides that the value of assistance to children under the National School Lunch Act shall not be considered as income or resources for any purposes under any Federal or State laws, including laws relating to taxation and welfare and public assistance programs.

The *House* bill contains this provision but makes it applicable only to the child care program.

The *Conference* substitute adopts the *Senate* amendment.

(12) COMMODITY DISTRIBUTION PROGRAM

The *Senate* amendment extends through September 30, 1977, the Secretary's authority to purchase agricultural commodities for donation to the child nutrition programs and programs for the elderly when acquisitions under other agricultural authorities are not available. States which phased out their commodity distribution facilities prior to July 1, 1974, could elect to receive cash in lieu of donated foods.

The *House* bill contains no comparable provision.

The *Conference* substitute adopts the *Senate* amendment.

(13) REQUIRED DONATION OF CERTAIN FOODS

The *Senate* amendment requires the donation to the school lunch program of cereal, shortening, and oil products at the level provided during fiscal year 1974. Such cereal, shortening, and oil products are to be in addition to the value of commodity donations (or cash in lieu thereof) otherwise provided for in section 6 of the National School Lunch Act.

The *House* bill contains no comparable provision.

The *Conference* substitute deletes that portion of the *Senate* provision which requires that the donation of cereal, shortening, and oil products be in addition to the value of commodity donations (or cash-in-lieu thereof) otherwise provided. However, the *Conference* substitute retains that portion of the provision which requires that such products be among the commodities distributed to the school lunch program.

(14) NO RESTRICTION ON PARTICIPATION BY LOCAL PRODUCERS

The *House* bill provides that the Secretary, in purchasing commodities and other foods, shall not issue specifications which restrict the participation of local producers unless such specifications will result in significant advantages to the national school lunch program.

The *Senate* amendment retains the *House* provision but expands it to include all of the food service programs authorized by the National School Lunch Act and the Child Nutrition Act of 1966.

The *Conference* substitute adopts the *Senate* amendment.

The *Conferees* wish to stress that this provision is intended to encourage the Department of Agriculture to use local producers whenever possible in purchasing agricultural commodities for the school lunch and child nutrition programs.

The *Conferees* further intend that the Department interpret this provision in a manner which will give proper consideration and attention to the cultural eating habits and dietary preferences of participants when acquiring and distributing agricultural commodities. For example, in some States the commodities supplied by the Department are not in conformity with the special dietary preferences of the participating school children. The needs of these children would be more adequately met if the Department makes purchases of substitute commodities of equal nutritious value from local producers.

(15) EXTENSION OF THE SUMMER FOOD PROGRAM

The *House* bill extends the summer food program through June 30, 1976 (with amendments effective on the date of enactment).

The *Senate* amendment extends the summer food program through September 30, 1977 (with amendments effective October 1, 1975).

The *Conference* substitute adopts the *Senate* amendment.

(16) REGULARLY SCHEDULED PROGRAM REQUIREMENT

The *House* bill provides that institutions eligible for the summer food program must offer a regularly scheduled program at site locations where organized recreational activities or food services are provided for children. Under the *House* bill, the program is for children from areas where (a) poor economic conditions exist or (b) there are high concentrations of working mothers.

The *Senate* amendment retains the *House* provision but deletes the option that the children may be from areas in which there are high concentrations of working mothers. The Senate amendment also specifically defines "poor economic conditions".

The *Conference* substitute adopts the *Senate* amendment.

(17) REIMBURSEMENT RATES UNDER THE SUMMER FOOD PROGRAM

The *House* bill provides that financial assistance to a service institution under the summer food program shall equal 80 percent of the operating costs of such institution's food service or 100 percent of such institution's cash expenditures for the operating costs of its food service, whichever is less. However, in no instance could the financial assistance exceed 80 cents for each lunch or supper served, 45 cents for each breakfast served, and 20 cents for each supplement served.

The *Senate* amendment provides that financial assistance to service institutions under the summer food program shall equal the full cost of food service operations, not to exceed 75.5 cents for each lunch and supper, plus administrative costs not to exceed 6 cents for each meal; 42 cents for each breakfast, plus administrative costs not to exceed 3 cents for each breakfast; and 19.75 cents for each meal supplement, plus administrative costs not to exceed 1.5 cents for each meal supplement.

The *Conference* substitute adopts the *Senate* amendment.

(18) SERVICE OF MEALS UNDER THE SUMMER FOOD PROGRAM

Under the *Senate* amendment, no service institution would be prohibited from serving breakfasts, lunches, suppers, and meal supplements unless the service period of different meals coincides or overlaps.

The *House* bill contains no comparable provision.

The *Conference* substitute adopts the Senate amendment.

(19) DISBURSEMENTS TO SERVICE INSTITUTIONS

The *Senate* amendment provides that disbursements are to be made to service institutions only for meals served during the months of May through September, except that this provision shall not apply to institutions which develop food service programs for children on school vacation at any time.

The *House* bill contains no comparable provision.

The *conference* substitute adopts the Senate amendment.

(20) ADVANCE FUNDING

The *Senate* amendment requires advance funding of the summer food program in an amount not less than the greater of (a) the total payment made for the same month for the previous year, or (b) 65 percent of the amount estimated by the State to be needed to reimburse service institutions for meals served in that month.

The *House* bill contains no comparable provision.

The *Conference* substitute adopts the Senate amendment.

(21) SERVICE OF MEALS WITHOUT COST

Under the Senate amendment, meals under the summer food program are to be served without cost.

The House bill contains no comparable provision and, therefore, continues existing law under which free and reduced price meals are to be served to needy children.

The Conference substitute adopts the Senate amendment.

(22) STARTUP COSTS

The Senate amendment provides that funds for startup costs, not to exceed 10 percent of the Federal funds made for meals served during the previous summer, may be furnished institutions participating in the summer food program. Any such startup funds would be subtracted from payments subsequently made to participating institutions.

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment.

(23) ADMINISTRATIVE COSTS

The Senate amendment provides that the Secretary shall pay to each State for administrative costs of the summer food program an amount equal to 2 percent of funds disbursed to that State for meals. However, no State would receive less than $10,000 each fiscal year for administrative costs unless the funds disbursed for meals in that State total less than $50,000.

The House bill contains no comparable provision.

The Conference substitute adopts the Senate amendment.

(24) CONTRACTING FOR ADMINISTRATION OF SUMMER FOOD PROGRAM

The *Senate* amendment permits a service institution to contract for the furnishing of meals or administration of the program, or both.

The *House bill contains no comparable* provision.

The *Conference* substitute adopts the *Senate* amendment.

(25) EXTENSION OF THE SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

The *House* bill continues through September 30, 1978, the special supplemental food program for women, infants, and children (WIC).

The *Senate* amendment continues the WIC program through September 30, 1977.

The *Conference* substitute adopts the *House* provision.

(26) STATEMENT OF PURPOSE OF THE WIC PROGRAM

The *Senate* amendment states that it is the purpose of the WIC program to provide supplemental nutritious food during critical times of growth and development in pregnant women, infants, and young children.

The *House* bill contains no comparable provision.

The *Conference* substitute adopts the *Senate* amendment.

(27) FUNDING OF THE WIC PROGRAM

The *House* bill authorizes appropriations for the WIC program in the sum of $250 million for each fiscal year.

The *Senate* amendment also authorizes the expenditure under the WIC program of $250 million for each fiscal year and authorizes the use of section 32 funds as under existing law.

The *Conference* substitute adopts the *Senate* amendment with respect to fiscal years 1976 and 1977 and the *House* provision with respect to fiscal year 1978.

(28) DETERMINATION OF "ELIGIBLE LOCAL HEALTH OR WELFARE AGENCY OR NONPROFIT AGENCY" FOR WIC PARTICIPATION

The *House* bill defines "eligible local health or welfare agency, or private nonprofit agency" under which eligibility would be determined by the State health department or comparable State agency.

The *Senate* amendment strikes the *House* provision and, therefore, retains existing law under which the Department of Agriculture determines eligibility.

The *Conference* substitute adopts the Senate amendment.

(29) ADMINISTRATIVE COSTS UNDER THE WIC PROGRAM

The *House* bill increases the amount the Secretary is authorized to pay States (or local or nonprofit agencies) for administrative costs under the WIC program from 10 to 15 percent of the funds provided under the program.

The *Senate* amendment increases the amount of administrative costs the Secretary may pay to 20 percent of program funds and defines "administrative costs" to include clinic costs and nutrition education. As a prerequisite to receiving such funds, States or agencies must submit a plan showing how the administrative funds will be spent. The *Senate* amendment also requires the Secretary to pay the administrative costs necessary to start the program during the first three months of the program or until the program reaches its projected case load, whichever comes first.

The *Conference* substitute adopts the *Senate* amendment but modifies it to keep "startup" administrative costs within the authorized 20 percent annual limitation.

(30) WIC PROGRAMS IN NEEDIEST AREAS

The *Senate* amendment requires the Secretary to take affirmative action to insure that WIC programs begin in areas most in need of special supplemental food.

The *House* bill contains no comparable provision.

The *Conference* substitute adopts the *Senate* amendment.

(31) ELIGIBLE PARTICIPANTS IN WIC PROGRAMS

The *House* bill continues existing law under which eligible participants in the WIC programs must be "residents of areas" served by clinics or other health facilities determined to have significant numbers of infants and pregnant and lactating women at nutritional risk.

The *Senate* amendment retains the *House* provision but provides that eligible participants may also be "members of populations" served by such clinics or other health facilities.

The *Conference* substitute adopts the *Senate* amendment.

(32) IMMEDIATE FUNDS FOR ELIGIBLE WIC APPLICANTS

The *House* bill provides that eligible applicant agencies shall immediately be furnished the necessary funds to carry out a WIC program.

The *Senate* amendment strikes the *House* provision.

The *Conference* substitute adopts the *House* provision. However, the *Conferees* point out that the $250 million annual authorization ceiling provided in the bill would apply through the period ending September 30, 1978.

(33) WIC ADVISORY COMMITTEE

The *Senate* amendment requires the Secretary to appoint an advisory committee with specified membership to determine how best to evaluate the health benefits of the WIC program. The advisory committee is to submit a report to the Secretary by December 1, 1975, and the Secretary must report to Congress by March 1, 1976.

The *House* bill contains no comparable provision.

The *Conference* substitute adopts the *Senate* amendment.

(34) DEFINITION OF PREGNANT AND LACTATING WOMEN

The *Senate* amendment redefines "pregnant and lactating women" to include mothers up to six months *post partum.*

The *House* bill contains no comparable provision.

The *Conference* substitute adopts the *Senate* provision with clarifying language to establish the eligibility of nonnursing mothers for a period up to six months *post partum* and to continue the eligibility of nursing mothers for a period up to one year *post partum.*

(35) DEFINITION OF INFANTS

The *Senate* amendment redefines "infants" to include children under 5 years of age.

The *House* bill contains no comparable provision and, therefore, continues existing law under which "infants" must be under 4 years of age.

The *Conference* substitute adopts the *Senate* amendment.

(36) DEFINITION OF "SUPPLEMENTAL FOODS"

The *Senate* amendment redefines "supplemental foods" to provide that the contents of the food package shall be made available in such a manner as to provide flexibility, taking into account medical and nutritional objectives and cultural eating patterns. In addition, under the redefinition, the term could (at the Secretary's discretion) include commercially formulated preparations for women.

The *House* bill contains no comparable provision.

The *Conference* substitute adopts the *Senate* amendment.

(37) NATIONAL ADVISORY COUNCIL

The *Senate* amendment provides for the establishment of a National Advisory Council on Maternal, Infant, and Fetal Nutrition. The council—to be composed of 15 members and appointed by the Secretary—is to make a continuing study of the WIC program and related programs with a view to determining how the programs may be improved.

The *House* bill contains no comparable provision.

The *Conference* substitute adopts the *Senate* amendment.

(38) SPECIAL MILK PROGRAM

The *House* bill makes Puerto Rico, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands eligible for the special milk program authorized by the Child Nutrition Act of 1966.

The *Senate* amendment retains this provision, but provides that in no event shall the minimum rate of reimbursement for each half pint of milk served to children exceed the cost of the milk to the school or institution.

The *Conference* substitute adopts the *Senate* amendment.

(39) CHILD CARE FOOD PROGRAM

Both the *House* bill and the *Senate* amendment revise the year-round phase of the special food service program for children to establish a child care food program for children in nonresidential child care institutions. The *House* bill establishes the program on a permanent basis.

Under the *Senate* amendment, the child care food program would be authorized for the period ending September 30, 1977.

The *Conference* substitute adopts the *House* provision with an amendment extending the child care food program through September 30, 1978.

(40) TAX-EXEMPT STATUS OF CHILD CARE INSTITUTIONS

The *House* bill provides that an institution, in order to be eligible for the child care food program, must be "moving toward compliance with the requirements for tax-exempt status" under the Internal Revenue Code or currently operating a federally funded program requiring nonprofit status. Under the *House* bill, the determination whether an institution so qualified would be made by "the responsible State or local government unit."

The *Senate* amendment retains the *House* provision but provides that the institution must be moving toward compliance with the requirements for tax-exempt status "under conditions established by the Secretary."

The *Conference* substitute adopts the *Senate* amendment.

(41) ADDITIONAL PAYMENTS TO "ESPECIALLY NEEDY" INSTITUTIONS

The *House* bill authorizes the Secretary to provide additional funding, on at least a monthly basis, to institutions determined to be "especially needy". The funding would be in the amount equal to the difference between (a) the full cost of serving meals (except equipment assistance provided under the legislation) and (b) the meal reimbursement rates under the legislation.

The *Senate* amendment strikes the *House* provision.

The *Conference* substitute adopts the *Senate* amendment.

(42) ADVANCE MONTHLY PAYMENTS

The *House* bill authorizes monthly advance payments to States for their operation of the child care food program.

The *Senate* amendment strikes the *House* provision.

The *Conference* substitute adopts the *Senate* amendment. However, in making Federal assistance available under the child care food program, the *Conferees* intend that the Department utilize a letter-of-credit system.

(43) DONATION OF COMMODITIES UNDER THE CHILD CARE FOOD PROGRAM

The *House* bill requires that commodities acquired by the Secretary be donated to institutions participating in the child care food program in accordance with the needs of the institutions. The minimum amount of donated commodities would be the amount determined by multiplying (a) the number of lunches served by (b) the level of commodity assistance under the school lunch program. Upon the application of the State educational agency, cash in lieu of commodities in such amounts as may be provided in appropriations Acts would be made to institutions.

The *Senate* amendment retains the *House* provision with two modifications. The number of suppers served would also be included for purposes of computing the minimum level of commodity assistance. Except with respect to States which phased out their commodity distribution facilities prior to July 1, 1974, institutions could not elect to receive cash in lieu of commodities.

The *Conference* substitute adopts the *Senate* provision with an amendment authorizing cash-in-lieu of commodities for all other institutions as provided in the *House* bill.

(44) NONFOOD ASSISTANCE

The *House* bill provides that of the sums appropriated for the child care food program and the summer food program, $3 million shall be available for each fiscal year for nonfood assistance.

The *Senate* amendment retains this provision, but provides that the money for nonfood assistance shall be available only for the child care food program.

The *Conference* substitute adopts the *Senate* amendment.

(45) TRANSITION AMENDMENT FOR THE CHILD CARE FOOD PROGRAM

The *Senate* amendment provides that the regulations issued to carry out the child care food program shall be effective not later than 90 days after enactment of the bill. During the period after enactment and before the effective date of the new regulations, the *Senate* amendment authorizes the Secretary to conduct a food service program in the same manner and subject to the same conditions as the special food service program for children was conducted under section 13 of the National School Lunch Act during the fiscal year ending June 30, 1975.

The *House* bill contains no comparable provision.

The *Conference* substitute adopts the *Senate* provision with an amendment providing that the new reimbursement rates (and the level of commodity donations) specified in the bill shall be applicable on the date of enactment.

(46) RESERVATION OF FUNDS FOR EQUIPMENT ASSISTANCE

The *Senate* amendment extends through September 30, 1977, the requirement that a percentage of the funds appropriated for nonfood assistance be reserved for use in schools without a food service. Under the *Senate* amendment, the percentage of funds to be reserved would be reduced from 50 percent to 33⅓ percent. In addition, schools that lack the facilities to prepare or receive hot meals would be eligible for reserved funds, along with schools that have no food service.

The *House* bill contains no comparable provision.

The *Conference* substitute adopts the *Senate* amendment.

(47) EXPANSION OF SUMMER FOOD PROGRAM AND CHILD CARE FOOD PROGRAM

The Senate amendment declares that it is the intent of Congress that the summer food program and the child care food program be made available in all institutions where it is needed. The Secretary is directed to carry out a program of information in furtherance of the policy and report his plans to expand the programs to the appropriate Congressional committees within 6 months after enactment.

The *House* bill contains no comparable provision.

The *Conference* substitute deletes the *Senate* amendment.

(48) NUTRITION PROGRAM STAFF STUDY

The *Senate* amendment requires that a study be conducted by the Secretary and submitted to Congress not later than March 1, 1976, determining the level of funds needed by the States for the administration of the child nutrition programs. As part of the study, the Secretary is to examine the degree and cause of plate waste in the school lunch program.

The *House* bill contains no comparable provision.

The *Conference* substitute adopts the *Senate* amendment.

(49) AUTHORIZATION OF APPROPRIATION FOR THE TRUST TERRITORY OF THE PACIFIC ISLANDS

The *Senate* amendment authorizes to be appropriated (a) for each of the fiscal years beginning July 1, 1975, and October 1, 1976, the sum of $500,000 and (b) for the period July 1, 1976, through September 30, 1976, the sum of $125,000 to enable the Secretary to assist the Trust Territory of the Pacific Islands in carrying out various developmental and experimental projects relating to programs authorized under the National School Lunch Act and the Child Nutrition Act of 1966.

The *House* bill contains no comparable provision, but both the *House* bill and the *Senate* amendment make the Trust Territory of the Pacific Islands eligible for participation in the child nutrition programs.

The *Conference* substitute adopts the *Senate* amendment. This provision is not intended to delay implementation of the child nutrition programs. They are to begin consistent with the provisions of the bill.

(50) STUDY OF COST ACCOUNTING REQUIREMENTS

The *Senate* amendment would exempt schools from any penalties for failure to comply with newly-proposed full-cost accounting procedures. However, the exemption would apply only until the Secretary completes a study of the additional personnel and training needs resulting from the imposition of such procedures. Within one year after enactment, the Secretary would be required to submit the report of his study and make legislative recommendations to the Congress.

The *House* bill contains no comparable provision.

The *Conference* substitute adopts the *Senate* amendment.

(51) SALE OF COMPETITIVE FOODS

The *Senate* amendment restores to the Secretary full authority to regulate the sale of competitive food products in schools and institutions participating in the programs authorized by the National School Lunch Act and the Child Nutrition Act of 1966.

The *House* bill contains no comparable provision.

The *Conference* substitute deletes the *Senate* amendment.

(52) CASH GRANTS FOR NUTRITION EDUCATION

The *Senate* amendment requires that the Secretary make cash grants to State education departments or comparable agencies to teach school children the nutritional value of foods and the relationship of nutrition to human health. Not to exceed $1 million annually is authorized to be appropriated to carry out such program.

The *House* bill contains no comparable provision.

The *Conference* substitute adopts the *Senate* amendment but strikes the State funding allocation formula. The provision will permit the Secretary to utilize whatever funds are appropriated within the $1 million annual authorization for demonstration or experimental projects within any State or States. It is also the intention of the *Conferees* that whatever projects are undertaken be undertaken in conjunction with existing nutritional education projects and not apart from them.

(53) TECHNICAL AMENDMENT

The *House* bill repeals a provision in the National School Lunch Act regarding the availability of section 32 funds which was operative during the fiscal years 1971 and 1972.

The *Senate* amendment strikes the *House* provision.

The *Conference* substitute adopts the *House* provision.

Carl D. Perkins,
William D. Ford,
Patsy T. Mink,
Lloyd Meeds,
Shirley Chisholm,
Ike F. Andrews,
William Lehman,
Ted Risenhoover,
Paul Simon,
Ronald M. Mottl,
Tim L. Hall,
Michael T. Blouin,
James G. O'Hara,
Leo C. Zeferetti,
George Miller,
Albert H. Quie,
Alphonzo Bell,
Edwin D. Eshleman,
John Buchanan,
Larry Pressler,
William F. Goodling,
James M. Jeffords,
Managers on the Part of the House.

Herman E. Talmadge,
George McGovern,
James B. Allen,
Hubert H. Humphrey,
Dick Clark,
Robert Dole,
Henry Bellmon,
Managers on the Part of the Senate.

APPOINTMENT AS MEMBERS OF SELECT COMMITTEE TO STUDY PROBLEM OF U.S. SERVICEMEN MISSING IN ACTION IN SOUTHEAST ASIA

The SPEAKER. Pursuant to the provisions of House Resolution 335, 94th Congress, the Chair appoints as members of the Select Committee To Study the Problem of U.S. Servicemen Missing in Action in Southeast Asia the following Members of the House; Mr. Montgomery, of Mississippi, chairman; Mr. Gonzalez, of Texas; Mr. Moakley, of Massachusetts; Ms. Schroeder, of Colorado; Mr. Ottinger, of New York; Mr. Harkin, of Iowa; Mr. Lloyd of California; Mr. McCloskey, of California; Mr. Gilman, of New York; and Mr. Guyer, of Ohio.

POAGE-WAMPLER AMENDMENT TO BE RESURRECTED

The SPEAKER. Under a previous order of the House, the gentleman from Idaho (Mr. Symms) is recognized for 15 minutes.

Mr. SYMMS. Mr. Speaker, during the House Agriculture Committee meetings on the Federal Insecticide, Fungicide, Rodenticide Act now concluded, the forces of freedom and commonsense almost scored a major victory. Had we succeeded in our efforts, every farmer in this country would have had cause for jubiliation.

An amendment was proposed by my colleagues, Mr. Poage and Mr. Wampler, to require approval by the Secretary of Agriculture of any contemplated EPA bans on substances under this act. In other words, the Agriculture Secretary would have final authority over any banning action which the Environmental Protection Agency planned for agricultural pest controls. For the first time the interests of America's farmers would have a real influence in decisions which greatly affect their livelihood and well being. No longer would the environmental zealots at EPA have a free reign to run roughshod over our agricultural economy. Now at least the full economic impact of EPA's proposed bans would be taken into consideration first, and the agency would be expected to produce hard scientific facts to back up their often times reckless charges and claims.

Mr. Speaker, when the Agriculture Committee reconvened after the August recess, it was evident that sufficient backing existed to pass the Poage-Wampler amendment. But at that point, the age-old game of politics came into play. Some committee members began to ask the wrong questions—not whether the amendment was correct or not, but rather, could the amendment pass on the House floor. Then disaster struck. Congressman Poage, Democrat of Texas, an original author of the proposal, flip-flopped and urged the deletion of his own amendment from the bill on the grounds that it could not pass the full House. In a lengthy dissertation before the committee, Mr. Poage came out in favor of a so-called compromise amendment offered by Mr. Vigorito which amounted to little more than a weak-wristed slap on the hand for EPA.

Responding to Mr. Poage's surprising turn around, I reminded the committee that EPA officials, by their own record, have proven to be not conservationists, not preservationists, but obstructionists. If Congress lets them slide by we will make a tragic mistake in not carrying out our constitutional responsibilities. When my colleagues began raising the argument that the Poage-Wampler amendment faced probable defeat on the House floor, I could not help but remember the spirit of the men at the Alamo. They did not stop to weigh their chances at the Alamo, they lost the battle, but they won the war. They put it on the line and I think that is what this Congress has to do as well.

Mr. Speaker, as you know the Agriculture Committee deleted the Poage-Wampler amendment on a close vote, and replaced it with the extremely weak Vigorito provision. To the American people it appeared as though once again politics had triumphed over principle.

When the FIFRA legislation reaches the House floor, I intend to propose the Poage-Wampler amendment again. This vitally needed provision came too close to succeeding in committee for us to give up the fight now. Perhaps this Chamber as a whole will stand up for justice and principle where the Agriculture Committee was sadly unable to do so.

However, in fairness Mr. Speaker, the Agriculture Committee did act responsibly where other sections of FIFRA were concerned. Most notable was the inclusion of a self-certification provision for farmers in the use of pesticides. This was a highly significant improvement to the overall legislation, and I certainly trust that this body will leave self-certification intact during final passage.

VOLUME OF FEDERAL RESERVE TRANSACTIONS DEMANDS ACCOUNTABILITY

The SPEAKER. Under a previous order of the House, the gentleman from Texas (Mr. Patman) is recognized for 10 minutes.

Mr. PATMAN. Mr. Speaker, increasingly around the country various editorial writers are finally catching up to the secrecy at the Federal Reserve System, and voicing support for H.R. 7590—a bill to provide for a full-scale General Accounting Office audit of the Federal Reserve System.

The monumental volume of Federal Reserve transactions alone makes the need for a full-scale audit of the System apparent to even the most casual observer.

The agency handles transactions which now total $30 trillion a year and are increasing at a rate which makes it a foregone conclusion that the quadrillion-dollar level will be reached in the foreseeable future.

Valued at more than $93 billion, the Federal Reserve System's portfolio of Federal securities amounts to 20 percent of the national debt.

The System is free to spend the nearly $6 billion in interest annually paid with tax funds on these securities in any way it chooses without being accountable to anyone.

Referring to the Fed's opposition to proposals that they be audited, the Ogdensburg, N.Y., Journal urges:

> Assuming the Fed has nothing to hide from an audit, it should drop its opposition.

Mr. Speaker, I place in the Record a copy of this editorial entitled "Audit of the Fed Due."

[From the Ogdensburg (N.Y.) Journal,
July 30, 1975]

Audit of the Fed Due

Rep. Wright Patman (D.-Tex.) has accused the Federal Reserve System of what he believes to be "a classic case of misuse of public funds by a government agency."

Patman, who chairs the House banking subcommittee on domestic monetary policy, has called for a General Accounting Office audit of the Fed.

He cites a $13,969 expense to transfer an employee from Miami to Atlanta, a $4,749 expense for Christmas decorations at its New York bank, and a $10,074 expense to pay one of its former officers as a consultant.

The Fed opposes an audit, arguing it would interfere with its independence. The Fed doesn't depend on congressional appropriations for revenues, but uses interest earned by U.S. Treasury notes and bonds.

That's all the more reason why the Fed should submit to an audit. It owes accountability to the public—as does any government agency—whether or not it falls under Congress.

GOA has proven to be a capable watchdog. Assuming the Fed has nothing to hide from an audit, it should drop its opposition.

INTRODUCTION OF TAXPAYERS' BILL OF RIGHTS ACT OF 1975

The **SPEAKER**. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. **VANIK**. Mr. Speaker, today I am introducing in the House of Representatives a taxpayers' bill of rights—legislation designed to provide greater protections and safeguards for the American citizen in his dealings with the Internal Revenue Service. This same legislation is being introduced today in the Senate by the distinguished senior Senator from Washington (Mr. MAGNUSON).

The full Ways and Means Committee is currently working on a massive tax reform bill. It has been tentatively agreed that the reform bill will include a number of provisions relating to the administration of the tax laws—the ways and means by which the Internal Revenue Service collects the revenue. I am hopeful that the legislation which we are introducing today will be included within this general tax reform bill. Increased justice in our tax system is vital—and equally vital is increased justice in the collection of those taxes.

Since January I have been chairman of the new Oversight Subcommittee of the House Ways and Means Committee. During this time, I have received an outpouring of mail from throughout the United States complaining about arbitrary, capricious, and arrogant treatment of citizens by the Internal Revenue Service. Many of these letters are tales of inconsiderate and rude treatment, computer foulups, mistaken seizures, and excessively harsh collections procedures.

Basically, I believe the IRS is one of the finest and most efficient government agencies anywhere in the world. The overwhelming majority of its employees are highly dedicated public servants. However, the letters the Oversight Subcommittee has been receiving indicate that some changes are necessary. All too often the complaints describe a Government agency which seems nearly out of control—unresponsive to the public and unanswerable to the Congress.

The bill we are introducing today is designed to correct some of these problems by making the IRS more responsive to the individual citizen and the Congress.

The legislation—

First, provides GAO authority to oversee the IRS and report annually on IRS activities;

Second, makes available to the public clear information on taxpayer rights in audits, appeals et cetera;

Third, establishes a taxpayer service and complaint assistance office—a sort of ombudsman to deal with improper treatment by IRS officials and to provide relief in special cases where IRS actions are resulting in unnecessary injury to the taxpayer;

Fourth, provides a pilot project of independent legal assistance to taxpayers in audits and appeals; this project will be limited to four cities over a 3-year period;

Fifth, places limitations on the power ot jeopardy assessment and termination of tax year, including an increase in the amount which cannot be assessed but which must be left to the taxpayer for living expenses;

Sixth, establishes safeguards against the political misuse of the Internal Revenue Service through limitations on non-tax-related surveillance and penalties for illegal surveillance; and

Seventh, provides for new limitations on disclosure of tax information and permits taxpayers civil liability recovery for damages caused by disclosure of personal tax data.

Mr. Speaker, this is not a complete list of possible administrative amendments. Even more needs to be done if we are to eliminate occasional abuses in IRS procedures. For example, we must also consider amendments to regulate the use of John Doe summons, to provide declaratory judgments for tax exempt applications, and to establish clearly congressional oversight over IRS activities. Nevertheless, I believe that the adoption of this legislation will be a major tax reform, one which will restore the public's confidence in the tax collection system.

GAO AUTHORITY TO AUDIT AND INVESTIGATE THE IRS

I believe, and most legal scholars believe, that the GAO presently has authority to conduct audits and investigations of IRS operations. The GAO has authority over the IRS similar to its power to oversee other agencies. Yet the IRS has consistently refused to allow the GAO to examine its operations. It has barred the door to IRS auditors. True, the Joint Committee on Internal Revenue Taxation has been able to use the GAO in several audits in recent years, but the overall level of access is totally inadequate. Indeed, when the GAO makes recommendations for improved operations, as in the collection of highway taxes, the IRS ignores the suggestions. There is widespread concern about the IRS stonewalling of GAO oversight. For example, in the Treasury appropriations bill which passed the House of Representatives July 17—the following language was originally included providing that—

> None of the funds available under this Act shall be available for administrative expenses in connection with denying access by the Comptroller General . . . to any books, documents, papers, records, and individual tax returns in the custody . . . of the Internal Revenue Service. . . .

This language was deleted from the appropriation bill after it was agreed that the Ways and Means Committee would consider amendments to the Internal Revenue Code to provide for GAO oversight and reports on IRS activities. In addition, it was stressed that the GAO oversight must not in any way weaken the confidentiality of tax returns.

The bill we are introducing, once and for all, that it is the law of the land that the GAO may audit and investigate the IRS. In addition, since we have a great deal of "catching up" to do in the oversight of the IRS, the GAO is required to review a number of specific IRS activities and provide an annual report to the Congress. The language providing for GAO access is drawn largely from a letter of May 14, 1975, from the Comptroller General to the chairman of the Ways and Means Committee.

NOTICE OF TAXPAYERS RIGHTS

The bill requires that the IRS develop a series of pamphlets describing, in clear and easily understandable language, the rights of taxpayers in audits, assessments, and in the appeals process. These statements of taxpayer rights must be provided to the citizen at the time of the first communication from the IRS. The amendment provides for a review and comment on the pamphlets by the tax committees of the Congress.

The IRS already has a series of very helpful pamphlets describing the appeals process, et cetera. As a result of a series of hearings by Senator MONTOYA, the quality of these pamphlets has been improved in recent years. The bill we are introducing simply provides for a regular system by which the taxpayer is automatically advised of his rights in all of his dealings with IRS.

OFFICE OF TAXPAYER SERVICES

The bill creates, at the assistant commissioner level, an Office of Taxpayer Assistance. This office, in addition to carrying on the present activities of taxpayer assistance in obtaining information to tax questions and filling out tax returns, would serve as a complaint or ombudsman office. Presently, if a taxpayer has a lost refund check or a dispute about a payment, he can spend months and years talking to a computer and getting nowhere. The subcommittee has received some incredible letters from taxpayers who have given up in despair of ever obtaining the correct settlement with the Service. It is interesting that there is an Internal Revenue Manual provision whereby IRS employees can send handwritten notes or short letters to taxpayers, instead of typewritten letters. One of the reasons for sending such handwritten notes is to "add a personal touch when it is needed to assure the taxpayer that a human being is working on his problem." Mr. Speaker, all too often the public feels that they are talking to the computer and that there is no human being available to help.

On June 24, former IRS Commissioner Sheldon Cohen testified before the Ways and Means Committee on a number of administration issues. He stressed the need for a complaint office within the IRS:

> We are, I think, of the opinion that the Service does not have an adequate handle on tracking the taxpayer complaints.
>
> It has too many different places where complaints can be handled and no organized system of maintaining records as to whether they have been serviced or not.

> Now we are attempting to address a proposed solution to the Service which would centralize that office somewhere, whether it is called ombudsman or office of complaints or whatever, that there would be people in every district or region, depending on its size, who would track complaints and report solutions to the taxpayer and report to the administrative people on the kind of problems that people are having and attempt to point out methods of solution.
>
> If the Revenue Service knew the areas where it was getting the most complaints it might be able to design techniques to overcome them.

In addition to dealing with lost checks and computation questions, the Office would be available to hear complaints about improper or abusive treatment by IRS employees. Of course, the rights of the employees against slander or malicious reports would be protected, but a system would be established to deal with the rare IRS employee who is failing to deal properly with the public.

PILOT PROJECT ON LEGAL REPRESENTATION OF TAXPAYERS BEFORE THE IRS

The bill would provide for a 3-year pilot project to be conducted in four cities by the Legal Services Corporation. Under the project, taxpayers would be provided with legal services in their dealings with the IRS. The services would be available free for lower-income individuals but there would be a sliding fee schedule based on the taxpayers adjusted gross income.

While most Americans have a family doctor, they do not have a lawyer or an accountant. As a result, most lower- and middle-income taxpayers have no assistance in their conferences and other dealings with the IRS. There is considerable concern that these categories of taxpayers are often "buffaloed" in their dealings with the IRS or give up deductions and credits needlessly in audits and other conferences with the IRS. A pilot project of legal representation would be useful in determining whether the level of settlements favorable to the taxpayer and the general treatment of lower- and middle-income taxpayers would be improved through readily available legal assistance.

JEOPARDY AND TERMINATION ASSESSMENTS

Jeopardy assessment is a power given to the IRS to take suddenly the assets of a taxpayer, if there is reason to believe that the taxpayer is not going to meet his tax obligation. It is generally used in cases where the taxpayer may be preparing to flee the country or otherwise hide or dissipate his assets. The termination assessment provision has been used in the past 4 years in the drive against narcotics dealers. Generally, when a person is discovered to have large quantities of drugs or is arrested after a drug sale with a large quantity of currency, his tax year is immediately terminated and he is assessed for the value of his assets—generally the value of the drugs or the proceeds from the drug sale. In short, the IRS is used to dry the source of narcotics trafficking capital.

Needless to say, this is a very powerful tool for law enforcement. Unfortunately, it has occasionally been misused. In addition, the use of one of these assessments makes it very difficult if not impossible for the taxpayer's rights to be protected. As one circuit court judge said in a dissent:

> Here the Government, by its deliberate act, by jeopardy assessment, captured the defendant's assets and thus denied him the use of his funds to defend himself; the tools of defense were taken from him; the Government pauperized him by placing him in a financial straitjacket.

As one district court has said, this is a process by which the Federal Government is "holding and hitting" the taxpayer.

Commissioner Alexander has been deeply concerned about these assessment powers and has ordered tighter controls on the use of these powerful tools. In fiscal year 1973, there were some 3,090 jeopardy and termination assessments. In fiscal 1975, the number of assessments declined to about 500.

I do not believe that these powers should be eliminated. However, I do feel that some restraints must be put on this authority to protect the public against abuses. As former IRS Commissioner Sheldon Cohen testified before the Ways and Means Committee on June 24:

> The power of a jeopardy assessment or the power to close a taxable year is an awesome power. It is not often used by the Revenue Service but it is used. When it is used, the judicial remedy is down the road. There is no immediate access to a court. A number of us involved in the Administrative Conference study, I can't say unanimously but I can say most people I believe that there should be some access after the fact to a court. Perhaps within ten days after the jeopardy assessment or the close of the taxable year, the Commissioner should be bound at least to come into a court, if the taxpayer so chooses, to show prima facie that what he did had good reason.

Our bill provides for access to the courts within 10 days. If the court determines that by a preponderance of the evidence the Secretary did not have reasonable cause for making the assessment or terminating the taxable period, the jeopardy assessment will be abated or the tax year reopened.

I believe that by providing for review of IRS actions by courts, we can help insure that these awesome powers are used with care and restraint.

In addition, the bill provides for an increase in the amount exempt from assessment. Due to inflation, the amount now exempt is totally inadequate. The bill would provide the assessed taxpayer with enough income to meet daily needs.

PROHIBITION ON CERTAIN INVESTIGATIONS

In the last several years, we have discovered that the IRS was collecting and maintaining data on individuals and organizations which had little or no connection wth the enforcement of the tax laws. Most of the files maintained by the Special Services staff, for example, had no relation to the tax information needs of the IRS. In addition, it appears that similar, non-tax-related data has managed to creep into the intelligence gathering and retrieval system—a new computerized system designed to help the IRS' Intelligence Division keep track of organized crime cases.

I believe that these files were set up with good intention. But as Justice Brandeis stated so eloquently in his dissent in the Olmstead case:

> Experience should teach us to be most on our guard to protect liberty when the Government's purposes are beneficient. Men born to freedom are naturally alert to repel invasion of their liberty by evil-minded rulers. The greatest dangers to liberty lurk in insidious encroachment of men of zeal, well-meaning, but without understanding.

The bill we are introducing would make it illegal to "investigate into, maintain surveillance over, or maintain records regarding the beliefs, associations, or activities of an individual or organization which are not directly related to the revenue laws."

An individual or organization would be able to bring suit for damages against any officials who violates this provision.

DISCLOSURE OF TAX INFORMATION

Finally, Mr. Speaker, the bill provides for a tightening of the prohibitions against disclosures of Federal tax return information. As Commissioner Alexander testified before the House Treasury Appropriations Subcommittee this spring:

> We have a gold mine of information in our tax system. We have more information about more people than any other agency in this country. We must have this; people file tax returns with us and tax returns contain a great deal of private information that we must safeguard.

To protect the right of privacy and to protect against the political misuse of the IRS, we must insure the confidentiality of tax returns. Basically, the bill provides that returns will only be open for inspection by the taxpayer or "an officer or employee of the Department of the Treasury, or the Department of Justice, or by the President personally, if such inspection is solely in connection with the administration or enforcement of (the Internal Revenue Code)."

Under this provision, the President would have to sign personally for the personal use of tax returns. There would be no more unrecorded flow of tax information to White House aides. In addition, hopefully the stronger antidisclosure penalties in this bill would prevent the "backdooring" or tax information to the White House and others.

It was almost exactly a year ago that the House Judiciary Committee adopted the Articles of Impeachment. The second article read, in part,

> He has, acting personally and through his subordinates and agents, endeavored to obtain from the Internal Revenue Service, in violation of the constitutional rights of citizens, confidential information contained in income tax returns for purposes not authorized by law, and to cause, in violation of the constitutional rights of citizens, income tax audits or other income tax investigations to be initiated or conducted in a discriminatory manner.

I am hopeful that this antidisclosure provision, coupled with the previous provision on illegal surveillance and investigations, will prevent this type of abuse in the future.

In the past the Justice Department has been able to obtain tax returns on individuals being investigated for criminal bill non-tax-related matters. This is a clear end run of the constitutional protections provided by the fourth amendment that—

> The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures shall not be violated. . . .

The legislation we are introducing provides that in criminal investigations, the Justice Department must obtain a search warrant filed by competent judicial authority permitting the inspection of an individual's return. By requiring court review, we hope that the improper use of tax data by the Justice Department can be limited.

The bill provides that the Bureau of the Census can continue to use tax data in the development of Census reports. In this regard our bill is not as sweeping as the legislation introduced by our colleagues, Representative JERRY LITTON, of Missouri, and Senator LOWELL WEICKER, of Connecticut. Our legislation also places some new limits on the ability of State governments to obtain tax returns for State tax enforcement purposes. Frankly, I am concerned that this provision of our bill and of the Litton-Weicker legislation may not be strong enough. An increasing number of States are requiring that a copy of an individual's Federal tax return be included with the individual's State tax return. There is a massive flow of Federal tax data to the States—and from there to local units of governments. It is already very, very difficult to maintain confidentiality at the Federal level. It will be impossible to maintain Federal tax return confidentiality at the local level. I personally believe the time is coming when we may want to eliminate the flow of Federal tax information to State and local governments. If the States want help with the collection of taxes, then they should use the "piggy-back" provision in title II of the Revenue Sharing Act, which provides for IRS collection of State taxes. This is an issue which should be discussed in hearings and in the markup on this legislation.

The antidisclosure provision in our bill would permit taxpayers to seek civil damages against individuals who knowingly disclose information from an individual's Federal income tax return.

Mr. Speaker, there are many areas of controversy in the administration of the internal revenue laws. A number of amendments and reforms will be needed before we can insure complete justice and equity in the day-to-day operations of the IRS. I believe, however, that the bill we are introducing today will be a taxpayers bill of rights, a core on which we can build additional reforms to insure that the Internal Revenue Service is, on all occasions, an agency deserving the respect and admiration of the American people.

INDUSTRIAL ENERGY CONSERVATION ACT OF 1975

The SPEAKER. Under a previous order of the House, the gentleman from Massachusetts (Mr. DRINAN) is recognized for 15 minutes.

Mr. DRINAN. Mr. Speaker, in this past week the Committee on Science and Technology held 3 days of hearings on an important piece of legislation which I introduced this March, the Industrial Energy Conservation Act of 1975, H.R. 8494. Under the distinguished leadership of the gentleman from Washington (Mr. MCCORMACK), the Subcommittee on Energy Research, Development and Demonstration heard the testimony of 11 witnesses representing research and development groups, manufacturing and trade associations, university and academic spokesmen, the Federal Government and particular industries.

I am very encouraged by the progress which this energy conservation bill has recorded in recent months, Mr. Speaker. Hearings have now been completed in both the House and the Senate, the other body's hearings having taken place in June of this year in the Commerce Subcommittee on Science, Technology and Commerce. Senator TUNNEY, the chairman of the subcommittee, has introduced a companion bill in the Senate, S. 1908, which is substantially similar to the Energy Conservation Act which I have filed in the House.

I am very pleased to say that 69 Members of the House have now cosponsored the Industrial Energy Conservation Act of 1975. A complete list of the cosponsors follows by State:

COSPONSORS BY STATE

Arizona: Morris K. Udall.

California: Glenn M. Anderson, Yvonne Brathwaite Burke, James C. Corman, Don Edwards, Mark W. Hannaford, Augustus F. Hawkins, John Krebs, John J. McFall, John E. Moss, Edward R. Roybal, Leo J. Ryan, Fortney H. Stark, Henry A. Waxman, Charles H. Wilson.

Colorado: Timothy E. Wirth.

Connecticut: Stewart B. McKinney, Ronald A. Sarasin.

Hawaii: Spark M. Matsunaga.

Illinois: Sidney R. Yates.

Indiana: John Brademas.

Iowa: Berkley Bedell.

Maryland: Parren J. Mitchell, Paul S. Sarbanes, Gladys Noon Spellman.

Massachusetts: Silvio O. Conte, Joseph D. Early, Michael Harrington, Joe Moakley, Gerry E. Studds, Paul E. Tsongas.

Michigan: James J. Blanchard, Charles C. Diggs, Jr., William D. Ford, Richard F. Vander Veen.

Minnesota: Donald M. Fraser.

Montana: John Melcher.

New Jersey: Dominick V. Daniels, Henry Helstoski, Robert A. Roe, Frank Thompson, Jr.

New York: Bella S. Abzug, Herman Badillo, Jonathan B. Bingham, Shirley Chisholm, John J. LaFalce, Richard L. Ottinger, Edward W. Pattison, Benjamin S. Rosenthal, James H. Scheuer, Stephen J. Solarz.

Ohio: Charles J. Carney, John F. Seiberling, Louis Stokes.

Oregon: James Weaver.

Pennsylvania: Robert W. Edgar, Joshua Eilberg, William S. Moorhead, Robert N. C. Nix, Fred B. Rooney, Joseph P. Vigorito.

South Carolina: John W. Jenrette, Jr.

Tennessee: Harold E. Ford.

Texas: Bob Eckhardt.

Virginia: Herbert E. Harris II.

Wisconsin: Robert J. Cornell, David R. Obey, Henry S. Reuss.

Mr. Speaker, energy use by industry accounts for about 40 percent of the energy consumed in the United States. Moreover, if historical trends continue, the Ford Foundation Energy Policy project has determined that industrial energy use will triple by the year 2000. By that time, industry will use more than half of all energy consumed in the United States.

Industrial energy consumption does not have to continue to grow at this alarming pace, Mr. Speaker. Sweden, a country which enjoys almost the same gross national product per person as the United States, uses only one-half as much energy per person as we do in this country. The Swedes have been able to maintain their prosperity while carefully conserving the energy which they use.

Sweden's example points out that reduced energy consumption does not have to mean a loss of jobs and the sacrificing of our economic prosperity. Through an accelerated program of energy conservation, this country would not only reduce its energy vulnerabilities but lower costs to consumers as well.

Mr. Speaker, energy conservation in the United States has never really progressed beyond exhortations to drive slower or to turn down the thermostat. These types of solutions are necessary, but they do not go to the heart of the matter. We have avoided looking to those areas which consume the largest amount of energy, and at a 40-percent consumption level, industry is the prime example of a sector whose potential for energy conservation has neither been explored nor been given serious attention by the Federal Government.

I believe that my bill, the Industrial Energy Conservation Act, could be the first major step in an industrial energy conservation program that would really make a difference. The potential for savings in this sector are truly enormous, and it is my opinion that the Congress would be overlooking one valuable solution to our energy difficulties if it continued to ignore the possibilities for a breakthrough here.

Mr. Speaker, under the provisions of my bill, H.R. 8494, a comprehensive program would be established within the Energy Research and Development Administration for the sponsorship and promotion of research, development, and demonstration of industrial energy conserving technologies. The Federal Government would contract with private individuals or organizations through ERDA to develop prototype demonstration models or facilities. The latest energy conserving processes would be incorporated in the facilities which would then serve to demonstrate the feasibility of unproven or experimental conservation technology.

The second part of H.R. 8494 would make available low-interest loans and loan guarantees to bring about the installation of energy conserving equipment on a widescale basis in the private sector. Regulations would be implemented by ERDA to insure that energy intensive industries are at the focus of the program. In order to make the impact felt in high unemployment areas first, 60 percent of the loans and loan guarantees under my bill are directed to depressed industrial areas whose unemployment exceeds 6.5 percent due to industrial job layoffs.

THE POTENTIAL FOR ENERGY CONSERVATION IN INDUSTRY

Mr. Speaker, it is apparent even to the layman that the possibilities for conservation in industry are most promising. This is easily understood in view of recent studies which show that U.S. industry, while using up to 40 percent of this country's energy, now operates at an average efficiency of only 13 percent. According to these studies, if we could raise the average efficiency of industrial processes from the present rate of 13 percent to only 17 percent, the fuel savings would result in a reduction of energy consumption of 4.6 million barrels of oil a day.

We can further understand the promise of industrial energy conservation technologies by referring to the conclusions of a major study sponsored in part by the Ford Foundation Energy Policy Project. In that study, "Potenial For Effective Use of Fuel in Industry," the Thermo Electron Corp. concluded that it is possible to reduce the specific fuel consumption of a major segment of industry by as much as one-third with existing technology. With processes just beyond present horizons of technology, it was estimated that significantly greater savings of energy are realizable.

A number of the fuel-saving techniques available to industry are broadly applicable to many different industrial processes. Such improvements generally involve either the recovery of energy from processed waste heat, or the reduction of fuel consumption through the combined generation of process steam and electricity. Other fuel saving methods pertain to particular industries. Typical examples of these specific methods would include the use of preheater systems in cement plants, the utilization of more efficient pulping processes in papermaking, and the replacement of open hearth furnaces with basic oxygen furnaces in steel production.

The types of energy conserving techniques which are presently realizable are far too numerous to mention here. For the use of my colleagues, however, Mr. Speaker, I am attaching an appendix to this statement which briefly reviews a number of examples of industrial energy conservation breakthroughs. Without going into most of these examples, I think it is instructive to refer to one of the illustrations with regard to the use of waste steam.

In a powerplant in Lake Charles, La., a new combined cycle turbine generator produces 150 megawatts of electricity and then reuses almost all of its waste steam. This system provides an energy efficiency better than 85 percent, which is more than twice that of a normal electric utility. If this process were used on a 1,600 megawatt power station, the savings would amount to 54,000 gallons of fuel per hour. Such installations would not have to be used only at industrial settings. If integrated into new communities, this byproduct steam could supply the energy to heat and cool 50,000 houses or apartments.

Mr. Speaker, energy conservation steps in the industrial sector can achieve savings of some 10 to 15 percent in the short term. This is most encouraging, as this reduction in fuel consumption could offset the fuel needs for business growth projected for the remainder of the decade. Yet these initial savings are those which are easy to achieve. If we are conservation potential, we will have to invest far more time, effort, and Federal expenditures in research, development, and demonstration. Without such a commitment, we will lose the very large opportunities which we have here for substantial savings.

COST ADVANTAGES OF ENERGY CONSERVATION

Mr. Speaker, the cost effectiveness argument for industrial conservation is indeed impressive and compelling. By looking at the overall figures, it can be seen that this country would be far better off if it were to focus its resources on energy consumption rather than new supplies. This is amply demonstrated by figures which show that the capital investment needed to reduce industrial energy consumption by one-third is about $25 billion. However, the comparable cost for providing an equivalent amount of new energy supplies would be over $50 billion.

These capital investment totals are most impressive, Mr. Speaker, but their full impact cannot be fully appreciated until we delve into specifics. Thus, some idea of the cost benefits of industrial energy conservation as a whole can be obtained by comparing the total capital investments required to increase energy supplies on one hand, with the industrial investments required to implement fuel savings on the other.

It has been estimated that to supply one additional barrel a day of refined petroleum fuel products from new domestic sources, inclusive of wellhead production, transportation, refining and distribution, between $11,000 and $14,000 of capital investment will be required. This is an increase of three to four times over the late 1960's. For example, synthetic natural gas from coal is estimated to cost between $10,000 and $12,000 for the energy equivalent of one new barrel of oil a day. Similarly, to supply additional electricity requires a total capital investment for the fuel supply, the utility generating plant, and the transmission and distribution at work. These costs result in a $900 to $1,200 price tag for each additional kilowatt of electricity.

In comparison with the cost of developing new energy supplies, the cost of similar returns through conservation measures amounts to a relative bargain. Industrial energy savings require installation of such equipment as waste heat boilers, recuperators, regenerators, and bottoming cycle electricity generating equipment which utilizes waste heat streams and spent processed steam. These capital investments are often only one-third to one-half those needed for increasing fuel supplies. Installed costs for bottoming cycle electric power generation typically vary in the range of $250 to $500 per kilowatt, depending on the nature and temperature of the waste heat source. On a per barrel of oil comparison, waste heat recuperation equipment varies in the range of $3,500 to $6,000 for each equivalent daily barrel of fuel saved. In addition, equipment modifications which sometimes require very little or no capital investment can also save considerable energy.

As a result of this analysis, Mr. Speaker, we are able to see the very substantial overall savings of opting for an energy conservation strategy as opposed simply to developing new supplies of energy. Through improving industrial energy and use effectiveness from 13 to 17 percent at a cost of approximately $25 billion, we would be saving the equivalent of $50 billion worth of new fuel sources. In addition, it must be remembered that energy conservation is not a "one shot" expenditure. The benefits which we reap from such a strategy continue to pay dividends year after year, reducing our overall energy consumption.

THE INADEQUACY OF FEDERAL ENERGY CONSERVATION EFFORTS

The development of a broad energy program is of overriding importance at this time. Yet if we look at our efforts to date we find that the United States has been committed almost exclusively to a policy of developing new energy sources, not to one of conserving those supplies which we already have. Great amounts of Federal moneys have recently been appropriated for the further development of fossil fuels, the development of a massive nuclear power program, and research into new sources of energy such as geothermal and solar energy. However, as I have noted already, the development of a program of energy conservation has been given almost no attention by the Federal energy establishment.

Mr. Speaker, I do not mean to say that lip service has not been paid to the concept of conservation. All of the major government agencies concerned with energy have espoused conservation as being the great wave of the future. But their actions have not given credence to their rhetoric. The Federal Energy Administration and the Energy Task Force have both recommended that a larger share of research and development should be directed toward the demonstration of conservation technology. In addition, many Government scientists and engineers have concluded that conservation should be given as high priority as the development of resources and new power sources. But we only have to look at the Federal budget to determine what the real story is.

The National Science Foundation has reviewed Federal obligations for energy research and development in "Analysis of Federal R. & D. Funding by Function." The figures which NSF has developed show how we have continued to give low priority to energy conservation. In referring to table I which I am submitting with this testimony, Mr. Speaker, it can be seen that for the year 1976, only 4.8 percent of the energy R. & D. funds were expended for energy conservation work. On the other hand, 58.2 percent were obligated for nuclear, 25.7 percent for fossil fuel R. &. D., and 9.3 percent for alternative sources such as geothermal and solar. These figures are even more alarming from a conservation standpoint when one considers that the conservation share of the R. & D. pie has actually decreased from 1976 to 1975. The 1975 share had reached 5.8 percent, up from 3.5 percent in 1974.

TABLE I.—FEDERAL OBLIGATIONS FOR ENERGY RESEARCH AND DEVELOPMENT[1]

[All figures in millions of dollars]

Year	Total energy	Nuclear	Percent	Conservation	Percent	Fossils	Percent	Geothermal, etc.[3]	Percent
1969	327.9	305.9	93.3	2.1	0.6	19.9	6.1		
1970	317.3	295.9	93.3	2.4	.8	17.7	5.6		
1971	323.6	285.8	88.3	4.3	1.3	31.5	9.7		
1972	382.7	334.9	87.5	8.0	2.1	35.9	9.4	2.4	0.6
1973	441.6	376.5	85.3	10.3	2.3	46.6	10.6	5.2	1.2
1974	570.6	432.8	75.9	20.0	3.5	81.4	14.3	23.2	4.1
1975[2]	933.6	589.7	63.2	54.0	5.8	214.1	22.9	51.8	5.6
1976[2]	1,276.8	743.1	58.2	61.4	4.8	327.7	25.7	119.3	6.3

[1] From "Analysis of Federal R+D Funding by Function," National Science Foundation, includes support to all sectors, does not include energy-related fields such as environment or defense, does not include facilities (does include R+D done with facilities).

[2] Estimated figures.

[3] Etc.=solar and advanced energy system.

I would now like to refer to table II which sets out Federal obligations for conservation expenditures. Here, we can see where we spend what few R. & D. funds are actually obligated for the conservation area. From table II it can be seen that industrial energy conservation R. & D. is not clearly outlined. It is within EPDA's budget, but we must refer to table III to see that only $5 million have been appropriated for 1976 for industrial conservation technology.

By working our way through these tables, Mr. Speaker, I think it becomes clear how misguided our energy priorities are at present. Although industry is the largest consumer of energy, we spend more money in conservation R. & D. for the Bonneville Power Administration, in studying electric power transmission, automotive power storage systems, and a number of other areas. It might be argued that industrial energy conservation should be a uniquely private enterprise undertaking, but this ignores the vast energy implications which a 40 percent consumption figure has in store for this country.

TABLE II.—FEDERAL OBLIGATIONS FOR CONSERVATION R+D, 1970-76

[In millions of dollars][1]

Spending area	1970	1971	1972	1973	1974	1975	1976
Bonneville Power Administration	1.8	1.9	2.5	2.8	2.4	9.0	5.5
Energy conservation, Department of Transportation, Office of Secretary			.4	.4	3.3	8.5	9.4
Electric power transmission, ERDA		.2	1.0	.7	1.5	6.4	11.8
Advanced automotive power storage systems, ERDA					1.5	4.5	8.2
Energy storage systems, ERDA					1.7	5.8	9.1
End use conservation ERDA							3.0
Energy conversion and storage, RANN-NSF[2]	.3	1.0	2.7	3.1	3.3	11.4	3.9
Advanced automotive propulsion, RANN-NSF					.6	1.0	.8
Energy and fuel transportation, RANN-NSF	.3	1.0	1.5	2.2	1.8	1.1	.7
Improvements in power systems technology, TVA[3]	.1	.2		1.8	3.9	6.3	8.6
Biothermal research, TVA						.2	.2
Total	2.4	4.3	8.0	10.3	20.0	54.0	[4] 61.4

[1] From National Science Report "Analysis of Federal R+D Funding by Function."

[2] Research Applied to National Needs.

[3] Joint program with Electric Power Research Institute does not include energy-related fields such as environment or defense, nor facilities.

[4] The totals are correct. Discrepancies in totaling are due to rounding.

TABLE III.—*Energy Research and Development Administration, buildings and industries, fiscal year 1976*

[In millions of dollars]

Program:	*Appropriations*
Heat management	1.5
Agriculture and food industry	1.35
Industrial plant efficiency improvement	1.35
Alternative fuel, materials, and processes	.650
Industrial management	.150

Mr. Speaker, it is understandable how the current expenditure levels for energy conservation came about. Only a few short years ago energy supplies were plentifully available at relative bargain prices. However, with the high prices and shortages which now exist in the energy market, I submit that energy conservation must receive top priority. And as the biggest consumer of energy the industrial sector must be well represented in an intensive research, development, and demonstration program on the Federal level.

A PROPOSED FEDERAL ROLE

Mr. Speaker, as my previous statement indicates, I feel that it is important to increase and accelerate research and development efforts in industrial energy conservation. We have seen the great possibilities which can be achieved, we have seen that such R. & D. can be extremely cost effective, and we have seen that the Federal Government has had virtually a nonexistent role in this technology until now. Consequently, I would urge the Congress to authorize an intensive R. & D. program for the utilization of energy conservation processes.

Second, in accordance with the provisions of H.R. 8494, I would also urge the Congress to authorize a large-scale demonstration program for industrial techniques whose potential fuel saving is regarded as promising, but not yet commercially feasible. Without such a demonstration program, the research and development will not prove to be nearly as beneficial for real progress in this area. With only an R. & D. effort, the state of the art will have been advanced, but we may not be closer to proving the practicability of full-scale demonstrations which should be at the crux of Federal efforts.

Mr. Speaker, we are now confronted with a situation in which many attractive energy saving ideas are known, but are still regarded as risky or unproven. Although energy costs are high, they are not so high as to drive manufacturers and businesses to purchase equipment which is still seen as somewhat experimental. Capital is scarce, and few industries can risk the possibility of failure in incorporating expensive new facilities into their plants. Furthermore, small and medium size companies, large energy consumers, are especially limited in terms of resources and are unlikely to commit risk capital for energy conserving technologies. Therefore, Federal leadership in the demonstration phase is crucial if this country is adequately to take advantage of the energy conservation potential.

Third, the Industrial Energy Conservation Act would also make long term, low interest loans and loan guarantees to private individuals and organizations so as to incorporate the new fuel saving technology into ongoing commercial enterprises. An important aspect of the program would be to bring about effective and prompt dissemination of the information gathered under the R. D. & D. sections of the act. In addition, it is hoped that this legislation might be used to aid high unemployment areas by singling them out to receive 60 percent of the funds allocated for the loan and loan guarantee sections of the legislation.

Mr. Speaker, so as to derive the maximum benefit from Federal funds, the emphasis in the incentives and R. D. & D. program should be on those industries that are the so-called energy intensive-industries—that is, those that require the highest amount of energy per unit output. A partial list of such industries includes the manufacturers of iron and steel, paper and paperboard, aluminum, copper, and cement. Federal R. D. & D.

and loan provisions should be directed toward reducing the energy needs of these industries, as they consume two-thirds of the fuel supplies used by industry as a whole.

At this point, I would like to raise an issue which I think should be considered from the beginning by the Congress. It is true that we must move ahead quickly in this vital area if we are to make meaningful progress. On the other hand, I do feel that it is necessary to insure that the private sector carries its fair share of the energy conservation work. Where industries and companies are able to bear the cost of such energy advancements, they clearly ought to bear that burden. It is for this reason that I have incorporated in my bill a provision which would insure that the demonstration facilities are only funded by the Federal Government in proportion to the degree of innovation incorporated in the plant. It is specified in H.R. 8494 that ERDA will only provide support for those portions of the facility which are designated "for the purpose of research, development, or implementation of innovative, experimental, or nonconventional energy conserving industrial technologies."

The same sort of protection against unjust enrichment should also be incorporated with regard to low interest loans and loan guarantees. We want to advance the state of the art in industrial energy conservation, but we should not enable organizations such as wealthy oil companies to benefit unjustly from this legislation. H.R. 8494 does specify that ERDA should promulgate regulations so as to "avoid unjust enrichment, fiscal irresponsibility, and economically irrational allocation of resources." But even given this provision, I do feel that extra efforts should be made to insure that Federal money is channeled to the most deserving and needy recipients.

Mr. Speaker, the prevention of unjust enrichment is an issue which must be met, but it should not be an overriding obstacle to the implementation of the legislation. Industrial energy conservation makes sense from a number of standpoints, and I am sure that its worthy purposes can prove to be of enormous help to this country in its attempt to meet its energy difficulties.

The beneficial effects of conservation in general and specifically industrial energy conservation cannot be dismissed. We could reduce our vulnerability to energy imports, reduce pollution and environmental dangers, lower costs to the consumer, and reduce the energy per person consumed in the United States. With this in mind, I would urge the Congress to move forward as quickly as possible in enacting this important legislation.

For the benefit of my colleagues, I would now like to submit an appendix to this statement:

Appendix—Examples of Industrial Energy Conservation Processes

1. REUSING WASTE STEAM

By using waste steam heat to produce electricity, great savings are possible. In a power plant in Lake Charles, La., a new combined cycle turbine generator produces 150 megawatts of electricity and then reuses all of its waste steam. This system provides an energy efficiency better than 85 percent, or more than twice that of a normal electrical utility.

If this process were used on a 1600 megawatt power station, the savings would amount to 54,000 gallons of fuel per hour. Such installations would not have to be used only in industrial settings. If integrated into new communities, this byproduct steam could supply the energy to heat and cool 50,000 houses or apartments.

2. CEMENT PLANT

In one cement plant alone in Texas, the installation of a preheater system using waste heat reduced the fuel consumption at the plant by 27 percent, or the equivalent of 5 million gallons of fuel oil per year.

3. POWER GENERATION

In Michigan, Dow Chemical's Midland Division labored under an energy disadvantage for many years in that 96 percent of its energy was imported from outside of the area. So as to compensate for this disadvantage, energy efficient processes were adapted. For the year 1973, Midland generated power at any energy efficiency rate of 54 percent, as opposed to the average U.S. utility operating at a 33 percent efficiency figure. A power generating facility run by a public utility traditionally takes the steam exhaust from the turbines and rejects the heat in this exhaust to cooling water. But in the Midlands plant, there are more than 10,000 steam traps to regain waste heat which can be reprocessed.

4. SIZE OF POSSIBLE SAVINGS

At the Lake Charles, La. power station mentioned above, the 85 percent energy efficiency rate results in tremendous savings. Indeed, if the plant operated at normal efficiency ratings, 4.7 trillion additional Btu's would have to be purchased each year. This is equal to the total amount of energy used by 14,000 Americans in one year.

5. RECYCLING WASTE HEAT

In industrial furnaces known as "radiant tube" models, exhaust gases are the primary source of inefficiency. Because uniform temperatures of 1700° are required throughout the furnace, temperature variance accounts for a large amount of waste heat. This waste energy can be recovered and recycled by means of recuperators or heat exchangers, which utilize the heat in the exhaust gases. With these processes, fuel requirements can by 1.65 million Btu's for each ton of unit output produced, or a total of 28 percent.

6. PAPER MANUFACTURING

Paper manufacturing uses a very high amount of energy per unit of output. But by incorporating processes which can reduce the water in the pulp mixture, the fuel demand of the paper-making phase of production can be reduced by up to 55 percent. Most of the saving is due to reduced drying requirements as a result of the lessened water content in the pulp.

If the above process was implemented in addition to integrating pulping and paper-making operations, increasing the amount of waste heat recovery, and using special pulp digesters, these processes could cut the average fuel consumption of paper manufacturers by almost 40 percent, from 89 million Btu per ton to 24 million Btu per ton of paper.

7. STEEL PRODUCTION

A great number of improvements can be utilized in the average steel plant. They include steps such as preheating combustion air, increasing air blast temperature, replacing open hearth furnaces with basic oxygen furnitures, and using byproduct steam. Industry-wide implementation of these types of practices could reduce average fuel requirements for steel production by 36 percent, from 26.5 million Btu per ton to 17.2 million Btu per ton of steel. A new Japanese steel plant is already operating at 22 million Btu, much better than almost all American plants.

8. ALUMINUM PRODUCTION

Over the past three decades, the electric power to smelt aluminum has been cut almost in half. Since World War II, the electric power needed to produce a pound of aluminum has been reduced from 12 kilowatt hours to 8. Today's most efficient smelters only use 6.5 kilowatt hours. In a new smelting process developed recently by Alcoa, however, the power requirement will be reduced by an additional 30 percent, to 4.5 kilowatt hours.

9. BYPRODUCT ELECTRICITY

In 1968, industry consumed about 10 quadrillion Btu of energy, the equivalent of 1.5 billion barrels of fuel oil, for process steam raising. Most of this steam was used at low pressures and temperatures. If this steam were raised to higher temperatures and pressures so as to turn engine generator sets, 700 billion kilowatt hours of electrical energy could be produced. Although added fuel is consumed in the process, this is more than offset by the by-product electricity generated—equal to about 53 percent of the total U.S. electrical production for the year 1968. This amounts to 30 percent of all the fuel used by electric utilities.

NATIONAL ECONOMIC STOCKPILE AND NATIONAL RESOURCES AND MATERIALS INFORMATION SYSTEM ACTS

(Mr. REES asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. REES. Mr. Speaker, today, I join with Mr. J. William Stanton in introducing two bills: the National Economic Stockpile Association Act and the National Resources and Materials Information System Act.

As members of the National Commission on Supplies and Shortages, and chairman and ranking minority member, respectively, of the Subcommittee on International Trade, Investment and Monetary Policy of the House Committee on Banking, Currency and Housing, we believe the issues dealt with in this legislation to be of the greatest importance. Both bills grew out of the work of the Ad Hoc Committee on the Domestic and International Monetary Effect of Energy and Other Natural Resource Pricing of the House Banking Committee, of which I was chairman and Mr. Stanton ranking minority member.

The National Economic Stockpile Association Act establishes a public/private association to purchase and sell raw materials essential to our economy. The Association would be governed by an 11-member Board of Directors appointed by the President. The Board would be made up of industry, labor, and Government representatives.

The Association is charged with facilitating the availability of essential natural resources, thereby preventing disruptions in the U.S. economy arising from resource shortages. The stockpile could also be utilized to prevent unreasonable increases in the prices of imported natural resources.

The act also includes specific provisions to provide a stable market for the recycling industry through purchase and sale of recycled materials by the Association.

The economic stockpile is intended to complement, rather than to replace, the existing strategic stockpiles. Whereas the strategic stockpiles insure resource availability during military emergencies, the economic stockpile is intended to insure domestic economic security.

The economic stockpile is designed to guard against raw material cutoffs similar to the recent oil embargo and would not be used to influence price levels. Because of the long lead times involved in developing alternative sources of supply and substitutes, an interim supply of resources is clearly needed to avoid severe economic dislocation in certain industries. Further, by establishing a stable market for the secondary materials industry, the association would encourage increases in the level of domestic recycling.

The act includes a provision enabling private industries to establish a natural resources drawing account with the Association. The industries could utilize this account to sell resources to the economic stockpile for repurchase later in times of scarcity.

Financed through an initial appropriation of $750,000, the sale of obligations, and the imposition of various fees for its services, the Association would be self-supporting.

Because the Government lacks a coordinated body of information, it has been unable to formulate coherent, integrated national policies to effectively confront many critical natural resource problems.

For more than 20 years—from the report of the President's Materials Policy Commission of 1952—the Paley Commission—to the recent report of the General Accounting Office—these problems have been repeatedly brought to the attention of the public. The GAO's report noted that:

> The Government's decision making process for commodities that are in short supply is essentially ad hoc and crisis-oriented.

This bill is a comprehensive attempt to remedy those problems.

The National Resources and Material Information System created by the act would be a cooperative venture between Government and the private sector of the economy for the benefit of both. Private industry, on a voluntary basis, the resources and materials industries would provide an independent agency of the Federal Government with data on the availability of resources and levels of demand. This information would then be collated and analyzed in accordance with uniform information-gathering standards.

The Information System would also seek to consolidate and coordinate scattered and overlapping data-gathering operations of individual Government agencies. "Meeting America's Resource Needs: Problems and Policies," prepared last year by my Ad Hoc Committee on the Domestic and International Monetary Effect of Energy and Other Natural Resource Pricing noted:

> A true national perspective on resource and commodity policy must transcend the interests of a particular agency.

The report called for an organization to "take a broad overview of the issue of adequate resource availability at reasonable prices." To accomplish this end, the report concluded:

> The data inputs and policy interests within the Government should be coordinated and reconciled.

The United States must begin building the tools necessary to combat the increasing economic vulnerability which will accompany the growth in dependence upon imported resources. The National Economic Stockpile Association represents such an effort. By providing a fundamental step toward coordination within Government and between Government and industry, the National Resources and Materials Information System would encourage more efficient and effective operation of the raw materials market.

CONFERENCE REPORT ON H.R. 4005

Mr. **STAGGERS** submitted the following conference report and statement on the bill (H.R. 4005) to amend the Developmental Disabilities Services and Facilities Construction Act to revise and extend the programs authorized by that act:

CONFERENCE REPORT (H. REPT. NO. 94-473)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4005) to amend the Developmental Disabilities Services and Facilities Construction Act to revise and extend the programs authorized by that Act, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

SHORT TITLE

SECTION 1. This Act may be cited as the "Developmentally Disabled Assistance and Bill of Rights Act".

TITLE I—EXTENSION AND REVISION OF THE DEVELOPMENTAL DISABILITIES SERVICES AND FACILITIES CONSTRUCTION ACT

PART A—ONE-YEAR EXTENSION OF EXISTING AUTHORITIES

EXTENSION OF EXISTING AUTHORITIES THROUGH FISCAL YEAR 1975

SEC. 101. (a) Section 122(b) and 131 of the Developmental Disabilities Services and Facilities Construction Act (hereinafter in this Act referred to as the "Act") are each amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

(b) Section 137(b)(1) of the Act is amended by striking out "and June 30, 1974" and inserting in lieu thereof ", June 30, 1974, and June 30, 1975".

PART B—REVISION OF ASSISTANCE FOR UNIVERSITY AFFILIATED FACILITIES

UNIVERSITY AFFILIATED FACILITIES

SEC. 105. Part B of the Act is amended to read as follows:

"PART B—UNIVERSITY AFFILIATED FACILITIES

"Subpart 1—Demonstration and Training Grants

"GRANT AUTHORITY

"SEC. 121. (a) (1) From appropriations under section 123, the Secretary shall make grants to university affiliated facilities to assist them in meeting the cost of administering and operating—

"(A) demonstration facilities for the provision of services for persons with developmental disabilities, and

"(B) interdisciplinary training programs for personnel needed to render specialized services for persons with developmental disabilities.

"(2) A university affiliated facility which has received a grant under paragraph (1) may apply to the Secretary for an increase in the amount of its grant under such paragraph to assist it in meeting the cost of conducting a feasibility study of the ways in which it, singly or jointly with other university affiliated facilities which have received a grant under paragraph (1), can establish and operate one or more satellite centers which would be located in areas not served by a university affiliated facility and which would provide, in coordination with demonstration facilities and training programs for which a grant was made under paragraph (1), services for persons with developmental disabilities. If the Secretary approves an application of a university affiliated facility under this paragraph for such a study, the Secretary may for such study increase the amount of the facility's grant under paragraph (1) by an amount not to exceed $25,000. Such a study shall be carried out in consultation with the State Planning Council for the State in which the facility is located and where the satellite center would be established.

"(b) The Secretary may make grants to pay part of the costs of establishing satellite centers and may make grants to satellite centers to pay part of their administration and operation costs. The Secretary may approve an application for a grant under this subsection only if the feasibility of establishing or operating the satellite center for which the grant is applied for has been established by a study assisted under subsection (a)(2).

"APPLICATIONS

"SEC. 122. (a) No grant may be made under section 121 unless an application therefor is submitted to and approved by the Secretary. Such an application shall be submitted in such form and manner, and contain such information, as the Secretary may require. Such an application may be approved by the Secretary only if the application contains or is supported by reasonable assurances that the making of the grant applied for will not result in any decrease in the level of State, local, and other non-Federal funds for services for persons with developmental disabilities and training of persons to provide such services which funds would (except for such grant) be available to the applicant, but that such grant will be used to supplement, and, to the extent practicable, to increase the level of such funds.

"(b) The Secretary shall give special consideration to applications for grants under section 121(a) for programs which demonstrate an ability and commitment to provide within a community rather than in an institution services for persons with developmental disabilities.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 123. (a) For the purpose of making grants under section 121 there are authorized to be appropriated $15,000,000 for fiscal year 1976, $18,000,000 for fiscal year 1977, and $25,000,000 for fiscal year 1978.

"(b)(1) Of the sums appropriated under subsection (a) for fiscal years 1976 and 1977, not less than $5,000,000 shall be made available for grants in each such fiscal year under section 121(a)(1). The remainder of the sums appropriated for such fiscal years shall be made available as follows:

"(A) First, $750,000 shall be made available in each such fiscal year for studies described in section 121(a)(2). The portion of such $750,000 not required for such studies shall be made available for grants under section 121(a)(1).

"(B) Second, any remaining sums shall be made available as the Secretary determines except that at least 40 per centum of such sums shall be made available for grants under section 121(b).

"(2) Of the sums appropriated under subsection (a) for fiscal year 1978, not less than $5,500,000 shall be made available for grants in such fiscal year under section 121(a)(1). The remainder of the sums appropriated for such fiscal year shall be made available as the Secretary determines except that at least 40 per centum of the remainder shall be made available for grants under section 121(b).

"SUBPART 2—CONSTRUCTION

"PROJECTS AUTHORIZED

"SEC. 125. The Secretary may make grants—

"(1) to university-affiliated facilities to assist them in meeting the costs of the renovation or modernization of buildings which are being used in connection with an activity assisted by a grant under section 121(a); and

"(2) to university-affiliated facilities for the construction, renovation, or modernization of buildings to be used as satellite centers.

"APPLICATIONS

"SEC. 126. No grant may be made under section 125 unless an application therefor is submitted to and approved by the Secretary. Such an application shall be submitted in such form and manner, and contain such information, as the Secretary may require. Such an application may be approved by the Secretary only if it contains or is supported by reasonable assurances that—

"(1) the plans and specifications for the project to be assisted by the grant applied for are in accord with regulations prescribed by the Secretary under section 109;

"(2) title to the site for such project is or will be vested in the applicant or in the case of a grant for a satellite center, in a public or other nonprofit entity which is to operate the center;

"(3) adequate financial support will be available for completion of the construction, renovation, or modernization of the project and for its maintenance and operation when completed;

"(4) all laborers and mechanics employed by contractors or subcontractors in the performance of work on the project will be paid at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Act of March 3, 1931 (40 U.S.C. 276a–276a–5, known as the Davis-Bacon Act); and the Secretary of Labor shall have with respect to the labor standards specified in this paragraph the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. Appendix) and section 2 of the Act of June 13, 1934 (40 U.S.C. 267c); and

"(5) the building which will be constructed, renovated, or modernized with the grant applied for will meet standards adopted pursuant to the Act of August 12, 1968 (42 U.S.C. 4151–4156) (known as the Architectural Barriers Act of 1968).

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 127. For the purpose of making payments under grants under section 125, there are authorized to be appropriated $3,000,000 for fiscal year 1976, $3,000,000 for fiscal year 1977, and $3,000,000 for fiscal year 1978."

PART C—REVISION OF ALLOTMENT PROGRAM

STATE ALLOTMENTS

SEC. 110. (a) Section 131 of the Act is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS FOR ALLOTMENTS

"SEC. 131. For allotments under section 132, there are authorized to be appropriated $40,000,000 for fiscal year 1976, $50,000,000 for fiscal year 1977, and $60,000,000 for fiscal year 1978.

(b) Subsection (a) of section 132 of the Act is amended to read as follows:

"(a)(1)(A) In each fiscal year, the Secretary shall, in accordance with regulations and

this paragraph, allot the sums appropriated for such year under section 131 among the States on the basis of—

"(i) the population,

"(ii) the extent of need for services and facilities for persons with developmental disabilities, and

"(iii) the financial need,

of the respective States. Sums allotted to the States under this section shall be used in accordance with approved State plans under section 134 for the provision under such plans of services and facilities for persons with developmental disabilities.

"(B)(i) Except as provided by clause (ii)—

"(I) the allotment of the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands under subparagraph (A) of this paragraph in any fiscal year shall not be less than $50,000; and

"(II) the allotment of each other State in any fiscal year shall not be less than the greater of $150,000, or the amount of the allotment (determined without regard to subsection (d)) received by the State for the fiscal year ending June 30, 1974.

"(ii) If the amount appropriated under section 131 for any fiscal year exceeds $50,000,000, the minimum allotment of a State for such fiscal year shall be increased by an amount which bears the same ratio to the amount determined for such State under clause (i) as the difference between the amount so appropriated and the amount authorized to be appropriated for such fiscal year bears to $50,000,000.

"(2) In determining, for purposes of paragraph (1)(A)(ii), the extent of need in any State for services and facilities for persons with developmental disabilities, the Secretary shall take into account the scope and extent of the services specified pursuant to section 134(b)(5), in the State plan of such State approved under section 134.

"(3) Sums allotted to a State in a fiscal year and designated by it for construction and remaining unobligated at the end of such year shall remain available to such State for such purpose in the next fiscal year (and in such year only), in addition to the sums allotted to such State in such next fiscal year; except that if the maximum amount which may be specified for construction (pursuant to section 134(b)(15)) for a year plus any part of the amount so specified pursuant to such section for the preceding fiscal year and remaining unobligated at the end of such fiscal year is not sufficient to pay the Federal share of the cost of construction of a specific facility included in the construction program of the State developed pursuant to section 134(b)(13), the amount specified pursuant to section 134(b)(15) for such preceding year shall remain available for a second additional year for the purpose of paying the Federal share of the cost of construction of such facility.

"(4) Of the amount allotted to any State under paragraph (1) for fiscal year 1976, not less than 10 per centum of that allotment shall be used by such State, in accordance with the plan submitted pursuant to section 134(b)(20), for the purpose of assisting it in developing and implementing plans designed to eliminate inappropriate placement in institutions of persons with developmental disabilities; and of the amount allotted to any State under paragraph (1) for each succeeding fiscal year, not less than 30 per centum of that allotment shall be used by such State for such purpose."

(c) Subsection (d) of section 132 of the Act is amended by inserting after "as he may fix" the following: "(but not earlier than thirty days after he has published notice of his intention to make such reallotment in the Federal Register)".

(d) Section 132(e) of the Act is repealed.

(e)(1) Subsection (b) of section 132 of the Act is amended by striking out "this part" each place it occurs and inserting in lieu thereof "the State plan".

(2) Section 134(b)(4) of the Act is amended by striking out "under this part" and inserting in lieu thereof "under section 132".

(3) Section 138 of the Act is amended by striking out "under this part" each place it occurs and inserting in lieu thereof "under section 132".

STATE PLANS

SEC. 111. (a) Subsection (b) of section 134 is amended as follows:

(1) Paragraph (1) of such subsection is amended by striking out "a State planning and advisory council" and inserting in lieu thereof "a State Planning Council as prescribed by section 141".

(2) Paragraph (3) of such subsection is amended by striking out "policies and procedures" and inserting in lieu thereof "priorities, policies, and procedures".

(3) Paragraph (5) of such subsection is amended to read as follows:

"(5) describe the quality, extent, and scope of treatment, services, and habilitation being provided or to be provided in implementing the State plan to persons with developmental disabilities;".

(4) Paragraph (7) of such subsection is amended to read as follows:

"(7) include provisions, meeting such requirements as the United States Civil Service Commission may prescribe, relating to the establishment and maintenance of personnel standards on a merit basis;".

(5) Paragraph (8) of such subsection is amended to read as follows:

"(8) provide that the State Planning Council be adequately staffed and identify the staff assigned to the Council;".

(6) Paragraph (9) of such subsection is amended by striking out "State planning and advisory council" and inserting in lieu thereof "State Planning Council".

(7) Paragraph (15) of such subsection is amended by striking out "50 per centum" and inserting in lieu thereof "10 per centum".

(8) Paragraph (14) of such subsection is amended by striking out "and assign" and inserting in lieu thereof "assign", and by inserting before the semicolon a comma and the following: "and require that construction of projects be done in accordance with standards prescribed by the Secretary pursuant to the Act of August 12, 1968 (42 U.S.C. 4151–4156) (known as the Architectural Barriers Act of 1968)".

(9) Such subsection is amended by striking out "and" after the semicolon at the end of paragraph (17), by redesignating paragraph (18) as paragraph (30), and by inserting the following new paragraphs after paragraph (17):

"(18) provide reasonable assurance that adequate financial support will be available to complete the construction of, and to maintain and operate when such construction is completed, any facilitiy, the construction of which is assisted with sums allotted under section 132;

"(19) provide reasonable assurance that all laborers and mechanics employed by contractors or subcontractors in the performance of work on any construction project assisted with sums allotted under section 132 will be paid at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Act of March 3, 1931 (40 U.S.C. 276a—276a-5, known as the Davis-Bacon Act); and the Secretary of Labor shall have with respect to the labor standards specified in this paragraph the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. Appendix) and section 2 of the Act of June 13, 1934 (40 U.S.C. 276c);

"(20) contain a plan designed (A) to eliminate inappropriate placement in institutions of persons with developmental disabilities, and (B) to improve the quality of care and the state of surroundings of persons for whom institutional care is appropriate;

"(21) provide for the early screening, diagnosis, and evaluation (including maternal care, developmental screening, home care, infant and preschool stimulation programs, and parent counseling and training) of developmentally disabled infants and preschool children, particularly those with multiple handicaps;

"(22) provide for counseling, program coordination, follow-along services, protective services, and personal advocacy on behalf of developmentally disabled adults;

"(23) support the establishment of community programs as alternatives to institutionalization and support such programs which are designed to provide services for the care and habilitation of persons with developmental disabilities, and which utilize, to the maximum extent feasible, the resources and personnel in related community programs to assure full coordination with such programs and to assure the provision of appropriate supplemental health, educational, or social services for persons with developmental disabilities;

"(24) contain or be supported by assurances satisfactory to the Secretary that the human rights of all persons with developmental disabilities (especially those without familial protection) who are receiving treatment, services, or habilitation under programs assisted under this title will be protected;

"(25) provide for a design for implementation which shall include details on the methodology of implementation of the State plan, priorities for spending of funds provided under this part, a detailed plan for the use of such funds, specific objectives to be achieved under the State plan, a listing of the programs and resources to be used to meet such objectives, and a method for periodic evaluation of the design's effectiveness in meeting such objectives;

"(26) provide for the maximum utilization of all available community resources including volunteers serving under the Domestic Volunteer Service Act of 1973 (Public Law 93-113) and other appropriate voluntary organizations except that volunteer services shall supplement, but shall not be in lieu of, services of paid employees;

"(27) provide for the implementation of an evaluation system in accordance with the system developed under section 110;

"(28) provide, to the maximum extent feasible, an opportunity for prior review and comment by the State Planning Council of all State plans of the State which relate to programs affecting persons with developmental disabilities;

"(29) provide for fair and equitable arrangements (as determined by the Secretary after consultation with the Secretary of Labor) to protect the interests of employees affected by actions to carry out the plan described in paragraph (20)(A), including arrangements designed to preserve employee rights and benefits and to provide training and retraining of such employees where necessary and arrangements under which maximum efforts will be made to guarantee the employment of such employees; and".

(b) Section 134 of the Act is amended by adding after subsection (c) the following new subsection:

"(d)(1) At the request of any State, a portion of any allotment or allotments of such State under this part for any fiscal year shall be available to pay one-half (or such smaller share as the State may request) of the expenditures found necessary by the Secretary for the proper and efficient administration of the State plan approved under this section; except that not more than 5 per centum of the total of the allotments of such State for any fiscal year, or $50,000, whichever is less, shall be available for such purpose. Payments under this paragraph may be made in advance or by way of reimbursement, and in such installments, as the Secretary may determine.

"(2) Any amount paid under pargraph (1) to any State for any fiscal year shall be paid on condition that there shall be expended from the State sources for such year for administration of the State plan approved under this section not less than the total amount expended for such purposes from such sources during the fiscal year ending June 30, 1975."

APPROVAL OF CONSTRUCTION PROJECTS

Sec. 112. Sections 135 and 136 of the Act are repealed.

PAYMENTS TO STATES

Sec. 113. Section 137 of the Act is amended as follows:

(1) The heading for such section is amended by inserting "Construction," after "Planning,".

(2) Subsection (a) of such section is amended by striking out "(1)" and by striking out paragraph (2).

(3) Subsection (b) is amended to read as follows:

"(b)(1) Upon certification to the Secretary by the State agency, designated pursuant to section 134(b)(1), based upon inspection by it, that work has been performed upon a construction project, or purchases have been made for such project, in accordance with the approved plans and specifications and that payment of an installment is due to the applicant, such installment shall be paid to the State with respect to such project, from the applicable allotment of such State, except that (A) if the State is not authorized by law to make payments to the applicant, (B) if the Secretary, after investigation or otherwise, has reason to believe that any act (or failure to act) has occurred requiring action pursuant to section 136, payment may, after he has given the State agency so designated notice of opportunity for hearing pursuant to such section, be withheld, in whole or in part, pending corrective action or action based on such hearing, and (C) the total of payments under this subsection with respect to such project may not exceed an amount equal to the Federal share of the cost of construction of such project.

"(2) In case the estimated cost of a project is revised upward, any additional payment with respect thereto may be made from the applicable allotment of the State for the fiscal year in which such revision is approved."

WITHHOLDING OF PAYMENTS

Sec. 114. Section 138 of the Act is amended as follows:

(1) The heading for such section is amended by inserting "Construction," after "Planning,".

(2) Such section is amended by striking out "State planning and advisory council" and inserting in lieu thereof "State Planning Council", and by striking out "State council" and inserting in lieu thereof "State Council".

(3) Such section is amended by inserting "(a)" after "138.", by redesignating paragraphs (a) and (b) as paragraphs (1) and (2), respectively, and by adding at the end the following new subsection:

"(b) The State Planning Council of a State shall review the State's plan (including the design for implementation of such plan) under section 134 and the actions of the State under such plan for the purpose of determining if the State is complying with the requirements of the plan (and its design for implementation). For the purpose of assisting the Secretary in the implementation of this section, a State Planning Council may notify the Secretary of the results of any review carried out under this subsection."

NONDUPLICATION

Sec. 115. Section 140 of the Act is amended to read as follows:

"NONDUPLICATION

"Sec. 140. In determining the amount of any State's Federal share of the expenditures incurred by it under a State plan approved under section 134, there shall be disregarded (1) any portion of such expenditures which are financed by Federal funds provided under any provision of law other than section 132, and (2) the amount of any non-Federal funds required to be expended as a condition of receipt of such Federal funds."

STATE PLANNING COUNCILS

Sec. 116. Part C of the Act is amended by inserting after section 140 the following new section:

"STATE PLANNING COUNCILS

"Sec. 141. (a) Each State which receives assistance under this part shall establish a State Planning Council which will serve as an advocate for persons with developmental disabilities. The members of a State's State Planning Council shall be appointed by the governor of such State. Each State Planning Council shall at all times include in its membership representatives of the principal State agencies, local agencies, and nongovernmental agencies, and groups concerned with services to persons with developmental disabilities. At least one-third of the membership of such a Council shall consist of persons with developmental disabilities, or their parents or guardians, who are not officers of any entity, or employees of any State agency or of any other entity, which receives funds or provides services under this part.

"(b) The State Planning Council shall—

"(1) supervise the development of and approve the State plan required by this part:

"(2) monitor and evaluate the implementation of such State plan;

"(3) to the maximum extent feasible, review and comment on all State plans in the State which relate to programs affecting persons with developmental disabilities, and

"(4) submit to the Secretary, through the Governor, such periodic reports on its activities as the Secretary may reasonably request.

"(c) Each State receiving assistance under this part shall provide for the assignment to its State Planning Council of personnel adequate to insure that the Council has the capacity to fulfill its responsibilities under subsection (b)."

Sec. 117. Part C of the Act is amended by inserting after section 141 (added by section 116 of this Act) the following new section:

"JUDICIAL REVIEW

"Sec. 142. If any State is dissatisfied with the Secretary's action under section 134(c) or section 136, such State may appeal to the United States court of appeals for the circuit in which such State is located, by filing a petition with such court within 60 days after such action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary, or any officer designated by him for that purpose. The Secretary thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record, the Secretary may modify or set aside his order. The findings of the Secretary as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court affirming or setting aside, in whole or in part, any action of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of proceedings under this section shall not, unless so specifically ordered by the court, operate as a stay of the Secretary's action."

Part D—Revision of Special Projects Assistance

SPECIAL PROJECT GRANTS

Sec. 120. Part D of the Act is amended to read as follows:

"Part D—Special Project Grants

"GRANT AUTHORITY

"Sec. 145. (a) The Secretary, after consultation with the National Advisory Council on Services and Facilities to the Developmentally Disabled, may make project grants to public or nonprofit private entities for—

"(1) demonstrations (and research and evaluation in connection therewith) for establishing programs which hold promise of expanding or otherwise improving services to persons with developmental disabilities (especially those who are disadvantaged or multihandicapped), including programs for parent counseling and training, early screening and intervention, infant and preschool children, seizure control systems, legal advocacy, and community based counseling, care, housing, and other services or systems necessary to maintain a person with developmental disabilities in the community;

"(2) public awareness and public education programs to assist in the elimination of social, attitudinal, and environmental barriers confronted by persons with developmental disabilities;

"(3) coordinating and using all available community resources in meeting the needs of persons with developmental disabilities (especially those from disadvantaged backgrounds);

"(4) demonstrations of the provision of services to persons with developmental disabilities who are also disadvantaged because of their economic status;

"(5) technical assistance relating to services and facilities for persons with developmental disabilities, including assistance in State and local planning or administration respecting such services and facilities;

"(6) training of specialized personnel needed for the provision of services for persons with developmental disabilities or for research directly related to such training;

"(7) developing or demonstrating new or improved techniques for the provision of services to persons with developmental disabilities (including model integrated service projects);

"(8) gathering and disseminating information relating to developmental disabilities; and

"(9) improving the quality of services provided in and the administration of programs for such persons.

"(b) No grant may be made under subsection (a) unless an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, submitted in such manner, and contain such information, as the Secretary shall by regulation prescribe. The Secretary may not approve such an application unless the State in which the applicant's project will be conducted has a State plan approved under part C. The Secretary shall provide to the State Planning Council for the State in which an applicant's project will be conducted an opportunity to review the application for such project and to submit its comments thereon.

"(c) Payments under grants under subsection (a) may be made in advance or by way of reimbursement, and at such intervals and on such conditions, as the Secretary finds necessary. The amount of any grant under subsection (a) shall be determined by the Secretary. In determining the amount of any grant under subsection (a) for the costs of any project, there shall be excluded from such costs an amount equal to the sum of (1) the amount of any other Federal grant which the applicant has obtained, or is assured of obtaining with respect to such project, and (2) the amount of any non-Federal funds required to be expended as a condition of such other Federal grant.

"(d) For the purpose of making payments under grants under subsection (a), there are authorized to be appropriated $18,000,000 for fiscal year 1976, $22,000,000 for fiscal year 1977, and $25,000,000 for fiscal year 1978.

"(e) Of the funds appropriated under subsection (d) for any fiscal year, not less than 25 per centum of such funds shall be used for projects which the Secretary determines (after consultation with the National Advisory Council on Services and Facilities for the Developmentally Disabled) are of national significance.

"(f) No funds appropriated under the Public Health Service Act, under this Act (other than under subsection (d) of this section), or under section 304 of the Rehabilitation Act of 1973 may be used to make grants under subsection (a).

Part E—Revision of General Provisions

GENERAL PROVISIONS

Sec. 125. Part A of the Act is amended to read as follows:

"Part A—General Provisions

"SHORT TITLE

"Sec. 101. This title may be cited as the 'Developmental Disabilities Services and Facilities Construction Act'.

"DEFINITIONS

"Sec. 102. For purposes of this title:

"(1) The term 'State' includes Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the District of Columbia.

"(2) The term 'facility for persons with developmental disabilities' means a facility, or a specified portion of a facility, designed primarily for the delivery of one or more services to persons with one or more developmental disabilities.

"(3) The terms 'nonprofit facility for persons with developmental disabilities' and 'nonprofit private institution of higher learning' mean, respectively, a facility for persons with developmental disabilities and an institution of higher learning which are owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual; and the term 'nonprofit private agency or organization' means an agency or organization which is such a corporation or association or which is owned and operated by one or more of such corporations or associations.

"(4) The term 'construction' includes construction of new buildings, acquisition, expansion, remodeling, and alteration of existing buildings, and initial equipment of any such buildings (including medical transportation facilities); including architect's fees, but excluding the cost of offsite improvements and the cost of the acquisition of land.

"(5) The term 'cost of construction' means the amount found by the Secretary to be necessary for the construction of a project.

"(6) The term 'title', when used with reference to a site for a project, means a fee simple, or such other estate or interest (including a leasehold on which the rental does not exceed 4 per centum of the value of the land) as the Secretary finds sufficient to assure for a period of not less than fifty years undisturbed use and possession for the purposes of construction and operation of the project.

"(7) The term 'developmental disability' means a disability of a person which—

"(A) (i) is attributable to mental retardation, cerebral palsy, epilepsy, or autism;

"(ii) is attributable to any other condition of a person found to be closely related to mental retardation because such condition results in similar impairment of general intellectual functioning or adaptive behavior to that of mentally retarded persons or requires treatment and services similar to those required for such persons; or

"(iii) is attributable to dyslexia resulting from a disability described in clause (i) or (ii) of this subparagraph;

"(B) originates before such person attains age 18;

"(C) has continued or can be expected to continue indefinitely; and

"(D) constitutes a substantial handicap to such person's ability to function normally in society.

"(8) The term 'services for persons with developmental disabilities' means specialized services or special adaptations of generic services directed toward the alleviation of a developmental disability or toward the social, personal, physical, or economic habilitation or rehabilitation of an individual with such a disability; and such term includes diagnosis, evaluation, treatment, personal care, day care, domiciliary care, special living arrangements, training, education, sheltered employment, recreation, counseling of the individual with such disability and of his family, protective and other social and sociolegal services, information and referral services, follow-along services, and transportation services necessary to assure delivery of services to persons with developmental disabilities.

"(9) The term 'satellite center' means an entity which is associated with one or more university affiliated facilities and which functions as a community or regional extension of such university affiliated facilities in the delivery of training, services, and programs to the developmentally disabled and their families, to personnel of State agencies concerned with developmental disabilities, and to others responsible for the care of persons with developmental disabilities.

"(10) The term 'university affiliated facility' means a public or nonprofit facility which is associated with, or in an integral part of, a college or university and which aids in demonstrating the provision of specialized services for the diagnosis and treatment of persons with developmental disabilities and which provides education and training (including interdisciplinary training) of personnel needed to render services to persons with developmental disabilities.

"(11) The term 'Secretary' means the Secretary of Health, Education, and Welfare.

"FEDERAL SHARE

"SEC. 103. (a) The Federal share of any project to be provided through grants under part B and allotments under part C may not exceed 75 per centum of the necessary cost thereof as determined by the Secretary, except that if the project is located in an urban or rural poverty area, the Federal share may not exceed 90 per centum of the project's necessary costs as so determined.

"(b) The non-Federal share of the cost of any project assisted by a grant or allotment under this title may be provided in kind.

"(c) For the purpose of determining the Federal share with respect to any project, expenditures on that project by a political subdivision of a State or by a nonprofit private entity shall, subject to such limitations and conditions the Secretary may by regulation prescribe, be deemed to be expenditures by such State in the case of a project under part C or by a university-affiliated facility or a satellite center, as the case may be, in the case of a project assisted under part B.

"STATE CONTROL OF OPERATIONS

"SEC. 104. Except as otherwise specifically provided, nothing in this title shall be construed as conferring on any Federal officer or employee the right to exercise any supervision or control over the administration, personnel, maintenance, or operation of any facility for persons with developmental disabilities wtih respect to which any funds have been or may be expended under this title.

"RECORDS AND AUDIT

"SEC. 105. (a) Each recipient of assistance under this title shall keep such records as the Secretary shall prescribe, including (1) records which fully disclose (A) the amount and disposition by such recipient of the proceeds of such assistance, (B) the total cost of the project or undertaking in connection with which such assistance is given or used, and (C) the amount of that portion of the cost of the project or undertaking supplied by other sources, and (2) such other records as will facilitate an effective audit.

"(b) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipients of assistance under this title that are pertinent to such assistance.

"EMPLOYMENT OF HANDICAPPED INDIVIDUALS

"SEC. 106. As a condition of providing assistance under this title, the Secretary shall require that each recipient of such assistance take affirmative action to employ and advance in employment qualified handicapped individuals on the same terms and conditions required with respect to the employment of such individuals by the provisions of the Rehabilitation Act of 1973 which govern employment (1) by State rehabilitation agencies and rehabilitation facilities, and (2) under Federal contracts and subcontracts.

"RECOVERY

"SEC. 107. If any facility with respect to which funds have been paid under part B or C shall, at any time within twenty years after the completion of construction—

"(1) be sold or transferred to any person, agency, or organization which is not a public or nonprofit private entity, or

"(2) cease to be a public or other nonprofit facility for persons with developmental disabilities,

the United States shall be entitled to recover from either the transferor or the transferee (or, in the case of a facility which has ceased to be a public or other nonprofit facility for persons with developmental disabilities, from the owners thereof) an amount bearing the same ratio to the then value (as determined by the agreement of the parties or by action brought in the district court of the United States for the district in which the facility is situated) of so much of such facility as constituted an approved project or projects, as the amount of the Federal participation bore to the cost of the construction of such project or projects. Such right of recovery shall not constitute a lien upon such facility prior to judgment. The Secretary, in accordance with regulations prescribed by him, may, upon finding good cause therefor, release the applicant or other owner from the obligation to continue such facility as a public or other nonprofit facility for persons with developmental disabilities."

NATIONAL ADVISORY COUNCIL

SEC. 126. (a) Section 133 of the Act is transferred to part A of the Act (as amended by section 125), is redesignated as section 108, and is amended as follows:

(1) Subsection (a) of such section is amended to read as follows:

"(a)(1) There is established a National Advisory Council on Services and Facilities for the Developmentally Disabled (hereinafter in this section referred to as the 'Council') which shall consist of 9 ex officio members and 16 members appointed by the Secretary. The ex officio members of the Council are the Deputy Commissioner of the Bureau of Education for the Handicapped, the Commissioner of Rehabilitation Services Administration, the Administrator of the Social and Rehabilitation Service, the Director of the National Institute of Child Health and Human Development, the Director of the National Institute of Neurological Disease and Stroke, the Director of the National Institute of Mental Health, and three other representatives of the Department of Health, Education, and Welfare selected by the Secretary. The appointed members of the Council shall be selected from persons who are not full-time employees of the United States and shall be selected without regard to the provisions of title 5, United States Code, governing appointments in the competitive service. The appointed members shall be selected from advocates in the field of services to persons with developmental disabilities, including leaders in State or local government, in institutions of higher education, and in organizations which have demonstrated advocacy on behalf of such persons. At least five such members shall be representatives of State or local public or nonprofit private agencies responsible for services to persons with developmental disabilities, and at least five other such members shall be persons with developmental disabilities or the parents or guardians of such persons.

"(2) The Secretary shall from time to time designate one of the appointed members to serve as Chairman of the Council.

"(3) The Council shall meet at least twice a year.

"(4) The Federal Advisory Committee Act shall not apply with respect to the duration of the Council."

(2) Subsection (b) of such section is amended—

(A) by inserting "appointed" after "Each", and

(B) by striking out ", and except that" and all that follows in that subsection and inserting in lieu thereof a period and the following: "An individual who has served as a member of the Council may not be reappointed to the Council before two years has expired since the expiration of his last term of office as a member."

(3) Subsection (c) of such section is amended to read as follows:

"(c) It shall be the duty and function of the Council to—

"(1) advise the Secretary with respect to any regulations promulgated or proposed to be promulgated by the Secretary in the implementation of the provisions of this title;

"(2) study and evaluate programs authorized by this title to determine their effectiveness in carrying out the purposes for which they were established;

"(3) monitor the development and execution of this title and report directly to the Secretary any delay in the rapid execution of this title;

"(4) review grants made under this title and advise the Secretary with respect thereto; and

"(5) submit to the Congress annually an evaluation of the efficiency of the administration of the provisions of this title."

(4) Subsection (e) of such section is amended (A) by striking out "Members" and inserting in lieu thereof "Appointed members", and (B) by striking out "they" and inserting in lieu thereof "all of the members".

(b) The amendments made by subsection (a) do not affect the term of office of persons who on the date of the enactment of this Act are members of the National Advisory Council on Services and Facilities for the Developmentally Disabled. The Secretary of Health, Education, and Welfare shall make appointments to such Council in accordance with section 108 of the Act as vacancies occur in the membership of such Council on and after the date of the enactment of this Act. The ex officio members prescribed by section 108 of the Act shall take office as of the date of the enactment of this Act.

REGULATIONS

SEC. 127. Section 139 of the Act is transferred to part A of the Act (as amended by sections 125 and 126), is redesignated as section 109, and is amended as follows:

(1) Paragraphs (a), (b), and (c) are each amended by striking out "this part" and inserting in lieu thereof "part C".

(2) Paragraphs (a), (b), (c), and (d) are redesignated as paragraphs (1), (2), (3), and (4), respectively.

(3) The last sentence is repealed and the following new sentences are inserted in lieu thereof: "Regulations of the Secretary shall provide for approval of an application submitted by a State for a project to be completed by two or more political subdivisions, by two or more public or nonprofit private entities, or by any combination of such subdivisions and entities. Within 180 days of the date of the enactment of any amendments to this title, the Secretary shall promulgate such regulations as may be required for implementation of such amendments."

EVALUATION

SEC. 128. Part A of the Act (as amended by sections 125, 126, and 127) is amended by adding after section 109 the following new section:

"EVALUATION SYSTEM

"SEC. 110. (a) The Secretary, in consultation with the National Advisory Council on Services and Facilities for the Developmentally Disabled, shall within two years of the date of the enactment of the Developmentally Disabled Assistance and Bill of Rights Act develop a comprehensive system for the evaluation of services provided to persons with developmental disabilities through programs (including residential and nonresidential programs) assisted under this title. Within six months after the development of such a system, the Secretary shall require, as a condition to the receipt of assistance under this title, that each State submit to the Secretary, in such form and manner as he shall prescribe, a time-phased plan for the implementation of such a system. Within two years after the date of the development of such a system, the Secretary shall require, as a condition to the receipt of assistance under this title, that each State provide assurances satisfactory to the Secretary that the State is using such a system.

"(b) The evaluation system to be developed under subsection (a) shall—

"(1) provide objective measures of the developmental progress of persons with developmental disabilities using data obtained from individualized habilitation plans as required under section 112 or other comparable individual data;

"(2) provide a method of evaluating programs providing services for persons with developmental disabilities which method uses the measures referred to in paragraph (1); and

"(3) provide effective measures to protect the confidentiality of records of, and information describing, persons with developmental disabilities.

"(c) Not later than 2 years after the date of the Developmentally Disabled Assistance and Bill of Rights Act, the Secretary shall submit to the Congress a report on the evaluation system developed pursuant to subsection (a). Such report shall include an estimate of the costs to the Federal Government and the States of developing and implementing such a system.

"(d) The Secretary, in consultation with the National Advisory Council on Services and Facilities for the Developmentally Disabled, may make grants to public and private non-profit entities and may enter into contracts with individuals and public and nonprofit private entities to assist in developing the evaluation to be developed under subsection (a), except that such a grant or contract may not be entered into with entities or individuals who have any financial or other direct interest in any of the programs to be evaluated under such a system. Contracts may be entered into under this subsection without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5)."

TITLE II—ESTABLISHMENT AND PROTECTION OF THE RIGHTS OF PERSONS WITH DEVELOPMENTAL DISABILITIES

RIGHTS OF THE DEVELOPMENTALLY DISABLED

SEC. 201. Part A of the Act (as amended by title I) is amended by inserting after section 110 the following new section:

"RIGHTS OF THE DEVELOPMENTALLY DISABLED

"SEC. 111. Congress makes the following findings respecting the rights of persons with developmental disabilities:

"(1) Persons with developmental disabilities have a right to appropriate treatment, services, and habilitation for such disabilities.

"(2) The treatment, services, and habilitation for a person with developmental disabilities should be designed to maximize the developmental potential of the person and should be provided in the setting that is least restrictive of the person's personal liberty.

"(3) The Federal Government and the States both have an obligation to assure that public funds are not provided to any institutional or other residential program for persons with developmental disabilities that—

"(A) does not provide treatment, services, and habilitation which is appropriate to the needs of such persons; or

"(B) does not meet the following minimum standards:

"(i) Provision of a nourishing, well-balanced daily diet to the persons with developmental disabilities being served by the program.

"(ii) Provision to such persons of appropriate and sufficient medical and dental services.

"(iii) Prohibition of the use of physical restraint on such persons unless absolutely necessary and prohibition of the use of such restraint as a punishment or as a substitute for a habilitation program.

"(iv) Prohibition on the excessive use of chemical restraints on such person and the use of such restraints as punishment or as a substitute for a habilitation program or in quantities that interfere with services, treatment, or habilitation for such persons.

"(v) Permission for close relatives of such persons to visit them at reasonable hours without prior notice.

"(vi) Compliance with adequate fire and safety standards as may be promulgated by the Secretary.

"(4) All programs for persons with developmental disabilities should meet standards which are designed to assure the most favorable possible outcome for those served, and—

"(A) in the case of residential programs serving persons in need of comprehensive health-related, habilitative, or rehabilitative services, which are at least equivalent to those standards applicable to intermediate care facilities for the mentally retarded promulgated in regulations of the Secretary on January 17, 1974 (39 Fed. Reg. pt. II), as appropriate when taking into account the size of the institutions and the service delivery arrangements of the facilities of the programs;

"(B) in the case of other residential programs for persons with developmental disabilities, which assure that care is appropriate to the needs of the persons being served by such programs, assure that the persons admitted to facilities of such programs are persons whose needs can be met through services provided by such facilities, and assure that the facilities under such programs provide for the humane care of the residents of the facilities, are sanitary, and protect their rights; and

"(C) in the case of non-residential programs, which assure the care provided by such programs is appropriate to the persons served by the programs."

HABILITATION PLANS

SEC. 202. Part A of the Act is amended by inserting after section 111 (added by section 201) the following new section:

"HABILITATION PLANS

"SEC. 112. (a) The Secretary shall require as a condition to a State's receiving an allotment under part C after September 30, 1976, that the State provide the Secretary satisfactory assurances that each program (including programs of any agency, facility, or project) which receives funds from the State's allotment under such part (1) has in effect for each developmentally disabled person who receives services from or under the program a habilitation plan meeting the requirements of subsection (b), and (2) provides for an annual review, in accordance with subsection (c), of each such plan.

"(b) A habilitation plan for a person with developmental disabilities shall meet the following requirements:

"(1) The plan shall be in writing.

"(2) The plan shall be developed jointly by (A) a representative or representatives of the program primarily responsible for delivering or coordinating the delivery of services to the person for whom the plan is established, (B) such person, and (c) where appropriate, such person's parents or guardian or other representative.

"(3) Such plan shall contain a statement of the long-term habilitation goals for the person and the intermediate habilitation objective relating to the attainments of such goals. Such objectives shall be stated specifically and in sequence and shall be expressed in behavioral or other terms that provide measurable indices of progress. The plan shall (A) describe how the objectives will be achieved and the barriers that might interfere with the achievement of them. (B) state an objective criteria and an evaluation procedure and schedule for determining whether such objectives and goals are being achieved, and (C) provide for a program coordinator who will be responsible for the implementation of the plan.

"(4) The plan shall contain a statement (in readily understandable form) of specific habilitation services to be provided, shall identify each agency which will deliver such services, shall describe the personnel (and their qualifications) necessary for the provision of such services, and shall specify the date of the initiation of each service to be provided and the anticipated duration of each such service.

"(5) The plan shall specify the role and objectives of all parties to the implementation of the plan.

"(c) Each habilitation plan shall be reviewed at least annually by the agency primarily responsible for the delivery of services to the person for whom the plan was established or responsible for the coordination of the delivery of services to such person. In the course of the review, such person and the person's parents or guardian or other representative shall be given an opportunity to review such plan and to participate in its revision."

PROTECTION AND ADVOCACY OF INDIVIDUAL RIGHTS

SEC. 203. Part A of the Act is amended by inserting after section 112 (added by section 202) the following new section:

"PROTECTION AND ADVOCACY OF INDIVIDUAL RIGHTS

"SEC. 113. (a) The Secretary shall require as a condition to a State receiving an allotment under part C for a fiscal year ending before October 1, 1977, that the State provide the Secretary satisfactory assurances that not later than such date (1) the State will have in effect a system to protect and advocate the rights of persons with developmental disabilities, and (2) such system will (A) have the authority to pursue legal, administrative, and other appropriate remedies to insure the protection of the rights of such persons who are receiving treatment, services, or habilitation within the State, and (B) be independent of any State agency which provides treatment, services, or habilitation to persons with developmental disabilities. The Secretary may not make an allotment under part C to a State for a fiscal year beginning after September 30, 1977, unless the State has in effect a system described in the preceding sentence.

STUDIES AND RECOMMENDATIONS

SEC. 204. (a) The Secretary of Health, Education and Welfare (hereinafter in this section referred to as the "Secretary") shall conduct or arrange for the conduct of the following:

(1) A review and evaluation of the standards and quality assurance mechanisms applicable to residential facilities and community agencies under the Rehabilitation Act of 1973, titles I and VI of the Elementary and Secondary Education Act of 1965, titles XVIII, XIX, and XX of the Social Security Act, and any other Federal law administered by the Secretary. Such standards and mechanisms shall be reviewed and evaluated (A) for their

effectiveness in assuring the rights, described in section 111 of the Act, of persons with developmental disabilities, (B) for their effectiveness in insuring that services rendered by such facilities and agencies to persons with developmental disabilities are consistent with current concepts of quality care concerning treatment, services, and habilitation of such persons, (C) for conflicting requirements, and (D) for the relative effectiveness of their enforcement and the degree and extent of their effectiveness.

"(b) (1) To assist States in meeting the requirements of subsection (a), the Secretary shall allot to the States the sums appropriated under paragraph (2). Such allotments shall be made in accordance with subsections (a) (1) (A) and (d) of section 132.

"(2) For allotments under paragraph (1), there are authorized to be appropriated $3,000,000 for fiscal year 1976, $3,000,000 for fiscal year 1977, and $3,000,000 for fiscal year 1978."

(2) The development of recommendations for standards and quality assurance mechanisms (including enforcement mechanisms) for residential facilities and community agencies providing treatment, services, or habilitation for persons with developmental disabilities which standards and mechanisms will assure the rights stated in section 111 of the Act. Such recommendations shall be based upon performance criteria for measuring and evaluating the developmental progress of persons with developmental disabilities which criteria are consistent with criteria used in the evaluation system developed under section 110 of the Act.

(3) The development of recommendations for changes in Federal law and regulations administered by the Secretary after taking into account the review and evaluation under paragraph (1) and the recommended standards or mechanisms developed under paragraph (2).

(b) (1) The Secretary may in consultation with the National Advisory Council on Services and Facilities for the Developmentally Disabled, obtain (through grants or contracts) the assistance of public and private entities in carrying out subsection (a).

(2) In carrying out subsection (a), the Secretary shall consult with appropriate public and private entities and individuals for the purpose of receiving their expert assistance, advice, and recommendations. Such agencies and individuals shall include persons with developmental disabilities, representative of such individuals, the appropriate councils of the Joint Commission on Accreditation of Hospitals, providers of health care, and State agencies. Persons to be consulted shall include the following officers of the Department of Health, Education and Welfare: The Commissioner of the Medical Services Administration, the Commissioner of the Rehabilitation Services Administration, the Deputy Commissioner of the Bureau of Education for the Handicapped, the Assistant Secretary for Human Development, the Commissioner of the Community Services Administration, and the Commissioner of the Social Security Administration.

(c) The Secretary shall within 18 months after the date of enactment of this Act complete the review and evaluation and development of recommendations prescribed by subsection (a) and shall make a report to the Committee on Labor and Public Welfare of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives on such review and evaluation and recommendations.

TITLE III—MISCELLANEOUS

REPORT AND STUDY

SEC. 301. (a) The Secretary of Health, Education, and Welfare (hereinafter in this section referred to as the "Secretary") shall, in accordance with section 101(7) of the Act (defining the term "developmental disability") (as amended by title I of this Act), determine the conditions of persons which should be included as developmental disabilities for purposes of the programs authorized by title I of the Act. Within six months of the date of enactment of this Act the Secretary shall make such determination and shall make a report thereon to the Congress specifying the conditions which he determined should be so included, the conditions which he determined should not be so included, and the reasons for each such determination. After making such report, the Secretary shall periodically, but not less often than annually, review the conditions not so included as developmental disabilities to determine if they should be so included. The Secretary shall report to the Congress the results of each such review.

(b) (1) The Secretary shall contract for the conduct of an independent objective study to determine (A) if the basis of the definition of the developmental disabilities (as amended by title I of this Act) with respect to which assistance is authorized under such title is appropriate and, to the extent that it is not, to determine an appropriate basis for determining which disabilities should be included and which disabilites should be excluded from the definition, and (B) the nature and adequacy of services provided under other Federal programs for persons with disabilities not included in such definition.

(2) A final report giving the results of the study required by paragraph (1) and providing specifications for the definition of developmental disabilities for purposes of title I of the Act shall be submitted by the organization conducting the study to the Committee on Interstate and Foreign Commerce of the House of Representatives and the Committee on Labor and Public Welfare of the Senate not later than eighteen months after the date of enactment of this Act.

CONFORMING AMENDMENTS

SEC. 302. (a) Sections 134, 137, 138, 140, 141, and 142 of the Act are redesignated as sections 133, 134, 135, 136, 137, and 138, respectively.

(b) (1) Section 132 of the Act is amended by striking out "134" each place it occurs and inserting in lieu thereof "133".

(2) Section 133(b) (1) is amended by striking out "141" and inserting in lieu thereof "137".

(3) Section 135 of the Act (as so redesignated) is amended (A) by striking out "134" each place it occurs and inserting in lieu thereof "133", and (B) by striking out "136" in subsection (b) and inserting in lieu thereof "135".

(4) Section 136 of the Act (as so redesignated) is amended by striking out "134" each place it occurs and inserting in lieu thereof "133".

(5) Section 138 of the Act (as so redesignated) is amended (A) by striking out "134" and inserting in lieu thereof "133", and (B) by striking out "136" and inserting in lieu thereof "135".

(c) Sections 100 and 130 of the Act and title IV of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 are repealed.

EFFECTIVE DATE

SEC. 303. The amendments made by this Act shall take affect with respect to appropriations under the Act for final years beginning after June 30, 1975.

And the Senate agree to the same.

Harley O. Staggers,
Paul G. Rogers,
David E. Satterfield,
Richardson Preyer,
J. W. Symington,
James Scheuer,
Henry A. Waxman,
Tim Lee Carter,
James T. Broyhill,
J. F. Hastings,
Managers on the Part of the Senate.

Jennings Randolph,
Alan Cranston,
Harrison Williams,
Claiborne Pell,
Edward M. Kennedy,
Walter F. Mondale,
William D. Hathaway,
Robert T. Stafford,
Bob Taft, Jr.,
Richard S. Schweiker,
J. Glenn Beall,
J. Javits,
Managers on the Part of the House.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4005) to amend the Developmental Disabilities Services and Facilities Construction Act to revise and extend the programs authorized by that Act, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment to the text of the bill struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

SHORT TITLE

The House bill provides that the Act may be cited as the "Developmental Disabilities Amendments of 1975".

The Senate amendment provides that the Act may be cited as the "Developmentally Disabled Assistance and Bill of Rights Act".

The conference substitute conforms to the Senate amendment.

LENGTH OF EXTENSION

The House bill provides a one-year simple extension of existing authorities through fiscal 1975 and a two-year revision and extension through fiscal 1977.

The Senate amendment provides a five-year revision and extension from fiscal 1975 through fiscal 1979.

The conference substitute provides a one-year simple extension through fiscal 1975 and a three-year revision and extension through fiscal 1978.

AUTHORIZATIONS OF APPROPRIATIONS

The authorizations of appropriations for the House bill, Senate amendment and the conference substitute are all shown in Table 1.

The conferees did not authorize appropriations for either the National Advisory Council on Developmental Disabilities or the development of the evaluation system because both are the direct administrative responsibility of the Secretary of HEW and it is not usual practice to authorize appropriations for such responsibilities. This has the effect of authorizing appropriations of such sums as may be necessary and the conferees noted their view that the amounts included in the Senate amendment were reasonable.

TABLE I.—AUTHORIZATIONS OF APPROPRIATIONS IN THE HOUSE BILL, SENATE AMENDMENT AND CONFERENCE SUBSTITUTE ON DEVELOPMENTAL DISABILITIES

[In millions of dollars; fiscal years]

	1975			1976			1977			1978			1979			Total		
	H	S	C	H	S	C	H	S	C	H	S	C	H	S	C	H	S	C
University affiliated facilities	(1)	25.0	(1)	12	25.0	15	15	25.0	18	(2)	25.0	21	(2)	25.0	(2)	27	125.0	54
Construction of university affiliated facilities	(1)	6.5	(1)		6.5	3		6.5	3	(2)	6.5	3	(2)	6.5	(2)		32.5	9
Special project grants	(1)	17.5	(1)	15	20.0	18	15	22.5	22	(2)	25.0	25	(2)	27.5	(2)	30	112.5	65
States formula grants	(1)	50.0	(1)	40	85.0	40	50	95.0	50	(2)	100.0	60	(2)	110.0	(2)	90	440.0	150
National Council on Developmental Disabilities	(1)	.1	(1)		.1			.1		(2)	.1		(2)	.1	(2)		.5	
Evaluation system	(1)		(1)		1.0			1.0		(2)			(2)		(2)		2.0	
Personal advocacy system		[3]NS	(1)		NS	3		NS	3		NS	3		NS			NS	9
Bill of Rights		NS	(1)		NS			NS			NS						NS	
Total		99.1		67	137.6	79	80	150.1	96		156.6	112		169.1		147	712.5	287

[1] Simple 1 yr extension of existing authorities.
[2] No authorizations.
[3] NS—Such sums as may be necessary.

DEFINITIONS

Developmental disability

The House bill defines a "developmental disability" as a disability attributable to mental retardation, cerebral palsy, epilepsy, autism, *dyslexia, or a neurological condition of an individual found by the Secretary to be closely related to mental retardation* or to require treatment similar to that required for mentally retarded individuals, which disability originates before the disabled individual attains age 18, has continued or can be expected to continue indefinitely, and constitutes a substantial handicap to such individual.

The Senate amendment defines a "developmental disability" as a disability which is attributable to mental retardation, cerebral palsy, epilepsy, autism, or *to a severe specific learning disability; or attributable to any other condition of an individual found to be closely related to mental retardation as it refers to general intellectual functioning or impairment and adaptive behavior* or to require treatment similar to that required for mentally retarded individuals, which disability originates before the disabled individual attains age 18, has continued or can be expected to continue indefinitely, and constitutes a substantial handicap to such individual's *ability to function normally in society.*

The conference substitute defines a "developmental disability" as a disability which is attributable to (i) mental retardation, cerebral palsy, epilepsy, or autism; (ii) any other condition of a person found to be closely related to mental retardation because such condition results in similar impairment of general intellectual functioning or adaptive behavior to that of mentally retarded persons or requires treatment and services similar to those required for such persons; or (iii) dyslexia resulting from a disability described in clause (i) or (ii), and originates before such person attains age 18, has continued or can be expected to continue indefinitely, and constitutes a substantial handicap to such person's ability to function normally in society.

In recognition of the fact that serious reading difficulties may accompany mental retardation, cerebral palsy, epilepsy, autism, or other conditions closely related to mental retardation, the Conference Committee has included dyslexia which is due to at least one of the conditions in the definition of the term developmental disability. It should be clearly understood that benefits under this Act are intended to apply only to those individuals whose dyslexia can be clearly shown to be attributable to mental retardation, cerebral palsy, epilepsy and autism. In addition, the disabling condition of the dyslexic person who qualifies under the above definition must originate before that individual reaches age 18, be expected to continue indefinitely, and constitute a substantial hardship to that individual's ability to function normally in society.

Specific learning disability

The Senate amendment, but not the House bill, defines a "specific learning disability" as a disorder in one or more of the basic psychological processes involved in understanding or in using language, spoken or written, which disorder may manifest itself in imperfect ability to listen, think, speak, read, write, spell, or do mathematical calculations. Such disorder may include such conditions as perceptual handicaps, brain injury, minimal brain disfunction, dyslexia, or developmental aphasia, but such term does not include learning problems which are primarily the result of visual, hearing or motor handicaps, of mental retardation, of emotional disturbance, or of environmental disadvantage.

The conference substitute conforms to the House bill.

University-affiliated facility

The Senate amendment, but not the House bill, defines a "university-affiliated facility" as a public or non-profit private facility which is associated with, or is an integral part of a college or university and which aids in demonstrating the provision of specialized services for the diagnosis and treatment of persons with developmental disabilities and education and training (including interdisciplinary training) of personnel needed to render specialized services to persons with developmental disabilities.

The conference substitute conforms to the Senate amendment with technical changes.

Satellite center

The Senate amendment, but not the House bill, defines a "satellite center" as a facility of an agency or agencies associated with a university-affiliated facility that functions as a community or regional extention of such university-affiliated facility in the delivery of training services and programs to the consumers or their representatives, the designated state delivery system agency, and other service or program delivery units.

The conference substitute conforms to the Senate amendment with technical changes.

Design for implementation

The Senate amendment, but not the House bill, defines a "design for implementation" as a document prepared by the appropriate State agency or agencies, outlining the implementation of the State plan as developed by the State Planning Council. The design for implementation is to include details on the methodology of implementation, priorities for spending, a detailed plan for the use of funds provided under the Act, specific objectives to be achieved, a listing of the programs and resources to be used, and a method of periodic evaluation of its effectiveness in meeting State plan objectives.

The conference substitute conforms to the House bill. Note that the requirement for a design for implementation is incorporated into the requirements for the State plan.

Poverty area

The Senate amendment, but not the House bill, defines a "poverty area" as having the meaning given it in regulations of the Secretary.

The House bill does provide in its general provisions that, in determining whether an area is a poverty area, the Secretary must find that the area contains one or more subareas of poverty, the population of such subarea(s) constitutes a substantial portion of the population of the area, and the project will serve the needs of the residents of the subarea(s).

The conference substitute conforms to the Senate amendment. The conferees noted their intent that the regulations define poverty areas in the manner required by P.L. 93-641.

SPECIAL PROJECT GRANTS

The House bill authorizes the Secretary to make grants for special projects for seven listed purposes. No grant is to be made in any State which does not have a State plan approved under section 134.

The Senate amendment authorizes the Secretary to make grants for special projects and demonstrations (and research and evaluation connected therewith) for six listed purposes which differ from those in the House bill. In making project grants, the Secretary is required to consult with the National Advisory Council for Developmental Disabilities, section 119. The Secretary is required to get the approval or disapproval of the appropriate State planning council for each proposed project within 30 days after application is submitted for it.

The House bill requires funding of projects for the listed purposes from the given special project authority and from no other authority in the Public Health Service or Developmental Disabilities Act, section 130.

The Senate amendment specifies that projects funded under the special project authority are not to be eligible for funding under section 304 of the Rehabilitation Act of 1973.

The House bill specifies that, of the funds appropriated for special project grants, not less than 30 percent are to be used for projects of national significance.

The Senate amendment, in addition to the special project authorizations described above, authorizes the Secretary to continue the provision in existing law for making grants after consultation with the National Advisory Council on Developmental Disabilities, using no more than 10 percent of the sums appropriated for allotments to the States for projects of special national significance, of which four examples are listed (differing from the purposes for special projects listed in either the House or Senate provisions).

The conference substitute combines the two provisions to authorize project grants for a list of purposes which includes all of those in either bill. It also requires consultation with the National Advisory Council, a State plan in any State receiving a project grant, review and comment on applications for project grants by State planning councils, and contains barriers to funding special projects under other parts of the Public Health Service Act, of section 304 of the Vocational Rehabilitation Act, and an earmark of not less than 25% of special project funds for projects of national significance.

With regard to the status of special projects for the developmentally disabled currently funded under section 304 of the Rehabilitation Act of 1973, the conferees intend as smooth as possible a transition in the creation of this special project authority for the developmentally disabled as discussed in the Senate Report on S. 4194, the Rehabilitation Act Amendment of 1974 (S. Rept. 93–1139) and reiterated in the Senate report on its developmental disabilities bill. The two Acts (Rehabilitation and Developmentally Disabilities) serve different functions, and clearly persons who are developmentally disabled who are eligible under the provisions of the Rehabilitation Act are entitled to receive services and to have special projects focused on their needs under it.

It is the expectation of the Conference committee that the National Advisory Council will advise and assist the Secretary in the development of and review and comment on projects of national significance and the development of policies, procedures and priorities for the awarding of other special project grants; however, the National Advisory Council will not be expected to review intra-State projects. This responsibility will rest with the State Planning Councils.

Finally, section 117(b) of the Senate amendment provided that the Secretary may waive regulations in order to approve applications by two or more political subdivisions or public or nonprofit private agencies to combine funds from other Federal, State or local programs in order to deliver improved comprehensive services to persons with developmental disabilities if such regulations would impede the implementation of such projects. The intent of the provision of the Senate amendment was to demonstrate new methods of service delivery and to provide enough flexibility under Federal law, on a demonstration basis, so that the funds could be combined from available resources for this demonstration. The Senate recedes and agrees with the House that such comprehensive service demonstration projects shall be carried out under the special projects authority.

UNIVERSITY-AFFILIATED FACILITIES

Basic grant authority

The existing law, extended by the House bill without amendment, authorizes demonstration and training grants for institutions of higher education to assist with the costs of demonstration and training projects for personnel who will serve the developmentally disabled. In recent years this provision has been used solely to support university-affiliated facilities for the developmentally disabled, section 122 of existing law.

The Senate amendment replaces the provision of existing law with a new authority for grants to university-affiliated facilities (now a defined term, see definitions, above). The university-affiliated facilities are to provide demonstration and training programs for personnel needed to render services to people with developmental disabilities, with emphasis on the ability and commitment of the programs to provide services not otherwise available to the developmentally disabled, section 102.

The conference substitute conforms to the Senate amendment with technical changes.

Need and feasibility studies

The Senate amendment, but not the House bill, requires each university-affiliated facility receiving a grant under this provision to conduct a study and submit to the Secretary within six months of receipt of the grant a report on:

(a) an assessment of the need for the provision of alternate community care services for the developmentally disabled in each State not served by the grant recipient in the area in which the institution is located, and

(b) a feasibility study of ways in which grant recipients can establish and operate satellite centers (a defined term, see definitions, above) in the areas described in subparagraph (a) to provide demonstration and training programs in those areas.

Studies are to be carried out in consultation with the State planning council for each State in which the study is conducted. The Secretary, subject to the availability of funds, is required to include in a grant to a university-affiliated facility an additional amount (not in excess of $25,000) to pay for the costs of such assessments and studies, section 102 (a) (2) and (3).

The conference substitute contains a compromise by authorizing but not requiring each university-affiliated facility to do a feasibility study of ways in which grant recipients can establish and operate satellite centers in areas not otherwise served by university-affiliated facilities. It requires such studies to be carried out in consultation with the appropriate State planning councils and authorizes the Secretary to make additional grants of $25,000 to the university-affiliated facilities which do such a study.

Grants for satellite centers

The Senate amendment, but not the House bill, authorizes the Secretary to make grants to university-affiliated facilities to assist in the costs of establishing and operating satellite centers (a defined term, see definitions above). Recipients of satellite center grants are authorized to contract for the operation of the centers to other qualified agencies. The non-Federal share for a satellite center grant is to be provided by the State in which the center is to be located, section 102(b).

The conference substitute contains a compromise authorizing the Secretary to make grants directly to satellite centers on terms otherwise similar to those of the Senate amendment.

The provision in the Senate amendment stating that the non-Federal share of a grant to pay part of the costs of establishing, administering, and operating a satellite center would be provided by the State in which the satellite center will be located, was deleted to remove the possibility of an incorrect assumption that the State would necessarily bear the burden of the matching costs, and to clarify that matching costs may be borne by an appropriate community entity in the area which would derive benefit from the satellite center.

Earmarking of appropriations for university-affiliated facilities

The Senate amendment, but not the House bill, requires amounts appropriated in fiscal year 1975 in excess of $4.25 million, but not in excess of $4.975 million, to be made available for the purpose of carrying out studies and assessments required of university-affiliated facilities by section 102(a), see above. Further requires for fiscal years after 1975 that the first $4.25 million appropriated be used only for grants to university-affiliated facilities, and that one-half of any amount appropriated in excess of $4.25 million be used for grants for satellite centers, section 102(c).

The conference substitute contains a compromise requiring, in fiscal years 1976 and 77 that the first $5 million appropriated be available for grants to university-affiliated facilities, the next $750,000 appropriated be available for grants for feasibility studies for satellite centers, and that 40 percent of any amount appropriated in excess of $5.75 million be available for grants for satellite center operation. In 1978, it requires that 40 percent of amounts appropriated in excess of $5.5 million be available for satellite center operation. The conference substitute also provides that any portion of the $750,000 set aside for grants for feasibility studies which is not required for carrying out such studies shall be made available for making grants for the administration and operation of university-affiliated facilities.

Assistance for construction of university-affiliated facilities

Existing law contains provisions, which were not extended by the House bill, authorizing construction assistance for facilities which will aid in demonstrating provision of specialized care to the developmentally disabled and specifies various requirements with respect to such construction assistance, sections 121 and 123 of existing law.

The Senate amendment replaces the provisions of existing law with authority for project grants for renovation or modernization of university-affiliated facilities or their satellite centers being assisted under the Act. Such assistance is to be used only with respect to facilities which, after renovation and modernization, meet standards adopted pursuant to the Architectural Barriers Act of 1968. Priority in making grants is to be given to applicants using existing facilities. The construction grants are subject to various conditions which differ from those in existing law in that:

(a) the application for assistance is to be consistent with the appropriate State developmental disabilities plan;

(b) the application is to be reviewed and commented on by the State Planning Council, except the Secretary may only approve an application for assistance if he finds that failure by the appropriate State planning council to comment is aribtrary, capricious, or unwarranted, section 101 and 103.

The conference substitute conforms to the Senate amendment with technical changes.

ALLOTMENTS TO STATES

Minimum allotments

The House bill requires a minimum allotment to each State, except for the territories, of $100,000. It eliminates from existing law requirements for pro rata increases in the minimum allotment, when appropriations exceed $60 million, in amounts proportional to the amount by which appropriations exceed $60 million, and contains no hold harmless provisions, section 132.

The Senate amendment requires a minimum allotment for each State, except for the territories, of $200,000. It amends the existing law to require a pro rata increase in the minimum allotment, when appropriations exceed $50 million, in an amount proportional to the amount by which appropriations exceed $50 million, and provides that, despite the minimum allotment requirements, no State, is to receive less in allotments than it did in fiscal 1974, section 112.

The conference substitute compromises by requiring a minimum allotment of $150,000, accepting the pro rata increase in minimum allotments when appropriations exceed $50 million, and including a hold harmless provision.

Earmark for deinstitutionalization

The House bill, but not the Senate amendment, requires each State in fiscal 1976 to use not less than 10 percent of its allotment for developing and implementing plans designed to eliminate inappropriate placement in institutions of persons with developmental disabilities, and further requires each State to use 30 percent of its allotment for such purpose in years subsequent to 1976, section 132.

The conference substitute conforms to the House bill

In earmarking 10 percent of the State's allotment in fiscal year 1976 and 30 percent in succeeding fiscal years to assist the State in developing and implementing plans (submitted pursuant to section 134(b)(20)) designed to eliminate inappropriate placement in institutions of persons with developmental disabilities, the conferees are in agreement that the development of community resources to serve previously institutionalized individuals would be an appropriate purpose for which such funds could be expended, and, where proposed, would be an integral part of any such plan and its implementation.

Administration of grants

The Senate amendment, but not the House bill, requires the Secretary to administer grants (from allotments) in accordance with policies used generally to administer grants throughout HEW, section 112(f).

The conference substitute conforms to the House bill.

STATE PLANS

Preparation and approval of State plan

The House bill requires each State to prepare and submit to the Secretary a State plan for developmental disabilities. The State plan is to provide for a State planning and advisory council which is to review and evaluate the plan at least annually and submit appropriate revision and modifications of the plan, and reports to the Secretary, Section 134.

The Senate amendment contains similar requirements except that the State plan is to be initially submitted within 180 days after the date of enactment of the Act, the Secretary cannot approve a State plan until the appropriate State planning council has approved the design for implementation for that plan (see design for implementation, below), and the separate requirements respecting State planning councils in the Senate amendment require that the State plan be developed and prepared by the State planning council, sections 114 and 115.

The conference substitute compromises by requiring the State planning council to supervise the development of, and approve, the State plan, which is to be prepared by the State agency.

Requirements respecting State plans

Deinstitutionalization

The House bill requires that the State plan contain a plan designed to eliminate inappropriate placement in institutions of persons with developmental disabilities, and to improve the quality of care and the state of surroundings of persons for whom institutional care is appropriate.

The Senate amendment requires the State plan to be a specific goal oriented plan, to describe how the goals are to be met, and lists, as two of the goals to be included, the reduction and eventual elimination of inappropriate institutional placement of persons with developmental disabilities and improving the quality of care, habilitation and rehabilitation of persons with developmental disabilities for whom institutional care is appropriate.

The conference substitute conforms to the House bill.

Payment of Construction Workers (Davis-Bacon)

The House bill removes from existing law requirements that the Secretary approve each individual construction project for which State allotment funds are used and amends the State plan to require reasonable assurances that labor and mechanics employed on construction projects assisted from State allotments will be paid at prevailing rates (Davis-Bacon requirements).

The Senate amendment contains similar provisions but *without* the requirements respecting payment of construction workers.

The conference substitute conforms to the House bill.

Services to Persons Unable To Pay Therefor

Existing law contains, and the House bill preserves, a requirement that facilities for the developmentally disabled constructed using State allotments meet requirements of the Secretary for furnishing needed services to persons unable to pay therefor.

The Senate amendment contains no comparable provision.

The conference substitute conforms to the House bill.

Goal Orientation of the State Plan

The Senate amendment, but not the House bill, requires that the State plan be a specific goal oriented plan including provisions designed to accomplish seven listed goals: deinstitutionalization; improvement of the quality of institutional care; screening, diagnosis and evaluation of developmentally disabled infants and children; services for developmentally disabled adults; establishment of community alternatives to institutionalization; protection of the human rights of the developmentally disabled; and interdisciplinary intervention and training programs for multi-handicapped individuals.

The conference substitute compromises by including, in the State plan requirements, requirements for provisions designed to accomplish the listed goals not already included in the State plan.

Quality, Extent and Scope of Services

Existing law contains, and the House bill preserves, a requirement that the State plan provide for furnishing of services, and facilities to persons with developmental disabilities associated with mental retardation, specify the other categories of developmental disabilities included in the State plan, and describe the quality, extent and scope of services to be provided to eligible persons.

The Senate amendment requires that the State plan describe the quality, extent and scope of services being provided or to be provided to meet the goals of the State plan (described above).

The conference substitute conforms to the Senate amendment with technical changes.

Use of Volunteers

The Senate amendment, but not the House bill, requires the State plan to provide for the maximum use of available community resources including volunteers serving under the Domestic Volunteer Service Act of 1973.

The conference substitute conforms to the Senate amendment.

Requirement Respecting the State Planning Council

The Senate amendment, but not the House bill, requires the State plan to:

(1) provide adequate personnel for the State Planning Council to insure it has the capacity to fulfill its responsibilities;

(2) provide, to the maximum extent feasible, an opportunity for prior review and comment by the Council of all State plans in the State which relate to programs affecting the developmentally disabled;

(3) provide that personnel assigned to the Council will be solely responsible to it; and

(4) provide that all relevant information concerning any programs which may affect the developmentally disabled shall be made available by project and State agencies to the Council.

The conference substitute conforms to the Senate amendment.

Amount Available for Construction

Existing law, contains a requirement, not affected by the House bill, that the State plan specify the amount of the allotment to be used for construction and that that amount may not exceed 50 percent of the State's allotment.

The Senate amendment contains similar provisions, except that the amount to be used for construction is not to exceed 10 percent of the State's allotment.

The conference substitute conforms to the Senate amendment.

Architectural Barriers

The Senate amendment, but not the House bill, requires construction projects assisted from the State allotment to comply with any standards prescribed pursuant to the Architectural Barriers Act of 1968.

The conference substitute conforms to the Senate amendment.

Evaluation System

The Senate amendment, but not the House bill, requires the State plan to provide for implementation of an evaluation system compatible with that developed by the Secretary (see evaluation system requirements, below).

The conference substitute conforms to the Senate amendment.

Protection of Employee Interests

The Senate amendment, but not the House bill, requires the State plan to provide for fair and equitable arrangements determined by the Secretary in consultation with the Secretary of Labor to protect the interests of employees affected by the State plan.

The conference substitute conforms to the Senate amendment with changes in the language to conform it to that on protection of employee interests included in P.L. 94-63.

STATE PLANNING COUNCILS

Existing law, unaffected by the House bill, requires the State plan to provide for designation of a State planning and advisory council responsible for submitting revisions of the State plan and reports required by the Secretary. The council is to review and evaluate the State plan and submit modifications of it at least annually. Existing law also requires that the council be adequately staffed and specifies requirements respecting its membership.

The Senate amendment requires, in a provision separate from the State plan requirements, that each State establish a State Planning Council to serve as an advocate for persons with developmental disabilities; to develop and prepare the State plan; approve, monitor and evaluate the implementation of the plan and submit to the Governor and the State legislature an annual report on its implementation; establish priorities for the distribution of funds for programs for the developmentally disabled; review and comment on all State plans relating to programs affecting the developmentally disabled; and submit to the Secretary, through the Governor, periodic reports on its activities. The amendment contains different requirements from existing law respecting council staffing and membership.

The conference substitute contains a compromise which requires, in a provision separate from the State planning requirements, that each State have a State planning council which serves as an advocate for persons with developmental disabilities. Members of the council are to be appointed by the Governor and the membership is to include representatives of the principal State agencies, local agencies, and non-governmental agencies and groups concerned with the developmentally disabled. At least one-third of the membership of each council is to consist of persons with developmental disabilities or their parents or guardians. The State planning councils are to:

(1) Supervise the development and implementation of the State plan required by law;

(2) Monitor and evaluate the implementation of the State plan;

(3) Review and comment on all State plans in a State which relate to programs affecting persons with developmental disabilities; and

(4) Submit to the Secretary, through the Governor, such periodic reports on their activities as the Secretary may reasonably request.

Conferees deleted provisions relating to minimum and maximum percentage of the State allotment required to be expended on staff to the State councils because this provision would have been difficult to implement across all States because they vary greatly in population and State allotments. The conferees intend, however, that adequate funds from the State allotments shall be expended to provide qualified staff solely for purposes of assisting the State councils in carrying out their responsibilities and that such staff shall not have joint responsibilities to the State council and to any State agencies, but shall be responsible only to the State council.

Persons with developmental disabilities or their parents or guardians who are officers of any entity, or employees of any State agency or of any other entity which receives funds or provides services under this part may not serve on State planning councils as consumer representatives. In order to assure the minimum of disruption of ongoing functions of the State councils, the conferees expect that individuals presently serving on Councils will serve for a reasonable interim period of time after enactment until new members can be located and appointed.

Section 115(b)(2) of the Senate amendment provided that the State planning councils shall approve, monitor and implement the state plan and submit to the governors and state legislatures an annual report on the implementation of the plan. The intent of this provision of the Senate amendments was that since the council will be appointed by the Chief Executive Officer of the State or the State legislatures, an annual report of the implementation of the responsibilities delegated to the councils should be provided to the governor and State legislatures. The Senate receded on this provision; however, it is the intent of the conferees that all reports on the activities of State councils shall be available to the Governor; State Legislature; State agencies and organizations participating in programs for the developmentally disabled and other interested groups.

DESIGN FOR IMPLEMENTATION

The Senate amendment, but not the House bill, apparently requires each State to prepare a design for implementation of the State plan (a defined term, see above). The design for implementation is to be a document prepared by the appropriate State agency outlining the implementation of the State plan as developed by the State planning council. The design for implementation is to be approved by the State planning council and the Secretary may not approve a State plan until the Council has approved the design for implementation, sections 2, 114, and 115.

The conference substitute contains a compromise by requiring that the State plan include a design for implementation with the characteristics included in the definition in the Senate amendment.

EVALUATION SYSTEM

The Senate amendment, but not the House bill, requires the Secretary, in consultation with the National Advisory Council, to develop a design for a comprehensive system for the evaluation of services provided to the developmentally disabled, and a time phased plan for the implementation by the States of such system.

The system is to provide models for the development of state evaluation systems for services delivered within each State to the developmentally disabled in order to evaluate the effect of the services on the lives of the disabled. It is further to be designed to provide objective measures of the progress of the developmentally disabled; objective measures of the value of living environments and associated services in promoting developmental progress in the disabled; and specific criteria which are effective and practical to use as compliance levels for operating residential and community facilities and agencies.

The Secretary is to report by February 1, 1977, to the Congress on the development of the system, is authorized to make grants and enter into contracts with outside organizations and individuals to assist in its development, and is authorized to seek appropriations for its development in 1976 and 1977 of not more than $1 million a year.

The conference substitute contains a compromise requiring the Secretary, in consultation with the National Advisory Council, to develop a comprehensive system for the evaluation of services provided to persons with developmental disabilities through programs assisted under the Act. The system is to be developed within two years after the date of enactment and then within six months after it is developed the Secretary is to obtain from each State a time-phased plan for that State's implementation of the system within two years after it is developed.

The evaluation system to be developed is to provide objective measures of the developmental progress of persons with developmental disabilities using data obtained from individualized habilitation plans; provide a method for evaluating programs providing services for persons with developmental disabilities which method uses the measures of individual progress; and provide effective measures to protect the confidentiality of records and information describing persons with developmental disabilities.

The Secretary is to report to the Congress on the system developed and the cost of its implementation within two years after the date of enactment. The Secretary is to report to the Congress on the system developed and the cost of its implementation within two years after the date of enactment. The Secretary is authorized to obtain by grant or contract assistance in the development of the evaluation system.

The conferees intend that the Secretary will make the evaluation system available to the States and require the States to provide within 30 months a plan demonstrating how each State will put the evaluation system into place. It is expected that the time-phased plan will be specific and specify a partial evaluation system to be implemented by the States within 30 months from date of enactment, and that the plan provided to the Secretary by each State will specify how it intends to accomplish this.

The conferees have directed the Secretary to carry out his responsibilities in developing this evaluation system in consultation with the National Council on Developmental Disabilities. It is expected that consultation will also include the State Councils since their role will be substantial in assuring the implementation of the evaluation system. In carrying out the implementation of this system within the States, it is expected that the State Councils will work with those individuals involved and knowledgeable about training of personnel, child development and the delivery of services to persons with developmental disabilities.

The Senate bill, but not the House, authorized $2 million for carrying out this provision.

The conference substitute conforms to the House bill. The conferees have directed the Secretary to carry out the development and implementation of this evaluation system, and expect him to use such funds to carry out the provision as are otherwise available to him for his overall responsibilities for evaluation and administration, and to request appropriations for such additional funds as he may find necessary.

NATIONAL ADVISORY COUNCIL

Existing law, which is unchanged by the House bill, contains a requirement that the Secretary establish a National Advisory Council on Services and Facilities for the Developmentally Disabled. The requirement specifies the functions and membership of the Council.

The Senate amendment contains similar provisions except that:

(1) The council is named the National Council on Services and Facilities for the Developmentally Disabled.

(2) The membership is to include 16 non-Federal employees and the Deputy Commissioner of the Bureau of Education for the Handicapped, the Commissioner of the Rehabilitation Services Administration, the Administrator of the Social and Rehabilitation Service, the Director of the National Institutes of Child Health and Human Development, the Director of the National Institute of Mental Health, and 3 other representatives of the Department of HEW.

(3) The non-Federal members are to be selected from advocates in the developmental disabilities field.

(4) The Secretary is to fill vacancies on the Council within 10 days after their occurrence and is not to reappoint a member unless a year has elapsed since the end of that member's term.

(5) The council is to meet at least twice a year.

(6) The functions of the council are expanded to include monitoring the development and execution of the program and reporting to the Secretary any delay in its rapid execution; reviewing grants for special projects and projects of national significance and advising the Secretary with respect to them; reviewing the evaluation system and advising the Secretary with respect to them; reviewing the evaluation system and advising the Secretary with respect to it; and submitting to the Congress an annual evaluation of the efficiency of the administration of the program.

(7) Authorizations of appropriations in the amount of $100,000 per year are given for the council.

The conference substitute conforms to the Senate amendment except that the requirement that vacancies be filled within ten days and the authorizations of appropriations are omitted.

DECLARATION OF PURPOSE

The Senate amendment, but not the House bill, contains a declaration of purpose providing generally that it is the purpose of the Act to improve and coordinate the provision of services to persons with developmental disabilities and listing seven specific methods for achieving the purpose.

The conference substitute conforms to the House bill. The conferees noted that they felt that the declaration of purpose included in the Senate amendment was appropriate and accurately described the purposes of the Developmental Disabilities Act but did not need to be incorporated into the text of the law itself. These purposes include improving and coordinating the provision of services to persons with developmental disabilities through:

(a) Grants to assist the States in developing and implementing a comprehensive and continuing plan for meeting the needs of the developmentally disabled;

(b) Renovation and modernization of university-affiliated facilities which demonstrate the provision of services for the developmentally disabled and support demonstration and training programs in institutions of higher education;

(c) Development of regional community programs for the developmentally disabled;

(d) Support of activities which contribute to improving the condition of persons with developmental disabilities;

(e) Providing technical assistance in the establishment of services and facilities for the developmentally disabled;

(f) Training specialized personnel needed for providing such services; and

(g) Developing and demonstrating new and improved techniques for providing such services.

FEDERAL SHARE

The House bill sets a Federal share for projects assisted from State allotments of 75 percent.

The Senate amendment limits the Federal share of expenditures for construction and operation of university-affiliated facilities to 70 percent of their costs. Sets a Federal share for projects assisted from State allotments of 70 percent, unless the project serves a poverty area in which case the limit is 90 percent.

The conference substitute compromises by setting a limit on the Federal share of expenditures on projects assisted under the Act of 75 percent in all cases except for projects in poverty areas, in which case set a limit of 90 percent.

The Senate amendment, but not the House bill, provides that the non-Federal share of a project's cost may be in kind, rather than solely in cash, and may include expenditures by organizations other than the State government receiving the State allotment.

The conference substitute conforms to the Senate amendment with respect to in-kind services and expenditures by organizations other than State governments with technical changes.

ADVANCED FUNDING

The Senate amendment, but not the House bill, authorizing appropriations authorized by the Act to be made in the fiscal year preceding the fiscal year for which they would be available for obligation. In order to effect the transition to advanced funding, it authorizes appropriations in a single year for two years.

The conference substitute conforms to the House bill.

EMPLOYMENT OF THE HANDICAPPED

The Senate amendment, but not the House bill, requires the Secretary to insure that each recipient of assistance under the Act will take affirmative action to employ, and advance in employment, qualified handicapped individuals covered under and on the same terms and conditions as set forth in the applicable provisions of the Rehabilitation Act of 1973.

The conference substitute conforms to the Senate amendment with technical changes.

WITHHOLDING OF PAYMENTS

The Senate amendment, but not the House bill, authorizes State planning councils, which find that a State agency administering funds under a design for implementation is failing to comply with the design, to notify the Governor and the Secretary. Authorizes the Secretary upon receipt of such notice and after conducting a hearing to withhold payments under State allotments to that State.

The conference substitute conforms to the Senate amendment with redrafting and technical amendments.

REGULATIONS

The Senate amendment, but not the House bill, requires the Secretary to prescribe general regulations in final form applicable to all States within 90 days after the date of enactment. Requires that the regulations promulgated may be waived upon approval of an application submitted by a State for a project to be completed by two or more political subdivisions or public or nonprofit private agencies or by a combination of such. The waiver is to be given in a manner which is consistent with applicable law, to be reviewed annually, and to be published in the *Federal Register*.

The conference substitute requires the Secretary to prescribe regulations within 180 days of the date of enactment. Require that the regulations provide for joint projects by two or more political subdivisions or public or nonprofit private agencies.

STUDIES BY THE SECRETARY

The House bill, but not the Senate amendment, requires the Secretary to determine, and report to Congress in six months, the conditions which should be covered as developmental disabilities, and to conduct an independent study of the appropriateness of the definition of developmental disabilities.

The conference substitute conforms to the House bill with conforming amendments to the change in the definition of developmental disabilities made by the conference substitute.

BILL OF RIGHTS FOR THE MENTALLY RETARDED AND OTHER PERSONS WITH DEVELOPMENTAL DISABILITIES

The Senate amendment, but not the House bill, contains a second title providing, in general, detailed standards for the operation of programs serving the mentally retarded and other persons with developmental disabilities, including both ambulatory or community programs, and residential programs.

The conference substitute contains a compromise which specifies rights of the developmentally disabled, requires programs assisted under the Act to have individual habilitation plans for those they serve, requires the States to develop programs for protection and efficacy of the rights of the developmentally disabled, and requires the Secretary of HEW to undertake studies and make recommendations respecting appropriate standards and quality assurance mechanisms for programs serving the developmentally disabled. The compromise is drafted as a second title in the conference substitute which amends the Developmental Disabilities Act.

Statement of purpose

The Senate amendment, but not the House bill, states the purpose of the bill of rights to be establishing standards to assure the humane care, treatment, habilitation and protection of mentally retarded and other developmentally disabled individuals who are served by residential and community facilities and agencies.

The conference substitute contains a compromise which enumerates Congressional findings respecting the rights of persons with development disabilities. These include findings that the developmentally disabled have a right to appropriate treatment, services and habilitation that such treament, services and habilitation should be designed to maximize the developmental potential of the person and be provided in the setting that is least restrictive to his personal liberty; that the Federal government and the States have an obligation to assure that public funds are not provided in programs which do not provide appropriate treatment, services and habilitation or do not meet minimum standards respecting diet, medical and dental services, use of restraints, visiting hours and compliance with fire and safety codes; and that programs for the developmentally disabled should meet appropriate standards including standards adjusted for the size of the institutions which are at least comparable to those promulgated under title 19 of the Social Security Act.

These rights are generally included in the conference substitute in recognition by the conferees that the developmentally disabled, particularly those who have the misfortune to require institutionalization, have a right to receive appropriate treatment for the conditions for which they are institutionalized, and that this right should be protected and assured by the Congress and the courts.

General provisions

The Senate amendment but not the House bill:

(1) defines 48 different terms used in the title;

(2) requires establishment of a National Advisory Council on Standards for Residential and Community Facilities for Mentally Retarded and Other Persons with Developmental Disabilities;

(3) requires each State to provide a plan to the Secretary for assuring compliance of each program serving the developmentally disabled within the State with the standards established by the title within five years after the date of enactment;

(4) requires the Secretary to determine whether or not programs are in compliance with the statute and to report annually to the Congress on the program;

(5) authorizes appropriations of such sums as may be necessary for grants by the Secretary to the States to assist publicly operated programs in meeting the requirements of the statute;

(6) requires maintenance of effort by the States and authorizes withholding of any Federal assistance under any Act from any program which does not meet the standards after 1980; and

(7) requires the Secretary to develop and transmit to the Congress an evaluation system which will assess the adequacy of all education and training, habilitation, rehabilitation, early childhood, diagnostic and evaluation services, or any other services or assistance under all laws administered by the Secretary.

The conference substitute conforms to the House bill but includes a requirement that the Secretary of HEW make studies and recommendations to the Congress respecting appropriate standards and quality assurance programs for programs serving the developmentally disabled.

Alternative criteria for compliance in lieu of standards for residential and community facilities and agencies

The Senate amendment, but not the House bill:

(1) requires the Secretary to specify detailed performance criteria for measuring the progress of persons with developmental disabilities;

(2) requires the Secretary to insure that every individual served by any program assisted by the Secretary has an individualized written habilitation plan and specifies characteristics of such plans;

(3) requires each agency serving any developmentally disabled individual to assign to each such individual a program coordi-

nator and specifies requirements respecting program coordination;

(4) requires the Secretary to insure that each State establishes a system of protective and personal advocacy for the developmentally disabled and specifies requirements with respect to such systems;

(5) requires each program serving the developmentally disabled to keep such records as the Secretary may require; and

(6) specifies minimum standards which agencies meeting the performance criteria specified above must meet in addition to the criteria.

The conference substitute conforms to the House bill except that it incorporates the requirements for individual habilitation plans; a set of six specified minimum standards dealing with health safety and rights of developmentally disabled persons; and a State system of protection and advocacy of the individual rights of the developmentally disabled with redrafting and technical changes.

The intention of the conference committee is that the habilitation plan be required only when the Federal assistance under this Act contributes a portion of the cost of the habilitation services to the developmentally disabled person. If, for example, the only Federal assistance received by a program is used solely to purchase a bus to transport developmentally disabled persons, then a written habilitation plan would not be required. If, on the other hand, a program to provide habilitation services to developmentally disabled individuals is supported in whole or in part by Federal funds under this Act, a written habilitation plan would be required for each program participant.

The conference committee recognizes that the six minimum standards are designed to protect the basic human needs of developmentally disabled individuals and will not in themselves ensure quality habilitation and adequate treatment programs. The committee therefore does not intend these standards to preempt or supplant any existing Federal or State standards currently in force (e.g. standards applicable to Intermediate Care Facilities for the Mentally Retarded under Medicaid), which may require more detailed or higher standards of care.

Standards for residential facilities for the mentally retarded and other persons with developmental disabilities

The Senate amendment, but not the House bill, specifies detailed standards for the operation of residential facilities including a chapter enumerating standards respecting each of the following: administrative policies and practices of such facilities, professional and special programs and services of such facilities, records, research, safety and sanitation, and administrative support services.

The conference substitute conforms to the House bill.

Standards for community facilities and agencies serving the developmentally disabled

The Senate amendment, but not the House bill, provides detailed standards for community, non-residential programs serving the developmentally disabled including a section enumerating standards respecting each of the following: case findings, entry into the service delivery system, follow-along services, individual program plans, program coordination, protective services, personal advocacy services, guardianship services, individual assessment, attention to health needs, attention to developmental needs, sensorimotor development, communicative development, social development, effective development, cognitive development, services to support employment and work, recreation and leisure services, family related services, home training services, homemaker services, respite care, sitter services, attention to needs for mobility resource information and data documentation services, coordination, agency advocacy, community education and involvement, prevention services, manpower development, volunteer services, program evaluation, research, records, and philosophy policies and practices.

The conferees substitute conforms to the House bill.

Harley O. Staggers,
Paul G. Rogers,
David E. Satterfield,
Richardson Preyer,
J. W. Symington,
James Scheuer,
Henry A. Waxman,
Tim Lee Carter,
James T. Broyhill,
J. F. Hastings,
Managers on the Part of the House.

Jennings Randolph,
Alan Cranston,
Harrison Williams,
Claiborne Pell,
Edward M. Kennedy,
Walter F. Mondale,
William D. Hathaway,
Robert T. Stafford,
Bob Taft, Jr.,
Richard S. Schweiker,
J. Glenn Beall,
J. Javits,
Managers on the Part of the Senate.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. Symms) to revise and extend his remarks and include extraneous material:)

Mr. Symms, for 15 minutes, today.

(The following Members (at the request of Mr. Rees), to revise and extend their remarks, and to include extraneous matter:)

Mr. Patman, for 10 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Vanik, for 5 minutes, today.

Mr. Drinan, for 15 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Member (at the request of Mr. Symms) and to include extraneous matter:)

Mr. Symms in five instances.

(The following Members (at the request of Mr. Rees) and to include extraneous material:)

Mr. Rodino.

Mr. Gonzalez in three instances.

Mr. Anderson of California in three instances.

Mr. Annunzio in six instances.

Mr. Karth.

Mr. Rangel in 10 instances.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 2230. An act to authorize appropriations for the Board of International Broadcasting for fiscal year 1976; and to promote improved relations between the United States, Greece, and Turkey, to assist in the solution of the refugee problem on Cyprus, and to otherwise strengthen the North Atlantic Alliance; to the Committee on International Relations.

ADJOURNMENT

Mr. REES. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 6 minutes p.m.) under its previous order, the House adjourned until Wednesday, September 17, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1728. A letter from the Acting General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend title 32, United States Code, to authorize the Secretary concerned to prescribe the frequency of inspections, and for other purposes; to the Committee on Armed Services.

1729. A letter from the Assistant Secretary of the Navy (Installations and Logistics), transmitting notice of the proposed transfer of the submarine ex-COD (ex-SS 224) to the Cleveland Coordinating Committee for COD, Inc., Cleveland, Ohio, pursuant to 10 U.S.C. 7308(c); to the Committee on Armed Services.

1730. A letter from the Secretary of the Treasury, transmitting a special report of the National Advisory Council on International Monetary and Financial Policies on the proposed replenishment of the resources of the Inter-American Development Bank (H. Doc. No. 94–254); to the Committee on Banking, Currency and Housing and ordered to be printed.

1731. A letter from the Office of Legislative Services, Council of the District of Columbia, transmitting committee reports omitted from various Council acts previously submitted to Congress; to the Committee on the District of Columbia.

1732. A letter from the Assistant Secretary of State for Congressional Relations, transmitting the semiannual report on international narcotics control program activities for the period ended June 30, 1975, pursuant to section 481(b)(2) of the Foreign Assistance Act of 1961, as amended [22 U.S.C. 2291(b)(2)]; to the Committee on International Relations.

1733. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a copy of the determination of the Secretary of State waiving the provisions of section 620(a)(3) of the Foreign Assistance Act which prohibit assistance to countries engaging in trade with Cuba, pursuant to section 664 of the act; to the Committee on International Relations.

1734. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting background statements on certain international agreements, copies of which had previously been transmitted pursuant to section 112(b) of Public Law 92–403; to the Committee on International Relations.

1735. A letter from the Director, Defense Security Assistance Agency, transmitting notice of intention of the Department of the

Air Force to offer to sell certain defense articles to Thailand, pursuant to section 36(b) of the Foreign Military Sales Act, as amended; to the Committee on International Relations.

1736. A letter from the Chairman, Foreign Clairs Settlement Commission of the United States, transmitting the annual report of the Commission for calendar year 1974, together with the 1974 annual report of the Micronesian Claims Commission; to the Committee on International Relations.

1737. A letter from the Administrator of General Services, transmitting a prospectus proposing exercising two 5-year renewal options for space presently occupied at One McPherson Square, Washington, D.C., pursuant to section 210(h)(1) of the Federal Property and Administrative Services Act of 1949, as amended; to the Committee on Public Works and Transportation.

1738. A letter from the Secretary of Health, Education, and Welfare, transmitting a report and analysis of the findings of 105 medicare validation sample surveys of the Joint Commission on Accreditation of Hospitals accredited hospitals conducted in 1974, pursuant to section 1875(b) of the Social Security Act, as amended (86 Stat. 1423); to the Committee on Ways and Means.

Received From the Comptroller General

1739. A letter from the Comptroller General of the United States, transmitting a report on issues involved in maintaining U.S. forces in Europe; jointly, to the Committees on Government Operations, Armed Services, and International Relations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[*Pursuant to the order of the House on September 10, 1975, the following report was filed on September 11, 1975*]

Mr. STAGGERS: Committee of Conference. Conference report or H.R. 4005 (Rept. No. 94–473). Ordered to be printed.

[*Submitted September 15, 1975*]

Mr. PERKINS: Committee on Conference. Conference report on H.R. 4222 (Rept. No. 94–474). Ordered to be printed.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 589. A bill to authorize the Secretary of the Interior to provide relief to the Santa Ynez River Water Conservation District due to delivery of water to the Santa Ynez Indian Reservation lands; with amendment (Rept. No. 94–475). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 1465. A bill to provide for the division of assets between the Twenty-Nine Palms Band and the Cabazon Band of Mission Indians, California, including certain funds in the U.S. Treasury, and for other purposes; with amendment (Rept. No. 94–476). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 1466. A bill to convey certain federally owned land to the Twentynine Palms Park and Recreation District (Rept. No. 94–477). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 4804. A bill to declare that certain land of the United States is held by the United States in trust for the Pueblo of Laguna; with amendment (Rept. No. 94–478). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 5090. A bill to provide for the disposition of funds appropriated to pay a judgment in favor of the Cowlitz Tribe of Indians in Indian Claims Commission docket No. 218, and for other purposes; with amendment (Rept. No. 94–479). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 5778. A bill to declare that certain submarginal lands of the United States shall be held in trust for certain Indian tribes and be made a part of the reservations of said Indians, and for other purposes; with amendment (Rept. No. 94–480). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 6622. A bill to provide for repair of the Del City aqueduct, a feature of the Norman Federal reclamation project, Oklahoma (Rept. No. 94–481). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 6669. A bill to authorize the Secretary of the Interior to engage in feasibility investigations of certain potential water resource developments; with amendment (Rept. No. 94–482). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROOKS (for himself, Mr. Randall, Mr. English, Mr. Horton, Mrs. Collins of Illinois, Ms. Abzug, and Mr. Preyer):

H.R. 9593. A bill to amend the Federal Property and Administrative Services Act of 1949 to permit the donation of Federal surplus personal property to the States for public purposes, and for other purposes; to the Committee on Government Operations.

By Mr. DRINAN:

H.R. 9594. A bill to amend the act of September 30, 1950 (Public Law 874, 81st Congress) to provide that handicapped children residing on Federal property or residing with parents who are employed on Federal property may be counted for purposes of determining local educational agency entitlements under such act, and to make available Federal funding in certain circumstances for the education of handicapped children in private schools; to the Committee on Education and Labor.

By Mr. FLORIO (for himself, Mr. Forsythe, and Mr. Hughes):

H.R. 9595. A bill to limit civil service disciplinary actions in certain cases involving the failure of an employee to report as directed for the service of process; to the Committee on Post Office and Civil Service.

By Mr. KASTENMEIER (for himself, Mr. Drinan, Mr. Badillo, Mr. Edwards of California, Mr. Conyers, Mr. Seiberling, Mr. Mikva, Mr. Scheuer, Mr. Moakley, Mr. Fraser, Mr. Rees, Mr. Stark, Mr. Mitchell of Maryland, Ms. Chisholm, Mr. Young of Georgia, and Mr. Leggett):

H.R. 9596. A bill to provide immunity from prosecution and punishment to those persons who, because of disapproval of the military involvement of the United States in Indochina during the period from August 4, 1964 to March 28, 1973, resisted the draft, were absent from the Armed Forces without leave, or disobeyed certain orders, and for other purposes; to the Committee on the Judiciary.

By Mr. REES (for himself, and Mr. J. William Stanton):

H.R. 9597. A bill to amend the Defense Production Act of 1950, to create a National Economic Stockpile Association which shall operate under rules promulgated by the Secretary of the Treasury to facilitate the availability of essential natural resources and to prevent disruption in the domestic economy; to the Committee on Banking, Currency and Housing.

H.R. 9598. A bill to amend the Defense Production Act of 1950 to establish the National Resources and Materials Information System, and for other purposes; to the Committee on Banking, Currency and Housing.

By Mr. VANIK (for himself, Mr. Gibbons, Mr. Rangel, Mr. Stark, and Mr. Vander Veen):

H.R. 9599. A bill to provide for the safeguarding of taxpayer rights, to restrict the authority for inspection of Federal tax returns and the disclosure of information derived from such returns, to clarify the authority of the Comptroller General to oversee the administration of the internal revenue laws, and for other purposes; to the Committee on Ways and Means.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

258. By the SPEAKER: Memorial of the Legislature of the State of California, relative to veterans' cemeteries; to the Committee on Veterans' Affairs.

259. Also, memorial of the Legislature of the State of California, relative to social security; to the Committee on Ways and Means.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 7656

By Mr. KREBS:

(To the amendment of Mr. Richmond.)

Page 10, line 10, after "as follows:" strike out the words "(1) 50% shall be consumers" and substitute "(1) 10% shall be consumers".

By Mr. RICHMOND:

Page 5, after line 25, add the following new subsection (r):

"(r) The term "consumer" means any person not engaged in the commercial production of cattle or the sale of cattle, beef, or beef products."

Page 10 strike line 10 and substitute in lieu thereof the following: "for, shall be composed as follows: (1) fifty percent shall be consumers who are appointed by the Secretary from nominations submitted by the membership of bona fide consumer organizations, who shall be knowledgeable and experienced in issues relating to food and nutrition policy, and who shall have no interests directly or indirectly in any food industry corporation, and (2) fifty percent shall be cattle producers appointed by the".

Line 12, after the word "associations," insert the words "general farm organizations,".

Line 23 after the word "redesignate" insert the word "producer".

EXTENSIONS OF REMARKS

INCREASE IN FIRST CLASS MAIL

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 15, 1975

Mr. SYMMS. Mr. Speaker, it now appears that one of the first Bicentennial "gifts" this Congress will bestow upon the American people during the year of our 200th birthday will be a whopping 3-cent increase in the cost of a first class letter. That would be a rather poor tribute to the heritage of his great Nation, would you not say? Yet in the irony of this apparently inevitable hike, there is much we can learn.

Since first coming to Congress, I have always advocated opening up the carriage of first class mail to private competition, and I have supported any measure which would break up the present monopoly the Federal Government holds in this area. With our 200th year as a nation soon upon us, it would be very fitting of this body to reaffirm our faith in the free enterprise system by enacting this long-needed legislation. Then, during our next 200 years, the American people might look forward to better postal service and lower rates instead of perpetual regression under the present monopolistic, taxpayer-subsidized system.

A very fine editorial recently appeared in the Idaho Free Press and the Caldwell News Tribune regarding this subject. In my opinion, it reflects the feelings and desires of a vast majority of our citizens. I strongly urge that my colleagues read and reflect upon the commonsense logic which comes through in this piece. The article follows:

New Mail Route?

The cliche about "you've got to pay for what you get" isn't necessarily so when speaking of the federal government.

Specifically, let's look at the Postal Service. It is definite now that postal rates—at least the rate for mailing a letter—will go up to 13 cents sometime after Christmas.

Most folks don't mind paying for something if they get their money's worth. Will the three cent increase allow the Postal Service to do a better job of delivering the mail? We doubt it.

Are we advocating, therefore, no increase in postal rates and thus adding to the national debt? Far from it! We are simply saying that the days of getting almost nothing for something (10 cents now, 13 cents to come) must end.

And how best to end it? It's an overworked phrase and one that many claim won't work but let's see if private enterprise can do a better job. What postal workers generally have to do is perfect a routine and they've had a couple of centuries of practice but they still can't get it right.

But let a proprietary operation into the picture and we just might see a difference. No promises, you understand, but it is doubtful that the letter carrying situation could get any worse.

The idea of making a buck or two has inspired many things in this country. We have more technology, more conveniences, more of everything than any other country in the world.

We also have relatively cheap postal rates when compared with other nations but the thought of mailing a letter for 13 cents is a bit much. No one is foolish enough to think that a massive profit-oriented letter delivery system could be devised overnight but the opportunity should be present for some experimentation in the field.

As it now stands the government has a monopoly on first class mailing rights so the chance of taking a look at a viable option doesn't even exist. What we'd like to see if a few private companies established in representative areas of the country and see how they do in carrying the mail.

If it doesn't work, then so be it. But maybe, just maybe, it will work and we can reduce the federal bureaucracy some. In a debt-laden government, any step in that direction must be counted as beneficial and worthy of a chance.

MIA'S IN SOUTHEAST ASIA

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 15, 1975

Mr. McDADE. Mr. Speaker, I am greatly pleased that the House has approved House Resolution 335, Select Committee for Missing in Action Servicemen in Southeast Asia, which I cosponsored. Since January 27, 1973 when the Paris Peace Agreement was signed the families of U.S. servicemen missing in Southeast Asia have been hoping for word of, or return, of their loved ones. Article 8 of the agreement directed the signatory parties to cooperate with one another regarding the missing, however the article is, for practical purposes, a dead letter. There are still over 1,100 Americans who are officially listed as "missing in action."

For many months now the families of the missing have attempted through every imaginable channel to learn the true facts. In this quest, these unfortunate families have struggled to keep the MIA issue before the public and to inspire enough interest to generate an active inquiry into the status of the MIA's.

Throughout the past months I have been working closely with the families of S. Sgt. Edwin Jack Pearce of Milford, Pa., who has been missing since March 29, 1972 and Lt. Wesley Ratzel, Jr. of Scranton who has been missing since May 18, 1972. We have continually contacted the President, the Secretary of State, the Department of Defense, numerous national organizations and sponsored legislative actions designed to protect the status of our MIA's and maintain this issue in the public conscience. Yet, even as the House voted to establish this select committee we know little more about our missing than when we began our efforts. I believe I now understand in some small part, the frustration which these families must feel. They must constantly deal with rumors, with false leads and crushed hopes. The tortures endured by the families of these missing Americans is almost beyond comprehension. They demand and deserve to have their questions resolved.

For all of these reasons, I supported the establishment of this select committee which will have the authority to examine the status of all U.S. servicemen in Southeast Asia who have yet to be accounted for.

I am pleased to see that the resolution provided for broad subpoena and investigatory powers and I am hopeful that this body will see fit to provide the committee with financial support necessary to accomplish its task.

I believe the approval of the select committee will provide the national focus on the MIA problem which has been neglected for so long.

MIA'S MUST NOT BE FORGOTTEN

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 15, 1975

Mr. LEGGETT. Mr. Speaker, as many of my colleagues know, I was deeply involved in the POW–MIA issue for many years. Early in 1971, I and my colleague, Don Riegle, developed what we called the plan for "Proportional Repatriation," whereby the United States would agree to complete withdrawal in stages from Indochina if the other side would agree to complete return of POW's in parallel stages.

At that time, I contacted every POW–MIA family in California for their reaction. Some supported the plan on the grounds that it offered the only hope of recovering their loved ones; others opposed it on the grounds that it would concede defeat in the efforts for which their loved ones had sacrificed. On two occasions I journeyed to Paris to meet with representatives of the PRG and the North Vietnamese; I was able to solicit from them their first public offer to release all POW's if we would withdraw.

Our plan met with rather extreme hostility from the Nixon administration, to whom saving its own face was several times more important than saving the POW's. But as it happened, reality could not be denied, and the administration was eventually forced to adopt a plan very similar to proportional repatriation. Unfortunately, for a number of POW's, repatriation came too late.

Mr. Speaker, the courage and steadfastness of some of the families of these men under the most extreme pressure has been an inspiration to me. I am reminded particularly of Mrs. Barbara Mullen of Oakland, Calif. Mrs. Mullen's husband, a Marine A-4 pilot, was shot down over Laos in 1966. He radioed from the ground that he was unhurt—and nothing more was heard from him.

At that time, the Government did not want to admit we had pilots over Laos, so Mrs. Mullen's troubles were further compounded. When I first met her, she had lived with 5 years of uncertainty, and she was working night and day to try to force her own Government to give him the protection he deserved. Now the 5 years have become 9, and hope can only continue so long.

Now we have 832 Americans listed as MIA in Indochina, another 36 listed POW.

Mr. Speaker, the agony of these families must be incomprehensible to those who have not undergone it. If your husband, father, or son is killed in war, that is a great tragedy, but you can adjust to it and life can go on. If he is a known living prisoner, you can work for his release. But if you think he is probably dead but do not know for sure, you can do neither. You are in an intolerable predicament in which any course you choose involves guilt and the potential for tragedy.

In my view, anything we can do to resolve this situation is effort well spent. Mr. Montgomery, who has spent even more time on the POW-MIA issue than I have, is asking us to form a select committee to study the problem. Will it do any good? In all honesty, I am skeptical. But the least we can do is try.

Mr. Speaker, I support the resolution.

WHAT DETROIT IS DOING TO US

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 15, 1975

Mr. SYMMS. Mr. Speaker, shortly before the August recess, the Gazette Record of St. Maries, Idaho, published an excellent editorial about the efforts made by one individual to increase gas mileage. It demonstrated clearly to me that several branches of Government, running several different directions, are and always will be, incapable of solving complicated technical problems. What Government touches, by definition, must surely go asunder. It is time this Government encourage men like Nils Nelson—not with elaborate laws or binding regulations, but with a reasonable dose of responsibility. Government cannot and will not solve these problems for the American people. It takes people—just people—like Nils Nelson to show Detroit—and Washington, D.C.—that the American consumer is no sucker. Individualism and initiative solve problems—not anemic taxpayers and big government.

[From the St. Maries (Idaho) Gazette Record]

What Has Detroit Been Doing to Us?

The amount of petroleum in the world is finite, and in less than half a century, there will be no more, scientists tell us.

We must become independent of outside sources for our energy, all the politicians tell us.

We must cut down on the use of imported oil immediately, President Ford tells us.

We must have an intelligent, well-coordinated energy program, the Congress tells us.

We are doing the best we can to give you cars which will save gasoline, the Detroit motor people tell us.

With all of this in mind, an article in the June issue of Popular Mechanics makes you sick, mad and ready to fight.

Nils Nelson of Dallas tells of his experience with his 1973 Pinto with a two liter engine, four speed transmission and air conditioning. His Pinto was getting about 24½ miles per gallon (at 50 miles per hour) when he started his experiment. (We have a 1975 Vega which gets about 20½ mpg, so that sounds pretty good.)

Nelson didn't do anything weird to his Pinto, he simply made changes (most of them himself) using material which he could buy at regular auto parts stores. First he put on a new air cleaner—and increased his mileage to 29 mpg. That cost $10.

Next he added a flexible fan. At a cost of $10, that increased his mileage 1.5 mpg. For $39, he added an electronic magneto and got a 2.8 mpg increase. An ignition kit, which cost $50, boosted the mileage by another 3.2 mpg (he's now up to 36.5 mpg). Next came a vapor injector and the addition of headers and a better breathing exhaust system. That cost $150—and raised his average to 44.5.

So, for a cost of $259, plus some work on his part, he boosted his miles per gallon from 24.5 to 44.5. And, according to Popular Mechanics, the emissions test showed the exhaust was cleaner than required by 1975 standards. And, the article concluded, horsepower and performance were improved.

So what have the Detroit car makers been doing to us? All these changes were made with standard parts. Why could not the parts have been installed in the first place?

How many million barrels of oil a day are burned up because Detroit hasn't really done anything about it?

Why are American consumers treated like suckers?

URGENT NEED FOR MAIL VOTER REGISTRATION

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 15, 1975

Mr. RANGEL. Mr. Speaker, the passage of a 7-year extension of the Voting Rights Act, together with its expansion to cover additional millions of Americans, is a welcome sign. It is a recognition of the fact that we must work at democracy to make it work, that we must push forward to guarantee all our citizens the right to participate in the selection of their political leaders and representatives.

The next urgent step is enactment of a mail voter registration program for Federal elections. I am proud that my own State, New York, has created just such a program and I believe that it is time for Congress to follow New York's lead. As a sponsor of mail voter registration legislation, I am hopeful that the willingness of New York to undertake such an innovative approach will prod Congress to act.

I would like to include at this point in the Congressional Record a recent editorial from the Miami Times on this issue:

[From the Miami Times, Aug. 28, 1975]

Voter Registration by Mail

This has to be one of the best ideas coming out of Congress during the last two administrations. Unfortunately opponents are voicing all sorts of reasons why the undertaking may do more harm than good.

We fail to see any possible harm coming out of a law that would allow for the first time widespread public participation in politics when the 1974 Congressional Election saw a turnout of less than 40 per cent.

While it may sound a might costly, the legislation would require that a voter registration form be mailed to each household in the country prior to all federal elections. We would anticipate the response to be nothing short of fantastic.

When one considers the present day methods of voter registration and its lack of success, what can be more convenient than dropping a post card in the mail.

Many people who work everyday have never been able to make trips to inconveniently placed registration officers with short hours of operation. For a long time this method has been regarded as an intentional ploy to deprive the working people of an opportunity to register.

Voter registration by mail would be a great way for our Congressmen to celebrate the bicentennial. If nothing else 1976 would be a more active election year.

UNION MEMBERS DO NOT AGREE WITH OFTEN IRRESPONSIBLE LEADERS

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 15, 1975

Mr. CRANE. Mr. Speaker, at the present time the Nation is embroiled in a number of illegal strike actions by public employee unions.

In New York City, policemen, sanitationmen, and teachers have violated that State's antistrike law with impunity. They have, in addition, been rewarded for doing so. In San Francisco, an illegal police strike threw the city into turmoil and disarray. It was ended with capitulation to the demands of union leaders. In Pennsylvania, in Chicago, and in a number of other areas of the country teachers are keeping children from obtaining an education through illegal strikes.

How teachers can teach young people respect for law when they do not respect the law themselves is difficult to understand. How policemen can expect citizens to give them the respect they demand is also difficult to comprehend. If policemen, teachers, and other public employees may violate the laws with which they disagree with impunity, why should the rest of us obey the law?

The fact may be that irresponsible union leaders really do not represent their own members when they launch such illegal actions.

In a survey recently conducted by the Opinion Research Corp. of Princeton, N.J., very little difference between the views held by the public as a whole and the views held by union members on key questions relating to unions and union activities could be discovered.

According to this survey, 72 percent of both the general public and union members favor antitrust laws to control union monopolies. With regard to union dues being used in political campaigns, 76 percent of the union membership opposes the practice.

The total public is 71 percent against police strikes and so are 59 percent of union members. A majority in both the general public and labor categories also oppose strikes by firemen, prison guards, hospital employees, and Federal employees.

Discussing some of these findings, columnist John Chamberlain notes that—

> The truth is that the American working man is "middle class" himself, more so, even than many people who, as the saying goes, "have it made." Eddie Levenson, who used to be Walter Reuther's public relations man in the automobile workers union, liked to talk about "building a new society in the shell of the old," but, when it came to bargaining, the auto workers held out for the good things valued by most of the bourgeoisie.

Union leaders should not be permitted to violate the law in a manner which does not even represent their own membership. It is high time that laws against strikes by public employees be strictly enforced. The very stability of our society depends upon such enforcement.

I wish to share with my colleagues the column, "Unionists Don't Agree With Their Leaders," by John Chamberlain, as it appeared in the Phoenix Gazette of September 1, 1975, and insert it into the RECORD at this time:

UNIONISTS DON'T AGREE WITH THEIR LEADERS

(By John Chamberlain)

Labor Day was sponsored originally by the American Federation of Labor, but it was long ago transmuted into a great middle-class holiday, a last fling of summer for everybody before vacations end and the kids go back to school. It never became like the European May Day, an occasion for celebrating the class struggle.

The truth is that the American working man is "middle class" himself, more so, even than many people who, as the saying goes, "have it made." Eddie Levenson who used to be Walter Reuther's public relations man in the automobile workers union, liked to talk about "building a new society in the shell of the old," but, when it came to bargaining, the auto workers held out for the good things valued by most of the bourgeoisie.

With unemployment at 8 or 9 percent, you might think things would change. But if we are due for a shift in attitude, it is not apparent from a survey recently conducted by the Opinion Research Corporation of Princeton, N.J., for the Business Roundtable—very little difference between views held by the public as a whole and by union members in particular on key questions involving such controversial matters as the use of union dues to support political candidates and the right of policemen and firemen to strike.

Union members would seem to be at odds with their leaders about a lot of things. According to the Opinion Research survey, 72 per cent of both the general public and union members favor antitrust laws to control union monopolies. The rank and file of labor is not asking for special privileges. Where 79 per cent of the general public says that the use of union dues in political campaigns should be outlawed, 76 per cent of the union membership is of the same opinion.

When it comes to the use of union personnel in political campaigns, labor has a more permissive attitude than the general public. A majority of both groups, however, would still ban politicking by officials on union time—63 per cent of the general public disapproves of this practice as does 53 per cent of the union membership.

Back in 1973, a majority of union members were in favor of granting unemployment benefits to strikers. But today 54 per cent of organized labor is against this practice on grounds that it subsidizes one side in a dispute and hurts collective bargaining. This is only slightly lower than the general public figure of 58 per cent. And 46 per cent of union members are even against extending welfare benefits to strikers. In the case of food stamps, however, two out of three union members feel that strikers should be permitted to buy them.

With garbage strikes cropping up in places like Birmingham, Ala., and with police either walking off their jobs or spending hours in writing out meaningless reports in a number of cities, the question of public service unionism is very much in the news. Both labor and the general public continue to support the right of governmental workers to join unions. But both categories are pretty much against letting government employees strike when it comes to endangering the public safety.

The total public is 71 per cent against police strikes. So, too, is 59 per cent of union labor. And a majority in both the general public and labor categories is against strikes by firemen, prison guards, hospital employes and Federal employes.

Curiously, the consensus breaks down when it comes to letting teachers and sanitation workers strike. A majority of 56 per cent of the general public oppose teacher walkouts. But only a labor minority of 37 per cent thinks teacher strikes should be prohibited. The same discrepancy applies to the subject of garbage strikes: where 51 per cent of the general public would make them illegal, a minority of labor—40 per cent—would force sanitation workers to stay on the job.

On compusory unionism for public employes, 70 per cent of the total public is against it. A majority of union members—57 per cent—agrees with the general public on this. So it is the "bourgeois" attitude toward the closed shop that still prevails with labor and the general public alike. A good thought for AFL-CIO President George Meany to keep in mind as he celebrates the middle-class holiday of Labor Day.

NATIONAL ECONOMIC PLANNING—A DISASTER

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 15, 1975

Mr. SYMMS. Mr. Speaker, as Members of a body which all too often falls victim to the promoters of the big lie, that a Government master plan will rescue us from whatever ills our Nation is experiencing, it would be wise for us to reflect on the message in Dr. Henry Hazlitt's article: "National Economic Planning: A Disaster."

Some of my colleagues have introduced legislation into this Congress which calls for setting up large and powerful Federal bureaucracies to "plan" such things as where people should work, where businesses should be located, who should work at what job, whose child should attend which school, what prices should be charged for which goods, what new products should be developed, and doubtless many other functions of which I am not yet aware. These socialistic proposals, if enacted, would do nothing but harm to our country's economy and productivity, not to mention our national morale. Dr. Hazlitt clearly and logically points out the fallacies inherent in the cure-all called "planning," in one of the most concise and effective economic statements I have seen. The article follows:

[From Americanism Educational League]

NATIONAL ECONOMIC PLANNING: A DISASTER

(By Dr. Henry Hazlitt)

In the past 40 years, government intervention in U.S. business affairs has expanded at an accelerating rate. The result has been mounting economic disruption and inflation. But when such intrusions increasingly make things worse than they were before, their original advocates refuse either to acknowledge error or to change their ways. Instead, what they perennially urge is fresh intervention.

This distressing trend continues with recent organization of a new Initiative Committee for National Economic Planning, a group headed by labor leaders and liberal economists and calling for government planning of the entire American economy.

To put this movement in perspective, let me quote from British economist Lional Robbins, who wrote in 1934, "Socialism is a term which is not universally popular. But 'planning'—ah! magic word—who would not plan? We may not all be socialists now, but we are certainly (nearly) all planners. Yet . . . what does it denote but socialism—central control of the means of production? . . . For 'planning' involves central control. And central control excludes the right of individual disposal of one's labor, land or capital. Nothing but intellectual confusion can result from a failure to realize that Planning and Socialism are fundamentally the same."

Three basic errors have led people to advocate the substitution of government for private planning. The first is the false assumption that there is very little private economic planning. Anticapitalist bias leads the Planners to assume that a free market economy is a chaos in which we are all either working at cross-purposes or blindly drifting along. On the contrary, in a free market most of us, and certainly the more enterprising, are constantly planning to maximize our future income, and are constantly on the alert for chances to do so.

If there is no profit in an endeavor, it is a sign that the labor and capital devoted to it are misdirected—the value of the resources that would be consumed in the process would be greater than the worth of what was produced.

This theme has been brilliantly stated by Congressman Jack Kemp of New York, pointing out that a major function of profits is to guide and channel the elements of production so as to mesh the relative output of thousands of different commodities with demand. Profits and prices maximize production and relieve shortages quicker than any other economic system. It is well documented that profits are achieved less by raising prices than by introducing economies and efficiencies that cut costs of production. Biggest profits—as a percentage of sales—go to firms that have achieved the lowest costs of production. It is in this way that productivity constantly grows.

The second major error of government planners is their failure to point out that the real question being raised is not: plan or no plan? But whose plan? For when it is government that lays down a Master Plan, the plans of all the rest of us must be either set aside or subordinated. "Planning" means coercion.

The more sophisticated Planners disavow any such intention. They do not favor "coercive" planning, they say, but only "indicative" planning. Says the new Initiative Committee for National Economic Planning: "The planning office would not set specific goals for General Motors, General Electric, General Foods or any other individual firm. But it would indicate the number of cars, the number of generators and the quantity of frozen foods we are likely to require in, say, five years, and it would try to induce the relevant industries to act accordingly."

But suppose GM or GE preferred its own estimates or guesses to those of the bureaucrats? Ah, then, we begin to get hints of coercion: "The inducements would be laws, as specific as necessary, on taxes, subsidies and environmental problems."

The third major error of the Planners is to assume that the production plans of the government bureaucrats would be more knowledgeable or objective than those of private industry. They would, in fact, be systematically worse and often disastrous.

Is there any reason to suppose, if Planning had existed in the past, that Federal bureaucrats would have foreseen any earlier than private inventors and entrepreneurs the development of the railroad, the automobile, the airplane, the telephone, radio, television, and a thousand other innovations? Isn't it more likely that the bureaucratic plans would have delayed or prevented these developments? Again, to take the more recent past, did our government officials foresee, even a week sooner than the heads of private oil companies, the imposition of the Arab oil embargo or the formation of the OPEC cartel?

The free market—the interplay of money prices, profits and losses—is the indispensable guide to production. Without it, no bureaucrat can solve the problem of what commodities and services to produce, and in what quantities, qualities and proportions. And most bureaucrats' production schedules would be those appearing to have the most political appeal!

Three examples of government planning emphasize these points. Everyone agrees that the policy of the Federal Power Commission, in keeping natural gas prices far below free-market levels for the past 21 years, has brought about the present alarming shortage. For price-fixing did two things: it encouraged an enormously wasteful demand for and use of natural gas, and it seriously lessened incentive to explore and drill for new supplies.

As to oil, if Congress and the environmentalists had not for years held up the Alaska pipeline, we would today enjoy much greater self-sufficiency in gasoline supplies. And look at what a quasi-government agency—the Federal Reserve Board—has done to our currency . . . it has turned out irredeemable paper money on the printing presses, with sheer irresponsibility, yielding disastrous inflation over the last 40 years!

Advocates of Planning persistently ignore the frightful record of past failures and catastrophes. That record, in their minds, is irrelevant. Those failures came about because the government's previous plans were wrong. But in the future they will be right, because the advocates always envisage themselves—or at least others with equally faultless foresight—in charge of the future. Harsh experience never seems to discourage the utopian statists!

REGULATION OF LOBBYING

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, September 15, 1975

Mr. RODINO. Mr. Speaker, on September 11, our colleague from the State of California, GEORGE MILLER, testified before the Subcommittee on Administrative Law and Government Relations of the Judiciary Committee on the bill H.R. 15, a bill to control lobbying. Mr. MILLER's testimony was most thought-provoking and I am certain will be fully considered by the members of the subcommittee. I would like to have it reprinted in the RECORD for the benefit of those Members who were not able to hear it.

Congressman MILLER's remarks follow:

REMARKS OF CONGRESSMAN GEORGE MILLER

Mr. Chairman, I am very pleased to appear before this subcommittee today, and I appreciate your kind invitation. The bills before this subcommittee, H.R. 15 and H.R. 1734, are among the most significant political reform bills before the Congress this session. Their importance stems from the fact that they attempt to regulate the amount of influence which lobbyists exert upon legislators and administrators on behalf of special interests.

Let me immediately state that I know of not a single legislator who would advocate barring lobbyists from contact with elected or other governmental officials. I am certain that most other Congressmen have found that lobbyists frequently are invaluable sources of information regarding legislation and problems facing the Congress. Indeed, much of the most sophisticated and effective lobbying is conducted by non-profit, non-corporate, public interest organizations whose positions are advocated on behalf of the general public rather than for the financial benefit of a group of citizens.

The critical task before this subcommittee is to draft legislation which will restrain the use of money, gifts and other forms of consideration to sway legislators' views, quite apart from the merits of a particular bill. Let me be very blunt. Traditionally, there has developed a cozy and, in my mind, an extremely dangerous and anti-democratic, relationship between lobbyists for special interests and government officials.

At times, the nature of this relationship has been overt—lobbyists wining and dining congressmen, buying gifts and making campaign donations. Other times, those acts which tighten the bonds between lobbyists and legislators have been more subtle—involving dealings with a legislator's outside business and the acceptance of favors or funds from lobbyists' employers.

Drawing up regulations to restrict such unjustifiable activities will be a difficult process. I am certain that this subcommittee will keep in mind the First Amendment guarantees to freedom of petition and draw this legislation so as to eliminate any infringement of these basic rights.

But whatever the problems associated with writing a bill of this nature, I am sure that the subcommittee recognizes the great public demand for legislation. As a member from California, I can only relay the recent experience of that State in this area. Within the past few years a number of pieces of legislation have been enacted which regulate political gifts and associations with special interests. The Waxman-Dymally Campaign Disclosure Law, co-authored by my distinguished colleague from California, Henry Waxman, when he was a member of the State Legislature, requires campaign disclosure of both candidates and major contributors. The Conflict of Interest Bill by Senator Moscone, which I helped draft, provides a mechanism whereby the public is informed of the financial conflicts of interest of their legislators.

But the voters of California demanded even greater openness in government. When the Legislature failed to enact more stringent laws, the voters took matters into their own hands and passed, in June 1974, Proposition 9. This action established a Fair Political Practices Commission to oversee the administration of tough laws regulating lobbyists' expenditures, disclosures, campaign spending limitations and conflicts of interest. I believe that this Congress ought to enact smiliar reforms through legislation which, in my opinion, ought to be considerably broader than the bill you are today considering.

The preamble to the California Reform Act states, in part, that "Public officials. whether elected or appointed, should perform their duties in an impartial manner, free from biases caused by their own financial interests or the financial interests of persons who have supported them". With regard to H.R. 15, I believe that the likelihood of influence through contribution or gift remains unreasonably strong despite the recordkeeping and reporting features of bill. Moreover, I believe that the recordkeeping and filing requirements in Section 5 will result in an avalanche of paperwork and records which, by sheer weight of their volume, will preclude exhaustive examination and not substantively reduce the impact of private interest money on legislation.

I do not feel that letter writing by lobbyists is an activity which ought to merit the close inspection which this legislation requires. Letters, telegrams, office visits and telephone calls are means of influencing a legislator readily available to the general public. Attempts to restrict or regulate these modes of communication would, in my opinion, possibly represent restrictions on the First Amendment rights to petition the government.

What enables a lobbyist to gain an unusual degree of influence with the legislator is often the lobbyist's abilities to expend amounts of money far beyond the capability of the average unaffiliated citizen or most public interest organizations. By expending a large amount of money, or by doing favors or giving gifts, this form of lobbying creates a conflict of interest with the public interest, and it should not be permitted. I believe that the legislation before you must be amended so as to divorce government from the financial influences of private interests. I would, in this spirit, like to suggest a number of amendments which I believe would strengthen the bill before you:

In California, a lobbyist is now prohibited from spending more than $10 per month per legislator in gifts, donations, in-kind contributions, or in any other form. Granting that everything is more expensive in Washington, I believe that a similar ceiling should be set for lobbyists in relations with Federal officials: I cannot stress this point too strongly. Requiring disclosure of the expenditures of the thousands which some lobbies now spend to influence congressmen will not in itself curtail their unreasonable influence. I maintain that it is not enough to *know* of these expenditures; it is necessary to *curtail* them and, with them, the influence of the private interests. The impact of this reform in Sacramento is already apparent. At the well known watering-holes in proximity to the Capitol where lobbyists, until this year, bandrolled legislators' meals, state officials now pick up their own checks. Legislators reportedly are spending increased amounts of time in their own offices instead of in secluded conference with lobbyists, and I understand some are even brownbagging their lunch to the Capitol. I suggest that a ceiling on lobbyist expenditures does not curb the right to petition, but does represent a basic reform which should be included in any lobby regulation bill.

I favor the mandatory disclosure of all honorariums accepted by congressmen and other Federal officials coverd by this legislation, particularly from those organizations or interests employing lobbyists.

I suggest that this subcommittee write into the legislation a ban on financial relationship between congressmen's outside interests, such as businesses, law offices, insurance firms, and any lobbyist or member of an organization represented by a lobbyist. This amendment would curtail the practice by which lobbyists, and the financial interests they represent, direct substantial amounts of business into firms in which congressmen, high level administrators, or their families are members. This form of financial liaison is every bit as direct a form of influence as the other forms of monetary influence I have mentioned and which this act seeks to regulate.

This practice results in financial betterment of a public servant through the patronage of an interest which he or she is supposed to consider dispassionately in the legislative sphere; I would submit that, practically speaking, it is impossible to separate the two spheres.

* Lastly, I would advocate the logical extension of the reforms I have advocated here today. I do not believe that a member of Congress should accept any form of outside income from whatever source. Writing laws which detail in complicated fashion what forms of outside income are and which are not allowable do not necessarily result in open or honest government. As this bill stands, some of these reforms may result in little more than thousands of pages of undigestable computer print-out. I believe that the job of congressmen should be a full time job. I do not feel that a member of Congress can approach an issue with the pragmatism and total openness his constituents have a right to expect if he depends, for a portion of his income, on interests which may in some manner influence his decision. I know of no way to ensure against this conflict of interest except by prohibiting such outside income altogether.

* I believe that this legislation should halt the employment of our former colleagues by interests which seek to utilize the benefits they enjoy as former Members. This legislation should ban all lobbyists who are former Members from the floor of the House, the gymnasium, the Members' dining room, and other areas designated for the sole use of Members and former Members. By hiring former Members as their lobbyists, special interests have exerted influence through means barred to those with competing opinions not fortunate enough to have a former Member as their lobbyist. Maintaining this loophole, therefore, perpetuates an inequity in the law which this subcommittee should not tolerate.

* Related to this point, I believe that this subcommittee ought to include in this bill a section restricting the movement of government officials from public jobs to lobbying and other private sector jobs which capitalize on contacts and expertise acquired in federal service. We attempted to enact a similar ban in the California Legislature when I worked there. I submit that of the expectation of lucrative executive and lobbying positions in the private sector constitute a grave violation of the public trust. Yet repeatedly former Members accept employment with businesses and interests dealing with subjects on which they had influence while in the Congress. In the case of the last few Secretaries of Agriculture, we have seen a game of musical chairs between the great farm organizations and the Department of Agriculture, which is supposed to regulate and supervise the farming industry. And this scene is repeated again and again, in Federal agencies around the country. I would suggest that this subcommittee consider barring for two years those Federal employees covered by H.R. 15, including former congressmen, from employment with any group involved in business related to his past work which might have interests in pending legislation or administrative rulings.

I would also recommend that Sec. 4(4) be amended to require that the record of any expenditure made directly or indirectly to a Federal officer or employee include the size and date of expenditure, the full name and address of the recipient, a description of the reasons for such payment, including a citation of any legislation in which the lobbyist's interests are involved.

Lastly, I would advise that all records of the Commission containing information required in Sec. 4, be open for public examination.

The suggested amendments to this legislation which I have offered this morning would bring about substantive changes in the style of lobbying in Washington. I do not believe that any of the revisions which I have suggested would limit access to legislators in an unreasonable way. I do believe that they would ensure that the voice of the public interest will not be overwhelmed in the future by the more well-heeled advice of the special interests. These amendments would ensure that the line separating lobbyists from legislators and administrators is distinct, and that foremost in the minds of public servants will be the interests of our citizens and not the whims of contributors and clients.

I hope that the subcommittee takes these recommendations to heart and reports out legislation incorporating their spirit. I am most grateful for the opportunity to appear before you today.

THE GUNS OF AUTUMN

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 15, 1975

Mr. SYMMS. Mr. Speaker, as part of a broader attack on gun ownership generally, our Nation's news media has recently launched a direct attack on the American hunter. In such treatments as the CBS program "The Guns of Autumn," the hunter is painted as a gun-crazed lunatic, obsessed with killing whatever beast crosses his path. This grossly distorted image does a great disservice to the many thousands of honorable men and women who enjoy hunting for the exercise, enjoyment of being outdoors, and having the opportunity to inexpensively add to their family's supply of meat. One newsman who has condemned this irresponsible disservice to the legitimate practice of hunting in America is Gene Mueller of the Washington Star. His recent column reflecting on the CBS program, along with comments he has received from hunters in the Metropolitan Washington area is highly recommended for my colleagues' attention. His remarks put in excellent perspective the treatment hunting has received by some of his fellow journalists. The article follows:

[From the Washington Star, Sept. 9, 1975]

"GUNS OF AUTUMN": A TRAGIC COMEDY

(By Gene Mueller)

When Bill Leonard, senior vice president of CBS television, announced last Friday night's showing of "The Guns of Autumn," he said, "This is purely and simply a broadcast about hunting. It is about how deeply the urge to hunt reaches into the American psyche—about the incredible efforts men and women make to fulfill that urge to chase, to hunt and to kill."

Baloney. There was nothing pure, nothing simple about the program. There were absolutely no conclusions reached or sound explanations offered about the American "psyche"—whatever that may be.

What I viewed was a tragic comedy of TV cutting room clippings that subtly attempted to show hunters as two-legged animals superior in equipment and know-how to their prey. Especially when the "superior" human cuts down the odds by "hunting" on enclosed game farms—as shown in some parts of the program.

What a pity CBS didn't realize such episodes hardly can be classified representative of the 20-odd million American hunters who rarely can afford or wish to participate in managed pay-for-game farm shooting.

The same goes for culling of buffalo herds. Seriously, now. How many people hunt buffalo? Yet CBS wasted much precious time in 90 minutes that could have been spent objectively with a few weather-beaten waterfowlers in an off-shore duck blind on Chesapeake Bay. The film footage may not have resulted in a hoped-for duck slaughter to add shock value to virgin eyes, but I'll bet a dollar to a doughnut the guys in the leaf-covered blind would have emerged smiling just the same and called it hunting.

Get it Mr. Leonard? No knee-jerk, soul-searching questions about age-old human desires. Just a wish to be among wind, water, grass and trees, with the possibility of bringing home supper for the family. Never mind reminding hunters that super markets sell meat and there is no longer a need to do it the hard way.

And the next time Dan Rather is asked to narrate a "news" program of that type we should hope Rather would get a few facts straight before exercising his golden throat. Legal waterfowl shooting begins one half hour before sunrise in most locales. So when a Pennsylvania game official reminded hunters in the uproarious segment on duck and goose hunting about exact sunrise arrivals Rather (or his script writers) assumed that the hunters promptly started shooting illegally a half hour before the sun showed its face. Oh, well.

Here is a sampling of opinions by Washington Star readers who watched "The Guns of Autumn":

Robert Iseman, a hunter who lives in Bowie: "I've hunted for 16 years now and definitely did not think the program represented hunting in the least."

Roy Hutchinson, a non-hunter who lives in Ellicott City: "I don't think the game farm portions of the program should have been shown because such activities do not accurately describe hunting. Overall, I did not think the program was detrimental to hunting."

Paul Poteat, a hunter who lives in Lanham: "I've hunted for 10 years and I've yet to pay to hunt. I can barely afford licenses and game stamps, let alone pay $400 to shoot a penned-up buffalo. I thought the program was disgusting and one-sided."

Mai Lee, a non-hunter who lives in Rockville: "Why wasn't emphasis placed on the wildlife damage being done through increasing land development, rather than hunters?

Hunters have done more to aid wildlife

than any other group of people in the country."

Gary Fields, a hunter who lives in Lanham: "It was very one-sided. Nothing was mentioned about what happens to game after the hunt. I, for one enjoy eating wild game."

In all, I thought "The Guns of Autumn" lacked basic honesty and clumsily showed anti-hunting sentiments by the producers throughout—not exactly desirable in anything classified a news program.

U.S. LABOR'S HERITAGE STRESSES TODAY'S TASKS

HON. JOSEPH E. KARTH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 15, 1975

Mr. KARTH. Mr. Speaker, Labor Day 1975, falling near the beginning of our Nation's Bicentennial Year, served to remind many citizens not only that organized labor and unions in America are older than the United States itself but also that the contributions made by working men and women and their organizations to America's greatness are beyond calculation.

Perhaps more than to any other group, as I emphasized in my Labor Day greetings to the labor movement of my district, America is indebted to its working people and their unions for the growth of political, social and economic democracy, achievements that have made America for 200 years an example for the world.

Democratic unionism, having built the foundations of our country's strength and progress over the past two centuries will, I am confident, continue during the coming centuries to open new horizons of freedom, justice and opportunity for America's future generations.

One of this year's outstanding Labor Day addresses was offered at the annual Labor Day Mass at the Sacred Heart Shrine in Washington by President Joseph T. Power, general president of the Operative Plasterers' and Cement Masons' International Association AFL-CIO.

President Power's thought-provoking speech is especially valuable because it stresses American labor's great heritage against labor's equally great complex of problems and tasks today.

I commend President Power's address to my colleagues and to all others concerned with American labor's present and future:

LABOR DAY ADDRESS

(By Joseph T. Power)

Your Excellency, distinguished guests on the dais, my brothers and sisters in Christ and in labor, friends:

Today is Labor's Day. It is a day when we honor, not a particular person or a product, but a day we have dedicated to the millions of workers in our country and the contributions they have made to our society.

However, as Catholics, it is impossible for us to commemorate the role of the labor movement in America without also celebrating the memory of James Cardinal Gibbons. Each year at this time we publicly place Cardinal Gibbons' life and work before the Church in America, and we do this for two reasons: first, because of what his life meant in his own day; second, because of what his life can mean for us today.

The Church in the United States has always felt at home in the labor movement. There are several reasons for this, but no single factor looms larger in the history of the Church and labor than the life of James Cardinal Gibbons. Gibbons spent most of his life as a Bishop interpreting Catholicism to America and interpreting the style and substance of life in the United States to the Church of Rome. He did this so well that near the end of his life former President Theodore Roosevelt said of Gibbons: "Taking your life as a whole, I think you now occupy the position of being the most respected and venerated and useful citizen of our country."

No single event was more important in this process of interpretation than Gibbons' work of helping the Church as a whole grasp the unique situation of the American labor movement. Because of what Gibbons did in going to Rome in 1887 to make the case for the freedom of the labor movement in the United States and the right of Catholics to participate fully in it, the road was open for hundreds of lay Catholics to pursue social and economic justice in our country for the last century through the work of the American labor movement. What Gibbons did in his day speaks to us in our day. He saw the Church's role in the labor movement as part of a larger picture. The task of Catholics was to share fully in their society, seeking to shape and build a society with justice for all as its foundation, liberty for all its rule and peace for all Americans and others on our globe as our goal. If we can fulfill his example, the standards Gibbons set for Catholics in his day will be fulfilled in our own.

Even though Labor Day is now right up there with Monday night football and other events of great moment, what has really evolved since that first special day for labor is that Labor Day, as a day, has simply become part of the fabric of American life. And was that not our goal in the first place?

Labor Day deserves to be special not because someone declares it so. Labor Day deserves to be special—and it *is* special—because the American labor movement, just like the American veteran or the American patriot, has rightly earned itself a place in the sun.

After all, what is the labor movement in 1975 if it isn't a regular part of American life; special but not alien, separate but not detached.

I might add that Labor Day speakers should be treated accordingly as well. I can't help but feel that if a certain group of friends of this speaker, from "back of the yards" on the South Side of Chicago, were to see me standing among this clergy, this *high* clergy and these distinguished guests, they would not think it was a special day of any sort, but rather they would swear there was an "exorcism" being performed on yours truly.

While I do believe we should frankly rejoice in our absorption into American life, it is *just* because of that evolution that Labor Day means so much to me. This day is indeed special, and a number of things need to be said.

Labor Day 1975 finds our movement, and the nation we have contributed so much to, as beset by troubles and as distraught as in no other time since the cataclysm of the Great Depression.

By any standards we enjoy unparalleled prosperity. Yet we are in the depths of a searing recession; in my own industry, a depression. Energy, inflation, interest rates and unemployment are the first words out of our mouths—*not* prosperity, good times, savings or work.

It seems to me that it is a time to go back to basics, some of the basics that propelled our movement to the pinnacle of being so much a part of American life.

One of those basics is testified to by this very audience, both on the dais and otherwise. For all of you are "labor leaders" in the proud sense that I most like to use that phrase.

And I can think of no other time in my memory when the need for leadership—strong leadership at every level—has been greater than right now.

The devastating recession continues virtually unabated as it has for month after month. The President, they say, is growing more confident in office as he vetoes bill after bill designed to aid recovery. The Democratic Congress is beginning to resemble a great, beached whale, surely the largest item on the horizon, yet completely immobile. It has been either unwilling or just plain unable to override the President's vetoes on job-oriented legislation, and it appears to be in utter disarray.

It is beginning to look to me that once again those of us in the labor movement are going to have to weather the storm alone, swallow the grist of the hard times, and fight our own way to recovery. We have done it before and while no other so-called recession has hit as long and as hard as this one, there is now every appearance to me that we are largely on our own.

That is why on occasions like this I learn again something I try never to forget, and that is the fact that labor's best hope in 1975 is the *strength* and the *courage* of our own leadership. The local union, the national union, manned by genuine labor leaders, individuals in membership and in office, they remain the backbone of the labor movement and our key to recovery.

I think it is important on occasions like this that we stop for a moment and analyze some of the qualities of the labor leader, qualities responsible for every past success and which are vital to recovery in 1975.

The first of those qualities is simple and basic. It is love of craft. The respect and admiration for the art and technique of your trade. It begins with ability and inclination, grows with training and refinement, and matures with the day-by-day practice of being on the job, doing your job as best you can. I have never known a labor leader who did not possess a deep underlying love and respect for his craft. Such a simple belief, one widely shared, now so often abandoned, is still the taproot of every union leader.

I am not talking about the cliche "work ethic" that is so often bandied about, that all work, any work is simply marvelous—whether it is changing bedpans or following the elephants around the circus with a shovel. That was chicanery, pure and simple.

I am talking about the genuine work ethic of pride in craft that had its beginnings in the Guilds of the Middle Ages and has always been sustained over the years by the craft pride of union workers. All of us hear a lot of talk nowadays about the "good old days," and the wave of nostalgia that has swept the country in recent years.

The success of "The Waltons" on television and the various books and motion pictures looking nostalgically to the past have been selling us the view that everything in the "good old days" was good. And most of everything today is something less than good. That's pretty hard to argue with when one looks at conditions today.

Nevertheless, I think all of us over a certain age will admit that despite the fun of remembering your own particular "good old days," whenever they were, not everything in the past was good, or sometimes even half-good.

What I think people are saying is that years ago certain awfully worthwhile qualities of honor, integrity and hard-working craftsmanship were very much more commonly found than they are today.

It isn't that those qualities don't exist in 1975 at all. They do exist. It's just that it's so hard to find them anymore. In the past they were common. In the present they are scarce. They are a true "endangered species" that when found should be acknowledged and protected.

It is my belief that those qualities are exemplified by this audience and our labor movement. So be careful! All of you—you're endangered!

There is a second quality that again I find present here today. It stems from love of craft and is still worth noting in 1975. Love and pride in craft will lead to love of the people in your craft and the desire to serve them beyond the companionship of the workplace.

As important as the craft is, it must be seen simply as the vehicle to a union man or woman can use to help people, the people of his union, the people and families of his community, and the entire fabric of his nation.

I know that somewhere along the line all of us here discovered that attitude. We have served with it, and tried daily to maintain it as we have seen firsthand the many changes and difficulties affecting the labor movement in recent years. And certainly, there have been many and they have been complicated.

Yet it is this ability to cope with the enormous changes in craft, employment, community and the people you serve, which to me represents the third leg of a real labor leader. Respect for your craft and the stronge desire to help people must be always sustained by that third leg, the ability to accept positive change, to struggle with all your resources against negative change and, more important of all, to be able to distinguish between the two.

Certainly in no era since the Great Depression has the entire labor movement been more in need of the benefits of those type of qualities than it is today.

For the situation has developed today where the President of the United States and all of his top advisers are telling us that the recession is over at the very same time that the two most important industries in America, construction and autos, are absolutely devastated.

Administration officials are actually saying and what's worse, I'm afraid, actually believing that you can have some kind of genuine recovery to the body of our economy at the same time that you have enormous levels of unemployment.

These unbelievable utterings are almost bizarrely laughable. I mean, how can you possibly be at the end of a recession if millions are unemployed and whole industries devastated? It might be laughable were it not for the awful human toll that unemployment takes.

What this administration is trying to do is nothing less than to separate the human factor of unemployment from playing any major role in economic policy. It began as subtle talk of so-called "acceptable unemployment," and it has now reached the point where the administration has no special plans whatsoever beyond the normal recovery built into each industry to aid unemployment. These people are actually succeeding in divorcing "people" right out of the economic planning. This is unprecedented in modern economic history.

George Meany has said that this attitude of the Ford administration "adds up to a callous disregard for the misery and suffering experienced by our nation's unemployed." He is right, but it is happening.

It is evident in every action of this administration from vetoes on down. Perhaps we should have seen it coming.

I'm sure all of you remember the great economic summit convened by President Ford shortly after he took office. At that time the only song the administration wanted to sing was about the dangers of inflation.

Unemployment and recession were slid to the back burner; it was all inflation.

Many statements were made at that time by many people, but George Meany made a statement, as only he can, that has stuck with me to this day. He said that inflation is indeed a terrible thing, a cancer eating away at us all. But that "a worker's only hedge against inflation is his job."

A simple enough statement you might think. It's almost silly. I mean, of course, a worker's job is his only hedge against inflation. Heck, your job is really your only hedge against any disaster—economic or personal. Workers have no stocks to sell off. We have no excess property to let go, no works of art or jewels to sacrifice on a rainy day, and certainly no tax shelters to hide under. A worker has his job. That is all he has.

You and I know that. George Meany knows that. Yet, I firmly believe that the Ford administration to this day does not even understand that basic a creed.

The cruel vetoes of the emergency jobs bill and, most recently, the housing bill are proof positive that we are on our own.

During 1975 alone, President Ford vetoed legislation creating 1,800,000 jobs. Subsequently-enacted compromise legislation brought the net total down to 638,500. This means that at least 638,500 Americans were deprived of work this year because of the President's actions.

The American labor movement has suffered through this country's worst and most protracted recession since the 1930's. And during this same period the working population has had to cope with the most serious upward spiral in prices since the Civil War.

During the past year the worker has stood in a giant vise of bad news. Each report of increasing unemployment, materials shortages, higher interest rates, costlier oil and steeper food prices has only tightened the screws.

Nearly 8,000,000 workers are presently unemployed. Another 1,053,000 workers are not even included in these figures because they have become too discouraged to look for work. Moreover, 3,179,000 workers are working part-time, not because they chose to but because of economic reasons.

The workers of this country are wrongfully being asked to pay the economic costs of inflation. The American worker is concerned with inflation. Inflation strikes most severely those of the middle and lower income classes in our society. The American worker is prepared to make his sacrifice and pay his share to control inflation, but not needlessly and not senselessly.

Those are the sad facts of life on Labor Day 1975. Between now and next year's Labor Day our task is formidable.

The challenge to our leadership will be severe. We will need all benefits that love of craft, love of people, and the sure struggle for positive change can possibly bring to us.

Nevertheless, I still believe on this Labor Day that we are up to that challenge just as we have been in the past.

In closing, please remember that if those you meet do take this day for granted, say to them that—"Oh! it's just another day—but it's our day!"

Thank you.

IT TAKES A LOT OF COURAGE

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 15, 1975

Mr. SYMMS. Mr. Speaker, another of our congressional cliches has been explored by the people and found phoney. I commend to my colleagues an editorial from the St. Maries Gazette Record concerning that old myth about Congress and the White House not being able to get a handle on "uncontrollable spending." There is not a whole lot I can add to this editor's comments. His point is abundantly clear and well-taken.

The editorial follows:

WHAT IT TAKES IS A LOT OF COURAGE

No modern presidents have deplored federal spending more than Richard Nixon and Gerald Ford.

So what has that gotten the country?

The biggest peacetime deficits and the largest budgets ever. The last budget of that wheeler-dealer, free-spending Great Society President Lyndon Johnson called for tossing federal tax dollars around at the rate of $180 billion per year.

So now, under cut-the-budget, deficits-are-horrible President Gerald Ford, we have a $360 billion per year budget—just double Lyndon Johnson in seven years.

An excuse, used by Democrats as well as Republicans, is that these budgets are "uncontrollable." They point to laws passed by previous Congresses which set up programs, committed funds and expanded the government spending. "There is really nothing we can do about it," is their alibi.

Nothing, that is, except have the current Congress change the laws which set up the spending in the first place. It wouldn't be easy and it would take a lot of courage. It could be done.

But it won't be.

SENATE—*Tuesday, September 16, 1975*

(Legislative day of Thursday, September 11, 1975)

The Senate met at 12 noon, on the expiration of the recess, and was called to order by Hon. SAM NUNN, a Senator from the State of Georgia.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God, our Father, in whom we live and move and have our being, may the hush of this moment lead us to Thee, and in Thy presence may we find strength and wisdom. May we see life steadily and see it whole, and therein discern Thy purpose for the Nation and the world. By Thy spirit make us masters of ourselves that we may be servants of others.

Lord God, be within us to refresh us, around us to protect us, before us to guide us, above us to bless us, beneath us to hold us up.

And to Thee shall be all praise and thanksgiving. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The **PRESIDING OFFICER.** The clerk will please read a communication to the

Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., September 16, 1975.
To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. SAM NUNN, a Senator from the State of Georgia, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. NUNN thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Monday, September 15, 1975, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN ITEMS ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Nos. 362 and 363.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PAROLE COMMISSION ACT

The Senate proceeded to consider the bill (H.R. 5727) to establish an independent and regionalized U.S. Parole Commission, to provide fair and equitable parole procedures, and for other purposes, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert the following:

That this Act may be cited as the "Parole Commission Act".

SEC. 2. Chapter 311 of title 18, United States Code, is amended to read as follows:

"Chapter 311—PAROLE

"Sec.
"4201. Definitions.
"4202. Parole Commission created.
"4203. Powers and duties of the Commission.
"4204. Powers and duties of the Chairman.
"4205. Persons eligible.
"4206. Release on parole.
"4207. Conditions of parole.
"4208. Parole interview procedures.
"4209. Aliens.
"4210. Retaking parole violator under warrant.
"4211. Officer executing warrant to retake parole violator.
"4212. Parole modification and revocation.
"4213. Reconsideration and appeal.
"4214. Original jurisdiction cases.
"4215. Applicability of Administrative Procedure Act.
"4216. Young adult offenders.
"4217. Warrants to retake Canal Zone parole violators.

"§ 4201. Definitions

"As used in this chapter—

"(1) 'Commission' means the United States Parole Commission;

"(2) 'Commissioner' means any member of the United States Parole Commission;

"(3) 'Director' means the Director of the Bureau of Prisons;

"(4) 'Eligible person' means any Federal prisoner who is eligible for parole pursuant to this title or any other law including any Federal prisoner whose parole has been revoked and who is not otherwise ineligible for parole;

"(5) 'Parolee' means any eligible person who has been released on parole or deemed as if released on parole under section 4164 or section 4205(d) of this title; and

"(6) 'Rules and regulations' means rules and regulations promulgated by the Commission pursuant to section 4203(b)(1) of this title and section 553 of title 5, United States Code.

"§ 4202. Parole Commission created

"There is hereby established as an independent agency of the Department of Justice a United States Parole Commission which shall be comprised of nine members appointed by the President, by and with the advice and consent of the Senate. At no time shall more than six members be of the same political party. The Attorney General shall designate from among the commissioners one to serve as Chairman. The term of office of a commissioner shall be six years, except that the term of a person appointed as a commissioner to fill a vacancy shall expire six years from the date upon which such person was appointed and qualified. Upon the expiration of a term of office of a commissioner, the commissioner shall continue to act until a successor has been appointed and qualified. Commissioners shall be compensated at the highest rate now or hereafter prescribed for grade 17 of the General Schedule pay rates (5 U.S.C. 5332).

"§ 4203. Powers and duties of the Commission

"(a) The Commission, by majority vote, shall have the power to—

"(1) grant or deny any application or recommendation to parole any eligible person;

"(2) impose reasonable conditions on any order granting parole;

"(3) modify or revoke any order paroling any eligible person; and

"(4) establish the maximum length of time which any person whose parole has been revoked shall be required to serve, but in no case shall such time, together with such time as he previously served in connection with the offense for which he was paroled, be longer than the maximum term for which he was sentenced in connection with such offense; and where such revocation is based upon a subsequent conviction of the parolee of any Federal, State or local crime committed subsequent to his release on parole, determine whether all or any part of the unexpired term being served at time of such parole shall run concurrently or consecutively with the sentence imposed for such subsequent offense.

"(b) The Commission shall meet at least quarterly, and by majority vote shall—

"(1) promulgate rules and regulations establishing guidelines for the powers enumerated in subsection (a) of this section and such other rules and regulations as are necessary to carry out a national parole policy and the purposes of this chapter;

"(2) create such regions as are necessary to carry out the provisions of this chapter, but in no event less than five; and

"(3) ratify, revise, or deny any request for regular, supplemental, or deficiency appropriations, prior to the submission of the requests to the Office of Management and Budget by the Chairman, which requests shall be separate from those of any other agency of the Department of Justice.

A record of the final vote of each commissioner on any action pursuant to this subsection shall be maintained and made available for public inspection.

"(c) The Commission, by majority vote, and pursuant to rules and regulations—

"(1) may delegate to any commissioner or commissioners any powers enumerated in subsection (a) of this section;

"(2) may delegate to any panel of hearing examiners any powers necessary to conduct hearings and interviews, take sworn testimony, obtain and make a record of pertinent information, make findings of probable cause and issue subpenas for witnesses or evidence in parole revocation proceedings, and recommend disposition of any matters enumerated in subsection (a) of this section, except that any such findings or recommendations of any panel of hearing examiners shall be based upon the concurrence of not less than two members of such a panel; and

"(3) may review, or may delegate to the National Appeals Board the power to review, any decision made pursuant to subparagraph (1) of this subsection except that any such decision so reviewed must be reaffirmed, modified, or reversed within thirty days of the date the decision is rendered, and, in case of such review, the individual to whom the decision applies shall be informed in writing of the Commission's actions with respect thereto and the reasons for such actions.

"(d) Except to the extent otherwise herein provided, in every decision or action made by the Commission pursuant to the powers enumerated in this section, each commissioner shall have equal responsibility and authority, shall have full access to all information relating to the performance of such duties and responsibilities, and shall have one vote.

"§ 4204. Powers and duties of the Chairman

"(a) The Chairman shall—

"(1) convene and preside at meetings of the Commission pursuant to section 4203 of this title and such additional meetings of the Commission as the Chairman may call or as may be requested in writing by at least three commissioners;

"(2) appoint, fix the compensation of, assign, and supervise all personnel employed by the Commission except that—

"(A) the appointment of any hearing examiner shall be subject to approval of the Commission within the first year of such hearing examiner's employment; and

"(B) regional commissioners shall appoint and supervise such personnel employed regularly and full time in their respective regions as are compensated at a rate up to and including grade 9 of the General Schedule pay rates (5 U.S.C. 5332);

"(3) assign duties among officers and employees of the Commission, including commissioners, so as to balance the workload and provide for orderly administration;

"(4) designate three commissioners to serve on the National Appeals Board of whom one shall be so designated to serve as Vice Chairman, and designate, for each such region established pursuant to section 4203(b)(2) of this title, one commissioner to serve as regional commissioner in each such region; except that in each such designation the Chairman shall consider years of service, preference and fitness, and no such designation shall take effect unless concurred in by the Attorney General;

"(5) direct the preparation of requests for appropriations and the use and expenditure of funds;

"(6) make reports on the position and policies of the Commission to the Attorney General, the Administrative Office of the United States Courts, and the Congress;

"(7) provide for research and training, including, but not limited to—

"(A) collecting data obtained from studies, research, and the empirical experience of public and private agencies concerning the parole process and parolees;

"(B) disseminating pertinent data and studies, to individuals, agencies, and organizations concerned with the parole process and parolees;

"(C) publishing data concerning the parole process and parolees; and

"(D) conducting seminars, workshops, and training programs on methods of parole personnel and other persons connected with the parole process;

"(8) accept voluntary and uncompensated services;

"(9) utilize, on a cost-reimbursable basis, the services of officers or employees of the executive or judicial branches of Federal or State government, for the purpose of carrying out the provisions of section 10 of this title; and

"(10) perform such administrative and other duties and responsibilities as may be necessary to carry out the provisions of this chapter.

"(b) In carrying out his functions under this section, the Chairman shall be governed by the national parole policies promulgated by the Commission.

"§ 4205. Persons eligible

"(a) An eligible person, other than a juvenile delinquent or committed youth offender, wherever confined and serving a definite term or terms of more than one year, may be released on parole after serving one-third of such term or terms or after serving fifteen years of a life sentence or of a sentence in excess of forty-five years, except to the extent otherwise provided by law.

"(b) Upon entering a judgment of conviction, the court having jurisdiction to impose sentence, when in its opinion the ends of justice and best interest of the public require that the defendant be sentenced to imprisonment for a term exceeding one year, may (1) designate in the sentence of imprisonment imposed a minimum term at the expiration of which the person shall become eligible for parole, which term may be less than but shall not be more than one-third of the maximum sentence imposed by the court, or (2) the court may fix the maximum sentence of imprisonment to be served in which event the court may specify that the person may be released on parole at such time as the Commission may determine.

"(c) If the court desires more detailed information as a basis for determining the sentence to be imposed, the court may, for purposes of study, commit the defendant to the custody of the Attorney General, which commitment shall be deemed to be for the maximum sentence of imprisonment prescribed by law. The results of such study, together with any recommendations which the Director believes would be helpful in determining the disposition of the case, shall be furnished to the court within sixty days, or such additional period, but not to exceed sixty days, as the court may grant. After receiving such reports and recommendations, the court may in its discretion—

"(1) place the person on probation as authorized by section 3651 of this title; or

"(2) affirm the sentence of imprisonment originally imposed, or reduce the sentence of imprisonment, and commit the offender under any applicable provision of law. The term of the sentence shall run from date of original commitment under this section.

"(d) Any person sentenced to imprisonment for a term or terms of one year or less, who after one hundred and eighty days has not served his term or terms less good time deductions, shall be released as if on parole, notwithstanding the provisions of section 4164 of this title, unless the court which imposed sentence, shall, at the time of sentencing, find that such release is not in accord with the ends of justice and the best interest of the public and sets another time for such release. This subsection shall not prevent delivery of any person released on parole to the authorities of any State otherwise entitled to his custody.

"(e) At any time upon motion of the Bureau of Prisons and upon notice to the attorney for the government, the court may reduce any minimum term to the time the defendant has served.

"(f) Except to the extent otherwise herein specifically provided, nothing in this section shall be construed to affect or otherwise alter, amend, modify, or repeal any provision of law relating to eligibility for release on parole, or any other provision of law which empowers the court to suspend the imposition or execution of any sentence, to place any person on probation, or to correct, reduce, or otherwise modify any sentence.

"§ 4206. Release on parole

"(a) If it appears from a report or recommendation by the proper institution officers or upon application by a person eligible for release on parole, that such person has substantially observed the rules of the institution to which he is confined, that there is a reasonable probability that such person will live and remain at liberty without violating the law, and if in the opinion of the Commission such release is not incompatible with the welfare of society, the Commission may authorize release of such person on parole.

"(b) Upon commitment of any person sentenced to imprisonment under any law for a definite term or terms of more than one year, the Director, under such regulations as the Attorney General may prescribe, shall cause a complete study to be made of the person and shall furnish to the Commission a summary report, together with any recommendations which in the Director's opinion would be helpful in determining the suitability of the prisoner for parole. Such report may include, but shall not be limited to, data regarding the eligible person's previous delinquency or criminal experience, pertinent circumstances of his social background, his capabilities, his mental and physical health, and such other factors as may be considered pertinent. The Commission may make such other investigations as it may deem necessary. Such report and recommendations shall be made not less than ninety days prior to the date upon which such person becomes eligible for parole, except where such person may become eligible for parole less than one hundred and twenty days following commitment the Director, in the absence of exceptional circumstances, shall have not less than thirty days, but not more than sixty days, to make such report and recommendations.

"(c) Upon request of the Commission, it shall be the duty of the various probation officers and government bureaus and agencies to furnish the Commission information available to such officer, bureau, or agency, concerning any eligible person or parole and whenever not incompatible with the public interest, their views and recommendations with respect to any matter within the jurisdiction of the Commission.

"§ 4207. Conditions of parole

"(a) A parolee shall remain in the legal custody and under the control of the Attorney General, until the expiration of the maximum term or terms for which such parolee was sentenced.

"(b) In every case, the Commission shall impose as a condition of parole that the parolee not commit another Federal, State, or local crime during the term of his parole.

In imposing any other condition or conditions of parole the Commission shall consider the following:

"(1) there should be a reasonable relationship between the conditions imposed and the person's conduct and present situation;

"(2) the conditions may provide for such deprivations of liberty as are reasonably necessary for the protection of the public welfare; and

"(3) the conditions should be sufficiently specific to serve as a guide to supervision and conduct.

Upon release on parole, a parolee shall be given a written statement setting forth the conditions of such parole.

"(c) An order of parole or release as if on parole may as a condition of such order require—

"(1) a parolee to reside in or participate in the program of a residential community treatment center, or both, for all or part of the period of such parole or release. A person residing in a community treatment center may be required to pay such costs incident to residence as the Attorney General deems appropriate;

"(2) a parolee, who is an addict within the meaning of section 4251(a) of this title, or a drug dependent person within the meaning of section 2(q) of the Public Health Service Act, as amended (42 U.S.C. 201), to participate in the community supervision programs authorized by section 4255 of this title for all or part of the period of parole.

"(d) The Commission may discharge any parolee from parole supervision or release him from one or more conditions of parole at any time after release on parole. In addition, the Commission shall—

"(1) review, at least annually, the status of any parolee who has two years of continuous parole supervision, to determine the need for continued parole supervision; and

"(2) discharge from parole supervision any parolee who has had five years of continuous parole supervision unless it is determined, after a hearing, that he should not be so discharged because there is a likelihood that he will either engage in conduct violating any criminal law or would jeopardize the public welfare. In any case in which parole supervision is continued pursuant to this subparagraph, the parolee shall receive a hearing at least every two years for the purpose of determining need for further parole supervision. Any hearing held pursuant to this subparagraph shall be in accordance with the procedures set out in section 4210 (b)(2) of this title at a time and location determined by the Commission.

"§ 4208. Parole interview procedures

"(a) Any person eligible for parole shall promptly be given a parole interview and such additional parole interviews as the Commission deems necessary, but in no case shall there be less than one additional parole interview every three years, except that an eligible person may waive any interview.

"(b) Any interview of an eligible person by the Commission in connection with the consideration of a parole application or recommendation shall be conducted in accordance with the following procedure—

"(1) an eligible person shall be given written notice of the time, place, and purpose of such interview; and

"(2) an eligible person shall be allowed to select a representative to aid him in such interview. The representative may be any person who qualifies under rules and regulations promulgated by the Commission. Such rules shall not exclude attorneys as a class.

"(c) Following notification that a parole interview is pending, an eligible person shall have reasonable access to progress reports and such other materials as are prepared by or for the use of the Commission in making any determinations, except that the following materials may be excluded from inspection—

"(1) diagnostic opinions which, if made known to the eligible person, would lead to a serious disruption of his institutional program of rehabilitation;

"(2) any document which contains information which was obtained on the basis of a pledge of confidentiality made by or in behalf of a public official in the performance of his official duties if such official has substantial reason to believe that such information would place any person in jeopardy of life or limb; or

"(3) any other information that would place any person in jeopardy of life or limb.

If any document is deemed by either the Commission, the Bureau of Prisons, or any other agency to fall within the exclusionary provisions of subparagraph 1, 2, or 3 of this subsection, then it shall become the duty of the Commission, the Bureau, or such other agency, as the case may be, to summarize the basic contents of the material withheld, bearing in mind the need for confidentiality or the impact on the inmate, or both, and furnish such summary to the inmate.

"(d) A full and complete record of every interview shall be retained by the Commission. For good cause shown, the Commission may make a transcript of such record available to any eligible person.

"(e) Not later than fifteen working days after the date of the interview, the Commission shall notify the eligible person in writing of its determination. In any case in which parole release is denied or parole conditions are imposed other than those commonly imposed, the Commission shall include the reasons for such determination, and, if possible, a personal conference to explain such reasons shall be held between the eligible person and the Commission or examiners conducting the interview.

"§ 4209. Aliens

"When an alien prisoner subject to deportation becomes eligible for parole, the Commission may authorize the release of such person on condition that such person be deported and remain outside the United States.

"Such person, when his parole becomes effective, shall be delivered to the duly authorized immigration official for deportation.

§ 4210. Retaking parole violater under warrant

"(a) A warrant for the taking of any person who is alleged to have violated his parole may be issued by the Commission within the maximum term or terms for which such person was sentenced.

"(b)(1) Except as provided in subsection (c), any alleged parole violator retaken upon a warrant under this section shall be accorded the opportunity to have—

"(A) a preliminary hearing at or reasonably near the place of the alleged parole violation or arrest, without unnecessary delay, to determine if there is probable cause to believe that he has violated a condition of his parole; and upon a finding of probable cause a digest shall be prepared by the Commission setting forth in writing the factors considered and the reasons for the decision, a copy of which shall be given to the parolee within a reasonable period of time;

"(B) upon a finding of probable cause under subparagraph (1)(A), a revocation hearing at or reasonably near the place of the alleged parole violation or arrest within sixty days of such determination of probable cause except that a revocation hearing may be held at the same time and place set for the preliminary hearings.

"(2) Hearings held pursuant to subparagraph (1) of this subsection shall be conducted by the Commission in accordance with the following procedures:

"(A) notice to the parolee of the conditions of parole alleged to have been violated, and the time, place, and purposes of the scheduled hearing;

"(B) opportunity for the parolee to appear and testify, and present witnesses and documentary evidence on his own behalf;

"(C) opportunity for the parolee to be represented by retained counsel, or if he is unable to retain counsel, counsel may be provided pursuant to section 3006A of this title, and

"(D) opportunity for the parolee to be apprised of the evidence against him and, if he so requests, to confront and cross-examine adverse witnesses, unless the Commission specifically finds good cause for not allowing confrontation. The Commission may subpena witnesses and evidence, and pay witness fees as established for the courts of the United States. If a person refuses to obey such a subpena, the Commission may petition a court of the United States for the judicial district in which such parole proceeding is being conducted, or in which such person may be found, to request such person to attend, testify, and produce evidence. The court may issue an order requiring such person to appear before the Commission, when the court finds such information, thing, or testimony directly related to a matter with respect to which the Commission is empowered to make a determination under this section. Failure to obey such an order is punishable by such court as a contempt. All process in such a case may be served in the judicial district in which such a parole proceeding is being conducted, in which such person may be found.

"(c)(1) Any parolee convicted of any Federal, State, or local crime committed subsequent to his release on parole and sentenced for such crime to a term or terms of imprisonment who has a detainer for a warrant issued under this section placed against him shall receive a revocation hearing within one hundred and eighty days of such placement, or promptly upon release from such commitment, whichever comes first.

"(2) Any alleged parole violator, who waives his right to any hearing under subsection (b), shall receive an institutional revocation hearing within ninety days of the date of retaking.

"(3) Hearings held pursuant to subparagraphs (1) and (2) of this subsection shall be conducted by the Commission. The alleged parole violator shall have notice of such hearing, be allowed to appear and testify on his own behalf, and to select a representative, in accordance with the procedures of section 4208(b)(2) of this title, to aid him in such appearance.

"(d) Following any revocation hearing held pursuant to this section, the Commission may discuss the warrant or take any action provided under section 4212 of this title: *Provided, however,* That in any case in which parole is modified or revoked, a digest shall be prepared by the Commission setting forth in writing the factors considered and the reasons for such action, a copy of which shall be given to the parolee.

"(e) The Commission, pursuant to rules and regulations, may delegate authority to conduct hearings held pursuant to this section to any officer or employee of the executive or judicial branches of Federal or State Government.

"§ 4211. Officer executing warrant to retake parole violator

"Any officer of any Federal penal or correctional institutions, or any Federal officer authorized to serve criminal process within the United States, to whom a warrant for the retaking of a parole violator is delivered, shall execute such warrant by taking such parolee and returning him to the custody of the Attorney General.

"§ 4212. Parole modification and revocation

"When a warrant has been executed pursuant to section 4210 of this title, and such warrant is not dismissed, the decision of the Commission may include—

"(1) a reprimand;

"(2) an alteration of parole condition;

"(3) referral to a residential community treatment center for all or part of the remainder of the original sentence;

"(4) formal revocation of parole or release as if on parole pursuant to this title; or

"(5) any other action deemed necessary for successful rehabilitation of the violator, or which promotes the ends of justice.

"The Commission may take any action pursuant to this section it deems appropriate taking into consideration whether or not the parolee has been convicted of any Federal, State, or local crime subsequent to his release on parole or whether such action is warranted by the frequency or seriousness of the parolee's violation of any other condition or conditions of his parole.

"§ 4213. Reconsideration and appeal

"(a) Whenever parole release is denied under section 4206 of this title, parole conditions are imposed other than those commonly imposed under section 4207 of this title, parole discharge is denied under section 4207(d)(2) of this title, or parole is modified or revoked under section 4212 of this title, the individual to whom any such decision applies may have the decision reconsidered by submitting a written application to the regional commissioner not later than thirty days following the date on which the decision is rendered. The regional commissioner, upon receipt of such application, must act pursuant to rules and regulations within sixty days to reaffirm, modify or reverse his original decision and shall inform the applicant in writing of the decision and the reasons therefor.

"(b) Any decision made pursuant to subsection (a) of this section which is adverse to the applicant for reconsideration may be appealed by such individual to the National Appeals Board by submitting a written notice of appeal not later than thirty days following the date on which such decision is rendered. The National Appeals Board, upon receipt of the appellant's papers, must act pursuant to rules and regulations within sixty days to reaffirm, modify, or reverse the decision and shall inform the appellant in writing of the decision and reasons therefor.

"(c) The National Appeals Board shall review any decision of a regional commissioner upon the written request of the Attorney General filed not later than thirty days following the decision and, by majority vote, shall reaffirm, modify, or reverse the decision within sixty days of the receipt of the Attorney General's request. The Board shall inform the Attorney General and the individual to whom the decision applies in writing of its decision and the reasons therefor.

"§ 4214. Original jurisdiction cases

"The regional commissioner, pursuant to rules and regulations, may designate certain cases as original jurisdiction cases, and shall forward any case so designated to the National Appeals Board with his vote and the reasons therefor. Decisions shall be based upon the concurrence of three votes with the appropriate regional director and the members of the National Appeals Board each having one vote. In case of a tie vote, and pursuant to rules and regulations, an additional vote shall be cast by one of the other regional commissioners. The individual to whom such decision applies, or any commissioner who voted in the decision, may appeal such decision directly to the Commission by submitting a written notice of appeal not later than thirty days following the date on which such decision is rendered. The Commission, by majority vote, shall decide the appeal at its next regularly scheduled meeting and shall inform the individual to which such decision applies of the decision and the reasons therefor.

"§ 4215. Applicability of the Administrative Procedure Act

"Except as otherwise provided in this chapter, the provisions of section 551 and sections 553 through 559 and sections 701 through 706 of title 5, United States Code, shall not apply to the making of any determination, decision, or order made by the Commission pursuant to this chapter or any other law.".

Sec. 3. Sections 4209 and 4210 of title 18, United States Code, are renumbered to appear as sections 4216 and 4217 of such title.

Sec. 4. Section 5002 of title 18, United States Code, is repealed.

Sec. 5. Section 5005 of title 18, United States Code, is amended to read as follows:

"§ 5005. Youth correction decisions

"The Commission and, where appropriate, its authorized representatives as provided in sections 420(c) and 4210(e) of this title, may grant or deny any application or recommendation for conditional release, or modify or revoke any order of conditional release, of any person sentenced pursuant to this chapter, and perform such other duties and responsibilities as may be required by law. Except as otherwise provided, decisions of the Commission shall be made in accordance with the procedures set out in chapter 311 of this title."

Sec. 6. Section 5006 of title 18, United States Code, is amended to read as follows:

"§ 5006. Definitions

"As used in this chapter—

"(a) 'Commission' means the United States Parole Commission;

"(b) 'Bureau' means the Bureau of Prisons;

"(c) 'Director' means the Director of the Bureau of Prisons;

"(d) 'youth offender' means a person under the age of twenty-two years at the time of conviction;

"(e) 'committed youth offender' is one committed for treatment hereunder to the custody of the Attorney General pursuant to sections 5010(b) and 5010(c) of this chapter;

"(f) 'treatment' means corrective and preventive guidance and training designed to protect the public by correcting the antisocial tendencies of youth offenders; and

"(g) 'conviction' means the judgment on a verdict or finding of guilty, a plea of guilty, or a plea of nolo contendere.".

Sec. 7. Sections 5007, 5008, and 5009 of title 18, United States Code, are repealed.

Sec. 8. Section 5014 of title 18, United States Code, is amended to read as follows:

"§ 5014. Classification studies and reports

"The Director shall provide classification centers and agencies. Every committed youth offender shall first be sent to a classification center or agency. The classification center or agency shall make a complete study of each committed youth offender, including a mental and physical examination, to ascertain his personal traits, his capabilities, pertinent circumstances of his school, family life, any previous delinquency or criminal experience, and any mental or physical defect or other factor contributing to his delinquency. In the absence of exceptional circumstances, such study shall be completed within a period of thirty days. The agency shall promptly forward to the Director and to the Commission a report of its findings with respect to the youth offender and its recommendations as to his treatment. As soon as practicable after commitment, the youth offender shall receive a parole interview.".

Sec. 9. Section 5017(a) of title 18, United States Code, is amended to read as follows:

"(a) The Commission may at any time after reasonable notice to the Director release conditionally under supervision a committed youth offender when it appears that such person has substantially observed the rules of the institution to which he is confined, that there is a reasonable probability that such person will live and remain at liberty without violating the law, and if in the opinion of the Commission such release is not incompatible with the welfare of society. When in the judgment of the Director, a committed youth offender should be released conditionally under supervision he shall so report and recommend to the Commission.".

Sec. 10. Section 5020 of title 18, United States Code, is amended to read as follows:

"§ 5020. Apprehension of released offenders

"If, at any time before the unconditional discharge of a committed youth offender, the Commission is of the opinion that such youth offender will be benefited by further treatment in an institution or other facility the Commission may direct his return to custody or if necessary may issue a warrant for the apprehension and return to custody of such youthful offender and cause such warrant to be executed by a United States probation officer, an appointed supervisory agent, a United States marshal, or any officer of a Federal penal or correctional institution. Upon return to custody, such youth offender shall be given a revocation hearing by the Commission.".

Sec. 11. Chapter 402 of title 18, United States Code, is amended by deleting the term "division" whenever it appears therein and inserting in lieu thereof the word "Commission.".

Sec. 12. The table of sections for chapter 402 of title 18, United States Code, is amended to read as follows:

"Sec.
"5005. Youth correction decisions.
"5006. Definitions.
"5010. Sentence.
"5011. Treatment.
"5012. Certificate as to availability of facilities.
"5013. Provision of facilities.
"5014. Classification studies and reports.
"5015. Powers of Director as to placement of youth offenders.
"5016. Reports concerning offenders.
"5017. Release of youth offenders.
"5018. Revocation of Commission orders.
"5019. Supervision of released youth offenders.
"5020. Apprehension for released offenders.
"5021. Certificate setting aside conviction.
"5022. Applicable date.
"5023. Relationship to Probation and Juvenile Delinquency Acts.
"5024. Where applicable.
"5025. Applicability to the District of Columbia.
"5026. Parole of other offenders not affected."

Sec. 13. Section 5041 of title 18, United States Code, is amended to read as follows:

"§ 5041. Parole

"A juvenile delinquent who has been committed and who, by his conduct, has given sufficient evidence that he has reformed may be released on parole at any time under such conditions and regulations as the United States Parole Commission deems proper if it shall appear to the satisfaction of such Commission that the Juvenile has substantially observed the rules of the institution to which he is confined, that there is a reasonable probability that such person will live and remain at liberty without violating the law, and if in the opinion of the Commission such release is not incompatible with the welfare of society.".

Sec. 14. Whenever in any of the laws of the United States or the District of Columbia the term "United States Parole Board", or any other term referring thereto, is used, such term or terms, on and after the expiration of the one-year period following the date of the enactment of this Act, shall be deemed to refer to the United States Parole Commission as established by the amendments made by this Act.

Sec. 15. The parole of any person sentenced before June 29, 1932, shall be for the remainder of the term or terms specified in his sentence, less good time allowances provided by law.

Sec. 16. Section 5108(c)(7) of title 5, United States Code, is amended to read as follows:

"(7) the Attorney General, without regard to any other provision of this section, may place a total of ten positions of warden in the Bureau of Prisons in GS–16".

Sec. 17. There is hereby authorized to be appropriated such sums as are necessary to carry out the purposes of the amendments made by this Act.

Sec. 18. (a) The foregoing amendments made by this Act shall take effect upon the expiration of the thirty-day period following the date of the enactment of this Act.

(b) Upon the effective date of the amendments made by this Act, each person holding office as a member of the Board of Parole on the date immediately preceding such effective date shall be deemed to be a Commissioner and shall be entitled to serve as such for the remainder of the term for which such person was appointed as a member of such Board of Parole.

(c) All powers, duties, and functions of the aforementioned Board of Parole shall, on and after such effective date, be deemed to be vested in the Commission, and shall, on and after such date, be carried out by the Commission in accordance with the provisions of applicable law, except that the Commission may make such transitional rules as are necessary to be in effect for not to exceed one year following such effective date.

Mr. BURDICK. Mr. President, the legislation before the Senate today, to reorganize the U.S. Board of Parole, has been 3 years in the making. The bill was developed by the Subcommittee on National Penitentiaries in cooperation with the Board and the Department of Justice.

At the midpoint of the work in developing this legislation, the Board began experimenting with the provisions of the bill to better provide the subcommittee with information and advice on its effect. This experiment was continuously expanded so that today the parole system authorized by this legislation is virtually intact. In the opinion of those who have studied this system, it is working well.

I recite the history of this legislation as a way of pointing out several things. First, the cooperation between the subcommittee and the Parole Board is an excellent example of Government working as it should—of people working together to solve problems and improve government performance.

Second, the changes in the system have gradually been taking place over the past year and a half, and Members may be assured that their support of this legislation will bring no radical changes in prison release policies that would further threaten the safety of our citizens.

And third, this cooperative development of parole legislation has moved the Federal criminal justice system a long way toward a more definite and objective system for determining the length of time sentenced offenders will serve in prison.

The "rules and regulations" which are repeatedly cited in the legislation include a set of guidelines adopted by the Parole Board and made available to not only the members and employees of the Board, but also judges, prosecutors, and prisoners.

These guidelines are based on the seriousness of each criminal offense, and upon those elements of the offender's background that are the best predictors as to whether or not the person is likely to commit another crime. Significantly, the record of previous criminal activity is the best predictor of future criminality available today.

The guidelines serve two important purposes: They carefully structure the vast discretion presently entrusted to the Federal Parole Authority and decrease uncertainty as to how much time the inmate must serve. This structuring of discretion prevents arbitrary and ill-considered decisionmaking and injects a sense of fair play in every aspect of the parole process.

Because most release criteria are based upon data available at the time of conviction, an inmate can calculate with great accuracy the time he is likely to serve.

The increasing degree of definiteness in the length of time which an offender will serve in prison also recognizes the elements of punishment and protection of society. The subcommittee has recognized this for some time as it considered this legislation.

A flurry of recent books and studies have popularized the idea that the degree of discretion in sentencing should be reduced, and great credit should be given for the contributions that they have made. However, we must not lose sight of the fact that accountability for the seriousness of the criminal offense, and the likelihood that the individual will return to the criminal path have been the principal criteria for parole consideration, and will remain so under the bill before us.

This bill provides a rational means for determining the length of prison time appropriated for each individual, and an orderly means to carry out this public policy.

Under the reorganized procedures provided by this legislation, hearing examiners will hear individual prisoners and recommend decisions based upon the guidelines. Members of the Parole Commission at regional and national levels can evaluate these recommendations and approve or modify the recommendations. Decisions can be made outside these guidelines when they are justified by the facts before the Parole Commission.

I urge adoption of this legislation, which will go a long ways to shed the light of public scrutiny on the parole process to make it fair to the criminal justice system, to the victim and to society. This bill will not end crime. It is no panacea. But it makes a significant step toward making the Federal parole system accountable to the people it serves—the citizens of our Nation.

Mr. HRUSKA. Mr. President, I rise in support of the pending measure, H.R. 5727, a bill entitled the Parole Commission Act of 1975.

I first want to commend the Senator from North Dakota for his dedication as chairman of the Subcommittee on National Penitentiaries in pursuing legislation to reform the Federal parole system. His tireless efforts over the past several years have resulted in the legislation being considered today. A nearly identical version of this measure was pending before the Judiciary Committee at the close of the 93d Congress.

Parole is not a new concept in the field of corrections. The views about its use, have significantly changed and expanded in the recent past. It is well, therefore, that Congress undertake consideration of a measure that proposes reform and modernization of our Federal parole system in many particulars.

PURPOSE OF BILL

The purpose of this bill is to create a Parole Commission which will replace the existing Board of Parole. Additionally, it would revise many aspects of the decisionmaking process currently used in parole cases.

I am pleased to note that representatives of the Department of Justice and members of the Board of Parole have worked to the maximum extent with the Subcommittee on National Penitentiaries in the original drafting of this bill. Many issues regarding parole reform produced differing opinions. I understand, however, that compromises were reached on these points and the Department now supports this measure.

It should be noted that the Board of Parole has already undertaken changes in its basic structure and decisionmaking process. Much of this legislation, therefore, would merely codify what has already been done by administrative regulation.

Substantially all of this bill is incorporated into S. 1, the bill which seeks to revise the entire Federal Criminal Code. I believe, however, that revision of the Federal Parole System is so vital and timely that it deserves separate and prompt consideration.

BALANCED SYSTEM

The parole legislation being proposed today is a balanced system which continues the range of sentencing alternatives which Congress has previously enacted.

It gives the paroling authority neither too little discretion, nor too much, because either extreme involves dangers to the orderly administration of justice.

Too much discretion enables a parole agency to grant an early release to a dangerous offender, or to arbitrarily hold an inmate who represents no risk to society far beyond the period of just punishment for the offense. Too little discretion fails to take into account aggravating or mitigating circumstances of an offense, as well as the personal and family considerations which are the strongest predictors of whether or not the individual will return to a life of crime, or will be able to live a law-abiding lifestyle following his release from incarceration.

Mr. President, the bill we are considering today incorporates these factors and places upon the Board of Parole sufficient oversight authority to protect the interests of criminal offenders, while at the same time, preserving the interests of society in having hardcore offenders off the streets.

I believe this is good legislation. It is timely. I urge its passage in the Senate.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the committee amendment in the nature of a substitute.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended so as to read:

An Act to amend title 18, United States Code, relating to parole, and for other purposes.

AGRICULTURAL PEST CONTROL

The Senate proceeded to consider the bill (S. 1617) to clarify the authority of the Secretary of Agriculture to control and eradicate plant pests, which had been reported from the Committee on Agriculture and Forestry with an amendment to strike out all after the enacting clause and insert the following:

That section 102 of the Act of September 21, 1944 (58 Stat. 735, as amended; 7 U.S.C. 147a), is amended to read as follows:

"SEC. 102. (a) The Secretary of Agriculture, either independently or in cooperation with States or political subdivisions thereof, farmers' associations and similar organizations, and individuals, is authorized to carry out operations or measures to detect, eradicate, suppress, control, or to prevent or retard the spread of plant pests.

"(b) The Secretary of Agriculture is further authorized to cooperate with the governments of all countries of the Western Hemisphere, or the local authorities thereof, in carrying out necessary surveys and control operations in those countries in connection with the detection, eradication, suppression, control, and prevention or retardation of the spread of plant pests.

"(c) In performing the operations or measures herein authorized, the cooperating foreign country, State, or local agency shall be responsible for the authority necessary to carry out the operations or measures on all lands and properties within the foreign country or State other than those owned or controlled by the Federal Government and for such other facilities and means as in the discretion of the Secretary of Agriculture are necessary.

"(d) As used in this section—

"(1) 'plant pest' means any living stage of any insects, mites, nematodes, slugs, snails, protozoa, or other invertebrate animals, bacteria, fungi, other parasitic plants or reproductive parts thereof, viruses, or any organisms similar to or allied with any of the foregoing, or any infectious substances, which can directly or indirectly injure or cause disease or damage in any plants or parts thereof, or any processed, manufactured, or other products of plants;

"(2) 'living stage' includes the egg, pupal, and larval stages as well as any other living stage; and

"(3) 'State' includes the District of Columbia and the Territories and possessions of the United States.

"(e) The Secretary of Agriculture is authorized to promulgate such rules and regulations and use such means as he may deem necessary to provide for the inspection of plants and plant products offered for export or transiting the United States and to certify to shippers and interested parties as to the freedom of such products from plant pests according to the phytosanitary requirements of the foreign countries to which such products may be exported, or to the freedom from exposure to plant pests while in transit through the United States,

"(f) There are hereby authorized to be appropriated such sums as the Congress may annually determine to be necessary to enable the Secretary of Agriculture to carry out the provisions of this section. Unless otherwise specifically authorized, or provided for in appropriations, no part of such sums shall be used to pay the cost or value of property injured or destroyed.".

Sec. 2. The material appearing under the head "FEDERAL HORTICULTURAL BOARD" in section 1 of the Act of October 6, 1917 (40 Stat. 374; 7 U.S.C. 145), is hereby repealed.

Sec. 3. Section 1 of the Act of February 28, 1947, as amended (61 Stat 7, as amended; 21 U.S.C. 114b), is amended by inserting in the first sentence after the words "and communicable disease of animals" the words "or vector thereof".

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read:

A bill to clarify the authority of the Secretary of Agriculture to control and eradicate plant pests, and for other purposes.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Does the Senator from Pennsylvania (Mr. Hugh Scott) seek recognition?

Mr. HUGH SCOTT. Mr. President, I yield back my time.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Pennsylvania (Mr. Hugh Scott) is recognized for not to exceed 15 minutes.

Mr. HUGH SCOTT. Mr. President, I suggest the absence of a quorum.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the time for the quorum call be taken out of my 5 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that after the special orders are completed, there be a period for the transaction of morning business, with a time limit of 30 minutes attached thereto, and with statements therein limited to 5 minutes each.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, despite the fact that special orders have been granted, I ask unanimous consent, because of unusual circumstances, that the distinguished Senator from Virginia (Mr. Harry F. Byrd, Jr.) be recognized for not to exceed 5 minutes.

The ACTING PRESIDENT pro tempore. Without objection. it is so ordered.

DEATH OF JACK BELL

Mr. HARRY F. BYRD, JR. Mr. President, the Senate, I know, is saddened by the death yesterday of Jack Bell. Although Jack Bell never was an elected Member of the Senate of the United States, he had a close and intimate association with the Senate for nearly 30 years.

Jack Bell was the chief political writer for the Associated Press until retirement in 1969. Following his retirement, he became a columnist for the Gannett newspapers. Most of the time Jack Bell served the Associated Press, he was in the Press Gallery of the Senate daily. He reported the deliberations of the Senate—a very difficult job, I know.

Jack Bell was the type of newspaperman who had the confidence of the Members of the Senate. He had the confidence of the political leaders, including Presidents, with whom he had much contact over the years. I think one of the finest tributes paid to Jack Bell came from a longtime associate, who some years ago was chief of bureau for the Associated Press in Washington; namely, Paul Miller, now chairman of the Associated Press and chairman of the Gannett newspapers.

Mr. Miller, in a tribute yesterday, made this comment:

> Jack Bell, my life-long friend and coworker, landed on the Washington scene from Oklahoma before World War II and from the first and throughout his brilliant career was recognized as one of the most able newsmen ever.
>
> He knew politics as well as most of those actively involved and was trusted and respected by all. As a columnist for Gannett News Service after his retirement from the Associated Press, he drew on his background and wide acquaintanceship for comment that was admired for depth and incisiveness as his reporting had been admired for completeness and balance.

COAL CONVERSION ENERGY SUPPLY AND ENVIRONMENTAL COORDINATION ACT AMENDMENTS OF 1975

Mr. RANDOLPH. Mr. President, I ask unanimous consent that a bill I am introducing be considered as having been read twice and placed on the calendar.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

QUORUM CALL

Mr. RANDOLPH. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Under the previous order, the Senator from Pennsylvania (Mr. Hugh Scott) is recognized for not to exceed 15 minutes.

THE CRIMINAL JUSTICE REFORM ACT OF 1975

Mr. HUGH SCOTT. Mr. President, I have requested this time to discuss the Criminal Justice Reform Act of 1975 (S. 1) of which I am a cosponsor, along with numerous other Senators.

Several weeks ago I supported the chairman of the Judiciary Subcommittee on Criminal Laws and Procedures (Mr. McClellan) when he urged that the bill be reported to the full committee. In doing so, however, I reserved my right to revise several controversial aspects of the bill that I found troublesome. In particular, I am concerned about several portions of the bill that seemingly impinge upon our constitutionally protected freedom of the press.

Following these remarks, I would expect certain comments to be made by the distinguished Senator from Indiana (Mr. Bayh) who shares my concern over these vital matters and who has announced his intention to offer certain amendments, which I intend to support.

We are not alone in our desire to amend the proposed legislation in order to remove the portions that offend the first amendment to the Constitution. My distinguished colleague from Nebraska (Mr. Hruska) has also recently introduced far-reaching amendments that seek to remedy these shortcomings. His amendments—thoughtfully considered and skillfully drafted—reflect a statesman's sensitivity to, and appreciation of, the constitutional issues at stake. I know that his proposed amendments will be given the closest attention by the Committee on the Judiciary when it hammers out the final version of the legislation.

I understand that other Senators on the committee also plan to offer amendments in addition to those of Senator Bayh, Senator Hruska, and myself, that will further safeguard the constitutionally protected freedoms that we value so highly in this country. The Senator from Massachusetts (Mr. Kennedy) and the Senator from Maryland (Mr. Mathias) will address themselves to the wiretap provisions, Senator Tunney insanity defense, Senator Burdick sentencing and parole, and Senator Philip A. Hart drug abuse. With such careful scrutiny, I expect that the final version of the proposed legislation will avoid the constitutional pitfalls contained in the earlier draft.

I hope that either now or subsequently, today, we will have the comments of the Senator from Indiana (Mr. Bayh). Meanwhile, I wish to recount briefly the major areas relating to the proper functioning of a free press in which I find amendment necessary. Though other changes are necessary, time limitations preclude a discussion of them at this time.

DISCLOSURE OF NATIONAL DEFENSE INFORMATION

This section relates to the control of information held by the Government. The bill as originally drafted creates a new offense that punishes the disclosure of classified information held by a Government employee or Government contractor to anyone not authorized to receive it. Senator Bayh proposes that the bill limit the offense to the transfer of classified information to a foreign power or agent of this foreign power with an intent that it be used to the injury of the United States or the advantage of any foreign power. Senator Hruska would seemingly narrow the ambit of the provision still further, by requiring only an intent to prejudice the safety of the United States or its Armed Forces.

As drafted, this section also fails to define with precision the type of information that falls within the meaning of "national defense information." Senator Bayh would require that the information pertain to "vital defense secrets," those that if revealed would pose a "direct, immediate, and irreparable harm to the security of the United States." These would be limited to four categories: Code or cryptographic information, specific information on war plans, specific information on weapon systems, and certain specific atomic secrets. Otherwise the penalties for disclosure are substantially lower, often only job-related.

In effect, Senator Bayh's amendment adopts for the criminal law the same constitutional standard that the Supreme Court requires before it allows the President to impose a prior restraint on the publication of national defense information.

This draft of S. 1 specifically exempts journalists from prosecution if they receive classified information from persons authorized to have it. However, this exemption does not specifically extend to the disclosure of the above-mentioned "national defense information." I consider this a major oversight, and one that the Senate must correct. Although Senator Bayh does not specifically exclude the press from liability as an accomplice, conspirator, or solicitor to offenses under this section, he would do so by implication unless the disclosure caused direct, immediate, and irreparable harm to the security of the United States. Senator Hruska would also exempt the press unless it has actual intent to imperil the safety of the United States or its Armed Forces.

THE DISCLOSURE OF OTHER CLASSIFIED INFORMATION

Senator Bayh and I are in total agreement that the press and media must be specifically exempted from liability for crimes under these provisions.

OTHER FIRST AMENDMENT CONSIDERATION

A number of other sections of the proposed legislation require revision to eliminate the possibility that in enforcing the law an overzealous official will not intrude on the media's first amendment prerogatives. Briefly, these are the sections that deal with theft, obstructing the Government by fraud, tampering with a Government record, obstructing a Government function by physical interference, instigating the overthrow of the Government, obstructing military recruitment, or induction and interception of mail.

Senator Bayh has addressed several of these issues, as has Senator Hruska.

To summarize, I think that the Committee on the Judiciary has a great deal more work to do on this bill. Under no circumstances will I support legislation that runs counter to the first amendment or interferes with freedom of the press.

My own office has been considering revisions similar to those of Senators Bayh and Hruska for some time, but since the proposed language of the Bayh and Hruska amendments has met with the approval of various concerned groups, I believe that I would best promote the adoption of these needed changes by supporting the Bayh amendments, the Hruska amendments, or a combination of the two.

Out of an abundance of caution, we on the Judiciary Committee must be certain that two interests are served—the preservation of the rights of our free press and the protection of our national security. I know that Senator Bayh and Senator Hruska have similar concerns, and their amendments, which I generally support, or a combination of them, achieve this proper balance.

I repeat that I hope that Senator Bayh will have an opportunity to comment later in the session.

I would be glad to yield to the Senator from Montana.

Mr. MANSFIELD. Mr. President, there has been a good deal of misconception about S. 1, and I merely wish to take this means to aline myself with the remarks made by the distinguished Republican leader.

There are two sections of that bill in which I am vitally interested. One has to do with compensation for the victims of crime, which passed this Chamber five separate times, and which has not even as yet been considered in the House.

Another section has to do with the carrying of a gun during the commission of a crime and the strengthened penalties for such an offense which also passed this Chamber on at least one occasion, I believe, but received no action in the other body.

What this latter provision would do would be to make the penalty for carrying a gun in the commission of a crime absolute and so severe as to deter the gun offender. The act of carrying a gun would be truly treated as a separate offense for which there would be a separate and distinct sentence. That sentence would not run concurrently but would be meted out in addition to the sentence imposed for the underlying crime. In addition the sentence for carrying the gun would be a true mandatory sentence. I think this is one way to get at the gun people—those who use that weapon in carrying out their crimes of violence. I think it would be most salutary and an effective way to deal with and deter the use of such weapons of violence.

As far as the other parts of S. 1 are concerned, it should be pointed out that the major thrust of the measure concerns the revision of the entire criminal code to eliminate inconsistencies—a reform which is long overdue. However, as the distinguished Republican leader has pointed out, it was my understanding that there would be a good deal of amending by the committee; that the proposal, S. 1, would not come out in its original form simply because as introduced it contained certain items that unless modified strike at the heart of rights and protections safeguarded by the Constitution. As far as I am concerned, for example, I am opposed to those provisions which affect freedom of the press and so-called national defense issues. I am also concerned about the wiretap provisions, the insanity defense provision, and other matters, and I do not intend to support them nor have I ever intended to do so. In our modifying and perfecting efforts, however, we should not lose sight of the basic purpose of this measure or of its other meritorious features.

I am deeply interested in compensation for victims of crimes. The President has now exhibited similar interest in such a program. I am interested as well in strengthening penalties against gun criminals. The act of carrying a gun in the commission of a crime is a separate offense; courts must be compelled to treat it separately, to improve the separate sentence, to make it mandatory and to let the gun offenders know that there is no escape from his wanton act of violence in choosing such a weapon to perpetrate his wrongful acts.

I am delighted that the Republican leader has on this occasion made his position clear and I concur with him completely.

Mr. HUGH SCOTT. I thank the distinguished Senator. I also support, as the Senator knows, both of the provisions to which he has referred.

I yield now to the distinguished senior Senator from Nebraska.

Mr. HRUSKA. I thank the Senator from Pennsylvania.

I take this opportunity to say the statement he has made on this bill well describes the issues and the procedures to which resort will be had in processing S. 1 to final enactment.

There is general agreement, Mr. President, between the amendments which I have proposed and those referred to by the Senator from Pennsylvania, as well as the amendments proposed by the Senator from Indiana.

On June 27 of this year I stood on the floor of the Senate to expound in that same direction and with those same issues in mind.

Then, on August 15, I made an announcement and released specific amendments which were followed later by those from the Senator from Indiana and by the Senator from Pennsylvania, with the same thoughts in mind, that there would be in the final processing, consideration given to changes along these lines, insuring freedom of expression in this country. Mr. President, I ask unanimous consent that my remarks of June 27 and my August 15 release with the attached appendix of specific amendments be inserted in full at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HRUSKA. May I also say to the Senator from Montana that I am in favor of both of the sections in which he has expressed interest. He knows of my support on previous occasions and that support will be constantly forthcoming.

Mr. MANSFIELD. Mr. President, if the Senator will yield, I do certainly know of his support, and he has been one of the most ardent supporters of those two sections of the bill.

Mr. HRUSKA. Mr. President, this entire and encyclopedic bill will be processed by considering and carefully examining competing positions in intensive committee sessions. It has over 750 pages, and this method has been successfully used in other bulky and controversial bills. It is a matter of a constant forming and reforming and reamending.

In June 1973, the Senator from Arkansas, in introducing the original S. 1, said:

> S. 1 is far from a final penal code, but I am satisfied that its structure, form and general outlines are sound. We view it only as a preliminary and immediate work product.

He goes on to say:

> I know that some provisions will be controversial. Indeed, there is much room for debate on this bill. I have not reached firm judgments on a number of the provisions as they are now drafted. There is much that I wish to study further. My mind is not made up definitely on everything the bill contained.

The Senator from Pennsylvania referred to several issues that will be in the controversial area such as the matter of wiretapping, the matter of parole and sentencing, and other matters.

We have already engaged in that process, Mr. President, on one portion of S. 1. I refer to one of the more controversial points in the bill, capital punishment in certain cases. There was great controversy about it and, by agreement between the Senator from Arkansas and this Senator, there was a separate bill, S. 1401, introduced on the subject in the last Congress. It was thoroughly and vigorously debated on the floor here, as it had been on various occasions, and the vote was in favor of the reinstatement of the death penalty as limited. The vote was 54 in favor and 33 against it. There are 30 some odd States that have done the same thing.

The Senate and the country-at-large can be assured that in the main some 80 to 85 percent of the text and the body of S. 1 is a reenactment, recodification, a restatement, of present law.

I thank the Senator for having yielded.

Exhibit 1

Floor Statement, June 27, 1975, of Roman L. Hruska

Mr. President, in President Ford's Message on Crime to Congress on June 19, 1975, laudatory reference is made to pending Senate Bill S. 1, the Criminal Justice Reform Act of 1975, a bill with which I have been connected for the past ten years, and which is a massive effort to codify and revise the criminal laws of the United States.

In view of its broad purposes, S. 1 necessarily touches upon many areas of the Federal criminal law which are of great concern to the people of this country. In any attempt to deal with such volatile issues as capital punishment, the insanity defense, appropriate lengths of sentences, increased sentences for special dangerous or repeat offenders, new sentencing treatment of certain marijuana offenses, and parole and probation, to mention just a few, some opposition to any position taken is to be expected. Indeed, it is even welcomed in the interests of informed debate so that the crucible of Congress, representing the people, may decide. It should be remembered that in addition to the controversial provisions, there are also dozens and dozens that are unquestionably advances: expanded recognition of civil rights; compensation for victims of violent crimes; increased fines for regulatory offenses currently inadequately deterred; prohibition of "dirty tricks" and other political tactics of Watergate fame; and a tighter crackdown on organized crime, to name only some.

The controversial provisions must not be considered in a vacuum: for example, the increased sentences for some crimes must be considered together with the lowered sentences for others (including the lowered sentence for non-commercial possession of small amounts of marijuana) and together with S. 1's innovative concept of appellate review of sentences.

One particular area of controversy needs special mention, as it has been the area of some press criticism. I mention it to avoid the impression of intractability on my part. That is the area of punishing those who "leak" secret government information. Let me hasten to assure the press and others, that this is still an area open to change in the bill. We are still attempting to define that area where disclosure of government information may be made permissibly without undue harm to the nation—indeed, perhaps with benefit to the nation—and to differentiate that area from the area where disclosure would be unduly injurious in terms of the national defense. I am sure all will recognize what a difficult endeavor this is. We have been receiving much helpful information from many sources in this regard, and hope to continue to receive it. Already since May of this year, a new tentative draft of these provisions has been under consideration, which strikes the balance in a way more favorable to disclosure than the preceding draft against which much of the criticism seems to be directed.

Similarly in the process of being worked out in the bill, with changes already in the process of drafting, is the difficult problem of when interference with government functions, and conduct or exhortations presenting a risk of violence, should and should not be permitted, having due regard for considerations of free speech and the benefits and dangers that may flow from the conduct.

On these and other matters in the bill, I wish to make it clear that I retain an open and receptive mind. The arguments brought out in the hearings over the preceding four years, and in the extensive work of the National Commission on the Reform of the Federal Criminal Laws, upon which S. 1 builds, and by others, have been, and will continue to be, enormously helpful in this regard.

S. 1 has several hundred provisions. Several, as I mentioned, are still in flux. Several may still need improvement. Most, however, are unquestionably sound. We should not lose sight of the fact that stating the federal criminal laws all in one place, in a rational fashion, for the first time, is beyond doubt something that is long overdue. S. 1 will accomplish that objective, to the immeasurable benefit of all in the criminal justice system and the country generally.

Press Release, August 15, 1975, From the Office of Senator Roman L. Hruska

Senator Roman L. Hruska (R-Neb) said today he would propose changes to controversial sections of a Senate criminal law codification bill, "in order to spell out more particularly some of the guarantees of free expression that, while perhaps inherent in the bill, did not clearly emerge in the text read by a non-expert."

Hruska, one of the principal sponsors of the bill, S. 1, which would codify virtually all federal criminal laws, noted that in June he made a statement in the Senate which indicated the bill is "open to change."

That statement, he said today, "recognized the need for tempering some of the provisions in the interest of giving greater recognition to the freedom to report governmental information and to engage in certain forms of non-violent conduct against actions of the government, while at the same time protecting the functioning of government, safeguarding the valid interests of other individuals, and affording protection to those state and military secrets that are vital to the survival of this nation."

The Nebraska Senator said his remarks in June "were framed with reference to a set of amendments to S. 1 along these lines, already drafted and awaiting only detailed consideration and perfecting.

"With the advent of the August recess, I have now had the opportunity to consider them in detail and I intend to urge their consideration by the Senate Judiciary Committee."

Hruska said he intended to press for moving the bill, which contains more than 1,000 other provisions, forward "so that the legal system will not have to wait too long to benefit from this desirable codification."

Hruska, as he had in earlier statements, noted that "it should be remembered that in addition to the controversial provisions in this extensive bill, there are hundreds that are unquestionably advances, for example expanded recognition of civil rights; compensation of victims of violent crimes; increased fines for regulatory offenses which are currently inadequately deterred; prohibition of 'dirty tricks' and other political tactics of Watergate fame, to name only a few."

Referring to the endorsement "in principle" of S. 1 by the American Bar Association's House of Delegates meeting this week in Montreal, Hruska said "The ABA reached some of the same decisions I had when it withheld its approval of those provisions which I am seeking to amend."

A summary of the Hruska changes:

Espionage; and Disclosing National Defense Information: These provisions are narrowed to require intention to prejudice the safety of the U.S. or its armed forces. The amendment also narrows the conduct that may be called espionage, and excludes the recipient of the information from criminal liability as an accomplice, conspirator, etc., unless he, too, has the intention to prejudice U.S. safety. In addition, the definition of "National Defense Information", which it is a crime to disclose, is narrowed so as to cover only critical or vital sensitive information.

Tampering with a Government Record: This provision is redrafted to exclude mere leaks of government information, and include only cases where the physical absence or alteration of a document demonstrably interferes with a government function.

Obstructing a Government Function by Fraud: This section is narrowed to include only substantial interference, and to exclude conduct which involves the release of national defense or classified information.

Obstructing a Government Function by Physical Interference: This provision is narrowed to exclude indirect interferences and insubstantial ones.

Instigating Overthrow of the Government: This provision is narrowed so that conduct which is meant to express a point of view and presents no serious threat, is not made criminal.

Sabotage: This provision is narrowed to exclude indirect, insubstantial, or nonphysical obstructions, and obstructions resulting from advocacy alone.

Obstructing Military Recruitment and Induction: This provision is modified in accord with the principles above.

In addition to the above, there are several more technical corrections the Senator will propose to S. 1.

He is also considering whether the classified information provisions should draw a distinction between classified information the disclosure of which should have only job-related consequences, and classified information the disclosure of which should bear criminal sanctions.

NOTE TO EDITORS AND CORRESPONDENTS

Attached is the precise language of the amendments to be proposed by Senator Hruska. They should be viewed against the May 16, 1975 draft of S. 1.

APPENDIX (AUG. 15, 1975)

NATIONAL SECURITY AND RELATED OFFENSES

Amendments to the May 16, 1975 Draft of S. 1; proposed by Senator Roman Hruska:

A. § 1103—INSTIGATING OVERTHROW ETC. OF GOVERNMENT

Amendment:

1. Define "incites" up front in § 111 (definitions) or in a new section to mean "directly urges, with success".

2. Subsection (a)(1) of § 1103: change "would facilitate" to "calculated to facilitate".

Comment: Senator Hruska's purpose is to narrow the scope because of considerations akin to free speech—to get at only dangerous conduct. In fact, his definition of incite is inherent in the cases, but we should strive to make the bill somewhat self-explanatory, he believes.

B. § 1111—SABOTAGE

Amendment: Subsection (a)(3): change "delays or obstructs" to "physically, directly and materially delays or obstructs, other than by mere advocacy".

Comment: Same type of considerations as A above.

C. § 1116—OBSTRUCTING MILITARY RECRUITMENT OR INDUCTION

Amendment: Subsection (a)(3): definition of "incites" as discussed under § 1103 above.

Comment: Same.

D. § 1121—ESPIONAGE

Amendment: Recast (a) and add new (b) as follows (move present (b) to become (c)):

(a) Offense—A person is guilty of an offense if, with the intention to prejudice the safety of the United States or its armed forces, he

(1) communicates national defense information to a foreign power;

(2) obtains or collects such information knowing of a substantial risk it may be communicated to a foreign power; or

(3) enters a restricted area with intent to obtain or collect such information, knowing of a substantial risk that it may be communicated to a foreign power.

(b) Liability as accomplice, conspirator, or solicitor—A person to whom information is communicated or to be communicated in the circumstances set forth in subsection (a), other than one acting for a foreign power, is not subject to prosecution as an accomplice to an offense under this section, and is not subject to prosecution for conspiracy to commit or for solicitation to commit an offense under this section, unless he acts with the intention required of the principal in order to commit the offense.

Definition change relevant to § 1121: Also, change definition of "National Defense Information" in section 1128 (f), by adding, at the end of the definition, as applicable to all 9 categories, the following:

"in such a degree or fashion as to indicate (without exploration of material that would itself present such danger) a substantial danger to the safety of the United States or the armed forces thereof."

Comment: The changes are designed to suppress leaks only where sensitive information is being leaked, as opposed to information respecting cost overruns, abuses, crimes, or inefficiencies having little impact on national safety; without, however, getting the court into all sorts of secrets in deciding whether it is sensitive. The changes respond to criticism that some leaks may be more beneficial than harmful. The narrowing takes place by (1) narrowing the definition of the protected "national defense information"; (2) striking out "prejudice to the interests" of the U.S., requiring instead "prejudice to the safety of the U.S. or armed forces" in subsection (a); (3) requiring intention (desire) to so prejudice, rather than mere knowledge it would so prejudice (knowledge would sweep into the prohibition, newspapers and others motivated by public interest in disclosing abuses); (4) in (a)(2) and (3) requiring knowledge of a "substantial risk" it may be communicated to a foreign power, rather than just knowledge that it "may"; (and (5) exempting the media from accomplice and conspirator liability unless the media has the intent (desire) to prejudice U.S. safety as opposed to a motive to inform. This exemption is similar to the one already appearing in 1124 (classified information) and should appear here in modified form. Otherwise a newspaper would be guilty of aiding and abetting if its source in fact had the bad intent, regardless of whether the newspaper knew of that intent, and even thought the newspaper was motivated by a motive to inform.

The change in the definition of "national defense information" requires the court to ascertain if there is national danger without, however, the court getting into secret material. (This is similar to the court's task in another field: when the self incrimination privilege is raised, the court must decide if there is a danger of incrimination, without getting into the allegedly privileged material itself. See McCormick, Evidence, under Self-Incrimination.)

E. § 1122—DISCLOSING NATIONAL DEFENSE INFORMATION

Amendment: Subsection (a): strike "or interest". Strike "or to the advantage of a foreign power" and substitute "or the armed forces thereof".

Comment: Analogous to same change above under § 1121.

F. § 1301—OBSTRUCTING A GOVERNMENT FUNCTION BY FRAUD

Amendment: Subsection (a): change "intentionally obstructs or impairs" to "intentionally and materially obstructs or impairs."

Add new (b) and move present (b) and (c) down to form (c) and (d) respectively.

New (b):

Bar to prosecution. It is a bar to prosecution under this section that the defrauding that is the subject of the offense consists solely of the unauthorized obtaining, copying, or release, of national defense information or classified information as those terms are defined in Section 1128, whether or not in the form of a record, document, or other data compilation.

Comment: The new subsection (b) is analogous to the bar to prosecution that was previously added to the theft provisions (§ 1738(e)) to be certain that theft of governmental information would be governed by the careful provisions of Chapter 11 respecting unauthorized disclosure (provisions designed to balance the need for public information against the dangers of unauthorized disclosure of secret governmental information), rather than the meat-axe treatment that would result if handled under theft. For the same reasons, an anti-overlap provision is needed here. The notion of "defraud" is a vague term and could encompass the kinds of things dealt with in Chapter 11 respecting unauthorized disclosure. Senator Hruska suggests also that we require some material obstruction or impairment. As "defraud" could cover all sorts of things from the trivial to the consequential, as could "obstruct or impair," it seems to him it should be limited to sizeable matters. To have a bill that punishes trivia invites selective enforcement based on other criteria.

G. § 1302—OBSTRUCTING A GOVERNMENT FUNCTION BY PHYSICAL INTERFERENCE

Amendment: Subsection (a): change "intentionally obstructs or impairs" to "intentionally and materially obstructs or impairs". Also change "by means of physical interference or obstacle" to "by means of direct physical interference or obstacle".

Comment: The first change above is analogous to the same changes suggested for 1301 above. The second change arises from fears that physical interference with some governmental function may result as an indirect by-product of some essentially harmless or even beneficial activity (say giving a speech, or carrying a sign, and a modest crowd gathers, interfering somewhat with access to a building by some government workers). A fact-finder could possibly find the requisite intention. Such conduct should be prohibited only if the casual connection is direct and the obstruction is serious or substantial.

H. § 1344—TAMPERING WITH A GOVERNMENT RECORD

Amendment: Subsection (a): change "alters, destroys, mutilates, conceals, removes, or otherwise impairs the integrity or availability of a government record" to "alters, destroys, or mutilates, or conceals or removes during a period when it is sought to be used, or otherwise impairs, or impairs the availability of, a government record."

Comment: What does "impairs the integrity of" mean? This, and the use of the word "removes," present the possibility that this provision, rather than the carefully balanced provisions of Chapter 11 respecting unauthorized disclosures, might be used to prosecute government leaks. It seems that the separate and distinct evil this section is designed to hit, is where the physical absence of the document, or its alteration, gets in the way of someone doing his job, rather than the evil of government secrets getting out. It is redrafted accordingly.

I. § 1345—GENERAL PROVISIONS FOR THE SUBCHAPTER

Amendment: Omit (b) (2) (definition of and proof of materiality)—leave it to courts.

Comment: The whole purpose of a "materiality" requirement in crimes of false statement, is to avoid punishing the trivial; and avoid the burdens on resources and courts, and the invitation to selective enforcement, that punishing the trivial would entail. Yet S. 1's definition of materiality makes practically anything material, even if it has trivial effect.

J. INTERRELATIONSHIP OF § 330(p) (1) (A) (KNOWLEDGE OR OTHER STATE OF MIND NOT REQUIRED AS TO EXISTENCE OF STATUTE OR REGULATION) AND §§ 122–23 (OFFENSES RELATING TO DISCLOSING DEFENSE INFORMATION).

There is a potential conflict between § 303 (d) (1) (A) and §§ 1122–23. § 303(d) (1) (A) states that no knowledge or other state of mind is required as respects the fact that something contravenes a statute or regulation. Yet §§ 122 requires knowledge that the disclosure of national defense information is to an "unauthorized" person ("unauthorized" means in violation of or without express statutory or regulatory authority—see § 1129(a) defining "authorized"). § 1123 requires recklessness with regard to the same thing. There are also other provisions in S. 1 like this).

To avoid this conflict, Hruska adds to § 303 (d) (1), just after its heading, the words "Unless otherwise required by the context." (While the opening sentence of entire § 303 states "Except as otherwise expressly required," the word expressly is the problem: § 1123 does not *expressly* otherwise require. It implicitly otherwise requires. This is so because the element of "unauthorized" is an element as to which no culpability is specified in 1123, and therefore, pursuant to 303 (b), recklessness is the applicable culpability.)

Mr. HUGH SCOTT. I thank the distinguished Senator.

I am most pleased by his summary of the situation. Too much jumping of the gun has been involved in regard to S. 1; too many wild allegations; too much hysteria and too much unauthorized concern.

I now yield to the distinguished Senator from Indiana.

Mr. BAYH. Mr. President, I appreciate the courtesy of my colleague from Pennsylvania in yielding to me, as well as the support he has offered for the amendments which I will introduce.

In listening to the remarks of the able minority leader, the distinguished Senator from Nebraska and our distinguished majority leader, it appears there is a great deal of willingness in this body to move toward reconciliation of some of the really important differences on S. 1. In a measure as critical as code fraction of those laws which bear on the freedom of each individual to talk and to walk on the streets, or the threat of incarceration for talking and saying the wrong things, we have to tread very carefully.

Our individual rights guaranteed in the Bill of Rights must be inviolate. That is the reason why I feel, despite my desire to take an active part in codification of our criminal laws, that certain provisions of S. 1 must be changed. I said some time ago, these provisions would be so repressive, along with others that, very frankly, have either intentionally or unintentionally been misrepresented to be even more repressive, that they must be removed from the bill. The Senator from Indiana, as one who has tried his very best to stand up and be counted in defense of our individual liberties, did not want to associate himself in any way with a measure that had become such a symbol of repression.

Working together, I hope we can accomplish the goal of codification. But, in the meantime, I think it is very important for us to be on guard and to be winning to stand up and fight those efforts that, indeed, erode those basic individual liberties for which so many Americans have made the supreme sacrifice. Again, I appreciate the willingness of the Senator from Pennsylvania to join in this effort.

ORDER OF BUSINESS

The **ACTING PRESIDENT** pro tempore. Under the previous order, the Senator from West Virginia (Mr. ROBERT C. BYRD) is recognized for not to exceed 15 minutes.

ORDER FOR RECESS UNTIL 10 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 10 o'clock tomorrow.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, there be a period for the transaction of routine morning business for the purpose only of introduction of statements into the RECORD, bills, resolutions, petitions and memorials, such period not to extend beyond 30 minutes, with statements limited therein to 15 minutes each.

The **ACTING PRESIDENT** pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I yield back the remainder of my time.

ROUTINE MORNING BUSINESS

The **ACTING PRESIDENT** pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business not to exceed 30 minutes, with statements therein limited to 5 minutes each.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. NUNN) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The **ACTING PRESIDENT** pro tempore (Mr. NUNN) laid before the Senate the following letters, which were referred as indicated:

REPORT ON RESCISSIONS AND DEFERRALS, SEPTEMBER 1975

A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a cumulative report on rescissions and deferrals, September 1975 (with an accompanying report); to the Committee on Appropriations, the Committee on the Budget, the Committee on Agriculture and Forestry, the Committee on Labor and Public Welfare, the Committee on Interior and Insular Affairs, the Committee on Commerce, the Committee on Finance, the Committee on Armed Services, the Committee on Public Works, the Committee on Banking, Housing and Urban Affairs, the Committee on Foreign Relations, and the Committee on the Judiciary, jointly, pursuant to the order of January 30, 1975.

REPORT OF LOAN TO MINNKOTA POWER COOPERATIVE, INC., GRAND FORKS, N. DAK.

A letter from the Administrator, Rural Electrification Administration, Department of Agriculture, reporting, pursuant to law, on approval of an REA insured loan to Minnkota Power Cooperative of Grand Forks, N. Dak., in the amount of $15,400,000 for the financing of certain transmission facilities (with accompanying papers); to the Committee on Appropriations.

Report of Transfer of Submarine by the Navy

A letter from the Assistant Secretary of the Navy (Installations and Logistics), reporting, pursuant to law, the proposed transfer by the Department of the Navy of the submarine EX-COD (ex-DD 224) to the Cleveland Coordinating Committee for COD, Inc., 1089 East 9th Street, Cleveland, Ohio 44114; to the Committee on Armed Services.

Proposed Legislation by the Department of Defense Concerning Frequency of Inspections

A letter from the Acting General Counsel of the Department of Defense, transmitting a draft of proposed legislation to amend title 32, United States Code, to authorize the Secretary concerned to prescribe the frequency of inspections, and for other purposes (with accompanying papers); to the Committee on Armed Services.

Proposed Construction Projects for the Naval and Marine Corps Reserve

A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), reporting, pursuant to law, on construction projects proposed to be undertaken for the Naval and Marine Corps Reserve; to the Committee on Armed Services.

Report of Eximbank Transactions With Communist Countries, July 1975

A letter from the President and Chairman, Export-Import Bank of the United States, transmitting, pursuant to law, a report on loan, guarantee and insurance transactions supported by Eximbank during July 1975 to Communist countries (as defined in Section 620(f) of the Foreign Assistance Act of 1961, as amended) (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

Proposed Legislation To Amend the Communications Act

A letter from the Chairman, Federal Communications Commission, transmitting a draft of proposed legislation to amend section 318 of the Communications Act of 1934, as amended, to enable the Federal Communications Commission to authorize translator broadcast stations to originate limited amounts of local programming, and to authorize FM radio translator stations to operate unattended in the same manner as is now permitted for television broadcast translator stations (with accompanying papers); to the Committee on Commerce.

Proposed Legislation With Respect to Commissioners and Employees of the Federal Communications Commission

A letter from the Chairman, Federal Communications Commission, transmitting a draft of proposed legislation to amend the Communications Act of 1934, as amended, with respect to commissioners and Commission employees (with accompanying papers); to the Committee on Commerce.

Report of Committees of the District of Columbia Council

A letter from the Secretary, Legislative Services, Council of the District of Columbia, transmitting, pursuant to law, committee reports of the District of Columbia Council which may have been omitted inadvertently from the August 11th transmittal of Acts 1–37, 1–28 and 1–39 for congressional review (with accompanying reports); to the Committee on the District of Columbia.

Report of the Metrorail Construction Program

A letter from the Geneal Manager, Washington Metropolitan Area Transit Authority, transmitting, pursuant to law, the sixth quaterly report on the Metrorail construction program, dated August 1975 (with an accompanying report); to the Committee on the District of Columbia.

Report of Grants Made by the Department of Health, Education, and Welfare

A letter from the Secretary of Health, Education, and Welfare, transmitting, pursuant to law, a report concerning grants approved by the Department which are financed wholly with Federal funds and subject to the reporting requirements of section 1120(b) of the Social Security Act (with an accompanying report); to the Committee on Finance.

Report on Medicare Violation Sample Surveys

A letter from the Secretary of Health, Education, and Welfare, transmitting, pursuant to law, a report and analysis of the findings of 105 medicare validation sample surveys of the Joint Commission on Accreditation of Hospitals accredited hospitals conducted in 1974 (with an accompanying report); to the Committee on Finance.

Proposed Legilation to Relieve Restrictions on Importation of Certain Meat

A letter from the Deputy Under Secretary of Agriculture, transmitting a draft of proposed legislation to amend section 306 of the Tariff Act of 1930 (46 Stat. 689; 19 U.S.C. 1306), to relieve restrictions on the importation of certain meat (with accompanying papers); to the Committee on Finance.

Agreements Other Than Treaties Entered Into by the United States

A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, international agreements other than treaties entered into by the United States (with accompanying papers); to the Committee on Foreign Relations.

Report on Proposed Replenishment of Resources of the Inter-American Development Bank (IDB)

A letter from the Secretary of the Treasury and Chairman, National Advisory Council on International Monetary and Financial Policies, transmitting a special report on the proposed replenishment of the resources of the Inter-American Development Bank (IDB) (with an accompanying report); to the Committee on Foreign Relations.

Agreements With Poland and Japan—Background Information

A letter from the Assistant Legal Adviser for Treaty Affairs, transmitting a statement providing background information on the agreement with Poland of May 15, 1975, deferring purchases by the United States of dollar exchange for zlotys accrued under certain agricultural commodities agreements and terminating the agreement of August 6, 1968, relating to U.S. Government pensions, and a statement concerning the agreement of May 8, 1975, with Japan relating to air traffic control (with accompanying papers); to the Committee on Foreign Relations.

Reports of the Comptroller General

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on examination of financial statements of Federal Prison Industries, Inc., fiscal year 1974, Department of Justice (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Revenue Sharing: An Opportunity for Improved Public Awareness of State and Local Government Operations," Department of the Treasury (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on some of the issues involved in maintaining U.S. forces in Europe, Departments of Defense and State (with an accompanying report); to the Committee on Government Operations.

Report Concerning TV Facts Against United States

A letter from the Acting Comptroller General of the United States, transmitting, pursuant to law, a report and recommendations concerning the claim of TV Facts against the United States (with accompanying papers); to the Committtee on Government Operations.

Report of Disposal of Foreign Excess Property

A letter from the Secretary of Transportation, transmitting, pursuant to law, the annual report of disposal of foreign excess property for the Department of Transportation (with an accompanying report); to the Committee on Government Operations.

Proposed Plan for Use and Distribution of Judgment Funds to the Samish Tribe of Indians

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, a proposed plan for use and distribution of judgment funds awarded to the Samish Tribe of Indians in Docket 261 before the Indian Claims Commission (with accompanying papers); to the Committee on Interior and Insular Affairs.

Proposed Plan for Use and Distribution of Judgment Funds Awarded to the Swinomish Tribe of Indians

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, a proposed plan for use and distribution of judgment funds awarded to the Swinomish Tribe of Indians in Docket 233 before the Indian Claims Commission (with accompanying papers); to the Committee on Interior and Insular Affairs.

Proposed Amendment of the Mineral Leasing Act

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend section 21 of the Mineral Leasing Act (41 Stat. 445), as amended (30 U.S.C. 241) (with accompanying papers); to the Committee on Interior and Insular Affairs.

Third Preference and Sixth Preference Classifications for Certain Aliens

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, reports relating to third preference and sixth preference classifications for certain aliens (with accompanying papers); to the Committee on the Judiciary.

Report on O'Brien Dieselectric Corp. Against United States

A letter from the Chief Commissioner, United States Court of Claims, transmitting, pursuant to law, opinion and findings of fact of the Review Panel in O'Brien Dieselectric Corp. against The United States, Congressional Reference No. 4–70 (with accompanying papers); to the Committee on the Judiciary.

Report on Standards for the Administration of Juvenile Justice

A letter from the Administrator, Law Enforcement Assistance Administration, Department of Justice, transmitting, pursuant to law, a report of the Advisory Committee to the Administrator on Standards for the Administration of Juvenile Justice (with an accompanying report); to the Committee on the Judiciary.

Report of Orders on Admission of Certain Aliens

Two letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered in cases in which the authority contained in section 212(d) (3) of the Immigration and Nationality Act (with accompanying papers); to the Committee on the Judiciary.

Report on Presidential Advisory Committee Recommendations, August 1975

A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President transmitting, pursuant to law, a report with respect to the recommendations contained in the report entitled "Report for the President of the United States on Federal Civilian Personnel Management," March 26, 1973, from the President's Advisory Council on Management Improvement (with an accompanying report); to the Committee on Post Office and Civil Service.

Proposed Alterations of Federal Buildings

Three letters from the Administrator, General Service Administrator, transmitting, pursuant to law, prospectuses for alterations at the Washington, D.C., 101 Indiana Avenue Building; the Washington, D.C., Federal Trade Commission Building; and the Albany, New York, Post Office, Courthouse, and Customhouse(with accompanying papers); to the Committee on Public Works.

Report of the Foreign Claims Settlement Commission

A letter from the Chairman of the Foreign Claims Settlement Commission transmitting, pursuant to law, the annual report of its activities for the year ending December 31, 1974 (with an accompanying report); jointly, to the Committee on Foreign Relations and the Committee on Interior and Insular Affairs, by unanimous consent.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that an annual report of activities submitted by the Chairman of the Foreign Claims Settlement Commission pursuant to Public Law 348 be referred jointly to the Committees on Foreign Relations and Interior and Insular Affairs.

The PRESIDING OFFICER. Without objection, it is so ordered.

PETITIONS

The ACTING PRESIDENT pro tempore laid before the Senate the following petitions which were referred as indicated:

Senate Joint Resolution No. 10 adopted by the Legislature of the State of California; to the Committee on Finance:

Senate Joint Resolution No. 10

Adopted in Senate September 4, 1975

Adopted in Assembly September 2, 1975

Senate Joint Resolution No. 10—relative to social security.

LEGISLATIVE COUNCIL'S DIGEST

SJR 10, Rains. Social security: income disregards.

This resolution memorializes the Congress of the United States to amend federal law to permit recipients of social security benefits to earn $7,500 annually without any loss of such benefits.

Whereas, There is an urgent need to assist retired people on fixed incomes in maintaining themselves in the midst of an atmosphere of rising inflation; and

Whereas, This rising inflation in the nation's economy has placed the cost of food and other necessities of life beyond the reach of the nation's retired persons; and

Whereas, It is essential that those aged and retired persons who have previously contributed so much to this nation be remembered at a time when circumstances affecting the economy make their present survival in a dignified manner extremely arduous; and

Whereas, An adjustment of the present federal provisions governing the maximum amount of earnings which social security recipients may realize without the loss of benefits is most appropriate in view of present economic conditions; now, therefore, be it

Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the Congress of the United States to amend federal law to permit social security recipients to earn $7,500 per year without any loss of social security benefits; and be it further

Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

A resolution adopted by the National Sorority of Phi Delta Kappa relating to adequate health care; to the Committee on Labor and PUBLIC Welfare.

A resolution adopted by the Polish Legion of American Veterans, State Department of Illinois.

Seventeen resolutions adopted by the Department of Illinois Polish Legion of American Veterans, as follows:

One, relating to the purposes of the Legion of American Veterans; ordered to lie on the table;

Two, in support of the Veterans' Administration; to the Committee on Veterans' Affairs.

Three, in support of the Illinois Veterans Commission; to the Committee on Veterans' Affairs.

Four, in support of strict law enforcement; to the Committee on the Judiciary.

Five, in support of law enforcement efforts to fight drug abuse; to the Committee on Labor and Public Welfare.

Six, supporting programs at Veterans' hospitals; to the Committee on Veterans' Affairs.

Seven, relating to respect for the American flag; to the Committee on the Judiciary.

Eight, relating to elections and voting; to the Committee on the Judiciary.

Nine, relating to Veterans' Day; ordered to lie on the table.

Ten, relating to Veterans' preference; to the Committee on Post Office and Civil Service.

Eleven, relating to local veterans' benefits; to the Committee on Veterans' Affairs.

Twelve, relating to military superiority; to the Committee on Armed Services.

Thirteen, relating to career incentives for VA medical personnel; to the Committee on Veterans' Affairs.

Fourteen, relating to federal tax exempt status of certain veterans; to the Committee on Finance.

Fifteen, relating to mortgage life insurance for veterans; to the Committee on Veterans' Affairs.

Sixteen, relating to veterans' benefits; to the Committee on Labor and Public Welfare.

Seventeen, relating to the situation in the Middle East; to the Committee on Foreign Relations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McGEE, from the Committee on Post Office and Civil Service, without amendment:

S. Res. 239. A resolution disapproving the alternative plan for pay adjustments for Federal employees (Rept. No. 94–371).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. JACKSON, from the Committee on Interior and Insular Affairs:

Austin N. Heller, of New York, to be an Assistant Administrator of Energy Research and Development.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. MAGNUSON. Mr. President, as in executive session, I report favorably from the Committee on Commerce sundry nominations in the National Oceanic and Atmospheric Administration which have previously appeared in the CONGRESSIONAL RECORD and to save the expense of printing them on the Executive Calendar, I ask unanimous consent that they lie on the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of September 3, 1975, at the end of the Senate proceedings.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. RANDOLPH:

S. 2337. A bill to extend the Energy Supply and Environmental Coordination Act of 1974. Ordered placed on the calendar.

By Mr. STAFFORD:

S. 2338. A bill to amend section 1448 of title 10, United States Code, to provide survivor benefits in case of death of certain members or former members of the Armed Forces who die before becoming entitled to retired pay for non-Regular service, and for other purposes. Referred to the Committee on Armed Services.

By Mr. BEALL:

S. 2339. A bill to amend section 321(b) of the Consolidated Farm and Rural Development Act to eliminate the credit elsewhere requirement. Referred to the Committee on Agriculture and Forestry.

By Mr. BENTSEN:

S. 2340. A bill to amend section 174 of the Internal Revenue Code of 1954 to make clear that product development and improvement costs of publishers are research or experimental expenditures, and to prohibit the retroactive application of revenue ruling numbered 73-395. Referred to the Committee on Finance.

By Mr. MAGNUSON (for himself and Mr. Pearson) (by request):

S. 2341. A bill to empower the Secretary of Commerce to permit certain personnel to carry firearms and to make arrests. Referred to the Committee on Commerce.

By Mr. MAGNUSON (for himself, Mr. Humphrey, Mr. Haskell, Mr. Hatfield, Mr. Inouye, Mr. Jackson, Mr. Javits, Mr. Kennedy, Mr. Mansfield, Mr. Montoya, Mr. Ribicoff, Mr. Roth, and Mr. Tunney):

S. 2342. A bill to provide for the safeguarding of taxpayer rights, to restrict the authority for inspection of Federal tax returns and the disclosure of information derived from such returns, to clarify the authority of the Comptroller General to oversee the administration of the internal revenue laws, and for other purposes. Referred to the Committee on Finance.

By Mr. MAGNUSON (for himself and Mr. Pearson) (by request):

S. 2343. A bill to amend the Communications Act of 1934, as amended, with respect to penalties and forfeitures. Referred to the Committee on Commerce.

By Mr. BENTSEN (for himself and Mr. Nelson):

S. 2344. A bill to amend the Employee Retirement Income Security Act of 1974 with respect to reporting requirements for small plans. Referred to the Committee on Finance and the Committee on Public Works, jointly, by unanimous consent.

By Mr. KENNEDY:

S. 2345. A bill to impose income tax on capital gains at death and for other purposes. Referred to the Committee on Finance.

By Mr. MONTOYA:

S. 2346. A bill to amend the Internal Revenue Code of 1954 to provide a credit against tax with respect to State and local property taxes, and for other purposes. Referred to the Committee on Finance.

By Mr. PROXMIRE (for himself and Mr. Brooke):

S. 2347. A bill to regulate standby letters of credit, guaranties, surety agreements, and certain acceptances issued by commercial banks. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. HARTKE (for himself, Mr. Bentsen, Mr. Curtis, Mr. Fannin, Mr. Hansen, Mr. Mondale, Mr. Roth, and Mr. Thurmond):

S. 2348. A bill to amend section 4940 of the Internal Revenue Code of 1954 to change the excise tax on the investment income of private foundations from 4 percent to 2 percent. Referred to the Committee on Finance.

By Mr. PROXMIRE:

S. 2349. A bill to amend the Real Estate Settlement Procedures Act of 1974 to prohibit sellers or lenders from requiring that title insurance or title searches be obtained from specific title companies or attorneys, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. BAYH (for himself and Mr. Hartke):

S.J. Res. 127. A joint resolution to restore posthumously full rights of citizenship to Eugene Victor Debs. Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BEALL:

S. 2339. A bill to amend section 321(b) of the Consolidated Farm and Rural Development Act to eliminate the credit-elsewhere requirement. Referred to the Committee on Agriculture and Forestry.

Mr. BEALL. Mr. President, today I am sending to the desk a bill which would eliminate the recently enacted requirement under the Consolidated Farm and Rural Development Act which denies Federal low-interest loans to farmers victimized by natural disasters where they are able to obtain sufficient credit elsewhere. My bill would strike the so-called credit-elsewhere provision from the act and in its place include a provision which would provide for emergency loan assistance to farm disaster victims without regard to whether the required assistance is otherwise available from private, cooperative, or other responsible sources.

Although similar in other respects, the disaster loan provisions of the Small Business Act has no comparable provision to the credit-elsewhere clause found in the Consolidated Farm and Rural Development Act. This double standard is patently unfair to many of our Nation's farmers. Under the present laws, where a natural disaster strikes an area consisting of both agricultural and urban communities, SBA disaster loans can be made to "creditworthy" homeowners and small business concerns. On the other hand, nearby farmers who may be equally affected by the disaster are forced to compete in the fluctuating commercial loan market for money with which to repair their farms—at exceedingly higher interest rates.

Low interest loans are just as important to farmers located in an area affected by a natural disaster as they are to individuals and small business concerns.

Mr. President, I believe the differences which exist between the disaster loan provisions of the Small Business Act and the Consolidated Farm and Rural Development Act have resulted in the inequitable discrimination against the farmers of our great Nation. The legislation I am introducing today is designed to give all natural disaster victims an equal chance to recoup their losses.

By Mr. BENTSEN:

S. 2340. A bill to amend section 174 of the Internal Revenue Code of 1954 to make clear that product development and improvement costs of publishers are research or experimental expenditures, and to prohibit the retroactive application of revenue ruling numbered 73-395. Referred to the Committee on Finance.

EQUAL TAX TREATMENT FOR PUBLISHERS OF TEXTBOOKS AND OTHER TEACHING AIDS

Mr. BENTSEN. Mr. President, I am today introducing a bill to amend section 174 of the Internal Revenue Code to insure that publishers are allowed to take a current deduction for prepublication expenditures incurred for the writing and editing of textbooks and the design and art work for visual teaching aids. My legislation would simply insure that the existing tax incentive to encourage greater research and experimentation will be available to publishers just as it is available to other businesses. My legislation would give equal tax treatment with respect to section 174 to publishers of textbooks and similar products which are so important to our Nation's educational system. I do not believe that Congress ever intended that the tax incentive for research and experimentation would be interpreted so as to impose a discriminatory tax burden on those businesses that can make substantial contributions to achievement of our Nation's educational goals.

Mr. President, section 174 of the Internal Revenue Code, as enacted by Congress, grants all business taxpayers the option to currently deduct research or experimental expenditures instead of amortizing these expenses over the useful life of the product. However, in September 1973 the Internal Revenue Service published revenue ruling 73-395. This ruling interprets section 174 so as to deny publishers—even for all years beginning prior to publication of the ruling—the option to deduct prepublication expenditures incurred for the writing and editing of textbooks and the design and art work of visual teaching aids. This ruling held, for the first time, that such costs do not constitute research or experimental expenditures under section 174 of our tax law.

The ruling retroactively denies to publishers the right to deduct currently their prepublication expenses despite their long-continued use of this accounting method which had not been previously challenged, and was thus tacitly approved by the IRS. Serious inequities can result when an administrative agency reverses its position on an issue and then applies the new policy retroactively.

My legislation would make it clear that the IRS ruling does not reflect the intent of Congress when it enacted section 174. The reports of the House Ways and Means Committee and of the Senate Finance Committee explain that the purpose of section 174 was to eliminate uncertainty and to encourage taxpayers to carry on research and experimentation. There was no suggestion that section 174 would not apply to the costs of research and experimentation necessary to develop such products as textbooks, reference books, visual aids, and other teaching aids, merely because the taxpayer's business is publishing or because the teaching aid or other product of a publisher is in the form of a printed book rather than in the form of a mechanical device.

The expenditures which would be entitled to a current deduction under my proposal, include the costs of writing, editing, compiling, illustrating, designing and other costs of developing and improving books, teaching aids, and similar products, such as texts published in microfilm. These costs do not include the taxpayer's cost of printing or manufacturing books, teaching aids, or similar products.

Although Treasury Department regulations now provide that the term "research and experimental expenditures" does not include expenditures "for research in connection with literary, historical, or similar projects," there is no sound reason for discriminating against publishers. This regulatory exclusion should be confined to its proper scope, for example, to preclude the amateur novelist from deducting his essentially personal expenses in the guise of business research expenses.

It should also be pointed out that for nontax financial statement purposes, publishing companies generally charge these publication expenditures against current income and do not capitalize or otherwise defer such charges. In revenue ruling 73–395, therefore, the IRS has imposed tax accounting concepts on the publishing industry that are at variance with sound financial accounting concepts.

For taxable years ending before the date of enactment, this bill would merely apply a "do not disturb rule." The Internal Revenue Service would be prohibited from compelling a change in the method of tax accounting for these prepublication expenditures. The bill will also make clear that prepublication expenses in the future can be taken as a current deduction.

Mr. President, my proposal will remedy an existing inequity is the implementation of our tax laws. It will insure that the intent of Congress in enacting section 174 of the tax law will be carried out. I urge swift congressional approval of my proposal.

By Mr. MAGNUSON (for himself and Mr. PEARSON) (by request):

S. 2341. A bill to empower the Secretary of Commerce to permit certain personnel to carry firearms and to make arrests. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce, by request, for appropriate reference, a bill to empower the Secretary of Commerce to permit certain personnel to carry firearms and to make arrests, and I ask unanimous consent that the letter of transmittal and statement of purpose and need be printed in the RECORD together with the text of the bill.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 2341

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Commerce may authorize duly qualified employees of the Department of Commerce, whose assigned duties are to protect, guard, patrol, or provide physical security to premises under the statutory responsibilities of the Secretary (but not including premises under the statutory responsibilities of the Administrator of General Services) and persons and property located thereon, while engaged in the performance of their duties to carry fire-arms and to make arrests without warrant for any offense against the United States committed in their presence, or for any felony cognizable under the laws of the United States, if they have reasonable grounds to believe that the person to be arrested has committed or is committing such a felony.

SEC. 2. The Secretary is authorized to promulgate rules necessary for the protection of premises under his statutory control and authority and persons and property thereon.

THE SECRETARY OF COMMERCE,
Washington, D.C., July 18, 1975.

Hon. NELSON A. ROCKEFELLER,
President of the Senate, U.S. Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed are six copies of a draft bill "To empower the Secretary of Commerce to permit certain personnel to carry firearms and to make arrests," together with a statement of purpose and need in support thereof.

This proposed legislation has been reviewed by the Department in the light of Executive Order No. 11821 and has been determined not to be a major proposal requiring evaluation and certification as to its inflationary impact.

We have been advised by the Office of Management and Budget that there would be no objection to the submission of our draft bill to the Congress.

Sincerely,

ROGERS MORTON,
Secretary of Commerce.

STATEMENT OF PURPOSE AND NEED

The purpose of this legislation is to vest in the Secretary of Commerce specific legal authority to authorize and empower personnel under his jurisdiction to carry out certain security functions in physical areas under his statutory protection and control.

Title 15 U.S.C. 278e, as amended, and 46 U.S.C. 1126(b)(1), authorize the Secretary to protect and maintain physical installations of the National Bureau of Standards and the Merchant Marine Academy. Neither of these statutes, however, specifically provides that qualified security personnel of the Department shall carry firearms and otherwise act to enforce the laws of the United States on property under the statutory authority and control of the Secretary. Specific authority to the Secretary to designate security personnel of the Department to make arrests and carry weapons on these premises is desirable to make clear the legislative intent of the Congress that the Secretary has the powers clearly necessary to provide such protection.

This legislation will have no effect upon other investigative agencies or the statutory responsibilities of the Administrator of General Services. It is not contemplated that additional funds will be required.

By Mr. MAGNUSON (for himself, Mr. HUMPHREY, Mr. HASKELL, Mr. HATFIELD, Mr. INOUYE, Mr. JACKSON, Mr. JAVITS, Mr. KENNEDY, Mr. MANSFIELD, Mr. MONTOYA, Mr. RIBICOFF, Mr. ROTH, and Mr. TUNNEY):

S. 2342. A bill to provide for the safeguarding of taxpayer rights, to restrict the authority for inspection of Federal tax returns and the disclosure of information derived from such returns, to clarify the authority of the Comptroller General to oversee the administration of the internal revenue laws, and for other purposes. Referred to the Committee on Finance.

FEDERAL TAXPAYERS' BILL OF RIGHTS ACT OF 1975

Mr. MAGNUSON. Mr. President, today I am introducing the Federal Taxpayers' Bill of Rights Act of 1975—legislation designed to correct the flagrant abuses which have recently been revealed within the Internal Revenue Service. The same legislation is being introduced today in the House of Representatives by the distinguished Congressman CHARLES A. VANIK, of Ohio.

The United States collects personal and corporate income tax through a self-assessment mechanism. This assumes that individuals and businesses are familiar with the law, conscious of their rights, and willing to comply with the tax mechanism.

More importantly, the Internal Revenue Service is the one governmental agency which touches every employed citizen every year. It is the face of the Federal Government to most citizens. If it has no credibility or if it is arbitrary and capricious, or if it favors the rich over the poor, or if it is insensitive to reasonable complaints of which it is aware, or if it is inefficient or bureaucratic, the entire U.S. Government stands indicted. Congress cannot tolerate any of these problems in any bureaucracy. But no agency is more important in this regard than the Internal Revenue Service. Also, if too many people question the basic integrity and fairness of their Government and the self-assessment mechanism, the fiscal integrity of the United States may be endangered. The Congress must take every reasonable action to insure fairness and equity in the tax mechanisms. Otherwise, self-assessment cannot work.

The Senate has become fully aware of a whole range of abuses in each of these areas within the Internal Revenue Service through the hard work of Senators MONTOYA, WEICKER, HASKELL, the Watergate Select Committee, and other Members of this body who have acted on complaints from their constituents.

The bill which we are introducing today is an effort to build a consensus for comprehensive procedural reform of the Internal Revenue Service taxation system. It is my hope that my distinguished colleague, the chairman of the Finance Committee, will take this bill promptly to the other members of his committee, discuss it fully and frankly, and make reasonable changes that he believes are necessary. In any event, it is extremely important that the Senate act this year, before the end of the first session of Congress, to correct the flagrant abuses which have been exposed in the last 2 years. The taxpayers of the United States should not be expected to subject themselves to an unreformed Internal Revenue system in April 1976.

The bill which I am introducing with Congressman VANIK contains seven major provisions:

First. The bill provides for significant new limitations on disclosure of tax return information. It permits taxpayers to recover civil damages for unauthorized disclosure of personal tax data.

Second. The bill establishes safeguards against the political misuse of the Internal Revenue Service. It limits nontax related surveillance activities of the IRS and provides criminal penalties for illegal surveillance.

Third. The bill protects taxpayers from arbitrary procedures. It places reasonable limits on the power of jeopardy assessment and termination of a tax year by IRS agents. It increases the amount of personal property exempt from tax levy for living expenses.

Fourth. It establishes a taxpayer Service and Complaint Assistance Office: a sort of ombudsman within the IRS. This new office will monitor improper behavior by IRS agents. It has the power to provide temporary relief in special cases of IRS abuse.

Fifth. It requires the IRS fully inform the taxpayer of his rights during any audit or tax appeal procedure.

Sixth. It authorizes a pilot project of independent legal assistance to taxpayers in audits and appeals. The project would be limited to four cities over a 3-year period. The legal assistance would be available to both middle- and low-income taxpayers.

Seventh. The bill provides the General Accounting Office oversight authority over the IRS. GAO is required to report annually on the entire scope of IRS activities.

Mr. President, this is not a complete list of every possible administrative amendment to the Internal Revenue Service mechanism. More needs to be done if we are to eliminate occasional abuses in IRS procedures. Other areas that could constructively be reviewed are: John Doe summonses, declaratory judgments for tax-exempt applications, and clearer lines of congressional oversight over IRS activities. Nevertheless, I and the other cosponsors of this legislation believe that this is the first necessary and major step which will restore the public's confidence in the tax assessment system.

PROHIBITIONS AGAINST DISCLOSURES OF FEDERAL TAX RETURN INFORMATION

The bill provides an essential tightening of the taxpayers right to privacy. It places realistic limitations on the disclosure of private Federal tax return information. Commissioner Alexander testified before the House Treasury Appropriations Subcommittee this spring:

> We have a gold mine of information in our tax system. We have more information about more people than any other agency in this country. We must have this. People file tax returns with us and tax returns contain a great deal of private information which we must safeguard.

Citizens reasonably expect that their tax return information will be held private by the Federal Government. In fact, tax returns are anything but private. Citizens' reasonable expectations of confidentiality must be insured. The present law does not do that. This bill provides that returns will be open for inspection only by the taxpayer or by "an officer or employee of the Department of the Treasury, or the Department of Justice, or by the President personally, if such inspection is solely in connection with the administration or enforcement of this title."

Under this provision, the President would have to sign personally for the use of tax returns. There would be no more unrecorded flow of tax information to White House aides. In addition, the stronger antidisclosure penalties in this bill will begin to adequately recognize people's reasonable expectations of privacy of tax return information.

In the past, the Justice Department has been able to obtain tax returns on individuals under investigation for criminal but nontax related matters. This is in contravention of the Constitution, which states that—

> The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures shall not be violated . . .

The prohibition on tax return disclosures provides that the Justice Department must obtain a search warrant filed by a competent judicial authority before the Department can have access to an individual's tax return held by the Internal Revenue Service. By requiring court review, we hope that improper use of tax data by the Justice Department can be limited.

In the area of sharing tax information between Federal and State tax authorities, I hope the Finance Committee will look carefully at our bill. It may not be strong enough. An increasing number of States are requiring that a copy of an individual's Federal tax return be included with the individual State tax return. There is a massive flow of tax data to the States and from there to the local units of government. It is simply not realistic to say that Federal tax returns today are confidential. It is not possible to maintain Federal tax return confidentiality at the local level. I personally have come to learn of cases where individual's tax returns have been stored in waste baskets at State and local tax offices while being processed. We all have heard of instances of tax return information being sold to credit agencies and other businesses interested in accumulating tax data on individuals.

The Congress may desire to completely eliminate the flow of Federal tax information to State and local governments. If so, this bill and its consideration by the appropriate committee is the proper vehicle for that proposal. If the States want help with their collection of taxes, then they can "piggyback" under title II of the Revenue Sharing Act. This allows the IRS to collect State taxes. We certainly should protect State interests in the tax mechanism without unnecessarily endangering persons' personal privacy.

SAFEGUARDS AGAINST POLITICAL MISUSE OF THE INTERNAL REVENUE SERVICE

It is now evident that the IRS has been collecting and maintaining information on individuals and organizations over the last several years for purposes other than enforcement of the tax law. Most of the files maintained by the special services staff had no relation at all to tax information needed by the IRS. Similar nontax related data has been maintained in the intelligence-gathering and retrieval systems, a new computer system designed to help the IRS' intelligence division keep track of organized crime cases.

The bill introduced today would make it illegal to "investigate into, maintain surveillance over, and maintain records regarding the beliefs, associations, or activities of an individual or organization which are not directly related to the Revenue laws."

An individual or organization would have standing to bring suit for damages against any official who violates this provision.

LIMITATIONS ON ARBITRARY IRS BEHAVIOR

Jeopardy assessment is a power given to the IRS to take suddenly the assets of a taxpayer if there is reason to believe the taxpayer is not going to meet his tax obligations. Historically, it has been used in cases where the taxpayer has been preparing to flee the country or otherwise hide or dissipate his assets. Termination of assessment provisions in the code have been used in the past 4 years in the drive against narcotics dealers. Generally, when a person is discovered to be a drug dealer, his tax year is immediately terminated and he is assessed for the value of his assets—generally the value of the drugs or the proceeds from the drug sale as estimated by the IRS.

These are extremely powerful tools for law enforcement. At the same time, they have been misused on occasion. More importantly, there are currently no adequate restraints on how these powers could be used if persons in authority in the Internal Revenue Service or the Department of the Treasury should decide to use these mechanisms for narrow political or personal reasons.

This bill attempts to give taxpayers certain limited recourses in cases of jeopardy or termination of assessment which are reasonable, do not conflict with lawful law enforcement purposes of the Internal Revenue Service, and effectively restrain the arbitrariness of the mechanisms. Commissioner Alexander has expressed his own personal concerns about the use of this assessment power and administratively has ordered tighter controls on the use of these tools. In fiscal year 1973, there were 3,090 jeopardy termination of assessments. In fiscal year 1975, the number of assessments declined to about 500. But we cannot rely solely upon the discretion of administrators for restraint of the totally arbitrary powers currently residing in the Internal Revenue Service.

As former IRS Commissioner Sheldon Cohen testified on June 24 before the House Ways and Means Committee:

> The power of the jeopardy assessment or the power to close a taxable year is an awesome power. It is not often used by the Internal Revenue Service, but it is used. When it is used, the judicial remedy is down the road. There is no immediate action to report. A number of us involved in the Administrative Conference Study, I can't say unanimously, but I can say most people I believe, believe that there should be some access after the fact to a court. Perhaps within ten days after the jeopardy assessment or the close of a taxable year, the Commissioner should be bound at least to come into a court, if the

taxpayer so chooses, to show prima facie that what he did had good reason.

This bill allows for court review within 10 days of the jeopardy or termination assessment at which the Secretary of the Treasury would have to appear and show reasonable cause for making the jeopardy assessment or termination of taxable period.

No one can argue that court review of IRS actions after the fact will unfairly inhibit legitimate IRS enforcement purposes. It is remarkable that Congress has not insisted that citizens receive their minimum due process.

The second major mechanism of the bill to restore fairness and eliminate arbitrariness from the tax system is the creation of a new assistant commissioner for taxpayer assistance within the Internal Revenue Service.

The new Assistant Commissioner and his office will be responsible for providing responses to questions by taxpayers and assistance in filling out tax returns. In addition, he will serve as the ombudsman for taxpayers' complaints concerning the Service.

I would like to refer again to the testimony by IRS Commissioner Sheldon Cohen before the Ways and Means Committee on June 24. He stressed the need for a complaint office within the IRS:

> We are, I think, of the opinion that the Service does not have an adequate handle on tracking taxpayer complaints.
>
> It has too many different places where complaints can be handled and no organized system of maintaining records as to whether they have been serviced or not.
>
> Now we are attempting to address a proposed solution to the service and centralize that office somewhat, whether it is called ombudsman or office of complaints, or whatever, that there would be people in every region or district, depending on its size, who would track complaints and report solutions to the taxpayer and report to the administrative people on the kinds of problems that people are having to attempt to point out methods of solution.
>
> If the Internal Revenue Service knew the areas where it was getting the most complaints, it might be able to design techniques to be able to overcome them.

In addition to dealing with problems such as lost checks and computation questions, the Office of Taxpayer Services would be available to hear complaints of improper or abusive treatment by IRS employees. The Assistant Commissioner would have to provide an annual report to the Ways and Means Committee, the Finance Committee, and the Joint Committee on Internal Revenue Taxation on his activities. He would be given a special power to issue a "taxpayer order" if he determined "the taxpayer is suffering from an unusual, unnecessary, or irreparable loss as a result of the manner in which the Internal Revenue laws are being administered by the Secretary or his delegate."

DISCLOSURE OF INFORMATION TO TAXPAYERS IN AUDIT AND APPEAL PROCEDURES

The bill requires that the IRS develop a series of pamphlets describing, in clear and easily understandable language, the rights of taxpayers in audits, assessments, and the appeals process. These statements of taxpayer rights must be provided to the citizen at the time of the first communication from the IRS. The amendment provides for a review and comment on the pamphlets by the tax committees of the Congress.

The IRS already has a series of very helpful pamphlets describing the appeals process, et cetera. As a result of a series of hearings by Senator MONTOYA, the quality of these pamphlets has been improved dramatically by recent years. This bill simply provides for a regular system by which the taxpayer is automatically advised of all his rights in all his dealings with the IRS.

PILOT PROJECT FOR INDEPENDENT LEGAL ASSISTANCE TO TAXPAYERS

The bill would provide for a 3-year pilot project to be conducted in four cities by the Legal Services Corporation. Taxpayers would be provided with legal services in their dealings with the IRS. The service would be free for lower-income individuals with a sliding fee schedule for taxpayers in other income brackets.

Most taxpayers must deal with the IRS without the advantage of legal counsel. Only the wealthiest have been able to obtain adequate legal representation in tax proceedings. Therefore, there has been a record of inequitable enforcement settlements between income groups. A pilot project of legal representation will be extremely helpful in determining whether the general treatment of lower- and middle-income taxpayers can be improved through making tax legal assistance more readily available to all.

GAO OVERSIGHT OF THE IRS

The IRS has consistently refused to allow the General Accounting Office to examine its operations. This bill provides, once and for all, that it is the law of the land that GAO may audit and investigate the IRS. It specifies that GAO is required to review a number of IRS activities and provide an annual report to the Congress. Language providing for GAO access is drawn largely from a letter of May 14, 1975, from the Comptroller General to the chairman of the Ways and Means Committee.

Mr. President, there are many areas of controversy in the procedural administration of the internal revenue laws of the United States. This bill is not a cure-all. But it is a critical first step. We must act on these proposals before the next tax year. It is time that people's reasonable expectations of the tax mechanism more closely parallel the reality of the law.

Mr. MONTOYA. Mr. President, today I am proud to join Senator MAGNUSON and several other distinguished Members of the Senate and House in introducing the Federal Taxpayers' Rights Act of 1975. This legislation represent, I believe, a continuation of the struggle many of us have undertaken, here in the Congress, to make the Internal Revenue Service a responsive servant of the people.

Mr. President, over the last few years, much attention has been focused on the Internal Revenue Service and the methods it utilizes as the chief collector of Federal revenues. As chairman of the Senate Appropriations Subcommittee which has jurisdiction over the IRS, I have attempted to focus the attention of the Congress on several abuses which came to light during hearings I held in 1973 and 1974. My subcommittee has been contacted by thousands of citizens who related their experiences with the IRS. A clear picture began to emerge from this correspondence, Mr. President, a picture of the average American taxpayers, uncertain of their rights, standing in fear before the IRS. Our subcommittee found that, instead of being a servant of the people, IRS was perceived as the enemy—a tyrant who conjured up visions of a secret police group more commonly associated with authoritarian governments.

Mr. President, this situation cannot be allowed to continue. Taxpayers—all taxpayers, not just those able to pay tax consultants and lawyers—are entitled to full information and knowledge of our tax laws, and a full explanation of their rights as taxpayers. Nothing less than that is acceptable in a nation which prides itself on self-assessment and self-government.

The people are not only the ultimate consumers of Government service; they are the employers of all civil servants. It is essential that they feel confidence in the system, that they believe in its fairness, and that their interests are protected in the taxpayer/tax collector relationship.

Mr. President, I believe that this bill, drafted as an omnibus IRS reform package, establishes certain procedures which will meet the goals I have discussed above. This bill which—

Provides GAO authority to oversee the IRS and report annually on IRS activities;

Makes information available to the public concerning taxpayer rights in audits and appeals,

Establishes a taxpayer service and complaint assistance office;

Will act as an ombudsman to deal with improper actions by IRS officials and provide relief in special cases;

Provides a pilot project for independent legal assistance to taxpayers in audits and appeals;

Provides reasonable restraints on IRS power to arbitrarily terminate a taxpayer's tax year and seize property without court review. It will also increase slightly the amount of property immune from seizure for living expenses;

Establishes safeguards against political misuse of the IRS on nontax related surveillance and establishes penalties for such misuse;

Provides major improvements in protecting the privacy of tax return information. Places new limits on disclosure of tax information to States and other Federal agencies and permits the taxpayer to collect civil penalties for unauthorized disclosure of tax return information; and represents a coordinated attack on many of the problems identified by my hearings and by others, like Congressman Vanik, who have pursued this subject.

Mr. President, I urge that the Finance Committee act on this bill and others before it, which have been pending since the 94th Congress convened, so that the full Senate can address these issues at the earliest possible time.

Mr. **KENNEDY**. Mr. President, I am pleased to join the distinguished senior Senator from Washington (Mr. Magnuson) and the other distinguished sponsors of the Federal Taxpayers' Rights Act of 1975.

The taxpayers' bill of rights is a landmark package of procedural tax reforms. For the first time in a generation, Congress is remembering the forgotten taxpayer.

These reforms will be a major step toward dispelling the fog and confusion and complexity surrounding the tax laws. The message is getting through. At last Congress hears the distress call of the average taxpayer—the senior citizen, the working men and women, and many others who have no lawyers or accountants or tax advisers to handle their problems.

With this bill, we are sending out a Saint Bernard to rescue millions of ordinary citizens from the avalanche of redtape, confusion, forms, audits—and too often the outright bureaucratic hostility of the IRS—as they try to cope with the complexity and demands of the Nation's tax laws.

The bill will also end an even darker side of IRS activities—the gross violations of the privacy of tax information, the unauthorized IRS surveillance of private citizens, and the political abuses of the IRS that were all too common in the Watergate years.

I see this bill as a keystone of overall tax reform. These procedural changes must go hand in hand with the substantive tax reforms now being developed in the House and Senate. Too often in the past, in the constant struggle to close tax loopholes, Congress has ignored the goal of simplifying the tax laws and easing their burden on the average citizen.

There is a real chance that, before Congress adjourns next year, we can send the President the most far reaching and most comprehensive tax reform legislation in the Nation's history. The taxpayers' bill of rights must be part of that law. If we succeed, we can make the Internal Revenue Service a genuine and responsible servant of the American people, not just a tax collector.

The legislation we are introducing contains the following principal provisions:

First. It provides the General Accounting Office, an investigative arm of Congress, with authority to oversee IRS and report annually on IRS activities. Legal experts believe that GAO already has authority to carry out audits and investigations of IRS, but IRS refuses to accept such a role for GAO. The bill would settle the controversy and provide an important new avenue of oversight over IRS and its operations.

Second. It provides clear information to the public on taxpayer rights in audits, assessments, appeals, and other steps in the tax process. In this way, adequate notice of all rights and opportunities will be given to taxpayers in their dealings with IRS. In particular, the bill will require the IRS to advise a taxpayer of his rights at the time he is first contacted by the agency.

Third. It establishes a new "Taxpayer Service and Complaint Assistance Office," which will be headed by an assistant IRS commissioner and which will function as an ombudsman for the taxpayer. The new office will hear complaints, reduce delays in tracking lost refund checks, deal with improper or abusive treatment by IRS officials, and provide relief in special cases where IRS actions result in unnecessary injury to a taxpayer.

Fourth. It provides a pilot project of legal assistance for taxpayers involved in conferences, audits, and appeals with IRS. The project will be limited to four cities over a 3-year period, and will be conducted by the Legal Services Corporation. The assistance will be free for low-income taxpayers, but will be provided on a sliding fee scale for other taxpayers, based on income. Too often, faced with the complexity of the tax laws and the obstinacy of IRS, taxpayers are confused and forced to give up their rights. The pilot project is an effort to redress the balance by providing the sort of expert assistance that lawyers and accountants now provide for wealthy taxpayers.

Fifth. It limits the IRS power of seizure of property without court review—jeopardy assessment. It also limits the IRS power to terminate a tax year arbitrarily—termination assessment. In addition, it increases the amount of a taxpayer's living expenses which are immune from such assessments. The jeopardy assessment power is designed for cases where a taxpayer is trying to escape taxes by flight from the country, or is concealing or otherwise dissipating assets that may be needed to pay his taxes. The termination assessment power is used in drug enforcement and other crime control programs; it enables the IRS to make tax assessments against violators apprehended with large amounts of drugs or large cash proceeds from illegal transactions. In such cases, the person's tax year can be terminated immediately, and taxes can be assessed. Although these powers are useful law enforcement tools, they are drastic weapons, since they can result in a taxpayer's being deprived of the funds he needs to defend himself. The bill provides protection for taxpayers by requiring immediate court review of such assessments.

Sixth. It establishes safeguards against the political misuse of the Internal Revenue Service by prohibiting IRS investigations, surveillance, or recordkeeping with respect to the beliefs, associations, or actions of individuals and organizations in areas not directly related to enforcement of the tax laws.

Seventh. It protects the privacy of tax returns by limiting the disclosure of tax information to State and Federal agencies and by permitting taxpayers to collect damages for unauthorized disclosure of tax data. The second article of impeachment, adopted by the House Judiciary Committee in 1974, charged President Nixon with violating the constitutional rights of citizens by obtaining confidential tax information and using it for political purposes. The bill would allow disclosure of tax information only for tax purposes. It would require the Justice Department to obtain a search warrant if it seeks tax information for criminal, nontax investigations. A taxpayer is given the right to seek civil damages against officials who violate the antidisclosure provisions.

By Mr. **MAGNUSON** (for himself
and Mr. Pearson) (by request):

S. 2343. A bill to amend the Communications Act of 1934, as amended, with respect to penalties and forfeitures. Referred to the Committee on Commerce.

Mr. **MAGNUSON**. Mr. President, by request, I send to the desk on behalf of myself and Senator Pearson a bill to amend the Communications Act of 1934, as amended, with respect to penalties and forfeitures.

I ask unanimous consent that the letter of transmittal from Chairman Wiley of the Federal Communications Commission as well as the text of the bill be printed in the Record immediately following my remarks.

The Committee on Commerce has scheduled hearings on this legislation on September 23, 1975 at 10 a.m. in room 1318.

The purpose of this legislation is to unify and simplify the enforcement powers of the FCC. The FCC currently has inadequate authority to enforce effectively the provisions of the Communications Act. This bill expands FCC authority to impose and to collect fines for improper behavior. It establishes uniform treatment for behavior subject to regulation by the FCC. It ends the current anomaly which often times gives the FCC stronger enforcement powers over persons attempting to comply with the Communications Act than it has over persons operating purposely in contravention of the act.

The committee will look closely at this bill to insure it achieves its stated goals and protects the interests of all persons subject to regulation as well as the public.

There being no objection, the bill and material were ordered to be printed in the Record, as follows:

S. 2343

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 1. Section 503(b) of the Communications Act of 1934 as amended (47 U.S.C. section 503(b)), is amended to read as follows:

"(b)(1) Any person who—

"(A) willfully or repeatedly fails to operate a radio station substantially as set forth in a license, permit or other instrument or authorization;

"(B) willfully or repeatedly fails to observe any of the provisions of this Act or of any certificate, rule, regulation, or order of the Commission prescribed under authority of this Act or under authority of any agreement, treaty, or convention binding on the United States;

"(C) violates section 317(c) or section 509 (a)(4) of this Act; or

"(D) violates sections 1304, 1343, or 1464 of title 18 of the United States Code;

shall forfeit to the United States a sum not to exceed $2,000. Each act or omission constituting a violation shall be a separate offense for each day during which such act or omission occurs. Such forfeiture shall be in addition to any other penalty provided by this Act; *provided, however,* That such forfeiture shall not apply to conduct which is subject to forfeiture under title II of this Act; *and provided further,* That such forfeiture shall not apply to conduct which is subject to forfeiture under part II or part III of title III or section 507 of this Act.

"(2) No forfeiture liability under paragraph (1) of this subsection (b) shall attach to any person unless a written notice of apparent liability shall have been issued by the Commission, and such notice has been received by such person or the Commission shall have sent such notice by registered or certified mail to the last known address of such person. A notice issued under this paragraph shall not be valid unless it sets forth the date, facts and nature of the act or omission with which the person is charged, and specifically identifies the particular provision or provisions of the law, rule, regulation, agreement, treaty, convention, license, permit, certificate, other authorization, or order involved. Any person so notified shall be granted an opportuntiy to show in writing, within such reasonable period as the Commission shall by rule or regulation prescribe, why he should not be held liable.

"(3) No forfeiture liability under paragraph (1) of this subsection (b) shall attach to any person who does not hold a license, permit, certificate, or other authorization from the Commission unless prior to the written notice of apparent liability required by paragraph (2) above, such person has been sent a notice of the violation, has been given reasonable opportunity for a personal interview with an official of the Commission at the field office of the Commission nearest to the person's place of residence and thereafter has engaged in the conduct for which notice of the violation was sent; *provided, however,* That the requirement of this subsection for a notice of the violation and opportunity for a personal interview shall not apply if the person is engaging in activities for which a license, permit, certificate, or other authorization is required or is providing any service by wire subject to the Commission's jurisdiction; *and provided further,* That any person who has been sent a notice of the violation, has been given a reasonable opportunity for a personal interview and thereafter engages in the conduct for which the notice was sent shall not be entitled to a further notice for the same conduct and may be subject to forfeiture for the initial and all subsequent violations.

"(4) No forfeiture liability under paragraph (1) of this subsection (b) shall attach for any violation—

"(A) by any person holding a broadcast station license under title III of this Act if the violation occurred (i) more than one year prior to the date of the issuance of the notice of apparent liability or (ii) prior to the date beginning the current license term, whichever date is earlier, or

"(B) by any other person if the violation occurred more than one year prior to the date of issuance of the notice of apparent liability.

"(5) In no event shall the total forfeiture imposed for the acts or omissions set forth in any notice of apparent liability issued hereunder exceed—

"(A) in the case of (i) a common carrier subject to this Act, (ii) a broadcast station licensee or permittee, or (iii) a person engaged in distributing to the public broadcast signals by wire or engaged in distributing to the public other program services by wire if such activity is the subject of Commission regulation, $20,000;

"(B) in the case of any other person, $5,000.

SEC. 2. Section 510 of the Communications Act of 1934, as amended (47 U.S.C. § 510), is hereby repealed.

SEC. 3. Section 504(b) of the Communications Act of 1934, as amended (47 U.S.C. § 504 (b)), is amended by deleting the words "parts II and III of title III and section 503(b), section 507, and section 510" and substituting the words "title II and parts II and III of title III and sections 503(b) and 507", and by deleting the phrase ", upon application therefor,".

SEC. 4. Any act or omission which occurs prior to the effective date of this Act and which incurs liability under the provisions of sections 503(b) or 510 as then in effect will continue to be subject to forfeiture under the provisions of sections 503(b) and 510 as then in effect.

SEC. 5. The amendments made by this Act shall take effect on the thirtieth day after the date of its enactment.

FEDERAL COMMUNICATIONS COMMISSION,
Washington, September 15, 1975.
The VICE PRESIDENT,
U.S. Senate,
Washington, D.C.

DEAR MR. VICE PRESIDENT: The Commission has adopted as part of its legislative program for the 94th Congress a proposal to amend the Communications Act of 1934, as amended, with respect to forfeitures.

The proposal, which bears the reference 94-2, would unify and simplify the forfeiture provisions as well as enlarge their scope to cover persons subject to the Act, but not subject to forfeitures, such as community antenna (CATV) systems.

The proposal would also provide for more effective enforcement of the forfeiture provisions. The limitation period for issuance of a notice of apparent liability would be extended from ninety days to one year for non-broadcast licensees and from one year for broadcast station licensees to one year or the remainder of the current license term, whichever is greater. All other persons would be subject to a one year statute of limitations. The maximum amount of forfeiture that could be imposed for a single offense would be $2,000, and the maximum for multiple offensee would be $20,000 for broadcast licensees, permittees and common carriers, and, CATV systems. The maximum forfeiture for all other persons would be $5,000.

The Commission's draft bill to accomplish these revisions and the explanation of the draft bill have been submitted to the Office of Management and Budget for their consideration. We have now been advised that from the standpoint of the Administration's program, there is no objection to our submitting the draft bill to Congress for its consideration.

The Commission would appreciate consideration of the proposed amendments to the Communications Act of 1934 by the Senate. If the Senate or the Committee to which this bill may be referred would like any further information on it, the Commission will be glad to provide it upon request.

Sincerely yours,
RICHARD E. WILEY,
Chairman.

Enclosures.

EXPLANATION OF PROPOSED AMENDMENTS TO THE COMMUNICATIONS ACT OF 1934 TO UNIFY AND STRENGTHEN CERTAIN PROVISIONS FOR THE USE OF FORFEITURES AND PENALTIES

The Federal Communications Commission recommends the amendment of the Communications Act of 1934, as amended, to unify, simplify and make more effective the forfeiture provisions of sections 503(b) and 510. Section 503 provides for forfeitures where a broadcast licensee or permittee violates the terms of his license, the Communications Act, a Commission regulation, a cease and desist order issued by the Commission, or specified provisions of title 18 of the United States Code. Section 510 provides separately for forfeitures applicable to non-broadcast radio stations where any *one* of twelve specified offenses occurs. It also provides for the imposition of a forfeiture upon the operator of the station in particular cases. It is proposed to amend section 503 (b) and repeal section 510 to place all of these classes of forfeiture under section 503 (b), which would be expanded to apply to all persons (other than where ship or common carrier forfeitures are otherwise provided for) who violate the Communications Act, a Commission rule or order prescribed under the Communications Act or a treaty, the terms of a license permit, certificate, or other instrument of authorization, or the obscenity, lottery, or fraud provisions of title 18 of the United States Code.

The principal objective of the proposed legislation is to unify and simplify the forfeiture provisions; to enlarge their scope to cover persons subject to the Act but not now under the forfeiture provisions—such as cable systems (CATV), users of Part 15 or Part 18 devices, communications equipment manufacturers, and others also subject to Commission regulations who do not hold licenses issued by the Commission; and to provide for more effective enforcement.

Prior to 1960 the Commission was empowered to revoke station licenses or station construction permits and to issue cease and desist orders to any person violating the Communications Act or a Commission rule (see section 312 of the Act) and to suspend operator licenses (see section 303(m) of the Act). There was no provision for a penalty of lesser magnitude than revocation or denial of renewal of station licenses. Because a penalty affecting the license was not warranted for all violations, the Commission needed an alternative for dealing with those who should continue to hold licenses.

Therefore, in 1960 section 503(b), 74 Stat. 889, was enacted to give the Commission the enforcement alternative of imposing forfeitures in the case of broadcast licensees or permittees; and in 1962, section 510, 76 Stat. 68, was added to permit the Commission to impose forfeitures on non-broadcast radio licensees for twelve specific kinds of misconduct. These forfeitures have proved to be useful enforcement tools.

However, after 13 years of experience and reevaluation under this enforcement scheme, the Commission has concluded that common procedures with uniform sanctions for common carriers, broadcast entities, and other electronic communications businesses subject to our jurisdiction are required to deal effectively with the many forms of misconduct that impede the policy and purposes of the Communications Act. Moreover, there is a need in addition to make forfeitures applicable to the many forms of non-broadcast radio licensee misconduct that are not now covered by the twelve categories in section 510. In light of these problems, the Commission recommends that non-broadcast radio licensees no longer be governed by section 510, which should be repealed, and that they be governed instead according to the provisions of section 503(b), which should be expanded. This comprehensive and uniform treatment would mean that the misconduct which is now subject to forfeiture under section 510 would become subject to forfeiture under the proposed section 503(b).

The proposed amendment would make three additional material alterations in the Communications Act's existing forfeiture provisions. First, the forfeiture sanction would be made available against all persons who have engaged in proscribed conduct. Therefore, the amended section 503(b) would reach not only the broadcast station licensees and permittees now covered by section 503(b) and the other station licensees and operators now covered by section 510, but also any person subject to any provisions of the Communications Act[1] or the Commission's rules as well as those persons operating without a valid station or operator's license, those operators not required to have a license, and those licensed radio operators who are now subject only to suspension under section 303(m).

Second, the limitations period for the issuance of notices of apparent liability would be extended for broadcast station licensees from the present one year to one year or the current license term, whichever is greater, and for non-broadcast radio station licensees from the present ninety days to one year. For all other persons subject to forfeiture under the proposal, the limitations period would be one year.

Third, the maximum amount of forfeiture that could be imposed for the acts or omissions set forth in any single notice of apparent liability would be modified as follows: (1) the maximum forfeiture that could be imposed for a single offense would be $2,000; and (2) the maximum forfeiture that could be imposed for multiple offenses would be (a) $20,000 in the case of a common carrier, a broadcast station licensee or permittee, or a person engaged in distributing to the public broadcast signals by wire or engaged in distributing to the public other program services by wire if such activity is the subject of Commission regulation, and (b) $5,000 in the case of all other persons. Existing section 503(b) provides for a maximum of only $1,000 for single offenses by a broadcast station and $10,000 for multiple offenses. Those persons subject to existing section 510(a) are liable only for $100 for single offenses and a maximum of $500 for multiple offenses.

The proposed amendments to broaden the Commission's forfeiture authority would alleviate the difficulties caused by the lack of forfeiture authority against CATV systems (or other communications businesses that may become subject to our jurisdiction), users of incidental and restricted radiation devices, users of devices which contain radio frequency oscillators[2], communications equipment manufacturers, persons operating without holding a required license, and others subject to Commission regulations. Except for the Commission's cease and desist authority, which is not an effective deterrent to misconduct, enforcement of the Act or Commission rules or orders against such persons now must be by judicial action under section 401 or criminal prosecution under sections 501 and 502.

In extending the forfeiture procedures to licensed operators, the proposed amendment would provide an administrative alternative to the sometimes unduly harsh penalty of license suspension now authorized in section 303(m). License suspension may be unduly harsh if it denies the offender his customary means of livelihood for the suspension period. License suspension may also cost the offender permanent loss of his job, or of his customers if he operates a mobile radio service maintenance business. The proposed extension of the section 503(b) forfeiture provisions to licensed operators would afford the Commission an effective medium for obtaining compliance by operators, but would not cause the secondary detriments which often stem from license suspension. The administrative penalty of forfeiture would also provide a more feasible alternative to cease and desist orders or judicial enforcement under sections 401, 501 or 502, against operators who are not required to hold a license and against whom, therefore, a license suspension is not an available penalty.

Under the proposal, forfeiture liability would arise only after (1) a person has been served personally with or been sent by certified or registered mail to his last known address a notice of apparent liability; (2) he has been given an opportunity to show in writing why he should not be held liable; and (3) if he has submitted a written response, the Commission has considered his response and issued an order of forfeiture liability.

In addition to these procedural protections applicable to all persons subject to our jurisdiction, we have provided special procedural protection for members of the public at large who may be unaware of the Commission's regulation of equipment they may be operating. For example, there may be concern that a person would be subject to forfeiture for willful maloperation of an electronic device such as a garage door opener, an electronic water heater, or electronic oven, when he may be unaware of the applicability of the Communications Act or the Commission's rules and regulations.[3]

In these circumstances, no forfeiture could attach unless prior to the notice of apparent liability the Commission has sent such person a notice of the violation and has provided him an opportunity for a personal interview and the person has thereafter engaged in the conduct for which notice of the violation was sent. It should be noted that the special protection provisions do not apply to persons engaged in an activity that require the holding of a license, permit, certificate, or other authorization from the Commission or to one providing any service by wire subject to the Commission's jurisdiction.

It should be noted that this special procedure would not have to be accorded a second time to a person who subsequently engaged in the same conduct; and such person may be liable to a forfeiture not only for the conduct occurring subsequently but also for the conduct for which notice of a violation was sent and opportunity for a personal interview given.

Under existing provisions of the statute, which would not be changed, any person against whom a forfeiture order runs may challenge the order by refusing to pay. If the United States institutes a collection action, the issue of forfeiture liability would be reheard in a trial *de novo* in a U.S. District Court.

The second major modification in the Commission's proposal, the extension of the present time limitations for the issuance of notices of apparent liability is necessary if the Commission's forfeiture authority is to be an effective sanction. Because of increasing workloads and personnel shortages the ninety-day limitation in the non-broadcast services and the one-year limitation in the broadcast services are often substantial impediments to the use of the forfeiture sanction in appropriate cases. The Commission proposes that the statute of limitations for all persons holding broadcast radio station licenses under title III be extended to one year or the current license term, whichever is greater; for all other persons, the statute of limitations would be one year.

With over 32,000 authorizations in the broadcast services, more than 15,000 authorizations in the common carrier services, and over 2,000,000 authorizations in the safety and special services, it is impossible for Commission field office personnel to make regular inspections in all these services. Violations of the Communications Act or of the Commission's rules in the non-broadcast services are sometimes detected by station inspection but more generally through our field office monitoring. Monitoring usually requires transcription of tapes which in itself is a time-consuming process. Thereafter, as a matter of practice, the field office issues a notice of violation to the licensee and offers an opportunity to him to comment on or explain the alleged misconduct. In the overwhelming majority of cases, the nature and extent of the violation or the licensee's explanation thereof are such as to require no further action and the matter is closed. However, these notices of violation are also checked through the Commission's office in Washington and against licensee records, and in those instances where the licensee has a history of repeated misconduct or where the instant misconduct is willful and sufficiently serious, it may be determined that the imposition of a forfeiture is called for as an appropriate deterrent against future violations.

Our experience since the enactment of the Commission's forfeiture authority in the non-broadcast services demonstrates that with the imbalance betwen the number of violation cases and the number of staff personnel to review them, it is often impossible to issue the notice of apparent liability for forfeitures within the ninety-day period provided in the present statute. Considering the very great number of authorizations in the non-broadcast services, plus the great number of persons who are permitted to operate radio frequency equipment in accordance with our regulations but without holding an instrument of authorization, we believe a one year statute of limitations for notices of apparent liability is entirely reasonable and necessary to enable the Commission to invoke more frequently the forfeiture provisions Congress has provided and thus to secure greater compliance with the Act.

Similarly, a longer statute of limitations is necessary in the broadcast field in order to enable the Commission to reach violations of the Act. The existing one-year limitations period is usually sufficient in cases arising from regular station inspection by field office personnel. However, personnel shortages do not permit more than one inspection during a three-year license term. Although violations may be disclosed and considered by the Commission during its review of license renewal applications, the comparatively minor character of such violations does not warrant denial of renewal and often the one-year period has elapsed before a notice of apparent liability can be issued. Further, in many instances, misconduct by broadcast licensees is not uncovered in regular station inspections by field office personnel, but comes to light as the result of complaints and other information received by the Commission staff in Washington. These complaints and other information may require detailed and time-consuming investigation of station operations before a determination can be made that there may have been misconduct.

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[1] A person subject to a forfeiture under title II or parts II or III of title III or section 507 of the Act would not, however, be subject to a forfeiture under the proposed section 503(b) for the same violation. This provision in the proposal is similar to a provision now in section 510.

[2] Part 15 of the Commission's rules governs the use of devices which only incidentally emit radio frequency energy and restricted radio devices such as radio receivers. Part 18 of the Comimssion's rules governs the use of industrial, scientific and medical equipment, such as industrial heating equipment, all of which incorporate radio frequency oscillators. Such devices are permitted to operate without issuance of an individual license provided that they are operated in accordance with the provisions in the rules designed to minimize interference to regular radio communications services.

[3] Should the maloperation of any such device create hazards to life or property, the Commission would still have authority under section 312 to issue a cease and desist order.

Subsequent to the investigation the licensee has an opportunity to comment on or explain the alleged misconduct. Thus, it is often impossible for the Commission to consider questions as to apparent culpability and appropriateness of a forfeiture sanction and then to issue the required notice of apparent liability within the one-year limitation period now provided in section 503(b). Here again the legislative objective in vesting forfeiture authority in the Commission is often frustrated by the present time limitations.

Further, the one-year limitation for the issuance of notices of apparent liability in the broadcast field sometimes produces results which are self-defeating. Thus, in one instance the Commission received information that a radio station broadcast an allegedly rigged contest. Field investigation of the station initiating the program was begun as promptly as possible. The intricacies of the alleged misconduct required a time-consuming inquiry. During the course of the inquiry Commission investigators unearthed information revealing an earlier broadcast of another rigged contest concerning which there was extensive and conclusive evidence. However, upon completion of the field investigation, the Commission was able to impose a forfeiture for only the most recent misconduct because the earlier violation had occurred more than one year before. In such a case it is still possible of course to designate the license renewal application for hearing. We stress, nevertheless, that because refusal to renew the license was the only sanction available because of the short statute of limitations, the legislative purpose of section 503(b) of the Act could not be fully implemented. The Commission needs to be able to exercise its forfeiture authority during the entire span of a broadcast license term for minor violations occurring during that license term.

The Commission is therefore proposing for broadcast licensees a statute of limitations of one year or its current license term, whichever is greater. The proposal would permit the Commission to issue notices of apparent liability to broadcast station licensees (1) for any misconduct which occurs during a current license term and (2) for any misconduct which occurs during the last part of the prior license term if the notice of apparent liability is issued within a year of the time of the alleged misconduct.

The third major amendment the Commission is proposing is an increase in the maximum forfeitures. The currently available forfeitures are unrealistic and inadequate. In many situations the maximums are too low to permit the Commission to fashion an effective deterrent against large communications businesses. For example, the current maximum forfeiture available against a multimillion dollar broadcast licensee is $1,000 for a single violation up to a maximum of $10,000 for multiple violations. The proposal would provide more realistic forfeiture maximums for large broadcast interests, large common carriers, and other large communications businesses. Other persons would be subject to lower maximums. With the proposed maximums, the Commission would still retain the discretion to impose smaller forfeitures for offenses of lesser gravity. The Commission fully recognizes the necessity of tailoring forfeitures to the nature of the offense and the offender and has done so within the present statutory authority. Furthermore, the Commission would still have the authority to mitigate or remit forfeitures after considering a request for such relief.

One relatively minor amendment is also being proposed. By deleting section 510 as proposed, the Commission would be relieved of the obligation to provide a personal interview at the request of a non-broadcast station licensee or operator who receives a notice of apparent liability. Proposed section 503(b)(2), which incorporates much of the substance of section 510, does not include the interview provision. The Commission's experience is that only ten to fifteen percent of the persons to whom a notice of apparent liability has been issued avail themselves of the interview opportunity. Furthermore, seldom does an interview elicit any data which the licensee has not already furnished to the Commission, either in response to the notice of a violation or to the notice of apparent liability.

On the other hand, interviews in only ten to fifteen percent of these instances impose substantial burdens upon field offices. Critical engineering personnel must be diverted from regular pressing duties to interview the suspected violator and must then submit detailed reports to the Commission's main office in Washington, D.C. Commission personnel at the Washington, D.C. office then must coordinate all of the documents relevant to a given notice of apparent liability that may have been accumulated in several field offices and transmit the documents to the field office where the interview is scheduled. On balance, the Commission believes that the public, and the non-broadcast licensees and operators themselves, would best be served by the deletion of the field office interview provision from the forfeiture section.

Furthermore, it would be impossible for the Commission to continue interviews with non-broadcast licensees and at the same time provide personal interviews to members of that group who would now be subject to forfeitures for the first time and for whom special procedural protections are being proposed in section 503(b) (3). As between the two groups the Commission believes the public interest would be better served by the interviews that would be required under proposed section 503(b) (3).

Lastly, the Commission is seeking authority to mitigate or remit forfeitures imposed under title II of the Communications Act concerning common carriers. The Commission now has no express authority to remit, mitigate, or otherwise reduce a forfeiture imposed under these common carrier provisions, although section 504(b) provides express authority to mitigate or remit forfeitures under parts II and III of title III, and sections 504(b), 507 and 510. Since the Commission has this authority with respect to all other forfeitures which it can summarily impose, there is no reason not to include within this authority the common carrier forfeitures in title II. Moreover, it is reasonable to permit the Commission to exercise its authority to mitigate or remit on its own motion rather than awaiting an application. The Commission should be able to exercise its judgment before imposing a fine if the circumstances warrant a reduction or cancellation of a forfeiture.

In conclusion, the more uniform, comprehensive, and higher forfeiture provisions and the related modifications which the Commission now seeks should contribute substantially to greater compliance with the law and better administrative enforcement of the law.

Adopted: October 9, 1974.

By Mr. BENTSEN (for himself and Mr. Nelson):

S. 2344. A bill to amend the Employee Retirement Income Security Act of 1974 with respect to reporting requirements for small plans. Referred to the Committee on Finance and the Committee on Public Works, jointly, by unanimous consent.

PENSION PAPERWORK REDUCTION ACT

Mr. BENTSEN. Mr. President, I am today introducing legislation, together with Senator Nelson, to amend the new pension law—the Employee Retirement Income Security Act of 1974—to specifically require the Secretary of Labor to issue simplified reporting and disclosure requirements for small pension plans. I am pleased to have Senator Nelson join me as a cosponsor of this bill. Senator Nelson is chairman of both the Senate Small Business Committee and the Subcommittee on Private Pension Plans of the Senate Committee on Finance.

This proposal will relieve thousands of small businessmen across our Nation from unreasonably burdensome and costly paperwork. Detailed reporting requirements that may be applicable to our Nation's largest private pension plans are simply not needed for the smallest pension plans. In fact, many small businessmen may be forced to terminate their retirement plans if the paperwork burden becomes too costly and overwhelming.

Mr. President, I was one of the principal Senate sponsors of the landmark pension bill. This law will guarantee that earned pension benefits become a reality for millions of American workers upon retirement. This law will strengthen our private retirement system by eliminating the small number of abuses and aberrations. The amendment I am introducing today is entirely consistent with the intent of the new pension act. The new law gives the Secretary of Labor the authority to issue simplified reporting requirements for small plans. It was the clear intent of the congressional sponsors of this legislation that this authority be exercised. My amendment would simply direct the Secretary of Labor to issue simplified forms for retirement plans with less than 100 participants.

Americans too often forget the indispensable role of small business in promoting healthy competition in our economy creating jobs for a growing work force and developing innovative ideas and products. Small business, in many ways, is the essence of our country's promise.

However, this promise will never be fulfilled unless Congress prevents needless redtape and paperwork from strangling small businesses.

In terms of dollars and cents, or frustration and irritation, the endless tangle of paperwork imposed by Government has become unbearable.

With well over 5,000 forms in use in the Federal Government, excluding all tax and banking forms, the private citizen is inundated with requests for information.

Some have referred to the endless series of forms and documents as "strangulation in triplicate." Others have referred to this as "Federal forms pollution."

The Federal bureaucracy generates more than 2 billion pieces of paper annually. That is probably enough to fill several baseball stadiums.

There are 10 forms to be filled out each year for every man, women, and child in the United States.

It is estimated that small business spends well in excess of $18 billion annually on Government paperwork.

It is particularly difficult for small firms to absorb the cost of this paperwork. Small businessmen must employ outside accountants and lawyers to fill out complex forms and keep the extra record keeping involved. Professional assistance, of course, is expensive. Having few employees, the small firms find it more difficult to spread the cost. A rise in per unit cost to cover paperwork can result in loss of sales and loss of competitive standing for small enterprises.

Small businesses, especially the mom and pop type operations, must fill out numerous reports, as many as 52 tax forms in a single year. This is not an example of a government which is concerned and responsive to the needs of its people. It is not a government which is protecting free enterprise. It is instead a government which favors only those large concerns that can satisfy repetitious requests for data, statistics, and information.

We have to cut this tangle of redtape. We have to hold back the growing number of Government forms. In an effort to do this, I introduced legislation last year establishing a Commission on Federal Paperwork.

This 14-member group would have 2 years to study the confusion of Government paperwork. At the end of this time, it would report to Congress and the President specific proposals to eliminate excessive and repetitive forms.

This legislation was approved by Congress and enacted into law by the President. In June the President finally appointed the members of the Commission. Hopefully, this Commission will soon begin plans to streamline our entire paperwork procedure. And this should bring relief to almost every American.

In the meantime, the legislation I am introducing today will reduce unnecessary paperwork burdens on small businessmen with respect to the new pension law.

Mr. ROBERT C. BYRD subsequently said: Mr. President, I ask unanimous consent that a bill introduced by Senator BENTSEN amending the pension law be referred jointly to the Committees on Finance and Labor and Public Welfare.

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. KENNEDY:

S. 2345. A bill to impose income tax on capital gains at death and for other purposes. Referred to the Committee on Finance.

TAXATION OF CAPITAL GAINS AT DEATH

Mr. KENNEDY. Mr. President, I send to the desk a bill to amend the Internal Revenue Code to require the taxation of capital gains at death, and I ask that it may be referred to the Committee on Finance.

The purpose of this bill is to close the enormous tax loophole that now exists for capital gains at death. Under present law, capital gains escape the income tax altogether if the assets are held until death. The heirs receive a "stepped up" basis for the assets—the fair market value at the time of death becomes the new basis of the assets in the hands of the heirs, and gains realized on a subsequent sale are measured only from this basis.

The loophole for capital gains at death is, in effect, a loophole on top of a loophole. Capital gains are already taxed at favorable rates, compared to the rates applicable to "ordinary" income such as wages or salaries. But if property is held until death, no income tax is applied and not even the capital gains tax need be paid.

For example, if a person buys shares of stock in a corporation for $1,000, and the value of the shares subsequently increases to $5,000 after a period of several years, the taxpayer would pay a tax on his $4,000 gain if he sold the property. The rate of tax would be half the taxpayer's normal tax bracket, since the gain would qualify as a long-term capital gain subject to the favorable rate applicable to such gains. But if the taxpayer holds the stock until death, the income tax on the capital gain is completely avoided.

The bill I am introducing has two principal provisions intended to close this loophole:

First, it would tax the appreciation in value of property transferred at death, as if the property had been sold on the day before death. To avoid any retroactive effect on gains already accrued, and to avoid disruption of existing estate plans, the tax would apply only to appreciation in value after September 30, 1975. Property transferred to a spouse or to a charity would be exempt from the tax, and a 10-year averaging provision would be available to reduce the burden on gains subject to the new tax.

Second, to prevent avoidance of the tax on capital gains at death, a similar tax would be applied to transfers of property by gift. Thus, the appreciation in value of property after September 30, 1975, would be taxed as if the property had been sold at the time of the gift. Similar exclusions and averaging would be available, as in the case of transfers of property at death.

The revenue gain from the bill, based on 1975 income levels, would be $45 million in 1976, rising to $660 million in 1985, when the various provisions would be fully phased in.

In my view, now that the percentage depletion allowance for oil has been repealed, the tax loophole for capital gains at death has become tax reform target No. 1, as the largest and most unjustifiable loophole in the income tax laws. According to recent estimates, the absence of any income tax on capital gains at death means that $10 billion a year in gains falls completely outside the income tax. Yet there is no justification, in either economic rationale or tax equity, for the existence of the large tax windfall available for such gains.

The existing capital gains at death loophole discriminates heavily in favor of persons who pass large amounts of accumulated wealth onto others in the form of capital gains. It discriminates equally heavily against persons whose estate is accumulated out of salaries, wages and dividends, which are taxed at ordinary income tax rates each year as they are earned; the estate which these taxpayers pass on to their heirs is the remainder left after income taxes have been paid.

But a person who accumulates wealth through the increased value of property such as stock held until death avoids income tax altogether on the appreciation in value of the property. At the time of death, he is able to pass on a substantially larger estate to his heirs, because the increased value of the property has escaped income tax during his lifetime.

The unfair advantage created by the capital-gains-at-death loophole is obvious. Often, the advantage is worth tens or even hundreds of thousands of dollars to wealthy taxpayers whose assets have appreciated in value during their lifetime.

In addition, the existence of the capital-gains-at-death loophole has extremely deleterious economic consequences for the flow of capital, because of the so-called lock-in effect. The absence of a tax on capital gains at death is a strong incentive for taxpayers to hold appreciated property until death, in order to take advantage of the tax loophole. As a result, large amounts of capital are "locked in," in the sense that taxpayers, especially the elderly, are reluctant to sell their assets and thereby be required to pay an income tax on their gains. By closing this flagrant tax preference, Congress would actually begin to free up billions of dollars for future investments in the Nation, dollars that are now frozen because of the undeserved tax advantages that come into play when property is held until death.

I believe that reform in the taxation of capital gains at death is one of the most important steps Congress can take at this time to encourage capital formation in the United States and to provide new investment dollars for vital programs in many important areas of concern. Too often, in the current capital formation debate, we hear a great deal about the need for new tax subsidies for capital, such as reductions in the corporate tax rate, reductions in the tax on dividends, and even more favorable tax rates for capital gains. But we hear very little about the need to eliminate existing subsidies such as the capital-gains-at-death loophole, which clearly impairs the flow of capital and inhibits new investments.

As part of its current consideration of tax reform, the Ways and Means Committee of the House of Representatives will soon turn to capital gains and losses. My hope is that this proposal for taxation of capital gains at death will be favorably considered by the committee, and that this important reform will be part of the bill we enact.

Mr. President, I ask unanimous consent that a brief factsheet explaining the bill, together with a general summary and a section-by-section analysis of the bill, and the text of the bill itself, be printed in the RECORD.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 2345

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That whenever in this bill a reference is made (by way of amendment, repeal, or otherwise) to a section, chapter, or other provision, the reference shall be considered to be made to a section, chapter, or other provision of the Internal Revenue Code of 1954.

Sec. 2. Recognition of unrealized appreciation at death.

(a) **In General.**—Part I of subchapter O of chapter 1 (relating to determination and recognition of gain or loss) is amended by adding at the end thereof the following new sections:

"Sec. 1003. Recognition of unrealized appreciation at death.

"(a) In General.—In the case of the death of an individual, there shall be taken into account in computing taxable income for the taxable period in which falls the date of his death, the gains and losses which would have been realized and taken into account in computing taxable income (of the decedent or some other person) if all the property (other than property described in subsection (b)) required to be included in determining the value of the decedent's gross estate under chapter 11 had been sold immediately before his death at the estate tax fair market value to the person to whom the property passes. This subsection shall not apply unless the aggregate fair market value of property includible in the gross estate exceeds $60,000.

"(b) Excluded Property.—Subsection (a) shall not apply to—

"(1) policies of life insurance on the life of the decedent;

"(2) items of gross income in respect of a decedent described in section 691 (including amounts treated as income in respect of a decedent under section 753);

"(3) a joint and survivor annuity under which the surviing annuitant is taxable under the provisions of section 72 and payments and distributions under a deferred compensation plan described in part I of subchapter D of this chapter to the extent such payments and distributions are taxable to the decedent's beneficiary under this chapter;

"(4) property included in the decedent's gross estate solely by reason of section 2035;

"(5) property passing from the decedent to his surviving spouse to the extent such property qualifies for purposes of section 2056 (determined without regard to subsection (c) of such section);

"(6) property passing from the decedent to an organization described in section 2055 (a) if a deduction is allowable with respect to such property under section 2055;

"(7) stock or a stock option passing from the decedent to the extent income in respect of such stock or stock option is includable in gross income under section 423(c) or 424 (c)(1);

"(8) a category of property described in paragraph (1), (2), or (3) of section 6334(a) if the fair market value of such category at the applicable valuation date under subsection (d)(1) is less than $1,000; or

"(9) property passing from the decedent to an orphan who—

"(A) is related to the decedent within the meaning of section 152(a)(1),

"(B) was a dependent of the decedent for purposes of section 151(e) for the taxable year in which falls the date of the decedent's death, and

"(C) had not attained age 19 at the date of the decedent's death or was a student within the meaning of section 151(e)(4).

"(c) Exemption of Gain and Limitation of Loss.—For purposes of subsection (a), the net amount of gain or loss to be recognized (after the application of subsection (b)) shall be decreased (but not below zero) by $10,000.

"(d) Rules for Application of Subsection (a).—For purposes of subsection (a):

"(1) The estate tax fair market value of property is its value at the date of the decedent's death, or, in the case of an election under section 2032, its value at the applicable valuation date prescribed by that section.

"(2) In the case of property acquired by the decedent on or before October 1, 1975, the adjusted basis of such property for purposes of determining gain or loss under subsection (a) shall be considered to be the greater of—

"(A) the adjusted basis of such property as of the date of the decedent's death, or

"(B) the fair market value of such property as of September 30, 1975, adjusted (in accordance with regulations prescribed by the Secretary or his delegate) to reflect adjustments to basis made after such date under section 1016.

"(3) Losses shall be taken into account for purposes of subsection (a) without regard to the provisions of section 1091.

"(e) Character of Gain or Loss.—

"(1) In general.—The amounts determined under subsection (a) shall have the same character as such amounts would have had if the decedent had actually sold the property immediately before his death except that property described in section 1221 or 1231 shall be considered to have been held by the decedent for more than 6 months before the date of his death, and section 1239 shall not apply.

"(2) Allocation of exemption.—In the case where the amount determined under subsection (a) includes gain (or loss) which is treated as gain (or loss) from the sale of a capital asset and gain which is not so treated, the exemption (or limitation) provided under subsection (c) shall be allocated in proportion to the gain (or loss) attributable to the respective properties (determined without reference to subsection (c)).

"(f) Property Passing to Related Person.—Notwithstanding section 267(a), losses attributable to transfers of property to related persons (within the meaning of section 267 (b)(1)) shall be recognized under this section to the extent gains attributable to transfers of property to such persons are recognized by reason of this section.

"(g) Limitation of Tax.—

"(1) In general.—In any case where this section applies for the taxable year, the tax attributable to amounts recognized by reason of the application of this section shall not exceed 10 times the increase in tax which would result from the inclusion in the taxpayer's gross income of amounts equal to 10 percent of—

"(A) gain so recognized which is treated as net section 1201 gain (within the meaning of section 1222(11)), and

"(B) other amounts so recognized which are not treated as net section 1201 gain.

"(2) Phase-in of 10-year period for limitation of tax.—In the case of a decedent dying before January 1, 1984, paragraph (1) shall be applied by substituting the appropriate multiplier for "10" and the appropriate percent for "10 percent" according to the following table:

For decedents dying in—	The multiplier is—	The percent is—
1975 or 1976	2	50
1977	3	$33\frac{1}{3}$
1978	4	25
1979	5	20
1980	6	$16\frac{2}{3}$
1981	7	$14\frac{2}{7}$
1982	8	$12\frac{1}{2}$
1983	9	$11\frac{1}{9}$

"(3) Exception to application of limitation.—The provisions of this subsection shall not apply if the benefits of part I of subchapter Q (relating to income averaging) are chosen with respect to the decedent's last taxable year.

"(h) Time for Filing Return.—If subsection (a) is applicable to the taxable year, the time for filing the return for such year shall be the date nine months after the date of the decedent's death if such date is later than the time prescribed in section 6072 for filing such return.

"Sec. 1004. Recognition of unrealized appreciation on transfers by gift.

"(a) In General.—In the case of an individual, there shall be taken into account in computing taxable income for the taxable year, the gains and losses which would have been realized and taken into account in computing taxable income of such individual if the property (other than property described in subsection (b)) transferred by gift during the taxable year had been sold immediately before such transfer at its fair market value to the donee. Subsection (a) shall not apply unless the aggregate fair market value of property transferred by gift, (other than property described in subsection (b)), after September 30, 1975, exceeds $30,000.

"(b) Excluded Property.—Subsection (a) shall not apply to—

"(1) the first $3,000 of gifts to any person during the calendar year to the extent eligible for the exclusion under section 2503(b);

"(2) policies of life insurance on the life of the decedent;

"(3) a joint and survivor annuity under which the surviving annuitant is taxable under the provisions of section 72;

"(4) property transferred to the donor's spouse to the extent such property qualifies for purposes of section 2523 (determined without regard to the limitation to one-half of the value of property);

"(5) property transferred by the donor to an organization described in section 2522(a) if a deduction is allowable with respect to such property under section 2522; or

"(6) property transferred to a political party with respect to which gain is recognized by the donor under section 84.

"(c) Rules for Application of Subsection (a).—For purposes of subsection (a):

"(1) In the case of property acquired by the donor on or before October 1, 1975, the adjusted basis of such property for purposes of determining gain or loss under subsection (a) shall be considered to be the greater of—

"(A) the adjusted basis of such property as of the date of the gift, or

"(B) the fair market value of such property as of September 30, 1975, adjusted (in accordance with regulations prescribed by the Secretary or his delegate) to reflect adjustments to basis made after such date under section 1016.

"(2) In the case of a gift of less than the donor's entire interest in property, the amount of any gain or loss to be taken into account under subsection (a) shall be that portion of unrealized appreciation which bears the same ratio, to the entire unrealized appreciation as the adjusted basis of the interest transferred bears to the adjusted basis of the entire property immediately before the transfer.

"(d) Character of Gain or Loss.—The amounts determined under subsection (a) shall have the same character as such amounts would have had if the donor had actually sold the property to the donee immediately before the gift.

"(e) Transfers to Related Persons.—Notwithstanding section 267(a), losses attributable to transfers of property to related persons (within the meaning of section 267(b)(1)) during the donor's taxable year shall be recognized under this section to the extent gain attributable to transfers of property to such persons during such year are recognized by reason of this section."

(b) Basis of Property Passing From a Decedent.—Section 1014 (relating to basis of property acquired from a decedent) is amended by adding at the end thereof the following new subsection.

"(e) Special Rule for Property Passing to Surviving Spouse, Orphan, or Charitable Organization.—In the case of property passing from a decedent to his surviving spouse, an orphan, or a charitable organization with respect to which unrealized appreciation is not recognized by reason of section 1003(b)(5), (6), or (9), whichever is applicable, the basis of such property shall be the same as it would be in the hands of the decedent immediately before his death (or, if greater, the fair market value of such property as of September 30, 1975, adjusted to reflect adjustments to basis made after such date under section 1016) increased, but not above the valuation used for estate tax purposes, by the estate tax attributable to such property."

(c) Basis of Property Acquired by Gifts.—Section 1015 (relating to basis of property acquired by gifts and transfers in trust) is amended by adding the following new subsection at the end thereof:

"(e) Special Basis Adjustment.—If the property was acquired by gift after September 30, 1975, the basis shall be the basis determined under subsection (a), increased (but not above the fair market value of the property at the time of the gift) by the amount of the income tax paid which is attributable to such gift by reason of section 1004(a) or reduced (but not below zero) by the amount of any decrease in income tax attributable to such gift by reason of section 1004(a)."

(d) Correlation with Income Averaging.—Section 1304(b) (relating to inapplicable provisions if income averaging chosen) is amended by—

(1) striking out "and" in paragraph (4),

(2) striking out the period at the end of paragraph (5) and inserting in lieu thereof ", and", and

(3) adding the following new paragraph:

"(6) section 1003(g) (relating to limitation of tax attributable to unrealized appreciation at death)."

(e) Relief Relating to Estate Liquidity Problems.—

(1) Section 6161(a)(2) (relating to extension of time for paying tax) is amended by striking out "chapter 11," and inserting in lieu thereof "chapter 11, and, to the extent attributable to income recognized by reason of application of section 1003, chapter 1,".

(2) Section 6503(d) (relating to suspension of running of period of limitation) is amended by striking out "chapter 11" and inserting in lieu thereof "chapter 11 and, to the extent attributable to income recognized by reason of application of section 1003, chapter 1".

(3) Section 6601 (relating to interest on underpayment, nonpayment, or extensions of time for payment of tax) is amended by adding the following new subsection at the end thereof:

"(k) Extension of Time for Payment of Estate Tax and Certain Income Taxes.—If the time for payment of tax imposed by chapter 11 or, to the extent attributable to income recognized by reason of application of section 1003, chapter 1 is extended as provided in section 6161(a)(2) or 6166, or if the time for payment of an amount of such tax is postponed or extended as provided by section 6163, the rate of interest determined under section 6621 for purposes of subsection (a) shall not exceed the rate of 6 percent per annum.".

(4) Section 6905(a) (relating to discharge of executor from personal liability for decedent's income and gift taxes) is amended by adding at the end thereof the following sentence: "With respect to tax imposed by chapter 1 attributable to income recognized by reason of application of section 1003, the time of payment of which has been extended under section 6161(a)(2), the executor shall not be required to make payment to obtain a release from personaly liability for such tax if any bond which may be required is furnished by him."

(f) Conforming Amendments.—

(1) Paragraphs (1) and (2) of section 1245(b) (relating to gain from disposition of certain depreciable property) are hereby repealed.

(2) Paragraphs (1) and (2) of section 1250(d) (relating to gain from dispositions of certain depreciable realty) are hereby repealed.

(3) Paragraphs (1) and (2) of section 1251(d) (relating to gain from disposition of property used in farming) are hereby repealed.

(g) Clerical Amendment.—The table of sections for part I of subchapter O of chapter 1 is amended by adding the following items at the end thereof:

"Sec. 1003. Recognition of unrealized appreciation at death.

"Sec. 1004. Recognition of unrealized appreciation on transfers by gift."

(h) Effective Date.—The amendments made by this section shall apply with respect to decedents dying and transfers by gift after September 30, 1975.

Taxation of Capital Gains at Death—Summary of Kennedy Bill

A. Present law—

If stocks or other assets are sold, the appreciation in value is taxed as income under the favorable rates applicable to capital gains.

If the assets are held until death, the appreciation in value is not subject to income tax, and the heirs receive a "stepped up" basis for the assets—in general, if the heirs sell the assets, the appreciation subject to tax is measured only by the increase in value of the assets since the date of death.

If the assets are transferred by gift during a taxpayer's lifetime, the appreciation in value is not subject to income tax. However, the recipient acquires a "carry over" basis for the assets—the assets retain the basis of the donor and the appreciation in value is taxed if the property is subsequently sold by the recipient.

B. Principal elements of Kennedy bill—

1. In general, appreciation in value of assets held until death is made subject to income tax. Appreciation in value of property transferred by gift is also made subject to income tax. For tax purposes, the gains and losses on the property are measured as if the property had been sold immediately before death or before the gift.

2. To avoid any retroactive impact of the proposal on assets now held and to avoid disruption of existing estate plans, the basis of property for the purpose of measuring gains or losses will be the fair market value of the property on September 30, 1975. Thus, the only capital gains made subject to income tax would be the appreciation in value occurring after September 30. Even though substantial appreciation may also have occurred before that date, especially in the case of property held for many years, such appreciation would not be taxed.

3. The capital gains at death provision would not apply unless the total value of the decedent's property is in excess of $60,000, as measured for estate tax purposes.

4. The first $10,000 of gain would also be excluded from the tax.

5. Property passing to a decedent's spouse or orphan children would be exempt from the tax, as would property passing to a charity. In such cases, the basis of the property in the hands of the recipient would be the same as the decedent's basis, so that the appreciation in value might be taxable upon a subsequent sale of the property.

6. Additional exclusions would be provided for life insurance policies, and for various categories of personal or household effects, where the value of the category is less than $1,000.

7. Gains or losses on property under these provisions will have the same character—either capital gain or ordinary income—as if an actual sale of the property had taken place. However, all capital gains will be treated as "long-term" gains, subject to the more favorable long-term capital gains tax rates.

8. To avoid excessive taxes that might be caused by "bunching" of gain in the year of the taxpayer's death, appreciation would be taxed under a ten-year "forward" averaging provision. Thus, the tax would be limited to ten times the annual increase in tax which would occur if the gain were spread over ten years, instead of being taxed in a single year at the progressive rates of the income tax.

9. Provisions are included to avoid hardship on estates by allowing a ten-year extension of time to pay the taxes and by reducing the interest rate from the present 9% to 6% during such extensions of time.

10. Under separate provisions, the appreciation in value of property transferred by gift would also be subject to income tax. Gains would be measured as if the property had been sold at the time of the gift. The provision would apply only to gifts made after September 30, 1975, and only the appreciation occurring after that date would be taken into account. Appropriate exclusions and limitations would apply in the case of gifts to a spouse or to charity. A ten year forward averaging provision would be available, to eliminate bunching of income in a single year. The character of a gain or loss as a capital gain or ordinary income would be retained, including the character of a capital gain as short-term or long-term gain.

General Summary of Kennedy Bill on Taxation of Capital Gains at Death

I. RECOGNITION OF UNREALIZED APPRECIATION AT DEATH

At the present time, when a taxpayer sells an asset which has appreciated in value, the gain is subject to income tax. But if he holds an appreciated asset until he dies, the appreciation is not subject to the income tax. For example, assume that a taxpayer bought $5 million worth of stock in 1968, and the stock is now worth $15 million. If he sells the stock, he will have to pay a capital gains tax on the $10 million increase in value and, perhaps, a minimum tax. But if the taxpayer holds the stock until death, neither he nor the person to whom the stock passes will ever have to pay income tax on the amount that the stock increased in value before the taxpayer died. The legatees or distributees would only pay income taxes upon a taxable disposition of the stock on any increase in value in excess of the estate tax valuation.

This discriminates heavily in favor of the people who pass large amounts of wealth on to others. It has been estimated that in any given year, approximately $10 billion of unrealized appreciation falls completely outside the income tax in this way.

Moreover, investors become "locked in" by the prospect of avoidng income tax completely if they hold appreciated assets until death rather than selling them. This freezing of investment positions curtails the essential mobility of capital and prevents its flow toward areas of enterprise promising the greatest rewards.

This provision would only apply if the value of the estate was more than $60,000, this being the point at which an estate tax return would have to be filed. In addition, an exemption for grains, and a disallowance of losses, of less than $10,000 is provided. Accordingly, if the value of the gross estate exceeds $60,000, only gains or losses in excess of $10,000 will be recognized.

To avoid retroactive application, any appreciation that occurred before September 30, 1975, would not be subject to tax. In addition, a special 10-year "forward" averaging provision would be provided to relieve the effect of bunching of income which is to be recognized in the decedent's last taxable year (and subject to the progressive income tax rates except to the extent the alternate capital gains rates apply). Since only the appreciation occurring after September 30, 1975, will be recognized, that 10-year period for averaging will be phased-in over 10 years.

II. RECOGNITION OF UNREALIZED APPRECIATION ON TRANSFERS BY GIFT

Under present law, a taxpayer can avoid income taxes by making lifetime gifts of appreciated property rather than selling the appreciated property. Were the appreciated property to be sold, the taxpayer would incur an income tax on the excess of the sales price over the adjusted basis.

This inequity in the law favors those individuals who can amass wealth in the form of property which appreciates in value and then give this appreciated property to the persons of their choice, most often another family member. Additionally, the fact that a gift has been made also reduces the estate of the donor to the extent of the value of the gift increased by any gift taxes paid subject to certain limitations.

This provision would subject gifts of appreciated property to the income tax as if a sale had been consummated. The donor, generally, would be entitled to exclude from gross income appreciation attributable to gifts with a fair market value of $3,000 or less to any donee. The reason for this exclusion is to conform it with the requirements for the filing of gift tax returns. Also appreciation, on a cumulative basis, amounting to $30,000 will be exempted.

These provisions are effective for gifts made after September 30, 1975. Because the making of a gift is viewed as a voluntary act on the part of the donor, no special averaging provisions are considered necessary since the taxpayer can control the timing of the gifts that he makes and avoid the "bunching" of income that may arise in the taxable year in which large amounts of gifts are made.

SECTION BY SECTION ANALYSIS OF KENNEDY BILL ON TAXATION OF CAPITAL GAINS AT DEATH

I. RECOGNITION OF UNREALIZED APPRECIATION AT DEATH (SECTION 2(a) OF THE BILL AND SECTION 1003 OF THE CODE)

(a) Section 1003(a) provides that, in the case of death of an individual, the gains and losses which would have been realized and taken into account in computing income, if all the property included in the decedent's gross estate for estate tax purposes had been sold immediately before death at the valuation used for estate tax purposes, shall be recognized. This provision would not apply unless the aggregate value of property used for estate tax purposes exceeds $60,000. Thus, the provision would not apply to a decedent whose gross estate is not large enough to require the filing of an estate tax return under present law. If the provision applies, the gains and losses would be taken into account in computing taxable income for the decedent's last taxable year. Further, the gains and losses to be recognized under this provision would be subject to certain specific exclusions and limitations provided under present law. For example, gain attributable to a residence owned by a decedent who had attained age 65 would be excludable to the same extent as if an actual sale had been made, losses attributable to personal assets would not be recognized to the same extent as under present law, and capital losses would be subject to the same limitations as provided under present law.

(b) Section 1003(b) would provide exclusions for certain types of property and for property passing to certain individuals and organizations. Policies of life insurance on the life of the decedent would be excluded. In addition, other property passing from the decedent would be excluded in certain cases where the income attributable to it is taxed to the recipient or estate under present law, i.e., income in respect of a decedent, joint and survivor annuities, amounts taxable to a beneficiary under a tax-qualified pension plan, and, to the extent includible in income as compensation under present law, certain tax-qualified stock options and stock. Property included in the decedent's gross estate as a transfer in contemplation of death would be excluded since appreciation attributable to it would have been subject to the provisions of the bill relating to gift transfers. For administrative reasons, an exclusion would be provided for categories of wearing apparel, household effects, books and tools of a trade, etc., if the value of the category for estate tax purposes is less than $1,000. For purposes of this exclusion, an art collection or a stamp collection would be treated as a single category.

Finally, exclusions would be provided for property passing to the decedent's surviving spouse, a charitable organization exempt from income tax, and certain orphans. The exclusion for property passing to a surviving spouse would apply if it qualified for the estate tax marital deduction under present law. Thus, under the terminable interest rule under present law, property would not qualify for the exclusion if the spouse received only a life interest in the property. However, all property passing to the spouse which otherwise qualifies for the estate tax marital deduction would be excluded even with respect to the value of property in excess of the 50-percent of adjusted gross estate limitation applicable under the estate tax provisions. In the case of property passing to a charitable organization, the exclusion would apply if a charitable deduction is allowable under the estate tax provisions with respect to such property. In the case of property passing to an orphan, the exclusion would apply if the person to whom the property passed was the decedent's dependent son or daughter (or descendant of either) and was younger than 19 years of age or a student at the time of the decedent's death. (In the case of excluded property passing to a surviving spouse, an orphan, or a charitable organization, a carryover basis is provided under another provision of the bill so that gain attributable to the property will be realized by them upon disposition.)

(c) Section 1003(c) provides an exemption of $10,000 from the gain which would otherwise be recognized or, in the case where losses exceed gains, a limitation upon the net loss to be recognized. The exemption will not be used to reduce any net gain or net loss below zero and is to be applied to the net gain or loss determined after application of the exclusions previously described.

(d) Section 1003(d) provides special rules for the application of the provision. Paragraph (1) provides that the value used to determine gain or loss shall be the value used for estate tax purposes, *i.e.*, the value as of the date of the decedent's death or, if elected, for estate tax purposes, the alternate valuation date.

Paragraph (2) provides that the basis for determining gain or loss of property acquired before October 1, 1975, would be the greater of the adjusted basis at the date of the decedent's death or the fair market value of such property as of September 30, 1975, adjusted to reflect adjustments to basis made after such date, i.e., depreciation allowable to the decedent after September 30, 1975, and before his death.

Paragraph (3) provides that losses will be taken into account even if the loss would be disallowed under present law as a "wash sale." Under present law, a sale is treated as a "wash sale" if a taxpayer sells shares of stock or securities at a loss and has acquired substantially identical stock or securities within a period beginning 30 days before the sale and ending 30 days after the sale. In general, disallowance is designed to prevent the recognition of loss when the taxpayer's ownership position has not actually changed. These rules will not apply to losses attributable to transfers at death.

(e) Section 1003(e) provides that gain or loss determined under the provision will have the same character as capital gain or ordinary income, as the case may be, as if an actual sale had been made. However, all capital gains are to be treated as long-term capital gains and, thus are eligible for the 50-percent long-term capital gain deduction or the alternative capital gains tax (generally, 25 percent of the first $50,000 in gains and 35 percent on the excess). In the case where the $10,000 exemption applies, the exemption would be allocated between ordinary income and capital gains in proportion to the gain attributable to each.

(f) Section 1003(f) provides that losses attributable to property passing to related persons are to be allowed to the extent they may be offset against gain attributable to property passing to related persons. Under present law, no deduction is allowed for losses from the sale or exchange of property between a taxpayer and certain members of his family (brothers and sisters, spouse, ancestors and descendents) or a controlled corporation (sec. 267). Generally, this rule prevents tax avoidance by the recognition of losses from transfers which may lack substance as the property transferred would remain within the family group or economic unit. Since death is not considered to be an act of tax avoidance, this disallowance rule would not generally apply (i.e., losses could be recognized) to the extent of the gains recognized for property passing to the related persons.

(g) Section 1003(g) provides a limitation on the tax which would be imposed upon the unrealized appreciation. This limitation would have the effect of providing a special ten-year "forward" averaging method for the unrealized appreciation recognized for the decedent's last taxable year. In general, the increase in tax would be limited to 10 times the increase in tax which would result by including 10 percent of the net long-term capital gain and 10 percent of any ordinary income or loss recognized. The result would be to treat the unrealized appreciation approximately the same as if it had been recognized ratably in each year over a 10-year period rather than having all of the income "bunched" in a single year and subjected to the progressive income tax rates.

Since only the appreciation occurring after September 30, 1975, will be recognized, the 10-year period for averaging will be phased-in over 10 years.

Under the provision, the taxpayer's personal representative must choose either the benefits of the 10-year "forward" averaging for the unrealized appreciation or the general averaging for all taxable income, but not both.

(h) Section 1003(h) provides that if gain or loss is recognized by reason of these provisions, the time for filing the decedent's last income tax return will be nine months after the decendent's death if later than the time otherwise prescribed for filing the return.

II. RECOGNITION OF UNREALIZED APPRECIATION FOR GIFT TRANSFERS (SECTION 2(A) OF THE BILL AND SECTION 1004 OF THE CODE)

Section 1004(a) provides that gain on appreciated property transferred by gift by a taxpayer will be subject to income taxation at the time of the transfer. Under this provision, in computing taxable income, there shall be recognized the gains and losses which would have been realized and taken into account in computing income if the property transferred had been sold immediately before the gift. This provision would not apply, unless the aggregate value of gifts made after September 30, 1975, (other than gifts excluded under subsection (b)) exceeds $30,000 on a cumulative basis.

The gains and losses to be recognized under this provision would be subject to certain specific exclusions or limitations provided under present law. For example, gain attributable to a residence owned by a decedent who had attained age 65 would be excludable to the same extent that gain is presently excludable if an actual sale had been made, losses attributable to personal assets would not be recognized if they are not recognized under present law, and capital losses would be subject to the same limitations as provided under present law.

(b) Section 1004(b) provides exclusions for certain types of property and for gifts of property to certain individuals and organizations. Under this provision, the first $3,000 of gifts to any person during the calendar year would be excluded. This is to conform to the $3,000 gift tax exclusion under present law. Also, policies of life insurance on the life of the donor would be excluded. In addition, property transferred by the donor would be excluded in certain cases where the income attributable to it is taxed to the recipient under present law, *i.e.*, joint and survivor annuities, amounts taxable to a beneficiary under a tax-qualified pension plan, and, to the extent includable in income as compensation under present law, certain tax-qualified stock options and stock. Finally, exclusions would be provided for gifts of property to the donor's spouse or a charitable organization exempt from income tax.

The exclusion for gifts of property to a spouse would apply if it qualified for the gift tax marital deduction under present law. Thus, under the terminable interest rule under present law, property would not qualify for the exclusion if the spouse received only a life interest in the property. However, *all* property transferred to the spouse which otherwise qualifies for the gift tax marital deduction would be excluded under this provision. Thus, although a donor is allowed to deduct only one-half of the amount of gross gifts to his spouse for gift tax purposes he would be permitted to deduct the entire value of the gift for purposes of the income tax imposed under this bill. In the case of gifts of property to a charitable organization, the exclusion would apply if a charitable deduction is allowable under the gift tax provisions with respect to such property.

(c) Section 1004(c) provides certain special rules for the application of the provision. Paragraph (1) provides that the basis for determining gain or loss of property acquired by the donor before October 1, 1975, would be the greater of the adjusted basis at the date of the gift or the fair market value of such property as of September 30, 1975, adjusted to reflect adjustments to basis made after such date.

Paragraph (2) provides rules for the allocation of unrealized appreciation in the case of a gift of less than the donor's entire interest in property. Under this provision, unrealized appreciation will be allocated to that portion of the interest in property transferred in the same manner that the adjusted basis is allocated to the interest transferred under present law.

(d) Section 1004(d) provides that gain or loss determined under the provision will have the same character as capital gain or ordinary income, as the case may be, as if an actual sale had been made.

(e) Section 1004(e) provides that losses attributable to property transferred by the donor to related persons during the donor's taxable year are to be recognized to the extent they may be offset against gain attributable to property transferred by the donor to related persons during such year.

III. BASIS OF PROPERTY PASSING FROM A DECEDENT (SECTION 2(b) OF THE BILL AND SECTION 1014 OF THE CODE)

Section 2(b) of the bill would amend section 1014 of the code to provide that, in the case of property passing to a surviving spouse, an orphan, or a charitable organization, the basis of property will be the same as the decedent's basis, increased by the estate taxes attributable to the property, if the property had been treated as excluded property for purposes of recognizing unrealized appreciation at death. However, the carryover basis will not be less than the fair market value of the property as of September 30, 1975, adjusted to reflect adjustments to basis, such as depreciation, made after such date and before the decedent's death.

IV. BASIS OF PROPERTY TRANSFERRED BY GIFT (SECTION 2(C) OF THE BILL AND SECTION 1015 OF THE CODE)

Section 2(c) of the bill would amend section 1015 of the code to provide that the basis of property subject to income tax under the bill will be increased by the amount of tax paid which is attributable to the property and reduced by the amount of the decrease in tax which is attributable to a loss with respect to the property.

V. SPECIAL AVERAGING PROVISIONS (SECTION 2 (C) OF THE BILL AND SECTION 1304 OF THE CODE)

Section 2(d) of the bill would amend section 1304 of the code to preclude general averaging if the benefits of the special 10-year forward averaging provisions for recognized appreciation are chosen.

VI. RELIEF RELATING TO ESTATE LIQUIDITY PROBLEMS (SECTION 2(C) OF THE BILL)

Section 2(e) of the bill would amend section 6161(a)(2) to permit a 10-year extension of time to pay if undue hardship would result from payment without extension.

Section 6503 would be amended to suspend the running of the period of limitation for collection of income tax attributable to the recognition of unrealized appreciation at death when an extension for payment is granted.

Section 6601 would also be amended to limit the interest rate to 6 percent per annum for extension of time to pay estate taxes (in the case of undue hardship, closely held businesses and remainder interests) and the income taxes attributable to the recognition of unrealized appreciation at death (in the case of undue hardship). Prior to amendment under Public Law 93–625, the interest rate for these extension of time to pay was 4 percent per annum. Effective July 1, 1975, the interest rate was raised to 9 percent with provision for an annual adjustment to reflect the prime rate charged by banks.

In addition, section 6905 would be amended to permit the release of an executor for personal liability if he furnished any required bond for the income tax attributable to the recognition of unrealized appreciation at death.

VII. CONFORMING AMENDMENTS (SECTION 2(f) OF THE BILL AND SECTIONS 1245, 1250, AND 1251 OF THE CODE)

Section 2(f) of the bill repeals the exception for recapture of depreciation or excess farm deductions in case of a disposition by death or gift.

By Mr. MONTOYA:

S. 2346. A bill to amend the Internal Revenue Code of 1954 to provide a credit against tax with respect to State and local property taxes, and for other purposes. Referred to the Committee on Finance.

Mr. MONTOYA. Mr. President, the bill I am introducing today will grant much needed property tax relief to the elderly. This legislation is designed to protect the elderly from further rises in property taxes which may occur after retirement. It will allow for the elderly to plan ahead for living on a reduced, fixed income without fear of unanticipated property tax increases.

The bill provides for a refundable tax credit for homeowners age 65 and older, of all income levels. The tax credit will be for property taxes in excess of what the person paid before retirement age. This will in effect place a freeze on the property tax levels of the elderly so that property taxes may rise before, but not after, the critical age of retirement.

Elderly renters will be eligible for a similar refundable tax credit. The tax credit will be available for a percentage of the rent that each State determines to be attributed to property taxes which landlords have passed on to tenants in the form of higher rents.

In addition to the tax credits, the bill also provides for an amendment to the Revenue Sharing Act. This amendment removes the existing incentive for increased tax effort by the States as it applies to a program of property tax relief for the elderly. Conflict regarding the encouragement of such property tax relief by the Federal Government will thus be avoided.

Mr. President, the need for such legislation has long been apparent. The inequity and regressivity of the property tax is a little-disputed fact. And that its most pressing burden lies heavily on the elderly is also a well-documented and scandalous fact. Statistics compiled by the Advisory Commission on Intergovernmental Relations reveal that 6.3 million homeowners over the age of 65 pay an average of 8.1 percent of their income for property taxes—a figure almost twice the 4.1 percent that the nonelderly pay. Of these homeowners over 65, 1.3 million with annual incomes of $2,000 pay property taxes of 15.8 percent of that meager income. One in five homeowners over 65 are in this lowest income class. And two-thirds of elderly homeowners have incomes under $6,000, and pay an average of 6.2 percent of that income to property taxes.

A glance at such figures reveals that the problem of property tax relief for the elderly is not a minor one, nor does it affect only a few people. This is a problem that is widespread, and deserves special attention because of the unusual circumstances which the elderly often encounter.

Before retirement age, persons are able to plan ahead for the time when they will be living on a reduced, fixed income. Once retirement age has been reached, however, any unplanned for increases in property taxes may place excessive burdens on an income which is not flexible enough to accommodate for such increases. Circumstances such as inflation, death of the principle provider of income, and property tax rises often critically affect the fixed-income elderly. Loss of the home often results. Protection from further property tax increases after retirement for these persons as provided for in this bill is therefore necessary to maintain the economic security of the elderly.

Mr. President, it is my belief that the advantages of this bill are obvious. Direct relief to the elderly, overburdened taxpayer is of utmost importance. When you are talking about people who simply cannot generate enough income to cover their taxes, and whose budgets are already limited and severely constrained, you are talking about people who need immediate relief at a minimum of effort on their part. The refundable tax credit is the most simple mechanism for achieving such relief.

Although many States currently provide some form of property tax relief to the elderly, this bill will insure that relief is adequate. One-half of the States rely on the exemption mechanism for property tax relief to the elderly and other groups. This method involves hidden cost to the taxpayers and often results in administrative problems as well as insufficient tax relief.

In addition, most State programs do not apply to elderly renters. Such an omission eliminates many elderly persons from the benefits of property tax relief. And while many States have in recent years been moving toward more property tax relief programs such as the popular circuit breakers, the current trend has seen a decreased emphasis in this important problem area. South Dakota just recently repealed their property tax relief program. These last few years there has been much less activity in the area of property tax reform in the States. And with the current fiscal crisis in the cities and States, we can only expect a further move in this direction, and perhaps higher property taxes as well.

This bill will compensate for State programs which may be inadequate. It will insure that the elderly will receive such property tax relief without direct interference with State efforts in this area. Relief will be extended to all renters as well as homeowners. And the amendment to the Revenue Sharing Act will prevent Federal encouragement to raise State revenue from property taxes of the elderly.

In conclusion I submit that this legislation provides a solution to a serious problem by granting direct property tax relief to a deserving and long overburdened portion of our population. The simple, direct method for achieving this makes this bill an important means by which our elderly citizens can remain economically secure. It is shameful and unnecessary for the elderly to be overburdened with taxes, and to live in fear of losing their homes. It is our responsibility to see that this situation and our previous lack of action on this matter are rectified. With the introduction of this bill, there is no longer any excuse not to act.

By Mr. PROXMIRE (for himself and Mr. BROOKE):

S. 2347. A bill to regulate standby letters of credit, guaranties, surety agreements, and certain acceptances issued by commercial banks. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. PROXMIRE. Mr. President, Senator BROOKE and I today introduce legislation which would bring the use of standby letters of credit by the Nation's commercial banks under reasonable regulation.

The three regulatory agencies have had general authority to deal with the use of standby letters of credit under cease and desist powers but they have failed to stop the unsafe and unsound use of these instruments. The reasons for their failure are deeply rooted in the structure of bank regulation at the Federal level.

Time and time again we have heard the term "competition in laxity" applied to the manner in which the public interest is subverted by the fragmented regulatory structure, consisting of the Comptroller of the Currency respecting national banks, the Federal Reserve Board regarding member State banks of the Federal Reserve System and the Federal Deposit Insurance Corporation concerning insured State non-member banks. Regulatory laxity by these agencies concerning standby letters of credit abuses is yet another example of the distressing results of the structure of bank regulation at the Federal level.

Standby letters of credits are firm commitments by banks to extend credit to corporations which default on their commercial paper. The standby letter of credit guarantees the payment of commercial paper issued by a corporation. In net effect the standby letter of credit guarantees the solvency of a company in whose favor the letter has been issued.

Viewed as a guaranty, substantial authority exists for the conclusion that standby letters of credit are prohibited to be issued by banking institutions. Viewed as a guaranty to fund a bankrupt corporation which has defaulted on its commercial paper, standby letters of credit issuances are inherently unsafe or unsound banking practices.

Standby letters of credit have been used in a variety of contexts during recent years to bolster bank earnings without requiring banks to adhere to liquidity or reserve requirements and other traditional safeguards and controls which have been devised to assure the safety and soundness of extension of credit.

Ninety-one million dollars worth of standby letters of credit were involved in the U.S. National Bank of San Diego—USNB—failure which occurred a little over a year ago. Standby letters of credit were also present several years ago when a Lebanese incorporated bank with a branch in New York City collapsed, thus disclosing previously unknown liabilities under such instruments equal to $2 million or 10 times the bank's book assets.

Indeed, the use of standby or guaranty letters of credit has proliferated in recent years to the point where the aggregate amount of such instruments outstanding, as of June 30, 1974, approximated $6.1 billion with expectations for standby letters of credit and other bank guaranties to grow to approximately $60 to $100 billion in the years to come. The unfettered growth of such practices will produce serious consequences for our system.

If credit becomes scarce, the use of standby letters of credit and other similar instruments will increase because companies which encounter problems in raising necessary funds on their own will turn again to our banking system for relief in guarantying their borrowings. Some bankers will be willing to incur the risks involved with standby letters of credit leveraging practices and the potential for serious problems will recur. Thus minimal measures must be adopted now if we are to assure safe and sound banking practices in the future because the regulatory agencies will not act.

During the period of scarce credit, standy letters of credit allow banks to:

First. Earn fee income without investment of any funds by underwriting the customer's needs for funds or liquidity;

Second. Assist a customer in circumventing the Securties and Exchange Commission's curent transaction requirement for commercial paper under 3(a)3;

Third. Help the bank with a channel through which to provide financial assistance to directors, officers, large stockholders or other privileged parties;

Fourth. Provide the bank with a channel through which to provide financial assistance to directors, officers, large stockholders or other privileged parties;

Fifth. Provide a method of getting classified loans off the bank's balance sheet;

Sixth. Satisfy a customer's financial needs at lower than market rates even after the payment of a fee; and

Seventh. Provide customers with funds and the bank with a fee, without the transaction going through the usual loan committee scrutiny.

Standby letters of credit in at least three important respects may be considered contrary to the public interest in the present regulatory atmosphere.

First. Standby letters of credit enable

undercapitalized firms to issue commercial paper at market rates lower than those which they would otherwise be entitled to in a free market. Thus standby letters of credit enable such firms to compete unfairly against other firms in their market and contribute to misallocations of credit.

Second. Standby letters of credit have resulted in a loss of confidence in the commercial paper market. Where these letters of credit are issued to firms which default on their commercial paper issuances shock waves reverberate throughout the commercial paper market driving money out of the market. Worthy borrowers are denied credit in these circumstaces.

Third. Standby letters of credit affect the safety and soundness of the banking system. These letters, issued for a fee, are commitments to lend to companies in default. Normal lending safeguards are not followed in their issuance. The laxity in credit analysis may be followed by an inability to fund these commitments where the amounts of commitments are unduly large, thus straining the liquidity of banks in the financial system.

When Senator Brooke introduced legislation relating to this subject on August 22, 1974, he dealt at length with the legality of such instruments and specific examples of how they are used by banks to circumvent existing legal restraints. A paper on this subject which is included in a recent committee print of the Committee on Banking, Housing and Urban Affairs titled, "Compendium of Major Issues in Bank Regulation," deals at length with these practices, as well as the potential for enormous abuses in this area. Accordingly, Mr. President, we refer your attention to these statements as being useful source documents for the issues at hand.

Standby letters of credit have been issued by banks to single purpose thinly capitalized dummy corporations which have attached these credits to their commercial paper issued to the public in the marketplace. In turn, the public has relied on such letters of credit or bank guaranties, in lieu of any reliance on the credit worthiness of the dummy corporations involved, since the presence of such guaranty instruments effectively removes any need to do otherwise. The proceeds of such a commercial paper sale have been used to acquire nuclear fuel by the dummy, or to discharge other obligations in the case of REIT's; however, it is clear that when the commercial paper becomes due, the bank is on the hook if the commercial paper issuer cannot fulfill its obligations to the public. Thus, the bank has assumed liabilities of very significant proportions while these liabilities are not reflected on the bank's balance sheet, nor are they subject to other requirements which have been devised as a means of assuring the safety and soundness of our financial institutions.

Federal Reserve Board Governor Robert C. Holland summarized dangers involved with the sale of commercial paper by such dummy corporations as follows:

> The great danger inherent in such a scheme is that in a period of tight monetary policy, one such "dummy" issuer of commercial paper would not be able to meet its maturities. A chain reaction might ensue, leading to the inability of the sizable number of such corporations to roll their paper over. This could in turn trigger calls on banks' guarantees at a time when loan commitments were at a peak, and some banks thus might be unable to respond effectively. At that point the Federal Reserve System could be impelled to supply reserve funds itself to the banking system to counter the threat of a partial collapse of the commercial paper market. As you will recall, the Fed was called upon to do just this in the Penn Central crisis.
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> These letters of credit function virtually as a guaranty, and therefore they are of questionable legality in some jurisdictions. Apart from their legal status, such letters of credit are sometimes not backed by adequate credit analysis nor constrained by either regulatory or management limits of the type applied to conventional loans. When that happens, they impose credit and liquidity risks upon the bank that—if realized—can be very disproportionate to the bank's willingness and ability to bear them. Furthermore, this kind of use of letters of credit is subversive of monetary policy, since it conveys the equivalent of bank credit outside the present scope of reserve requirements and other deposit regulations. . . . All told, this type of use of letters of credit—much different in safety and in purpose from the typical letter of credit—strikes me as being potentially unsound and contrary to the purpose of monetary policy.

It is readily apparent that the risks involved with the use of standby letters of credit are substantial and inordinate, absent the presence of suitable safeguards designed to protect bank depositors, investors and creditors. Banks in effect sell their credit to others in the process of issuing such instruments—and, specifically, to customers who may not otherwise be credit-worthy. Because of this there must be limits on the amount of sales which the bank may make or unlimited leveraging and exposure to risk are encouraged and undertaken by reason of such practices.

There is virtually no scrutiny or regulation of such practices by the bank regulatory agencies. Following the collapse of USNB, there was some concern evidenced on the part of these agencies with problems surrounding the use of such instruments. However, once the dust settled, it became apparent that little would be done to deal with the problem in a responsible and constructive fashion.

Specifically, the Federal Reserve, the FDIC and the Comptroller of the Currency imposed the requirement that such instruments be recognized in a "footnote" on a bank's balance sheet, even though it was suggested by Senator Brooke and others that the agencies capitalize these instruments by showing them as assets and liabilities on bank balance sheets. While the agencies' regulations treated standby letters of credit and other similar obligations as loans for the purpose of applying the legal limit on loans to one borrower—which is 10 percent of a bank's capital and surplus—they failed to recognize that this legal limit does not operate to substantially constrain the activities of our larger banks. In addition, the legal limit can be easily circumvented by setting up a number of dummy corporate entities to which the 10-percent limit would apply, even though the dummies might all be acting for one principal or the real party in interest. The Comptroller's regulations even provide that he may determine that a particular standby letter of credit or class of standby letters of credit should not be subject to those legal lending limits.

Apparently the Federal Reserve Board advocated that standby letters of credit and other bank guaranties be banned entirely after the USNB failure. It is our information that the Comptroller of the Currency supported a more lax attitude in interagency discussions with respect to such practices. It is clear that in the present regulatory climate, the lowest common denominator often prevails; and, in fact, did prevail in this case among the bank regulators as in others. The Federal National Mortgage Association, for example, in the wake of the USNB failure banned the acceptance of standby letters of credit in their financing activities.

The three bank regulatory agencies had, and continue to have, parallel authority under the Financial Institutions Supervisory *Act of 1966* to require a bank under their jurisdictions to cease and desist engaging in unsound banking practices; however, these agencies failed to abate the unsound practices involved under the Act with respect to standby letters of credit.

Senator Brooke and I have considered an outright ban on the use of standby letters of credit. Certainly, we would be supported in this approach by a line of legal decisions which have not been overturned by the courts of this Nation, even though the bank regulatory agencies have chosen to ignore them. The Congress may yet find that the record developed on this subject by our Committee on Banking, Housing and Urban Affairs supports an outright ban on standby letters of credit. Nevertheless, we are proposing today that less stringent measures be considered to deal with the current situation.

Mr. President, I ask unanimous consent to have the text of the bill, as well as a section-by-section analysis, printed in the Record following these remarks, together with the ruling of the FNMA banning these instruments.

There being no objection, the bill and material were ordered to be printed in the Record, as follows:

S. 2347

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 1. (a) Section 5202 of the Revised Statutes, as amended (12 U.S.C. 82), is amended by striking "in any way liable" and inserting "incur any liability (including any liability arising from the acceptance of a time draft or from any undertakng to make or arrange a payment in the event another person fails to do so)".

(b) The clause numbered "Fifth" in such section 5202 is amended to read:

"Fifth. Liabilities incurred under the provision of the Federal Reserve Act, including liabilities arising from the acceptance of time drafts of the kinds described in section 13 of the Federal Reserve Act.".

Sec. 2. Section 5200 of the Revised Statutes (12 U.S.C. 84) is amended by inserting immediately after the second sentence the following new sentence: "For purposes of this section, (a) where an association accepts a time draft (other than a time draft of a kind described in section 13 of the Federal Reserve Act), the amount of the acceptance shall be deemed an obligation to the association of the person who is obliged to place the bank in funds prior to the maturity of the acceptance, (b) where an association undertakes to make or arrange a payment in the event another person fails to do so, the amount involved shall be deemed an obligation of that person to the association, and (c) where the acceptance or undertaking is made in connection with the financing of the purchase of personal property for lease or sale to a user, the amount of such acceptance or undertaking shall be deemed an obligation of the user to the association; and all such transactions shall be incorporated and disclosed fully in the balance sheets and reports of condition of the issuing bank and be subject to full extension of credit analysis".

SEC. 3. Section 19(a) of the Federal Reserve Act, as amended (12 U.S.C. 461(a)), is amended by adding at the end thereof the following sentence: "For the purposes of subsection (b) of this section, any member bank acceptance (other than an acceptance of a kind described in section 13) or any undertaking by a member bank to make or arrange a payment in the event another person fails to do so shall be deemed a deposit.".

SEC. 4. Paragraph 6 of section 9 of the Federal Reserve Act (12 U.S.C. 324) as amended by adding at the end thereof the following: "The provisions of sections 5200 and 5202 of the Revised Statutes shall apply to all State member banks and all insured nonmember State banks relative to liability on acceptances not of a kind described in section 13 or on undertakings to make or arrange payments in the event another person fails to do so".

SEC. 5. The provisions of this Act shall take effect upon the expiration of thirty days after the date of its enactment.

Section-by-Section Analysis

Section 1. This section would subject a national bank's potential liability on any standby letter of credit, ineligible bank acceptance, guaranty and surety agreement to the legal limitation on total liabilities of a national bank: 100 percent of its capital stock and 50 percent of its surplus. In this way, banks will be prevented from exposing themselves to unlimited liability on the guaranty of corporate commercial paper or other obligations.

Section 2. Under this section of the bill, the obligation of a customer to the national bank under any standby letter of credit, ineligible bank acceptance, guaranty or surety agreement would be treated as an obligation subject to the legal limitation on loans to one borrower—which is 10 percent of the bank's capital and surplus. Where a "dummy" corporation is issuing commercial paper backed by a bank guaranty—or a similar arrangement is present—and the proceeds of the issue are used to finance the purchase of personal property for lease or sale to a user of the property, the bank would be required to look through the dummy and treat the ultimate user as the borrower for purposes of applying the lending limit.

This provision of the bill would require a bank to show on its balance sheet a liability representing its obligations under any standby letter of credit, guaranty, surety agreement and ineligible bank acceptance; and an asset representing the obligation of the customer to repay the bank for its loan. Thus, a bank would be required to disclose adequately the scope of such transactions, and not merely "footnote" them. Another effect of this provision of the bill would be to require full credit analysis where such transactions are involved. For example, in the case of a dummy corporation which is issuing commercial paper backed by a bank guaranty, and the proceeds involved are employed in financing the purchase of personal property for lease or sale to a user, full credit analysis would be required with respect to the ultimate user of the property.

Section 3. This section would impose reserve requirements on such obligations of a bank that is a member of the Federal Reserve System.

Section 4. This section would apply to a State member and insured banks the same legal limitation on total liabilities that applies in the case of a national bank, and the same limitation on loans to one borrower.

FNMA/GNMA Discontinues Acceptance of Letters of Credit

FHA LOANS

[¶ 96,616] Discontinuance of Acceptance of Letters of Credit by Federal National Mortgage Association and the Government National Mortgage Association. Federal National Mortgage Association. August 1, 1975. Letter in full text.

Letters of Credit—Acceptance—FNMA—GNMA.—Due to the increasing difficulties encountered in transactions involving letters of credit, the Federal National Mortgage Association and the Government National Mortgage Association will no longer accept letters of credit in any case where the FNMA or GNMA commitment contract is dated on or after August 15, 1975. Back reference: ¶ 25,901C.

[*FNMA letter*]

Letters of Credit will not be acceptable in any case where the Federal National Mortgage Association or Government National Mortgage Association Commitment Contract is dated on or after August 15, 1975.

There have been instances where the banks which issued letters of credit to FNMA have become insolvent. In some of these cases, the Federal Deposit Insurance Corporation has notified FNMA that FDIC was appointed receiver and letters of credit issued by the Banks and held by FNMA were terminated as of the date the insolvent bank closed. FNMA has not established procedures to evaluate in advance the likelihood of bank insolvencies.

We have also encountered adverse reaction by some banks to the issuance of our standard form of unconditional and irrevocable letter of credit.

It has become increasingly difficult to police issues relating to latent construction defects, including timely property inspections, and to obtain extensions of letters of credit, if needed.

In view of the foregoing, we have been impelled to take the action indicated above.

Appropriate revisions will be made to the FNMA Selling Agreement Supplement and the GNMA Seller's Guide in accordance with the foregoing.

By Mr. HARTKE (for himself, Mr. BENTSEN, Mr. CURTIS, Mr. FANNIN, Mr. HANSEN, Mr. MONDALE, Mr. ROTH, and Mr. THURMOND):

S. 2348. A bill to amend section 4940 of the Internal Revenue Code of 1954 to change the excise tax on the investment income of private foundations from 4 to 2 percent. Referred to the Committee on Finance.

EXCISE TAX ON PRIVATE FOUNDATIONS

Mr. HARTKE. Mr. President, today I am introducing a bill which will reduce the excise tax on investment income of private foundations from 4 to 2 percent. The reasons for introducing this bill were detailed in a statement of the Senate Subcommittee on Foundations submitted for the RECORD on October 4, last year. I ask unanimous consent that the portion of that statement referring to the excise tax on private foundations be printed in the RECORD at this point together with the text of the bill.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 2348

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4940(a) of the Internal Revenue Code of 1954 (relating to excise tax based on the investment income of private foundations) is amended by striking out "a tax equal to 4 percent" and inserting in lieu thereof "a tax equal to 2 percent".

SEC. 2. The amendment made by this Act shall apply to taxable years beginning after December 31, 1975.

[Excerpt from the CONGRESSIONAL RECORD, Oct. 4, 1974]

Statement of the Senate Subcommittee on Foundations Together With Additional Views

(VANCE HARTKE, Chairman, Oct. 1, 1974)

Beginning in October of 1973, the Senate Finance Subcommittee on Foundations took both written and oral testimony on the impact of the Tax Reform Act of 1969 on private foundations and recipients of foundation grants. The Subcommittee gave special attention to the subjects of the four percent excise tax and the minimum distribution requirements of the Internal Revenue Code. It is to these two subjects which this statement is addressed.

A. FOUR PERCENT EXCISE TAX ON PRIVATE FOUNDATIONS

1. Legislative history

The Tax Reform Act of 1969 (Public Law 91-172) included several provisions which established a special status for private foundations in comparison with other charitable organizations. The imposition of a four percent excise tax on net investment was a requirement imposed on private foundations only.[1]

The Tax Reform Act of 1969 defined "private foundation" by exclusion rather than inclusion.[2] In essence, it excluded various classes of charitable organizations from private foundation status, in most cases because of the relative amount of financial support which such organizations derive from the public. The apparent theory is that organizations which derive much of their support from the public are likely to be responsive to the public, while private foundations—which derive most of their financial support from a limited number of donors—are less likely to be responsive to the public will and, thus, more in need of public supervision. This continuation has been opened to question in articles which have appeared within the past few months in major newspapers and periodicals and in hearings held by the Senate Subcommittee on Children and Youth.

Historically, private foundations in the United States have been treated as charitable organizations and have been free from Federal taxation. In 1964, the Treasury Department conducted a comprehensive review of private foundations and the laws then applicable to them. In early 1965, Treasury reported to the Senate Finance Committee and to the House Ways and Means Committee that the Federal tax laws governing foundations should be revised.[3] While the legislative recommendations of this report became the basis for most of the Tax Reform Act of 1969's regulatory provisions

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Footnotes at end of article.

for private foundations, the Treasury Department did not recommend imposition of any tax on foundation investment income.

Similarly, when the Treasury Department presented its recommendations on private foundation law in the 1969 tax reform hearings of the House Ways and Means Committee, it proposed no such tax.[4] On May 27, 1969, the Ways and Means Committee issued a press release announcing its tentative decisions with respect to private foundations. Included in those tentative decisions was one that the net investment income of private foundations be subject to an income tax of five percent. Later, when the Committee ordered its tax reform bill reported to the House, it elevated the rate of this tax to 7.5 percent.[5]

The record of the hearings before the Ways and Means Committee indicates the central importance of foundations in the tax reform bill. The hearings reflect the significant attention paid by Ways and Means to several foundation practices which the Members believed were abuses not adequately covered by existing Federal law. One of the reasons cited by the Committee in support of the imposition of a tax on investment income was the contemplation of increased enforcement efforts by the Internal Revenue Service in the exempt organization field and the belief that these costs should be underwritten by private foundations, rather than by taxpayers generally. Second, the Committee suggested that it would be appropriate for private foundations to bear a portion of the general costs of government.[6]

The House passed the "Tax Reform Act of 1969" in August, 1969, with the provision for a 7.5 percent income tax on foundations intact. An exchange between Representative Edward I. Koch of New York and Chairman Wilbur D. Mills of the Ways and Means Committee expounded on the Committee's rationale for the 7.5 percent tax.[7] Chairman Mills explained that money donated to foundations is usually not spent right away. In addition, foundations often receive stocks from their creator. If they were treated as taxable corporations, they would pay an income tax, and their stockholders would pay a tax on dividends received. In the case of foundations, however, this second level of taxation is non-existent since the dividends received from corporate stocks held by the foundation are tax exempt.

Chairman Mills also explained the justification for the 7.5 percent rate of taxation proposed in the bill:

"In the case of a corporation you get a deduction of 85 percent of the total amount of dividends received. This leaves 15 percent subject to the tax, and at a 50 percent rate the tax amounts to 7½ percent. . . . We did not want to tax the foundations to pay more than that."[8]

In the fall of 1969, the Treasury Department presented testimony to the Senate Finance Committee, which was then beginning its consideration of the Tax Reform Bill as passed by the House. The Treasury testimony recommended a reduction in the rate of the tax on foundation investment income from 7.5 percent to 2 percent.[9] The Treasury Department based its recommendation upon the argument that other provisions of the Tax Reform Bill would eliminate the abuses thought to be prevalent in the private foundation community and that, once these abuses were corrected, it would not be appropriate to limit the funds available for charitable activities by imposing a tax greater than an amount which would be sufficient to offset the enforcement efforts undertaken by the Service under the regulatory provisions of the bill.

In response to the Treasury testimony and that of other interested parties, that Finance Committee modified the tax in several respects. First, consistent with Treasury's recommendation, the committee rejected the view that the tax should be imposed at a rate which would produce revenue beyond that needed to fund IRS enforcement efforts. Second, the Committee was concerned that the form of the tax adopted by the House would lead some to believe that foundations were no longer tax exempt.

To alleviate these concerns, the Committee cast the tax as an excise tax, rather than as an income tax, and measured the tax by a percentage of the value of a private foundation's investment assets.[10]

As reported to the full Senate, the Finance Committee bill provided for an audit fee equal to one-fifth of one percent of the fair market value of foundation assets.[11] On the Senate floor, the rate of tax was reduced from one-fifth of one percent to one-tenth of one percent of the value of foundation assets.[12] As so reduced, it was anticipated that the tax would produce approximately the same amount as would be produced by a tax equal to two percent of investment income.

During the House-Senate conference on the tax reform legislation, the conflicting views of the two Houses were resolved by a compromise. The rate of the tax was set at four percent. In addition, responding to Treasury's objection to measuring the amount of the tax by reference to the value of foundation assets, the conference agreed to cast the tax as an excise tax on net investment income.[13]

2. Revenues from the 4-percent excise tax

In practice, the tax imposed at a rate of 4 percent of net investment income has produced more than twice the amount expended by the Internal Revenue Service with respect to its compliance activities for all tax exempt organizations—including such organizations as social clubs, trade associations, mutual ditch companies, labor organizations, and other non-charitable groups.

The revenue yield of the tax and Internal Revenue Service costs for all years since the effective date of the tax are as follows:[14][15]

		IRS costs (millions)	
Fiscal year	Revenue from 4 percent tax	Foundations	All exempt organizations
1968		$1.6	$7.1
1969		2.1	7.5
1970		3.5	11.0
1971	[1] $24, 589, 000	8.6	15.4
1972	56, 045, 000	12.9	19.3
1973	76, 617, 000	12.3	18.6
1975	NA	12.2	21.1

[1] Because of the interrelationship of the effective date of the tax and return-filing dates for private foundations, this figure includes only a part of the revenue yield of the tax for its 1st full year of operation. It does not include taxes paid by foundations reporting their income on the basis of fiscal years ending Feb. 28, 1971, through Dec. 31, 1971. A number of the largest foundations were in this group.

3. IRS compliance activities for all tax exempt organizations[16]

Several functions within the Internal Revenue Service are involved with tax exempt organizations. The Assistant Commissioner (Compliance) has responsibility for the audit portion of the Service's exempt organization program. The Exempt Organizations Examination Branch within the Audit Division plans, monitors, and evaluates nationwide programs for the examination of exempt organization returns and records.

Within each of the Service's seven regional offices, there is an exempt organization program manager who monitors the exempt organization program of the key districts within the particular region. Actual field operations are carried out by the Office of International Operations and sixteen key districts located throughout the country.[17] Within the audit divisions of these key districts there are exempt organization groups which process applications for recognition of exemption and conduct examinations of exempt organizations.

The current audit program has private foundations audited on a five-year cycle, with the largest, most complex ones examined every two years. Other exempt organizations are audited on a scale which is designed to provide representative coverage.

The Assistant Commissioner (Technical) is primarily responsible for providing basic principles and rules for the uniform interpretation and application of the Federal tax laws administered by the Service. The Miscellaneous and Special Provisions Tax Division, through its Exempt Organizations Branch, carries out this function in the area of exempt organizations. The Branch's activities include providing rulings to taxpayers, furnishing technical advice to IRS district offices, reviewing regulations, preparing Revenue Rulings and Procedures, and conducting in-depth studies of difficult technical issues. Also in the Technical arm of IRS, the Tax Forms and Publications Division works with the Exempt Organizations Branch in developing explanatory publications, forms, form letters, and other materials for the use and guidance of Service personnel and the public.

The Assistant Commissioner (Accounts, Collection, and Taxpayer Service) has responsibility for the computer processes necessary to administer the exempt organization program and for the collection of delinquent returns and accounts due by exempt organizations.

For the fiscal year 1974, budgeted figures for the exempt organization program within IRS were as follows:

	Audit	Technical	ACTS	Totals
Man-years	845	160	206	1, 211
Man-hours	1,757,600	332,000	428,480	2,518,080
Amount	$15,198,000	$3,100,000	$2,849,000	$21,147,000

By December 31, 1974 the Service plans to have audited substantially all private foundations at least once during the previous five-year period. Audit coverage of other exempt organizations is not done on the basis of 100 percent coverage. Through a classification system, the Service selects the returns of organizations whose affairs most need to be examined. Areas which show patterns of non-compliance are stressed.

The Service's private foundation audit actively for fiscal year 1974 involves approximately 1,123,000 man-hours with a budgeted amount of $9,711,522. These figures represent 63.9 percent of the total exempt organization examination program.

4. Impact of 4-percent exercise tax on private foundations

Considerable testimony has been presented to the Subcommittee on the impact of the 4 percent exercise tax on private foundations. The thrust of most of this testimony is that the money raised by this tax is money denied, not to the private foundation, but to the charitable recipient of the foundations's money.

Of course any tax imposed is subject to a similar argument. A tax imposed on a business often means the consumer must pay higher prices for the products produced or sold by that business, and a tax imposed on an individual only means that the individual has less to spend on products, thus inhibiting the creation of new jobs and the expansion of the economy. No government can exist without adequate revenues, so taxes are imposed to raise those revenues which are necessary to operate the government and its programs.

Footnotes at end of article.

Having said this, it is important to weigh the merits of the 4 percent tax in light of its impact on both private foundations and the recipients of foundation money, as well as on the desirability of maintaining private foundations as part of the non-governmental charitable family of organizations which exists in the United States.

Private foundations have been a part of American society since colonial days. Although once confined to aiding the poor and the destitute, they have expanded their horizons to include almost every conceivable interest and concern of the American people. There are those who would contend that some of the money held by private foundations has been squandered on useless activities, but the fact remains that "useless" is a highly subjective term. History is replete with examples of ideas which appeared to be without substance or merit when first propounded, but which later came to receive broad public acceptance.

This is the very strength of private foundations. They have significant resources (although their grants in 1972 amounted to only ten percent of all private giving and only 2,000 of the 28,000 private foundations hold assets of one million dollars or more) to fund activities which are innovative. In our pluralistic society, we should never depend on government alone to support research and innovation. Foundations offer an alternative to that dependence, and—as such—they should be welcomed and encouraged.

The debate leading to passage of the Tax Reform Act of 1969 made it clear that some foundations were far more self serving than innovative. These were foundations which hoarded their money rather than spending it for charitable purposes, or foundations which used their money for the selfish, profit-seeking motives of donors.

The Tax Reform Act of 1969 changed the climate within private foundations. It is significant that the Subcommittee on Foundations has received a mere handful of comments suggesting abuses on the part of foundations. On the other hand, the Subcommittee has received a significant amount of testimony indicating the adverse impact which the 4 percent excise tax has had both on foundations and the recipients of foundation grants.

In October of 1973, the Subcommittee on Foundations held two days of hearings, receiving testimony from a variety of persons with specialized knowledge of foundations and foundation law, and from representatives of a number of private foundations. Much of this testimony stated support for reduction of the tax on foundation investment income from its present 4 percent rate to a rate appropriate to produce the amount of revenue necessary to finance Internal Revenue Service enforcement activities concerned with exempt organizations.[18] Testimony to the same effect was presented to the House Ways and Means Committee in the course of that Committee's hearings on general tax reform in April, 1973, and to the Subcommittee on Domestic Finance of the House Banking and Currency Committee.[19]

Additional hearings were held by the Subcommittee on Foundations in May and June of 1974. At the May, 1974, hearing, Senator Dewey Bartlett of Oklahoma presented testimony outlining the reasons the rate of tax should be reduced to bring the revenues produced by the tax more into line with the IRS enforcement costs. At the June 1974, hearings, Internal Revenue Service Commissioner Alexander presented a letter from the Secretary of the Treasury stating the Treasury Department's support for a reduction in the rate of tax from 4 to 2 percent, thus conforming the tax to that recommended to the Finance Committee by the Treasury Department in 1969.

5. Treasury Department position on the 4-percent excise tax

The Treasury Department's support for a reduction in the level of the excise tax from 4 to 2 percent was contained in a letter from Treasury Secretary William E. Simon to Subcommittee on Foundations Chairman, Senator Vance Hartke, dated June 3, 1974. That letter stated:

THE SECRETARY OF THE TREASURY,
Washington, June 3, 1974.

Hon. VANCE HARTKE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HARTKE: For the record of the hearing on private foundation matters, we submit the following statement of the position of the Treasury Department regarding the 4 percent tax on private foundation investment income.

The tax on private foundation investment income was enacted as part of the private foundation provisions of the Tax Reform Act of 1969. The House bill provided for a 7½ percent tax. The 7½ percent figure was justified by some as equal in amount (though unrelated in logic) to the net tax on intercorporate dividends. The legislative history indicates that the supporters of the 7½ percent tax looked upon it not as an audit fee but rather as a species of minimum tax. It was intended by them to generate tax revenue from private foundations.

The Treasury Department recommended to the Senate Finance Committee that in lieu of such a revenue-raising levy, a supervision tax be imposed to offset the cost of administering the audit program for foundations. We estimated that 2 percent of net investment income would be sufficient for that purpose. The Senate bill contained a tax based on the value of foundation assets (as distinguished from income) calculated to raise approximately half as much revenue as the House bill's 7½ percent tax. The Conference Committee compromised the divergent House and Senate positions by adopting the present 4 percent tax on income, which was expected to raise revenue roughly equivalent to the Senate bill.

While we have collection data for only a limited period, the available data indicate that the revenues raised by the 4 percent tax greatly exceed the cost of auditing private foundations. The cost of administering the tax provisions relating to all exempt organizations is about $21 million with the larger part allocable to the program for private foundations. Collections from the 4 percent tax on private foundation investment income totaled about $24.6 million in fiscal year 1971, $56 million in fiscal year 1972, and $76.6 million in fiscal year 1973. There is reason to believe that the $76.6 million is abnormally high, including a large amount of non-recurring capital gain. Further, there is some reason to expect that private foundations will contract in the aggregate with a resulting tendency for total revenues to diminish. These data suggest that a 2 percent tax might be an appropriate amount to defray the cost of the private foundation audit program, and we would support a measure to reduce the tax from 4 percent to 2 percent.

Sincerely yours,
(Signed) WILLIAM E. SIMON.

That position was fortified by Assistant Secretary of the Treasury (Tax Policy) Frederic W. Hickman in written materials provided to the Subcommittee on Foundations on July 16, 1974.[20]

6. Conclusions and recommendations

Based upon the legislative history of the excise tax on private foundations, its impact on foundations and on charitable recipients, and upon the Treasury Department's recommendations, the level of the excise tax should be reduced from 4 to 2 percent. This reduction would produce revenues of approximately twice the amount expended annually by IRS in recent years for its compliance activities.[21] It would also produce a direct, dollar-for-dollar increase in the funds distributed annually by private foundations for charitable purposes. For each dollar the tax is decreased, there would be a corresponding dollar increase in the flow of funds from private foundations to the support of charitable activities. This result follows by reason of the operation of section 4942 of the Internal Revenue Code, also added by the Tax Reform Act of 1969. Section 4942 imposes penalty taxes on those foundations which fail to make annual qualifying distributions for charitable purposes in the amount and at the time prescribed by the statute. The amount which a private foundation is otherwise required to distribtue for charitable purposes under section 4942 is reduced by the amount of the excise tax which is imposed on the private foundation by section 4940.

The effect of these statutory provisions is such that the tax is paid entirely with funds which would otherwise flow currently to the support of medical research, scholarship programs, and other charitable operations. Consequently, it is the potential recipients of foundation support, rather than the foundations themselves, which bear the real burden of the excise tax.

For example, if a private foundation is required by section 4942 to distribute $500,000 for charitable purposes, and if its tax liability under section 4940 is $20,000, the amount which section 4942 requires the private foundation to distribute for charitable purposes is reduced to $480,000. If the rate of tax were reduced from 4 to 2 percent, the foundation's tax liability under section 4940 would be $10,000 and it would be required to distribute $49,000 for charitable purposes in order to avoid liability under section 4942.

A recent study concluded that data from 1970 information returns filed by private foundations indicate that the 4 percent excise tax has a greater potential impact on the grants of larger foundations than of smaller ones. The tax was the equivalent of 1.2 percent of payout for foundations with less than $200,000 in assets, 1.5 percent of payout for foundations with $200,000 to $1 million, 1.8 percent for those with $1 million to $10 million, and 3.3 percent for those with $10 million or more in assets.[22]

The Employee Retirement Income Security Act of 1974 (Public Law 93-406) created an Assistant Commissioner for Employee Benefit Plans and Exempt Organizations, thus centralizing the myriad functions of the Internal Revenue Service pertaining to those organizations within one office. It also authorized for this office, in addition to other monies appropriated, revenues received from 2 percent of the 4 percent excise tax. A reduction in the excise tax from 4 percent to 2 percent of net investment income would mean that all revenues derived from that tax would go for the purpose of paying the costs of IRS administration of exempt organizations, which was the position adopted by both the Senate Finance Committee and the full Senate in 1969.

FOOTNOTES

[1] 26 U.S.C. 4940. See also Hearings before the Committee on Finance on H.R. 13270 (Part 6), 91st Congress, 1st Session, (1969) at 5465 *et seq.* for a discussion of the role of income tax exemption for charitable purposes in American life; hereinafter referred to as Senate Hearings (1969).

[2] 26 U.S.C. 509.

[3] Treasury Department Report on Private Foundations, February 2, 1965.

[4] See Hearings before the House Committee on Ways and Means on the Subject of Tax Reform (Part 14), 91st Congress, 1st Session, (1969) at 19-20.

[5] See H. Rep. 91-413 (Part 1), 91st Congress, 1st Session (1969) at 19-20.

[6] See *Ibid.*, at 19.

[7] *Congressional Record*, Daily Edition, August 6, 1969, pages **H6987-88.**

[8] *Ibid.*

[9] See statement of Edwin S. Cohen, Assistant Secretary of the Treasury for Tax Policy, Department of the Treasury, in Senate Hearings (1969) at 30, *supra* Note 1.

[10] The Treasury Department opposed the decision to measure the tax by reference to asset value.

[11] See S. Rep. 91-552, 91st Congress, 1st Session, (1969), 27.

[12] *Congressional Record*, Daily Edition, December 8, 1969, p. S16057.

[13] See H. Rept. 91-782, 91st Congress, 1st Session, (1969), 278.

[14][15] See Hearings before Subcommittee on Domestic Finance of the House Committee on Banking and Currency, *"Tax Exempt Foundations and Charitable Trusts: Their Compliance with the Provisions of Tax Reform Act of 1969,"* 93rd Congress, 1st Session, (1973) at 222. Figures on revenue yield and 1974 IRS costs were obtained from IRS.

[16] The following material is excerpted from the statement of IRS Commissioner Donald C. Alexander contained in Background Material for Senator Hartke, May 30, 1974, reprinted in Hearings before the Subcommittee on Foundations of the Committee on Finance, May/June 1974, 93rd Congress, 2nd Session, hereinafter referred to as the Subcommittee on Foundations Hearings, 1974.

[17] Boston, Manhattan, Baltimore, Philadelphia, Atlanta, Cincinnati, Cleveland, Detroit, Chicago, St. Louis, St. Paul, Austin, Dallas, Los Angeles, San Francisco, and Seattle.

[18] See Hearings before the Senate Subcommittee on Foundations of the Committee on Finance, *"The Role of Private Foundations in Today's Society and a Review of the Impact of Charitable Provisions of the Tax Reform Act of 1969 on the Support and Operations of Private Foundations,"* October 1 and 2, 1973, 93rd Congress, 1st Session, hereinafter referred to as The Subcommittee on Foundations Hearings, 1973.

[19] See Hearings before the House Ways and Means Committee on General Tax Reform (Part 14), April 9 and 10, 1973, 93rd Congress, 1st Session; House Subcommittee on Domestic Finance of the Committee on Banking and Currency, "Tax Exempt Foundations and Charitable Trusts: Their Compliance with the Provisions of the Tax Reform Act of 1969," April 5 and 6, 1973, 93d Congress, 1st Session.

[20] Reprinted in Subcommittee on Foundations Hearings, 1974, *supra* Note 16.

[21] Secretary Hickman's letter to Subcommittee on Foundations cited rough revenue estimates from the 4% tax for fiscal years 1974 and 1975 of $80 million.

[22] Labovits, John R., "The Impact of the Private Foundation Provisions of the Tax Reform Act of 1969: Early Empirical Measurements," in the Journal of Legal Studies, Vol. 3, p. 77 (January, 1974).

Mr. CURTIS. Mr. President, I am pleased to join with Senator HARTKE and others of my colleagues as a sponsor of legislation to reduce the rate of tax on private foundation investment income from 4 to 2 percent. This legislation is long overdue and I hope that it will be acted upon by the Committee on Finance and reported to the Senate for action at the earliest possible date.

The tax which this bill would reduce was enacted as part of the Tax Reform Act of 1969. The House bill in 1969 would have imposed a 7½-percent tax on foundation investment income. At that time, I opposed the tax as an unwarranted departure from the well-established and long-standing Federal policy of exempting from tax the investment income of charitable, educational, and similar organizations. At the same time, however, I was willing to support the concept of an audit fee to raise the funds necessary to support a vigorous compliance program by the Internal Revenue Service in the private foundation field. This concept was agreed to by a majority of the Committee on Finance and the full Senate, and we adopted an audit fee measured as a percentage of the fair market value of a private foundation's investment assets.

In the Senate-House conference, however, the tax was recast as a tax on income and the rate set at 4 percent, which would raise approximately twice the revenue that would have been raised had the Senate's view prevailed. Thus, in 1969, the Congress enacted legislation imposing for the first time a general revenue tax on one class of charitable organizations. Subsequent experience has proven that the tax is in fact a general revenue tax and not merely an audit fee. I am informed that the revenues resulting from this tax are more than three times the costs incurred by the Internal Revenue Service with respect to all exempt organizations.

With this background, Mr. President, let me summarize the reasons which prompt me to pledge my active support of this bill. I continue to be opposed to the imposition of general revenue taxes on charitable, educational and similar organizations. Even in these times of unacceptable budgetary deficits, a 4-percent tax on the investment income of private foundations cannot be justified. Given the size of the Federal budget, the revenues produced by the tax are de minimis to the Federal Government. In contrast, to hospitals, private colleges and other potential recipients of private foundation grants, the loss of these diverted funds is highly significant. In 1969, I pointed out the importance of private colleges in my State of Nebraska and the dependence of these institutions on private philanthropy. The financial needs of these and similar institutions throughout the country are even greater today. We in the Congress need to encourage private philanthropy more than ever before and this bill is a step in the right direction.

A second reason which leads me to support this bill is that its enactment will in fact produce an increase in the funds distributed or expended by private foundations for active charitable purposes. This increase in foundation distributions is not hopeful speculation. It is required by law. Under other provisions of the Tax Reform Act of 1969, the amount that a private foundation is otherwise required annually to distribute or expend for active charitable purposes is reduced dollar for dollar by the amount of the excise tax on investment income. Thus, the excise tax on investment income is in reality a tax on those who depend on foundation support, and a reduction in the tax will not benefit foundations but instead will benefit schools, hospitals, and others dependent on foundation support.

For these reasons, Mr. President, I support this bill. I hope that ultimately we may either eliminate the tax completely or restructure it into a true audit fee. However, this bill, which would bring revenues more closely into line with the level of Internal Revenue Service compliance costs, is a desirable and perhaps necessary first step.

In conclusion, Mr. President, let me say that I believe we ought to be able to act on this bill on a reasonably expeditious basis. In reality, it does no more than return to the principles adopted by a majority of the Senate in 1969. We are not, therefore, plowing any new ground with this bill. Moreover, during the 93d Congress, the Finance Committee's Subcommittee on Foundations held hearings on the impact of the tax. I served as the ranking minority member of the subcommittee during the period of these hearings and am satisfied that the factual record necessary for intelligent legislative action is complete. The record of these hearings is printed and available to all.

For all of these reasons, Mr. President, I am glad to join with Senator HARTKE and others of my colleagues in sponsoring this important legislation. I shall work for its prompt enactment.

By Mr. PROXMIRE:

S. 2349. A bill to amend the Real Estate Settlement Procedures Act of 1974 to prohibit sellers or lenders from requiring that title insurance or title searches be obtained from specific title companies or attorneys, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

THE REAL ESTATE SETTLEMENT PROCEDURES

Mr. PROXMIRE. Mr. President, last year, Congress passed a law called the Real Estate Settlement Procedures Act of 1974, commonly known as RESPA. This legislation, which took effect last June 20, has resulted in a great deal of confusion, and the Banking Committee is conducting hearings this week.

RESPA was the highly unsatisfactory product of 4 years of efforts to reform real estate settlement procedures and hold down excessive closing costs. As finally enacted, however, RESPA was largely the creature of an intensive lobbying campaign by the land title industry to head off any direct limitations on excessive charges.

In its present form, RESPA masquerades as consumer legislation, but in practice it is creating delays and redtape for lenders and consumers alike, without getting at many of the abuses.

The main problem with RESPA is section 6, which established an unnecessarily laborious system for advance disclosure of all closing costs.

Under section 6, an advance disclosure statement, which is several pages in length, must be sent to the buyer and seller at least 12 days before closing. The disclosure approach is based on the mistaken notion that if the consumer is aware of the charges he will be in a position to shop around for settlement services and thereby lower his costs. But in practice, the disclosure gives most consumers more information than they can effectively use without giving them the tools to control the charges. Many of the charges are fixed, such as prepaid taxes or insurance or registration of the deed. Others, such as points or real estate brokers' commissions have already been incurred, and are not negotiable. When you look at all of the costs itemized on the RESPA form, the only ones which the consumer realistically might reduce by shopping around are the title insurance premium if he wants title insurance, and the attorney's fees. But in many areas the title company and the attorney are dictated by the lender, so the consumer is a captive customer.

In effect, this provision generates a lot of paperwork with little apparent benefit. In short, section 6 is the sort of requirement that gives consumer legislation a bad name. This is not consumer legislation, because the obvious costs to lenders are not balanced by significant benefits. I have received a great deal of mail from consumers, real estate brokers, and lenders, indicating that the information produced by section 6 is largely superfluous, and the 12-day waiting period which must elapse between loan commitment and settlement is causing great inconvenience.

Therefore, I am today introducing a bill that will repeal the advance disclosure requirements under section 6 of RESPA. In addition, my bill would tighten up the antikickback provisions of RESPA to insure that homebuyers are free to select their own title insurance company or settlement attorney.

As the law now reads, it prohibits a seller from dictating the choice of title company to a buyer. This was aimed at a common abuse in which a developer might steer a buyer to a particular title company in exchange for free services for himself or outright kickbacks. But RESPA does not prohibit lenders from requiring a buyer to use a particular title company or settlement attorney. That loophole renders the disclosure provision almost useless, because the consumer is often unable to act on the information which is disclosed even if he believes that the charges for insurance or attorneys fees are excessive and he wants to shop around.

My bill would close this loophole. Lenders as well as sellers could not dictate the choice of title company or attorney, and the buyer would be free to shop around. Once that is done, there is no need for RESPA's cumbersome system of advance disclosure coupled with a 12-day waiting period. So we could repeal section 6.

Now, at the same time, there is one aspect of disclosure that is obviously helpful. If the buyer has an indication of what his closing costs will be in advance of the actual closing, he knows how much money to bring and if any cost seems out of line or redundant, he can inquire about it.

One possibility would be to take advantage of the uniform statement mandated in section 4, and provide that this statement be available in advance of the actual settlement, 24 or 48 hours, for example.

Or it might be useful to provide for a simplified, good faith estimate of total closing costs to be made by the leader at the time of loan commitment. But section 6 as it now stands is overkill. Lenders have legitimately objected that the system requires that they go through the paperwork twice.

And that is the sort of regulatory excess that makes the public wonder what we are thinking here in Washington. Regulation should be selective, efficient, and aimed at specific abuses. Section 6 as it now stands fails that test. Now, at the same time, it is useful for the buyer to have some advance estimate of his closing costs, and the buyer should be free to choose whatever provider of settlement services he wishes. I do not think that is unreasonable.

There are other aspects of RESPA that need clarification: section 8, for example, prohibits kickbacks. This was a sorely needed reform, because real estate settlements in the past have been often characterized by fee-splitting, kickbacks, and similar abuses—all of which inflated costs to the consumer. However, section 8 does not specify exactly what practices are prohibited. HUD and the Justice Department still have not issued opinions regarding the legality of certain practices under section 8.

In the absence of official guidance, many lenders and brokers have been advised by their prudent attorneys that practices which Congress never intended to prohibit could be illegal under RESPA. And this has added to the confusion.

For example, some lenders take the position that waiver of prepayment penalty might be an illegal kickback. This was never our intent. If the consumer is spared an expense, this is not a kickback. Similarly, my office received a call from a title company which used to open its plant to all realtors in the county as a goodwill gesture. The title company feared this might be seen as a kind of bribe under section 8. This was certainly not the intent. Another problem involves the routine practice of multiple real estate listings in which the broker who listed a house splits the commission with the broker who sells the house. I cannot see how this would be an illegal kickback either.

I hope our hearing, at which representatives of all the trade associations, three Federal agencies and consumer groups will testify, will shed light on some of the ambiguous areas, and that the committee will amend section 8 to make it more precise. Of all the provisions of RESPA, section 8 is one with some teeth in it that provides real consumer protection, and has helped lower costs. A spokesman for the largest title company in one State told me that he was able to lower his fees by nearly 50 percent thanks to section 8, because he no longer must pay kickbacks to lenders and developers in order to get business. That is very encouraging; and I believe we should retain section 8. Nonetheless, we do have an obligation to define more precisely just what constitutes an illegal kickback under section 8.

Legislation which does not work should be modified or repealed. There are enough redundant regulations and forms without adding any more. When a law turns out to be a dud, as section 6 of RESPA apparently is, we should do something about it. And we shall remedy those abuses that still exist.

All of this indicates to me that when a regulatory measure is almost totally gutted by the affected industry, as RESPA was last year, we may be better off with nothing at all. I am looking forward to the hearings next week, where I hope the committee will learn more about how this scheme went off the track, and how to better protect the consumer from abuses connected with closing costs—which still exist—without drowning everybody concerned in redtape.

The other section of my bill introduces a more fundamental change in settlement procedures that could benefit lenders and consumers alike. It gives the lender the option of paying certain closing costs in the first instance, and passing these charges along to the borrower indirectly, through the interest rate structure. Lenders electing to pay closing costs would be exempt from State usury ceilings.

The advantage of this approach is that it shifts the incursion of cost to the lender, who has substantially more sophistication and bargaining power than the isolated home buyer, for whom purchase of a house may be a once-in-a-lifetime transaction. The ultimate cost to consumers would be reduced, because the lender is in a position to buy these settlement services wholesale. An added advantage is that the buyer would in effect be able to finance many of the closing costs rather than being required to bear the burden of several hundred dollars in cash charges over and above the down payment.

I am hopeful that the committee will also receive extensive comment on this proposal at our hearings this week.

I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2349

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 6 of the Real Estate Settlement Procedures Act of 1974 is repealed.

Sec. 2. Section 9 of the Real Estate Settlement Procedures Act of 1974 is amended to read as follows:

"TITLE COMPANIES; ATTORNEYS

"Sec. 9. (a) (1) A seller of property which will be purchased with the assistance of a federally related mortgage loan may not require, directly or indirectly, as a condition to selling the property, that title insurance covering the property be purchased by the buyer from any particular title company, or that a title opinion relating to such property be obtained from, or that a search of the title to such property be performed by, any particular attorney.

"(2) A lender may not require, directly or indirectly, as a condition of making a federally related mortgage loan, that title insurance covering the property to be acquired with the proceeds of the loan be purchased by the buyer from any particular title company, or that a title opinion relating to such property be obtained from, or that a search of the title to such property be performed by, any particular attorney.

"(3) Nothing in this subsection may be construed to prohibit a seller or lender from refusing, for good cause and in accordance with regulations prescribed by the Secretary, to accept a title opinion furnished or a title search performed by a particular attorney.

"(b) Any person who violates the provisions of subsection (a) shall be liable to the buyer in an amount equal to 3 times all charges made for such title insurance, or 3 times all attorneys fees charged for such title opinion or title search, as the case may be."

SEC. 3. The Real Estate Settlement Procedures Act of 1974 is amended by adding at the end thereof the following new section:

"EXEMPTION FROM CERTAIN PROVISIONS OF LAW

"SEC. 20. (a) Any lender who elects to pay and pays for all settlement charges with respect to a Federally related mortgage loan shall be exempt from any provision of the law or constitution of any State which imposes a maximum interest rate ceiling which would otherwise apply to such loan.

"(b) As used in subsection (a), the term 'settlement charges' includes the charges for all settlement services other than the following:

"(1) A real estate broker's or agent's sales commission which compensates the real estate broker or brokers for services involved in listing and selling the property;

"(2) A prepaid interest charge covering interest which will accrue from the date of the settlement to the beginning of the period covered by the first monthly payment;

"(3) Any mortgage insurance premium prepaid by the buyer at settlement for insurance covering the lender against loss arising from the failure of the buyer to meet his mortgage obligations;

"(4) Any hazard insurance premium prepaid by the buyer at settlement for purchase from a private company of insurance against loss due to fire, windstorm, and natural hazards;

"(5) Any reserves deposited in an escrow or impound account maintained by the lender to assure an adequate accumulation of funds to meet charges for real estate taxes, hazard insurance, mortgage insurance, annual assessments, homeowners' association fees, or flood insurance when they become due;

"(6) Any charge to cover recording and transfer fees or taxes levied by a State or local government on the transfer of property or on the recording of a deed or mortgage;

"(7) That portion of any loan origination fee not in excess of one per centum of the mortgage loan; and

"(8) Charges for owner's title insurance."

By Mr. BAYH (for himself and Mr. HARTKE):

S.J. Res. 127. A joint resolution to restore posthumously full rights of citizenship to Eugene Victor Debs. Referred to the Committee on the Judiciary.

Mr. BAYH. Mr. President, today I am introducing a resolution, cosponsored by the Senator from Indiana (Mr. HARTKE), to fully restore the rights of citizenship posthumously to Eugene Victor Debs. Next year will be the 50th anniversary of his death and it would be most appropriate for the Senate to take the necessary action, as we have already done this year for Robert E. Lee, to restore citizenship to Eugene V. Debs.

Debs was a native Hoosier, born in Terre Haute, Ind., on November 5, 1855, the son of immigrants from the Alsace region of France. At the age of 15, he went to work for the Terre Haute and Indianapolis Railroad and by February 1875 he was active in the organization of a lodge for the Brotherhood of Locomotive Firemen. This began his long career in the labor movement which was spent attempting to overcome the effects of poverty on the working men and women of America.

As part of this effort Debs campaigned for William Jennings Bryan in 1896 but by 1900 the Socialist Democratic Party was ready to nominate its own candidate for the Presidency. Eugene Debs was their first candidate. In his platform, Debs called for reforms such as national insurance of working people against accidents, unemployment and old age, a program of public works employment for the unemployed and the abolition of all laws discriminating against women. Today many of Debs' goals are a fact of American life. We now have social security, unemployment compensation, disability insurance and programs of public employment for the unemployed. When four more States ratify the proposed 27th amendment, equality under the law for women, as well as men, will become part of the Constitution.

Debs' campaign in 1900, the first of his five attempts for the Presidency as the socialist candidate, resulted in 96,116 votes. However, by 1912, his fourth attempt, he received 910,062 votes or 6 percent of the total votes cast.

His vocal opposition to both World War I and the Wilson administration's prosecution of dissenters under the Espionage Act resulted in Debs' loss of citizenship. There is some evidence that Debs' June 16, 1918 speech in Canton, Ohio was deliberately given to lead to his own prosecution for sedition. Debs had come to feel that he had no business being out of jail while others who said the things he believed went to jail. His trial lasted 4 days and Debs told the jury:

> Gentlemen, I have been accused of obstructing the war. I admit it, gentlemen, I abhor war. I would oppose the war if I stood alone.

He was sentenced for 10 years on each of two counts to run consecutively.

Although a model prisoner, President Wilson refused to pardon Debs. While in the Atlanta Penitentiary, Debs made his fifth and last run for the Presidency and received nearly a million votes. On Christmas Day, 1921, President Harding commuted the sentence but did not restore Debs' citizenship.

Before Debs was sentenced he made a statement to the court which perhaps best represents what Debs believed in and that to which he dedicated his life.

> Your Honor, years ago I recognized my kinship with all living beings, and I made up my mind that I was not one bit better than the meanest of the earth. I said then and I say now, that while there is a lower class, I am in it; while there is a criminal element, I am of it; while there is a soul in prison, I am not free.

While there were many in this country who were bitterly opposed to his socialist philosophy, Debs enjoyed almost universal respect as an honest, kindly, sincere, decent human being. Upon his death in 1926, the Baltimore Sun editorialized:

> Debs died deprived of citizenship, but already the judgment of history is recorded, not against him but against a country that, altho inconceivably powerful, was yet too cowardly to grant civic rights to one honest dissident.

The U.S. Department of the Interior has made the Debs home in Terre Haute, Ind. a national historic landmark. It is now time for Congress to restore citizenship to this fine patriotic American, in recognition of his service to the United States and his belief in justice and equality for all Americans. By the time the 50th anniversary of his death comes in 1976, Eugene Victor Debs deserves the posthumous restoration of his citizenship. I urge the Senate to begin the necessary legislative action to achieve this end as soon as possible.

I ask unanimous consent that the text of the resolution be printed in the RECORD at this point.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 127

Whereas Eugene V. Debs, a native son of the State of Indiana, brought lasting recognition to the goals and aspirations of the working man throughout the United States by being a founder of industrial unionism as it is known in America today; and

Whereas, among the goals and aspirations tenaciously advocated by Eugene V. Debs were the eradication of poverty and inequality through such programs as the eight hour day, the forty hour week, workmen's compensation, pension plans and social security; and,

Whereas, his tenacity in advocation of such programs led him to the honor of membership in the Indiana General Assembly in 1885 and of candidacy for President of the United States in five presidential elections; and,

Whereas, many of the programs he strove to attain are now accepted and have been adopted by the majority of the American people as weapons in the struggle to eliminate poverty and inequality; and,

Whereas, his ultimate goal in the true American tradition was the fullest and most meaningful human freedom and liberty for all citizens, as evidenced by these words: "While there is a lower class, I am in it; while there is a criminal element, I am of it; while there is a soul in prison, I am not free." and,

Whereas, Debs was convicted and sentenced to serve ten years in prison at hard labor, and disenfranchised for life, for violating the wartime espionage law after making his now-famous anti-war speech in Canton, Ohio on June 16, 1918, protesting World War I, which was then raging in Europe; and,

Whereas, no citizen of these United States has since been sentenced to prison for speaking out against war; and,

Whereas, although Debs was released from prison by President Warren G. Harding on Christmas Day, 1921, after serving two years and 258 days, his rights as a citizen of the United States were never fully restored to him: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That full rights as a citizen of the United States of America be restored posthumously to Eugene Victor Debs, retroactive to April 12, 1919, the date Debs began serving his sentence in Federal prison.

Mr. HARTKE. Mr. President, one does not have to be active as a Socialist to remember Eugene V. Debs. His immortal statement said, in a few words, something that has echoed many times around the world:

> While there is a lower class, I am in it;
> while there is a criminal element, I am of it;
> while there is a soul in prison, I am not free.

Eugene V. Debs was disenfranchised, and that stigma has never been obliterated by an act of Congress, even though the U.S. Government, through the Department of the Interior, made his home in Terre Haute, Ind., a national historic landmark. Gen. Robert E. Lee only recently had his citizenship restored after 100 years of waiting. The spirit of a great American, Eugene V. Debs, has waited 50 long years.

Mr. President, I am pleased to join with Senator BAYH in presenting to the Senate this resolution to restore citizenship to the memory of Eugene V. Debs for the Bicentennial which will be the fifth anniversary of his death.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 227

At the request of Mr. BAYH, the Senator from Iowa (Mr. CULVER) was added as a cosponsor of S. 227, a bill to amend the Internal Revenue Code to encourage the continuation of family farms, and for other purposes.

S. 2091

At the request of Mr. HARTKE, the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of S. 2091, a bill to revise the per diem allowance authorized for members of the American Battle Monuments Commission when in a travel status.

S. 2135

At the request of Mr. THURMOND, the Senator from Maine (Mr. HATHAWAY), the Senator from New Mexico (Mr. DOMENICI), the Senator from Pennsylvania (Mr. HUGH SCOTT), and the Senator from Alaska (Mr. STEVENS) were added as cosponsors of S. 2135, a bill to authorize the National Committee of American Airmen Rescued by Gen. Drazha Mihailovich to erect a monument in Washington, D.C.

S. 2244

At the request of Mr. MANSFIELD (for Mr. MAGNUSON), the Senator from South Carolina (Mr. HOLLINGS) and the Senator from Kansas (Mr. PEARSON) were added as cosponsors of S. 2244, a bill to amend the Natural Gas Act.

S. 2320

At the request of Mr. BUCKLEY, the Senator from Tennessee (Mr. BROCK) and the Senator from Michigan (Mr. GRIFFIN) were added as cosponsors of S. 2320, a bill to amend the Internal Revenue Code to provide an additional personal exemption for each senior citizen whose principal place of abode is in the principal residence of the taxpayer.

SENATE JOINT RESOLUTION 124

At the request of Mr. BUCKLEY, the Senator from Ohio (Mr. TAFT) was added as a cosponsor of Senate Joint Resolution 124, to declare German-American Day.

AMENDMENTS SUBMITTED FOR PRINTING

DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE APPROPRIATIONS, 1975—H.R. 8069

AMENDMENT NO. 880

(Ordered to be printed and to lie on the table.)

Mr. DOLE. Mr. President, during our consideration of the Labor-HEW appropriation bill tomorrow, I intend to offer an amendment which would increase the availability of funds for State-administered consultation services under the Occupational Safety and Health Act.

It would do this by rechanneling the $10,000,000 added in committee for the hiring of 833 new Federal compliance officers. Thus, instead of duplicating the $5,000,000 provided for employer-requested consultations last year, a total of $15,000,000 would be earmarked for those activities.

I firmly believe that in order for the complex and highly technical OSHA program to operate effectively, we must encourage voluntary compliance and promote a better understanding and cooperation on the part of employers. The onsite consultation approach is designed to accomplish that objective, but cannot proceed very far without adequate funding.

Many States, for example—Kansas included, have taken steps to implement the recently published rules governing this advisory effort, but are reluctant to make substantial commitments in the absence of reimbursement assurances. My amendment would provide those assurances and foster even greater participation by tripling the present allocation and guaranteeing that the full amount would be utilized.

Certainly, there are those who feel that a more rigid and expanded enforcement campaign is the only way to bring the protection afforded by OSHA to every worker. If we shift our emphasis away from punitive citation-issuing, however, and toward the consultation that will enable employers to identify and correct deficiencies on their own, it seems to me we can realize a much more favorable return on our federally invested dollar.

This amendment would help achieve OSHA's goal of creating a safe and healthy place of employment without punishing employers or filling the Treasury with collected fines, and I hope it will be adopted. For the convenience of my colleagues, Mr. President, I ask unanimous consent that the language I am proposing be printed at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 880

On page 10, line 7, strike the words "not to exceed" and change the figure "$5,000,000" to "$15,000,000."

NATURAL GAS EMERGENCY ACT OF 1975—S. 2310

AMENDMENTS NOS. 881 AND 882

(Ordered to be printed and to lie on the table.)

Mr. BARTLETT submitted two amendments intended to be proposed by him to the bill (S. 2310) to assure the availability of adequate supplies of natural gas during the period ending June 30, 1976.

AMENDMENT NO. 883

(Ordered to be printed and to lie on the table.)

Mr. NELSON (for himself and Mr. CRANSTON) submitted an amendment intended to be proposed by him to the bill (H.R. 8069), supra.

NOTICE OF HEARINGS

Mr. JACKSON. Mr. President, in accordance with the rules of the Committee on Interior and Insular Affairs, I wish to advise my colleagues and the public that the following hearings and business meetings have been scheduled before the committee for the next 2 weeks:

September 17.—Full committee, 10 a.m., room 3110, business meeting, pending calendar business.

September 18.—Indian Affairs Subcommittee, 9:30 a.m., room 3110, hearing, S. 1823 and S. 1953, Sac and Fox judgment funds.

September 19.—Environment and Land Resources Subcommittee, 10 a.m., room 3110, hearings, S. 1506, to designate Missouri Breaks as part of wild and scenic rivers system.

September 23.—Full committee, 10 a.m., room 3110, hearing, nomination of Thomas S. Kleppe to be Secretary of the Interior.

September 24.—Full committee, 10 a.m., room 3110, hearing, S. 1824, to amend the Alaska Native Claims Settlement Act.

September 25.—Full committee, 10 a.m., room 3110, hearing, nomination of Thomas S. Kleppe to be Secretary of the Interior.

September 26.—Indian Affairs Subcommittee, 9:30 a.m., room 3110, hearing, S. 1334, Cowlitz judgment funds, and S. 1649, Grand River Band of Ottawa Indian judgment funds.

September 30.—Environment and Land Resources Subcommittee, 10 a.m., room 3110, hearing, S. 75, Kaiser Ridge Wilderness study, California.

NOTICE OF HEARINGS ON DIVESTITURE IN THE PETROLEUM INDUSTRY

Mr. BAYH. Mr. President, the senior Senator from Michigan (Mr. PHILIP A. HART), who chairs the Senate Antitrust and Monopoly Subcommittee, has asked me to announce that hearings on several bills dealing with vertical divestiture in the petroleum industry have been scheduled for September 23 and 26. I will have the honor of chairing those hearings. Anyone wishing additional information may contact the subcommittee.

ANNOUNCEMENT OF PUBLIC HEARING BEFORE THE ENVIRONMENT AND LAND RESOURCES SUBCOMMITTEE, INTERIOR AND INSULAR AFFAIRS COMMITTEE

Mr. JACKSON. Mr. President, I wish to announce for the information of the Senate and the public, the rescheduling of a public hearing before the Environment and Land Resources Subcommittee of the Senate Interior and Insular Affairs Committee. The hearing is now scheduled for September 30, 1975 at 10 a.m. in room 3110 of the Dirksen Senate Office Building.

Testimony is invited on S. 75—a bill to study certain lands in the Sierra National Forest, Calif., for possible inclusion in the National Wilderness Preservation System. This 28,000 acre area is generally referred to as the Kaiser Wilderness Study Area.

As you know, Mr. President, this hearing was originally scheduled for September 4, 1975.

If there are any questions, please contact Mr. Thomas B. Williams of the subcommittee staff at 224-9894.

NOTICE OF HEARINGS—SUBCOMMITTEE ON AEROSPACE TECHNOLOGY AND NATIONAL NEEDS OF THE COMMITTEE ON AERONAUTICAL AND SPACE SCIENCES

Mr. FORD. Mr. President, the subcommittee on Aerospace Technology and National Needs of the Senate Committee on Aeronautical and Space Sciences will conduct hearings on the NASA technology utilization program. The hearings will commence at 9 a.m. on September 22, 23, and 24, 1975.

The purpose of these hearings is to examine how NASA transfers its "spin-off" technology to users on the national, State, and local levels.

These hearings will involve appearances by NASA personnel, actual users of the technology, economists, and representatives of other agencies and organizations that are engaged in technology transfer.

NOTICE OF HEARINGS ON BALANCING THE BUDGET

Mr. BAYH. Mr. President, the Subcommittee on Constitutional Amendments is scheduling hearings on Senate Joint Resolution 55, proposing a constitutional amendment on balancing the budget, and Senate Joint Resolution 93, proposing a constitutional amendment on balancing the budget, for Tuesday, September 23, 1975.

These hearings will be held in room 2228 Dirksen, the Judiciary Committee hearing room, beginning at 10 a.m.

Any persons wishing to submit written statements for the hearing record should send them to the Subcommittee on Constitutional Amendments, room 108, Russell Senate Office Building, Washington, D.C. 20510.

ADDITIONAL STATEMENTS

PAY ADJUSTMENT FOR FEDERAL EMPLOYEES

Mr. McGEE. Mr. President, the Committee on Post Office and Civil Service has reported Senate Resolution 239 favorably, thereby recommending that the Senate disapprove the President's alternative plan to limit the statutory October pay adjustment for Federal employees to 5 percent, instead of the 8.66 percent adjustment recommended to him by his agents, the Director of the Office of Management and Budget and the Chairman of the Civil Service Commission, and endorsed by the Advisory Committee on Federal Pay, composed of non-Federal compensation experts.

Mr. President, so that Senators can better familiarize themselves with these recommendations, I ask unanimous consent that the Report on Comparability of the Federal Statutory Pay Systems with Private Enterprise Pay Rates and the Report on the Fiscal 1976 Pay Increase Under the Federal Statutory Pay Systems, the former by the President's agents and the latter by the Advisory Committee, be printed in the RECORD.

Also, I ask unanimous consent that the U.S. Department of Labor news release of July 9 concerning the results of the annual survey of professional, administrative, technical, and clerical pay in the private sector, on which the comparability studies are based, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMPARABILITY OF THE FEDERAL STATUTORY PAY SYSTEMS WITH PRIVATE ENTERPRISE PAY RATES

(Joint Annual Report of the Director, Office of Management and Budget, and the Chairman, U.S. Civil Service Commission)

MEMORANDUM FOR THE PRESIDENT

Subject: Annual report on comparability for Federal statutory pay systems.

In accordance with the provisions of section 5305 of title 5, United States Code, and section 201 of Executive Order 11721, we submit herewith our report on the adjustments needed in Federal statutory pay rates in order to achieve comparability with 1975 private enterprise pay rates.

After comparing Federal and private enterprise pay rates and considering the recommendations of the Federal Employees Pay Council and employee organizations, we have determined that an 8.66 percent pay increase is appropriate.

We are furnishing a copy of this report to the Advisory Committee on Federal Pay so that that committee can carry out its statutory responsibilities in a timely manner.

JAMES T. LYNN,
Director, Office of Management and Budget.

ROBERT E. HAMPTON,
Chairman, U.S. Civil Service Commission.

Attachment.

ANNUAL REPORT OF THE PRESIDENT'S AGENT ON COMPARABILITY OF THE FEDERAL STATUTORY PAY SYSTEMS WITH 1975 PRIVATE ENTERPRISE PAY RATES

INTRODUCTION

Under section 5301 of title 5, United States Code, pay rates for employees under the Federal statutory pay systems are fixed in accordance with the principles that—

"(1) there be equal pay for substantially equal work;

"(2) pay distinctions be maintained in keeping with work and performance distinctions;

"(3) Federal pay rates be comparable with private enterprise pay rates for the same levels of work; and

"(4) pay levels for the statutory pay systems be interrelated."

In order to ensure that these pay rates will remain comparable with private enterprise pay rates, section 5305 of title 5 authorizes the President to adjust these pay rates annually. Each year the President's agent is required to prepare a report to the President for his consideration in determining this pay adjustment. Section 5305 directs that this report is to—

(1) compare the rates of pay of the statutory pay systems with the rates of pay for the same levels of work in private enterprise on the basis of appropriate annual surveys conducted by the Bureau of Labor Statistics;

(2) make recommendations for appropriate adjustments in rates of pay; and

(3) include the views and recommendations of the Federal Employees Pay Council and employee organizations not represented on the Council.

Under section 201 of Executive Order 11721, May 23, 1973, the Director of the Office of Management and Budget and the Chairman of the Civil Service Commission serve as the President's agent, and have prepared this report in fulfillment of their responsibility under section 5305.

1975 BUREAU OF LABOR STATISTICS SURVEY RESULTS

Table 1 in Appendix A shows the national average private enterprise pay rates reported by the Bureau of Labor Statistics (BLS) for the occupations surveyed in the National Survey of Professional, Administrative, Technical, and Clerical Pay, March 1975 (1975 PATC survey). The jobs in the survey have been grouped on this table according to the General Schedule grade levels to which they relate, and the resulting average private enterprise salary for each grade level is also shown.

Survey jobs used

Certain changes have occurred in the group of survey jobs used in the pay comparison this year.

Two survey jobs, Keypunch Supervisor V (equivalent to GS-7) and Job Analyst I (equivalent to GS-5), which have been used in previous pay comparisons cannot be used this year because the data obtained in the 1975 PATC survey did not meet BLS' statistical criteria for publishable data. Director of Personnel V (equivalent to GS-15) is used for the first time this year. This job level has been in the PATC survey since 1960-61, but the data for this level has never before been publishable under BLS' criteria.

We have also had to exclude Job Analyst III and Job Analyst IV from this year's pay comparison, although the data for these two jobs levels does meet BLS' publication standards. These job levels are intended to be equivalent to GS-9 and GS-11, respectively, but a study we made of the survey definitions for the Job Analyst occupation during the past year has shown that the survey definitions for the III and IV levels fail to exclude certain job matches which are not equivalent to the intended General Schedule grades. We hope to be able to correct the deficiencies in these definitions before the 1976 PATC survey, so that we will be able to use the data for these two job levels in next year's pay comparison.

A similar problem was discovered in the survey definition for Keypunch Supervisor V. If the data for this job level had been publishable under BLS' criteria, we would still have had to exclude it from the pay comparison, since the present survey definition produces some job matches which are not equivalent to the intended GS–7 level. Here again, we hope to be able to correct this survey definition before the 1976 survey.

In our report last year, we said that we would be working with the Federal Employees Pay Council to try to reach a decision on the use of the job definitions for two occupations, Secretary and Computer Operator, in the PATC survey and the annual pay comparison. No decision has yet been reached, but the agent and the Council have agreed to a method for resolving this issue, involving a third party, preferably the Advisory Committee on Federal Pay. Pending resolution of this question, we also agreed with the Council to withdraw these disputed job definitions from the 1975 PATC survey.

Industry coverage

The industries and establishment sizes covered in the 1975 PATC survey are the same as were covered by the 1975 survey.

Last year, we indicated that we had reached agreement with the Federal Employees Pay Council to ask BLS to test certain expansions in the survey universe in this year's survey. Unfortunately, due to the considerable lead time required in order to make substantial changes in as large a program as the PATC survey, BLS was not able to include the test of these expansions in the 1975 survey. We anticipate this test will now be made as a part of the 1976 survey.

We have continued our review of the desirability and feasibility of surveying State and local governments and not-for-profit organizations. On the basis of the work that has been completed in this review, we have agreed with the Federal Employees Pay Council to include noncommercial educational, scientific, and research organizations in the 1976 test of survey expansions. When the rest of our review has been completed, we will be discussing other possible changes in the survey universe with the Pay Council.

Bonuses

In our report last year, we indicated that, after discussions with the Federal Employees Pay Council, we had agreed to ask BLS to try to collect data on cash bonuses in the 1975 PATC survey.

BLS was not able to do so, due to the lack of lead time and the unexpected complexity of collecting bonus data in addition to the salary data which the PATC survey now collects. However, BLS has undertaken a major field study of this subject, with the results expected later this year. If this study indicates that bonus data collection will be successful, we anticipate that bonus data will be collected in the 1976 PATC survey and will be used in the 1976 pay comparison.

Time lag

After discussions with the Federal Employees Pay Council, we have agreed that it would be desirable to move the reference date of the PATC survey closer to the effective date of the resulting Federal pay comparability adjustment, in order to shorten the time lag by which Federal pay follows private enterprise pay. We will be working with BLS during the coming year to see if an acceptable and feasible method for accomplishing this can be developed.

COMPARISON OF RATES OF PAY

Table 2 in Appendix A shows the computation of the General Schedule comparability pay rates which were originally proposed by our joint staff. These rates complete the three-year transition to the new reference point technique that was adopted in 1973. As shown on table 2, they would have provided increases ranging from 8.10 percent at GS–1 to a theoretical 9.99 percent at GS–18. In actual fact, the effect of the statutory ceiling (which is currently $36,000) would have limited the average increase to 6.36 percent at GS–15, 0.22 percent at GS–16, and zero at GS–17 and GS–18, rather than the theoretical figures shown.

This computation, and the full table of General Schedule rates which it would have produced, were discussed at length with the Federal Employees Pay Council in a series of meetings, and were also furnished to the unions and employee organizations which are not represented on the Council at meetings which we held with them.

The views and recommendations of the Federal Employees Pay Council appear as Appendix B, while the views of the non-Council organizations appear in Appendix C. As will be seen, the Federal Employees Pay Council urges that the adjustment be modified to provide that the overall average percentage increase proposed by staff be applied uniformly at each General Schedule grade. The Council's detailed rationale in support of an across-the-board increase was presented most forcefully during our series of meetings with them. In addition, three of the non-Council organizations independently advanced the same recommendation.

These arguments, and our reaction to them, are detailed below in the section devoted to the role and views of the Pay Council. In summary, we find the rationale persuasive, and accordingly recommend a comparability adjustment of 8.66 percent at each General Schedule grade. This figure is equivalent to the overall weighted average figure by which the General Schedule rates would have been adjusted had the original staff proposal been implemented.

Table 3 in Appendix A shows the General Schedule rates which would result from an 8.66 percent adjustment.

Continued review of mathematical procedures used in pay comparison process

One of the most important considerations in our decision to recommend an adjustment which differs from that produced by a precise application of the statistical techniques used in the past is that we believe substantial improvements in those techniques are possible as a result of our two-year study of the entire mathematical process by which Federal pay rates are determined.

This study has now been substantially completed, and we will be discussing our findings with the Federal Employees Pay Council very shortly. We believe it is essential to reach final decisions on any needed changes in the pay comparison process well in advance of the 1976 pay adjustemnt.

RELATED STATUTORY PAY SYSTEMS

As mentioned previously, table 3 in Appendix A shows the General Schedule pay rates which we recommend to provide comparability with private enterprise pay rates as shown by the 1975 PATC survey.

Table 4 shows the pay rates for the schedules in section 4107 of title 38, United States Code, relating to doctors, dentists, nurses, and certain other employees in the Department of Medicine and Surgery of the Veterans' Administration.

Table 5 shows the pay rates for the schedules in sections 412 and 415 of the Foreign Service Act of 1946, as amended (22 U.S.C. 867 and 22 U.S.C. 870(a)), relating to Foreign Service officers and staff.

The pay rates in Tables 4 and 5 are related to the pay rates of the General Schedule in the same way they have been in the past. In our report last year, we indicated that there were some unresolved questions about the extremely complicated relationships between the two Foreign schedules and the General Schedule. We are continuing to work with the Department of State on the resolution of these questions. For the time being, we have not altered the established pay relationships of these schedules.

COSTS

The cost, stated on an annual basis, of implementing the recommended pay adjustments for the 1.39 million employees under the statutory pay systems is estimated as follows:

[Millions of dollars]

Statutory pay systems	Basic pay	Fringe benefits and premium pay	Total
General schedule	$1,655.8	$234.8	$1,890.6
Department of medicine and surgery schedules	33.0	5.8	38.8
Foreign service schedules	19.5	3.1	22.6
Total	1,708.3	243.7	1,952.0

In addition, certain other employees whose pay is fixed by administrative action normally receive pay adjustments corresponding to General Schedule adjustments. We estimate the cost of these administrative pay adjustments to be $46.2 million.

Under section 1009 of title 37 of the United States Code, members of the uniformed services will receive an adjustment in their basic pay and certain allowances comparable to the General Schedule adjustment. We estimate the cost of this military pay adjustment for the uniformed services to be $1,894.3 million.

Therefore, we estimate the total annualized cost of the pay adjustment we are recommending to be $3,892.5 million.

ROLE AND VIEWS OF THE FEDERAL EMPLOYEES PAY COUNCIL

The members of the Federal Employees Pay Council this year have been Mr. Vincent L. Connery, President of the National Treasury Employees Union; Mr. Dennis Garrison, Executive Vice President of the American Federation of Government Employees; Mr. Markley Roberts, Economist in the Department of Research of the AFL–CIO; Mr. Clyde M. Webber, President of the American Federation of Government Employees; and Dr. Nathan T. Wolkomir, President of the National Federation of Federal Employees.

The views and recommendations of the Federal Employees Pay Council appear as Appendix B to this report. (Mr. Richard Galleher of the AFL–CIO has signed the Council's statement of views and recommendations in place of Mr. Roberts.)

The Council's paper argues that wage movements in other sectors of the economy have been greater than increases granted to Federal employees under the statutory systerms, and that this disparity has been exacerbated by the inflationary spiral, particularly at the lower grades. The Council also argues that the return of the median General Schedule step to the fourth rate, and the decline of the mean step to its lowest point since 1969 demonstrate that the agent's adoption of the Average Salary Reference Point Technique (or "dual payline") in 1973 was improper, and that this technique should be abandoned.

The Council accordingly recommends that this year's adjustment be calculated by a return to the fourth step reference point and the 27.7 percent "slope" used prior to 1973.

At our meetings with the Council, the differing views which we hold on the "dual payline"—its necessity and justification, its soundness and validity, and its ultimate monetary effects—were discussed and debated exhaustively. As the Council's paper makes clear, we have not succeeded in dissuading them from a position of total opposition to what we regard as an essential reform in the pay setting process.

By the same token, we could find no merit whatever in the Council's arguments for abandonment of the new technique. We therefore recommend that the transition to the new methodology which was announced in 1973 be completed this year by application of the third and final phase. It bears repeating at this point that the need for this corrective reform, and the specific methodology we developed to effect it, have been endorsed by both the Advisory Committee on Federal Pay, and the General Accounting Office.

Upon our insistence that we could find no reason to abandon the new reference point technique, the Council advanced the "compromise recommendation" which appears on page 25 of their report, and which requests that the same overall average percentage adjustment originally proposed by our joint staff be reallocated to provide a uniform adjustment at each General Schedule grade.

The Council's arguments in support of this modification were presented at considerable length and with considerable forcefulness during our series of meetings with them. The following discussion summaries these arguments and our reaction to them.

The staff proposal would provide a pattern of graduated percentage increments, with the smallest increases going to the lowest-graded Federal employees and the largest to the highest-graded. While this is statistically accurate, the Council pointed out that it can be accurate only in the context of the traditional payline computation formula. We ourselves believe that comparability can be measured much more precisely by the adoption of changes in the type of curve used, the curve-fitting criteria employed, and the weighting of the salary and grade averages. We expect to begin discussion of specific methodological changes in the determination of Federal pay rates with the Pay Council early this fall. Inasmuch as these discussions may result in at least partial abandonment of the specific statistical technique which produced the increasing percentage pattern of the staff proposal, we agree with the Council that it would be excessively rigorous to insist upon the precise application of these techniques when we ourselves contemplate their replacement. It should be noted here that it is not the use of two fitted lines under the "dual payline" concept which might be replaced, but simply the way in which these two lines are calculated.

The Council also pointed out that, even if the technique is statistically precise, the pattern of increasing percentage increments is not readily apparent from a non-technical examination of the raw data published by BLS, which appear to show larger percentage increases over 1974 at the lower grades than at the higher. The Council's paper describes the increasing percentage increments produced by fitted paylines as an "inversion." To investigate this, we fitted both linear and exponential regression lines to the 1974 and 1975 BLS data, and each produced a pattern of increasing percentage differences. It is clear, therefore, that the 1975 BLS data show a steeper fitted slope than the 1974 data, regardless of whether the fitting technique is the unique method developed for the General Schedule payline, or either of two standard techniques whose use in basic statistics is widespread and unquestioned. We alo believe that a process as complex as Federal pay-setting may always be subject to apparent contradictions to a greater or lesser extent, but we do agree with the Council that this year the apparent contradiction under the original staff proposal would have been so great as to be incomprehensible to the overwhelming majority of Federal employees whose pay is being set.

The Council also argued that the increasing percentage increment pattern appears to be at variance with the general concern that inflationary pressures bear more heavily on those at lower income levels than on those earning higher salaries. While we continue to believe that Federal comparability must remain firmly based upon measures of changes in pay rather than other economic changes, we nevertheless agree that the concern which underlies this Council argument must be carefully weighed.

The Council also pointed out that the across-the-board adjustment they recommended was simply a re-distribution of the same aggregate amount which was produced by a staff proposal which had included the reduction necessitated by the final phase of the transition to the average salary reference point technique. This is of course true: the recommended comparability increase of 8.66 percent at each grade is based upon private sector salary levels which have risen about nine percent over 1974 levels, regardless of whether the increase is averaged occupationally, as BLS does, or by General Schedule grade level, as the payline methodology does. The difference between these two figures is the effect of the final phase of the transition to the new technique.

In summary, our meetings with the Federal Employees Pay Council this year have again revealed that we have strongly-held differences as to both concept and methodology in establishing Federal pay. However, we believe that our exchanges, however protracted and sharply-worded, have been productive, particularly since their arguments as to the manner in which this year's increase should be allocated have been ultimately persuasive in the final formulation of the comparability adjustment we are recommending.

ROLE OF EMPLOYEE ORGANIZATIONS NOT REPRESENTED ON THE FEDERAL EMPLOYEES PAY COUNCIL

The views and recommendations of employee organizations not represented on the Federal Employees Pay Council appear in Appendix C of this report.

In keeping with the intention we expressed in last year's report, we made an effort to improve our consultation procedures with these organizations by scheduling two meetings with them this year. The first, held on June 27, was devoted to a briefing on the entire sequence of the comparability process. We explained the occupational and industrial composition of the PATC survey, the way in which the survey data are combined into grade averages, and the way in which these grade averages become the basis for a fitted payline. Particular attention was drawn to the new average salary reference point technique, the reason for its adoption, and the effect it has had on the scheduled rates during the three-year transition process. We also touched upon some of the special studies in which we have been engaged, and the way in which their findings may influence the process in the future.

At the second meeting, on July 8, we distributed the PATC survey data (in advance of its public release) and the tentative proposal, and asked for their comments. When the decision was reached to recommend a redistribution of the adjustment so as to provide a uniform percentage increment at each grade, we re-contacted each of the non-Council organizations and informed them of this decision so that they could specifically address it in their written comments.

Of the 22 organizations whom we invited to participate, fifteen attended at least one meeting and eleven have furnished written comments. Two of the non-respondents are affiliated with the National Federation of Professional Organizations, and informed us that the report of the latter would present their views. Five of the organizations responding favored the graduated adjustment pattern of the original staff proposal, primarily because they represent professionals in the higher grades, and are naturally concerned about the precise degree to which comparability is achieved at these higher salary levels. Three favored the uniform increase, and three did not express a specific preference.

Of the four respondents who mentioned the "dual payline," two endorsed it while two recommended its abandonment, one because they felt that it somehow penalizes the Federal employee for what they believe is a longer tenure than is typically found in the private sector.

Five non-Council organizations expressed concern about the time-lag between the base date of the PATC survey and the effective date of the adjustment, and urged that the agent find an acceptable way to either shorten the period, or compensate for it in the calculation.

Almost all of these organizations mentioned the greater degree of meaningful consultation which our meetings afforded them this year. We plan during the coming year to schedule more meetings of this type so that the findings of our special studies can be presented to the non-Council organizations after they have been thoroughly explored with the Pay Council.

Report on the Fiscal 1976 Pay Increase Under the Federal Statutory Pay Systems

(Annual Report of the Advisory Committee on Federal Pay, Aug. 4, 1975)

Advisory Committee on Federal Pay,
Washington, D.C., August 4, 1975.

The President,
The White House,
Washington, D.C.

Dear Mr. President: The Advisory Committee on Federal Pay has the honor of submitting to you its fourth annual report. The report incorporates our findings and recommendations with respect to the Fiscal 1976 pay adjustment for 1.4 million Federal civilian employees.

The Committee hopes that our recommendations will prove useful to you in arriving at your final decision.

Respectfully submitted,
Frederick R. Livingston,
Member.
Robert B. McKersie,
Member.
Jerome M. Rosow,
Chairman.

I. INTRODUCTION

Recommendations of the Advisory Committee on Federal Pay regarding the Fiscal 1976 salary adjustment for approximately 1.4 million government employees covered by the Federal Pay Comparability Act of 1970 are contained in this, the fourth annual report of the Committee. More than 2 million members of the Armed Services and (for the first time this year, as a result of legislation just enacted) Federal executives, judges, and members of Congress receive the same percentage increase in pay as the General Schedule, Veterans' Administration, and Foreign Service employees covered by the comparability legislation.

II. THIS YEAR'S INCREASE AND THE PAYLINE

The Advisory Committee endorses the uniform increase of 8.66 percent in General Schedule pay scales, agreed to by the President's Agent and the Federal Employees Pay Council, to go into effect the first pay period in October 1975. This endorsement stems from the Committee's belief that, in the absence of overwhelming reasons, it should not recommend reversal or modification of an agreement.

The principles of comparability with private industry pay and maintenance of pay differences in conformity with work differences are theoretically served best by the line of best fit proposed by the staff of the President's Agent. This line would provide for salary increases ranging from 8.1 percent in Grade 1 to 9.9 percent in the theoretical Grade 18 rate. The highest increase that would actually be put into effect would be 9.5 percent (in the lower steps of Grade 15).[1]

The Committee was not persuaded by the agruments of the Pay Council that the data support a uniform percentage increase or larger increases at the lower grades. Indeed the professional organizations made a compelling argument for a non-uniform system of increases. As noted above, our endorsement of the uniform increases is predicated primarily upon the fact that the principal parties agreed on this approach. The Committee decision was also influenced by its belief that failure to follow the line of best fit this year would not set a precedent. The Committee sincerely hopes that revised techniques (changes in the type of payline, in curve-fitting techniques, and in weighting methods) will be agreed to before next year's pay decision must be made, so that the line of best fit resulting from these new approaches can be used.

Plans of the parties to begin serious discussions of payline issues in the fall and thus to separate discussion of technical issues from the decision as to the current pay change are to be commended. As we pointed out last year, "A major reason for the acrimonious discussions between the Pay Agent and the Pay Council is the effort to reach decisions with respect to the amount of each annual pay increase simultaneously with decisions about technical issues of comparability.... Decisions on technical issues should not be reached under the gun of an annual pay deadline. Efforts to do so make the parties suspicious that decisions are not made on professional grounds but are intended to influence the size of the annual adjustment." We urge the Pay Council and the Pay Agent to set and observe a deadline for resolving these issues well in advance of next year's pay discussions.

Now that the 3-year transition to the dual payline has been completed, we would hope that the issue would be considered as settled. The Committee stated in last year's report, "We continue to believe that the dual payline is preferable to the previous pay-fixing practice since it compares actual Federal pay to actual private pay. We are convinced that the new payline method is stable and not subject to manipulation." Experience this year has reinforced our belief in the validity of the dual payline approach.

III. RELATIONS BETWEEN THE PRESIDENT'S AGENT AND THE EMPLOYEE REPRESENTATIVES

We are pleased to note that relations between the President's Agent and the Federal Employees Pay Council have apparently improved during the past year. At the time of last year's report this Committee was deeply concerned at the continued deterioration of the relationship. Special credit should go to the President's Agent for initiating steps to improve this relationship.

This year has also seen an improvement in communications between the Pay Agent and representatives of employee organizations that are not members of the Federal Employees Pay Council. The Pay Agent held two meetings with these groups and has pledged to increase discussions with them during the coming year.

While recognizing that the Pay Comparability Act does not give these organizations the same role in the pay-setting process as members of the Pay Council, the Committee believes that the substantial difference in views between these organizations and members of the Pay Council warrants giving them greater opportunity for meaningful consultation. The pay comparability legislation requires the President's Agent to "give thorough consideration to the views and recommendations of employee organizations not represented on the Federal Employees Pay Council."

IV. THE FUTURE OF LABOR RELATIONS

Aside from the areas of conflict on technical issues, the most significant aspect affecting the relationship between the Agent and the Federal employee organizations stems from the fact that each year since the enactment of the comparability statute the President has not followed the normal procedures envisioned by that statute. Either he has attempted to delay the Federal pay increase on the grounds of his economic stabilization authority or has proposed an alternative plan. As a result, each comparability adjustment has gone into effect only because these departures from normal procedure have been set aside by Congress or the courts.

In last year's report the Advisory Committee stated that, "The ... efforts to invoke an alternative plan attempted to enlarge executive power under the [comparability] statute, which states that an alternative plan can be invoked only 'because of national emergency or economic conditions affecting the general welfare....' While the Advisory Committee is aware of the economic considerations, the statute calls for Federal employee pay to be comparable with similar occupations in the private sector. It is imperative that an alternative plan be invoked only under extraordinary circumstances as an exception rather than the rule." Constant resort to emergency procedures makes the whole process envisioned by the statute meaningless and the BLS survey of private industry pay a futile exercise.

The unions expressed real concern lest the President propose an alternative plan this year which would either reduce the amount or delay the effective date of the Federal pay increase. Discussions of the Advisory Commitee with Federal employee representatives took place the very day the 1975 Postal pay settlement was announced. Union leaders were very upset by the further widening of the gap between Postal and Federal white-collar pay that this settlement presaged. Since the time when Postal employees achieved collective bargaining rights, increases have been 25 percent greater than those provided by the comparability legislation. Failure to implement the 8.66 percent adjustment will widen this gap, which has already seriously undermined the confidence of Federal unions in the present system.

Labor relations is a very fragile entity. In the judgment of this Committee, if an alternative plan is again proposed it is inevitable that more pressure will build up to scrap the present statute. The Federal unions will petition Congress to substitute some form of collective bargaining more akin to that prevailing in the private sector. This pressure will mount and eventually become irresistible.

V. TIME LAG

Plans to discuss ways to reduce the time between the BLS survey of pay in private industry and the effective date of the Federal pay increase indicate that the present 6-month lag between the survey and the Federal increase can be reduced. This is a promising development, since the delay is a serious compromise with comparability. The BLS, the Pay Agent, and the Pay Agent, and the Pay Council are to be complimented on speeding up their roles in this year's pay-setting process to permit the Advisory Committee to submit its report to the President at an earlier date than in previous years.

VI. COMPRESSION AND EXECUTIVE PAY

The problem of compression of the General Schedule pay structure resulting from failure to give Federal executives, judges, and legislators any salary increase since 1969 has become progressively more serious since the Advisory Committee commented on it in its first report in 1972. That report was prepared before the problem of inflation of wages and living costs became acute. In the period during which the executive pay ceiling has remained static, the Consumer Price Index has risen almost 50 percent any pay scales of the General Schedule rank-and-file supervised by these executives have advanced steadily.[2]

The entire principle of maintaining pay distinctions in keeping with work and performance distinctions, required by the Pay Comparability Act of 1970, has been seriously comprised by the ceiling. It is becoming inaccurate to describe Federal pay as part of a dynamic system.

Congressional action on July 30, 1975 to amend the Executive Pay Act has created a link to the Comparability Pay Act. This takes one critical step to break the freeze which has had such adverse effects by compressing the pay structure of the General Schedule. Unfortunately, it is only a partial measure, since compression will still remain after the October pay increase of 8.66 percent. The new statutory salary ceiling will be $39,100. Therefore, all salaries specified in the new General Schedule as needed to provide comparability with 1975 private enterprise pay in excess of $39,100 remain as theoretical with 1975 private enterprise pay in excess of $39,100 remain as theoretical "asterisk" rates rates; they cannot be paid because they exceed the ceiling. Five levels of responsibility will continue to be compensated at one fixed rate. In other words, the serious lag created over the past 6 years in pay scales of the highest grades of the General Schedule will not be corrected.

VII. RECOMMENDATIONS

We recommend:

1. An across-the-board 8.66 percent intercrease in Federal pay scales to go into effect the first pay period in October.
2. The President's Agent and the Federal Employees Pay Council establish and observe a deadline for agreement on technical improvements in the payline well in advance of decisions with respect to next year's pay increase.
3. The President's Agent involve employee organizations that are not members of the Federal Employees Pay Council in the pay-setting process sooner and to a greater degree than during the past year.
4. Efforts now under way to reduce the time lag between the survey of pay in private

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[1] The maximum actual dollar loss caused by the choice of a uniform percentage increase is $275 at Step 4 of Grade 15. The greatest gain to any employee resulting from the uniform line is $39 a year for Step 10 of Grade 1.

[2] General Schedule pay increases put into effect from late 1969 to the present have totaled 37 percent. If the increase that went into effect in July 1969 as the final stage of a catch-up with the private sector is included, pay increases for the General Schedule rank-and-file have totaled over 50 percent between early 1969 and 1975.

industry and the effective date of the Federal pay increase be completed and implemented as soon as possible.

The Committee is available to meet with you at your convenience to discuss these recommendations.

Respectfully submitted,

FEDERICK R. LIVINGSTON,
Member.
ROBERT B. MCKERSIE,
Member.
JEROME M. ROSOW,
Chairman.

APPENDIX A: ORGANIZATIONS DISCUSSING THE PRESIDENT'S AGENT'S REPORT WITH THE ADVISORY COMMITTEE ON FEDERAL PAY

President's Pay Agent

Office of Management and Budget

Edward F. Preston.
Leonard Peeler.

Civil Service Commission

Raymond Jacobson.
Arch Ramsey.
Richard Hall.
James Woodruff.
Frederick Hohlweg.
William Kennard.

Federal Employees Pay Council

Richard Galleher, Chairman, AFL–CIO.

Clyde M. Webber, President, AFGE (also attending, Stephen Koczak, George R. Boss).

Dr. Nathan Wolkomir, President, NFFE (also attending, James M. Peirce).

Jerry Klepner, NTEU.

Other Employee Organizations

Air Traffic Control Association, Inc.,* Gabriel A. Hartl, Executive Director.

Association of Civilian Technicians, Vincent Paterno, President.

Association of Senior Engineers Of the Naval Ship Systems Command,* John Buck.

Association of Government Accountants, Chris Peratino, President (also attending, Nathan Cutler, Donald Scantlebury, John Lordan).

The Federal Professional Association, Maurice Ronayne, President (also attending, Dr. Edwin Becker, Dr. Ewan Clague, Lionel Murphy).

National Association of Federal Veterinarians,* Dr. Clarence H. Pals, Executive Vice President.

National Association of Government Employees, Gary Altman, Director of Research.

National Association of Government Engineers,* Dean Fravel.

National Federation of Professional Organizations, James D. Hill, Executive Director.

Organization of Professional Employees of the U.S. Department of Agriculture,* Richard G. Ford, President, George E. Bradley, Executive Director.

WHITE-COLLAR SALARIES RISE 9 PERCENT

Average salaries for selected white-collar occupations in private industry increased 9.0 percent during the year ended March 1975, according to preliminary data from the latest nationwide salary survey conducted by the Department of Labor's Bureau of Labor Statistics. This was the largest annual increase recorded in the 15-year series; for clerical jobs, increases averaged 9.6 percent and for professional, administrative, and technical occupations, 8.3 percent. During the same period, the Consumer Price Index advanced 10.3 percent.

Percentage increases in average salaries by occupation for the March 1974–March 1975 period are shown below:

Professional, administrative, and technical support occupations

Accountants	9.8
Auditors	6.8
Chief accountants	8.6
Attorneys	7.6
Buyers	9.2
Job analysts	7.5
Directors of personnel	6.1
Chemists	10.1
Engineers	8.4
Engineering technicians	9.0
Drafting	8.0
Average	8.3

Clerical and clerical supervisory occupations

Clerks, accounting	7.7
Clerks, file	9.6
Keypunch operators	9.9
Keypunch supervisors	8.7
Messengers	10.1
Stenographers	11.6
Typists	9.9
Average	9.6

SALARY TRENDS, 1961–75

The tabulation below summarizes data on salary trends from earlier surveys in this series:

Occupational group	Percentage increases						
	Average annual rate 1961–66	Average annual rate 1966–70	1970 to 1971	1971 to 1972 [1]	1972 to 1973	1973 to 1974	1974 to 1975
White-collar occupations	3.1	5.4	6.6	5.8	5.4	6.4	9.0
Professional, administrative, and technical support	3.4	5.4	6.7	5.5	5.4	6.3	8.3
Clerical and clerical supervisory	2.7	5.4	6.5	6.1	5.4	6.4	9.6

[1] Survey data did not represent a 12-mo period due to a change in survey timing. Data have been prorated to represent a 12-mo interval.

The 1974–1975 increases in salary averages were the largest recorded for each of the two major components and for all white-collar occupations surveyed since the series began in 1961. The 9.0 percent overall increase was 2.4 percentage points above the second largest gain which was reported in 1970–1971.

The tabulation below shows percent increases in average salaries in the last 5 annual periods for four distinct occupational groups:

Occupational group	Percent increases				
	1970 to 1971	1971 to 1972	1972 to 1973	1973 to 1974	1974 to 1975
Experienced professional and administrative	6.3	5.6	5.6	6.3	8.7
Entry and developmental professional and administrative	5.8	3.5	2.8	5.0	8.5
Technical support	6.2	6.2	5.3	6.3	8.5
Clerical	6.5	6.2	5.1	6.5	9.9

The increase for the clerical group, at 9.9 percent, exceeded each of the other three groups which were at, or slightly above, 8.5 percent.

OCCUPATIONAL SALARIES, MARCH 1975

March 1975 average salaries for eight levels of engineers, the largest professional group studied, ranged from $1,076 a month for college graduates in trainee positions to $2,843 for those responsible for highly complex engineering programs. Chemists' salaries ranged from $983 in level I to $3,155 in level VIII. Level IV engineers and chemists, the largest group in each profession and representing fully experienced employees, averaged $1,620 and $1,600 a month.

Salaries of accountants and auditors ranged from $908 a month for accountants I to $1,805 for accountants V. The accountants and auditors included in the survey had bachelor's degrees in accounting or the equivalent in education and experience.

Chief accountants were surveyed separately from accountants and were classified on the scope of their authority and the complexity of the accounting program. Those meeting the scope of requirements of level I (directing a stable accounting system, prescribed in considerable detail by higher levels in the organization) averaged $1,607; those meeting the higher requirements of level IV averaged $2,674.

Buyers responsible for purchasing "off-the-shelf" items and services (level I) were paid monthly salaries averaging $905. Buyers IV, who purchased large amounts of highly complex and technical items, materials, and services, averaged $1,582 a month.

Attorneys included in the study (all having LL.B. degrees and bar membership) were employed in the legal departments of various manufacturing and nonmanufacturing firms. Those performing entry level work involving clearly applicable precedents and well-established facts averaged $1,268 a month; those at level VI, the highest level surveyed, averaged $3,420.

Job analysts and directors of personnel were studied in the personnel management field. Level II job analysts, the lowest level defined for which data could be presented, averaged $1,045 a month compared with $1,538 for those at level IV, where evaluation of a variety of more difficult jobs under general supervision was required. Personnel directors averaged $1,401 for level I and $3,320 for level V.

Two technical support occupations, engineering technicians and drafters, were surveyed in 1975. Among the five engineering technician levels, levels III and IV, in which a majority of the technicians were classified, had average salaries of $950 and $1,092, respectively. Drafter-tracers averaged $640 a month; the average for the highest of the drafting levels studied was $1,191.

Keypunch supervisors, the only clerical supervisory occupation in the survey, were classified on the basis of combinations of three elements—level of supervisory responsibility, difficulty of keypunch work supervised, and number of employees supervised. Their average salaries ranged from $766 at level I to $1,193 at level IV. Level V, which was included in earlier surveys, did not meet publication criteria.

Among the 12 clerical work levels surveyed, average monthly salaries ranged from $460 for file clerks I to $748 for accounting clerks II. Averages for two of the clerical levels were above $700; four were between $600 and $700; five were between $500 and $600; and one—file clerks I—was below $500 per month.

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*Affiliated with the National Federation of Professional Organizations.

THE SURVEY AND FEDERAL PAY ADJUSTMENTS

The Civil Service Commission and the Office of Management and Budget, acting as the President's agent under the Federal Pay Comparability Act of 1970, use the survey data on salary levels in private industry as the basis for developing their recommendation for a pay adjustment for Federal employees. The recommendations of the President's agent sometimes result in white-collar pay increases above and, at other times, below the percent change reported in the BLS survey. The survey is also used as a benchmark by business, labor unions, professional societies, trade associations, schools, and State and local government agencies. It is a basic reference source for salary administrators, recruiters, educators, career counselors, employee placement workers, and planners.

A bulletin—National Survey of Professional, Administrative, Technical, and Clerical Pay, March 1975—containing final results of the survey will be issued late in 1975. In addition to providing more detailed nationwide information based upon the full survey coverage, it will provide mean, median, and middle range salaries by occupational level for all establishments located in metropolitan areas and for establishments with 2,500 employees or more.

This annual survey relates to metropolitan areas and nonmetropolitan counties in the United States except Alaska and Hawaii. The minimum employment sizes of establishments in industries studied were: 250 or more in manufacturing and retail trade; and 100 or more in transportation, communication, electric, gas, and sanitary services, wholesale trade, engineering and architectural services, commercially operated research, development, and testing laboratories, and finance, insurance, and real estate. For additional detail on the scope and method of the survey and definitions of the occupations referred to in this report, see BLS Bulletin 1837, National Survey of Professional, Administrative, Technical, and Clerical Pay, March 1974.

Procedure for determining the increase for each occupation shown on page 1 is as follows: Average salaries for all reported levels of the occupation were combined using employment in the most recent year as a constant employment weight in both years to eliminate the effects of differences in the proportion of employees at various work levels in the two surveys. The average increase for the two groups is a simple average of the March 1974–75 increase for each occupation. The increases shown for four occupational groups at the bottom of page 2 were obtained by adding average salaries for all occupations in each group for 2 consecutive years, and dividing the later sum by the earlier sum. The resultant relative, less 100, shows the percent of increase. Buyers and keypunch supervisors were not included because they could not readily be identified with any of the four groups.

AVERAGE SALARIES OF EMPLOYEES IN SELECTED WHITE-COLLAR OCCUPATIONS IN PRIVATE ESTABLISHMENTS, MARCH 1975 [1]

Occupation and class	Number of employees [2]	Average salaries [3]	
		Monthly	Annual
Accountants and Auditors:			
Accountants I	6, 507	$908	$10, 891
Accountants II	12, 806	1, 065	12, 785
Accountants III	29, 738	1, 205	14, 485
Accountants IV	19, 228	1, 468	17, 618
Accountants V	6, 765	1, 805	21, 664
Auditors I	1, 286	941	11, 296
Auditors II	2, 732	1, 049	12, 587
Auditors III	5, 036	1, 278	15, 334
Auditors IV	3, 130	1, 567	18, 800
Chief accountants I	456	1, 607	19, 289
Chief accountants II	1, 159	1, 777	21, 323
Chief accountants III	798	2, 186	26, 226
Chief accountants IV	317	2, 674	32, 094
Attorneys:			
Attorneys I	571	$1, 268	$15, 220
Attorneys II	1, 341	1, 480	17, 757
Attorneys III	1, 953	1, 880	22, 558
Attorneys IV	1, 991	2, 347	28, 159
Attorneys V	1, 021	2, 837	34, 040
Attorneys VI	627	3, 420	41, 046
Buyers:			
Buyers I	4, 100	905	10, 861
Buyers II	12, 063	1, 111	13, 337
Buyers III	13, 232	1, 333	15, 995
Buyers IV	5, 047	1, 582	18, 983
Personnel management:			
Job analysts II	279	1, 045	12, 543
Job analysts III	644	1, 246	14, 949
Job analysts IV	492	1, 538	18, 459
Directors of personnel I	1, 008	1, 401	16, 809
Directors of personnel II	1, 896	1, 661	19, 938
Directors of personnel III	1, 062	2, 086	25, 033
Directors of personnel IV	287	2, 653	31, 841
Directors of personnel V	80	3, 320	39, 843
Chemists and engineers:			
Chemists I	1, 574	983	11, 801
Chemists II	3, 215	1, 107	13, 288
Chemists III	8, 090	1, 298	15, 572
Chemists IV	10, 134	1, 600	19, 204
Chemists V	7, 238	1, 892	22, 700
Chemists VI	3, 977	2, 227	26, 729
Chemists VII	1, 566	2, 614	31, 362
Chemists VIII	415	3, 155	37, 855
Engineers I	14, 592	1, 076	12, 917
Engineers II	29, 084	1, 183	14, 197
Engineers III	84, 519	1, 361	16, 330
Engineers IV	114, 108	1, 620	19, 443
Engineers V	80, 836	1, 869	22, 427
Engineers VI	41, 314	2, 176	26, 109
Engineers VII	16, 239	2, 425	29, 101
Engineers VIII	4, 170	2, 843	34, 114
Technical support:			
Engineering technicians I	3, 542	719	8, 625
Engineering technicians II	12, 245	831	9, 970
Engineering technicians III	22, 853	950	11, 397
Engineering technicians IV	29, 342	1, 092	13, 101
Engineering technicians V	19, 158	1, 236	14, 829
Drafter-tracers	5, 470	640	7, 674
Drafters I	20, 313	749	8, 988
Drafters II	29, 764	935	11, 217
Drafters III	30, 285	1, 191	14, 289
Clerical supervisory:			
Keypunch supervisors I	1, 199	766	9, 187
Keypunch supervisors II	1, 747	883	10, 595
Keypunch supervisors III	1, 207	998	11, 971
Keypunch supervisors IV	288	1, 193	14, 310
Clerical:			
Clerks, accounting I	83, 611	595	7, 141
Clerks, accounting II	69, 858	748	8, 982
Clerks, file I	24, 669	460	5, 524
Clerks, file II	19, 637	520	6, 244
Clerks, file III	7, 151	640	7, 683
Keypunch operators I	58, 011	593	7, 114
Keypunch operators II	44, 240	683	8, 193
Messengers	22, 803	518	6, 214
Stenographers, general	37, 949	650	7, 801
Stenographers, senior	41, 137	732	8, 784
Typists I	52, 671	530	6, 365
Typists II	35, 530	621	7, 452

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[1] Includes establishments with 250 workers or more in manufacturing and retail trade; and 100 or more in transportation, communication, electric, gas, and sanitary services, wholesale trade, engineering and architectural services, commercially operated research, development, and testing laboratories, and finance, insurance, and real estate.

[2] Occupational employment estimates relate to the total in all establishments within scope of the survey and not to the number actually surveyed.

[3] Salaries reported relate to the standard salaries that were paid for standard work schedules; i.e., the straight-time salary corresponding to the employee's normal work schedule excluding overtime hours. Nonproduction bonuses are excluded, but cost-of-living bonuses and incentive earnings are included.

WHERE ARE APOLOGIES TO STANS?

Mr. BAKER. Mr. President, a newspaper column has recently come to my attention by the distinguished Pulitzer Prize journalist Charles Bartlett. I feel the contents are significant, and in the spirit of fair play, I bring the attached article to the attention of the Senate.

I ask unanimous consent that the article which was published in the Houston Chronicle, and an editorial which was published in the Columbia Record be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Where Are Apologies to Stans?

(By Charles Bartlett)

The ordeal of Maurice Stans should serve as an intimidating lesson for David Packard, the California industrialist who has boldly agreed to be President Ford's chief fund raiser in the coming campaign.

As Packard takes over the lists and gets ready to shake the Republican money tree, Stans is leaving Washington, jaunty once again after being pursued for almost three years by feverish hounds of suspicion. No campaign treasurer has ever raised as much as Stans' $60 million or been investigated as ruthlessly.

Stans survived this inquiry, accepting guilt in the end on five technical, nonwillful violations. No political fund-raiser has ever been convicted for offenses hinged to a mere neglect to report contributions that were sent back to the donors. But Stans chose this onus and a small fine over the alternative of another expensive year of legal chess.

But the media have not, in Stans' case, been as responsive to the facts as the courts. The broad presumption of his complicity in the blazing scandal, which produced about $95 million in lawsuits against him, was reported far more enthusiastically than the failure to find him guilty of any significant venality.

This failure did not reflect a lack of effort. Stans was grilled for 125 hours on 400 subjects by agents of the special prosecutor. He became the affair's most heavily investigated figure next to Richard Nixon. He had to persuade his interrogators that his office financed the break-in without any knoweldge of it or the subsequent efforts to cover it up.

The prosecutors proceeded on a premise that no one could raise so much political money and stay completely honest. They tried to link Stans to the ITT convention donation, the milk money, the dirty tricks, the sale of ambassadorships in 1968 and 1972 and extortion from companies involved with the governments. They searched hard for contributors from whom he had solicited cash and instances in which he had sought contributions as secretary of commerce.

Stans fell, along with John Mitchell, into the toils of the most avid publicity-seekers in the prosecuting business, the U.S. attorney's office of the Southern District of New York. These beavers flew Edward Nixon across the continent 11 times so they could threaten and cajole him on testimony relating to one five-minute talk with Stans. The defendants won acquittal bacause they looked more honest to the jurors than the immunity-seekers who testified against them.

The proseuctors failed for two reasons. One is that Stans is a straight-forward man, an ex-accountant with no taste for the guile of politics. The other is that Republicans had no need to strain for huge sums of money in 1972. The big checks poured in when Stans pointed to the populist inclinations of George McGovern. He was able to turn down $1 million from Michele Sindona without blinking.

Packard is also direct and honest, another businessman who will keep close accounts and make accurate reports. He will find it no harder than Stans to confront prosperous Republicans and ask them to show gratitude to the system by giving to the President's campaign.

But the lesson of Stans' ordeal is that even an honest man must strive hard to keep his reputation when he raises political money in the current climate. Most Republicans are not happy about the stringent limits and restraints of the new campaign finance law. They liked the way the money came in in 1972.

But the new law will prove in the end to be useful by protecting both parties from the appearance of evil in political finance, it may also make the Republicans more viable by keeping them close to the middle classes than the nouveau riche.

[From the Columbia (S.C.) Record, July 9, 1975]

Stans' Good Name

"Give me back my good name." This, former Commerce Secretary Maurice Stans asked as he testified before the Ervin Committee. And the genteel, almost-scholarly accountant has decidedly and emphatically earned the right to his "good name," which should be forthwith restored to him by the American people.

The problem is that in the mish-mash of truth, half-truth and innuendo that constitute the unwholesome affair in our body politic called "Watergate," the public is likely to stir together the guilty and the guiltless.

Maurice Stans was, and is, a successful businessman, a CPA, an erstwhile Director of the Bureau of the Budget, head of the Commerce Department, and a very successful political fund-raiser. "No campaign treasurer," columnist Charles Bartlett writes, "has ever raised as much as Stans' $60 million or been investigated as ruthlessly."

Consider the ordeal of Maurice Stans. The blazing Watergate inquiry produced $95 million in lawsuits against him. He was subjected to 125 hours of harsh inquiry on 400 subjects by agents of the Special Prosecutor. The prosecutor's office moved on the assumption that no mortal could raise so much political money and stay honest.

What did they try to tie Stans with? The ITT convention donation, the milk money flow, dirty tricks, sales of ambassadorships, extortion from companies involved in business with the government. High and low, the investigators searched.

When it was all over, Stans survived the 19-months' inquiry, pleading guilty to five technical, non-willful violations. "No political fund-raiser has ever been convicted for offenses hinged to mere neglect to report contributions that were sent back to the donors. But Stans chose this onus and a small fine over the alternative of another expensive year of legal chess," Bartlett concludes.

Stans was never guilty of any significant venality.

In the current climate, the public should understand that Maurice Stans is an honest and direct individual, cleared of all the nasty accusations. Give him back his good name.

PETITIONERS SUPPORT PASSAMAQUODDY

Mr. MUSKIE. Mr. President, as we undertake an examination of our national energy resources and energy policy, it is imperative that we recognize the tremendous potential of the tidal flow in Passamaquoddy Bay.

Interest in Quoddy dates to 1919 when Dexter Cooper first proposed that tidal flows from the Passamaquoddy and Cobscook arms of the Bay of Fundy be harnessed to generate electric power. The tides in the Bay of Fundy are among the strongest in the world—averaging 18 feet and occasionally reaching 27 feet. Quoddy has been a subject of national interest since the early 1930's when President Roosevelt became interested in the project and construction was begun under the Emergency Relief Act of 1935. The project was abandoned when further appropriations were not provided.

The project has been reexamined in 1961, 1963, and 1965. The technical feasibility has been upheld in each of these studies but results have varied as to the economic feasibility. The economic projections for the project were based largely on comparisons to thermal generating plants which are no longer appropriate.

Recent dramatic changes in the costs and availability of fossil fuels have dramatized the need to develop alternative energy sources. The Passamaquoddy Tidal Power project presents a unique opportunity that we can no longer afford to neglect.

On March 21, the Public Works Committee, at my request, approved a resolution requesting the Board of Engineers for Rivers and Harbors to examine the feasibility of Passamaquoddy in view of recent economic and technical developments. I have asked the Public Works Subcommittee of the Appropriations Committee to include funds for that study in the appropriation for general investigations. The committee is now reviewing that proposal.

The Energy Research and Development Administration also has a mandate to investigate tidal power as an alternative energy source, and in response to promptings from Senator Hathaway and myself has now begun research in the area.

Local interest in the use of tidal power dates to the period before Maine became a State when small mills powered by the ebb and flow of the tides were developed on estuaries from Kittery to Lubec. One such plant was located at Somesville at the head of Somes Sound on Mount Desert Island. In colonial times there was a small mill powered by the tides at Chelsea, Mass.

This interest continues to the present and was most recently expressed in a petition to the Maine congressional delegation urging action on legislation funding a reexamination of Quoddy as an attractive solution to both the energy problems and unemployment problems which confront Washington County, Maine, and the entire country. I have recently received such a petition from the Passamaquoddy tidal power advocates with over 1,700 signatures.

I ask unanimous consent that the text of that petition be printed in the Record, and urge my colleagues and involved administrative officials to take note of the tremendous support evidenced by the 1,700 signatures on this petition.

There being no objection, the petition was ordered to be printed in the Record, as follows:

Petition for the Passamaquoddy Tidal Power Project

Whereas, the United States, and particularly, the New England area, by reason of fuel costs and availability, now face unconscionable hardships due to plant closings, unemployment, and

Whereas, Maine, and particularly Washington County, is and has been hardest hit by such shortages, lack of work and excessive energy costs,

Now therefore, we, the undersigned, residents and/or citizens of the community indicated opposite our signatures, hereby petition our Congressional delegation to immediately propose, enact and fund Legislation designed to authorize engineering and architectural revisions of the International Passamaquoddy Tidal Power Project to take advantage of recent technological improvements; and to support and implement, as necessary, negotiations by the State Department with Canada for cooperation in the joint-venture to bring about and on line this vital electrical installation as soon as possible.

CONFIRMATION OF DR. DANIEL BOORSTIN AS LIBRARIAN OF CONGRESS RECOMMENDED BY COMMITTEE ON RULES AND ADMINISTRATION

Mr. BARTLETT. Mr. President, today the Committee on Rules and Administration has recommended confirmation of Dr. Daniel Boorstin as Librarian of Congress. I now urge the Senate to take immediate, affirmative action on this nomination, which has already faced many weeks of unnecessary delay.

Dr. Boorstin is a fellow Oklahoman who possesses outstanding credentials as a scholar and author; among them, the Pulitzer Prize for history in 1973.

I believe Dr. Boorstin is eminently qualified for the position of Librarian of Congress, and I urge the Senate to confirm his nomination.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, in the debates that have taken place over the Genocide Convention there has been some concern over the contents of article III. In this article, "direct and public incitement to commit genocide" is declared punishable. This provision has come under attack several times, usually on the grounds that it would violate rights guaranteed by the Constitution. This argument will not stand up.

I agree that our sacred freedoms of the press and of speech must indeed be upheld. The Supreme Court has, however, drawn a distinction between speech protected by the Constitution and direct incitement to action. For example, in the case of Brandenburg against Ohio, the court said:

> . . . the constitutional guarantees of free speech and free press do not permit a state to forbid or proscribe advocacy . . . of law violation except where such advocacy is directed to inciting or producing imminent lawless action and is likely to produce such action.

It is clear from this statement that advocacy is protected as a right of free speech under the Constitution. However, incitement to commit illegal action is not protected in the Court's view.

The Genocide Convention itself is also clear on this point. It states that legislation passed by signatory nations to give effect to the provisions of the convention must be drawn up only "in accordance with their respective constitutions." The Court's interpretation illustrates that making incitement to commit genocide punishable is indeed in accordance with the Constitution of the United States.

I again urge ratification of this most significant convention.

MEXICAN NATIONAL INDEPENDENCE DAY

Mr. FANNIN. Mr. President, this is a day of special significance for our neighbors to the south.

It was on September 16, 1810, that Fr. Miguel Hidalgo y Costilla proclaimed the absolute independence of Mexico. The initial effort by Father Hidalgo failed, but it was his action which lit the torch of liberty, and independence was realized finally in 1821.

Mr. President, the people of Arizona take pride in the contributions of the Mexican culture to our own Nation, We, therefore, are pleased to join in observing September 16 as Mexican national independence day.

It should be noted that Mexico's struggle for independence is not dissimilar in spirit from our own American Revolution. In both nations there is a devotion to democracy and universal freedom.

Americans of Mexican descent have contributed greatly to the building of our country, especially in the Southwest. I would like to salute them, and to join them in commemorating this date which is so important in their rich heritage.

MEXICO CELEBRATES 165 YEARS OF FREEDOM

Mr. HARTKE. Mr. President, our closest neighbor to the south is celebrating its National Holiday September 16, 1975.

September 16 marks 165 years of freedom for the Mexican people. This celebration is marked by the President of the Republic of Mexico reciting the exact words of the 1821 revolution. This Presidential declaration is carried out precisely at 11 p.m. on the night of September 15. On the following day, September 16, a huge civilian-military parade takes place through the streets of Mexico City.

We applaud the effort of the Government of Mexico in suppressing the ilicit drug trade which is causing the United States a great deal of money and human resources.

Mexico has long been noted for its artists and creative intellectuals who have contributed much to the entire world. Most of our friendly borders are unmarked and Mexico and the United States have always reached friendly agreements on boundaries.

I take this opportunity to congratulate the people, the Government and the President of Mexico on their national holiday.

THE SOVIET NAVY

Mr. TAFT. Mr. President, a very perceptive editorial appeared last month in the Dayton Daily News of Dayton, Ohio. The editorial discusses one of my greatest concerns, the rapid growth of the Soviet Navy. I ask that this editorial, "Soviet Navy Keeps Growing," be printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. TAFT. Mr. President, as the Dayton Daily News notes, the increasingly powerful Soviet Navy is inherently offensive, not defensive. The Soviet Union is a land power. She does not depend on imports or exports. Soviet sources of raw materials are internal. The Soviet Union's principal allies lie overland from her, not overseas. In short, the Soviet Union does not need to use the seas; she may find it convenient to do so at times, but loss of use of the sea is no real threat to her.

Therefore, a navy is, from the Soviet standpoint, offensive, not defensive; there are no vital Soviet interests at sea to defend. Why is the Soviet Union then building a navy? It can only be because the opponents of the Soviet Union are dependent on use of the sea, and are thus vulnerable to being attacked at sea.

The development of an offensive Soviet navy must be of great concern to us. We must evaluate the Soviet Union's interpretation of détente in the light of her development of such a navy. And we must, as I have continuously urged, take the necessary steps to meet the Soviet naval challenge.

The article follows:

Exhibit 1

Soviet Navy Keeps Growing

You can rationalize why a sullen neighbor might want to collect rifles and pistols. It's when the neighbor starts piling in submachine guns that you have to think twice and stay on your toes.

America's kinky neighbor on the planet these days is the Soviet Union, and its navy continues to grow at an alarming rate despite the talk of detente and peace. The United States ignored or wished away such military buildups in potential enemies before the two world wars—and suffered disastrously.

Jane's Fighting Ships, recognized as a leading authority on naval matters, in recent years has documented the rise of Soviet naval power.

This year Jane's Fighting Ships notes that the Soviet fleet of nuclear and conventional submarines has outgrown the legitimate requirements of national defense.

The conclusion: Russia is trying to strengthen itself to the point it can control the seas and the mercantile shipping lanes.

That's all the more reason for the United States to continue refurbishing its own navy, though the Trident submarine is a dubious development and the Pentagon should back development of smaller aircraft carriers rather than the large, exorbitantly expensive ones some of the navy brass want.

Aircraft carriers are still useful, but it would seem wiser to construct more smaller ones than a few large ones. In an all-out war, of course they may be sitting ducks—but in an all out war nearly everything is going to be a sitting duck. It is in smaller, more conventional wars that they still have use.

The United States does have some new ships and still has some advantages in electronics and anti-submarine warfare. But that lead over the Soviet Union is shrinking and the growth of the Soviet fleet has to be recognized as an aggressive rather than defensive development.

There could be some Western advantages in the development of navy and other forces among some Mideast nations since the Russians are keen on getting a strong force in the Indian ocean where all that vital oil comes from. But these nations are not our constant allies, as the West Germans and British are, so the United States has to rely on its own power and that of NATO. And that power is gradually being overcome in many areas.

ADAP

Mr. HARTKE. Mr. President, I have reviewed the joint statement of the National Association of State Aviation Officials, National Governor's Conference, and the Conference of State Departments of Transportation setting forth their position for a new Federal airport aid program.

I generally concur with the concept set forth in the statement. The States have presented excellent evidence of their capability in developing general aviation airports at considerable cost savings to the sponsors and the Federal Government. Numerous States, through the State Channeling Act, are administering the entire airport aid program, including air carrier airports and master planning.

The States have a closer relationship to the sponsors and because of their airport system planning responsibilities are better qualified to determine the actual airport needs within their States. They can contribute much to developing a national system of airports and I highly recommend that new legislation provide for those States, as they develop the capacity, being designated to administer the general aviation portion of the new ADAP program.

The Governor of Indiana, Otis Bowen, has written to Mr. Cannon, chairman of the Subcommittee on Aviation expressing his support of my amendment No. 833 to S. 1455. I ask unanimous consent to have that letter printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Office of the Governor,
Indianapolis, Ind., September 9, 1975.

Hon. Howard W. Cannon,
Chairman, U.S. Senate, Subcommittee on Aviation, Washington, D.C.

Dear Mr. Chairman: I join with you and the members of the United States Senate Subcommittee on Aviation in your concern for developing an equitable and dynamic ADAP Program.

I am especially heartened by your consideration of Senator Hartke's amendment which sponsors an intermodal airport demonstration project. We strongly believe that South Bend, Indiana would provide an excellent national model for such a pilot project.

On another point of consideration in the development of an ADAP bill, I have been assured by Mr. Henry Kazimier, Director, Aeronautics Commission of Indiana, that the State of Indiana is well able to administrate the general aviation portion of the ADAP Program. Even though we have been slow to start, this in no way reflects our current vital concern and major effort in developing a viable aeronautical program now.

I thank you for this opportunity to submit this testimony in this manner to the United State Senate Subcommittee on Aviation.

Respectfully submitted,
Otis R. Bowen, M.D.,
Governor.

PROVISIONS OF THE CRIMINAL JUSTICE REFORM ACT OF 1975 (S. 1) RELATING TO INTRUDERS

Mr. McCLELLAN. Mr. President, recently a syndicated news article by Jack C. Landau, of the Newhouse News Service which appeared in several newspapers across the country stated that S. 1, the Criminal Justice Reform Act of 1975, now pending before the Senate Judiciary Subcommittee on Criminal Laws and Procedures, "would make it a Federal crime for a citizen to shoot a night-time prowler on the spot." I ask unanimous consent that the article as published in September 2 issue of the Birmingham News be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ADMINISTRATION BACKS BILL TO MAKE SHOOTING INTRUDERS U.S. CRIME

(By Jack C. Landau)

WASHINGTON.—As Congress goes into session this month, it will debate a bill which *would make it a federal crime for a citizen to shoot a night-time prowler on the spot.*

Under the proposed revision of the Federal Criminal Code, a citizen would be justified in using deadly force against an intruder only if the citizen was reasonably certain that he or his family were in danger.

The bill, which is supported by the Ford administration and a coalition of Republican and Democratic senators, would negate the widely held belief that a person can shoot a night-time prowler with no questions asked.

There is considerable debate arising over this provision of the proposed Criminal Justice Reform Act of 1975. The American Bar Association (ABA) at its annual meeting last month voted to oppose the provision.

The home defense section states that a citizen in his home can be convicted of murdering an intruder unless the citizen had reached the conclusion that "deadly force" was "reasonably required to protect" him or his family "from risk of death or serious bodily injury."

The bill also states that the resident could be convicted if he had the opportunity of retreating (to another part of his house) with complete safety to himself and others" before shooting a prowler.

It also would be a crime under this section for a resident to use "deadly force" to stop a night-time prowler from taking away "personal property" such as jewelry or a TV set, or from damaging his home.

There is some debate over whether the proposed federal law on defense of a person's family and property from an intruder merely re-states existing law or amends it in favor of the prowler.

A Senate subcommittee report on the bill states that the ban on shooting an intruder unless the resident decides it is reasonably necessary to protect life (but not property) is an "accurate statement of existing law" as interpreted by the Supreme Court and the states.

But a well-known Washington attorney, Northcut Ely, says that the provision goes beyond most state laws.

"How do you know whether some person prowling around in your house at night is going to harm your family?" he asks. "Do you interview him? Do you first ask him whether he is going to rob you or kidnap you before you shoot him?"

Another lawyer said it was his understanding that the law in most states permitted the use of "deadly force" against a person who "breaks and enters the home at any time."

Several states such as New York have changed their laws to require "safe retreat" rather than shooting but several lawyers said the law is not working.

What reportedly happens is that the home dweller who shoots the intruder testifies that he thought the intruder went for a gun or made a menacing movement—and most juries tend to believe him.

However, some lawmakers are concerned that juveniles—without any intention to do serious harm—have been shot on the spot by frightened citizens overreacting to night-time vandalism.

Mr. McCLELLAN. This statement is calculated to create, and obviously has created with some people, an erroneous and prejudicial impression regarding the provisions of S. 1. His statements by implication, at least, certainly give the impression, first, that the bill would expand Federal criminal jurisdiction into an area that is traditionally and constitutionally within the purview of and which is governed by State law; and second, that the bill would restrict or lessen each citizen's legal right to use such force as may appear to him to be reasonably necessary, under the circumstances, to protect himself and his family from an intruder in his home.

These accusations and implications by Mr. Landau are quite inaccurate. The bill does neither. In all homes throughout America, except those on Federal reservations, the law of the State in which the home is located would apply and not the provisions of S. 1. I am confident that the author of the article and the lawyers he consulted know this.

So, whatever protection State laws now provide to their respective citizens in this area will remain applicable. Such protection as citizens now have under their respective State laws will remain the same if the present provisions of S. 1 should be enacted into law. The only instance in which the provisions of S. 1 would be applicable is in cases of Federal jurisdiction. Its provisions would in no way apply or change the present law with respect to prosecutions in State courts.

In Federal jurisdictions, the bill simply undertakes the codification of present Federal law as it has been judicially developed over many years.

It might be of interest to observe that Mr. Landau, in the closing paragraph of this article, states:

> However, some lawmakers are concerned that juveniles—without any intention to do serious harm—have been shot on the spot by frightened citizens over-reacting to night-time vandalism.

Of course, if the Congress wishes to legalize that kind of shooting on the spot in Federal jurisdictions—notwithstanding the absence of any threat of death or serious bodily injury—it can do so by amending the bill accordingly.

The bill simply should be considered fairly. It should be fully debated, appropriately amended, and then passed or rejected on its merits. It should not be defeated, because of, or become the victim of inaccurate and prejudicial statements or erroneous and unwarranted interpretations.

THE NIGHT PROWLER PROVISIONS OF S. 1

Mr. HRUSKA. Mr. President, I would like to join the Senator from Arkansas (Mr. MCCLELLAN) in correcting the erroneous impression that seems to have arisen respecting use of force against a night prowler under pending Senate bill S. 1. He has outlined the misimpression in his remarks today.

I would like to point out that, contrary to the misimpression, the bill permits the use of a firearm to protect against an intruder or prowler except, of course, in a situation where it would be clear to any reasonable man even in the heat of the situation that no danger to the life or limb of persons rightfully on the premises was involved, as, for example, where the intruder is recognized as an intoxicated neighbor coming in by mistake, or a newsboy accidentally coming into the house by stumbling through the door.

The bill merely carries forward what has always been the law. The right to use deadly force against a prowler is justified as an exercise of the right to protect life or limb, a threat to which is inherent in the typical case of an unauthorized prowler in the night. The homeowner or landowner is judged based on what reasonably appeared to be the situation, rather than what it may actually have been. Similarly, there will normally be no duty to retreat in these situations, as retreat, if applicable at all, is required only where it would be apparent to the defender in the heat of the circumstances that retreat would be perfectly safe to himself and others.

One further point: The bill's provisions on this matter apply to areas of direct Federal responsibility. Hence, the average homeowner or renter, or business owner, will be governed not by these provisions, but by the law of his particular State, as always, which has in no way been changed by the criminal code bill.

PROPER OVERSIGHT OF CIA

Mr. THURMOND. Mr. President, a timely editorial entitled "CIA Target of Overkill" appeared in the September 2, 1975, issue of the Aiken Standard newspaper of Aiken, S.C. This editorial wisely points out that while Congress and the administration have a responsibility in properly managing the CIA, present investigations and overexposure in the press are damaging this vital Agency.

It is my hope that the special Senate Committee on Intelligence and a like group in the House will proceed with special care in carrying out their responsibilities under the present mandate of the Congress.

Mr. President, I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CIA TARGET OF OVERKILL

Sen. Frank Church, the chairman of one of the congressional committees investigating the activities of the Central Intelligence Agency recently compared that organization to a "rogue elephant charging out of control."

More recently many responsible citizens have begun to compare the investigation into the activities of the CIA with the witch-hunts of the McCarthy era in the 1950s.

Both evaluations have validity, each in its own context, each in its own time period.

In some respects CIA has behaved like a rogue elephant, although not of recent date. In its heyday the agency violated its charter by spying on Americans within the United States of America. It succumbed to pressure from the White House to take part in improper activities. It undoubtedly had a hand in more than a few revolutions here and there. And there were probably times when it even discussed the possible assassination of foreign leaders.

However, that is all in the past and, even at the worst, its irresponsibilities and transgressions were accompanied by skillful intelligence activity of incalculable value to the nation. Today the CIA is prostrate. Its morale is sapped, its ability to recruit agents is damaged and, as Secretary of Defense James Schlesinger said recently, the sources of information available to the CIA are drying up.

In this context the continuing harassment of the agency—particularly in the limelight of congressional hearings, where immediate drama has more weight with the public than a voluminous report a year from now that few will bother to read—is reminiscent of the McCarthy era.

What we are seeing is investigative overkill at its worst. The question now is not whether the CIA can be bridled and controlled by Congress, but whether it can rise from the ashes. And that brings the discussion to the central point of whether we need a CIA at all. We can't recall that even the severest critic of the agency has said that we do not.

Whatever its failings, the functions of the CIA are vital to our national security. An agency of that sort is essential to provide the president and the defense establishment the information they need both to conduct intelligent foreign policy and to provide for the security of the citizens of the United States of America.

Mr. Schlesinger, himself the head of the CIA recently, reminded us that there is no other way to obtain the intelligence we need. Satellites are inadequate because photographs do not think and, as Schlesinger noted, they do not reveal intentions.

The message that he left with the CIA investigators merits the consideration of every American who believes that he has been wronged by the CIA, or that American institutions have been subverted by CIA activities.

We tend to forget, Mr. Schlesinger said, "that the most valuable of social welfare services that a society can provide for its citizens is to keep them alive and free."

Put another way, we can and should insist that the CIA not have the willy-nilly right to open our mail—but we should also do nothing that sacrifices our right to have private mail in the first place.

We should also remember that while we must set the rules by which the CIA operates, we will lose the game every time if we insist upon using padded gloves while our opponents are using brass knuckles.

SOCIAL SECURITY: 1935–75

Mr. KENNEDY. Mr. President, social security is, without question, one of our Nation's most important legislative achievements.

Today social security affects almost every American family.

Nearly 32 million persons now receive retirement, survivor, or disability benefits. Of this total, 19.3 million are retired workers and spouses. The remaining beneficiaries include 5.6 million widowed mothers and children; 3.9 million aged widows, widowers, and parents; and 2.9 million disabled workers and spouses.

Social security has become the last guarantee of family security.

Last month the University of Michigan and Wayne State University commemorated the 40th anniversary of social security.

The conference, which was held at Ann Arbor, provided an opportunity to view social security from three vantage points: past, present, and future.

Several exceptional presentations were made by persons with a long-standing interest in social security.

One particularly noteworthy example was a paper delivered by Wilbur Cohen—one of the original architects of the Social Security Act; later a Secretary of Health, Education, and Welfare; and now dean of the University of Michigan School of Education.

Mr. President, I commend Dean Cohen's speech on "Social Security: 1935–75" to my colleagues, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

SOCIAL SECURITY: 1935–75

(By Wilbur J. Cohen)

Forty years ago, on a warm afternoon, August 14, 1935, President Franklin Delano Roosevelt affixed his signature to the Social Security Act in the Cabinet room of the White House. At that time he said that the Act was "a cornerstone in a structure which is being built but is by no means complete." The Social Security Act was one of the most far-reaching pieces of social legislation ever enacted by the Congress. Its passage marked both the end of a long struggle for protecting and enhancing human rights and the beginning of a new era of social reform.

In the United States the term "social security" is employed to identify the broad range of programs covered under the Social Security Act. But in popular parlance through the years it has come to be particularly identified with the Old Age Insurance Program (now Old Age, Survivors, Disability, and Health Insurance). When the man on the street today says social security, he may be referring to the specific program of OASDHI or he may be referring to the general objective of programs designed to provide income insurance.

It is no exaggeration to say that, in one way or another, the lives of every one of the 215 million citizens in the United States presently is affected by the social security program. Today, over 100 million people have worked long enough in employment covered by the Social Security Act to be insured for benefits, and over 31 million individuals regularly receive such benefits each month. In addition, several million individuals receive weekly unemployment insurance benefits, some 11 million persons receive welfare checks each month, another 4 million aged, blind and disabled persons receive supplemental security income, some 25 million persons receive aid from Medicaid, and millions of others receive social services and child welfare services and have their medical bills paid for through the maternal and child health and crippled children's provisions of the Social Security Act.

Social security has become an accepted part of "the establishment." But the acceptance of social security was slow in coming. The United States was the last of the major industrial nations to work out a social insurance program for the aged and needy. Germany and Great Britain were a generation or two ahead of us.

SMALL STEPS—BIG LEAP

Although the desperate economic depression of 1929–1933 was the immediate cause of the enactment of the 1935 Social Security Act, reformers like Professor Henry Seager and John R. Commons and I. M. Rubinow and Abraham Epstein had been advocating something of the sort for more than two decades, and many small steps toward social welfare were taken before the big leap forward was made. The movement for legislation to provide cash benefits and medical care for injured workmen began in the first decade of the 20th century. The federal government and several states enacted state workmen's compensation laws immediately before World War I, but it took some 35 years before the last state—Mississippi—enacted it into law in 1946. In the early part of the century, there was also a demand for state "mother's pension" laws to provide a payment to families where the breadwinner died or was killed and left dependent children. Immediately before World War I there was also a strong drive for the enactment of state health insurance laws, which collapsed during the war and post-war period of the '20s, largely because of the opposition from the American Medical Association and the apathy growing out of affluence. Right after World War I a campaign began for the passage of state old age pension laws, in which the Fraternal Order of Eagles and Abraham Epstein took a leading role. The need for state unemployment insurance laws also was strongly voiced at that time. The first unemployment insurance bill was proposed in the Massachusetts legislature in 1916 under the leadership of Prof. Commons which enacted the first State unemployment compensation law in 1931. All of this agitation and legislation served as the training ground for the men and women like Frances Perkins, Arthur J. Altmeyer, Edwin Witte and J. Douglas Brown who were to become the leaders in helping formulate the Social Security Act of 1935.

Well, why wasn't a social security program—aid to the unemployed, aid to the aged, aid to dependent children—passed during the 1920s, since it was obviously needed so desperately? Because, as Senator Wagner said, the Republican presidents of that decade, Harding, Coolidge, and Hoover, were sincere believers in the "dogma of self-reliance and individual thrift," even for those who were too old or too young to work and therefore could not save. The Republican administrations were supported in this philosophy by the nation's Chambers of Commerce and manufacturing associations, who advocated individual responsibility for meeting the risks of old age, unemployment, and ill health. Compulsory contributions against time of need—the cornerstone and the strength of the present social security program—was viewed as "un-American." They were also joined in this philosophy by the American Federation of Labor, which did not officially change its position and support social insurance until 1932.

Federal aid to encourage state unemployment insurance and state old age assistance plans became a key issue in Congress in 1934 and might well have become law in that year. President Roosevelt decided, however, on the advice of Frances Perkins and Harry Hopkins, to seize the historic moment to broaden this to a wider range of programs and alternatives.

FULL SPEED AHEAD

In June, 1934, FDR created the Committee on Economic Security to study and make recommendations to him for a comprehensive social security program. The chairman of the committee was Frances Perkins, Secretary of Labor. The other members were: Henry Morgenthau, Jr., Secretary of the Treasury; Homer Cummings, Attorney General; Henry A. Wallace, Secretary of Agriculture; and Harry L. Hopkins, Federal Emergency Relief Administrator. Professor Edwin Witte of the University of Wisconsin was the executive director of the committee. Arthur J. Altmeyer was chairman of the technical board. There was an advisory committee representing labor, employers, and the general public, which was under the chairmanship of Frank P. Graham, then president of the University of North Carolina and later Senator from North Carolina.

I was a young research assistant to Professor Witte, doing all sorts of chores. Among my assignments were those involving the studying of social security programs in foreign countries, analyzing U.S. experience with state old age assistance plans, collecting economic data on various programs, and attending the public hearings so as to bring back to the committee information about the arguments and issues which most concerned the members of Congress.

A significant development which occurred during the consideration of the committee's proposals was the issuance of a statement by President Roosevelt on November 14, 1934, saying he might defer consideration of the old age insurance proposal to some future date, when it had been more fully thought out. After much debate and discussion of this statement, any doubts that the President had were overcome, and an old age insurance proposal was included in the legislation submitted by him in 1935. We didn't call it "insurance" then for fear the U.S. Supreme Court might hold that the enactment of an "insurance" plan was unconstitutional.

The historic report of the Committee on Economic Security was transmitted to Congress on January 17, 1935, and the Economic Security bill was introduced in both the House of Representatives and the Senate on the same day. Robert L. Doughton, Chairman of the House Committee on Ways and Means and David Lewis, a member of the Committee, introduced the bill in the House. Senator Robert F. Wagner, Sr., introduced it in the Senate.

The first of a series of obstacles which had to be overcome was obtaining approval from Congress of the legislation. The bill which President Roosevelt transmitted to the Congress was an omnibus measure consisting of a number of different programs. The two most popular provisions related to Federal grants for old age assistance and the Federal measures to stimulate states to enact state unemployment insurance laws. The provisions for establishing a national system of old age benefits were the least well-known and the most controversial aspects of the proposed bill. This was due, in part, to doubts about the constitutionality of such a system and also because of the financial questions raised by such a gigantic and long-range plan.

FEDERAL GOVERNMENT TO THE RESCUE

Thomas H. Eliot, one of the lawyers responsible for drafting the original legislation, is credited with the strategic idea of arranging the bill so that the first title dealt with federal grants for old age assistance. This was a popular and well accepted provision which had been discussed in Congress in previous years and which, in fact, was one of the major reasons why social security legislation was so well received. Many of the state and local old age assistance programs were in virtual bankruptcy or inoperative; therefore the proposal to provide federal grants to the aged was widely heralded by governors, mayors and those older people who were on the relief rolls—and by members of Congress.

In order to expedite the passage of legislation, the Administration made a rather unusual request—to which Congress acceded—to have both the House and Senate Committees conduct public hearings simultaneously. This rare procedure has almost never been followed since, primarily because the Constitution gives the House of Representatives the power to initiate tax laws, and the Senate will not consider such legislation until the House has acted upon it. Consequently, on a number of occasions, it has taken two years for any far-reaching amendments to the Social Security Act to pass both Houses of the Congress.

Aside from being bucked by a hard core of the "self-reliant" Republicans, one aspect of federal aid to the states was opposed by a small number of Southern Democrats who were hypersensitive then—as now—to what they viewed as an intrusion of the federal government into states' rights. One provision dropped from the original legislation, for example, was the requirement that state old age assistance programs must meet a minimum federal standard of "health and decency."

Senator Harry F. Byrd, Sr., chairman of the Senate Committee on Finance, discovered that phrase in the bill. He denounced it as an invasion of states' rights; the federal government, in his view, had no right to tell the states what was "healthy and decent." Senator Byrd was a powerful man so the phrase was stricken.

Another famous Southerner who caused us considerable anguish was Senator Huey Long of Louisiana, who had his own program—called "share the wealth" and "every man a King"—so named because the aim of it was to strip rich people of their riches and turn them over to the poor. Long was determined to push the notion for all it was worth in the hopes that he might be a serious dark horse Presidential candidate in 1936. By holding a one-man filibuster on the last night of the Senate session of Congress, in 1935, he managed to temporarily deprive the social security program of initial funding until February, 1936.

On the other hand, if it had not been for Senator Pat Harrison of Mississippi and Representative Robert L. Doughton of North Carolina, the federal old age insurance provisions would never have become law. The AFL and several key employers supported both the old age insurance and unemployment insurance provisions. Insurance companies were silent about these programs during the 1935 legislative consideration although several actuaries from private insurance companies aided in the formulation of the 1935 plan.

DIE-HARD DISSENTERS

Given the depths of the Depression in which this legislation was being developed, few members of Congress, even if ideologically opposed to social security, could afford to stand up against it publicly. Help for old people—half of whom were insolvent—was the kind of cause that ranked with mother and country and flag in its automatic appeal. Open opposition came only from some of the die-hard Republicans such as Robert F. Rich of Pennsylvania, who called Roosevelt a "Socialist" for advocating social reforms, and Hamilton Fish of New York, who suggested that the day might come when Roosevelt would have to be impeached for violating the Constitution.

Soon after the Social Security Act was passed in 1935, some of the old-line Republicans began gearing up to radically change the program before it could take effect on January 1, 1937, when the payroll tax was to commence. These Republicans were especially eager to make capital of the program in the Presidential election year of 1936. The GOP candidate, Alfred Landon, though personally a fairly progressive Republican for that day, embraced the antisocial security campaign which was fostered by the Republican National Committee.

The GOP campaign was simple: The government, if left in the hands of the Democrats, would take away part of the workers' already meager paychecks and might never give it back. In the last fortnight of the campaign, industrialists began distributing notices in the payroll envelopes of employees all over their factories that carried the frightful message: You're Sentenced to a Weekly Pay Reduction for All Your Working Life. You'll Have to Serve the Sentence Unless You Help Reverse it November 3.

The Republican National Committee developed propaganda literature which attempted to scare the American worker about these payroll taxes by making the propaganda appear as though it officially came from the Social Security Board in Washington. Some of these attacks were developed as inserts which were put into the payroll envelopes of workers the week before the election. One of the cruder inserts read:

"Effective January, 1973, we are compelled by a Roosevelt "New Deal" law to make a 1 percent deduction from your wages and turn it over to the Government. Finally, this may go as high as 4 percent. You might get this money back but only if Congress decides to make the appropriation for the purpose. There is NO guarantee. Decide before November 3—election day—whether or not you wish to take these chances."

As the campaign went along, Landon became increasingly enthusiastic about the crusade—or as enthusiastic as he ever became about anything. In a campaign speech he gave in Milwaukee on September 27, 1936, he made the fatal mistake of attacking old age insurance as a "cruel hoax" and "a fraud on the working man." By the end of his campaign he had started picturing the social security program as federal oppression. In one of the last major speeches of his campaign, in St. Louis, he conjured up this scary picture: "Imagine the field opened to federal snooping. Are these twenty-six million going to be fingerprinted? Are their photographs going to be kept on file in a Washington office? Are they going to have identification tags put around their necks?"

THE "DOG TAG" SMEAR

Some spokesmen for the GOP expanded this imagery and warned of an actual metal dog tag that workers would be required to wear around their necks. The chairman of the Republican National Committee said that the only humanity Roosevelt would show would be to have these dog tags made of stainless steel so they wouldn't discolor the workers' skin.

Hearst newspapers, very much for Landon, had Page One stories with headlines such as "Do You Want a Tag and a Number in the Name of False Security?"

The employers, the Republican National Committee and the Hearst newspapers completely misjudged the voters. Whereas they thought the average man would rebel against the so-called "pay cut" which would occur because of the new payroll taxes, the reaction of the workers at that time was that if employers were suddenly so solicitous of their welfare there must be something right about old age insurance. As a result there was very little defection by the workingman to the Republican Presidential candidate, and with Landon's overwhelming defeat in 1936, there came an endorsement by the voters of the Roosevelt social security program. This electoral support was to have an important impact as well in helping to convince the Supreme Court of the importance of interpreting the law as being constitutional.

This indeed was the next major hurdle to be overcome: namely, obtaining the approval of the Supreme Court with respect to the constitutionality of both the old age benefits program and the unemployment compensation program. I remember going to the Supreme Court to hear oral argument on the case. The government's position was brilliantly expounded by a young lawyer named Charles Wyzanski, who later became—and still is—a Federal District Judge in Boston. He argued his case without a note and handled himself with great assurance.

But an even more memorable event, (which I had the privilege to witness) was the handing down by the Supreme Court of its decision upholding the constitutionality of the major provisions of the act. I went to the Supreme Court on Monday, May 24, 1937, with John G. Winant, a former Republican Governor of New Hampshire, who had been the Chairman of the Social Security Board, and Arthur J. Altmeyer, who became chairman when Mr. Winant resignued in indignation at Mr. Landon's attack on social security. We heard Mr. Justice Cardozo read the majority decision of the Court upholding the provisions of the law. I can still remember many of the words he spoke because they were like poetry. Commenting on old age insurance, he said:

"Needs that were narrow or parochial a century ago may be interwoven in our day with the well-being of the Nation. What is critical or urgent changes with the times . . . Congress did not improvise a judgment when it found that the award of old age benefits would be conducive to the general welfare. . . . The number of persons in the United States 65 years of age and over is increasing proportionately as well as absolutely. What is even more important, the number of such persons unable to take care of themselves is growing at a threatening pace. . . . The problem is plainly national in area and dimension."

I recall walking down the steps of the Supreme Court building in a glow of ecstasy with Mr. Winant and Mr. Altmeyer. We had hoped and prayed for this day, and yet when it occurred it was still unbelievable to us. When I came back to the office, I obtained Mr. Altmeyer's approval to send out a memo to the staff stating that because of the decision we could now call the old age benefits program "old age insurance" and we could now call the unemployment compensation program "unemployment insurance." The American public was and still is insurance-minded and opposed to welfare, "the dole," and "hand-outs." Although many of those who are opposed to the level of benefits or methods of financing the OASDHI program claim the system is not insurance, they are clearly wrong since the program meets the criteria for insurance set out by insurance experts and organizations.

ROOSEVELT THE INNOVATOR

Although Roosevelt's program was a significant break with the past, the assistance and help that consequently were offered were moderate indeed to the average American by any standard. Privately, President Roosevelt sometimes sounded much more revolutionary than he was in practice. On one occasion he said to Secretary Perkins: "I see no reason why every child, from the day he is born, shouldn't be a member of the social security system. . . . I don't see why not. Cradle to the grave—from the cradle to the grave they ought to be in a social insurance system."

The social security program has been improved and extended by the Congress in major respects some 15 times since the law was first enacted in 1935. Very substantial progress has been made. Some set-backs have occurred.

The original act provided for only two social insurance programs: old age insurance and unemployment insurance. Over the years, additional insurance protection has been added and the program has come to protect the entire family. In 1939, survivors insurance was added which provided monthly life insurance payments to the widow and dependent children of a deceased worker. Today, the face value of this life insurance under social security is approximately a trillion dollars and is nearly equivalent to the total of all private life insurance in the United States. In addition, thousands of young people are able to go to college, even though the breadwinner has died or is disabled or retired since payments are now made to the dependents up to age 22 if attending school.

In 1956, disability insurance was added to the program. Today, over 1.3 million disabled workers are getting disability benefits. An additional one million persons receive payments as the dependents of such employees. The law now provides medical insurance protection to some 22 million aged persons and several million disabled persons. Both hospital and physicians' services are covered.

Regrettably, there are still some Americans who are protected by one or more social security programs and could be drawing benefits today—but don't know it. Nine out of 10 workers are covered under social security, including members of the Armed Forces, the self-employed, the farmers, the farmworkers, domestic help, and just about everyone except certain government employees who are protected by separate systems. About 90 percent of all people 65 and over are eligible under the program and 95 out of 100 mothers and children in the country would be entitled to monthly benefits in the event of the death of the main breadwinner in the family.

Monthly retirement benefits are payable in full at the age of 65 and reduced benefits are available as early as age 62. The widow of a worker covered by social security can draw full survivor's benefits at the age of 62, or reduced benefits as early as 60. Other survivors covered include unmarried children under 18 (under 22, if they are full-time students); a widow at any age if she is caring for a child under 18; a widow as early as age 50 if she has a severe disability; dependent parents 62 or over.

WHERE DO WE GO FROM HERE?

Over $100 billion was paid out under the Social Security Act last year. Along with other federal, state and private pension and social welfare programs, the total amount being currently disbursed exceeds $15 billion a month—a significant volume of purchasing power which has set a floor under consumer income and moderated the adverse economic impact of the recession on families and the economy. Today, all income maintenance and welfare service payments represent about 15 percent of the nation's personal income—a far change from 1929 or even 1960!

The widespread acceptance of social security is due in large part to the contributory earnings-related social insurance philosophy which emphasizes the work ethic and individual responsibility and has appealed to both liberals and conservatives, Democrats and Republicans and individuals in all social economic groups. The statutory right to earned benefits without recourse to welfare restrictions appealed to minorities as well as the majority. The low cost of administering the program (only 2% of benefits) and the compassionate, helpful and friendly attitudes in the local offices has made the social security program a distinctive and acceptable feature of a free society.

But despite the remarkable achievements, there are many proposals for changes and reforms in the program. Looking ahead, the number of persons age 65 and over will grow from the present 22 million to 30 million by the year 2000 and 50 million by the year 2030. We must begin to consider how to prepare our society for a much greater proportion of older people—perhaps 15 percent of the total population. The long-run implications need imaginative consideration. For instance, consideration might well be given to increase the amount of benefits substantially (4 or 5% a year) for those who delay retirement after age 65. There are, however, important short-run changes needing prompt attention.

The most immediate Congressional action is to restore the financial integrity of the OASDI program. This can be done by increasing the maximum earnings base for contributions and benefits which is now $14,100 a year. Under the existing law which provides for the automatic increase in wages, this figure is estimated to be about $17,000 in 1977. An increase to about $24,000 in 1977 and succeeding years would result in enough additional income to cover expected expenditures in the near future and rebuild the reserve fund. It is essential that Congress enact such legislation this year to foreclose the anxieties about the future financing of the system. The 1975 refund of social security contributions for individuals earning less than $4,000 should be extended.

The most far-reaching legislation needed is the enactment of a national health insurance plan as part of the social security system. This can be done by building upon the tried-and-tested Medicare program. Instead of trying to put all medical benefits for all of the American people into effect at one time, a step-by-step expansion is more desirable. The combined social security and health insurance system should be financed by employers paying one-third of the cost, the government one-third, and the employees one-third.

The existing discrimination against women should be eliminated, especially that against divorced women and married working women who are not now entitled to full benefits. All household services should be covered, including those of the non-paid wife or husband, along the lines of the bill introduced by Congresswoman Barbara Jordan and Congressman James Burke.

Two benefit improvements need to be made to take account especially of problems arising from the recession: (1) individuals age 55 and over who are totally disabled for their regular and customary work should be entitled to benefits; and (2) those persons between age 60 and 62 should be entitled to draw their social security benefits on an actuarially-reduced amount as persons age 62–65 now can do.

To assure that the social security program is administered without regard to political effect, the program should be placed as it was originally under a three-person board with terms of office rotated so as to assure the political independence of the board members.

The social security program is a sound structure on which we can build and adapt to changing needs. It is one of the institutions we have built with care and intelligence. We have both the economic resources and the administrative capacity to continue to improve it incrementally in relation to our national priorities and productivity.

Despite the remarkable progress made since the original act was passed, President Roosevelt's words to Frances Perkins are still pertinent. The structure of social security is still being built and by no means is complete. The next decade should produce still further improvements in the program.

INDIANA FARM BUREAU COOPERATIVE ON OIL DECONTROL

Mr. HARTKE. Mr. President, the debate over oil price decontrol continues to rage. We have heard from many quarters on this subject. It seems to me, however, that the plight of the independent refiner has not received sufficient attention. In his testimony before the Senate Agriculture and Forestry Committee, Harold P. Jordon, the general manager of the Indiana Farm Bureau Cooperative, has succinctly stated the case of the independent refiner. He outlines quite clearly the potential effects of decontrol, including the enormously increased competitive advantage that will flow to the large multinational oil companies. Mr. Jordan's testimony is valuable not only because of its insight, but because he represents a group that has traditionally opposed Government intervention in the economy. I think the arguments made are based upon an appreciation that the advent of OPEC has fundamentally transformed the petroleum market, nationally and internationally.

I ask unanimous consent that Mr. Jordan's brief testimony be printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

TESTIMONY OF HAROLD P. JORDAN, GENERAL MANAGER OF INDIANA FARM BUREAU COOPERATIVE ASSOCIATION, INC., BEFORE THE SENATE AGRICULTURE AND FORESTRY COMMITTEE, SEPTEMBER 9, 1975

I am Harold Jordan, General Manager of the Indiana Farm Bureau Cooperative Association, Inc., a farm supply and marketing cooperative, owned and controlled by 77 local farm cooperatives which are, in turn, owned and controlled by 150,000 Indiana farmers.

We market approximately 30% of Indiana-produced grain and soybeans which move through commercial channels, about 50% of the wool, and a substantial portion of the eggs and turkeys produced by Indiana farmers.

We also furnish Indiana farmers from 30% to 40% of their feed, plant food, chemicals, farm buildings, grain storage and drying equipment, over 40% of their gasoline, diesel fuel, heating fuels, and a substantial portion of the propane required for grain drying. In recent years, some major oil companies have withdrawn from serving the farm market in some sections of our state; and we have attempted to supply the needs of a number of these farmers who found themselves without a source of supply.

To supply these fuels, we operate to 18,000-barrels per day refinery on the Ohio River at Mount Vernon, Indiana, and a 230-mile products pipeline from Mount Vernon to Peru, Indiana, with 3 terminals from which we deliver these fuels to approximately 85 bulk plants, owned by our 77 member associations, from which these fuels are delivered to farms.

We also operate over 400 miles of crude oil trunk lines and gathering systems throughout the Illinois Basin in both Illinois and Kentucky, as well as in Indiana, to acquire and deliver crude oil from independent oil producers' wells to our refinery.

For over 35 years this system has provided a very efficient and economical source of fuels for Indiana farmers who choose to use it. It has, I am sure, kept costs lower, even for those farmers who bought their fuels from other sources.

Each year, for the last 20 years at least, our Board of Directors has approved an expenditure of $150,000 to $400,000 for "dry hole expense." This has made it possible for us to participate with "independent crude oil producers" in hundreds of crude oil exploration drilling ventures to encourage independent producers, and help discover and produce as nearly as possible all the elusive pools of oil to be found in the Illinois Basin.

Throughout most of the 35-year history of our refinery, we have produced ourselves, and purchased from independent producers, most of the crude oil needed to supply the throughput requirements of our refinery. In recent years, however, there has been a rather rapid decline in gross production throughout the Illinois Basin; and we have been forced to look elsewhere, at the present time, for almost one-half of our crude oil requirements.

Currently, approximately 85% of the crude oil which we purchase in the Illinois Basin is either newly discovered oil plus its equivalent, or stripper well oil, none of which has not been affected by FEA price controls. We are currently paying $12.40 per barrel, f.o.b., the well for this oil and our current average cost of all crude oil delivered to the refinery is $10.79 per barrel, as compared to an average cost of $3.62 per barrel 3 years ago.

While our Association and its members basically oppose government regulation of agriculture and business, the FEA regulations, providing "entitlements" and "buy-sell" provisions, have (1) helped equalize the burden of the above-described unprecedented precipitous increases in both domestic and foreign crude oil prices of the past 3 years between the "have" and the "have not" American petroleum refiners; and (2) assured that an adequate supply of crude oil would be available to insure continued operation of all United States refineries. Were it not for these provisions in the regulations, those few companies (predominantly major oil companies) who are self sufficient, or nearly self sufficient in crude oil they refine, could have had unprecedented windfall profits, while selling all petroleum products at substantially lower prices than those required to remain solvent by virtually all independent refiners and those major refiners who are not self sufficient.

To further demonstrate this point: For the first 7 months of this year, our entire Petroleum Division had direct net savings, before interest and administrative charges, of $842,000. Our "entitlements" income included in the above during this period amounted to $3,756,936. You can see, therefore, that without the FEA entitlements provision our Petroleum Division would have had a loss of $2,914,936, before any financial or administrative charges.

If controls, which were in effect until September 1, are not reinstated, therefore, until more gradual or partial decontrol measures are enacted, it is our opinion that previously price controlled domestic crude oil (about 40% of domestic production) will rise to present imported and domestic released oil prices, or nearly so; and either (1) prices of petroleum products will rise very sharply and provide a few major oil companies with even greater windfall profits, or (2) prices will remain at, or near, present levels, in which case even several major refiners and most independent refiners, including cooperatives supply a high percentage of farmers' needs in many areas, will be forced to discontinue operations. The few majors that survive could not, if they tried, supply the farmers nor other consumer needs if this occurred.

The chaotic conditions which would follow immediately, and the higher prices long range which would result from the elimination of the competition of independent refiners and marketers, would certainly not be in the best interest of farmers and consumers, nor in the best interest of our nation.

Last week I had a telephone conversation with the President of Rock Island Refining Company, the only independent refiner in Indiana operating a refinery larger than our own. While their source of crude oil and their over-all situation is slightly different from ours, they are similar in many respects. His concerns and conclusions as to the result and effect of sudden and complete discontinuance of petroleum price and allocation controls are in agreement with mine, and his concerns just as deep as mine. I hope that this Committee might have the benefit of the testimony of some of the other independent refiners, as well as those of the cooperatives you will have heard here today.

On August 28, I sent the following telegram to the President; and I quote:

"The sudden discontinuance of present Federal Energy regulations would, in our opinion, put all farmer cooperatives operating refineries to supply fuel needs for farmers in a very vulnerable position. This could make it impossible for farmers to receive adequate supplies of fuel to plant, cultivate and harvest crops. This would also place major oil companies with ownership of large amounts of crude oil production and reserves in a very advantageous position. It would make it possible for them to eliminate the competition of not only cooperatives but any other independent refiner or major refiner not owning large crude oil reserves. In the short run or long run, this would not be in the best interest of America's farmers and consumers.

"Therefore, we earnestly appeal to you to refrain from vetoing the bill recently passed by Congress extending the present FEA regulations until such time as orderly and gradual deregulation can be formulated."

Gentlemen, I do not claim to have the wisdom to determine the precise amount of decontrol of the petroleum industry which our Government should make, nor the precise time over which such decontrol should be made. Perhaps no one man or organization has. I do hope the information and thoughts I have expressed here this morning do persuade you to oppose sudden or complete withdrawal of all controls of the petroleum industry.

Because I know your time is very limited, and because I have appeared before you on rather short notice, my presentation has been very brief. I would be glad to try to answer any questions, and we would be very willing to furnish any specific information which you feel might be helpful to you now, or in the future.

Mr. Chairman and Gentlemen, I want to express my deep and sincere appreciation for the opportunity to be heard by this Committee on a subject which I feel is most vital to American farmers and the production of food for American consumers, and for the continuing production of grains for exports, which are, and will continue to be most important in maintaining our favorable balance of trade.

NATURAL GAS SHORTAGES

Mr. BUCKLEY. Mr. President, 9 months ago, just before the adjournment of the 93d Congress, we were told that consideration of natural gas legislation would be the first order of business on our return this January. We are now in mid-September, and we have still to come to grips with the most readily remedied of our energy problems; namely, the growing shortfall in the production of domestic natural gas for commitment to interstate pipelines. I suspect this reflects a continuing confusion as to the basic facts, including the most basic one of all; namely, whether or not a shortage of domestic gas really exists. John D. Lofton, Jr., has recently written a column in which he has presented the facts confirming the seriousness of the problem we face in a manner that ought to convince any fairminded reader. I ask unanimous consent that the column be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Rocky Mountain News, Aug. 9, 1975]

THE SHORTAGE OF NATURAL GAS IS NO HOAX

(By John D. Lofton, Jr.)

In this month's Reader's Digest, in an article titled "Is There Really A Shortage of Natural Gas?" roving editor James Nathan Miller asks Congress to ponder, before it acts, the following "explosive question": Are the big energy companies creating a phony shortage to force the price deregulation of natural gas?

But the question is a dud. It packs all the wallop of a wet cherry bomb fuse. In fact, in one of those fortuitous happenstances of history, concident with the publication of this article, the Congress has answered the natural gas shortage question.

In a report to President Ford, the House Government Operations Committee—not generally thought to be a puppet of the big energy companies—says that the expected severe shortages of gas could create major new unemployment and disrupt the nation's economic recovery. It says that the outlook is so bad that "many areas in the industrial heartland of America will suffer economic disaster if there is a severe winter."

The report says that New York, New Jersey, Ohio, Pennsylvania, Kentucky, North Carolina and West Virginia "can expect major cutbacks of natural gas to industry and commercial business." Furthermore:

"The economic health and national security of the nation are endangered because of the potential adverse effects on employment and industrial production." If necessary, the report declares, "the President should take preventive action under the Defense Production Act and other legal authorities to declare certain regions as potential economic disaster areas before the fact and marshal the federal government's resources accordingly."

So, what about Mr. Miller's question regarding the chance that the industry is "rigging the figures"? Obviously, a possibility, but as Interior Secretary Rogers Morton pointed out last December in testimony—ignored in the Digest article—before the Senate Commerce Committee:

"The continually recurring claim that the shortage is contrived has been refuted by every knowledgeable effort to determine its veracity. The same arguments (that natural gas producers have underreported their reserves) have been raised and rejected: (1) in six separate area rate proceedings by the Federal Power Commission; (2) by the United States Court of Appeals for the District of Columbia; (3) by the Fifth and Ninth Circuit Courts; (4) by the United States Supreme Court; and (5) by the Federal Power Commission's National Gas Survey."

More recently—on July 1 of this year—the Federal Energy Administration issued its preliminary report on natural gas reserves, undertaken in accordance with the FEA Act of 1974 in which Congress orders that such a "complete and independent" analysis be conducted.

This study shows that proven natural gas reserves, as of December 31, 1974, were 237 trillion cubic feet, an estimate less than two per cent higher than that made by the American Gas Association.

The shortage of natural gas is very real and it was caused by government regulation.

In their study for the Brookings Institution, "Energy Regulation by the Federal Power Commission," MIT economist Paul MacAvoy and Harvard law professor Stephen Breyer found that this shortage "can be attributed to field price regulation" by the FPC. They conclude: "Deregulation in all likelihood would end the gas shortage. . . ."

In her study for the American Enterprise Institute, "The Natural Gas Shortage and the Congress," special assistant for legislation in the Energy Resource Development Division of the FEA, Patricia Starratt, says:

"To knowledgeable people, the choice is clear, and too much time—20 years—has already been wasted in the regulatory experiment. It has failed to meet consumers' needs and national needs. The time has come to close debate and act decisively. While total deregulation is preferable to new gas deregulation, half a loaf is better than no loaf at all."

Incidentally, James Miller ought to read his own magazine more closely; he might learn something. Because Pat Starratt wrote pretty much this same thing over two years ago in an article in the Reader's Digest titled, "We're Running Out of Gas Needlessly."

Then again, in Miller's case it probably wouldn't matter. Mrs. Starratt says she talked with him when he was preparing his article but "he already had his mind made up" and "was not interested in the truth."

But I always thought the Digest was, which is why it is so puzzling that this shoddy piece of synthetic sensationalism ever saw the light of day. Some editor somewhere must have really been asleep at the switch.

CASPER STUDENTS FIND THE MEANING OF "ENERGY AND US"

Mr. McGEE. Mr. President, last year about 50 students at Kelly Walsh High School in Casper, Wyo., took part in a unique study of the complex mix of energy, strip mining, and reclamation problems.

Through the outstanding efforts of three educators at the school, the students saw how energy is produced and the environmental effects and demands of that production.

The students produced a report on "Energy and Us" that details the year's study, with the new insights they gained into this complex problem.

I would like to extend my congratulations to the students, and to their teachers, Elizabeth Horsch, Roxie Dever, and Phoebe Holzinger. I am also appreciative of the assistance the study received from the Soil Conservation Service of the U.S. Department of Agriculture and several other offices and agencies.

Mr. President, the study is described in an article from the August 1975 issue of Soil Conservation, a magazine published by the SCS. I ask unanimous consent that the story of these Wyoming students be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Soil Conservation, August 1975]

WYOMING STUDENTS DELVE INTO "ENERGY AND US"

(By Elizabeth Horsch, Roxie Dever, and Phoebe Holzinger)

Start with a temperature inversion. Mix in some emissions from a power plant. Add some interested and energetic students, a power company willing to cooperate, a lot of interest and expertise from industry, government agencies, the community, and a small Federal grant to fund the student-operated environmental study, and you have a year-long high school project called "Energy and Us."

Focus of the study was the coal-fired Pacific Power and Light Dave Johnston Power Plant located about 25 miles from Casper, Wyoming, near the small community of Glenrock. Fifty junior and senior students at Kelly Walsh High School in Casper planned, research, and conducted an intensive multidisciplinary study of the conversion of stored energy to electrical energy.

Since coal for the plant comes from the company-owned surface mine 16 miles away, the students also investigated reclamation of mined land.

To learn what grasses are native to the area and might serve best for mined land rehabilitation, the students checked with Robert Tresler, state agronomist for the Soil Conservation Service. Tresler said that, with proper management, such species as thickspike wheatgrass, western wheatgrass, green needlegrass, and fourwing saltbush are among the native species that will work.

When the students wondered how long natural reclamation would take in the dry Wyoming climate, Tresler and George Davis, SCS district conservationist, arranged a bus tour to show examples of recovery of farmland plowed more than 50 years ago. The students found fencelines were still visible though no fences remained, and found several species of grass in the once-plowed area. The mixing of grasses that is beginning to occur is, in the course of natural succession, toward a climax plant community, Davis explained.

The class found, however, that mined land recovery is another story. Old spoil piles left bare of topsoil years ago showed no evidence of returning to productivity. This convinced the students that to achieve acceptable mined land reclamation, protection is needed. In addition, knowledgeable people are necessary to plan and carry out reclamation efforts.

The class conducted a variety of field studies at the Dave Johnston plant. Students planted pinto beans to test for sulfur dioxide emissions, and gladiolus bulbs on a study plot downwind from the plant to test for fluoride emissions. River water temperatures were monitored and the cooling water discharge made visible by dyeing the water red at the discharge point. Algal growth in the river was compared at points above and below the power plant. Snow samples were analyzed for fly ash content and pH. Dustfall samples were collected and studied. Students even made an attempt at growing plants in fly ash.

To determine the "people" impact of the plant, the class wrote and conducted public opinion surveys covering people's attitudes toward the plant. The students also studied changing economic patterns in the nearby community, receiving some information from the power company, but obtaining much of it by researching community records.

One interesting conclusion reached as a result of comparing tax revenue and school population was that the need for community services in a "boom town" precedes the money necessary to finance these services. Towns faced with sudden growth do not have the financial resources to provide the necessary services. Schools, sewer systems, water systems, recreation facilities, and law enforcement agencies are often inadequate to meet population influxes which accompany rapid growth.

With the beginning of the 20-day budget session of the state legislature, students began to realize that environmental issues are political issues. To meet the national demand for electrical energy, many coal-fired energy conversion plants are planned for Wyoming, and would have significant impact on the environment. The class studied proposed legislation to regulate the siting of these plants to minimize their impact. The students were keenly disappointed when the bill died in committee on the day of their visit to the legislature.

One of the legislators who spoke to the class after the legislative session challenged the class to "quit sniping and offer some constructive input." As a result, two students, with the help of the class, prepared testimony on plant siting and delivered it before the Joint Interim Mines and Minerals Committee.

Two other students testified before a U.S. Senate Subcommittee on coal leasing on federal lands to express the concern of the class about the adequacy of Wyoming water reserves to accommodate the proposed utilization of Wyoming coal.

The students made available to the community the results of their study by slide presentations to interested groups, by filing the report of the completed study in the public library, and by serving as student resource people for other schools in the district.

Ultimately, it became apparent to the students that they were the consumers of the product which the power plant was producing and they had to accept some of the responsibility for the environmental impact of the power plant. The Pogo quote "We have met the enemy and he is us" gained new meaning.

Factors contributing to the success of the energy course were: (1) grant money from the Office of Education, HEW, to provide transportation for the class to various study and project sites, (2) a 2-hour time block which allowed onsite study, (3) community people who served as "walking textbooks," and (4) the realization by students and teachers alike that answers to environmental questions do not come easily.

For the teachers, the project afforded the opportunity to become involved in a very different learning situation. Since they were no longer the "experts," they were free to learn along with—and from—the students. Perhaps this "letting go" was the hardest lesson of all.

INVESTIGATION OF CLOSURE OF CRATER LAKE NATIONAL PARK

Mr. HATFIELD. Mr. President, on July 11 of this year, Crater Lake National Park in Oregon was closed to all visitors due to contamination of the water supply. Serious allegations have been raised about the events which led to the closure of the park and about attempts to keep the park open when the public health was endangered.

In response to concern about the park's closure, I requested that a thorough investigation into the matter be conducted by the Senate Interior Committee. As a part of that investigation, I presided over a field hearing on the subject on September 6 in Medford, Oreg. I ask unanimous consent that my opening remarks at the hearing be printed in the RECORD.

There being no objection, the opening remarks were ordered to be printed in the RECORD, as follows:

OPENING STATEMENT OF SENATOR MARK HATFIELD

This is the time which has been duly noticed for an open hearing before the Committee on Interior and Insular Affairs. This is an oversight hearing to clarify the circumstances which led to the closure of Crater Lake National Park on July 11 of this year.

Serious allegations have been raised concerning the events which led to the decision to close the park. These allegations have cast a cloud over the performance of various officials and enterprises which have important responsibilities to the public who seek to enjoy those monuments of nature which we have preserved for this and future generations. Public confidence in the integrity of this Government's custodianship of our national parks and monuments is at issue. Allegations have been raised that a coverup was engineered by the park, concessionaire and the National Park Service, that pressure was brought on officials in Washington and on officials in public health agencies to ignore the serious threat to the public, and that the concessionaire's employees who handled food at the park were made to work while sick, further endangering the public.

What is clear is that the water supply at the national park became contaminated with sewage, that many of the concessionaire's employees, park employees, Youth Conservation Corps volunteers, and members of the public became sick from drinking the contaminated water, and that the source of the illnesses was not immediately determined.

The purpose of this hearing is to determine why the water supply became contaminated, why the contamination was not detected earlier, and precisely what actions were taken by the National Park Service, the Public Health Service, and the park concessionaire during this period. It is not the purpose of this hearing to lay blame for the occurrences at Crater Lake at the feet of any individual or agency, but to determine what happened and why.

No conclusions have been drawn at this time and I would like to make clear that no conclusions will be drawn until the record of this hearing and the staff investigation is presented to the full committee. Senator Jackson and the other members of the committee are as concerned as I am that the events which led to the closure of the park occurred, and about the allegations which have been raised. My instructions from the chairman of the committee were specific and clear. This hearing and the staff investigation is to determine what happened and why. On the basis of that record, I will make my recommendations to the committee to prevent a reoccurrence of this type of situation.

SENATOR HUMPHREY'S ADDRESS IN STOCKHOLM ON INTERNATIONAL ECONOMIC POLICY

Mr. KENNEDY. Mr. President, I call to the attention of my colleagues the text of a recent speech by the Senator from Minnesota (Mr. HUMPHREY) chairman of the Joint Economic Committee.

Senator HUMPHREY spoke in Stockholm, Sweden, on September 3 at the invitation of the International Economic Association. In his address to this distinguished group of economists and statesmen, Senator HUMPHREY proposed an economic summit to be convened this fall to bring together the heads of state of the industrial nations to discuss the coordination of their domestic economic policies.

I understand that the Senator's remarks on the economic problems in the United States and the worldwide recession invoked a very favorable response from the conference and from members of the European press.

Mr. President, I ask unanimous consent that Senator HUMPHREY's speech may be printed in the RECORD in its entirety.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR HUBERT H. HUMPHREY TO INTERNATIONAL ECONOMIC ASSOCIATION

Stockholm, Sweden, September 3, 1975.

It is an honor and a personal pleasure for me to address this distinguished group of international economists and policymakers.

Economic and political power in the world is shifting. Economic policies are being reassessed. Heretofore comfortable economic principles and theories are being questioned.

The dollar has been devalued. The currencies of Europe and Japan are now the most sought after.

The oil-producing nations of OPEC have caused the quickest redistribution of income in history—a redistribution still underway. This has triggered a world-wide reassessment of who carries political clout and who is being edged out. As a result, there is a world-wide temptation for nations to realign themselves economically.

On the positive side, the oil crisis has forced an overdue assessment of the world's energy reserves. It has provided definite proof that the industrial nations of the world must cooperate in meeting common economic problems.

We survived oil price increases in a far better fashion than predicted. But this relative success was achieved only by common efforts of the industrialized nations to avoid the temptation to "go it alone." Most nations realized that such a solution would only leave all of us in a disadvantaged position.

The late Adlai Stevenson, a colleague and dear friend, often referred to "this space ship world"—the notion of the earth as a huge space ship moving through the universe. East and West have now met—joined together and even shared the same cabin in space. And we have learned first hand that space ships require concentration on navigation—the direction of the ship, and careful management of the limited resources available to those on board.

Interdependence in space and on earth demands coordination and cooperation among nations.

Interdependence demands sensitivity to the needs of others in the name of greater prosperity for all.

And interdependence demands a new economic maturity among nations.

In America we have yet to recognize that our economic well-being depends upon others as much as ourselves.

To be frank, it's been easy for us to go our own way.

It's been easy for America to be both a great and insular economic power.

We are blessed with abundant resources. We are the world's bread basket. And unlike many other industrialized nations, we have been spared the destructive ravages of war for generations.

There is another reason why America has been slow to recognize the need for interdependence. We are a young nation. We have displayed the optimism and independence, and I must confess, the cockiness of our youth.

Yet, let me emphasize I am proud of that youth. We were robust, endowed with idealism—eager to lead.

But as we approach maturity we are beset with uncertainties. Traditional economic concepts and theories no longer seem valid. This does not mean we have to do away with our past but simply that we must re-examine it and build on it.

In the past the very size and strength of the American economy isolated us from the effects of economic fluctuations abroad. But we no longer possess this immunity.

Devaluation and the oil crisis doubled our rate of inflation.

Energy price increases reduced our national output for five consecutive quarters.

Because of this, 4 million Americans lost their jobs.

The spending power of the average American worker is no greater than it was 10 years ago.

In short, we have been plagued by unique circumstances. Never before have we faced double-digit inflation accompanied by unconscionable levels of unemployment.

Our traditional economic theories don't tell us how to deal with high inflation together with high unemployment. They only tell us how to reduce one or the other—but not both together. These new circumstances have forced a rethinking of basic economic theories.

This is particularly true in America. We have seen that restrictive monetary and fiscal policies are not effective in reducing inflation in oil or food prices. They only raise unemployment.

The failure of traditional economic policies is the focus of the current American economic debate which is now raging between a Democratic Congress and a Republican President. The Congress is pushing for growth in GNP using more stimulative monetary and fiscal policies. The Administration still is operating under the questionable theory that in order to reduce inflation we must be willing to endure a longer period of unemployment.

The President recently pointed out that more Americans suffer from inflation than unemployment. But that is hardly the whole story. While official statistics reveal that over 8 million workers are now unemployed, a detailed examination reveals another 3.5 million seeking full-time employment but finding only part-time employment.

At any time 25 million wage earners and their families are touched by unemployment.

And over the next year some 75 million Americans will be directly touched by unemployment.

Unemployment is a colossal economic waste, but it is also a human tragedy.

It is being told, "There is no place for you."

The social costs of unemployment are enormous. But the economic costs alone are startling. It is estimated that unemployment will cost the American economy between the years of 1974 to 1980 about a trillion, 500 billion dollars in lost goods, production and income. It forces government expenditures up while reducing government revenues. It forces society to postpone badly needed investments to improve the quality of life.

We also find that after each recession a higher level of unemployment remains to burden society.

In 1946 our goal was full employment.

By the early 1960's we were told full employment really meant 4 percent unemployed.

By the late 1960's the officially acceptable unemployment target was 5 percent.

And President Ford in his January budget message proposed economic policies that would keep unemployment above 6 percent for the rest of the decade. This is a tragedy. And it is dangerous!

Indeed we have a sizable segment of our population in danger of developing an alienated life style—of becoming a class apart—separated from the main stream of our society—compelled to cut corners—and maintained by an inequitable and inadequate system of welfare.

In America unemployment leads not so much to revolution as to disenchantment. It leads us to a loss of our sense of community. The economic disenfranchised no longer have a sense of belonging. They have been rendered handicapped. It goes without saying that unemployment is like an insidious infection, sapping our strength, denying us productivity, and weakening our social and economic system.

This malady affects all countries to a degree but in our case it is magnified by added racial differences—40 percent of our inner-city black teenagers are out of work. Large numbers of American Indians and poor whites have been forced out of our economic system. A portion of our youth have spent their entire life dependent on welfare and public benefits. We are developing a welfare caste system.

We have a desperate need to get them back to work. This means restoring their faith, their sense of dignity.

I must tell you candidly there is a wide policy difference in the United States today over how quickly unemployment can be reduced. The Democratic Congress has repeatedly passed legislation to accelerate housing construction, to stimulate public employment, and to increase consumer spending power.

Regrettably, President Ford has vetoed much of this legislation.

He believes the legislation to be inflationary. But the majority of our economists find it difficult to believe this legislation will be inflationary when one third of our productive capacity dies idle and 8 million workers are unemployed.

The gap between our actual and potential output is now enormous. Our economy could easily absorb the additional stimulus we called for without triggering inflation.

In fact, as far as these inflationary dangers are concerned, I would stress that a substantial rate of expansion of production over the next two years, say at 8 or 9 percent, would not generate undue inflationary pressures. Indeed, expanded production will reduce inflation as gains in productivity push down unit labor costs.

The Administration's fear of renewed inflation could slow or even stop our economic recovery. I need not remind you that these fears were largely responsible for exacerbating and prolonging the worst recession since the Great Depression.

The duration of past recessions was shorter and recovery more vigorous. Now there is cause for concern about longer range prospects for solid recovery. Automobile production is very important to our economy and we have yet to see vigor in the recovery of this industry. Construction of housing is another important factor in economic performance and this, too, has not as yet shown enough vitality in its recovery.

But the key to rapid economic recovery is increased employment. And there is a great deal more that my country can do to increase employment through expanded public service jobs.

Because we have been blessed with a well endowed and vigorous economy, we have spent little time on the issue of public employment since the great depression of the 1930's. We need to remind ourselves, therefore, that temporary stabilizers like unemployment insurance are no substitute for productive public or private sector work.

Many people say that America is privately rich, but publicly poor, that our public sector is starved. There is a great backlog of public works in America—in public transportation, in the restoration of our cities and in the cleansing of our environment.

An expanded public service jobs program will reduce this backlog, and raise our national income.

It will close the yawning gap between actual and potential GNP.

It will replace unproductive idleness with productive labor.

And it will restore essential public services eliminated by recession-induced state and municipal budget cutbacks.

A rapid economic recovery in America rests on the twin pillars of a stimulative fiscal and monetary policy.

In directing monetary policy, therefore, the Federal Reserve System, our central bank. must be a full partner in stimulating recovery. It must maintain a monetary policy sufficient to accommodate recovery while at the same time avoiding inflation.

Persistence of inflation in the midst of our recession shows that we need a national incomes policy. The powers of our Wage and Price Stability Council must be increased and the structural causes of inflation must be attacked, including a more aggressive enforcement of anti-trust laws.

The speed with which our recovery occurs is very important not only for my country but for the other nations of the world.

In clearest terms, because of our global interdependence, all nations have a stake in the ability of the American economy to recover rapidly.

Let me issue a warning now that recovery both in America and world-wide may be reversed due to selfish or shortsighted actions by the oil producing nations. Rumors abound that the OPEC nations will again increase the price of oil in October.

If they take this action, disastrous economic consequences would ensue both in the industrialized and developing nations of the world. And it can only increase political tensions in the Middle East and elsewhere.

OPEC must be convinced that the predicted oil price increases can only have a destructive impact on the foreign economies in which they have so heavily invested, and on the economies of the Third World already shaken by soaring energy bills.

All nations must bring every reasonable influence they can command to prevent another oil price increase. There is no other alternative!

Our present struggle with inflation and recession has reminded us dramatically of our need for economic planning. The United States is the only industrialized nation in the world without a central planning body.

We can no longer afford the luxury of haphazard, ad hoc and disjointed policy making.

Total government spending now amounts to more than one third of our trillion, 500 billion dollar GNP. This impact is magnified by government rules, regulations, subsidies and credit policies influencing every area of the private economy. These activities are carried out with all too little regard of their impact for any period beyond the current year. We have little, if any idea, whether these policies complement each other or work at cross purposes.

There is no mechanism by which these policies can be evaluated, nor is there any agreement on national goals and priorities. This haphazard conduct of Federal regulatory, fiscal and monetary policies contributes to uncertainty and is wasteful.

There is a growing recognition in government and in the American business community that we are competing at a disadvantage with nations that have more advanced economic planning—and there is a growing recognition that there has to be some definition of our long range economic and social goals.

With these considerations in mind, Senator Jacob Javits of New York and I introduced a bill this spring in the Senate entitled, "The Balanced Growth and Economic Planning Act of 1975."

This legislation establishes a central source of economic data.

It establishes a planning process which relies on inputs from state and local governments and the private business community.

It is designed to establish a system of improved economic management.

It is designed to enable private enterprise to plan with a great degree of certainty.

In short it will improve the efficiency we allocate our national resources.

Let me add that the very fact of introducing this bill has sparked a heated debate in America about the need for more economic planning. This was our purpose. But let me point out that our objective is not a planned economy but rather a planning society; a compact between government and the private sector to look ahead—to produce more goods and services with fewer resources due to improved forecasting and increased economic predictability.

We will never engage in planning just for the sake of planning.

Someone once said, it is politic not only to pay attention to a nation's laws and aspirations, but its superstitions, too.

Opponents to economic planning are terrified at the thought of putting all their eggs in one basket—which is but a manner of saying it is best to scatter your money and your attention. In the name of free enterprise they cling to this superstition. But to borrow from our American humorist, Mark Twain, who said:

"Only a fool saith—do not put all thine eggs in one basket. The wise man saith, 'it's okay to put your eggs all in one basket—just remember to watch the basket'."

Believe me, it is our nature and our inheritance and our American way of life that any attempts at long range planning will have two hundred million eyes glued on the basket!

Let me emphasize that a nation's economic policy is part of a much broader complex of political and social factors. In the United States, we have come through a long period of travail—the race revolution, the terrible tragedy of Vietnam, the Watergate scandal, and we must now cope with a serious recession. For the first time in our history, we had a President and Vice President who resigned and we have at this moment a President and Vice President who were not popularly elected.

But our constitutional government has distinguished itself in surmounting these difficulties. As a nation, we are strengthened in the conviction that our democratic society, with all its diversity and difficulties is sound.

We know that our economic house must be put in order. And we will put it in order through a combination of fiscal and monetary policies and planning designed to coordinate our domestic economic policies.

But the task of bringing economic planning to America is a simple one compared to achieving greater economic cooperation among industrialized nations.

Let's be frank about it—America, Europe and Japan pursue domestic economic policies independent of one another.

The world-wide boom of 1971 and 1972 and the following world-wide recession demonstrated that independent policies can exaggerate fluctuations in the level of economic activity to an alarming degree.

Unilateral economic decisionmaking ignores the fact of our economic interdependence.

The United States, Europe, and Japan simply must make a greater effort to coordinate their domestic economic policy. Even now, the depressed Japanese and European economies are awaiting an export led recovery fueled by American consumers rather than following a coordinated plan of action.

Yet, coordinating domestic and economic decisions at the international level will not be an easy task. It cannot be carried out by experts alone.

The magnitude of the political and economic decisions necessary for coordination will require the attention of the heads of state, of political leaders.

It will require an economic summit conference among OECD members who all face the same unique problems of urban, industrialized societies.

Therefore, I propose that an economic summit conference be convened this fall to bring together the heads of states of the industrialized nations of North America, Europe and Japan to discuss the specific coordination of their domestic economic policies. It is essential that they discuss and arrive at acceptable policies in the fields of energy, food, employment, trade and to combat inflationary policies.

The economic summit conference can focus attention on the enduring problems of how industrialized economies should deal with such problems as trade barriers and international monetary reform. But the summit should not be a substitute for the already existing dialogue on these matters. Rather, its role would be to highlight and complement such discussions.

Convening of such a summit conference would not interfere with the continuing efforts of industrialized nations to engage OPEC and the developing nations in constructive and cooperative dialogue. Clearly, coordination of domestic economic policies within the OECD can only lead to a more rapid growth of markets for both OPEC and Third World products.

The summit will benefit all trading nations. It should not be misinterpreted by either developing nations or OPEC as a step toward economic confrontation.

While the industrialized nations of North America, Europe and Japan attempt to coordinate domestic economic policies, they must not lose sight of the growing importance of the nonmarket economies of the Soviet Union, Eastern Europe and the People's Republic of China.

My country's trade with Communist countries has increased substantially, from $580 million five years ago, to nearly $3.5 billion today. Even larger increases have occurred in the case of other Western nations.

I believe that the growth in East-West trade and commercial relations should be encouraged and expanded, for economic as well as political reasons. But there are still some important hurdles in the way of a substantial expansion of such relations.

There is a tremendous lack of knowledge among businessmen in Europe, the U.S. and Japan about how to market their products in Communist countries and how to deal with state trading monopolies.

Many Communist countries have a shortage of convertible currencies which limit their access to our markets.

And to be frank, the sharp differences between political systems have played a role in the development of legislation placing limits on East-West trade expansion.

Preoccupied as we must be with the total range of economic problems of the industrialized world, we must not forget the urgent problems of over one billion of the world's poor in the urban slums and rural villages of the developing world. These people have not benefited from the post-war economic boom.

We must address the growing disparity between rich and poor nations. It is not only a moral and humanitarian problem but an economic one as well. There are too few signs that the industrialized nations are willing to work together with the developing world in reaching substantive solutions to these problems.

Hopefully, more progress will be made at the Seventh Special Session of the U.N. General Assembly which is just opening in New York.

America has a significant role to play in the creation of a development strategy which could meet the needs of the poorest nations. Secretary Kissinger is outlining what our contribution can be. It is clear, however, to me that the cornerstone of a sound development strategy for the Third World is increased food production.

Industrialized nations have a unique opportunity now to make a commitment to increase agricultural production in the developing world through the newly created International Agricultural Development Fund. This fund, to which OECD and OPEC nations will be asked to commit initially a billion and a half dollars, could go a long way in bringing about greater food self-sufficiency, improved diets in developing nations and aid small farmers. But, unless we act now, the U.S. Department of Agriculture estimates that the world food deficit by 1985 might run as high as 71.6 million tons of grain. It could be held as low as 15.8 million tons if prompt action is taken.

The development of a self-sufficient food policy for the Third World should be accompanied by creation of a world food policy in which the United States *plays a major role*. The major components of this policy must be international food reserves and a full and free exchange of food production and marketing information.

Many centuries ago, governments found it desirable to establish food reserves to cushion the impact of sudden shortages in supplies. My own country stands unique in the world in not having government reserves even today. America also is the only nation allowing free, full and private access to domestic food supplies.

As a result, our consumers and producers are on the crack end of the world food whip. They are all exposed to a shocking degree of price fluctuations.

They need greater stability. And greater stability requires food reserves, insulated from the market so as not to depress farm income. At the same time these reserves must be adequate to meet our domestic needs and to insure our steady customers of adequate food exports.

This vital food reserve in America could be held by the farmers themselves under a crop loan program that would permit them to carry such inventories, or it could be a combination of farmer-held reserves and government supplies.

Ready access to our American market by occasional customers should hinge on their participation in an early warning system where information on food supplies and crop prospects is provided.

We should not permit easy, penalty-free access to our food supply by nation's unwilling to provide consistently complete and accurate information on the condition of their own crops and food needs.

Let me emphasize that the world must no longer depend on the U.S. to be the sole food reserve country. The burden must be shared.

This principle also should apply to other basic commodities. In this period of raw material shortages and rising prices, there is a temptation to use economic trade as a political lever and even as an economic weapon. Let us all resist this temptation. Such a power struggle can only leave everyone in a disadvantaged position.

I am hopeful that producers and consumers will not conduct economic blackmail. I am optimistic that the family of nations will realize that constructive economic interdependence offers the best route to world stability and prosperity.

Economists and finance ministers are by nature prudent and conservative and rightly so. The public man, yes, the politician must be able to sense changes which are taking place and alert us to dangers. Public policies must be the product of public understanding and governmental decision.

There is no better way for me to share my own concern than in the words of our greatest American statesman, Abraham Lincoln:

"The dogmas of the quiet past are inadequate to the stormy present. The occasion is piled high with difficulty and we must rise with the occasion. As our cause is new so we must think anew and act new. We must disenthrall ourselves. . . ."

Gentlemen this is a different world than it was 100 or even 25 years ago, you and I both know it. There are rising expectations; in both the industrialized and developing worlds. It is our task to realize this—to plan for the future and to do it together.

SENATOR RANDOLPH'S ADDRESS BEFORE THE 35TH ANNUAL GAS MEASUREMENT SHORT COURSE

Mr. JACKSON. Mr. President, during the August recess our colleague, the distinguished senior Senator from West Virginia (Mr. RANDOLPH), addressed the 35th Annual Gas Measurement Short Course at West Virginia University. His speech to 500 engineers and technicians on energy includes an evaluation of the congressional record on energy matters, and a discussion of synthetic fuels development. His analysis of the relationship between natural gas shortages and regulation of natural gas prices is particularly timely.

I ask unanimous consent that the speech by Senator RANDOLPH be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR JENNINGS RANDOLPH

APPALACHIAN ENERGY RESOURCES ARE VITAL TO THE ACHIEVEMENT OF SELF-SUFFICIENCY

Greater utilization of our country's naturally abundant energy resources can free us from dependence on the vagaries of foreign energy producers. We also need relief from the economic burden of long-term major balance-of-payments deficits. The right of individual choice as American citizens is important.

On the eve of the 200th anniversary of the American revolution, the independence to determine the future of America—not just our energy future—is in jeopardy.

The challenge is here. The challenge is now. What is needed is acceptance and a solid commitment to meeting our energy needs from domestic sources.

Appalachia is blessed with abundant energy resources. As a prime Eastern source of domestic energy supplies, Appalachia can play a special role in achieving energy self-sufficiency. This is especially true for the wealth of coal, which will become increasingly significant in efforts to promote energy independence.

Too much time is being wasted on finding a scapegoat for our energy problem. While industry is being portrayed as the villain, the Congress and the White House are locked in debate over oil price control. For lack of a definitive National Energy Policy, we all suffer.

What is lacking is a common commitment by government, by industry, and by all American citizens toward the single national goal of greater energy self-sufficiency.

We should have acted years ago. We could have acted years ago.

I recall advocating to the Senate in 1959 that "our country's (energy) course must be planned . . . a national fuels policy looking toward the efficient and comprehensive use of our natural resources is overdue." At that time, 43 Senators joined with me in proposing creation of a Congressional Joint Committee on a National Fuels Policy.

Two years later, in June 1961, I reiterated this concern. I recommended, with 63 other Senators, establishment of a Senate Select Committee on a National Fuels Study. In testimony before the Senate Interior Committee I declared that—

"The United States of America, the richest country the world has ever known, is, by its own complacency, gradually placing itself at the mercy of those it should most diligently guard against. By neglecting to apprise ourselves of the true, unbiased, realistic picture of our own energy wealth and stability, we are gambling with our country's future.

"Every year that passes, in which we become more and more dependent on foreign oil to buttress our national economy and security perhaps is one year nearer disaster. What makes this all the more tragic is that it is unnecessary."

An initial task must be a comprehensive and continuing assessment of the United States' energy resources in relation to our long-term requirements. Employing a total-energy concept encompassing all future alternative energy supply options, this evaluation must recognize the need to balance national, social, economic, and environmental concerns.

As early as 1939, an American President advocated a National Energy Resources Policy. President Franklin D. Roosevelt warned 36 years ago, "Our energy resources are not inexhaustible, yet we are permitting waste in their use and production . . ."

But it took the oil embargo of the winter of 1973 before there was general public awareness of our country's energy crisis. In response to the crisis, Pesident Nixon initiated Project Independence.

The 93rd Congress witnessed introduction of over 2,000 energy-related legislative initiatives. Some 30 standing Congressional committees held over 1,000 days of hearings on nearly every aspect of energy policy, programs, and problems.

Not without controversy, 43 public laws were enacted, 5 bills were vetoed by the President, and another 21 bills received active Senate or House consideration.

We saw creation of the Federal Energy Administration, the Energy Research and Development Administration, and the Nuclear Regulatory Commission.

To encourage energy conservation the Congress established 55 miles per hour as the speed limit on interstate highways and enacted the Emergency Petroleum Allocation Act.

To expand domestic energy production, "coal conversion" provisions were incorporated in the Energy Supply and Environmental Coordination Act of 1974.

The first energy action by the Congress in 1975 was Senate approval of a bi-partisan resolution endorsing a voluntary National Energy Conservation Crusade. Our resolution was cosponsored by 44 Democrats and 23 Republicans. Although this energy initiative was endorsed by the President, regrettably, it was never implemented by the Administration.

Since then the 94th Congress has been engaged in intensive consideration of this critical national issue. Following approval of the Congressional Program on the Economy and Energy, legislative programs were initiated on energy conservation, to reduce our dependence on oil imports, and to stimulate new domestic energy supplies.

The first seven months of 1975 have been productive. Several Congressional initiatives are shaping the character of an emerging National Energy Policy.

By August 1, a half-dozen energy-related bills and resolutions had become law, three others were vetoed by the President, another dozen were passed by one or both Houses, six others were favorably reported by Committee, and four others are scheduled for Senate action in September.

The bills enacted include the Tax Reduction Act, which repealed after 60 years the long standing oil and gas depletion allowance for major oil companies. Under an amendment I offered, the depletion allowance was retained for small independent producers, such as those in West Virginia; it will be phased out by 1984 on a graduated schedule, however.

Congress passed and the President vetoed legislation governing (1) surface mine reclamation, (2) Congressional review of Presidential decisions removing controls on oil products, and (3) suspension of 90 days of the President's authority to impose oil import fees.

Presently awaiting Presidential signature is a Congressionally approved extension of the Emergency Petroleum Allocation Act. Perhaps the most significant issue of immediate concern, this measure would continue oil price controls for six months, while the Congress evaluates the Administration's decontrol plan. This legislation also contains a six month extension of Federal coal conversion programs, which I sponsored.

The Chief Executive can either sign the measure or accept the responsibility for the oil price increases that will result from a veto. Besides 80 cent gasoline, looming in the background are probable increases in foreign oil prices on October 1 when the present OPEC (Organization of Petroleum Exporting Countries) price-freeze expires. Clearly, phased decontrol would be more in the national interest.

The Senate also has passed standby energy legislation (S. 62); a limitation on oil price increases (S. 621); a motor vehicle information and cost savings measure (S. 1518); protection for franchised dealers (S. 323); the Truth-in-Energy Act (S. 1883); an auto fuel economy act; revision of Outer Continental Shelf leasing policies (S. 521); and revision of Federal coal leasing policies (S. 391).

The House of Representatives passed a multi-purpose energy tax measure (H.R. 6860). In this regard, the Senate Finance Committee proposes the addition of a windfall profits tax. Protecting the American consumer against excessive profits, this provision should pave the way for the phased decontrol of oil prices and the eventual deregulation of natural gas.

Unfinished business awaiting House-Senate conference includes legislation establishing strategic or contingency reserves and the authorization for energy research programs of the Energy Research and Development Administration.

As approved by the Senate less than two weeks ago, the ERDA authorization for Fiscal Year 1976 is still dominated by power programs and by defense related activities such as nuclear weapons development and the naval reactor program. About 40 percent of ERDA's authorization of $4.832 billion is for defense related activities.

The Senate, however, made significant strides toward a balance between defense-related activities and civilian programs. This is particularly true for non-nuclear energy programs which were increased by $456 million up to $1.156 billion for Fiscal Year 1976. This is 65 percent over the Administration's request. By comparison, the nuclear energy program authorization is about $2.1 billion.

Within these figures the 1976 authorization for coal and other fossil fuel energy technologies was increased to $11 million; compared to solar—$106 million; geothermal—$43 million; advanced power systems—$69 million; and energy conservation—$119 million.

Nevertheless, I am concerned for the meaningful expenditure of these funds. Extensive energy expertise exists in Appalachia, particularly regarding coal, which can and must be applied to the commercialization of new energy technologies. I am thus disturbed by ERDA's emphasis on the use of existing national laboratories, which were established in support of nuclear energy development. What is needed is establishment of an Appalachian National Energy Laboratory, to fully utilize the energy and coal research capabilities existing within the region and West Virginia. Moreover, this action will provide recognition of the vital role that Eastern resources must serve in the achievement of energy self-sufficiency.

While the Administration requested funds for one commercial synthetic fuels project, the Senate bill authorizes eight more commercial demonstration projects: three synthetic fuel from coal plants; one direct coal combustion project; two solar power projects; and two geothermal plants. This is intended to provide a major incentive to coal gasification and liquefaction.

The one synthetic fuels project presently planned by the Administration is scheduled for Appalachia; it is the COALCON project, to be managed by Union Carbide and Aerojet and financed by the Federal government and a 13 member industry consortium. On completion of conceptual design in March 1976 a site will be selected. According to the President of COALCON, Stanley Noss, with whom I conferred a few days ago, fourteen sites are under consideration in six states; four potential sites are in West Virginia. Final site selection will consider available coal and water supplies, the availability of expert labor, environmental requirements, and State economic and other incentives.

This particular project, in my judgment, should be in West Virginia, but it may not occur. We must not limit our perspective to one project. In his 1975 State of the Union message, President Ford proposed a National Synthetic Fuels Commercialization Program capable of producing by 1985 the equivalent of 1 million barrels of oil each day. This will require at least 20 synthetic fuels plants at a total cost of over $20 billion. West Virginia should be thinking of not just COALCON but two or three synthetic fuels facilities.

In this regard, $6 billion in Federal loan guarantees are authorized in the ERDA legislation. Under the provision I authored these guarantees are available for coal gasification and liquefaction, oil shale, solar energy, geothermal, and other non-conventional energy technologies.

Synthetic fuels are often characterized as expensive, but this is not necessarily the case when compared with the alternatives. We take for granted the cost of electricity from coal which in West Virginia is now around $6.30 to $6.80 per million Btu's for residential and commercial uses. By comparison synthetic natural gas from coal costs about $3 to $4 per million Btu's. Comparable investments for the conversion of coal to methane are cheaper in first cost, more efficient, and result in a lower cost residential and commercial energy supply than electricity. Moreover, it is environmentally clean.

Over the past 10 years a major gap has developed between natural gas supplies and demand. This is due, in part, to the unreasonable prices for interstate natural gas established by the Federal Power Commission. In addition to retarding the development of conventional supplies, the policies of the Federal Power Commission have served as a major disincentive to coal gasification. In my judgment, the FPC's unreasonable policies are the reason we do not now have a commercial coal gasification industry in the United States.

Five years ago in 1970 the primary, immediate task confronting government policy-makers and industry was acceleration of exploration and development activities for oil and natural gas. Even then supplementary sources of natural gas were deemed necessary after 1980. The most promising are (a) synthetics, (b) LNG (liquefied natural gas) imports, (c) Canadian imports, and (d) Alaskan supplies.

The formidable task of redressing the imbalance may easily require another decade. Pending resolution of the United States' natural gas problem it may well be necessary to impose mandatory end-use controls to effect a more efficient allocation of available resources.

Yet at this critical time the Federal Power Commission until last week, when John Holliman was sworn in, was functioning with three of the five comissioners provided for by law. However, Chairman John Nassikas has tendered his resignation leaving only two experienced Commissioners: William Springer and Don Smith. This is unconscionable.

Natural gas supplies 21 percent of energy needs of West Virginia. Over 69 percent of the homes use natural gas.

Last year's actual curtailment was 8.1 percent of normal usage. This is predicted in 1975 to reach 11.3 percent—20 billion cubic feet. Reportedly Columbia Gas of West Virginia will impose at least 60 percent curtailment on industrial customers beginning this November.

Hardest hit will be the industrial sector: stone, clay, and glass products; chemical and allied products; and primary metals. If alternative fuels are not available a 20 percent reduction in West Virginia's natural gas supplies could displace 8,300 workers in manufacturing and related industries.

In North Carolina there will be a total cutoff—100 percent curtailment—of industrial users. The nationwide cutback of industrial customers this winter will average 40 percent. This is particularly critical since one-half of all the energy consumed by industry is natural gas.

The House Government Operations Committee has recommended serious consideration be given to declaring a state of emergency in advance of this winter. Particular concern is for six states: West Virginia, Pennsylvania, Ohio, Kentucky, New York, and New Jersey.

Recently the Interstate Oil Compact Commission in an unqualified statement urged deregulation of the price of new natural gas. This national body is composed of the governors of the 36 states which produce oil and natural gas and also are consumers.

This is the environment facing the Congress when it convenes in September, along with the Senate Commerce Committee's bill, S. 692, which expands Federal controls over prices, production, and use of natural gas.

Under every natural gas proposal pending before the Senate the price of new natural gas at the wellhead would increase. The issue, in my view, is not whether to decontrol but how far.

The principal bill, S. 692, establishes an overall ceiling price based on an oil-equivalency value, limits decontrol to independent producers, and further limits decontrol to non-associated new natural gas production. Under all four measures the price paid to most producers of new natural gas from onshore reserves would be decontrolled. This is true for S. 692, the so-called Pearson-Bentsen and the Tunney substitutes, of which I am a cosponsor, as well as the Fannin substitute (or Ford Administration proposal).

Now is the time for Congressional action on natural gas deregulation. The Senate Commerce Committee began legislative hearings over three years ago. The Senate's National Fuels and Energy Policy Study issued an option paper two years ago.

American consumers as well as our country's natural gas producers have every right to expect the Congress to expedite resolution of the wellhead price controversy. The Congress has a special responsibility to provide certainty before major commitments of new natural gas supplies are made to the interstate pipelines. The present uncertainty is costing our economy billions of dollars in higher priced alternatives and loss of employment.

If regulation continues consumers will be forced to switch to more expensive substitutes which currently cost $2 to $4 per million Btu's and in 1985 will average nearly $5 when delivered to homes. By comparison, last week the Federal Power Commission denied the interim request of the West Virginia Independent Oil and Gas Association for 45 cent rate for natural gas. On my initiative this request was supported by four members of the West Virginia delegation: Senator Robert Byrd, Representative Robert Mollohan, Representative John Slack, and myself. By denying this interim price, the affected independent natural gas producers in order to meet existing contracts are forced to sell supplies at a loss. Some 7,000 wells are likely to be shut-down with the resultant loss of enough natural gas to meet the requirements of over 325,000 homes for the next 10 years. Meanwhile, users in the New York area import natural gas from Algeria at rates up to $1.86 per thousand cubic feet (or per million Btu's).

Without higher prices the United States will be faced with dwindling supplies. With higher prices virtually untapped resources are available within West Virginia. In addition to coal gasification there is a significant potential for new natural gas production in deep geologic formations and from Devonian shale formations beneath Appalachia. The estimated cost is from $1.75 to $2.00 per thousand cubic feet, which is competitive with the alternatives and new intrastate prices.

Columbia Gas is exploring this potential in Mingo County, West Virginia. Additional funds amounting to $24 million were authorized by the Senate for activities related to Devonian shale this year. What is now needed is a national survey of this resource; it could prove equal to our natural gas reserves.

Despite the development of this and other energy options, we can expect to continue to experience natural gas shortages and increased oil imports. We must redirect our country's demand for energy toward coal.

The first step is substitution of coal for oil and natural gas as our nation's principal boiler fuel in electric utility and industrial applications. This is the goal of S. 1777, which I introduced in May. This measure is cosponsored by Senators Jackson, Magnuson, Huddleston, McGovern, Moss, Pell, and Symington. The bill requires that by 1985, to the extent practicable, fossil-fuel power plants and major installations must use coal as their primary boiler fuel.

Adoption of this mandate requires a total coal production by 1985—allowing for total domestic use including steel production and for export—of about 2.5 billion tons per year; this compares to 695 million tons in 1975. Such annual production is roughly equal to the *total* production of the past *five* years. Clearly, this is a very tall order.

Residential and commercial supplies of natural gas as well as process uses must be preserved because conversion of these users to coal is unrealistic. The costs of coal conversion must be borne by the sector of the economy that will result in the lowest absolute consumer price increases—that is, electric utilities and major industrial users.

The future of greater coal utilization is inextricably intertwined with the entire future of the United States. At stake is the capability of the United States to determine its own destiny. The Congress, industry, and the American people must support the long-term development of sufficient domestic energy supplies to assure our future economic stability.

Leadership and initiative will be requisite by energy producers and consumers alike.

REGULATORY REFORM AND THE UNEASY LIBERALS

Mr. FANNIN. Mr. President, for many years conservative critics of big government have voiced concern over excessive Federal spending, uncontrollable budgetary deficits, the burgeoning Washington bureaucracy, and the proliferation of Government agencies and programs. Conservatives in Congress have been predicting dire consequences for our democratic institutions and free economy if the Congress does not take steps to check the growth and expansion of Government power and control. Our warnings are finally being heard.

Businessmen who have been directly affected by Government regulatory activity understand that regulation substantially increases the costs of goods and services that they provide and the public needs. Ordinary citizens are now beginning to realize that economic regulation is not so beneficial to them as consumers and taxpayers as they were once led to believe by liberal politicians. Judging by the mail pouring into my office, my Arizona constituents are increasingly upset over Government's miserable performance record. Their angry letters reflect the popular distrust of politicians and disenchantment with government institutions that the pollsters tell us prevail across America.

Arizonans insist that the Congress must do something immediately to cut spending, trim bureaucratic fat, stop waste and inefficiency and improve the operation and responsiveness of Federal agencies. They demand reform of the Government's regulatory system, with a view to repealing outmoded and unwanted laws and abolishing unnecessary, costly bureaus, councils, committees and commissions. They applaud the President's call for regulatory reform. The conservative message is getting through.

Even the liberals are paying attention. Whatever the stimulus—energy shortages, double digit inflation or the political appeal of the President's program—liberal pundits and politicians who have long advocated Government controls of industry are talking seriously about regulatory reform. Of course, their rhetoric and concern have not yet been translated into solid votes against higher Federal outlays. The Democratic majority is still committed to Government spending programs as the panacea for our social ills and to extending Government controls over business, especially the petroleum industry, despite overwhelming evidence that such regulation has exacerbated the Nation's energy crisis. Yet, as Norman Miller observed in the Wall Street Journal of August 6:

> There is increasing unease among leading liberal officeholders about the inefficiencies, inequities and unpopularity of the gigantic bureaucracy spawned by the array of programs they have championed from the New Deal through the Great Society.

In the view of the Journal's Washington Bureau chief:

> What seems to be happening is that many Democratic liberals are rejecting, modifying or at least questioning some conventional formulas that have guided them—and the country—since the New Deal. And although it is unclear where this process will take the liberals, in specific terms, their very search for alternatives may mark a watershed in politics.

This change of attitude is encouraging, for it it is soon reflected in positive action, perhaps the liberals will reach the same conclusions that conservatives have made concerning the need for positive and comprehensive reform of regulatory process. Regulatory reform, long a desirable but unattainable goal, may then become a political reality.

Many liberals are suspicious that conservative and administration appeals for regulatory reform may disguise other political motives. Their reservations are justified, for conservatives are genuinely committed to dismantling much of the Federal bureaucracy and to eliminating many of the expensive Government programs and unneeded rules and regulations which liberals long supported. Conservatives and liberals, however, share many concerns about government regulation, for instance, that agencies have come to serve the special interests of the businesses they were supposed to regulate. Although they may not always agree on the wisest approach and best solution to regulatory problems, it is to be hoped that conservative and liberal politicians and policy makers will work together, as much as possible, to effectuate meaningful reforms. If not, the problems afflicting our troubled economy may reach crisis stage.

The situation confronting us is aptly described in an editorial appearing in the same August 6 edition of the Wall Street Journal. I quote:

> At some point, the government's appetite for resources starts to overload the economy and threaten the political system. At some point we will have to reach a consensus point about the level of income to which the government is entitled to lay claim. Senator Robert Taft once said that if a government takes more than a third of a person's earnings, that person was no longer a free individual. We hesitate to draw so fine a line, yet surely command over one's income has a great deal to do with freedom of personal choice. At some point—and we already seem to be fast aproaching it—government claims over a person's labor do raise serious questions about basic human freedom.

Mr. President, I call the attention of my colleagues to these two outstanding items, the article by Norman C. Miller, "The Uneasy Liberals," and the editorial "Drifting Toward Statism," which appeared in the August 6 Wall Street Journal. I ask unanimous consent that their texts be printed in the RECORD.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Aug. 6, 1975]

THE UNEASY LIBERALS

(By Norman C. Miller)

WASHINGTON.—A sea change in attitude is now occurring among liberal Democrats. The very politicians who created the federal colossus are beginning to oppose the idea of an ever-expanding central government.

So far, this new attitude hasn't been reflected in the actions of liberals controlling Congress. They're still proposing that more federal programs be added to the welter of 1,009 existing categorical-grant schedules run from Washington. For the liberals remain committed to *doing something* to solve social problems, and they don't yet seee acceptable alternative to federally directed programs.

Further, the liberals' partisan distrust of the Republican administration prompts them to almost automatic opposition to President Ford's proposals for consolidation of programs and giving more decision-making authority to state and local governments. The liberals suspect that under the guise of "reform" the Ford administration actually wants to abandon many social efforts. Basically then, the momentum toward building a bigger federal bureaucracy still runs, slowed if at all because of Ford Administration resistance.

Yet there is increasing unease among leading liberal officeholders about the inefficiencies, inequities and unpopularity of the gigantic bureaucracy spawned by the array of programs they have championed from the New Deal through the Great Society. That unease is becoming so great that the liberals are beginning to grope for alternatives.

Meanwhile, the new attitude is producing a conflict among the liberals. Some veterans argue that the emerging criticism of federal power is coming mainly from a few upstarts who simply are pandering to the anti-Washington mood among voters. While it's true that some younger Democrats—like California Gov. Jerry Brown—recently have won office as vocal critics of the federal establishment, the new mood clearly is shared by plenty of veteran liberals in Congress.

"There is a very serious kind of rethinking of the best way to meet the human needs of our society," Sen. Edward Kennedy says. "Over the past few years," the Massachusetts Democrat adds, "many have come to see that one of the greatest dangers of government is bureaucracy."

"The liberals have to reevaluate their posture," says Democratic Sen. Gaylord Nelson of Wisconsin. "Each program looks good, but you put 100 of them together and the results are more negative than positive."

"The federal bureaucracy is just an impossible monstrosity," Sen. Nelson continues. "You can't manage it, there's no way to do it."

GOVERNOR WALLACE'S ROLE

For a long time, most liberals have hesitated to state such conclusions, fearful they would be handing ammunition to conservatives they consider to be basically antigovernment. Moreover, George Wallace's racially-oriented denunciations of "briefcase-toting bureaucrats" have made it almost disreputable for many liberals to admit that the Alabamian was also voicing legitimate objections of people to an overweening Washington bureaucracy.

But the long-running power of the Wallace appeal, together with other signs that people are increasingly disenchanted with gigantic government, is persuading many liberals they must finally confront the problems of burgeoning bureaucracy. "There's ample evidence—as a result of the war and Watergate and economic difficulties—that there is widespread disillusionment among citizens about the relevance of government, its programs and its effectiveness," Sen. Edmund Muskie (D., Maine) says. In this political climate, he adds, "I don't think you can successfully defend the discredited side of what we tried to do in some programs. We ought to concede the inadequacies and bureaucratic problems that have been spawned."

A possibly decisive influence on the congressional liberals was last year's election of Democratic governors in traditionally liberal states who are making their mark by *paring down* government—governors such as Brown of California, Michael Dukakis of Massachusetts and even a onetime congressional liberal, Hugh Carey of New York, who took office in Albany last January declaring that "the days of wine and roses are over."

In Massachusetts, Gov. Dukakis has laid off a thousand state workers and cut welfare payments by $311 million, and even as he tries to sell a tax increase he isn't promising lots of benefits. "We must begin to realize that state government has only a limited ability to deal with the problems confronting us [because] it has limited resources," Gov. Dukakis said in a recent television speech.

In California, 37-year-old Jerry Brown

seizes every opportunity to attack government growth. "Spending is not always the way out of our present recession," the governor says. "Sometimes, it's a way into a much bigger pit." He has made avoidance of a tax increase his top goal and strongly pressured state agencies, including the giant University of California system, to hold down spending by reducing programs. He also has attached the whole system of federal subsidies to state and local governments for myriad social purposes.

Many programs represent "misguided efforts at the federal level aimed at making the states do what they don't want to do," Gov. Brown contends. The result is not only wasteful spending but uncontrollable government, says Gov. Brown. "The federal government pours the money through and we just spray it all over the place. There are projects where we don't know how much money is being spent or who is spending it" because the funds sift through a laybrinth of federal, state and local agencies.

"This kind of hybrid form of government . . . is answerable to no one," Gov. Brown declares. "Can this country, at a time when it is running major deficits, afford this kind of nonsense?"

No, answers Philip Noel, the 44-year-old Democratic governor of Rhode Island. "The liberal Democrats are going to have to admit that they've made some huge mistakes creating this maze of federal programs that just breeds inefficiency and frustration," he says.

"It's a disgrace," Gov. Noel continues. "Some of the federal programs I've worked with as a mayor and governor border on criminality. You put $1,000 in one end and the people don't get six cents out the other end."

In Congress, some veteran liberals complain that such charges are just cheap shots by a new breed of on-the-make politicians trying to capitalize on the electorate's anti-Washington mood. "I don't like some of these new guys," says a Democratic Senator. "It's the easiest thing in the world to demagogue these programs. But what are their alternatives? I don't hear them talking about that."

The congressional liberals argue that in some vital policy areas there are no acceptable alternatives to federally-directed action, even though the result may be the creation of bureaucracies that are "inherently irritating," as Sen. Walter Mondale puts it. The Minnesota Democrat cites pollution controls and job safety and health regulations as examples.

Congressional liberals are especially concerned that the attack on federal programs by rising young Democrats represents, consciously or unconsciously, a turning away from federal efforts to channel special aid to blacks and other minorities. "You can't talk about this publicly, but the fact is that many of the specialized programs of the sixties were aimed at helping blacks. Whites resented it and now we are suffering a backlash," argues a Democratic Senator.

Still, the congressional liberals now readily concede they must somehow find ways to make federal programs work better. Sen. Muskie believes the new Senate and House budget committees eventually can influence Congress to discard or change ineffective programs, and better evaluate priorities among continuing and new activities. "We have to bring the budget process under control," he says. "Liberals have to discard the notion that the sky's the limit."

A MEETING OF OPINION

Sen. Kennedy believes liberals should try to lead the drive to overhaul, or even abolish ineffective and redtape-ridden regulatory agencies. He suggests, too, that the welfare-reform debate could be reopened in terms of the desirability of substituting cash payments to the poor so as to cut down the enormous poverty bureaucracy. On both these issues, he notes, "there is an interesting meeting of opinion of the left and right."

Sen. Mondale indicates willingness to consider the Republican-pushed plans for more bloc grants to states and local governments for broad purposes. "When we started these federal programs in the sixties, there was an excellent argument that several states were so segregated that it was necessary to have detailed guidelines," Sen. Mondale says. "That argument is much weaker now and turning back authority to state and local governments has become far more acceptable."

Yet Democrats face a political problem in translating this kind of talk into action. President Ford already is out front on these issues. He is for slashing Washington's strings on aid to state and local governments. He is for reform of the regulatory agencies. And he is doing a pretty good job of blaming the Democratic Congress for "sky's-the-limit" spending schemes. In contrast, the Democrats lack "the one leader who could put it all together and say, 'here are our alternatives'," notes Democratic Rep. Abner Mikva of Illinois.

Moreover, powerful built-in pressures for expansion of government obviously remain. The bureaucracies themselves tend naturally to grow. The knee-jerk reaction of Congressmen is to pass a law every time a problem is sighted, because that way they can say they're doing something. In that, the politicians are not being wholly cynical but rather are often responding to the pressures of influential lobbies demanding more for their interests.

For generalized opposition to bigger government doesn't mean much when it comes to specific issues: "Every Colorado delegation that comes to see me has two messages—one, cut government spending; two, get more federal money for our interests," says freshman Democratic Sen. Gary Hart.

Yet Sen. Hart, for one, believes that pressures for an ever-expanding federal role will ultimately wane—"gradually, over 10 or 20 years"—as a result of two gathering counterforces. One, he says, is that the nation is entering an "era of scarcity" in which "there is no longer a horn of plenty" to supply subsidies-for-everyone politics. Second, he says, is the conviction of many younger liberals like himself that "business has captured the subsidy system and turned the New Deal to its advantage, and big labor unions are right in there with big business." The consequence is that "big government is now opposed to the little person" and therefore has to be scaled down. The only way to do this, Sen. Hart concludes, is to say to the voters: "Don't look to government for a solution to all your problems."

That is hardly traditional liberal rhetoric, but what seems to be happening is that many Democratic liberals are rejecting, modifying or at least questioning some conventional formulas that have guided them—and the country—since the New Deal. And although it is unclear where this process will take the liberals, in specific terms, their very search for alternatives may mark a watershed in politics.

[From the Wall Street Journal, Aug. 6, 1975]

DRIFTING TOWARD STATISM

It's an American tradition to grumble about taxes, laugh at the latest political folly and deride Washington as a symbol of much that is wrong with the country. Yet the typical American appears to give little thought to the question of how much government is necessary or desirable.

This is all the more surprising in that Americans are among the few people who can debate the role government plays in their life with any hope of doing anything about it. Yet over the past several decades, questions about government's relationship to man, a subject that engaged the passion of philosophers through the ages, have tended to be submerged by a succession of New Deals, Fair Deals, New Frontiers and Great Societies. A handful of conservatives continued to raise those questions, but the temper of the times has been against them. Through attempts to solve social problems, and through less exalted political pressures, the government grew and grew, aimlessly but also inexorably.

By now, however, we have reached the point where we can no longer ignore the increasing role of government in our life. Even the liberal Democrats, as Norman C. Miller notes today, now question whether more government is always better government. Some of this talk may arise from visions of running in primaries against someone yelling about "pointy headed bureaucrats." But even such visions are evidence of grass-roots discontent with unfilled promises, often arbitrary regulation and high taxes.

In other quarters, the alarm is sounded even more forthrightly. Caspar Weinberger noted in his recent farewell speech as Secretary of Health, Education and Welfare that if social programs expand during the next two decades at the same pace they have in the last two, half the American people will be working to support the other half.

Laudable though Mr. Weinberger's warning is, however, it is a lot like shouting "the Redcoats are coming" when in fact they have already passed. Economists at Ford Motor Co. recently concluded there are already more Americans (80.6 million) being supported by tax dollars than there are workers in the private sector (71.6 million) to support them.

Perhaps the best measurement of government's influence is the percentage of the gross national product earmarked for taxes. The one-third of GNP collected by all levels of American government is well behind that of Sweden, Norway, the Netherlands, United Kingdom, France and Germany. At least for now. But at former Budget Director Roy Ash noted on this page recently, if present trends continue it is quite easy to foresee a time when the government will command over half of America's GNP, which means that half of all income will be taken in taxes.

In the nature of things, the beneficiaries of these taxes turn out to be organized pressure groups that have the leverage necessary to force politicians to bow to their demands. That is not to deny that many government programs do aid people. But so often the problems at which they are directed seem to go on and on, probably because of the necessity of a "problem" for the bureaucracy to "solve." At some point, the government's appetite for resources starts to overload the economy and threaten the political system.

At some point we will have to reach a consensus about the level of income to which the government is entitled to lay claim. Senator Robert Taft once said that if a government takes more than a third of a person's earnings, that person was no longer a free individual. We hesitate to draw so fine a line, yet surely command over one's income has a great deal to do with freedom of personal choice. At some point—and we already seem to be fast approaching it—government claims over a person's labor do raise serious questions about basic human freedom.

BUDGET COMMITTEE HEARINGS SCHEDULED

Mr. MUSKIE. Mr. President, I have today received the Congressional Budget Office's new study entitled "Recovery: How Fast and How Far?" The report evaluates the success of congressional fiscal policy, identifies potential dangers and indicates the options and resulting trade-offs which Congress faces in dealing with energy, inflation, and unemployment.

While the CBO report confirms that congressional action to cut taxes and increase social security benefits has provided a "rapid rate of recovery" which seems assured through early 1976, times are still grim and the outlook pessimistic for 8 million unemployed and for every American who struggles under the burden of inflation rates rising again.

The report warns that current monetary policy and higher prices result from food and energy developments. Not as a "result of current pressures on capacity or labor," and could retard or "even abort the recovery."

According to the CBO, there is likely to be little improvement in unemployment in 1977 and inflation will continue at a rate of 6 to 7.5 percent.

Even this pessimistic outlook is predicated on optimistic assumptions about energy policy; namely, no decontrol of oil prices and removal of the oil tariff.

In this framework, where are administration priorities?

Immediate decontrol, the latest administration position means 1.8 percent more inflation, and 600,000 more unemployed, and higher oil company profits over the next 2 years.

This is the policy the administration finds acceptable and offers the Congress and the country. But the CBO report makes it clear that there is an alternative fiscal and monetary policy which could put 1,500,000 more people to work, add $90 billion output to an anemic GNP while increasing inflation by less than one-half percent.

The administration rejects this option out of hand.

The Budget Committee will conduct hearings beginning on September 23 to examine again the difficult trade-offs between energy, inflation, and unemployment in an attempt to arrive at a fiscal policy which will keep the country on the road to recovery on which it has embarked.

Our hearings will focus on three primary issues:

First. Should fiscal policy be changed? Should we have less spending, more spending, an additional tax cut or is the economic policy mix that we decided on last spring still the proper one to rapidly move the country toward recovery?

Second. What new budget requests will the President make requiring additional outlays beyond the Congress total $367 billion? In what ways will the President demand that we bust the deficit either through revised, allegedly more accurate program costs or through spending the President thinks is of a high priority now?

Third. What mix of job-creating programs is most appropriate in light of what we know about their effectiveness and the halting, sluggish character of recovery from recession.

On September 23, the Director of the Congressional Budget Office, Alice Rivlin, the Director of the Office of Management and Budget, James Lynn, and the Chairman of the Council of Economic Advisors, Alan Greenspan, will present a factual background on the state of the budget and the economy.

On September 24, George Meany will appear.

On September 25 we will again explore the relationship between monetary and fiscal policy through a meeting with the Chairman of the Federal Reserve, Arthur Burns. My own objective at that session will be to see if we cannot gain some better control over the impact of discretionary changes in interest rates on other factors affecting the economy and the budget.

The intent of the Budget Act was to enable Congress in time of economic difficulty to set the country firmly back on the track to economic stability. A reasonable argument can be made that monetary policy thus far this year has retarded the speed of economic recovery and unnecessarily prolonged unemployment while not restraining inflation.

On September 30, Secretary of the Treasury Simon and Secretary of Labor Dunlop will discuss potential remedies to deal with unemployment and inflation over the coming months.

On October 1, Mr. Arthur Okun, former Chairman of the President's Council of Economic Advisors, Mr. Murray Weidenbaum, former Assistant Secretary of the Treasury, and Mr. Arthur Brimmer, former Governor of the Federal Reserve, will present the always valuable perspective of informed experts outside the Government.

On October 2, representatives of the business community will present their analysis of our current problems and remedies as they see them.

FEDERAL RATHOLE: GOVERNMENT MOVIE BUSINESS

Mr. FANNIN. Mr. President, recently I inserted into the RECORD a provocative article by UPI Washington correspondent, Don Lambro, entitled "The Federal Rathole: 50 Ways to Plug It." Mr. Lambro called for the elimination of a myriad of unnecessary Government programs and agencies which could save the American taxpayers millions of dollars each year.

Among the costly programs singled out by Mr. Lambro was Federal movie making. I quote the Washingtonian magazine article:

> There is no area in the government as rife with waste and duplication as this one, as hundreds of millions of dollars are spent to produce thousands of films and recordings. Since World War I the government has produced an estimated 100,000 films on everything from toothbrushes to soybeans—an average of 2,000 films a year.
>
> No one in the government knows exactly how many films are being produced each year and at what cost. A little-noticed government study said that at least $375 million was spent in 1972 by employees working out of 653 Federal facilities to produce and distribute films, photographs and audio programs.
>
> The government has produced 585 dental films, including at least 12 films on how to brush your teeth. Another 14 films will tell you everything you have ever wanted to know about venereal disease. The Air Force, Army, HEW, NASA, and the Transportation Department have turned out 16 films on driving safety, 11 of them by the Air Force alone. A $64,000 film series by the Navy entitled "How to Succeed with Brunettes" teaches officers proper etiquette, while NASA and the Bureau of Public Roads teamed up to produce "Automobile Tire Hydroplaning—What Happens." There are 3,309 film titles listed in the Air Force catalog, 65 percent of them produced by the Air Force.
>
> A government study that tried to gauge the extent to which federal agencies were duplicating one another's film work confessed the job "turned out to be an all but impossible task." One Congressional study found 45 major agencies were making films and identified at least 1,461 key employees who supervised movie-making activities. The Defense Department alone has more than $289.8 million worth of film equipment spread out over 2,000 military installations. Six of the seven major agencies within HEW have their own film-making facilities and equipment.

The sheer size and mounting costs of Federal film making is emphasized in an article published on September 1 by the Washington Post. According to Post staff writer Richard M. Cohen, Federal agencies have put Washington near the top in film making. In fact, the movie production business is now big business in Washington. The trouble is that no one really knows how big the business really is. It is clear, however, that a number of film companies, many of them with political clout, are lining their pockets at the taxpayers expense.

In 1971 Representative BARRY GOLDWATER, JR., found that the Federal Government budgeted approximately $35 million for audio-visual production in that fiscal year. Since then no study of the Government's motion picture business has ever been completed. According to the Post's article, the General Services Administration set out to probe Government film activity over a year ago but still has not received the results of a survey it requested from Government agencies. This may not be surprising considering bureaucratic lag and inefficiency found in many agencies and the tremendous amount of paperwork that regulators have to go through daily. Nevertheless it is disturbing. Here the Government engages in an important, major business of political, social, and economic consequences and no one knows exactly what is being done or by whom or how much it is costing the taxpayers to do it. I can readily sympathize with the Hollywood film industry which complains that the Government is competing unfairly, using taxpayers money to support this competition.

I recall the controversy generated by the propaganda film about the Kennedy administration, "Years of Lightning, Lays of Drums," which the USIA commissioned for showing overseas. One cannot but wonder how many expensive films like that one are being made today by other agencies for various political purposes. I am sure that my colleagues and the taxpayers would be interested in this information, too.

It is essential that the Congress have a complete and accurate picture of the film-making business currently being supported by our myriad of Government agencies and programs and underwritten by the taxpayers. The public has a right to know how much of its hard-earned tax money our "Hollywood on the Potomac" is spending on making motion pictures about VD, dental hygiene, driving safety, Navy officers' etiquette or the life and times of JFK. I call on the General Services Administration to complete its survey promptly and to disclose forthwith the results to the Congress.

I call to the attention of my colleagues the interesting Washington Post article on Government film making and ask unanimous consent that its complete text be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Sept. 1, 1975]

FEDERAL AGENCIES PUT WASHINGTON NEAR TOP IN FILM MAKING

(By Richard M. Cohen)

Gilbert Courtney, producer for what amounts to the oldest movie studio in the nation, draped himself over the screening room rail, took a drag through his cigarette holder and signaled the projectionist to roll the film.

Lights dimmed. Music swelled—and the screen filled with a group of marionettes discussing, of all things, the danger of ignoring medicine bottle labels. Courtney looked pleased, and returned to offices decorated with movie props and a wall full of film festival awards—Venice, New York, Berlin, Edinborough, Atlanta and others.

Moments later, he left for the day—just another of the thousands of persons who work for the Department of Agriculture, where Courtney has been a movie producer since 1950. Agriculture has been in the film business since 1908, the year it filmed the arrival of the Army's first Wright Brothers plane.

Courtney, of 2100 Brooks Dr., Suitland, is a Washington film maker, making the sort of films that some say have turned Washington into the nation's third largest producer of films—behind Los Angeles and New York. So many films are either made or commissioned here that some have dubbed the city "Hollywood on the Potomac"—no joke to the real Hollywood, which has complained that government film makers like Courtney unfairly compete with the California film industry.

Typical of Washington's film fare are the movies produced by Agriculture—everything from the "Flame In The City" (which was shot on location in the Philippines and memorialized two World War II battles) to "Handling and Storing Apples in Pallet Boxes," a 1959 release listed in the catalogue just under that 1953 epic, "Gypsy Moth."

It's a far cry from the dramatic entertainment mills of the Hollywood myth. Here, the studio is likely to be a government agency, the producer is a civil servant (a captain runs the Navy's Anacostia film facility), and the stars are unknown actors and actresses or the latest piece of military hardware.

All told, there are some 90 independent film producers at work here in addition to the government. They range from two-time Academy Award documentarian Charles Guggenheim to "somebody in a basement in Virginia," as one producer put it.

Although it resembles the industrial film community of any large city, Washington has its own touch of local glamor: the city is home to numerous filmmakers who handle campaign chores for national politicians. This seasonal work requires such support facilities as overnight development laboratories and sound studios geared to quick response for politicians driving to the wire. It sometimes makes for confusion.

Last year, for instance, Guggenheim did commercials for Ohio Democratic Gov. John Gilligan and the local political consulting firm of Bailey, Deardourff and Eyre, Inc., handled Gilligan's opponent, Republican former Governor James A. Rhodes.

One hectic day when Peter Vogt, then production chief for Guggenheim, went to Bono Film Service in Georgetown to see scenes of rushed Gilligan films, he found himself watching the Deardourff spots. (It didn't help: Rhodes beat Gilligan.)

The star had risen early so he could be filmed riding the congressional subway under the Capitol. Now he was sitting at his desk, bright lights overhead, talking about gun control with two lobbyists. As he talked, a film crew moved around him and a sound boom hung just inches from his head. He ignored it all.

After two weeks of shooting, Rep. Abner Mikva (D-Ill.), chosen as a typical congressman for an education film on Congress, was a pro.

The production manager of that film was Vogt, in many ways typical of all but the biggest Washington film producers. Vogt has no studio, no crews and no equipment. Behind the business card proclaiming Peter Vogt and Associates stands an answering service and a mail drop on Wisconsin Avenue NW. When he has a film to make, he can assemble a professional crew from the network of production specialists here.

"There is business in Washington," says Vogt. "The business in Washington is the business that New York wants, that L.A. wants. It's government business, institutional business, political business."

The Mikva film is an example. Although it is being produced by Churchill Films, a California-based producer, and shot by a California film crew, it took a Washington film maker to co-ordinate the shooting, to plan everything from housing the crew to the daily processing of the film at one of the local film laboratories.

When it comes to facilities, however, no private producer here can approach the little Hollywood the government has assembled on the banks of the Potomac. From Agriculture's film unit on 14th Street SW to the Navy's mammoth Photographic Center in Anacostia, Uncle Sam is in the film business in a big way.

Its exact size is a matter of dispute. In 1971, Rep. Barry Goldwater Jr. (R-Calif.) probed governmental film making and said his preliminary inquiries "indicated that the government budgeted approximately $35 million for audiovisual production in fiscal year 1971."

The government has since been seeking to find out just how much it annually spends on film production and how many films it produces. The results are not yet in. After nearly a year, a committee formed within the General Services Administration to monitor film activity does not yet have the results of a survey it has asked government agencies to complete.

Goldwater said that whatever the size, the federal film industry is wasteful. He asserted, for instance, that in a two year period the Pentagon produced 12 films on "How to Brush Your Teeth."

In addition to the Pentagon and Agriculture, other major local film producers include the Department of Health, Education and Welfare, the Environmental Protection Agency, the Department of Interior, Department of Justice, Department of Transportation, the Postal Service, the Treasury, Housing and Urban Development and the National Aeronautics and Space Administration. The United States Information Agency also is a major film maker but is banned by law from domestic distribution.

Most of these departments contract their films to independent producers simply by announcing them for bids in a publication called Commerce Daily.

AGRICULTURE DEPARTMENT

The bright red firetrucks of the Haverhill, Mass., fire department raced out of the firehouse, abruptly reversed themselves and raced back. Then they zoomed forth again. Carl Fowler looked up from his editing machine in an Agriculture Department film office where he was editing a new movie.

It is to be called "Conflagration," and is an attempt to recreate the response to a fire that swept Chelsea, Mass., in October, 1973, causing the evacuation of about 3,000 residents and consuming about a 20-block area of the city.

Fowler of 2130 Brooks Dr., Suitland, and a crew had gone on three weeks of location shooting in Massachusetts to film area fire companies responding to a mock blaze. They even recreated the scene at Chelsea's City Hall, the command post for the firefighting and civil defense officials.

In another Agriculture office down the hall from Fowler, Wolfgang Schubert, of 7906 Gosport La., Springfield, was working on the graphics for the film title. He was making jets of flame shoot out from the word conflagration—a snap for the man who made buffalo do a ghost dance for another Agriculture Department film, "Think Like a Mountain."

But "Conflagration" will not be an Agriculture Department film. The department is producing it for a civil defense agency and will be reimbursed for its costs. It's an example of the government hiring the government, a common practice where film making is concerned.

According to Agriculture film producer Courtney, department rules require that its agencies cannot have non-Agriculture federal agencies produce films. But other government agencies can contract with Agriculture if Courtney and his crews are not busy on department films.

Agriculture made 67 films in fiscal 1974, Courtney said, and 72 this past fiscal year. Some of them entailed the use of actors who, Courtney said, are hired at union wages in Washington. For Agriculture's version of a Hollywood epic, it sometimes calls upon the drama department at Catholic University or upon one of the several talent agencies in town.

"For years I had a contract with Agriculture," said Ruth Quinn, owner of the Quinn Casting Agency. "We've done several things for them," Mrs. Quinn, who has cast movies for other agencies as well, said that recently her business with Agriculture has slowed to a trickle.

"They used to use quite a few (actors)," she said. "Sometimes 20 or 30 and sometimes more than that. Right now, they're at a standstill."

In addition to actors, government agencies, such as Agriculture, occasionally call upon Washington personalities to work as narrators. Agriculture has used such local newsmen as Jim Vance and Willard Scott, Courtney said.

NAVAL PHOTOGRAPHIC CENTER

When it comes to locally produced movies, no one in town can hold a candle to the Navy, whose Naval Photographic Center in Anacostia employs more than 150 men and women—civilians, enlisted men and officers. Its sound stage dwarfs the one at Agriculture and was deemed professional enough by the producers of "All the President's Men." for them to ask for its use. The Navy said no.

The facility annually commissions about 100 films for the Navy, of which about 20 are made inhouse. The remainder are awarded under contract to independent producers, but even for the film made at the facility, the Navy calls upon such specialists as writers.

Like Agriculture, the Navy acts as a free-lance producer for other government agencies, making movies for them if Navy business does not come first. And like Agriculture, the Navy occasionally calls upon local actors for movie roles. "We find the people who look most like sailors are not sailors," said Commander Brandon Blum, commander of the motion picture unit.

Essentially, the Navy's center is a complete film production center under one roof—containing everything from the cameras to print-making facilities to charm out the final duplication of the master film. Its mission, as the Navy says, is basically to make training films. But it also produces television spots for the Navy's shipboard closed-circuit television facilities to be inserted in place of commercials.

It has an audio-visual budget of $5.2 million a year, and the most sophisticated facilities in the Washington area, including its pride and joy—a sound stage big enough to drive truck onto.

"It's one of the largest on the East Coast," said Capt. Blum as he walked its expanse. "By Hollywood standards it wouldn't be that big. But for the standards of the East, it's pretty big."

The stage was designed and built by Eastman Kodak during World War II when the Navy constructed the facility to produce training films for an expanded service. The floor is hydraulically supported and the door is set in rubber—all to reduce sound interference. The sets for the stage are built at the Navy's own shop in the building.

At the time of a reporter's visit recently, no film was being made on the stage. Instead the Navy's film crews were on location elsewhere around the country. Upstairs, however, civilian and enlisted technicians were processing recently shot film. One was a training film for a new Navy fighter plane that was being projected on three screens—upside down—so the technicians measuring the color would not be distracted by the film's content.

It was a slow day for the Navy in movieland.

I BELIEVE IN AMERICA

Mr. HARTKE. Mr. President, as the Bicentennial of these United States of America approaches, I am pleased to relay to my colleagues of the Senate this literary piece which was presented in honor of our Nation's 200th birthday to the people and community of Bedford, Ind., by the Reverend Robert E. Anderson, of St. John's Episcopal Church of Bedford, Ind.

I ask unanimous consent to have this presentation printed in the RECORD.

There being no objection, the presentation was ordered to be printed in the RECORD, as follows:

I BELIEVE IN AMERICA

(In Honor of our Nation's 200th. birthday, I dedicate this to the people and community of Bedford, Indiana, whose roots are deep in the history of America.)

(By the Rev. Robert E. Anderson)

I believe in America.

The America born in travail and pain, a child of hope, vision and faith. The America conceived by travelers, pilgrims in search of a new life. Sons of freedom.

I believe in America.

The dream unfolding as a great drama across the pages of history. A story written in blood sweat and tears and the spirit of liberty. Sons of freedom.

America. A land. A dream. A people. A spirit. A reality.

A people who built a government-unequaled in time. A system. A way of life. A spirit clothed in human form—rough hewn from the forest primeval, testing the sinews of human spirit.

A glory born under struggle, a struggle for freedom, manhood, life—the right to be pioneers. Rugged coastlands. Towering mountains. Golden plains. Valleys wide and rivers long. A land and people. A nation under God.

America. The noblest of all experiments—in democracy, liberty, freedom and the eternal spirit to soar.

America. Pioneers. Statesmen. Workmen. From villages and settlements, colonies to states, valiant men forged a new document. Life. Human dignity. We call it the Bill of Rights.

America. Valiant soul rose mighty—mighty in valor. No serfdom to kings or queens nor vassals to be controlled. Freedom. Freedom. Light. Liberty.

The midnight cry was never ceased—nor shall it with danger near. Liberty for all and the right to be—the right to achieve—the right to live—The truth has made us free. The right of every man must be—happiness without chains.

America. Her people coming of age. Manchild. Dreams coupled with determination. North and South—East and West—a people undaunted gave birth—a people found new hope—Identity.

America. The melting pot of the world. Poles and Irish. Germans and Swedes. Italians and Greeks. Scotch and English. The song of freedom far flung across ancient empires. Hopes alive and dreams come true.

Struggles did come. Brotherhood is never easy. Tears and pain mingled with heated words. Race and class divided and society felt the sword. Struggles were born as fear and hate gave way—gave way to a new dawning.

America. Tried by fire. Tested upon the anvil—the anvil of our destiny. United as one or divided. The answer was long and painful. Maturity comes hard but it comes in time. The flag still waves.

America. From the farmlands to the cities, From the whirl of industry to the infinity of space, We have led the way. The people, yes the people reaching higher toward the stars. Opportunity. No man need be a slave to anything or anyone.

No longer virgin soil. No longer far flung outposts. No longer settlements or trading posts with garrisons. No longer an infant struggling to survive. Manchild. Genius of mind and spirit creating a new and better tomorrow.

I believe in America. Her people. Her government. Her sons and daughters. Her spirit. Her industry. Her tillers of the soil. Her strength. Her vitality. Her compassion. Her mission. Her sons who fought and her daughters who served that we might all be free.

America. Today. Tomorrow. Facing problems. Meeting challenges. Building bridges for peace. Creating with eternal hope the visions of what still can be. No coward souls are we, for every test an opportunity.

Let the trumpets blow! Let the prophet's voice be heard. Those who seek to divide—sow seeds of discord—tear the cloth of our garments—let them hear and hear it well—The sons of freedom shall never fall. No timid soul are we nor shall we languish as slaves in chains. This is our land—This is our America.

America. Liberty. Freedom. Democracy. Yes—we have fallen short. Yes—we have made mistakes. Yes—we have tried too hard to make impressions. Yes—there has been honor and also dishonor. But we are free and blest with the power to right our wrongs and do it with liberty.

Yes—we have been careless—careless with the land. Yes—we have been withering in the heat of injustice. Our cities are asphalt jungles and our people stop and weep. Yes—we have had times of violence and our soul is cut to the deep. Yes—all of this and more we know, and we know it all too well.

Still the heart beats and the spirit rises high. Still the song of freedom is heard from valley wide and mountain high. Still the pulse is strong and the courage never wavers. America. America. The land and people finding their real destiny.

No land—no people—no country—no government—has ever been as we—this is America! Shout it loud and clear. Sing it around the world. O blessed liberty.

200 years since that birth. 200 years we have come this far. 200 years we have forged a new world. 200 years we have met the test. 200 years we have fought the good flight. America. Her flag still waves. Her people on every hand—still live—The Sons of Freedom.

We are not finished. We have just begun. We are growing and marching on in the Promised Land. America. I stand. I stand with head high and heart aflame. I stand as the red, the white and blue waves in the noon day sun. I stand. This is My America. This is Your America. This is Our America.

Let the church bells ring. Let the flags wave. Let the bands play. Let the people march. Let the children sing. Let the whole world know—yes let them know—let them know now and forever.

This is our America!

In God We Trust!

CONCLUSION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask that morning business be closed.

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

RECESS UNTIL 2 P.M.

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that the Senate stand in recess until the hour of 2 o'clock.

There being no objection, the Senate, at 12:31 p.m., recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. BELLMON).

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENTS OF LABOR AND HEALTH, EDUCATION, AND WELFARE APPROPRIATION ACT, 1976

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 357, H.R. 8069, so that it will become the pending business.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 8069) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

The Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

LEGISLATIVE PROGRAM

Mr. HUGH SCOTT. Mr. President, will the distinguished majority leader yield for a question?

Mr. MANSFIELD. Yes, indeed.

Mr. HUGH SCOTT. The distinguished majority leader and I discussed earlier today the importance of taking some action promptly on energy legislation. I believe there has been discussion in both party conferences on this matter. We are anxious that something be done, and done promptly, and I would like to know whether the distinguished majority leader plans to bring up the principal bill, S. 692, which a number of Senators favor, or S. 2310, recognizing that either might be offered, of course, as an amendment to the other. The Pearson amendment, the Tunney amendment, and others are, I believe, germane and could be offered.

Mr. MANSFIELD. Yes. Mr. President, I am glad the distinguished Republican leader has raised the question, because it gives me an opportunity to lay before the Senate the schedule as agreed to by the Democratic policy committee, which has just concluded its meeting.

As the Senate is aware, H.R. 8069 is the pending business. There will be no action taken on that measure this afternoon, and no votes this afternoon, but it will be the pending business as of the conclusion of morning business tomorrow.

The distinguished assistant majority leader has already received consent from the Senate that when we recess tonight, we will recess until 10 o'clock tomorrow, and I do not know as yet whether there will be any special orders.

ROUTINE MORNING BUSINESS TOMORROW

I ask unanimous consent that following any special orders tomorrow, there be a period for the transaction of routine morning business of not to exceed 30 minutes, with a time limitation of 5 minutes on statements therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Following the disposal of the appropriations for the Departments of Labor and Health, Education, and Welfare, it is the intention of the leadership to then turn, on Thursday, to Senate Resolution 239, disapproving the alternative plan for pay adjustments for Federal employees, the so-called cost-of-living bill, which was reported out of the Post Office and Civil Service Committee today.

Mr. HUGH SCOTT. There will be a vote on that, I understand.

Mr. MANSFIELD. There will be a rollcall vote on that. It is my understanding that under the law the time allotted for debate on Senate Resolution 239 will be 2 hours, so that the consideration of the bill will start at 1 o'clock on Thursday, and the vote will occur at approximately 3 o'clock that afternoon. Then it is the intention of the Democratic leadership to call up Calendar No. 355, S. 2310, a bill to assure the availability of adequate supplies of natural gas during the period ending June 30, 1976.

This also is being done on the instructions of the Democratic policy committee. I would anticipate that there will be some difficulty with that proposal, just as I would anticipate there will be difficulties with Calendar No. 186, S. 692, the bill which the distinguished Republican leader mentioned earlier, and for which he indicated a preference that it be taken up first.

Mr. HUGH SCOTT. If the distinguished majority leader will further yield, I ought to explain that I said the majority of the Members on this side favored bringing up S. 692 first for a major reason, and that is the fear that, if S. 2310 is brought up first and should be passed, there might be a disposition to defer action on S. 692 indefinitely, and they feel, therefore, that we would not get broad major energy legislation.

Mr. MANSFIELD. Mr. President, will the Senator yield there?

Mr. HUGH SCOTT. If I may conclude, I say that, if we could feel that in taking up S. 2310, subject to whatever amendments might be offered with the firm commitment that promptly thereafter S. 692 could be brought up, that would alleviate the concerns of some of our Members.

Mr. MANSFIELD. Mr. President, the idea is perfectly acceptable.

I wonder if in the meantime it would be possible to get a time limitation agreement on S. 2310?

Mr. HUGH SCOTT. I would suggest that interested parties from the Committee on Interior and Insular Affairs better meet together, because there seems to be some concern among others on the very subject that I mentioned: how to work these two bills out so that both of them can be debated and acted upon?

Mr. MANSFIELD. Mr. President, I indicated the proposal made by the distinguished Republican leader is perfectly acceptable to me.

ORDER FOR CONSIDERATION OF S. 2310 AND S. 692

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at the conclusion of the vote on Senate Resolution 239 the Senate then turn to the consideration of S. 2310 and that after it is disposed of the Senate then turn to the consideration of S. 692.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. There will be no further votes this afternoon.

Mr. HUGH SCOTT. I thank the distinguished majority leader.

ORDER FOR RECOGNITION OF SENATORS ALLEN, SYMINGTON, AND ROBERT C. BYRD TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, prior to the period for the transaction of routine morning business and immediately after the two leaders or their designees have been recognized under the standing order, Mr. Allen be recognized for not to exceed 15 minutes, that he be followed by Mr. Symington for not to exceed 15 minutes, and that I then be recognized for not to exceed 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at the hour of 10 a.m. tomorrow.

After the two leaders or their designees have been recognized under the standing order, Mr. Allen will be recognized for not to exceed 15 minutes, Mr. Symington will then be recognized for not to exceed 15 minutes, after which I will be recognized for not to exceed 10 minutes.

There will then ensue a period for the transaction of routine morning business. Such a period will not extend beyond 30 minutes, with Senators permitted to speak not in excess of 5 minutes each during that period.

The period for routine morning business is for the purpose only of introduction of statements, memorials, petitions, bills, and resolutions.

Upon the conclusion of routine morning business, the Senate will proceed to consider the HEW appropriations bill. There will be rollcall votes undoubtedly during the day on amendments thereto and hopefully on passage thereafter.

Mr. HUGH SCOTT. Mr. President, if I can anticipate the next motion of the distinguished assistant majority leader, we can only add to his motion that it is in the national interest, and I concur in advance.

RECESS UNTIL 10 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 10 a.m. tomorrow.

The motion was agreed to; and at 2:14 p.m., the Senate recessed until Wednesday, September 17, 1975, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate September 16, 1975:

IN THE NAVY

The following-named officers of the U.S. Navy for temporary promotion to the grade of lieutenant in the line and staff corps of the Navy, as indicated, subject to qualification therefor as provided by law:

LINE

Lieutenant

Aarnes, Richard Lewis
Abretski, Paul Robert
Adams, Andrew Roderick
Adams, George Francis, Jr.
Adams, Jerry Carl
Adams, Robin Lee
Agostini, John Mario
Ainsley, William Lowther, III
Akers, Carl Wayne
Albert, Lawrence Richard
Albin, David Earl
Alderman, John Porter
Aldridge, Billy Don
Aleks, Richard Thomas
Aleshire, Elroy Wayne
Alexander, Douglas
Allen, Andrew J.
Allen, James Joe
Allen, Kristin Lloyd
Allen, Robert Raegan, Jr.
Allin, Robert Wesley
Allison, John Simmons, Jr.
Allum, Arthur Eugene
Almquist, Thomas Victor
Altman, Kenneth Bruce, Jr.
Amorosi, Francis Gregory
Anderson, Edward William
Anderson, Eric Leonard
Anderson, Larry Edward
Anderson, Richard Allen
Anderson, Robert Alton
Anderson, Robert Lewis
Andre, Duane Alan
Andrew, Stewart Raymond
Andrews, Kenton Grant
Angelo, James Warren
Aninowsky, William Edward
Applegate, James Merle
Archibald, Gary Thomas
Arnold, Don Louis
Arnold, Kenneth Berkeley
Arnold, Robert Bruce
Arnold, William Glenn
Ascione, Raymond Armond
Ash, Michael Claude
Ashbridge, George, IV
Ashim, Larry Dennis
Askey, Charles Benjamin
Aten, John Joseph
Aukland, Bruce Michael
Ault, Jon Franklin
Austin, Kenneth Burdette, Jr.
Avenson, Jerome Harvey
Avery, Richard Charles
Axelrod, William Harold
Axtell, Stephen Paul
Baas, Daniel Louis
Babarik, Dan Edward
Babbitt, James Charlton, Jr.
Bach, Terrance Stephen
Bacon, William Fritz
Baczenas, Robert Carl
Baer, Howard Fallier, Jr.
Bagley, Edward Garland, III
Bagley, Raymond Calvin
Bailey, Jack Nathaniel
Bailey, William Charles
Bailly, Richard Marcel
Baird, Robert Kent
Baker, James David
Baker, Neil Douglas
Baker, Richard Carl
Bal, Eugene, III
Baldasari, Nicholas Eugene
Ballas, Jim William
Ballweber, William Arterberr
Balson, William Edward
Banks, Willie B., Jr.
Barber, David Hughes
Barber, Theodore, Jr.
Bard, Ralph Michael
Barnes, Leslie William
Barnett, Peter Graham
Barnhill, Arizona Wendell
Barrington, John Sanders
Barron, Timothy Ray
Barthell, Walter Conley
Bartosh, Stephen Andrew
Bassett, William Thomas
Bates, Richard Samuel
Bates, William Arthur, Jr.
Battle, Frank James
Bauer, Dennis Dean
Bauer, Robert William
Baugh, Dale Eric
Baughman, Wilfred Earl, Jr.
Bausili, Mark Thomas
Bean, Jerry Wayne
Beard, Jeffrey Raymond
Beardin, Larry Don
Beardsley, Wayne Leroy
Beason, John Charles
Beaver, Robert James
Beavers, Michael Cornelius
Bechem, Anthony Joseph
Beck, Donald Dean
Beck, Harold Robert
Becker, Paul Robin
Beckman, William Lawrence
Been, Richard Glenn
Beene, Ronald Owen
Beer, Bill Eugene
Behringer, Stephen Edward
Beirne, Vincent James
Beiter, Michael William
Belcher, John Charles
Belcher, Robert Douglas
Bell, John Bradley
Beloncik, Chris James
Bence, Ronald Paul
Benedict, William Lance
Benefield, Robert Brand
Benham, Webster Lance, III
Bennett, Robert Wesley
Benton, William Duane
Berard, Raymond William
Berdinka, Mitchell James
Berg, Robert Jeffrey
Bernander, Paul Robert
Berriman, John Wallace
Berry, Gale Vernon
Berry, George Zellner
Berto, David Spencer
Bertram, David Lee
Besal, Robert Eugene
Betancourt, Jose Luis, Jr.
Beutell, Timothy O'Brien
Bever, Daryl Leroy
Biby, Dennis Keith
Biedermann, Robert John
Bienhoff, Paul Arthur
Bierut, Jerome Walter
Bills, Steven Howard
Bisceglia, Stephen Vincent
Bishop, David Allan
Bishop, Phillip Anderson
Bishop, Theodore Andrew
Black, Gene Chapman
Blackman, Richard Allen
Blaine, William Kenneth
Blake, Jimmie Oliver
Blakely, James McMahan
Blakey, Blake Victor, Jr.
Blanchard, Robert Kevin
Blanding, Jonathan Hughes
Blanton, William Dunn, Jr.
Bledsoe, John Richard
Blevins, Timothy Ray
Blomeke, Hugh Douglas
Blosser, John Daniels
Blume, Russell Elmer
Blunt, James Michael
Blunt, Paul Frederick
Bobo, William, Jr.
Boeshaar, Richard Tucker
Bolin, Phil Warren
Bollen, Anthony Keith
Boller, George Robert
Bolton, Frederick A.
Bond, Robert Michael
Bones, John David, III
Boniface, William Scott
Booker, Robert William
Boose, Marion Sanford, Jr.
Boost, Walter Gavin
Booth, James Elliott
Borno, Louis Michael, Jr.
Boroff, Jeffrey Lee
Bouch, Timothy William
Boulden, Walter Raleigh, Jr.
Bower, Michael Joseph
Bowes, David Robert
Bowles, Ira Leslie, III
Bowlin, James Allen
Boy, David Clarke, III
Boyar, John Anthony
Boyd, James Alexander
Boyd, James Walter
Boyer, Pelham Grant
Boyle, Jerome Pillow
Boyle, John Earl, III
Bozeman, Virgil, III
Bradley, James Wilkes
Brady, Bernard Galin
Brady, Edward Daniel
Brady, Edward Matthew
Brady, Joseph Benjamin
Brandenburg, Edward Joseph
Branson, James Lee
Braseth, Peter Clinton
Breedlove, Rodger Dale
Breiner, Thomas Lee
Brennan, Michael Eugene
Brennan, Michael Francis
Brewer, Charles Gary
Brewer, Craig Walter
Bridge, Jonathan Joseph
Bridgeford, Joseph Vincent
Briggs, Fred Melvelli, III
Brilla, Richard Charles
Brinker, John Aden
Brinson, Buck, Jr.
Brittain, William Gordon, Jr.
Brown, David Kearney
Brown, David Nelson, III
Brown, Douglas Leo
Brown, Glenn Thomas
Brown, Guy Henry
Brown, Jesse Howard
Brown, Kelley Augustin
Brown, Larry Alan
Brown, Peter Granville
Brown, Rodney Charles
Brown, Tommy Albert
Brownhill, Lloyd Douglas
Brownsberger, Nicholas Mason
Broyles, James William
Bruce, Robert James
Brucker, Blaine Robert
Bruckman, David Earl
Bruckner, Charles John, Jr.
Brumbaugh, David Lindsay
Bruner, Todd Thornton Whitne
Bruninghaus, Ronald Paul
Brust, Stephen Ray
Bryant, Michael Lynn
Buchanan, Herbert Lee, III
Buchspics, Kenneth Lewis, Jr.
Buckner, John Oliver
Buker, Gary Edward
Bullock, James Leslie
Bullough, Bruce Lynn
Bumgardner, Paul Ray
Burdette, Allen Leamon, II
Burdge, Richard James, Jr.
Buresh, Jon Alex
Burgess, Thomas Charles
Burgin, William Edward, Jr.
Burke, Thomas Stephen
Burkhart, Larry William
Burnett, Douglas Randolph
Burnham, Robert Lewis
Burns, Daniel Patrick
Burr, Gerald Lynn
Burroughs, Bruce David
Burton, Fred Ernest
Busch, Danny George
Buschmann, Roger Louis
Butler, James Paul
Butler, Lester Edison, Jr.
Butters, Joseph Kyle
Byczek, John Albert
Byerley, Stephen Chris
Byham, Richard John
Byrd, John Thomas
Cahill, Edwin Joseph
Cahoon, David Clinton
Calcaterra, Frank Sal
Caldwell, Daniel Eugene, Jr.
Caldwell, John Walter
Caldwell, Timothy Dennis

Caldwell, Warren Lee, Jr.
Calhoun, Jimmy Royce
Callahan, Stephen Francis
Cameron, Gerald Phillip
Campbell, Barry Lee
Campbell, Gary Lee
Campbell, Richard Pryor
Campo, Milton Peter
Candalor, Michael Bruno
Canfield, Stephen Russell
Cannan, Robert William
Cannan, Stephen Michael
Cantfil, Scott Thomas
Cantwell, William Joseph, Jr.
Card, Loren Philip
Carle, Mark Vearil
Carlson, Donald John
Carmichael, John Scott
Carmody, Michael James
Carnevale, Joseph Anthony, Jr.
Caroli, William Alexander
Carrier, Guy Joseph
Carroll, Charles Earl
Carroll, Edward Bennett, Jr.
Carter, Larry James
Carter, Leslie Roy
Carter, William Lee
Casmer, Dennis Ronald
Cassada, Jack Henry
Cassidy, Kevin Gary
Castleman, Lexie Charles
Caswell, David Lewis
Cattanach, Robert Edward, Jr.
Ceaglio, Lawrence Benjamin
Cech, Ladd Michael
Cereghino, Stephen Joseph
Cerveny, Alvin Earl
Chabot, Robert Edward
Chalker, John Edward
Chambliss, Kevin Vernon
Chandler, Michael Edward
Chandler, Richard William
Chapin, Lee Alan
Chapman, Davey Sinclair
Chapman, Robert Gene
Chapple, Leroy Windsor
Chesneau, Lee Stewart
Chiasson, Richard Allen
Christensen, Erick Thomas
Christensen, Steven Donald
Christian, Robert Howard
Christiansen, Terry Gordon
Chung, William Gerald
Cincotta, Paul Edward
Claeboe, Gregory Malcolm
Clancy, Dion Frank
Clark, James Stephen
Clarkin, Thomas Robert, Jr.
Clawson, Michael Joseph
Clawson, Stephen Harvey
Clayman, William Dennis
Clayton, Irving Brodribb, III
Clements, Joseph Edward
Clifford, John Daniel
Clutter, Michael Douglas
Coffer, Alan Bennett
Coffey, Jeffrey Grant
Coffman, Bert Uwe
Coggins, Andrew Oscar, Jr.
Cohrs, Fred Lester
Coleman, Alfred Byrdell, Jr.
Coleman, David Scott
Coleman, James Hill
Coleman, Joe Thomas, Jr.
Coleman, Robert Owen
Collier, Dewey Russell
Collins, Harold Michael
Collins, Kevin Robert
Collins, Richard Wayne
Collins, William Wallace
Columbia, Timothy Francis
Combs, Charles Richard
Combs, Russell Wayne
Condon, Robert William
Connair, Thomas Pierce
Connelly, Joseph Bernard
Connelly, Michael Joseph
Connelly, Thomas Joseph, Jr.
Conner, Hilton Leroy, Jr.
Connolly, Paul Michael
Conover, Charles Donald, Jr.
Converse, Thomas Isaly
Cook, Hal Lee
Cook, Robert Bartlett, Jr.
Cook, Roy Donald
Cook, William Eckford, Jr.
Cook, William John
Coon, Ralph Herbert, Jr.
Coonan, Robert Paul
Cooper, Charles Clark, Jr.
Cooper, Michael Robert
Cooper, Robert Jac
Cooper, Thomas Charles
Corcoran, Thomas Charles
Cordasco, Michael Francis, Jr.
Cornelison, Ronald Franklin
Corson, Craig William
Cosgrove, Douglas Earl
Cosgrove, Patrick Eugene
Costigan, Kenneth Michael
Cottrel, William Russell
Coupland, Steve Joel
Cousins, Jack William
Cover, Craig Harding
Covington, Richard Benjamin
Coyle, Gary Leonard
Crabtree, Joseph Howard, Jr.
Craig, Michael Christopher
Craigie, George Seater, Jr.
Crall, Max Richard
Crane, Dennis Joseph
Crane, Jeffrey Ralph
Crawford, Bertram Madison, Jr.
Crawford, Gary Ronald
Crawford, John Thomas
Crawford, Robert Owen
Creamer, Charles Gayle
Creelman, James Edward III
Crim, Mark Adren
Crimmins, Dennis Paul II
Crinklaw, Douglas Leon, Jr.
Cronauer, Harold Thomas, Jr.
Crook, Kevin Patrick
Crooks, Dennis John
Cross, Charles Donald
Cross, James Kilpatrick
Cross, Raymond Stephen
Crossen, James Robert
Crossland, Edward Ernest
Crouse, David Lee
Crowell, Charles Davis
Crowell, Michael Alexander
Crowley, Dennis Elliott
Cruze, Stephen Grant
Cummings, Brian James
Cummings, Darryl Pittmon
Cummings, John Alexander
Cummings, Jon Richard
Cunningham, James Patrick
Cunningham, Richard McHenry
Curley, Timothy John
Curnutt, Randall Chris
Curry, Raymond Michael
Curtin, Thomas
Curtsinger, Delbert Anthony
Custer, Richard Dale
Cuzzocrea, John Leo
Cymerman, Zbigniew Adam
Dabritz, David Edward
Dahlquist, Paul William
Dalby, Brian Shearer
Daley, Michael John
Dalonzo, John Michael
Dalton, Merrill Albert
Daly, John Francis, Jr.
Daly, Joseph Thomas III
Damar, Leroy Charles
Danco, Thomas Richard
Danforth, Lawrence Wayne
Daniel, Gerald Lynn
Daniels, Andrew Martin, Jr.
Dankert, David Marshall
Darling, Ralph Edward
Darnell, Wayne Calvin
Darton, Terry Heber
Darwin, George Robert
Daugherty, Edward Bloxom III
Daughtry, Douglas Stephan
Daum, Bryan Edwin
Davenport, Mark Joseph
Davidson, Edward Martin
Davidson, William Eben
Davidsson, Jeffrey John
Davis, Dan Alan
Davis, Eric Stanley
Davis, Gerald Owen
Davis, Jordan Butler, Jr.
Davis, Nelson Charles
Davis, Robert Martin
Davis, Rodney Michael
Day, Edward William, Jr.
Daywalt, Theodore Lewis
Deacon, Thomas George
Deal, Rocklun Allen
Dean, Alvin Earl
Dean, Dennis Ross
Debutts, Harry Ashby, II
Decker, Charles Edgar
Deemer, Richard Eugene
Deering, Ronald Dean
Deese, David Shannon
Defors, Michael James
Degolian, William Dufour
Deibler, Michael Jeffrey
Deken, James Donald
Delaney, Dennis Michael
Delong, Richard Clair
Demain, William Robert
Demarco, Jimmy Wayne
Demeo, Michael Joseph
Dempsey, Perry Ward
Deneen, Brian Michael
Dengler, Robert Joseph
Dennis, David Arthur
Dennis, Ronald Wayne
Denson, James Paul
Dentler, John Campbell
Depoix, Christopher Paul
Derbyshire, James Walter
Deregt, John Pieter
Deschauer, John Joseph, Jr.
Deschene, David James
Desmond, Dennis Alan
Deuley, Thomas Paul
Devillier, Julian Paul
Devin, James David
Devlin, David Platt
Devlin, John Charles
Devore, George Kenneth
Devries, Robert Donald
Dewald, Bruce Frederick
Dick, Lawrence Lee
Dickson, James Bohart
Dickson, Lee Alan
Dietrich, Leif Leopold
Dilgren, Glen Alaric
Dilick, Gregory Frank
Dillingham, John Louis
Dillon, John Michael
Dimmette, Joel Powell, Jr.
Dinkins, James Edward
Disy, Edward George, Jr.
Dohse, John Frederick
Dolan, Robert Eugene
Dom, Stuart Nevin
Dominick, George Clarke
Donihi, Burleson Mills
Donlan, Joseph Anthony
Donlon, Stephen Edward
Donohue, Richard Harney
Donovan, Michael Douglass
Doo, Harry Yin Chong Kahanan
Doran, Milton Dean, Jr.
Dorsey, John Peter
Dorticos, Raul Horacio
Doshier, Alan Jeffrey
Dougherty, Barry Lawrence
Dowd, Vincent Patrick
Doyle, Michael Thomas
Doyle, Patrick Robert
Dragone, Joseph Anthony, Jr.
Drake, Thomas James
Drawneck, Richard Allen
Dreiling, David Lee
Drews, Robert Adam
Dreyer, Donald Richard
Driscoll, Edmund Francis, II
Driscoll, Joseph Francis
Drobnak, Peter Michael
Drumm, Donald Kenneth
Drummond, Thomas Frank
Dubay, Roland Charles
Dubina, Daniel Edward

Dudek, David Paul
Dudek, Frank Jude
Duffett, Neale Arthur
Duguid, Roger Alan
Duke, Boyce Wayne
Dukes, Donald Carl
Duma, David Wayne
Duncan, David Alan
Duncan, Richard Russell
Duncan, Stephen Van
Dunlap, Barry Charles
Dunlap, Billy Wayne
Dunn, David Allen
Dunn, James Patrick, Jr.
Dunne, Patrick William
Dunning, John Alan
Dunscombe, Bruce Edward
Dye, John Dennis
Dziedzic, Thomas Joseph
Eads, Robert Stephen
Earnest, William Grover
Earwaker, John Skermer, III
Easter, David Templeton
Easton, William Richard, Jr.
Ebeling, Charles William, II
Eckler, Burton Franklin, Jr.
Edelstein, Daniel Nelson
Edmonds, Justin Davis
Edson, David Preston
Edwards, Charles Terrell
Edwards, Mark Jackson
Edwards, Scott William
Eger, John Gaylord
Eichel, Laurence Alan
Eichelberger, Kenneth Lee
Eiland, Garland Bowers, Jr.
Eisenhuth, Joseph Paul
Elberling, Lance Eric
Elfervig, Leonard Randolph
Elles, Christopher Jacob
Elliker, John Samuel, Jr.
Ellis, Jimmy Lee
Ellis, Mark Edmund
Ellis, Robert Boyce
Ellis, Ronnie James
Ellison, Carl Edwin
Ellslager, Michael Alan
Elsen, Paul Douglas
Emerick, Dennis Paul
Emmert, Mark Albert
Endicott, David Carlisle
Engelhardt, Bruce Bidwell
England, Richard Terry
Ensley, Lee Michael
Epley, John Douglas
Erazo, Luis Ricardo
Erbele, Douglas James
Ervin, James Edward, Jr.
Etter, Alan Yancy
Evans, Gary Glen
Evans, Gary Wayne
Evans, John Charles
Evans, Ted Robert
Everett, James Legrand, IV
Evers, William Barton
Ewart, Uson Yuan
Fahner, Richard Byron
Falkey, Mark Steven
Fargo, Dennis Kenneth
Farthing, James William, II
Farver, Rick Clark
Farwell, Bruce Kircher
Fayle, Patrick Anthony
Federici, Dennis Carl
Fehrs, Thomas Lee
Feldman, Brian Darrell
Fennessey, 1 onald Brian
Ferguson, Kevin James
Ferree, William Daniel
Fifer, Louis George
Filanowicz, Robert Walter
File, Gary Lee
Filippini, Daniel Alan
Finley, Charles Crothers
Finney, Robert Dean
Firth, David John
Fischbeck, Jeffrey Allen
Fisher, Calvin
Fisher, John Walker
Fisher, Joseph Timothy
Fisher, Robert Stewart, Jr.
Fitzhugh, Gary Lowell
Fitzkee, Stephen James
Fitzsimmons, Michael Joseph
Fitzsimons, John Richard
Flanigan, Richard Joseph
Flatt, Dean Michael
Fleet, George Barry
Fleming, Daniel Eugene
Fleming, Kenneth Werner
Fleming, Richard Peter, Jr.
Fleming, Robert Eugene
Flenniken, Michael Elmo
Flones, Richard Lee
Flood, John Thomas, Jr.
Flora, William Joseph
Flowers, Philip Raymond
Floyd, Thomas Fenton, II
Foley, George Bernard
Fondren, Steven Verne
Forman, Samuel Eugene
Fosse, Roger Wilson
Foster, John Irving, Jr.
Foster, Thomas Hume, II
Foster, Thomas Wayne
Foti, Stephen Gino
Fouke, Ronald Lee
Fowler, Larry Richard
Fox, Donald Clyde
Fox, Edward Charles
Fox, Phillip Arthur
Frahler, Donald Andrew
Franklin, Richard Arman
Franklin, Roland Michael
Franz, Lornie Anthony
Fraser, Powell Alexander, Jr.
Fratello, Thomas James
Frederick, Stephen Edmund
Fredrickson, James Michael
Freeland, Newton Forest, Jr.
Freeman, Russell Dean
Frenzel, Brian Douglas
Friedel, John Michael
Frieden, Charles Oscar
Friedman, Leonard
Frnka, Robert Donald
Froemel, Anthony Frank
Frump, David Arthur
Frye, Mark K.
Fulham, Thomas Anthony, Jr.
Fullerton, John Alan
Fulwider, David Van
Funk, Duane Hadley
Gaffrey, James Thomas
Galluccio, Joseph Michael
Gallup, Frederick Sherer, III
Galvin, Daniel Terry, Jr.
Gandy, Russell Edward
Gant, Gregon Lee
Garden, George Carrington, Jr.
Gardner, Grant Everett
Garifalos, James Ernest, II
Garrick, Francis Leroy
Garrish, James Willard
Garry, William Joseph
Gaskins, James Yost
Gastrock, Martin Deckard, Jr.
Gates, Ronald Austin
Gavett, Wallace Leonard, Jr.
Gawbill, James Joseph, III
Gay, James Frankin
Gear, Bud Stanwood
Gebbie, Larry Allen
Geel, Richard Alan
Gehrke, Lee Erwin
Geiger, Donald Gene
Gentilhomme, Claude Pierre
Geopfarth, Robert Neldon
Gerard, Gregory Lawrence
Gerlach, Garry Lee
Gersuk, Donald Joseph
Getzlaff, Darryll James
Giannotti, Bruce Bennett
Giarra, Paul Severin
Gibbons, David Hughes
Gift, Wendell, Jay, II
Gilbert, James Morton, Jr.
Gilbert, Richard Pitkin
Gilchrist, David McIntosh, Jr.
Gillmor, William Sims, Jr.
Gilmer, Ernest Vernon, Jr.
Gilson, Thomas Goodwin, Jr.
Gimer, Paul Arthur
Giusti, Gerald John
Givens, Joel Dennis
Glass, Joseph William
Glassberg, Arnold Michael
Glatzmaier, Gary Andrew
Glenn, Michael
Glennon, Raymond Michael
Glick, Dean F.
Glick, Robert Charles
Gloor, Louis Ortmann
Glover, Andrew Lee
Glover, Ronald Burton
Goad, Steven Robert
Goodard, James Reed, Jr.
Godfrey, Thomas James
Goforth, George Thomas
Gogolin, James Henry
Golden, Richard Ford
Goldman, Michael *Jeffrey*
Goldsby, Richard Earl
Goldstein, Robert Jay
Goldthwaite, George Byron, Jr.
Golisch, James Anthony, Jr.
Golubovs, Paul
Gomez, Daniel Samuel
Good, Mark Ivan
Goodwin, Thomas John
Goodwin, William Vernon
Gordon, Douglas Thomas
Gordon, Harry Jay, III
Gorman, James Francis
Gorman, Michael Anthony
Gorman, Timothy James
Gorris, Frederick David
Gossett, Jeffrey Lynn
Goudy, Thomas Christian
Goyer, James Lawrence, III
Grabski, Timothy Martin
Grace, William Joseph
Graham, William Lambert
Grant, Charles Abraham, Jr.
Grant, Geoffrey Edmund
Grau, David George
Gray, Richard Henry
Greaser, Donald Charles
Green, James David
Green, James Francis
Greene, Kerry Dunnleh
Greene, Montie Ray
Greeno, John Ladd
Gregory, Erik Stuart
Gregory, Roland Douglas
Gregory, William Harvey
Griffin, Daniel Everett
Griffin, Paul Michael
Griffith, Carl Dean, Jr.
Griffith, Robert David
Griggs, Edward Cole
Grimes, Gary Charles
Gritzke, Arnold Richard
Groefsema, Gary Gordon
Groenig, Stanley Ray
Groff, George Thomas
Groman, Mark Stephen
Gross, Kenneth Everett, Jr.
Grover, James Chester
Grubbs, Kenneth Kay
Grube, Alan Lee
Gruebnau, Paul Joseph
Gudenkauf, Bruce Patrick
Guebert, David Ralph
Guest, Frank Benjamin, III
Guglietti, Albert David
Guiles, Richard Howland
Gunn, Terrell Lawson
Gurry, Frank Henry, Jr.
Gustafson, David Lee
Gustin, Bruce Albert, III
Gutekunst, Richard Martin
Guthrie, Robert Harold
Guzman, Thomas Albert
Haagensen, Brian Christian
Haas, David Joseph
Haase, Martin Richard
Haberlandt, Frederick Robert
Hackett, William Francis
Haddock, James Max
Hadley, Karl Austin
Hagy, Michael Richard
Hahn, Keith Dennis

Hahn, Kurt Robert
Hahn, Thomas Andrew
Haizlip, John Threlkeld
Hale, Dayton Foster, Jr.
Haley, Richard Louis, Jr.
Hall, Barney Ray
Hall, Charles Jamison
Hall, Delmon Brown, III
Hall, Gary Michael
Hall, Harold Lee, Jr.
Hall, James Dehaven
Hall, Larry Wayne
Hall, Thomas David
Halligan, Michael Joseph
Hallihan, Timothy James
Halsted, David Patrick
Halter, Jeffress Paul
Hamelin, Gregory Raymond
Hamilton, David William
Hamilton, James Alfred
Hammar, Kevin Douglas
Hammerle, Gerald Thomas
Hammond, Gary Richard
Hammond, John Thomas
Hample, Oscar Lewis, III
Hanback, David Lee
Hancock, William Allen
Hanley, John Thomas, Jr.
Hansell, Dennis Richard
Hansen, Christian Peter
Hansen, Harold Edward, Jr.
Hansen, Raymond Hartwig, Jr.
Hardaway, James Hallowell
Hardin, John Thomas
Harding, Richard Warren
Harding, Robert Owen
Harding, Robert William
Hardy, Robert William
Hare, Sidney Wiggins
Hargrave, Douglas Francis, Jr.
Harker, Ward W., III
Harland, Joseph A.
Harlow, William Robert, Jr.
Harmer, Donald Walter
Harper, Allen Douglas, III
Harrington, Michael John
Harris, Bruce Delbert
Harris, Craig Hale
Harris, Robert Randal
Harrison, John Thomas
Harrison, Robert Wayne
Harrold, John Burgess
Harrop, John Kaenel
Hart, David Thomas, Jr.
Hart, John Michael
Hartfield, Daniel Thomas
Hartley, Thomas Franklin
Hartrick, Thomas Frederick
Harvey, Donald Dean, III
Harvey, Gerald Alan
Hash, David Fields
Hass, Timothy Francis
Hastings, David Canfield, Jr.
Hatcher, Russell Lloyd, Jr.
Hauser, Christopher George
Hawk, Bruce Leon
Hawkins, Robert Frederick
Haworth, James Ray
Hawver, William Spencer
Haycock, Melvin Scott
Hayes, Michael Edward
Hearding, David Warren
Heath, Christopher Eugene
Heatley, Charles James, III
Hedden, Charles Robert
Hedrick, Michael Keith
Heller, Leighton James, Jr.
Hemphill, Gregory Lee
Hemphill, William Bruce
Henderson, Harold Dean
Henry, Christopher Ryan
Heppner, Frederick Gary
Hermann, Rory Michael
Herzog, John Michael
Hess, Herbert Irvin, Jr.
Hess, James Robert
Hesser, John Bird, Jr.
Hesser, Neal Patrick
Hett, Harley Wayne
Hewitt, Robert Alvin, Jr.
Heyworth, Gordon
Hibbeler, Kenneth Stewart
Hickox, David Gray
Hicks, Edward Kent
Higgins, Paul Michael
Hilbig, Peter Lawrence
Hill, Billy Paul
Hill, Clarence Ebbert
Hill, Ronald Lee
Hill, Steven Curtis
Hines, James Michael
Hinson, Larry Albert
Hipp, Larkin Dale
Hirsch, Gerald Richard
Hirst, William Clarence, Jr.
Hitpas, Henry Richard, II
Hobbs, Philip Gary
Hobbs, Robert Nile
Hobgood, Gordon Benjamin, Jr.
Hodges, Tedd Walter
Hodson, Brian Jay
Hoerig, Dan Walter
Hoffman, Dennis Edward
Hoffman, James Harvey
Hoffman, Ross Marion
Hoffman, James Edward
Hogen, David John
Hogg, Edward Laning
Hogue, Wayne Dennis
Holberg, Cory Lee
Holcomb, William Kenneth
Holden, Timothy Aloysius
Holdredge, Robert Leslie
Holdstein, Wallace Woodruf, J.
Holesinger, Daniel Lee
Holland, Frank Leonard, Jr.
Holland, Howard Michael
Holland, James Edward
Holley, Paul Edward, Jr.
Hollingsworth, Alan Gregory
Hollingsworth, Arnold Gilmor
Holmes, Thomas Robert
Holt, John Beadle
Holyoak, Joseph Glade
Holz, Lloyd Nelson
Holzmann, Kenneth Ralph
Holzworth, James Edward
Hook, Kenneth John
Hoover, James Dwight
Hopkins, Hubert Denning, Jr.
Hopkins, Robert Larry
Hopper, James Harris, III
Hopper, William Frank
Hormuth, Thomas Patrick
Horn, Richard Douglas
Horn, Robert Gary
Horne, Bennett Frederick, Jr.
Horner, Donald Gordon
Horstmann, Richard Frederick
Hosier, Mark Secrest
Hostetter, Damon Richard
Houck, Charles Michael
Housel, Mark Alan
Howard, Frank William
Howard, George Raymond
Howard, John Francis
Howard, Walter Gregory, Jr.
Howe, Robert Henry
Hribar, James Allan
Hubbard, Allen Lee
Hubbard, Calvin Edward
Huck, Leonard William, Jr.
Huck, Paul Eriksen
Huddleston, Colin Campbell
Hudgens, Robert Thomas
Hudson, Thomas George
Hudson, William Allen
Hudson, William Goode, III
Huff, David George
Hughes, Roger Allen
Hughes, Ronald Alan
Hughes, Thomas Frederick
Hughes, William Robert
Hugill, Joseph Ray
Hull, Roger Leroy
Humble, Alan Dee
Humphries, Arthur Allen
Humphries, Wofford Forres, II
Hunt, James Cornell
Hunter, Thomas Dorsey
Hurd, Steven Lewis
Hurley, Lawrence Edward
Huss, Boyce Wayne
Hussey, John Worthen, Jr.
Hutchison, Raymond Dale
Hutfless, Michael Joseph
Hyatt, Jerry Owen
Hyman, Harold Dee
Iaia, John Thomas
Ill, Frederick Emery, Jr.
Ingalsbe, Stephen Ramage
Ingle, William Cochrane, Jr.
Ingram, Walter Edward
Interholzinger, Jared Frank
Jackson, Andrew Hugh
Jackson, Andrew Joseph, Jr.
Jackson, Bernard Thomas
Jackson, Eric Brian
Jackson, Floyd Stacy
Jackson, Jimmie Ray
Jackson, John Edward, Jr.
Jackson, William Pierce, Jr.
Jacobs, Jan Cypert
Jacobs, Richard Henry
Jacobs, Thomas Edward
Jacobsen, Walter Lindgren
Jacobson, Robert Allen
James, Richard Holland
James, Robert Boe
Jamison, Christopher Prigel
Jankura, Edwin Stephen, Jr.
Jannusch, Craig Michael
Jaquess, Garrison William
Jarosinski, John Michael
Jarrett, Stephen McAllister
Jarvis, Vernon Joseph
Jaskunas, Thomas Michael
Jenkins, Jerry McKinley
Jenkins, William Vaughan
Jenness, William Allan
Jennings, Joe Cannon, Jr.
Jewell, Keith Alan
Jewett, Charles Edward
Jimenez, Jose Salvador
Jody, Phillip Lee
John, Edmund Kean
John, Gary Allen
Johns, Stephen Bunnell
Johnsen, Martin Walter
Johnson, Arthur Gary
Johnson, Arthur Lee
Johnson, Garland Russell, Jr.
Johnson, Glenn Leslie
Johnson, Herman Raymond
Johnson, James David
Johnson, James Weldon
Johnson, Johnny Wayne
Johnson, Larry Charles
Johnson, Mark Gregory
Johnson, Michael Dean
Johnson, Michael Julian
Johnson, Paul Nilan
Johnson, Paul Roald, Jr.
Johnson, Ralph Waldo, III
Johnson, Terrance Durward
Johnson, Terry Alan
Johnson, William Fawver
Johnston, Wayne Alan
Jolly, David Bennett
Jones, Edward Lee
Jones, Granville Paul
Jones, James Anthony
Jones, Lawrence Eugene
Jones, Preston Leon
Jones, Richard Maurice
Jones, Roger Nolan
Jones, Thomas Hanna
Jones, Thomas Levatte
Jones, Thomas Randall
Jordan, Timothy Gaius
Jorgensen, Paul Christian
Jorvig, Daniel Alden
Joseph, Alfred Michael
Josey, Laverne
Joyner, Michael C.
Judd, Thomas Maxwell
Justice, William Keith
Kaden, Glenn Leigh
Kale, James Edward
Kallin, Peter Lindel
Kalstad, Kendall William
Kane, John Michael
Karlovich, James Edward

Kasianchuk, Walter Joseph
Kassner, Michael Ernest
Kaucher, James Elmer, Jr.
Kaufman, Delbert Ralph
Kaye, Theodore Lawrence
Kazmer, Vincent Paul
Kearney, John Michael
Keck, Alan Robert
Keefe, Daniel Stanton
Keefer, Joel David
Keegan, Joseph Wolfe
Keenan, John Joseph, Jr.
Keesling, Robert Alfred
Kehoe, James William, Jr.
Keim, James Franklin
Keith, Douglas Wayne
Keith, James Stephen
Keith, Michael Glen
Keithly, Thomas Morken
Keller, William Bryan
Kelly, Clifford Paul
Kelly, Dennis Jay
Kelly, Patrick Wayne
Kelly, Verland Robert, Jr.
Kelso, Jesse Johnston
Kemp, Curtis Allen
Kemple, Steven Joseph
Kennedy, Kristopher Morris
Kennedy, Terence Stewart
Kennedy, William George
Kenney, Paul Stephen
Kern, Dennis James
Kesling, Willard Ray, Jr.
Kessler, James Michael
Kessler, Paul Kenderson, Jr.
Kessler, Stephen Frederick
Kester, Lawrence Verne
Ketron, Michael Gordon
Kibler, Adrian Earl, Jr.
Kidrick, James Grant
Kieling, Jared Taylor
Kilgore, George Kevin
Kilmartin, Mark Dee
Kilmer, Harold Bruce, Jr.
Kindel, George Finley
King, David Franklin
King, John Paul
King, Kendall James
King, Manton Ambrose
Kinney, Thomas Paul
Kirby, John Joseph
Kirk, Bruce Reed
Kirkland, Douglas Ingraham
Klein, James Michael
Klein, Larry Rogers
Klein, Phillip Drake
Klein, Saul David
Klein, Terrance John
Klima, James Roy
Klinker, Patrick Joseph
Klobukowski, Jerome Joseph
Klueber, Christopher Lee
Kluever, Patrick Robert
Knapik, Paul Peter, Jr.
Knight, Cletius Delaine
Knight, John Ross
Knight, Robert Milton
Knight, William Burton
Knos, Carl Tore
Knueppel, Wolfgang Werner
Koch, Raymond William
Koch, Ronald Bruce
Koczon, Andrew
Koehler, John Adam, III
Koelemay, Maurice Martin
Kohler, Gene Michael
Konopa, Steven Jeffrey
Konya, Bruce Richard
Kopacz, Anthony Joseph
Koss, Andrew James
Kozusko, Frank Paul, Jr.
Kraay, Earl Albert
Kraft, Alan Ralph
Kraker, Lawrence Laidlaw
Kreeger, Theodore Wilbur
Kren, John Joseph
Krogstad, Roger Edwin
Krohn, Raymond Lynn
Krueger, Lloyd Eddy
Kruger, Frederick Boyd, Jr.
Krupski, Paul John
Kryske, Lawrence Michael
Kubo, Lawrence Hiroshi
Kuehne, Kenneth Wesley
Kuhn, Richard Eric
Kujat, Edward Joseph
Kulikowski, Joseph George
Kull, Frederick John, Jr.
Kutcher, Robert James
Labelle, James Joseph
Laforce, Don Christian
Lakis, Nicholas Peter, Jr.
Lambert, Carlton Dewey
Lambert, Robert Bradley
Lambing, Edward Wagner
Lancharic, James Vincent
Landick, Richard Earl, Jr.
Landrum, Richard Henning, Jr.
Landrum, Stephen Mcelwee
Lane, Douglas Steddiford
Lane, Gregory Ben
Lane, Lawrence Charles, Jr.
Langenheim, John Lawson
Langenohl, Frederick Charles
Langley, William Louie, Jr.
Lanning, Ronald Davis
Lantta, Kenneth David
Lapointe, Jean Bernard
Laporte, Charles Richard
Larkin, Robert Lane
Larsen, William Peter, III
Larson, Thomas George
Larue, Stephen Lee
Lasken, John Chester
Lauderdale, Donnie Aubrey
Laughter, Selwyn Shuford
Lautares, Peter George, II
Lavalley, David Leslie
Lavigne, Roger John
Lawrence, David Earl, Jr.
Lawson, Karl Thomas
Lawson, Richard Putnam
Leach, James Francis, Jr.
Leal, Pedro Guillermo
Leclair, Daniel Vincent
Ledbetter, Wayne Douglas
Lee, Patrick Douglas
Lee, Richard Patrick
Legacy, Alan Edward
Leggett, John Glenn
Leib, Robert Conard
Leidholdt, Edwin Marion, Jr.
Lemcool, Richard Joseph
Lemmelin, Leopold Hermenegil
Lenc, Stanley Phillip
Lenfant, Philippe Maurice
Lengerich, Anthony William
Leonard, Raymond Earle, III
Leonard, William Augustine, Jr.
Leverette, Glen
Levi, Jonathan Allen
Lewandowski, Lawrence Anthony
Lewis, Paul Scott
Lewis, Stephen Arthur
Libera, Daniel Clark
Lichtenberg, Robert David, Jr.
Liggett, Robert David
Likens, Dallas Dean
Lillard, Michael Lee
Lillard, William Ashby, III
Lilly, Stuart Carlton
Lind, David Jeffrey
Lindner, Robert William
Lindquist, Robert Frank, Jr.
Lindquist, Robert George
Lindsay, Mark Stewart
Lindsay, Peter Ross
Lindstrom, Jerry Duane
Lipsey, Mark Dillman
Little, Michael Merle
Livesay, Steven Alan
Llewellyn, David Jewett
Locke, William Nash, Jr.
Loeffler, Robert Dean
Loftus, Thomas Arthur, III
Logue, Stephen John
Lohsen, Mark Allan
Long, Robert Henry
Long, Stephen Thornton
Long, William Henry, Jr.
Love, Glenn Edward
Love, John Barrett
Love, Patrick Stephen
Lovett, Harry Lee
Lovett, Joel Dyane
Luebs, William Arthur
Lulu, Michael Joseph
Lundby, Neil Warren
Lunning, Robert Marshall
Lutes, Jack
Lutkenhouse, Michael Anthony
Lynch, Vincent Joseph
Lyons, Patrick William
Lyons, Thomas Willard
Lyons, William Aloysius
Lytwyn, Peter
Mabry, Robert Caldwell, Jr.
MacBean, Thomas Price
MacDonald, Donald John
MacDonald, Douglas Taylor
Machovina, William Mark
Mack, Stanley John
Macklin, Richard Gilbert
Mackown, Raymond Miley
MacLeod, David James
Macon, Richard Thomas
MacPherson, Robert Alan
Madden, Robert Sterling
Maggi, Robert William
Mahle, Gary George
Main, Glenn Allan
Maixner, Michael Rex
Makin, John Phillip
Makings, Dean Morgan
Mallery, Steven Kenneth
Malloy, Paul Francis
Maloney, Robert Seton, III
Mancini, Dante Russell
Mann, Gary Dean
Manning, Walter William
Manning, William Beverly, III
Mansfield, Philip Smith
Manvel, John Talbot, Jr.
Mares, Joe Nieto
Marinelli, Jay William
Markevicz, John Walter
Marks, Kenneth John
Marlin, Robert Dan
Marosek, Conrad Francis
Marra, Kenneth Joseph
Marrs, Alton Douglas
Marsh, William Harry
Marshall, Rudy Frederick
Marshall, William James
Martello, Keith Wallace
Martin, Anthony David
Martin, Colin Leslie
Martin, John Douglas
Martin, Kenneth Ronald
Martin, Stephen Douglas
Martin, William Charles
Martiny, Leon Eugene
Maskew, Rodney Max
Mason, Bruce David
Mason, Charles Manning, Jr.
Mason, James Robert
Mason, Lee Charles, II
Massengale, Saint Elmo Murra
Mastagni, Daniel Stephen
Mastin, Robert Leavenworth, J.
Mathews, Kirk Alan
Mathewson, Raymond Louis, Jr.
Mathis, Don Wade
Matthews, William Theodore
Mavar, John Andrew
Maxson, Phillip James
May, Charles William
Mayes, Larry Leroy
McArthur, James Drake, Jr.
McAvinia, Thomas Francis
McBrayer, Gary David
McCamish, Michael James
McCarthy, Daniel Joseph
McCarthy, Morton Everest, Jr.
McCarthy, James Douglas
McCarville, Patrick Anthony
McCauley, George Brian
McCloskey, John Dennis
McClung, Doyle Curtis
McCollum, James Wayne
McCollum, John William
McCormack, Robert Charles
McCort, Daniel Ralph
McCrae, James Archie

McCrory, Stephen Lee
McCurdy, Russell Alan
McCutchen, John Michael
McDermott, Kenneth Robin
McDevitt, Gerald Ross
McDevitt, Rodney Peter
McDowell, Gary Elexis
McDowell, Joel Gordon
McElmurry, Brian Leslie
McElraft, Ronald Dean
McElroy, Daniel Wallace
McElroy, Kevin James
McEvoy, Michael Kevin
McFetridge, George William, J.
McGalliard, Gene Richard
McGee, Martin Harry
McGilvray, Paul Erwin
McGinn, Leo Francis, Jr.
McGrail, John Michael
McGrath, Joseph James
McGraw, William Lloyd
McKay, Rayburn Lloyd
McKeever, David Vincent
McKinney, Herman Philip, Jr.
McKinney, Michael
McKinnon, Arthur
McKinstray, James Merrill
McKinzie, Joe Edward
McLane, Robert Lewis
McLaughlin, John Patrick
McLaughlin, Peter John
McLoughlin, William Raymond
McMann, Donald Francis
McManus, Floyd Lanier
McManus, Michael Paul
McMartin, James Floyd, III.
McMican, William James
McPherson, Mark Hardin
McVay, Breathitt Rodgers, Jr.
McWilliams, Hugh Newton
Meade, Gary Anthony
Meade, Richard Alburn, Jr.
Mears, George Henry
Mease, Frank Barclay
Measel, Richard Allen
Meek, Terry Lynn
Meeley, William Anthony, Jr.
Meisenbach, Edward Walter
Mendillo, Mark
Mendygral, Steven Joseph
Mercy, Richard Alton
Merkel, Frederick Tompkins
Merschoff, Ellis Wesley
Merwine, Charles Webb
Meyer, Daniel Harry
Meyer, John Gregory
Meyer, Lloyd Jerome
Meyer, John Earl
Meyers, William Arthur
Meyett, Robert Stephen
Miars, Thomas Eugene
Michael, Kirk Burton
Michalske, Ralph Raphael
Michell, William Robert
Middleton, James Marvin, Jr.
Mikhalevsky, Peter Nicholas
Milanette, Jeffrey Charles
Millenbach, Bruce Edward
Miller, Craig Scott
Miller, David Ross
Miller, Dennis Wayne, Jr.
Miller, Edward Lee
Miller, Peter, Jr.
Miller, Robert Arrington
Miller, Ronald Raymond
Miller, Wayne John
Mills, Donald Max
Mills, Jack B.
Mills, Phillip Horne
Mills, Walter Lain, Jr.
Milo, Michael James
Milsted, Charles Eugene, Jr.
Mimms, David Terry
Minnis, Richard Donald
Minton, Johnny Edward
Mischen, Stephen Charles
Misko, Louis Domonic
Mitani, Michael Kiyoshi
Mitchell, Alfred Warren
Mitchell, David Erwin
Mitchell, Joseph Anthony, II
Mitchell, Kenneth Ray
Mitchum, Robert William
Moffatt, William Grier
Moffit, Michel Lloyd
Moffitt, Eric Charles
Moilanen, Thomas Edward
Molloy, William Earl, Jr.
Molteni, Christopher Phillip
Monahan, Robert Patrick
Monahan, Timothy Patrick
Mone, Frederick Patrick
Monkhouse, Michael William
Montgomery, Henry Edward, Jr.
Montgomery, James Henry
Montoya, Kenneth Edward
Moody, William Vincent
Moon, Eugene Lamar
Moon, Robert Lee
Mooney, Owen Gavin, Jr.
Moore, Donald Ray
Moore, George Richard
Moore, Gilbert Jennings
Moore, James Martin
Moore, Richard Eugene, II
Moore, Robert Charles
Moore, Robert Lowery
Moore, William Thomas, III
Morandi, Theodore Raymond
Morgan, Floyd Jefferson
Morgan, John Gabe, Jr.
Morgan, Kelly Brian
Morneau, Michael Lawrence
Morral, Dennis Gilbert
Morreale, Bruce Vincent
Morrell, James Michael
Morris, William Denton
Morrissey, Martin Lee
Mortimer, Thomas Richard
Morton, Robert Gary
Moser, Sammy Lee
Mosey, David Michael
Mosher, Steven Westley
Moss, Charles Michael
Mott, Charles Wane
Mulder, Keith Paul
Mulkern, Trent Coleman
Mull, Robert Sidney, Jr.
Muller, Robert John
Mullican, James Neal
Murdock, Jerry
Murdock, Thomas Earl
Murphy, George Joseph, III
Murphy, Lewis Franklin
Murray, George Michael
Musselman, Robert Phillip, Jr.
Musselman, Warren Eugene
Mutty, Daniel Hartnett
Myers, David Edward
Myers, Dennis Alan
Myers, Howard Hovey, III
Myers, Rodney Allen
Nadeau, William Joseph
Natter, James Anthony
Naughton, Michael Joseph
Naylor, William Mark
Neal, Robert Allan
Nease, Robert Michael
Needham, William Donald
Neihart, Charles William, Jr.
Nellis, John Donovan, Jr.
Nelson, Duane Lee
Nelson, Jeffrey Robert
Nelson, Victor Peter
Nelson, William Hardage
Nemec, Johnnie Frank
Nemeth, Christopher Paul
Nesbitt, Allan Preston, III
Ness, Christian Quarles
Nestor, Don Alan
Neuman, Stephen Leroy
Neupaver, Albert Joseph
New, George Frank
Newlan, Ronald Scott
Newton, Danny Ray
Nibbs, Alan McLeod, Jr.
Nice, Dan Edwin, Jr.
Nichols, Greg
Nichols, Todd Charles
Nickelson, Bobby Lynn
Nickodem, Peter Webb
Nielsen, Jack Svend
Nielsen, Peter Henry
Nitschke, Roy Hugo
Nocon, Eduardo Carandang
Noland, James Terry, Jr.,
Nolen, Ulysses Louis
Norcross, Carl Stephen
Norrbom, Timothy John
Norris, Donald Owen, Jr.
Norris, John William
Norris, Ted Louis
Nosek, John Teofil
Nottke, Bruce Alden
Nupp, James Lee
Nyarady, Stefan Alan
Nye, Eric Beasley
Oberg, David Allen
O'Brien, William Howard
Obryon, Raymond Thomas
O'Connell, John Terrence
O'Connell, Timothy Dennis
O'Connor, Michael Lawrence
Offerle, Robert Anthony
Offutt, Darrell Jay
O'Grady, Arthur John
O'Hara, Timothy Leo
O'Keefe, James George
Okerson, Eric Cornelius
Olcott, Charles Wheaton, Jr.
Olechnovich, Paul Jerome Vic
Oleson, Melvin Wayne
Olsen, Alfred James
Olson, Clifford Matthew
Olson, David John
Olson, Earl Frederick
Olson, James Donald
Olszewski, Paul John
O'Malley, Dennis Patrick
O'Neal, Loren Lee
Opyd, Walter George
Orender, Bernard Ray
Oriekoski, Michael Gene
Orr, Paul Laroy, Jr.,
Orton, Frederick Charles
Osborne, Kip Reid
Ostendorf, Robert Edward, Jr.,
Ostrander, Thomas Waldron
Oswald, Thomas James
Othus, Ross Bradley
Ott, Andrew Anthony
Ottesen, Karl Russell, Jr.
Otto, David Thomas
Overstreet, Edwin Dale
Owens, Ronald Lynn
Ozehoski, Edward Mark
Pache, Eugene Paul
Pachuta, Mark Theodore
Page, Elton Thrasher III
Page, Rex Lee Alden
Paleck, Robert Harold
Palm, Jerry John
Palmatier, Philip Frank, Jr.
Palmer, George William
Palmer, Steven William
Panos, Christopher William
Pantelides, Nicos Savvas
Papin, Gregory Alan
Papineau, Larry Regan
Pariseau, Robert Roland
Park, James Douglas
Parker, Jay Peter
Parker, Lutrelle Fleming, Jr.
Parker, Wendell Edgar
Parks, James Forest
Parlet, Robert Dale
Parr, Larry Steven
Parrish, Joseph Victor
Parsons, Walter Paschall
Passmore, Robert Orvin
Pastorino, Thomas Joseph
Patras, Richard Steven
Patrick, Terry Lance
Patterson, James Hugh
Patterson, Terry Lee
Patterson, Wayne Lynn
Patton, James Wesley
Patullo, Kenneth Emil
Paul, James
Paul, Kenneth Albert, Jr.
Paul, MacGregor Hume
Peairs, Gregory Ross
Pease, Milton Lee

Peay, Larry Gene
Peck, Andrew Joseph
Peck, John Edward
Pedone, Kenneth Andrew
Pegler, Randall Eugene
Pell, Robert Andrew
Pence, Derry Thomas
Penix, Larry Ellis
Perreault, Mark Dennis
Perry, James Walter
Perry, Joseph Leland, Jr.
Perry, Robert Paul
Peske, John Gerald
Peters, Kenneth Warren
Petersen, Richard Merle
Peterson, Harry William
Peterson, Neil George
Peterson, Thad David
Peterson, William Joseph, Jr.
Petrea, Howard Aldridge, Jr.
Petty, Ralph Edward
Petty, William Milton
Pfadenhauer, John Joseph, Jr.
Pfeiffer, Frank Gaines
Pfister, Russell James
Pharr, Alvis Sylvester, Jr.
Phelan, Michael James
Phelps, Laurence Martin III
Phillips, Donald Wayne
Phillips, James Glenn, III
Phillips, John Lynch
Phillips, William Leighton
Pica, Michael Andrew
Pickett, Mark Allan
Pickett, Russell Ames
Piecuch, John Leon
Pieper, Richard Wayne
Pierce, Billie Joe
Pierce, Roger Allan
Pierce, Steven Doane
Pine, John Steven
Pirkle, Douglas Alan
Pistochini, Mark David
Plautz, Dennis Hoyt
Pledger, James Edgar
Plovanich, Stephen Winslow
Poffinbarger, James Clark, Jr.
Poland, Marc Maier
Poorman, Kenneth Alan
Pope, Richard Paul
Porter, Alan Emmit
Porter, David Percy
Porter, John Scott
Porter, Robert Lee
Porterfield, Richard Bruce
Posey, Allen Murph, Jr.
Pottschmidt, Fred Charles
Powell, Frank Russell
Power, Jerry Ruel
Power, Timothy Henderson
Powers, George Laurin
Powers, Thomas John
Powers, William Hugh
Poy, Rusell Harris
Preisel, John Henry, Jr.
Prendergast, Timothy Edwin
Preston, Randall Dills
Price, Earl Junior
Price, Michael Joseph
Price, Michael Kelley
Price, William Robinson, III
Prill, Larry Richard
Prince, Thomas Alan
Pring, Brian Lee
Pruden, Glenn Richard
Pryor, Hershel Wilson, Jr.
Puccini, Bruce Anthony Josep
Pumilia, Michael Peter
Pyles, Steve
Pyles, Thomas Christopher
Pytlik, Theodore Albert
Quadri, Anton Stefan
Quigley, Thomas King
Quinlan, Dale Keith
Quinn, John Michael, III
Quinn, Paul Francis
Quinn, Timothy Joseph, Jr.
Rae, Robert Bruce
Rainey, John Charles
Rajamaki, David William
Rand, Benjamin Wilfred
Randolph, Garry Lee
Rankin, Robert Howell
Ransbotham, James Irvine, Jr.
Rappe, David Jay
Rappold, William Andrew, II
Rawls, Rodger, Craig
Ray, Harold Lonzo
Ray, James Richard
Read Page Freeman Kinders
Rebhann, John Elwood
Redmond, Douglas Congelton
Reeder, Thomas Leonard, III
Reese, James Claude
Reeves, Jerry David
Reeves, Thomas Earl
Reise, Jeffrey Alan
Reitinger, Glenn Emerson
Remshak, Christopher Jon
Renton, Irvine Andrew, III
Repeta, Thomas John
Reppard, David Bruce
Resing, David Claude
Reuter, David George
Revolinsky, Joseph Albert
Reymann, Charles Benedict
Reynolds, Thomas Francis, Jr.
Rheam, Gary Michael
Rhine Russell Leroy
Rhoades, William Andrew
Rice, Michael Lynn
Rice, Randall Lee
Rich, Patrick Albert, Jr.
Rich, Robert Thomas
Richard, Michael Pierre
Richards, Charles Coleman
Richards, Jack, Jr.
Richards, Neil Roger
Richardson, James Dana
Richardson, Steven Darryl
Riche, Christopher Robert
Richmond, Donald Robert
Rickard, Danny Lee
Rigot, William Laswell, Jr.
Riley, Michael Jay
Riley, Patrick Owen
Ritter, William Merrill
Rivera, Robert
Rizy, David John
Rizzo, Michael Francis
Roach, David Gerard
Roach, Frank Ellis, Jr.
Roark. Louis Keith
Robb, James Andrews
Robbins, Robert Justin
Roberts, Warren Leigh
Roberts, William Peter
Robertson, Michael David
Robertson, Norbert Walter
Robie, Charles Roger
Robinson, Frederick Thomas, I
Robinson, James Edward
Robinson, Robert Lenard
Robinson, Steven Nourse
Robinson, Warren Ellison
Robison, Richard Alan
Roderick, Willard Paul
Rodjom, Thomas Joseph
Rodriguez, Glenn Robert
Roesky, Robert John, Jr.
Roeting, William Henry
Rogers, George Carraway, Jr.
Rogers, James Ernest
Rogers, William Armstard, Jr.
Rohrer, Alan Dale
Roller, James Phelps
Rollins, David Campbell
Roman, Theodore Robert, Jr.
Rood, Homer John
Roper, Thomas Wayne
Ross, Robert Richard
Rothwell, Jeffrey Alfred
Rothwell, John Harwood
Rothwell, Peter Sutherland
Rotondo, Michael Jay
Rottman, Robert Emmett
Rough, James Richard
Roukema, William Edward
Roulstone, Douglas Robert
Round, William Harold
Rubel, William Richard
Rucker, Steven Warren
Ruggles, Thomas Gordon
Ruhl, Philip Calvin
Rulf, Richard Walter
Rummer, David Bruce
Ruschmeier, Stephen John
Rush, Douglas Kevin
Rush, Robert Jacque
Russell, Glenn Halsey
Russell, Robert Wayne
Russell, Roy William
Russell, William David
Ruth, Jack Leroy
Rutherford, Allan
Rutledge, William Craig
Ruybal, George Nifi
Ryan, Jeffrey Brice
Ryskamp, Robert Henry
Sabin, Stephen Christopher
Sabo, William John
Sack, Alvin Lee
Sackett, Craig Pinard
Salamon, James Anton
Salinas, Amando Santos
Salscheider, Kurt Michael
Salyer, Jack Gaynard
Salzer, Thomas Benjamin
Sanders, Thomas Allan
Sands, Robert Waters
Sandvig, William Ward
Sanford, Gregory Benson
Santapaola, Donald Jack
Santino, John Benjamin
Sare, Michael Joseph
Sarraino, Michael
Saunders, Glenn Michael
Saunders, Robert Patrick
Saunders, William Charles
Savage, Charles Lynn III
Savitsky, Adam Joseph
Scarbrough, James Edwards, Jr.
Schaad, Frederick Gordon
Schaffer, John Edward
Schey, Stephen Laurel
Schilling, Robert Luther
Schlehr, Christoper George
Schlieper, Fred Jay
Schluderberg, Larry Earl
Schlueter, Rory Lee
Schmidt, Charles Richard
Schmidt, Colman Arthur
Schmidt, Jonathan Blake
Schmidt, Wesley Henry, Jr.
Schmucker, Thomas John
Schneegas, David Alan
Schneider, David Frank
Schork, John Forrest
Schrade, Donald Edward
Schramm, Mark Stephen
Schroeder, Kenneth Richard
Schubert, Jerry Lee
Schultz, George Walter
Schultz, Randall Craig
Schwab, Claude Raymond
Schwalier, Charles Dale, II
Schwenke, George William
Schwieger, Terry Ross
Schwiering, David Alan
Schwinghammer, William Erich
Sciuto, John Joseph
Scott, Bruce Bob
Scott, Robert John
Scott, Roderick Gibb
Scudder, Stephen Vincent
Seal, Warren George
Seaman, James Richard
Seckinger, David Neil
Sedivy, Dean Gordon
Seeley, James Robert
Seiss, William Albert
Seminoff, Gregory Nicholai
Semko, Fred Allen
Sensat, Robert James
Shalles, Siegfried Lee
Shaver, Eric Bruce
Shay, Jon Vincent
Shealy, Wilson Otto, Jr.
Sheehan, Leroy Edmund
Sheller, Jon

Shellhammer, Gary Ray
Shemella, Paul
Shepard, Jonathan Martin
Sheppard, David Eugene
Sheppard, Michael Thomas Ray
Sheppard, William Lester, Jr.
Sherk, Glenn Eric
Sherman, Vining Alden, Jr.
Sherrard, Martin Victor
Shibuya, Allen Isamu
Shields, Robert Bishop
Shields, Robert Graham
Shilling, William Arthur
Shipley, Thomas Edward
Shobe, Ronald Kenneth
Shoemaker, James Edward
Short, Marshall Sherman
Shubert, Charles Richard
Shumlas, John Anthony
Shurtleff, William Hall, IV
Siedschlag, Paul Christian
Sieve, Glennon Lambert
Sievers, Edward Earl
Signor, Philip White, III
Silcox, John Horton, Jr.
Silkaitis, Lawrence Allen
Simmons, Gordon Brent
Simpson, Charles Cass, III
Simpson, Charles Eugene
Simpson, Jeffrey Phillip
Simpson, William McGee, Jr.
Sipe, Charles Regis, Jr.
Sisa, Steven Andrew
Sise, Michael Joseph
Skewis, Ronald James
Skiano, Ralph Dennis
Skolds, John Lawrence
Skurski, Paul Roy
Sleeper, Arthur Bosworth
Slocumb, Dennis Alexander, Jr.
Smallwood, James Victor
Smith, Bradley Phillip
Smith, Duke Alan
Smith, Earl Maurice
Smith, Edward Samuel, Jr.
Smith, Gary Wayne
Smith, Howard Patrick
Smith, James Allan
Smith, Janvier King
Smith, Jeffrey Frank
Smith, John Frederick
Smith, Kenneth Raymond
Smith, Leigh Randall
Smith, Paul Thomas
Smith, Richard Thomas
Smith, Robert Dorsey, Jr.
Smith, Robert Edward
Smith, Robert Spencer Kerr
Smith, Ronald Carl
Smith, Steven Craig
Smith, Steven Michael
Snead, Leonard Alexander, III
Snell, Stephen Farnham
Snow, Murray Charles
Snyder, Thomas Edward
Snyder, William Lester
Soballe, David Michael
Soha, Walter Michael, Jr.
Solak, Lawrence Edward
Somadelis, Michael George
Sonn, Bruce Eric
Sonntag, Steven Jay
Sontag, Alvin Jack
Sontag, William Carl
Sontheimer, Richard Francis
Soroka, Steven Lloyd
Soule, Douglas Jackson
Spahr, Robert Lloyd
Spangler, Ralph Graham
Spatt, Frank Ronald
Spears, Buddy Wayne
Speed, Austin Hilton, III
Speights, William Donald
Spence, Maurice Frederick
Spencer, Charles Henry, Jr.
Spencer, Kenneth George
Spoerry, Dale Edward
Spradlin, Charles Wesley, Jr.
Squires, Monte Arthur
Stabler, Lemuel Clay, III
Staebler, Robert Paul
Stanfield, David Michael
Stanton, Donald Clifford
Stark, Terry Michael
Starr, Kenneth Wayne
Starr, Lester Launius, Jr.
Starr, Philip James
Stas, Nicholas John
Staton, Ronald Bruce
Steele, Peter Wallace
Steele, Scott Leslie
Stegeman, Ronald Adam
Steinbacher, Daniel Joseph
Stender, Mark Kealey
Stenroos, Joseph Richard
Stephen, Alexander Craig
Sterner, Robert Charles
Stevens, Don Theodore
Stevens, William Ray
Stevenson, Alan Martin
Steverson, Gerald Howard
Steward, Paul Elwyn, Jr.
Stewart, James Harold
Stewart, James Robert
Stewart, John Robert, Jr.
Stewart, Melvin Lindell
Stewart, Michael Alan
Stickler, Christopher Allen
Stine, Jeffrey Lawson
Stinger, William Elwood
Stites, Lloyd Thomas, Jr.
Stocks, Alton Leroy
Stockton, Herbert Hammond
Stoddard, Larry Charles
Stoehr, Dale Erwin
Stone, Jeffrey Morris
Storez, Robert Alfred
Stovall, Robert Michael
Stowe, Abraham Ronald
Strange, William Bryan, III
Stratman, Robert Anthony
Strawbridge, Carl Neilson
Stribling, Thomas Charles
Stringer, George Francis, III
Stringer, Richard Howard
Strohmeyer, George Franklin
Strube, David Carl
Stuart, Gary Leland
Stuckert, Bruce Taylor
Stupfer, Bruce William
Sturm, James Roy
Sturz, Frederick Conrad
Sueirro, Allen Michael
Sullivan, William Ted
Suplicki, Edward Peter
Sutter, John Lester
Sutton, David Bruce
Sutton, Frank Clare
Svatek, Andrew Michael
Swailes, John Hamlin
Swanson, Richard Norman
Swearingen, James David, Jr.
Swedenborg, Thomas Michael
Swift, Lloyd Francis Knapp
Swisher, William Allen
Switzer, David Roe
Szigety, Allen Joseph
Szoka, Michael Allen
Taber, James Charles
Talbot, Gerald Lloyd, Jr.
Talley, James Arthur, Jr.
Tammes, Bradley Specht
Tarantino, John Floyd
Tarantino, Terry Allen
Tate, Russell Eric
Tavares, Michael Humberto
Taylor, Lee Bradford
Taylor, Paul Edwin
Tegethoff, Dennis Doyle
Teitsworth, Dennis Leroy
Teller, Robert Warren, Jr.
Tempest, Mark Jacquot
Tennison, Thomas Edward
Tennyson, Nicholas Jon
Teply, John Frederick
Terch, Lawrence Peter, Jr.
Terhar, Louis Frederick, Jr.
Terrell, Mark Richard
Tetlow, Philip Christopher
Tetlow, Thomas George
Thanig, Dale John
Thoma, John Otto
Thomas, Henry D.
Thomas, Jeffrey Hilton
Thomas, John Adam
Thomas, John Rawls
Thomas, Ronald Milton
Thompson, Clark Frederick
Thompson, John Thomas
Thompson, Peter Michael
Thompson, Ronald Thomas
Thompson, Walter Raymond
Thomson, Alan Douglas
Thomson, Richard Charles
Thorne, Silas Owens, III
Thornton, James Terry
Thorpe, Lloyd Allen
Tierney, Michael Robert
Tillberg, Arthur Raymond
Tillson, Joseph Lauren, Jr.
Timony, John Francis
Tindle, John Richard
Titus, Frank Alvin, II
Tobergte, David John
Tobiason, Erik Arnold
Tofalo, Michael Rocco
Tolk, Lloyd Andrew
Tomaszeski, Steven John
Tomer, Herman Deemar
Tomlin, Edwin Ladeau
Tompkins, James Michael
Toney, James H.
Torelli, Nicholas Marcus, Jr.
Torgerson, Jordan Leigh
Torgesen, Joseph Edward
Tornatore, Gary Paul
Tornatore, William Paul
Torres, Alexander Galvez
Torres, Joseph Francis, Jr.
Towne, Bruce Gene
Townes, John Willie, III
Trabona, Robert Joseph
Traverso, Timothy Joseph
Traynham, Wayne Olaf
Treeman, Michael Wade
Trenta, Richard Francis
Troxell, Richard Kent
Troxler, Kirk Alan
Trudeau, Michael David
Turkowski, Robert Walter
Turner, Donald Paul
Turner, Jay Ellery
Turner, Terry Lee
Tussey, David Alan
Tuttle, Jackson Corpening, II
Tuttle, Larry Jerome
Tynan, Edward Patrick
Uebelherr, Michael Frederick
Ulrich, Henry George, III
Underwood, Arthur Rutledg, II
Underwood, Jonathan Charles
Unger, Norbert Sigfried, Jr.
Urben, Bruce Leroy
Uricoli, Eugene Francis
Ustick, Robert Woodbridge, II
Utterback, Robert Alan
Vaden, Don Reese
Valade, Gerald Robert
Vance, Stephen Gerald
Vanderpool, Michael Eugene
Vanderslice, John Alpheus, II
Vandyke, Gary Paul
Vandyke, Raymond William
Vaneaton, Harley Jamieson, Jr.
Vanmaele, John Edmund
Vanness, Henry Arthur
Vannoy, Richard Thomas, II
Vanorsdel, Robert Randolph
Vanscholk, Douglas Rick
Vanvliet, James Allan
Varakin, Walter Alexander, Jr.
Vaughn, David Roy
Veatch, James Marshall
Veldstra, Daniel Roy
Ventgen, Robert John
Vessely, Robert Paul
Vetter, Thomas Greg
Vincent, Michael Paul
Visage, Samuel Jackson, Jr.
Vislocky, Daniel
Voelker, George Edmund

Vogan, Charles Scott, Jr.
Vogt, Michael Carl
Volpe, Joseph Michael, Jr.
Voltz, Scott Lee
Voros, Charles Douglas
Voss, James Wilson
Voter, James Conant
Wachter, Christopher Michael
Waddell, Ray Kirk
Wagner, Charles Steven
Wagner, Wayne Lewis
Wainionpaa, John William
Wakefield, Stanley Irvin
Walderhaug, John Alan
Walker, Charles Ray
Walker, James Lawrence, III
Walker, Robert John, Jr.
Wall, James Lewis
Walla, David Leroy
Wallace, Edward Charles
Walace, Harry Rufus, Jr.
Wallace, James Reed
Wallace, John
Wallis, Robert Charles
Wallmark, Walter William
Walsh, Dennis Francis
Walsh, Dennis Michael
Walsh, Dennis Paul
Walsh, Gregory Edward
Walter, Bruce Edgar
Walters, James Anthony
Waltman, William Reid
Ward, David Arthur
Wardlaw, William Eddie
Ware, Jerry Steven
Warner, Bruce Edward
Warr, Paul Melbourne
Warren, Floyd Dewey, Jr.
Warren, Jerry Lee
Warren, Joe Nathan
Warres, Edward Clark
Washington, Robert Joseph
Wasserman, William Louis
Waters, Cecil Lathan
Waters, William Henry
Watson, Gregory Harriss
Watson, Samuel Ray
Watt, Alexander Young, Jr.
Watt, Douglas James
Watwood, William Britt
Weatherly, James Michael
Weatherspoon, Stephen Salve
Weber, Donald Bruce
Wechselberger, Jacob Frank
Weigand, Charles Anthony
Weigand, Charles John
Weis, Timothy James
Weise, Stephen Paul
Weiss, David Russell
Welch, John Kirtland
Wellington, Bruce Daniel
Welsh, Joseph Leo
Wenneson, Gregory John
Werner, James Alan
Wessel, Kenneth James
Wesselhoff, Stephen Thomas
West, Paul Kenton
Westover, Steven Bruce
Wetmore, Walter Gilbert
Wetterlin, Harold Jan
Whalen, Gregory Thomas
Wheeler, Dennis Ralph
Wheeler, Philip Huffman
Wheeler, William Gary
Whelan, Stephen John
Whitacre, Robert Franklin, Jr.
White, Donald George
White, Frank Herman, Jr.
White, George William
White, James William
White, John Carl
White, Joseph Wheeler
White, Judson Henry, Jr.
White, Kimber Littlepage
White, Paul Marvin
White, Phillip Joseph
White, Richard Mahaffey
White, William Tyler
Whitehead, Oliver Windell
Whitehill, Archie Richard
Whitford, Dennis James
Whitney, John Douglas
Whittaker, James Augustus
Wick, Peter Alf
Wieferich, James Roger
Wiestling, Stephen Herman
Wigge, Conrad James, III
Wiggins, James Dennis
Wilant, Mark Lawrence
Wilbur, Steven George
Wilder, Henry Lee Bunce
Wilderson, Jack Leon
Wiley, John Edward
Wilfong, Dallas George, III
Wilhelmy, Mark Desloge
Wilkie, Steven Craig
Wilkinson, Joseph Brooks, Jr.
Willats, Steven John
Williams, Comer Lynn
Williams, Dale Edward
Williams, George Bruce
Williams, Lee Kearsley
Williams, Michael Leverette
Williams, Robert Edward, Jr.
Williams, Robert Wister
Williams, Russell Lee
Williams, Scott Kilborn
Williamson, Richard Carter
Willis, Clarence Coleman
Willis, Leland Stanford, III
Wilson, Daniel Mark
Wilson, Michael Ellery Neal
Wilson, Millard Joseph
Wilson, Steven Edgar
Wilson, Steven Paul
Wilus, Michael Stephen
Winde, Ronald Henry, III
Windrow, John Luther
Wingert, Neil Steven
Wingo, Theodore Oscar
Winney, Justin William, Jr.
Winter, Mark Charles
Wise, Herbert Frankferd
Wismer, Stephen John
Wisner, Gary Dean
Wohlford, Gerald Dale
Woiwode, Michael John
Wolf, Dallas Michael
Wolfe, Thomas Page
Wollam, Neil Rebort
Wollenburg, Alfred Edwin
Womer, Rodney Keith
Wood, Charles Andrew
Wood, David Richard
Wood, James Walton
Wood, John Steven
Wood, Kenneth Harold
Wood, Marcelle Elton, Jr.
Woodall, James Mead
Wooldridge, Michael Ray
Worley, Dennis Lee
Worth, James Richard
Worthington, Donald Roy
Worthington, John Reid
Worthington, Ralph Lamar
Wright, Charles Justin
Wright, Oliver Lee, III
Wright, Richard Francis
Wright, Robert Joseph
Wyatt, Patrick Ray
Wyse, Frederick Calhoun
Yancy, Joseph Cesia, Jr.
Yard, Richard Glenn, Jr.,
Yarrows, Edward Peter
Yates, Christopher Barrett
Yates, Michael Edward
Yonce, William Scott
Yoneda, Minoru Mickey
Young, Charles Selden Backus
Young, David Keith
Young, Donald Ray
Young, Gordon Allen
Young, Philip Wayne
Young, Robin Huff
Young, Thomas Charles
Young, Timothy James
Yount, Gregory George
Zeigler, Howell Conway
Zetsch, Kurt Johann, Jr.
Zimmerman, Kenneth Ronald
Zorbas, Frederick Charles
Zuber, James Daniel, Jr.

SUPPLY CORPS

Ace, Drexel Maurice, Jr.
Albright, Keith Roger
Alderman, Elliot Leonard
Alexander, Oran Tyrone
Anderson, David Groves
Anderson, Howard Junior
Anderson, James Samuel
Anderson, Raymond Dale
Ansley, Robert Edward, Jr.
Argue, Arthur Clarke, III
Armstrong, Frank Delano, III
Assad, Shay Deeb
Atkinson, Eric John
Awtrey, Warren
Bailey, Everett Alan
Balint, David Lee
Bang, Paul George
Barcinski, Robert Anthony
Barrs, Jack Calhoun
Bellairs, Jacques Terhune
Benson, Edwin Roswell, III
Bent, Randal Tweedy
Blancq, John Paul
Blanton, James Ellis, II
Bock, John Henry, III
Bonafede, James Michael
Bonner, Alonzo Brenton, Jr.
Bouts, Larry Dale
Boyer, James Charles
Boyle, John Earl
Brown, David Arthur
Bullock, David Richard
Butcher, Thomas Calhoun, Jr.
Cafaro, Patrick Raymond
Callahan, Paul William
Camp, Gary Lee
Cannon, Jamie Ross
Casey, John Joseph, Jr.
Cassano, Anthony John, Jr.
Castle, Christopher Holland
Cavanaugh, John Harold
Chaffet, Robert George
Collier, Robert Lynn
Condon, Kevin Edward
Connolly, John James
Corack, Edward Walter
Costello, Mark Edward
Crowley, Indy Charles
Crozier, Terry Scott
Cummings, Patrick William
Curry, Dennis Samuel
Curtin, Michael Francis
Davis, Robert Ernest
Deck, Roger James
Delaurentis, Michael Joseph
Dewell, Kenneth George
Dickerson, Daniel Joseph
Duffey, Thomas Owen
Eastlund, Lon E.
Eller, Jeffrey Michael
Emerson, Jimmie Darrell
Epstein, David Shalom
Erickson, Steven Craig
Feltes, Dale Joseph
Flanagan, John Edward, Jr.
Flowers, John Madison, Jr.
Folland, Clifford Wayne
Foraker, Millard Wendell
Forman, James Michael
Fortier, Ormond Leo
Fowler, James Marion
Frazier, Robert Bruce
Fredericks, Kenneth David
Grady, Patrick Joseph
Grotjahn, Paul James
Hall, Stephen Christopher
Hammond, Richard Coleman, Jr.
Hannaford, Philip Stephen
Hanson, Peter Gordon
Hart, Philip Newman
Hartman, Larry Duane
Hatfield, Franz
Hayes, Bryan Francis
Henderson, Harold Ernest
Henn, Loring Keene
Henning, Robert Allen
Herbert, Raymond John
Hertstein, Mark Sherman
Hickman, Ronald William
Hill, Gordon Richard

Hodges, John Paul
Hoffman, Lee David
Honsinger, Larry Elwin
Howard, John
Hubbard, Mark Andrew
Hurley, Joseph Francis, Jr.
Hutcheson, Rex Jackson
Ishiguro, Steven Edward Susu
Jamrisko, Steven Francis
Jennings, William Elwood, III
Johnson, Johnnie, III
Johnson, Mitchell Charles
Johnson, Robert Bruce, II
Jones, David Carrick, III
Kamen, Roger Dean
Kaufman, Gary Raymond
Kave, Roger Lester
Keenan, Kevin Barry
Kern, Thomas Marshall
Kidd, John Wallace
Kimble, Lawrence Charles
King, Sammy Lee
King, Wallace Vernon
Kirk, John Robert
Koehler, Jay Barry
Kratzer, Victor Edwin
Langevin, Richard Raymond
Lankenau, Gary Willis
Lawrence, Robert Craig
Leather, John Edward
Lee, Larry Dee
Leroy, Osborn
Link, Spencer Frederick
Lippert, Thomas Robert
Lorenzo, Mary Canzy
Lottes, William Russell II
Lowe, Michael Dennis
Lowndes, Rawlins
Lundberg, James Barton
Main, Archibald Mac Nicol II
Marczynski, Alfons Carl
Matsushima, Rodney Fujio
McKim, Robert Allen
McKinney, William Lex
McLean, William Danforth
McComber, Frederick Neergaard
Mellard, Charles Wilson, Jr.
Michalczyk, Michael Edward
Miller, Felton
Miller, Raymond Lee
Miller, Robert Francis
Miller, Roy Estill III
Moate, George Howard II
Moessner, Frederick William
Mokodean, Mark Michael
Monaco, Robert Edmund
Moore, Darrell Lee
Moore, Robert Tolmie III
Moran, Michael Dann
Morgan, Thomas III
Morse, Lawrence Joseph
Murphy, Timothy Richard
Nelson, David Stuart
Netro, William Robert
Nielsen, Gerald Thomas
Nogosek, John Joseph
O'Connell, Matthew Peter
Orr, William David
Owen, Wayne Allen
Palmer, William Allen, Jr.
Peart, Douglas Thomas
Pecuch, Ramon
Perry, Gordon Curtis
Petry, Gerard Kevin
Pine, William Charles, Jr.
Pinta, Roger John
Pixa, Rand Redd
Pledger, John David
Potampa, Whitton Mark
Powell, Jeffrey Philip
Reeve, Robert Eugene
Reily, James Donald, Jr.
Richardson, Howard Vernon II
Ritchey, Raymond Alexander
Rozenzweig, David Allen
Rossley, Thomas William
Rova, Bruce Wayne
Rowe, Gerald Michael
Sample, Thomas Cornelius
Santonil, Rosendo Torres
Scheckel, Daniel Patrick
Schnell, Martin Jerry
Schoplin, William II
Schrader, Thomas Diedrich
Schwartz, Allen Barry
Seebeck, Robert Niels
Selby, Theodore Joseph
Sheppard, Theodore James
Silver, Irving
Simoneaux, Ramon Joseph
Sims, Donald Booth, Jr.
Smitherman, William Tennison
Solis, Armando Raul
Solomon, John Wendell
Soron, John Edward
Sparks, George Francis
Standen, Eric Allen
Stoddard, Jeffrey Richard
Stone, Daniel Herman
Strunk, Lawrence William
St. Thomas, Stephen Field
Swanson, Graydon Neil
Sweeney, Francis Edward
Tandy, Daniel Frank
Tarleton, George Lester, III
Taylor, Robert Wayne, Jr.
Teipel, Mark Allen
Thurston, Kevin Porter
Underwood, Brian Clinton
Ustick, Michael Lee
Vedder, Hellmuth
Vinagre, Eduardo Gerardo
Vorhoff, Robbert Wolff
Wadsworth, David Barry
Walters, James Stephen
Wathen, Michael Alan
Watts, Ralph Stewart
Westlake, Thomas Edward
Whitt, James Ernest
Williams, David Barnard
Williams, Jan Lee
Williams, John Wiley, Jr.
Wilson, Arthur Ray
Wilson, George Wayne
Witham, Michael Joseph
Wolf, David Scott
Wong, Carey Robert
Wortman, David Carl
Wright, Dennis Lloyd
Yates, David Stephen
Yount, Mark Lee
Zimmerman, Bruce Edward

CIVIL ENGINEER CORPS

Allen, James Richard
Anderson, Lee Lawrence, Jr.
Augustin, James Henry, Jr.
Ball, Owen Keith, Jr.
Barrows, William Carey
Boothe, Thomas Mattison
Chamberlain, Paul Douglas
Checkovich, James Keith
Clark, James Webster
Clements, Neal Woodson, Jr.
Cornell, Wayne Lester
Costello, Donald Haryford, Jr.
Craft, Gary Myers
Doyle, John Raymond
Dun, Richard Andrew
Elkins, James Ernest
Farmer, Ronald Bruce
Fritchen, David Rex
Garcia, Raul Edward
Gault, Alan Cabot, Jr.
Gebert, David Kirk
Gebhardt, Gregory William
George, David Russell
Goddard, Nelson George
Gorden, David William
Haas, Richard Frederick, Jr.
Halwachs, James Edward
Herriott, Thomas Ray
Hiller, Paul Warren
Hutchins, Donald Bruce
Irvine, Jac Delaney
Keane, William Paul
Keene, Ronald Earl
Kendall, James Bruce
Kleven, Courtney Craig
Knotts, Raymond Eugene
Krochalis, Richard Francis
Leidholt, Deane Edward
Longo, Paul David
Malarchik, Nicholas Andrew
McKay, Kenneth Patrick
Miller, Steven Ridgely
Morris, Donald Edward
Myers, George William, Jr.
Newton, Clifford Clemens
Nylen, Sven Thure III
Plockmeyer, Dennis Roger
Praskievicz, Michael Wallace
Ramsey, Ova Wayne
Redmonjones, David Michael
Seltzer, George Harrison III
Shank, John
Smith, Loren Woodrow
Sollenberger, Lee Andrew
Stotmeister, Kevin Stockel
Terry, Ronald Elton
Vandyk, Peter Martin
Watkins, Paul Wynns
Weyrauch, Edwin Frederick
Wight, Norman Randolph
Yaroschak, Paul John, Jr.
Ybanez, Robert Enrique

MEDICAL SERVICE CORPS

Ansley, Bobby Gene
Barina, Fred George, Jr.
Bennett, Ronald Eugene
Benny, Judith Ann
Berube, Richard Paul
Brent, William Herman
Breton, Robert William
Breckeen, Jerry Wayne
Briere, Gerald Paul
Brown, Harold Thomas, Jr.
Campos, Theodore Ramiro
Carroll, Robert Maxwell
Caton, Gene Allen
Cosenza, Joseph Monte
Cox, Tommy Wayne
Crank, Harold Lane
Cunningham, David William
Davidson, Dennis Martin
Day, Charles Stattman
Defibaugh, Thomas Richard
Denayer, John William
Dillard, James Burkett, Jr.
Dittman, David
Dunkleman, Dennis Clair
Eichelberg, Wallace Christia
Ewing, Ronald Clarence
Farnham, Willard Huntz
Finn, Robert Francis Mary
Gammarano, Peter Vincent, Jr.
Gerhard, Susan Lynn
Gervais, David Royal
Ghent, Ernest Richard
Gibson, George E., Jr.
Hargett, David Allen
Harmon, Layton Oscar
Harrison, Robert Burnham J. J.
Hazzard, Charles Alan
Heisler, Robert Paul
Heltsley, John Richard
Hixson, Steven Ralph
Jones, Robert Gerald
Jones, Rudolph
Keenan, James Michael
Kunerth, Marshall Grant
Lane, John Charles
Langston, Carl Coleman, Jr.
Lockhart, Radph Alvis
Maskulak, Michael Joseph
McCaig, Joe Mickey
McGann, Dennis Michael
Meskill, Gerald Vincent
Mohler, Dennis Lee
Morris, Donald Lewis
Moses, William Robert
Murphree, Garry Wayne
Norris, Henry Hampden, Jr.
Nunn, Thomas Dalton, Jr.
Oldham, Richard Thomas
Olson, Peter Kohrs
Olson, Steven Duane
Parr, Laurence Frederick
Pate, George
Penn, Jerry Don
Peters, Vernon Melvin
Peterson, John Charles
Pierce, Charles Richard
Raymond, James Lyman

Radmore, Kenneth James, Jr.
Ruby, Perry Mills, Jr.
Santore, Orlando James, Jr.
Schmitz, Nancy Carol
Silvas, Jose Noises
Simas, Amance Rezendes
Skog, Roy Reynold, Jr.
Smedley, Fulton Joseph
Smith, Donald Anthony
Stewart, George William King
Stratman, Robert Lee
Tyson, Gary Don
Vanrollins, Michael
Ward, Ernest Douglas
Watts, Len Stanley
Webb, John Rhodes, Jr.
Wheeler, David Leo
Willems, John Paul

NURSE CORPS

Akunevich, Elaine Ann
Anderson, Sharon Mack
Bargerhuff, Kay Loraine
Bregar, Wendy Lynn
Burns, Kathryn Patricia
Butchy, Linda Susan
Cappiello, Joseph Lawrence, J.
Chapman, Gayland John
Chojnowski, Eileen Kay
Coppage, Phillip Lynn
Cornelius, Mary Germaine
Dawe, Cecelia Margaret
Day, Lynn Blair
Day, Marilyn Anita
Donahue, Mary Helen
Ellis, Jo Carol
Eversole, Donna Rae
Fricker, Mary Margaret
Graham, Alfred Ernest, Jr.
Haviland, Rebecca Jane
Hoffman, Donna Kay
Holmes, Anne Ashley
Holmes, Lawrence Charles
Hopper, Janet Hackney
Hughes, Judith Annabel
Jackson, Royal Hudson
Kanurick, Ronald Gregory
Kidgell, Patrick Fred
Korns, Barbara Jean
Kuhnly, Diane Beverly
Leifeld, Deanna Rae
Lescavage, Nancy
Lett, Max Richard
Lind, Nancy Kay
Lujan, Eugenio Alfonso
McCulley, Patrick Michael
Michael, Dorothy Ann
Moore, Judith Carol
Morsillo, Sigrun Marianne
Oswald, Gregory Stephen
Paul, Linda Joann
Ratigan, Thomas Robert
Richard, Shirley Mae
Richburg, William Edward
Robins, Margaret Mary
Schnoor, Elaine Helen
Smiley, Janice Starling
Sullivan, Dennis James
Sutton, James Wesley
Templeton, Alma Nancy
Trinkwalder, Janet Catherine
Wallace, Thomas Wardner
Ward, Kathryn Marie
Wells, Mary Elizabeth
Wenner, Linda Jean
Wierzbowski, Daniel Stanley
Wood, Norine Lynn

The following-named women officers of the U.S. Navy for permanent promotion to the grade of lieutenant in the line of staff corps, as indicated, subject to qualification therefor as provided by law:

LINE

Adams, Kay Louise
Anderson, Patricia Kathleen
Atwell, Cynthia Thro
Bailey, Claudia Lynn
Berkowitz, Anne Louise
Bogdewic, Linda Lentz
Brooker, Susan Marie
Brown, Nellie Ruth
Campbell, Linda Ann
Civello, Constance Emily
Clyne, Edith Rebecca
Cozine, Susan Lee Porter
Crawford, Mary Perri
Dalton, Mary Ann
Darnstaedt, Gloria Jean
Douglas, Diantha Lynn
Estrada, Carmen Camila
Falten, Victoria Lee
Ferguson, Margaret Ann
Froehling, Judith
Games, Lila Lee
Gebeaux, Margrette Carr
Good, Beverly Frances
Grabiel, Marolee
Guterrez, Kathleen Connor
Hahn, Mary Katherine Ryan
Hall, Gwendolyn Faye
Hallahan, Dorothy Ellen
Haney, Connie Louise
Harrington, Carol Ann
Harris, Christine Elizabeth
Harrisonbrown, Dorothy Scher
Hawrylo, Jean Ellen
Hayes, Allison Curtis
Heagney, Mary Grace
Higgins, Melanie Lace
Hubbard, Cynthia
Hudson, Suellen Anderson
Hufford, Harriett Mary
Jack, Susan Kerr
Jolley, Marilyn Kristine
Kirker, Karen Junelle
Latsch, Bonnie Carole
Love, Vicki Rene
Lovvorn, Terry Jean
Marcinizyn, Margaret Louise
McCabe, Sally Jean
McClean, Carolyn Jarrell
McMillan, Patricia Ann
McNary, Kathleen Lou
Miskelly, Elizabeth Tyler
Morrissey, Penny Marie
Murphy, Patricia Ruth
Neely, Judith Anne
O'Meara, Jacqueline
Parrish, Sharon Ella
Poorman, Lucia Gizzi
Prevatte, Carolyn Virginia
Prochaska, Norine Ann
Purcell, Colleen Ann
Reichel, Sharon Ann
Reichert, Paulette
Rhiddlehoover, Suzanne
Richman, Jane Lynn
Riordan, Katherine Lee
Robinson, Nancy Lee
Rodgers, Bette Arlene
Rogers, Suzanne Bennett
Russell, Joan Marie
Saccio, Joyce Ruth
Sheldon, Patricia Jeanne
Sidor, Mary Frances
Smethurst, Marilyn Irene
Smith, Linda Mae
Smith, Sue Katheryn
Stevenson, Susan Mallick
Turrentine, Luanne Aline
Walker, Marcia Adele White
Walsh, Mary Greeves
Weidler, Darlene Ruth
White, Judith Anne
Wiegand, Sue Lynn
Winkler, Valerie Breuer
Wright, Catherine Schoonmake
Youngblood, Cathey Ann

SUPPLY CORPS

McKenna, Kathleen Ann
Skipper, Carol Lynne
Tornes, Linda Marie

HOUSE OF REPRESENTATIVES—*Wednesday, September 17, 1975*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

God is our refuge and strength, a very present help in trouble.—Psalms 46: 1.

O God and Father of us all, on this Citizenship Day when by proclamation of our President and by resolution of our Congress we commemorate the formation and signing of the Constitution of our United States, we pause in gratitude before Thee as we listen to the past, as we live in the present, and as we look toward the future.

Two hundred years ago our fathers pledged their lives, their fortunes, and their sacred honor in the struggle for independence. Now may we renew that devotion pledging our lives, our fortunes, and our sacred honor to our beloved country.

Be Thou to us what our fathers said Thou wert to them—a refuge, a strength, and a very present help in trouble. We are living in a difficult day facing demanding duties and seeking solution to perplexing problems. Be Thou to us, as to our fathers, a pillar of cloud by day and fire by night and lead us in the paths of righteousness and peace for Thy name's sake.

Thus may our commemoration of this day be worthy of our heritage and may we prove ourselves to be great citizens of a great land in a great age.

In Thy holy name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 5727. An act to establish an independent and regionalized U.S. Parole Commission, to provide fair and equitable parole procedures, and for other purposes.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 662. An act to amend the Urban Mass Transportation Act of 1964 to provide operating assistance for projects located in areas other than urbanized areas, to provide for mass transportation assistance to meet the needs of elderly and handicapped persons, and for other purposes;

S. 1537. An act to amend the Defense Production Act of 1950, as amended; and

S. 1617. An act to clarify the authority of the Secretary of Agriculture to control and eradicate plant pests, and for other purposes.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Members know that this is Constitution Week. The Constitution is the wellspring from which we had our existence, as well as a fountain of the liberty of our people.

We believe a brief ceremony is in order and we have asked members of the Committee on the Judiciary to give us some appraisal of the importance of this day. For that reason, I hope the other Members seeking recognition will wait until we listen to those.

COMMEMORATING CITIZENSHIP DAY AND CONSTITUTION WEEK

The SPEAKER. The Chair now recognizes the distinguished chairman of the Committee on the Judiciary, the gentleman from New Jersey (Mr. RODINO).

Mr. RODINO. Mr. Speaker, too few Americans, I believe, are aware of the important anniversary we commemorate today.

Certainly, no single event has had a more profound influence on the American experience than the signing of our Constitution on September 17, 1787.

Through two centuries of self-government we have relied upon the genius of our constitutional system, and have shown ourselves equal to the never ending responsibility of preserving it.

Appropriately, the Congress has designated September 17 of each year as Citizenship Day and has authorized the President to designate the period beginning September 17 and ending September 23d of each year as Constitution Week.

In his proclamation calling for the observance of Citizenship Day and Constitution Week this year, President Ford, appropriately, asked us to remember "that freedom does not come free." That is a lesson, of course, that we have learned again in recent years.

By virtue of the painful impeachment proceeding of 1974, we can take heart that our Constitution and our institutions of Government are still strong and enduring. We have witnessed the gravest test of our Constitution in generations, and we have seen first hand the fundamental simplicity and wisdom of its structure. It works. It works because we have the will to work it. And it works because it provides mechanisms of adjustment for times when individuals ignore its fundamental commands.

Mr. Speaker, I am pleased to join the President in an observance of Citizenship Day and Constitution Week, 1975, and I place herewith in the RECORD following these remarks the President's recent proclamation.

[Proclamation 4384]

CITIZENSHIP DAY AND CONSTITUTION WEEK, 1975

(By the President of the United States of America)

A PROCLAMATION

Two hundred years ago, the men and women of the American Revolution pledged their lives, their fortunes, and their sacred honor in the struggle for independence, which ended September 3, 1783, with the signing of the Treaty of Paris. In breaking with the past, they did not neglect to build a better system for their posterity.

Today, we look back 200 years, not merely to take pride in our history; we look back during this Bicentennial to learn some practical lessons for today and tomorrow. As we pay tribute, let us renew together our Founding Fathers' pledge to our country—our lives, our fortunes, and our sacred honor. Let us always remember that freedom does not come free.

Congress, by a joint resolution of February 29, 1952, designated the 17th day of September of each year as Citizenship Day in commemoration of the formation and signing of the Constitution of the United States on September 17, 1787, and authorized the President to issue annually a proclamation calling upon officials of the Government to display the United States flag on all Government buildings on such day. By a joint resolution of August 2, 1956, Congress authorized the President to designate the period beginning September 17 and ending September 23 of each year as Constitution Week and to issue a proclamation calling for the observance of such week.

Now, therefore, I, Gerald R. Ford, President of the United States of America, call upon appropriate Government officials to display the flag of the United States on all Government buildings on Citizenship Day, September 17, 1975—the 188th anniversary of the signing of the Constitution. I urge Federal, State, and local officials, as well as leaders of civic, educational and religious organizations, to conduct appropriate ceremonies and programs on that day.

I also designate as Constitution Week the period beginning September 17 and ending September 23, 1975, and urge all Americans to observe that week with appropriate ceremonies and activities in their schools, churches and in other suitable places in order to foster a better understanding of the Constitution, and of the rights and responsibilities of United States citizens.

In witness whereof, I have hereunto set my hand this twenty-seventh day of August, in the year of our Lord nineteen hundred and seventy-five, and of the Independence of the United States of America the two-hundredth.

GERALD R. FORD.

[FR Doc.75-23195 Filed 8-27-75;4:51 pm]

Mrs. FENWICK. Mr. Speaker, this is a great day. This is Constitution Day. We have heard the remarks of the distinguished chairman of our Committee on the Judiciary, the distinguished gentleman from New Jersey (Mr. RODINO).

As citizens and Members of Congress, all of us were deeply moved by the actions of the Committee on the Judiciary and by the spirit in which they undertook their heavy responsibilities.

I think I can safely say that more than anything else in the recent history of our Nation, the actions of that committee displayed to the entire Nation the greatness of our Constitution.

Those of us who have recently returned from a country where there are no guarantees such as ours are made particularly aware of these facts: That there are no human beings on Earth who are safe without an independent judiciary and a free press, and in almost every nation on the planet, a Constitution, a Constitution under which the judiciary can act when government itself exceeds its powers and tramples on the rights of its citizens.

We are blessed with these things and with a magnificent Constitution, probably the greatest document ever devised for human society. Likewise, under it we are blessed with an independent judiciary, a free press, and finally, a concerned public.

These are the sources and guarantees of our freedom, and for them we must be eternally grateful.

Mr. FISH. Mr. Speaker, I rise to proudly note the 188th anniversary of the signing of the U.S. Constitution. Our Constitution was never meant by its authors to be static in meaning, but rather, as Chief Justice Marshall said, to "endure for ages to come and consequently be adapted to various crises in human affairs." Upon reflection, I believe it truly can be said that our Constitution has endured, and has met the crises in human affairs. It has been amended a total of 26 times, 10 of which are revered as our Bill of Rights. The Supreme Court, through the leadership of its great Chief Justice John Marshall, assumed a pivotal role in adapting the Constitution to the many crises in human affairs that have reached its docket. The Government of the United States has survived wars, both civil and international, depressions and other tests of time due, in large part, to the fact that our guiding principle is that this is a "government of laws and not of men." It is our Constitution that is the supreme law of our land under which we have been able to achieve our greatness.

Mr. PREYER. Mr. Speaker, each year the North Carolina Society of the Daughters of the American Revolution takes a special interest in observing "Constitution Week," September 17–23. They seek to instill in their fellow North Carolinians a better understanding of the Constitution and the heritage it protects. I join them in urging all Americans to thoughtfully consider the Constitution and the assurances of freedom and liberty provided by it.

Our constitutional democracy is a unique form of government. Most people of the world do not know self-government. They do not know democracy. They do not know the liberties of speech, religion, press, and assembly that we take for granted. That we know these things after nearly two centuries is a strong testimonial to the wisdom with which our Founding Fathers drafted the Constitution.

The Constitution speaks to the historical knowledge that governments often seek to intrude on the individual, to stifle his dissents, limit his associations, license his printing presses and determine his God. To check this appetite, our Constitution vests in the people a basic set of liberties guaranteed by the Bill of Rights. For the rights of the governed to be superior to the power of those who govern is truly one of the unique qualities of our Republic.

For the past 188 years, since its signing, September 17, 1787, the Constitution has had the job of defending our rights and liberties. As citizens we should be ever mindful of the responsibility we have to defend the Constitution and the Government it provides for.

Mr. RHODES. Mr. Speaker, today is Good Citizen's Day, the first day of Constitution Week. Our times have been described as being those of doubt and uncertainty. There could be no better time to hearken back to the beginnings of this great Nation. It all began with the Constitution, which has been called the greatest document ever conceived by the hand of man.

What our courageous founders fought for, too many Americans not only take for granted, they are not even doing their job of civic upkeep. Liberty, opportunity, freedom of choice, all of these precious advantages we enjoy, are denied to millions of the world's population. Thomas Jefferson said: "Eternal vigilance is the price of liberty."

Today we are not as concerned with the threat to liberty from without, as the challenge from neglect from within. In 1974, fewer than half the eligible voters bothered to go to the polls to select a Congress that is charged with the responsibility of spending their tax dollars, and formulating Federal regulations and policies.

This is dangerous for our liberties. Edmund Burke warned that:

> The true danger is, when liberty is nibbled away, for expedients, and by parts.

The only way the citizen can fulfill his or her obligation to both our heritage and posterity, is to take part in the process our forefathers passed along to us.

Our Bicentennial year offers us the opportunity to become more aware of what America really is. We should appreciate the courage of the struggle, the wisdom of the Constitution, and dedicate our efforts to see that its freedoms are preserved intact while we are the stewards of this invaluable legacy.

Constitution Week and Good Citizen's Day should be a reminder to all of us that, along with our blessings, comes the obligation to do our civic duties for America.

GENERAL LEAVE

The SPEAKER. Without objection, all Members may be permitted to revise and extend their remarks, and include extraneous matter, following the remarks on today by the gentleman from New Jersey (Mr. RODINO), on the subject of Citizenship Day and Constitution Week.

There was no objection.

WASHINGTON HOSTS AIR FORCE ASSOCIATION CONVENTION

(Mr. KAZEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KAZEN. Mr. Speaker, As many of my colleagues know, the Air Force Association is meeting in convention here in Washington, and many of us enjoyed attending that fine organization's "Salute to Congress" last night. It was a most pleasant event, and many of us welcomed the chance to meet old friends, in uniform and out, at this gathering of men dedicated to support of one of the important arms of our military strength.

We should also be aware, however, that this convention was a business meeting. Policy resolutions were thoroughly discussed before being submitted, and the AFA voice deserves to be heard. I therefore wish to share with my colleagues a resolution on the Turkish arms embargo question that is as important as it is brief.

The text of the resolution follows:

> Whereas, the US arms embargo against Turkey has jeopardized the crucial southern flank of NATO, thereby weakening the West's conventional deterrent and increasing the risk of global nuclear war; and
>
> Whereas, US military and intelligence bases in Turkey are irreplaceable and essential for the verification of present and future arms limitation and reduction accords, are crucial to the US early warning system, and are prerequisites for timely assessments of Soviet advances in strategic and tactical weaponry; and
>
> Whereas, Turkey's military strength, in itself, is a major and potentially decisive element of NATO power;
>
> Now therefore, be it resolved that the Air Force Association urges the Congress to reverse its stand on the arms embargo against Turkey in the interest of world security and peace.

PERMISSION TO FILE CONFERENCE REPORT ON S. 1247, MILITARY CONSTRUCTION AUTHORIZATION ACT, 1976

Mr. PRICE. Mr. Speaker, I ask unanimous consent that the managers have until midnight tonight to file a conference report on S. 1247, a bill to authorize military construction for fiscal year 1976 and the transition period.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

DISCHARGE PETITION TO RELEASE BILL FOR DEBATE OF BUSING ISSUE

(Mrs. HOLT asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. HOLT. Mr. Speaker, today the experts are evaluating the social experiment of forced busing for racial balance in schools, and finding it absolutely lacking in merit.

I have placed at the desk a Discharge Petition to ask the Committee on the Judiciary to let us have H.R. 2818 for consideration on the floor of this House. I think it is very fitting that we point this out here today on Constitution Day, and I request and I urge the committee to let us have this bill for consideration. I know that this is an extraordinary measure, but I think that these are times in which we need extraordinary measures.

This is a challenge to the members of this House to really represent the overwhelming majority of the American people.

There are those who will attack my motives as being racist, but I am not a racist. I do not want to reverse the gains black people have made in our country, but I am convinced that we must turn our energies toward better education for all people.

The decline in public education that we see today is appalling, but Congress has not had the courage to redress the grievances of the citizenry.

I urge you, my colleagues, to help me get this legislation to the floor so that we may debate the effectiveness of the quota system.

HAPPY DAYS ARE HERE AGAIN: DEVINE, DURKIN, THE DEMOCRATS AND NOTRE DAME

(Mr. BRADEMAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BRADEMAS. Mr. Speaker, the Nation has its troubles, as those of us who have the honor to serve in Congress and who must wrestle with them daily are very much aware.

But, Mr. Speaker, there are some signs that happier days are, if not yet here again, on their way.

I cite only two such indicators of better times—Devine of Notre Dame and DURKIN of New Hampshire.

For, Mr. Speaker, last Monday night in Massachusetts, the mighty University of Notre Dame, playing its first football game under the leadership of a new head coach, Dan Devine, following the legendary Ara Parseghian, vanquished—if the distinguished majority leader, the gentleman from Massachusetts, will forgive my saying so—Boston College.

But, Mr. Speaker, if this were not enough to gladden one's heart, the overwhelming election by the people of New Hampshire yesterday of JOHN DURKIN, the nominee of the Democratic Party, as their new U.S. Senator, should lift the spirits of everyone who has had to suffer these past dark years of a Republican administration in the Nation's Capital.

Mr. Speaker, the day of Devine, DURKIN, the Democrats, and Notre Dame has come.

Mr. Speaker, happy days are here again.

NEED FOR RESTORING DEATH PENALTY FOR KILLING OF LAW ENFORCEMENT PERSONNEL

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, it is my tragic duty to report to the Congress that late last night two New York City policemen were brutally slain on a street in lower Manhattan.

The victims were Sgt. Frederick Reddy

and Patrolman Andrew Glover. Witnesses accounts indicate that the two police officers had stopped a car with three occupants for a routine check. The three occupants of the car immediately opened fire on the two policemen mortally wounding them and they were found lying on the street. They were taken to Bellevue Hospital where they died shortly after arrival.

Thus far the killers have not been found. It is my hope that the massive search which is now underway will result in the swift apprehension of these depraved individuals.

Congress can no longer ignore what has become a critical national crisis. These two murders, the scores which have preceded them this year, as well as the scores which will likely follow them point up the urgent need for passage of legislation I have introduced to restore the death penalty on a mandatory basis for the killing of any law enforcement personnel. We must demonstrate to the policemen of this Nation that their safety is our concern by making passage of this legislation a priority legislative item.

AN ALLEGED BREACH OF SECURITY

(Mr. PIKE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous material.)

Mr. PIKE. Mr. Speaker, I have today sent the following letter to the President of the United States.

WASHINGTON, D.C.,
September 17, 1975.

The PRESIDENT,
White House,
Washington, D.C.

DEAR MR. PRESIDENT: It is my understanding that because of an alleged breach of security you would like me to provide you with all secret documents in my possession pertaining to the House's investigation of the intelligence community. I have only one such document. It is in the form of a red-covered notebook containing three pages stamped "Secret Sensitive"—two letters dated July 28, 1975, from Mr. William E. Colby to me, one letter dated July 28, 1975, from me to Mr. Colby in response to those letters, and some newspaper clippings which do not appear to be classified. It is transmitted herewith.

I, frankly, am glad to get rid of it for it does in my judgment, represent a grave breach of security, and I am delighted to be able to present it to you and make a clean breast of the whole sorry affair.

This red folder containing this highly sensitive material, was lost on or about July 29, 1975, by a staff member working on the investigation. It was left in a public place. Happily, it was found by a good and loyal American who brought it to me. The contents have, I fear, been read.

It is my personal feeling that the staff member who lost it—having shown such carelessness and indifference to our national security—should be summarily dismissed, but it is not within my power to fire him. He is on your staff, not mine. While I detest informers, the gravity of the situation and the seriousness of the offense compel me to give you a hint with which I suspect the F.B.I. will be able to track him down. He is the husband of a member of your Cabinet.

With best personal regards,

Cordially,

OTIS G. PIKE.

P.S.—If he loses it again, it's O.K., I have a copy.

AN ALLEGED BREACH OF SECURITY

(Mr. McCLORY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCLORY. Mr. Speaker, I want to say quite frankly that the recent highly sensitive material which ended up in the hands of the distinguished chairman of our select committee could not have reached safer hands insofar as assuring our national security. I am sure that the information will be very carefully protected, even though the gentleman now chooses to return it to the President.

I would like to say further that I understand that some disagreement has occurred between members of the committee and the executive department with respect to the publicizing or release for publication of certain classified material which our committee has requested and which has been received. I am very hopeful that we can adopt a policy in our committee which will induce the executive branch to give our committee the full cooperation which we require in order to do the kind of responsible job which we were charged by this House to do. I intend to work with the chairman toward that end and to assure that these inadvertent misplacements of secured materials which in this instance ultimately ended up in such secure hands, will not occur in the future.

S. 622 DOES INCLUDE A PRICING SECTION

(Mr. ECKHARDT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ECKHARDT. Mr. Speaker, I address the House in order to confess a mistake on my part and to apologize for leading certain other Members into error. I stated that the Senate bill S. 622 on energy contained no pricing section. Indeed it does contain a pricing section, in fact more limited than H.R. 7014, and the conclusions that I drew in my letter are, nevertheless, correct that, if we had no pricing section in H.R. 7014, our scope for conference would be too narrow to operate within such a way as to formulate a good and effective energy program.

PUBLIC HEARINGS ON GENERAL REVENUE SHARING

(Mr. FOUNTAIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FOUNTAIN. Mr. Speaker, I want to announce that on Thursday, September 25, the Intergovernmental Relations and Human Resources Subcommittee of the Committee on Government Operations will begin public hearings on the State and local Fiscal Assistance Act of 1972—commonly known as the General Revenue Sharing Act—and on H.R. 6558 and other bills to extend and amend that legislation. The present act expires on December 31, 1976, and the President has proposed extending the program, with minor changes, for an additional 5¾ years at a cost of $39.85 billion.

Treasury Secretary William E. Simon and other administration officials will testify on September 25 as the initial witnesses.

The subcommittee has set aside September 30 and October 1 as hearing days on this subject for Members of Congress. Members wishing to testify on general revenue sharing are invited to contact the subcommittee office—B-372 Rayburn Office Building; extension 5-2548—as soon as possible. The subcommittee will arrange for the appearance of those Members who have already requested an opportunity to testify.

Members are asked to send 25 copies of their prepared statements to the subcommittee at least 24 hours before their scheduled appearances. Written statements for the record, submitted in lieu of oral testimony, will be accepted at any time until November 1, 1975.

COMMEMORATION OF CITIZENSHIP DAY

(Mr. ADAMS asked and was given permission to address the House for 1 minute to revise and extend his remarks and include extraneous matter.)

Mr. ADAMS. Mr. Speaker, I want to join with my distinguished colleague, Chairman RODINO, of the Judiciary Committee, in urging my colleagues to attend the commemoration of Citizenship Day to be held at 4:30 today in the Gold Room of the Rayburn Building.

Today marks the anniversary of the signing of the Constitution and there will be a replica of the Constitution available for Members to sign to indicate their rededication to the principles of our Government.

The president of the National Conference on Citizenship, Mr. Joseph H. Kanter, and Mr. Justice Tom Clark will be present to welcome the Members and I hope many of those present will be able to attend the reception.

ENERGY CONSERVATION AND OIL POLICY ACT OF 1975

(Mr. BROWN of Ohio asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROWN of Ohio. Mr. Speaker, the first order of business when the House goes into the consideration of legislation will be H.R. 7014, as I understand it, and the first order of business in that will be my motion to strike sections 301, 302, and 303 from that legislation. This takes out of the bill the Eckhardt-Staggers price rollback provision which will of course, as has been advised before, not gain Presidential approval should it remain in the legislation. My proposal would wipe the slate clean in effect in H.R. 7014 with reference to pricing provisions by taking out the controversial pricing issue from an otherwise very controversial bill and prepare the way for rational compromise between the Congress and the President.

Rolling back prices of course is not the way to deal with the energy crisis. It is not the way to stimulate domestic production of oil and we do need realistic domestic prices to do that. We should not make an attempt to repeal the law of supply and demand. We should not play a partisan role but we should play a statesmanlike role so the American people and this Congress can work in a spirit of cooperation in the national interest on this question of oil pricing and oil production.

Pricing should be dealt with separately, perhaps in extending the Emergency Petroleum Allocation Act or as a free-standing piece of legislation. There is enough controversy in the bill H.R. 7014 without the pricing provisions.

ENERGY CONSERVATION AND OIL POLICY ACT OF 1975

(Mr. STAGGERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STAGGERS. Mr. Speaker, in reply to the gentleman from Ohio, I would say the gentleman knows and I think the Nation knows that the Senate has failed to override the President's veto of S. 1849 and has, to date, failed to act on an additional House bill to extend the price and allocation controls contained in the Emergency Petroleum Allocation Act. We are now without any regulation of fuel in America. The OPEC countries say they are going to raise prices. America will be condemned to follow right after them.

As the president of Mobil Oil said, to deregulate right now would cause chaos in this country and cause the greatest rise in prices ever in the history of this country. He later came along and said he did not mean what he said because some pressure was put on him, but he made that statement. I believe it.

If we do not keep a pricing section in this bill we might as well not pass the bill.

I think it is too important for the people who have to have the fuel, those who have to have heating oil and the farmers who have to use propane gas and the gas manufacturers and everybody. We must keep this pricing section in the bill.

So I would ask every Member present to vote aye on this. America is aroused on this subject.

Some do not recognize that when the pricing provisions go down, our economy will go down with them.

IN SUPPORT OF THE PRESIDENT'S 5-PERCENT ALTERNATIVE PAY PLAN

(Mr. DERWINSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DERWINSKI. Mr. Speaker, I take this time to alert the members of the Committee on Post Office and Civil Service that at its regular business meeting tomorrow I intend to move to take up for direct consideration the resolution sponsored by the gentleman from Virginia (Mr. Harris), House Resolution 688.

This is the resolution which disapproves the President's alternative pay proposal of 5 percent. I certainly do not support the resolution. I do feel it important, however, that this resolution receive prompt consideration by the committee because of its significance to all Members of the House.

I believe if this resolution is brought to the floor, it will be soundly defeated, thereby demonstrating to the American public and the press that this body is not greedily grabbing for a pay raise, as we have been portrayed.

By defeating the Harris resolution and supporting the President's 5-percent alternative pay plan, the savings to the taxpayer would be $1.6 billion. It will also show that this whole pay issue does not revolve around congressional pay, as the editorialists would have the public believe. The congressional tie-in to the October pay adjustment came as a result of pressures from the judicial and executive branches to relieve Federal judges and top-level executives from the salary crunch they have experienced over the past 6 years.

The alternative pay plan affects all General Schedule civilian employees, the military, the judiciary, and top executives. It, of course, also affects congressional pay, but that part of the whole package is minimal.

Therefore, I suggest we place the emphasis where it belongs, and that is support of the President in his attempt to hold down Federal spending by trimming back from 8.66 percent to 5 percent the comparability pay adjustment for Government workers.

APPOINTMENT OF CONFEREES ON H.R. 8365, DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS, 1976

Mr. McFALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 8365) making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1976 and the period ending September 30, 1976, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from California? The Chair hears none and appoints the following conferees: Messrs. McFall, Yates, Steed, Koch, Alexander, Duncan of Oregon, Mahon, Conte, Edwards of Alabama, and Cederberg.

APPOINTMENT OF CONFEREES ON H.R. 8121, DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE, JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS, 1976

Mr. SLACK. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 8121) making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia? The Chair hears none and appoints the following conferees: Messrs. Slack, Smith of Iowa, Flynt, and Alexander, Mrs. Burke of California, and Messrs. Early, Mahon, Cederberg, Andrews of North Dakota, and Miller of Ohio.

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 49, NATIONAL PETROLEUM RESERVES

Mr. MELCHER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 49) to authorize the Secretary of the Interior to establish on certain public lands of the United States national petroleum reserves the development of which needs to be regulated in a manner consistent with the total energy needs of the Nation, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and request a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Montana? The Chair hears none and appoints the following conferees: Messrs. Melcher, Johnson of California, Phillip Burton, Runnels, Miller of California, Price, Bennett, Skubitz, Steiger of Arizona, and Dickinson.

ANNOUNCEMENT BY THE SPEAKER

The **SPEAKER**. The Chair desires to make an announcement.

It has been suggested to the Chair by the leadership on both sides of the aisle, by representatives of the Committee on House Administration, and by other Members that certain procedures associated with the use of the electronic voting system be changed—specifically, those procedures required to change a vote once it has been cast.

Under the present procedure, a Member may change a vote simply by repeating the method used for casting his original vote and may do so any number of times during the progress of a vote.

After due consideration of all the factors involved in directing an adjustment in voting procedures, the Chair has come to the conclusion that it would be better if the House were to return to the system for changing votes which was in effect prior to the advent of the electronic system; that is, that Members should come to the well at the conclusion of the vote to announce and make changes in their votes. Accordingly, the Chair has directed that the voting computer be reprogramed, effective September 22, 1975, so that once votes have been cast during a voting period they may be changed only if Members come into the well at the conclusion of the 15-minute minimum voting time, seek recognition and announce their vote changes after their names are called by the reading clerk. When called by name, Members should state "off aye, on no" or "off no, on aye" or "off aye, on present," and at the same time hand in a red, green or amber tally card to indicate a final vote of "no," "aye," or "present." The computer will accept no vote changes from the voting stations in the Chamber, other than from "present" to "aye" or "no."

The specific procedure is as follows: At the end of the 15 minute voting period permitted under clause 5, rule XV, the Chair will follow his present practice of asking if there are additional Members who wish to be recorded.

When the Chair ascertains that there are no other members attempting to be initially recorded, the Chair will then inquire if there are members who wish to change their votes. As indicated, a Member who wishes to change his vote must come to the well, and when his name is called, announce his change and submit a red, green or amber voting card to the tally clerk to indicate his corrected vote. The tally clerk will then enter the corrected vote into the computer and the changed vote will then be reflected on the large voting panel over the speaker's rostrum, on the south wall of the Chamber.

While this process is continuing, Members who have not initially voted may, of course, still be recorded but they must do so by submitting a card at the well, for the voting stations throughout the Chamber will be turned off during these proceedings.

As stated, these new procedures will be in effect on next Monday. The Chair trusts that Members will view these changes as the Chair intends them—as an attempt to further improve upon and preserve the usefulness and integrity of the voting procedures of this House.

PARLIAMENTARY INQUIRY

Mr. **BAUMAN**. Mr. Speaker, a parliamentary inquiry.

The **SPEAKER**. The gentleman will state it.

Mr. **BAUMAN**. Mr. Speaker, within the last few months the gentleman from Maryland raised a request from the floor for a recapitulation following a rather close electronic rollcall, and was informed by the Chair that under the electronic system, recapitulations were not permitted.

It seems fairly obvious, at least to the gentleman from Maryland, that under this new procedure a recapitulation would not only be in order, but in many instances would probably be very beneficial, especially if the result were very close.

I put this question to the Chair: Under this changed electronic procedure just announced, will recapitulations be granted when requested by Members?

The **SPEAKER**. As the gentleman has submitted his parliamentary inquiry, there is no change in that ruling. That is not the reason why the prior ruling was made. The names of the Members will still appear on the panel and Members can verify their changed votes without a recapitulation. That was the basis for the original ruling, that all names, whether they are by Members inserting their voting cards or voting from the well, will appear on the voting panel for verification. The ruling will remain as it was when the gentleman made his inquiry at an earlier date.

Mr. **BAUMAN**. Mr. Speaker, I have a further parliamentary inquiry.

The **SPEAKER**. The gentleman will state it.

Mr. **BAUMAN**. What the gentleman from Maryland is not completely sure about is by what complete authority changes of the rules of this nature are made by the ruling of the Chair alone. If a Member wished to seek to have the full House act on the announcement just made by the Chair, would this be done only by resolution referred to the Committee on Rules?

The **SPEAKER**. The gentleman is correct.

Mr. **BAUMAN**. I thank the Chair.

CALL OF THE HOUSE

Mr. **ECKHARDT**. Mr. Speaker, I make the point of order that a quorum is not present.

The **SPEAKER**. Evidently a quorum is not present.

Mr. **O'NEILL**. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 511]

Andrews, N.C.
Aspin
Bedell
Brown, Calif.
Burke, Fla.
Chisholm
Conyers
Crane
Danielson
de la Garza
Diggs
Fary
Fascell
Foley
Ford, Tenn.
Fraser
Frenzel
Harsha
Hébert
Ichord
Jacobs
Jarman
Jones, Okla.
Jordan
Keys
Landrum
Lehman
Lujan
McCloskey
McEwen
McKinney
Macdonald
Matsunaga
Mezvinsky
Michel
Mikva
Mills
Mollohan
Moorhead, Calif.
Moorhead, Pa.
Nolan
Obey
Peyser
Railsback
Rees
Rhodes
Riegle
Rosenthal
Roybal
Santini
Scheuer
Sisk
Staggers
Stanton, James V.
Steed
Stephens
Teague
Udall
Ullman
Vander Jagt
Wilson, Bob
Young, Alaska
Young, Ga.

The **SPEAKER**. On this rollcall 370 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PERMISSION FOR SUBCOMMITTEE ON FISHERIES AND WILDLIFE CONSERVATION AND ENVIRONMENT TO MEET DURING 5-MINUTE RULE TODAY.

Mr. **LEGGETT**. Mr. Speaker, I ask unanimous consent that the Subcommittee on Fisheries and Wildlife Conservation and the Environment of the Committee on Merchant Marine and Fisheries may meet today during the five minute rule.

The **SPEAKER**. Is there objection to the request of the gentleman from California?

There was no objection.

PERSONAL EXPLANATION

Mr. **BROWN** of Ohio. Mr. Speaker, on Thursday last on the drug abuse control legislation I am not recorded as having voted. I was in the Chamber and I intended to vote and had my vote been recorded, I would have voted "aye" on the final passage of the legislation.

ENERGY CONSERVATION AND OIL POLICY ACT OF 1975

Mr. **DINGELL**. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 7014) to increase domestic energy supplies and availability; to restrain energy demand; to prepare for energy emergencies; and for other purposes.

The **SPEAKER**. The question is on the motion offered by the gentleman from Michigan.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 7014, with Mr. BOLLING in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on Friday, August 1, 1975, all time for debate on title III of the committee amendment in the nature of a substitute and all amendments thereto had expired and there was pending the amendment offered by the gentleman from Ohio (Mr. BROWN) to title III on which a recorded vote had been requested by the gentleman from Ohio.

Without objection, the Clerk will again read the amendment offered by the gentleman from Ohio (Mr. BROWN).

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. BROWN of Ohio: Strike out sections 301, 302, 303.

Renumber the succeeding sections of title III accordingly.

PARLIAMENTARY INQUIRY

Mr. DINGELL. Mr. Chairman, I rise to make a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DINGELL. Mr. Chairman, it is my recollection that at the time the Committee rose, as the Chair has just indicated to us, we had under consideration, as the Chair has pointed out, the Brown amendment which provided for the striking, as I recall it, of three sections: Section 301, section 302, and section 303, as amended. Am I correct on that, Mr. Chairman?

The CHAIRMAN. The gentleman goes well beyond the parliamentary inquiry. The Chair can state that that is correct.

Mr. DINGELL. Mr. Chairman, a further parliamentary inquiry: Mr. Chairman, as I recall, section 301 was the Staggers pricing amendment; section 302 was the Wright amendment which related to marginal wells, and section 303 was the future limitation of Presidential powers regarding pricing.

The CHAIRMAN. The gentleman is not stating a parliamentary inquiry. The Chair has stated that the matter pending is the recorded vote which has been requested on the Brown amendment. The Brown amendment is available to all Members of the Committee.

PARLIAMENTARY INQUIRY

Mr. BROWN of Ohio. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. BROWN of Ohio. The parliamentary inquiry, Mr. Chairman is, Would it be in order at this point while the vote is pending to ask unanimous consent of the House that 2 minutes may be granted on either side of the aisle for a discussion at this point of the pending vote?

The CHAIRMAN. Such a request would be in order only if the gentleman first withdrew his request for a recorded vote.

Mr. BROWN of Ohio. A further parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. BROWN of Ohio. Would that request for a recorded vote then be in order following the discussion of the pending vote?

The CHAIRMAN. The gentleman could again request a recorded vote.

Mr. BROWN of Ohio. Mr. Chairman, then I ask unanimous consent to withdraw my request for a recorded vote at this point.

The CHAIRMAN. That does not require unanimous consent. The gentleman withdraws his request for a recorded vote.

Does the gentleman now ask unanimous consent for debate time?

Mr. BROWN of Ohio. I do, Mr. Chairman. I ask unanimous consent that 2 minutes be granted on either side of the aisle, 2 minutes to the gentleman from Michigan (Mr. DINGELL) and 2 minutes to the gentleman from Ohio (Mr. BROWN) to discuss the pending vote.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. DINGELL. Mr. Chairman, reserving the right to object, I think we can do this in 1 minute, if the gentleman would ask unanimous consent for 1 minute.

Mr. BROWN of Ohio. Mr. Chairman, I ask unanimous consent that 1 minute be granted to the Democratic side in the hands of the gentleman from Michigan (Mr. DINGELL) and 1 minute to the Republican side to be in the hands of the gentleman from Ohio (Mr. BROWN).

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BROWN of Ohio. Mr. Chairman, the amendment pending does strike from the legislation the Staggers-Eckhardt pricing provisions. It strikes sections 301, 302, and 303 in order that we may take pricing out of this highly controversial bill and have an opportunity for an agreement to be reached between this Congress and the administration on pricing provisions for gradual decontrol.

Now if this is stricken, there is still pending in S. 622, with which this bill is to be conferenced, pricing provisions. As the gentleman from Texas (Mr. ECKHARDT) has said on the floor and has suggested, his letter to the contrary was in error. Also this does not affect the opportunity for extension of the Emergency Petroleum Allocation Act which is not now in effect because of the Senate sustaining of the veto. That must be continued separately.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan (Mr. DINGELL) for 1 minute.

Mr. DINGELL. Mr. Chairman, I must point out to my colleagues that although very well drawn the Brown amendment attempts to return the House to consideration of matters already decided.

I would point out it does do away with the Staggers pricing amendment, which the Committee has already adopted, it does away with an amendment adopted by the Committee offered by the gentleman from Texas (Mr. WRIGHT) relating to discretion for special price treatment for a category of marginal wells. It also eliminates the section relating to curtailment of the Presidential power to put floors under petroleum prices.

If we are to go to conference with the Senate it is absolutely necessary that we have pricing policy statements of the breadth and depth in the legislation. If we strike the pricing sections by the Brown amendment we will deny ourselves that capacity and we will not then be able to properly confer with the Senate. Under the rules of the two bodies we would then be unable to bring back to our respective bodies a pricing section which reflects adequate and realistic compromise.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Ohio (Mr. BROWN).

RECORDED VOTE

Mr. BROWN of Ohio. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 151, noes 242, not voting 40, as follows:

[Roll No. 512]

AYES—151

Anderson, Ill.
Archer
Armstrong
Ashbrook
Bafalis
Bauman
Beard, Tenn.
Bell
Boggs
Bowen
Breaux
Brooks
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burleson, Tex.
Butler
Byron
Carter
Casey
Cederberg
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collins, Tex.
Conable
Conlan
Coughlin
Daniel, Dan
Daniel, R. W.
Derwinski
Devine
Dickinson
du Pont
Edwards, Ala.
English
Erlenborn
Esch
Eshleman
Fenwick
Findley
Fish
Flowers
Forsythe
Frey
Gibbons
Goldwater
Goodling
Gradison
Grassley
Guyer
Haley
Hammerschmidt
Hansen
Hastings
Heinz
Hightower
Hillis
Hinshaw
Holt
Horton
Hutchinson
Jarman
Johnson, Colo.
Johnson, Pa.
Kasten
Kazen
Kelly
Kemp
Ketchum
Kindness
Krueger
Lagomarsino
Lent
Long, La.
Long, Md.
Lott
McClory
McCollister
McDonald
McEwen
McKay
Mahon
Mann
Martin
Mazzoli
Michel
Milford
Miller, Ohio
Mills
Mitchell, N.Y.
Montgomery
Moore
Mosher
Myers, Ind.
Myers, Pa.
O'Brien
Passman
Pettis
Pickle
Poage
Pritchard
Quie
Quillen
Rhodes
Risenhoover
Roberts
Robinson
Roncalio
Rousselot
Runnels
Ruppe
Sarasin
Satterfield
Schneebeli
Schulze
Sebelius
Shipley
Shriver
Shuster
Skubitz
Smith, Iowa
Smith, Nebr.
Spence
Stanton, J. William
Steelman
Steiger, Ariz.
Steiger, Wis.
Symms
Talcott
Taylor, Mo.
Thone
Thornton
Treen
Waggonner
Wampler
White
Whitehurst
Whitten
Wiggins
Wilson, Tex.
Winn
Wright
Wydler
Wylie
Young, Fla.
Young, Tex.

NOES—242

Abdnor
Abzug
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Andrews, N. Dak.
Annunzio
Ashley
AuCoin
Badillo
Baldus
Barrett
Baucus
Beard, R.I.
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boland
Bolling
Bonker
Brademas
Breckinridge
Brinkley
Brodhead
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney
Carr
Chappell
Chisholm
Clancy
Clay
Cohen
Collins, Ill.
Conte
Conyers
Corman
Cornell
Cotter
D'Amours
Daniels, N.J.
Davis
Delaney
Dellums
Dent
Derrick
Diggs

Dingell
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Oreg.
Duncan, Tenn.
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Emery
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fisher
Fithian
Flood
Florio
Flynt
Foley
Ford, Mich.
Fraser
Fuqua
Gaydos
Giaimo
Gilman
Ginn
Gonzalez
Green
Gude
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Harsha
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Hefner
Helstoski
Henderson
Hicks
Holland
Holtzman
Howard
Howe
Hubbard
Hughes
Hungate
Hyde
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Karth
Kastenmeier
Keys
Koch
Krebs
LaFalce
Latta
Leggett
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
McCormack
McDade
McFall
McHugh
McKinney
Madden
Madigan
Maguire
Mathis
Meeds
Melcher
Metcalfe
Meyner
Mikva
Miller, Calif.
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Neal
Nedzi
Nichols
Nix
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Pike
Pressler
Preyer
Price
Randall
Rangel
Regula
Reuss
Richmond
Rinaldo
Rodino
Roe
Rogers
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Russo
Ryan
St Germain
Santini
Sarbanes
Scheuer
Schroeder
Seiberling
Sharp
Sikes
Simon
Slack
Snyder
Solarz
Spellman
Staggers
Stark
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Taylor, N.C.
Thompson
Traxler
Tsongas
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Walsh
Waxman
Weaver
Whalen
Wilson, C. H.
Wirth
Wolff
Yates
Yatron
Young, Ga.
Zablocki
Zeferetti

NOT VOTING—40

Andrews, N.C.
Aspin
Bedell
Burke, Fla.
Crane
Danielson
de la Garza
Fary
Fascell
Ford, Tenn.
Fountain
Frenzel
Hagedorn
Hébert
Ichord
Jones, Okla.
Jordan
Landrum
Lehman
Lujan
McCloskey
Macdonald
Matsunaga
Mezvinsky
Mollohan
Moorhead, Calif.
Nolan
Peyser
Railsback
Rees
Riegle
Roybal
Sisk
Stanton, James V.
Steed
Stephens
Teague
Vander Jagt
Wilson, Bob
Young, Alaska

So the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. James V. Stanton against.

Mr. Landrum for, with Mr. Matsunaga against.

Mr Teague for, with Mr. Sisk against.

Mr. Young of Alaska for, with Mr. Lehman against.

Mr. Steed for, with Mr. Riegle against.

Mr. Lujan for, with Mr. Fountain against.

Mr. Crane for, with Mr. Roybal against.

Mr. Jones of Oklahoma for, with Mr. Macdonald of Massachusetts against.

Mr. Burke of Florida for, with Mr. Bedell against.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. FOUNTAIN. Mr. Chairman, on the amendment offered by the gentleman from Ohio (Mr. BROWN) which was just disposed of, I was engaged in a telephone conversation and did not know the vote was being taken. Had I been present, I would have voted "no."

Mr. CHAIRMAN. Are there further amendments to title III?

If not, the Clerk will read.

The Clerk read as follows:

TITLE IV—ENERGY CONSERVATION MEASURES

PART A—ALLOCATION ACT AMENDMENTS AND OTHER ENERGY CONSERVATION MEASURES

RESTRUCTURING OF ALLOCATION ACT

SEC. 401. The Emergency Petroleum Allocation Act of 1973, as amended by this Act, is further amended by adding at the end thereof the following new section:

"REEVALUATION OF SECTION 4(a) REGULATION

"SEC. 10. (a) Not later than 30 days after the date of enactment of this section, the President shall give appropriate notice and afford interested persons an opportunity to submit written comments and make an oral presentation of data, views, and arguments respecting the appropriateness and efficacy of, or the continuing need for, any of the provisions of the regulation promulgated under section 4(a) as related to the attainment of the objectives specified in subsection (b) of section 4. A transcript shall be kept of any such oral presentation of data, views, and argument.

"(b) Not later than 90 days after the date of enactment of this section, the President shall, after consideration of such written comment and oral presentation and such other information as may be available to him, propose such amendments to the regulation promulgated under section 4(a) as he determines are necessary or appropriate to modify or eliminate provisions which are inconsistent with the objectives specified in section 4(b) or no longer necessary to the attainment of such objectives.

"(c) Except as provided in section 11, any amendment to the regulation referred to in subsection (b) shall take effect under the terms of such amendment."

CONVERSION TO STANDBY AUTHORITIES

SEC. 402. The Emergency Petroleum Allocation Act of 1973 is amended by striking out section 4(g) of such Act (as in effect prior to the effective date of this Act) and by adding at the end of such Act, as amended by this Act, the following new section:

"CONVERSION MECHANISM TO STANDBY AUTHORITY

"SEC. 11. (a) Except as provided in subsection (b) of this section, the President may amend the regulation under section 4(a) if he determines that such amendment is consistent with the attainment, to the maximum extent practicable, of the objectives specified in section 4(b) and that the regulations, as amended, provides for the attainment, to the maximum extent practicable, of such objectives.

"(b)(1) An amendment which proposes to exempt crude oil, residual fuel oil, or any refined petroleum product from the provisions of the regulation under section 4(a) as such provisions pertain to either (A) the allocation of amounts of any such oil or product, or (B) the specification of price or the manner for determining price of any such oil or product may take effect only pursuant to the provisions of this subsection. For the purposes of this section, any amendment which proposes to exempt a product or oil from the regulation as it applies to an entire market level shall constitute a proposed exemption of such oil or product which may take effect only pursuant to the provisions of this section. The term 'market level' refers to the production, refinery, wholesale distribution, and retailing levels.

"(2) The President shall transmit (A) any such amendment to the Congress in accordance with the procedures specified in section 751 of the Energy Conservation and Oil Policy Act of 1975 and any such amendment shall be accompanied by a specific statement of the President's rationale for such amendment, and (B) the matter described in subsection (c) of this section. Such an amendment may apply only to one oil or one product with respect to either allocation or price and may provide for scheduled or phased implementation.

"(3) No such amendment may become effective, unless neither House of Congress has disapproved (or both Houses of Congress have approved) such amendment in accordance with the procedures specified in section 751 of the Energy Conservation and Oil Policy Act of 1975.

"(c)(1) The President shall support any proposed amendment to the regulation under subsection (a) which is transmitted to the Congress under subsection (b) of this section with a finding that such amendment is consistent with the attainment of the objectives in subsection 4(b) and in the case of—

"(A) any proposed exemption of an oil or product pursuant to subsection (b)(1)(A), with a finding that such oil or product is no longer in short supply and that exempting such oil or product will not have an adverse impact on the supply of any other oil or product subject to this Act, and

"(B) any proposed exemption of an oil or product described in subsection (b)(1)(B), with a finding that competition and market forces are adequate to protect consumers from price gouging and to assure that prices of such oil or product will be just and reasonable.

"(2) Any amendment which the President transmits to the Congress under subsection (b) of this section shall be accompanied—

"(A) by a statement of the President's views as to the potential economic impacts (if any) of such amendment which, where practicable, shall include his views as to—

"(i) the State and regional impacts of such amendment (including effects on governmental units),

"(ii) the effects of such amendment on the availability of consumer goods and services; the gross national product; competition; small business; and the supply and availability of energy resources for use as fuel or as feedstock for industry; and

"(iii) the effects on employment and consumer prices; and

"(B) in the case of an amendment described in subsection (b)(1)(B) of this section, by an analysis of the effects of such amendment on the rate of unemployment for the United States, and the Consumer Price Index for the United States.

"(3) Nothing in this section shall permit the President to amend the regulation to exempt any first sale of domestic crude oil from the provisions of section 8 of this Act.

"(d) In any judicial review of an amendment required to be submitted under subsection (b) or of the regulation under section 4(a), as amended by such amendment, the reviewing court may not hold unlawful or set aside any such amendment or the regulation, as amended by such amendment, solely on the basis that a ground for holding unlawful or setting aside agency action specified in subparagraph (A), (D), or (E) of section 706(2) of title 5, United States Code, applies with respect to one or more of the findings or views required to be made by the President under this section and submitted to the Congress pursuant to subsection (c).

"(e) With respect to any oil or product which is exempted pursuant to subsection (b), the President shall have authority at any time thereafter to prescribe a regulation or issue an order respecting either the allocation of amounts, or the specification of price or the manner for determining the price, of any such oil or product upon a determination by him that such regulation or order is necessary to attain, and is consistent with, the objectives specified in section 4(b). Any such oil or product for which allocation or price controls are reimposed under authority of this subsection may subsequently be exempted without regard to the provisions of subsection (b) of this section."

DEFINITIONS IN ALLOCATION ACT

SEC. 403. Section 3 of the Emergency Petroleum Allocation Act of 1973 is amended—

(1) by inserting before the period at the end of paragraph (7) of such section "and the Outer Continental Shelf"; and

(2) by adding at the end of such section the following:

"(8) The term 'Outer Continental Shelf' has the same meaning as such term has under section 2 of the Outer Continental Shelf Lands Act (43 U.S.C. 1331).

"(9) The term 'motor gasoline' means a mixture of volatile hydrocarbons, suitable for operation of an internal combustion engine, whose major components are hydrocarbons with boiling points ranging from 140° to 390° F and whose source is distillation of petroleum and cracking polymerization, and other chemical reactions by which the naturally occurring petroleum hydrocarbons are converted to those that have superior fuel properties.

"(10) The term 'including' means including but not limited to."

AMENDMENT TO SECTION 4 OF THE ALLOCATION ACT

SEC. 404. Section 4(b)(1)(A) of the Emergency Petroleum Allocation Act of 1973 is amended to read as follows:

"(A) protection of public health (including the production of pharmaceuticals), safety, and welfare (including maintenance of residential heating, such as individual homes, apartments and similar occupied dwelling units), and the national defense;".

MANDATORY GASOLINE ALLOCATION SAVING PROGRAM

SEC. 405. The Emergency Petroleum Allocation Act of 1973, as amended by this Act, is further amended by adding at the end thereof the following new section:

"MANDATORY GASOLINE ALLOCATION SAVING PROGRAM

"SEC. 12. (a)(1) Not later than 45 days after the first day of the first month which begins after the date of enactment of this section, the President shall amend the regulation under section 4(a) of this Act, and prescribe any orders as are authorized under other sections of this Act as he determines are necessary and appropriate, to prevent any increase in the consumption of motor gasoline above the base volume during the entirety of the three-year period which begins on the first day of the fourth month which begins after the date of enactment of this section, and, except as provided in paragraph (2), shall by such additional amendments or orders as he determines are necessary or appropriate, cause a percentage reduction of 2 per centum in the base volume for the entirety of such period.

"(2) The President need not require the 2 per centum reduction specified in paragraph (1) if he finds that such reduction would prevent the attainment of the objectives specified in section 4(b) of this Act and submits to the Congress such finding, together with a supporting analysis of the factors upon which such finding is based. In any such case, the President shall achieve as much of such reduction as he determines would be consistent with the attainment of such objectives.

"(3) In addition to the reductions specified in paragraphs (1) and (2), the President may by additional amendment or order require—

"(A) a percentage reduction of an additional per centum in the base volume during the one-year period which begins one year after the first day of the fourth month which begins after the date of enactment of this section, if the President finds that such reduction can be accomplished consistent with the objectives specified in section 4(b) of this Act; and

"(B) in addition to the reductions specified in paragraphs (1) and (2) and subparagraph (A) of this paragraph, a percentage reduction of an additional per centum in the base volume in the one-year period which begins two years after the first day of the fourth month which begins after the date of enactment of this section, if the President finds that such reduction can be accomplished consistent with the objectives specified in section 4(b) of this Act.

"(4) In exercising his authority under this subsection, the President may adjust the base volume above or below the daily average demand for motor gasoline as specified in paragraph (8)(B) to take into account the historical patterns of seasonal disparities in consumption of motor gasoline, as long as such adjustments do not result in an increase in the base volume above the amounts specified in paragraphs (1) (taking into account any modification of such amounts pursuant to paragraph (2)) and (3) over the entirety of the three-year period or one-year period, as the case may be, as specified in such paragraphs.

"(5) To the maximum extent practicable, the amendment or orders prescribed under this subsection shall take into account—

"(A) the historical pattern of regional disparities in consumption of motor gasoline;

"(B) regional population growth or decline as may have occurred since 1972 and as may occur during the period in which any amendment or order under this subsection is in effect; and

"(C) regional differences in the availability of public transit facilities.

"(6) To the maximum extent practicable, the amendment or orders prescribed under this subsection shall assure that any reductions required or permitted under this subsection shall be accompanied by per barrel equivalent reductions in total volume of imports of crude oil and refined petroleum products.

"(7) The amendment and orders specified in paragraph (1) shall take effect no later than the first day of the fourth month which begins after the date of enactment of this section.

"(8) For purposes of this section:

"(A) The term 'percentage reduction' means a reduction in the volume of motor gasoline produced or sold for purposes of resale in any year as measured against the base volume.

"(B) The term 'base volume' means the daily average demand for motor gasoline in the United States, calculated on the basis of the amount of motor gasoline demand for a twelve-month period using historical daily average demand figures for months of either calendar year 1973 or calendar year 1974, whichever is higher, as compiled by the Federal Energy Administration or the Bureau of Mines, whichever is higher.

"(b) The President shall take such action under the authority of this Act, the Trade Expansion Act of 1962, or other law vested in him to disallow, or impose volumetric limitations on, the importation of motor gasoline to such extent or in such amounts as may be necessary to assure the attainment of the goals specified in subsection (a).

"(c)(1) The President shall have authority under this Act to make such amendments to the regulation under section 4(a) and issue such orders respecting the allocation of amounts of crude oil, residual fuel oil or any refined petroleum product as are necessary or appropriate to the attainment of the goals specified in subsection (a) of this section.

"(2) In prescribing any amendment under paragraph (1), or any order under paragraph (1), the President shall, to the maximum extent practicable, seek an accommodation and harmonization of the goals specified in subsection (a) of this section with those objectives specified in section 4(b) of this Act."

RETAIL DISTRIBUTION CONTROL MEASURES

SEC. 406. The Emergency Petroleum Allocation Act of 1973, as amended by this Act, is further amended by adding at the end thereof the following new section:

"RETAIL DISTRIBUTION CONTROL MEASURES

"SEC. 13. (a) The President shall by rule promulgate standards and procedures by which persons engaged in the retailing of motor gasoline may develop and carry out voluntary agreements respecting the hours of operation of retail establishments, or other aspects of retail operations as the President determines are necessary and appropriate to minimize motorists' inconvenience in purchasing *motor* gasoline during the period within which the mandatory gasoline allocation savings program under section 12 is in effect. Voluntary agreements developed under this section by persons engaged in the retailing of motor gasoline shall include provisions for the designation of retail establishments with assigned hours of operations as may be appropriate to provide a reasonable opportunity to purchase available supplies of motor gasoline during evening hours on weekend days and holidays.

"(b) The standards and procedures under subsection (a) shall include the following:

"(1) A written copy of any voluntary agreement under this section shall be submitted to the Attorney General and the Federal Trade Commission and be available for public inspection.

"(2) Meetings held to develop or carry out a voluntary agreement under this section shall permit attendance by interested persons and shall be preceded by timely notice to the Attorney General, the Federal Trade Commission, and to the public in the affected community.

"(3) Interested persons shall be afforded an opportunity to present, in writing, and orally, data, views, and arguments at such meetings.

"(4) A written summary of the proceedings of any such meeting together with copies of any written data, views, and arguments presented by interested persons shall be submitted to the Attorney General and the Federal Trade Commission and be available for public inspection.

"(c) The Federal Trade Commission may exempt types or classes of meetings, conferences, or communications from the requirements of subsection (b) where such types or classes of meetings, conferences, or communications are determined to be ministerial to carrying out of any such agreement. Such meeting, conference, or communication may take place and be ordered in accordance with such requirement as the Federal Trade Commission may prescribe, by rule, as consistent with the purposes of this section.

"(d)(1) There shall be available as a defense to any civil or criminal action brought under the antitrust laws as defined in section 6(c)(2) of this Act (or any similar State law) in respect of actions taken in good faith to develop or carry out a voluntary agreement by a person engaged in the business of the retailing of motor gasoline that—

"(A) such action was taken—

"(i) in the course of developing a voluntary agreement pursuant to this section, or

"(ii) to carry out a voluntary agreement authorized and approved in accordance with this section, and

"(B) such person complied with the requirements of this section and the rules promulgated hereunder.

"(2) Except as provided in paragraph (3), a person availing himself of a defense under this subsection shall have the burden of establishing and proving such defense.

"(3) For purposes of paragraph (1), action taken by a person asserting a defense under this section shall be considered taken in good faith unless the person against whom the defense is asserted proves—

"(A) such action was taken by the person asserting the defense for the purpose of injuring competition, or

"(B) the person asserting the defense knew, or reasonably should have known under the circumstances that—

"(i) the action would have the effect of injuring competition, and

"(ii) an alternative to such action was available which would be substantially less injurious to competition and which would be at least as effective in carrying out the purposes for which the voluntary agreement was entered into.

"(4) No provision of this section shall be construed as granting immunity for, nor as limiting or in any way affecting any remedy or penalty which may result from any legal action or proceeding arising from, any acts or practice which occurred prior to the date of enactment of this section or subsequent to its expiration or repeal.

"(5) In any action in any Federal or State court for breach of contract there shall be available as a defense that the alleged breach of contract was caused by action taken in accordance with a voluntary agreement authorized under the provisions of this section.

"(e) Any voluntary agreement entered into pursuant to subsections (a) and (b) of this section shall be submitted in writing to the Attorney General and the Federal Trade Commission twenty days before being implemented. Such agreement shall be available for public inspection in accordance with the provisions of section 552 of title 5, United States Code. The Attorney General or the Federal Trade Commission, at any time, on motion or upon the request of any interested person, may modify, amend, disapprove, or revoke any such voluntary agreement and, if revoked, thereby withdraw prospectively the immunity conferred by subsection (d) of this section.

"(f) (1) This section shall apply in lieu of section 6(c) respecting any voluntary agreement respecting retailing of motor gasoline under the mandatory gasoline allocation savings program.

"(2) The provisions of section 708 of the Defense Production Act of 1950 shall not apply to any agreement or action undertaken for the purpose of developing or carrying out any voluntary agreement respecting retailing of motor gasoline."

DIRECT CONTROLS ON REFINERY OPERATIONS

SEC. 407. The Emergency Petroleum Allocation Act of 1973, as amended by this Act, is further amended by adding at the end thereof the following new section:

"DIRECT CONTROLS ON REFINERY OPERATIONS

"SEC. 14. The President may, by amendment to the regulation under section 4(a) of this Act or by order, as may be consistent with the attainment of the objectives specified in section 4(b) of this Act, require adjustments in the processing operations of any refinery in the United States with respect to the proportions of residual fuel oil or any refined petroleum product produced through such operations if he determines such adjustments are necessary to assure the production of residual fuel oil or any refined petroleum product in such proportions necessary to attain the objectives specified in section 4(b), or section 12 relating to the mandatory gasoline allocation savings program."

INVENTORY CONTROLS

SEC. 408. The Emergency Petroleum Allocation Act of 1973, as amended by this Act, is further amended by adding at the end thereof the following new section:

"INVENTORY CONTROLS

"SEC. 15. The President may, by amendment to the regulation under section 4(a) of this Act or order, as may be consistent with the attainment of the objectives specified in section 4(b), require adjustments in the amounts of crude oil, residual fuel oil or any refined petroleum product which are held in inventory by persons who are engaged in the business of importing, producing, refining, marketing, or distributing such oils or products. Such authority may be exercised to require either (1) a distribution from such inventories at specified rates of distribution or to specified levels, or (2) the accumulation of inventories, at specified rates of accumulation or to specified levels, as the President determines may be necessary to the attainment of the objectives of section 4(b), the objectives specified in section 12 (relating to the mandatory gasoline allocation savings program) or as may be necessary to carry out the obligations of the United States under the international energy program, as defined in section 103(8) of the Energy Conservation and Oil Policy Act of 1975. The authority to require an accumulation of inventories may be employed to compel the maintenance of inventories in excess of such person's normal business or operating requirements; except that such amounts shall not exceed the amount of oil or product, as the case may be, such person would use or distribute during any 90-day period under normal conditions and in no case may the requirement to accumulate inventories be applied to any person in a manner which would necessitate such person making physical additions to storage facilities in order to comply with any such rule or order."

HOARDING PROHIBITIONS

SEC. 409. The Emergency Petroleum Allocation Act of 1973, as amended by this Act, is further amended by adding at the end thereof the following new section:

"HOARDING PROHIBITIONS

"SEC. 16. Except as may be required, by the regulation under section 4(a) of this Act or order, of persons engaged in the business of producing, refining, distributing, or marketing crude oil, residual fuel oil, or any refined petroleum product pursuant to section 15, it shall constitute a violation of the regulation under section 4(a) for any person during a severe energy supply interruption, as defined in section 103(9) of the Energy Conservation and Oil Policy Act of 1975 to accumulate amounts of such oils or products in inventories or otherwise which are in excess of such person's reasonable needs."

SUPPLEMENTAL AUTHORITIES TO ASSURE REASONABLENESS OF PETROLEUM PRICES

SEC. 410. The Emergency Petroleum Allocation Act of 1973, as amended by this Act, is further amended by adding at the end thereof the following new section:

"SUPPLEMENTAL AUTHORITIES TO ASSURE REASONABLENESS OF PETROLEUM PRICES

"SEC. 17. (a) It is the purpose of this section to insure the free flow of oil in foreign and interstate commerce at the lowest possible price.

"(b) For the purpose of this section:

"(1) The term 'qualified buyer' means a citizen of the United States, a domestic corporation, a domestic agricultural cooperative, a domestic partnership or other unincorporated business organization, or any department, agency, or other instrumentality of the United States or of any State or political subdivision thereof.

"(2) The term 'responsible offeror' means any company, sovereign State, or person acting on its own or on behalf of others who has been found by the President, in accordance with such rules as he may prescribe, to be capable of performing in accordance with the terms of such person's offer.

"(c) (1) The President may, at any time after the expiration of the 180-day period which begins on the date of enactment of this section, act as the exclusive agent of the United States in—

"(A) purchasing crude oil, residual fuel oil and refined petroleum products produced or refined outside the United States for importation into the United States; and

"(B) purchasing crude oil produced outside the United States for sale to refiners outside the United States pursuant to subsection (f) (2) (B) of this section.

"(2) Any crude oil, residual fuel oil and refined petroleum product purchased by the United States pursuant to paragraph (1) of this subsection shall be sold to qualified buyers free on board the point of purchase. The President shall not have authority under this section to engage in the business of producing, transporting, or refining crude oil, residual fuel oil or refined petroleum products.

"(3) The President shall endeavor to buy and sell without profit or loss, except that the President may—

"(A) sell crude oil, residual fuel oil or any refined petroleum product at a price above or below the cost of such oil or product if, in the judgment of the President, such sales may result in progress toward a lower price for oil sold in international commerce; and

"(B) as he determines may be necessary to carry out the purposes of this section periodically establish posted prices which shall apply to all sales and outstanding contracts for sale of crude oil, residual fuel oil and refined petroleum products made pursuant to the authorization of this section according to the particular gravities, qualities, grades, varieties, and locations of such oils and products.

"(d) The President shall, for any period in which he exercises the authority under subsection (c) of this section prohibit, by amendment to the regulation under section 4(a) or order, the importation into the United States by any person of crude oil, residual fuel oil or any refined petroleum product unless such crude oil, residual fuel oil or refined petroleum has been purchased from the United States or manufactured from crude oil purchased from the United States under the provisions of this section or amendments to the regulation under section 4(a) promulgated pursuant thereto.

"(e) (1) Persons qualifying as responsible offerors wishing to sell crude oil, residual fuel oil or any refined petroleum product to the United States pursuant to the authorization of this section shall submit sealed offers of sale to the President in accordance with such rules as the President prescribes governing such offers.

"(2) All such sealed offers submitted to the President shall be in United States dollar amounts and shall show price, specifications, volume, terms of delivery and schedule of delivery. The President shall accept those offers the terms of which are most favorable to the United States. The President shall have the power to negotiate with the offerors for terms more favorable to the United States. No contract, the duration of which is more than 2 years, may be accepted under the authority of this section.

"(3) The terms of any offer, or of any contract or agreement entered into by the President to purchase crude oil, residual fuel oil, or any refined petroleum product shall be kept secret by the President and any officers, or employees of the United States. The requirement of this subsection shall not prevent or interfere with access to such data by the General Accounting Office in the performance of its responsibilities under subsection (i). Such terms may, however, be made public five years after the termination of the transaction to which such terms apply, except that the identities of particular offerors and contracting parties shall not be disclosed.

"(f)(1) Prior to implementation of the authority of subsections (c) and (d) the President shall, by amendment, to the regulation under section 4(a), prescribe a system, consistent with the objectives specified in section 4(b) of this Act, by which sales of crude oil, residual fuel oil, and refined petroleum products purchased by the United States pursuant to this section shall be made to qualified buyers.

"(2)(A) Except to the extent that he may be required to do so under the international energy program, as defined in section 103(8) of the Energy Conservation and Oil Policy Act of 1975, or as provided in this subsection, the President shall not sell crude oil, residual fuel oil or any refined petroleum product purchased by the United States under the authority of this section other than for importation into the United States.

"(B) The President may sell crude oil to qualified buyers intending to refine it outside the United States for future importation into the United States in the form of residual fuel oil or refined petroleum products, if the following conditions are met:

"(i) the refinery in which the crude oil is to be run is owned by a qualified buyer;

"(ii) the qualified buyer has contracted with the President to export to the United States all refined petroleum products manufactured by it from crude oil sold to it by the United States; and

"(iii) the President has taken care, pursuant to subsection (f)(4)(B) of this section, to insure the maximum utilization of petroleum refining facilities located within the United States.

"(3) Any regulation promulgated under the authority of this subsection shall be promulgated pursuant to section 553 of title 5, United States Code.

"(4) Any regulation promulgated under authority of this subsection shall, to the maximum extent practicable—

"(A) preserve and encourage an economically sound and competitive domestic petroleum industry including the priority needs of independent and small refiners;

"(B) provide for the allocation of suitable types, grades and quality of crude oil to refineries to insure the maximum utilization of existing petroleum refining facilities located within the United States;

"(C) provide for the equitable distribution of crude oil, residual fuel oil, and refined petroleum products at equitable prices among all regions and areas of the United States and sectors of the petroleum industry, including independent and small refineries;

"(D) minimize economic distortion, inflexibility, and unnecessary interference with market mechanisms; and

"(E) assure adequate supplies of crude oil to new and expanded domestic refinery capacity as may be constructed or expanded by small or independent refiners.

"(g) To implement the authorities of this section, the President may—

"(1) make, promulgate, issue, rescind, and amend rules governing the manner of operation and the exercise of powers vested in him by this section;

"(2) appoint and fix compensation of such officers and employees as may be necessary to carry out such authorities;

"(3) contract for the purchase of crude oil, residual fuel oil, and refined petroleum products from any private individual, foreign state, or foreign or domestic corporation; and

"(4) delegate any authority conferred upon him by this section to such officers, departments, and agencies of the United States as he deems appropriate.

"(h) All contracts and other obligations entered into by the President shall be guaranteed by the full faith and credit of the United States.

"(i)(1) Upon implementation of the authorities of this section, the President shall prepare and transmit to the Congress, in January of each year, a report which shall include a financial accounting of purchases and sales of crude oil, residual fuel oil, and each refined petroleum product by the United States under this section during the prior calendar year. Such report shall not, however, disclose any information required to be kept secret under the provisions of subsection (d)(3) of this section.

(2) Any report made under this subsection shall contain such recommendations for additional legislation as the President may consider necessary or desirable to accomplish the purposes of this Act.

"(j) The General Accounting Office shall audit the administration of this section semiannually and report the results thereof to the President and the Congress. Such report shall not disclose any information required to be kept secret under the provisions of subsection (e)(3) of this section.

"(k) In any action in any Federal or State court for breach of contract, there shall be available as a defense that the alleged breach of contract was caused solely by compliance with the provisions of this section, or any rule or order issued pursuant to this section.

"(l) The provisions of subsection (i) of section 7 of the Federal Energy Administration Act of 1974 shall apply to any rule or any order having the applicability and effect of a rule as defined in section 551(4) of title 5, United States Code, issued pursuant to this section."

ENERGY CONSERVATION IN POLICIES AND PRACTICES OF FEDERAL AGENCIES

SEC. 411. (a)(1) The Civil Aeronautics Board, Interstate Commerce Commission, Federal Maritime Commission, Federal Power Commission, Environmental Protection Agency, and the Federal Aviation Administration (hereinafter in this section referred to as the "agencies") shall conduct a study and report on the Congress within 60 days after the date of enactment of this Act with respect to energy conservation policies and practices which such agencies have instituted subsequent to October 1973.

(2) The agencies shall, within 6 months after the date of enactment of this Act, propose to the Congress programs for additional savings in energy consumption which have as a minimum goal a 10-percent reduction within 12 months of the institution of such programs in energy consumption from the amount of energy consumed during calendar 1972 by the persons regulated by each such agency, including any legislative recommendations such agencies find are necessary to achieve such goal.

(3) The agencies, in consultation with the Office of Energy Conservation and Environment of the Federal Energy Administration and with such other Federal agencies as are appropriate, shall each conduct a study and prepare a report with respect to all policies or practices, both past and present, of such agencies which promote or perpetuate the inefficient use of petroleum products, coal, natural gas, electricity, and other forms of energy. Each such report shall be submitted to the Congress within one year after the date of enactment of this Act.

(b) Except as provided in subsection (c), the agencies shall, to the greatest extent possible exercise their authority—

(1) so as to prevent or minimize the inefficient use of petroleum products, coal, natural gas, electricity, and other forms of energy; and

(2) include in any major regulatory action taken by such agencies, a statement of the probable impact of such major regulatory action on energy consumption and supply and the energy costs and benefits of such major regulatory action.

(c) Subsection (b) shall not apply to any authority exercised under any provision of law by the agencies designed to protect the health or safety of individuals.

PUBLIC INFORMATION PROGRAM

SEC. 412. (a)(1) There are authorized to be appropriated $2,000,000 for the fiscal year ending June 30, 1976, and for each of the two succeeding fiscal years for the purpose of making grants to State and local agencies to carry out public information programs described in paragraph (2).

(2) In order to be eligible to receive a grant under this subsection, a State or local agency shall submit to the Administrator an application describing the program the State or local agency proposes to conduct. Such an application may be approved if it provides for a program of—

(A) dissemination to consumers and businesses of information respecting energy conservation and improvement of energy efficiency;

(B) inspections at the request of individual homeowners, tenants, and small businesses for the purpose of assessing the potential for installing insulation and storm windows and improving the efficiency of heating and air conditioning equipment of such homeowners' or tenants' residence or such businesses' premises; and

(C) dissemination of information respecting tax benefits and grant programs which are available to assist individuals and small businesses to achieve energy conservation and to improve energy efficiency.

Such a program may also include a system to assist consumers to locate businesses providing energy conservation services which are eligible for such tax benefit or grants.

(3) Upon approval of an application the Administrator may pay not more than 90 per centum of the cost of the program described in the application.

(b)(1) The Administrator may carry out a public information program designed to encourage energy conservation and improvement of energy efficiency. In carrying out such a program the Administrator may contract for periodical advertising space and broadcast advertising time.

(2) There are authorized to be appropriated $200,000 for the fiscal year ending June of 1976, and each of the 2 succeeding fiscal years to carry out the program authorized by this subsection.

REPORT ON ENFORCEMENT OF NATIONAL MAXIMUM SPEED LIMIT

SEC. 413. (a) Within 6 months after the date of enactment of this Act, each State shall prepare and transmit to the Secretary of Transportation a National Speed Limit Enforcement Report.

(b) The report shall include—

(1) an estimate of the number of vehicle miles traveled on public highways within the jurisdiction of the State which are subject to the National Maximum Speed Limit of 55 miles per hour;

(2) the number of violations cited;

(3) the penalties applicable (including loss of license, assessment of points, and fines);

(4) the penalties imposed upon convicted violators; separately for the calendar year 1974 and the first quarter (January through March) of calendar year 1975.

(5) the impact on highway safety, including the impact on traffic fatalities, serious injury, and property damage, of the speed limit requirement.

(c) Beginning with the expiration of the 6-month period which begins on the date of enactment of this Act, each State shall file semiannual National Maximum Speed Limit Enforcement Reports with the Secretary of Transportation and each House of Congress. Such reports shall include the type of information required by subsection (b) of this section for the preceding two calendar quarters, separately reported for each quarter.

ENERGY CONSERVATION THROUGH VAN POOLING ARRANGEMENTS

SEC. 414. (a) The Administrator shall establish a program which shall encourage employers to provide for van pooling arrangements for their employees.

(b) The Administrator, in carrying out the program specified in subsection (a), shall take into account the special need for such arrangements in nonurban areas and in areas where public transportation is not available.

(c) (1) The Administrator shall carry out a public information program designed to encourage energy conservation in transportation through the use of van pooling arrangements. In carrying out such a program, the Administrator may contract for periodic advertising space and broadcast advertising time.

(2) The Administrator shall develop van pooling arrangements for use by executive agencies. Such programs shall be designed for use by Federal employees in locations throughout the United States.

(d) For purposes of this section:

(1) The term "van" means any automobile (as defined in section 501(2) of this Act) which the Administrator determines is manufactured primarily for use in the transportation of not less than 8 individuals and not more than 15 individuals.

(2) The term "van pooling arrangement" means an arrangement for the transportation of employees between their residences or other designated locations and their place of employment on a nonprofit basis in which the operating costs of such arrangement are paid for by the employees utilizing such arrangement.

(e) The Administrator shall report to the Congress, within 2 years after the date of enactment of this Act, with respect to such program and any legislative recommendations for change in Federal law to encourage such arrangements.

USE OF CARPOOLS

SEC. 415. (a) The Secretary of Transportation shall encourage the creation and expansion of the use of carpools as a viable component of our nationwide transportation system. It is the intent of this section to maximize the level of carpool participation in the United States.

(b) The Secretary of Transportation is directed to establish within the Department of Transportation an "Office of Carpool Promotion" whose purpose and responsibilities shall include—

(1) responding to any and all requests for information and technical assistance on carpooling and carpooling systems from units of State and local governments and private groups and employees;

(2) promoting greater participation in carpooling through public information and the preparation of such materials for use by State and local governments;

(3) encouraging and promoting private organizations to organize and operate carpool systems for employees;

(4) promoting the cooperation and sharing of responsibilities between separate, yet proximately close, units of government in coordinating the operations of carpool systems; and

(5) promoting other such measures that the Secretary determines appropriate to achieve the goal of this subsection.

(c) The Secretary shall encourage and promote the use of incentives, such as special parking privileges, special roadway lanes, toll adjustments, and other incentives as may be found administratively feasible to the furtherance of carpool ridership and the use of mass transportation and consistent with the obligations of the State and local agencies which provide transportation services.

(d) Within 12 months after the date of enactment of this Act, the Secretary of Transportation shall make a report to Congress of all his activities and expenditures pursuant to this section. Such report shall include any recommendations as to future legislation concerning carpooling.

(e) As an example to the rest of the Nation's automobile users, the President of the United States shall take such action as is necessary to require all agencies of Government, where practical, to use economy motor vehicles.

PART B—INDUSTRIAL ENERGY CONSERVATION

FINDINGS

SEC. 451. The Congress finds that—

(1) large consumers, including industries, consume a major part of this country's supply of petroleum products, gas, and electricity;

(2) significant energy savings can be achieved by improving the energy efficiency of industrial and other energy-consuming processes;

(3) ordinary economic incentives have not succeeded in achieving maximum efficiency in energy consumption by large consumers of energy;

(4) a Federal program to improve efficiency in consumption of energy by large consumers of energy is essential to a more adequate realization of the potential for energy conservation.

DEFINITIONS

SEC. 452. For purposes of this part—

(1) The term "covered process or equipment" means—

(A) kilns;

(B) reheat furnaces;

(C) melting furnaces;

(D) electric motors;

(E) pumps and compressors;

(F) distillation and distillation equipment;

(G) boilers;

(H) rolling, drying, and pressing;

(I) smelting;

(J) catalytic reforming and cracking;

(K) turbines; and

(L) such other process or equipment as the Administrator, by rule published in the Federal Register, designates as a covered process or equipment.

(2) The term "guidelines" means the specification of methods and devices for achieving the maximum efficiency in the consumption of energy which the Administrator determines to be achievable through application of the best available demonstrated technology, processes, operating methods, or other alternatives for maximum energy efficiency. In determining maximum energy efficiency, the Administrator shall take into account the extent to which the application of the guidelines to improve energy efficiency would be offset by an increase in energy use resulting from the guidelines.

(3) The term "consumes", "consumed", or "consumption" means to burn or otherwise use petroleum products, gas, or electricity as a fuel or energy source.

(4) The term "barrel of oil equivalent" means that quantity of petroleum products, gas, or electric energy, which contains the same heat energy as a barrel of oil containing 5.88 million Btu's of heat energy, and shall be measured in accordance with standards which shall be developed and prescribed by the National Bureau of Standards to reflect the energy consumed in generation, transmission, and distribution.

(5) The term "facility" means any factory, building, plant, structure, or complex thereof.

(6) The term "gas" means natural gas and synthetic gas.

(7) The term "petroleum products" does not include refined lubricating oil.

(8) The term "manufacturer" means a person consuming, in manufacturing industrial or consumer products, at least the amount of barrels of oil equivalent per year which the Administrator, by rule published in the Federal Register, designates as the minimum amount that will probably be consumed in the ensuing year by each of the approximately 2,000 manufacturers in the United States who consume the most energy.

(9) The term "energy efficiency" means the amount of industrial output, as defined by the Administrator, divided into the amount of energy or fuel required to produce such output, in each class or category of industry as defined by the Administrator.

(10) The term "energy efficiency target" means the amount of improvement in energy efficiency to be attained by each class or category of manufacturers as defined in regulations to be prescribed by the Administrator which shall bring about an improvement in each manufacturer's energy efficiency of 15 per centum by January 1, 1978, and 20 per centum by January 1, 1981, in comparison to such manufacturer's energy efficiency in calendar year 1972, or, if the manufacturer was not engaged in manufacturing in that year, the first calendar year thereafter prior to calendar year 1975 in which he engaged in manufacturing.

ENERGY EFFICIENCY TARGETS FOR MAJOR INDUSTRIAL ENERGY CONSUMERS

SEC. 453. (a) The Administrator shall, within 90 days after the date of enactment of this Act, publish in the Federal Register energy efficiency targets for each class or category of manufacturers determined by the Administrator. Within 90 days after the date of such publication, each manufacturer shall file with the Administrator a plan to achieve in his manufacturing operations the energy efficiency target specified for his class or category. If the plan would not achieve the applicable energy efficiency target, the manufacturer shall, in a statement accompanying the plan, state in detail how much of the energy efficiency target would be achieved under the plan and why such energy efficiency target cannot be achieved.

(b) Not later than 90 days after the expiration of one year following the date his plan was filed with the Administrator, each manufacturer shall file with the Administrator an energy consumption report setting forth such data and information concerning the operation of his plan during that year, including data on energy consumption, products produced, and progress in achieving the energy efficiency target, as the Administrator, by rule, has prescribed for the manufacturer's class or category. Thereafter, within 90 days after each succeeding year, each manufacturer shall file an annual energy consumption report containing such data and information for that year. The Administrator may, by rule, require such interim reports as he deems necessary to ascertain the manufacturer's progress in achieving and maintaining energy efficiency targets.

(c) The Administrator shall establish and maintain a clearinghouse for information concerning technologies, techniques, data, and ideas for improving energy efficiency of manufacturers, and shall, to the maximum extent feasible, assist any person requesting such assistance to improve his energy efficiency in manufacturing operations and in meeting energy conservation guidelines. The Administrator shall coordinate his activities under this part with the energy conservation activities of other Federal agencies, State and local governments, and private industry. Nothing in this section shall compel, or constitute authority for, the Administrator to disclose any information covered by paragraphs (3) and (4) of section 552(b) of title 5, United States Code.

(d) The Administrator shall review all plans and reports filed with him and attach to each of them his evaluation and determination as to whether or not, or the extent to which, the manufacturer has achieved, or is making satisfactory progress in achieving and maintaining, the energy efficiency target applicable to the manufacturer. The energy efficiency plans and energy consumption reports filed by the manufacturer, and the Administrator's evaluation and determination concerning the manufacturer's progress in achieving and maintaining the energy efficiency target applicable to him, shall be available to the public.

(e) In determining compliance with the energy efficiency targets, the Administrator shall give due consideration to the following:

(1) changes in quality of raw material available to the manufacturer;

(2) energy content of fuels available to the manufacturer;

(3) the manufacturer's utilization of waste energy and byproducts to provide fuel or energy;

(4) the mix and quality of the manufacturer's product;

(5) regulatory requirements of Federal, State, and local governments;

(6) other factors which the Administrator determines are relevant to the achievement and maintenance of the energy efficiency targets.

(f) To assure compliance with the requirements of this part, the Administrator is authorized to—

(1) require any manufacturer to—

(A) establish and maintain such records, make such reports, and install, use, and maintain such monitoring equipment and monitoring methods, at such locations, at such intervals, and in such manner as the Administrator shall prescribe, and

(B) provide such test data, specifications, reports, and other information, as the Administrator determines is reasonably necessary to demonstrate that the manufacturer is complying or will comply with the requirements of this part;

(2) at reasonable times have a right of entry to, upon, or through the premises of the manufacturer or any other premises in which any records required to be maintained under paragraph (1) of this subsection are located; and

(3) at reasonable times have access to and copy any records, and inspect any monitoring equipment or method required under paragraph (1) of this subsection as the Administrator deems necessary.

(g) Any person who knowingly or negligently fails to provide the information prescribed in regulations issued by the Administrator to carry out this section shall be subject to a fine of not more than $5,000. In addition, the court is authorized, upon request of the Administrator, to order such person to provide such information to the Administrator, and any failure or refusal to comply with such order shall be punishable as a civil contempt.

(h) The Administrator shall conduct continuing evaluations of the progress being made by manufacturers in achieving compliance with the energy efficiency targets prescribed by the Administrator under this part, and shall, at least annually prepare and transmit to the Congress and to the President, a report summarizing such progress and identifying every manufacturer not making satisfactory progress to achieve and maintain the energy efficiency targets applicable to the manufacturer, its owners, and the amount and percentage of improvement in its energy efficiency that could result from its compliance with such targets; and the Administrator's recommendations for any legislative or other action.

DISSEMINATION OF ENERGY EFFICIENCY GUIDELINES

SEC. 454. The Administrator shall, within 90 days after the date of enactment of this Act, publish in the Federal Register guidelines for the efficient use and conservation of petroleum products, gas, and electricity by any facility using a covered process or equipment. The Administrator shall, from time to time, as technology and alternatives change, revise such guidelines. In establishing or revising guidelines under this section, the Administrator shall follow the procedures specified in section 553 of title 5, United States Code, and shall take into consideration the economic, environmental, and energy effects of any such guidelines or amendments thereto.

EFFECTS ON EMPLOYMENT

SEC. 455. The Administrator shall conduct continuing evaluations of potential loss or shifts of employment which may result from the Administrator's action under this part, including, where appropriate, investigating threatened plant closures or reductions in employment allegedly resulting from achievement of the energy efficiency targets or guidelines. Any employee who is discharged or laid off, threatened with discharge or layoff, or otherwise discriminated against by any person because of the alleged results of any such achievement or any representative of such employee, may request the Administrator to conduct a full investigation of the matter. The Administrator shall thereupon investigate the matter and may, in connection with such investigation, hold public hearings on not less than 5 days' notice, and shall at such hearings require the parties, including the employer involved, to present information relating to the actual or potential effect of such achievement on employment and on any alleged discharge, layoff, or other discrimination and the detailed reasons or justification therefor. Any such hearing shall be of record and shall be subject to section 553 of title 5, United States Code. Upon receiving the report of such investigation, the Administrator shall make findings of fact as to the effect of such achievement on employment and on the alleged discharge, layoff, or discrimination and shall make such recommendations as he deems appropriate. Such report, findings, and recommendations shall be available to the public.

Mr. DINGELL (during the reading). Mr. Chairman, I ask unanimous consent that title IV be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DINGELL. Mr. Chairman, I ask unanimous consent that all debate on title IV and all amendments thereto be limited to an hour and a half.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

Mr. BROWN of Ohio. Mr. Chairman, reserving the right to object—and I shall object to the request for an hour and a half—the whole title, title IV, consists of two parts.

Part A of the title is the portion which provides for the reduction of gasoline production in the United States, in effect the creation of a gasoline shortage. It seems to me that that part of this title deserves at least an hour of debate.

The other part of the title, part B, involves the reporting by all industries of size in the country of all of their energy consumption practices. That, too, is a far-reaching part of this legislation, and I would think that also deserves at least an hour of debate. In addition, I hasten to point out that there are 14 amendments pending to this title, 7 of them to be offered on this side by members of the committee.

I would suggest to the gentleman from Michigan (Mr. DINGELL) that he might revise his request, either as to the full title or, more properly perhaps, as to each part, to the point where it would provide 2½ hours for the full title or—and this is what I would prefer—1 hour for part A of title IV, and then let us dispose of part B of title IV at a later point in the debate.

Mr. DINGELL. Mr. Chairman, if the gentleman from Ohio will yield, I think the best way out of this predicament is for me to object to the unanimous-consent request, and I do so at this time. I will propound a further unanimous-consent request at this time.

Mr. Chairman, I ask unanimous consent that all debate on part A of title IV and on all amendments thereto end in 1 hour.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

Mr. BAUMAN. Mr. Chairman, reserving the right to object, just for historical purposes, does a Member have the privilege of objecting to his own request when he asks unanimous consent?

The CHAIRMAN. The Chair considered the statement of the gentleman from Michigan (Mr. DINGELL) as constituting a withdrawal of his unanimous-consent request.

Mr. BAUMAN. Mr. Chairman, that is an excellent idea. I thank the Chair.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

AMENDMENT OFFERED BY MR. BROWN OF OHIO

Mr. BROWN of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BROWN of Ohio: Page 246, strike out line 1 and all that follows down through line 26 on page 256, and renumber the subsequent sections accordingly.

Mr. BROWN of Ohio. Mr. Chairman, the amendment which I have offered strikes sections 405 through 408 from the bill. This is the so-called mandatory gasoline allocation program, which has been referred to as the "Long Lines" provision. I am most strongly opposed to the program that these sections of the bill, H.R. 7014, would create, and I urge the Members to support my amendment.

The mandatory gasoline allocation program would mandate the President of the United States to use the Emergency Petroleum Allocation Act to require for 3 years after enactment no increase in the amount of gasoline consumed in the base year—1973 or 1974, whichever is higher; further, the President would be required to reduce consumption 2 percent below that or what it was in the base years, unless he found that such a reduction would prevent attainment of the objectives of the Emergency Petroleum Allocation Act.

Also, the President would have discretionary authority to even further reduce consumption an additional 1 percent in the second and third years after enactment—or a total of 4 percent by 1978 of the consumption which existed in 1973 and 1974.

To make this program function, local retailers of gasoline would be authorized to implement limited agreements and plans of action by limiting their hours of sale and operation and other measures such as closing early in the evenings or on weekends.

Finally, the President is also given authority to essentially run the Nation's refineries by mandating how much of the product they will refine, and also has the authority to tell people in the petroleum industry how much crude oil and products they can hold in inventory and when they can buy and sell their products.

This is a most burdensome provision involving extensive interference in the freedom of movement of our Nation's citizens. It would literally mandate the types of long lines, the experience we had during the gasoline shortage created by the Arab oil embargo.

It is one thing for the Arabs to short Americans in the amount of gasoline available to them, but it is quite another thing for this Congress to mandate that kind of shortage.

Frankly, Mr. Chairman, I think every Member of Congress who votes for this provision should have his picture on the gasoline pump so that the individual consumers can know whom to write to to thank for the shortage which has been created for them by this legislation.

Population growth and economic expansion have meant a predictable 4 percent increase in gasoline consumption each year for the last decade so that the effect of this congressionally imposed gasoline production limit would be to arbitrarily cut back, within 2 years, our available gasoline supply for consumption to the level of the shortage during the worst days of the Arab oil embargo.

Do we really want to do that, as Members of Congress? I think there is a severe question about the prudence and economic sense in our country of doing it, but there is no question about the stupidity, in a political sense, of wanting to do that.

If Members want the responsibility for their citizens being in line endlessly to get gasoline on a first-come, first-served basis, then go ahead and vote for this part of the bill.

On the other hand, if the Members do not want that responsibility, I urge them to support my motion to strike it from the bill.

According to analyses available to the committee, the result of the provisions of sections 405 through 408, even if the President was able to find that he does not have to make the 2 percent reduction, would be to reach the shortage level of 500,000 barrels per day by the beginning of the fourth quarter of 1977. More importantly, by the middle of 1976, we would have a shortage of more than 200,000 barrels per day, so that although we may not have as severe a supply shortage in the next year as we had during the embargo, we would still be facing quite a serious shortage, which would, no doubt, result in much lining up at the gasoline pump.

The American people are consciously moving toward lowering their nondiscretionary consumption of energy. One only has to look at the ads in the media for automobiles to see that new emphasis has been placed on fuel economy. We do not need mandatory Government interference in this type of decision.

Mr. ECKHARDT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I was attempting to get the attention of the author of the amendment to try to point out one thing, that though he talked about section 405, which does, indeed, have to do with the mandatory gasoline allocation savings program, his amendment also strike section 406, the retail distribution control measures.

Those are the measures that we passed in the original allocation act because at the time of the shortage of gasoline during the Arab boycott the major oil companies seemed to be—and we had considerable evidence that they were—shorting the independent retailers so as to drive them out of business at that time. That is possible again.

Recently we had hearings before the subcommittee chaired by the gentleman from Michigan (Mr. Dingell) on Energy and Power in which those retailers appeared again before us and told us the trouble they would be in if allocation provisions were removed.

Section 406 permits the President to establish rules governing retailers' procedures for carrying out voluntary agreements concerning hours of operation and other aspects of retail operations.

The gentleman from Ohio (Mr. Brown) would also strike section 407 having to do with the direct controls on refinery operations. This is a very necessary section in the bill. The Members I am sure know that the refineries, if they are permitted to do what they want to do, can either satisfy primarily the demand for gasoline, shorting the demand for home heating oil, and for diesel oil which the farmers use for their tractors for their planting and for their harvesting, and railroads and trucks use for carrying their produce to market.

We have had some evidence that the major oil companies instead of putting some penalty on gasoline, a product of flexible demand, in the passthrough, have actually put the penalty on products such as diesel fuel and home heating oil with inflexible demand. Therefore, the prices of those products have gone up in a year by 125 percent, whereas the price of gasoline has gone up only 85 percent.

So the amendment offered by the gentleman from Ohio (Mr. Brown) would do great mischief to the bill. It would do much more than the gentleman from Ohio has indicated. Indeed it is difficult for me to see under the gentleman's arguments why he did not strike only section 405.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. The reason for striking additional sections, as I believe the gentleman from Texas clearly knows, is that they are applicable to the gas shortage.

Mr. ECKHARDT. That may be true but it would also deny to the agencies these necessary controls if the shortage is started by the Arabs as occurred the last time.

I urge a "no" vote on this amendment.

Mr. BROWN of Ohio. I do not think that is necessarily true.

Mr. DINGELL. Mr. Chairman, I move to strike the last word and I rise in opposition to the amendment offered by the gentleman from Ohio (Mr. Brown).

Mr. Chairman, the committee should be aware of the sections which would be stricken by the amendment offered by the gentleman from Ohio (Mr. Brown). I refer my colleagues to pages 66 and 67 of the report for a clear and concise statement of what is involved here.

The bill contains a gasoline allocation savings program which would hold gasoline supplies constant at the level of the high months usage of 1973 or 1974, whichever was the highest. In addition, the program would require the President to reduce gasoline consumption by 2 percent unless he found this would be inconsistent with the goals of section 4(b) of the Emergency Petroleum Allocation Act.

The program would require the President, unless he found it would be inconsistent with the purposes set out in section 4(b) of the Allocation Act, to reduce gasoline consumption an additional 1 percent in the following year, and an additional 1 percent over and above that in the succeeding year. This program gives the President a great deal of discretion. It would require him to do very little other than to hold gasoline usage to current levels. The amendment would strike this program.

In addition, the amendment would strike certain antitrust exemptions necessary to permit the cooperation of retail gasoline outlets in terms of establishing hours of operation to assure service to the consumers at the retail outlets. The reason this limited antitrust exemption is in the bill is to allow the gasoline retailers to decide upon hours of operation so as to assure gasoline availability, which is something that they could not do were it not for this very narrow, limited exemption.

Furthermore, the amendment would eliminate authority granted to the President to exercise direct control over refinery operations. I think this is a very important section because during the late, lamented energy crisis caused by the embargo with which this Nation was afflicted, we found that refiners were running their refineries to produce high-cost, high-profit products, even though those high-cost, high-profit products at that particular time were in surplus. Heating oil was an excellent example in point. Refiners produced a lot of heating oil while there was a gasoline shortage, and there were long lines at gasoline stations while at the same time there was an excess of heating oil.

It was also true that during that period, at certain places in the United States, during the height of that shortage, there were excesses of certain kinds of products while there was a great shortage of other kinds of products in those same areas or in nearby areas which were connected by pipelines.

Last of all, the bill allows controls on inventories. That is a very essential and important part of controlling the whole of the retail and wholesale distribution system. This amendment would strike that particular provision.

Mr. Chairman, we have here a piece of legislation crafted to give the President broad powers, not just to handle the matter of price, but to see to it that he gets rational powers to control in a rational fashion the supplies of energy, particularly of petroleum, throughout the economy.

The bill is a congressional program to assure that savings in gasoline, achieved by lessened driving, by driving at lower speeds, by use of more efficient autos, are not dissipated by the aggressive promotional practices of major oil companies. The bill grants a rational pattern of rational authorities to the President in order that he may have the largest possible discretion to see to it that the Nation is able to respond to the energy crisis, to possible future shortages, and to the possibility of another Arab oil embargo.

Mr. Chairman, I urge that the amendment be rejected.

Mr. MAGUIRE. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I want to address myself particularly to the gasoline allocation savings program which is contained in this title of the bill.

For many months we have been told that to reduce gasoline consumption we must chose between rationing on the one hand and higher prices at the gas pump on the other. That is a false choice. There has always been a third alternative.

That third alternative is a gasoline allocation savings program which would provide a specific level of conservation without the negative impact on the economy and the equity problems involved in increasing prices and attempting to plow back some of those increases to persons who could not afford them in the first place, and without the spectre of long lines at the gasoline pump.

An allocation program which cuts back anywhere up to 8 or 10 percent of our current use of gasoline would be well within the parameters of a program which could be handled without individual coupon rationing, which could be handled through the existing allocation system established by the Federal Energy Administration and the States, and which would reduce unnecessary discretionary use of gasoline without undue inconvenience and without unacceptable inflationary and recessionary consequences.

This is a very specific, tough conservation proposal which will have significant measurable, and, most important, predictable conservation impact. It deserves the support of this Congress and the Ford administration because it provides real, not hypothetical, conservation. It will start with leveling off our consumption and reducing it by 2 percent. The President and Congress can adjust that figure as necessary. The key thing is that through allocation we can decide how much conservation we are going to need and we can get that amount of conservation. Under a higher tax or higher price approach we would not be able to predict, or guarantee, given levels of conservation because of inelasticities of demand.

Under an allocation approach, we have no problems of collecting and recycling tax money back through some complicated mechanism. We do not deal unjustly with moderate and lower income people who cannot afford still higher prices for their gasoline and all products affected by energy prices. And we protect the economy from the unnecessary burden of still higher energy prices.

We have also in this situation an agency which already has the necessary information and mechanisms to administer the allocation program. This must be one of the few times when we can stand here asking for a needed program and say we already have the information, we already have the mechanisms to put the program into effect.

For these reasons I think it is essential we support the existing draft and reject the amendment which is most ill considered.

Mr. DEVINE. Mr. Chairman, I rise in support of the amendment.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. DEVINE. I yield to the gentleman from Ohio (Mr. Brown).

Mr. BROWN of Ohio. Mr. Chairman, I appreciate my colleague, the gentleman from Ohio (Mr. Devine), the ranking minority member of the committee, yielding to me.

Mr. Chairman, I just want to point out that the provisions beyond those of the mandatory gasoline shortage in the legislation are tied to that mandatory gasoline shortage. Some of those provisions are already under or in the Emergency Petroleum Allocation Act as administered by the Federal Energy Administration. So the fact that they are stricken at this point in the legislation would not have a bearing on those which exist through continuation of the Emergency Petroleum Allocation Act as administered by the FEA.

In the additional sections they are tied directly to the shortage which my colleagues on the other side of the aisle would like to mandate on the American people.

Let me say to the gentleman from New Jersey that the fact that we have a massive bureaucracy in place is probably not one of the better reasons for giving them additional authority to regulate the lives of American citizens. As a matter of fact the message I am getting from some of the American citizens in my district is that they do not care too much about being regulated whether we already have the bureaucracy in place or whether we are going to create a new bureaucracy.

The bureaucracy to which the gentleman refers of course is the Federal Energy Administration which at the rate it is going will in another couple of years be bigger than the Department of Agriculture. We know how to create bureaucracies all right and the way we enlarge them is to give them authority over necessary shortages so that they can administer those shortages and try to see that everybody suffers equally.

I must say that I do not support either the bureaucracy, the creation of the shortage, or the intention to use an existing bureaucracy to administer a shortage which we create in this Congress.

I have to urge the adoption of this amendment to strike in the hope that this Congress will not have as part of its rather limited record the creation of those long lines similar to what we had when the Arabs created the shortage before.

Mr. DEVINE. I decline to yield until the gentleman from Ohio (Mr. Brown) has completed his statement.

Mr. Chairman, I support the amendment of the gentleman from Ohio. I think probably a simplistic explanation of the problem is that the days of cheap energy in the United States are over permanently and the choice we have is either cheap energy with none available, or expensive energy that we can get. I think it is just that simple. If we want to stand in line, write in the PT amendment; if we want to get some gasoline that costs a penny or two more, it will be available.

Mr. MAGUIRE. Mr. Chairman, will the gentleman yield?

Mr. DEVINE. I yield to the gentleman from New Jersey.

Mr. MAGUIRE. Mr. Chairman, there have been references by both the gentlemen from Ohio to lines at gasoline stations and to the Arab boycott and its impact on certain parts of the country 2 years ago. Are the gentlemen aware that the parts of the country that experienced lines after the Arab boycott suffered from 15 to 37 percent cutbacks below the allocation levels that they were supposed to be receiving? If we look at the States that had difficulty then, such as my own State of New Jersey, we find that those were the magnitudes of their cutbacks, while other States were getting more than 100 percent of their allocations. The 2-percent cutback which we are considering is well within the discretionary range which, all the facts available to the committee show, will yield significant savings without—I repeat without—lines at gasoline stations.

As to the further arguments by the gentleman from Ohio (Mr. BROWN), I would submit that the American people would far prefer to save energy through an equitably administered allocation program using presently available information and allocation mechanisms then they would wish to embark on either of the other alternatives—the nightmare of a rationing system with individual coupons and a new Federal bureaucracy with pervasive enforcement powers or another doubling of energy prices, which seems the only policy the gentleman from Ohio (Mr. BROWN) and this administration favor.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. DEVINE. Yes, I yield to the gentleman.

Mr. BROWN of Ohio. Mr. Chairman, the fact is that the very matter of administration by the very bureaucracy that has administered and will administer the next shortage the gentleman will create, the fact is that given the kind of cutback from the 1973–74 levels to get to the 8-percent shortage based on what consumption would be, if we had a normal growth that we can anticipate, it seems to me that the gentleman sort of swallows his own argument when he says that the bureaucracy creates the shortage.

The CHAIRMAN pro tempore (Mr. NATCHER). The question is on the amendment offered by the gentleman from Ohio (Mr. BROWN).

The question was taken, and the Chairman pro tempore announced that the noes appeared to have it.

Mr. BROWN of Ohio. Mr. Chairman, I demand a division, and pending the division, I make the point of order that a quorum is not present.

The CHAIRMAN pro tempore. The Chair will count. Fifty-nine Members are present, not a quorum.

The Chair announces that he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred two Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

The pending business is the demand by the gentleman from Ohio (Mr. BROWN) for a division.

The question was taken; and on a division (demanded by Mr. BROWN of Ohio), there were—ayes 27, noes 31.

RECORDED VOTE

Mr. BROWN of Ohio. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 150, noes 239, not voting 44, as follows:

[Roll No. 513]

AYES—150

Anderson, Ill.
Archer
Armstrong
Ashbrook
Bafalis
Bauman
Beard, Tenn.
Bell
Bowen
Breaux
Brooks
Broomfield
Brown, Mich.
Brown, Ohio
Buchanan
Burgener
Burleson, Tex.
Butler
Byron
Carter
Casey
Cederberg
Clancy
Clausen, Don H.
Clawson, Del
Cochran
Collins, Tex.
Conable
Conlan
Conte
Coughlin
Daniel, Dan
Daniel, R. W.
Derwinski
Devine
Downing, Va.
Duncan, Tenn.
du Pont
Edwards, Ala.
English
Erlenborn
Esch
Fenwick
Findley
Flowers
Forsythe
Frey
Gibbons
Goldwater
Gonzalez
Gradison
Grassley
Gude
Guyer
Hagedorn
Hammerschmidt
Hansen
Hastings
Heckler, Mass.
Hightower
Hillis
Hinshaw
Holt
Horton
Hutchinson
Hyde
Ichord
Jarman
Johnson, Colo.
Johnson, Pa.
Jones, Okla.
Kasten
Kazen
Kelly
Kemp
Ketchum
Kindness
Krueger
Lagomarsino
Latta
Lent
Long, La.
Lott
McClory
McCollister
McDade
McDonald
McEwen
Madigan
Mahon
Martin
Michel
Milford
Miller, Ohio
Mitchell, N.Y.
Montgomery
Moore
Myers, Ind.
Myers, Pa.
O'Brien
Passman
Pettis
Pickle
Poage
Pritchard
Quie
Quillen
Rees
Regula
Rinaldo
Risenhoover
Roberts
Robinson
Roncalio
Rousselot
Runnels
Ruppe
Santini
Sarasin
Satterfield
Schneebeli
Schulze
Sebelius
Shipley
Shriver
Shuster
Smith, Nebr.
Snyder
Spence
Stanton, J. William
Steelman
Steiger, Ariz.
Steiger, Wis.
Stuckey
Symms
Talcott
Taylor, Mo.
Thone
Thornton
Treen
Waggonner
Wampler
White
Whitehurst
Whitten
Wiggins
Winn
Wylie
Young, Fla.
Young, Tex.

NOES—239

Abdnor
Abzug
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Andrews, N. Dak.
Annunzio
Ashley
AuCoin
Badillo
Baldus
Barrett
Baucus
Beard, R.I.
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Brademas
Breckinridge
Brinkley
Brodhead
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney
Carr
Chappell
Chisholm
Clay
Cleveland
Cohen
Collins, Ill.
Conyers
Corman
Cornell
Cotter
D'Amours
Daniels, N.J.
Davis
Delaney
Dellums
Dent
Derrick
Diggs
Dingell
Dodd
Downey, N.Y.
Drinan
Duncan, Oreg.
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Emery
Evans, Colo.
Evans, Ind.
Fish
Fisher
Fithian
Flood
Florio
Flynt
Foley
Ford, Mich.
Fountain
Fraser
Fuqua
Gaydos
Giaimo
Gilman
Ginn
Goodling
Green
Haley
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Harsha
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Hefner
Helstoski
Henderson
Hicks
Holland
Holtzman
Howard
Howe
Hubbard
Hughes
Hungate
Jacobs
Jenrette
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Keys
Koch
Krebs
LaFalce
Leggett
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, Md.
McCormack
McFall
McHugh
McKay
McKinney
Madden
Maguire
Mann
Mathis
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mikva
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
O'Hara
O'Neill
Ottinger
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Pike
Pressler
Preyer
Price
Randall
Rangel
Reuss
Richmond
Riegle
Rodino
Roe
Rogers
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Russo
St Germain
Sarbanes
Scheuer
Schroeder
Seiberling
Sharp
Sikes
Simon
Skubitz
Slack
Smith, Iowa
Solarz
Spellman
Staggers
Stanton, James V.
Stark
Stokes
Stratton
Studds
Symington
Taylor, N.C.
Thompson
Traxler
Tsongas
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Walsh
Waxman
Weaver
Whalen
Wilson, Tex.
Wirth
Wolff
Wright
Wydler
Yates
Yatron
Young, Ga.
Zablocki
Zeferetti

NOT VOTING—44

Andrews, N.C.
Aspin
Bedell
Broyhill
Burke, Fla.
Crane
Danielson
de la Garza
Dickinson
Eshleman
Evins, Tenn.
Fary
Fascell
Ford, Tenn.
Frenzel
Hawkins
Hébert
Heinz
Jeffords
Landrum
Lehman
Lujan
McCloskey
Macdonald
Matsunaga
Mezvinsky
Mollohan
Moorhead, Calif.
Moorhead, Pa.
Obey
Peyser
Railsback
Rhodes
Roybal
Ryan
Sisk
Steed
Stephens
Sullivan
Teague
Vander Jagt
Wilson, Bob
Wilson, C. H.
Young, Alaska

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. ROGERS

Mr. ROGERS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROGERS: Page 265, after line 12, insert the following:

ASPHALT ALLOCATION AUTHORITY

SEC. 411. The Emergency Petroleum Allocation Act of 1973, as amended by this Act, is further amended by adding at the end thereof the following new section:

"ASPHALT ALLOCATION AUTHORITY

"SEC. 18. (a) The President may amend the regulation under section 4(a) of this Act to provide for the mandatory allocation of asphalt in amounts specified in (or determined in the manner prescribed by), or at prices specified in (or determined in a manner prescribed by) such amendment to the regulation, or both.

"(b) The President may put into effect an amendment promulgated under subsection (a) of this section which he finds is consistent, to the maximum extent practicable, with the attainment of the objectives specified in section 4(b) of this Act."

Redesignate the succeeding sections of title IV, part A, accordingly.

Mr. ROGERS (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read, printed in the Record, and that I may be allowed to explain it quickly.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. ROGERS. Mr. Chairman, I will not take the full 5 minutes. I have presented this amendment both to the majority and minority sides and it is my understanding, which can be confirmed, that they are agreeable to accepting this amendment.

Mr. Chairman, this amendment seeks to correct an oversight in the Emergency Petroleum Allocation Act—it is a technicality, but one with great potential impact.

The Federal Energy Administration's allocation and pricing authority under the act presently extends to crude oil, and to refined petroleum products. Unfortunately, the bottom part of the barrel which remains after refining and which is used as asphalt, falls between these categories. This amendment fills this gap by authorizing the President to include allocation or pricing of asphalt in the regulation.

Let me explain why this is necessary.

We passed the Emergency Petroleum Allocation Act to provide the President the authority to act to minimize the adverse impacts of shortages and dislocations in petroleum products. We told him to promulgate a regulation to allocate these products at specified prices so as to provide for—

> maintenance of all public services (including . . . transportation facilities and services which serve the public at large). . . .

I offer this amendment to assure that this purpose of the Emergency Petroleum Allocation Act will not be frustrated due to an oversight in the definitions section.

The fact is that 80 percent of all asphalt goes into road construction or maintenance. We have invested over $93 billion in 1.7 million miles of paved roads. More than 90 percent of these are paved with asphalt, and I understand that there are no substitutes for asphalt for maintaining and repairing these roads.

This maintenance and repair was endangered during the shortages of 1974, and is again endangered by price increases which saw the cost of asphalt cement increase from $28 per ton to $90 per ton in the last year alone.

The National Association of Counties, who bear primary responsibility for road maintenance and repair in 40 States have expressed their concern over this situation, and support this amendment. I agree that we should not leave this vital public service open to the threat of future shortages and price increases, without the protection which the Allocation Act affords to every other form of petroleum. I urge adoption of this amendment.

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from West Virginia, the chairman of the committee, Mr. Staggers.

Mr. STAGGERS. Mr. Chairman, I would just like to say that we on this side see no objection to this amendment and think it is very desirable.

We had it in the original bill that was vetoed, but it was in a different form. I certainly have no objection on this side.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. Mr. Chairman, I yield to the distinguished minority leader of the subcommittee, the gentleman from Ohio (Mr. Brown).

Mr. BROWN of Ohio. Mr. Chairman, as long as we are going to have an allocation program, one of the items which ought to be allocated would be asphalt, I assume. I see no objection to the amendment under those circumstances.

Mr. ROGERS. Mr. Chairman, I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. Rogers).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. STAGGERS

Mr. STAGGERS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Staggers: Page 263, line 23, insert after "contract" the following: ", in such amounts as may be approved in Appropriations Acts,".

Page 265, line 12, strike out the quotation marks.

Page 265, insert after line 12 the following:

"(m) There are hereby authorized to be appropriated such sums as may be necessary to make payments pursuant to contracts entered into pursuant to subsection (g)(3)."

Mr. STAGGERS. Mr. Chairman, the amendment is offered to avoid a possible technical violation of the Budget Control Act, and to make clear that the authority to purchase is subject to subsequent appropriations acts and that no obligation to purchase may be made unless permitted in a subsequent appropriation act.

The chairman of the Budget Committee, the gentleman from Washington (Mr. Adams) has requested this amendment to clarify the intent of the committee. I believe that the minority agrees.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia (Mr. Staggers).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. COLLINS OF TEXAS

Mr. COLLINS of Texas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Collins of Texas:

Page 273, strike out line 5 and all that follows down through line 16 on page 282.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. COLLINS of Texas. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I thank the gentleman for yielding.

Do I understand that this is an amendment to title B or to part B, on which, as I understood, we were under time limitation for consideration of amendments in part A, and we had not yet gotten to part B. Is that correct?

The CHAIRMAN. The debate on this amendment does not come out of the allocation of 1 hour on part A. The whole title was open to amendment. This is just free debate outside of the hour, and the time on part A will continue to be limited.

Mr. BROWN of Ohio. Could the Chair inform me as to how much time remains on consideration of part A?

The CHAIRMAN. Thirty-five minutes, and on all amendments thereto.

Mr. BROWN of Ohio. I thank the gentleman.

Mr. COLLINS of Texas. Mr. Chairman, the purpose of this amendment is to improve and facilitate the conservation of energy resources in America. The best way to do this is to strike the duplications which are written into this bill through part B. America objects to the cost of Government escalating while Government efficiency is decreasing. This is because Congress constantly duplicates responsibilities.

At this time the Commerce Department and the Federal Energy Administration both have an energy conservation program in operation. We have two Government agencies which are most effective in conservation.

Let me quote from a letter written by Secretary of Commerce Rogers Morton. In referring to this duplicated conservation section in this bill he said:

> It burdens government and business with cumbersome reporting requirements regarding fuel use. It orders the setting of energy use reduction goals which are likely to increase the pressure for a mandatory program; given the distortions and inequities created by existing regulations, another mandatory program will not serve our energy needs. Moreover, the specification of conservation techniques which must be used, as ordered in the bill, is beyond the ability of any institution and will probably discourage technical innovation in this field. Part B also takes little cognizance of industry's current energy conservation efforts which have yielded significant savings to date.

Let me quote further about what we have today accomplished through our present conservation programs:

First. The Government with industry sets energy conservation goals;

Second. Industry regularly reports to Commerce and the Federal Energy Administration regarding its progress; and

Third. The Federal Government offers its support and technical expertise in helping industry achieve the goals.

Secretary of Commerce Morton points out that the Commerce Department and FEA have excellent conservation programs operating right now.

Today over one-third of this conservation goal has already been reached. With such a successful program now in existence it would be a disastrous mistake for Congress to over load and over burden industry.

Let me give you some examples of what has been accomplished. These goals were established to be achieved by 1980. In the petroleum refining industry they hope to be able to improve 15 percent and they have already made 7.8 percent. In chemicals, where they hope to achieve 15 percent savings they have already achieved 7.5 percent. In aluminum where they expected to be able to get 10 percent energy savings, they have already gotten 5.8 percent. In textiles where they were going for 15 percent they have already reached 11.3 percent. In feed manufacturing they wanted to achieve 15 percent by 1980 and they have already achieved 19.5 percent. In canning manufacturing they hoped to achieve 15 percent and they have already achieved 17 percent.

This bill would affect industry in the day to day operation of every plant in America and would substitute the decisions of Government officers for the judgment of responsible business operating managers. This bill would have FEA review all plants and report on an analytical basis. It would provide that FEA should enter the premises of a manufacturer to inspect records, monitor equipment and monitor all methods. The FEA has been most efficient and its capable administrator Zarb, expressed strong opposition to this proposal.

FEA has been very effective up to this point because they have worked with industry instead of overloading business with bureaucratic red tape and burdensome regulations. This false assumption that Government bureaucrats have more know how or can make better technical or economic decisions than experienced business managers is unrealistic. We know how the Government runs the Post Office. Compare this to the excellent experience record that has been accomplished in conservation by the FEA and Department of Commerce. Since the FEA and the Department of Commerce both state that they do not want this additional conservation mandate by Congress, we should continue with our present laws and not create this third tier duplication Government requirement. I ask that you join me in my amendment to strike all of this section, part B which covers about 10 pages of detailed, confused bureaucratic regulations.

Mr. Chairman, could we act on this amendment?

The CHAIRMAN. We can act on this amendment once we are underway.

Mr. OTTINGER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this is absolutely the lowest common denominator, the very severe compromise that the committee worked out and a great many of us felt was necessary in order to achieve the very significant energy savings potential in the industrial sector in our use of oil. Some 40 percent of all our energy is used in the industrial sector.

FEA testified that a very substantial 15 to 20 percent energy savings could be achieved without any substantial adverse economic consequences within the industrial sector.

In my opinion, these ought to be mandatory provisions to achieve these savings. This bill applies only to the 2,000 largest industrial energy users. It does not put any requirements on them at all except to demand that they report what their efforts have been to meet the energy savings targets that would be established by FEA. The only compulsion on them is the publication of the progress they have made toward achieving these targets.

If we want to save oil and prevent the high price of imported oil being imposed upon the public, there is no better way to do it than through conservation. I think this is absolutely the minimum conservation measure which ought to be asked of the industrial sector where such a large percentage of our petroleum is used.

I strongly urge the defeat of this amendment.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I appreciate the gentleman's yielding.

Mr. Chairman, we are told one of the major concerns of this Congress is unemployment. We have been told by many of the users of industrial fuels and petroleum that this section could have a serious impact on employment.

What is the proof the gentleman has that by not knocking this section out we will not further aggravate the problem of unemployment?

Mr. OTTINGER. We had rather extensive hearings and no company came up and said this would cause them any problem, any problem whatsoever. The FEA testified in favor of this provision and stated that in its contacts with industry, which I might say are rather substantial, 15 to 20 percent energy conservation would not cause any unemployment problems or cause industry any difficulty.

In point of fact, due to the very vastly increased price of energy, many industries have already achieved this kind of savings.

Mr. ROUSSELOT. They have achieved savings, but does the gentleman have any proof that this will not bring unemployment problems?

Mr. OTTINGER. The proof I have just presented. At any rate, there is no compulsion on industry with respect to this action. All it does is require them to make the endeavor to meet the targets that are set and to report on the progress they have made and whatever difficulties they may have with respect to meeting the targets. There are no penalties provided. No industrial firm would be hurt. No civil or criminal penalties apply to the guidelines set by the FEA. It enables us to get the information to know how much energy could be saved in the industrial sector and the problems that industry may have with respect to achieving these targets.

Mr. ROUSSELOT. I do not think my colleague has convinced me that this will solve the problems of unemployment.

Mr. Chairman, I yield to the gentleman from Texas (Mr. COLLINS) for a further response.

Mr. COLLINS of Texas. Mr. Chairman, I refer to page 279 where they say, "To assure compliance." Anybody that has dealt with the Government knows what "to assure compliance" means.

They go on with what it requires, to provide such test data, specifications, reports and other information, and so on, and they use the word "monitoring."

Then the bill goes on to say to provide such test data. This requirement will run any manufacturer just plain nuts, if he is not already, with all the bureaucratic redtape we have added here.

Mr. OTTINGER. What this enables us to do is get information on the 2,000 largest users and that is essential information if we are really serious about saving oil.

Mr. STAGGERS. Mr. Chairman, I move to strike the requisite number of words.

I rise in opposition to the amendment.

The gentleman from New York has stated that this only affects the top 2,000 industrial firms in America. They must file reports only as to the steps they are taking to meet the conservation goals. The attainment is not mandatory. It says only the filing of a plan is required. This is designed to put the largest industrial consumers on record as committed to obtain greater energy efficiency. It has nothing to do with employment. If there is any question about employment, there are proceedings in the bill to require hearings to consider this matter.

Mr. MAGUIRE. Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to the amendment.

Mr. Chairman, we talked at some length in the committee about what kind of provision there should be in this proposed legislation regarding industrial conservation. The language that the bill presently contains is, as the gentleman from New York (Mr. OTTINGER) has explained, a very modest effort in this direction. What it does do is establish a savings target of 15 percent toward which large industries would be asked to move.

The gentleman from Texas (Mr. COLLINS) suggested that the present law already provides for the setting of goals, but that law, as the gentleman knows, does not provide for percentage targets of the sort provided in this bill.

Some industries have already cut back energy consumption very significantly. American Cynamid and Ingersoll-Rand, two major corporations based in northern New Jersey, have energy savings programs which have made cuts of 10 to 20 percent in energy use. But the fact is that most industries have not launched such programs. The figures show that the cutback in energy use by ordinary Amercan home owners has been three or four times greater on a percentage basis than what has been accomplished on the average in industry. There are still many,

many industries which have done little or nothing to make their energy use more efficient.

The gentleman from California (Mr. ROUSSELOT) raised a question about employment. To the extent that energy is saved, prices to consumers can be reduced or return on investment can be increased. Such energy savings would not have an adverse impact on jobs.

This target program for industrial energy savings is not mandatory. But at a time when all Americans are being asked to conserve energy; it encourages a more fair sharing of the conservation burden. This is an important part of the bill, and I would hope that we would reject the amendment.

Mr. MOFFETT. Mr. Chairman, will the gentleman yield?

Mr. MAGUIRE. I yield to the gentleman from Connecticut.

Mr. MOFFETT. Mr. Chairman, I like to associate myself with the remarks made by the gentleman from New Jersey, because historically, many of us on the subcommittee voted against a proposed amendment that would have been mandatory because we really did not know the implications for our industries and for industry generally.

Second, in terms of adding another layer of bureaucracy, which many of us do not intend, I can tell the Members that after voting against the mandatory industrial conservation, I asked many industries in my district—and I have some fairly large ones—to let me know what they were doing in this area. They very quickly produced reports, so that I think the reports are there and the effort is being made by industry.

This puts Congress on record as endorsing that, and also gives incentive to those industries which have not performed as best they could to raise their standards, so that I urge rejection of the amendment offered by the gentleman from Texas.

Mr. MAGUIRE. I thank the gentleman from Connecticut.

Mr. ROUSSELOT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to point out to the committee some phraseology in this particular section which my colleague from Texas is trying to strike from the bill. This part of the bill is an example of the kind of harassment of the private market system which I think is wholly unnecessary.

The claim is made here by some of my colleagues that it does not have mandatory features. Let me read some of the language of the very section my colleague from Texas is trying to strike. This is the innocence with which we approach our legislative responsibilities many times and include language such as this, which in fact includes several unnecessary mandatory features. I would like to quote from page 279 of the bill:

> (f) To assure compliance with the requirements of this part, the Administrator is authorized to—

Now, let me describe the power we are giving to the Administrator. This is the type power we complain constantly about giving the Executive, and then we turn around and complain when they use it. Let me describe this power now outlined in this section which my colleague from Texas—I think properly—is trying to remove:

> (2) At reasonable times have a right of entry to, upon, or through the premises of the manufacturer or any other premises in which any records required to be maintained under paragraph (1) of this subsection are located;

This means any records required to be maintained—total access to the property, and right of entry without necessarily requiring the normal court proceedings. And we talk about protection of privacy. We have given them total entry to property and records here.

Another portion we are trying to strike says:

> (g) Any person who knowingly or negligently fails to provide the information prescribed in regulations issued by the Administrator to carry out this section shall be subject to a fine of not more than $5,000.

When we provide for fines of $5,000, that has the force of power, and we all know it. So, many times the Administrator or his agents, as they do in IRS cases or the Environmental Protection Agency, or as we found in OSHA, these kind of powers carry the weight of a mighty strong mandate and all the agent representing the administrator has to do is say, "I demand this or that," and whether he has the right or not, under the law, that manufacturer becomes fearful of that power whether he is in violation or not.

All I am saying to my colleagues is that this is where we get in trouble, when we give these kind of powers and especially when we give the power of rule or regulation to the Administrator, such as this part which my colleague is trying to strike. So many times his rule and regulation power is always carried far beyond what we intended in the Congress. I think that my colleague should tell me what kind of rules and regulations are we talking about here, because we know what has happened under the Real Estate Settlement Act for mortgages. The powers that were given to HUD have been used far in excess of what was intended. Now in many cases the cost of a mortgage has been increased by $180 as the result of rules and regulations that we never intended but which have been assumed by the Administrator.

I ask my colleague from New York what is his intention about the rules and regulations that are to accompany this kind of language which Mr. COLLINS is trying to strike?

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I will be glad to yield to the gentleman from New York.

Mr. OTTINGER. I thank the gentleman for yielding. The only mandatory features of this bill are mandatory features requiring information to be given from the 2,000 largest energy using industries with respect to their conservation practices.

Mr. ROUSSELOT. And this is an annual requirement, is it not? This means more paperwork that we are going to force upon these 2,000 largest energy using industries.

Mr. OTTINGER. If the gentleman will yield further, this is information which I think they have at the present time and it would not be a new burden.

Mr. ROUSSELOT. I appreciate the gentleman's comment. I do not have all that much time. I will yield further to the gentleman in just a minute. But let me point out that another section that my colleague from Texas is trying to strike on page 277. It says:

> . . . each manufacturer shall file with the Administrator an energy consumption report setting forth such data and information concerning the operation of his plan during that year, including data on energy consumption, products produced, and progress in achieving the energy efficiency target, as the Administrator, by rule, has prescribed . . .

We are again turning over to the executive branch power that we are not even defining what it will be, and I say this is where we get into trouble.

Does the gentleman disagree with that?

The CHAIRMAN. The time of the gentleman from California has expired.

(On request of Mr. OTTINGER and by unanimous consent, Mr. ROUSSELOT was allowed to proceed for 2 additional minutes.)

Mr. ROUSSELOT. I thank my colleague.

And if these industries do not file, they receive a civil penalty. What is the gentleman's reply to that?

Mr. OTTINGER. If the gentleman will yield further, my reply to that is that it is important that the United States have the information with respect to possible achievement of energy conservation, because that is the most significant way in which we can save on consumption of excess oil.

Mr. ROUSSELOT. The gentleman's assumption is that industry is not willing to cooperate, and my colleague from Connecticut said they are willing to cooperate and they are in fact now cooperating. By providing more than adequate information of the type needed.

Mr. OTTINGER. If the gentleman will yield further, this, unlike OSHA, has specific provisions for the administrator both to establish and maintain a clearing house for information, and "to assist any person requesting such assistance to improve his efficiency in manufacturing operations."

Thus, the FEA has the express duty of assisting companies, not just on enforcement roles. Fortunately, this is not a situation where we are forcing the industry to do anything except give us the information on which the Government can make sensible assumptions.

Mr. ROUSSELOT. I think that language described further proves that this Congress misunderstands what it does when it gives this kind of rulemaking power to the executive branch. Time after time we have seen them go far beyond our intent. And if it was as innocent as my colleague from New York claims, we would not have had all of the problems in the Nixon administration and the misuse of power.

I believe my friend, the gentleman from Texas, is right in saying we are delegating too much power, far beyond the intent, and with penalties that are too high.

Mr. Chairman, I hope my colleagues will see fit to support this Collins amendment.

Mr. PREYER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment.

I am not one of those who believe that any regulation of industry automatically equals overregulation. In this instance, after going into this matter in some detail with the industries in my district during the August recess, I am convinced that they are not crying wolf, and that to enact this provision is simply overregulation.

I say this for two reasons: First, it is not needed; and second, it is almost impossible to set up any sort of reporting system that has any real meaning. The result is an unnecessary and costly burden on industry and the taxpayer which does little or nothing to achieve a worthy end.

It is not needed because the industry has the most effective of all pressures pushing it to conserve energy; namely, economic self-interest. One large textile company headquartered in my district estimates that their energy cost has increased from approximately $25 million 5 years ago to over $100 million this year. Needless to say, they are doing a superb job of cutting every possible energy cost. You can hardly find your way around their buildings, they are so dark.

It is almost impossible to draw up a meaningful standard for any industry where the product mix changes rapidly. If a company makes the same thing, day in and day out, then there is a basis for comparison. But in a situation like the textile industry, or the chemical industry, where the product mix changes rapidly, with different energy needs, and where there are often production curtailments—where a plant runs a week and closes a week—it is hard to conceive of a measuring system that would not require 100 computer programers to factor out all of these elements.

As for the laudable objective of setting goals, there is the possibility that this would be counterproductive. Goals might be set unrealistically low because of industry's fear of facing penalties if they do not achieve them. Actually, most heavy industrial energy users have probably done about 95 percent of all they will be able to do by cutting back on thermostats, et cetera. From here on, sophisticated process changes—for example, in how fabrics are heated—is the area where more energy can be conserved in the future. The good of economic self-interest, rather than reporting provisions, is what brings change here.

So I rise in support of the amendment because I believe industry is presently responding to the need for conservation and is reporting the results achieved through the various programs to the Department of Commerce. While the guidelines to be developed by FEA under this section would be solely advisory in nature and there would be no penalty against the 2,000 largest energy consuming manufacturers for not achieving published targets for energy efficiency, the reporting requirements are mandatory and carry a $5,000 fine or imprisonment for failure to do so. With industry groups already doing a good job of conserving and making voluntary reports to the Department of Commerce, this appears to be an added burden that we should not place on these businesses at a time when we are trying to recover from a most serious recession.

I would like to comment specifically on one industry group which began an early concerted energy conservation effort. The American Textile Manufacturers Institute which represents a large number of textile manufacturing plants across the country created an Energy Policy Committee in November of 1973. This committee immediately launched a program designed to alert the industry and its 1 million employees to the need for conservation and to work with the Federal Government on programs and policies which would result in less dependence upon foreign suppliers of energy. They hope to achieve energy independence through a combination of conservation and expanded development of domestic energy resources.

The rapidly rising costs of energy mandated such action by the industry. An electric yarn mill reports that energy costs increased by 98 percent during the period of November 1972 to June 1975. A finishing plant with natural gas as the primary boiler fuel, coal for standby boiler fuel; natural gas for primary process fuel and propane for standby fuel, states the energy costs per pound increased by 75 percent during this same period. And a major towel and sheet manufacturer reports that energy costs per pound of product increased more than 140 percent during the period 1970 through 1974. Energy is no longer a relatively small component in a finished product and is incentive enough for any company to make the optimum use of precious energy.

I mentioned earlier the problems industries would have in meeting energy efficiency targets established by the FEA. The formula used by the textile group to measure the effectiveness of the industry's conservation program is based on the conversion of types of energy used to Btu equivalents and the amount of stock produced expressed in pounds.

This makes possible a determination of the Btu's needed per pound of output. Using this formula, which has been adopted by the Commerce Department as a model for other industries to follow, industry-wide energy savings of 13 percent have been achieved compared to the comparable month a year earlier.

However, when the recession hit in mid-1974 and production declined, the energy efficiency ratio declined as well and the formula has shown a negative energy efficiency ratio since October of 1974, yet the same energy conservation measures are still in effect. With production increasing again in June of this year the negative ratio is practically gone and industry believes that with an increased upturn in production a positive gain will again be reflected.

This illustrates the impossibility of accurately measuring energy conservation on an industry-wide basis and the problem is further complicated by changes in product mix. As market conditions change and companies or the industry switch to more or less finishing, their energy use per pound of production changes.

In spite of these variables, the Commerce Department reports that the textile industry improved its energy efficiency by 11.3 percent in the fourth quarter of 1974 compared with the full year of 1972, and the feed manufacturing industry improved energy efficiency by 19.5 percent in 1974 versus 1972. These percentages are expressed as decline in the ratio of Btu's required to process a given amount of material or to produce a given unit of output.

Do we need to enact this provision which would be extremely burdensome and costly for both the taxpayer and for industry? At a time of severe criticism of Government regulations that sometime result in economic distortions and particularly when industry is cooperating so fully with the Federal Government in an effort to solve our energy problems, I believe not.

I intend to support the amendment and hope my colleagues will do likewise.

PARLIAMENTARY INQUIRY

Mr. McCOLLISTER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. McCOLLISTER. Mr. Chairman, I have two amendments to this section that I intend to offer. My parliamentary inquiry is this:

Must I offer those amendments now, before the vote comes on the motion to strike? If I precluded after that vote, assuming that the motion to strike fails?

The CHAIRMAN. The Chair will state that if the motion to strike fails, the gentleman is not precluded from offering his amendments. The sections would still be in the bill, and the amendments would still be in order.

Mr. POAGE. Mr. Chairman, I move to strike the last seven words.

Mr. Chairman, the gentleman from North Carolina (Mr. PREYER) has explained, far better than I could, anything that I might try to add in connection with this proposed amendment. However, I would not want to let this opportunity pass without pointing out that there is no way that the opponents of this amendment can have it both ways. This provision of the bill is either meaningful, or it is not.

We have heard the serious argument that this portion of the bill does not do anything, that it is just the expression of a pious wish, and that therefore it should be adopted—I suppose because it does not do any harm. I do not consider that a very sound basis for legislation.

We have also heard this from the same group of opponents of the amendment, that, it does give the Administrator the authority to impose rules and the courts the authority to impose fines, but that it is basically harmless. But they do not tell us what good it does. I think that the burden of proving the need for legislation always falls on those who propose it.

Mr. Chairman, I think that the provisions of this bill are a good deal more than a pious wish. A $10,000 fine is a right substantial deterrent. When we get through with all of this, all we have done, according to the opponents of this amendment, those who want the language to stay in the bill, is to see to it that we have got a lot of paper covered with writing and stacked up somewhere, and that must have cost somebody a good deal of money. The cost of that inevitably goes into the final product, because the public pays all these costs, both public and private costs, because there is no other way industry can incur these costs other than to have the public pay them.

The public pays these costs in taxes on the governmental side, and it pays them in increased costs of the product on the private producer's side.

This bill as written is involving a substantial amount of costs in both directions. According to the testimony of the opponents of this amendment, we have not achieved a thing in the world when we get through. Is that not about as foolish as we can get?

I was in Texas yesterday and attended my Rotary meeting in my hometown, Waco, Tex. Of all the subjects that members raised with me, there was more talk of the utterly unnecessary paperwork imposed by the Government than there was about taxation, busing, or about anything else. Everyone seemed to be concerned with the burden of paperwork.

The people who oppose this amendment say that they want lots of reports—lots of paperwork—but they do not tell us what they would do with the reports, when they get them. They say, in effect, that they are not going to do anything except just to have you file a lot of paperwork in some warehouse where somebody can be paid to go over it and then I suppose they would go out and in the middle of the night they would use the power of this section to break into somebody's office and try to see how nearly these reports conform with what they think is proper.

Members of the House, this just does not make sense if we still believe in private enterprise. It is unsound because we are substituting governmental decisions for private decisions, and I believe the private enterprise system has produced a great deal more in this country than any governmentally controlled system ever has.

I believe our private enterprise system works better than the Communist controlled system. Yet, this is exactly what the Soviet Union requires from every industry in that country. They require reports. They require every bit of the stuff required in this bill. The only difference is that they are frank enough to admit that they want the Government to make all decisions.

Of these companies, of the 2,000 that are included, there is not a single one that I know of that does not have a paid staff of three, four, five, six, or seven engineers who do nothing except work to try to reduce costs, and certainly, energy costs are the most rapidly escalating costs that we are faced with today. Gasoline which has been under price controls, of over which the Government has had the power of control, has increased in price by 100 percent. What commodity over which the Government has control has increased so much in price? Certainly, any intelligent businessman is going to try his best to reduce his costs.

Now we say, "We do not want your engineers to be responsible. We do not want them to really try to reduce costs by conserving fuel. We want them to spend their time signing reports to the Government agency in order that that agency that has never turned out an automobile, that has never produced a yard of goods, that has never produced a pound of steel may then criticize what our producing industry has done and tell us just how the great white father in Washington would have done this and at what cost." Let us stop this foolishness here and now. Let's vote for the Collins amendment and at least let the engineers have some time to really work on the conservation of energy. Let us not make them spend more energy writing reports which the supporters of this bill, themselves, insist are meaningless.

Mr. PATTISON of New York. Mr. Chairman, I move to strike the requisite number of words.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield for 1 minute?

Mr. PATTISON of New York. I am delighted to yield to my colleague, the gentleman from New York.

Mr. OTTINGER. Mr. Chairman, one of the purposes of this section is to facilitate exchange of information so that the conservation practices that one industry has instituted can be made available to other industries, and by dissemination of that exercise of ingenuity, each industry can be helped in achieving savings of both energy and money.

I thank the gentleman for yielding.

Mr. PATTISON of New York. Mr. Chairman, I will not take the 5 minutes, thus saving the taxpayers just a little bit of hard earned cash that would be needed to print a more lengthy statement.

I just want to say that in spite of the fact that most of the paper that is going to be used in making out these reports is made in my congressional district, the arguments of both the gentleman from Texas (Mr. COLLINS) and of the gentleman from California convinced me, and I intend to support the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. COLLINS).

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. OTTINGER. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. Sixty-three Members are present, not a quorum. The call will be taken by electronic device.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 514]

Andrews, N.C.
Aspin
Badillo
Bedell
Broomfield
Brown, Calif.
Burke, Fla.
Burton, John
Conyers
Crane
Danielson
de la Garza
Dellums
Devine
Diggs
Drinan
Esch
Eshleman
Evins, Tenn.
Fary
Fish
Fraser
Giaimo
Harsha
Hébert
Heckler, Mass.
Johnson, Colo.
Landrum
Lehman
Lujan
McClory
McCloskey
McFall
Matsunaga
Mezvinsky
Milford
Mollohan
Moorhead, Calif.
Mosher
Murphy, N.Y.
Obey
Passman
Peyser
Pike
Rhodes
Riegle
Rose
Roybal
Runnels
Seiberling
Sisk
Steed
Stephens
Stuckey
Teague
Treen
Udall
Vander Jagt
Wilson, Bob
Wright
Young, Alaska

Accordingly the *Committee* rose; and the Speaker having resumed the chair, Mr. BOLLING, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 7014, and finding itself without a quorum, he had directed the Members to record their presence by electronic device, whereupon 372 Members recorded their presence, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

RECORDED VOTE

The CHAIRMAN. When the Committee rose, the gentleman from New York (Mr. OTTINGER) had demanded a recorded vote on the amendment offered by the gentleman from Texas (Mr. COLLINS).

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 220, noes 187, not voting 26, as follows:

[Roll No. 515]

AYES—220

Abdnor
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Archer
Armstrong
Ashbrook
Ashley
AuCoin
Bafalis
Bauman
Beard, Tenn.
Bell
Bergland
Boggs
Boland
Bowen
Breaux
Brinkley
Brooks
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burleson, Tex.
Butler
Byron
Carr
Carter
Casey
Cederberg
Chappell
Clancy
Clausen, Don H.

Clawson, Del
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Conte
D'Amours
Daniel, Dan
Daniel, R. W.
Derrick
Derwinski
Devine
Dickinson
Dodd
Downey, N.Y.
Downing, Va.
Duncan, Oreg.
Duncan, Tenn.
Early
Edwards, Ala.
Emery
English
Erlenborn
Esch
Eshleman
Evans, Ind.
Fenwick
Findley
Fithian
Flowers
Forsythe
Fountain
Frenzel
Frey
Gibbons
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Guyer
Hagedorn
Haley
Hamilton
Hannaford
Hansen
Harkin
Harsha
Hastings
Hayes, Ind.
Heckler, Mass.
Hefner
Heinz
Henderson
Hicks
Hightower
Hinshaw
Holland
Holt
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Jarman
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kasten
Kazen
Kelly
Kemp
Ketchum
Kindness
Krebs
Krueger
Lagomarsino
Latta
Lent
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
McClory
McCollister
McCormack
McDade
McDonald
McEwen
McKinney
Madigan
Mahon
Mann
Martin
Mathis
Mazzoli
Michel
Milford
Miller, Ohio
Montgomery
Moore
Myers, Ind.
Myers, Pa.
Natcher
Neal
O'Brien
Patman, Tex.
Pattison, N.Y.
Pettis
Pickle
Poage
Pressler
Preyer
Pritchard
Quie
Quillen
Railsback
Randall
Rees
Regula
Rhodes
Rinaldo
Risenhoover
Roberts
Robinson
Rose
Roush
Rousselot
Runnels
Ruppe
Russo
Santini
Sarasin
Satterfield
Schneebeli
Schroeder
Schulze
Sebelius
Sharp
Shipley
Shriver
Shuster
Sikes
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Spence
Stanton, J. William
Steelman
Steiger, Ariz.
Steiger, Wis.
Stuckey
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thone
Thornton
Traxler
Treen
Vander Veen
Waggonner
Walsh
Wampler
White
Whitehurst
Whitten
Wiggins
Wilson, Tex.
Winn
Wirth
Wright
Wydler
Wylie
Young, Tex.

NOES—187

Abzug
Adams
Addabbo
Ambro
Andrews, N. Dak.
Annunzio
Badillo
Baldus
Barrett
Baucus
Beard, R.I.
Bennett
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Bolling
Bonker
Brademas
Breckinridge
Brodhead
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney
Chisholm
Clay
Collins, Ill.
Conyers
Corman
Cornell
Cotter
Coughlin
Daniels, N.J.
Davis
Delaney
Dellums
Dent
Diggs
Dingell
Drinan
du Pont
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Evans, Colo.
Evins, Tenn.
Fascell
Fish
Fisher
Flood
Florio
Flynt
Foley
Ford, Mich.
Ford, Tenn.
Fraser
Fuqua
Gaydos
Giaimo
Gilman
Green
Gude
Hall
Hammerschmidt
Hanley
Harrington
Harris
Hawkins
Hays, Ohio
Hechler, W. Va.
Helstoski
Hillis
Holtzman
Horton
Howard
Ichord
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Jones, Ala.
Karth
Kastenmeier
Keys
Koch
LaFalce
Leggett
Levitas
Litton
Lloyd, Calif.
McFall
McHugh
Macdonald
Madden
Maguire
Meeds
Melcher
Metcalfe
Meyner
Mikva
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Patten, N.J.
Patterson, Calif.
Pepper
Perkins
Peyser
Pike
Price
Rangel
Reuss
Richmond
Riegle
Rodino
Roe
Rogers
Roncalio
Rooney
Rosenthal
Rostenkowski
Ryan
St Germain
Sarbanes
Scheuer
Seiberling
Simon
Skubitz
Solarz
Spellman
Staggers
Stanton, James V.
Stark
Stokes
Stratton
Studds
Sullivan
Symington
Thompson
Tsongas
Udall
Ullman
Van Deerlin
Vanik
Vigorito
Waxman
Weaver
Whalen
Wilson, C. H.
Wolff
Yates
Yatron
Young, Fla.
Young, Ga.
Zablocki
Zeferetti

NOT VOTING—26

Aspin
Bedell
Burke, Fla.
Crane
Danielson
de la Garza
Fary
Hébert
Landrum
Lehman
Lujan
McCloskey
McKay
Matsunaga
Mezvinsky
Mollohan
Moorhead, Calif.
Passman
Roybal
Sisk
Steed
Stephens
Teague
Vander Jagt
Wilson, Bob
Young, Alaska

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Matsunaga against.

Mr. Landrum for, with Mr. Sisk against.

Mr. Passman for, with Mr. Lehman against.

Mr. Steed for, with Mr. Bedell against.

Mr. Teague for, with Mr. Danielson against.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. BROYHILL

Mr. BROYHILL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BROYHILL: Page 257, strike out line 17 and all that follows down through line 12, Page 265, and renumber the subsequent sections accordingly.

PARLIAMENTARY INQUIRY

Mr. BROYHILL. Mr. Chairman, I wish to make a parliamentary inquiry. My parliamentary inquiry is concerning the time. Does this time come out of the total time?

The CHAIRMAN. The Chair was about to recognize the gentleman. First, I will entertain the parliamentary inquiry.

Mr. BROYHILL. Mr. Chairman, my parliamentary inquiry is made to get a clear understanding of the time remaining on this particular part A.

The CHAIRMAN. The Chair will state that there are 35 minutes remaining on part A and all amendments thereto.

Mr. BROYHILL. I thank the Chair.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina (Mr. BROYHILL) for 5 minutes in support of his amendment.

Mr. BROYHILL. Mr. Chairman, what my amendment would do would be to strike the language which would authorize the President to be the exclusive purchasing agent for petroleum from foreign countries.

Members have voted on this issue before. When this issue was before us in the Committee on Ways and Means energy tax package, the Members voted to delete this language from the Ways and Means bill. I am asking that the Members now delete this language from this bill.

I maintain that this would not produce a significant downward pressure on the OPEC prices, but only have the potential for creating more shortages through bureaucratic boondoggling.

Mr. Chairman, the questions that I have concerning the language in the bill include, first, What assurance do we have that the OPEC countries would cooperate with such an arrangement?

The OPEC members are well aware that they can afford to boycott the United States petroleum market far more readily than the United States can forgo the approximately 6 million barrels per day of crude oil and other petroleum products imported from OPEC countries.

United States imports in 1974 were approximately 6 million barrels per day, while the OPEC production was 30 million barrels per day. Therefore, the impact of a unilateral United States initiative would be extremely limited on the OPEC countries themselves.

Another question that I would ask, Mr. Chairman, is, How do we know that these bids would even come in, much less be competitive? There is no guarantee that the OPEC countries would participate in a sealed bid system. What if we had an auction and no one came, or what if we have an auction and all of the bids were the same or identical?

The premise that the purchasing authority that would be created under the language of this bill that I seek to strike, the premise that the OPEC countries would then cut prices in order to maintain production and market their products, does not hold. Actually, the experience has been that the OPEC countries have been shutting down production at the same time that they have been raising prices.

The OPEC members are extremely sensitive on the price issue, and a confrontation on prices like this may not necessarily bring prices down, but merely act as a way that would consolidate the position of the OPEC countries. Putting political pressure on the OPEC countries may bring them closer together.

Also, this idea assumes that there would be a tilt toward a particular country that gave a favorable bid to the United States in an auction, but what assurance do we have that that particular country would have the necessary product to fill our needs? Of course, there is no such assurance, and we would only have the assurances of shortages because of not enough products to fill our needs.

Mr. Chairman, I also maintain that the idea that is contained in this language is not technically feasible. Petroleum purchasing is an enormously complex process. Crude oil is not a single, uniform substance. Refineries also have unique requirements for individual crude oil. In addition, the transportation logistics are very complicated.

One could not assume that it will always be possible to deliver crude or other products from the point of origin to a given U.S. market.

Mr. Chairman, the Federal Government does not now possess the competence or technical expertise to administer such a system. The only way to beat the OPEC cartel is to increase production at home so that we do not have to buy production from abroad. The only way to beat the OPEC countries is to increase production at home and to develop new sources of energy. It is high time that we get on with the job in that way in solving our energy problems and not through a bureaucratic boondoggle, as contained in this section.

Mr. DINGELL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, my colleague, the gentleman from North Carolina (Mr. BROYHILL), should understand, first, the content of the bill as affected by the amendment, and, second, the content of the amendment.

The portion of the bill which would be stricken by the amendment offered by my good friend the gentleman from North Carolina (Mr. BROYHILL) provides that the President may, at his option, become the technical purchaser of petroleum products from all foreign nations that would sell petroleum products to the United States.

There is a substantial body of broad academic thought which is of the view that one of the ways to deal with the OPEC cartel is to allow the United States to serve as the technical purchaser of all petroleum products which would be imported into the Nation.

The portion of the bill which would be stricken by the amendment now before us would allow the President of the United States at his option to act as the technical purchaser of all petroleum products purchased by the United States. The reasoning is very simple. We are dealing with the OPEC cartel. Everybody knows it is a cartel. They sit together and they agree together on prices and production levels. The cartel goes to the oil companies and they say, "Fellows, now this is the price." They control almost all of the oil in the world available for export and they control the price of almost all of the oil in the world. The only way that we can break that cartel is to give the President the powers to deal with it. The bill says, "Mr. President, if you find the situation requires—" and remember, the language in the bill is permissive on this point "—you may serve as the technical purchaser of petroleum on behalf of the United States for all petroleum products to be imported into this country."

This amendment would strike that provision. We believe the amendment is a bad provision. It takes very valuable and important power and flexibility away from the President in dealing with the OPEC cartel. It is my hope that the House will reject this amendment and will retain the grant of permissive power to the President.

This country has proven to be rather a toothless sort of a dog in our dealings with the OPEC countries. We have not had any power to deal with them or to control or restrict their maneuvers with regard to price. We have simply had to accept what they have demanded. One of the reasons is the enormous disparity in bargaining powers between the international cartel composed of foreign countries and the oil companies who must have the oil and who must pay whatever is established as the price for the oil. One of the problems we have had is that we have had no real bargaining power in dealing with the OPEC cartel. So the committee has presented the House with a proposal which would give some clout to the bargaining power of the President as bargaining agent on behalf of the American people.

It is my hope that the House will ratify the action of the committee and reject the amendemnt.

Mr. BEDELL. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from North Carolina (Mr. BROYHILL) which would strike section 410 from H.R. 7014.

Section 410 would add a new section, section 17, to the Emergency Petroleum Allocation Act. This new provision would authorize the President to act as the exclusive agent for the purchase of foreign crude oil and petroleum products imported into the United States.

There are several basic facts about this provision which should be clearly understood.

First, the authority conferred by this section is purely discretionary. Section 17 would authorize the President to act as the exclusive agent of the United States in purchasing foreign crude oil and petroleum products. It would not require him to perform this function. It would simply provide the Chief Executive with a mechanism with which to counter price fixing in the international oil market, if he determined that such action is warranted.

Second, this plan does not put the Government into the oil business. The authority granted in this section is limited to authorizing the President to act as the exclusive purchasing agent. It does not extend to the business of producing, transporting, or refining crude oil or other petroleum products.

In fact, the President would be required to sell any oil or product purchased under the authority of this section to buyers free on board at the point of purchase. Thus, the role of the oil companies as producers, buyers, transporters and importers would not be changed. What would change, if the authority were implemented, is that in order for foreign oil to come into the United States, it would have to first pass through a secret market offer. This would be essentially a paper transaction with the oil physically remaining in private hands. The operation of this market would reduce substantially the confidence that the OPEC members could have in each other, and would reduce the ability of the international oil companies to apportion production levels between OPEC members. It should encourage individual oil producers to cut their prices unilaterally in order to increase their share of the lucrative U.S. market, thereby disrupting the unity of the OPEC cartel and forcing down the price of oil.

We have heard much discussion here today about the high price of crude oil and its impact on the American economy. H.R. 7014 attempts to deal with the domestic price issue by establishing an equitable pricing policy for producers and consumers. I thoroughly support this effort.

At the same time, however, I believe that our efforts to restrain oil prices to reasonable levels should not be confined exclusively to the domestic front. They should also be directed at reducing the excessively high price of foreign oil.

In any discussion of oil pricing policy, it is essential to understand the nature of the world oil market. The current international price of oil has absolutely nothing to do with the traditional free market concepts of supply and demand. It is a political price administratively imposed by the OPEC cartel.

Make no mistake about it. We do not have competitive free enterprise in international oil today. What we do have is a cartel that has fixed the world price of oil at an artificially high level—a level which has no relation whatsoever to competition or cost of production.

We are all aware of the devastating impact which these international oil prices have had on the American economy. Yet, we continue to insist that there is nothing that can be done about the excessively high price of foreign oil. We remain enslaved to the dogma of past experience.

I do not subscribe to the widely held assumption that we must sit idly by and stoically accept the artificially high international oil prices that have been enriching the major oil companies and straining our economy for the past 2½ years. These are steps that can be taken to encourage greater competition in the international oil market and force down the world price of oil. In my view, these steps should be thoroughly explored. Section 410 of H.R. 7014 offers one such contingency. It should be retained in the bill.

At this point, let me direct a brief comment at those who feel that the present world price of oil is tolerable, or even desirable.

It has been argued that high oil prices are necessary as an incentive for increased exploration and for conservation. The question is how high should they be allowed to rise unchallenged?

I agree that we must reduce wasteful domestic consumption, increase investment in domestic production, intensify research and development on alternative sources of energy, and cut back on foreign oil imports. Yet, I do not believe that these needs either justify or require international or domestic oil prices of over $12 a barrel. Such exorbitant prices will only further exacerbate inflation and recession at home, creating further disaster for the economy and the consumer.

But, even if one believes that such high prices are necessary, for whatever reason, I still maintain that the retention of section 410 is essential.

The international price of oil has quadrupled in the past 2½ years, and OPEC has announced that it plans another increase for September. Given the highly arbitrary nature of the current international oil market and the delicate state of the American economy, doesn't it make sense to provide the President with purchasing agent authority in the event that he should determine at some future date that the international price of oil has passed the economic tolerance level?

I submit that it does, and I urge the retention of section 410 in H.R. 7014.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina (Mr. BROYHILL).

The question was taken and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BROYHILL. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 146, noes 254, not voting 33, as follows:

[Roll No. 516]

AYES—146

Abdnor
Anderson, Ill.
Andrews, N. Dak.
Archer
Armstrong
Ashbrook
Bafalis
Bauman
Beard, Tenn.
Bevill
Bowen
Breaux
Brown, Ohio
Broyhill
Buchanan
Burgener
Burleson, Tex.
Butler
Byron
Carter
Casey
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collins, Tex.
Conable
Daniel, Dan
Daniel, R. W.
Derwinski
Devine
Downing, Va.
Duncan, Tenn.
du Pont
Emery
English
Erlenborn
Esch
Findley
Forsythe
Fountain
Frenzel
Frey
Fuqua
Gibbons
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Guyer
Hagedorn
Haley
Hammer-schmidt
Hansen
Harsha
Hastings
Henderson
Hightower
Hillis
Hinshaw
Holt
Horton
Hutchinson
Hyde
Jarman
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Kasten
Kazen
Kelly
Kemp
Ketchum
Kindness
Krueger
Lagomarsino
Latta
Lott
McClory
McCollister
McDonald
McEwen
Madigan
Mahon
Martin
Michel
Milford
Miller, Ohio
Mitchell, N.Y.
Montgomery
Moore
Murtha
Myers, Ind.
Myers, Pa.
Nichols
Passman
Pettis
Pickle
Poage
Pritchard
Quie
Quillen
Regula
Rhodes
Risenhoover
Roberts
Robinson
Rose
Rousselot
Runnels
Ruppe
Sarasin
Satterfield
Schneebeli
Schulze
Sebelius
Shipley
Shriver
Shuster
Skubitz
Smith, Nebr.
Spence
Stanton, J. William
Steelman
Steiger, Wis.
Symms
Talcott
Taylor, N.C.
Thone
Treen
Waggonner
Walsh
Wampler
White
Whitehurst
Whitten
Wiggins
Winn
Wylie
Young, Fla.
Young, Tex.

NOES—254

Abzug
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Andrews, N.C.
Annunzio
Ashley
AuCoin
Badillo
Baldus
Barrett
Baucus
Beard, R.I.
Bedell
Bell
Bennett
Bergland
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Bolling
Bonker
Brademas
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney
Carr
Chisholm
Clay
Cohen
Collins, Ill.
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniels, N.J.
Davis
Delaney
Dellums
Dent
Derrick
Dickinson
Diggs
Dingell
Dodd
Downey, N.Y.
Drinan
Duncan, Oreg.
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Eshleman
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fenwick
Fish
Fisher
Fithian
Flood
Florio
Flowers
Flynt
Foley
Ford, Mich.
Ford, Tenn.
Fraser
Gaydos
Giaimo
Gilman
Ginn
Green
Gude
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hayes, Ind.
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Hicks
Holland
Holtzman
Howard
Howe
Hubbard
Hughes
Hungate
Ichord
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Jones, Ala.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Keys
Koch
Krebs
LaFalce
Leggett
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
McCormack
McDade
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Maguire
Mann
Mathis
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mikva
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Natcher
Neal
Nedzi
Nix
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
Ottinger
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Peyser
Pike
Pressler
Preyer
Price
Railsback
Randall
Rangel
Rees
Reuss
Richmond
Riegle
Rinaldo
Rodino
Roe
Rogers
Roncalio
Rosenthal
Rostenkowski
Roush
Russo
Ryan
St Germain
Santini
Sarbanes
Scheuer
Schroeder
Seiberling
Sharp
Sikes
Simon
Slack
Smith, Iowa
Snyder
Solarz
Spellman
Staggers
Stanton, James V.
Stark
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Taylor, Mo.
Thompson
Thornton
Traxler
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waxman
Weaver
Whalen
Wilson, Tex.
Wirth
Wolff
Wright
Wydler
Yates
Yatron
Young, Ga.
Zablocki
Zeferetti

NOT VOTING—33

Aspin
Boland
Breckinridge
Burke, Fla.
Conlan
Crane
Danielson
de la Garza
Fary
Hays, Ohio
Hébert
Landrum
Lehman
Lujan
McCloskey
Matsunaga
Mezvinsky
Mollohan
Moorhead, Calif.
Mosher
O'Neill
Rooney
Roybal
Sisk
Steed
Steiger, Ariz.
Stephens
Teague
Udall
Vander Jagt
Wilson, Bob
Wilson, C. H.
Young, Alaska

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. SANTINI

Mr. SANTINI. Mr. Chairman, I offer an amendment.

PARLIAMENTARY INQUIRY

Mr. BROWN of Ohio. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BROWN of Ohio. Mr. Chairman, will the Chair give me a statement as to the status in time of our consideration at this point? Are we still in the consideration under the time limitation of title IV, part A?

The CHAIRMAN. The gentleman is correct.

Mr. BROWN of Ohio. Does this amendment address itself to part A, title IV?

The CHAIRMAN. It does.

Mr. BROWN of Ohio. And how much time remains?

The CHAIRMAN. Twenty-five minutes.

Mr. BROWN of Ohio. Twenty-five minutes under the time limitation?

The CHAIRMAN. The gentleman is correct.

Mr. BROWN of Ohio. I thank the Chairman.

The Clerk read as follows:

Amendment offered by Mr. SANTINI: On page 273, after line 4, insert the following:

GOVERNMENT USE OF LIMOUSINES

SEC. 416. (a) As used in this section:

(1) The term "limousine" means a type 6 vehicle as defined in the Amendment to Interim Federal Specification, Automobile, Sedans, issued by the General Services Administration, December 1, 1974.

(2) The term "passenger automobile" has the same meaning as such term has under section 501 of this Act.

(3) The term "Government agency" means any department, agency, instrumentality, or authority of the executive, legislative, or judicial branch of the Federal Government, or any independent agency thereof.

(b) Except as provided in subsection (c), a Government agency may not—

(1) purchase, hire, lease, cperate, or maintain any limousine;

(2) employ or procure the services of any person as a driver for a single officer or employee of a Government agency; or

(3) purchase, hire, lease, operate, or maintain passenger automobiles for the transportation of any officer or employee of a Government agency between his dwelling and his place of employment, except in the case of (A) a medical officer on outpatient medical service, or (B) an officer or employee engaged in field work in remote areas, the character of whose duties make such transportation necessary, and in either such case, only when such exception is approved by the head of the Government agency concerned.

(c) Subsection (b) does not apply to the purchase, hire, lease, operation, or maintenance of—

(1) motor vehicles for the transportation of Ambassadors stationed or conducting business abroad, or for the personal use by the President, and one each for use by the Vice President of the United States, the head of each Executive Department, the Chief Justice of the United States, the President pro tempore of the Senate, the Speaker of the House of Representatives, the Majority and Minority Leaders of the Senate and of the House of Representatives, the Majority and Minority Whips of the Senate and of the House of Representatives, and the United States Representative to the United Nations, or

(2) motor vehicles primarily designed for military field training, combat, or tactical purposes.

(d) No officer or employee of a Government agency, other than those referred to in subsection (b)(3)(A) or (B) or subsection (c), may be furnished a passenger automobile for his exclusive use if such vehicle is to be operated by a person other than such officer or employee.

Mr. SANTINI (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with, and that it be printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Nevada?

There was no objection.

Mr. SANTINI. Mr. Chairman, this amendment embodies legislation which has been introduced by nearly 90 Members of the House, from both sides of the aisle. It would limit the use of chauffeur-driven limousines in the Federal Government, and would restrict the personal use of Government vehicles by Federal employees.

The amendment adds a new section 416, entitled "Government Use of Limousines." Subsection (a) defines "limousine," using the criteria established by GSA for the so-called type 6 vehicle; these criteria include a minimum curb weight of 5,500 pounds; a minimum of eight cylinders; a minimum net horsepower of 190, and a minimum displacement of 450 cubic inches. GSA has approved this specification for all Federal agencies.

Subsection (b) establishes the basic rule that no Government agency may "purchase, hire, lease, operate, or maintain" a limousine; nor employ any person as a driver for a single officer or employee of the Government; nor allow the use of Government automobiles for the transportation of any employee between his home and his office. This last limitation does not apply to medical officers on outpatient service, nor to employees engaged in field work in remote areas.

Subsection (c) contains the limited exceptions to the general rule. Limousines may be used by Ambassadors stationed abroad—although I understand that fewer than 20 Ambassadors now use cars which meet the technical definition for limousines. Cars for the personal use of the President would also be exempted, as well as one limousine apiece for the Vice President, the head of each executive department, the Chief Justice, the U.N. Ambassador, the Speaker of the House, the President pro tempore of the Senate, and the majority and minority leaders and whips of the House and Senate. The broad restrictions would not apply to the use of vehicles by a Government agency in the performance of investigative, law enforcement or intelligence duties.

Finally, subsection (d) would provide that no Federal officer or employee, other than those mentioned in the two previous subsections, may be furnished a Government-owned automobile to be operated by a person other than that employee.

Mr. Chairman, although this amendment would save the taxpayers millions of dollars annually, I should emphasize that it is primarily an energy conservation measure. Limousines, which get 7 or 8 miles to the gallon, would be taken away from the Home Loan Bank Board, the Consumer Product Safety Commission, the Federal Maritime Administration, the Architect of the Capitol, and the U.S. Soldiers Home. Under secretaries, deputy secretaries, assistant secretaries, deputy assistant secretaries, deputy under secretaries, and assistants to the under and assistant secretaries would lose their chauffeurs.

The amendment would take half a dozen limousines away from the Postal Service, three from the Department of Transportation, and two from the Office of Management and Budget. If this amendment is adopted, no longer will officials of the EPA and the FEA be chauffeured around like royalty while they ask other Americans to conserve energy.

In all cases, these limousines would be replaced with smaller, more fuel-efficient cars. The prohibition against driving Government-owned cars home at night and then into work again in the morning, will take a tremendous financial burden off the taxpayers and put it squarely on the highly paid bureaucrats who have been using these cars for their personal use.

Mr. Chairman, Senator PROXMIRE, who originated this legislation on the Senate side, has estimated that it would reduce the number of gas-guzzling chauffeur-driven limousines in the Washington area from 800 to 27.

Members who were here during the last Congress will recall that a similar amendment was added to the Emergency Energy Act which the Congress passed last year. However, President Nixon vetoed that bill for reasons unrelated to the restriction on limousines.

I believe that enactment of this amendment will demonstrate to all Americans that Federal officials are setting an example in reducing extravagant fuel consumption in this period of energy shortages.

Mr. HANNAFORD. Mr. Chairman, will the gentleman yield?

Mr. SANTINI. I yield to the gentleman from California.

Mr. HANNAFORD. Mr. Chairman, I would like to commend the gentleman for his leadership in this important act.

I would point out that this legislation would save roughly tenfold the amount of money that was involved in the much discussed congressional pay adjustment that we passed in somewhat devious manner last month. That gave the Congress probably more public attention than anything else this Congress did this year. I did not agree with the devious way it happened. But this amendment involves about ten times more savings than are involved in the cost of living adjustment raise the Congress voted itself.

Mr. Chairman, I think these limitations are a symbol of regency and nobility, and I believe it is time that we pass instead a symbol of austerity for the American people.

Mr. Chairman, I would like to congratulate the gentleman.

Mr. SANTINI. I thank the gentleman for his support.

Mr. BRODHEAD. Mr. Chairman, will the gentleman yield?

Mr. SANTINI. I yield to the gentleman from Michigan.

Mr. BRODHEAD. Mr. Chairman, I want to congratulate the gentleman from Nevada for offering this amendment, and I think it is a worthwhile amendment, one we can all support.

Mr. DINGELL. Mr. Chairman, while I am in great sympathy with the purpose of the gentleman from Nevada and commend him for the amendment, I think this is a matter that should be gone into in appropriate fashion with appropriate hearings. I believe that Members of the Committee might not be fully aware of what the bill does in regard to fuel use by the Federal Government.

In section 510 of the bill at which we shall be arriving in due course, the bill does require the President to promulgate appropriate rules with regard to purchase, lease, or other acquisition of automobiles by all executive agencies to assure that these automobiles will achieve either 18 miles per gallon, or the average fuel economy standard applicable under the other sections of the bill. So there is a limitation.

The hard fact of the matter is that this amendment would not significantly change the amount of gasoline used by automobiles and limousines in the Federal automotive fleet.

Beyond this it should be understood by my colleagues that the amendment does affect automobiles of certain officers of the House such as the Sergeant at Arms and the Secretary of the House. The amendment affects automobiles of the Secretary of the Senate and the Sergeant at Arms of the Senate. In addition, the amendment does affect certain other automobiles which are, I think, necessary for use of Federal executives.

Mr. Chairman, for that reason, and because the bill already deals with the question, and also because of the fact that this is a matter which I think should be handled in appropriate hearings, I do rise in reluctant opposition to the amendment.

AMENDMENT OFFERED BY MR. WIRTH TO THE AMENDMENT OFFERED BY MR. SANTINI

Mr. WIRTH. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. WIRTH to the amendment offered by Mr. SANTINI: In subsection (b), strike the period at the end of (3), and insert in lieu thereof the following: "; or (C) a vehicle regularly used by a Government agency in the performance of investigative, law enforcement, or intelligence duties, if the head of such agency determines that exclusive control of such vehicle is essential to the effective performance of such duties."

In subsection (c), strike "and the United States Representative to the United Nations, or" and insert in lieu thereof the following: "the United States Representative to the United Nations, and those officials of Government agencies whose personal safety is placed in danger by reason of their duties, or".

In subsection (d), strike the phrase "subsection (b)(3)(A) or (B)" and insert in lieu thereof "subsection (b)(3)".

Mr. WIRTH (during the reading). Mr. Chairman, I ask unanimous consent that the amendment to the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. WIRTH. Mr. Chairman, this amendment would make two changes in the Santini amendment.

First, it would add Federal law enforcement personnel to the medical and field workers who would be permitted to drive Government vehicles to and from work.

At present 2,995 of the 4,722 vehicles owned by the FBI are maintained at the agents' residences during nonduty hours. I should note in this regard that FBI regulations strictly prohibit the use of these cars for personal business.

The other change would permit the use of assigned drivers for those officials of Government agencies whose personal safety is placed in danger by reason of their duties. This section would cover a small number of officials, including William Colby and Clarence Kelley, whose bodyguards now double as their drivers.

Mr. SANTINI. Mr. Chairman, will the gentleman yield?

Mr. WIRTH. I yield to the gentleman from Nevada.

Mr. SANTINI. Mr. Chairman, I have no objection to the gentleman's amendment to my amendment. I would ask that it be accepted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado (Mr. Wirth) to the amendment offered by the gentleman from Nevada (Mr. Santini).

The amendment to the amendment was agreed to.

Mr. MAGUIRE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we know that there are abuses in the use of Government vehicles. We have seen it at every level of Government. We know that those abuses exist—including instances in which official vehicles are used for other than official business.

We also know that it is costly, unnecessarily costly, to provide the kind of fleets of Government limousines for Government officials which have become all too standard at every level of government. At a time when we are asking average people throughout this country to make sacrifices because of the economy and because of energy shortages, I do not think it can be defended that conspicuous consumption of this sort should be indulged in by high officials, whether they be appointed or elected.

A lot of us drive around in modest cars of somewhat ancient vintage. What we need in cars is simply a utilitarian means of getting from one location to another; we do not need status symbols.

Mr. Chairman, I think the American people would be well served if we agree to this amendment, and I urge its adoption.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. MAGUIRE. I yield to the gentleman from Texas.

Mr. ECKHARDT. Mr. Chairman, the gentleman from New Jersey certainly speaks well when he says we all know of abuses. I know when we were sitting in hearings on one of the energy bills, there was a large limousine that carried some witnesses to another committee sitting in the horseshoe drive at the Rayburn Building with the engine running so that the chauffeur could keep the car cool while an official of the executive department was testifying before a committee.

I came up here and pointed it out on the floor, but by the time I got back, the car was still there with the engine still running and the window rolled down because it had gotten too cool for the chauffeur.

Mr. MAGUIRE. Mr. Chairman, the gentleman makes a very good point. We all know of such instances. Other people in this country have to get back and forth to work by public transportation or in their own cars. Government officials should be no exception.

Mr. BAUMAN. Mr. Chairman, I move to strike the requisite number of words, and I rise in halfhearted support of the amendment.

Mr. Chairman, I would just like to say, having read the gentleman's honest effort at some economy—and I commend him on this expedition—I wonder why he feels that this limousine austerity should be fixed upon the bureaucrats downtown solely and that the congressional leadership should be exempted. They, too, have many limousines which guzzle gasoline.

I calculate that there are about 22 different limousines, on various parts of Capitol Hill, all of which could have their windows up and the air-conditioning running only a few feet from the door here. I believe that each of these sumptuous autos should also be covered by this austerity amendment. They happen to be assigned to leaders of both parties, not just of one party; a bipartisan austerity, as it were.

That would include the gentleman from Massachusetts (Mr. O'Neill), who might be better suited, for economy purposes, if he were placed in one of these new small Chevettes, at a great saving in gasoline instead of a Cadillac. The taxpayers then would know that the majority party wishes to advance the purposes of the gentleman from Nevada (Mr. Santini).

Mr. SANTINI. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. Yes; I yield to the gentleman from Nevada.

Mr. SANTINI. Mr. Chairman, I was just going to say, particularly with respect to the reference to the gentleman from Massachusetts (Mr. O'Neill), that I think the suggestion of the gentleman from Maryland (Mr. Bauman) might prove to be a dimensional handicap to the gentleman and his party, and I think it grossly unfair.

Mr. BAUMAN. Mr. Chairman, if the gentleman from Nevada thinks that the gentleman from Maryland is going to comment on that statement, then the gentleman has taken leave of his senses.

I do think that there is a need for bipartisanship here and that the amendment should be applied to the three branches of Government.

I note that the amendment excludes our Ambassadors abroad, who probably would be better suited to ride in armored tanks or some sort of armed cars, anyway. By excluding almost all of the congressional whips and leaders, we are going to set a very poor example, as usual, by exempting the Congress of the United States from the application of a hardship principle which the gentleman seeks to apply.

When this bill passes and long gas lines form, the fact that these congressional limousines will still be parked out in front of the Capitol will definitely not be a credit to us.

However, Mr. Chairman, as I say, I am in halfhearted support of the amendment, since it does not go far enough, but does go part of the way.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nevada (Mr. Santini), as amended.

The question was taken; and on a division (demanded by Mr. Santini) there were—ayes 41, nays 15.

So the amendment, as amended, was agreed to.

AMENDMENT OFFERED BY MR. OTTINGER

Mr. OTTINGER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Ottinger: On page 267, in section 412. (a)(1) (line 8), change $2,000,000 to $5,000,000.

On page 268, change the period in line 4 to "; and" add a new subparagraph (D) following line 4 as follows:

"(D) exchange of information from one State to another and evaluation of the results of various techniques and technologies used to reduce per capita usage of energy, including supporting date; such evaluations to be transmitted to appropriate Federal agencies and to the Congress as well as to other States, to units of local government and to the general public."

Mr. BAUMAN. Mr. Chairman, I reserve a point of order on the amendment.

Mr. OTTINGER. Mr. Chairman, I am offering this amendment at the request of the Governor of the great State of New York. It is not, unfortunately, designed to solve our very great financial problems in New York, but it is designed to help all States to achieve with their own State programs energy conservation goals and to help in the transmission of information as to what goes on in energy conservation fields in their State and other States, Federal agencies, the Congress, and the public.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Chairman, I am trying to understand the thrust of the amendment offered by the gentleman from New York and at this point I do not know whether this amendment is introduced so that the rest of the States can learn how to run their finances from the State of New York or whether the State of New York is trying to learn how the rest of the country handles its resources, or is it both?

Mr. OTTINGER. It is neither. At the present time the $2 million that are provided for State conservation activities amounts to approximately $10,000 per State which is really a very inadequate amount.

Mr. BROWN of Ohio. In other words, there is nothing in this that will bail out the State of New York?

Mr. OTTINGER. No. This is a serious amendment and the gentleman is taking my time.

Mr. Chairman, this would increase the amount available to the States in their conservation activities to a much more reasonable figure and permit the money to be used for dissemination of the information.

I hope the amendment will be accepted.

The CHAIRMAN. Does the gentleman from Maryland insist upon his point of order?

Mr. BAUMAN. No, I do not, Mr. Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The amendment was rejected.

AMENDMENT OFFERED BY MR. WIRTH

Mr. WIRTH. Mr. Chairman, I offer a technical amendment.

The Clerk read as follows:

Amendment offered by Mr. Wirth: Page 270, line 22, strike out "(2)" and insert in lieu thereof "(1)".

Mr. WIRTH. Mr. Chairman, this is purely a technical amendment to clarify the definition of a "van" to make it consistent with the other definitions in the bill as to a "van" as capable of holding between 8 or 15 persons; as the definition currently is, the definition of a van and the definition of an automobile could be contradictory and confusing. This relates to the "van pool amendment," that was accepted by the subcommittee.

Mr. Chairman, I would like to clarify the purpose of the van pooling provision which I offered to the committee's bill. The provision, which appears as section 414, authorizes the Federal Energy Administration to develop and publicize van pooling programs for employers throughout the country. It specifically directs that these programs be developed for use in nonurban areas and in areas where public transportation is unavailable.

It is our intent that the FEA commuter van programs be designed to fit the particular requirements of various employer sites. We expect that staff and resources will be made available for direct consultation and assistance to employers who desire to establish van pooling for their employees.

Subsection (c)(2) specifies that van pool programs be developed for use by executive agencies. These programs should include: First, the development of van pool programs under the sponsorship of credit unions, employee cooperatives, or other coordinating groups; and second, methods for using Government motor pool vehicles for transporting commuters where this use can be justified through fuel savings and where the full cost for the service is borne by the riders. This subsection supersedes any prohibitions against the use of Government vehicles for van pooling purposes which may be inferred from existing laws or Federal regulations.

Subsecton (e) directs the FEA to report to the Congress within 2 years on the effectiveness of the program, and recommend any changes which may be necessary to further implement van pooling. To carry out this subsection it will be essential for the FEA to undertake a comprehensive examination of the legal, regulatory, and insurance problems which surround the use of van pooling on the Federal, State, and local levels. In particular, it is necessary that model ICC regulations and similar State and local provisions be drafted by the FEA to take account of multiemployer, as well as single-employer, van programs.

Mr. Chairman, I am confident that this legislation will help considerably in promoting tihs new and beneficial idea in commuter transportation.

Mr. DINGELL. Mr. Chairman, if the gentleman will yield, let me say that this is a technical amendment to help the bill, and it does, and I have no objection to it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado (Mr. Wirth).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BAUCUS

Mr. BAUCUS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Baucus: Page 273, after line 4, insert the following:

ENERGY CONSERVATION TRAFFIC STUDY

Sec. 416. (a) The Administrator shall conduct a study of the potential energy savings which may result from the adoption in all States of a uniform traffic regulation which allows a driver of a motor vehicle to turn right on a red signal after stopping.

(b) The Secretary of the Department of Transportation shall conduct a study of any safety implications relating to the adoption in all States of the regulation specified in subsection (a).

(c) The Administrator and the Secretary shall each report to the Congress and make available to the States the results of such studies not later than six months after the date of the enactment of this Act, together with any legislative recommendations for change in Federal law to encourage such traffic regulation.

Mr. BAUCUS. Mr. Chairman, as you can tell from the amendment as it has been read by the Clerk, essentially the amendment would provide that the FEA would make a study of potential energy savings if States should adopt traffic regulations providing that motor vehicles be able to turn right on red after stopping. Presently about half of the States in the country have this kind of legislation, and informal studies by FEA show that there is a potential energy savings of approximately 1 billion gallons a year. That is assuming about 600,000 traffic intersections in the country.

I have discussed this briefly with the gentleman from Ohio (Mr. Brown), and I wish to inform the gentleman at this point that I have made one additional change in that the Department of Transportation will also look at the potential safety implications, and the Department of Transportation would also report to the States and to the Congress at the end of 6 months.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. BAUCUS. I yield to the gentleman from Washington.

Mr. McCORMACK. I thank the gentleman for yielding.

I should like to congratulate the gentleman for his amendment. Studies that we have seen indicate that just allowing right turns on red lights would be one of the most significant things we could really do in a short time to save energy, and the gentleman's perspicacity in this particular instance is in just recognizing that here is something that can be done now. Strange as it may seem, this is one thing which is very worthwhile. I congratulate the gentleman and support his amendment.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield?

Mr. BAUCUS. I yield to the gentleman from Maryland.

Mr. BAUMAN. I thank the gentleman for yielding.

Mr. Chairman, I applaud the gentleman for any move that would try to make the country turn right. However, I should like to ask the gentleman from Washington, who has said that all the studies that he has seen support this concept, why could he not just give his studies to the gentleman from Montana so that we do not have another study to study the question?

Mr. McCORMACK. If the gentleman will yield further, what we are trying to do is to get the FEA to provide the studies for the States so that they can be persuaded on their own to adopt the right turn on the red light. This is really what we are after.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Montana (Mr. Baucus).

The amendment was agreed to.

The CHAIRMAN. Are there additional amendments to title IV?

AMENDMENT OFFERED BY MR. GONZALEZ

Mr. GONZALEZ. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Gonzalez: Page 282, after line 16 insert the following:

Import Quotas on Petroleum Products From Certain OPEC Countries

Sec. 456. During calendar year 1976, and each calendar year thereafter, the aggregate quantity of petroleum products which may be imported into the United States from each country which is a member of the Organization of Petroleum Exporting Countries (other than Venezuela, Iran, Ecuador, Indonesia, Nigeria and any other member who did not participate in the petroleum products boycott of 1973) may not exceed an amount equal to the daily average of petroleum products imported into the United States from that country during the first six months of calendar year 1975, multiplied by 365.

Redesignate the succeeding sections of title IV accordingly.

Mr. DINGELL. Mr. Chairman, I reserve a point of order.

Mr. BROWN of Ohio. Mr. Chairman, I also reserve a point of order.

The CHAIRMAN. The gentleman from Michigan (Mr. Dingell) and the gentleman from Ohio (Mr. Brown) reserve points of order.

The Chair recognizes the gentleman from Texas (Mr. Gonzalez).

Mr. GONZALEZ. Mr. Chairman, the United States is a very great country. It has very great people, and at all times in our national history we have managed to stick together in times of real adversity when it has looked as though we had a menacing threat making a common attempt to either imperil or destroy the well-being of this Nation.

But at the present time we have allowed ourselves to be victimized by an economic blackmail on the part of the so-called OPEC nations. The most important single thing we can do is to remove the effectiveness of an oil embargo, such as is represented in this amendment I am offering to the House. That means we should adopt amendments such as I am proposing that would deny additional markets in the United States to countries that boycotted our country in 1973. We ought not reward those who have conducted economic warfare against us.

POINT OF ORDER

The CHAIRMAN. Does the gentleman from Michigan insist on his point of order?

Mr. DINGELL. I do, Mr. Chairman.

The CHAIRMAN. The gentleman will state his point of order.

Mr. DINGELL. Mr. Chairman, the title of the amendment is "Import Quotas on Petroleum Products From Certain OPEC Countries." The bill does not provide import quotas. The bill does direct the President to use, however, certain authorities which he has in connection with other statutes under subparagraph (b) in line 17 of page 249, but, as the Chair will observe, that is only a direction to the President to use certain powers which he has in connection with controlling domestic consumption of petroleum products.

Here the amendment offered by my good friend, the gentleman from Texas, and he is a distinguished and able and valuable Member of this body for whom I have great respect and affection, does require the imposition of import quotas.

First of all, it is offered I believe at the wrong place in the bill and, second of all, it is a proposal which is not properly in the bill since the Committee on Interstate and Foreign Commerce has no jurisdiction to impose import quotas, that lying under the rules of the House in the Ways and Means Committee.

Also, since this is an amendment of which the Members could not reasonably and logically have been apprised as required by the rules of the House from the title of the legislation now before the House and although I have some sympathy for the purposes and goals of the gentleman, I have to point out, nevertheless, the question is not a question which could or should properly be decided by the Committee at this time under the rules of the House.

The CHAIRMAN. Does the gentleman from Texas desire to be heard on the point of order at this time?

Mr. GONZALEZ. Mr. Chairman, if it is in accordance with the rules of procedure and if the Chair is willing, I would prefer to have the double barrage on the points of order at this time and then let me deal with the points of order en bloc.

The CHAIRMAN. The gentleman from Ohio will pursue his point of order.

Mr. BROWN of Ohio. Mr. Chairman, much as it pains me to barrage the the gentleman in the well, my point of order is essentially the same as that raised by the gentleman from Michigan. Mr. Chairman, quotas are not addressed in this legislation, nor should they be because this legislation stems from the Committee on Interstate and Foreign Commerce while import quotas are assigned under the rules of the House to the Committee on Ways and Means. For that reason I think the amendment offered by the gentleman from Texas, much as I admire him, is nongermane to this legislation.

Mr. GONZALEZ. Mr. Chairman, may I raise a parliamentary inquiry at this point?

The CHAIRMAN. The gentleman will state it.

Mr. GONZALEZ. Mr. Chairman, is it the interpretation of the Chair that the objections raised by the gentleman from Ohio and the gentleman from Michigan amount to an objection on account of lack of germaneness? Is this the issue?

The CHAIRMAN. That is the Chair's understanding of the points of order made by each gentleman.

Mr. GONZALEZ. In that event, Mr. Chairman, I would like to call the attention of the Chair to Deschler's Procedure, on page 374, citation 5.17 in which it is held very clearly and most emphatically:

> To a text seeking to accomplish a broad purpose by a method less detailed in its provisions, an amendment more definitive but relating to the same purpose implicit in the committee's approach was held germane.

The purpose of the bill is to increase domestic supply, conserving and managing energy demand, and to establish standby programs for minimizing this Nation's vulnerability to major interruptions in the supply of petroleum imports.

My amendment is more definitive in that it provides through import quotas a means to encourage conservation, which is directly related to the broad purpose of this bill.

Now, in addition, the gentleman is arguing what I think is improper in his point of order. The gentleman is raising the point of committee jurisdiction. The gentleman says that this is not a matter within the jurisdiction of the gentleman's committee that has this bill here.

Well, I want to refer the Chair to page 369 of Deschler's Procedures, citation 416, which states that committee jurisdiction is not the exclusive or the absolute test of germaneness.

So I feel that based on Deschler's bible of procedure in our House, my amendment is not only germane, it is timely. It is proper and it is in order with what we are debating as the general scope and purpose of the legislation pending.

The CHAIRMAN. The Chair is ready to rule. The gentleman from Michigan and the gentleman from Ohio have made points of order against the amendment offered by the gentleman from Texas on the ground that it is not germane.

The gentleman from Texas replies with two citations from Deschler's Procedures, which appear to be to the point, but in the opinion of the Chair are not precisely on the specific point. There is not in this title of the bill, at least the Chair is unable to find a specific imposition of general import quotas on all petroleum products. There is not any specific imposition of general import quotas.

Furthermore, the Chair is of the opinion that in this particular case it is pertinent that the matter in the gentleman's amendment would properly be within the purview of the Committee on Ways and Means, rather than the Committee on Interstate and Foreign Commerce.

Therefore, on these grounds, relatively narrow grounds, the Chair rules that the points of order are valid and rules that the amendment is not in order.

Mr. GONZALEZ. C'est la guerre.

The CHAIRMAN. Are there further amendments to title IV?

PARLIAMENTARY INQUIRY

Mr. BROWN of Ohio. Mr. Chairman, I rise to make a parliamentary inquiry.

The CHAIRMAN. The gentleman will state the parliamentary inquiry.

Mr. BROWN of Ohio. Mr. Chairman, the parliamentary inquiry relates to the status at which we find ourselves now. Do I properly understand that the time limitation of consideration of amendments to title IV, part A, has been exhausted and if there are further amendments to title IV, part A, those amendments could be introduced, but not debated; is that the status with reference to part A?

The CHAIRMAN. They could be offered, but not debated, unless they are printed in the Record.

Mr. BROWN of Ohio. At which point they would have the usual 5 minutes?

The CHAIRMAN. The gentleman is correct.

Mr. BROWN of Ohio. And there is at this point no limitation on amendments that would be appropriate to title IV, part B; is that correct?

The CHAIRMAN. My understanding is that part B has been stricken in its entirety and, therefore, there is nothing left of part B to amend.

Mr. BROWN of Ohio. I thank the Chair.

I notice the gentleman from Texas (Mr. Collins) is on the floor and that ends my parliamentary inquiry.

AMENDMENT OFFERED BY MR. COLLINS OF TEXAS

Mr. COLLINS of Texas. Mr. Chairman, I offer an amendment which has been printed in the Record.

The Clerk read as follows:

Amendment offered by Mr. Collins of Texas: Page 273, insert after line 4 the following new section:

ENERGY CONSERVATION THROUGH PROHIBITION OF UNNECESSARY TRANSPORTATION

SEC. 450. (a) (1) No person may use gasoline or diesel fuel for the transportation of any public school student to a school farther than the public school which is closest to his home offering educational courses for the grade level and course of study of the student and which is within the boundaries of the school attendance district wherein the student resides.

(2) Any person who violates subsection (1) of this section shall be fined not more than $5,000 or imprisoned not more than one year, or both, for each violation of such subsection.

(3) This section shall not apply to any person—

(A) who is a parent using gasoline or diesel fuel to transport his child to a public school; or

(B) who is using gasoline or diesel fuel for the transportation of any public school student to any school for the purpose of participating in athletic, educational, social, or other extracurricular activities approved by the local educational authorities in charge of the public school such student attends.

(b) (1) No person may sell gasoline or diesel fuel to a person which the seller of such gasoline or diesel fuel knows or has reason to know will use such gasoline or diesel fuel in violation of subsection (a) of the Act.

(2) Any person who the Administrator of the Federal Energy Administration determines violates paragraph 1 of subsection (a) of this section shall not be entitled for the six-month period beginning on the date of such determination to any allocation of gasoline or diesel fuel under any Federal law which provides for the allocation of gasoline or diesel fuel.

POINT OF ORDER

Mr. OTTINGER. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman will state his point of order.

Mr. OTTINGER. Mr. Chairman, this is clearly beyond the scope of the matters that are dealt with in this title of the bill. It would very substantially introduce administrative duties that are not provided for in any way in the bill, and it is clearly beyond the jurisdiction of this committee.

On all three of those grounds, I think the amendment is clearly not in order.

Mr. COLLINS of Texas. Mr. Chairman, may I speak to the point of order?

The CHAIRMAN. The gentleman may speak.

Mr. COLLINS of Texas. Mr. Chairman, we have had a similar amendment in conservation bills before which have passed the House before, and in this particular bill. It comes in conjunction with sections on energy conservation through van pooling arrangements, through the use of car pools. It is an identical type of conservation measure as the limitation of limousines we discussed earlier, and the conservation of gasoline.

This is very much consistent because what we are talking about here is conservation, the unnecessary and unneeded uses of transportation. Also, we have the jurisdiction over the FEA, and it seems to me that we would be concerned with this.

The CHAIRMAN. Before the Chair disposes of this matter, the Chair would like for the gentleman from Texas to give it the citation as to where this amendment was printed in the RECORD. This has nothing to do with the point of order, but we have been unable to find it in the RECORD so far.

Mr. COLLINS of Texas. It is in the CONGRESSIONAL RECORD of September 10, 1975, headed, "H.R. 7014, by Mr. COLLINS of Texas."

The CHAIRMAN. The gentleman from New York makes a point of order against the amendment offered by the gentleman from Texas (Mr. COLLINS) on grounds that it is not germane to title IV. The gentleman from Texas, in responding to the point of order, has cited certain amendments that have been adopted to the bill during debate, and the Chair is not clear as to whether he is talking only about this bill or about earlier bills.

Mr. COLLINS of Texas. Mr. Chairman, I understand that specifically this bill itself, in this particular bill itself on page 270, we have a section of this bill which says, "Energy Conservation Through Van Pooling Arrangements."

On page 271, we have a section called "Use of Carpools." We just adopted the Santini amendment, which is related to it. We talked about limousines. We have been talking about transportation and vehicles. Here we are talking about conservation, and we could conserve a great deal of gasoline and diesel fuel.

The CHAIRMAN. Does the gentleman from Michigan desire to be heard?

Mr. DINGELL. I would like to be heard on the point of order, Mr. Chairman.

The CHAIRMAN. The gentleman may be heard.

Mr. DINGELL. Mr. Chairman, I would commend the Chair to a reading of section 450(a)(1) of the amendment, which reads as follows:

> No person may use gasoline or diesel fuel for the transportation of any public school student to a school farther than the public school which is closest to his home offering educational courses for the grade level and course of study of the student and which is within the boundaries of the school attendance district wherein the student resides.

Parenthetically, I might observe, Mr. Chairman, that I am very sympathetic with the purpose of the gentleman from Texas in offering an amendment with similar purposes to an earlier bill, but I would point out that the bill before us relates to allocation of gasoline. It relates to the conservation of energy. But this amendment adds a criteria category and purpose to the bill which is above, apart and different from anything else found anywhere else in the bill, and that is a specific prohibition of the use of fuels for a particular purpose, which carries us beyond the purposes of the bill.

Again, Mr. Chairman, I would cite to the Chair that the nature of the amendment must be such as to notify the House that it might reasonably anticipate it and might be related for the purposes of which the bill is drawn.

Mr. Chairman, I might add further that the amendment adds criminal sections, imposing, for example, penalties on bus drivers of school buses, and goes well beyond the allocation powers or the conservation powers which are vested in the Federal Government, adding, essentially, a new criminal section of the bill which was not previously before us and which is not in the bill.

The CHAIRMAN. Does the gentleman from North Carolina (Mr. BROYHILL) desire to be heard?

Mr. BROYHILL. Yes, Mr. Chairman. May I be heard on the point of order?

The CHAIRMAN. The gentleman may be heard.

Mr. BROYHILL. Mr. Chairman, it is clear that title IV includes a broad range of authorities which are given to the administrative branch of Government to conserve energy. In the first place, there is authority under this act to allocate energy, including petroleum products. And in that allocation authority there is very broad authority to limit not only the amount of petroleum products that may be available to end users, but also to actually say that certain classes of end users may not get the access to petroleum products at all.

In addition, Mr. Chairman, there are sections in this title which have the effect of limiting the energy used in industry, as well as by end users.

Mr. Chairman, we have just adopted, in this title, language which prohibits the use of limousines as a conservation measure, and we have also adopted, in the so-called Santini amendment, language which would prohibit the use of governmental vehicles for certain purposes as an energy conservation measure. So it would seem to me that, in this amendment offered by the gentleman from Texas, he is merely offering an amendment which would further limit the use of certain types of energy and certain types of vehicles.

Mr. Chairman, the amendment is in order.

The CHAIRMAN. Does the gentleman from New York (Mr. OTTINGER) desire to be heard further on the point of order?

Mr. OTTINGER. I do, Mr. Chairman.

I think that the Chair has to look at the reality of the substance of this amendment. It is put over as a wolf in sheep's clothing. This is clearly not an amendment having anything to do with conservation of energy. Its purpose, its administrative duties, and its penalties are all designed to deal with the problem of school busing.

I think the amendment clearly is not germane, and that the thread by which it is attempted to be attached to energy conservation is too thin to support the amendment.

The CHAIRMAN. Does the gentleman from Kentucky (Mr. SNYDER) desire to be heard on the point of order?

Mr. SNYDER. I wish to be heard just briefly, Mr. Chairman, in opposition to the point of order.

The CHAIRMAN. The Chair will be glad to hear the gentleman.

Mr. SNYDER. Mr. Chairman, I would like to call the attention of the Chair to title VI of the bill, particularly section 605, where we have a section that prohibits the use of natural gas as boiler fuel for the generation of electricity.

It would seem to me that here we have a similar type of fuel—gasoline—and the gentleman from Texas (Mr. COLLINS) by his amendment would prohibit the use of that fuel in transporting school children.

For that reason, Mr. Chairman, I believe the amendment ought to be germane.

Mr. COLLINS of Texas. Mr. Chairman, may I be heard further on the point of order?

The CHAIRMAN. The Chair will be glad to hear the gentleman.

Mr. COLLINS of Texas. Mr. Chairman, there is one further thing I wish to say. We have talked about whether there were penalties or not provided in this bill.

In the bill itself, in previous sections, violations were set out and there were penalties of $5,000. There are several sections in the FEA sections that provide for penalties.

So, Mr. Chairman, it is very much in order to provide for some type of penalties when there are conservation measures involved.

The CHAIRMAN. The Chair will inquire of the gentleman, where are those penalties to be found?

Mr. COLLINS of Texas. Mr. Chairman, they are in the conservation section. Under "Enforcement" in section 703, on page 342, it says:

> Whoever violates section 702 shall be subject to a civil penalty of not more than $5,000 for each violation.

It then goes on to say in section (b) that—

> Whoever willfully violates section 702 shall be fined not more than $10,000 for each violation.

The CHAIRMAN. I thank the gentleman.

Mr. BAUMAN. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will hear the gentleman.

Mr. BAUMAN. Mr. Chairman, I will just recall for the information of the Chair that there was a similar bill, although it may not be entirely applicable, in the last year or two, to which the gentleman from Michigan (Mr. Dingell) offered a very strong amendment and the same point of order was raised against it. That was an energy bill. I am not prepared to offer the citation, but I can supply it later.

The Chair at that time ruled that since it dealt with the conservation of energy and this was a major source of the use of gasoline in the country, that it fell in the purview of the energy bill. Surely that precedent, I would think, would apply to this particular case.

I would be glad to supply the Chair with the citation once I have researched it.

The CHAIRMAN. The Chair is grateful to the gentleman from Maryland. The Chair will supply the citation.

Mr. BAUMAN. I thank the Chair.

The CHAIRMAN (Mr. Bolling). The Chair is prepared to rule.

The Chair would like to state at the outset that the point of order made by the gentleman from New York (Mr. Ottinger) against the amendment offered by the gentleman from Texas (Mr. Collins) is on the ground that the amendment is not germane to title IV, and we are in effect limited in our consideration to the matters contained in title IV.

As will be clear in the statement which the Chair will make, the ruling that the present occupant of the Chair made under seemingly similar circumstances on an earlier bill is different.

The amendment would prohibit the use by any person—and that is the key to the ruling of the Chair—of gasoline or diesel fuel for certain transportation of public school students, and would establish a criminal penalty for violation of the amendment's provisions. The Chair has noted the Chair's ruling, cited in Deschler's Procedures, chapter 28, section 26.9, that an amendment restricting, the regulatory authority of the President, who was authorized by the bill to establish priorities among users of petroleum products, was germane where the amendment required the product so allocated be used only for certain transportation of public school students.

It appears to the Chair that the ruling on that occasion was specifically directed to the fact that the bill conferred certain regulatory authority upon the President, and that the amendment placed a specific limitation and direction on the power so delegated. The amendment now in question does not address itself to the authority of an agency of Government, except in its last subsection relating to certain determinations by the Administrator of the Federal Energy Administration. But the direct thrust of the amendment is to prohibit certain uses of fuel by any person.

It is true that the title to which the amendment is offered deals with the subject of the conversation of energy, but the provisions of title IV address the goal of conservation through actions and encouragement by an agency of Government, not through prohibitions on the use of fuel by any person.

The Chair is unable to discover in title IV or in the basic act being amended criminal prohibitions applicable to any person using the fuel in a certain way.

The Chair, therefore, finds that the amendment is not germane to the fundamental purposes of the title to which offered and sustains the point of order.

Are there further amendments to title IV?

If not, the Clerk will read.

The Clerk read as follows:

TITLE V—IMPROVING ENERGY EFFICIENCY OF CONSUMER PRODUCTS

Part A—Automobile Fuel Mileage

DEFINITIONS

Sec. 501. As used in this part:

(1) The term "automobile" means any four-wheeled vehicle propelled by fuel, which the Secretary determines, by rule, (A) is manufactured primarily for use on public streets, roads, and highways (except any vehicle operated exclusively on a rail or rails) and (B) is rated at 10,000 pounds gross vehicle weight or less.

(2) The term "passenger automobile" means any automobile which the Secretary determines, by rule, is manufactured primarily for use in the transportation of not more than 10 individuals.

(3) The term "average fuel economy" means average fuel economy, as determined under section 503 of this Act.

(4) The term "dealer" means any person engaged in the business of selling new automobiles to purchasers who buy for purposes other than resale.

(5) The term "fuel" means any liquid or gaseous fuel.

(6) The term "fuel economy" means the average number of miles traveled by an automobile per gallon of gasoline (or equivalent amount of other fuel) consumed, as determined by the EPA Administrator in accordance with test procedures established under section 503(d) of this Act.

(7) The term "manufacturer" means any person engaged in the business of manufacturing automobiles.

(8) The term "manufacture" (except for purposes of section 502(c) of this Act) means produce or assemble in the United States or to import into the United States.

(9) The term "model type" means a particular class of automobile as determined, by rule, by the EPA Administrator.

(10) The term "model year" with reference to any specific calendar year means a manufacturer's annual production period (as determined by the EPA Administrator) which includes January 1 of such calendar year. If a manufacturer has no annual production period, the term "model year" means the calendar year.

(11) The term "Secretary" means the Secretary of Transportation.

(12) The term "EPA Administrator" means the Administrator of the Environmental Protection Agency.

AVERAGE FUEL ECONOMY STANDARDS APPLICABLE TO EACH MANUFACTURER

Sec. 502. (a)(1) Except as otherwise provided in paragraph (4) or in subsection (c), the average fuel economy for passenger automobiles manufactured by any manufacturer in any model year after model year 1977 shall not be less than the number of miles per gallon determined for such model year under the following table:

Model year	Average fuel economy (in miles per gallon)
1978	18.5
1979	19.5
1980	20.5
1981	Determined by Secretary under paragraph (3) of this subsection.
1982	Do.
1983	Do.
1984	Do.
1985 and thereafter	28.0.

(2) Not later than January 15 of each year, beginning in 1977, the Secretary shall transmit to each House of Congress, and publish in the Federal Register, a review of average fuel economy standards under this part which will take effect in future model years. The review required to be transmitted not later than January 15, 1979, shall include a comprehensive analysis of the program required by this part. Such analysis shall include an assessment of the ability of manufacturers to meet the average fuel economy standards for model year 1985 as specified in paragraph (1) of this subsection, and any legislative recommendations the Secretary may have for improving the program required by this part.

(3)(A) Not later than July 1, 1977, the Secretary shall prescribe, by rule, average fuel economy standards for passenger automobiles manufactured in model years 1981 through 1984. Such standards, which shall apply to each manufacturer (except as provided in subsection (c)), shall be set for each such model year at a level which is not less than 20.5 miles per gallon, which the Secretary determines is the maximum feasible average fuel economy level, and which will result in steady progress toward meeting the average fuel economy standard established under this subsection for model year 1985.

(B) The Secretary may, by rule, from time to time upon the basis of new information, amend any average fuel economy standard prescribed under subparagraph (A), so long as such standard, as amended, meets the requirements of such subparagraph. Any amendment prescribed under paragraph (3) or (4) which has the effect of making any average fuel economy standard more stringent shall be promulgated at least 18 months prior to the beginning of the model year to which such amendment will apply.

(4) If, in the course of preparing the review required pursuant to paragraph (2) to be published by January 15, 1979, the Secretary finds that the model year 1985 average fuel economy standard specified in paragraph (1) should be modified because such standard is not the maximum feasible average fuel economy level, the Secretary may, by rule, modify such standard, to a level which he determines is the maximum feasible average fuel economy level. The Secretary shall transmit to the Congress notice of such modified standard in accordance with section 751(b) of this Act. Such modified standard shall take effect unless either House disapproves such modified standard in accordance with the congressional review procedures specified in section 751 of this Act.

(5) For purposes of this subsection, in determining the maximum feasible average fuel economy, the Secretary shall consider:

(A) technological feasibility;

(B) economic practicality;

(C) relationship to other Federal motor vehicle standards (except as otherwise provided in subsection (d)(4)); and

(D) the purposes of this Act.

(b) The Secretary shall, by rule, prescribe average fuel economy standards for automobiles other than passenger automobiles manufactured by any manufacturer in each model year which begins more than 30 months after the date of enactment of this Act. Such rules may provide for separate standards for different classes of such automobiles, other than passenger automobiles, and shall be based upon the maximum feasible average fuel economy which the Secretary determines such manufacturers are able to achieve in each model year to which this subsection applies. Any standard applicable to a model year under this subsection shall be promulgated at least 18 months prior to the beginning of such model year.

(c) On application of a manufacturer, who manufactured (whether or not in the United States) fewer than 10,000 automobiles in the second model year preceding the model year for which the application is made, the Secretary may, by rule, exempt such manufacturer from subsection (a). Such exemption may only be granted if the Secretary determines that the average fuel economy standard otherwise applicable under subsection (a) is more stringent than the maximum feasible average fuel economy level which such manufacturer can attain. The Secretary may not issue such exemption unless, at the time such exemption is issued, he establishes, by rule, alternative average fuel economy standards for passenger automobiles manufactured by such manufacturer which the Secretary determines is the maximum feasible average fuel economy level for such manufacturer. An exemption under this subsection shall apply to a model year only if the manufacturer manufactures (whether or not in the United States) fewer than 10,000 automobiles in such model year.

(d)(1) If the Secretary (after consultation with the EPA Administrator) determines in a proceeding under paragraph (3) that in any model year there will be an emission standards penalty which exceeds one mile per gallon, he shall, by rule, adjust the average fuel economy standard applicable under subsection (a) to such year by subtracting a number of miles per gallon (rounded off to the nearest tenth of a mile per gallon) equal to the amount of such excess.

(2) For purposes of this subsection:

(A) The term "emission standards penalty" means the number of miles per gallon by which—

(i) the average fuel economy which all passenger automobiles to be manufactured in a model year would be likely to achieve, if such automobiles were subject only to the 1975 emission standards, exceeds

(ii) the average fuel economy which all such automobiles are likely to achieve while meeting the emission standards actually applicable to such automobiles;

as determined by the Secretary.

(B) The term "1975 emission standards" means the following standards:

(i) For hydrocarbons, 1.5 grams per mile.

(ii) For carbon monoxide, 15 grams per mile.

(iii) For oxides of nitrogen, 3.1 grams per mile.

(3) The Secretary shall commence a proceeding with respect to a determination under paragraph (1) on petition of any manufacturer. Such a petition may be filed only within the 18-month period preceding the beginning of the model year to which it relates. The Secretary shall allow interested persons an opportunity for oral as well as written presentations of data, views, and arguments. He shall render a decision in any such proceeding within the 60-day period after the date of filing of the petition.

(4) The Secretary may not make any modification of average fuel economy standards under subsections (a) to take account of any decrease in fuel economy associated with emissions standards, except in accordance with this subsection.

DETERMINATION OF AVERAGE FUEL ECONOMY

SEC. 503. (a)(1) Average fuel economy for purposes of section 502 (a) and (c) shall be determined by the EPA Administrator by dividing—

(A) the total number of passenger automobiles manufactured in a given model year by a manufacturer, by

(B) a sum of terms, each term of which is a fraction created by dividing—

(i) the number of passenger automobiles of a given model type manufactured in such model year, by

(ii) the fuel economy measured for such model type.

(2) Average fuel economy for purposes of section 502 (b) shall be determined in accordance with rules of the EPA Administrator.

(b)(1) In calculating the average fuel economy under subsection (a)(1), the EPA Administrator shall separate the total passenger automobiles manufactured by a manufacturer into two categories:

(A) Passenger automobile domestically manufactured by such manufacturer.

(B) Passenger automobiles not domestically manufactured by such manufacturer.

The EPA Administrator shall calculate the average fuel economy of each such separate category and each category shall be treated as manufactured by a separate manufacturer for purposes of this part.

(2) For purposes of this subsection, an automobile shall be considered domestically manufactured if at least 75 percent of the cost to the manufacturer of such automobile is attributable to value added in the United States or Canada, unless the assembly of such automobile is completed in Canada and such automobile is not imported into the United States prior to the expiration of 30 days after the end of such model year.

(c) Any reference under this part to automobiles manufactured by a manufacturer shall be deemed—

(1) to include all automobiles manufactured by persons who control, are controlled by, or are under common control with, such manufacturer; and

(2) to exclude all automobiles manufactured (within the meaning of paragraph (1)) during a model year by such manufacturer which are exported prior to the expiration of 30 days after the end of such model year.

(d) Average fuel economy of a manufacturer, and fuel economy for any model type, shall be measured, in accordance with test procedures established by the EPA Administration, by rule, after consultation with the Secretary. Test procedures so established shall be the procedures utilized by the EPA Administrator for model year 1975 (weighted 55 percent urban cycle, and 45 percent highway cycle) or procedures which yield comparable results. Test procedures under this subsection, to the extent practicable, shall require that fuel economy tests be conducted in conjunction with emissions tests conducted under section 206 of the Clean Air Act (42 U.S.C. 1875f–5). The EPA Administrator shall report any measurements of average fuel economy and fuel economy to the Secretary.

(e)(1) Any measurement of average fuel economy of a manufacturer for purposes of this part shall be rounded off to the nearest one-tenth gallon (in accordance with rules of the EPA Administrator).

(2) Any measurement of fuel economy of a model type for purposes of this part shall be rounded off to the nearest mile per gallon (in accordance with rules of the EPA Administrator).

JUDICIAL REVIEW

SEC. 504. (a) Any person who may be adversely affected by any rule prescribed under section 501, 502, 503, or 506 may, at any time prior to 60 days after such rule is promulgated, file a petition in the United States Court of Appeals for the District of Columbia, or any circuit wherein such person resides or has his principal place of business, for judicial review of such rule. A copy of the petition shall be forthwith transmitted by the clerk of such court to the officer who prescribed the rule. Such officer shall thereupon cause to be filed in such court the record of the proceeding upon which such rule was based, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to review the rule in accordance with chapter 7 of title 5, United States Code, and to grant appropriate relief as provided in such chapter.

(b) If the petitioner applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the officer who prescribed the rule, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before such officer, and be adduced in a hearing, in such manner and upon such terms and conditions as the court may deem proper. Such officer may modify any earlier finding as to the facts, or make new findings, by reason of the additional evidence so taken, and shall file such modified or new findings, and recommendations, if any, for the modification or setting aside of the previously prescribed rule, with the return of such additional evidence.

(c) The judgment of the court affirming or setting aside, in whole or in part, any such rule of the officer who prescribed the rule shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(d) The remedies provided for in this section shall be in addition to and not in lieu of any other remedies provided by law.

INFORMATION AND REPORTS

SEC. 505. (a) (1) The Secretary shall prescribe rules requiring each manufacturer to submit a report to the Secretary during the 30-day period preceding the beginning of each model year after model year 1977, and during the 30-day period beginning on the 180th day of each such model year. Each such report shall contain a statement as to whether such manufacturer will comply with applicable average fuel economy standards under section 502; a plan which describes the steps the manufacturer intends to take in order to comply with such standards; and such other matter as the Secretary may require.

(2) Whenever a manufacturer determines that a plan submitted under paragraph (1) which he stated was sufficient to insure compliance with applicable average fuel economy standards is not sufficient to insure such compliance, he shall submit a report containing a revised plan which specifies any additional measures which he intends to take in order to comply with such standards, and a statement as to whether such plan is sufficient to insure such compliance.

(b) (1) For the purpose of carrying out the provisions of this part, the Secretary or the EPA Administrator, or their duly designated agents, may hold such hearings, take such testimony, sit and act at such times and places, administer such oaths, and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, papers, correspondence, memorandums, contracts, agreements, or other records as the Secretary, EPA Administrator, or such agents deem advisable. The Secretary, EPA Administrator, or their duly designated agents, shall at all reasonable times have access to, and for the purpose of examination, the right to copy any documentary evidence of any person having materials or information relevant to any function of the Secretary or EPA Administrator under this part. The Secretary or EPA Administrator may require, by general or special orders, any person to file, in such form as the Secretary or EPA Administrator may prescribe, reports or answers in writing to specific questions relating to any function of the Secretary or EPA Administrator under this part. Such reports and answers shall be made under oath or otherwise, and shall be filed with the Secretary or EPA Administrator within such reasonable period as he may prescribe.

(2) The district courts of the United States for a judicial district in the jurisdiction of which an inquiry is carried on may, in the case of contumacy or refusal to obey a duly authorized subpena or order of the Secretary, the EPA Administrator, or their duly designated agents, issued under paragraph (1) of this subsection, issue an order requiring compliance with such subpena or order. Any failure to obey such an order of the court may be punished by such court as a contempt thereof.

(3) Witnesses summoned pursuant to this subsection shall be paid the same fees and mileage that are paid witnesses in the courts of the United States.

(c) (1) Every manufacturer shall establish and maintain such records, make such reports, conduct such tests, and provide such items and information as the Secretary or EPA Administrator may, by rule, reasonably require to enable the Secretary or EPA Administrator to carry out their duties under this part and under any rules promulgated pursuant to this part. Such manufacturer shall, upon request of a duly designated agent of the Secretary or EPA Administrator, permit such agent to inspect finished automobiles and appropriate books, papers, records, and documents. Such manufacturer shall make available all of such items and information in accordance with such reasonable rules as the Secretary or EPA Administrator may prescribe.

(2) The district courts of the United States for a judicial district in which an inspection is carried out or requested may, if a manufacturer refuses to accede to any reasonable requirement or request, issued or made under paragraph (1) of this subsection, issue an order requiring compliance with such requirement or request. Any failure to obey such an order of the court may be punished by such court as a contempt thereof.

(d) (1) Except as provided in paragraph (2), the Secretary and EPA Administrator shall each disclose any information obtained under this part to the public in accordance with section 552 of title 5, United States Code, except that information may be withheld from disclosure on the grounds specified in subsection (b) (4) of such section only if it contains a trade secret which if disclosed would result in significant competitive damage.

(2) Information contained in a report submitted under subsection (a) of this section, disclosure of which the Secretary determines may cause significant competitive damage, may not be disclosed until after the close of the model year to which such report relates; except such information may be disclosed prior to the close of such model year, (A) in a proceeding under section 502; (B) to duly authorized officers or employees of the United States; or (C) to committees of Congress.

LABELING AND ADVERTISING

SEC. 506. (a) Beginning no later than 90 days after the date of enactment of this Act, each manufacturer shall cause to be affixed and each dealer shall cause to be maintained on each new automobile, in a prominent place, a sticker indicating—

(1) the fuel economy of such automobile,

(2) representative average annual fuel costs associated with the operation of such automobile, and

(3) the range of fuel economy of automobiles of similar size and weight

as determined in accordance with rules of the EPA Administrator. If the fuel economy of an automobile manufactured in a model year is less than the miles per gallon level specified in the average fuel economy standard applicable under section 502 of this Act, such sticker shall disclose that such automobile's fuel economy is less than the Federal standard for average fuel economy standard established under this part. Such sticker shall include a statement that a written information respecting the fuel economy of other automobiles manufactured in such model year is available from the dealer in order to facilitate comparison among the various model types. The form and content of such sticker shall be prescribed by the EPA Administrator, by rule, after consultation with the Federal Trade Commission and the Secretary. The EPA Administrator may permit a manufacturer to comply with this paragraph by permitting such manufacturer to disclose the information required under this subsection on the label required by section 3 of the Automobile Information Disclosure Act (15 U.S.C. 1232).

(b) (1) The EPA Admnistrator shall compile and publish in a simple and readily understandable form comparative data on fuel economy of automobiles manufactured in each model year.

(2) The EPA Administrator, not later than February 1, 1976, shall by rule establish procedures requiring dealers to make available to prospective purchasers information compiled by the EPA Administrator under paragraph (1).

(c) A violation of subsection (a) shall be treated as a violation of section 3 of the Automobile Information Disclosure Act (15 U.S.C. 1232).

(d) As used in this section, the term "dealer" has the same meaning as such term has in section 2(e) of the Automobile Information Disclosure Act (15 U.S.C. 1231(e)).

PROHIBITED CONDUCT

SEC. 507. The following conduct is prohibited:

(1) the failure of any manufacturer to comply with any average fuel economy standard applicable under section 502 (a) or (c),

(2) the failure of any manufacturer to comply with any average fuel economy standard under section 502(b), or

(3) the failure to comply with any provision of this part (other than section 502 or 506(a) of this Act) or any standard, rule, regulation, or order issued pursuant to such a provision.

CIVIL PENALTY

SEC. 508. (a) (1) If on the basis of average fuel economy measurements reported under section 503(d) of this Act, the Secretary determines that any manufacturer has violated section 507 (1) or (2) of this Act, he shall immediately notify such manufacturer and shall publish notice of such determination in the Federal Register. The notification to the manufacturer shall include all information upon which the determination of the Secretary is based. Such notification (including such information) shall be available to any interested person. The Secretary shall afford such manufacturer and other interested persons an opportunity to present data, views, and arguments respecting the determinations of the Secretary.

(2) If, after such presentations by the manufacturer and interested persons, the Secretary determines that such manufacturer has violated section 507(a) or (2) of this Act, the Secretary shall access the penalties provided for under subsection (b).

(3) In determining whether a manufacturer has complied with section 507(1)—

(A) if the average fuel economy of a manufacturer is less than the applicable standard under section 502 (a) or (c) by an amount which does not exceed 0.5 mile per gallon, the manufacturer shall be deemed to have complied with section 507(1), and

(B) if the average fuel economy of a manufacturer exceeds the applicable standard under 502(a) or (c) for a model year by more than 0.5 mile per gallon—

(i) he may carry back such excess to the preceding model year to the extent that his average fuel economy exceeded the applicable standard for such preceding year by more than 0.5 mile per gallon, and

(ii) to the extent such excess was not carried back to such preceding year, he may carry forward the excess to the year succeeding the year of the excess.

The Secretary shall prescribe rules to carry out this subsection. To the extent that a carryback under clause (i) reduces a manufacturer's liability for civil penalty paid under subsection (b), such manufacturer shall be entitled to a refund from the United States of an amount equal to the amount of such reduction.

(b) (1) (A) Any manufacturer who the Secretary determines under subsection (a) to have violated a provision of section 507(1) of this Act, shall be liable to the United States for a civil penalty equal to (i) $5 for each tenth of a mile per gallon by which the average fuel economy of the passenger automobiles manufactured by such manufacturer during such model year is exceeded by the applicable average fuel economy standard established under section 502(a) or (c) of this Act, multiplied by (ii) the total number of passenger automobiles manufactured by such manufacturer during such model year.

(B) Any manufacturer who the Secretary determines under subsection (a) violated section 507(2) by failing to comply with an average fuel economy standard under section 502(b), shall be liable to the United States for a civil penalty equal to (i) $5 for each tenth of a mile per gallon by which such standard exceed the average fuel economy of automobiles to which such standard applies and which are manufactured by such manufacturer during such model year, multiplied by (ii) the total number of automobiles to which such standard applies and which are manufactured by such manufacturer during such model year.

(2) Any person who the Secretary determines after opportunity for presentation of data, views, and arguments to have violated a provision of section 507(3) of this Act shall be liable to the United States for a civil penalty of not more than $10,000 for each violation; each day of a continuing violation constituting a separate violation.

(3) The amount of such civil penalty shall be assessed by the Secretary by written notice and collected in a civil action brought by the Attorney General. The Secretary shall have the discretion to compromise, modify, or remit, with or without conditions, any civil penalty assessed against a manufacturer only to the extent (A) necessary to prevent the insolvency or bankruptcy of such manufacturer, or (B) such manufacturer shows that noncompliance resulted from an act of God, a strike, or a fire.

EFFECT OF STATE LAW

SEC. 509. After the effective date of any standard under this part relating to average fuel economy for any automobile or any requirement under this part relating to fuel economy labeling or advertising of any new automobile, no State or political subdivision thereof may adopt or enforce any law or regulation which is applicable to such automobile and which relates to the subject matter of such Federal standard or requirement, unless such law or regulation is identical to such Federal stndard or requirement under this part.

USE OF FUEL EFFICIENT PASSENGER AUTOMOBILES BY THE FEDERAL GOVERNMENT

SEC. 510. (a) The President shall, within 60 days after the date of enactment of this Act, promulgate rules which shall require that all passenger automobiles purchased or leased (for a period of one year or more) by all executive agencies in each fiscal year which begins after such date of enactment achieve a fleet average fuel economy for such year not less than—

(1) 18 miles per gallon, or

(2) the average fuel economy standard applicable under section 502(a) for the model year which includes January 1 of such fiscal year;

whichever is greater.

(b) The President shall, within 60 days after the date of enactment of this Act, prescribe rules which shall require that each agreement to which an executive agency is a party and which provides for leasing (for a period of less than one year) of passenger automobiles shall contain provisions designed to assure, to the maximum extent practicable, that no agency rents any model type of passenger automobiles the fuel economy of which is less than—

(1) the number of miles per gallons under section 502(a) for the model year in which such automobiles were produced, or

(2) 18 miles per gallon;

whichever is greater.

(c) For purposes of this section:

(1) The term "fleet average fuel economy" means (A) the total number of passenger automobiles purchased or leased in a fiscal year by all executive agencies (excluding passenger automobiles designed to perform combat related missions for the Armed Forces or designed to be used in police work or emergency rescue work) divided by (B) a sum of terms, each term of which is a fraction created by dividing—

(i) the number of passenger automobiles so purchased or leased of a given model type, by

(ii) the fuel economy measured by such model type rounded to the nearest mile per gallon, as determined by the EPA Administrator.

(2) The term "executive agency" has the same meaning as such term has for purposes of section 105 of title 5, United States Code.

PART B—ENERGY LABELING AND EFFICIENCY STANDARDS FOR CONSUMER PRODUCTS OTHER THAN AUTOMOBILES

DEFINITIONS AND COVERAGE

SEC. 551. (a) For purposes of this part:

(1) The term "consumer product" means any article (other than an automobile, as defined in section 501(1)) of a type which, to an significant extent, is distributed in commerce for personal use, consumption, or enjoyment of individuals, in or around a permanent or temporary household or residence or a school, in recreation, or elsewhere (without regard to whether such article is in fact sold or used by an individual).

(2) The term "energy" means electricity or fossil fuels.

(3) The term "energy use" means the units of energy resources consumed by a consumer product under conditions of use which the Secretary determines approximate, to the greatest extent practicable, actual operating conditions.

(4) The term "energy efficiency" means the relationship of the energy use of a consumer product to its output of services.

(5) The term "energy efficiency standard" means a performance standard which—

(A) prescribes a minimum level of energy efficiency for a consumer product, and

(B) includes (i) testing procedures (prescribed under section 552), and (ii) other requirements which the Secretary determines are necessary to assure that any consumer product to which such standard applies meets such required minimum level of energy efficiency.

(6) The term "class of consumer products" means a group of consumer products the functions of which are similar (as determined by the Secretary).

(7) The term "manufacturer" means any person who manufacturers a consumer product or imports a consumer product into the customs territory of the United States.

(8) The term "distributor" means a person (other than a manufacturer or retailer) to whom a consumer product is delivered or sold for purposes of distribution in commerce.

(9) The term "retailer" means a person to whom a consumer product is delivered or sold for purposes other than resale.

(10) The term "private labeler" means an owner of a brand or trademark on the label of a consumer product which bears a private label.

(B) A consumer product bears a private label if (i) the consumer product (or its container) is labeled with the brand or trademark of a person other than a manufacturer of the consumer product, (ii) the person with whose brand or trademark the consumer product (or container) is labeled has authorized or caused the consumer product to be so labeled, and (iii) the brand or trademark of a manufacturer of such consumer product does not appear on such label.

(11) The term "manufacture" means to manufacture, produce, or assemble or to import into the customs territory of the United States.

(12) The terms "to distribute in commerce" and "distribution in commerce" means to sell in commerce, to import, to introduce or deliver for introduction into commerce, or to hold for sale or distribution after introduction into commerce.

(13) The term "commerce" means trade, traffic, commerce, or transportation—

(A) between a place in a State and any place outside thereof, or

(B) which affects trade, traffic, commerce, or transportation described in subparagraph (A).

(14) The terms "import" and "importation" mean to import into the customs territory of the United States include reimporting a consumer product manufactured or processed, in whole or in part, into such customs territory.

(15) The term "Secretary" means the Secretary of Commerce.

(b) This part shall apply only to the following types of consumer products:

(1) Room and central air-conditioners.

(2) Refrigerators.

(3) Freezers.

(4) Dishwashers.

(5) Clothes dryers.

(6) Kitchen ranges and ovens.

(7) Water heaters.

(8) Home heating equipment, including furnaces.

(9) Television sets.

(10) Clothes washers.

(11) Humidifiers and dehumidifiers.

(12) Any other type of consumer products, if the Secretary determines that the average annual per household energy use by products in such type exceeds 100 kilowatt hours per year. For purposes of this paragraph, (A) the term "average annual per household energy use" with respect to a type of products means the aggregate energy use (in kilowatt hours, or the Btu equivalent) of consumer products of such type which are used by households, divided by the number of households in which products of such type are used, and (B) the Btu equivalent of a kilowatt hour is 3,412 British thermal units.

TEST PROCEDURES

SEC. 552. (a)(1) The Secretary by rule—

(A) shall prescribe test procedure for determining energy use or energy efficiency (or both) for each class of consumer products which is included in the types of consumer products described in section 551(b)(1) through (11), and

(B) may prescribe such test procedure for any other class of consumer products,

unless he determines that information respecting the energy efficiency or energy use of such class of consumer products is not likely to influence purchasing decisions and that uniform testing procedures for such class are not in the public interest. Any such procedure shall be reasonably designed to produce test results which reflect energy efficiency or energy use, shall be technologically feasible, and shall not be unduly burdensome to conduct.

(2) If the Secretary determines that (A) there exists a test procedure which has been issued or adopted by any Federal agency or by any other qualified agency, organization, or institution, and (B) such test procedure, if prescribed under this section, would meet the requirements of paragraph (1), he may prescribe such procedure under this section.

(b) No manufacturer, distributor, retailer, or private labeler may make any representation—

(1) in writing (including a representation on a label), or

(2) in any broadcast advertisement,

respecting the energy use or energy efficiency of a consumer product to which a rule under subsection (a) applies or costs of energy consumed by such product, unless such product has been tested in accordance with such rule and such representation fairly discloses the results of such testing.

(c) (1) A rule may be proposed under subsection (a) only after manufacturers and private labelers of consumer products to which the rule will apply have been afforded an opportunity to consult the Secretary.

(2) A rule under this section shall be effective on the 180th day after the date of publication in the Federal Register. A rule under this section (or an amendment thereto) shall not apply to any consumer product, the manufacture of which was completed prior to the effective date of such rule or amendment, as the case may be.

LABELING

SEC. 553. (a) (1) (A) Not later than one year after the date of enactment of this Act, the Secretary shall promulgate rules under this section applicable to each class of consumer products which is included in the types of consumer products described in paragraphs (1) through (9) of section 551 (b), unless he determines that the application of labeling requirements under this section to such class of consumer products is not technologically or economically feasible and publishes such determination in the Federal Register.

(B) The Secretary shall on application of any person (and may on his own motion) promulgate rules under this section applicable to any class of consumer product of a type described in section 551(b) (10), (11), or (12), if he determines that the application of labeling requirements under this section to such class is economically and technologically feasible and if he determines that such a rule is likely (i) to assist purchasers in determining which consumer products within such class have low energy use or high energy efficiency or (ii) to encourage manufacturers or private labelers to distribute in commerce consumer products of such class which have low energy use or high energy efficiency.

(C) Whenever the Secretary prescribes a rule under this section applicable to a class of consumer products, he shall prescribe a test procedure applicable to such class under section 552. Such procedure under section 552 shall apply to such class—

(i) on the effective date of the rule under this section (without regard to section 552 (c) (2)), and

(ii) without regard to any determination required under the first sentence of section 552(a) (1).

(2) (A) If (i) before the date of enactment of this Act, the National Bureau of Standards had issued a voluntary energy conservation specification applicable to any class of consumer products of a type described in paragraphs (1) through (11) of section 551(b) and (ii) the Secretary determines that such specification meets the requirements of subsection (b) of this section, he may prescribe such specification as a rule under this section, and he may prescribe any testing procedure included in such specification as a test procedure under section 552. In any proceeding to prescribe such a specification as a rule under this section and section 552, the second sentence of section 564(a) of this Act shall apply only to a person who did not present data, views, or arguments with respect to such voluntary energy conservation specification.

(B) Prior to prescribing any rule under this section or under section 552, the Secretary shall consult with the Federal Trade Commission.

(b) A rule prescribed under this section shall require that any consumer product in the class to which the rule applies bear a label which states the energy efficiency or energy use (or both) of the consumer product (measured in accordance with the test procedure applicable to that class of products under paragraph (3)) and shall include the following:

(1) A description of the class of consumer products covered by such rule.

(2) Subject to subsection (c) (2), data respecting the range of energy efficiency and energy use for such class of consumer products, as determined by the Secretary.

(3) A description of the test procedure under section 552 used in measuring the energy efficiency or energy use (or both) of the class of consumer products.

(4) A prototype label and directions for displaying the label. The rule shall require that the label be prominently displayed, readable, and visible to any prospective purchaser at time of purchase. The rule may specify any information in addition to a statement of energy use or energy efficiency which shall be included on the label. Such additional information may include information respecting cost of operation and information to assist the prospective purchaser in comparing, by cost or amount of energy used or otherwise, the energy efficiency or energy use (or both) of a particular consumer product with the others in its class.

(c) (1) A rule under this section shall be effective on the 180th day after the date of publication in the Federal Register, unless the Secretary finds that a later effective date is in the public interest.

(2) If the range of energy efficiency or energy use (or both) for the class of consumer products to which the rule applies is not known at the time of publication of a rule under this subsection, the requirement of subsection (b) (2) shall not apply until one year after the effective date of such rule.

(3) A rule under this section (or an amendment thereto) shall not apply to any consumer product, the manufacture of which was completed prior to the effective date of such rule or amendment, as the case may be.

ENERGY EFFICIENCY STANDARDS

SEC. 554. (a) (1) Not later than 90 days after the date of enactment of this Act, the Secretary shall, by rule, prescribe an energy efficiency improvement target for each type of consumer products described in paragraphs (1) through (11) of section 551(b). Such targets shall be designed so that if met, aggregate energy efficiency of consumer products of all such types which are sold in 1980 will improve by 25 percent over the aggregate energy efficiency achieved by products of all such types sold in 1974. He shall require each manufacturer of consumer products of any such type to submit such reports, respecting improvements of such products, as the Secretary determines may be necessary to determine whether consumer products of such type will achieve the degree of improvement prescribed by the energy efficiency improvement target for such type. If, on the basis of such reports, or of other information available to him, he determines that consumer products of such type will not achieve the energy efficiency improvement target for such type, he shall (subject to subsection (c)) commence a proceeding under subsection (b) to prescribe an energy efficiency standard for such type. He shall prescribe a standard for such type if he determines—

(A) it is technologically and economically feasible to improve the energy efficiency or reduce energy use of consumer products of such type,

(B) the application of the labeling rule applicable to such type is not sufficient to induce manufacturers to produce, and consumers and other persons to purchase, consumer products of such type which achieve the maximum energy efficiency or minimum energy use which it is technologically and economically feasible to attain, and

(C) that the benefits of reduced energy consumption and savings in operating costs throughout the estimated average life of the consumer product (determined through use of a suitable discount rate) outweigh (i) the costs of any increase to the purchaser in initial charges for, or maintenance expenses of, the consumer product, (ii) any lessening of the utility or performance of the consumer product, and (iii) any negative effects on competition.

For purposes of subparagraph (C) (iii), the Secretary shall not determine that there are any negative effects on competition, unless the Attorney General makes such determination and submits it in writing to the Secretary, together with his analysis of the nature and extent of such negative effects. The determination of the Attorney General shall be available for public inspection.

(2) The Secretary may (without regard to paragraph (1)) prescribe an energy efficiency standard applicable to any class of consumer products among the types of consumer products listed in paragraphs (1) through (11) of section 551(b) if he makes the determinations specified in subparagraphs (A), (B), and (C) of paragraph (1) of this subsection.

(b) Any energy efficiency standard shall be prescribed in accordance with the following procedure:

(1) The Secretary shall (A) publish and advance notice of proposed rulemaking which specifies (i) the type or class of consumer products, and (ii) the energy efficiency level which he proposes to require by such energy efficiency standard, and (B) invite interested persons to submit within 90 days after the date of publication of such advance notice—

(i) written or oral presentations of data, views, and arguments as to the proposed level of energy efficiency, and

(ii) a proposed energy efficiency standard applicable to such class of consumer product.

(2) Not earlier than 120 days after the date of publication of advance notice of proposed rulemaking, the Secretary may publish a proposed rule which prescribes an energy efficiency standard for such class of consumer products.

(3) Subsections (c) and (d) of section 18 of the Federal Trade Commission Act shall apply to rules under this section to the same extent that such subsections apply to rules under section 18(a) (1) (B) of such Act.

(4) Not earlier than 60 days after the date of publication of the proposed rule, the Secretary may, if he makes the findings required under subsection (a), promulgate a rule prescribing an energy efficiency standard for such class of consumer products, which rule shall take effect not earlier than 180 days after the date of its publication in the Federal Register. Such rule (or any amendment thereto) shall not apply to any consumer product the manufacture of which was completed prior to the effective date of the rule or amendment as the case may be.

(c) A rule may be promulgated under this section respecting a class of consumer products only if a rule under section 553 has been applicable to such class of consumer products for at least 18 months on the date of promulgation of the rule under this section.

REQUIREMENTS OF MANUFACTURERS AND PRIVATE LABELERS

SEC. 555. (a) Each manufacturer of a consumer product to which a rule under section 553 applies shall provide a label that meets, and is displayed in accordance with, the requirements of such rule. If such manufacturer or any distributor, retailer, or private labeler of such product advertises such product in a catalog from which it may be purchased by order, such catalog shall contain all information required to be displayed on the label, except as otherwise provided, by rule, of the Secretary. The preceding sentence shall not require that a catalog contain information respecting a consumer product if the distribution of such catalog commenced before the effective date of the labeling rule under section 553 applicable to such product.

(b)(1) Each manufacturer of a consumer product to which a rule under section 553 applies shall notify the Secretary, not later than 60 days after the date of such rule becomes effective, of the models in current production (and starting serial numbers of those models) to which such rule applies.

(2) If requested by the Secretary, the manufacturer of a consumer product to which a rule under section 553 applies shall provide, within 30 days of the date of the request, the data from which the information included on the label and required by the rule was derived. Data shall be kept on file by the manufacturer for a period provided in the rule. Any manufacturer may, pursuant to rules issued by the Secretary, use independent test laboratories or national certification programs to obtain information required by this part.

(3) When requested by the Secretary, the manufacturer shall supply at his expense a reasonable number of consumer products to any laboratory designated by the Secretary for the purpose of ascertaining whether the information set out on the label, as required under section 553, is accurate. Any reasonable charge levied by the laboratory for such testing shall be borne by the United States.

(4) Each manufacturer of a consumer product to which a rule under section 553 applies shall annually at a time specified by the Secretary supply to the Secretary relevant energy efficiency data or energy use data (or both) developed in accordance with the test procedure applicable to such product under section 552.

(5) A rule under section 552, 553, or 554 may require the manufacturer or his agent to permit a representative designated by the Secretary to observe any testing required by this part and inspect the results of such testing.

(c) Each manufacturer shall use labels reflecting revised energy efficiency or energy use ranges (or both) on all consumer products to which a rule under section 553 of this Act manufactured after the expiration of 60 days following the date of publication of a revised table of ranges. Such ranges may be revised by the Secretary only on an annual basis.

EFFECT ON STATE LAW

Sec. 556. (a) This part supersedes any State regulation insofar as such State regulation—

(1) may now or hereafter provide for the disclosure of energy use, energy consumption, energy efficiency, efficiency ratio, or annual energy cost of any consumer product—

(A) if there is any rule under section 553 applicable to such consumer product, and such State regulation is not identical to such rule, or

(B) if there is a rule under section 552 applicable to such consumer product and such State regulation requires disclosure of information other than information disclosed in accordance with such rule under section 552; or

(2) may now or hereafter provide for any energy efficiency standard or similar requirement respecting energy efficiency or energy use of a consumer product—

(A) if there is a standard under section 554 applicable to such product, and such State regulation is not identical to such standard, or

(B) if there is a rule under section 552 applicable to such product and compliance with such State regulation cannot be determined from testing in accordance with the rule under section 552.

(b)(1) If (A) a State regulation provides for a standard which prescribes a minimum level of energy efficiency for a consumer product and (B) such State regulation is not superseded by subsection (a)(2), then any person subject to such State regulation may petition the Secretary for the promulgation of a rule under this subsection which supersedes such State regulation in whole or in part. The Secretary shall, within 6 months after the date such a petition is filed, either deny such petition or prescribe a rule under this subsection superseding such State regulation. The Secretary shall issue such a rule with respect to a State regulation if and only if he finds that there is no significant State or local interest sufficient to justify such State regulation, or that such State regulation unduly burdens interstate commerce. In making such findings, the Secretary shall take into account the criteria set forth in subparagraphs (1), (2), and (3) of section 554(a)(1), and whether a Federal energy efficiency standard is being developed or proposed.

(2) Section 564(a) shall apply to a rule under this subsection. Any findings of the Secretary under this subsection and any action prescribing a rule or denying a petition shall be subject to judicial review as provided for in section 564(b) of this Act in the same manner as a rule under section 553.

(c) For purposes of this section, the term "State regulation" means a law or regulation of a State or political subdivision thereof.

RULES

Sec. 557. The Secretary may issue such rules as he deems necessary to carry out the provisions of this part. Section 564(a) shall apply to any rule prescribed under this section.

AUTHORITY TO OBTAIN INFORMATION

Sec. 558. For purposes of carrying out this part, the Secretary may sign and issue subpenas for the attendance and testimony of witnesses and the production of relevant books, records, papers, and other documents and may administer oaths. Witnesses summoned under the provisions of this section shall be paid the same fees and mileage as are paid to witnesses in the courts of the United States. In case of contumacy by, or refusal to obey a subpena served upon any person subject to this part, the Secretary may request the Attorney General to seek an order from the district court of the United States for any district in which such person is found or resides or transacts business requiring such person to appear and give testimony, or to appear and produce documents.

EXPORTS

Sec. 559. This part shall not apply to any consumer product if (1) such consumer product is manufactured, sold, or held for sale for export from the United States (or that such product was imported for export), unless such product is in fact distributed in commerce for use in the United States, and (2) such consumer product when distributed in commerce, or any container in which it is enclosed when so distributed, bears a stamp or label stating that such consumer product is intended for export.

IMPORTS

Sec. 560. Any consumer product offered for importation in violation of section 561 shall be refused admission into the customs territory of the United States under rules issued by the Secretary of the Treasury except that the Secretary of the Treasury may, by such rules, authorize the importation of such consumer product upon such terms and conditions (including the furnishing of a bond) as may appear to him appropriate to ensure that such consumer product will not violate section 561, or will be exported or abandoned to the United States. The Secretary of the Treasury shall prescribe rules under this section not later than 180 days after the date of enactment of this Act.

PROHIBITED ACTS

Sec. 561. (a) It shall be unlawful—

(1) for any manufacturer or private labeler to distribute in commerce any new consumer product to which a rule under section 553 applies, unless there is provided with such consumer product a label meeting the requirements of such rule, including any requirements as to manner of display;

(2) for any manufacturer or private labeler to distribute in commerce any new consumer product to which a rule under section 553 applies, if the label required to be provided with such a new consumer product contains misleading or inaccurate information concerning energy use or energy efficiency (or both);

(3) for any manufacturer, distributor, or retailer to remove from any new consumer product or render illegible any label required to be provided with such product under a rule under section 553;

(4) for any manufacturer to fail to or refuse to permit access to, or copying of, records or fail to or refuse to make reports or provide information required to be supplied under section 553(d)(2) or 555 or any other provision of this part;

(5) for any manufacturer to fail to or refuse to comply with requirements of section 555 (b)(3) or (b)(5) of this Act; or

(6) for any manufacturer or private labeler to distribute in commerce, in the United States, any new consumer product which is not in conformity with an applicable energy efficiency standard under this part.

(b) For purposes of this section, the term "new consumer product" means a consumer product the title of which has not passed to the first purchaser for purposes of other than resale.

ENFORCEMENT

Sec. 562. (a) Except as provided in subsection (b), any person who knowingly violates any provision of section 561 shall be subject to a civil penalty of not more than $100 for each violation. Civil penalties assessed under this part may be compromised by the Secretary, taking into account the nature and degree of the violation and the impact of the penalty upon a particular respondent. Each violation of paragraph (1), (2), (3), or (6) of section 561(a) shall constitute a separate violation with respect to each consumer product and each day of violation of section 561 (a) (4) or (5) shall constitute a separate violation.

(b) As used in subsection (a) of this section, the term "knowingly" means (1) the having of actual knowledge, or (2) the presumed having of knowledge deemed to be possessed by a reasonable man who acts in the circumstances, including knowledge obtainable upon the exercise of due care to ascertain the truth of representations.

(c) It shall be an unfair or deceptive act or practice in or affecting commerce (within the meaning of section 5(a)(1) of the Federal Trade Commission Act) for any person to violate section 552(b).

INJUNCTIVE ENFORCEMENT

Sec. 563. The United States district courts shall have jurisdiction to restrain (1) any violation of section 561 and (2) any person from distributing in commerce any consumer product which does not comply with an applicable rule under section 553 or 554. Such actions may be brought by the Attorney General in any United States district court for a district wherein any act, omission, or transaction constituting the violation occurred, or in such court for the district wherein the defendant is found or transacts business. In any action under this section process may be served on a defendant in any other district in which the defendant resides or may be found.

ADMINISTRATIVE PROCEDURE OR JUDICIAL REVIEW

Sec. 564. (a) Rules under section 552, 553, or 557 shall be prescribed in accordance with section 553 of title 5, United States Code, except that the Secretary shall afford interested persons an opportunity to present written and oral data, views, and argument with respect to any proposed rule. In addition, he shall by means of conferences or other informal procedures, afford any interested person an opportunity to question—

(A) other interested persons who have made oral presentations, and

(B) employees of the United States who have made written or oral presentations,

with respect to disputed issues of material fact. Such opportunity shall be afforded to the extent the Secretary determines that questioning pursuant to such procedures is likely to result in a more effective resolution of such issues. A transcript shall be kept of any oral presentation under this paragraph.

(b) (1) Any person who will be adversely affected by a rule promulgated under section 552 or 553 when it is effective may at any time prior to the sixtieth day after the date such rule is promulgated file a petition with the United States court of appeals for the circuit wherein such person resides or has his principal place of business, for a judicial review thereof. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The Secretary thereupon shall file in the court the written submissions to, and transcript of, the proceedings on which the rule was based as provided in section 2112 of title 28, United States Code.

(2) Upon the filing of the petition referred to in paragraph (1), the court shall have jurisdiction to review the rule in accordance with chapter 7 of title 5, United States Code, and to grant appropriate relief as provided in such chapter. No rule under section 552 or 553 may be affirmed unless supported by substantial evidence.

(3) The judgment of the court affirming or setting aside, in whole or in part, any such rule shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(4) The remedies provided for in this subsection shall be in addition to and not in substitution for any other remedies provided by law.

(5) Section 18(e) of the Federal Trade Commission Act shall apply to rules under section 554 to the same extent that it applies to rules under section 18(a) (1) (B) of such Act.

COOPERATION WITH OTHER AGENCIES; DELEGATION

Sec. 565. (a) The Secretary may enter into an agreement with the Federal Trade Commission pursuant to which the Commission, on a reimbursable basis, may be delegated all or part of any functions under sections 558, 562, and 563. Section 16 of the Federal Trade Commission Act shall apply to the exercise of any functions by the Commission pursuant to such agreement to the same extent that such section applies to functions under sections 5(m), 9, and 13 of the Federal Trade Commission Act.

(b) (1) The Secretary shall delegate to the National Bureau of Standards all functions under this part relating to performance of research and analyses related to energy use and energy efficiency of consumer products, developing test procedures, labeling requirements, and energy efficiency standards, and prescribing rules under sections 552, 553, and 554.

(2) Functions of the Secretary, other than functions described in paragraph (1), may be delegated to any officer or agency of the Department of Commerce.

(c) Whenever the Administrator requests the Secretary to prescribe a rule under section 552, 553, or 554, with respect to a consumer product, the Secretary shall initiate a rulemaking proceeding under such section, and (subject to section 554(c)) shall not later than one year after the date of such request either promulgate a rule under such section or publish in the Federal Register a notice stating that he is not able to promulgate such rule before the expiration of such one-year period or does not intend to promulgate such rule, and specifying his reasons for not doing so.

Mr. DINGELL (during the reading). Mr. Chairman, I ask unanimous consent that title V be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DINGELL. Mr. Chairman, I have a second unanimous-consent request.

Mr. Chairman, I ask unanimous consent that all debate on title V and all amendments thereto be limited to 1 hour.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

Mr. BROWN of Ohio. Mr. Chairman, reserving the right to object, title V deals with two rather significant factors in our economy and in the energy conservation or energy use area, appliances and automobiles.

The appliance section is new to the consideration of this body. The automobile section did have some debate on the floor of the House in another piece of legislation springing from the Committee on Ways and Means.

However, both provisions or both parts of the title are considerably controversial. Witness the fact that, as I understand, there are 13 amendments printed in the Record pending on this title, and 4 of those amendments are by minority members of the committee.

For that reason, it would seem to me that consideration of amendments in this area ought to be closer to 3 hours than to 1 hour, and I would urge the gentleman from Michigan (Mr. Dingell) to modify his proposal in some way so that we might come to some agreement.

Mr. DINGELL. Mr. Chairman, I withdraw my unanimous consent request. I hope I have the attention of the gentleman from Ohio (Mr. Brown).

I want to make this unanimous consent request: Mr. Chairman, I ask unanimous consent that debate on part A of title V be limited to 45 minutes.

Mr. BROWN of Ohio. Mr. Chairman, further reserving the right to object, I want to understand the unanimous-consent request. It is that debate on part A of title V be limited to 45 minutes, and that we consider, at some future time, limitation on part B?

Mr. DINGELL. Mr. Chairman, I would place a further unanimous consent request before the House at this time, and that is that discussion and debate be limited to part A at this time so that we confine ourselves to part A and not wander back and forth between part A and part B.

Mr. BROWN of Ohio. But it is not the unanimous-consent request, as I understand it, that the gentleman from Michigan (Mr. Dingell) wishes to limit debate on title V to 45 minutes, but rather to part A?

Mr. DINGELL. Part A; that debate on part A be limited to 45 minutes.

Mr. BROWN of Ohio. And there is no limitation on title V in toto, is that correct?

Mr. DINGELL. If the gentleman from Ohio would yield, there is no limitation.

The CHAIRMAN. The Chair feels that he must intervene at this point. The Chair could not control the offering of amendments to portions of the bill on which there is no time control. Title V has been made open to amendment at any point and if there is a limitation of time on part A of title V, under the present circumstances the Chair would have to entertain amendments offered to the uncontrolled section as well as to the controlled section.

Mr. BROWN of Ohio. Further reserving the right to object, Mr. Chairman, on the basis of the statement of the Chair and on the practice of the Chair in the consideration of title IV, as it was limited similarly to the limitation requested on this title, I shall not object if it is the presumption of the Chair that the limitation is for 45 minutes on part A of title V, only.

The CHAIRMAN. Part A of title V and all amendments thereto, only.

Mr. BROWN of Ohio. Then I have no objection, if as the Chair has just stated, he will observe no limit on part B of title V until such a limitation is sought at some time in the future.

Mr. DINGELL. I wonder if I may withdraw my previous unanimous-consent request and perhaps I can offer a different one that might succeed.

Mr. Chairman, I ask unanimous consent that all debate on part A of title V, and all amendments thereto, end in 45 minutes and I would further ask unanimous consent that all debate on part B of title V and all amendments thereto end 45 minutes thereafter.

Mr. BROWN of Ohio. Mr. Chairman, reserving the right to object, this is a modification, as I understand, of the original request of the gentleman from Michigan, and I would object to that. The original request of the gentleman from Michigan was that the consideration of part A and all amendments thereto be limited to 45 minutes. If that is the case then we have 45 minutes of valid—well, I do not know whether it would be valid or not, but 45 minutes of debate, exclusive of whatever votes are necessary under that request. Under the request the gentleman from Michigan has just made, it would limit it on the clock, as I understand it, to 45 minutes.

The CHAIRMAN. The Chair will state that is not the understanding of the Chair. The Chair understands that there will be 45 minutes on part A and 45 minutes on part B, and it would be debate time and it would not be by the clock.

Mr. BROWN of Ohio. I wonder if I can ask the gentleman from Michigan if he would limit debate on title V, part A, at this point and let us then limit debate on title V, part B, at such future time as we may get to that part of the title; understanding the problem that that presents for the Chair and for the gentleman from Michigan and myself in trying to control the Members on our sides of the aisle to addressing themselves to part A rather than to part B of title V.

Mr. DINGELL. I withdraw my unanimous-consent request.

Mr. Chairman, I would ask unanimous consent that all debate on parts A and B of title V and all amendments thereto be limited to 1½ hours.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

Mr. BROWN of Ohio. Reserving the right to object, let me state the nature of my objection. I had no objection to the limitation of time of 45 minutes on part A of title V because the House has already debated part A previously. I am concerned about the limitation at this point to merely 45 minutes on part B, which is the appliance section, because the appliance controls are entirely new and there are, as I understand it, a number of amendments addressed to that particular title. If we could limit it to part A—and I would have no objection to that limitation of 45 minutes at this point—I think we could settle the matter. Then if we begin to get out of hand on part B, perhaps we could have a limitation later on part B.

Mr. DINGELL. Mr. Chairman, I ask unanimous consent that all debate on part A of title V and all amendments thereto be limited to 45 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. Are there amendments to part A of title V?

AMENDMENT OFFERED BY MR. BROWN OF OHIO

Mr. BROWN of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BROWN of Ohio: Page 285, strike out the following from the table immediately preceding line 1:

"1985 and thereafter................ 28.0."

Page 285, line 8, strike out "an" and all that follows down through "and" on line 11.

Page 286, line 3, change the comma to a period and strike out all that follows down through the period on line 6.

Page 286, strike out line 16 and all that follows down through line 3 on page 287, and renumber the subsequent paragraph accordingly.

Mr. SNYDER. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred and one Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

Mr. BROWN of Ohio. Mr. Chairman, my amendment would delete the 28-mile-per-gallon standard for 1985 automobile fleets, but does not address itself to the standards set elsewhere in the bill for automobile mileage. The reason I have proposed this amendment is simply because neither Congress nor anyone else knows how to accomplish the 28-mile-per-gallon standard by 1985.

That is not to say we might not discover some method by 1985, but I think we have made some rather egregious errors in this Congress by mandating scientific accomplishments that we have no real knowledge about, and then having to live with the results of that error. Last fall, the Department of Transportation and the Environmental Protection Agency reported on the practicability of fuel economy goals for 1980, and those goals are achievable. They are achievable by a number of combinations of changes in the motoring habits or the purchasing habits of American motorists.

If we shift to small cars and keep with the 1975 technology, they assume that we could raise the average fleet mileage to 17.3 miles per gallon. By improved technology, we might be able to get up to 18.9 miles per gallon. By improved technology and the reduction in the size of the engine, which speaks to horsepower and the fact that we might move to aluminum engines and some other things, we might get to 20.3 miles per gallon; and by a combination of these, improved technology, reduction in size of the engine and shift to smaller cars, all three of these things, we might be able to get up to 22.2 miles per gallon. But nobody has any idea how to achieve the 28-miles-per-gallon standard.

A study of the possible 1980 fuel economy objectives was recently begun by the Energy Resources Council. That study will be conducted in conjunction with the Department of Transportation, the Environmental Protection Agency, the Federal Energy Administration, the Energy, Resources and Development Administration, and the National Science Foundation.

FEA will hold the first of four public hearings on this study here in Washington next Monday. The final report is scheduled for January of 1976. By deleting the 28-miles-per-gallon requirement, my amendment would allow the Department of Transportation to utilize the information obtained in this study in establishing fuel economy standards after 1980.

I would submit that there is no emergency so great for establishing 1985 standards that it cannot wait until the study is completed. At least we can avoid a little embarrassment in the Congress if we find that as a result of a scientific, intellectual study another figure is more feasible and maybe then we could use that figure on the advice of those scientists.

There is no one, I think, that relates to the transportation industry—save, possibly, the lobbyists for some of the labor organizations connected with transportation—who advocates the 28-mile-per-gallon standard.

I quote from the Senate Commerce Committee hearings earlier in this year when, in response to comments, Mr. Woodcock, the president of UAW, said:

> We are advocating that the 28-mile per-gallon standard for 1985 be stricken from the bill.

Senator PACKWOOD said, following that, "I understand that."

Mr. Woodcock said then that "it be left at the discretion of the Secretary, based upon feasible technology."

The automobile manufacturers think that 28 miles per gallon may be an accomplishable goal by 1985.

And, finally, the New Automobile Dealers Association also is opposed to this hoped-for level of accomplishment.

Mr. Chairman, I move that it be stricken from the bill.

Mr. DINGELL. Mr. Chairman, I rise in opposition to the amendment offered by my good friend, the gentleman from Ohio (Mr. BROWN).

Mr. Chairman, I would point out that there are several reasons why the amendment offered by my good friend, the gentleman from Ohio (Mr. BROWN), should be rejected by the House.

First is a study, which I hold in my hand, entitled, "How To Save Gasoline, Public Policy Alternatives for the Automobile," prepared through the National Science Foundation by the Rand Corp. of Santa Monica.

This document points out that clearly 28 miles per gallon on a fleetwide basis, as required in the committee bill, is at this moment—not in 1985, but at this moment—technologically, scientifically, and economically feasible.

The second document I hold in my hand is a document entitled, "Potential for Development of Energy Efficiency for Automobiles and Major Appliances."

These are available to my colleagues who might wish to have them for the consideration of the amendment.

This is published by the staff of the Committee on Interstate and Foreign Commerce, the Subcommittee on Energy and Power.

On the first page, it points out there are two studies which are addressed to our potential 1985 economy, the Rand report and the EPA–DOT report.

The study goes on to point out further that it is possible, on the basis of current technology, efficiency and economics, to achieve the level of 28 miles per gallon.

Mr. Chairman, the question is how did this fuel economy standard get into the bill?

It got into the bill by the amendment offered by my good friend, the gentleman from Indiana (Mr. SHARP), who offered substantially an identical amendment to the Ways and Means Committee bill, and that amendment was adopted by this House. So this is not something which is just arising before the body for the first time.

It is substantially the same language that is present in legislation already adopted by the House of Representatives.

Mr. Chairman, I will point out something else. The amendment, when offered originally by the gentleman from Indiana (Mr. SHARP), had the endorsement not only of the UAW, the major union in the auto industry and one which is desperately concerned with the plight of the American automotive industry, but also it had the endorsement and has achieved the support of the AFL–CIO, recognizing that this is far better than many other approaches.

One of the criteria that was included in the support of the UAW was the requirement that we reach the 1985 goal of 28 miles per gallon. Twenty-eight miles per gallon is not excessive. There are automobiles on the road today that can do 40 miles per gallon. There are full-size automobiles that have at this moment the capacity of delivering 30 miles per gallon, and they are now on the road.

It should be clearly understood that a lot can happen between now and 1985. The Congress can change that statutory standard if it so desires.

Furthermore, in the bill itself there is language that permits administrative reduction of that requirement by the Department of Transportation, so that the Department of Transportation can say, if they find it is impossible for the auto industry to achieve a fleet-wide mileage standard of 28 miles a gallon, that they will reduce it to 25 or 26 or 27 or 24, whatever the needs of the circumstances might happen to be and clearly appear to be.

Mr. SHARP. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to my good friend, the author of the amendment, the gentleman from Indiana (Mr. SHARP).

Mr. SHARP. Mr. Chairman, I would like to stress that while we did have that general goal in mind and set the figure of 28 miles per gallon as the average fleet standard, we were very cognizant of the fact that no one can predict with accuracy what the technology and what the economic situation will be at that time.

Therefore, we did leave open the possibility for the Secretary of the Department of Transportation to submit to the Congress a proposal to reduce that standard, and Congress would have an opportunity to disapprove, if we believe the Secretary to be in error. In making his recommendation, the Secretary is to follow certain criteria, which include technological feasibility, economic practicality, the relationship to other Federal motor vehicle standards, and also the purposes of this act.

Mr. KINDNESS. Mr. Chairman, I move to strike the last word, and I rise in support of the amendment.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. KINDNESS. I yield to my colleague, the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Chairman, I appreciate the yielding to me by my colleague and neighbor, the gentleman from Ohio.

I just want to make one point. The Rand study has this statement in it:

> Our estimates of improvements feasibility by 1980 and 1985 are based on the assumption noted on pages 121 and 122 of R–1560, NSF, that no further fuel economy penalties are implied beyond those associated with compliance with 1973 safety standards—I repeat that is the 1973 safety standards—in the use of a catalytic converter and the exhaust gas circulation for emission control.

Mr. Chairman, I hasten to point out that those safety standards for 1973 have been modified to 1974 and 1975 standards, and we also now have under consideration in the Committee on Interstate and Foreign Commerce under another subcommittee a further modification or tightening or making more stringent of the pollution emission standards on automobiles.

So the Rand study makes an assumption which the Congress has already gone beyond.

Mr. Chairman, I would say that that Rand study for that reason becomes somewhat invalid in its conclusions that we can reach the goal of 28 miles per gallon by 1985, because the rules under which they made their conclusions no longer apply.

Mr. KINDNESS. Mr. Chairman, I wish that we would learn that we cannot design an automobile on the floor of this House, nor can the bureaucrats design one for us.

I think it is time for us at least to be sure that we do not build an impossibility in the law.

Mr. Chairman, I would urge support of the amendment.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. KINDNESS. Yes, I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Chairman, the point the gentleman from Ohio (Mr. KINDNESS) makes is very well taken.

This same committee, the Committee on Interstate and Foreign Commerce, passed the Clean Air Act.

At that time we went to the Secretary of Health, Education, and Welfare first and then later to the Administrator of the Environmental Protection Agency, giving him the right to set standards for emissions from the stacks of individual industries.

The standards set by the Administrator, who was charged by the Congress with doing that, practically outlawed the use of coal as a fuel. That is how we got into trouble with the shift from coal to oil and natural gas.

We have set safety standards on automobiles. We have made the bumper heavier, which reduces the energy efficiency of the automobile. We have set pollution standards on automobiles, which reduces the fuel efficiency of automobiles.

Now with that embarrassment behind us, we are going to set fuel efficiency standards and say that in spite of those things, we must accomplish a more efficient fuel operation.

If we are not careful, Mr. Chairman, this Congress is going to make the automobile mutually exclusive with our various means of trying to make everything perfect in this world.

Mr. OTTINGER. Mr. Chairman, I move to strike the requisite number of words and rise in strong opposition to the amendment.

Mr. Chairman, I really question whether the gentleman from Ohio (Mr. BROWN) is at all interested in achieving energy conservation in this country on any basis other than through increasing the price of oil and sending it soaring to the skies.

After supporting an effort to knock out the promotion of industrial energy conservation, which represents 40 percent of our petroleum supply, now he is seeking to knock out a provision with respect to making automobiles efficient, which represent some 30 percent of our use of oil in the United States; he is saying that a meaningful standard by 1985 ought to be knocked out.

Mr. Chairman, I think it is essential that we have meaningful conservation standards in this bill, and that is an essential part of an energy policy.

The administration, and, indeed, the gentleman from Ohio have continuously been saying that Congress does not have an energy policy. We do and this is essential to our energy policy. Meaningful conservation standards ought to be in this bill.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. Yes; I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. The gentleman from New York is more correct than perhaps even he thinks, for, as a matter of fact, I would much prefer to see us address ourselves to the production of energy in this country and its continued use, because study after study has indicated that employment and the growth of the gross national product in this country follow almost directly our consumption in the energy field.

I do not want to see our growth limited.

Mr. OTTINGER. Mr. Chairman, I think the gentleman's only answer and the only policy that he and the administration are putting forward is a disastrous policy to increase the price of oil with the claim that that is going to increase production of new energy sources when there is no evidence to that effect. The evidence is clear, however, that all of the studies that have been made, and they are included in the report on this bill, show that we can achieve the level of 28 miles per gallon in automobiles by 1985. Indeed, the European manufacturers and the Japanese manufacturers are doing it, and unless we produce our own automobiles with that kind of mileage potential, we are going to lose more of our market.

Mr. SHARP. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. Yes, I am glad to yield to the gentleman from Indiana, the author of this provision.

Mr. SHARP. Mr. Chairman, I would just like to stress that our purpose is to set a goal down the road which will give adequate lead time to industry by 1985.

We have recognized the fact that Congress does not know all about the designing of the automobile. For that reason, we have used a fleetwide standard to give flexibility to the industry in meeting this standard. And we have allowed for administrative adjustment of the 1985 standard.

We have set a solid 1985 goal so people know where we are headed. And I think we ought to retain this provision.

I am very pleased that American industry this year has already begun to make basic changes and will hopefully make our standards obsolete. Just yesterday in the District of Columbia, General Motors revealed their Chevette which makes a major step forward toward competing with foreign models that get good gasoline mileage and are inexpensive.

Good prices and good gasoline mileage is what we want, and we hope that in the future these cars can be made and produced and sold in America so as to produce additional jobs.

I am hopeful this legislation will actually help our industry and not be a hindrance.

Mr. McKAY. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from Utah.

(By unanimous consent, Mr. McKAY was allowed to speak out of order.)

PERSONAL EXPLANATION

Mr. McKAY. Mr. Chairman, on rollcall No. 515 today I was unavoidably detained on other legislative matters and I ask that the RECORD show that had I been here I would have voted "aye" on that issue.

Mr. KRUEGER. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment.

Mr. Chairman, I earlier supported this very provision as an amendment to the Committee on Ways and Means bill, believing, as I do, that 20 miles per gallon is a very reasonable fleet average for this country to achieve by 1980. But, in spite of the latitude left to the Federal administrators in determining if the 28 miles per gallon goal should be achieved by 1985, the record of our Federal administrators is not a joyous one in applying their intelligence to flexible standards, so far as the EPA is concerned so far as OSHA is concerned, or in other matters. If there is anything that we hear from our constituents it is: Do not leave so much authority to the regulatory agencies, go down to Congress and be specific, and pass laws yourselves, instead of giving the authority to the Federal administrators to decide for you and for us. The provisions of the bill, however, encourage giving away just such authority to unelected administrators.

The observation has been made by a number of Members of this House that there are already a number of automobiles that deliver 28 miles per gallon, and most of those Members do not drive them. And they do not drive them for the very reason that they are no darned good as family, all-purpose cars.

So I think that we should be realistic about this. And I will not embarrass Members who have spoken on this amendment by asking what kind of cars they drive. I know what kind of cars they drive, and they do not drive cars that get 28 miles per gallon.

It is true that there are cars that get 28 miles to the gallon but there are a lot of things that those cars will not do. If we intend to specify that all cars should achieve that sort of fleet average by 1985, then we must assume that the same sort of a car is good for everyone. But different persons want and need different kinds of cars.

Earlier today someone mentioned the Washington Post article on the General Motors Chevette in which it mentioned that the Chevette weighs less than 2,000 pounds. But that article said that if you are over 5 feet tall, then do not sit in the back.

Well, from what we know of the House of Representatives and of most other people in this country, our people are over 5 feet tall. If we look at the biology of the last 30 years we find that the height of the average American has increased some 4 inches in the last 30 years. But here we are talking about mandating cars for the American people that weigh less than 2,000 pounds, cars that could not provide both air-conditioning and still give 28 miles per gallon. We know that there are areas in our country where air-conditioning is clearly more essential for comfortable driving than heating is.

We are undoubtedly going to have some cars that will have a great difficulty in reaching the 28 miles per gallon goal.

Yet, here we are rather carelessly today talking about something that could have a monumental impact. I think the reasonable thing to do is to say that our predictions for 1984 or 1985 may not be any better than those of George Orwell, and that it probably would be the better part of valor to retire from making a prediction for 1985 and to simply stick with 1980.

I therefore urge the adoption of the amendment.

Mr. WAGGONNER. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, the amendment would delete the 28 miles per gallon standard for 1985 but would retain all other standards in the bill. The Congress does not have a rational basis for the 28 miles per gallon requirement and it has been opposed by the auto union, the auto manufacturers, the auto dealers, and the administration.

Last fall the Department of Transportation and the Environmental Protection Agency reported on the practicability of fuel economy goals for 1980. According to the Commerce Committee's report on H.R. 7014, that DOT–EPA study provided the starting point for the committee's determination of the 1980 standard.

No comparable study has been made of the feasibility of standards after 1980. Instead, the Commerce Committee report states on page 88 that the committhe set the 1985 standard of 28 miles per gallon "at the highest potential level which any of the studies available to the committee indicated was obtainable." It would be a severe mistake for the Congress to set policy on the basis of the most optimistic report available.

A study of the post-1980 fuel economy objectives was recently begun by the Energy Resources Council. That study will be conducted in conjunction with the Department of Transportation, the Environmental Protection Agency, the Federal Energy Administration, the Energy, Resources and Development Administration, and the National Science Foundation. The final report is scheduled for January of 1976. By deleting the 28 miles per gallon requirement, the amendment would allow the Department of Transportation to utilize the information obtained in the ERC study in establishing fuel economy standards after 1980.

The authors of the bill obviously recognized that there was considerable doubt about the reasonableness of the 1985 standard because the bill provides a review mechanism. Unfortunately that is a very cumbersome procedure which requires DOT in 1977 to set the 1981–84 standards such that they would provide "steady progress" up to 28 miles per gallon in 1985. Then in 1979 DOT would review the 28-mile-per-gallon standard to determine if we really should, or even could, get DOT to alter the 28-mile-per-gallon standard at that time subject to a congressional veto. Presumably, DOT would then have to alter the 1981–84 standards to be in line with the adjusted 1985 standard.

The amendment would eliminate this cumbersome procedure and allow DOT to set the 1981–84 standards at the maximum feasible level.

The Senate Finance Committee has been conducting hearings recently on the fuel economy standards provisions in H.R. 6860 which also includes the 28-mile-per-gallon standard. In their testimony, all three of the major auto companies recommended elimination of the 28-mile-per-gallon standard. Let me quote what Ford executive vice president, Fred G. Secrest, said about the 28-mile-per-gallon standard.

> Such a standard would require a total restructuring of the industry, including the writeoff of billions of dollars worth of facilities. Major unemployment would be unavoidable during the long transition period . . . The flexibility given to the Secretary of Transportation to modify the 28 mpg goal does not resolve this problem.

United Auto Workers president, Leonard Woodcock, also urged elimination of the 28-mile-per-gallon standard. To quote Mr. Woodcock's own words as contained in the Finance Committee hearings record.

> We are advocating that the 28 mpg standard for 1985 be stricken from the bill.

Whatever else Mr. Woodcock may feel about this legislation, he obviously recognizes the need for eliminating the 28-mile-per-gallon standard for 1985.

I urge you to support this amendment.

The **CHAIRMAN.** The question is on

the amendment offered by the gentleman from Ohio (Mr. Brown).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. WAGGONNER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 117, noes 284, not voting 32, as follows:

[Roll No. 517]

AYES—117

Andrews, N. Dak.
Archer
Armstrong
Ashbrook
Bauman
Bell
Bergland
Blanchard
Boggs
Bowen
Breaux
Brodhead
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burleson, Tex.
Byron
Carr
Casey
Cederberg
Clancy
Clawson, Del
Cochran
Collins, Tex.
Conable
Conlan
Daniel, Dan
Daniel, R. W.
Devine
Dickinson
Diggs
Esch
Eshleman
Flynt
Ford, Mich.
Forsythe
Frenzel
Frey
Goodling
Gradison
Guyer
Hagedorn
Haley
Hammerschmidt
Hansen
Harsha
Hightower
Hutchinson
Ichord
Jarman
Johnson, Pa.
Jones, Okla.
Kasten
Kazen
Kelly
Kemp
Ketchum
Kindness
Krueger
Long, La.
Lott
McClory
McCollister
McDonald
McEwen
Madden
Mahon
Martin
Michel
Milford
Miller, Ohio
Mills
Montgomery
Moore
Murtha
Myers, Ind.
Nedzi
O'Hara
Passman
Pettis
Pickle
Poage
Pressler
Pritchard
Quillen
Rhodes
Risenhoover
Roberts
Robinson
Rousselot
Runnels
Ruppe
Sarasin
Satterfield
Schneebeli
Schulze
Shipley
Sikes
Smith, Nebr.
Spence
Stanton, J. William
Steiger, Ariz.
Steiger, Wis.
Stuckey
Symington
Symms
Taylor, Mo.
Traxler
Treen
Waggonner
Wampler
Whitehurst
Whitten
Wydler
Young, Tex.

NOES—284

Abdnor
Abzug
Adams
Addabbo
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Annunzio
Ashley
AuCoin
Badillo
Bafalis
Baldus
Barrett
Baucus
Beard, R.I.
Beard, Tenn.
Bedell
Bennett
Bevill
Biaggi
Biester
Bingham
Blouin
Boland
Bolling
Bonker
Brademas
Breckinridge
Brinkley
Brooks
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Carney
Carter
Chappell
Chisholm
Clausen, Don H.
Clay
Cleveland
Cohen
Collins, Ill.
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniels, N.J.
Davis
Delaney
Dellums
Dent
Derrick
Derwinski
Dingell
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Tenn.
Fountain
Fraser
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Grassley
Green
Gude
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Hastings
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Holland
Holt
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Hungate
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Keys
Koch
Krebs
LaFalce
Lagomarsino
Latta
Leggett
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, Md.
McCloskey
McCormack
McDade
McFall
McHugh
McKay
McKinney
Macdonald
Madigan
Maguire
Mann
Mathis
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Myers, Pa.
Natcher
Neal
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Neill
Ottinger
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Peyser
Pike
Preyer
Price
Quie
Railsback
Randall
Rangel
Rees
Regula
Reuss
Richmond
Riegle
Rinaldo
Rodino
Roe
Rogers
Roncalio
Rose
Rosenthal
Rostenkowski
Roush
Russo
Ryan
St Germain
Santini
Sarbanes
Scheuer
Schroeder
Sebelius
Seiberling
Sharp
Shriver
Shuster
Simon
Skubitz
Smith, Iowa
Snyder
Solarz
Spellman
Staggers
Stanton, James V.
Stark
Steelman
Stokes
Stratton
Studds
Sullivan
Talcott
Taylor, N.C.
Thompson
Thone
Thornton
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Walsh
Waxman
Weaver
Whalen
White
Winn
Wirth
Wolff
Wright
Wylie
Yates
Yatron
Young, Fla.
Young, Ga.
Zablocki
Zeferetti

NOT VOTING—32

Alexander
Aspin
Broomfield
Burke, Fla.
Crane
Danielson
de la Garza
Fary
Goldwater
Hébert
Hyde
Landrum
Lehman
Lujan
Matsunaga
Mollohan
Moorhead, Calif.
Patman, Tex.
Rooney
Roybal
Sisk
Slack
Steed
Stephens
Teague
Udall
Vander Jagt
Wiggins
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Young, Alaska

So the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Matsunaga against.
Mr. Teague for, with Mr. Rooney against.
Mr. Landrum for, with Mr. Sisk against.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. EMERY

Mr. EMERY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Emery: Page 304, line 10, after "(a)", insert "(1)".

Page 304, line 17, strike out "(1)" and insert in lieu thereof "(A)".

Page 304, line 18, strike out "(2)" and insert in lieu thereof "(B)".

Page 304, after line 21, insert the following:

(2) The President shall, within 60 days after the date of enactment of this act, prescribe rules which shall require that all passenger automobiles purchased or leased (for a period of one year or more) by all executive agencies in each fiscal year which begins after such date of enactment—

(A) are equipped to utilize a blend of gasoline, as defined in paragraph (4) of this section; and

(B) utilize such blend.

(3) The President need not prescribe rules under paragraph (2) if he finds that such rules would not be practicable and transmits such finding to the Congress prior to the expiration of the 60-day period specified in paragraph (2).

(4) For purposes of paragraph (2) of this subsection, the term "blend of gasoline" means a mixture which consists of not more than 90 percent gasoline and not less than 10 percent of any other motor fuel which can be manufactured or refined from a raw material other than petroleum or petroleum products.

The CHAIRMAN. The Chair recognizes the gentleman from Maine (Mr. Emery) for 5 minutes in support of his amendment.

Mr. DINGELL. Mr. Chairman, I wish to reserve a point of order against the amendment.

The CHAIRMAN. The Chair will state to the gentleman from Michigan (Mr. Dingell) that his reservation comes too late. The Chair had already recognized the gentleman from Maine (Mr. Emery), and the point of order comes too late.

The Chair recognizes the gentleman from Maine for 5 minutes in support of his amendment.

Mr. EMERY. Mr. Chairman, the purpose of this amendment is really very simple. It attempts to address a very serious problem that directly relates to this bill and to our efforts made in order to save energy.

Forty-two percent of all the petroleum that is consumed in this country is used on the highways in gasoline engines, and the largest portion of that is consumed in automobiles, the private automobiles that American families drive.

If we are going to be successful in cutting back on our consumption of petroleum on America's highways, the day will come when we will need to find suitable alternative substitutes for petroleum and for gasoline.

Fortunately for our energy future, there are several sources of energy that may readily be found, and they include fuel additives or fuel substitutes. Some of these may include methanol, ethanol, and various forms of synthetic gasoline.

The beauty of ethanol and methanol and synthetic gasoline is that these fuels can be manufactured from sources that do not have a petroleum base. They can be manufactured economically and feasibly from coal resources. We have in this country 400 to 600 years worth of coal, more than half the world's total resources.

Methanol can also be manufactured from garbage, from waste products, and from human waste. There is a project now under consideration in the city of Seattle, Wash., that will produce both methane and methanol from that city's solid waste.

Synthetic gasoline can also be made from other sources of carbon, whether it is wood products or whether it is coal. We have no energy shortage in this country; we have a petroleum shortage. We are going to have to address ourselves to our ability to manufacture alternative sources of energy and find the necessary incentives to use them in America's automobiles.

My amendment is simple. It requires that if these fuels are available economically and feasibly, the Federal Government shall utilize the employment of these fuels in federally owned or leased automobiles. Not only would this cut down on the petroleum consumption of the Federal Government, but it would also serve as a testing ground to develop the use of alternative sources of energy for the United States as a whole.

We have had a series of hearings before the Committee on Science and Technology in which we briefly examined the feasibility of coal conversion and the manufacture of certain liquids and gaseous fuels in lieu of and as a substitute for petroleum.

Let me give the Members one basic example of some of the benefits of using methanol with gasoline.

Interestingly enough, if one uses methanol with gasoline in a ratio of 85 percent gasoline with 15 percent methanol, he will find that his overall mileage will increase because the characteristics of methanol and gasoline allow a more thorough combustion of the fuel as a whole. Therefore, mileage increases significantly and the mixture releases less pollutants into the atmosphere than the gasoline-burning vehicle alone.

This is very significant in two wars, the war against using gasoline alone and the war against human consumption.

I think it is altogether proper for us to adopt this type of amendment with this legislation because it will move in the right direction, and that is away from continuing reliance on petroleum and petroleum products. Furthermore, it will begin to turn our attention to alternative fuel sources.

Mr. Chairman, I would urge the Members to support this amendment.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. EMERY. Yes, I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Chairman, as I read the gentleman's amendment, it would prohibit the Government from buying a diesel-burning automobile. Hopefully, the country is going to come out with one in a year or two or start building one such as is being manufactured in Germany now.

As the amendment of the gentleman from Maine (Mr. EMERY) is worded, we could not buy a diesel-burning automobile, even though it is more energy efficient.

Mr. EMERY. To respond to the gentleman, it is not my intention to do that. It is only my intention to convert gasoline to this purpose.

Mr. SMITH of Iowa. As I read the amendment, all passenger automobiles purchased or leased must be equipped to utilize this blend of gasoline. Therefore, that excludes the possibility of buying a diesel-burning vehicle.

Mr. EMERY. If it is agreeable to the committee, I would be willing to amend this amendment to include diesel-burning automobiles. It is my intention to include all of these problems.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. EMERY. Yes, I yield to the gentleman from New York.

Mr. OTTINGER. Mr. Chairman, I think there are probably other vehicles excluded as well, such as electric cars. Perhaps an amendment could be devised to include them.

I was recently visited by a Nobel prize-winning physicist, a member of the National Academy of Sciences, who said to me:

> If this country were really serious about an oil shortage, they could surely provide for the introduction of methanol to be used with gasoline.

The CHAIRMAN. The time of the gentleman from Maine (Mr. EMERY) has expired.

(On request of Mr. OTTINGER and by unanimous consent, Mr. EMERY was allowed to proceed for 2 additional minutes.)

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. EMERY. Yes, I yield to the gentleman from New York.

Mr. OTTINGER. To continue, Mr. Chairman, the physicist told me that we could have the present supplies of petroleum products in internal combustion engines, automobiles, buses, and trucks.

This is certainly something that has been neglected by the Government and for which provision has not been made by the Congress.

Mr. Chairman, I applaud the efforts of the gentleman from Maine (Mr. EMERY).

Mr. EMERY. Mr. Chairman, I thank the gentleman from New York (Mr. OTTINGER) very much for his observations.

With respect to his remark about the electric car, we did pass a bill last week which had special provisions for the purchase of electric vehicles.

I would also tell the gentleman that I have had favorable correspondence with respect to this from the State of Maine and from coal resources available in States in the eastern part of the United States, and I believe that with the proper cooperation between the Federal Government and private industry we may well find this to be the most practical solution to our transportation problem as far as fuel is concerned.

Mr. DON H. CLAUSEN. Mr. Chairman, will the gentleman yield?

Mr. EMERY. Yes, I yield to the gentleman from California.

Mr. DON H. CLAUSEN. Mr. Chairman, I rise in support of the amendment of the gentleman from Maine (Mr. EMERY). While I realize there are many questions that might be asked about this provocative amendment, the objective of development and use of all conceivable alternatives, including the blend or mix of methanol with gasoline, is constructive and potentially innovative.

Coming from an area that has a substantial forest product industry which is cyclically faced with economic uncertainties, I see this amendment as an opportunity to develop byproducts from the basic timber resource that in itself will contribute to the conservation and supply of energy while diversifying the economic base for the area.

I commend the gentleman for his amendment and ask the Members to support it. Should the amendment fail, I strongly urge the committee to hold in-depth evolution hearings to further the conservation and utilization of methanol and other energy blends.

Mr. DINGELL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, there are a number of questions unanswered about the amendment offered by the gentleman from Maine (Mr. EMERY).

One has been alluded to by my good friend, the gentleman from Iowa (Mr. SMITH).

Would this preclude—and I must advise that a reading of the amendment indicates to me that it would—the acquisition of diesel automobiles by the Federal Government? As a matter of fact, would it preclude the acquisition of test vehicles utilizing new fuels or new technology?

Clearly, the language of the amendment would preclude test programs by the Government of any vehicle which uses a fuel other than that which is set forth in the amendment offered by the gentleman from Maine.

There are a number of other questions that have to be answered also. What would be the cost effect on the taxpayers of the requirement for the blended fuel, whether it be ethanol, methanol, or whatever other kind of blend would be involved?

What would be the cost of the automobiles? What would be the cost for the modification of the automobiles to make them available? Because immediately, or within 60 days after the enactment, all Government automotive procurement must involve this kind of fuel and this kind of modified propulsion plant.

These are some of the many questions that are troubling many of our colleagues and that are troubling me. For example, when we talk about using this method is the fuel available? I have no reason to expect that the fuel the gentleman has mentioned, or the blend of that fuel would be available, but is it available at a reasonable cost? Is there a distribution system available for this kind of a fuel blend system which could be blended with petroleum products? Are automobiles appropriately modified available? Are the parts available to modify the automobiles?

Certainly there is no showing that the technology is readily available on an economic basis or that the modified automobiles will work.

One further question which has not been answered and that is would these modified automobiles save petroleum products? Maybe the blended fuel would require additional use of petroleum rather than lessening it because of a less efficient carburetion or ignition system.

Is there enough technology available to manufacture the fuel? Are there sufficient numbers of suppliers to supply the fuel in all parts of the country? Perhaps there are parts of our country where such fuel would not be economically feasible or available. Perhaps in places such as Alaska or the Virgin Islands or in Guam or some of the trust territories where Government vehicles are required, would not have either a distribution system for it or a supply of it that would be needed to modify the blend of the fuel.

Then again one must ask would the production of this kind of a system be an energy saver or would it actually absorb and use more energy than it would make available or would save? What again would be the cost of this kind of fuel to the consumers.

Again we come down to the question are there other kinds or types of vehicles which might be more efficient, for example turbine vehicles, or Wankel engines or diesel engines? Further, would such engines be barred by the amendment proposed by the gentleman from Maine?

Perhaps the amendment is a good one. I think it has enough merit to require a careful study by the committee. However, I think we ought to find out what the answers to these and other questions are. But I must point out to my friend, the gentleman from Maine, that there are many unanswered questions. As I say, the amendment has not been studied, it has not been considered and we do not know precisely what it does and how its effect would be on the consumers, on the Government, on industry and its effect on the overall energy with and without the Government automobile fleet.

For these reasons, I think the amendment ought to be rejected.

At an appropriate time I am satisfied that we can consider the amendment and can study the amendment in the committee and perhaps answer these abundance of unanswered questions which plague me at least and I know plague many of our Members.

Mr. EMERY. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Maine.

Mr. EMERY. Mr. Chairman, I think I can answer three of the questions at least that the gentleman from Michigan has raised.

First of all, these fuels are not energy consumers, they are energy producers. In fact, ethanol has been manufactured economically for decades in some parts of the country, in fact, so well that sometimes people have consumed it rather than engines.

It also has an energy content.

The CHAIRMAN. The time of the gentleman has expired.

Mr. O'BRIEN. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. The gentleman from Illinois will be recognized for 3 minutes, which are the last 3 minutes of the time available.

Mr. O'BRIEN. Mr. Chairman, I am happy to yield to the gentleman from Maine (Mr. Emery).

Mr. EMERY. Mr. Chairman, I appreciate the gentleman yielding.

Mr. EMERY. To continue, many of these fuels such as methanol or ethanol can be manufactured economically. A gallon of methanol can be manufactured from coal resources at a cost of manufacture of between 14 to 19 cents a gallon. From forest products, including wood, the cost of manufacture is between 24 and 30 cents a gallon. The methanol content is something around that high for a gallon of gasoline, but the unit cost of energy is still lower.

Second, there is absolutely no need for the modification of an automobile's carburetor or other fuel system. Certain mixtures of methanol and ethanol are between 10 and 20 percent approximately, the cost bearing on the characteristics of the fuel and the characteristics of the engine. Absolutely no modification is necessary. Methanol and ethanol that are presently in existence, presently manufactured, can be mixed in that ratio with gasoline today at the manufacturing cost that I mentioned, resulting in fuel savings and a cut down on our need to consume petroleum.

Of course, synthetic gasoline is as much gasoline as that produced by anyone, but it can be manufactured from energy resources that we have in this country available right now, including the coal resources that I cited before.

I believe this is the most constructive amendment because it really gets at the very heart of the problem, the very heart of the problem being that petroleum resources are dwindling, and they are becoming more expensive. If we want to achieve an energy goal of energy self-sufficiency, we can use energy resources that are right here available in this country by developing and using alternative sources of energy such as those I have mentioned. We can start by using them in federally operated and owned vehicles.

Mr. Chairman, I yield back the remainder of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maine (Mr. Emery).

The question was taken; and on a division (demanded by Mr. Emery), there were—ayes 35, noes 47.

RECORDED VOTE

Mr. EMERY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 118, noes 262, answered "present" 1, not voting 52, as follows:

[Roll No. 518]

AYES—118

Abdnor
Alexander
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
AuCoin
Beard, R.I.
Bedell
Bennett
Bevill
Blouin
Breckinridge
Brown, Calif.
Brown, Mich.
Broyhill
Burton, John
Butler
Byron
Carter
Cederberg
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Conte
D'Amours
Devine
Dodd
Downey, N.Y.
Duncan, Tenn.
du Pont
Early
Edwards, Ala.
Emery
English
Eshleman
Fenwick
Fish
Fisher
Flood
Flynt
Forsythe
Gilman
Goodling
Grassley
Gude
Hagedorn
Harrington
Hastings
Hechler, W. Va.
Hillis
Holt
Howard
Hungate
Jacobs
Jeffords
Jones, Okla.
Kasten
Keys
Koch
LaFalce
Lent
Lott
McCloskey
McCollister
McDade
McKinney
Madigan
Maguire
Martin
Mazzoli
Meyner
Miller, Calif.
Miller, Ohio
Mink
Mitchell, N.Y.
Moore
Mosher
Myers, Pa.
Nolan
Oberstar
Patterson, Calif.
Pattison, N.Y.
Pike
Pressler
Pritchard
Quie
Rees
Regula
Richmond
Rinaldo
Risenhoover
Ruppe
St Germain
Sarasin
Schneebeli
Schroeder
Schulze
Sebelius
Shriver
Shuster
Smith, Nebr.
Spence
Stark
Steelman
Studds
Thone
Tsongas
Whitehurst
Winn
Wirth
Wolff
Wydler
Yatron
Young, Fla.

NOES—262

Abzug
Adams
Addabbo
Andrews, N.C.
Annunzio
Archer
Armstrong
Ashbrook
Badillo
Bafalis
Baldus
Baucus
Bauman
Bell
Bergland
Biaggi
Biester
Bingham
Blanchard
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Brinkley
Brodhead
Brooks
Brown, Ohio
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, Phillip
Carney
Carr
Casey
Chappell
Chisholm
Clay
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conyers
Corman
Cornell
Cotter
Coughlin
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Davis
Delaney
Dellums
Derrick
Derwinski
Diggs
Dingell
Downing, Va.
Duncan, Oreg.
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Erlenborn
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fithian
Florio
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Fountain
Frenzel
Fuqua
Gaydos
Giaimo
Ginn
Gonzalez
Gradison
Green
Guyer
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harkin
Harris
Hawkins
Hayes, Ind.
Hays, Ohio
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hicks
Hightower
Hinshaw
Holtzman
Horton
Howe
Hubbard
Hughes
Hutchinson
Ichord
Jarman
Jenrette
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kelly
Ketchum
Krebs
Krueger
Lagomarsino
Latta
Leggett
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
McClory
McCormack
McDonald
McEwen
McFall
McHugh
McKay
Macdonald
Madden
Mahon
Mann
Mathis
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Mikva
Mineta
Minish
Moakley
Moffett
Montgomery
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Natcher
Neal
Nedzi
Nichols
Nix
Nowak
O'Brien
O'Hara
Ottinger
Passman
Patten, N.J.
Pepper
Perkins
Pettis
Peyser
Pickle
Poage
Preyer
Price
Quillen
Railsback
Randall
Rangel
Reuss
Rhodes
Riegle
Robinson
Rodino
Roe
Rogers
Roncalio
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Runnels
Russo
Ryan
Santini
Sarbanes
Satterfield
Scheuer
Seiberling
Sharp
Shipley
Sikes
Simon
Skubitz
Smith, Iowa
Snyder
Solarz
Spellman

Staggers
Stanton,
J. William
Stanton,
James V.
Steiger, Ariz.
Stokes
Stratton
Stuckey
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson
Thornton
Traxler
Treen
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Waxman
Weaver
Whalen
White
Whitten
Wiggins
Wright
Wylie
Yates
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

ANSWERED "PRESENT"—1

Haley

NOT VOTING—52

Ashley
Aspin
Barrett
Beard, Tenn.
Broomfield
Burke, Fla.
Crane
Danielson
de la Garza
Dent
Dickinson
Drinan
Esch
Fary
Findley
Fraser
Frey
Gibbons
Goldwater
Harsha
Hébert
Holland
Hyde
Kemp
Kindness
Landrum
Lehman
Lujan
Matsunaga
Milford
Mills
Mitchell, Md.
Mollohan
Moorhead,
Calif.
Obey
O'Neill
Patman, Tex.
Roberts
Rooney
Roybal
Sisk
Slack
Steed
Steiger, Wis.
Stephens
Teague
Udall
Vander Jagt
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Young, Alaska

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. SCHEUER. Mr. Chairman, as we resume our discussion of H.R. 7014, I believe that we should consider a recent statement made by the Iranian Ambassador to the United Nations. Normally, I do not take advise from members of OPEC, but in this instance I feel something has been said from which we can all benefit.

On September 3, 1975, the New York Times reported that the Iranian Ambassador to the United Nations, Mr. Ambouzegar, has replied to Secretary of State Henry Kissinger's proposals for bridging the economic gap between rich and poor nations. The Iranian Ambassador suggested that "the real issue is whether or not the world is willing to realize that the era of cheap and abundant energy is over." This spokesman for the OPEC cartel has made a point on the question of oil reserves which we cannot ignore. The industrial world has based its economy, indeed—its lifestyle—on the premise that there are nearly inexhaustible sources of inexpensive energy. Just think for a minute about our inefficient cars, electrical appliances, and industrial machinery; reflect on our current fascination with the convenience of single use disposable everything, all of which waste energy and other natural resources. Madison Avenue has brainwashed America into thinking not only that disposable is easier and better but also, more ominously, that we have inexhaustible supplies of almost any natural resource we need.

Ambassador Ambouzegar stated that the OPEC oil price increases were "necessary to put an end to merciless exploitation on nonreplenishable resources at ridiculously low prices." OPEC's action, welcome or not, fair or unfair in their efforts, has forced the industrial world to reconsider its galloping consumption of natural resources for the first time.

The most immediate challenge for Congress is the issue of our excessive dependence on oil. This problem must be dealt with first, because it permeates our entire economy. If we can come to terms with this challenge, the solutions to the other questions of resource use will come more clearly into focus.

Congress must develop a national strategy which will both mandate and provide incentives for the conservation of oil. Obviously President Ford, who believes only in the incentive of the dollar in the marketplace, will never devise such a strategy. His proposal to decontrol oil prices can only increase the already oppressive burden upon low- and middle-income people while not pinching the rich who can easily absorb price increases. The problem of inefficient technology will hardly be addressed by his proposed solution. His proposals are a throwback to social Darwinism, the survival of the fittest or, in this case, the richest.

What we should be doing instead is developing comprehensive conservation programs which will reduce consumption. It is absurd to waste such a precious resource as oil in nonmobile users of energy. These users must be encouraged to switch from oil or gas to coal, a resource of which we have the world's largest known deposits, a 500 year supply. This will take time, for current coal production levels cannot meet the immediate demands of wholesale conversion. Nevertheless, we should be gearing up for it today by converting all nonmobile energy users and by launching a national campaign to increase our coal production, which also would provide jobs for our hard-pressed economy. We should be approving legislation such as H.R. 7014, the Energy Policy and Conservation Act of 1975, which legislates more efficient gas mileage from manufacturers—though, the mileage standards do tend to be lenient. This legislation also would require the labelling of home electrical appliances to enable the consumer to begin selecting products based upon energy efficiency and not on Madison Avenue's sales pitch. It includes a voluntary arrangement which should be mandatory whereby industry, with the aid of the Federal Government, would conserve energy by 15 percent, and a proposal that certain government agencies examine their inefficient regulatory practices in order to reduce consumption of oil by 10 percent over a base period of 1972.

We should also be addressing ourselves to legislation, such as the French have implemented, which would require indoor heating in the winter to be no more than 68 degrees and cooling in the summer to be no lower than 78 degrees. Such legislation has helped the French in their drive to conserve oil, a resource they are not fortunate enough to have in their own country.

We in Congress must unite to establish a national program which will conserve energy and thus reduce our dependence on foreign oil. The time is right. The American people are looking for leadership. We have been without it too long and there is no leadership challenge more crucial than the long-term energy shortage which so pervasively affects the lives of all Americans.

Mr. DINGELL. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. BOLLING, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H.R. 7014) to increase domestic energy supplies and availability; to restrain energy demand; to prepare for energy emergencies; and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on matters considered in the debate in the Committee of the Whole in respect to the bill H.R. 7014.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

HOUR OF MEETING TOMORROW

Mr. McFALL. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 11 o'clock a.m. tomorrow, September 18, 1975.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, may the gentleman from California tell us what the program is expected to be tomorrow and Friday, in view of this request for an early session tomorrow?

Mr. McFALL. If the gentleman will yield, I will be glad to respond to the gentleman. If we start at 11 o'clock tomorrow, it is hoped that we could finish the bill by 7 o'clock tomorrow night. If it is not possible to finish the bill at 7 o'clock tomorrow night—and the gentleman from Michigan is probably the best source of this information—we would then rise and go over until Tuesday on that bill. On Friday we would take up the bill on product safety, which would be handled by the gentleman from California (Mr. VAN DEERLIN).

Mr. BAUMAN. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

Mr. MICHEL. Mr. Speaker, further reserving the right to object, what other bill would there be? Would that be the only bill we would take up on Friday then?

Mr. McFALL. If the gentleman will yield, I believe that is the bill that would take most of the time on Friday.

Mr. MICHEL. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to

the request of the gentleman from California?

There was no objection.

PERMISSION FOR COMMITTEE ON AGRICULTURE TO HAVE UNTIL MIDNIGHT FRIDAY, SEPTEMBER 19, 1975, TO FILE REPORT ON H.R. 8841, FEDERAL INSECTICIDE, FUNGICIDE, AND RODENTICIDE ACT EXTENSION

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may have until midnight Friday, September 19, 1975, to file a report on the bill H.R. 8841 to extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, for 1 year.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 3979, AUTHORIZING APPROPRIATIONS FOR THE INDIAN CLAIMS COMMISSION FOR FISCAL YEAR 1976

Mr. MEEDS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3979) to authorize appropriations for the Indian Claims Commission for fiscal year 1976, with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Washington? The Chair hears none, and appoints the following conferees: Messrs. Meeds, Melcher, Risenhoover, and Young of Alaska.

COMMUNICATION FROM THE CHAIRMAN OF THE COMMITTEE ON HOUSE ADMINISTRATION

The SPEAKER laid before the House the following communication from the chairman of the Committee on House Administration:

House of Representatives,
Committee on House Administration,
Washington, D.C., September 3, 1975.

Hon. Carl Albert,
The Speaker,
House of Representatives,
Washington, D.C.

Dear Mr. Speaker: On September 2, 1975, the Staff Director of the Committee on House Administration, Mr. E. Douglas Frost, was served with a subpoena duces tecum by a representative of the U.S. Department of Justice, that was issued by the United States District Court for the District of New Jersey.

The subpoena commands any authorized representative or employee of the Committee on House Administration to appear before the Grand Jury of the U.S. District Court on September 22, 1975, and requests certain House records of former Congressman Joseph Maraziti, that are outlined in the subpoena itself, which is attached hereto.

House Resolution 9 of January 14, 1975, and the rules and practices of the House of Representatives indicate that no official of the House may, either voluntarily or in obedience to a subpoena duces tecum, produce such papers without the consent of the House being first obtained. It is further indicated that he may not supply copies of certain of the documents and papers requested without such consent.

The subpoena in question is herewith attached, and the matter is presented for such action as the House in its wisdom may see fit to take.

With kindest regards, I am
Sincerely yours,
Wayne L. Hays,
Chairman.

[In the U.S. District Court for the District of New Jersey]

Subpena to Testify Before Grand Jury

To Any Authorized Representative or Employee, Committee on House Administration, United States House of Representatives, Suite H-326, United States Capitol, Washington, D.C. 20515.

You are hereby commanded to appear in the United States District Court for the District of New Jersey at Grand Jury Room 483, U.S. Coruthouse, Federal Square in the city of Newark on the 22nd day of September 1975 at 10:00 o'clock A.M. to testify before the Grand Jury and bring with you all written requests to the Committee on House Administration by former Congressman Joseph J. Maraziti (Republican, New Jersey) pursuant to Committee on House Administration Order No. 5, as printed in the Congressional Record, April 18, 1973.

This subpena is issued on application of the United States.

Jonathan L. Goldstein, United States Attorney.

By: William F. Maderer, Asst. U.S. Attorney, Fed. Bldg., 970 Broad St., Newark, N.J. 07102.

Date August 19, 1975.

FTS: 201-645-3519.

Angelo W. Locascio,
Clerk.
Mary C. Dehmer,
Deputy Clerk.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

Washington, D.C.,
September 3, 1975.

Hon. Carl Albert,
The Speaker,
U.S. House of Representatives.

Dear Mr. Speaker: On this date, I have been served with a subpoena duces tecum by a representative of the U.S. Department of Justice, that was issued by the United States District Court for the District of New Jersey.

The subpoena commands me or my designated representative to appear before the Grand Jury of the U.S. District Court on September 22, 1975, and requests certain House records of former Congressman Joseph Maraziti, that are outlined in the subpoena itself, which is attached hereto.

House Resolution No. 9 of January 14, 1975, and the rules and practices of the House of Representatives indicate that no official of the House may, either voluntarily or in obedience to a subpoena duces tecum, produce such papers without the consent of the House being first obtained. It is further indicated that he may not supply copies of certain of the documents and papers requested without such consent.

The subpoena in question is herewith attached, and the matter is presented for such action as the House in its wisdom may see fit to take.

With kind regards, I am
Sincerely,
W. Pat Jennings, *Clerk,*
U.S. House of Representatives.
By Benjamin Guthrie.

Subpena to Testify Before Grand Jury

[In the U.S. District Court for the District of New Jersey]

To: Clerk, or his Designated Representative, United States House of Representatives, Washington, D.C.

You are hereby commanded to appear in the United States District Court for the District of New Jersey at Grand Jury Room 483, U.S. Courthouse, Federal Square in the city of Newark on the 22nd day of September 1975 at 10:00 o'clock A.M. to testify before the Grand Jury and bring with you (See attached **Schedule A.**)

This subpena is issued on application of the United States. Jonathan L. Goldstein, United States Attorney.

By: William F. Maderer, Asst. U.S. Attorney, Fed. Bldg., 970 Broad St., Newark, N.J. 07102, Date August 19, 1975.

Angelo W. Locascio,
Clerk.
By Mary C. Dehmer,
Deputy Clerk.

Schedule A

1. The addresses of all employees in the office of former Congressman Joseph Maraziti (Republican, New Jersey) listed in the semiannual Report of the Clerk of the House for the following periods: July 1, 1974 to December 31, 1974; January 1, 1974 to June 30, 1974; July 1, 1973 to December 31, 1973; and January 1, 1973 to June 30, 1973.

2. The check numbers and symbol numbers of all U.S. Treasury checks issued to former Congressman Joseph J. Maraziti (Republican, New Jersey) for the period January 1, 1973, to December 31, 1974, and the check numbers and symbol numbers of all U.S. Treasury checks issued to a former administrative assistant of former Congressman Joseph J. Maraziti (Republican, New Jersey) named Ann Leclerc, for the period January 1, 1973 to December 31, 1974.

SUBPENA DUCES TECUM IN GRAND JURY INVESTIGATION PENDING IN U.S. DISTRICT COURT FOR THE DISTRICT OF NEW JERSEY

Mr. McFALL. Mr. Speaker, I send to the desk a privileged resolution (H. Res. 717) and ask for its immediate consideration.

The Clerk read as follows:

H. Res. 717

Whereas in a Grand Jury Investigation pending in the United States District Court for the District of New Jersey, subpenas duces tecum were issued by the said court and addressed to W. Pat Jennings, Clerk of the House of Representatives, and to E. Douglas Frost, Staff Director of the Committee on House Administration, directing them to appear before the grand jury of the said court at 10:00 o'clock antemeridian on the 22d day of September, 1975, and to bring with them certain documents in the possession and under the control of the House of Representatives: Therefore be it

Resolved, That by the privileges of this House no evidence of a documentary character under the control and in the possession of the House of Representatives can, by the mandate of process of the ordinary courts of justice, be taken from such control or possession but by its permission; be it further

Resolved, That when it appears by the order of the court or of the judge thereof, or of any legal officer charged with the administration of the order of such court or judge, that documentary evidence in the possession and under the control of the House of Representatives is needful for use in any court of justice, or before any judge or such legal officer, for the promotion of justice, this House will take such action thereon as will promote the ends of justice consistently with the privileges and rights of this House; be it further

Resolved, That when said court determines upon the materiality and the relevancy of the records called for in the subpenas duces tecum, then the said court, through any of its officers or agents, have full permission to attend with all proper parties to the proceeding and then always at any place under the orders and control of this House, and take copies of those requested papers and documents which are in possession or custody of the Committee on House Administration or the Clerk; and the Clerk is authorized to supply certified copies of such documents or papers that the court has found to be material and relevant and which the court or other proper officer shall desire, so as, however, the possession of said documents and papers by the said Committee and Clerk shall not be disturbed, or the same shall not be removed from their place of file of custody under the said Committee or Clerk; be it further

Resolved, That as a respectiful answer to the subpenas duces tecum a copy of these resolutions be submitted to the said Court.

The resolution was agreed to.

A motion to reconsider was laid on the table.

THE U.S. NAVY DEFIES CONGRESS

(Mr. MILFORD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILFORD. Mr. Speaker, I have sent a letter to each Member of this body, concerning an illegal act that has been committed by the Defense Department and the Navy.

This unconstitutional act occurred when the U.S. Navy defied specific instructions, contained in a joint conference report that accompanied an appropriations act, concerning the selection of a Navy air combat fighter.

Briefly, Congress had directed that the Navy select a derivative model of the Air Force lightweight fighter—the F-16—and the Navy defied the instructions and selected a totally different airplane—the F-18.

Since I have previously gone to the floor to challenge the Navy's selection of the F-18, and since one of the aircraft manufacturers bidding for a contract to build the Navy fighter is located in my district; I wanted the record to be completely clear as to my specific intent and interest in this matter.

There are actually two separate issues involved in the Navy's action in selecting a Navy air combat fighter. One issue involves the selection of a particular aircraft model and its manufacturer. The other issue concerns an administrative agency's defiance of a specific congressional directive, that was contained in a joint conference report accompanying an appropriations act.

The issue of congressional defiance has nothing whatsoever to do with the selection of a particular aircraft model or manufacturer. Nor is the issue necessarily confined to a defense appropriation act. The same action could occur with HEW, ERDA, or any other administrative agency.

I would like for the record to show, and for my colleagues to know, that my letter to them today is solely concerned with the constitutional issue of "whether or not Congress has the power to give instructions and directions concerning the expenditures authorized in an appropriations act."

While I do have an interest in which particular aircraft model the Navy selects as a fighter, that issue must be treated separately and at the appropriate time.

I strongly urge my colleagues to carefully study the CRS report that is attached to the "Dear Colleague" letter mailed to you from my office.

For your convenience, I shall also have the report and other associated material printed later in today's CONGRESSIONAL RECORD.

CHILD DAY CARE CENTERS—AMENDING SOCIAL SECURITY ACT

(Mr. TREEN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. TREEN. Mr. Speaker, I am introducing legislation today to amend title XX of the Social Security Act to delay for 6 months the implementation of new Federal regulation of child day care centers.

On Monday the Southern Governors' Conference adopted a resolution calling on Congress to amend title XX to apply State standards for child day care centers rather than the onerous requirements the Department of Health, Education, and Welfare published in the June 27, 1975, Federal Register. In introducing the resolution unanimously passed by the Southern Governors, Oklahoma Governor David Boren estimated that the staff-child ratios which are now scheduled to go into effect October 1 would raise the cost of day care in his State $5 to $15 per child per day.

My bill gives Congress an opportunity to respond to the Governors. It gives the Ways and Means Committee 6 more months to hold hearings on the subject of staff-child ratios and enact new legislation to replace section 2002(a)(9)(A)(ii) of the Social Security Act which became law just last year in Public Law 93-647. It does this by amending the act for the period October 1, 1975, to March 30, 1976, permitting Federal assistance to continue to day care centers that meet standards established by the State. As a precaution it adds, "which are reasonably in accord with recommended standards of national standard-setting organizations concerned with the day care of children outside their homes." You will note how closely my proposal tracks the present law on child care provided within the home, as well as the Governor's request.

I understand that Representative JAMES CORMAN, chairman of the Public Assistance Subcommittee, has already promised my colleague, Representative JAMES JONES, that the Public Assistance Subcommittee will hold hearings on his proposal H.R. 9530. I have great doubts, however, that the subcommittee can do so before the Health, Education, and Welfare regulations go into effect October 1. I would ask Representative CORMAN and the other members of the Ways and Means Committee to report out my bill promptly so that Congress can consider the wisdom of permanent amendments to subsection (9)(A)(ii) before and not after the day care centers in Louisiana and other States go out of business.

I propose to amend title XX rather than to pass a resolution urging the Secretary to delay implementation of his regulations. I do so because I am not at all sure that Public Law 93-647 permits the Secretary to delay imposition of the 1968 Federal interagency day care requirements on agencies involved in providing title XX services. While Public Law 93-647 appears to give the Secretary some discretion with respect to care provided children under age 3 and over age 6, he appears to have no discretion with regard to children between the ages 3 and 6.

Perhaps the 1968 Federal interagency day care requirements were justified within their original context. Perhaps one staff member for every four children under age 3, one adult for every five children ages 3 and 4, and one adult for every seven other children under school-age made sense for the Head Start program which was to teach children from economically deprived backgrounds. But I do not believe they can be justified for normal children, in light of the shortage of trained personnel to take these jobs and the cost of hiring additional staff. The Louisiana Health and Human Resources Administration estimates that title XX will increase the costs of day care centers in Louisiana by 50 to 75 percent—if the day care center can comply at all.

I do not believe the Members of this Congress want to drive all children whose parents pay for day care out of the day care centers which accept children of parents receiving AFDC or WIN payments. I do not believe the Members of this Congress want to force out of the job market mothers who cannot afford to pay for higher priced child care. I do not believe that the Members of this Congress wanted to tie the hands of the Secretary of HEW so he could not act on the comments of State licensing agencies, day care center operators, and parents on the Federal interagency day requirements for ages 3 to 5. I do not believe Congress wants to permit regulation 228.42 to go into effect October 1 before its Public Assistance Subcommittee can consider modification of the public law which required the issuance of that regulation.

SGT. FREDERICK REDDY AND PATROL OFFICER ANDREW GLOVER: TWO FALLEN HEROES AND MARTYRS

(Mr. KOCH asked and was given permission to address the House for 1 minute, and to revise and extend his remarks and include extraneous matter.)

Mr. KOCH. Mr. Speaker, in the early

hours of this morning in my congressional district, two police officers were killed in the line of duty. They were Sgt. Frederick Reddy, age 50, and Officer Andrew Glover, age 34. They were shot by one of three occupants of a car that they had given chase to because it had evidently aroused their suspicions. Lest anyone conclude that this was a racial incident, it should be pointed out that one of the police officers is black and the other is white. The horror is that since the beginning of the year six police officers have died in the line of duty in New York City.

What can one say to the surviving relatives? What can one say to the men and women on the police force today who live in danger of death as the result of pathological personalities bent on the destruction of innocent persons whether they be in the police force or simple citizens? This is not the time to assess blame against our public officials, our courts, and indeed our citizenry and there is much blame to assess; rather, we, the people of the city of New York, should pause and for at least one moment take note of the men and women in blue willing to put their lives on the line for us.

These police officers, now fallen heroes and martyrs, worked out of the ninth precinct with which I have worked on many occasions. In that ninth precinct in the last 5 years, six police officers have lost their lives responding to the call of duty. I want to acknowledge the debt of the people of the city of New York and in particular the residents of the East Village to these police officers, those dead and those alive and protecting us.

FEDERAL ASSISTANCE NEEDED FOR NEW YORK

(Mr. HANLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HANLEY. Mr. Speaker, I rise to share with my colleagues an angry indignation that is rapidly becoming a deepened sadness.

The monumental indifference and disregard of President Ford and the current administration toward the New York City fiscal problem could well be ruinous to every community in America. Regrettably, his is just the latest example of the "do-nothing" economics of the White House.

The warning signals have been hoisted not just on Wall Street but on every main street across the country as mayors, finance managers, bankers, and large and small investors look over their holdings of municipal bonds to assess the impact of possible default by New York City.

Already the taxpayers of America are paying higher interest rates to purchasers of bonds for public improvements just because of the negative speculation that moral obligation and good faith bonds might be defaulted.

This is no longer the problem of one city or one State; no longer the question of blame-placing or finger-pointing for past spending excesses or poor budgetary planning. It is a concern which each Congressman and each Senator can appreciate as having the potential to bankrupt trust funds, pension plans, and municipal treasuries nationwide.

Whether through philosophic dogmatism or partisan opportunism, the President has allowed his advisers to so distort the issue of New York finances that the astigmatism has become a real blind spot. Evidently, it is impossible for him to see the importance of default on the Nation's bonding structure.

For the President not to recognize this elemental fact is not only shortsighted economics but a dereliction second only to Nero's fiddling while Rome burned.

Treasury Secretary Simon's insistence today that default would have not significant national impact is a grossly inadequate assessment and runs directly contrary to the prevailing thought of most investment experts across the country.

The President seems to be conducting through proxy spokesmen an antiurban campaign based on the same distorted sell-it-in-Peoria mentality which characterized the political gamesplaying of his predecessor. Such demagogic tactics must be repudiated once and for all by this House before the "say no" philosophy of the White House spreads any further.

Obviously, President Ford intends to make the 8 million citizens of New York the patsies for the anachronistic economics of 1928—economics which then gave us soup kitchens, breadlines, and Hoovervilles.

What else explains the stony silence of an administration known to be bail-out happy when it comes to bankrupt railroads, failing airlines, and defunct foreign governments? Apparently the U.S. Treasury can be tapped for the benefit of everybody except the American taxpayers who support it.

Whoever is whispering in the Presidential ear these days is giving him some bum advice. Perhaps the President has not been talking to the right people on his latest campaign trips if he has not heard the dire warnings from mayors, county executives, school superintendents, bankers, and especially from aggrieved taxpayers who met him at every airport.

Perhaps the brainstormers arranging the President's political sorties can get him some time in Madison Square Garden to explain in person his negative attitude toward aid for New York.

The people out in middle-America are way ahead of the President in sensing that a New York City bond default would have a ruinous impact on their communities and ultimately on their own pocketbooks.

Every time a property owner gets his tax bill he can see what the interest rate on public improvements means to him and his family. As the risk of default becomes greater, the supply of money becomes restricted and public borrowing becomes more expensive until even triple-A rated bond offerings will demand high penalty interest.

Clearly, the very existence of bonds as worthwhile financial instruments and as surety for pension funds, investment portfolios, and many public benefit programs and facilities would be drastically altered if a precipitous collapse of New York is allowed to occur without some redress by the Federal Government.

The Ad Hoc Committee on Aid to New York will meet again tomorrow morning to further explore possible remedies and approaches to legislative action intended to relieve the city's fiscal situation as well as anticipate the probable parallel fiscal dilemmas of other American cities.

And while I endorse the small but hopeful signs that a tightened up administration of the city will make private investment in its future attractive once again, the need to prepare for another crisis demands that the Congress and the President get together to explore alternatives for its resolution.

In no way can we give New York a blank check or an open-ended expense account. In no way can New York avoid the hard and painful choices which its insolvency presses upon it. In no way can the President turn away from this problem without risking a "Black Tuesday 1975."

CHECKS AND BALANCES—H.R. 7590 WOULD BRING THE FEDERAL RESERVE SYSTEM BACK UNDER THE CONSTITUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PATMAN) is recognized for 10 minutes.

Mr. PATMAN. Mr. Speaker, H.R. 7590—a bill to require a full-scale General Accounting Office audit of the Federal Reserve System—will give the House the power, through its investigative arm, to exercise oversight of Federal Reserve policies. Presently the Federal Reserve System is not subject to governmental audits as is virtually every other agency and department of the Federal Government—and this situation is not what our Founding Fathers had in mind when they wrote the U.S. Constitution.

As a recent editorial in the San Bernardino, Calif., Sun Telegram noted:

> The Fed is run by a board of seven governors who are appointed by the President with the consent of the Senate. Thereafter, it is free of the checks normally exercised on federal agencies. The Fed funds its operations from interest it earns on U.S. Treasury notes and bonds it holds. What is left over is returned to the Treasury. Thus it has, in effect, an almost unlimited drawing account.

The Congress cannot fulfill its responsibilities to determine whether the Fed is operating according to the requirements of law or whether the Federal Reserve is operating efficiently and economically without a General Accounting Office audit.

As the Sun Telegram noted, after pointing out some of the more excessive expenditures uncovered by the Domestic Monetary Policy Subcommittee staff at the Fed:

> The Fed is known to all readers of the financial page as a fearless fighter of inflation. Its weapon is austerity. But the austerity is for others.

Mr. Speaker, I place in the RECORD a copy of this editorial:

[From the San Bernardino (Calif.) Sun Telegram, July 24, 1975]

Checks and Controls

The need for closer checks and controls over federal agencies becomes more obvious daily.

Item: A Senate subcommittee says it has uncovered evidence that substandard meat shipments—containing flies, hair and bits of hide and metal—are being passed by inspectors and accepted by the military. Thus both soldier and taxpayer are victims.

Item: A former CIA official says the then Atty. Gen. Robert F. Kennedy was angry when he discovered the CIA was "dealing" in death plots with the Mafia—at the same time Kennedy was trying to prosecute them. Without for the moment going into the ethics of assassinating foreign leaders, it is obvious that the two agencies were working in ignorance of each other's activities.

Item: The FBI chief tells Congress he feels burglary—to drop that "surreptitious entry" euphemism—is justified in some rare cases. More than a year after Watergate, the nation's top law enforcers are still arguing they have a right to break the law.

Item: An investigation of the Federal Reserve System's operations points to some pretty high living. This agency, called simply "the Fed" in financial circles, is a chain of 12 banks in key financial centers in the nation.

The Fed is run by a board of seven governors who are appointed by the President with the consent of the Senate. Thereafter, it is free of the checks normally exercised on federal agencies. The Fed funds its operations from interest it earns on U.S. Treasury notes and bonds it holds. What is left is returned to the Treasury.

Thus it has, in effect, an almost unlimited drawing account.

The Fed's function is to make money tight or easy by buying and selling government bonds, and by easing or tightening the money supply to commercial banks.

A House subcommittee, headed by Rep. Wright Patman, D-Tex., is attempting to get the Fed's overall operations put under the watchful eye of Congress' General Accounting Office (GAO). That is his major objective; his minor one is to have the Fed's operational spending reviewed by GAO.

This secondary objective seems well justified. Here is some random "in house" spending by the Fed, as detailed by Patman's subcommittee and reported in the weekly newspaper, the National Observer:

$389,000 for cocktail parties; $94,000 for watches, jewelry and lunches; a Christmas dinner by the New York bank, $10,985.

And in the past year alone: $237,000 for social and recreational activities; $280,000 to move bank employes, including $13,969 to move one employe 700 miles from Miami to Atlanta; and $94,321 for "employee recognition."

The Fed declines comment on the committee's findings. One can hardly blame it. What is there to say?

But a taxpayer may well comment.

The Fed is known to all readers of the financial page as a fearless fighter of inflation. Its weapon is austerity.

But the austerity is for others.

CONGRESSMAN MIKVA SPEAKS ON THE POLITICS OF CRIME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. Fraser) is recognized for 10 minutes.

Mr. FRASER. Mr. Speaker, our colleague and my friend from Illinois, Representative Abner J. Mikva, recently made a particularly insightful address on the politics of crime before the American Bar Association Convention in Montreal, Canada.

Congressman Mikva, who served with distinction on the House Judiciary Committee for 4 years, has given a great deal of thought to the serious problem of crime in our society. His speech in Montreal reflects his thoughtfulness and concern, and is worth reading. I ask that it be inserted in the Record at this point so that other Members of the House will be able to read it at their convenience:

The Politics of Crime: Past and Future

(By Congressman Abner J. Mikva)

On May 25, 1961, President John F. Kennedy sent a special message to Congress in which he said: "I believe that this Nation should commit itself to achieving the goal, before this decade is out, of landing a man on the Moon and returning him safely to Earth."

That was a bold and ambitious proposal—a direct response, in the context of the international politics of that period, to the Soviet Union's successful and surprise launch of Sputnik. If we had the will, we assured ourselves, we could find the way to achieve what Norman Mailer would later call "possibly the noblest expression of the 20th Century."

And as we moved, in leaps and bounds, from the dream to the reality of going to the Moon, we also experienced an agonizing leap in logic—if we can launch a rocket into outer space, the argument went, why can't we end poverty in "the other America?" If we can put a man and a rocket into outer space, why can't we wipe out racial discrimination? And, if we can put a man on the Moon and return him safely to Earth, why can't we walk safely on the streets of American cities?

The launching pad of the space program was political. Politics propelled us to the Moon perhaps as much as the rockets themselves. And the combination of the two—of politics and space technology—seemed to make obsolete the old definition of politics as the "art of the possible." The politics of space, at least in the earlier years, served as a sign for some people that politics in the 1960's could be the art of the seemingly impossible.

Perhaps it was in that spirit—that almost anything was possible—that Lyndon Johnson pledged in 1966 to use "every single resource of the Federal Government to banish crime from the United States of America." Or, several years later, in a more vindictive if not less ambitious spirit, the Nixon-Agnew administration promised that law and order would sweep the streets clean of crime once and for all.

The politics of crime have been with us since the early 1960's when the reality of crime was becoming a daily concern for an increasingly larger number of Americans. And it has been the inadequacy of this political response to the crime problem which has resulted in a total failure to make any headway in solving the problem. In fact, the problem is now worse than ever.

Back in the middle 1960's, the issue of crime belonged to George Wallace and others on the political right. It was George Wallace who left the school house door, came north and spoke to the white ethnic groups in the cities about crime. He listened to and articulated their fears and anger about crime.

It was George Wallace who said that crime was a major problem for people in the cities, and it was crime that became his issue. And because it was George Wallace's issue, the problem of crime became inseparable from the brand of racism which was, for most of us, the essence of George Wallace.

It was, of course, a major task for liberals to point out why Wallaceism had to be rejected—and a rejection of Wallace meant a rejection of at least the symbol of racism. And since every issue Wallace touched seemed to have the handprint of racism on it, there was a tendency to reject all of what George Wallace had come to symbolize.

So in criticizing Wallace, there was a strong tendency to minimize the problem of crime—sometimes by simply denying it was a problem, sometimes by saying it was a false issue, that crime was caused by poverty and discrimination and, therefore, we did not have a crime problem but rather an economic and social problem. In the eyes of many we were opposing something with nothing. When Wallace talked about capital punishment, we seemed to be opposing punishment. When Wallace complained about the permissiveness of Supreme Court decisions, we seemed to be defending permissiveness. In short, we accepted the pejoratives as if they were the perimeters of the problem. We refused to admit the problem of crime to the national agenda. We liberals and civil libertarians rejected it as an issue of moral legitimacy.

By 1966, with crime figures going up, and with cities going up in smoke from urban riots, the crime issue was increasingly difficult to ignore. The political pressure was mounting "to do something." And over the next several years, politicians did try to do something—but the cure was at least as bad as the illness. And what was worse was that many politicians knew that the so-called remedies were wrong, would not work and would inevitably add to the people's mounting frustration and despair. But the politics of crime demanded that something be done.

Unfortunately, examples of this "do something, do anything" approach are all too numerous. In 1968, both the House and Senate passed by lopsided margins the Omnibus Crime Control Bill. The most charitable description of the bill was that it was a cruel hoax. Some Members of the House, where it was passed the day after Robert Kennedy was assassinated, tried to make it sound like a memorial to Bobby Kennedy. And yet, the gun control provisions of the bill were so weak as to be inconsequential. Even worse, the legislation almost totally ignored any consideration for basic constitutional rights. Rights involving the admissibility of confessions in Federal courts, methods of arraignment of suspects and police procedures in the questioning of suspects were all given short shrift. As the New York Times put it: "A spectator listening to the debate in the House of Representatives on the so-called 'crime-control' bill . . . would have reason to doubt whether the Bill of Rights could get 50 votes if it were up for consideration."

Then, two years later in 1970, there was another congressional stampede to do something about crime—this one labeled "The Organized Crime Control Act." Again, it was legislation that managed to embrace inevitable ineffectiveness while ripping off large chunks of the Constitution.

This legislation was trumpeted as a major attack on the problem of crime. And yet it had virtually nothing to offer for dealing with the problems of crime in the street, or juvenile crime, or a destructive penal system, or the massive backlog of court cases or most of the other major problems of the criminal justice system.

In the last few years, we have continued to witness more pandering for public approval by politicians who should—and do—know better. There has been a resurgence in the calls for capital punishment, for stiff minimum mandatory sentences and for other "tough" measures that will have little, if any, impact on reducing crime in this country.

Nor can throwing large amounts of money indiscriminately at the crime problem solve the problem. Since 1966, we have spent more than $4 billion in Federal funds alone on crime prevention. In the same period, the crime rate has increased by 82 percent—and since 1960, the rate increased by 158 percent.

If we are to talk sense about the crime problem, and have any chance to slow or reverse the increase in crime, we are going to have to agree on several basic points. There must be the clear recognition that we do have an immediate, serious crime problem in this country.

Perhaps the ultimate solution to crime is to improve the conditions most likely to breed crime. I think most of us would agree that if by magic the great inequities which still exist in this society were to vanish overnight, we conceivably could have a greatly reduced crime problem. But magic is based on illusion and none of our citizens will benefit from that kind of deception. I think we will have a better opportunity to achieve a greater degree of social and economic fairness if our resources, energy and attention are not drained by the ever-increasing daily problem of crime. In short, we have to deal with the problem of crime for what it is—an immediate problem which cannot wait the millenium.

What should the politics of crime be concerned with in the coming years? First, we must come to grips with the problem of handguns. The facts and figures are there—and have been there—for everybody to see. Each year there are more handguns in circulation than the year before—now over 40 million. Each year there are more homicides with handguns than the year before—and more handgun-related crimes and accidents.

In a way, however, the handgun statistics do not shed light on the pervasiveness of the problem but blind us to it. It is too easy to treat these numbers as meaningless abstractions without realizing that the numbers symbolize a drastic change in the way millions of Americans must now lead their lives.

By giving up the streets of America to the threat of violent crime, we have changed our entire lives. Some of our citizens, especially those who are poor and have few alternatives, have become virtual prisoners in their own homes and neighborhoods. Others have severed long established roots in a community and moved on, the transplant never quite as satisfying. For almost everybody, the threat of violent crime has meant a change in the way they work or play, or bring up their children, or build their houses, or relate to their neighbors or participate in the community—and for many of us, the threat of violent crime has meant a change in all of these things.

The major thrust of what I am saying is understood clearly by the majority of Americans. They understand that the problem of violent crime and the use and easy availability of handguns are directly related. And the only way we can begin to stop the violence and the fear of violence in this country is to ban the sale and manufacture of all handguns.

But will the politics of crime enable us to do so? At this point I can only say that I hope so and that I am encouraged by significant movement in that direction. Attorney General Levi's recent proposal to ban Saturday night specials, while plainly inadequate, is still a step in the right direction. And it is the first time in at least six years that the Attorney General of the United States has even taken a position on the handgun issue.

And with the revulsion of handgun-related violence growing stronger among the American people, it may no longer be politically safe for a politician to take a hands-off position on handguns. Whether we can get a ban on handguns will be decided largely by the citizens lobby for handgun control. Their effort is beginning to rival the clout of the NRA and the gun manufacturers in what I believe will be the most important battle for crime prevention in the coming years.

I think the time has come to eliminate the indeterminate sentence and the parole system. The combination of indeterminate sentences and arbitrary and discriminatory decisions by parole boards have turned prisons into violent jungles.

Not knowing when release will come, the inmate is at the mercy of fellow prisoners and prison personnel. The inmate knows he must either play the game according to their rules or spend the maximum term in prison fearing for his life. Rather than foster reform and rehabilitation, the sentencing and parole procedures reinforce the inmate's belief that he is a victim of a cruel and unjust society.

Equally important, we create unreasonable expectations about the parole and probation systems. We pretend that the mortals who grant probation and parole can really predict future human behavior. And we are outraged at their fallibility. Thus, when we demand even longer sentences and a return of the chair, we are punishing the parole boards as much as the parole violators.

The indeterminate sentence and parole system should be replaced with a determinate or "flat time" sentence. An offender's specific period of incarceration would be fixed by the court, to be reduced by one day for each day of "good time" served.

I realize that some judges will be troubled by the diminution of their discretion. But however sensitive and well intentioned the sentencing judge's exercise of that discretion, the floating sentence has proved to be a reform that did not work. Between the abuses of some judges, some prison officials and some parole boards, confidence in the criminal justice system has been denigrated by indeterminate sentences.

We must also restore the speedy trial as a way of restoring some effectiveness and confidence in the criminal justice system. Last year congress acted mildly in the direction of speedy trials at the Federal level. We need to do more, and more important, the States must do a lot. The current delay between arrest and trial, the injustices involved, the propensity for recidivism, the loss of deterrent effect all, tend to make a delayed justice system no system at all. If we really could develop a pattern of justice swift and sure, we could vastly diminish the clamor for a lot of proposals that don't work.

Our people have little faith in the criminal justice system. As much as anything else, it has caused the breakdown in our system of Government. Fear stalks the streets of our urban areas not only because of the rising crime rate, but also because of the declining belief that Government is capable of doing anything about crime. People stay in their houses fearful that the prime reason for leaving their caves and joining into a society is no longer operative. The collective force of government cannot protect them from the two-legged animals who have replaced the lions and tigers and bears of another era. As their confidence in government diminishes, as the sidewalks of our cities have less and less people using them each day, that fear becomes a self-fulfilling prophecy.

Nearly 50 years ago, Mr. Justice Brandeis said: "Our Government is the potent, the omnipresent teacher. For good or ill, it teaches the whole people by its example." We cannot afford another decade in this country of a politics of crime which offers placebos rather than programs which can work, and rhetoric rather than realistic alternatives to current problems. All of us who play a part in the criminal justice system, at all levels of our society, practitioners and politicians alike, have a special responsibility to improve that system—the rule of law does not have a prayer in a society that believes that locks and guns are the only things that keep them safe.

PANAMA CANAL: PANAMA HEADED FOR CONFRONTATION?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. Flood) is recognized for 5 minutes.

Mr. FLOOD. Mr. Speaker, in an address to the House of Representatives on September 29, 1966, on "Panama Canal: U.S. Sovereignty or Communist Control?" I commented on the resolutions adopted in January of that year in Havana by "the Tricontinental Conference of African, Asian, and Latin American Peoples" with this then startling conclusion:

> The real issue at Panama is not academic or hypothetical, it is not U.S. sovereignty over the zone versus Communist control. This is the truth, the whole truth, and nothing but the truth. (H. Doc. No. 474, 89th Congress, p. 521).

Since that time the situation facing the United States in its lawful possession of the Panama Canal and its indispensable protective frame of the Canal Zone has steadily degenerated, with U.S. Secretary of State Henry A. Kissinger on February 7, 1974, signing with Panamanian Foreign Minister Juan A. Tack an "Agreement on Principles" to govern the negotiation of a new canal treaty that would surrender U.S. sovereignty to Panama. This was done in spite of strong opposition in the Congress—House and Senate—which is the agency of our Government vested by the U.S. Constitution with the power to dispose of territory and other property of the United States.

In spite of extensive revelations in the Congress over many years, it is regrettable that the mass news media, with few exceptions, has failed to present the facts in the situation in a comprehensive manner, but has generally supported the State Department's program for surrender. In a most timely syndicated column on September 10, 1975, the well-known news commentator, William F. Buckley, Jr., exposed some of the current press deceptions about the canal problem. The crucial facts behind his disclosures are simple:

First. The United States was granted full sovereign rights, power, and authority over the Canal Zone in perpetuity in the 1903 treaty, and obtained title to all privately owned property in the zone by purchase from individual owners;

Second. The United States did not "lease" the Canal Zone as is so often misstated by publicists and asserted in reference books;

Third. The United States does not pay a "rental" for the zone, which it owns, but an "annuity";

Fourth. This annuity is the gratuitously augmented obligation of the

Panama Railroad previously paid Colombia before Panamanian independence that was assumed by the United States in the 1903 treaty; and

Fifth. The crucial issues are retention of undiluted U.S. Canal Zone sovereignty over the Canal Zone and the major modernization of the existing Panama Canal for both of which measures are now pending in the Congress. All other major questions, including the highly propagandized sea level proposal are unrelated to the realistic problems involved in the transit of vessels and should not be allowed to delay or confuse prompt action by the Congress in the premises. Attention is invited to my address in the Congressional Record of September 5, 1975, page 27729, quoting the resolution of the 1975 annual convention of the American Legion on this subject.

In order that the Congress and the Nation at large may have the indicated article readily available, I quote it as part of my remarks:

[From the Washington Star, Sept. 10, 1975]

Headed for Confrontation on the Panama Canal

(By William F. Buckley, Jr.)

Everyone is agreed that, in respect of the Panama Canal, we are headed for confrontation. It's our fault, mostly, though the anticolonialist Zeitgeist plays a role in it. It's our fault in the sense that nobody would be talking about the necessity of the United States abandoning the Panama Canal if the United States hadn't begun, as it did under Eisenhower, making concessions on the subject.

Nobody, outside the deejays in Radio Havana, talks about the United States giving up its naval base in Guantanamo, Cuba, and the reason is every bit as simple as that we have no intention of abandoning our naval base in Guantanamo, Cuba. But treat yourself to one president, or even one chairman of the Senate Foreign Relations Committee, on "Meet the Press" or the "Today" show, beating his breast about our atavistic presence in Cuba, and the subject comes up for immediate negotiation. Then the entire Third World closes in on you, and you make silly defensive speeches in the United Nations, and pretty soon we have a ceremony, and John-John pulls down the American flag, and our last destroyer steams out into the sunset.

But what then steams in, in all probability and given the dynamic flux of the world situation, is the Soviet Navy. And of course it is the Soviet Navy we are properly concerned about in Panama. Running Panama at the moment is a talkative left-wing despot who staged a coup in 1968 and has suspended democratic elections. He studied his economics from Allende, and openly praises Castro. He has talked publicly about the need for a guerrilla war of liberation if the United States does not give in to his demands. Behind him is all the United Nations, whose Security Council junketed down to Panama to thunder and shake over the vestigial act of western colonialism, ending its filibuster only when interrupted by a U.S. veto.

Meanwhile, Henry Kissinger has gone down there to mollify Torrijos, and Ambassador Bunker, the kindliest and most intelligent of men, whose footsteps, unfortunately, are dogged by historical scavengers, is down there trying to work something out. While the executive was planning an orderly retreat from Panama, suddenly a Senate minority and a House majority acted in separate resolutions indicating quite clearly that they had no intention of backing away from Panama. The canal, for those who've forgotten it, is United States territory. As much so as Key West or Atlantic City. And the Constitution requires an acquiescence by both houses in the abandonment of U.S. territory.

But don't you see, we won't abandon it, they reassure us. We'll merely modify the existing situation, which is unacceptable to Panamanian pride, and still maintain effective military control over the area.

No doubt the plans for retreat are more sophisticatedly drawn up than as intimated here. But we are in fact losing sight of the scaffolding of the American argument:

1. We don't "lease" the canal—we compensate Panama for the use of the railroad, not the canal, which is ours.

2. We don't make a profit from the canal, we plow all revenue back in toward its maintenance.

3. If France and England weren't able to maintain, according to the schedule agreed upon, their hold on Suez, how could we expect, having relinquished effective operational control, to contain the likes of Torrijos?

4. The big and important countries of Latin America, Venezuela excepted, aren't all that hot to give little Torrijos the keys to a canal on which they depend so heavily. There has been only formalistic pressure from Argentina, Brazil, Chile, Uruguay and Ecuador.

5. It may just not be too soon for somebody in the United States government responsibly placed to open up the question whether our flight from colonialism is historically or morally justified. In a world that seeks stability so that it can focus on the problem of producing food for hungry people, the passion to decolonialize becomes an abstract imperative alongside the humanitarian alternative of staying in there, particularly if you have strategic responsibilities to defend. Resolved, the United States should hang on to its canal in Panama.

CONSUMERS SCORE VICTORY OVER FEDERAL RESERVE BOARD ON DISCOUNT-SURCHARGE ISSUE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. Annunzio) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, consumers have won an important victory over the Federal Reserve Board. In response to my strong letter to the Federal Reserve Board, the Board reversed its position on allowing merchants to surcharge consumers who pay by credit card rather than cash. As I requested, the Board's final regulations implementing the Fair Credit Billing Act make no mention of surcharges. While I appreciate and am gratified by the Board's rejection of the use of surcharges under this act, it is of greater significance that consumers, not Frank Annunzio, are the big winners on this issue.

The Fair Credit Billing Act passed by Congress last year provides in section 167, in clear and unambiguous language, that merchants may give discounts to consumers who pay by cash rather than by credit card. The intent was to help out cash customers, but not penalize credit card users. Section 167 provides:

Sec. 167. Use of Cash Discounts.—

(a) With respect to credit card which may be used for extensions of credit in sales transactions in which the seller is a person other than the card issuer, the card issuer may not, by contract or otherwise, prohibit any such seller from offering a discount to a cardholder to induce the cardholder to pay by cash, check, or similar means rather than use a credit card.

(b) With respect to any sales transaction, any discount not in excess of 5 per centum offered by the seller for the purpose of inducing payment by cash, check, or other means not involving the use of a credit card shall not constitute a finance charge as determined under section 106, if such discount is offered to all prospective buyers and its availabiilty is disclosed to all prospective buyers clearly and conspicuously in accordance with regulations of the Board.

Contrary to the law's provision for a discount, the Board's revised proposed regulations published on July 30, 1975, permitted merchants to surcharge consumers who paid by credit card. In addition, for a surcharge of 5 percent or less, the Board did not require the finance charge disclosures required by the Truth in Lending Act.

Yet, the word "surcharge" is not even in this legislation. A surcharge would permit merchants to add on a surcharge for credit card use, rather than reducing the posted price for cash customers. Consequently, the surcharge method would have resulted in no benefit to cash customers, and a penalty for credit card users.

Let me illustrate the difference in how a discount and a surcharge could operate. You drive into a gas station and buy $5 worth of gas. If a 5 percent discount were in effect a cash customer would pay $4.50—a benefit—and a credit card user, $5—same as before. If a 5-percent surcharge were in effect a cash customer would pay $5—no benefit—and a credit card user $5.50—a penalty.

The Board's action in its revised proposed regulations clearly distorted the law and exceeded the Board's authority. Since there are 500 million credit cards in circulation, the surcharge could have cost consumers using credit cards billions of dollars. Most of these credit card users are middle-income wage earners who generally find it difficult to pay cash during today's recession and inflation.

As chairman of the subcommittee having direct legislative jurisdiction over the Fair Credit Billing Act, I felt it my duty to protect this action by the Federal Reserve Board. Accordingly, I sent a letter on August 14, 1975, to the Federal Reserve Board indicating in no uncertain terms my disagreement with permitting surcharges and the potential harm to consumers involved.

I warned the Board that, if it did not remove reference to surcharges in its final regulations, I would introduce legislation specifically prohibiting such surcharges. Fortunately, the Board's final regulations make this unnecessary.

The Board has now written me seeking my assistance, as well as other Congressmen, in "obtaining express legislative action that would make clear the intended application of section 167 of the statute."

I find this request for further legislation unnecessary. The Board's vote to approve the final regulations which excluded the surcharge method in reversal of its earlier contrary position reflects that the Board was able to reach a conclusion as to the meaning of the law.

Such legislation could perform no clarifying purpose since section 167 in its present form is already expressly clear: discounts, and discounts only, are permitted.

I am pleased at the Board's action in its final regulations with respect to discounts and feel that no further clarification, legislative or otherwise, is necessary on this issue.

Following my comments I have included the text of my letter to the Federal Reserve Board on August 14, 1975, and the reply from Chairman Burns:

Subcommittee on Consumer Affairs of the Committee on
Banking, Currency and Housing,
Washington, D.C., August 14, 1975.
Board of Governors,
Federal Reserve System,
Washington, D.C.

Dear Mr. Chairman and Members of the Board: As Chairman of the Subcommittee having direct legislative jurisdiction over the Fair Credit Billing Act, I am vitally interested in the provisions of the Rules and Regulations you will be promulgating under that Act. I would like to direct your attention, specifically, to that provision of the statute and your proposed regulations of April 30 and July 30, 1975, which deal with the merchant's right to offer cash discounts in lieu of customer payments by credit cards.

Section 167(a) of Public Law 93–495 provides in pertinent part that a "... card issuer may not, by contract or otherwise, prohibit any such seller from offering a discount to a cardholder to induce the cardholder to pay by cash, check, or similar means ..."

Subsection (b) of that Section provides that such a discount not in excess of 5% is not subject to the disclosure requirements of Truth in Lending if it is offered to all prospective buyers and if it is clearly and conspicuously disclosed to all customers of the establishment.

The wording of the statute on this subject seems remarkably clear of ambiguity. However, the regulations proposed by the Board on April 30 went beyond the rulemaking authority granted to the Board by the Congress in that the Board not only authorized discounts, but in addition allowed merchants to surcharge credit card customers. The initial proposed regulation at least required disclosure of such surcharges under Truth in Lending.

I was totally shocked by the revised proposed regulations issued by the Board on July 30 of this year. Not only does the Board provide for surcharges on credit card customers but exempts from Truth in Lending disclosure requirements of any surcharge of 5% or less. This is a major distortion of congressional intent, indeed, it goes much further than is permitted by the clear wording of the statute. In short, the Board has sought to preempt the legislative prerogative of the Congress.

As a member of the House and Senate conference committee that dealt with the Fair Credit Billing Act, I recall no discussion of surcharges for credit card customers nor does any such discussion appear in the statement of managers on the legislation.

The result of your action in allowing and in fact encouraging surcharges will be a marked inflationary impact on the vast number of consumers who use credit cards without any corresponding benefit to other consumers. I remind you that most credit card users are middle income wage earners who generally cannot pay cash under today's economically troubled, inflation ridden circumstances. They certainly cannot afford an additional surcharge.

Let me refer to Webster's dictionary. A "surcharge" is defined as "an additional tax, cost, or impost: an excessive load or burden." The same dictionary defines "discount" as being "a reduction made from the gross amount or value of something: a reduction made from a regular or list price: a proportionate deduction from a debt account usually made for cash or prompt payment." It seems abundantly clear that a discount is something which is subtracted from a stated amount. A surcharge is something which is added to a stated amount.

It is not clear that the acceptance of credit cards imposes a real cost on merchants. Indeed, a Federal Reserve Board task force study concluded that the merchant's increased volume more than offset the credit card cost.

However, it is not necessary to resolve that question at this time. It is enough that Congress has authorized merchants to offer a a cash discount without requiring its disclosure under Truth in Lending. It is unthinkable for you to authorize the imposition of a surcharge on credit card users. There is nothing in the Act or the legislative history suggesting such a step and certainly there is nothing to exempt a surcharge from disclosure under Truth in Lending. A 5% surcharge would exceed a 60% annual interest rate! And the consumers would have to pay an interest rate as high as 18% if the full bill were not paid at the end of 30 days. It can easily be seen that the 60% interest rate is only the floor rather than the ceiling.

It has been estimated that there are more than 500 million credit cards in circulation. If the Federal Reserve Board allows a 5% surcharge every time one of those credit cards is used, it can easily be seen that the excess cost to consumers will reach billions of dollars every year. Congress sought lower costs to consumers by giving discounts for paying cash. It did not seek to increase costs to consumers who used credit cards.

If the Board persists in this unwise action, I want the public to know that it is solely the actions of the Board rather than the actions of the Congress which is responsible for charging credit card customers billions of dollars a year in excess costs.

It is vital that your regulations be drawn in the light of the real world. I cannot imagine that a significant number of stores will lower all of their prices in order to charge a fair surcharge for credit card use. Instead, it is obvious that prices will remain just as they are. But credit card users will be charged a 5% surcharge on top of the ordinary price they are now paying. The cash customer will not be benefited. The credit card customer, who generally cannot afford to pay cash, will be penalized an additional 5%.

These are some of the reasons that the statutory language makes no mention of surcharges and only permits discounts.

Accordingly, Mr. Chairman, I urge the Board to remove any reference to surcharges in its final regulations. If this is not done, then I will have no alternative but to introduce legislation specifically prohibiting surcharges and I will bring this legislation before the Subcommittee at the first possible moment in order to prevent this legislative distortion.

I hope that such legislation, and subsequent action will not be necessary.

Sincerely,

Frank Annunzio,
Chairman.

Federal Reserve System,
Washington, D.C., September 16, 1975.
Hon. Frank Annunzio,
Chairman, Subcommittee on Consumer Affairs, Committee on Banking, Currency, and Housing, House of Representatives, Washington, D.C.

Dear Mr. Chairman: I am writing to request the assistance of the Congress in resolving a difficult question of Congressional intent which has arisen in the Board's efforts to prescribe regulations required under Section 167 of the Fair Credit Billing Act (Title III of P.L. 93–495).

That Section, which becomes effective October 28, 1975, provides as follows:

"§ 167. Use of cash discounts

"(a) With respect to credit card which may be used for extensions of credit in sales transactions in which the seller is a person other than the card issuer, the card issuer may not, by contract or otherwise, prohibit any such seller from offering a discount to a cardholder to induce the cardholder to pay by cash, check, or similar means rather than use a credit card.

"(b) With respect to any sales transaction, any discount not in excess of 5 per centum offered by the seller for the purpose of inducing payment by cash, check, or other means not involving the use of a credit card shall not constitute a finance charge as determined under section 106, if such discount is offered to all prospective buyers and its availability is disclosed to all prospective buyers clearly and conspicuously in accordance with regulations of the Board."

Subsection (b) has been the focus of the problem. You will note that the Section does not require any merchant or card issuer to take any action. It merely provides that if a merchant chooses to offer a discount of up to 5 per cent for payment by cash, that discount is excluded from the credit finance charge for the purpose of Truth in Lending disclosures. The discount can thus be offered without making Truth in Lending disclosures at the point of sale.

While the provision appears straightforward, it has given rise to perplexing problems. For example, when merchandise with a posted price of $100 is available at that price by use of a credit card, and at $96 for cash, the differential is clearly a "discount" covered by the Section. But if an article has a posted price of $96, and is available at that price for cash, and at $100 by credit card, there is doubt as to the status of the $4.00 differential. Is the $4.00 differential a "discount" within the meaning of the Section, or is it a "premium" or "surcharge" and not a "discount?"

It has been represented to the Board that the economic effect may be largely the same in both cases and that sometimes it may be difficult or impossible in practice to distinguish one type of situation from the other. From this it has been argued that the differential in both cases is a "discount". On the other hand, it has been contended that the two may differ widely in their marketing and operating aspects, that the wording of the statute refers only to "discount", and that the price differential in the second case falls outside the statute.

On April 30, 1975, the Board published proposed regulations on the subject that would have excluded the second type of differential from the special treatment provided by the statute. On July 30, 1975, the Board published revised proposals taking the opposite position. Chairman Proxmire of the Senate Banking Committee has urged that the "premium" or "surcharge" differential be treated as a "discount". You have urged that it not be treated as a "discount" within the meaning of the statute.

After extended consideration the Board decided by a 4–3 vote to approve a regulation that excludes the second type of price differential from the special treatment provided by the statute. The Board unanimously agreed to seek your assistance in obtaining express legislative action that would make clear the intended application of Section 167 of the statute. The lack of such clarifying action, with attending differences of opinion as to Congressional intent, may well lead to costly litigation and impose substantial burdens on creditors, consumers and the courts.

I am sending similar letters to the Chairmen and ranking minority members of the Senate and House Banking Committees and the Consumer Affairs Subcommittees of those Committees.

Sincerely yours,

Arthur F. Burns,
Chairman of the Board of Governors.

ON THE OUTRAGEOUS CIA USE OF NEW YORK CITY SUBWAYS FOR TESTING OF GAS

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Koch) is recognized for 5 minutes.

Mr. **KOCH**. Mr. Speaker, I read with astonishment and anger today's news report that William E. Colby, Director of Central Intelligence, advised the Senate Select Committee on Intelligence that the CIA had used the New York City subway system as a "trial model for a study on the vulnerability of subway riders to covert attack." The news report goes on to state,

> According to Congressional sources, CIA officials have said they flooded the New York subways with a "harmless simulant" of a disease-carrying gas.

This particular aspect taken in connection with the fact that the CIA has committed so many other unconscionable acts, establishes that the CIA has violated its trust and it no longer has the confidence of the American people.

Its job as conceived in 1947 was counterintelligence to provide the United States with information relating to matters outside of this country. The facts now reveal that the CIA has engaged in illegal matters, covert actions both overseas and here in the United States and it may well be that it cannot even be restructured. Perhaps we have reached the point where the President and the Congress should consider abolishing the CIA and creating a new agency to perform its legitimate functions.

I am not one who believes that we should forego counterintelligence activities, but I also believe there are limits in these areas. The many illegal CIA activities now revealed for the first time, are not only to be condemned but must be prevented from happening again.

I am writing today to CIA Director William Colby, New York City Mayor Abraham Beame and David Yunich of the Metropolitan Transit Authority asking whether the latter two or their predecessors were ever apprised of the activities of the CIA in using the subways of New York in an experiment so fraught with danger, and to determine the composition of the "harmless simulant" of a disease carrying gas.

My correspondence follows:

House of Representatives,
Washington, D.C., September 17, 1975.
Hon. Abraham Beame,
Mayor,
City Hall,
New York, N.Y.

Dear Mr. Mayor: I read in today's *New York Times* that the CIA had used the New York subway system as a "trial model" by flooding the subways with a "harmless simulant of a disease carrying gas." I would appreciate knowing whether the records of the City of New York indicate that anyone in authority was ever apprised of this experiment by the CIA in advance or at any time. I also urge that you condemn by letter to Director Colby the use of the subways for that purpose.

In addition I ask that you ascertain from the Corporation Counsel whether the CIA may have violated the City or State law in undertaking such an experiment without lawful permission, if that is the case, from either the City of New York or the MTA.

Sincerely,

Edward I. Koch.

House of Representatives,
Washington, D.C., September 17, 1975.
David L. Yunich,
Chairman, Metropolitan Transit Authority,
1700 Broadway, New York, N.Y.

Dear Chairman Yunich: I read in today's *New York Times* that the CIA had used the New York subway system as a "trial model" by flooding the subways with a "harmless simulant of a disease carrying gas." I would appreciate knowing whether the records of the MTA indicate that anyone in authority was ever apprised of this experiment by the CIA in advance or at any time. I also urge that you condemn by letter to Director Colby the use of the subways for that purpose.

Sincerely,

Edward I. Koch.

House of Representatives,
Washington, D.C., September 18, 1975.
Hon. William E. Colby,
Director, Central Intelligence Agency, Washington, D.C.

Dear Director Colby: I read with shock and anger the report in today's *New York Times* that the CIA had undertaken an experiment using New York City's subways in which they flooded the subway system with a "harmless simulant of a disease-carrying gas."

I should like to know whether permission was secured from the City of New York or the Metropolitan Transit Authority in advance of your undertaking such a test and if not, why not. In addition I would like you to know that I consider such testing under such circumstances to be an outrage. This action gives added reason to those who condemn the CIA out of hand.

I am one of those who believes the CIA has a function to engage in intelligence gathering overseas; unfortunately it has not restricted itself to its legal functions but has in fact engaged in illegal activities which must be condemned.

In all events I should like to have a copy of the report that the CIA prepared on this matter at the time of the experiment providing any or all of the information bearing thereon.

Sincerely,

Edward I. Koch.

THE GOLDEN RULE, IMF STYLE

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. Reuss) is recognized for 20 minutes.

Mr. **REUSS**. Mr. Speaker, for years statesmen have been warning of the plight of the less developed countries and their desperate need for more help from the wealthy. The less developed countries came to the annual meeting of the World Bank-International Monetary Fund family in Washington early this month hoping that their needs would at last be recognized.

What happened is hard to believe. They were met on arrival with the August 31 set of "principles" agreed to by the IMF's Interim Committee, a body of the 20 finance ministers representing the 127-member countries. Under those principles, one-sixth of the IMF's $23 billion stock of gold—at current prices—was to be earmarked for the less developed countries, with the profits, when, as, and if those profits were made, to be distributed in some undetermined fashion to the poor.

An equivalent pile of one-sixth of the IMF's gold was to be sold, not at its current $150-or-so an ounce market value, but at a cut rate of $42 an ounce, to an "insiders" list of distributors which almost exactly corresponds to the world's wealthiest countries, with the poor countries getting a few crumbs. For example, at the current market price, the profit to the United States could be $500 million, to the oil producers—Saudi Arabia, Kuwait, and Iran—$250 million, to Great Britain $230 million, to Germany $140 million, to France $130 million, and to Japan $100 million.

In contrast the potential profits of Malaysia would be $16 million, Korea $8 million, Afghanistan $3 million, drought-stricken Mauritania $1 millon, Bangladesh $11 million, Sri Lanka $9 million, Honduras $2 million, and Colombia $14 million.

The Golden Rule—the idea of all the world's great religious faiths that you should do unto others what you would have them do unto you—is what the poor countries expected to have applied to them when they got to Washington.

Instead, what they got was the Golden Rule, IMF style: those who have the gold make the rules!

Developing country members immediately expressed their displeasure at giving IMF aid to the wealthy. The IMF's press release disclosed that the developing countries felt "that the proposed arrangements for gold would give rise to a highly arbitrary distribution of new liquidity, with the bulk of the gains accruing to developed countries."

In justice to the U.S. Treasury, it should be said that they did not think up this monstrosity. The doubtful honor here seems to belong to our French friends.

What comes next? The Interim Committee is scheduled to meet in January, 1976, to hash over its August 31 package of "principles" once again. Then the IMF Executive Directors and then the Governors must agree. Then the complete package of reforms, on quota, gold, and exchange rates, would have to be submitted to each government for its parliamentary approval, including to the U.S. Congress.

I serve notice now that I shall oppose

any distribution of IMF foreign aid to the greedy rather than the needy, as the August 31 "principles" propose.

The tentative "principles" on which the Interim Committee is working are:

1. QUOTAS

General agreement was reached in January 1975, to increase total IMF quotas by 32.5 percent or from 29.2 billion special drawing rights—SDR's—to 39 billion SDR's. But there had been continuing disagreement on how much the quotas of some industrial countries, including the United States, should be reduced proportionately and on how much the quota share of other members, especially oil producers, should be increased. Finally, at the last meeting of the Interim Committee, quota increases for the industrial countries and for the major oil exporting members were agreed.

The U.S. quota will be reduced slightly, to 20 percent. At the same time, the majority required in the Fund to approve important decisions will be increased from 80 to 85 percent of the total voting power. Thus, the veto capability of the United States will be preserved. The modest proportional reduction in the U.S. quota seems consonant with new economic realities.

2. EXCHANGE RATES

Another issue that has blocked agreement on international monetary reform is whether members of the IMF should commit themselves to an eventual return to fixed parity exchange rates. The U.S. position is that Fund members should be able to choose whether to state a fixed parity for the external value of their currencies or to let that value be determined primarily by the interaction of private supply and demand in the exchange markets. Our officials have therefore resisted any commitment to a particular exchange rate regime. The floating exchange rate regime has served the United States well, and has helped keep the international monetary system functioning despite an oil embargo, the quadrupling of the cost of imported oil, and wide discrepancies among IMF members in rates of inflation, the level of interest rates, and the extent of declines in output during the recent recession.

Either fixed or floating, market-determined exchange rates can be manipulated to foist on other countries domestically induced unemployment or inflation. So long as an IMF member is not exporting economic problems that could be managed domestically, it should be able to choose without prejudice the type of exchange rate regime that it considers best for its own purposes.

This is the view of U.S. monetary authorities, of the House Committee on Banking, Currency, and Housing and of the Congressional Joint Economic Committee. It was most recently articulated in a report published jointly in August by the House Banking Subcommittee on International Trade, Investment and Monetary Policy, chaired by Representative THOMAS M. REES, and by the Joint Subcommittee on International Economics, which I chair.

The staunchest advocate in the IMF of a commitment to an eventual return to fixed parities is France. At its most recent meeting, the IMF Interim Committee did not attempt to reach a position on exchange rates that would be mutually acceptable to both the United States and France. This issue was deferred until the next meeting, scheduled for January 1976.

3. GOLD

The agreement on gold announced by the Interim Committee would abolish the official price of gold, currently set by the IMF at 35 SDRs per troy ounce, and abolish the obligation of Fund members to use gold to pay 25 percent of their quota subscriptions and in certain other transactions. The agreement specifies that one-third of the Fund's gold stock will be disposed of. A sixth of the stock, or 25 million ounces, will be sold in the market, and the profits used for the benefit of developing countries. Precisely how these profits will be shared, or the mechanism through which they will be disbursed, has not yet been decided.

The U.S. proposal is that the profits be used to finance a trust fund that will make long term balance-of-payments financing available to developing countries most seriously affected by commodity price increases and export revenue shortfalls. Another sixth of the Fund gold stock will be returned to the members that initially paid the gold into the IMF to satisfy their quota obligations. Included in the proposed amendments to the IMF Articles will be a request for enabling powers to dispose of the remaining two-thirds of the existing Fund gold stock in a manner acceptable to members holding at least 85 percent of the total voting power.

To accompany the Interim Committee's agreement on gold, the 10 largest industrial countries have undertaken certain commitments to help implement that agreement. Most importantly, the Group of Ten has agreed "that there be no action to peg the price of gold" in the market, and that as a consequence of central bank purchases of gold in the market, the total number of ounces of monetary gold, including gold now held by the IMF, will not be increased. The Group of Ten agreed that these arrangements would be reviewed 2 years after initial implementation to determine whether they should be continued, modified, or terminated.

Many details regarding the implementation of the gold agreement are still unresolved. For example, it is uncertain whether the IMF will offer its gold through dealers in the major cities where gold markets exist, through public auction, or whether private placements with individuals or monetary authorities will be considered.

Nor is it known over what period the sales will be executed, in what increments they will be paced, or the extent to which sales may be curtailed in reaction to declines in the market price. Whether the agreement will decrease the automatic gold tranche drawing rights of IMF members is presently uncertain. Nor is it clear that the Group of Ten pledge to take "no action to peg the price of gold" prohibits central bank purchases in the market to slow or diminish a decline in the price.

The gold agreement has defects additional to its inequity. It may well increase the proportionate value of international monetary reserves held in the form of gold and delay further distribution of special drawing rights in the future. The IMF will sell a sixth of its gold stock at market prices and a sixth at the existing official price to monetary authorities. National monetary authorities could conceivably purchase most of the gold that the Fund sells in the market. Thus, one-third of the Fund gold stock, or 50 million troy ounces, could be transferred from the Fund to the monetary authorities of member states and carried on the books of the latter at a price three or four times the price now used by the IMF. This procedure would constitute a partial revaluation of the world's gold reserves. During the next year or two, therefore, a significant proportion of additions to the reserve stocks of monetary authorities could—as a consequence of this agreement—be in the form of gold. Other things being equal, the greater the supply of gold reserves, the less is the need for additional reserves created by the IMF in the form of special drawing rights.

Moreover, the gold agreement does not clearly signal a reduction in the future international monetary role of gold. Instead, this question is clouded by ambiguity. There is some basis to hope that the most dire of these possible consequences will not actually come to pass. Nevertheless, the agreement fails to take a clear stand on the international monetary role of gold, and to indicate that this role will necessarily be diminished in the future. On the contrary, that role might grow.

The gold agreement is not cast in concrete. It is possible to substitute a superior arrangement in its place, although doing so at this stage will admittedly be difficult. Another meeting of the Interim Committee is scheduled for January 1976. The package of reforms is not yet complete. The report of the Interim Committee will be transmitted to the IMF Executive Directors as a recommendation. The Executive Directors and Governors will vote on the Interim Committee's recommendations for monetary reform, and if approved, transmit them to the individual member states for ratification. Thus a superior plan does have opportunities in January.

What would be the characteristics of a superior plan? It would be equitable, it would not increase either the proportion or the total value of international monetary reserves held in the form of gold, and it would unequivocally signal a future diminution in the international monetary role of gold. Of course, as a major reserve asset constituting presently about 20 percent of all reserve holdings, gold cannot be phased out overnight. But the international monetary reform now being negotiated should immediately begin the process of diminishing the significance of gold, rather than permit the question to be determined by the disparate actions of various central banks.

It would be preferable to sell the full one-third of the IMF gold stock that is being disbursed in the market. The proceeds from the sale of 50 rather than 25 million ounces of gold could then be used to benefit developing countries. There is no need to confer windfall gains on the wealthy. If the rich countries stick at giving one-third of the gold to the poor, let them at least refrain from grabbing the widow's mite of one-sixth largely for themselves.

If the sale of a portion of the IMF's gold produced a shortage of international reserves—and there is some dispute now about whether the total stock of international liquidity is deficient or excessive—the members of the IMF can agree to create sufficient additional special drawing rights to eliminate any such deficiency.

Such an arrangement would be equitable, it would permit more precise control over the growth of international liquidity than the existing agreement, and along with abolition of the official price of gold and the need to use gold in transactions with the IMF, would unambiguously signal the beginning of a gradual movement to phase out gold as international money.

I hope that all interested parties will give this alternative proposal serious consideration, and that the January Interim Committee meeting will succeed in producing a complete package that is equitable and sensible. If countries want to foist an inequitable plan on the world, let them stand up and be counted. Let us not join with them. Even on opportunistic grounds, the proposed purchase is not worth it.

The current reform exercise is the first complete overhaul of the IMF Articles since Bretton Woods. When the time comes to consider proposed amendments for ratification, the Congress will want to examine a package that reflects sound monetary economics and sound development policy—not political accommodation.

PUBLIC SAFETY OFFICERS ACT OF 1975

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. FORD) is recognized for 5 minutes.

Mr. FORD of Michigan. Mr. Speaker, today I am introducing the Public Safety Officer Benefits Act of 1975. This bill, which I strongly supported in the 93d Congress, was passed by the House but was not acted on by the Senate. It would amend the Omnibus Crime Control and Safe Streets Act of 1966 to provide a $50,000 Federal payment to the surviving dependents of public safety officers who die as a result of injuries received in the course of duty. The legislation would benefit both law enforcement officers and firefighters and be retroactive to October 11, 1972, which is the date upon which we first passed this bill in the House.

Mr. Speaker, public safety officers are entitled to the protection of this bill. They put their lives on the line every day. Last year, in my own congressional district, a young patrolman in Westland gave his life attempting to aid an alleged suicide victim.

Last year, 132 law enforcement personnel, the largest number yet, were killed in the line of duty. So far this year 82 have been killed. Between 1961 and 1974, there were 1,134 deaths as a result of injuries sustained in the line of duty. There has been a 20-percent increase in such deaths over the last 10 years.

The Department of Labor has found that firefighting is now the most dangerous profession in the United States. Between 1960 and 1974, some 1,226 firemen lost their lives protecting our homes and communities.

Most State and local governments have not been able to provide our public safety officers with adequate insurance coverage. The Law Enforcement Assistance Administration has determined that 30 to 40 percent of all salaried firefighters and police officers are not even partially covered by insurance funded by their employers. Today the family of a policeman or fireman who has died in the line of duty may find voluntary contributions from private citizens the only source of economic support to help them through their difficult days. Furthermore, it is usually the young public safety officer who is killed, the one just setting himself up with a new home and a mortgage, and a new car—and a debt—and young children to be provided for. Should these families be turned out of their homes? Should their children forgo the education and other opportunities they would have received had their fathers lived?

Mr. Speaker, it is questionable as to whether or not the $50,000 benefit in this bill is adequate—it certainly cannot compensate the survivors for their tremendous loss. It is a beginning, however, toward implementing the recommendations of the National Advisory Commission on Criminal Justice Standards and Goals which urges that Federal benefits be extended to local law enforcement personnel who lose their lives in the performance of their duty.

It is the responsibility of this Congress to recognize the courage and dedication of our law enforcement officers and firefighters. The benefits which this bill provide are little enough in view of the sacrifices that are made on society's behalf.

Mr. Speaker, I strongly urge the prompt enactment of the Public Safety Officer Benefits Act. These courageous public servants are entitled to it.

THE PUBLIC CITIZEN'S HEALTH RESEARCH GROUP REGARDING THE TOBACCO SUPPORT PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

Mr. JONES of North Carolina. Mr. Speaker, it has come to my attention that a distinguished Member of the other body inserted in the CONGRESSIONAL RECORD the entire report on "The Public Citizen's Health Research Group Regarding the Tobacco Support Program."

It is my understanding that this report was filed as a result of a study conducted by a doctor and a law student intern. In order that certain facts which they chose to ignore might be brought to the attention of all concerned, I would like to make the following comments:

It is about what can be expected when a law student teams up with a doctor to hammer out a summer research project on agricultural economics, a subject far afield from whatever expertise they may possess.

Predictably, the product is a mass of confusion. It is a disservice to the Congress, the American people and, not the least, to the credibility of Ralph Nader under whose auspices the health research group operates. It should not be taken seriously. Unfortunately, it will be given credence by people whose animosity to tobacco will sustain any proposal up to and including prohibition.

Without a doubt, the report's recommendation to eliminate the tobacco support program is a callous and arrogant attempt to restrict smoking behavior by plowing under thousands upon thousands of tobacco growers and their families, collectivizing their individual family farms into corporate plantations, and reducing their status to welfare and food stamp recipients.

Aside from all the rhetoric and confusion of this report, Ralph Nader failed to mention the fact that in 1974 the realized cost of the tobacco price support program was less than $50,000 and that the tax revenue received by local, State, and Federal governments from tobacco products was in excess of $6 billion.

The logic of the doctor-lawyer student team is faulty. Their proposal would be counterproductive to accomplishing their own antitobacco objective. Rather than diminishing smoking, the elimination of tobacco supports would lead to more tobacco production, lower prices, and in turn to increased smoking.

In addition to its destructive impact on tobacco growers, the report has grave implications for national health policy by boldly asserting that tobacco smoking is the single, scientifically established cause of 85 percent of all lung cancer in the United States. This is the foregone—but unproven—conclusion which justifies the arrogant excesses and callous disregard for tobacco growers reflected in the report.

The indictment of tobacco stems largely from the uncritical acceptance of statements emanating from the arm of HEW which is at one and the same time the antitobacco advocate and the judge of the health evidence against smoking. Such a combination of prosecutorial and judicial functions would not be tolerated in any sphere of society. But apparently, anything goes in the "war against tobacco," including letting the fox guard the chicken coop.

Tobacco smoking is a gigantic red herring being dragged across the trail of scientific research. It is disheartening to see Mr. Nader and his group helping to pull the fishy carcass. Almost a decade ago, Dr. W. C. Hueper, a distinguished cancer researcher, a pioneer in occupations and environmental cancer of the respiratory system, warned about the diversion of objective scientific research into an antitobacco witch hunt. He said:

> The persistent and wanton disregard of the various well established and internationally recognized occupations and industry related respiratory carcinogens as causes of significant lung cancer hazards by the Public Health Service has resulted not only in a regrettable neglect in achieving a practically feasible control of such hazards but also in depriving widows and orphans of occupational lung cancer victims of workmen's compensation to which they are entitled by law. Experiences of many years as a medicolegal expert of occupations cancer hazards in litigations of this type have provided many illustrations of the pernicious effects of the noted misguided public health policies.

I hope Mr. Nader can find the time to visit with this subcommittee and exchange some more productive thoughts about tobacco, its role in the economy, and its association with health, real or alleged. I would like to discuss with him the possible inconsistency of the present Health Research Group report and a previous one on diseases among workers in the auto industry which stated that—

> These data . . . seriously challenge the traditional view by management and much of the medical profession that workers' lung and heart diseases are largely caused by cigarettes rather than by workplace poisons.

I also wonder how the same group can link toxic chemicals in the workplace to lung cancer in March, and attribute the same disease overwhelmingly to tobacco smoking in August.

Certainly, most Americans will appreciate Mr. Nader's efforts on behalf of the consumer, but perhaps Mr. Nader will want to direct his own considerable research talent personality to the questionable agricultural and economic research of the Health Research Group.

CONGRESSMAN REES QUESTIONS TENTATIVE IMF AGREEMENT ON GOLD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. REES) is recognized for 5 minutes.

Mr. REES. Mr. Speaker, the International Monetary Fund, at its recent annual meeting here in Washington, announced the conclusion of agreements to revise IMF quotas, and to alter the role of gold in the international monetary system. These agreements are, however, partial and tentative. They are partial because agreement on the third major issue, the amendment of the IMF Articles of Agreement as they pertain to exchange rates, could not be obtained. They are tentative because implementation of the first two agreements, on quotas and gold, is dependent on a satisfactory resolution of the exchange rate issue. The members of the IMF committee charged with negotiating international monetary reform will meet again in January, with the objective of completing the whole package of agreements. The package would then be submitted to the Executive Directors of the IMF and, with their approval, be transmitted to the various parliaments for ratification, or for authorizing legislation.

The agreement on adjusting IMF quotas is, in my judgment, quite reasonable. I will not comment, at this time, on the exchange rate question, except to note that the Subcommittee on International Trade, Investment and Monetary Policy of the Banking and Currency Committee, and the Subcommittee on International Economics of the Joint Economic Committee recently put forward recommendations on that issue in a joint committee report.

The third element in this package, the agreement on gold, raises some disquieting questions. Gold is a perplexing topic, on which passions are often inflamed. No one can say, with certainty, what this agreement portends for the future role of gold in the international monetary system. But it certainly enhances the possibility that gold will become, once again, the central reserve asset in a new international monetary order. A gradual demonetization of gold—a phasing out of its role as a monetary reserve asset—has been the stated policy of the United States for some time. This policy has consistently enjoyed the support of the Congress, and, in particular, of the Committee on Banking and Currency. The Subcommittee on International Trade, Investment and Monetary Policy, which I chair, exercise jurisdiction over gold policy. We plan, prior to the next negotiating session of the IMF Interim Committee, to examine thoroughly the implications of this gold agreement. For the moment, I would like to outline the reservations I have, and the difficulties I foresee.

The IMF now possesses a large stock of gold, acquired from its members, who had to pay part of their quota subscriptions in gold. There is an official price, $42.22 an ounce, at which this gold is now valued. According to the recent agreement, the IMF would sell one-third of its stock. One-half of that amount, or one-sixth of the total stock, would be sold to member governments at the official price, in proportion to the amount each government originally put in the IMF. The official price of gold would then be abolished. The remainder of the gold to be disposed of by the IMF, that other one-sixth, would be sold at whatever price it will bring. The proceeds of the first sale, at $42.22 an ounce to member governments, will be added to the Fund's general resources. The proceeds of the second sale, at an open market price, will be divided among two different uses. From the receipts for each ounce sold, $42.22 will be added to the Fund's general resources.

But the open market price for gold, now around $150 an ounce, considerably exceeds the official price. The Fund will therefore, very probably reap a sizable capital gain. This profit, the difference between $42.22 and the price it can get for the gold it offers to the open market, will be used to benefit the less developed countries. Some portion of this profit will be given to those countries directly, the rest used to aid them in a manner not yet precisely defined. A trust fund, within the IMF, to be used for long-term balance-of-payments credits, has been suggested.

Many details concerning these sales, and the disposition of the proceeds, are still unsettled. We will want to examine them closely, at the appropriate time. I am now concerned about the broader, long-run impact of this agreement, should it ever be implemented.

It seems to embody at least two positive elements. New money will flow to the less developed countries, as outright grants, or as long-term credits for financing their balance-of-payments deficits. These countries have been the true victims of the oil cartel, of the worldwide recession, and of the general inflation of prices in the items they import. Every effort to relieve their plight, unless it is coupled with other, unacceptable, consequences, should receive our support.

The second positive item appears to be the abolition of the official price for gold. This seems to be consistent with our objective of reducing the role of gold in the world monetary order. If gold were truly eliminated, it would be treated as any other commodity. And official price would make no sense. It makes no sense now, to the United States, since the dollar is not convertible into gold, at any price. The recent agreement would also strike the requirement that a certain percentage of members' quota subscriptions to the IMF be paid in gold. Neither the IMF nor the United States would have any use for an official gold price.

What of the other consequences of the agreement? Will they be equally salutary? Or will they, perhaps, counteract these benefits?

I fear that this agreement will actually promote the role of gold as a monetary asset. We must not confuse legalisms with economic reality. By striking the legal definition of a price and a role for gold from the IMF Articles of Agreement, and, perhaps, from our own laws, we have not necessarily changed its economic function. I fear that, by accepting the other terms of the gold pact, we would act counter to our own objective, the demonetization of gold.

Let us consider what might happen. All members will receive some gold directly from the IMF, in proportion to their quotas. They will then be free to add this gold to their existing reserves, and to value it, not at the $42.22 they must pay for it, but at some "market-related" price. They will, in fact, be able to revalue all their gold stock at this higher price. The French have already revalued their gold assets, after the United States agreed that it would not object to any government simply "writing up" the value of the gold on their books.

On paper, therefore, the amount of international reserves held by IMF members, and the proportion of gold in those reserves, will increase dramatically, as much as 400 percent. The key issue is whether gold can really be used, among governments, for settlement of balance-of-payments deficits, at the new price. We had previously agreed that any government could sell its gold to the free market, but could not buy it from the market, or from each other, at any but the official price. Now that price will be abolished, and governments will be able to transfer gold among themselves, or buy it in the free market, at whatever price they can obtain. This freedom will be subject to only one small constraint. The countries of the so-called Group of Ten have agreed that the total amount of gold held by them and by the IMF should not, in the aggregate, increase over a 2-year period, after which the agreement will be reviewed. But, since the total which cannot increase includes both IMF gold and gold held by the Group of Ten, the IMF can sell its gold to members of the group, who can then revalue it and use it among themselves, without violating the understanding. And this applies not only to the one-sixth of the IMF total to be sold directly to them, but also to the one-sixth to be sold, at the open market price, for the benefit of the less-developed countries. As it now stands, nothing will prevent interested governments from buying this gold also, either directly from the IMF, or via the private market. The only difference is that they will have to pay a higher price. Some governments feel that gold is a good investment, even at this higher price. They want, moreover, to protect the high open market price, and promote gold as the central international monetary asset. They can serve all these objectives by buying as much gold as the fund puts on the market.

The developments are not inevitable. Additional understandings, informal or codified, could be sought to prevent them. The demand for gold as a monetary asset may not be as strong as I have assumed. Nonetheless, even if governments do not buy as much gold as they could, even if the open market price falls drastically, there will still be a significant increase in the stock of international monetary gold, valued at a price much above the old official price, and available for use by governments in financing their balance-of-payments deficits.

Do we need such an increase in international liquidity? Perhaps some increase is warranted, but probably not of the degree we are likely to experience. This increase could have, in my opinion, at least five unfavorable consequences: First, it could be highly inflationary; second, it will accrue, primarily, to the industrial countries who need it least; third, though some new financial resources will flow to the less-developed countries, the real value of the benefits they receive could be substantially eroded by the inflationary consequences of the much larger liquidity growth in the hands of rich countries; fourth, gold itself will become a much more important monetary asset, contrary to our wishes; and fifth, special drawing rights, which we had sought to promote as the central reserve asset, will suffer a severe, probably fatal demotion. With such a large boost in international liquidity in the form of gold, no one will want to add more fuel to the fire by creating more SDR's.

Mr. Speaker, it is clear that successful international monetary reform must come to grips with the problem of controlling the growth of international liquidity. Special drawing rights were created precisely to serve as the instrument for a more rational management of the world monetary order. It appears that we are about to enter into arrangements which could stimulate inflation, enhance rather than downgrade gold, destroy any possible chance for movement toward an SDR-based monetary system, and undermine the progress we have made, through the managed floating of currencies, toward a more effective mechanism for adjusting balance-of-payments disequilibria. All these unfortunate consequences will, moreover, be brought about by arrangements which "give rise to a highly arbitrary distribution of new liquidity, with the bulk of gains accruing to developed countries." This is the objection to the gold agreement raised by many developing countries. There is much merit in their criticism. The additional problems, which I have attempted to outline, suggest that those portions of the agreement which augment the stock of gold held by industrial countries, and make it usable at a market-related price, will operate to thwart the international monetary policies pursued, since the outset of negotiations on reform, by the United States. If these policies have been abandoned, we want to know why. If not, we want to know how they can be reconciled with this agreement.

THE SALE OF HAWKS TO JORDAN

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from New York (Mr. BINGHAM) is recognized for 10 minutes.

Mr. BINGHAM. Mr. Speaker, on September 3, the administration filed with the Congress a new notice of its intent to sell 14 Hawk missile batteries to Jordan. On September 4, along with 10 members of this committee as cosponsors, I introduced a resolution of disapproval. That resolution, House Concurrent Resolution 382, was today considered by the International Relations Committee and no action was taken by the committee.

During the last 2 weeks Senator CASE and I have conducted intensive negotiations with Secretary of State Kissinger and Under Secretary Sisco in an effort to reach a compromise that might be acceptable. During the course of these negotiations I have consulted frequently with cosponsors of the resolution.

Last July, you will recall, our efforts at a compromise were aimed at reducing the number of batteries to be offered for sale at this time. That effort failed, because of the strenuous objections of King Hussein.

This month our efforts have focused on ways to assure that the Hawk missiles would be used only defensively. The administration has made a real effort to provide us with strong language to that effect, and Senator CASE has indicated that, on the basis of these assurances, he will no longer oppose the sale and will indeed oppose any resolution of disapproval.

I must confess that I am still very unhappy over this deal. The United States will now stand committed to sell to Jordan eight more Hawk batteries than were considered necessary for the defense of Amman and the airfields by our Joint Chiefs of Staff. The temptation to use these batteries for other than purely defensive purposes may well, at some point in the future, prove irresistible to the Jordanians. I thus continue to feel that the sale will substantially change the military balance between Jordan and Israel to Israel's sharp disadvantage.

I am also very disturbed that we should now appear to be giving way to a threat by King Hussein to buy the weapons from the Soviets if he cannot get them, in the quantity he wants, from us. I trust we are setting no precedent here. For, if the King were to approach us with a request to buy clearly offensive weapons, accompanied by the same kind of a threat, I trust we would have the courage to say no.

At the same time, I recognize that, with Saudi Arabian financial backing, Jordan is now in a position to move ahead with military preparations with or without the cooperation of the United States. It is perhaps that fact, more than the specifics of this particular weapons sale, which has changed the military situation as between Jordan and Israel.

In short, at this juncture we must recognize the facts of life. One fact is that Jordan is in a position to buy antiaircraft missiles whether we like it or not. Another fact is that the administration has assured us of its intention that these weapons shall be used defensively and that that intention is shared by the King of Jordan. I will include, at the end of my remarks, the text of the President's letter to the committee which contains those assurances. And a third fact is that the Senate is clearly not going to pass a resolution of disapproval.

Under these circumstances, I did not think it would serve any good purpose for us to take up the time of the committee and of the House with what at most would be a futile gesture. Accordingly, I did not ask for a vote on House Concurrent Resolution 382.

Just what steps will be taken in the configuration of this Hawk weapons system and in the arrangements on the ground in Jordan to give substance to the assurances we have received is not clear. In view of that, the International Relations Committee will want to watch what is done very closely and I trust we will have the complete cooperation of the Department of Defense and of the Jordanian Government in that regard.

Although the Congress will not now formally object to the sale of Hawk missiles, the events of the last 3 months have proven the value of the amendment adopted last year to give the Congress a veto power over large arms transactions.

I suspect that one of the difficulties we ran into in this case was that when the Hawk deal was being discussed with King Hussein, he was not clearly told that the administration could not make more than a tentative offer, subject to congressional acquiescence. Hopefully that will not happen again.

The Departments of State and Defense are now on notice that the Congress intends to play a role in foreign military sales. No longer can the President or his representatives commit the United States to supply large quantities of sophisticated weapons to nations abroad. Instead, they must make clear that such sales must first be submitted to the Congress and that congressional objections may require modifications or withdrawal of the sale. The watchword of our arms salesmen must now become "We'll see if we can sell it to Congress."

The letter follows:

THE WHITE HOUSE,
Washington, D.C., September 17, 1975.
THE HONORABLE SPEAKER,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: With respect to the sale of HAWK anti-aircraft missiles to Jordan, I am writing to inform you of the following:

Initial deliveries will consist of one battery each in October, November and December of 1976. Deliveries of the next three batteries will be made during the period of January-March of 1978. Deliveries of the remaining eight batteries will begin approximately 30 months from the date of the Jordanian signature of the Letter of Offer and will be made over a period extending into 1979.

The Government of Jordan has informed us that it intends to use the HAWK missiles solely for the defense of the Amman-Zerka complex and other fixed sites, that is, air bases and radar stations located generally to the east and south of Amman. The batteries will be permanently installed at these locations as fixed, defensive and nonmobile anti-aircraft weapons. The geographic situation of these sites and the planned configuration of the HAWK installations will clearly demonstrate the intent of the Jordanian Government to use the weapons for purely fixed defensive purposes. The training to be provided by the United States Government will be training appropriate to nonmobile weapons.

As you know, pertinent legislation and agreements obligate the Government of Jordan to use arms supplied by the United States Government only for purposes of the legitimate self-defense or internal security of Jordan and to refrain from transferring or subjecting the arms to the control of a third party without prior written United States consent. We consider that the latter provision would prohibit the placement of the HAWK weapons under any bi-national or multi-national command structure or military force of which Jordan might become a part, if such an arrangement would have the effect of transferring title or control outside the Jordanian Government without prior written United States Government consent.

I want to assure you that the Executive Branch will seek to implement the sales contract consistent with the principles expressed in this letter. We will monitor the situation closely to this end. I wish to recall to you that the Letter of Offer will contain a provision that "under unusual and compelling circumstances when the best interests of the United States require it, the United States Government reserves the right to cancel all or part of this order at any time prior to the delivery of defense articles or performance of services."

Moreover, if at any time the employment of the HAWK batteries by the Jordanian Government appears to depart from this pattern of defensive deployment or national control, the State Department will so inform the appropriate committees of the Congress and will consult with them concerning any action which should be taken in consequence.

Sincerely,

GERALD R. FORD.

STATEMENT OF THE HONORABLE JOHN M. MURPHY ON THE FLOOR OF THE HOUSE OF REPRESENTATIVES IN RESPONSE TO ATTACKS ON THE GOVERNMENT OF THE REPUBLIC OF NICARAGUA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. MURPHY) is recognized for 5 minutes.

Mr. MURPHY of New York. Mr. Speaker, I rise today to respond to attacks on President Anastasio Somoza of the Republic of Nicaragua, attacks made during the recent August recess.

As international relationships have shifted with the winds of détente it has become difficult to distinguish steadfast allies from those opportunistic nations seeking special economic advantage while barely hiding their contempt for the United States. So it troubles me when a longtime friend is pointlessly villified while the behavior of adversaries within the hemisphere goes unquestioned.

In Latin America we find ourselves in the anomalous posture of courting nations whose records are replete with example after example of vacillation and inconsistency vis-a-vis the United States. We are asked to accept the new "realities" of our foreign policy and overlook the contradictory rhetoric of our new-found friends. Our new approach liberates us from the burden of trying to make sense out of conflicting slogans like "Sovereignty over the Canal Zone," "Détente," and "Colossus of the North."

The current situation reminds me of a passage I once read describing a military action in World War II. An observer characterized the panorama before him as "General movement by unidentified forces of unknown strength, engaged in unrecognizable activity in pursuit of incomprehensible ends."

Our policymakers seize upon the most meager gestures by hostile governments as signs of a new era in foreign policy, while paying scant attention to the most outrageous acts of terrorism such as the Christmas 1974 episode in Nicaragua involving Marxist extremists. The loss of life prompts perfunctory criticism, since it is the fashion to avoid anything which might imperil détente.

In stark contrast to the foreign policy posturing of its Latin neighbors is the stance of the Nicaraguan Government and its distinguished President, Anastasio Somoza. Although small in size, Nicaragua has been a giant friend of the United States, and I welcome the opportunity to set the record straight in regard to the allegations hurled at that nation's Chief Executive.

Dr. Guillermo Sevilla-Sacasa, the Nicaraguan Ambassador, has more than adequately rebutted the charges that the President owned, or was associated with, major private enterprises in Nicaragua. His statement can be found in the August 29, 1975, edition of the Washington Post. In addition, President Daniel Oduber of Costa Rica has forcefully denied allegations that Mr. Somoza built or maintained military facilities in Costa Rica. The denial issued by the Costa Rican Embassy in Washington and carried by the wire services stated:

> Not only do the (Costa Rican) Constitution and laws prohibit it, but the President of Nicaragua himself would not dare to do it, and the government of Costa Rica would never permit it.

I personally have been to the areas where allegedly there exists these so-called Somoza military airports and barracks for his own troops and can testify that this charge is wholly false.

Mr. Speaker, I will now address the equally serious charge that American aid funds have been misused by Nicaraguans, perhaps in a criminal manner.

I suspected that the "secret investigation" of this matter by our State Department was, in reality, a routine confidential audit. I find that this initial presumption was correct. At my request, the Government of Nicaragua has provided me with a copy of a letter from our State Department, responding to the charge that aid moneys had been mishandled. I enter this note in the RECORD at this point to demonstrate the falsity of this charge:

DEPARTMENT OF STATE,
Washington, September 5, 1975.
His Excellency, GUILLERMO SEVILLA SACASA,
Ambassador of Nicaragua.

EXCELLENCY: I have the honor to acknowledge receipt of your note No. SD-JRA-5, dated August 30, 1975, requesting certain information concerning recent published allegations about the private business holdings of President Anastasio Somoza.

I should like to assure your Excellency that neither the Department of State nor any other agency of the United States Government provided official United States Government documents or any classified information drawn from such documents to the journalists responsible for the articles in question.

I also am pleased to inform you that the Agency for International Development in Nicaragua has no present claims against any organization of the Government of Nicaragua based on illegal or improper expenditure of A.I.D. funds.

Permit me to take this opportunity to assure your Excellency of my highest consideration.

For the Secretary of State:

HEWSON A. RYAN,
Deputy Assistant Secretary for Latin America.

I further point out that one of the charges originally considered to be included in the press attacks stated that a close relative of President Somoza participated in or benefited from thefts of emergency supplies that were sent to Managua during or immediately after an earthquake devastated the capital city of Managua on December 23, 1972. When shown proof that this was untrue, the news column was rewritten eliminating the claim that the relative had participated in the sale of these emergency supplies on the black market but it was still written in such a manner that by innuendo the Somoza family was implicated in such sales.

Mr. Speaker, an old Irish proverb enjoins us to "Beware of leprechauns with poison darts." As a Latin American friendly to the United States, President Somoza is subjected to persistent carping by his less loyal neighbors. This is to be expected and is a logical result of our jumbled Latin American foreign policy. But it is more unfortunate when these attacks are reinforced by the imprecise allegations of those within our own borders. It would be a loss for both our countries were these unfounded criticisms to affect our relations adversely.

I hope that these remarks will put to rest the charges directed at President Somoza. I am convinced that the traditional sense of fair play which characterizes our people will prevail, and that these allegations will be seen for what they are.

Finally, I note that it is a tribute to the Nicaraguan President that his is a Latin nation where the press remains unfettered, and where issues such as these can be discussed openly, and without official reprisal. An objective public appraisal is always the strongest antidote to allegations of impropriety, and in this case I hope that the facts disclosed today will vindicate one of America's most steadfast allies.

Mr. Speaker, I include the letter of Dr. Guillermo Sevilla-Sacasa, which appeared in the Washington Post of August 29, 1975, at this point in the Record:

[From the Washington Post, Aug. 29, 1975]

NICARAGUA: THE AMBASSADOR REPLIES

(Letters to the Editor)

I would like to refer to the three articles written by Jack Anderson and Les Whitten on the personal activities of President Anastasio Somoza of Nicaragua which appeared in The Washington Post on Aug. 18, 19, 22, 1975, as well as in other United Feature subscribers' publications.

May I point out, first of all, that it is a matter of long standing record that President Somoza has never denied his wealth. In fact, the President's ownership of properties and company interests is a matter of public record in Nicaragua as required by Nicaraguan laws which, to say the least, makes it totally unnecessary to "smuggle" such documents out of the country.

Of international importance is the published statement that Mr. Anderson compared his acquired information with "secret" U.S. government documents. This curious statement is a grave one, if true, and could raise an issue of potential concern to other foreign missions in Washington, D.C. and elsewhere. This is a matter which could clearly fall within the competence of the U.S. government to deal with.

The allegation that President Somoza is "fleecing" the U.S. taxpayer through the misappropriation of U.S. aid funds has absolutely no foundation in fact. If this were true the Agency for International Development would have formally protested before now. This has not happened. To the contrary, Nicaragua has an outstanding record for compliance and meeting its commitments with all international lending agencies.

Also of international implication is the bizarre statement that the President has actually built military airports and barracks for his own troops on his Costa Rican property. This is a most serious allegation which would signify that the President is violating the sovereignty of a sister republic with which Nicaragua maintains friendly relations. It does not take much to envisage the type of political repercussions this would create throughout Central America if this were true.

Mr. Anderson must surely be aware by now of the statement made Aug. 18 and Aug. 20 by the President of Costa Rica, His Excellency Daniel Oduber and the Foreign Minister, His Excellency Gonzalo J. Facio, denying categorically that President Somoza has built military installations in Costa Rica.

These specific and formal statements to the world, from the President and Foreign Minister of a sovereign state completely contradicting an allegation of portentous significance, raise serious questions as to the thoroughness and responsibility with which the purported investigations were carried out, upon which Mr. Anderson's articles were based.

The assertion made by Mr. Anderson associating the President with certain major international private enterprises in Nicaragua, such as cigarette companies, banks, and others, which is entirely unfounded, might be considered to have serious implications by the third parties alluded to. The Intercontinent Hotel Managua, through a formal statement of its president, has already totally refuted the statements made in the Anderson article of Aug. 18, and provided the true facts regarding the proprietorship and transactions leading to the building of this hotel. Other companies have also reacted to this blanket allegation and have made known the inaccuracy of Mr. Anderson's statements by appropriately legalized documents which are now available.

Strong objections must be taken to the allegations linking the President to businesses of a questionable moral nature. These allegations, which are hereby emphatically denied and those others which, lacking in total integrity, resort to gross and unsubstantiated innuendoes, merit no respect.

Mr. Anderson's articles published by The Washington Post and other United Feature Syndicate subscribers are a litany of distortions and his gratuitous personal comments are not only in the poorest taste but are unworthy and slanderous.

As the facts are almost wholly different from the allegations contained in the articles written by Mr. Anderson and are open to public scrutiny in Nicaragua through constitutional channels, there would appear to be little purpose in undertaking a more detailed rebuttal in this letter.

In dedicating so much space to being critical of President Somoza's personal affairs, it is also to be regretted that Mr. Anderson did not see fit to balance the record by at least making some passing reference to his personal qualities and the many progressive policies and programs of his administration. Fair and balanced criticism is one thing, but it is difficult to see what real constructive purpose is served by this type of reporting.

It is perfectly true that I have been unavailable at the embassy; as a matter of fact, I was in Managua where I remained to attend the presentations of credentials last Friday by your new Ambassador to Nicaragua, His Excellency James D. Theberge.

I would appreciate it if you would extend to me the courtesy of making known the contents of this letter to the readers of The Washington Post.

GUILLERMO SEVILLA SACASA,
Ambassador of Nicaragua.

WASHINGTON.

ANNIVERSARY OF THE SIGNING OF THE CONSTITUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. O'Neill) is recognized for 5 minutes.

Mr. O'NEILL. Mr. Speaker, Public Law 261 of the 82d Congress calls for today, September 17, to be celebrated as Citizenship Day and Constitution Day.

In the commemoration of the Bicentennial Year, it is only fitting that we pause to pay a special tribute, on the anniversary of the signing of the Constitution, to that impressive document that launched America on its forward march to greatness.

Following a vigorously contested war for independence to obtain what Thomas Jefferson called, "The inalienable rights of life, liberty, and the pursuit of happiness," a Constitutional Convention was assembled, marking the beginning of new challenges and new responsibilities.

Did you know that Patrick Henry, whose immortal words, "Give me liberty or give me death!" provided the rhetoric for the Thirteen Colonies to declare their independence from the tyranny and callous disregard of British rule, refused to attend the Constitutional Convention because in his words, "I smell a rat!"

Then there was Benjamin Franklin, who at 81, though too feeble to deliver his own speeches, was lucid enough to observe that painted on the back of the presiding officer's chair was a half-sun. Throughout the Convention, Franklin mused to himself whether it was a rising or a setting sun. After the Constitution had been signed, Franklin confided to delegates near him that it was, indeed, a rising, and not a setting, sun.

There were 1,840 speeches given during the Convention and the blue ribbon for oratory belongs to Governor Morris, who was the actual author of the Constitution. In the 94th Congress of today, we can have more speeches than that in a single week.

The Convention unanimously approved a secrecy rule forbidding any publication or communication of its proceedings. In the Bicentennial Congress, we still deliberate over open or closed committee and caucus proceedings.

During the period when the drafting of the Constitution had been completed, Benjamin Franklin was asked by a good citizen of Philadelphia, "Mr. Franklin, what have you given us, a monarchy or a republic?" Franklin replied, "A republic, madam, if you can keep it." And in the first years of the Republic, Tom Paine wrote, "Those who expect to reap the blessings of freedom must like men, undergo the fatigue of supporting it."

For 200 years, Americans have undergone the stress of preserving their democracy and the Constitution that protects it: the political consolidation of power during the Federalist period, the manipulation and money-grabbing aspects of the Civil War, the power-hungry episode of the westward expansion, the plundering of our natural resources, Teapot Dome, and finally, Watergate.

America's response to the crisis of this era saw a return to the principles of honesty and decent values established by our Founding Fathers, those framers of the Constitution—a rebirth of a sense of fairplay, a sense of integrity, and a sense of moral character that dominated their lives.

Embodied in the Constitution is the concept that in America, it is the people who are truly sovereign, and that we are a government of laws, not of men.

Our dedication to the rule of law is as strong today as it was at the time of our Nation's founding, the doctrine of popular sovereignty is the very heart and soul of American democracy in 1975, just as it was 200 years ago. The Constitution has withstood the ordeals of two centuries and we have preserved the Republic. And so, today, let us all honor the Constitution and pay tribute to the meaning and to the principles which set our Government in motion.

COMMEMORATION OF CITIZENSHIP DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. Adams) is recognized for 5 minutes.

Mr. ADAMS. Mr. Speaker, in recognition of Citizenship Day and Constitution Week on September 17, 1975, I take great pleasure in calling attention to the efforts of the National Conference on Citizenship in gaining understanding and recognition for the Constitution of the United States, the cornerstone of our democracy.

It sponsored a special ceremony this morning at the National Archives Building when the four pages of the document were brought up for public display. Joseph H. Kanter, the president of the National Conference, made some eloquent observations in his remarks at the ceremony when he said:

> A government and its institutions cannot be viewed from a short range perspective for one year or even ten years. I cannot defend all the things that have occurred in our country's history. However, I must say that, in perspective over a long period of time, the laws and institutions of this country have done more for the individual than any other governmental system in the world.
>
> Finally, as a parent I feel that those of my generation, who have prospered under the system fostered by our Constitution, must be obligated to hand down this system, improved but unimpaired, to our children. We must dedicate ourselves to making it possible for our children and the children of other citizens to have the equal right and opportunity to obtain the same freedoms and blessings that we have enjoyed.
>
> Let us, therefore, on this day, dedicate ourselves to a better understanding of the Constitution and of the hopes and aims of its creators.
>
> Aside from my official duties and responsibilities as President of the National Conference on Citizenship, I have the deepest personal devotion to the Constitution. Generally, it has been my philosophy that those of us who have participated and been recipients of the many blessings of our country, have the opportunity for freedom of expression, the protection of individual rights under the Constitution and the healthy, entreprenurial atmosphere that has created such an enviably high standard of living for all of our citizens.
>
> As a businessman I believe that the business community has a responsibility that is not shown on the profit and loss statement or the balance sheet. Since this country is founded for the protection of property rights, as well as civil rights, it is in the interest of the business leaders and corporate executives to participate in the protection of all these rights.
>
> As an American citizen, I deeply appreciate that this is a country of laws and not of people. Only recently, for example, we have seen the resignation of a President and a Vice President, both done without revolution or disruption of the system. This is the most convincing evidence that we are a nation of laws. The Constitution and the separation of legislative, judicial, and executive branches is as relevant for a businessman as it is for a farmer, a merchant, a laborer or a student. Since we are a government of laws, it is very necessary for the individual to understand these laws and to utilize them for betterment of all.

LIMITING GOVERNMENT EMPLOYEES' USE OF LIMOUSINES AND PASSENGER VEHICLES

(Mr. ROUSH asked and was given permission to extend his remarks at this point in the Record.)

Mr. ROUSH. Mr. Speaker, today I am introducing a bill in which I have long had an interest and which I have sponsored in principle through the appropriations process.

This bill would severely limit the use of limousines and passenger motor vehicles by employees of the Federal Government. We have been operating a fleet of cars, numbering about 800, for Government officials who are also provided with a chauffeur. This bill I am introducing reduces the number of persons enjoying this privilege—and it is a privilege—to about 27 officials.

The only Government officials who would remain eligible for this special service would be: The President, the Vice President, members of the Cabinet, the U.N. Delegate, and the Chief Justice. Among the Congress, only the Speaker of the House, the President pro tempore of the Senate, the majority and minority leaders, and the whips would be eligible.

In the interest of efficiency, the varied and frequent appointments they have, and the dignity attached to their office, I can support chauffeured cars for these officials. Beyond that, I see no reason that other Government officials should not get around town in the same way that Members of Congress and the great mass of the public do.

Not only has the number of cars provided Government officials proliferated, but there has been abuse of this privilege, since these cars were not meant to provide transportation from work to home and vice versa. This bill makes that point more explicit as well. For official use only, this bill provides an agency pool of cars. Thus, we also have here an energy-saving practice.

It has been estimated that this bill would save the taxpayer about $13 million a year. That is enough of a reason for sponsoring such legislation.

PROPOSED INHERITANCE TAX EXEMPTION FOR FARM FAMILIES

(Mr. ROUSH asked and was given permission to extend his remarks at this point in the Record.)

Mr. ROUSH. Mr. Speaker, I am today introducing legislation which I hope will prevent family farms from being broken up due to the death of a parent.

Actually, the present inheritance tax structure often forces survivors to sell all or part of the farm just to pay the taxes, because many times farm families do not have enough cash to pay the inheritance tax required. They have land and equipment and livestock and crops, but they cannot come up with the cash to pay the taxes due to the death of the owner.

Consequently, they end up having to sell something, either land or equipment, neither of which they can afford to give up because this may make their farm operation no longer profitable. It means they may be forced to give up farming altogether.

As we all know, the number of family farms in this country has drastically declined in recent years, and high estate taxes is one of the causes.

The bill I am introducing today would provide for the exclusion of the first $200,000 in the value of a family farm from the taxable estate of those farmers who have lived on and worked their land and have willed it to relatives who plan to carry on this tradition.

In order to qualify for the exemption, the decedent must have owned the farm for at least 5 years and must have exercised substantial management and control over the farm before he died.

Those who inherit must not only continue to exercise substantial management and control over the farm but also must maintain ownership and live on the farm for at least 5 years.

This is not a tax bonanza for anyone. This is an effort to save the family farms—farms which must be used actively to raise agricultural products. I believe this act will help stop the drain of families from the farm. I certainly hope so.

Fifty years ago some 32 million Americans lived on farms. This is a figure representing 30 percent of the population. Today, about 9 million Americans live on farms, or slightly more than 4 percent. We cannot afford to allow this kind of drain to continue.

A TRIBUTE TO DAVEY CROCKETT ON HIS RETIREMENT

(Mr. SIKES asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, it is appropriate that we record and acknowledge the recent retirement of a very distinguished public servant, Mr. Rufus L. Crockett, Deputy Assistant Secretary of the Air Force—installations. During his career spanning 35 years in Federal service, Mr. Crockett provided exceptional management direction and engineering advice to numerous Air Force installations programs. His selfless contribution to the defense needs of this Nation has been an inspiration to all who have been associated with him. By his endeavors, Mr. Crockett has reflected great credit upon himself and the U.S. Air Force.

Better known on Capitol Hill and in the Department of Defense as Davey. Mr. Crockett graduated from the University of South Carolina in 1939 with a bachelor of science degree in civil engineering. During the first 14 years of his career, he was responsible for the design and construction of civil works and military construction projects as a member of the staff of the U.S. Army Corps of Engineers. In 1954 Mr. Crockett transferred from the Office of the U.S. Army Chief of Engineers to the Directorate of Civil Engineering, Headquarters U.S. Air Force, beginning his long and distinguished affiliation with the Department of the Air Force.

During the period 1954 to 1969, Mr. Crockett held progressively more responsible management positions affecting the entire spectrum of Air Force civil engineering activities, culminating in his selection to the position of Associate Director of Civil Engineering, Headquarters U.S. Air Force. As the senior civilian civil engineer in the Air Force, he played a central role in improving resource management throughout the Air Force.

On July 1, 1972, Mr. Crockett joined the Office of the Assistant Secretary of the Air Force—Installations and Logistics—as Deputy for Installations Management and after 3 months moved up to his current position.

In recent years, as Deputy Assistant Secretary—Installations—he has been the point of final Air Force coordination and review on policy matters involving base utilization, air base real estate, facility construction, family housing and worldwide property maintenance management. Mr. Crockett has provided invaluable service to the Nation while serving in this capacity, by demonstrating aggressive leadership in base development, modernization and upgrading of Air Force facilities, expansion of joint civilian and military use of airports, protection of airfields from urban encroachment, and through his relentless pursuit of good neighborly relations with local communities.

Mr. Crockett's distinguished service was publicly recognized at his retirement ceremony by the Secretary of the Air Force, Dr. John McLucas, who presented him with the Exceptional Civilian Service Award.

THE VILLAR FAMILY OF PENSACOLA

(Mr. SIKES asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, I am pleased to submit for the Record a brief accounting of the history of one of the distinguished families of western Florida, the Villars. Members of this family have been associated with the development of Florida from Spanish colonial days. The family origin, as the name indicates, is in Spain. The Villar name was well known there as early as 1700 in Galicia in northern Spain. The National Library of Madrid Archives shows that the name, in subsequent years, became known throughout Spain. There are presently over 200 families of Villars in the city of Madrid alone.

The Florida branch of the Villar family are direct descendants of Don José del Villar, who married Andrade Conde de Fuentes on July 17, 1761. There were two sons. Their names were Augustus Diego and Emmanuel Juan Villar. When these boys reached the age of maturity—17 or 18—they enlisted in the services of their King. After having received the prescribed training, the two brothers were subsequently transferred to what was known then as the "New World" in Louisiana. The Territorial Governor at that time was a brilliant Spanish general whose name was Bernardo de Galvez. It will be recalled that I have recently called attention on the floor of the House to the services of General Galvez in the American War for Independence. Spain was then an ally of France and the aid given by Spain against the British played an important part in the outcome of that war.

During the service of the Villar brothers in the Spanish Army in the New World, General Galvez was directed to launch a campaign against Pensacola, which was then held by the British. Pensacola was under the command of Sir John Campbell, a general in the British Army. General Galvez prepared his army and armada and proceeded to Pensacola as ordered. The two Villar boys were a part of his force. On March 18, 1781, General Galvez and his armada sailed into Pensacola Bay and the battle was on. History records the successful outcome and details of the battle.

Following the successful operations of General Galvez in northwest Florida, Spain made plans to reestablish a Spanish colony for the development of the territory of Florida. The King of Spain offered land as an incentive for those who chose to remain in Pensacola and make for themselves a new home. The two Villar boys were highly impressed with the promise of the area and they were among those settling permanently in the area. It was in that way that the name Villar became a part of Florida. It has been prominently identified with the development and progress of the area from that time.

Augustus Diego Villar subsequently married, but history records only the given name, Della, of his wife. They had a son, who also was given the name Augustus Diego. He married Jane Boyett and they had two children, Missouri and Charles Herman.

Emmanuel Juan Villar married Delilah Dominguez. They had a large family. The children and their marriages were: Josephine Villar, who married John Bernard Mitchell; Isabella Villar, first married Willie Camp, and later married Frank Johnson; Anita Villar married Joseph Touart; Mary Villar married Hugh Hatton; Emmanuel Juan Villar II married Anita Maura; and Augustine Villar married Catherine H. Davenport.

Thus it will be seen that the Villars married into many of the leading old Pensacola families, some of them of Spanish descent, others of English descent. They have contributed as a family to all walks of life. They are highly regarded and they have produced a number of distinguished public officials. The senior circuit judge of Florida's First Judicial Circuit, the Honorable Charles A. Wade, is a member of this family. So are many others who have served as public officials and as community leaders.

The Villar family reunion will be held on the afternoon of September 28 at Knights of Columbus Hall in Pensacola.

CONGRESS BUDGETARY AUTHORITY THWARTED

(Mr. MILFORD asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. MILFORD. Mr. Speaker, as I am sure you are aware, there has been a controversy over the Navy's selection of a fighter aircraft model. Several oversight committees in both the House and Senate, have been conducting hearings on this matter.

Basically, the controversy is over defense policy concerning aircraft development in the armed services.

The Navy failed to follow the congressional mandate in the 1975 Defense Appropriation Act which stated that the Navy would use the money only for the purpose of designing an aircraft that would be a derivative of the Air Force lightweight fighter—the F-16.

The Navy has taken the position that it is not bound by language or instructions in a bill report. That being the case, we in the Congress must act to rebut this contention or a precedent will have been established.

If this precedent is established, the only way that Congress will be able to direct and control budget expenditures in the future will be through line-item specifications placed in the basic appropriation acts. This means that everything from pencils to battleships will have to be listed in the basic act.

In summary, the defense policy controversy is as follows:

The Congress had noted the extremely high cost in developing new aircraft and noted that a considerable savings could be made if the various services would use the same fighter aircraft, engines, and maximum commonality of parts. Congress recognized that the aircraft models used by the Navy and Air Force could not be exactly the same, but believed that the two services could join in designing similar aircraft with maximum commonality of parts and systems—same engine, radar, missiles, avionics, hardware, and basic airframe parts or components. Congress surmised that such a cooperative effort would save the taxpayers several billion dollars.

During hearings that were held by the Appropriations Committee on the Defense Appropriation Act of 1975, the Navy requested funds to develop a new fighter aircraft. Congress noted that the Air Force was already in the process of developing a new fighter that was essentially designed to fulfill the same mission and requirements needed by the Navy.

OVERSIGHT HEARINGS SUMMARY OF THE NAVY'S POSITION

In testimony before several House and Senate oversight committees, the Navy took the following positions:

First. That the Navy was not bound by the instructions in the joint conference report but was only required to comply with language in the basic act.

Second. That the Navy could expend the funds for the development of another aircraft under their "reprograming" authority.

CONGRESSIONAL RESEARCH SERVICE REPORTS

In a report to me, dated July 23, 1975, the CRS researched the entire question of the Navy's reprograming authority. The report conclusively showed that the Navy did not have the authority to reprogram the funds and design a totally different aircraft—see copy of the CRS report in Congressional Record, July 25, 1975, page **24882.**

The following CRS report deals with the legality of the Navy's contention that it is not bound by congressional instructions in bill reports. The report clearly shows that the Navy has acted illegally and has clearly defied the Congress.

Mr. Speaker, to counter and research the Navy's argument that they were only required to comply with language in the basic act, I requested a report from the American Law Division of the Library of Congress.

This report is included herein for the Record, and I implore each and every Member to read this document in its entirety:

Effect of Language in a Conference Report on an Appropriations Measure on the Use of Moneys Appropriated Therein

In reference to your request for information on the effect of specific language in a conference report which purports to detail how monies appropriated by the measure in question are to be used, the following is submitted.

The specific question with which we are concerned here is the effect of language in H. Rept. 93–1363, the conference report on the Department of Defense Appropriation Act, 1975, P.L. 93–437, on the use of funds contained in Title V of the Act.

Title V of P.L. 93–437 provides that:

"Research, Development, Test, and Evaluation, Navy. For expenses necessary for basic and applied scientific research, development, test, and evaluation, lease, and operation of facilities and equipment, as authorized by law; $3,006,914,000 to remain available for obligation until June 30, 1976."

The conference report language concerning the use of the monies appropriated by Title V states that:

"The Managers are in agreement on the appropriation of $20,000,000 as proposed by the Senate instead of no funding as proposed by the House for the VFAX aircraft. The conferees support the need for a lower cost alternative fighter to complement the F–14A and replace F–4 and A–7 aircraft; however, the conferees direct that the development of this aircraft make maximum use of the Air Force Lightweight Fighter and Air Combat Fighter technology and hardware. The $20,000,000 provided is to be placed in a new program element titled "Navy Air Combat Fighter" rather than VFAX. Adaption of the selected Air Force Air Combat Fighter to be capable of carrier operations is the *prerequisite* for use of the funds provided. Funds may be released to a contractor for the purpose of designing the modifications required for Navy use. Future funding is to be contingent upon the capability of the Navy to produce a derivative of the selected Air Force Air Combat Fighter design." (Emphasis added.)

The inclusion of the monies for the development of a "Navy Air Combat Fighter" was the result of a disagreement, as noted in the language in the conference report above, between the House and the Senate versions of H.R. 16243, the Department of Defense Appropriation Act, 1975, 93rd Congress.

The House Appropriations Committee Report on H.R. 16243, H. Rept. No. 93–1255, specifically rejected a Navy budget request for funds for development of the VFX aircraft because of the Navy's insistence on developing its own aircraft rather than use the technology and hardware, to the greatest extent possible, developed by the Air Force in their Air Combat Fighter.

The House Report by the Committee on Appropriations, H. Rept. No. 93–1255 stated with regard to the monies requested by the Navy for development of the VFX that:

"NAVY VFAX AIRCRAFT

"The fiscal year 1975 Navy budget request includes $34,000,000 to initiate development of the VFX aircraft, a fighter aircraft to replace the aging F–4 aircraft. Subsequent to the budget submission, the Navy redefined this aircraft as the VFAX. This aircraft would supplement the F–14A, but also have sufficient capability to replace the A–7 aircraft in the attack role.

"In June 1974 the Navy distributed a Presolicitation Notice for Development of a New Navy Strike Fighter, the VFAX, to industry. The aircraft described in the Presolicitation Notice is a fighter aircraft with an average unit flyaway cost of about $6,000,000 in 1975 dollars, based on a buy of 400 aircraft. The aircraft would be armed with standard air-to-air weapons.

"This Committee has supported the Air Force Lightweight Fighter Prototype development program. The Committee's objective has always been that this program would develop a light-weight, low cost, advanced technology fighter aircraft that could meet both Navy and Air Force requirements. While the Lightweight Fighter program appears to have developed prototypes that fulfill this objective, the Navy has disregarded Congressional intent and is initiating development of an entirely different, larger and more expensive aircraft.

"The Committee recognizes that a Navy version of the Lightweight Fighter would be different from the Air Force version, because it must be capable of operating from carriers. However, the Navy version could use identical engines and armament, and similar avionics and airframe configuration. In a period of rapidly increasing inflation, the development and procurement of aircraft by the Navy and Air Force that are as identical as possible would result in substantial savings.

"Since the Navy has proceeded in an entirely different direction, the Committee recommends deletion of all of the funds requested for the VFAX. (Emphasis added.)

The savings gained from joint utilization of an aircraft by more than one service include lower initial cost because of higher production rates, savings in the development and procurement of ground support equipment, savings in the cost of flying training and maintenance training and continuing lower costs for spare parts. Recent outstanding aircraft which have been highly successful in the inventories of both the Air Force and the Navy are the F–1 and the A–7.

"An important consideration in the procurement of fighter aircraft today is the possibilty of foreign sales which help create a favorable balance of trade for the United States. The Air Force developed lightweight fighters appear to have high foreign sales potential. The procurement of this aircraft by the Navy would increase production rates and enable the aircraft to be very competitive with foreign aircraft in price.

"The Committee would like to see a repetition of the F–4 aircraft program. Both the Navy and the Air Force bought the F–4 and substantial foreign sales were realized. Production rates of the F–4 were high and production has continued for a long period and the advantages of a learning curve have been realized. Both services and the foreign buyers benefited from the large production run. The Air Force lightweight fighters appear to offer an opportunity to repeat the F–4 success." pp. 137–138.

At the Subcommittee hearings on Title V the following colloquy took place between the Chairman, Mr. Mahon and Dr. Malcolm R. Currie, Director, Defense Research and Engineering.

"FIGHTER AIRCRAFT

"Mr. Mahon. The Air Force has requested funds to initiate development of a new air combat fighter and to continue the development of the lightweight fighter prototype program. The Navy has requested funds to initiate a new VFX fighter program. In addition, the F–14 and F–15 programs are still in R. & D. and production. Would you describe the two new fighter aircraft program requested by the Navy and Air Force?

"Dr. Currie. The Air Force Air Combat Fighter program utilizes the lightweight fighter prototype program as a base from which to evolve the desired combination of new technologies into a missionized fighter version of the best of the two LWF prototypes. The resulting ACF will be an airplane which is optimized for "dogfighting" to the degree that it will have a significant air combat maneuvering advantage over the 1980–90 threat fighters. Further, it will provide a lower cost fighter choice to complement the F–15 and open an avenue for possible force expansion within a tight budget environment. The Navy VFAX program will proceed into advanced development of a fighter-attack airplane which can be effective at the air fighting and battlefield interdiction missions in the Navy/Marine Corps environment. The airplane will excel at "dogfighting" and will provide an excellent air-to-ground capability through the use of precision guided munitions. The VFAX is an attempt to arrest the decline in numbers of tactical fighter and attack aircraft. The Navy will utilize the combined mission capability of fighter-attack to possibly replace 1,000 F–4 and A–7 aircraft. If successful, this volume procurement will make it possible to have an impressive fighter at half the cost of the F–14A. The stronger emphasis on the attack mission will doubtless result in an airplane that is somewhat heavier and more expensive than the ACF which is oriented to air-to-air and does not carry the burden of the Navy carrier environment.

"Mr. Mahon. Both the Navy and Air Force requests refer to the need for a new aircraft to replace the F–4. Would it be possible to build a new low cost fighter that, like the F–4, would fulfill both the Navy and Air Force requirements?

"Dr. Currie. I do not believe that it will be possible to build a low cost fighter that would fulfill both the Navy and Air Force requirements. The mission of the VFAX and the air combat fighter are sufficiently diverse to preclude one airplane being completely suitable for both Services. The air combat fighter is intentionally small in size and will incur a significant performance degradation to make it carrier suitable. Further, the range and attack requirements for the Navy/Marine Corps mission would drive the size and cost beyond the threshold for acceptability by the Air Force. Doubtless, we will see expanded forms of the LWF designs submitted in the competition for the VFAX. To the degree that these are acceptable we may realize an additional return for the investment in the LWF program.

"Mr. Mahon. Based on the effectiveness of the F–4 in the Mideast war, why do we need new aircraft? Could the F–4 be improved?

"Dr. Currie. The primary contribution of the F–4 in the IAF is for air-to-ground. The primary air-to-air fighter is the Mirage. However, the F–4 did well in air-to-air combat in the Mideast war; not nearly as well, however, as the Mirage ———. Keep in mind that the severe advantage of the IAF is attributed to pilot capability and tactics differences. We have little reason to believe that similar differences will exist between NATO and PACT pilots. The F–4 was not designed for dogfighting but rather to intercept and destroy incoming nuclear bombers under low visibility conditions. Its reasonably good air fighting capability is the fallout of its basic design plus subsequent improvements. The basic weapons system of the F–4 has contributed little to the air-to-air success of the IAF. Further, the F–4 is a most expensive fighter to operate, much more so than the ACF as we visualize it. I believe we have passed the point of diminishing return relative to F–4 improvements. A better option is to utilize improved technology in a design directed toward the goal of significant improvement in performance and cost of ownership.

"Mr. Mahon. The first YF–17 lightweight fighter prototype is not scheduled to make its first flight until next month. The second YF–17 prototype is not scheduled to start flight tests until September. Will all flight testing of the lightweight fighter prototypes be completed prior to April 1975, the scheduled date of contract award for the air combat fighter?

"Dr. Currie. If the lightweight fighter flight test program proceeds on schedule we will have completed all testing and data analysis necessary to make a source selection with confidence by April 1975.

"Mr. Mahon. The VFX contract is to be awarded between November and December 1974. Does this mean that the lightweight fighter prototypes will not be considered by the Navy, the testing of the lightweight fighter prototype will not be complete.

Dr. Currie. The lightweight fighter prototypes will provide technology benchmarks in design and performance which will be used in the VFAX. I expect to see scaled up versions of both the YF–16 and the YF–17 in the VFAX design competition. Though no specific date is set for a VFAX contract award, a design should be selected before the end of the fiscal year 1975. It is anticipated that both lightweight fighter prototypes will be advanced in their flight tests at that time, and data will be available to the VFAX source selection board.

"Mr. Mahon. The objective of the lightweight fighter program is to investigate advanced technology and new aerodynamic concepts and design ideas. Until the testing programs are completed, we assume that these ideas will not have been verified. Yet the Navy plans to contract immediately for the VFX. Will the Navy, as a result, not consider the advances in technology which the lightweight fighter program was designed to demonstrate?

"Dr. Currie. As stated earlier in my testimony, I believe that the flight testing of the YF–16 and YF–17 will be sufficiently advanced to establish the validity of the advanced technology and new aerodynamic concepts employed in those aircraft before a VFAX design will be selected. The Navy VFAX will most assuredly benefit from the lightweight fighter program."

From the conversation noted above it appears clear that despite suggestions by the Chairman that the Navy's program might benefit from the Air Force program in the development of a lightweight fighter, the Navy was determined to carry out its own program and merely use the "technology benchmarks in design and performance" developed by the Air Force program.

In the Senate the Navy's proposal received a somewhat more favorable reaction but not nearly the support it sought. In fact, the Senate Appropriations Committee Report, S. Rept. No. 93–1104, while recommending an appropriation of $20,000,000 for a Navy fighter prototype, p. 174, included in a discussion of *Lightweight Fighter Prototypes*, the following requirements of the Secretary of Defense:

"Lightweight Fighter Prototypes

"The committee recommends that the Secretary of Defense insure competitive and independent flight evaluation of the YF–16 Lightweight Figher Prototype and the YF–17 Lightweight Fighter Prototype. Such a flyoff should be conducted with the same objectivity used in both the A–9/A–10 and A–7/A–10 flyoffs and provide for a thorough evaluation of the fighter capabilities of both competitive prototypes.

The Committee recommends that the Secretary of Defense provide the committee with a report by Jannuary 1, 1975, that (1) justifies the need for duplicative development of a lo-mix fighter aircraft by both the Air Force and Navy, (2) cites both the cost and operational advantages and disadvantages of the use of the same basic design aircraft (e.g., F–4, A–7) by Air Force, Navy and Marine Corps, (3) lists the life cycle cost implications of different basic design Air Force and Navy low-mix aircraft for the future force.

This language would appear to indicate a desire on the part of the Senate Committee similar to that of the House to have, if possible, the lightweight fighter prototypes of both the Navy and the Air Force share as much similarity as possible. While it is not stated in the conference report which resolved the difference between the House and the Senate on the VFAX program, it would seem logical that this concern on the part of the Senate about "duplicative development" and the House's insistence on it formed the basis of the compromise, which the final version of the bill represented.

A review of congressional practices with regard to the appropriations process and court interpretations of appropriations measures impels us to the conclusion that the language in the conference report, given the legislative history cited above, should be deemed to be binding upon the Navy.

The history of the appropriations process in the Congress shows a continuous movement from specific to general appropriations and a consequent growing reliance on the part of Congress on the integrity of the administrators of the appropriated funds. The general response of administrators has been to accept expressed congressional intent in hearings, reports, and debates, particularly in the area of appropriations, as circumscribing their possible courses of action. In fact in the hearings on H.R. 16243 before the Senate Subcommittee, Vice Admiral W. D. Gaddis, Deputy Chief of Naval Operations for Logistics, submitted a statement which contained the following:

"COMPLYING WITH CONGRESSIONAL INTENT

"In order to comply with the Committee's expressed desires both officer and enlisted full time degree seeking programs were reduced in scope. . . . Senate Hearings, Comm. on Appropriations, 93rd, 2nd pt. 3, p. 402."

Such compliance by administrators with the "expressed desires" of Congress and its committees has enabled Congress to streamline the appropriations process considerably.

During floor consideration of H.R. 16243 a program requested by the Army was deleted by amendment. The amendment which deleted the program did not specifically refer to the program rather it simply reduced the total amount of the appropriation which contained funds for the program by the amount in the appropriation which the program represented. The program in question was for construction of production facilities for binary chemical artillery projectiles. The money for the program was contained in appropriations for Army Ammunition Procurement. The total proposed for such Army procurement was $732,300,000. Of that amount $5.8 million was for the above-mentioned production facilities. The amendment offered deleted the $5.8 million for the program and provided that: Page 16, line 13, strike out, "$732,300,000" and insert in lieu thereof "$726,500,000."

Mr. Hicks of Washington in proposing this amendment stated:

"Mr. Chairman, the purpose of this amendment is quite simple. It strikes $5.8 million from the "Procurement of ammunition, Army" section of the bill, for funds which have been appropriated for a chemical production and load, assembly and pack facilities relating to binary nerve gas." (Cong. Rec. August 6, 1974, 27001.)

Under the theory apparently set forth by the Navy, an amendment such as the one above which was approved by the House would be totally ineffective and only direct language denying funds for the program could have achieved the intended result. Of course this is not the case. Congress has seen fit to appropriate billions of dollars with only minimal direction contained in the appropriation acts themselves. A detailed budget is submitted by the executive and considered in detail by the Congress but the acts which provide the appropriations are broadly drawn. For the intent of Congress we must look to legislative record of the appropriation. To look only to the authorization for the appropriation measure for congressional intent, particularly in the area of defense is to ignore the heart of the process.

When the legislative process is considered it would seem that no aspect of it should be given more weight in ascertaining congressional intent than an item in a conference report which reconciles a difference between the versions of the bill as passed by both Houses. When the same language is adopted initially by both Houses of Congress there is always room for the proposition that the intent of one House was not that of the other. However, when an item is a subject of a conference it is one area where clearly the intent of both Houses of Congress is the same. That is the purpose of the conference, to reconcile differences and agree. Neither the version of H.R. 16423 initially passed by the House nor the version initially passed by the Senate became law.

The version that did become law was the language reported out by the conference committee. The intent of both Houses of Congress was to reconcile the differences between the two versions passed by the House and the Senate, and the version reported out by the Conference committee did just that. With respect to the reconciled differences the intent of both Houses was the same and was the intent of the conferees. In the case which we are presently considering it would seem quite clear that it was the intent of both Houses of Congress that the language in the conference report be complied with. The language is not discretionary. It is mandatory. To argue that Congress did not consider this to be binding on the Department of Defense would be to ignore the plain and simple language of the report.

Those cases which we have found that concern themselves with the effect of congressional intent when appropriating funds on the use of those funds indicate a consensus on the part of the courts that such intent is binding. The so-called "plain meaning rule" of statutory construction does not seem to have found its way into construction of appropriation acts, and for obvious reasons. In an appropriation act such as the Defense Appropriation Act of 1975 billions of dollars are appropriated in the most general of terms, if there is to be a determination as to how these monies are to be spent then clearly resort to the legislative history of the act must be made.

In the case of *Winston Bros. Co.* v. *United States,* 130 F. Supp. 374 (Ct. cl., 1954) the Bureau of Reclamation in following a congressional directive contained in statement by the conference managers appended to the conference report on the Bureau's appropriation bill had allocated appropriated funds and given priority to some contractors over others. In upholding the decision of the Bureau to allocate in conformance with the congressional directive the court held that:

"The officials of the Bureau . . . took the statement above quoted of the managers . . . as law. While it was not in the Conference

Report it said that the conferees had agreed that that was the intention of the appropriation. There was, and is, no reason to doubt the truthfulness of the statement. In the circumstances it was the duty of the Bureau . . . to respect the known intent of the responsible managers of the legislation." *Id.* at 377

In *United States* v. *State Bridge Commission of Michigan*, 109 F. Supp. 690 (E.D. Mich. 1953) the intent of Congress in enacting an appropriations measure was determined from testimony given by the Commissioner of Customs during hearings on the measure.

In the recent United States Supreme Court case of *Ruiz* v. *Morton*, 415 U.S. 199 (1974), the Court in finding the Bureau of Indian Affairs bound to make certain expenditures on the basis of testimony given by officials of the Bureau during hearings on the Bureau's appropriations. The Bureau appropriation for education and welfare services was in the broadest of terms, "For expenses necessary to provide education and welfare services for Indians . . ." Yet from this the Court, without resorting to the plain meaning rule of statutory construction found the Bureau obligated to make expenditures which the Court determined that it was the intent of Congress were to be made. The intent of Congress was gleaned as in the case of *U.S.* v. *State Bridge Commission*, supra, from testimony given at hearings on the appropriations measure for the Bureau.

It appears clear that if material considered at hearings on appropriations can be determinative of the manner in which appropriated funds may be expended then matters resolved at conference and passed by both Houses of Congress must be absolutely determinative. Otherwise resort to legislative history in construction of an appropriation measure becomes meaningless, and the Executive branch is given almost unbridled discretion in the use of appropriated funds.

ROBERT THORNTON,
Legislative Attorney, American Law Division.

DISTRICT OF COLUMBIA REVENUE ACT OF 1975

(Mr. GUDE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GUDE. Mr. Speaker, today the Subcommittee on Fiscal Affairs of the Committee on the District of Columbia commenced hearings on the District of Columbia Revenue Act of 1975. At the opening of these hearings the ranking minority member of the subcommittee, our distinguished colleague from Connecticut (Mr. MCKINNEY) made an outstanding statement concerning the measure before the subcommittee. In view of our colleague's longstanding commitment to our Nation's Capital and his valiant efforts on behalf of home rule, I commend to our colleagues the gentleman from Connecticut's statement, a copy of which follows:

STATEMENT OF STEWART B. MCKINNEY

As a long time supporter of Home Rule, I regret to find myself opposing an enactment of the D.C. City Council. I can sympathize with the immense fiscal problems a major city has. The District of Columbia is caught in the same inflationary squeeze that every other major city in the United States feels. Demands for services increase, the cost of services increases, but the revenues available to pay for these services decreases as city residents struggle with recession. Faced with increasing demands and decreasing revenues, the District government must and should tap every possible revenue source. But it is essential to the fiscal security of the District that the taxing authority be exercised in an equitable and productive manner.

Those who maintain that the city Council should be able to exercise its power to legislate without interference from Congress seem to forget that Congress has a clear mandate from the Home Rule Act to exercise oversight in District affairs. I think that exercising this mandate in a matter which has serious implications for the fiscal stability of the District is not a specious action but a Constitutional obligation.

I do not feel that exercising the authority specifically given to Congress in the Home Rule Act violates the spirit of Home Rule. One need go no further than cite the example of New York City, in the last few weeks to show the need for continued concern about the fiscal stability of our major cities. It is because of this concern, that I act.

I am sure the testimony on the extension of the unincorporated business franchise tax to professionals will show this tax to be inequitable in its treatment of District residents and non-residents. In effect, the income of non-residents is subject to tax twice while the income of District residents is taxed only once, thanks to the ability of District residents to write off income subject to this tax on their D.C. personal income tax. But of even greater concern, it is a counterproductive measure, guaranteed to erode the tax base of the District at a time when the District government needs to strengthen the tax base.

The District of Columbia is in a highly competitive situation regarding its neighboring localities in Maryland and Virginia. Because of this, the District must attract new business to Washington and keep the established businesses here. In such a highly competitive area as the Washington Metropolitan area, the tax structure of each jurisdiction is an important factor in determining where individuals will choose to live and work. The creation of any large tax differential would be a great disincentive to professionals or others considering a move to downtown Washington. The proposed tax is especially discouraging to those younger professionals starting in a practice who are not able to absorb a high rate of taxation as more established professionals can. This effect would create real hardships for all residents of the District of Columbia.

The experience of other cities which increased tax rates in order to bring in additional revenues quickly is instructive. In New York City, it was found that for every one percent increase in the sales tax rate, the city lost to surrounding suburban areas six percent of taxable retail sales. Another study found that not only did an increase in the sales tax rate have a negative effect on retail sales, but upon employment in the city as well.

In effect, for every one job gained in the public sector through increased city revenues, approximately five jobs were lost in the private sector through lost retail business. Among the states which now have unincorporated business franchise taxes, there is increasing sentiment to drop them because of built-in inequities. The State of Connecticut has already done so.

However, it is not enough for Congress to criticize this proposal without advancing a workable alternative. In this regard, I am glad to see that our colleague from Maryland, Representative Gilbert Gude, has introduced what I believe to be a reasonable alternative. The Gude proposal lessens the tax bite by increasing the salary exclusion on net income from 55% to 80% thereby decreasing the effective tax rate to something below 2.4%. It answers the objections of non-residents by eliminating the provisions in the D. C. Code allowing District residents to write off income subject to the unincorporated tax for purposes of their D. C. personal income tax. I am sure these proceedings will carefully consider the Gude bill. It is a reasonable solution which is equitable and yet maintains the spirit of Home Rule.

GUIDES CONCERNING FUEL ECONOMY ADVERTISING FOR NEW AUTOMOBILES

(Mr. EDGAR asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. EDGAR. Mr. Speaker, I had planned to offer an amendment to H.R. 7014.

The purpose of my amendment was to fill a void in title V in which there is no provision for regulating deceptive automobile advertising. The committee, cognizant of the importance of regulating fuel economy claims, entitled a section "labeling and advertising." My amendment would have clarified that section.

The fuel economy of a vehicle is becoming an increasingly important factor in the selection of a specified car model. I share the belief of many of my colleagues that current standards followed by the auto industry are misleading to the consumer. The purchaser usually receives only a fraction of the fuel economy which he expected upon viewing the ad or commercial of that model.

The Federal Trade Commission is fully aware of these problems, and has actively been pursuing solutions which will protect consumers. The FTC recently issued new guidelines addressed to this problem. Mr. Speaker, I insert at this point in the RECORD the statement by the Commission:

GUIDES CONCERNING FUEL ECONOMY ADVERTISING FOR NEW AUTOMOBILES

[16 CFR Part 259]

On September 24, 1974, by a Notice of Public Hearing in the Federal Register (39 Fed. Reg. 34382) the Federal Trade Commission commenced a rulemaking proceeding concerning the advertising and promotion of the fuel economy of new automobiles. Included in this Notice was a description of the subject matter involved in the proceeding, together with a detailed list of questions designed to elicit public comment.

In publishing this Notice the Commission took note of the dramatic increase in the number of fuel economy claims then being made and of the proliferation of test procedures then being used as the basis for such claims. The Commission expressed the concern that the failure of advertisers to use a uniform test procedure, and to use a procedure that was fairly related to typical driving patterns, had the tendency and capacity unfairly and deceptively to deny consumers information which would enable them to compare advertised automobiles on the basis of fuel economy and to deceive consumers as to the fuel economy they would experience with the advertised automobile.

The record of the rulemaking proceeding confirms both the importance of fuel economy to consumers in their automobile purchasing decision, and the need for meaningful, usable fuel economy information.

In the course of the rulemaking proceeding, two distinct procedures for measuring fuel economy were brought to the Commission's attention. The first, was that developed by the Environmental Protection

Agency. Fuel economy results derived from this procedure are in widespread use in labeling through the Voluntary Labeling Program, jointly sponsored by EPA and the Federal Energy Administration, and are also widely used in advertising. The second, was developed by the Society of Automotive Engineers (SAE). Both procedures appear to have both advantages and shortcomings. For example, while the EPA test procedure is less costly to run and its results easier to reproduce than the SAE procedures it does not completely take into account the combined effects of aerodynamic and rolling resistance, effects which are most pronounced at higher speeds. On the other hand, while the SAE test better reflects the effects of "road load" on highway driving, its urban cycle was criticized for its failure to take into account the negative effects of "cold start" driving on urban fuel economy.

Since the closing of the record of the rulemaking proceeding on December 31, 1974, the Commission has become aware, through consumer complaints, and press reports, of an increasing criticism that the EPA highway test results may, at least with respect to certain cars, overstate fuel economy. The Commission's staff is presently inquiring into the extent and the basis for this criticism. In view of this criticism, as well as in view of other questions concerning the EPA test, the Commission has concluded that it would not be in the public interest at this time to promulgate a final trade regulation rule. At the same time, in view of the important public interest in providing meaningful fuel economy information through advertising, and the potential for deception raised by much fuel economy advertising, the Commission has determined, as an interim measure to issue Guides concerning the use of fuel economy claims in advertising. In addition to the Guides, which are being published in the Federal Register today, the Commission will shortly initiate a new rulemaking proceeding.

In issuing these interim Guides, the Commission expresses its concern that the advertising of fuel economy information only serves the public interest when such advertising is not deceptive. In order to avoid deception and/or unfairness in the advertising of fuel economy for automobiles, the Commission has concluded that fuel economy claims must include certain disclosures and qualifications. These include the following:

1. Disclosure of EPA or SAE Test Results.

As the Commission recognized in its September 24, 1974 Notice, the use in advertising of fuel economy results obtained from tests that do not bear a sufficient relationship to typical driving patterns may be deceptive or unfair. Moreover, even when no specific fuel economy figure is cited in advertising, the use of such vague and ill-defined terms as "saves gas", or "gas stingy engine" may also be deceptive by implying the existence of some level of "good fuel economy" which may be perceived differently by different individuals. For these reasons the Commission has concluded that fuel economy claims should be accompanied by a disclosure of the appropriate EPA or SAE mileage figure. Section 2(a) of the Guide requires this disclosure.

Section 2(a) further requires that both city and highway fuel economy figures be disclosed. Where mileage claims are based on test conditions that are relatively favorable to the advertised car, the failure to reveal results that may be relatively less favorable to the advertised car may constitute a deceptive failure to disclose a material fact. Since non-highway driving accounts for over half of the total driving done each year, disclosure simply of the highway figure, without disclosure of the lower city number would be misleading.

Because of the importance of both numbers and to guard against the over-emphasis of one figure to the exclusion of the other, the Guide requires that each number be disclosed in close conjunction with the other and with substantially equal prominence. For example, the Guide would not permit the bold display of a highway mileage result in a headline where the city figure is disclosed only in a footnote at the bottom of the page, or buried in a lengthy paragraph in the body copy. Finally, in order to prevent the arbitrary selection of those EPA or SAE city and highway figures which are most favorable to the advertised car, the Guide provides that where one method is used for determining the highway figure, that method (i.e., EPA or SAE) must be used to determine the city figure.

2. Qualification of EPA or SAE Test.

As the record of the rulemaking proceeding made clear, neither the EPA or SAE test, nor indeed any mass vehicle testing program, is capable of predicting the precise mileage that will be obtained by each driver. On the contrary, because of significant differences among consumers in terms of driving habits, traffic patterns encountered, weather conditions, car loading and use and purchase of optional equipment, actual fuel economy obtained will vary significantly from individual to individual. In order to avoid the misleading suggestion that the very mileage figures cited in an advertisement will in fact be achieved by a given consumer, Section 2(a)(2) of the Guide requires a disclosure that the cited figures are estimates, and that actual mileage obtained by the consumer may be different, depending upon how and where the consumer drives, the condition of the car and its optional equipment. The importance of such a disclosure in preventing the citation of specific fuel economy figures from raising unrealistic consumer expectations is underscored by recent reports which suggest that, in some instances, the EPA "Highway" test results may overstate the actual fuel economy likely to be achieved by most drivers of some particular cars.

3. Identification of Advertised Vehicle.

Section 2(b) of the Guide requires that where the advertised automobile is available in more than one engine size, transmission type or fuel system, such be disclosed in the advertisement. Each of these factors has a substantial effect on fuel economy and the EPA-FEA "Mileage Guide" provides separate fuel economy figures within a "carline" (e.g., Pinto, Vega, etc.) for a vehicle represented by each of these different configurations. Failure to identify the advertised automobile in terms of these major fuel-economy-affecting variables could therefore be a significant source of deception, since a consumer viewing an advertisement containing highly advantageous fuel economy figures might assume that the advertised fuel economy relates to the most popular version of the advertised model, (e.g., with a relatively large engine and automatic transmission) rather than to a "special economy version" which may be equipped with the smallest engine and manual transmission. That the consumer's impression will be corrected when he views the cars in the dealer's showroom, or consults a fuel economy list, does not of course excuse the initial deception. See e.g., *Carter Products* v. *FTC*, 323 F.2d 523 (5th Cir. 1963).

Where the mileage figures cited in the advertisement are not derived from the "Mileage Guide" but are rather the result of tests conducted upon a specific automobile, Section 2(c) will require that the disclosures required in Section 2(b) be supplemented by a further disclosure of all optional equipment carried by the advertised car that has the effect of increasing fuel economy, or the absence of all commonly used equipment whose use has the effect of decreasing fuel economy. In the absence of these additional disclosures a consumer will have no way of determining whether the automobile he wishes to purchase is likely to achieve the advertised fuel economy. Since, moreover, additional fuel economy advantage attributable to optional equipment can be achieved only at the additional cost of the optional equipment, failure to disclose that the equipment is optional may falsely imply that a car with the advertised mileage can be bought for the price normally charged for a car with standard equipment. Cf., *General Motors Corp.*, 32 F.T.C. 807 (1941).

While the Guides are interpretive of laws administered by the Commission, and are thus advisory in nature, proceedings to enforce the requirements of law as explained in the Guides may be brought under the Federal Trade Commission Act (15 U.S.C. Secs. 41-58) which, briefly stated, makes it illegal for one to engage in "unfair methods of competition in or affecting commerce and unfair or deceptive acts or practices in or affecting commerce", as "commerce" is defined therein.

Inquiries and requests for copies of the Guides should be directed to the Bureau of Consumer Protection, Federal Trade Commission, Washington, D.C. 20580.

Accordingly the Commission hereby issues the following Guide which amends Subchapter B—Guides & Trade Regulation Rules—Chapter I of 16 CFR by adding a new part 259, to take effect October 15, 1975, as follows:

Sec. 259.1 Definitions.
Sec. 259.2 The Guide.

Authority: 38 Stat. 717, as amended; 15 U.S.C. 41-58.

§ 259.1 "Definitions."

For the purpose of this part the following definitions shall apply:

(a) "New Automobile". Any passenger vehicle or light duty truck as those terms are defined in 40 CFR 85, 1974, as amended, the equitable or legal title to which has never been transferred by a manufacturer, distributor, or dealer to an ultimate purchaser. The term "manufacturer" shall mean any person engaged in the manufacturing or assembling of new automobiles, including any person importing new automobiles for resale and any person who acts for and is under the control of such manufacturer, assembler, or importer in connection with the distribution of new automobiles. The term "dealer" shall mean any person resident or located in the United States or any territory thereof or in the District of Columbia engaged in the sale or distribution of new automobiles to the ultimate purchaser. The term "ultimate purchaser" means, for purposes of this part the first person, other than a dealer purchasing in his capacity as a dealer who in good faith purchases such new automobile for purposes other than resale including a person who leases such vehicle for his personal use.

(b) "Mileage Guide". The most recent publication of EPA and/or FEA which lists for the relevant model year the estimated city and estimated highway fuel economy of new automobiles.

(c) "Estimated city fuel economy". The gasoline consumption or mileage of new automobiles as determined in accordance with either: (1) the urban or city test procedure employed and published by the United States Environmental Protection Agency as described in 39 F.R. 36890, *et seq.* (1974) and subsequent revisions; and expressed in miles-per-gallon, to the nearest whole mile-per-gallon as measured, reported, published or accepted by the United States Environmental Protection Agency; or (2) the urban cycle of the SAE Fuel Economy Measurement—Road Test Procedure J-1082 and subsequent revisions and expressed in miles-per-gallon to the nearest whole mile-per-gallon.

(d) "Estimated highway fuel economy". The gasoline consumption or mileage of new automobiles as determined in accordance with either: (1) the highway test procedure employed and published by the United States Environmental Protection Agency as described in 39 F.R. 36890 *et seq.* (1974) and subsequent revisions; and expressed in miles-per-gallon, to the nearest whole mile-per-gallon as measured, reported, published or accepted by the United States Environmental Protection Agency; or (2) the interstate cycle of the SAE Fuel Economy Measurement—Road Test Procedure J–1082 and subsequent revisions and expressed in miles-per-gallon to the nearest whole mile-per-gallon.

§ 259.2 "Advertising disclosures".

(a) No manufacturer or dealer shall make any representation in advertising concerning the fuel economy of any new automobile unless such representation is accompanied by the following clear and conspicuous disclosures:

(1) both the estimated city fuel economy and the estimated highway fuel economy of such new automobile. Each of these disclosures shall be made in close conjunction with the other and with substantially equivalent prominence, and the fuel economy figures comprising these disclosures must be derived from the same source, (i.e., EPA or SAE) and such source shall be disclosed in immediate conjunction with the fuel economy figures.

(2) that the advertised fuel economy figures are only estimates, and that the actual fuel economy to be obtained by the consumer may be different and will depend upon the individual's driving habits, driving conditions and the car's condition and optional equipment.[1]

These new guidelines should prohibit a number of abuses, although they do not have the force of regulations. I urge the FTC to expedite implementation of rules with the force of law and provide a mandate for an end to misrepresentative advertising practices.

DAYLIGHT SAVING TIME

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, earlier in the session I introduced a bill to amend the Uniform Time Act of 1966 to provide for daylight saving time during the 8-month period beginning on the last Sunday in February and ending on the first Sunday in November of each year. I would call my colleagues' attention to my remarks on this subject which appeared in the Record on February 6, 1975, on page 2689.

In late July the Department of Transportation issued a final report and recommendations on the 2-year daylight saving time experiment which ended last April. This report was required under the provisions of the Emergency Daylight Saving Time Act of 1973, as amended—Public Law 93–182, Public Law 93–434. In the course of its study the Department found that modest overall benefits might be gained by the adoption of an 8-month daylight saving time system as opposed to the traditional 6-month plan. There are indications that the 8-month system will result in a small degree of energy conservation, increased overall traffic safety and a reduction in violent crime. Although the benefits in these areas are small, the Department of Transportation feels that the 8- to 4-month plan should be tried for 2 more years to allow time for further study and analysis of its effectiveness.

I am hopeful that the Subcommittee on Transportation and Commerce of the House Interstate and Foreign Commerce Committee will hold hearings on this subject in the near future. Today I am reintroducing H.R. 2915 along with the following cosponsors: Messrs. Badillo, Corman, Fraser, Gude, Hannaford, Harrington, Rodino, Treen, and Whitehurst. I firmly believe that we should adopt the 8-month daylight saving time plan for at least an additional trial period.

The text of my bill follows:

H.R. 9670

A bill to provide for daylight savings time during the period beginning on the last Sunday in February and ending on the first Sunday in November or each year

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3(a) of the Uniform Time Act of 1966 (15 U.S.C. 260a(a)) is amended by—

(1) striking out "April" and inserting in lieu thereof "February"; and

(2) striking out "last Sunday of October" and inserting in lieu thereof "first Sunday of November".

Sec. 2. The amendments made by the first section of this Act shall take effect on the date of enactment of this Act, except that—

(1) if such date is within the 37-day period ending on the first Sunday of November of the year in which this Act is enacted, such amendments shall take effect immediately after 2 o'clock ante meridian on such Sunday; and

(2) if such date is within the period beginning 30 days prior to the last Sunday of February of 1976 and ending at 2 o'clock ante meridian on the last Sunday of April of 1976, such amendments shall take effect—

(A) at 2 o'clock ante meridian of the first Sunday which is more than 30 days after the date of enactment of this Act, or

(B) immediately after 2 o'clock ante meridian on the last Sunday in April of 1976. whichever is earlier.

NEW BILL ON NO-FAULT

(Mr. VAN DEERLIN asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. VAN DEERLIN. Mr. Speaker, I am introducing today a newly drafted bill, H.R. 9650, providing for a system of no-fault auto accident insurance coverage. Its title: "To provide for the rehabilitation and compensation of victims of transportation accidents involving motor vehicles by establishing national standards for State no-fault benefit plans, and for other purposes."

The Commerce Subcommittee on Consumer Protection and Finance, which I am privileged to chair, has conducted nine sessions of hearings into no-fault, based on bills presently before the House. This consideration followed nine similar hearing sessions in the 93d Congress, under the gavel of my California colleague, John Moss.

Those of us who have included the no-fault question on our questionnaires know that the idea has generated wide public support. Indeed, 24 States have revised their reparations systems in response to public dissatisfaction with the way most auto insurance works.

Since this bill will be a vehicle for the subcommittee markup, I am including hereinafter a section-by-section analysis of the bill.

I would like to call particular attention to one new provision in this bill. For years, we in Congress have received letters from constituents detailing instances of unjustified or questionable cancellation or nonrenewal of auto insurance policies. Under H.R. 9650, it would no longer be necessary for an insurance company to terminate a policyholder and, accordingly, cancellation and nonrenewal are only permitted—absent fraud or mistake—for nonpayment of premium or in case of revocation or suspension of a driver's license.

The analysis follows:

SECTION-BY-SECTION ANALYSIS

The draft bill is divided into four titles. Title I contains the findings and purposes of Congress. Title II sets national standards—for State no-fault benefit plans—for the rehabilitation and compensation of accident victims. Title III sets forth the contents of, and the conditions for, the alternative Federal no-fault plan. Title IV provides for an independent Review Board and an approval process and contains general definitions and miscellaneous provisions.

TITLE I—GENERAL PROVISIONS

Section 101 (formal provisions)

The section sets forth the short title of the bill (National Standards for No-Fault Benefits Act) and a detailed table of contents.

Section 102 (declaration of policy)

The Congress makes detailed findings as to the importance of transportation by motor vehicle in the United States, the Federal Government's stake in this mode of transportation, and the burdens imposed upon interstate commerce by the present system of compensating the victims of motor vehicle accidents. The Congress further finds that a system which assures rehabilitation, treatment and compensation of all such victims, and which eliminates the need to determine fault, is an efficient, low-cost, comprehensive and fair system. The establishment of such a no-fault system nationwide, the Congress finds, would remove the undue burden on commerce. The purpose of the bill is to establish a no-fault system by formulating national standards for State no-fault plans and a mechanism for achieving compliance with these national standards, while recognizing the historical role of the States in regulating the business of insurance.

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[1] The Commission will regard the following disclosures as complying with § 259.2(a)(2):

For television and radio only: "*Remember:* These mileage results are estimates. The actual mileage *you* will get may be different."

For print (other than billboards) media only: "*Remember:* These mileage figures are *estimates*. The actual mileage *you* get will vary depending on the type of driving you do, your driving habits, your car's condition, and optional equipment."

For billboards: "Estimate only. See EPA Mileage Guide for Details."

TITLE II—NATIONAL STANDARDS FOR STATE NO-FAULT BENEFIT PLANS

Section 201 (State plan for no-fault benefits)

The section provides that a State may, at any time, enact into law a plan for no-fault benefits for motor vehicle accident victims in accordance with the national standards set forth in title II. Such a plan, if approved pursuant to section 402, is called an "approved State plan."

Section 202 (benefits)

Subsection (a) requires an approved State plan to provide for basic no-fault benefits for medical expense, without limit as to amount. (Medical expense benefits are, by definition, limited to the "reasonable" cost of products, services, or accommodations that are "reasonably needed" by a victim.)

Subsection (b) requires an approved State plan to provide for basic no-fault benefits for work loss and permits such plan to set a monthly limit and a total limit on these benefits. A State may choose to limit monthly work loss recovery to the lesser of two amounts, determined according to the following formulations: (1) $1,000 times a formula designed to reflect differences in per capita income in different parts of the Nation; or (2) a specific amount, representing the named insured's voluntarily disclosed actual monthly earned income, if the insured and the insurer agree in writing that such sum shall measure work loss.

One advantage of the disclosed earned income approach is that the purchaser of insurance will be better able to insist that his premium cost be based on his own earnings rather than on that of a person who earns exactly $1,000 times the formula variation for his State.

If a State chooses to restrict work loss according to the above formula, a person earning more than $1,000 (more than the formula variation) per month may buy added no-fault insurance for coverage on the amount in excess of the monthly limit.

The minimum total work loss benefits that a State plan must provide to be in accordance with national standards is $15,000 times the formula designed to reflect differences in per capita income. A State may, of course, provide for monthly or total work loss benefits in a greater amount.

Subsection (c) requires an approved State plan to provide a "reasonable" amount of basic no-fault benefits for replacement services loss. This provision would permit a State to set "reasonable" exclusions from, or monthly or total limitations on, amounts recoverable for replacement services loss. A State could, for example, exclude the first $100 for replacement services, could limit monthly replacement services benefit by total (e.g., to $360) or by category (e.g., $150 for child care, $75 for cooking and cleaning) and could also put a total limit on such benefits (e.g., 1 year or $5,200). The total denial of such benefits would not be a "reasonable" exclusion under an approved State plan.

Subsection (d) requires an approved State plan to provide for a "reasonable" amount of basic no-fault benefits for loss due to death, but in no event shall such amount be less than $1,000. A State could set monthly ceilings on such death benefits; it could set a total limit on such benefits; and/or it could establish "reasonable" exclusions from the no-fault benefits recoverable by the survivors of a deceased victim. Under this last provision, a State could decide, for example, to exclude from such no-fault benefits all other death benefits which the survivor could recover from collateral sources (funeral cost and survivors' benefits under Social Security, life insurance, the proceeds of a wrongful death action in tort, etc). These limitations on no-fault death benefits are appropriate since (1) the bill does not limit the right of the survivors to maintain a suit for wrongful death (in fact, section 203 expands the survivors' right to recover in a wrongful death action by mandating a comparative negligence standard in such suits) and (2) most Americans are, in the case of the death of the family breadwinner, entitled to receive life insurance payments and benefits under Social Security (O.A.S.D.I.).

Subsection (e) authorizes a State to allow purchasers of insurance to elect certain deductibles and waiting periods as a means to reduce the premium cost of insurance. An individual who is an insured may elect not to be compensated for up to the first $100 of work loss. An insured may elect not to receive any benefits for up to the first week of work loss. A motorcyclist, if covered by the State plan or if voluntarily purchasing no-fault insurance, may elect a deductible for an amount determined by the State Insurance Commissioner to be "reasonable." (While the utilization of these deductibles would lower the cost of an insured's coverage, the cost projections developed by Milliman and Robertson, State Farm and Allstate are not based upon the utilization of these deductibles).

Subsection (f) requires an approved State plan to provide for benefits for tort liability damages owed to eligible victims in an amount not less than $15,000 for each victim and $30,000 for each accident. This provision is designed to insure that the residual right to sue in tort is not an illusory one.

Subection (g) requires that an approved State plan provide each insurer selling compulsory coverage in the State to offer to sell insurance for the following added no-fault benefits (even though no motor vehicle owner is obligated to buy any such coverage): (1) collision insurance for physical damage to a motor vehicle; (2) coverage for work loss sustained by a victim in excess of limitations on basic no-fault benefits for work loss; (3) coverage for loss due to death in excess of limitations on death benefits; (4) basic no-fault insurance for the owner of a motorcycle in any State that excludes such vehicles from its State plan; (5) coverage for noneconomic detriment; and (6) such other added no-fault benefit coverage as the State's Insurance Commissioner may require pursuant to State law.

Section 203 (tort liability)

Subsection (a) provides that an approved State plan shall abolish tort liability with respect to any accident which takes place after the State plan is in effect, with seven specified exceptions.

The first exception has the effect of preserving in full the tort liability of persons who fail to purchase required insurance. This exception provides an incentive for motor vehicle owners to comply with the compulsory coverage requirement of section 204.

The second exception leaves untouched manufacturer's product liability involving a motor vehicle, and it makes it clear that a garage, a service station, and an automobile mechanic are still liable in full in tort for the consequences of their negligence in the conduct of their business, except as to motor vehicles operated in their own business.

The third exception assures that there will be no immunity from tort liability for any person who intentionally injures himself or another individual in the course of using a motor vehicle.

The fourth exception permits damages to be awarded in tort for any economic loss of a victim that is not compensated by no-fault benefits because of limitations in the approved State plan as to total basic no-fault benefits for work loss and/or as to basic no-fault benefits for replacement services loss.

The fifth exception permits damages to be awarded in tort to the survivor of a deceased victim (1) for any loss not compensated by no-fault benefits because of limitations in the approved State plan as to death benefits and (2) for noneconomic detriment (pain and suffering).

The sixth exception leaves tort liability for noneconomic detriment untouched in the case of a victim who (1) sustains serious and permanent disfigurement; (2) sustains other serious and permanent injury; or (3) sustains more than 90 continuous days of total disability. Total disability is defined as "medically determinable physical or mental impairment which prevents the victim from performing all or substantially all of the material acts and duties which constitute his usual and customary activities."

The seventh exception preserves the tort liability of any person or government which causes, in whole or in part, an injury by an act or omission which is not connected with the maintenance or use of a motor vehicle (e.g., person responsible for a roadside hazard on a railroad grade crossing).

In cases in which tort liability is preserved because of one or more of the exceptions, damages are to be apportioned in accordance with the doctrine of comparative negligence.

Subsection (c) requires an approved State plan to provide for a mechanism to assess individual responsibility and to impose tort penalties for any wrongful or unlawful conduct on the part of the operator of a motor vehicle which results in an accident, unless a State determines by statute that such a mechanism is not necessary for the protection of public safety and welfare. The subsection would forbid an insurer from paying any tort penalty imposed. In essence, the subsection recognizes the dichotomy between the insurance system and the fault system. The objective of insurance is to compensate the victims of automobile accidents, not to remove bad drivers from the road. The determination of fault required by the existing tort system is time-consuming and costly to the buyer of insurance. The bill recognizes this and seeks to devise a better system of insurance so it can carry out its true function adequately rehabilitating and compensating the victims of accidents. At the same time, this subsection recognizes that there are appropriate situations where a State would choose to penalize certain drivers for their conduct. This subsection would encourage states to adopt a civil and administrative system for the assessment of fines; the suspension or revocation of drivers' licenses; a requirement for such drivers to go to driving school; the impoundment of such driver's motor vehicle; or any other penalty the State determines to be appropriate. Such a system might well succeed at removing the dangerous driver from the road, a commendable objective that the present fault system cannot achieve because its judgments are paid by insurance companies rather than by guilty drivers and because its judgments are limited to money damages.

Section 204 (requirement of insurance)

Subsection (a) provides that an approved State plan must require every owner of a motor vehicle to provide and maintain compulsory coverage with respect to that motor vehicle so long as it is either registered or present in that State. An owner satisfying the requirements for compulsory coverage in one State is deemed to have satisfied such requirements in any other State (section 208). Compulsory coverage may be provided by a contract of insurance, by self-insurance or by government obligation. The coverage that is compulsory is insurance to cover the payment of basic no-fault benefits, benefits for tort liability damages up to the specified limits in section 202(f), and any other no-fault benefits or liability coverages that the State plan includes in the compulsory category. The benefits payable by insurers under compulsory coverage are subject to the limitations and provisions of the approved no-fault plan in effect in the State in which claimant has his principal place of residence.

It is up to the State to decide how to implement, administer and enforce this compulsory coverage requirement.

The requirement of compulsory insurance is a response to the holdings of State and Federal courts, in cases challenging the constitutionality of workmen's compensation laws and no-fault motor vehicle insurance laws, that a traditional remedy under the common law can constitutionally be prohibited by statute, only if it is replaced by a more dependable and available remedy, albeit that substitute may be more limited in amount with respect to certain categories of loss. The compulsory insurance provision of section 204(a), the availability of insurance provisions of section 205, and the availability of benefits provisions of section 207 assure each motor vehicle accident victim compensation in all cases of injury.

The national standards are designed to guarantee that each individual injured in an automobile accident "will have a certain and speedy remedy without the difficulty and expense of establishing negligence." *New York Central Ry. Co.* v. *White*, 243 U.S. 188, 201 (1917).

Subsection (b) establishes the prerequisites to qualifying as a self-insurer.

Subsection (c) provides that a government may provide security by entering into a contract of insurance or by lawfully obligating itself to provide basic no-fault benefits and such added no-fault benefits as it specifies. A governmental entity is not, of course, precluded from purchasing insurance on its own vehicles in lieu of such self-insuring.

Section 205 (availability of insurance)

Subsection (a) requires an approved State plan to provide "that the commissioner shall, pursuant to any State law applicable in such commissioner's State, establish and implement, or approve and supervise, a program to assure that compulsory coverage is conveniently and practicably obtainable" by all motor vehicle owners in that State.

The bill does not mandate the type of program (it may be implemented by assignment of applicants among insurers, by pooling or any joint insuring or reinsuring arrangement, or by any other method, including a State fund), but there must be a program which makes the required insurance available to all. This subsection is the necessary corollary to section 204(a), which requires each individual owner to maintain such coverage. Compulsory insurance without guaranteed availability of such insurance could amount to a form of entrapment, if a State chose to attach criminal penalties to driving without the required insurance coverage. In any event, it would be an inequitable system. Availability means "practicably obtainable," which means the State must devise a way to provide insurance at rates which allow any person who needs a motor vehicle to seek or maintain employment to afford such insurance.

Subsection (b) provides for the equitable sharing of catastrophic losses among insurers providing compulsory coverage, if it is necessary to preserve the competitive position of small insurance companies in such State. This subsection is designed to prevent any disproportionate increase in the reinsurance premiums which would adversely affect the competitive position of small insurance companies.

Subsection (c) relates to another part of the availability problem—the insurer's power to cancel or fail to renew an auto insurance policy. The subsection would prohibit any insurer from cancelling or failing to renew any compulsory coverage if timely payments of all required premiums for compulsory coverage have been made and each named insured under such coverage has a valid license to operate the motor vehicle for which such coverage is provided.

The subsection would permit an approved State plan to provide for an initial investigation period, not to exceed 75 days, during which an insurance company could cancel an insured's compulsory coverage on the basis of facts discovered during that period. In addition, the subsection preserves the insurer's historical right to cancel or fail to renew such coverage for fraud or willful misconduct of an insured in entering into such compulsory coverage or to reform the terms of such coverage on the basis of mutual mistake of fact.

Section 206 (obtaining no-fault benefits)

Subsection (a) requires that an approved State plan provide that an individual who is injured in a motor vehicle accident in any State, or the survivor of an individual who is killed in such an accident, is entitled to receive basic no-fault benefits. If an accident occurs outside the United States, but in Canada, Mexico, or Puerto Rico, an individual who is himself an insured, or who is the driver or occupant of a secured vehicle, is entitled to basic no-fault benefits. The difference between entitlements relates to pedestrians—a pedestrian in Mexico or Canada is not entitled to recover basic no-fault benefits unless he is an insured or the occupant of a secured vehicle.

Subsection (b) sets the priorities that an approved State plan must contain for determining which insurer will pay for the losses of which victims.

In general, a victim will receive no-fault benefits from his own insurer, regardless of whether the injury occurred while he was driving his own motor vehicle, while he was driving a motor vehicle owned by someone else, or while he was a pedestrian.

There are several exceptions to this basic rule. A person, or member of his household, injured in a vehicle furnished by his employer, would recover from the insurer providing security covering the employer-furnished motor vehicle. If the victim is not an insured, he shall receive his no-fault benefits from the insurer who is providing insurance for the owner of the motor vehicle in which the victim was an occupant. A pedestrian who is not an insured shall receive his no-fault benefits from the insurer who is providing insurance for the owner of the motor vehicle which struck him or for one of the motor vehicles involved in a multi-vehicle accident. If the victim has no basic no-fault insurance of his own and no other such insurance is applicable and available (e.g., the insurer for the motor vehicle owner is insolvent), he shall receive his no-fault benefits from the assigned claims program.

Subsection (b)(2) requires proration in cases in which there are multiple sources of equal priority.

Subsection 206(c) sets forth the general rules for payment of no-fault benefits. The rules are designed to insure prompt payment of claims and consumer protection. No-fault benefits are payable as loss for medical expense, work loss, replacement services loss or death benefits is incurred. Paragraph (3) requires that interest be paid on overdue benefit payments to claimants at an annual rate of 18%. Payments are overdue if not paid within 30 days after receipt by the insurer of submission of reasonable proof of the fact and amount of loss incurred (unless the insurer chooses to accumulate claims in periods not to exceed 31 days, in which case payments are overdue if not paid within 15 days after the close of such period). Unless otherwise requested by the victim, the insurer is to make direct payment to the provider of no-fault benefits within the stated time period, and no additional sum can be sought from the victim personally, except as provided by an approved State plan. This last provision is designed to get the victim out of the middle of any dispute between the provider of medical care and the insurance company.

No-fault benefits are payable without deduction for those benefits (workmen's compensation, social security, government disability) which are subtracted from loss in calculating net loss (pursuant to section 210 (b)), unless those other benefits have been paid or provided prior to the date the no-fault benefits are overdue. The insurer is entitled to reimbursement for such amounts from the person who is obligated to provide those extra benefits or from the claimant, if the claimant has received them.

If an insurer relied on an intentional or knowing misrepresentation of a material fact by a claimant to make payment of benefits, it is entitled to reimbursement for the amount involved by a legal action or by deducting the sum awarded in the judgment from any additional no-fault benefits which it is required to pay to the same claimant.

If an insurer rejects a claim, paragraph (6) requires it to so notify the claimant within 30 days after the receipt of proof of loss, in writing, of the reasons for rejection. In addition, the insurer must inform the claimant of his or her right to obtain an attorney to assist in reversing this rejection decision.

Subsection (d) sets forth the limited circumstances under which an insurer may deny or terminate no-fault benefits on the ground that the victim executed a release or other settlement agreement. Settlement in the form of payment in installments or in a lump sum is permitted if the anticipated net loss is not greater than $2,500 so long as the insurer remains obligated to pay any future medical expenses. Other settlement agreements may be effective only upon a determination by a court of competent jurisdiction that the settlement is in the best interest of the claimant, provided that the claimant consents to and understands such settlement. The cost of the court proceeding is paid by the insurer to the attorney for the claimant. These costs may not be deducted from the proceeds of the settlement.

A settlement agreement may be canceled if it was obtained by fraud or if its terms are unconscionable.

Subsection (e)(1) provides that assignments of no-fault benefits for loss accruing in the future may not be enforced except when the benefits are for work loss to provide payment of alimony, maintenance or child support.

Subsection (e)(2) prohibits an insurer from deducting (i.e. offsetting) any no-fault benefits owed to a claimant against any amounts owed to the insurer by this claimant, except as authorized under subsections (c)(5) (misrepresentation recovery) or (g)(2) (attorney's fee).

Subsection (e)(3) exempts most no-fault benefits from claims of creditors. No-fault benefits for medical expense are exempt from any legal claim. Other basic no-fault benefits are similarly exempt with respect to benefits received as a result of loss sustained within the first 60 days after the accident. Any other benefits, except those for medical expenses, are exempt from garnishment, attachment, execution, etc., to the extent that wages or other earnings are exempt under any appropriate law exempting wages or earnings from any such claims.

Subsection (f) sets forth the statute of limitations on lawsuits to recover no-fault benefits. (These limitations in no way affect any rights a person may have to bring actions in tort, which will continue to be determined by the applicable State statute of limitations.) If no-fault benefits have not been paid for loss arising from any injury other than death, an action must be commenced within 2 years after the victim suffers loss caused by the accident, or within 4 years after the accident, whichever occurs earlier. If some benefits have been paid, an action for additional benefits must be commenced within 2 years of the last payment of benefits. This last provision is designed to encourage out-of-court handling of claims, by obviating the necessity for the claimant to bring an action so long as benefits are being paid, no matter how much time has passed.

An action for death benefits must be commenced within 1 year of the death or 4 years after the accident resulting in death, whichever is earlier, if the deceased or his survivor(s) has not received no-fault benefits. A survivor who has been paid some benefits may commence action for further death benefits within 2 years of the last payment of benefits. If a victim received no-fault benefits for loss suffered before his death, his survivor(s) must take action within 1 year of death or 6 years after the last payment of benefits, whichever is earlier.

If an insurer refuses to furnish timely benefits because of a determination that the particular insurer's coverage is not applicable to the claimant, action may be taken against the insurer within 60 days of the final determination, or the last date on which the action could otherwise have been commenced, whichever is later. Any action by a claimant on an assigned claim presented in accordance with the general provisions for assigned claims, and not covered in paragraph (1), (2) or (3) of this subsection must be commenced within 60 days of receipt by the claimant of written notice of the rejection of the claim by the insurer to which it was assigned. If a person is legally disabled when his right to bring a civil action for no-fault benefits first accrues, the period of his disability is not counted as part of the time limitation for commencement of the action.

Subsection (g)(1) requires an insurer to pay the attorney's fees and other reasonable costs connected with legal representation of a claimant to whom it pays or to whom it is ordered to pay overdue no-fault benefits after it is notified that an attorney has been retained. The amount of such fee shall be based on actual time expended, at prevailing rates, including in the determination of "prevailing rate" an amount to cover the risk to the attorney that recovery and fees will not be forthcoming in other cases in which a claimant is equally deserving of legal representation (termed the "risk factor component"). A court may award such fees in any case in the interest of justice. These provisions are designed to insure the poor person who is injured in an automobile accident access to the courthouse, just as the contingent fee now provides him such access for negligence claims, without taking a portion of the poor person's recovery. The subsection further provides that no part of the attorney's fee may be charged or deducted from the benefits otherwise due to that victim. The court is also empowered to award a reasonable attorney's fee to the claimant's lawyer in any case in which the insurer sues the claimant.

Paragraph (2) directs that an insurer be allowed an award of a reasonable attorney's fee against a claimant if the court determines that the claim is fraudulent or so excessive as to be without reasonable foundation. This fee may be collected by deducting it from any other no-fault benefits payable to the particular claimant.

Section 207 (availability of benefit)

Section 207 requires an approved State plan to provide for the development of an assigned claims program to assure the availability of basic no-fault benefits. Each insurer providing no-fault insurance in such State would be required to participate in the cost of such assigned claims program.

Under subsection (b), a victim or survivor would be entitled to recover basic no-fault benefits through an assigned claims program in the State in which the victim has his principal place of residence. If the victim had no State of principal place of residence, the plaintiff would be entitled to claim from the assigned claims plan in the State in which the accident happened.

An appropriate claimant would be entitled to receive basic no-fault benefits from the program if basic no-fault insurance is not otherwise applicable to the injury, unless a victim is an ineligible claimant. In general, eligible claimants would consist of victims whose insurance companies become insolvent, victims in accidents where insurance cannot be identified (e.g., an uninsured pedestrian injured by a hit-and-run driver), and victims under 15 years of age who have stolen the motor vehicle.

Subsection (c) provides that if a claim qualifies for an assigned claims program because the basic no-fault benefits cannot be identified, because the benefits paid are not sufficient to provide the benefits contracted for, or if benefits are refused for a reason other than that the person is not eligible to receive benefits under the bill, any insurer to whom the claim is assigned succeeds to all the rights of the claimant against the former insurer who is legally obligated to pay the basic no-fault benefits to the claimant.

If benefits are paid to an individual through the assigned claims program for any reason other than the insolvency of his own insurance company, all benefits that such claimant may receive on account of or as a result of injury (except life insurance proceeds or benefits by way of succession at death or in discharge of a family support obligation) shall be subtracted from loss in calculating net loss. In other words, no-fault benefits through an assigned claims program meeting the requirements of this paragraph are "secondary" or excess while available collateral sources are "primary" or higher priority sources for the compensation of the loss involved. This provision will somewhat reduce the cost of providing for uninsured claimants, hit-and-run victims, and others.

A motor vehicle owner who fails to maintain compulsory coverage (or whose insurance was voided because of his fraud or misconduct) would be able to receive basic no-fault benefits through this assigned claims program, but the payment of such benefits would be subject to all of the deductibles and exclusions required to be offered by the applicable approved no-fault plan and would be reduced by $500 for each year or part of a year (starting when motor vehicle insurance became compulsory for such person) that such individual continuously failed to maintain compulsory coverage (except that payment of basic benefits for medical expense are not subject to being reduced by the $500 figure).

Section 208 (conflict of law resolution)

Paragraph (1) sets forth a general rule: a motor vehicle owner who has complied with the requirements for compulsory coverage in the State of registration of such vehicle "shall be deemed to have complied with the requirements for compulsory coverage in any other State." Each State would, in effect, give full faith and credit to the insurance requirements of every other State.

Paragraph (2) conforms the compulsory coverage automatically. Paragraph (3) provides that each contract of insurance for the payment of basic no-fault benefits "shall be construed to contain" sufficient coverage to satisfy the legal requirements for compulsory coverage in any State. Paragraph (4) declares that each such contract of insurance shall be construed to contain coverage for the payment of tort liability damages of up to $15,000 for each victim to protect the owner or operator from tort liability to which he may be exposed by the applicable law, where he would not be exposed to such tort liability through application of the law of the State in which he has his principal place of residence.

Paragraph (5) enunciates the rules for motor vehicle accidents having multiple-State connections. The rule is that the basic no-fault benefits available and the right of a victim (or of a survivor of a deceased victim) to sue in tort shall be governed by the law of the State of principal place of residence of the victim (or deceased victim). If the victim or deceased victim does not have his principal residence in any State (e.g., a foreign tourist), or if there is not yet an approved no-fault plan in effect in his State, or if such no-fault plan excludes the involved vehicle, the governing law on benefit levels and tort restrictions is the law of the State in which the accident occurs.

Section 209 (requirements for insurers)

Section 209(1) sets forth the basic duty of every insurer—the duty to provide basic no-fault benefits to each individual who is entitled to such benefits.

Paragraph (2) provides that an insurer shall promptly refer each seriously injured victim to the appropriate State vocational rehabilitation agency.

Paragraph (3)(A) prohibits the reimbursement or subrogation of claims between insurers except in three specifically indicated situations.

The first exception to this general rule is that an insurer is subrogated to the rights of the claimant against any other person where the victim has a claim against another person for failure to fulfill an obligation or duty causing the injury, or for breach of warranty.

The second exception provides that an approved State plan may grant a right of reimbursement between insurers providing compulsory coverage for different classes of motor vehicles (e.g., trucks, motorcycles) where a passenger motor vehicle is involved in an accident with a motor vehicle of a different class, if the commissioner finds that unreasonable economic advantage or disadvantage would result in the absence of such reimbursement.

The third exception authorizes reimbursement as to providers of basic no-fault benefits for medical expense.

Section 210 (cost savings)

An approved State plan must contain a provision that fairly and equitably (1) eliminates any unintended duplicative coverage and (2) passes on the cost savings which result from elimination of duplication to persons who would otherwise be entitled to receive such duplicative benefits or utilizes such savings to defray the cost of coverage for any such benefits.

Section 210(b)(1) requires an approved State plan to provide for the following items to be deducted from loss to determine net loss (the sum for which compensation is paid under basic no-fault benefits):

(1) social security benefits other than medicaid;

(2) workmen's compensation benefits;

(3) any State-required temporary non-occupational disability insurance; and

(4) awards because of injuries received from a government agency.

These deductions will produce significant premium savings for the persons who are entitled to receive them.

Section 210(b)(2) adjusts benefits to reflect the fact that money received as compensation for an injury is exempt from taxation under the Federal income tax law. Under this section, the income tax saving to the victim that is attributable to loss of income because of injury is deducted in calculating net loss or work loss, up to a maximum of 15 percent. Should this tax law provision be repealed, the reduction under this subsection will automatically, by its terms, cease to exist.

Section 211 (ineligible claimants)

Section 211(1) denies no-fault benefits to an individual who steals the motor vehicle of another and suffers injury arising out of the maintenance or use of the stolen vehicle. However, the thief (in case of injury) and the survivors of the thief (in case of death) are permitted to recover under a contract of insurance under which the thief is a named insured. Also, if the victim was less than 15 years of age when he stole the motor vehicle he is entitled to receive benefits under the assigned claims program pursuant to section 207.

This section means that under no circumstances is the owner of a motor vehicle, through his own auto insurance policy, responsible for injuries to the thief who steals that motor vehicle. (For purposes of this section and section 209(5) an individual is not a thief ("converter") if he uses another's car "in the good faith belief he was legally entitled to do so".)

Section 211(2) excludes from no-fault benefits, except under a personal policy, the person who attempts to commit suicide through the use of a motor vehicle and the survivors of a person who commits suicide in this way. The intentional injury ineligibility rule would also bar the organized crime enforcer who injures himself in the course of committing or attempting to commit assault or murder with a motor vehicle. An individual does not intentionally injure himself or another individual within the meaning of this section simply because he acts realizing that his conduct "creates a grave risk of causing injury," and intentional conduct for the purpose of averting bodily harm (i.e., defensive driving) is also not enough to make a victim an ineligible claimant.

Section 211(3) grants each insurer a right of indemnity against any individual who is an ineligible claimant (i.e., one who has converted a motor vehicle involved in the accident, or who intentionally caused injury to himself and/or another person), for loss caused by that individual, and for the cost of processing the claims to obtain such benefits, and for the cost of enforcing this right of indemnity, including reasonable attorney's fees.

Section 212 (other requirements)

Subsection (b) is an unequivocal statement that this bill does not (except as to the alternative (Title III) Federal no-fault plan whenever it is in effect in a State that does not enact its own State plan in accordance with national standards) interfere with historical rights of the States to exclusively regulate business insurance within its respective borders, including the regulating of insurance rates. Under this subsection, rates for no-fault insurance and required liability insurance "shall be established, determined, and modified only in accordance with the provisions of the applicable rating law of such State".

Subsection (c) provides that an approved State plan shall impose a responsibility on such State's Insurance Commissioner which is a necessary correlative of the basic responsibility placed on the motor vehicle owner under section 204. If every car owner is to be required to buy automobile insurance, government has a special duty to provide him with information about premiums, prices, and rates being charged for equivalent insurance coverage by all the licensed insurers of the State "in a manner adequate to permit" purchasers of insurance to compare prices between competing companies.

Subsection (d) establishes a national standard with respect to the treatment of motor vehicle accident victims by the providers of emergency medical services and by the providers of medical and vocational rehabilitation services and with respect to the availability of such services to victims. An approved State plan shall include a program (1) for evaluating and supervising these services to the extent that an insurer is expected to pay for them as items of medical expense; (2) for assuring the accountability of those providers for the quality and the cost of their services, in accordance with acceptable standards; and (3) for assuring that these services are available to victims suffering injury in the State (emergency medical services) and to victims residing in the State (medical and vocational rehabilitation services). Without such controls, the unlimited medical expense standards established by section 202(a) might be abused, and the services might not be available or of a sufficiently high quality to adequately serve the victims of motor vehicle accidents.

Subsection (e) provides that an insurance contract covering liability arising out of the ownership, maintenance, or use of a registered motor vehicle includes coverage for basic no-fault benefits and any other benefit coverage required by the State plan unless the contract (1) provides for only excess tort coverage or (2) is only incidental to some other basic coverage.

Subsection (f) provides that the terms, conditions, rating plans, and forms used by insurers (other than self-insurers) pursuant to an approved State plan are subject to the approval of the State Insurance Commissioner. The commissioner is to continue to review rating plans according to procedures established by applicable State law. He shall not, of course, approve a rating plan unless it accurately reflects any ineligibility for basic no-fault benefits for work loss; the election of a deductible; a low level of monthly basic no-fault benefits for work loss; or other exclusions or provisions that reduce the insurer's exposure in the event of an accident and which accordingly should reduce the insured's premium.

Unless otherwise prohibited by State law, the Commissioner is authorized to limit, by rule, the variety of coverage available, in order to give purchasers of insurance a reasonable opportunity to compare the cost of insuring with various insurers.

Subsection (g) sets forth certain technical rules to assist in the calculation of gross income loss, in the absence of a showing that such loss is or would be some other amount. These calculations are applied to determine "loss of income" and "work loss" to determine a victim's actual work loss and the amount of no-fault benefits receivable for work loss.

Paragraph (4) provides for changes in these calculations based upon "annual compensation increases that would predictably have resulted but for the injury."

Paragraph (5) defines "probable annual income" and prescribes computation formulas to use in the absence of "a showing that it is or would be some other amount." Paragraph (5)(C) defines "work week" to mean the number of days an individual normally works in a 7-day period. This definition puts the person who is on a 4-day work week on the same basis as the person who works on a 6-day basis, and vice versa.

TITLE III—ALTERNATIVE FEDERAL NO-FAULT PLAN

Section 301 (contests)

Subsection (a) provides for incorporating into the alternative Federal no-fault plan the requirements for approved State plans specified in section 202(g) and in sections 204 through 212. Specifically, they are the provisions for—

the mandatory offering of added no-fault benefits (§ 202(g));

compulsory insurance (§ 204);

a plan to make auto insurance available to all, including restrictions on an insurer's right to cancel and to refuse to renew motor vehicle insurance (§ 205);

the payment of claims for no-fault benefits, including restrictions on settlement agreements, assignments, and deductions; the statute of limitations on suits; and the payment of attorney's fees (§ 206);

the assigned claims program (§ 207);

the conflict of law resolution (§ 208);

requirements for insurers (§ 209);

the program for coordination of benefits (§ 210);

ineligible claimants (§ 211); and

other requirements, including regulation and rates; availability of benefits and accountability of the providers of such benefits; and rules for calculating gross income loss.

Subsection (b) sets forth the benefit levels under the alternative Federal no-fault plan. They are higher than the victim's benefits under an approved State plan. Basic no-fault benefits for medical expense shall be paid without limitation as to amount, just as under an approved State plan, but other benefits are much more liberal. The Title III plan places no total limitation on the amount of basic no-fault benefits recoverable for work loss (whereas a $15,000 limit would meet national standards). The alternative Federal no-fault plan requires that payments of up to $200 a week be made for replacement services loss and death benefits, and further provides that there shall be no total limitation on recovery of provable loss in these categories (whereas a plan would be in accordance with national standards if it set a "reasonable" limit for replacement services loss and a $1,000 limit for death benefits).

Subsection (c) sets forth the restrictions on the right to sue in tort under the alternative Federal no-fault plan. The alternative Federal no-fault plan eliminates all tort liability for intangible damages, even in the case of death and other catastrophic loss. Since there are no total limitations on basic no-fault benefits for work loss, replacement services loss, or loss due to death, the Title III plan also bars all tort lawsuits for damages for any such economic loss.

Suits based on fault, and compensation through liability insurance, are permitted under the alternative Federal no-fault plan in cases involving an uninsured motorist, an automobile manufacturer or service station, intentional injury, or unrelated acts or omissions.

This subsection also would permit a State or any political subdivision to maintain a motor vehicle liability system based on fault so long as no insurer is permitted to pay the "fine" imposed in any such proceeding.

Section 302 (general provisions)

Subsection (a) provides that the alternative Federal no-fault plan shall only become applicable to a State and go into effect in such State if the Review Board, established under section 401, issues a declaration, pursuant to section 402, that such State does not have an approved State plan.

Subsection (b) indicates when the alternative Federal no-fault plan goes into effect and when it ceases to be in effect. The alternative Federal no-fault plan will go into effect in a State 365 days after the Review Board issues a declaration that such State does not (2 or more years after the bill's enactment) have its own approved State plan unless, prior to that date, such State enacts a plan which is approved by the Review Board.

After a Title III plan is in effect in a particular State, it shall remain in effect until such State adopts a plan which is approved by the Review Board. The alternative Federal plan would then cease to be in effect in such State on the date that the approved State plan goes into effect.

Subsection (c) provides that the Secretary of Transportation shall implement and administer the alternative Federal no-fault plan in any State in which it is in effect, unless the Secretary receives a certification from the chief executive officer of such State that the laws of such State authorize the State government to assume the functions involved in such implementation and administration. If such a certification is submitted, the State (rather than the Secretary) will administer the alternative plan, unless such authorization is repealed. This subsection applies only to functions involved in implementing and administering the alternative Federal no-fault plan. The Federal Government is not authorized under this Act to perform the judicial functions involved in determining contested claims for no-fault benefits. The substantive provisions (e.g., benefit entitlements and tort restrictions) of the alternative plan would constitute the rules of decision for the applicable court. The Secretary is authorized to promulgate any regulations which would be necessary to the process of implementing and administering the title III plan in such a State. Appropriations are authorized to the Secretary for this purpose, to the extent necessary.

TITLE IV—REVIEW BOARD AND MISCELLANEOUS PROVISIONS

Section 401 (review board)

Subsection (a) creates the Federal No-Fault Insurance Plan Review Board as an independent instrumentality to be located (for housekeeping purposes only) within the Department of Transportation.

Subsection (b) provides that the Review Board shall consist of seven members—the Secretary of Transportation or his designee, and six members appointed by the President and with the advice and consent of the Senate. Of the six, two are to be nominated from a list of six qualified individuals recommended by the National Governors Conference; two are to be nominated from a similar list recommended by the National Association of Insurance Commissoners (an organization composed of the Commissioners of Insurance of the 50 States); and two are to be nominated from a similar list recommended by the Consumer Federation of America (the largest organization representing consumers in the United States). Other paragraphs of the subsection provide for per diem payment of Board members; authorize the Board to hold hearings, require the Board, in consultation with the State commissioners, to formulate guidelines for the collection and presentation of statistics and data relevant to the evaluation of no-fault plans; to hire employees and consultants, and authorize appropriations of $500,000 for the work of the Board.

Section 402 (Approval process)

In subsection (a), Congress preempts any provision of any State law (including a statute, judicial decision, regulation, order, ordinance, charter, constitution, or any other pronouncement that has the force of law) "that would prevent the establishment in such a State of an approved State plan." Since the national standards are less extensive than the provisions of the alternative Federal plan, this subsection in effect also prevents any provision of any State law that would prevent a title III plan from being administered in such a State, by the State, upon proper certification. Any provision of any State law that would interfere with, obstruct, or render nugatory the Act's purposes would frustrate the intent of Congress to so regulate commerce among the several States, and such a provision must accordingly be preempted under the authority of Article VI of the United States Constitution.

Subsection (b) authorizes the chief executive officer of a State (the Governor, except in the case of the District of Columbia where the chief executive officer is the mayor) to submit a certification to the Review Board if he determines that his State has enacted a no-fault plan in accordance with national standards.

Subsection (c) requires the Review Board to request a report and recertification from each State which has a certified no-fault plan (approved State plan) every two to four years. Each such report shall evaluate the success of the State's approved plan in terms of its contributions to the purposes of the Congress set forth in section 102(b) and in terms of several enumerated factors. The Review Board is required to report annually to the President and Congress on the results of all such reports received in the preceding year, including any recommendations for legislation.

Subsection (d) provides for Review Board review of the certifications and recertifications received by it. The Board is required to treat a state's certification or recertification of its no-fault plan as prima facie evidence that such plan is in accordance with national standards. Once a plan has been certified or recertified, the Board must review the plan within 90 days. The Review Board can do one of three things. First, it can determine that the plan is in accordance with national standards, in which case the plan becomes an approved State plan (or remains an approved State plan, in the case of recertification). Second, it can take no action whatsoever, in which case the certified plan is deemed to be an approved State plan (or remains an approved State plan, in the case of a recertification).

Third, it can determine (on the basis of substantial evidence only) that the plan is not in accordance with national standards (or is no longer in accordance, in the case of a recertification). If the Review Board makes a determination that the certified plan is not in accordance with national standards, it shall issue a declaration of such finding, stating its reasons. The aggrieved State would be entitled to judicial review of that determination pursuant to subsection (f). If the Board's determination is upheld, the alternative Federal plan would go into effect in such State 365 days after the declaration of non-compliance, pursuant to section 302(b), if such State fails to enact a plan which is approved by the Review Board within the 365 days.

If, upon request by the Review Board for recertification from a State, the chief executive officer of that State fails to submit that recertification within 180 days, the Review Board is required to issue a declaration that such State does not, as of such date, have an approved State plan. The Review Board is required to make a similar declaration with respect to a State if the Board has not received a certification from the chief executive of that State by the second anniversary of the date of enactment of this legislation or if a certified plan is not in effect in that State by the third anniversary of the date of enactment. Once again, if any of the circumstances outlined in this section should occur, the alternative Federal no-fault plan would go into effect pursuant to Section 302(b).

Subsection (e) sets forth criteria for compliance with national standards. A State plan is in accordance with national standards *only* if it includes provisions which "meet" or "exceed" each of the national standards, provided that it does not include any other provisions that are inconsistent, in whole or in part, with the national standards.

A State provision "meets" a corresponding national standard "if its substance is the same as, or the equivalent of, the national standard." It is the "substance" rather than the terminology or style that is determinative in deciding whether a provision meets a national standard, i.e., if the plan provides for an equal or greater amount of basic benefits, tort liability coverage, etc., it is not important what the State calls such coverage. The equivalency test is to be determined on a standard-by-standard basis. For example, a State plan that provides for $30,000 in total work loss benefits (two times the national standard) but only $50,000 in total medical benefits is *not* the equivalent of the national standard and is not in accordance with national standards under the Act. Each national standard must be separately compared with the corresponding State plan provision to determine equivalency.

Paragraph (2) of subsection (e) sets forth in explicit detail just how a State standard may "exceed" a corresponding national standard.

Subsection (f) sets forth the provisions for judicial review of a Review Board determination. The courts cannot enjoin Board approval pending such review.

Section 403 (jurisdiction of Federal courts)

Section 403 provides that the district courts of the United States shall have original jurisdiction under this statute in only two situations.

First, such district courts shall have jurisdiction to "entertain an action for no-fault benefits" only where the United States or a Federal agency is a party to the suit, ie., where the accident resulting in injury involves a motor vehicle owned by the Federal Government or by a Federal corporation.

Second, the district courts shall have jurisdiction to "determine questions of law respecting the meaning of any provision of this Act." This will enable the Federal courts to perform the very necessary function of uniformly interpreting the meaning of national standards.

All other actions for no-fault benefits would be resolved in the State courts. This provision will avoid any possibility of construing this Act to permit suits in Federal courts under section 1337 of title 28, U.S.C., which creates Federal jurisdiction without regard to the amount in controversy in actions involving Acts of Congress regulating interstate commerce.

Similarly, "diversity" jurisdiction was rejected because in any direct-action proceeding between a victim and an insurance company, diversity of citizenship between the claimant and the insurance company (which may do business in 50 States but is usually incorporated in only one and has a principal place of business in only one) would exist in almost all cases. This provision of the Act will prevent the aggrieved victim from forum shopping between Federal and State tribunals, a result clearly inconsistent with the "national standards" approach of the legislation itself. This limitation on diversity jurisdiction is consistent with provisions of present law, 28 U.S.C. 1332(c), which do not permit diversity jurisdiction to be invoked in a direct action against an insurer on a policy of liability insurance.

Section 404 (Federal motor vehicle)

Section 404 sets forth the pertinent special provisions governing motor vehicles owned and operated by the Federal Government or operated by Federal employees in the course of their employment. In general, the Federal Government is treated like any other motor vehicle owner (The bill defines "owner" to include a "government" and it defines "government" to include the "government of the United States.") Since section 204 requires every owner of a motor vehicle to provide compulsory coverage, the United States must provide such coverage with respect to each of its vehicles in every State, but as a government, it may meet that requirement by "lawfully obligating itself (1) to pay (basic no-fault) benefits . . ., (2) to perform all other obligations imposed by any applicable approved no-fault plan, and (3) to pay such added no-fault benefits as are specified by it." (Section 204(c) (Obligated Government)). As an obligated government, the United States is an "insurer" bound by the requirements for insurers under section 209.

If a suit is brought against the United States for unpaid no-fault benefits, the action must be brought in the appropriate district court of the United States (section 403). Such a claim will be governed by this legislation rather than by the Federal Tort Claims Act (F.T.C.A.). Section 404(a)(1) provides: "notwithstanding any other provision of law, a claim against the United States (or a Federal agency) as an insurer . . . shall be governed by this Act." Thus, it is the statute of limitations in section 206(f) that will control rather than the Federal Tort Claims Act. However, the F.T.C.A. will continue to apply to the United States except for actions brought against it as an insurer under the provisions of section 404 and to the extent that tort liability has not been abolished by sections 203(a) and 302(c).

If the victim is a civilian or military employee of the United States and he is injured in the course of that employment, the claim will be handled exactly as it is today under the Federal Employees Compensation Act and compensation acts applicable to servicemen unless and until the workmen's compensation benefits are exhausted. (See section 405(19) (definition of "maintenance or use of a motor vehicle.")

By the terms of the bill, the Federal Government may not be obligated to pay no-fault benefits if the victim is himself an owner of a motor vehicle and an insured, even though he was struck by a Federal mail truck or other vehicle. Section 206(b) makes any insurance policy under which a victim is a named insured higher in priority than the insurance covering the motor vehicle that strikes the victim. If the victim does not have automobile insurance, however, and he is injured by a Federal motor vehicle, the United States is obligated to pay his basic no-fault benefits.

Subsection (a)(2) provides that the level of such benefits to be paid by the Federal Government is to be determined by the benefit levels of the approved no-fault plan in effect in the victim's State of principal place of residence or, if none, then by the levels of the no-fault plan in effect in the State in which the accident occurred.

Subsection (b) directs the Secretary of Transportation, in cooperation with the Administrator of General Services, to promulgate regulations regarding compulsory insurance covering a Federal motor vehicle and the administrative procedures (whom to notify, where to file) with respect to claims for no-fault benefits against the United States.

The effect of the bill is to partially exempt the United States from its present liability under the Federal Tort Claims Act (obligations to pay damages in tort to motor vehicle accident victims who are injured through the negligence of a Federal employee). The extent of the Federal Government's exemption from F.T.C.A. liability (i.e., the extent to which tort lawsuits against the United States are restricted) will be determined by the lawsuit restriction in the no-fault plan in effect in the victim's State of principal place of residence.

SECTION 405 (DEFINITIONS)

Most of the definitions are self-explanatory, but several have special meanings for purposes of this Act.

"Accident" means a motor vehicle accident and, in States which exclude motorcycles (and/or other vehicles with less than 4 wheels) from the definition of motor vehicle, accidents between such vehicles and pedestrians, but only with respect to the pedestrian. In other words, by operation of this definition, a pedestrian struck by a motorcycle in a State which has excluded motorcycles is entitled to no-fault benefits and also retains the right to sue the motorcyclist in tort.

"Claimant" means any person who makes a claim for no-fault benefits under this Act. The definition includes the provider of medical benefits, which means that the victim will not get involved in any dispute as to whether the provider's charges were reasonable. That and other such matters would be strictly between the provider (acting as a claimant) and the insurer.

"Commissioner" means either the head of the State department which is charged by State law with supervising and regulating insurance or, in a State where the alternative Federal plan becomes effective, the Secretary of Transportation.

"Emergency medical services" are part of basic no-fault benefits for medical expense and must, accordingly, be paid for by the insurer if they are "supplied or provided in accordance with applicable State law." This phrase means that there is no obligation to pay for services by an unlicensed ambulance or by an unqualified and untrained technician, to the extent State law requires such licensing or training.

"Insurance" has a special meaning for this bill. In addition to the term's usual meaning—a contract of insurance—it also means self-insurance or "any other legally binding obligation" and it is limited in meaning to policies or obligations that require an "insurer" to pay or provide no-fault benefits and benefits for tort liability damages. Other forms of insurance (health insurance, life insurance, etc.) are referred to in this bill, where relevant, as "sources other than compulsory coverage that provide benefits to victims."

An "insured" is defined to mean an individual who is identified by name (a "named insured") in a required no-fault contract of insurance, a spouse or other relative of a named insured, and a minor in the custody of a named insured or in the custody of a relative of a named insured, provided that (1) such individual is not a named insured under any other motor vehicle policy and (2) such individual usually makes his home in the same family unit as the named insured. The importance of this definition lies in the fact that under this Act, the victim of an automobile accident will normally press his claim for basic no-fault benefits against his own insurance company.

"Insurer" means any person authorized under State law to provide compulsory coverage (e.g., an insurance corporation, a mutual insurance company, a State insurance fund, or a Blue Cross association), including a self-insurer and an obligated government.

"Loss of income" means gross income loss, computed pursuant to the rules set forth in section 212(g), which is actually lost by a victim or that would have been lost but for any income continuation plan (*if* a State has not mandated such income continuation plan to be an exclusive and primary source under section 210; if a State plan makes an income continuation plan primary, then, of course, "loss of income" does not include the benefits paid by the continuation plan). To determine "loss of income," the gross income loss is reduced by 90 percent of "any income which such individual earns from substitute work." This provision means that a badly injured auto accident victim, when he or she goes back to work in a new field or position, will receive an incentive payment for returning to gainful employment, i.e., his or her monthly no-fault benefits will be reduced by only 90 percent of earnings, until the victim is fully recovered or returns to the pre-accident employment position. Loss of income is further computed by subtracting from "gross income actually lost by a victim" any income which he "would have earned" in available substitute work that he could perform but which he "unreasonably" failed to undertake, or that he would have earned by hiring an available substitute to perform self-employment services but which he unreasonably failed to do. This provision means that the victim who unreasonably postpones going to work may be penalized. In the case of a factual dispute between a victim and his or her insurer as to whether or not the victim is "capable of performing" "available" work but "unreasonably" failed to do so, the dispute can be resolved within the conflict mechanism of the bill, i.e., an insurer that denies a claim which is found to be valid will be required to pay an interest penalty on the overdue benefits (section 206(c)(3)) and a reasonable fee to the attorney retained to represent the claimant (section 206(g)). To facilitate resolution, a State might choose to establish some other dispute settlement mechanism (e.g. arbitration) as part of its approved State plan.

"Maintenance or use of a motor vehicle" is defined to include any activity involving or related to transportation by a motor vehicle, including, except as excluded by the definition, occupying, entering, alighting from, or repairing or servicing. The term does not include conduct within the course of a business of repair, service, or maintenance of a motor vehicle; conduct in the course of loading or unloading the vehicle; or conduct as to which compensation is available under the applicable workmen's compensation law, except to the extent that the ceilings on the applicable workmen's compensation law are less than the benefits provided pursuant to an approved no-fault plan and the workmen's compensation benefits are first exhausted. Thus, when an employee is injured while engaging in activities which otherwise would constitute the maintenance or use of a motor vehicle, the employer would be obligated to pay basic no-fault benefits only to the extent that the ceilings on the workmen's compensation benefits are lower than on basic no-fault benefits in the State and the workmen's compensation benefits are first exhausted.

"Medical expense" is the term used for one of the four categories of loss for which basic no-fault benefits are payable. No maximum dollar limit may be established on this element of loss (section 202(a)), but limitations are contained in the definition itself. Medical expense items are professional medical treatment and care, emergency medical services, and medical and vocational rehabilitation services. The insured is required only to pay the provider of such services "reasonable" charges for "reasonably needed and used" products, services and accommodations. Unreasonably high medical bills will not be paid in full and there will be no compensation for unnecessary services, products or accommodations. In the case of a victim who has a prepaid medical plan or who belongs to a health maintenance organization, the measure of compensation is the "reasonable value of . . . reasonably needed and used" services. The term may, by agreement between insured and insurer also include "remedial religious treatment and care."

"State" is defined to include, in addition to the 50 States and the District of Columbia, Guam and the Virgin Islands, who have requested inclusion. Puerto Rico is not included because that Commonwealth specifically requested exclusion since it has its own unique no-fault insurance system and is not a part of the continental United States.

"Without regard to fault," the essential concept behind payment of benefits under no-fault insurance, means "irrespective of fault as a cause of injury."

CONFERENCE REPORT ON S. 1247

Mr. PRICE submitted the following conference report and statement on the bill (S. 1247) to authorize certain construction at military installations, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 94–483)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1247) to authorize certain construction at military installations, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

TITLE I—ARMY

SEC. 101. The Secretary of the Army may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment for the following acquisition and construction:

INSIDE THE UNITED STATES

UNITED STATES ARMY FORCES COMMAND

Defense Support Activity (Fargo Building), Boston, Massachusetts, $8,000,000.

Fort Bragg, North Carolina, $13,214,000.

Fort Campbell, Kentucky, $13,680,000.

Fort Carson, Colorado, $10,732,000.

Fort Hood, Texas, $46,281,000.

Fort Sam Houston, Texas, $870,000.

Fort Lewis, Washington, $31,861,000.

Fort George G. Meade, Maryland, $2,892,000.

Fort Ord, California, $32,209,000.

Fort Polk, Louisiana, $54,361,000.

Fort Richardson, Alaska, $1,685,000.

Fort Riley, Kansas, $14,879,000.

Fort Stewart/Hunter Army Airfield, Georgia, $39,480,000.

UNITED STATES ARMY TRAINING AND DOCTRINE COMMAND

Fort Benning, Georgia, $44,212,000.

Fort Eustis, Virginia, $633,000.

Fort Gordon, Georgia, $6,945,000.

Fort Jackson, South Carolina, $14,546,000.

Fort Knox, Kentucky, $42,898,000.

Fort Lee, Virginia, $719,000.

Fort McClellan, Alabama, $41,090,000.

Fort Rucker, Alabama, $13,239,000.

Fort Sill, Oklahoma, $15,772,000.

Fort Leonard Wood, Missouri, $4,984,000.

UNITED STATES ARMY MATERIEL COMMAND

Aberdeen Proving Ground, Maryland, $7,000,000.

Aeronautical Depot Maintenance Center, Texas, $642,000.

Army Materials and Mechanics Research Center, Massachusetts, $976,000.

Natick Laboratories, Massachusetts, $222,000.

Redstone Arsenal, Alabama, $1,571,000.

Sierra Army Depot, California, $1,160,000.

White Sands Missile Range, New Mexico, $3,715,000.

Yuma Proving Ground, Arizona, $778,000.

UNITED STATES ARMY COMMUNICATIONS COMMAND

Fort Huachuca, Arizona, $7,517,000.

Camp Roberts, California, $415,000.

UNITED STATES MILITARY ACADEMY

United States Military Academy, West Point, New York, $3,883,000.

UNITED STATES ARMY HEALTH SERVICES COMMAND

Fort Detrick, Maryland, $972,000.

Walter Reed Army Medical Center, Washington, District of Columbia, $3,580,000.

POLLUTION ABATEMENT

Various locations: Air Pollution Abatement, $5,779,000.

Various locations: Water Pollution Abatement, $51,961,000.

DINING FACILITIES MODERNIZATION

Various locations, $16,547,000.

ENERGY CONSERVATION

Various locations, $31,963,000.

NUCLEAR WEAPONS SECURITY

Various locations, $2,652,000.

OUTSIDE THE UNITED STATES

UNITED STATES FORCES COMMAND

Fort Buchanan, Puerto Rico, $2,480,000.

Fort Sherman, Canal Zone, $1,400,000.

EIGHTH UNITED STATES ARMY, KOREA

Various locations, $9,281,000.

UNITED STATES ARMY SECURITY AGENCY

Various locations, $1,176,000.

UNITED STATES ARMY, EUROPE

Germany, various locations, $20,599,000.

Camp Darby, Italy, $3,589,000.

Various locations: For the United States share of the cost of multilateral programs for the acquisition or construction of military facilities and installations, including international military headquarters, for the collective defense of the North Atlantic Treaty Area, $80,000,000 and an additional $20,000,000 for the period July 1, 1976, through September 30, 1976. Within thirty days after the end of each quarter, the Secretary of the Army shall furnish to the Committees on Armed Services and on Appropriations of the Senate and House of Representatives a description of obligations incurred as the United States' share of such multilateral programs.

NUCLEAR WEAPONS SECURITY

Various locations, $34,000,000.

EMERGENCY CONSTRUCTION

SEC. 102. The Secretary of the Army may establish or develop Army installations and facilities by proceeding with construction made necessary by changes in Army missions and responsibilities which have been occasioned by (1) unforeseen security considerations, (2) new weapons developments, (3) new and unforeseen research and development requirements, or (4) improved production schedules, if the Secretary of Defense determines that deferral of such construction for inclusion in the next Military Construction Authorization Act would be inconsistent with interests of national security, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, in the total amount of $10,000,000. The Secretary of the Army, or his designee, shall notify the Committee on Armed Services of the Senate and House of Representatives, immediately upon reaching a final decision to implement, of the cost of construction of any public work undertaken under this section, including those real estate actions pertaining thereto. This authorization shall expire upon enactment of the fiscal year 1977 Military Construction Authorization Act except for those public works projects concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified pursuant to this section prior to that date.

DEFICIENCY AUTHORIZATIONS

SEC. 103. (a) Section 108(a), Public Law 88–390 as amended, is amended under the heading "INSIDE THE UNITED STATES" in section 101 as follows:

(1) With respect to Letterman General Hospital, California, strike out "$15,424,000" and insert in place thereof "$15,704,000".

(b) Public Law 88–390 as amended, is amended by striking out in clause (1) of section 602 "$257,098,000" and "$308,159,000" and inserting in place thereof "$257,378,000" and "308,439,000", respectively.

SEC. 104 (a) Public Law 90–110, as amended, is amended under the heading "INSIDE THE UNITED STATES" in section 101 as follows:

With respect to Fort Lee, Virginia, strike out "$2,575,000" and insert in place thereof "3,615,000".

(b) Public Law 90–110, as amended, is amended by striking out in clause (1) of section 802 "$288,355,000" and "$391,748,000" and inserting in place thereof "$289,395,000" and "$392,788,000", respectively.

SEC. 105. (a) Public Law 92–145, as amended, is amended under the heading "INSIDE THE UNITED STATES" in section 101, as follows:

With respect to Walter Reed Army Medical Center, District of Columbia, strike out "$112,500,000" and insert in place thereof "$134,652,000".

(b) Public Law 92–145, as amended, is amended by striking out in clause (1) of section 702 "$363,626,000" and "$405,607,000" and inserting in place thereof "$385,778,000" and "$427,759,000", respectively.

SEC. 106. (a) Public Law 93–166, as amended, is amended under the heading "INSIDE THE UNITED STATES" in section 101 as follows:

(1) With respect to Fort Polk, Louisiana, strike out "$29,276,000" and insert in place thereof "$44,536,000".

(2) With respect to Eglin Air Force Base, Florida, strike out "$2,950,000" and insert in place thereof "$3,461,000".

(3) With respect to Fort Rucker, Alabama, strike out "$3,987,000" and insert in place thereof "$4,810,000".

(4) With respect to Fort Leonard Wood, Missouri, strike out "$44,482,000" and insert in place thereof "$54,283,000".

(5) With respect to Aeronautical Depot Maintenance Center Texas, strike out "$6,284,000" and insert in place thereof "$7,353,000".

(6) With respect to Natick Laboratories, Massachusetts, strike out "$466,000," and insert in place thereof "$617,000".

(7) With respect to White Sands Missile Range, New Mexico, strike out "$3,843,000" and insert in place thereof "$6,339,000".

(8) With respect to Yuma Proving Ground, Arizona, strike out "$6,472,000" and insert in place thereof "$7,991,000".

(b) Public Law 93–166, as amended, is amended by striking out in clause (1) of section 602 "$485,827,000"and "$599,927,000" and inserting in place thereof "$517,457,000" and "$631,557,000", respectively.

SEC. 107. (a) Public Law 93–552 is amended under the heading "INSIDE THE UNITED STATES" in section 101 as follows:

(1) With respect to Fort Benning, Georgia, strike out "$36,827,000" and insert in place thereof "$37,156,000".

(2) With respect to Fort Jackson, South Carolina, strike out "$19,078,000," and insert in place thereof "$21,269,000".

(b) Public Law 93–552, is amended under the heading "OUTSIDE THE UNITED STATES" in section 101 as follows:

With respect to Fort Buckner, Okinawa, strike out "$532,000," and insert in place thereof "$944,000".

(c) Public Law 93–552 is amended by striking out in clause (1) of section 602 "$491,695,000", "$120,184,000", and "$611,879,000" and inserting in place thereof "$494,215,000", "$120,596,000", and "$614,811,000", respectively.

TITLE II—NAVY

SEC. 201. The Secretary of the Navy may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment for the following acquisition and construction:

INSIDE THE UNITED STATES

THIRD NAVAL DISTRICT

Naval Submarine Base, New London, Connecticut, $17,513,000.

Naval Weapons Station, Earle, New Jersey, $879,000.

Naval Underwater Systems Center, New London, Dresden, New York, $150,000.

NAVAL DISTRICT, WASHINGTON

Naval District, Washington, District of Columbia, $400,000.

Naval Research Laboratory, Washington, District of Columbia, $4,824,000.

National Naval Medical Center, Bethesda, Maryland, $100,000,000.

Uniformed Services University of the Health Sciences, Bethesda, Maryland, $64,900,000.

Naval Ship Research Development Center, Carderock, Maryland, $550,000.

Naval Surface Weapons Center, Dahlgren, Virginia, $2,375,000.

FIFTH NAVAL DISTRICT

Fleet Combat Direction Systems Training Center, Atlantic, Dam Neck, Virginia, $4,383,000.

Commander in Chief, Atlantic Fleet, Norfolk, Virginia, $4,246,000.

Naval Air Station Oceana, Virginia, $3,293,000.

Naval Weapons Station, Yorktown, Virginia, $14,743,000.

SIXTH NAVAL DISTRICT

Naval Air Station, Cecil Field, Florida, $2,557,000.

Naval Air Station, Jacksonville, Florida, $3,382,000.

Naval Station, Mayport, Florida, $3,169,000.

Naval Hospital, Orlando, Florida, $2,978,000.

Naval Training Center, Orlando, Florida, $5,588,000.

Naval Air Station, Pensacola, Florida, $4,282,000.

Naval Air Station, Whiting Field, Florida, $500,000.

Charleston Naval Shipyard, Charleston, South Carolina, $2,748,000.

Fleet Ballistic Missile Submarine Training Center, Charleston, South Carolina, $250,000.

Naval Station, Charleston, South Carolina, $2,100,000.

Polaris Missile Facility Atlantic, Charleston, South Carolina, $195,000.

EIGHTH NAVAL DISTRICT

Naval Personnel Center, New Orleans, Louisiana, $21,300,000.

Naval Support Activity, New Orleans, Louisiana, $1,856,000.

NINTH NAVAL DISTRICT

Naval Training Center, Great Lakes, Illinois, $10,448,000.

Navy Public Works Center, Great Lakes, Illinois, $1,151,000.

ELEVENTH NAVAL DISTRICT

National Parachute Test Range, El Centro, California, $1,345,000.

Long Beach Naval Shipyard, Long Beach, California, $3,322,000.

Naval Air Station, Miramar, California, $20,746,000.

Naval Air Station, North Island, California, $13,817,000.

Naval Electronics Laboratory Center, San Diego, California, $3,795,000.

TWELFTH NAVAL DISTRICT

Naval Weapons Station, Concord, California, $264,000.

Naval Air Station, Moffett Field, California, $2,400,000.

Naval Air Station, Fallon, Nevada, $554,000.

THIRTEENTH NAVAL DISTRICT

Naval Regional Medical Center, Bremerton, Washington, $29,959,000.

Naval Air Station, Whidbey Island, Washington, $1,082,000.

FOURTEENTH NAVAL DISTRICT

Naval Station, Pearl Harbor, Hawaii, $7,078,000.

Naval Submarine Base, Pearl Harbor, Hawaii, $2,605,000.

Naval Communication Station, Honolulu, Wahiawa, Hawaii, $2,500,000.

MARINE CORPS

Marine Corps Base, Camp Lejeune, North Carolina, $13,423,000.

Marine Corps Air Station, Cherry Point, North Carolina, $3,547,000.

Marine Corps Air Station, New River, North Carolina, $1,983,000.

Marine Corps Air Station, Beaufort, South Carolina, $2,782,000.

Marine Corps Air Station, Yuma, Arizona, $1,164,000.

Marine Corps Supply Center, Barstow, California, $700,000.

Marine Corps Base, Camp Pendleton, California, $9,480,000.

Marine Corps Air Station, El Toro, California, $9,480,000.

Marine Corps Air Station, El Toro, California, $2,000,000.

Marine Corps Base, Twentynine Palms, California, $3,159,000.

Marine Corps Air Station, Kaneohe Bay, Hawaii, $5,410,000.

TRIDENT FACILITIES

Various locations: Trident facilities, $186,967,000, of which not more than $7,000,000 shall be available for community impact assistance as authorized by section 608 of Public Law 93-552.

POLLUTION ABATEMENT

Various locations: Air pollution abatement, $3,262,000.

Various locations: Water pollution abatement, $44,827,000.

ENERGY CONSERVATION

Various locations, $28,828,000.

NUCLEAR WEAPONS SECURITY

Various locations, $6,580,000.

OUTSIDE THE UNITED STATES

TENTH NAVAL DISTRICT

Atlantic Fleet Weapons Range, Roosevelt Roads, Puerto Rico, $2,128,000.

ATLANTIC OCEAN AREA

Naval Air Station, Bermuda, $78,000.

Naval Air Station, Guantanamo Bay, Cuba, $3,264,000.

Naval Station, Guantanamo Bay, Cuba, $450,000.

INDIAN OCEAN AREA

Naval Support Activity, Diego Garcia, Chagos Archipelago, $13,800,000.

PACIFIC OCEAN AREA

Naval Communication Station, Finegayan, Guam, Mariana Islands, $1,200,000.

POLLUTION ABATEMENT

Various locations: Water Pollution Abatement, $250,000.

EMERGENCY CONSTRUCTION

SEC. 202. The Secretary of the Navy may establish or develop Navy installations and facilities by proceeding with construction made necessary by changes in Navy missions and responsibilities which have been occasioned by (1) unforeseen security considerations, (2) new weapons developments, (3) new and unforeseen research and development requirements, or (4) improved production schedules, if the Secretary of Defense determines that deferral of such construction for inclusion in the next Military Construction Authorization Act would be inconsistent with interests of national security, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, in the total amount of $10,000,000. The Secretary of the Navy, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives, immediately upon reaching a decision to implement, of the cost of construction of any public works undertaken under this section, including those real estate actions pertaining thereto. This authorization shall expire upon enactment of the fiscal year 1977 Military Construction Authorization Act, except for those public works projects concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified pursuant to this section prior to that date.

DEFICIENCY AUTHORIZATIONS

SEC. 203. (a) Public Law 90-408, as amended, is amended under the heading "INSIDE THE UNITED STATES" in section 201 as follows:

(1) With respect to Naval Coastal Systems Laboratory, Panama City, Florida, strike out "$9,397,000" and insert in place thereof "$11,321,000".

(2) With respect to Naval Postgraduate School, Monterey, California, strike out "$1,847,000" and insert in place thereof "$2,064,000".

(b) Public Law 90-408, as amended, is amended by striking out in clause (2) of section 802 "$244,059,000" and "$250,924,000" and inserting in place thereof "$246,200,000" and "$253,065,000", respectively.

SEC. 204. (a) Public Law 91-511, as amended, is amended under the heading "INSIDE THE UNITED STATES" in section 201 as follows:

(1) With respect to OMEGA Navigation Station, Haiku, Oahu, Hawaii, strike out "$3,162,000" and insert in place thereof "$3,762,000".

(b) Public Law 91-511, as amended, is amended by striking out in clause (2) of section 602 "$247,869,000" and "$275,007,000" and inserting in place thereof "$248,469,000" and "$275,607,000", respectively.

SEC. 205. (a) Public Law 92-545, as amended, is amended under the heading "INSIDE THE UNITED STATES" in section 201 as follows:

(1) With respect to Naval Shipyard, Charleston, South Carolina, strike out "$5,316,000" and insert in place thereof "$7,916,000".

(2) With respect to Naval Shipyard, Puget Sound, Bremerton, Washington, strike out "$5,992,000" and insert in place thereof "$7,792,000".

(b) Public Law 92-545, as amended, is amended by striking out in clause (2) of section 702 "$488,493,000" and "$533,410,000" and inserting in place thereof "$492,893,000" and "$537,810,000", respectively.

SEC. 206. (a) Public Law 93-166, as amended, is amended under the heading "INSIDE THE UNITED STATES" in section 201 as follows:

(1) With respect to Portsmouth Naval Shipyard, Portsmouth, Kittery, Maine, strike out "$2,817,000" and insert in place thereof "$5,617,000".

(2) With respect to Naval Station, Norfolk, Virginia, strike out "$18,183,000" and insert in place thereof "$20,472,000".

(3) With respect to Long Beach Naval Shipyard, Long Beach, California, strike out "$6,808,000" and insert in place thereof "$11,508,000".

(4) With respect to Navy Public Works Center, San Diego, California, strike out "$2,471,000" and insert in place thereof "$5,982,000".

(5) With respect to Puget Sound Navy Shipyard, Bremerton, Washington, strike out "$2,300,000" and insert in place thereof "$3,531,000."

(6) With respect to Naval Station, Pearl Harbor, Hawaii, strike out "$4,060,000" and insert in place thereof "$4,824,000".

(7) With respect to Marine Corps Air Station, Cherry Point, North Carolina, strike out

"$1,821,000" and insert in place thereof "$9,700,000".

(8) With respect to Marine Corps Air Station, New River, North Carolina, strike out "$3,245,000" and insert in place thereof "$6,755,000".

(9) With respect to Marine Corps Supply Center, Barstow, California, strike out "$6,210,000" and insert in place thereof "$6,862,000".

(10) With respect to Marine Corps Air Station, Kaneohe Bay, Hawaii, strike out "$5,988,000" and insert in place thereof "$6,495,000".

(b) Public Law 93–166, as amended, is amended by striking out in clause (2) of section 602 "$522,006,000" and "$580,839,000" and inserting in place thereof "$549,849,000" and "$608,682,000", respectively.

SEC. 207. (a) Public Law 93–552 is amended under the heading "INSIDE THE UNITED STATES" in section 201 as follows:

(1) With respect to Naval Air Station, Cecil Field, Florida, strike out "$6,893,000" and insert in place thereof "$9,214,000".

(2) With respect to Naval Station, Mayport, Florida, strike out "$3,239,000" and insert in place thereof "$3,654,000".

(3) With respect to Naval Air Station, Corpus Christi, Texas, strike out "$1,830,000" and insert in place thereof "$5,430,000".

(4) With respect to Naval Air Station, Miramar, California, strike out "$11,772,000" and insert in place thereof "$13,732,000".

(5) With respect to Naval Air Station, North Island, California, strike out "$12,943,000" and insert in place thereof "$14,903,000".

(6) With respect to Naval Station, Adak, Alaska, strike out "$7,697,000" and insert in place thereof "$10,642,000".

(7) With respect to Puget Sound Naval Shipyard, Bremerton, Washington, strike out "$393,000" and insert in place thereof $623,000".

(8) With respect to Marine Corps Air Station, Kaneohe Bay, Hawaii, strike out "$5,497,000" and insert in place thereof "$5,606,000".

(b) Public Law 93–552 is amended by striking out in clause (2) of section 502 "$509,498,000" and "$550,956,000" and inserting in place thereof "$523,038,000" and "$564,496,000", respectively.

TITLE III—AIR FORCE

SEC. 301. The Secretary of the Air Force may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment for the following acquisition and construction:

INSIDE THE UNITED STATES

AEROSPACE DEFENSE COMMAND

Tyndall Air Force Base, Panama City, Florida, $10,697,000.

AIR FORCE LOGISTICS COMMAND

Kelly Air Force Base, San Antonio, Texas, $4,366,000.

McClellan Air Force Base, Sacramento, California, $3,461,000.

Newark Air Force Station, Newark, Ohio, $2,117,000.

Robins Air Force Base, Warner Robins, Georgia, $6,517,000.

Tinker Air Force Base, Oklahoma City, Oklahoma, $12,179,000.

Wright-Patterson Air Force Base, Dayton, Ohio, $8,038,000.

AIR FORCE SYSTEMS COMMAND

Edwards Air Force Base, Muroc, California, $5,330,000.

Eglin Air Force Base, Valpariso, Florida, $8,390,000.

Kirtland Air Force Base, Albuquerque, New Mexico, $5,373,000.

AIR TRAINING COMMAND

Columbus Air Force Base, Columbus, Mississippi, $1,453,000.

Craig Air Force Base, Selma, Alabama, $419,000.

Keesler Air Force Base, Biloxi, Mississippi, $43,140,000.

Lackland Air Force Base, San Antonio, Texas, $104,596,000.

Laughlin Air Force Base, Del Rio, Texas, $11,017,000.

Lowry Air Force Base, Denver, Colorado, $9,162,000.

Randolph Air Force Base, San Antonio, Texas, $5,128,000.

Vance Air Force Base, Enid, Oklahoma, $1,270,000.

Webb Air Force Base, Big Spring Texas, $4,382,000.

ALASKAN AIR COMMAND

Eielson Air Force Base, Fairbanks, Alaska, $471,000.

Elmendorf Air Force Base, Anchorage, Alaska, $568,000.

Various locations, $12,468,000.

HEADQUARTERS COMMAND

Andrews Air Force Base, Camp Springs, Maryland, $6,906,000.

Bolling Air Force Base, Washington, District of Columbia, $3,089,000.

MILITARY AIRLIFT COMMAND

Altus Air Force Base, Altus, Oklahoma, $996,000.

McChord Air Force Base, Tacoma, Washington, $1,189,000.

McGuire Air Force Base, Wrightstown, New Jersey, $1,740,000.

Scott Air Force Base, Belleville, Illinois, $1,488,000.

STRATEGIC AIR COMMAND

Beale Air Force Base, Marysville, California, $3,590,000.

Carswell Air Force Base, Fort Worth, Texas, $1,992,000.

Fairchild Air Force Base, Spokane, Washington, $1,000,000.

Griffiss Air Force Base, Rome, New York, $372,000.

Kincheloe Air Force Base, Kinross, Michigan, $670,000.

Malmstrom Air Force Base, Great Falls, Montana, $622,000.

Offutt Air Force Base, Omaha, Nebraska, $1,437,000.

Plattsburgh Air Force Base, Plattsburgh, New York, $400,000.

Vandenberg Air Force Base, Lompoc, California, $2,696,000.

Wurtsmith Air Force Base, Oscoda, Michigan, $447,000.

TACTICAL AIR COMMAND

Cannon Air Force Base, Clovis, New Mexico, $1,876,000.

George Air Force Base, Victorville, California, $3,646,000.

Langley Air Force Base, Hampton, Virginia, $1,336,000.

Luke Air Force Base, Glendale, Arizona, $439,000.

Mountain Home Air Force Base, Mountain Home, Idaho, $8,541,000.

Nellis Air Force Base, Las Vegas, Nevada, $990,000.

Seymour Johnson Air Force Base, Goldsboro, North Carolina, $612,000.

POLLUTION ABATEMENT

Various locations: Air Pollution Abatement, $600,000.

Various locations: Water Pollution Abatement, $10,098,000.

ENERGY CONSERVATION

Various locations, $43,952,000.

SPECIAL FACILITIES

Various locations, $9,866,000.

NUCLEAR WEAPONS SECURITY

Various locations, $7,909,000.

OUTSIDE THE UNITED STATES

UNITED STATES AIR FORCES IN EUROPE

Germany, $5,346,000.

United Kingdom, $13,524,000.

Various locations, $74,738,000.

UNITED STATES AIR FORCE SECURITY SERVICE

Various locations, $981,000.

SPECIAL FACILITIES

Various locations, $2,666,000.

NUCLEAR WEAPONS SECURITY

Various locations, $5,591,000.

CLASSIFIED INSTALLATIONS

SEC. 302. The Secretary of the Air Force may establish or develop classified military installations and facilities by acquiring, constructing, converting, rehabilitating, and installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, in the total amount of $3,982,000.

EMERGENCY CONSTRUCTION

SEC. 303. The Secretary of the Air Force may establish or develop Air Force installations and facilities by proceeding with construction made necessary by changes in Air Force missions and responsibilities which have been occasioned by (1) unforeseen security considerations, (2) new weapons developments, (3) new and unforeseen research and development requirements, or (4) improved production schedules, if the Secretary of Defense determines that deferral of such construction for inclusion in the next Military Construction Authorization Act would be inconsistent with interests of national security, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment in the total amount of $10,000,000. The Secretary of the Air Force, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives, immediately upon reaching a final decision to implement, of the cost of construction of any public work undertaken under this section, including those real estate actions pertaining thereto. This authorization shall expire upon enactment of the fiscal year 1977 Military Construction Authorization Act, except for those public works projects concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified pursuant to this section prior to that date.

DEFICIENCY AUTHORIZATIONS

SEC. 304. (a) Section 301 of Public Law 91–511, as amended, is amended under the heading "INSIDE THE UNITED STATES" as follows:

(1) Under the subheading "AIR TRAINING COMMAND" with respect to Laughlin Air Force Base, Del Rio, Texas, strike out "$310,000" and insert in place thereof "$375,000".

(2) Under the subheading "AIR TRAINING COMMAND" with respect to Reese Air Force Base, Lubbock, Texas, strike out "$1,047,000" and insert in place thereof "$1,110,000".

(3) Under the subheading "AIR TRAINING COMMAND" with respect to Webb Air Force Base, Big Spring, Texas, strike out "$349,000" and insert in place thereof "$416,000".

(b) Public Law 91–511, as amended, is further amended by striking out in clause (3) of section 602 "$192,133,000" and "$256,385,000" and inserting in place thereof "$192,328,000" and "$256,580,000", respectively.

SEC. 305. (a) Section 301 of Public Law 92–145, as amended, is amended under the heading "INSIDE THE UNITED STATES" as follows:

(1) Under the subheading "AIR TRAINING COMMAND" with respect to Lowry Air Force Base, Denver, Colorado, strike out "$8,435,000" and insert in place thereof "$8,902,000".

(b) Public Law 92–145, as amended, is further amended by striking out in clause (3) of section 702 "$226,697,000" and "$247,560,000" and inserting in place thereof "$227,164,000" and "$248,027,000", respectively.

SEC. 306. (a) Section 301 of Public Law 92–545, as amended, is amended under the heading "Inside the United States" as follows:

(1) Under the subheading "AIR FORCE SYSTEMS COMMAND" with respect to Edwards Air Force Base, Muroc, California, strike out "$534,000" and insert in place thereof "$828,000".

(b) Public Law 92–545, as amended, is further amended by striking out in clause (3) of section 702 "234,125,000" and $292,683,000" and inserting in place thereof "$234,419,000" and "$292,977,000", respectively.

SEC. 307. (a) Section 301 of Public Law 93–166, as amended, is amended under the heading "Inside the United States" as follows:

(1) Under the subheading "STRATEGIC AIR COMMAND" with respect to Kincheloe Air Force Base, Kinross, Michigan, strike out "$2,430,000" and insert in place thereof "$2,893,000".

(b) Section 301 of Public Law 93–166, as amended, is amended under the heading "Outside the United States" as follows:

(1) Under the subheading "UNITED STATES AIR FORCES IN EUROPE" with respect to Germany, strike out "$5,181,000" and insert in place thereof "$6,663,000".

(2) Under the subheading "UNITED STATES AIR FORCE SOUTHERN COMMAND" with respect to Howard Air Force Base, Canal Zone, strike out "$927,000" and insert in place thereof "$1,827,000".

(c) Public Law 93–166, as amended, is further amended by striking out in clause (3) of section 602 "$260,727,000", "$21,302,000" and $283,029,000" and inserting in place thereof "$261,190,000", "$23,684,000" and "$258,874,000", respectively.

SEC. 308. (a) Section 301 of Public Law 93–552, is amended under the heading "Inside the United States" as follows:

(1) Under the subheading "AIR TRAINING COMMAND" with respect to Reese Air Force Base, Lubbock, Texas, strike out "$836,000" and insert in place thereof "$1,194,000".

(2) Under the subheading "AIR TRAINING COMMAND" with respect to Webb Air Force Base, Big Spring, Texas, strike out "$776,000" and insert in place thereof "$1,673,000".

(b) Public Law 93–552 is further amended by striking out in clause (3) of section 602 "$307,786,000" and "$390,773,000" and inserting in place thereof—"$309,041,000" and "$392,028,000", respectively.

TITLE IV—DEFENSE AGENCIES

SEC. 401. The Secretary of Defense may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, for defense agencies for the following acquisition and construction:

Inside the United States

DEFENSE MAPPING AGENCY

Defense Mapping Agency Topographic Center, Bethesda, Maryland, $195,000.

DEFENSE SUPPLY AGENCY

Defense Depot, Memphis, Tennessee, $377,000.

Defense Electronics Supply Center, Dayton, Ohio, $96,000.

Defense Fuel Support Point, Melville, Newport, Rhode Island, $352,000.

Defense Fuel Support Point, Norwalk, California, $197,000.

Defense Property Disposal Office, Colorado Springs, Colorado, $440,000.

Defense Property Disposal Office, Elmendorf, Alaska, $403,000.

Defense Property Disposal Office, Monterey, California, $635,000.

Defense Personnel Support Center, Philadelphia, Pennsylvania, $1,400,000.

NATIONAL SECURITY AGENCY

Fort George G. Meade, Maryland, $3,012,000.

POLLUTION ABATEMENT

Various locations: Air Pollution Abatement, $2,426,000.

Various locations: Water Pollution Abatement, $322,000.

ENERGY CONSERVATION

Various locations, $175,000.

Outside the United States

DEFENSE NUCLEAR AGENCY

Johnston Atoll, $4,033,000.

Enewetak Auxiliary Airfield, $20,000,000.

DEFENSE SUPPLY AGENCY

Defense Property Disposal Office, Nuremberg, Germany, $500,000.

Defense Property Disposal Office, Seckenheim, Germany, $237,000.

EMERGENCY CONSTRUCTION

SEC. 402. The Secretary of Defense may establish or develop installations and facilities which he determines to be vital to the security of the United States, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment in the total amount of $10,000,000. The Secretary of Defense, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives, immediately upon reaching a final decision to implement, of the cost of construction of any public works undertaken under this section, including real estate actions pertaining thereto.

DEFICIENCY AUTHORIZATIONS

SEC. 403. (a) Public Law 92–545, as amended, is amended under the heading "Inside the United States" under the subheading "DEFENSE SUPPLY AGENCY" in section 401 as follows:

With respect to Defense General Supply Center, Richmond, Virginia, strike out "$1,171,000" and insert in place thereof "$1,365,000".

(b) Public Law 92–545, as amended, is amended by striking out in clause (4) of section 702 "$33,004,000" and inserting in place thereof "$33,198,000".

SEC. 404. (a) Public Law 93–166, as amended, is amended under the heading "Defense Supply Agency" in section 401 as follows:

With respect to "Defense Depot, Tracy, California", strike out "$747,000" and insert in place thereof "$1,384,000".

(b) Public Law 93–166, as amended, is amended by striking out in clause (4) of section 602 "$10,000,000" and inserting in place thereof "$10,637,000".

TITLE V—MILITARY FAMILY HOUSING

AUTHORIZATION TO CONSTRUCT OR ACQUIRE HOUSING

SEC. 501. (a) The Secretary of Defense, or his designee, is authorized to construct or acquire sole interest in existing family housing units in the numbers and at the locations hereinafter named, but no family housing construction shall be commenced at any such locations in the United States until the Secretary shall have consulted with the Secretary of the Department of Housing and Urban Development as to the availability of suitable private housing at such locations. If agreement cannot be reached with respect to the availability of suitable private housing at any location, the Secretary of Defense shall notify the Committees on Armed Services of the Senate and the House of Representatives, in writing, of such difference of opinion, and no contract for construction at such location shall be entered into for a period of thirty days after such notification has been given. This authority shall include the authority to acquire land, and interests in land, by gift, purchase, exchange of Government-owned land, or otherwise.

(b) With respect to the family housing units authorized to be constructed by this section, the Secretary of Defense is authorized to acquire sole interest in privately owned or Department of Housing and Urban Development held family housing units in lieu of constructing all or a portion of the family housing authorized by this section if he, or his designee, determines such action to be in the best interests of the United States; but any family housing units acquired under authority of this subsection shall not exceed the cost limitations specified in section 502 of this Act or the limitations on size specified in section 2684 of title 10, United States Code. In no case may family housing units be acquired under this subsection through the exercise of eminent domain authority; and in no case may family housing units other than those authorized by this section be acquired in lieu of construction unless the acquisition of such units is hereafter specifically authorized by law.

(c) The Department of the Army, two thousand one hundred units, $73,500,000:

Fort Ord, California, three hundred and fifty units.

Fort Stewart/Hunter Army Airfield, Georgia, seven hundred and fifty units.

Fort Polk, Louisiana, one thousand units.

(d) The Department of the Navy, six hundred and seventy-eight units, $23,730,000:

Naval Facility, Nantucket, Massachusetts, eighteen units.

Marine Corps Base, Camp Lejeune, North Carolina, two hundred and fifty units.

Naval Complex, Bangor, Washington, four hundred units.

Naval Radio Station, Sugar Grove, West Virginia, ten units.

COST LIMITATIONS

SEC. 502. (a) Authorizations for the construction of family housing provided in section 501 of this Act shall be subject, under such regulations as the Secretary of Defense may prescribe, to the limitations on cost prescribed in subsection (b) and (c), which shall include shades, screens, ranges, refrigerators, and all other installed equipment and fixtures, the cost of the family unit, design, supervision, inspection, overhead, the proportionate costs of land acquisition, site preparation, and installation of utilities.

(b) The average unit cost for all units of family housing constructed in the United States (other than Alaska and Hawaii) shall not exceed $35,000 and in no event shall the cost of any unit exceed $51,000.

(c) When family housing units are constructed in areas other than those areas specified in subsection (b), the average cost of all such units shall not exceed $45,000, and in no event shall the cost of any unit exceed $51,000.

(d) Notwithstanding the limitations contained in prior Military Construction Authorization Acts on cost of construction of family housing, the limitations on such cost contained in this section shall apply to all prior authorizations for construction of family housing not heretofore repealed and for which construction contracts have not been executed prior to the date of enactment of this Act.

ALTERATIONS TO EXISTING QUARTERS

SEC. 503. The Secretary of Defense, or his designee, is authorized to accomplish alterations, additions, expansions, or extensions not otherwise authorized by law, to existing public quarters at a cost not to exceed—

(1) for the Department of the Army, $35,000,000;

(2) for the Department of the Navy, $34,230,000, including $7,200,000 for energy conservation projects;

(3) for the Department of the Air Force, $51,000,000, including $16,000,000 for energy conservation projects; and

(4) for the Defense Supply Agency, $127,000.

HOUSING OUTSIDE THE UNITED STATES

SEC. 504. (a) The Secretary of Defense, or his designee, is authorized to construct or otherwise acquire at the locations hereinafter named family housing units not subject to the limitations on such cost contained in section 502 of this Act. This authority shall include the authority to acquire land, and interests in land, by gift, purchase, exchange of Government-owned land, or otherwise. Total costs shall include shades, screens, ranges, refrigerators, and other installed equipment and fixtures, the cost of the family unit, and the costs of land acquisition, site preparation, design, supervision, inspection, overhead, and installation of utilities.

(b) (1) Three family housing units are authorized in Cairo, Egypt, at a total cost not to exceed $180,000. Such units shall be funded by use of excess foreign currency when so provided in Department of Defense Appropriation Acts.

(2) Two hundred and fifty units are authorized at Naval Base, Keflavik, Iceland, at a total cost not to exceed $17,500,000.

REPAIRS TO EXISTING QUARTERS

SEC. 505. The Secretary of Defense, or his designee, is authorized to accomplish repairs and improvements to existing public quarters in amounts in excess of the $15,000 limitation prescribed in section 610(a) of Public Law 90–110, as amended (81 Stat. 279, 305), as follows:

Fort McClellan, Alabama, twenty-six units, $465,900.

Fort Richardson, Alaska, two hundred and eight units, $4,000,000.

Fort McNair, Washington, District of Columbia, five units, $195,000.

Fort Sill, Oklahoma, thirty-two units, $654,400.

Fort Eustis, Virginia, one hundred and eighty-five units, $3,140,000.

Fort Lewis, Washington, one hundred and thirty-six units, $2,503,000.

Naval Station, Adak, Alaska, thirty-six units, $665,000.

Public Works Center, Pearl Harbor, Hawaii, one hundred and forty-five units, $2,500,000.

Marine Corps Recruit Depot, Parris Island, South Carolina, one hundred and seventy-eight units, $2,685,800.

RENTAL QUARTERS

SEC. 506. (a) Section 515 of Public Law 84–161 (69 Stat. 324, 352), as amended, is further amended by (1) striking out "During fiscal years 1975 and 1976", and (2) revising the third sentence to read as follows: "Expenditures for the rental of such housing facilities, including the cost of utilities and maintenance and operation, may not exceed: For the United States (other than Alaska, Hawaii, and Guam) and Puerto Rico, an average of $245 per month for each military department, or the amount of $325 per month for any one unit; and for Alaska, Hawaii, and Guam, an average of $310 per month for each military department, or the amount of $385 per month for any one unit.".

(b) Section 507(b) of Public Law 93–166 (87 Stat. 661, 676), is amended by striking out "$355", "$625", and "twelve thousand" in the first sentence, and inserting in lieu thereof "$380", "$670", and "fifteen thousand", respectively.

HOUSING APPROPRIATIONS LIMITATIONS

SEC. 507. There is authorized to be appropriated for use by the Secretary of Defense, or his designee, for military family housing as authorized by law for the following purposes:

(1) for construction or acquisition of sole interest in family housing, including demolition, authorized improvements to public quarters, minor construction, relocation of family housing, rental guarantee payments, and planning an amount not to exceed $208,207,000, including $1,900,000 for the period July 1, 1976, through September 30, 1976.

(2) for support of military family housing, including operating expenses, leasing, maintenance of real property, payments of principal and interest on mortgage debts incurred, payment to the Commodity Credit Corporation, and mortgage insurance premiums authorized under section 222 of the National Housing Act, as amended (12 U.S.C. 1715m), an amount not to exceed $1,434,676,000, including $308,739,000 for the period July 1, 1976, through September 30, 1976.

AIR CONDITIONING, HAWAII FAMILY HOUSING

SEC. 508. Section 509 of Public Law 93–552 (88 Stat. 1745, 1759), is hereby amended by changing the period to a comma and by adding "except as authorized by the Secretary of Defense, or his designee, for unusual circumstances resulting from excessive noise, adverse environmental conditions, or health of the occupants."

TITLE VI—GENERAL PROVISIONS

WAIVER OF RESTRICTIONS

SEC. 601. The Secretary of each military department may proceed to establish or develop installations and facilities under this Act without regard to section 3648 of the Revised Statutes, as amended (31 U.S.C. 529), and sections 4774 and 9774 of title 10, United States Code. The authority to place permanent or temporary improvements on land includes authority for surveys, administration, overhead, planning, and supervision incident to construction. That authority may be exercised before title to the land is approved under section 355 of the Revised Statutes, as amended (40 U.S.C. 255), and even though the land is held temporarily. The authority to acquire real estate or land includes authority to make surveys and to acquire land, and interests in land (including temporary use), by gift, purchase, exchange of Government-owned land, or otherwise.

APPROPRIATIONS LIMITATIONS

SEC. 602. There are authorized to be appropriated such sums as may be necessary for the purposes of this Act, but appropriations for public works projects authorized by titles I, II, III, IV, and V, shall not exceed—

(1) for title I: Inside the United States, $596,515,000; outside the United States, $172,525,000; or a total of $769,040,000.

(2) for title II: Inside the United States, $684,339,000; outside the United States, $21,170,000; or a total of $705,509,000.

(3) for title III: Inside the United States, $379,041,000; outside the United States, $102,846,000; section 302, $3,982,000; or a total of $485,869,000.

(4) for title IV: A total of $44,800,000.

(5) for title V: Military Family Housing, $1,642,883,000.

COST VARIATIONS

SEC. 603. (a) Except as provided in subsections (b) and (c), any of the amounts specified in title I, II, III and IV of this Act may, at the discretion of the Secretary of the military department concerned or Director of the defense agency concerned, be increased by 5 per centum when inside the United States (other than Hawaii and Alaska), and by 10 per centum when outside the United States or in Hawaii and Alaska, if he determines that such increase (1) is required for the sole purpose of meeting unusual variations in cost, and (2) could not have been reasonably anticipated at the time such estimate was submitted to the Congress.

(b) When the amount named for any construction or acquisition in title I, II, III, or IV of this Act involves only one project at any military installation and the Secretary of the Military Department or Director of the defense agency concerned determines that the amount authorized must be increased by more than the applicable percentage prescribed in subsection (a), he may proceed with such construction or acquisition if the amount of the increase does not exceed by more than 25 per centum the amount named for such project by the Congress.

(c) When the Secretary of Defense determines that any amount named in title I, II, III, or IV of this Act must be exceeded by more than the percentages permitted in subsections (a) and (b) to accomplish authorized construction or acquisition, the Secretary of the military department concerned or Director of the defense agency concerned may proceed with such construction or acquisition after a written report of the facts relating to the increase of such amount, including a statement of the reasons for such increase, has been submitted to the Committees on Armed Services of the Senate and House of Representatives, and either (1) thirty days have elapsed from date of submission of such report, or (2) both committees have indicated approval of such construction or acquisition. Notwithstanding the provisions in prior military construction authorizations Acts, the provisions of this subsection shall apply to such prior Acts.

(d) Notwithstanding the foregoing provisions of this section, the total cost of all construction and acquisition in each such title may not exceed the total amount authorized to be appropriated in that title.

(e) No individual project authorized under title I, II, III, or IV of this Act for any specifically listed military installation for which the current working estimate is $400,000 or more may be placed under contract if—

(1) the approved scope of the project is reduced in excess of 25 per centum; or

(2) the current working estimate, based upon bids received, for the construction of such project exceeds by more than 25 per centum the amount authorized for such project by the Congress, until a written report of the facts relating to the reduced scope or increased cost of such project, including a statement of the reasons for such reduction in scope or increase in cost has been submitted to the Committees on Armed Services of the Senate and House of Representatives, and either (A) thirty days have elapsed from date of submission of such report, or (B) both committees have indicated approval of such reduction in scope or increase in cost as the case may be.

(f) The Secretary of Defense shall submit an annual report to the Congress identifying each individual project which has been placed under contract in the preceding twelve-month period and with respect to which the then current working estimate of the Department of Defense based upon bids received for such project exceeded the amount authorized by the Congress for that project by more than 25 per centum. The Secretary shall also include in such report each individual project with respect to which the scope was reduced by more than 25 per centum in order to permit contract award within the available authorization for such project. Such report shall include all pertinent cost information for each individual project, including the amount in dollars and percentage by which the current working estimate based on the contract price for the project exceeded the amount authorized for such project by the Congress.

CONSTRUCTION SUPERVISION

SEC. 604. Contracts for construction made by the United States for performance within the United States and its possessions under this Act shall be executed under the jurisdiction and supervision of the Corps of Engineers, Department of the Army, or the Naval Facilities Engineering Command, Department of the Navy, or such other department or Government agency as the Secretaries of the military departments recommend and the Secretary of Defense approves to assure the most efficient, expeditious, and cost-effective accomplishment of the construction herein authorized. The Secretaries of the military departments shall report annually to the President of the Senate and the Speaker of the House of Representatives a breakdown of the dollar value of construction contracts completed by each of the several construction agencies selected together with the design, construction, supervision, and overhead fees charged by each of the several agents in the execution of the assigned construction. Further, such contracts (except architect and engineering contracts which, unless specifically authorized by the Congress shall continue to be awarded in accordance with presently established procedures, customs, and practice) shall be awarded, insofar as practicable, on a competitive basis to the lowest responsible bidder, if the national security will not be impaired and the award is consistent with chapter 137 of title 10, United States Code. The Secretaries of the military departments shall report annually to the President of the Senate and the Speaker of the House of Representatives with respect to all contracts awarded on other than a competitive basis to the lowest responsible bidder. Such reports shall also show, in the case of the ten architect-engineering firms which, in terms of total dollars, were awarded the most business; the names of such firms; the total number of separate contracts awarded each such firm; and the total amount paid or to be paid in the case of each such firm under all such contracts awarded such firm.

REPEAL OF PRIOR AUTHORIZATIONS; EXCEPTIONS

SEC. 605. (a) As of January 1, 1977, all authorizations for military public works, including family housing, to be accomplished by the Secretary of a military department in connection with the establishment or development of installations and facilities, and all authorizations for appropriations, therefor, that are contained in titles I, II, III, IV, and V of the Act of December 27, 1974, Public Law 93-552 (88 Stat. 1745), and all such authorizations contained in Acts approved before December 28, 1974, and not superseded or otherwise modified by a later authorization are repealed except—

(1) authorizations for public works and for appropriations therefor that are set forth in those Acts in the titles that contain the general provisions;

(2) authorizations for public works projects as to which appropriated funds have been obligated for construction contracts, land acquisition, or payments to the North Atlantic Treaty Organization, in whole or in part before January 1, 1977, and authorizations for appropriations therefor.

(b) Notwithstanding the repeal provisions of section 605 of the Act of December 27, 1974, Public Law 93-552 (88 Stat. 1745, 1761), authorizations for the following items shall remain in effect until January 1, 1978:

(A) Barracks with mess construction in the amount of $535,000 at Camp A. P. Hill, Virginia, that is contained in title I, section 101 of the Act of November 29, 1973 (87 Stat. 661), as amended.

(B) Barracks with mess construction in the amount of $476,000 at Camp Pickett, Virginia, that is contained in title I, section 101 of the Act of November 29, 1973 (87 Stat. 661), as amended.

(C) Military Police barracks with support facilities construction in the amount of $1,831,000 and confinement facility construction in the amount of $6,287,000 at Fort Leonard Wood, Missouri, that is contained in title I, section 101 of the Act of November 29, 1973 (87 Stat. 661), as amended.

(D) Barracks complex construction in the amount of $8,622,000 at Fort Ord, California, that is contained in title I, section 101 of the Act of November 29, 1973 (87 Stat. 662), as amended.

(E) Barracks construction in the amount of $2,965,000 at Aberdeen Proving Ground, Maryland, that is contained in title I, section 101 of the Act of November 29, 1973 (87 Stat. 662), as amended.

(F) Barracks with mess construction in the amount of $466,000 at Natick Laboratories, Massachusetts, that is contained in title I, section 101 of the Act of November 29, 1973 (87 Stat. 662), as amended.

(G) Barracks without mess construction in the amount of $3,060,000 at Fort Greely, Alaska, that is contained in title I, section 101 of the Act of November 29, 1973 (87 Stat. 662), as amended.

(H) Relocate weapons ranges from Culebra Complex in the amount of $12,000,000 for the Atlantic Fleet Weapons Range, Roosevelt Roads, Puerto Rico, that is contained in title II, section 204 of the Act of November 29, 1973 (87 Stat. 668), as amended.

(I) Authorization for acquisition of lands in support of the Air Installation Compatible Use Zones at Various Locations not limited to those in the original project in the amount of $12,000,000 that is contained in title III, section 301 of the Act of October 25, 1972 (86 Stat. 1145), as amended by section 605(3)(K) of the Act of December 27, 1974 (88 Stat. 1762), as amended.

(J) Authorization for acquisition of lands in support of the Air Installation Compatible Use Zones at Various Locations not limited to those identified in the original project in the amount of $18,000,000 that is contained in title III, section 301 of the Act of November 29, 1973 (87 Stat. 671), as amended.

UNIT COST LIMITATIONS

SEC. 606. None of the authority contained in titles I, II, III, and IV of this Act shall be deemed to authorize any building construction projects inside the United States in excess of a unit cost to be determined in proportion to the appropriate area construction cost index, based on the following unit cost limitations where the area construction index is 1.0:

(1) $35 per square foot for permanent barracks;

(2) $37 per square foot for bachelor officer quarters;

unless the Secretary of Defense, or his designee, determines that because of special circumstances, application to such project of the limitations on unit costs contained in this section is impracticable. Notwithstanding the limitations contained in prior Military Constructon Authorization Acts on unit costs, the limitations on such costs contained in this section shall apply to all prior authorizations for such construction not heretofore repealed and for which construction contracts have not been awarded by the date of enactment of this Act.

AMENDMENTS TO TITLE 10, UNITED STATES CODE, RELATING TO REAL PROPERTY

SEC. 607. Chapter 159 of title 10, United States Code, is amended:

(1) By striking out "$300,000" in the item relating to section 2674 in the chapter analysis and inserting "$400,000" in place thereof.

(2) By striking out "$300,000" in the catchline of section 2674 and inserting "$400,000" in place thereof.

(3) By striking out the figures "$300,000", "$100,000", and "$50,000", in section 2674(b) and inserting "$400,000", "$200,000", and "$75,000", respectively, in place thereof.

(4) By striking out the figure "$50,000" in sections 2674 (a) and (e) and inserting "$75,000" in place thereof.

(5) By striking out "quarterly" in section 2662(b) and inserting in place thereof "annually".

(6) By striking out section 2662(c) and inserting in place thereof the following:

"(c) This section applies only to real property in the United States, Puerto Rico, Guam, the American Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands. It does not apply to real property for river and harbor projects or flood control projects, or to leases of Government-owned real property for agricultural or grazing purposes or to any real property acquisition specifically authorized in a Military Construction Authorization Act."

(7) By adding the following new subsection to section 2667:

"(f) Notwithstanding clause (3) of subsection (a), real property and associated personal property, which have been determined excess as the result of a defense installation realignment or closure, may be leased to State or local governments pending final disposition of such property if—

"(1) The Secretary concerned determines that such action would facilitate State or local economic adjustment efforts, and

"(2) the Administrator of the General Services Administration concurs in the action.".

(8) By adding after section 2672 a new section as follows:

"§ 2672a. Acquisition; interests in land when need is urgent

"The Secretary of a military department may acquire any interest in land that—

"(1) he or his designee determines is needed in the interest of national defense;

"(2) is required to maintain the operation integrity of a military installation; and

"(3) considerations of urgency do not permit the delay necessary to include the required acquisition in an annual Military Construction Authorization Act.

Appropriations available for military construction may be used for the purposes of this section. The authority to acquire an interest in land under this section includes authority to make surveys and acquire interests in land (including temporary use), by gift, purchase, exchange of land owned by the United States, or otherwise. The Secretary of a military department contemplating action under this provision will provide notice, in writing, to the Armed Services Committees of the Senate and House of Representatives at least 30 days in advance of any action being taken.".

(9) By inserting in the chapter analysis "2672a. Acquisition: interests in land when need is urgent."

immediately below:

"2672. Acquisition: interests in land when cost is not more than $50,000.".

(10) By striking from the chapter analysis and the catchline relating to section 2675 the second colon and all that follows.

(11) By striking the following words from the first sentence of section 2675: "that are not located on a military base and".

INCREASES FOR SOLAR HEATING AND SOLAR COOLING EQUIPMENT

SEC. 608. In addition to all other authorized variations of cost limitations or floor area limitations contained in this Act or prior Military Construction Authorization Acts, the Secretary of Defense, or his designee, may permit increases in the cost limitations or floor area limitations by such amounts as may be necessary to equip any projects with solar heating and/or solar cooling equipment.

LAND CONVEYANCE, GUAM

Sec. 609. The Secretary of the Navy or his designee is authorized and directed to convey to the Guam Power Authority, an agency of the Government of Guam, without monetary consideration, but subject to such reservations and terms and conditions as the Secretary of the Navy or his designee should determine to be necessary to protect the interests of the United States, all rights, titles, and interests of the United States, in and to those certain parcels of real property situated at Cabras Island, territory of Guam, known and identified as lot 257 and lot 261, containing 63.58 acres, more or less.

LAND CONVEYANCE, GEORGIA

Sec. 610. (a) The Secretary of the Army is authorized and directed to convey to the Board of Regents of the University System of Georgia, subject to the provisions of this Act, all of the right, title, and interest of the United States in and to a parcel of land, with improvements thereon, lying and being situated in Richmond County, city of Augusta, State of Georgia, more particularly described as follows:

Beginning at a chiseled X in concrete at the intersection of the south line of Walton Way with the west line of Katherine Street; thence along the west line of Katherine Street, south 02 degrees 27 minutes 55 seconds west 288.29 feet to a point 1 foot south of cyclone fence; thence along a line 1 foot south of and parallel to a cyclone fence, north 85 degrees 31 minutes 15 seconds west 227.32 feet to a point 1 foot east of a cyclone fence; thence along a line parallel to and 1 foot east of a cyclone fence south 04 degrees 19 minutes 50 seconds west 233.05 feet to a point; thence along a line 1 foot south of and parallel to a cyclone fence, north 85 degrees 19 minutes 27 seconds west 305.74 feet to a point 0.60 foot west of a cyclone fence; thence along a line parallel to and 0.60 foot west of a cyclone fence, north 04 degrees 59 minutes 48 seconds east 530.23 feet to a concrete monument on the south side of Walton Way; thence along the south side of Walton Way, south 85 degrees 30 minutes 15 seconds east 517.62 feet to the point of beginning, and containing 5.09 acres, more or less.

(b) The conveyance authorized by this section shall be made upon payment to the United States of not less than the appraised fair market value of the land and the improvements thereon, as determined by the Secretary of the Army, or the sum of $662,000, whichever is the greater, and upon such terms, conditions, reservations, and restrictions as the Secretary of the Army shall deem necessary to protect the interests of the United States.

(c) The money received by the United States for the lands conveyed under this section shall be credited to a special account in the Treasury and shall be available, without fiscal year limitation, for the construction of a United States Army Reserve Training Center on lands owned by the United States at the intersection of Jackson and Wrightsboro Roads, Augusta, Georgia.

(d) The cost of any surveys necessary as an incident to the conveyance authorized by this section shall be borne by the Board of Regents of the University System of Georgia.

SHORT TITLE

Sec. 611. Titles I, II, III, IV, V, and VI of this Act may be cited as the "Military Construction Authorization Act, 1976".

TITLE VII—GUARD AND RESERVE FORCE FACILITIES

AUTHORIZATION FOR FACILITIES

Sec. 701. Subject to chapter 133 of title 10, United States Code, the Secretary of Defense may establish or develop additional facilities for the Guard and Reserve Forces, including the acquisition of land therefor, but the cost of such facilities shall not exceed—

(1) For the Department of the Army:

(A) Army National Guard of the United States, $54,745,000.

(B) Army Reserve, $44,459,000.

(2) For the Department of the Navy: Naval and Marine Corps Reserves, $34,800,000.

(3) For the Department of the Air Force:

(A) Air National Guard of the United States, $55,100,000.

(B) Air Force Reserve, $16,500,000.

WAIVER OF CERTAIN RESTRICTIONS

Sec. 702. The Secretary of Defense may establish or develop installations and facilities under this title without regard to section 3648 of the Revised Statutes, as amended (31 U.S.C. 529), and sections 4774 and 9774 of title 10, United States Code. The authority to place permanent or temporary improvements on lands includes authority for surveys, administration, overhead, planning, and supervision incident to construction. That authority may be exercised before title to the land is approved under section 355 of the Revised Statutes, as amended (40 U.S.C. 255), and even though the land is held temporarily. The authority to acquire real estate or land includes authority to make surveys and to acquire land, and interests in land (including temporary use), by gift, purchase, exchange of Government-owned land, or otherwise.

AMENDMENT TO TITLE 10, UNITED STATES CODE

Sec. 703. Chapter 133 of title 10, United States Code, is amended by striking out the figure "$25,000" in paragraph (2) of section 2233a, and inserting the figure "$50,000" in place thereof.

SHORT TITLE

Sec. 704. This title may be cited as the "Guard and Reserve Forces Facilities Authorization Act, 1976".

And the House agree to the same.

Melvin Price,
Richard H. Ichord,
William J. Randall,
Charles H. Wilson,
Richard C. White,
Jack Brinkley,
Mendel J. Davis,
Bob Wilson,
G. William Whitehurst,
Robin L. Beard,
Managers on the Part of the House.

John C. Stennis,
Stuart Symington,
Henry M. Jackson,
Howard W. Cannon,
Harry F. Byrd, Jr.,
Patrick J. Leahy,
John Tower,
Strom Thurmond,
Barry Goldwater,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1247) to authorize certain construction at military installations, and for other purposes, submit the following joint statement in explanation of the effect of the action agreed upon by the Conferees and recommended in the accompanying report:

LEGISLATION IN CONFERENCE

On June 6, 1975, the Senate passed S. 1247 which provides military construction authorization and related authority in support of the Military Departments, Reserve Components and the Defense Department during fiscal year 1976 and the transition period.

On July 31, 1975, the House considered the legislation, amended it by striking out all language after the enacting clause and wrote a new bill.

COMPARISON OF SENATE AND HOUSE BILLS

As passed by the Senate, S. 1247 provided $3,762,011,000 in new authorization.

The bill as passed by the House provided $3,957,878,000 in new authorization.

SUMMARY OF RESOLUTION OF DIFFERENCES

As a result of the Conference between the House and Senate on the differences in S. 1247, the Conferees agreed to a new adjusted authorization for military construction for fiscal year 1976 and the transition period in the amount of $3,853,705,000.

The Department of Defense and the respective military departments had requested a total of $4,201,605,000 for new construction authorization for fiscal year 1976 and the transition period. The action of the Conferees therefore reduces the Department's request by $347,900,000 in new authorization.

Chart.—*Total authorization for appropriation granted fiscal year 1976 and the transition period*

[In thousands of dollars]

Title I—Army:	
Inside the United States	$596, 515
Outside the United States	172, 525
Subtotal	769, 040
Title II—Navy:	
Inside the United States	684, 339
Outside the United States	21, 170
Subtotal	705, 509
Title III—Air Force:	
Inside the United States	379, 041
Outside the United States	102, 846
Section 302	3, 982
Subtotal	485, 869
Title IV—Defense agencies	44, 800
Title V—Military family housing	1, 642, 883
Total, titles I, II, III, IV, and V	3, 648, 101
Title VII—Reserve components:	
Army National Guard	54, 745
Army Reserve	44, 459
Navy and Marine Corps Reserve	34, 800
Air National Guard	55, 100
Air Force Reserve	16, 500
Total	205, 604
Grand total granted by titles, I, II, III, IV, V, and VII	3, 853, 705

TITLE I—ARMY

The House approved new construction authorization in the amount of $805,284,000 for the Department of the Army. The Senate approved new construction authorization for the Army in the amount of $768,944,000. The Conferees argeed to a new total for Title I in the amount of $769,040,000, which is $96,000 above the Senate figure and $36,244,000 below the House figure. Among the major items considered in Conference and acted on by the Conferees were the following:

FORT CAMPBELL, KY.—HOSPITALS, $47,000,000

The House Committee added $47,000,000 to the bill for a new hospital for Fort Campbell, Kentucky. The Army testified before the House that the hospital was urgently needed and would ultimately cost approximately $57,000,000.

The Senate bill contained no comparable provision.

While the conferees agreed that Fort Campbell was badly in need of a new hospital, information provided by the Army indicated that design status was such that construction could not start for approximately 18 months; and therefore, authorization could be deferred for a year to permit design to proceed and the cost estimate to be more accurately determined without delaying construction. The Conferees expect the Army to request the full scope of the Fort Campbell hospital in the fiscal year 1977 military construction request.

Further, the Conferees agreed that they would place special emphasis on the review of the scope, design and cost data of all military hospitals requested in future programs.

With this understanding, the House receded.

FORT RICHARDSON, ALASKA—AIRFIELD PAVING AND LIGHTING, $1,140,000

The Senate included in its bill the Army's request for $2,542,000 for airfield paving and lighting at Fort Richardson. The House denied the project in its bill stating that the aircraft at Fort Richardson could use the airfield at Elmendorf Air Force Base which abuts the boundaries of Fort Richardson.

In Conference, the Senate maintained its position that Army use of Elmendorf AFB would reduce operational efficiency resulting in cost increases because of operational difficulties. Because of House insistence on its position, the Senate agreed to reduce the project scope by eliminating $1,402,000 originally proposed for parking aprons which are available at Elmendorf AFB for use by the Army air units at Fort Richardson.

With this understanding, the House receded and accepted the lower amount for the reduced project agreed upon by the Conferees.

FORT BENNING, GA.—CONCRETE BUNKERS, $1,080,000

The Army requested $1,080,000 to construct five concrete bunkers to replace five existing bunkers constructed of timber and earth for artillery training at this installation.

The Senate deleted the authorization request on the basis that (1) the requirement was questionable and (2) the costs are unreasonably high.

The House included the requested amount and insisted in Conference on its retention.

After lengthy discussion, the Conferees agreed to approve the request, calling the project to the attention of the Appropriations Committee of both Houses for further close scrutiny of scope and cost.

U.S. MILITARY ACADEMY—ROADS AND ATHLETIC FIELDS, $2,054,000

The Senate had included this Army request in its bill but the House denied it in its version of the bill because of the high cost of the proposed tennis courts, projected at $25,000 per court. Further, the House stated that the tennis courts and road improvements were unrelated and should have been submitted as separate project requests.

During Conference discussion on this request, House Conferees pointed out that the need for the road improvements was highly questionable. They insisted the project be deferred and reconsidered next fiscal year as a road project separate from the proposed athletic field and tennis court construction.

With this understanding, the Senate receded.

TITLE II—NAVY

The House approved $708,274,000 in new construction authorization for the Department of the Navy. The Senate approved $682,234,000. The Conferees agreed to a new total in the amount of $705,509,000. This amount is $2,765,000 below the House figure and $23,275,000 above the Senate figure.

Among the major items considered in the Conference were the following:

PORTSMOUTH NAVAL SHIPYARD—TOOL SHOP, $6,000,000

The Senate added $6,000,000 to the bill for a new tool shop for the Portsmouth Naval Shipyard, Kittery, Maine. Although the project was not in the original budget request, the Navy did furnish valid justification for the project and supported its inclusion in the bill.

The House had no comparable provision.

While sympathetic to the requirement for this facility, the Conferees felt that it could be deferred for a year due to the extreme pressures on the Defense budget. The Conferees urge the Navy to revalidate this requirement and include it in its Fiscal Year 1977 request if appropriate.

The Senate reluctantly receded.

HEADQUARTERS NAVAL DISTRICT, WASHINGTON, D.C.—TINGEY HOUSE RESTORATION, $400,000 AND NAVAL HISTORICAL CENTER, $1,304,000

The Conferees looked at these two projects together since the House had granted both requests while the Senate had denied them in their bill. The Senate Conferees maintained that neither project represented a defense requirement and that they should possibly be funded with non-appropriated funds.

The House Conferees insisted that both projects would provide a meaningful display of the Navy's proud heritage and would stimulate greater public interest in Naval service. After much discussion the Conferees agreed on a compromise to approve the $400,000 request for restoration of the Tingey House for use as a ceremonial center since the Navy has released Admiral's House to become the Vice President's residence. They further agreed to defer the Historical Center project in an effort to hold down federal spending.

Therefore, the Senate receded to the House position on the Tingey House request and the House receded to the Senate position on the Naval Historical Center.

AICUZ—THREE LOCATIONS, $15,700,000

The Navy had requested authority to acquire real estate or easements at three locations (Miramar Naval Air Station, $12,100,000; Oceana Naval Station, $1,600,000; and Naval Air Station, Cecil Field, $2,000,000) for the purpose of protecting the operational integrity of these vital airfields.

The Senate Committee, after much deliberation, elected to delete this authority because of their concern that the Federal Government in "buying off" encroachers would encourage real estate speculation around military bases.

The House approved the Navy's request as submitted.

The Conferees discussed this issue at length. Of serious concern was the marked difference in the approach being taken to this problem by the Air Force and the Navy. The Air Force proposes to acquire only that real estate off the ends of their runways that has a high accident probability. The Air Force program is well-defined and is estimated to cost about $50 million with $30 million in authority already contained in prior year bills. The Navy on the other hand, has a much more ambitious program that envisions acquiring real estate and easements for accident hazard and noise control.

The authority that the Navy is requesting in this bill is primarily for easements to offset the noise problem. The Navy estimates that its total program as presently envisioned would cost $500 million in current dollars. The Conferees, noting that they will carefully review each Title 10 request that is required before any of the real estate acquisitions are approved for implementation, agreed to retain the requested authority with the understanding that the Department of Defense will (1) resolve the divergent approaches to the problem being taken by the Navy and the Air Force, (2) insure that every possible means to protect the integrity of military air bases by cooperation with local governmental authorities is exhausted before resorting to acquisition of real estate or easements.

Further, even though 10 U.S.C. 2662 does not specifically require the Secretary of a military department to report the acquisition of easements when the estimated price is more than $50,000, the conferees were adamant in their position that the military departments should notify the Committees on Armed Services of the Senate and House of Representatives before such easements are acquired.

NAVAL TRAINING CENTER, SAN DIEGO, CALIF.—RECRUIT PROCESSING FACILITY, $5,455,000

The House approved this project which had been deferred by the Senate in its consideration of the bill. During the conference discussion, the House Conferees pointed out the need for the Recruit Processing Center which would replace processing functions now located in 12 widely-separated and aging structures at the base. They further pointed out that consolidation of these activities in one location would provide substantial cost savings.

After considerable discussion, the Senate Conferees acknowledged the need for this project but insisted that it could be deferred since the Navy assigned it a low priority in this year's program.

The House reluctantly receded.

NAVAL STATION, PEARL HARBOR, HAWAII—FLEET COMMAND CENTER, $7,078,000

The House deleted this Navy request for reasons of economy, thinking it could be deferred for at least a year. The Senate approved the project.

In conference, the Senate pointed out that the present Command Center is located in the Pacific Fleet Headquarters building, which is a former World War II bomb shelter. They insisted that this facility is currently deficient because of structure, power, security and available space for expansion. Further, because of lack of space, many staff functions had to be dispersed into three widely-separated World War II buildings. Also, it was pointed out that studies have revealed that it is not economically feasible to enlarge the existing Command Center to accommodate the expanded facilities.

The House receded.

NAVAL STATION, ROTA, SPAIN—BUILDING ADDITION, $1,783,000 AND AIR PASSENGER TERMINAL EXPANSION, $422,000

These two projects were included in the Senate bill but were deferred by the House in its consideration of the legislation. In Conference, the Conferees agreed on the need for these projects but felt that they should be deferred until negotiations currently underway on U.S. base rights in Spain are successfully concluded.

On this basis, the Senate receded.

TITLE III—AIR FORCE

The House approved $485,963,000 in new construction authorization for the Department of the Air Force. The Senate approved $437,120,000.

The Conferees agreed to a new total in the amount of $485,869,000 which is $94,000 below the House figure and $48,749,000 above the Senate figure.

Among the major items in Conference which were resolved with much deliberation are:

TINKER AFB, OKLA.—HYDRANT REFUELING SYSTEM, $4,075,000

The House deleted this project in its original consideration of the bill because the justification emphasized that this Hydrant Refueling System was primarily associated with the AWACS aircraft which would not be stationed at Tinker until 1977.

The Senate conferees insisted that this project would serve all large cargo aircraft in the inventory today, and that it was necessary for the efficient refueling/defueling capability to meet mission requirements.

The House reluctantly receded.

WRIGHT-PATTERSON AFB, OHIO—ALTER SYSTEMS MANAGEMENT ENGINEERING FACILITY, $2,200,000

The House approved, but the Senate denied this project. The Senate Committee felt that this project was not of sufficient priority to warrant current authorization.

House Conferees pointed out that the engineering functions are currently housed in four buildings which are structurally sound but poorly configured and without adequate light levels, acoustical qualities or proper environmental controls. Further, during 40 years of usage, these facilities have undergone many provisional, interior adjustments in an attempt to keep pace with improved managerial techniques. These adjustments have resulted in non-functional floor layouts and ineffective utility systems.

The Senate receded.

NATO—AIRCRAFT SHELTERS, $52,738,800

This item was one of the most controversial items in the Conference and was thoroughly discussed by all Conferees. The original request was in the amount of $175,000,000. The Senate deleted the entire amount. The House deleted $122,262,200 after receiving testimony to the effect that the amount deleted was for shelters that would not be occupied until hostilities began and the costs were not recoupable from the NATO Infrastructure Program. The House allowed $52,738,000 for "in-place" aircraft in the United Kingdom.

During the course of the Conference, the Department of Defense provided written agreement that the $52,738,000 would be considered part of the NATO eligible program and that proper steps would be taken to insure eventual recoupment of any funds expended.

After a very thorough and lengthy discussion, the Conferees agreed that $52,738,000 would be authorized for "in-place" aircraft in the United Kingdom with the assurance by the Department of Defense that NATO recoupment will be requested prior to expending any of the funds.

TITLE IV—DEFENSE AGENCIES

The House approved $109,800,000 in new construction authorization for various defense agencies. The Senate approved $44,800,000.

The Conferees agreed to a new total in the amount of $44,800,000 which is the original Senate figure and is $65,000,000 below the House figure.

Among the major items in Conference which were resolved are the following:

BOLLING/ANACOSTIA COMPLEX, WASHINGTON, D.C.—DIA BUILDING, $70,900,000

The original budget request for the DIA Building was in the amount of $86,100,000. During consideration by the House Committee, Defense witnesses testified they could reduce the original estimate by $15,200,000. Therefore, the House authorized $70,900,000 for the construction of this badly-needed facility. The Senate committee deleted the entire request.

During the discussion of this project in the Conference Committee, the Conferees unanimously agreed that the present facilities of DIA at Arlington Hall Station are in deplorable condition. Further, they are scattered over the City of Washington in approximately six different locations. The House Conferees were adamant in their position, but Senate conferees pointed out that Select Committees in the Senate and in the House were presently looking into the entire intelligence community and it was premature to authorize a building for the DIA prior to the report of these two Select Committees.

After a very lengthy and thorough discussion, the House Conferees reluctantly receded.

ENEWETAK—CLEANUP, $20,000,000

The Defense Nuclear Agency requested $14,100,000 as the first increment of a $40,000,000 effort to clean up the physical and radioactive debris left by the nuclear testing program on Enewetak Atoll.

The Senate agreed to a one time authorization of $20 million under the assumption that the work would be done by U.S. military engineers.

The House agreed to the request as submitted.

The Conferees, after much discussion, authorized $20,000,000. Since the Conferees fully expect the Department of Defense to minimize the total cost through the use of Army engineers and/or Navy Seabees and by limiting the scope of the cleanup as much as possible within the constraints of radiation exposure as set out by the appropriate Federal agency, it was agreed that the target of $20 million for the complete project should be established by the Department of Defense.

The House receded.

TITLE V—FAMILY HOUSING

The Department of Defense presented an authorization request for appropriations for military family housing totaling $1,639,876,000. This was for 3,444 units of new construction, improvements to existing housing, operations and maintenance, debt payment, etc. Included in this request was $310,639,000 for the transition period of July 1 through September 30, 1976. The request included a Defense proposal to move to a cost limit on new construction of $24 per square foot to the five foot line, vice traditional limitations on construction in terms of average unit price.

The House authorized 3,044 units of new construction and the Senate 3,043 of that requested plus an additional 150 units for Portsmouth, New Hampshire. The House did not approve unit pricing limitations based on square footage and in lieu thereof approved an average unit price of $35,000 in CONUS and $45,000 in overseas areas, Alaska and Hawaii. The Senate approved the Department's request for the $24 per square foot cost but to include design, supervision, inspection, and overhead costs.

In Conference, the Conferees agreed to authorize 3,031 family housing units at an average cost of $35,000 for the United States (except Alaska and Hawaii) and at $45,000 in other areas. The Conferees agreed to a new total for the family housing program of $1,642,883,000 to include the original amount requested for the transition period.

In light of the substantial backlog of deferred maintenance, the House included an additional $25,000,000 to assist the Department in preserving the existing capital plant. In Conference the Senate receded and the amount was authorized with the understanding that the $25,000,000 be used only for reducing the maintenance backlog and not be diverted in any way to other operational uses authorized under this section.

On this condition, the Senate receded.

The House included in its approval, inclusion of Guam with the higher leasing cost limitations on the domestic leasing program. While the Senate approved the leasing request as proposed by the Department, the Senate receded in Conference to permit the inclusion of Guam with the higher limitations.

The Department proposed legislation to permit it to waive the prohibition on air conditioning housing in Hawaii under certain conditions. Although both the House and Senate agreed waivers should be allowed, the House approved such action subject to the approval of the Armed Services Committees; the Senate approved the Defense request. In Conference, the House receded to the Senate's position with the understanding that if air conditioning is allowed, the Department of Defense will notify the Committees of such action.

TITLE VI—GENERAL PROVISIONS

The Senate retained language in Section 603 regarding cost variations that had appeared in previous construction bills.

The House in an effort to reduce the number of deficiency authorizations revised the language. The revised House language had two major impacts: (1) the requirement for a deficiency authorization at installation level was replaced by a requirement to notify the Armed Services Committees and obtain approval or wait 30 days, and (2) the flexibility that the Services had to vary individual projects was reduced from 25 percent to 10 percent.

The Conferees agreed that the requirement to wait a year for a deficiency authorization was counter-productive and costly. However, the restraints imposed on projects by the revised House language were considered too restrictive, so the Conferees agreed on the modified language as contained in this report.

Section 606 provides unit cost limitations on the construction of bachelor enlisted quarters and bachelor officer quarters. The Senate bill authorized $39.50 and $42.50 per square foot, respectively. The House bill authorized $35 and $37 per square foot, respectively, which represented a 12 percent increase over the current limitations to compensate for inflationary cost increases during the past twelve months.

Insisting on their position in Conference, the House Conferees pointed out that the unit cost limitations have been increased each year since 1971 for a cumulative increase over that four-year period of more than 54 percent.

The Senate receded.

The Conferees noted and endorsed the comments in the Senate report regarding the organization of the Administration's bill and directed that for future requests the Department of Defense (1) refrain from the use of omnibus lines except where necessary and with prior approval of the Armed Services Committees, (2) minimize the use of "phased" and "incremented" projects, and (3) include all construction for Defense agencies under the Defense title of the bill.

Melvin Price,
Richard H. Ichord,
William J. Randall,
Charles H. Wilson,
Richard C. White,
Jack Brinkley,
Mendel J. Davis,
Bob Wilson,
G. William Whitehurst,
Robin L. Beard,
Managers on the Part of the House.

John C. Stennis,
Stuart Symington,
Henry M. Jackson,
Howard W. Cannon,
Harry F. Byrd, Jr.,
Patrick J. Leahy,
John Tower,
Strom Thurmond,
Barry Goldwater,
Managers on the Part of the Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Randall, for Thursday, September 18, 1975, on account of official business in the congressional district to officiate at the unveiling of the portrait of former President Harry S. Truman, at the Truman Library in Independence, Mo.

Mr. Lehman, from September 17, 1975, to September 24, 1975, on account of participation in Aspen-Persepolis Symposium in Persepolis, Iran.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Maguire) to revise and extend their remarks and include extraneous material:)

Mr. Patman, for 10 minutes, today.
Mr. Gonzalez, for 5 minutes, today.
Mr. Diggs, for 5 minutes, today.
Mr. Fraser, for 10 minutes, today.
Mr. Flood, for 5 minutes, today.
Mr. Annunzio, for 5 minutes, today.
Mr. Koch, for 5 minutes, today.
Mr. Reuss, for 20 minutes, today.
Mr. Ford of Michigan, for 5 minutes, today.
Mr. Jones of North Carolina, for 5 minutes, today.
Mr. Rees, for 5 minutes, today.
Mr. Bingham, for 10 minutes, today.
Mr. Murphy of New York, for 5 minutes, today.
Mr. O'Neill, for 5 minutes, today.
Mr. Adams, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Van Deerlin, and to include extraneous material, notwithstanding the fact that it exceeds two pages of the Record and is estimated by the Public Printer to cost $1,859.

Mr. Bedell, and to revise and extend his remarks on the Broyhill amendment on H.R. 7014 today.

(The following Members (at the request of Mr. Kindness) and to include extraneous matter:)

Mr. Sarasin.
Mr. Crane.
Mr. Derwinski in three instances.
Mr. Sebelius.
Mr. Hansen in two instances.
Mr. Steiger of Arizona.
Mr. Conte in two instances.
Mr. Forsythe.
Mr. Latta.
Mr. Lagomarsino.
Mr. Don H. Clausen.
Mr. Ashbrook in five instances.
Mr. Del Clawson.
Mr. Rhodes in two instances.
Mr. Quie.

(The following Members (at the request of Mr. Maguire) and to include extraneous material:)

Mr. Jones of Oklahoma.
Mr. Nowak.
Mr. Conyers.
Mr. Annunzio in six instances.
Mr. Gonzalez in three instances.
Mr. Anderson of California in three instances.
Mr. Evins of Tennessee in six instances.
Mr. Minish.
Mr. Solarz in eight instances.
Mrs. Sullivan.
Mr. Florio.
Mr. Rangel.
Mr. Hefner in two instances.
Mr. Edwards of California.
Mr. Cotter.
Mrs. Chisholm.
Mr. Koch in five instances.
Mr. Young of Texas.
Mr. Hamilton.
Mr. Ford of Michigan in two instances.
Mr. Jacobs.
Mrs. Spellman.
Mr. Udall in two instances.
Mr. Mathis.
Mr. Fisher in two instances.
Mr. Breckinridge in five instances.
Mr. Blanchard.
Mr. Rooney in five instances.
Mr. Downey of New York in two instances.
Mr. Preyer.
Mr. Sisk.
Mr. Jones of North Carolina.
Mr. Drinan in two instances.
Mr. Rogers in five instances.
Mr. Lloyd of California.
Mr. Traxler.
Mr. Studds.
Mr. Rosenthal.
Mr. Fraser.
Mr. McDonald of Georgia in three instances.
Mr. Richmond.
Mr. Teague.
Mr. Jones of Tennessee.
Mr. Russo.
Ms. Abzug in two instances.
Mr. Mann.
Mr. Ambro.
Mr. Harrington.
Mr. Milford.
Mr. Bingham in 10 instances.
Mr. Vanik.
Mr. Edgar.
Mr. Zeferetti.
Mr. Rose.
Mr. Moorhead of Pennsylvania in two instances.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 662. An act to amend the Urban Mass Transportation Act of 1964 to provide operating assistance for projects located in areas other than urbanized areas, to provide for mass transportation assistance to meet the needs of elderly and handicapped persons, and for other purposes; to the Committee on Public Works and Transportation.

S. 1537. An act to amend the Defense Production Act of 1950, as amended; to the Committee on Banking, Currency and Housing.

S. 1617. An act to clarify the authority of the Secretary of Agriculture to control and eradicate plant pests, and for other purposes; to the Committee on Agriculture.

ADJOURNMENT

Mr. MAGUIRE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 52 minutes p.m.), under its previous order, the House adjourned until tomorrow, Thursday, September 18, 1975, at 11 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1740. A letter from the President of the United States, transmitting information concerning the proposed sale of Hawk antiaircraft missiles to Jordan (H. Doc. No. 94–256); to the Committee on International Relations and ordered to be printed.

1741. A letter from the Secretary of Transportation, transmitting a report of a violation of the Antideficiency Act by the Alaska Railroad, pursuant to section 3679(1)(2) of the Revised Statutes [31 U.S.C. 665]; to the Committee on Appropriations.

1742. A letter from the Chairman, U.S. Consumer Product Safety Commission, transmitting the Commission's fiscal year 1977 budget request, pursuant to section 27(k)(1) of Public Law 92–573; to the Committee on Appropriations.

1743. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting notice of the location, nature, and estimated cost of various construction projects proposed to be undertaken for the Army Reserve, pursuant to 10 U.S.C. 2233a(1); to the Committee on Armed Services.

1744. A letter from the Assistant Secretary of the Interior, transmitting a report of the National Petroleum Council on petroleum storage for national security; to the Committee on Armed Services.

1745. A letter from the Director, U.S. Information Agency, transmitting a report covering fiscal year 1975 on the disposal of foreign excess property by the U.S. Information Agency, pursuant to section 404(d) of the Federal Property and Administrative Services Act of 1949 [40 U.S.C. 514(d)]; to the Committee on Government Operations.

1746. A letter from the Acting Secretary of the Interior, transmitting a proposed plan for the use and distribution of the judgment funds awarded to the Swinomish Tribe of Indians in docket No. 233 before the Indian Claims Commission, pursuant to 87 Stat. 466; to the Committee on Interior and Insular Affairs.

1747. A letter from the Acting Secretary of the Interior, transmitting a proposed plan for the use and distribution of the judgment funds awarded to the Samish Tribe of Indians in docket No. 261 before the Indian Claims Commission, pursuant to 87 Stat. 466; to the Committee on Interior and Insular Affairs.

1748. A letter from the Assistant Secretary of Interior, transmitting a draft of proposed legislation to amend section 21 of the Mineral Leasing Act (41 Stat. 445), as amended (30 U.S.C. 241); to the Committee on Interior and Insular Affairs.

1749. A letter from the Deputy Assistant Secretary of the Interior, transmitting a copy of a proposed concession permit for the continued sale of antiques and quality handmade reproductions of the colonial period at the Swan Tavern, Colonial National Historical Park, Yorktown, Va., for a term ending December 31, 1980, pursuant to 67 Stat. 271 and 70 Stat. 543; to the Committee on Interior and Insular Affairs.

1750. A letter from the Chairman, Advisory Council on Historic Preservation, transmitting the comments of the advisory council on present uses and future plans of the Department of the Army affecting historical and archeological resources at Hunter Liggett Military Reservation, Calif., and problems facing the Army nationwide in preserving properties which are not essential to its primary mission, pursuant to section 202 (b) of Public Law 89-665 [16 U.S.C. 470j(b)]; to the Committee on Interior and Insular Affairs.

1751. A letter from the Chairman, Federal Communications Commission, transmitting a draft of proposed legislation to amend the Communications Act of 1934, as amended, with respect to penalties and forfeitures; to the Committee on Interstate and Foreign Commerce.

1752. A letter from the Chairman, Federal Power Commission, transmitting a copy of the National Power Survey "Energy Conservation Task Force Report"; to the Committee on Interstate and Foreign Commerce.

1753. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation to amend title 18 of the United States Code, to define and discourage certain criminal conduct by U.S. nationals and certain foreign nationals in Antarctica; to the Committee on the Judiciary.

1754. A letter from the Deputy Under Secretary of Agriculture, transmitting a draft of proposed legislation to amend section 306 of the Tariff Act of 1930 to relieve restrictions on the importation of certain meat; jointly, to the Committees on Ways and Means, and Agriculture.

1755. A letter from the Secretary of Health, Education, and Welfare, transmitting a report covering the fourth quarter of fiscal year 1975 on grants approved by his Office which are financed wholly with Federal funds and subject to the reporting requirements of section 1120(b) of the Social Security Act [42 U.S.C. 1320(b)]; jointly, to the Committees on Interstate and Foreign Commerce, and Ways and Means.

RECEIVED FROM THE COMPTROLLER GENERAL

1756. A letter from the Comptroller General of the United States, transmitting a list of reports issued or released by the General Accounting Office during August 1975, pursuant to section 234 of the Legislative Reorganization Act of 1970; to the Committee on Government Operations.

1757. A letter from the Acting Comptroller General of the United States, transmitting a report on the Department of Agriculture's performance and difficulty in forecasting the outlook for wheat and corn supplies, demands, and prices; jointly, to the Committees on Government Operations, and Agriculture.

1758. A letter from the Comptroller General of the United States, transmitting a report that the effectiveness of the financial disclosure system for Civil Aeronautics Board employees needs improvement; jointly, to the Committees on Government Operations, Public Works and Transportation, and the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PRICE: Committee of conference. Conference report on S. 1247 (Rept. No. 94-483). Ordered to be printed.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 5360. A bill to increase benefits provided to American civilian internees in Southeast Asia (Rept. No. 94-484). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 8672. A bill to improve the reliability, safety, and energy efficiency of railroad transportation, and to reduce unemployment by providing funds for work in repairing, restoring, rehabilitating, and improving essential railroad roadbeds and facilities; with amendment (Rept. No. 94-485). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MAHON:

H.R. 9600. A bill to rescind certain budget authority recommended in the message of the President of July 26, 1975 (H. Doc. 94-225), transmitted, pursuant to the Impoundment Control Act of 1974; to the Committee on Appropriations.

By Mr. ADAMS (for himself, Mr. Dellums, Mr. Harris, Mrs. Holt, Ms. Mink, Mr. Talcott, and Mr. Bob Wilson):

H.R. 9601. A bill to amend title 10, United States Code, with respect to crediting certain service of females sworn in as members of telephone operating units, Signal Corps; to the Committee on Armed Services.

By Mr. BELL:

H.R. 9602. A bill to direct the Comptroller General of the United States to conduct a study of the burden of reporting requirements of Federal regulatory programs on independent business establishments, and for other purposes; to the Committee on Government Operations.

By Mr. BLANCHARD (for himself, Ms. Keys, Mr. Diggs, Mr. Russo, Mr. Riegle, Mr. Santini, Mr. Mann, Mr. Nowak, Mr. Treen, Mr. Charles H. Wilson of California, Mr. D'Amours, Mr. Brown of California, Mrs. Lloyd of Tennessee, Mr. Helstoski, Mr. Byron, Mr. Runnels, Mr. Symington, Mr. Wirth, Mr. Abdnor, Mr. Krebs, Mr. Milford, Mr. Roe, Mr. Fuqua, Mr. Blouin, and Mr. McCollister):

H.R. 9603. A bill to amend the Congressional Budget Act of 1974 to require full congressional review of each Federal program once every 2 years under zero-based budgeting procedures; to the Committee on Rules.

By Mr. BRODHEAD:

H.R. 9604. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to provide benefits to survivors of certain public safety officers who die in the performance of duty; to the Committee on the Judiciary.

By Mr. CARTER:

H.R. 9605. A bill to amend the Federal Coal Mine Health and Safety Act of 1969; to the Committee on Education and Labor.

By Mr. CRANE:

H.R. 9606. A bill to allow regulated investment companies capital loss carryovers for a period of 8 years; to the Committee on Ways and Means.

By Mr. CONABLE (for himself, Mr. Duncan of Tennessee, Mr. Mikva, Mr. Steiger of Wisconsin, Mr. Badillo, Mr. Eilberg, Mr. Erlenborn, Mr. Fraser, Mr. Hannaford, Mr. Hastings, Mr. Hinshaw, Mr. Horton, Mr. Kemp, Mr. Koch, Mr. Lehman, Mrs. Lloyd of Tennessee, Mr. McEwen, Mrs. Meyner, Mrs. Mink, Mr. Murphy of New York, Mr. Pritchard, and Mr. Whitehurst):

H.R. 9607. A bill to amend title XVIII of the Social Security Act to establish a program of long-term care services within the medicare program, to provide for the creation of community long-term care centers and State long-term care agencies as part of a new administrative structure for the organization and delivery of long-term care services, to provide a significant role for persons eligible for long-term care benefits in the administration of the program, and for other purposes; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. de LUGO (for himself, Mr. Rodino, Mr. Pritchard, Mr. Bolling, Mr. Lent, Mr. McFall, Mr. Gude, Mr. Charles H. Wilson of California, Mr. Rinaldo, Mr. Burke of Massachusetts, Mr. Zablocki, Mr. Treen, Mrs. Spellman, Mr. Ottinger, Mr. Pepper, Mr. Pattison of New York, Mr. Mollohan, Mr. Leggett, Mr. Mezvinsky, Mr. Biaggi, Mrs. Schroeder, Mr. Harris, Mr. Mineta, Mr. Murphy of New York, and Mr. Anderson of California):

H.R. 9608. A bill to provide for the establishment of a constitution for the Virgin Islands; to the Committee on Interior and Insular Affairs.

By Mr. EDWARDS of Alabama:

H.R. 9609. A bill to amend the Public Health Service Act to provide assistance for programs for the diagnosis, prevention, and treatment of, and research in, Huntington's disease; to the Committee on Interstate and Foreign Commerce.

H.R. 9610. A bill to provide for the development of a long-range plan to advance the national attack on arthritis and related musculoskeletal diseases and for arthritis training and demonstration centers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 9611. A bill to amend the Internal Revenue Code of 1954 to provide income tax incentives to improve the economics of recycling waste paper; to the Committee on Ways and Means.

H.R. 9612. A bill to amend title II of the Social Security Act to provide that when an adverse decision is made on a claim for benefits thereunder, the claimant shall have the right to reconsider, including an informal conference and a statement of the case, prior to hearing; to impose time limits and make other improvements in the procedures for determining such claims; and to regularize the appointment of administrative law judges hearing such claims; to the Committee on Ways and Means.

H.R. 9613. A bill to amend the Internal Revenue Code of 1954 to provide a credit against the individual income tax for certain expenses of higher education; to the Committee on Ways and Means.

H.R. 9614. A bill to amend the Internal Revenue Code of 1954 to allow a credit against the individual income tax for tuition paid for the elementary or secondary education of dependents; to the Committee on Ways and Means.

By Mr. EILBERG:

H.R. 9615. A bill to amend the Federal Water Pollution Control Act to provide for additional authorizations, and for other purposes; to the Committee on Public Works and Transportation.

H.R. 9616. A bill to amend title 38 of the United States Code in order to provide a yearly clothing allowance of $150 to veterans with service-connected blindness; to the Committee on Veterans' Affairs.

By Mr. ENGLISH:

H.R. 9617. A bill to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the city of Alva, Okla., for airport purposes; to the Committee on Public Works and Transportation.

By Mr. ERLENBORN:

H.R. 9618. A bill to amend title 18, United States Code, to prohibit all persons other than individuals or certain political party organizations, from making any contributions to a candidate for Federal office; to the Committee on House Administration.

By Mr. FORD of Michigan:

H.R. 9619. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to provide benefits to survivors of certain public safety officers who die in the performance of duty; to the Committee on the Judiciary.

By Mr. FUQUA:

H.R. 9620. A bill to amend section 2 of the National Housing Act to increase the maximum loan amounts for the purchase of mobile homes; to the Committee on Banking, Currency and Housing.

By Mr. GUDE (for himself, Mr. Ottinger, Ms. Abzug, Mr. Pepper, Mr. Mann, Mr. Hughes, and Mr. Hannaford):

H.R. 9621. A bill to amend the Small Business Act to establish within the Small Business Administration a new direct low-interest loan program to assist homeowners and builders in purchasing and installing solar heating (or combined solar heating and cooling) equipment; jointly to the Committees on Small Business, and Banking, Currency and Housing.

By Mr. GUYER:

H.R. 9622. A bill to amend the Internal Revenue Code of 1954 to increase the credit against tax for retirement income; to the Committee on Ways and Means.

By Mrs. HECKLER of Massachusetts:

H.R. 9623. A bill to amend title II of the Social Security Act to require that procedures be established for the expedited replacement of undelivered benefit checks, to require the decisions on benefit claims be made within specified periods and to require that payment of benefits on approved claims begin promptly; to the Committee on Ways and Means.

By Mr. HELSTOSKI:

H.R. 9624. A bill to provide for the striking of medals commemorating the contributions by individuals of various ethnic backgrounds who contributed to the founding of the United States of America; to the Committee on Banking, Currency and Housing.

By Mr. HUGHES (for himself, Mr. Forsythe, Mr. Dominick V. Daniels, Mrs. Fenwick, Mr. Florio, Mr. Helstoski, Mr. Howard, Mr. Maguire, Mrs. Meyner, Mr. Minish, Mr. Patten, Mr. Rinaldo, Mr. Rodino, Mr. Roe, and Mr. Thompson):

H.R. 9625. A bill to authorize the Secretary of the Navy to convey certain lands at the Naval Air Station, Lakehurst, N.J., to the Airship Association as a site for an airship museum; to the Committee on Armed Services.

By Mr. FORSYTHE (for himself, Mr. Hughes, Mr. Dominick V. Daniels, Mrs. Fenwick, Mr. Florio, Mr. Helstoski, Mr. Howard, Mr. Maguire, Mrs. Meyner, Mr. Minish, Mr. Patten, Mr. Rinaldo, Mr. Rodino, Mr. Roe, and Mr. Thompson):

H.R. 9626. A bill to authorize the Secretary of the Navy to convey certain lands at the Naval Air Station, Lakehurst, N.J., to the Airship Association as a site for an airship museum; to the Committee on Armed Services.

By Mr. ICHORD (for himself and Mr. Railsback):

H.R. 9627. A bill to repeal the Real Estate Settlement Procedures Act of 1974; to the Committee on Banking, Currency and Housing.

By Mr. JONES of Oklahoma:

H.R. 9628. A bill to amend title XX of the Social Security Act to postpone for 3 months the application of certain Federal standards governing the provision of child day care services under the new social services program; to the Committee on Ways and Means.

By Mr. LITTON:

H.R. 9629. A bill to provide Federal revenue assistance to local governments by extending Federal revenue sharing for local governmental units for 5¾ additional years, with specific concentration of assistance to cities of 500,000 population or more, and for other purposes; to the Committee on Government Operations.

By Mr. MACDONALD of Massachusetts (for himself, Mr. Frey, Mr. Murphy of New York, Mr. Carney, Mr. Byron, Mr. Wirth, Mr. Brodhead, and Mr. Madigan):

H.R. 9630. A bill to extend the educational broadcasting facilities program and to provide authority for the support of demonstrations in telecommunications technologies for the distribution of health, education, and social service information, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MICHEL (for himself and Mr. Moore):

H.R. 9631. A bill to reform the Food Stamp Act of 1964 by improving and making more realistic various provisions relating to eligibility for food stamps and administrative responsibility for the food stamp program, and for other purposes; to the Committee on Agriculture.

By Mr. MINISH:

H.R. 9632. A bill to amend title II of the Social Security Act to increase to $4,800 the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted each year without any deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. MOLLOHAN (for himself, Mr. Beard of Rhode Island, Mr. Bowen, Mrs. Chisholm, Mr. Kazen, Mr. Lagomarsino, Mr. Lott, Mr. Robinson, Mr. Roybal, Mrs. Schroeder, and Mr. Smith of Iowa):

H.R. 9633. A bill to amend title 10 of the United States Code in order to provide that no veteran may be denied care or treatment under the CHAMPUS program for any service-connected disability solely because care or treatment for such disability is available at Veterans' Administration medical facilities; to the Committee on Armed Services.

By Mr. MOLLOHAN (for himself, Mr. Hastings, Mr. Hefner, Mr. Preyer, Mr. Anderson of California, Mr. Beard of Rhode Island, Mr. Dodd, Mr. Brodhead, Mr. Oberstar, Mr. Jones of North Carolina, Mr. Pepper, Mr. Helstoski, Mr. Long of Maryland, Mr. Mitchell of New York, Mr. de Lugo, Ms. Keys, Mr. Wolff, Mr. Moorhead of Pennsylvania, Mr. Lehman, Mr. Winn, Mr. O'Hara, Mr. Lott, Mr. Mitchell of Maryland, and Mr. Harris):

H.R. 9634. A bill to amend title XII of the Public Health Service Act to revise and extend and the program of assistance for emergency medical services systems; to the Committee on Interstate and Foreign Commerce.

By Mr. NIX (for himself and Mr. Mitchell of Maryland):

H.R. 9635. A bill to provide a penalty for the robbery or attempted robbery of any controlled substance from any pharmacy; to the Committee on the Judiciary.

By Mr. NOWAK:

H.R. 9636. A bill to amend title IX of the Public Works and Economic Development Act of 1965 relating to special economic development and adjustment assistance; to the Committee on Public Works and Transportation.

By Mr. PICKLE:

H.R. 9637. A bill to provide that the last Friday in August begin the period during which telecasting of professional football games may not conflict with interscholastic and intercollegiate football games; to the Committee on the Judiciary.

By Mr. RICHMOND (for himself, Mr. Helstoski, Mr. Milford, Mr. Downey of New York, Mr. Scheuer, Mr. Thompson, Mr. Kemp, Mr. de Lugo, Mr. Florio, Mr. Duncan of Tennessee Mr. Hastings, Mr. Roe, Mr. Ketchum, Ms. Mink, Mr. Gilman, Mr. Badillo, Mr. Baucus, Mr. Rose, Mr. Walsh, Mr. Neal, Mr. LeFalce, Mr. Fuqua, and Ms. Collins of Illinois):

H.R. 9638. A bill to amend the Internal Revenue Code of 1954 to exempt nonprofit volunteer firefighting or rescue organizations from the Federal excise taxes on gasoline, diesel fuel, and certain other articles and services; to the Committee on Ways and Means.

By Mr. RICHMOND (for himself, Mr. Ottinger, Mr. Fascell, Mr. Gude, Ms. Lloyd of Tennessee, Mr. Andrews of North Dakota, Mr. Sarbanes, Mr. Hicks, Mr. McDade, Mr. Jenrette, Mr. Young of Florida, Mr. Eshleman, Mr. Blouin, Mr. Bedell, Mr. Jeffords, Mr. Breaux, Mr. Kindness, Ms. Meyner, and Mr. Jones of North Carolina):

H.R. 9639. A bill to amend the Internal Revenue Code of 1954 to exempt nonprofit volunteer firefighting or rescue organizations from the Federal excise taxes on gasoline, diesel fuel, and certain other articles and services; to the Committee on Ways and Means.

By Mr. ROBERTS:

H.R. 9640. A bill to amend the Social Security Act so as to provide that, under certain circumstances, the entire area of a State will be redesignated as a single professional standards review organization area; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. ROE:

H.R. 9641. A bill to provide Federal loan guarantee for certain common carriers of express; to the Committee on Public Works and Transportation.

By Mr. RONCALIO:

H.R. 9642. A bill to amend the Railroad Retirement Act of 1974 to provide that any railroad employee may retire on full annuity at age 55 with 30 years' service, and to provide for payment of full spouse's annuities at age 55 (or reduced spouse's annuities at age 52); to the Committee on Interstate and Foreign Commerce.

By Mr. ROONEY:

H.R. 9643. A bill to amend the Social Security Act to expedite Federal payments to States under the Aid to Families with Dependent Children, medicaid, and social services programs (and under the other Federal-State public assistance programs where those programs are in effect), and for other purposes; to the Committee on Ways and Means.

By Mr. ROUSH:

H.R. 9644. A bill to limit the use of limousines and passenger motor vehicles by officers and employees of the Federal Government, and for other purposes; to the Committee on Government Operations.

H.R. 9645. A bill to amend the Internal Revenue Code to encourage the continuation of family farms, and for other purposes; to the Committee on Ways and Means.

By Mr. SIMON (for himself, Mr. Rees, Mr. Wright, Mr. Charles Wilson of Texas, Mr. Murtha, Mr. Pepper, Mr. Hastings, Mr. Madigan, Mr. Mazzoli, Mr. Eilberg, Mr. Rinaldo, Mr. Yatron, Mr. Jones of North Carolina, and Mr. Whitehurst):

H.R. 9646. A bill to amend the Defense Production Act of 1950 to include products produced from coal gasification and coal liquefaction which may be used as fuels under title III in order to encourage the development of coal gasification and coal liquefaction; to the Committee on Banking, Currency and Housing.

By Mrs. SPELLMAN (for herself, Ms. Abzug, Mr. Bedell, Mr. Conte, Mr. Downey of New York, Mr. Edwards of California, Mr. Eilberg, Mr. Harrington, Mr. Hechler of West Virginia, Mr. Long of Maryland, Mr. Mazzoli, and Mr. Mitchell of Maryland):

H.R. 9647. A bill to amend and improve the War Powers Resolution; to the Committee on International Relations.

By Mr. TREEN (for himself, Mr. Dickinson, Mr. Mollohan, Mr. Moore, Mr. Breaux, Mrs. Holt, Mr. Steelman, Mr. Archer, Mr. Lott, Mr. McDonald of Georgia, Mr. Grassley, and Mr. Symms):

H.R. 9648. A bill to amend title XX of the Social Security Act to postpone for 6 months the application of certain Federal standards governing the provision of child day care services under the new social services program; to the Committee on Ways and Means.

By Mr. ULLMAN:

H.R. 9649. A bill to reauthorize and modify McKay Dam, Umatilla project, Oreg., for multiple functions and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. VAN DEERLIN:

H.R. 9650. A bill to provide for the rehabilitation and compensation of victims of transportation accidents involving motor vehicles by establishing national standards for State no-fault benefits plans, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CHARLES H. WILSON of California:

H.R. 9651. A bill to amend title II of the Social Security Act to repeal the earnings limitation, to provide benefits for husbands, widowers, and fathers on the same basis as wives, widows, and mothers, to eliminate the 5-month waiting period for disability benefits, to provide for the payment of benefits to an individual through the month of his or her death, to provide an optional exemption from coverage for individuals 65 years of age and over, and to provide that a beneficiary's marriage or remarriage will not affect his or her benefits; and to amend title XVIII of such act to authorize direct payments to physicians and other providers at their option under the supplementary medical insurance program; to the Committee on Ways and Means.

By Ms. ABZUG (for herself, Mr. Brodhead, Ms. Spellman, Mr. Tsongas, Mr. Rees, Ms. Collins of Illinois, Mr. Won Pat, Mr. Moffett, Mr. Dodd, Mr. Bingham, Mr. Mitchell of Maryland, Mr. Burke of Massachusetts, Mr. Ottinger, Mr. Wolff, Mr. Biaggi, Mr. Carney, Mr. Pattison of New York, Mr. Delaney, Ms. Burke of California, Ms. Mink, Mr. Diggs, and Mr. Fraser):

H.R. 9652. A bill to amend titles IV, XI, and XIX of the Social Security Act to increase the Federal matching rate for purposes of reimbursement to States under the programs of aid to needy families with children and medical assistance; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Ms. ABZUG (for herself, Mr. Phillip Burton, Mr. Rodino, Mr. Helstoski, Mr. Oberstar, Mr. Scheuer, Mr. Solarz, Mr. Roybal, Mr. Conyers, Mr. Nowak, Mr. Richmond, Ms. Chisholm, Mr. Rooney, Mr. Downey of New York, Mr. Roe, Mr. Badillo, Mr. Koch, Mr. Harrington, Mr. Rangel, Mr. LaFalce, Mr. Walsh, Mr. Addabbo, Mr. Zeferetti, Mr. Rosenthal, and Mr. McHugh):

H.R. 9653. A bill to amend titles IV, XI, and XIX of the Social Security Act to increase the Federal matching rate for purposes of reimbursement to States under the programs of aid to needy families with children and medical assistance; jointly, to the Committes on Ways and Means, and Interstate and Foreign Commerce.

By Mr. AMBRO:

H.R. 9654. A bill to amend the Federal Food, Drug, and Cosmetic Act to establish certain limitations respecting the authority of the Secretary of Health, Education, and Welfare to regulate vitamins and minerals under that act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ANNUNZIO:

H.R. 9655. A bill to amend the Gun Control Act of 1968 to provide for separate offense and consecutive sentencing in fenlonies involving the use of a firearm; to the Committee on the Judiciary.

By Mr. BINGHAM (for himself, Mr. Maguire, Mr. Mineta, and Mr. Weaver):

H.R. 9656. A bill to facilitate the economic adjustment of communities, industries, and workers who may be substantially and seriously affected by reductions in defense contracts and facilities which are undertaken to realine defense expenditures with changed national security requirements and to prevent the ensuing dislocations from contributing to or exacerbating recessionary effects on the aforementioned groups; jointly to the Committees on Banking, Currency and Housing, Armed Services, Education and Labor, Government Operations, and Ways and Means.

By Mr. BRADEMAS (for himself, Mr. Bell, Mr. Perkins, Mr. Meeds, Mr. Peyser, Ms. Chisholm, Mr. Lehman, Mr. Pressler, Mr. Cornell, Mr. Beard of Rhode Island, Ms. Heckler of Massachusetts, Mr. Zeferetti, Mr. Thompson, Mr. Hawkins, Mr. Ford of Michigan, Mr. Benitez, Mr. Simon, Mr. Duncan of Tennessee, Mr. Patman, Mr. Koch, Mr. Gilman, Mr. Rostenkowski, Mr. Pritchard, Mr. Moorhead of Pennsylvania, and Mr. Melcher):

H.R. 9657. A bill to amend and extend the National Foundation on the Arts and Humanities Act of 1965, and to provide for the improvement of museum services, and for other purposes; to the Committee on Education and Labor.

By Mr. BROWN of California:

H.R. 9658. A bill to amend the Federal Meat Inspection Act for purposes of requiring that meat inspected and approved under such act be producted only from livestock slaughtered in accordance with humane methods; to the Committee on Agriculture.

By Mr. CLAY (for himself and Mr. McCollister):

H.R. 9659. A bill to restore to Federal civilian and Postal Service employees their rights to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. de LUGO (for himself, Mr. Bowen, Mr. Oberstar, Mr. Stark, Mr. Brown of California, Ms. Abzug, and Mr. Zeferetti):

H.R. 9660. A bill to provide for the establishment of a constitution for the Virgin Islands; to the Committee on Interior and Insular Affairs.

By Mr. EDGAR:

H.R. 9661. A bill to amend the Federal Hazardous Substances Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FITHIAN (for himself, Mr. Mottl, Mr. Helstoski, Mr. Edgar, Mr. Symington, Mr. Moorhead of California, Mr. Ford of Tennessee, Mr. Jenrette, Mr. Charles H. Wilson of California, Mr. Rooney, Mr. Scheuer, Ms. Collins of Illinois, Mr. Mitchell of Maryland, Mr. Zeferetti, Mr. Eilberg, Mr. Brodhead, Mr. Whalen, Mr. Hannaford, and Mr. Drinan):

H.R. 9662. A bill to amend the Juvenile Justice and Delinquency Prevention Act of 1974 to provide financial assistance for alternative educational and security plans to reduce deliquency and crime in and against the public schools of the Nation, and for other purposes; to the Committee on Education and Labor.

By Mr. FUQUA:

H.R. 9663. A bill to permit either House of Congress to disapprove certain rules proposed by executive agencies; jointly to the Committees on the Judiciary, and Rules.

By Mr. HANNAFORD (for himself, Mr. Breaux, Mr. Cochran, Mr. Corman, Mr. Ford of Tennessee, Mr. Harrington, Mr. Hayes of Indiana, Mr. Hechler of West Virginia, Mr. Ketchum, Ms. Keys, Mr. Kindness, Mr. Levitas, Mr. McCloskey, Mr. Mathis, Mrs. Meyner, Mrs. Mink, Mr. Neal, Mr. Ottinger. Mr. Rees, Mr. Santini, Mr. Sikes, Mr. Solarz, Mr. Stark. Mr. Walsh, and Mr. Weaver):

H.R. 9664. A bill to require that Government forms be discontinued or revised every 5 years and that new or revised forms shall be used only when necessary; to the Committee on Government Operations.

By Mr. HANNAFORD (for himself, Mr. Whitehurst, Mr. Charles Wilson of Texas, Mr. Wolff, Mr. Yates, and Mr. Yatron):

H.R. 9665. A bill to require that Government forms be discontinued or revised every 5 years and that new or revised forms shall be used only when necessary; to the Committee on Government Operations.

By Mr. HARRINGTON (for himself, Ms. Abzug, Mr. Badillo, Mr. Brodhead, Ms. Chisholm, Mr. Clay, Ms. Collins of Illinois, Mr. Dellums, Mr. Edwards of California, Mr. Ford of Tennessee, Mr. Hannaford, Mr. Helstoski, Mr. Krebs, Mr. McHugh, Mr. Mitchell of Maryland, Mr. Moakley, Mr. Moorhead of Pennsylvania, Mr. Patterson of California, Mr. Roybal, Mr. Stark, and Mr. Charles Wilson of Texas):

H.R. 9666. A bill to establish judicial practices and procedures to protect constitutional rights and liberties involved in the disclosure of records of private communications, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HAYS of Ohio (for himself, Mr. Zablocki, Mr. Diggs, Mr. Wolff, Mr. Ryan, Mrs. Meyner, Mr. Buchanan, Mr. Roybal, Mr. Charles H. Wilson of California, and Mr. Esch):

H.R. 9667. A bill to provide for the use of certain funds to promote scholarly, cultural, and artistic activities between Japan and the United States, and for other purposes; to the Committee on International Relations.

By Mr. JONES of Tennessee:

H.R. 9668. A bill to amend section 218 of the Social Security Act to require that States having agreements entered into thereunder will continue to make social security payments and reports on a calendar-quarter basis; to the Committee on Ways and Means.

By Mr. MANN (for himself, Mr. Ashley, Mr. Derrick, Mr. Gradison, Mr. Hastings, Mr. Holland, Mr. Hyde, Mr. Jenrette, Mr. Jones of North Carolina, Mr. Kindness, Mr. McCloskey, Mr. Martin, Mr. Mathis, Mr. Mazzoli, Mr. Mosher, Mr. Neal, Mr. Seiberling, Mr. Spence, Mr.

WHITEHURST, and Mr. CHARLES WILSON of Texas):

H.R. 9669. A bill to amend the Natural Gas Act; to the Committee on Interstate and Foreign Commerce.

By Mr. OTTINGER (for himself, Mr. BADILLO, Mr. CORMAN, Mr. FRASER, Mr. GUDE, Mr. HANNAFORD, Mr. HARRINGTON, Mr. RODINO, Mr. TREEN, and Mr. WHITEHURST):

H.R. 9670. A bill to provide for daylight savings time during the period beginning on the last Sunday in February and ending on the first Sunday in November of each year; to the Committee on Interstate and Foreign Commerce.

By Mr. OTTINGER (for himself, Ms. ABZUG, Mr. HANNAFORD, and Mr. HUGHES):

H.R. 9671. A bill to require that buildings financed with Federal funds utilize the best practicable measures for the conservation of energy and the use of solar energy systems; to the Committee on Public Works and Transportation.

By Mr. PEYSER:

H.R. 9672. A bill to regulate lobbying and related activities; jointly to the Committees on the Judiciary, and Standards of Official Conduct.

By Mr. RINALDO:

H.R. 9673. A bill to amend the Commodity Credit Corporation Charter Act to provide the highest possible prices in foreign markets for American agricultural producers and to provide price and supply stability in domestic markets; to the Committee on Agriculture.

By Mr. ROSENTHAL (for himself, Mr. FRASER, Mr. HARRINGTON, Mr. HARRIS, Mr. HICKS, Mr. KOCH, Mr. KREBS, Mr. LAFALCE, Mr. LITTON, Ms. MINK, Mr. NIX, Mr. SOLARZ, Ms. SPELLMAN, Mr. STARK, and Mr. ZEFERETTI):

H.R. 9674. A bill to amend the Fair Packaging and Labeling Act to require aerosol commodities to disclose certain information with respect to the propellants contained in such commodities, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROSENTHAL (for himself, Ms. ABZUG, Mr. ADDABBO, Mr. ANDREWS of North Dakota, Mr. BADILLO, Mr. BIAGGI, Mr. BRODHEAD, Mr. BROWN of California, Ms. COLLINS of Illinois, Mr. CONYERS, Mr. D'AMOURS, Mr. DOWNEY, Mr. DRINAN, Mr. EDGAR, Mr. EDWARDS of California, and Mr. FORD of Tennessee):

H.R. 9675. A bill to amend the Fair Packaging and Labeling Act to require aerosol commodities to disclose certain information with respect to the propellants contained in such commodities, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROSTENKOWSKI:

H.R. 9676. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. THONE:

H.R. 9677. A bill to repeal the Executive Salary Cost-of-Living Adjustment Act, enacted August 9, 1975; to the Committee on Post Office and Civil Service.

By Mr. HYDE:

H.J. Res. 657. Joint resolution to create a Joint Committee on Intelligence Operations; to the Committee on Rules.

By Mr. RUSSO:

H.J. Res. 658. Joint resolution proposing an amendment to the Constitution of the United States for the protection of unborn children and other persons; to the Committee on the Judiciary.

By Mr. EDWARDS of Alabama:

H. Con. Res. 397. Concurrent resolution expressing the sense of the Congress that the Federal Government should use recycled paper products to the fullest extent possible; jointly to the Committees on House Administration, and Government Operations.

By Mr. MATHIS (for himself and Mr. D'AMOURS):

H. Con. Res. 398. Concurrent resolution with respect to the freedom of the Republic of China and its people; to the Committee on International Relations.

By Mr. STUCKEY:

H. Con. Res. 399. Concurrent resolution disapproving the District of Columbia Rental Accommodations Act of 1975; to the Committee on the District of Columbia.

By Mr. COLLINS of Texas:

H. Res. 718. Resolution to direct the Secretary of Health, Education, and Welfare to furnish certain documents to the House of Representatives; to the Committee on Education and Labor.

By Mr. O'NEILL (for himself and Mr. ROUSH):

H. Res. 719. Resolution disapproving of efforts to expel Israel from the United Nations; to the Committee on International Relations.

By Mr. ROE:

H. Res. 720. Resolution disapproving of efforts to expel Israel from the United Nations; to the Committee on International Relations.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

260. By the SPEAKER: Memorial of the Legislature of the State of California, relative to health benefit payments; to the Committee on Interstate and Foreign Commerce.

261. Also, memorial of the Legislature of the State of California, relative to the Coleman National Fish Hatchery; to the Committee on Merchant Marine and Fisheries.

262. Also, memorial of the Legislature of the State of California, relative to the highway trust fund; to the Committee on Public Works and Transportation.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BENNETT:

H.R. 9678. A bill for the relief of Mr. and Mrs. Lorenzo Lucardi and their children, Paolo and Paola; to the Committee on the Judiciary.

By Mr. CHAPPELL:

H.R. 9679. A bill for the relief of Mr. and Mrs. Lorenzo Lucardi and their children, Paolo and Paola; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

221. By the SPEAKER: Petition of the National Association of Secretaries of State, Las Vegas, Nev., relative to voter registration; to the Committee on House Administration.

222. Also, petition of the Military Order of the World Wars, Dallas, Tex., relative to U.S. sovereignty over the Panama Canal Zone; to the Committee on International Relations.

223. Also, petition of the Military Order of the World Wars, Dallas, Tex., relative to the sale of arms to Turkey; to the Committee on International Relations.

224. Also, petition of the Republican Party of Florida, Tallahassee, Fla., relative to maintaining the economic embargo and diplomatic nonrecognition of Cuba by the United States; to the Committee on International Relations.

225. Also, petition of Dorothy L. Pettinger, Santa Ana, Calif., and others, relative to U.S. involvement in the United Nations; to the Committee on International Relations.

226. Also, petition of Cloyd V. Smith, Sylacauga, Ala., and others, relative to U.S. involvement in the United Nations; to the Committee on International Relations.

227. Also, petition of Henrietta M. Schumm, Brick Town, N.J., relative to the United States Railway Association's Final System Plan; to the Committee on Interstate and Foreign Commerce.

228. Also, petition of Oklahoma Highway Users Conference, Oklahoma City, Okla., relative to fuel economy and domestic petroleum production; to the Committee on Interstate and Foreign Commerce.

229. Also, petition of Nguyen Van Si and other Vietnamese refugees, Indiantown Gap, Pa., relative to their resettlement as a group in a new village at Panama City, Fla.; to the Committee on the Judiciary.

230. Also, petition of Robert L. Reynolds, and others, Louisville, Ky., relative to forced busing of schoolchildren; to the Committee on the Judiciary.

231. Also, petition of Oklahoma Highway Users Conference, Oklahoma City, Okla., relative to Federal highway use taxes; to the Committee on Ways and Means.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 7014

By Mr. COLLINS of Texas:

Page 365, insert after line 18 the following new title IX:

TITLE IX—ENERGY CONSERVATION THROUGH PROHIBITION OF UNNECESSARY TRANSPORTATION

SEC. 1. (a) In order to achieve more energy conservation, no vehicle using gasoline or diesel fuel may be used to transport any public school student to a school farther than the public school which is closest to his home offering educational courses for the grade level and course of study of the student and which is within the boundaries of the school attendance district wherein the student resides.

(2) Any person who violates section 1(a) of this title shall be subject to a civil penalty of not more than $5,000, for each violation of such section.

(3) This title shall not apply to any person—

(A) who is a parent using gasoline or diesel fuel to transport his child to a public school; or

(B) who is using gasoline or diesel fuel for the transportation of any public school student to any school for the purpose of participation in athletic, educational, social, or other extracurricular activities approved by the local educational authorities in charge of the public school such student attends.

SEC. 2. (a) No person may sell gasoline or diesel fuel for a vehicle which the seller of such gasoline or diesel fuel knows or has reason to know will use such gasoline or diesel fuel in violation of section 1(a) of this title.

(b) Any person who the Administrator of the Federal Energy Administration determines violates Section 1(a) of this title shall not be entitled for the six-month period beginning on the date of such determination to any allocation of gasoline or diesel fuel under any Federal law which provides for the allocation of gasoline or diesel fuel.

By Mr. DINGELL:

On page 365, after line 18, add the following new section:

EXTENSION OF DATA GATHERING AUTHORITY

SEC. 802. Section 11(g)(2) of the Energy Supply and Environmental Coordination Act of 1974 is amended by revising the date "June 30, 1975" to read "June 30, 1980.".

By Mr. MOFFETT:

Page 315, line 22, strike out "Such targets" and insert in lieu thereof "The targets for such types (other than the targets for furnaces and central air conditioners)".

Page 315, line 24, and on line 1 of page 316, insert "(other than furnaces and central air conditioners)" after "types".

Page 316, line 1, strike out "1974" and insert in lieu thereof "1972".

Page 316, line 1, insert after the period the following: The targets for furnaces and central air conditioners shall be designed to achieve the maximum energy efficiency which it is economically and technologically feasible to attain for furnaces and for central air conditioners sold in 1980.

SENATE—*Wednesday, September 17, 1975*

(Legislative day of Thursday, September 11, 1975)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by Hon. Norris Cotton, a Senator from the State of New Hampshire.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God of the reverent moment of prayer and God of the working day, invest us with a sense of Thy pervading presence that we may be instruments of Thy purpose for mankind. With clean hands, pure hearts, and undiminished devotion to Thee may we set forward Thy kingdom on Earth. May we know no glory but the supreme satisfaction of rendering our utmost service untarnished by lesser motives. Hold us fast to Thy command to love the Lord with our whole heart and soul and mind and our neighbor as ourselves.

We pray in the Redeemer's name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. Eastland).

The legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, D.C., September 17, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. Norris Cotton, a Senator from the State of New Hampshire, to perform the duties of the Chair during my absence.

James O. Eastland,
President pro tempore.

Mr. COTTON thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Journal of the proceedings of Tuesday, September 16, 1975, be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations placed on the Secretary's desk.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations placed on the Secretary's desk will be stated.

NOMINATIONS PLACED ON THE SECRETARY'S DESK—NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

The second assistant legislative clerk proceeded to read sundry nominations in the National Oceanic and Atmospheric Administration which had been placed on the Secretary's desk.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

A NATIONAL ENERGY POLICY

Mr. MANSFIELD. Mr. President, it is too often ignored that there are alternatives to high-priced energy. It is too often ignored that the Senate has made significant progress in passing an energy program—a program designed to reduce sharply this Nation's dependence upon foreign sources of supply, a program designed as well to stimulate domestic production and to shift to other sources as alternatives to petroleum—and to do so without increasing prices substantially. In fact, a key component of this program is to maintain energy price stability through the extension of the Emergency Energy Allocation Act. It is rationing by price that is unwise. That is the judgment of the Senate. What we have sought, instead, through a series of specific conservation and production proposals is to change the pattern of energy use in this Nation on the basis of equity and fairness—without damaging efforts to restore the economy—a prospect that would become a certainty with price decontrol.

On April 18, I wrote the President, calling his attention to these Senate efforts and to the fact that substantial progress was being made with respect to formulating a national energy policy. To that end, every available resource of the Senate has been devoted in an effort to shape and pass those programs deemed essential to reduce our dependence on foreign sources of petroleum, while at the same time increasing domestic supplies and shifting to alternative sources. With regard to these efforts, moreover, the Senate has worked in cooperation with the administration. It did so last April; it has continued to do so ever since.

The fruits of these efforts are now being borne. The bills have been passed. The comprehensive program is taking shape. There is indeed an effective alternative to high-priced energy. That alternative, together with a status report on the major energy bills considered to date by the Senate, was the subject of an article in this week's edition of "The Majority Report," written in response to the Presidential veto of the Emergency Allocation Act extension.

I ask unanimous consent that excerpts from that report together with the Status Report on Energy Legislation be printed in the Record along with my letter of April 18 to the President.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Congressional Democrats,
The Majority Report, Sept. 15, 1975]

More Veto Hardball—But Who's Winning?

Events last week in Congress dramatize a fact that often gets lost in daily press reports: Congressional Democrats are building a record of effective opposition to key elements of President Ford's domestic policies. The November '74 mandate is not being squandered.

Two out of the last three Ford vetoes (health and education) have been overridden by large margins. And 89% of the Senate Democrats voted to override Ford's veto of the extension of price controls on "old" oil, compared to 18% of the Republicans.

After only 13 months in office, President Ford already has had more vetoes overridden than any other Republican President in the 20th century. (See box below.)

The popular notion that Ford has the Democratic majority in Congress on the run simply does not square with the facts.

Energy showdown

President Ford's victory on the issue of extending oil price controls for six months must be evaluated with these factors in mind:

Minority rule through Presidential vetoes, not affirmative legislation, has produced basic elements of the energy policy—import tariffs and decontrol—that most observers judged to be disastrous to economic recovery when President Ford initially proposed them in his State of the Union message last January.

The OPEC nations meet in two weeks to decide the size of oil price increases. When coupled with decontrol of U.S. oil, OPEC's decision (predicted to be in the range of $1.50 per barrel) will open the door to increasing the price of $5.25 per barrel for previously controlled domestic oil to about $15 per barrel. The costs of gasoline, heating oil, jet fuel, and all energy-related products must necessarily rise sharply.

Moreover, total decontrol means that the U.S. relinquishes to OPEC the power to set oil prices in the American market.

Congress has returned from its summer recess firmly convinced that people are unwilling to tolerate any substantial increase in energy prices. The public outcry that will accompany higher energy prices will far exceed anything that has occurred to date. New public opinion data from several private sources solidly supports this conclusion.

There is growing sentiment in Congress *not* to write the details of President Ford's energy program, unless the President is willing to come forward with a sensible compromise that does not destroy the economic recovery now barely underway. This simply means giving Ford authority to set whatever price levels *he* believes are proper, along with the clear responsibility for the economic impact of those price levels.

(Despite much talk of Presidential compromises, the White House offered *nothing* in the past six weeks that Congress had not already rejected prior to the August recess.)

In light of these factors, there is every reason to question the quality and duration of Ford's "victory" on the veto override. The present situation contains grave political and economic dangers for the Ford Administration in both the short and long term.

The roots of this situation can be traced directly to the ideological palace guard that now insulates Ford and that has effectively scuttled any meaningful process of dialogue and accommodation with Congressional Democrats.

NEW PALACE GUARD CONTROLS FORD ADMINISTRATION POLICIES

Despite a public relations blitz about Ford's desire to compromise, the White House has *never* moderated its insistence on using higher prices as the principal weapon in achieving energy independence. This basic difference between Ford and Congress is as unresolved today as it was six months ago.

What, then, is going on?

H. R. Haldeman may have sought refuge in Newport Beach, Calif., but his spirit survives in the persons of Simon, Greenspan, Zarb, Seidman, and Rumsfeld—all economic conservatives and all dedicated to the proposition that the President shall hear only one side of the argument.

Alternatives to the strategy of high energy prices are never presented as serious Presidential options, nor is Ford apprised of the potential damage to economic recovery that his program involves.

Given his own lack of economic sophistication, Ford has no basis for a serious dialogue with Congress in the search for real compromise.

Mansfield letter

For example, in May [April] Senate Majority Leader Mike Mansfield (Mont.) wrote Ford a highly conciliatory proposal for compromise, urging that the White House and Congress join together in passing longer-run measures (such as auto fuel economy, industrial conversion to coal, strategic petroleum reserves) that are essential in changing patterns of energy use in the United States.

Mansfield's letter received routine acknowledgment by a White House aide, nothing more. Democratic staff efforts to explore such a joint effort were simply ignored by the White House.

Ways and Means sabotage

Ford's ignorance of Congressional alternatives is compounded by deliberate White House sabotage of major Democratic energy alternatives.

When the Ways and Means Committee began to write its major energy package. Ford personally pledged his cooperation to Chairman Al Ullman (Ore.) in working for a compromise bill that both Congress and President could support. The plan called for legislation that contained authority for higher gasoline taxes through a highly flexible tax, as well as a number of longer-term measures supported by most Democrats (auto efficiency tax, coal conversion, insulation credit, and import quotas.)

What happened? After the initial handshake, GOP members of Ways and Means began opposing all Democratic proposals, regardless of their substance. And when the legislation came to the floor, 96% of the Republicans opposed the gas tax and 89% of the Republicans voted against import quotas.

While House Republicans were destroying all possibility of the legislation passing as reported, the White House press spokesman was bitterly attacking the legislation as too weak, a "marshmallow." Ford never lifted a finger, not to mention a telephone, to support the beleaguered legislation.

The incident can only raise the gravest questions about President Ford's ability, or interest, in delivering on his promises.

SHAKY ECONOMIC PROSPECTS ENDANGERED BY DECONTROL

The ideological palace guard further insulates Ford from danger signals that raise real questions about the depth and duration of the economic recovery.

The divergence between the economic pronouncements flowing from the White House "good news machine" and those of nonadministration economists is mind-boggling.

Example: White House economist Greenspan looks for only "minimal impact" on the economy from oil decontrol, either abrupt or long-term. The Library of Congress estimates that decontrol will cost American consumers $72 billion over the next five years by raising the prices of all petroleum products.

Example: Greenspan and Treasury Secretary Simon talk optimistically about an economic recovery that is either right on schedule or one that is recovering more strongly than expected. Pollster Albert Sindlinger detects sharp drops in consumer confidence and growing popular pessimism about local business conditions, personal income, inflation, and unemployment, hardly the response of a nation in the midst of the economic rebound described by Simon and Greenspan.

Example: In his message accompanying the veto of oil price controls, Ford argued that he was protecting American jobs and the nation's future economic stability. In a statement issued after the veto was upheld, Ford proclaimed that the Senate's action was a ". . . victory for homeowners who use heating oil, for drivers who buy gasoline, for factories and utilities . . . for all Americans who depend on energy for their jobs and comfort and prosperity."

Rep. Brock Adams (Wash.), House Budget Committee chairman, testified before the Energy and Power Subcommittee that failure to override the veto would cause in 1977: 600,000 more unemployed, 1.4% higher consumer prices, a drop in the Gross National Product of 2.1%, 6.8% lower car sales, 5.6% lower housing starts, and a possible increase of $11 billion in the federal budget deficit. (Estimates from Data Resources, Inc.)

One senses the Ford White House is talking about the economy of another country, or perhaps another planet. Or maybe it's just a version of George Orwell's "newspeak" described in his classic, 1984.

Mid-year review

The Joint Economic Committee, in its annual midyear review, reports a number of disturbing signs that emphasize the tentative and fragile nature of the economic recovery:

Housing starts, an essential component of sustained recovery, are up only slightly from the rock bottom levels of the past year.

Recent interest rate increases may further impede housing recovery.

Business spending on capital equipment may drop 10% in 1975.

Personal savings remain high as consumers apparently save their tax rebates or use them to pay off old bills.

Increases in food and fuel prices can only further erode consumer purchasing power.

Downward revisions in projected growth for other major countries may mean weaker than expected demand for U.S. exports.

WHAT NEXT ON ENERGY AND ECONOMIC POLICY?

What happens next in the struggle over energy policy and the economy cannot be considered apart from a recognition of what has already happened in Congress (see box on p. 2). Nor can Congress ignore the record of sabotage and disinterest that has attended earlier attempts to reach a compromise with President Ford.

The key issue remains: *How much is Ford willing to back away from near total reliance on higher prices and the marketplace as the basis for his energy program?*

If Ford is unwilling to compromise on the issue of high energy prices, at least to a degree that economic recovery is not seriously damaged, some Democrats believe it may be wiser to give him standby price control authority and get on with passing the Democratic energy program that makes significant long-term change in energy consumption and production patterns.

On the other hand, if Ford makes a serious effort toward compromise, Congress could produce something like the following:

A temporary extension of price controls for 60 to 90 days.

A period for phased decontrol of oil longer than the 39 months proposed by Ford and not beginning until later in 1976 (to further protect the shaky economic recovery). Alternatively, decontrol could be tied to the rate of unemployment and inflation.

Windfall profits tax to recapture additional oil company earnings, along with consumer rebates to compensate for higher energy prices.

A ceiling price for decontrolled oil in the range of $8 to $10/barrel, with provision for inflationary adjustments, and revocation of the $2/barrel import tariff.

Presidential support of the longer-range energy conservation and supply measures that have been moving through the Senate and House (even while the President attacks the Congress for doing nothing about the energy crisis).

Economic stimulus

Even with a compromise on energy along these lines, Congress will remain deeply concerned over the depth and duration of economic recovery. This concern suggests the following:

Democrats will push quickly for an extension, and perhaps expansion, of the temporary tax cuts for 1975 into 1976. This tax cut would be in addition to the rebates made necessary by phased decontrol of oil.

Democrats will seriously consider a more expansionary federal budget when the second concurrent budget resolution is debated in November.

The new budget process produced initial

targets for federal outlays, revenues, the deficit, and public debt when the first concurrent budget resolution passed in the spring. The second concurrent budget resolution, now scheduled for passage in November, will establish ceilings for each of these categories.

In other words, if the economic outlook—particularly the outlook for mid-1976 and 1977—remains clouded, Democrats will adjust their initial targets to take account of these economic uncertainties. But this is certain to bring renewed confrontation with Ford and the palace guard over the size of the federal deficit.

Note on the budget process: It is agreed by most observers that the new budget process, even though 1975 is a voluntary "trial run" of the new procedures, is having a striking impact on Congressional spending and revenue decisions.

For the first time, members of Congress have been able to relate specific votes that involve federal outlays to the total package adopted in the first concurrent resolution. So far, these totals have been respected.

Example: Extra money for school lunches was turned down in the Senate because it would have exceeded the target figure. But so were funds for military weapons procurement.

STATUS REPORT: MAJOR DEMOCRATIC ENERGY LEGISLATION

Bill	Status
Repeal of oil and gas depletion allowance.	Public Law 94–12.
Strip mining control and reclamation.	Vetoed.
Suspension of oil import tariffs.	Do.
Energy Conservation and Conversion Act.	Passed House.
National petroleum reserves.	Passed House and Senate.
Energy Conservation and Oil Policy Act.	Pending in House.
Standby energy authority.	Passed Senate.
"Truth in Energy" Act	Do.
Auto Fuel Economy Act.	Do.
Extension of Emergency Energy Allocation Act.	Vetoed.
Strategic petroleum reserves.	Passed Senate.
Outer Continental Shelf development.	Do.
National Energy Production Board.	Pending in Senate.
Natural gas production and conservation.	Do.
Oil conservation and conversion to coal.	Do.

VETO OVERRIDE RECORD

[Can it be true? Well, take a look at the table. Gerry Ford, in barely more than one year's time, has had more vetoes overridden than any other Republican President in this century.]

President	Years	Vetoes	Override votes	Overrides
Ford	1	36	14	6
Nixon	5½	43	13	5
Eisenhower	8	181	11	2
Hoover	4	37	9	3
Coolidge	5½	50	7	4
Harding	2½	6	1	0
Taft	4	39	10	1
Roosevelt	7½	53	0	0
McKinley	4½	42	0	0

UNDER THE DOME

Time has a way of getting things in perspective. At this writing several important points emerge in the continuing struggle between President Ford and Congress over the intertwined issue of energy and the economy.

Despite narrow defeats on several key veto overrides, Democrats are pushing to completion major portions of the energy/economic package announced at the opening of the 94th Congress. The conventional view of executive-legislative stalemate is not accurate.

The meaningful, long-term Democratic energy measures continue to move through the legislative process while headlines report only the struggle between Ford and Congress over the short-term issue of higher energy prices.

OFFICE OF THE MAJORITY LEADER,
Washington, D.C., April 18, 1975.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: It would seem appropriate at this time to bring you up to date regarding energy policy negotiations with the Federal Energy Administration insofar as the Senate Leadership can determine.

These negotiations have been proceeding since March 4 when, in order to arrive at an accommodation with the Congress regarding energy policy, you announced your postponement until May 1st of the second and third stages of the oil import fee increase and the decontrol of "old" oil prices. The negotiations have progressed to a stage where, by and large, agreement as to a cooperative approach to energy matters appears to be evolving rapidly. Indeed, major accord concerning fundamental program actions is most apparent although disagreement still exists as to how these programs might best be implemented. It would appear to be in the national interest to provide a public expression at this time as to the unity of purpose and the broad accord achieved to date regarding energy.

The progress made so far seems to indicate that there is a basis for avoidance of confrontation between the branches on the energy issue in early May by continuing the negotiations in anticipation of achieving even further cooperation and unity.

Any remaining differences, it would seem, could be worked out within the framework of the legislative process. This would apply to implementing strategies or to any short-term actions, be they based on price, tax, quota or whatever.

As to the immediate accord, the attitudes of the two branches seem most accommodating with regard to far ranging programs dealing with energy conservation and augmented domestic supplies. That differences may at this time appear as to specific methods by which these programs might best be implemented to achieve desired objectives does not diminish the overriding significance of the fact that on fundamentals such broad accord and agreement do exist.

To accommodate a public expression of unity on this issue, the Leadership and its representatives together with officials of FEA have identified the broad areas of fundamental agreement as follows:

AUGMENTED DOMESTIC SUPPLY

(1) Immediate Naval Petroleum Reserves Development

(2) Accelerated Development of areas of the Outer Continental Shelf with appropriate safeguards

(3) Protections against foreign predatory practices aimed at disrupting development of domestic energy supplies

(4) Appropriate incentives for secondary and tertiary recovery

(5) Price increases and incentives to stimulate natural gas development

(6) Investment incentives for electric utilities and utility rate restructuring

(7) Appropriate incentives to stimulate increased coal production and usage

ENERGY CONSERVATION

(1) Dedication to a substantially improved efficiency in the automobile

(2) Major incentives for insulation

(3) Major grant program for low-income housing insulation

(4) Dedication to substantially improved energy efficiency in appliances

(5) Incentives for energy efficiency in industry.

(6) Energy labeling requirements for appliances

(7) Thermal efficiency standards for new construction

EMERGENCY MEASURES

(1) Standby energy rationing authority

(2) Standby energy allocation authority

(3) Establishment of strategic reserves

These represent the major areas of accord based on the negotiations to date.

Again it should be noted that differences may exist with regard to the implementation of some of these programs; but that fact should not diminish the agreement as to the essential components of a national energy program.

The Leadership would hope you might agree, therefore, that the national interest could well be served at this particular time by publicly disclosing these broad areas of agreement in our efforts to achieve a common approach to energy problems and by permitting these negotiations and the legislative process to continue beyond May 1 without invoking unilaterally any precipitate actions disruptive to these orderly procedures.

Sincerely,

MIKE MANSFIELD.

P.S.—Recent press reports mentioned Mr. Zarb's difficulty in obtaining harmony among the various House committees. If these difficulties exist they should not be allowed to undermine the progress your representatives have had with Senator Pastore and the staff of the Democratic Policy Committee.

Respectfully,

M. M.

THE ENERGY SITUATION

Mr. HUGH SCOTT. Mr. President, the other body has passed a 60-day extension of oil controls, and the matter is now before the Senate. I read in this morning's paper that the majority is not prepared to take up that matter. That is unfortunate. I believe we should extend the controls. I do not believe we should allow them to remain off, as they are now. The oil companies should restrain themselves, as they apparently are doing up to now. How long this will last, I do not know.

It seems to me, however, that the first order of business should be an extension of the controls while we again address ourselves to the various bills—to S. 2310, which will be laid before the Senate on Thursday; to S. 692, which is to be the order of business thereafter—and that we should find some common ground with the Executive in the public interest.

At this point, I am not going to advocate a specific program or policy. The main thing is that it is not going to help the energy crisis to refuse to extend the controls when we know that the President will sign such an extension. It is not going to help the energy crisis, in my judgment, to roll back the prices of fuel oils to a point where there will be no production.

Ideally, I would like to pay 25 cents a dozen for eggs. But if the price of eggs were to be rolled back to 25 cents per dozen, the poultry growers of this country would be justified in putting their hens on strike.

If you roll back the price of a man's suit to $50, you could tell the whole country that this is a great thing, that hereafter one need not pay more than $50 for a man's suit. But try to buy one. Immediately, no suits would be manufactured, and the Garment Workers' Union, for example, would find that people could not make a living. The same is going to be true of any product.

The risk here is in allowing the free flow of the market to operate too suddenly and too drastically in the absence of any controls whatsoever; because here we go from a condition of control to decontrol, and that is quite the opposite of my illustration of eggs or suits. Since we go from control to decontrol, we should take it slowly, and we should do it on a pricing system which is realistic in the world market as well as the domestic market. But, above everything else, I believe we should have an extension.

ORDER OF BUSINESS

The PRESIDING OFFICER (Mr. Stevenson). Under the previous order, the Senator from Alabama (Mr. Allen) is recognized for not to exceed 15 minutes.

NOTICE OF HEARINGS TO EXAMINE FOOD STAMP PROGRAM

Mr. ALLEN. Mr. President, the food stamp program needs a thorough review.

It is a program which has provided food assistance for as many as 19.6 million Americans at one time.

It is a program that is estimated to cost about $5.8 billion for the current fiscal year.

It is a program with many critics—many who believe that it is wasteful and far too expensive, and many who believe that it has not done enough.

I wish to announce that the Subcommittee on Agricultural Research and General Legislation, of which I am chairman, on behalf of the Senate Committee on Agriculture and Forestry, will begin the complete review of the food stamp program which we believe is necessary.

The first stage of this review will involve 4 days of public hearings next month. Invited witnesses will appear at this first stage series of hearings.

At 9 a.m. on Tuesday, October 7, in room 1202 of the Dirksen Building, the subcommittee will explore the development and operations of the program and hear testimony which will develop the major issues which must be addressed.

At 9:30 a.m. on Wednesday, October 8, in room 324 of the Russell Building, we will continue to examine these issues.

At 9 a.m. on Thursday, October 9 and Friday, October 10, the subcommittee will hear testimony from the sponsors of major legislation which would amend the Food Stamp Act.

Mr. President, I might state parenthetically that I note an item in the U.S. News-Letter under date of September 12, 1975, having to do with some proposed legislation with respect to the food stamp program.

Reading from this item, it states:

Ford and Congress will do battle over food stamps before the year is out.

At issue: a plan to certify unemployed workers for the stamps on the day they apply, rather than have them wait weeks or even months. The trouble is, in the minds of critics of the idea, it will let union members who go on strike cash in on benefits the very day they walk off the job. This objection too—costly errors could result from the hurry-up approach. And even if they do not, the number of eligible food stamp recipients might double, possibly even triple, driving the program's annual cost from $6.8 billion which is a billion dollars higher than it actually is, according to figures I checked just yesterday "to as much as $20 billion."

Certainly, this is something that the committee will want to give serious consideration to. The comment by the writer of this newsletter states:

> Congress will pass the bill but won't be able to override Ford's veto.

During these last 2 days of hearings, the subcommittee hopes to hear from Members of Congress who have, or will have, introduced substantive legislation, and to hear the proposals of the administration for major changes. The subcommittee understands that the administration is developing a food stamp reform bill. We believe that it is incumbent upon the administration to have a bill before the Congress by September 30, so that it can receive a thorough analysis and hearing at the subcommittee hearings next month.

Mr. President, I ask unanimous consent that this letter to the President be printed in the Record at this point in my remarks.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Committee on
Government Operations,
September 16, 1975.

The President,
The White House,
Washington, D.C.

Dear Mr. President: On July 28, 1975, you sent a message to the Congress calling for the enactment of legislation to control the cost of the Food Stamp Program. The Secretary of Agriculture, the Secretary of the Treasury, and the former Secretary of the Department of Health, Education, and Welfare have submitted strong statements about the need for reform of the Food Stamp Program.

I am confident that there is strong support for such an effort in the Congress and among the American people.

In your message of July 28, you stated: "I urge in the strongest terms possible that the Congress begin hearings on these proposals at the earliest possible date. If this program is to be contained, even within its current bounds, action must be taken immediately."

The Subcommittee on Agricultural Research and General Legislation is to conduct thorough hearings on the Food Stamp Program on behalf of the Senate Committee on Agriculture and Forestry. These hearings have been scheduled for October 7, 8, 9, and 10. This will be but the first round of hearings on the Food Stamp Program. During these hearings, it will be our objective to develop the main issues involved in the Food Stamp Program and to examine legislative proposals for changes in the program.

Although the Congress yet has not received reform legislation from the Administration, it is our understanding that such legislation is being developed at the highest levels, both in the Department of Agriculture and in the White House.

It is highly desirable that this legislation be submitted to the Congress for consideration in our October hearings. It is respectfully requested that you submit the Administration's legislative proposals to the Congress by September 30 so that they may be analyzed and subjected to comment in the October hearings.

All of us look forward to working with you on legislation which will improve the Food Stamp Program.

With every good wish, I am
Respectfully,
James B. Allen,
Chairman, Subcommittee on Agricultural Research and General Legislation.

Mr. ALLEN. Inasmuch as it refers to recommendations heretofore made by the Secretary of the Treasury, the Secretary of Agriculture, and the Secretary of Health, Education, and Welfare, copies of the letter have gone to them.

The second phase of the subcommittee's review will follow from these 4 days of hearings.

We will analyze and digest the testimony, covering the operation of the program, the major issues involved, and the major proposals for change.

Copies of such analyses will then be circulated to interested members of the public, Members of the Congress, Governors of the 50 States, professional observers of food policy and assistance efforts, those sectors of industry who are affected by this program—including agricultural production, organized labor, food processing, and food retailing—and others who have expressed concern.

Their comments and suggestions will be welcomed by the subcommittee.

The third phase will involve another round of hearings, in November, at which time public comment will be received on the major policy issues which have been raised and the proposals for amendment which have been laid before the subcommittee.

Mr. President, the timetable hereinabove outlined should permit consideration of a major food stamp reform bill on the Senate floor before the end of this calendar year.

It is a timetable which will permit us to give this complex and controversial program a thorough, objective, and complete review.

It will permit us to explore issues including, but not limited to, the following:

Evolution of the program, and its relationship to other food assistance programs;

Appropriateness of assets limitations and present deductions from gross income for determining eligibility for nonpublic assistance households;

Advisability of a fixed limitation on gross income, with a standard deduction, for eligibility purposes;

Accountability of State agencies for administration of the program at local levels and complexities in administration;

Alleged abuses of the program;

Too liberal eligibility rules; and failure to enforce even such rules;

Implications of the program on other sectors of the economy, including farm production, food processing, and food retailing;

Revision of, or elimination of, purchase price requirements of food stamps;

Establishment of an identification system designed to insure that only eligible recipients could use food stamps;

Adequacy of penalties in present law to deter fraud, abuse, or misrepresentation; and

The effectiveness of the Department of Agriculture in preventing fraud and program error.

As chairman of this subcommittee, I am committed to reforms which will permit fulfillment of the objectives of the program—a decent diet for those in real need, at the least possible cost to the taxpayer—and to identify the extent of fraud and cheating and to take the necessary steps to prevent it.

The subcommittee's efforts should not be construed as an effort to dismantle the food stamp program or to deny its benefits to those it was intended to help.

Our efforts should be viewed as what they are—the exercising of legislative and oversight responsibilities of the Congress to make absolutely certain that the authorizing legislation meets the objectives of the Congress, that the program is administered fairly, and that standards for eligibility are clear, equitable, and rigidly adhered to.

This will not be a vendetta, and it will not be a whitewash. It is the subcommittee's intention to pursue our responsibilities thoroughly and objectively, and to recommend the kind of solutions which will follow only from such a course.

EARLY CONSIDERATION OF H.R. 9524

Mr. ALLEN. Mr. President, I am hopeful that the leadership will schedule early consideration of the House bill, H.R. 9542, which has passed the House, which was considered last week by the Senate. It was the pending business at one time, but because agreement could not be reached on the amendment to the bill offered by the majority leader, which I supported, the bill was placed on the calendar and we proceeded to other matters.

The point in contention is that, whereas the House bill extended controls for a period of 60 days from their expiration—in other words, through October—the Senate bill extended the controls for 60 days from the date of enactment, but it carried a proviso that during the first 45 days of that 60-day period, the President would not be able to submit to Congress a decontrol plan which required action within 5 legislative days.

It occurred to the Senator from Alabama that this proviso, providing that Congress should have exclusive control of the consideration of legislation during this 45-day period, was a sound provision. I hope that within the next day or so this matter will be brought up for consideration by the Senate. I think it is too important to remain on the calendar.

I feel the restraint of the oil companies is commendable, that prices have not been greatly raised during this period that controls have been off.

I feel it is important for the consumer that the controls be extended and that Congress be given this 45-day period during which it may be able to work out some plan for an energy policy. I think this is far too important to treat as a political strategy. I feel that in the interests of the public this bill needs to be brought up and let the Senate work its will with respect to this legislation.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. ALLEN. Yes, I am delighted to yield.

Mr. MANSFIELD. Mr. President, the Democratic conference did agree by a strong majority vote to a 60-day extension of petroleum allocation authority beginning with the date of its enactment. The appropriate implementing legislation was offered last Thursday, but the Senate was not permitted a vote thereon. The proposal was offered as an amendment to a House-passed measure extending the Emergency Allocation Act for 60 days. That legislation with the proposed Senate amendment is presently on the Senate calendar and would provide, if enacted, for full authority for the President to allocate petroleum products and prevent their higher prices. The Senate proposal does not provide for 4(g) (2) authority that was contained in the original Emergency Allocation Act now expired for the first 45 days of the extension period. The practical effect of this omission would be to permit the Congress to work its will on an energy pricing policy for the first 45 days of this extension without the interference by the administration on a take-it-or-leave-it basis of any administration proposal within a 5-day period and without the possibility of amendment by the Congress.

If my recollection is correct, it was indicated last Thursday that the President would agree to such a proposition—that is no use of the take-it-or-leave-it authority—but only wanted an extension for 45 days from date of enactment until October 30, 1975, and insisted upon the 5-day take-it-or-leave-it authority after October 20, in other words, the last 10 days of the extension period.

In the meantime, Senator Muskie, who managed this proposal on the Senate floor indicated, if I recollect correctly, that very likely it would be possible to reach an agreement on the 60-day basis as passed by the House which would begin on September 1 if the President would forego the application of 4(g) (2)—the 5-day take-it-or-leave-it authority—during the entire 60-day period.

As the Senator will recall, we reached an impasse that night and had to adjourn because it was impossible to reconcile the proposal made by the President, which would forego 4(g) (2) authority up to October 20, and the conference proposal for no 4(g) (2) at least until October 30, 1975.

I would point out to my distinguished friend that as of now there is no extension of the allocation authority; any extensions passed today or later this week would be less than for 45 days if the October 30 date is insisted upon.

It appears to me that the President should be willing to seriously consider a reappraisal of his insistence upon 4(g) (2) authority for the last 10 days, and, if that is done, it would be my intention to call the Policy Committee into session right away, ask them for their judgment, and act accordingly.

I commend the Senator for bringing that up at this time.

Mr. ALLEN. I thank the distinguished majority leader.

I would hope there would be a short time available to the President at the end of whatever time is allotted to Congress during which he could submit a decontrol plan. Otherwise if Congress uses up the entire period then, for the President to have the power to submit a decontrol plan, we would have to extend controls still again, and I hope that one time would be sufficient.

Mr. MANSFIELD. Mr. President, if the Senator will yield further?

Mr. ALLEN. Yes.

Mr. MANSFIELD. I would not question the good intent of the Senate in this instance nor the intent of the President of the United States. I think that as reasonable men we ought to be able to get together because if we do not then controls are off entirely, as they are now—I do not know how long the restraint being exercised by the big oil companies will last—and it should be possible on that basis to work out something in the way of a reasonable agreement.

Mr. ALLEN. I thank the distinguished majority leader. I hope such compromise will be reached.

I yield back the remainder of my time.

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senator from Missouri (Mr. Symington) is recognized for not to exceed 15 minutes.

S. 2350—TO AMEND THE NATIONAL SECURITY ACT OF 1947, AS AMENDED

Mr. SYMINGTON. Mr. President, I have sent a bill to the desk, and I ask that it be read.

The PRESIDING OFFICER. The bill will be stated.

The legislative clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) The fourth paragraph of section 101(a) of such Act is amended by redesignating clauses (5), (6), and (7) as clauses (6), (7), and (8), respectively, and by adding after clause (4) a new clause (5) as follows:

"(5) The Secretary of the Treasury;".

Mr. MANSFIELD. Mr. President, before the Senator engages in his remarks, would he allow me to become a cosponsor of the proposal?

Mr. SYMINGTON. Mr. President, I am

honored that the distinguished majority leader would become a cosponsor of this bill.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **SYMINGTON**. Mr. President, I introduce herewith a bill to include the Secretary of the Treasury as a statutory member of the National Security Council.

The inclusion of the Secretary of the Treasury as a statutory member would strengthen this Council which, under the National Security Act of 1947, as amended, has the function "to advise the President with respect to the integration of domestic, foreign and military policies relating to the national security, so as to enable the military services and the other departments of the Government to cooperate more effectively in matters involving national security."

Membership on the National Security Council is presently limited to the President, Vice President, the Secretary of State, and the Secretary of Defense.

It is becoming increasingly apparent, however, for reasons which I shall now cite, that the absence of the Nation's chief economic official from the National Security Council can no longer be justified.

The original National Security Act provided for seven statutory members: the President, the Secretaries of State, Defense, the Army, the Navy, and the Air Force, as well as the Chairman of the National Security Resources Board.

During the administrations of President Truman, I served on this Council, first as Secretary of the Air Force, then later as Chairman of the National Security Resources Board.

When in 1949 the services ceased to be executive departments, becoming instead military departments within the Department of Defense, the service Secretaries were properly dropped from Council membership; and at that time the Vice President was added.

Since then, membership on this National Security Council has included at various times such departmental heads as the Directors of the Mutual Security Agency, Foreign Operations Administration, Office of Defense Mobilization, Office of Emergency Planning, and Office of Emergency Preparedness.

These offices no longer exist; and therefore, as mentioned, the Council comprises but four statutory members: the President, the Vice President, the Secretary of State, and the Secretary of Defense.

Today, however, the Secretary of State also serves as Special Assistant to the President for National Security Affairs and Executive Director of the Council staff. In this latter position, the Secretary can, of course, determine what issues should come before the Council and what should not. Moreover, he can attend Council meetings as Special Assistant to the President, yielding his seat as Secretary of State to the Deputy Secretary.

At the same time, the Secretary of Defense is generally accompanied at Council meetings by the Chairman of the Joint Chiefs of Staff.

The Secretary of the Treasury, however, is not a statutory member of the Council, and therefore, has no voice unless his presence is requested.

Inasmuch as a sound economy, with a sound dollar, is vital to national security, should there not be concern that our Nation's chief fiscal and monetary officer—the Secretary of the Trseaury—has no statutory right to participate in these high level discussions of national security issues; issues which today obviously relate to his area of special knowledge and responsibility; and issues about which all responsible citizens, regardless of party or position, are becoming increasingly concerned.

For we all know that true national security is not limited to diplomatic activities or possible military threats; that such security also includes domestic well-being.

The Federal deficit this year is already estimated to reach an unprecedented $70 billion; and budget authorities believe that over the next 2 years there will be an even greater deficit.

Many American cities are on the brink of bankruptcy; and inflation and unemployment continue unabated. This puts the squeeze not only on the unemployed, but also on the working poor, the middle class, and banking and business.

Surely the problems incident to this aspect of national security deserve the attention of members of the National Security Council. In fact the 1947 statute itself calls for consideration of domestic problems along with those having to do with diplomacy and the military.

We all know how intimately our domestic economy is related to foreign developments—the Mideast oil boycott and the sales of agricultural products to foreign countries are but two examples.

Indeed it would appear that economic issues will loom ever larger as a factor which affects our security. These issues will increasingly determine not only our domestic policy, but also our relationships to the rest of the world.

The Murphy Commission on the Organization of Government for the Conduct of Foreign Policy, in its June 1975 report, recognized that economic policy has become so central to both foreign and domestic policy it should no longer be considered separately. Accordingly, the Commission recommended that—

> The memberhip of the National Security Council be expanded to include the Secretary of the Treasury, and its jurisdiction be enlarged to include major issues of international economic policymaking.

It is interesting to note also that as early as 1949, former President Hoover, then Chairman of the Commission on the Organization of the Executive Branch of Government, declared in testimony before the Senate Armed Services Committee:

> It would seem to me that certain fundamentals of economics ought to be represented on that Commission [the National Security Council], because the Nation is in as much jeopardy from economic overstrain as it is from military destruction. I was in hopes that the composition of the Council would be widened out, with more representation from the economics side.

Mr. Hoover added:

> I have the feeling we are discussing problems that are constantly intermixed ones—one is economic capacity and others are preparedness and action in war.

This suggestion came from the man who was President during the Great Depression. He knew from hard experience just what a serious economic threat could mean to this country.

After over 30 years in the Federal Government, 7 of which were in the executive branch, 23 in the Senate, I have come to believe that true national security embraces three basic components: First, the ability to destroy any possible enemy, and the certainty on his part that we have that ability; second, a sound economy, with a sound dollar; and third, the belief of the people in the system—in their form of government; in other words, credibility.

Those of us who have studied the military problem over a period of years believe we are in excellent shape with respect to our current defense posture; and one might hope that in recent months the faith of the people in our Government is being restored. With respect to the economy, however, we all know that the situation has been deteriorating dramatically, domestically as well as internationally.

These are the major reasons I am introducing this bill today. It is short and simple, merely providing for the Secretary of the Treasury to also become a statutory member of the National Security Council.

It is a bill which is predicated upon the need for our vital economic interests also to be represented in the formulation of national policy. I respectfully urge its adoption.

ORDER OF BUSINESS

The **PRESIDING OFFICER**. Under the previous order, the Senator from West Virginia (Mr. ROBERT C. BYRD) is recognized for not to exceed 10 minutes.

Mr. **MANSFIELD**. Mr. President, I yield back the time with the approval of the distinguished Senator from West Virginia.

ROUTINE MORNING BUSINESS

The **PRESIDING OFFICER**. Under the previous order, there will now be a period for the transaction of routine morning business not to exceed 30 minutes, with statements therein limited to 5 minutes each.

GOOD NEIGHBOR DAY

Mr. **MANSFIELD**. Mr. President, I send to the desk a joint resolution and ask for its immediate consideration.

The **PRESIDING OFFICER**. The joint resolution will be stated by title.

The legislative clerk read as follows:

> A joint resolution (S.J. Res. 128) to authorize and request the President to issue a proclamation designating the fourth Sunday in September of each year as "Good Neighbor Day."

The PRESIDING OFFICER. Without objection, the joint resolution will be considered as having been read the second time at length, and the Senate will proceed to its consideration.

The joint resolution (S.J. Res. 128) was considered, ordered to a third reading, read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the fourth Sunday of September of each year as "Good Neighbor Day", and calling upon the people of the United States and interested groups and organizations to observe such day with appropriate ceremonies and activities.

RESOLUTION ON U.S. AGREEMENTS, UNDERSTANDINGS, AND COMMITMENTS WITH RESPECT TO ISRAEL AND EGYPT

Mr. HASKELL. Mr. President, I send to the desk, on behalf of myself and the distinguished Senator from Oregon (Mr. HATFIELD), a resolution and I ask that it be stated.

The PRESIDING OFFICER. The resolution will be stated.

The second assistant legislative clerk read as follows:

S. RES. 245

Resolved, That it is the sense of the Senate that the President should make public immediately all agreements and understandings entered into and all commitments made by the United States with respect to Israel and Egypt.

Mr. HASKELL. Mr. President, I would ask for the immediate consideration of the resolution, but I have discussed this matter with the distinguished minority whip and I understand he would object. For that reason, I ask that it be referred to the appropriate committee.

Mr. President, in our Nation, all authority is derived from the people. Over the past decade we have seen our Nation committed to various foreign adventures and we have seen various commitments made, both by a Democratic President and by a Republican President. We have also seen that the people of the United States realized that the power of our Government is derived from them and we have seen that they will not honor such commitments. Mr. President, I do not think they should honor such commitments.

For that reason, I am asking that all the documents, whether they be understandings, whether they be commitments, whether they be agreements, be made public.

Mr. President, there is a distinct possibility that as a matter of law these documents should be made public. I am not sufficiently expert to know whether that is the case or not, but I do know that suspicion should be allayed.

I have seen in the press, as have my colleagues, various references to secret documents which have been leaked or which have come into the possession of the press. This is a very unhealthy state.

I also point out that I do not believe that the United States of America should make any commitment to any country that will not bear the light of day.

For that reason, Mr. President, I hope this resolution will be favorably considered.

Mr. GRIFFIN. Will the Senator yield to me?

Mr. HASKELL. I am very pleased to yield to the Senator.

Mr. GRIFFIN. Mr. President, I commend the Senator for submitting the resolution. I can agree with much that he has said about the purpose of it.

Nevertheless, it is my view that such a resolution should be referred to, and considered by, the Committee on Foreign Relations.

It would be my hope that, after the committee studies the resolution and its implications, the Senate may be able to adopt the resolution, or some version thereof.

I want to indicate that although I believe deliberations concerning such a matter should take the normal course, I do not necessarily oppose the resolution on its merits.

Mr. HASKELL. I appreciate the remarks of the distinguished Senator from Michigan.

I yield back the remainder of my time.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NEW HAMPSHIRE ELECTION

Mr. GRIFFIN. Mr. President, I rise to congratulate JOHN DURKIN on his impressive victory in New Hampshire yesterday, and to welcome him to the Senate. I also congratulate the Senate again for its wisdom in finally referring that contest back to the people of New Hampshire.

Needless to say, those of us who served on the Rules Committee struggled for a long time with the difficult and close questions raised by election last November. Unfortunately, partisanship and even bitterness crept into the deliberations on those questions.

Now the people of New Hampshire have spoken and as a member of the Rules Committee I am grateful that they have spoken decisively this time. The margin is not close; there is no question about who won.

Naturally, I am disappointed that the candidate of my party did not prevail. But the important thing is that the people of New Hampshire had their say; it can truly be said that Senator DURKIN will serve New Hampshire as the choice of the people of his State—rather than as the choice of other Senators.

The people of New Hampshire are to be commended also on the way they turned out at the polls on yesterday. Newspaper publishers who predicted a light turnout proved wrong. There was a big vote in this special election in New Hampshire as compared with the turnout in the general election last November. Each of the three candidates in this election: including Mr. Wyman, received substantially more votes than he received 10 months ago. The people of New Hampshire were not apathetic. They were interested and they got out to vote.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. COTTON) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Joint Committee on Atomic Energy.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 1:50 p.m., a message from the House of Representatives delivered by Mr. Hackney, one of its reading clerks, announced that the House disagrees to the amendment of the Senate to the bill (H.R. 49) to authorize the Secretary of the Interior to establish on certain public lands of the United States national petroleum reserves the development of which needs to be regulated in a manner consistent with the total energy needs of the Nation, and for other purposes; requests a conference with the Senate on the disagreeing votes of the two Houses thereon; and that Mr. MELCHER, Mr. JOHNSON of California, Mr. PHILLIP BURTON, Mr. RUNNELS, Mr. MILLER of California, Mr. PRICE, Mr. BENNETT, Mr. SKUBITZ, Mr. STEIGER of Arizona, and Mr. DICKINSON were appointed managers of the conference on the part of the House.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H.R. 8121) making appropriations for the Departments of State, Justice, and Commerce, the judiciary, and related agencies for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes; agrees to the conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. SLACK, Mr. SMITH of Iowa, Mr. FLYNT, Mr. ALEXANDER, Mrs. BURKE of California, Mr. EARLY, Mr. MAHON, Mr. CEDERBERG, Mr. ANDREWS of

North Dakota, and Mr. Miller of Ohio to be managers of the conference on the part of the House.

The message further announced that the House disagrees to the amendments of the Senate to the bill (H.R. 8365) making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes; agrees to the conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. McFall, Mr. Yates, Mr. Steed, Mr. Koch, Mr. Alexander, Mr. Duncan of Oregon, Mr. Mahon, Mr. Conte, Mr. Edwards of Alabama, and Mr. Cederberg were appointed managers of the conference on the part of the House.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. Cotton) laid before the Senate the following letters, which were referred as indicated:

Sale of Certain Weapons to Jordan

A communication from the President of the United States containing information regarding the sale of HAWK antiaircraft missiles to Jordan; to the Committee on Foreign Relations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CANNON, from the Committee on Rules and Administration, without amendment:

S. Res. 184. A resolution authorizing the printing of the annual report of the National Forest Reservation Commission (Rept. No. 94-373).

S. Res. 246. An original resolution authorizing additional expenditures by the Committee on Rules and Administration for routine purposes (Rept. No. 94-374).

S. 2264. A bill to authorize the Public Printer to designate employees to administer oaths (Rept. No. 94-372).

By Mr. BUCKLEY, from the Committee on Public Works, with amendments:

H.R. 12. An act to amend title 3, United States Code, to provide for the protection of foreign diplomatic missions, to increase the size of the Executive Protection Service, and for other purposes (together with minority views) (Rept. No. 94-375).

By Mr. ABOUREZK, from the Committee on Interior and Insular Affairs, with an amendment:

S. 1327. A bill to declare that certain submarginal land of the United States shall be held in trust for certain Indian tribes and be made a part of the reservations of said Indians, and for other purposes (Rept. No. 94-377).

By Mr. CHILES, from the Committee on Government Operations, without amendment:

H.R. 5541. A bill to provide for emergency relief for small business concerns in connection with fixed-price Government contracts.

By Mr. CHILES, from the Committee on Government Operations, with an amendment:

S. 1259. A bill to provide for emergency relief for small business concerns in connection with fixed-price Government contracts (Rept. No. 94-378).

NATIONAL SCHOOL LUNCH ACT AND CHILD NUTRITION ACT AMENDMENTS OF 1975—SUBMISSION OF CONFERENCE REPORT (REPT. NO. 94-379)

Mr. TALMADGE submitted a report from the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4222) to amend the National School Lunch Act and the Child Nutrition Act of 1966 in order to extend and revise the special food service program for children and the school breakfast program, and for other purposes related to strengthening the school lunch and child nutrition programs, which was ordered to be printed.

MILITARY CONSTRUCTION AUTHORIZATIONS, 1976—SUBMISSION OF A CONFERENCE REPORT (REPT. NO. 94-376)

Mr. SYMINGTON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two houses on the bill (S. 1247) authorizing certain construction at military installations, and for other purposes. I ask unanimous consent that the report be printed as a Senate report.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

Julio Morales-Sanchez, of Puerto Rico, to be U.S. attorney for the district of Puerto Rico.

James B. Young, of Indiana, to be U.S. attorney for the southern district of Indiana.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. STENNIS. Mr. President, from the Committee on Armed Services, I report favorably the nomination of Cols. Russell Berry and Demetri Spiro, USAR, to the grade of brigadier general in the Reserve and eight in the Army National Guard and Reserve to the grade of major general and brigadier general—list begins with Col. Thomas Williams, Jr.; in the Navy, Adm. Means Johnston, Jr., for appointment on the retired list in that grade and Vice Adm. Robert S. Salzer for appointment to the grade of vice admiral on the retired list and 11 permanent promotions to the grade of rear admiral in the Reserve of the Navy—list begins with Grealish and ends with Howell, Jr.; in the Air Force, Maj. Gen. Thomas P. Stafford, USAF for appointment to major general—recess appointment; and, in the Marine Corps and Marine Corps Reserves, there are 22 to the grade of major general and brigadier general—list begins with Andrew W. O'Donnell. It is requested that these names be placed on the Executive Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. In addition, Mr. President, in the Army and Reserve of the Army and National Guard there are 4,071 for promotion/appointment to the grade of colonel and below; in the Air Force and Reserve of the Air Force, there are 7,142 for promotion/appointment to the grade of colonel and below. Since these names have already appeared in the Congressional Record of September 3d, I ask unanimous consent that they be ordered to lie on the Secretary's Desk for the information of any Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the Record of September 3, 1975, at the end of the Senate proceedings.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. SYMINGTON (for himself and Mr. Mansfield):

S. 2350. A bill to amend the National Security Act of 1947, as amended, to include the Secretary of the Treasury as a member of the National Security Council. Referred to the Committee on Armed Services.

By Mr. HUGH SCOTT:

S. 2351. A bill for the relief of Joseph G. Lowther. Referred to the Committee on the Judiciary.

By Mr. METCALF:

S. 2352. A bill to amend the Accounting and Auditing Act of 1950 to provide for the audit, by the Comptroller General, of the Internal Revenue Service and of the Bureau of Alcohol, Tobacco and Firearms. Referred to the Committee on Government Operations.

By Mr. TUNNEY (for himself and Mr. Randolph):

S. 2353. A bill to provide for the establishment of model programs for displaced homemakers and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. CANNON:

S. 2354. A bill directing the Secretary of Agriculture to convey the property comprising the Lee Canyon Youth Camp, Toiyabe National Forest, Nev., to Clark County, Nev. Referred to the Committee on Agriculture and Forestry.

By Mr. CANNON (for himself and Mr. Laxalt):

S. 2355. A bill to provide that four publications detailing the history of the Indian tribes of Nevada shall be subject to copyright by the Inter-Tribal Council of Nevada. Referred to the Committee on the Judiciary.

By Mr. BUCKLEY (for himself, Mr. McClellan, Mr. Helms, and Mr. Tower):

S. 2356. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for amounts paid by a taxpayer for tuition to provide an education for himself or for another individual. Referred to the Committee on Finance.

By Mr. SPARKMAN (for himself and Mr. Allen):

S. 2357. A bill to amend the Wild and Scenic Rivers Act. Referred to the Committee on Interior and Insular Affairs.

By Mr. STONE (for himself and Mr. CHILES):

S. 2358. A bill to amend title 23 of the United States Code with respect to cost estimates applicable to certain routes transferred within the Interstate Highway System. Referred to the Committee on Public Works.

By Mr. BAYH:

S. 2359. A bill to provide for equal treatment for all persons entering into health insurance agreements. Referred to the Committee on the Judiciary.

By Mr. BAYH:

S. 2360. A bill to amend the Public Health Service Act to provide health care services for pregnant adolescents before and after childbirth. Referred to the Committee on Labor and Public Welfare.

By Mr. HATFIELD:

S. 2361. A bill to reauthorize and modify McKay Dam, Umatilla Project, Oreg., for multiple functions and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. ABOUREZK:

S. 2362. A bill relating to certain business transactions carried out within the exterior boundaries of Indian reservations, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. MOSS:

S. 2363. A bill to amend the Immigration and Nationality Act. Referred to the Committee on the Judiciary.

By Mr. MONDALE (for himself and Mr. HUMPHREY):

S. 2364. A bill to authorize the President to implement a system of priority allocation of Canadian crude oil to American refiners. Referred to the Committee on Interior and Insular Affairs.

By Mr. BARTLETT:

S. 2365. A bill to amend title 38, United States Code, to provide measurement criteria for courses offered by independent study. Referred to the Committee on Veterans' Affairs.

By Mr. WILLIAMS (for himself and Mr. CASE):

S. 2366. A bill to authorize the Secretary of the Navy to convey certain lands at the Naval Air Station, Lakehurst, N.J., to the Airship Association as a site for an airship museum. Referred to the Committee on Armed Services.

By Mr. HANSEN (for himself and Mr. McGEE):

S. 2367. A bill for the relief of William Allen, and Marie Allen, his wife, Rock Springs, Wyo. Referred to the Committee on the Judiciary.

By Mr. KENNEDY (for himself, Mr. HARTKE, Mr. PELL, and Mr. PASTORE):

S. 2368. A bill to amend the Regional Rail Reorganization Act of 1973 to protect branch line rail service. Referred to the Committee on Commerce.

By Mr. CHILES (for himself, Mr. NUNN, Mr. GLENN, Mr. JOHNSTON, and Mr. STONE):

S. 2369. A bill to amend the Food Stamp Act of 1964 by revising the eligibility requirements for participation in the program and increasing the overall efficiency of the program administration through the imposition of a national income formula, and for other purposes. Referred to the Committee on Agriculture and Forestry.

By Mr. MANSFIELD:

S.J. Res. 128. A joint resolution to authorize and request the President to issue a proclamation designating the fourth Sunday in September of each year as "Good Neighbor Day." Considered and passed.

By Mr. INOUYE:

S.J. Res. 129. A joint resolution to authorize the construction of a memorial to the 100th Infantry Battalion and 442d Regimental Combat Team. Referred to the Committee on Veterans' Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. TUNNEY (for himself and Mr. RANDOLPH):

S. 2353. A bill to provide for the establishment of model programs for displaced homemakers and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. TUNNEY. Mr. President, today I am introducing legislation to provide reentry services and skills to persons who have been homemakers but who, as the result of death or divorce or loss of income, are forced back to the labor market. I am delighted that the distinguished Senator from West Virginia (Mr. RANDOLPH) has joined me in this effort.

These persons, mostly women, usually fall between the cracks of our current social programs. They are too young to collect social security, and too old and undertrained to get jobs in our tightening job market. Federal jobs and training programs are not aimed at this group. They qualify for no Federal assistance programs, nor unemployment benefits, because they have been at home rather than in the job market.

A recent article in a California newspaper describes the typical person for whom this legislation is intended:

> A middle class woman who has spent her married life being a homemaker: not working outside the home; with no "professional skills" suddenly widowed or divorced. She has lived a comfortable life that she wants to maintain, and now, because of a change in the courts' attitude, she finds that her spousal and child support is not enough to live on. Her life's work has no value. Her volunteer work is not counted as work experience. How is she going to support herself and her children? Thus, the displaced homemaker.

The legislation which I am introducing today will provide these persons the opportunity to prove that the skills of homemakers can be recycled to fill desperately needed social services, and that these persons can help each other in the difficult period of transition from dependence to self-reliance. The bill, I am confident, will help, through counseling, outreach, information, and referral services, provide the displaced homemaker with renewed confidence and capability to take a place in the working world.

Estimates of those impacted run to approximately 3 million persons nationwide, and are based on the available statistics on divorce, working wives, woman-headed households, and other indicators. Even this figure does not take into account the myriad of other factors which might designate a man or woman a "displaced homemaker."

In my home State of California, both houses of the State legislature approved a displaced homemakers bill during the past session. The State senated voted 29 to 1 in support; the assembly, 45 to 5. That bill has the support of many statewide organizations, ranging from the California Commission on Aging to the California Bar Association's Committee on Equal Rights. Numerous city councils, commissions on the status of women, YWCA chapters, and women's organizations have also voiced their backing of this legislation.

At the national level, support comes from similar groups. Spearheading the effort is the National Organization for Women's Task Force on Older Women which has, along with the Alliance for Displaced Homemakers, launched the campaign for this national legislation. Other organizations which endorse the measure include the National YWCA and the National Women's Political Caucus.

In brief the legislation will:

Establish up to 30 two year model programs to provide outreach, counseling and information and referral services to protect and insure the health, welfare, income capabilities, and employment of displaced homemakers. The services can include, but are not limited to counseling and information and referral in job counseling training and placement, financial management, legal counsel and assistance, educational counseling, and health education and counseling.

Mandate coordination among the Department of Health, Education, and Welfare, the Administration on Aging, the Social Security Administration, and the Department of Labor to coordinate this program with already existing Federal programs of a similar nature which act in behalf of other groups.

Mandate a report to Congress to evaluate the model program as the basis of a national program; evaluate the feasibility of bringing displaced homemakers under CETA, work incentive programs and other Federal employment, education and health assistance programs; and evaluate the feasibility of allowing displaced homemakers to participate in Federal and State unemployment compensation programs, and the feasibility of including housework as labor eligible for such benefits and programs.

Promote the employment of peer-group displaced homemakers in all phases of the model programs during their 2-year duration.

The cost of the program will not exceed $2 million for each of the 2 years of its life, a small cost compared to the benefits it can bring those individuals in the grip of despair as the result of the death or divorce of the breadwinner.

I am confident that this legislation, when passed, will begin to benefit what hitherto had been an unrecognized group in our society, a group which, if given the confidence, skills and opportunity, could fill sorely vacant social program positions and bring to them unbounded compassion and understanding. I look forward to holding hearings and passing this necessary program to benefit an underserved and underutilized group in our Nation.

By Mr. CANNON:

S. 2354. A bill directing the Secretary of Agriculture to convey the property comprising the Lee Canyon Youth Camp, Toiyabe National Forest, Nev., to Clark County, Nev. Referred to the Committee on Agriculture and Forestry.

Mr. CANNON. Mr. President, I introduce, for appropriate reference, a bill to convey to Clark County title to a property known as Lee Canyon Youth Camp.

Clark County presently operates the 4-acre site through a special use permit granted the county by the U.S. Forest Service. The camp provides recreation opportunities for an estimated 10,000 persons each year representing the YMCA, church groups, 4-H groups, and others.

Clark County has built numerous structures at the camp including a dining hall, dormitories, a recreation hall, a shop, and a water system. The present 20-year lease on this property will expire in 6 years and the loss of these facilities at that time will be a severe loss to the people of the county. This bill will provide a transfer of the property in order to preclude this loss to the people in Clark County.

The Nevada Legislature has memorialized the Congress to approve this transfer.

Mr. President, I am hopeful this legislation will receive early and favorable consideration.

By Mr. CANNON (for himself and Mr. LAXALT):

S. 2355. A bill to provide that four publications detailing the history of the Indian tribes of Nevada shall be subject to copyright by the Inter-Tribal Council of Nevada. Referred to the Committee on the Judiciary.

Mr. CANNON. Mr. President, my Nevada colleague, Senator LAXALT, and I have introduced an unusual and historically significant bill today, designed to authorize the Inter-Tribal Council of Nevada to copyright four publications covering the history of the Indian tribes of Nevada which will be published via the use of Federal funds and printed by the U.S. Government Printing Office.

Normally, such publications would be in the public domain and, normally speaking, I subscribe to that concept. In this instance, however, the situation is not normal. For example, this bill will not benefit any one individual, but rather it will safeguard the rights of generations yet unborn to be able to read and understand the history of their ancestors.

The compilation of that history truly was a communal undertaking. More than 4 years ago, recognizing the need for a written history, over 150 members of the four separate Indian tribes now existent in Nevada, collaborated in the creation of these four tribal histories.

These tribes are all that currently remain of four great Indian nations: the Northern Paiutes, the Southern Paiutes, the Washoe, and the Western Shoshone. Collectively, they form the Inter-Tribal Council of Nevada.

Their efforts to create these histories was a major project which, since it included the customs and mores of the four tribes, involved research, copying ancient records, personal interviews, the recording of old songs and legends, as well as the patient, painstaking development of ancient lore from all available sources.

Our interest here is, of course, only to have the published histories copyrighted for the benefit of all those people who have worked so hard to make their creation possible. It is worth noting, however, that they are going further by working to create curricular school material, maps, old photographs, pictures, artifacts, and other things of value in preserving the history of a people before it is lost forever.

Under those circumstances, copyrighting is the fair and equitable thing to do and may well encourage other tribes in other States to undertake similar valuable historical efforts before it is too late.

By Mr. BUCKLEY (for himself, Mr. McCLELLAN, Mr. HELMS, and Mr. TOWER):

S. 2356. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for amounts paid by a taxpayer for tuition to provide an education for himself or for another individual. Referred to the Committee on Finance.

Mr. BUCKLEY. Mr. President, the financial problems of private education have become like the weather: They generate constant talk and no action. Every year brings the closing of more private colleges, elementary and secondary schools. Public officials lament their demise, but are reluctant to take even the smallest steps to keep those schools alive.

We all know the difficulties facing private education, and I need not reiterate them here. Although the rising costs of a malfunctioning economy have put all educational institutions on tight budgets, private schools have been especially hard hit; for, unlike their public counterparts, they do not have available to them either a local tax base or numerous programs of State and Federal assistance.

Matters have been made worse by a Supreme Court that, in the area of private education, is perversely unconcerned about the rights of parents, the preservation of individual liberty, the protection of personal conscience, and the continuance of pluralism in American society. A series of the most shortsighted decisions, each one more contorted than its predecessors, has denied to American parents any hope of securing for their children in private schools their fair share of the tax revenues spent on education.

Religious repression has come full circle. There once was a time, two centuries ago, when dissenters from the established churches of New England were permitted to support their own ministers, but only after they had paid taxes to support the official creed. So too, Americans of today are permitted—through the narrow tolerance of the Court—to preserve their own minority culture and religion through private schools, but only after they have been onerously taxed to support State institutions, which all too often indoctrinate students in the dogmas of a new State creed: secular humanism.

The same situation holds true in higher education. State university systems have grown fantastically during the last decade, while there has been a parallel diminution of private colleges, both those with and those without a religious affiliation.

Indeed, we face in higher education the rapid development of conditions which most fair-minded people would consider intolerable in any other segment of American life: monopoly. The effects of an educational monopoly consisting of State institutions are sure to be the same as the effects of an oil monopoly, a transport monopoly, or a sugar monopoly. By its very nature, monopoly tends to arrogance and abuse. It discourages innovative criticism and becomes complacently contented with itself. It tolerates no diversity.

Mr. President, I believe that American public education needs the stimulus of competition from private schools. I believe all students are benefited by an open market in education. And I believe we have only one effective means appropriate to the Federal Government to preserve parental choice and student rights for pupils whose parents are not rich enough to pay the extra cost of private education or poor enough to qualify for full public assistance.

That is to institute tax deductions for tuition payments to private schools. This uncomplicated and obviously constitutional measure would offset in part the dollars parents spend for private education by allowing them some savings in what they are required to pay to the Public Treasury. More fundamentally, it would reaffirm the Congress' commitment to the most basic liberties Americans have always enjoyed. It is tragic but true that there are those in our country who would deny those liberties, who would strip parents of all control over schooling, and who would use the educational system as an instrument to impose their own values and to substitute a State enforced conformity for the diversity assured through private choice.

We hear much talk in the Congress about the need to protect consumers. And yet, there are no more dissatisfied and frustrated consumers than those who must pay for public education and who find it is often faulty and occasionally shoddy. One thinks of the many parents who unavailingly object to the subject matter, textbooks, and teacher attitudes to which their youngsters are exposed; the inner-city parents whose children daily face crime in the schoolyard and chaos in the classroom; the low-income parents across the country who cannot afford the private tutoring that would allow their gifted children to develop their talents and their handicapped children to make the most of their abilities.

As the cost of public education has soared, its performance has plummeted. The quality of its product seems to be in inverse proportion to its expense. Across the Nation, test scores are falling. If such conditions prevailed in the business community, then the Congress, the press, and the people would together rise in wrath against them. And rightly so.

For wrath, let us substitute remedial action. The bill I today submit for the consideration of the Senate reaffirms the primacy of the parental role in education. It would grant to a taxpayer tax deductions, each of them up to a maximum of $1,000, for each person whose tuition he or she pays at a private school, whether it be an elementary, secondary, or postsecondary institution. It assures students in this country the right to think freely and to learn in liberty, the right to be different: As Thoreau would have put it, the right to march to a different drummer.

To deny those rights is to blunt the best aspirations of youth and to transgress our own noblest ideals. That is why, Mr. President, it is my hope that the Congress will consider this bill, not only with an eye to its financial urgency, but with an appreciation of our responsibility to transmit unimpaired to a future generation the heritage of liberty we ourselves have received.

I send the bill to the desk and ask that it be appropriately referred. I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2356

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) part VII of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to additional itemized deductions for individuals) is amended by redesignating section 220 as section 221 and by inserting after section 219 the following new section:

"SEC. 220. TUITION.

"(a) ALLOWANCE OF DEDUCTION.—In the case of an individual, there shall be allowed as a deduction the sum of the amounts paid by the taxpayer during the taxable year to an eligible educational institution for tuition for the attendance of the taxpayer or of another individual or individuals at such institution.

"(b) LIMITATION.—No deduction shall be allowed under subsection (a) for amounts paid during the taxable year for tuition with respect to any individual to the extent that the sum of such amounts exceeds $1,000.

"(c) DEFINITIONS.—For purposes of this section—

"(1) ELIGIBLE EDUCATIONAL INSTITUTION.—The term.

"(A) an institution of higher education;

"(B) a vocational school;

"(C) a secondary school; or

"(D) an elementary school.

"(2) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' means the institutions described in sections 1201(a) and 491(b) of the Higher Education Act of 1965 and includes such similar institutions for graduate study as are certified by the Commissioner of Education for purposes of this section to the Secretary or his delegate.

"(3) VOCATIONAL SCHOOL.—The term 'vocational school' means an area vocational education school as defined in section 108(2) of the Vocational Education Act of 1963.

"(d) EXCLUSION.—Subsection (a) shall not apply to any amount paid by the taxpayer during the taxable year which is allowable as a deduction under section 162 (relating to trade or business expenses)."

(b) The table of sections for such part VII is amended by striking out the item relating to section 220 and inserting in lieu thereof the following new items:

"SEC. 220. TUITION.

"SEC. 221. CROSS REFERENCES."

(c) The amendments made by this Act apply to taxable years beginning after December 31, 1975.

By Mr. STONE (for himself and Mr. CHILES):

S. 2358. A bill to amend title 23 of the United States Code with respect to cost estimates applicable to certain routes transferred within the Interstate Highway System. Referred to the Committee on Public Works.

AMENDMENT TO 103(E)(2) TITLE 23, UNITED STATES CODE

Mr. STONE. Mr. President, today I am introducing legislation, with the cosponsorship of my senior colleague, Senator CHILES, which would give the Secretary of Transportation authority to revise the cost estimates of interstate highway projects transferred under the Howard-Cramer Act of 1968.

The Howard-Cramer Act was enacted to add 200 miles to the Interstate Highway System and to give the Secretary of Transportation the power to make limited modifications and revisions to the Interstate Highway System. Under this act the Secretary, upon the request of a State highway department, could withdraw his approval of any route or any portion of a route that was not essential to the completion of a unified and connected interstate system and reallocate or transfer the mileage and Federal appropriations for these routes to areas which were not previously included in the Interstate Highway System. Unfortunately, this act expressly states that any transfer of interstate mileage could not increase the total cost of the Interstate System.

Therefore, the maximum amount of money allowed to be spent on projects transferred under this act may not reflect increases in current construction costs. For example, in 1969 the State of California transferred 44.9 miles with a construction cost estimate of $50 million to Florida for the construction of the I–75 Tampa Bypass. The current cost for completing this project has risen to approximately $193 million.

Because of the cost passthrough provisions of the Howard-Cramer Act, the State of Florida's eligibility for 90/10 interstate highway funds is based upon the $50 million estimate rather than the current cost of construction. The bill I am introducing today will merely permit the States to revise their cost estimates of projects previously transferred to its interstate system so as to reflect the present costs of construction.

Mr. President, there are presently only three interstate highway projects which are subject to the cost restriction by the Howard-Cramer Act—a section of I–195 in New Jersey, segments of the Century Freeway in Los Angeles and the I–75 Tampa Bypass. The resultant effect of the cost limitations contained in the Howard-Cramer Act has been to functionally postpone the completion of three vital interstate highway projects. The enactment of this very limited amendment will insure that these three projects will be eligible for necessary interstate highway construction funds.

By Mr. BAYH:

S. 2359. A bill to provide for equal treatment for all persons entering into health insurance agreements. Referred to the Committee on the Judiciary.

S. 2360. A bill to amend the Public Health Service Act to provide health care services for pregnant adolescents before and after childbirth. Referred to the Committee on Labor and Public Welfare.

LIFE SUPPORT CENTERS ACT OF 1975

Mr. BAYH. Mr. President, in the 2 years I have spent struggling with the issue of abortion, as chairman of the Constitutional Amendments Subcommittee, I have grappled with a trangle of extraordinarily complex moral, legal, medical, and social questions. I have tried my best to be open, fair and impartial in the hearings process. I have thoroughly explored the implications of all proposed constitutional amendments and carefully scrutinized the notion that such an amendment is the appropriate vehicle for resolving the abortion dilemma. I have spent countless hours probing for a just solution, often in the midst of growing bitterness and polarization on both sides.

Rarely in my 20 years of public life have I encountered an issue with such emotional force or one which raises more difficult questions. In the end, despite my own personal feelings on this subject, I determined—for reasons explained in detail in a separate statement—to oppose amending the Constitution on abortion.

With this painful decision behind me, I rise this afternoon to address a different, though intimately related and equally important, concern which has been largely ignored in the heated controversy over abortion. That concern is over the regrettable failure to address ourselves to the unmet needs of the hundreds of thousands of women who must deal with an unintended pregnancy, often in the least promising of circumstances. These needs exist, and will continue to exist, regardless of how the legal status of abortion is resolved. Meeting those needs is perhaps the most important and positive step we can take to bind up our wounds and make free choice a reality for all pregnant women who might contemplate an abortion.

The fact is, Mr. President, despite the current availability of legal and relatively inexpensive and safe abortions, there are still countless pregnant women who reject abortion as an answer to their problems and choose to bring their pregnancies to a natural termination.

Survey evidence suggests that the young, in particular, are disturbed about turning to abortion as a solution to a problem pregnancy. A recent national survey reveals that while a majority of the Nation's teenagers support a woman's right to an abortion in cases of danger to the woman's health, rape, or possible deformity, a majority do not believe that being young and unmarried is sufficient reason for having an abortion.

These findings, Mr. President, are striking testimony to the strong reservations thousands of our young people feel about abortion. Their import is heightened and made yet more poignant by the experiences of volunteers and health professionals working with teenage problem pregnancies. Conversations with those who work directly with young prospective mothers make clear the severe conflicts and problems faced by pregnant teenagers and yet the clear desire of most to bear and to raise their children.

As a society dedicated to freedom of conscience and individual choice for all of our citizens, regardless of their class, race, age, marital status, or place of residence, we owe these young people a real alternative to abortion—one which will allow every prospective mother to follow freely the dictates of her own conscience.

Thus far we have failed our young people miserably. Continued neglect will make our failures even more apparent and costly. Consider these statistics:

This year 1 out of 10 girls 17 or under, or 220,000 adolescents, will give birth.

It is expected that 1 out of every 7 girls between the ages of 12 and 17 will give birth to a child next year. In some States, the proportion will be closer to 1 out of every 5 girls.

Approximately 40 percent of these girls will give birth out-of-wedlock, and this percentage, which has increased dramatically over the last decade, is expected to rise still further in the next decade.

Of the 60 percent of teenage mothers who currently marry by the time they give birth, two out of three will be divorced within 5 years.

Of the approximately 85 percent of teenage mothers who currently choose to keep their child at birth, large numbers will relinquish their children for foster or institutional care during the preschool years, often after the children have suffered irreversible emotional, and sometimes physical, harm.

Because the number of teenagers is increasing both numerically and in proportion to the total population, and because changing social mores are resulting in growing numbers of sexually active adolescents and out of wedlock births, specialists are predicting an epidemic of teenage pregnancies and single parent households in the near future. Most alarming of all is the increase in pregnancies in the under 15 age group. This group is the only one in the childbearing years which is actually showing an increase in its rate of pregnancy as well as in absolute number of pregnancies.

These teenage mothers, still children themselves, are more and more likely to be the mothers of our future citizens. They, their offspring, and our entire society will suffer if we continue to ignore their needs. Despite the best efforts of committed volunteers, private foundations, and health professionals, the costs associated with teenage childbearing are as unacceptable as they are unnecessary.

HEALTH RISKS

Complications associated with teenage pregnancy are far more frequent than those associated with pregnancy of mothers over 20. Medical evidence indicates that the younger the adolescent mother, the greater the danger. The teenage mother has a higher probability of health problems during pregnancy and delivery than any other age group except for women 40 and over.

The primary source of difficulty for the teenage mother is poor nutrition, something that is actually a widespread problem among all teenagers. This results not only from the tendency of teenagers to overindulge in "junk foods," but also stems from increased nutritional needs associated with normal teenage growth patterns. When the extra demands of a fetus are added to the already increased demands of a rapidly growing teenage mother's body, the problems of poor nutrition are compounded. As a result, one finds an increased incidence of toxemia, prolonged labor, and iron deficiency anemia—all related to poor nutritional status—among teenage mothers.

Along with the difficulties of the teenage mother, early childbearing threatens the life and well-being of the child. A child born to a teenage mother is much more likely to die in the first year of its life than a child born to an older woman. Children born to mothers under 15 have mortality rates twice that of children born to mothers in their early 20's. Infants born to women aged 15 to 19 have mortality rates 52 percent higher than those of children born to mothers in the 20 to 24 age group. Similar relationships obtain between the age of the mother and the infant's birth weight. Babies of low birth weight have poorer life chances due to stunted physical, emotional, and intellectual development.

In addition to facing higher health risks during pregnancy, due to nutritional factors, teenagers often exacerbate their medical problems by keeping their pregnancy a secret several months, thus delaying early medical treatment. This delay in medical attention, as well as a tendency to avoid or to limit needed medical services and treatment because of expense, frequently leads to serious medical problems for our teenage mothers and their children.

EDUCATIONAL RISKS

Expulsion due to pregnancy is the most important known cause of teenage girls leaving school. Because incomplete education is associated with unemployment and increased welfare dependency, the failure of school systems to come to terms with the educational needs of teenage mothers is a serious problem not only for the individuals involved, but for the whole society.

Most pregnant girls are physically able to remain in their regular classes during their pregnancy. Despite this, less than one-third of the 17,000 school districts in the United States make any provision for the education of pregnant girls. In the others, teenage parents are often prohibited from continuing their education or are removed from regular student rolls and placed on rolls of "special students." This reclassification limits the range of educational courses and services available to them.

Demonstration programs have shown that when opportunities to continue education are available on a classroom basis, prospective parents study harder, improve their grades and return to school after giving birth in surprisingly high numbers—85 to 95 percent. The punitive response of all too many of our schools has not been successful in preventing teenage pregnancies, if that is the goal. Rather, refusal to educate teenage mothers has only succeeded in compounding problems these youngsters are already experiencing.

EMPLOYMENT RISK AND WELFARE DEPENDENCY

With an incomplete education and lack of skills or experience, the teenage mother is a high-risk candidate for unemployment. Almost 40 percent of mothers on welfare in New York City were pregnant with their first child at age 17 or under. In New Haven, Conn., 6 of every 10 pregnant women aged 17 or below are expected to join the welfare rolls within 5 years. With an incomplete education and no job skills or training, the teenage mother is not equipped to support herself or her child. Thus it is not surprising that she typically ends up relying on public support.

We already know that the young are more severely handicapped by economic recession than are other age groups. They frequently are the last hired, first fired and last rehired. The employment handicap for a pregnant teenager, who has not completed her education and who has the extra responsibility for caring for a child, is even more pronounced.

SOCIAL RISKS

Although the social stigma of unwed motherhood has somewhat diminished, it remains a very real factor in the life of the pregnant teenager. Frequently the unwed teenage mother is forced out of her normal school environment. Her social life is restricted, not only by removal from school, but also by the new responsibilities in her life. Often there is peer rejection at a time in life when the need for support from one's peers is at its most critical stage.

If a pregnant teenager marries the father of her child the marriage is likely to end in divorce. Nearly half of all teenage marriages break up within 5 years, and the rates are even higher for young people who marry primarily in response to a pregnancy. So even though there may be pressure for marriage, such marriages have a poor track record for providing a stable family structure for a child.

Although 85 percent of teenage mothers choose to keep their baby and undertake child rearing, a high proportion of these infants eventually end up in foster care, often as abused or neglected children. Delayed relinquishment of these children, or their abuse, are signs of the enormous strains faced by teenage mothers. The high rates of attempted suicide among young mothers are an even more chilling reminder of the gravity of their situation.

Mr. President, it is imperative that we respond to these realities in an effective and timely manner. The growing phenomenon of out-of-wedlock, teenage pregnancy is a disturbing one. The costs are great for mother and child and, ultimately, for all of us. The underlying causes of recent, dramatic increases in such pregnancies are not yet fully understood. It is clear that as a society we must come to grips with this situation. Yet, at the same time we cannot sidestep our responsibility to deal fairly with those faced by this dilemma. Without support, the burdens carried by these young mothers are unbearable.

To date this society, the richest and most medically advanced in the world, has committed only an infiritesimal fraction of its resources to providing satisfactory alternatives to abortion for our young people. We must make it a matter of national policy that every prospective mother, no matter what her life situation, has a truly free choice about her future. We must spare her and her child from the misfortunes now likely to plague them.

It is fashionable in some circles today to argue that we must cut back on past commitments the Federal Government has made to improve the health and well-being of our citizens. This is a shortsighted and narrow approach. I not only take issue with the notion of cutting back; I say we must do better.

Despite the chilling futures awaiting our young mothers and their children, a survey of Federal policies bearing on the problem of teenage mothers shows them to be unfocused and ill-suited to meet the problems we face.

Our major Federal medical assistance program has eligibility requirements that force many to abandon attempts at self-sufficiency and assume welfare status to obtain medical benefits;

Private health insurers routinely refuse to adequately reimburse policyholders for maternity related expenses and almost never offer maternity coverage to single women or dependent children. Decades ago, the Congress delegated its authority to regulate the insurance industry to the States. Today, the industry has grown into a $91 billion a year business, vital to the health and welfare of our citizens but responsible to no one. We must reassert our responsibility in this area and assure that private health insurance practices do not build in economic incentives for termination to a pregnancy.

Until recently we have had no national policy addressing the educational needs of pregnant teenagers. Title IX of the Educational Amendments of 1972, which I authored, now prohibits school ssytems from receiving Federal assistance if they force pregnant students to leave school. The legislation has yet had no impact because HEW waited 3 long years to issue regulations to implement the legislation;

The Federal Government has not assumed any responsibility for helping to find homes for the thousands of American children in need of them. In the last few years many States have established programs to facilitate the adoption process. The demonstrated savings in both human suffering and dollars have been enormous. A Federal commitment in this area could help tremendously;

Despite congressional approval of comprehensive legislation for quality day care services, we still have no meaningful Federal assistance for child care in this country. Refusing this responsibility due to fiscal consideration will only result in spending far greater amounts feeding the results of our neglect—crime and welfare—after the possibility for constructive action has passed;

Existing Federal programs which have the potential for serving pregnant teenagers, or teenagers at risk of pregnancy, such as title IVB, child welfare services; title V, maternal and child health services; and title XX, social services of the Social Security Act, the WIC supplemental feeding program, and title X, family planning, of the Public Health Service Act have been funded at ridiculously low levels. Fiscal 1976 administration budget requests have brought many programs to a virtual standstill and prevented anticipated startups of new projects all across the Nation;

Rarely do programs offering assistance to troubled teenagers coordinate available services or provide the opportunity for young people to work continuously with one counselor who can build trust and understanding over time. Confused and often distraught teenagers cannot be expected to benefit as much as they might from such fragmented programs.

Mr. President, the time for a focused program of action is now. The necessary components of such a program are clear. By acting now we cannot only provide true freedom of choice to those faced with unintended pregnancies and give a new lease on life to them and their children. But, by helping them, we may also be able to bring under control a disturbing but growing phenomenon in our society—the phenomenon of continuous generations of single parent families, dependent on the state for their livelihood.

ALTERNATIVES TO ABORTION

Mr. President, the "Alternatives to Abortion" package I am proposing today consists of new legislative initiatives, the setting of funding priorities, and legislation which I support that has already passed the Senate but is not yet public law. It consists of:

First. A national network of life support centers for young parents, providing a coordinated array of medical, social, and counseling services, including nutrition and adoption counseling, designed to meet the needs of school age parents;

Second. Legislation prohibiting sex or marital status discrimination by health insurers, thus mandating access to maternity coverage for single women and establishing more equitable reimbursement policies for maternity expenses, and requiring that insurers offer options providing health insurance to part-time workers and maternity coverage for dependent children;

Third. Support for an expended Federal role in child care;

Fourth. Support for flexible working hours; and

Fifth. Support and adequate funding for existing Federal programs that impact on the needs of teenage mothers such as titles IV, V, and XX of the Social Security Act, title X of the Public Health Service Act, and the WIC food program.

I urge my colleagues, both in this Chamber and the other body, to join with me in this attempt to fashion a meaningful and effective program for our Nation's young mothers and their infants.

As all of us with children know, bearing and raising a child is a challenge even for mature adults with considerable resources. It can turn into a nightmare for teenagers. By extending our support to the Nation's young mothers and their offspring, we can truly provide them with a real alternative to abortion and give them the opportunity most of us have been fortunate enough to experience—the chance to bear and raise our children as strong, healthy, and independent individuals.

I. MULTISERVICE PROJECTS FOR PREGNANT WOMEN

Mr. President, the most vital needs of a woman facing an unintended pregnancy are adequate medical care and social services geared toward helping her and her family establish a self-sufficient and harmonious household.

Thus far we have established only one federally assisted program which provides the coordinated array of services needed to get a young family off to a good start. I am referring here to the maternal and child health service program which administers maternal and infant care projects funded by title V of the Social Security Act. I am intimately familiar with this program because of my service on the HEW Appropriations Subcommittee which oversees the program and sets its funding levels.

As the top priority item in my alternatives to abortion package, I recommend a new federally assisted grant program for life support centers for pregnant adolescents, and increased funding and administrative improvements in the current maternal and child health service program.

LIFE SUPPORT CENTERS FOR TEENAGERS

Mr. President, projects supported under the maternal and child health service program have provided us with a model of what well-conceived, adequately funded and properly administered programs can do for teenagers in trouble. Of particular interest to me have been the maternal and infant care projects administered by MCH and partially assisted by Federal matching funds.

I would like to take this opportunity to describe these projects and their impact, Mr. President, because the life support centers I am proposing here have, to some extent, been modeled after them.

The maternity and infant care program began in 1964 and now helps to support 56 projects. For the most part, projects have been set up in areas with inadequate health services to provide medical care to low income mothers and their children. They have created new resources and changed existing methods of delivering health services in response to the needs of their clients. In addition to medical services, projects provide social services appropriate to the local population.

Many projects have included services for schoolgirls, and some emphasize them. In fiscal year 1973, the projects absorbed 133,200 new maternity admissions. Of these, 47.8 percent were single pregnant women, mostly teenagers. In the Indianapolis project in my own home State, 151 of the 173 new maternity admissions in 1973 were unwed mothers.

Maternity and infant care projects

have been gratifyingly successful. Around the country projects have contributed to reductions in maternal and infant mortality rates, prematurity, and complications leading to mental retardation or other handicapping conditions by providing quality care to disadvantaged groups.

These projects provide us with a model of what a good program can do. Therefore, I am introducing new legislation today, The Life Support Centers Act of 1975, to fund similar programs specifically for teenage mothers. These prospective mothers experience the greatest conflicts, face the highest risks and have the fewest resources. Their numbers are growing. They deserve our attention.

The Life Support Centers Act is meant to provide a viable alternative to abortion for pregnant adolescents. It will establish a grant program providing matching funds for both pre- and postnatal health care and social services for pregnant teenagers.

The legislation authorizes $30 million a year for 3 years for the purpose of establishing or extending and improving medical and social services for adolescents who prefer not to undergo an abortion. The funds appropriated under the bill will be available for grants to State or local health agencies or other appropriate nonprofit organizations. The authorization should be sufficient to support about 60 to 65 centers. Federal funding can support up to 75 percent of the cost of any life support center.

In order to qualify for Federal funds, centers will have to provide a variety of services designed for pregnant adolescents. Among these services are health care for mothers and children, family planning services, and a coordinated program of social services, such as educational, vocational, legal, counseling and referral services, including nutrition and adoption counseling. Finally, moneys made available through this program can be used to help finance adoption services in cases where a mother is considering or has decided to relinquish her child for adoption.

In addition to these traditional kinds of services, grantees will be encouraged to develop innovative programs and outreach methods specifically designed for pregnant teenagers. For example, project money could be used for:

Day care services such as centers for children of adolescent mothers, health services for day care centers, day care programs for children with special problems, and training of day care center personnel;

Outreach programs such as seminars for teenagers on sex education and family planning, anonymous hotline services for teenagers, and work with schools and other community groups in touch with teenagers;

Educational programs such as work with boards of education to provide alternative education for pregnant girls, including schools for pregnant girls, and instructional programs on parenting.

An important emphasis in the legislation is the need to better coordinate services under one roof and provide clients with a continuous counselor who can work with them for the duration of their pregnancy and for as long after childbirth as the counselor deems necessary. The legislation provides for cooperation between project grantees and the State agency administering the State medicaid program as well as coordination and utilization, to the extent feasible, of other Federal, State, or local health, welfare, or education program. These provisions are means to establish centers that will function as umbrella organizations, to coordinate already existing services with those unique to the center and to centralize them in one physical location easily accessible and familiar to the adolescent participant.

Mr. President, this legislation, in my opinion, incorporates the most promising approaches yet developed to deal with the dilemmas faced by an increasing number of our adolescents. It is an approach that has worked, when properly funded and administered, and merits expansion to reach out to the thousands of teenagers struggling with pregnancies each year in this country.

I am hopeful that we can move ahead on this legislation without delay. I understand that the bill will be referred to Senator KENNEDY's Subcommittee on Health.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2360

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Life Support Centers Act of 1975".

SEC. 2. Title III of the Public Health Service Act (42 U.S.C. 201) is amended by adding after section 319 the following new section:

"SPECIAL SERVICES FOR ADOLESCENTS

"SEC. 320. (a) The Secretary is authorized and directed to make grants to health agencies of any State (or political subdivision thereof) or any other qualified non-profit agency, institution, or organization (with the approval of the State agency) for originating, continuing, extending or improving programs involved in the provision of—

"(1) necessary health care to prospective adolescent mothers, including but not limited to—

"(A) tests for pregnancy,

"(B) screening, diagnosis, and treatment of all prenatal and postnatal conditions, including nutritional deficiencies for a period of one year after birth; and

"(C) referrals when appropriate to other agencies for treatments not covered under this section;

"(2) necessary health care to infants of adolescent mothers during their pre-school years, including but not limited to—

"(A) medical examinations,

"(B) diagnosis and screening of—

"(i) nutritional deficiencies,

"(ii) visual and hearing defects,

"(iii) genetic birth disorders,

"(iv) mental retardation and learning disorders,

"(v) crippling and handicapping conditions, and

"(vi) catastrophic illness,

"(C) referrals when appropriate to other agencies for services not covered under this section;

"(3) family planning services;

"(4) a coordinated program of social services including educational, vocational, legal, social, counseling, and referral services (including adoption counseling) designed for adolescent mothers for the period extending to the point in time that the agency finds that parent and child are capable of caring for themselves; and

"(5) funds to purchase adoption services (approved by the Secretary) for adolescent mothers participating in a program established under this section who are considering the placement of their children in adoptive homes.

"(b) The Federal share of assistance to programs under this section shall not exceed 75 percent of the cost of such program.

"(c) (1) Applications for grants under this section shall be made in such form and contain such information as may be required by the Secretary.

"(2) The Secretary shall approve only those applications which—

"(A) provide that the project for which assistance is sought will be administered by or under the supervision of the applicant,

"(B) set forth such fiscal controls and fund accounting procedures as may be necessary to assure proper disbursement of and accounting of Federal funds,

"(C) provide assurances that it will employ professionals skilled in maternal and child health, public health services, nutrition and social services,

"(D) provide for cooperation with the State plan approved under title XIX of the Social Security Act in the provision of care and services, available under a project, for recipients eligible for such a plan approved under such title XIX and

"(E) provide for the coordination of health and social services provided by the project with, and utilization (to the extent feasible) of, Federal, State, or local health, welfare and education programs.

"(d) Payments under this section may be made in advance or by way of reimbursement, and in such installments, as the Secretary may determine.

"(e) Nothing in this section shall be construed to require any project receiving financial support to compel any person to undergo any medical screening, examination, diagnosis, or treatment or to accept any other health care or services provided under this section for any purpose, if such person or his guardian objects.

"(f) No individual shall be required as a condition precedent for the receipt of assistance under this Act or any other law to participate in programs established or assisted by Federal funds unless such individual has given their informed consent to such participation.

"(g) There are authorized to be appropriated to carry out the purposes of this section $30,000,000 for the fiscal year ending June 30, 1976, and for each of the next two succeeding fiscal years."

MATERNAL AND CHILD HEALTH SERVICES

Mr. BAYH. Mr. President, as I have indicated above, the maternal and child health services program has been highly successful in the areas in which it has operated. However, it has weathered a number of difficulties in recent years.

Funding. Maternal and child health is a low priority for the present administration, as it was for the one that preceded it.

The authorized appropriations ceiling for the program is $350 million. For fiscal year 1975 the administration requested only $266 million for MCH, one of the most efficient of Federal health programs. The Senate Appropriations Committee, as a result of an amendment I sponsored last year, recommended $310 million. The amount finally appropriated was $294 million. However, as a result of a bungled administration attempt to impound these increased funds, the money became fully available to the projects only very late in fiscal 1975.

For fiscal year 1976 the administration recommended an appropriation of $210 million, a cut of almost 30 percent.

These recommended budget cuts are as heartless as they are ill-advised. Despite advances made as a result of MCH work, infant mortality rates in the United States are still among the highest of the industrialized nations. In addition, gross inequities in access to medical care continue to exist between different classes, races, and States.

Funding problems are beginning to reduce project effectiveness. Uncertainties about future resources have seriously hampered States' attempts to start new projects and to provide the comprehensive services envisaged by the legislatiton. In the face of these findings, it is appalling that the administration would recommend reducing funds for the program by nearly 30 percent. I must agree with my colleague from Maryland, Senator MATHIAS, who feels that "this drastic reduction would have a devastating effect" on the project grant programs.

I am pleased that the House has voted to appropriate nearly $320 for MCH in fiscal 1976. I, along with my colleagues on the subcommittee and our distinguished chairman, Mr. MAGNUSON, have supported adequate funding for the program in the Senate HEW Appropriations Subcommittee and predict we will prevail on the Senate floor, regardless of Presidential veto threats.

Administrative problems. An additional difficulty besetting the MCH program involves the recent reorganization of HEW along functional lines.

Through 1974 MCH health staff were a "professional cadre" composed of highly skilled health specialists. When the department recently reorganized along functional lines, categorical program personnel were assigned new functional responsibilities across program areas.

The impact on MCH core personnel has been devastating. Health personnel have been diverted to other programs and required to work outside of their specialties. Many have left their jobs in disgust. On its own initiative, HEW cut back on MCH physicians.

The 1975 Senate Appropriations Committee report addressed itself to these problems. The committee put the Congress on record with the department that there should be no position reduction in the MCH program. In addition, the committee directed that all formal personnel slots for the MCH program be used exclusively for MCH activities, earmarked money for the physicians that had been fired and insisted that the department maintain a "cadre" MCH staff.

There are still serious questions in my own mind whether the department is following these directives. Those of us who are convinced of the importance of the MCH program are maintaining a close watch on the department. At my suggestion, strong language has been included in the fiscal 1976 committee report putting the Congress on record against the continued and willful refusal of HEW to heed our recommendations. The MCH program is too successful and the need for it too great to let it be sabotaged by budgetary reductions and poor administration.

II. THE EQUITY IN HEALTH INSURANCE ACT

Mr. President, inadequate reimbursement by private health insurers for maternity-related expenses and limited access to coverage for many females of childbearing age constitute important pressures in favor of abortion for those faced by unplanned pregnancies. Despite the past reluctance of Congress to involve itself in the affairs of the insurance industry, I think an examination of prevailing practices among health insurers suggests that we must address ourselves to this problem. The pervasiveness of these discriminatory practices has been highlighted by thorough studies recently undertaken in New York and Pennsylvania. The studies establish the following:

First. Maternity coverage is generally unavailable to single women;

Second. Reimbursements for maternity-related expenses are hopelessly inadequate, while abortion-related expenses are often covered completely;

Third. Insurance companies routinely omit maternity coverage for dependent children in family plans;

Fourth. Female employees are often discriminated against in the health benefits offered by their employers despite Federal statutes prohibiting this; and

Fifth. Insurance companies rarely offer group health plans for part-time workers.

Currently, Mr. President, the only protection afforded women against discriminatory practices in the health insurance industry stem from protections included in nondiscriminatory employment legislation. Even here, extensive litigation, conflicting decisions by Federal agencies, and inadequate enforcement powers have yet to provide full equality of fringe benefits to the Nation's working women.

Even if these statutes were enforced, they do not go far enough. First, they are aimed at employers, not insurers. Thus, unemployed women are not protected by them. Further, employed women have been told by their employers, in response to complaints, that they can only provide benefits offered by insurance companies. This loophole provides employers with an easy way out of complying with the intent of Federal legislation.

Second, existing legislation ignores discrimination based on marital status.

Third, existing legislation often precludes coverage for part-time workers and completely ignores dependent children.

In light of these deficiencies, and their intimate relationship to the question of decisions about abortion, I am today introducing legislation to address these concerns. The legislation contains the following provisions:

First. A flat prohibition on sex and marital status discrimination by private health insurers.

This provision should have two immediate results. First, it will extend access to maternity coverage to single women, now frequently unable to purchase this protection. Second, given the current state of litigation, it will assure more reasonable reimbursement of maternity-related expenses than has been true in the past, because it will make these expenses equivalent to expenses incurred by other medical conditions.

Maternity coverage has been typically unavailable to single women because insurers offer maternity options as part of family policies. Thus, even in the rare cases when such plans are made available to single women, they must pay family plan rates to avail themselves of maternity coverage. This legislation would prohibit such practices.

Maternity expenses have not been adequately reimbursed in the past because insurers have treated them apart from other, and even related, expenses—such as abortion and sterilization. When coverage is avaliable, the insured receives only an arbitrarily fixed lump payment totally unrelated to the expenses of childbirth. Often those insured under direct pay policies cannot even buy this minimal protection. This reimbursement policy represents an economic sanction against the woman who chooses not to abort her pregnancy, but instead to give birth to her child.

A prohibition on sex discrimination by insurers will make impossible the continuation of this practice. Insurers have traditionally argued that pregnancy is not a sickness, but is a voluntary act. This line of argument was recently rejected by the U.S. Court of Appeals for the Fourth Circuit in June 1975, when it held that the refusal to treat pregnancy as an ordinary illness for insurance purposes constituted sex discrimination under title VII of the Civil Rights Act of 1964—Gilbert against General Electric. A 1975 third circuit case, Wetzel against Liberty Mutual Insurance Co., likewise held that pregnancy must be equated with other ordinary disabilities for insurance purposes.

Thus, Mr. President, so far as the courts have held that a flat legislative fiat against sex discrimination requires that pregnancy must be considered an ordinary illness for insurance purposes. As a result of these decisions, this legislation, if passed, will mean that maternity-related expenses must be reimbursed in the same way as any ordinary illness. This change in reimbursement policy is perhaps the most important and radical legislative proposal yet developed to protect women, both married and single, against discriminatory practices in health insurance that bear on decisions about whether or not to go ahead with a pregnancy.

Second. A requirement that insurance companies offer optional coverage for maternity expenses incurred by dependent children.

Parents now confronted with a pregnant teenager often have tremendous difficulty accepting and coping with the situation. The additional discovery that their insurance policies do not cover related expenses is often enough to push them in the direction of discouraging the birth of a child and pressuring their daughter to get an abortion. Access to coverage for dependent children should take away one incentive families now have to rush their child to the abortionist. Reduction of such pressures is especially important for teenagers who tend to hide their pregnancies well past the first trimester of pregnancy. In these cases, abortions are especially dangerous.

Third. A requirement that health insurers offer group coverage for part-time workers.

Health insurance for part-time workers is rarely offered by private insurers. Part-time employment may represent the only means by which an adolescent mother can finish her schooling or contribute to the support of her family. Even a minor medical expense could easily deplete the resources of such a family and plunge it into debt. Part-time workers should be able to purchase health insurance through group plans offered by employers in a manner similar to full-time workers.

Fourth. A requirement that dependents must be notified if they are being dropped from health insurance coverage provided through their spouse.

As we all know, the divorce rate in this country is spiraling. Teenage marriages are the most likely to end in divorce. Young mothers and their children caught in the midst of such a situation should at least have ample warning that their health benefits are being terminated, an action often taken by spouses soon after separation.

Mr. President, the problems stemming from the discriminatory practices of private insurers with respect to maternity coverage in health policies can no longer be ignored. The ideal solution to the deficiencies highlighted here would be passage of a comprehensive national health insurance bill. In the absence of such a program, it is clear that we must provide protection for single women, divorced women, separated women, and the pregnant adolescent. All women must have access to fair and adequate medical insurance. Policies must provide realistic benefits for all of women's health expenses, including hospital and medical expenses related to pregnancy and childbirth. Serious inequities have arisen from the insurance industry's practice of treating maternity-related coverage separately for the purposes of underwriting. Legislation such as I have proposed here is needed to abolish this distinction.

Mr. President, in order that the provisions of my bill will be fully understood, I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2359

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Equity in Health Insurance Act."

Sec. 2. (a) Notwithstanding any other provision of law, no person who directly or indirectly makes use of any means or instruments of transportation or communication in interstate commerce or of the mails for the purpose of contracting to insure another against any loss shall deny to the insured, or otherwise limit, the insurance normally written with respect to the risk of loss due to ill health solely because of the insured's sex or marital status, nor shall any person who directly or indirectly makes use of any means or instruments of transportation or communication in interstate commerce or of the mails for the purpose of holding himself out to the public as offering to contract to insure others refuse to contract to insure any person with respect to the loss due to ill health solely on the grounds of that person's sex or marital status. Nothing in this section shall prevent any person who contracts to insure another from setting rates for such insurance in accordance with relevant actuarial data, even if such rates differ with respect to the sex or marital status of the insured. The courts of the United States shall have jurisdiction to give appropriate civil relief, including damages (including reasonable attorney's fees, if considered appropriate by the court) and declaratory and equitable relief, to any person aggrieved by a violation of this section.

(b) Notwithstanding any provision of law, no person who directly or indirectly makes use of any means or instruments of transportation or communication in interstate commerce or of the mails for the purpose of contracting to insure another against any loss due to ill health shall offer such insurance unless—

(1) such insurance provides as an optional benefit, maternity benefits for dependents of the insured,

(2) such insurance policy provides for notice to dependents when they are no longer covered by such policy, such notice to be given not less than 120 days prior to such cessation of coverage, and

(3) such insurance when made available on a group basis through employers is made available to part-time employees.

FAMILY PLANNING SERVICES, RESEARCH AND EVALUATION

Mr. BAYH. Mr. President, among those alternatives to abortion whose importance is too often neglected or discounted are family planning services and birth control research. Experts working in the field of family planning have endeavored to develop an array of contraceptive methods which are effective, safe, inexpensive, and acceptable to various population groups. In addition, they have stressed the need to evaluate the medical effects of contraceptive methods in use to assure safety and efficiency over short as well as long periods of time.

The importance of assisting these efforts has been emphasized time and again during the many days of hearings I have chaired on the pending constitutional amendments on abortion. Witnesses on both sides of the abortion issue have testified that one of the most effective ways to prevention abortion is through safe and dependable contraceptive methods.

Testimony before the subcommittee has made me aware that we are lagging far behind in both developing new forms of contraception, and in evaluating the safety of methods currently in use. As a result of these hearings I have, as a member of the HEW Appropriations Subcommittee, urged increased appropriations for the National Institute of Child Health and Development, whose Center for Population Research bears the main responsibility for research and evaluation efforts in the field of family planning.

Federal moneys spent for contraceptive development and evaluation can in no way be classified as inflationary or fiscally irresponsible. To the contrary, increased access to safer, more reliable methods of family planning reduces the number of unwanted or ill-timed pregnancies, limits the demand for abortion, and frees many women to participate more fully in the work force.

Despite recent efforts to expand Federal assistance to family planning programs, estimates of unserved populations are still large, especially among lower income and teenage population groups. The most recent major congressional initiative in the field of family planning services and population research was launched in 1970 when Congress amended the Public Health Service Act by adding to it a new title, title X.

Title X provides authority to the Secretary of HEW to award project grants and contracts for the establishment and operation of voluntary planning projects. Further, funds are provided for training of personnel, research in family planning and the development and distribution of informational and educational materials pertaining to family planning and population growth. Specific provisions are also included to insure that participation in family planning activities is completely voluntary and that none of the funds appropriated under this title support programs using abortion as a method of family planning.

By the end of fiscal year 1975, 300 project grants supporting over 3,600 clinics were providing services to more than 2 million women. Programs offer both social and medical services. In addition to being of specific utility in dealing with the medical aspects of family planning, the medical services provided are of major value as a source of preventive health care for women of childbearing age.

Despite very real and substantial progress to expand family planning services throughout the Nation, additional support is required if those who need family planning services and are currently denied them are to be assured access. A recent survey by Planned Parenthood of lower and marginal income women indicates that many of these women have not yet been reached. Of special interest here is a recent study by Zero Population Growth on the contraceptive habits of the Nation's teenagers.

In a recent publication, ZPG indicates that, while nearly 3 in 10 teenage women are sexually experienced, only 1 in 5 of experienced adolescents consistently uses contraception. Moreover, only one-fifth to one-third of the teenagers in need of family planning are being served in organized programs. These studies also show that most teenagers seek contraceptive services after they have become sexually active. Many of them come to family planning clinics for the first time for pregnancy tests. Clearly we are reaching these teenagers too late.

Mr. President, if a child is not wanted, effective family planning procedures are the most logical alternative to abortion.

Development of safe and effective contraceptives, which are widely distributed to those desiring them, is central to the dilemma we are addressing here. I hope my colleagues will join me in seeking increased appropriations for family planning services, research, and evaluation so that we can make available, to those desiring them, the safest and most effective birth control methods our scientists can develop.

CHILD CARE

Mr. President, the need for a federally assisted, family-oriented, comprehensive, quality child care program in this country has been apparent to this Chamber for some time now. In 1971 and 1972 the Senate faced up to its responsibilities to the working women of this country by passing precedent setting Federal legislation to provide quality child care. That commitment was negated first by a Presidential veto in 1971 and failure of the House to act in 1972. The President's veto was justified on the grounds that Federal support for child care represented an assault on the family and put the authority of the Government behind "communal" approaches to childbearing.

As the author of the Universal Child Care and Child Development Act of 1971, the main provisions of which were incorporated into the vetoed legislation, I was most disappointed by the President's veto. In one stroke, it put an end to months of work and dashed the hopes of millions that at least this problem would be dealt with positively.

But more upsetting to me than this temporary setback, Mr. President, was the rationale the President used to justify his actions. By dragging in the red herring of "communal childrearing," President Nixon struck a desperate blow at legislation designed to achieve the exact opposite; legislation designed to keep the family intact.

Over the years many distinguished witnesses have testified the need for Federal assistance for quality child care. Clergymen of all faiths, as well as educators, parents, child care specialists and health professionals have agreed that probably the most important step the Government could take to support the American family would be to make sure that the Nation's young are properly cared for while their parents or parent works.

Mr. President, it is sheer folly to suggest that support for child care and development programs will break up the family. In 1971 when I introduced my initial legislation for federally assisted child care, more than half the mothers of children aged 6 to 17 were in the labor force and almost 30 percent of women with children under 6 worked. Thirteen percent of America's children were being raised in one-parent families, predominantly headed by women. At the same time, there were only 25,000 licensed or approved day care centers and family day care homes with space for about 675,000 children.

The scarcity of quality day care and high costs associated with purchasing satisfactory services today results in far too many children being cared for in makeshift or unsatisfactory settings, or in being left entirely on their own. This is especially true for single parent families, where one parent must assume all household responsibilities and expenses as well as meeting the demands of a full-time job. The strains generated by such situations can easily lead to frustrations, anger, and despair. If severe, they can result in child neglect and even abuse.

When faced with these realities, Mr. President, it is foolhardy to characterize quality day care services as destructive of the family. In fact, there is no one other service the Government could assist which would do more to support and cement family relationships than reliable, comprehensive, and reasonably priced child care arrangements for those in need of them.

The absence of such services must be a significant factor in the final decisions made by pregnant women as to whether or not they should seek an abortion. Quality day care is hard to locate even for a family with considerable resources. It is virtually impossible to find for a family with a moderate or meager income. Faced with the burden of having to make arrangements for the care of a child while in school or at work when so few options are available, many women may go against their deepest instincts and abort their pregnancies rather than cope with the uncertainties and anxieties engendered by unreliable or unsatisfactory child care. The provision of quality child care services must be an integral part of any legislative program seriously aimed at providing alternatives to abortion.

Mr. President, the Children and Youth Subcommittee, chaired by my distinguished colleague from Minnesota (Mr. MONDALE), has been looking into this matter for 5 years. The Senate has approved legislation growing out of these and other investigations several times. This year, another set of hearings has been held on comprehensive child care legislation. I am hopeful a bill will be reported to the floor for debate and refinement without extensive delay. I can think of no more constructive step we can take in behalf of the working women of this country and their families than to once more register our support for such a program.

FLEXIBLE WORKING HOURS

Mr. President, one of the most pressing problems facing a young, single pregnant woman who chooses to have her baby rather than an abortion, is that of providing for herself and her child. It is extremely difficult for a young person in this situation to find employment and adequate child care. One way to assist these single parents is to encourage more part time and flexible work opportunities.

Unfortunately, old traditions die hard. Our 40-hour workweek is tailored to the lifestyle of a nuclear family, in which the father is the worker-breadwinner, and the mother stays at home, caring for house and children. There is little room in the 40-hour, 5-day work schedule for the adjustments necessary for parents with dual roles of work and home. And yet, as we know, more and more Americans—usually women—play both roles, because they are single heads of families.

According to the March 1972, statistics published by the Women's Bureau of the U.S. Department of Labor, 12 percent of American families were headed by women. Women were heads of 6,191,000 families—an increase of 33 percent in a decade, compared with an increase during the same period of 13 percent in the number of families headed by men. In 1972, more than 9 million children under age 18 were members of families headed by women. Mr. President, the burdens of a family provider are great in this time of national economic uncertainty: the problems of single parents are even more dramatic, the burdens increased.

There is legislation pending in committee in the House of Representatives which would do much to encourage some rethinking about work schedules in the Government, and, hopefully, in the private sector as well. This kind of rethinking is necessary in order to deal with a modern-day situation in which not all workers are male heads of families, supported at home by housewives. I am a cosponsor of S. 792, to encourage part-time career opportunities in the Federal Government. The Senate, of course, passed this bill on June 23, 1975. I hope that our colleagues on the other side will do the same.

At hearings before the Senate Post Office and Civil Service Committee, held last fall on a similar bill, we learned that part-time programs which have been tried out in the Government have been successful—both for employees and for the Government. By providing part-time employment opportunities, the Government can attract a wider pool of talent—including, no doubt, some of the people I have mentioned here today—for whom a full-time job would be impossible in the face of a commitment at home.

Mr. President, earlier in this session, and during the past Congress, I have repeatedly supported the concept of part-time work opportunities and flexible scheduling. I think American employers should be encouraged to be open to change, and to the problems and preferences of their employees, whenever possible.

I reiterate my support of S. 792 today. Government employment practices often set an example for employment practices in the private sector. Passage of S. 792, if it had this effect, could open up new work possibilities for single parents and might remove another obstacle faced by the single parent attempting to support a family alone.

NUTRITION

Mr. President, H.R. 4222, the National School Lunch Act and Child Nutrition Act Amendments of 1975, will soon be reported out of conference for a second time for a final vote. Included in the Senate's version of the bill, and included in the first conference recommendations, is an amendment offered by my distinguished colleague from Minnesota, Senator HUMPHREY. The amendment will modify the current eligibility requirements of the WIC supplemental food program by expanding the benefits presently available to low-income pregnant and nursing women, their infants and young children so as to take account of the findings of a recent pilot project sponsored by WIC.

Currently the WIC program provides nutritional supplements to mothers up to 6 weeks after birth and to children up to 4 years of age. The WIC study found that these cutoff dates rob the program of its maximum potential by stopping food supplements a little too soon in each case. State WIC directors and health professionals have unanimously recommended increasing the eligibility period for mothers up to 6 months postpartum, to allow for necessary postnatal metabolic adjustments, and expanding the eligibility period for children up to age 5. The latter provision would assure adequate nutrition for young children in the program through their first growth spurt and continue supplements until they enter school and can participate in school food programs.

Mr. President, of all known factors contributing to health risks associated with pregnancy and childbirth, poor nutrition is the most important. Deficiencies lead to increased complications, lower birth weights, handicapping conditions, and higher rates of maternal and infant morbidity and mortality. This is especially the case for the pregnant teenager, notoriously guilty of poor dietary habits and herself undergoing a growth spurt. The WIC program, as amended by Senator Humphrey, offers help to the most nutritionally vulnerable group in our society. I urge continued support for this program.

ADOPTION SERVICES

Mr. President, traditionally adoption has been a State, local and private responsibility. Up until about 1970, only 10 States had some kind of program to facilitate the adoption process. In the last 5 years there has been increasing interest in this type of State program and the total number of States with some legislation has now reached 36.

These State programs have helped facilitate the location of permanent homes for many children previously classified as "unadoptable" and have saved the States thousands of dollars through reduced outlays for foster and intitutional care. A Federal contribution in this area would be welcomed by the States.

In the Life Support Centers Act I am introducing today, funds made available to the Centers can be used to arrange adoption services for pregnant teenagers participating in the Centers' programs who wish to relinquish their children for adoption. While healthy, white infants are in great demand all across the country, minority or handicapped newborns are still difficult to place. The active efforts of adoption agency personnel are often required to help place these children. This need should be met by the adoption services provided for in this legislation. These services should help give pregnant teenagers a fair choice with all options; then they can make the wisest decision about their pregnancy and the future of their children.

While some pregnant teenagers do relinquish their children for adoption, it is still true, Mr. President, that the trend is in the opposite direction. Nationally, about 85 percent of all such mothers decide to keep their children. Regrettably, a frequent outcome of this decision is the delayed relinquishment of such a child sometime during its preschool years, and occasionally after a period of neglect or abuse. Such children often end up being moved from foster home to foster home and eventually become a "hard to place" child. Federal assistance is necessary to help these casualties of teenage pregnancies.

One potential development in this direction is increased use of matching funds under title IV–B of the Social Security Act for adoption services. This title makes matching funds available to the States for a range of child welfare services, including adoption services. At hearings I presided over this spring of the HEW Appropriations Subcommittee, I explored the potential of using this money to help facilitate the adoption process with James Dwight, Administrator of the Social and Rehabilitation Service. As a result of these hearings, I have supported increased appropriations for title IV–B for fiscal year 1976 and the earmarking of these extra moneys for State action in the area of adoption. I am hopeful that this action by the Congress can contribute to the successes already demonstrated at the State level in the problem area of hard-to-place children.

By Mr. MONDALE (for himself and Mr. Humphrey):

S. 2364. A bill to authorize the President to implement a system of priority allocation of Canadian crude oil to American refiners. Referred to the Committee on Interior and Insular Affairs.

Mr. MONDALE. Mr. President, I am today introducing legislation to give the President authority to implement a system of priority allocation of Canadian crude oil to American refiners. I am pleased to be joined by the distinguished Senator from Minnesota (Mr. Humphrey).

For a number of Northern Tier States, the continued flow of Canadian crude to our States' refineries is of crucial importance. For no State is it more important than for Minnesota. We are dependent on Canadian crude for about half of all the petroleum products used in our State, and the three refineries in Minnesota rely on Canadian crude for over 75 percent of their crude feedstock.

The Canadian Government has indicated clearly that it intends to continue phasing down the volume of crude oil exported to the United States, and to eliminate all crude oil exports to the United States by 1983. While a system of priority allocation of Canadian crude is not a long-term solution to the problem of decreasing Canadian exports, it would give those refiners who are now most dependent on Canadian crude oil, and for whom transportation alternatives are the most difficult to obtain, the opportunity to arrange exchange arrangements with Canadian companies currently supplying crude oil. This allocation system, therefore, would give Canadian-dependent refiners the time they need before a longer-term solution to the problem of declining Canadian crude oil exports can be arranged.

In recent months, the Federal Energy Administration has been in the process of setting up such a system for priority allocation of Canadian crude oil to American refiners. I am hopeful that they are moving toward such a system, and that it will be designed to meet the needs of the most Canadian-dependent refiners to the maximum extent possible.

However, the recent failure of the Senate to override the President's veto of S. 1849, extending the Emergency Petroleum Allocation Act for 6 months, has created a potentially severe problem for the implementation of priority allocation system for Canadian crude oil. With the longer-range future of the EPAA in doubt, it is questionable whether the President possesses any secure legislative authority under which such a priority allocation plan for Canadian crude might be implemented.

I am therefore introducing legislation that would give the President the authority to allocate Canadian crude oil exports to the United States on a priority basis. Among the factors that would be included in such an allocation plan, to the maximum extent possible, would be whether U.S. refineries were constructed for the purpose of refining Canadian crude oil, the extent of refineries' historical usage of Canadian crude oil, the lack of availability of sources of crude oil alternative to Canadian crude oil in sufficient quantities and at reasonable prices, and such other factors as the President may determine.

Mr. President, I am a strong supporter of the Emergency Petroleum Allocation Act. I believe that we must do everything possible to insure its extension. But I am also aware of the possibility that such a long-term extension may not be obtainable at this time. Therefore, we must take whatever specific actions are necessary to protect those areas that would be hit with special difficulties should the allocation act expire. I believe that providing separate legislative authority for a program of Canadian allocation is one such specific action that is urgently needed. I hope early consideration will be given to this legislation.

Mr. President, I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2364

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Sec. 1. The Congress hereby determines that—

(a) refineries in certain land-locked regions of the United States have been and are currently dependent on crude oil imported from Canada; and

(b) the Government of Canada has announced its intention to reduce crude oil exports to the United States, and to totally eliminate such exports by 1983; and

(c) as the volume of Canadian crude oil exported to the United States declines, those areas most dependent on such crude oil would experience severe economic and supply disruptions; and

(d) such disruptions could be reduced or eliminated during the initial years of the reductions of supply from Canada by an effective system to allocate Canadian crude oil to those refiners most severely affected, and without economically viable alternative crude oil supplies available to them; and

(e) such an allocation system should be promulgated by the President at the earliest possible date.

Sec. 2. (a) The President is hereby authorized to promulgate a regulation providing for the mandatory allocation of crude oil imported from Canada to the United States in amounts specified in (or determined in a manner prescribed by) such regulation.

(b) To the maximum extent practicable, such regulation shall provide for allocation to refineries within the United States on the basis of (1) the lack of availability of sources of crude oil alternative to Canadian crude oil in sufficient quantities and at reasonable prices, (2) historical usage of Canadian crude oil, (3) construction of such refineries for the purpose of refining Canadian crude, and (4) such other factors as he may determine.

Sec. 3. The President shall report to the Congress within 60 days of passage of this Act on the measures taken to implement a system of allocation pursuant to section 2.

By Mr. BARTLETT:

S. 2365. A bill to amend title 38, United States Code, to provide measurement criteria for courses offered by independent study. Referred to the Committee on Veterans' Affairs.

Mr. BARTLETT. Mr. President, today I introduce legislation to correct a problem facing qualified veterans who wish to take college course work for degrees under liberal studies programs.

The Federal Register of November 5, 1974 (vol. 39, No. 214, p. 39058), included a notice of proposed changes in the existing rules for approval of VA educational benefits for students enrolled in independent study programs.

Prior to December 24, 1974, veterans enrolled in a Bachelor or Master of Liberal Studies program received full-time VA educational subsistence benefits since the programs were full-time residence degree programs. The BLS/MLS programs are recognized and accredited degrees developed under innovative and nontraditional methodologies in higher education.

The VA has, by implementing these regulations, thwarted this innovative approach to education by establishing criteria for educational subsistence as follows:

> A major portion of the credit hours for which the veteran or eligible person is enrolled during any term is offered through conventional classroom and/or laboratory sessions.

The new regulations would provide for tuition reimbursement only, while the BLS/MLS programs are designed as independent studies with short-term intensive seminars on the campus.

This legislation will correct this ill-conceived problem thereby allowing eligible veterans to once again receive their full educational assistance entitlement.

By Mr. WILLIAMS (for himself and Mr. Case):

S. 2366. A bill to authorize the Secretary of the Navy to convey certain lands at the Naval Air Station, Lakehurst, N.J., to the Airship Association as a site for an airship museum. Referred to the Committee on Armed Services.

AIRSHIP MUSEUM

Mr. WILLIAMS. Mr. President, today I join my distinguished colleague from New Jersey (Mr. Case) and the entire New Jersey congressional delegation in introducing legislation which would authorize the Secretary of the Navy to transfer certain lands to the Naval Air Station, Lakehurst, N.J., as a site for an airship museum.

Two and one-half years ago, a small group of New Jersey residents associated themselves into a partnership known as the Airship Association. The Airship Association, a nonprofit corporation formed by Vice Adm. Charles E. Rosenthal, U.S. Navy, retired, plans to create a museum to house displays and serve as a repository of airship information. In the past the Airship Association has been borrowing facilities at the Lakehurst Station for the storage of part of its collection.

The Department of the Navy is fully supportive of this plan to designate 13 acres of excess land at the Lakehurst Station to the Airship Association as a site for an airship museum. However, this site cannot be acquired unless legislation is enacted authorizing conveyance of the selected location without cost. This measure being jointly introduced in the House and the Senate will provide the Secretary of the Navy with this authority.

The era of airships represents a rich and romantic period in aviation history, and the Lakehurst Naval Air Station has had a prominent role in this history. Hangar No. 1 of the Lakehurst Station was designated a national shrine in 1971 when the air station, one of the three oldest in America, celebrated its 50th year of active service. The Lakehurst Naval Air Station had been the operating base for the Navy's airship operation since 1921 until its mission was recently changed due to the cessation of the airship program. It is also the site of the explosion of the Hindenburg on May 6, 1937, as the famous German vessel was making one of its transatlantic trips.

Mr. President, in view of its history, the Lakehurst Naval Air Station is a most suitable location for the airship museum. I eagerly look forward to seeing the memory of those Americans, who contributed so much to airship history, become a part of our American heritage. I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2366

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Navy is authorized to convey to the Airship Association, a non-profit organization incorporated under the laws of the State of New Jersey, without monetary consideration, all right, title and interest of the United States of America, in and to the portion of the lands comprising the Naval Air Station, Lakehurst, New Jersey, described in section 2, for use as a permanent site for the museum described in section 3 of this Act, subject to conditions of use set forth therein.

Sec. 2. The land authorized to be conveyed by the first section of this Act is a certain parcel of land containing 13.52 acres, more or less, situated in Ocean County, New Jersey, being a part of the Naval Air Station, Lakehurst, New Jersey, more particularly described as follows:

Beginning at a point on the westerly side of Ocean County Route No. 547, 205.40′ northerly from the intersection of the center line of new road and the westerly side of Route #547 thence (1) N10°-14′-19″E, 770.25′ along the westerly edge of road to a point thence (2) N66°35′41″W, 724.55′ to a point thence (3) S25°-26′-19″W, 750′ to a point thence (4) S66°-35′-41″E, 900′ to the point and place of beginning.

Sec. 3. The conveyance authorized by section 1 of this Act shall be subject to the following conditions:

(1) That the lands so conveyed shall be used for the purpose of constructing and operating an Airship Museum to collect, preserve and display to the public materials, memorabilia, and items of historical significance and interest relative to the development and use of the airship, and for purposes incidental thereto;

(2) That all right, title and interest in and to such lands, and any improvements constructed thereon, shall revert to the United States, which shall have an immediate right of entry thereon, if the construction of the Airship Museum is not undertaken within five years from the date of such conveyance, or if the lands conveyed shall cease to be used for the purposes specified in paragraph (1) of this section; and

(3) That the Airship Association comply with such other terms and conditions as the Secretary of the Navy, or his designee, shall determine necessary to protect the interests of the United States.

By Mr. KENNEDY (for himself, Mr. Hartke, Mr. Pell, and Mr. Pastore):

S. 2368. A bill to amend the Regional Rail Reorganization Act of 1973 to protect branch line rail service. Referred to the Committee on Commerce.

Mr. KENNEDY. Mr. President, I am introducing a bill today for myself, the two distinguished Senators from Rhode Island (Mr. Pell and Mr. Pastore), and the distinguished chairman of the Surface Transportation Subcommittee (Mr. Hartke), to assist States and localities in keeping vital branch line rail service in operation.

The U.S. Railway Association has submitted a final system plan that calls for the abandonment of 16 branch lines of 150 miles in Massachusetts and 5,757 miles in the Northeast as a whole. This action threatens the economic welfare of numerous communities and is the wrong answer during a time of energy crisis.

This measure carries out the congressional intent to assist States and communities in maintaining branch line service which is so critical to the economic well-being of hundreds of communities in Massachusetts, New England, and the Northeast.

We are attempting to insure that the opportunity under the Regional Rail Reorganization Act of 1973 to maintain these lines is real and not illusory.

In that way, we are trying to fulfill the final system goal of the legislation—"the minimization of job losses and associated increases in unemployment"—will be attained.

I believe the final system plan, as the preliminary system plans, does not adequately respond to that goal in its abandonment proposals.

The light density line abandonment analysis, which focused solely on the profitability of these lines, and the conclusions reached have been severely criticized by communities, shippers, the Rail Services Planning Office of the U.S. Railway Association and to a considerable degree by the Interstate Commerce Commission.

The RSPO hearings held in Massachusetts showed the strong view that the economic survival of many towns depends on our keeping these lines open.

These criticisms justify an immediate and urgent restudy of the lines proposed for abandonment. And during that time, we do not want to see abandonment go forward precipitously or we may find that we have abandoned lines that the new study concludes should have been kept open.

The bill will accomplish the following:

First. It would extend the subsidy provisions from 2 to 5 years;

Second. Instead of 70/30 Federal-State matching, which is unrealistic during these early years, the Federal Government would provide for 100 percent subsidy for the first year while the new study is underway with a gradual reduction until the subsidy reaches 70/30 in the final year;

Third. It would establish State rail planning grant programs so that immediate planning for maintenance of branch lines can be set in motion;

Fourth. It would allow funds to be used not only for direct subsidy of operating costs but also for acquisition and modernization;

Fifth. It would allow funds to be used for the "reserving" of the branch lines for future rail use so that these valuable rights-of-way are not lost;

Sixth. It would allow subsidies to be used on lines that have been acquired and modernized;

Seventh. It would permit viable lines to be included in the final system at some point in the future;

Eighth. It would permit funds to be used for sidings or other rail-related solutions to a community's freight line needs; and

Ninth. It will establish a branch line management function within the new northeast regional rail entity, Consolidated Railroad Corporation.

Mr. PELL. Mr. President, I am happy to be a cosponsor of legislation introduced today by the distinguished senior Senator from Massachusetts (Mr. KENNEDY) which would amend the Regional Rail Reorganization Act of 1973.

This bill is an important complement to the U.S. Railway Association's final system plan, now being considered by Congress. While realizing the plan's importance in returning this Nation's railroads to the right track, I believe the USRA's proposed treatment of light-density lines is unacceptable.

The State of Rhode Island has suffered unduly from the ravages of our sad economy. Now it is going to be hurt again by USRA-recommended closings of important branch lines. Newport County, already reeling from Federal Government closing of the Newport Naval Base, is now threatened with losing its rail link with Portsmouth, a line currently providing rail service for existing industries and one which is vital to that area's economic recovery. Yet the USRA plan, examining only present profitability as a standard, is recommending that this branch not be included within ConRail.

Thus, Mr. President, it falls to the State of Rhode Island to take over operation of this line. Our State government, reflecting its citizens' high unemployment and reduced incomes, is not in a position to expend large sums of money to rehabilitate and run this line or others recommended for exclusion from ConRail.

Under this bill, title IV of the Regional Rail Reorganization Act of 1973 would be amended to provide funds for States to deal with their branch lines in a more flexible and intelligent fashion. Of particular importance is a provision allowing such funds to be spent for acquisition and modernization of branch lines rather than restricting these funds to operating subsidies.

Passage of this measure will help ease the impact of branch line closings on State governments and will demonstrate Federal Government accountability for its actions which adversely affect localities. I support this effort at rectifying the impact of the final system plan and am happy to be included as a cosponsor of this legislation.

By Mr. CHILES (for himself, Mr. NUNN, Mr. GLENN, Mr. JOHNSTON, and Mr. STONE):

S. 2369. A bill to amend the Food Stamp Act of 1964 by revising the eligibility requirements for participation in the program and increasing the overall efficiency of the program administration through the imposition of a national income formula, and for other purposes. Referred to the Committee on Agriculture and Forestry.

(The remarks of Mr. CHILES when he introduced the above bill appear later in the RECORD.)

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 5

At the request of Mr. CHILES, the Senator from Massachusetts (Mr. KENNEDY), the Senator from New Mexico (Mr. DOMENICI), the Senator from Ohio (Mr. TAFT), and the Senator from Pennsylvania (Mr. SCHWEIKER) were added as cosponsors of S. 5, the Federal Government in the Sunshine Act.

S. 327

At the request of Mr. JACKSON, the Senator from Florida (Mr. STONE) was added as a cosponsor of S. 327, a bill to amend the Land and Water Conservation Fund Act of 1965.

S. 626

At the request of Mr. MONDALE, the Senator from California (Mr. CRANSTON), the Senator from Colorado (Mr. HASKELL), the Senator from Illinois (Mr. PERCY), and the Senator from Montana (Mr. MANSFIELD) were added as cosponsors of S. 626, the Child and Family Services Act of 1975.

S. 626—WITHDRAWAL

At the request of Mr. MONDALE, the Senator from Idaho (Mr. CHURCH) was withdrawn as a cosponsor of S. 626, supra.

S. 997

At the request of Mr. MOSS, the Senator from Pennsylvania (Mr. HUGH SCOTT) was added as a cosponsor of S. 997, a bill to amend the Fair Packaging and Labeling Act to require disclosure by retail distributors of retail unit prices of consumer commodities.

S. 1353

At the request of Mr. WILLIAMS, the Senator from Indiana (Mr. HARTKE) was added as a cosponsor of S. 1353, a bill to amend section 306(a)(7) of the Consolidated Farm and Rural Development Act.

S. 1607

At the request of Mr. RANDOLPH, the Senator from Minnesota (Mr. MONDALE) was added as a cosponsor of S. 1607, a bill to authorize the employment of reading assistants for blind employees and interpreters for deaf employees.

S. 1875

At the request of Mr. BEALL, the Senator from Rhode Island (Mr. PELL) was added as a cosponsor of S. 1875, a bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to add a requirement that the comprehensive State plan include provisions for the prevention of crimes against the elderly.

S. 2019

At the request of Mr. HUMPHREY, the Senator from Minnesota (Mr. MONDALE) was added as a cosponsor of S. 2019, a bill to amend the Rehabilitation Act of 1973 to provide for a program of wage supplements for handicapped individuals.

S. 2040

At the request of Mr. ABOUREZK, the Senator from Indiana (Mr. HARTKE) was added as a cosponsor of S. 2040, the Judicial Salary Act of 1975.

S. 2088

At the request of Mr. MATHIAS, the Senator from California (Mr. CRANSTON) was added as a cosponsor of S. 2088, a bill to prohibit the use of dogs by the Department of Defense in connection with the research, testing, development, or evaluation of radioactive, chemical, or biological warfare agents, and to require the Department of Defense to develop and use, where feasible, alternative, non-animal methods of experimentation.

S. 2145

At the request of Mr. CRANSTON, the Senator from New York (Mr. JAVITS) was added as a cosponsor of S. 2145, a bill to provide Federal financial assistance to States in order to assist local educational agencies to provide public education to Vietnamese and Cambodian refugee children.

S. 2157

At the request of Mr. JAVITS, the Senator from Michigan (Mr. PHILIP A. HART) was added as a cosponsor of S. 2157, a bill to amend title XX of the Social Security Act.

S. 2180

At the request of Mr. Abourezk, the Senator from Wyoming (Mr. Hansen) was added as a cosponsor of S. 2180, a bill to amend title I of the Housing and Community Development Act of 1974.

S. 2250

At the request of Mr. Mondale, the Senator from North Dakota (Mr. Burdick) was added as a cosponsor of S. 2250, the Family Research Act of 1975.

S. 2271

At the request of Mr. Domenici, the Senator from Tennessee (Mr. Brock) was added as a cosponsor of S. 2271, a bill to amend the Interstate Commerce Act by including independent owner-operator truckers as an exempted class under section 203(b) of that act, and for other purposes.

S. 2300

At the request of Mr. Bellmon, the Senator from North Carolina (Mr. Helms) was added as a cosponsor of S. 2300, a bill to direct the Secretary of the Army to issue permanent easements for certain docks constructed on property under his jurisdiction.

SENATE JOINT RESOLUTION 115

At the request of Mr. Domenici, the Senator from Indiana (Mr. Hartke) was added as a cosponsor of Senate Joint Resolution 115, relating to the publication of economic and social statistics for Americans of Spanish origin or descent.

SENATE RESOLUTION 246—ORIGINAL RESOLUTION REPORTED AUTHORIZING ADDITIONAL EXPENDITURES BY THE COMMITTEE ON RULES AND ADMINISTRATION

(Placed on the calendar.)

Mr. CANNON, from the Committee on Rules and Administration, reported the following original resolution:

Resolved, That the Committee on Rules and Administration is authorized to expend from the contingent fund of the Senate, during the Ninety-fourth Congress, $10,000 in addition to the amounts, and for the same purposes, specified in section 134(a) of the Legislative Reorganization Act of 1946, and in Senate Resolution 153, Ninety-fourth Congress, agreed to May 14, 1975.

SENATE RESOLUTION 247—SUBMISSION OF A RESOLUTION AUTHORIZING CERTAIN PAYMENTS TO JOHN A. DURKIN AND LOUIS C. WYMAN

(Referred to the Committee on Rules and Administration.)

Mr. MANSFIELD (for himself and Mr. Hugh Scott) submitted the following resolution:

Senate Resolution 247

Resolved, That the Secretary of the Senate is authorized and directed to reimburse John A. Durkin and Louis C. Wyman for the expenses which (1) were incurred by them or others on their behalf and under their direction as a result of and in connection with the consideration by the Committee on Rules and Administration and by the Senate of the recent contested election for a seat in the Senate from the State of New Hampshire and (2) the Committee on Rules and Administration funds were reasonable and necessary for the proper consideration by that committee and by the Senate of such contested election and were not reimbursed to them from any other source or paid for by any other person.

Sec. 2. Payments under this resolution shall be made from the contingent fund of the Senate upon vouchers approved by the chairman of the Committee on Rules and Administration.

SENATE RESOLUTIONS 248, 249, AND 250—SUBMISSION OF RESOLUTIONS DISAPPROVING THE DEFERRAL OF CERTAIN BUDGET AUTHORITY

Mr. ABOUREZK (for himself, Mr. Cranston, Mr. Philip A. Hart, Mr. Hartke, Mr. Huddleston, Mr. Humphrey, Mr. Kennedy, Mr. McGovern, and Mr. Tunney) submitted the following resolutions which were referred as indicated, pursuant to the order of January 30, 1975:

Senate Resolution 248; to the Committees on Appropriations, Budget, Agriculture and Forestry, and Banking, Housing and Urban Affairs:

S. Res. 248

Resolved, That the Senate disapproves the proposed deferral of budget authority for mutual and self-help housing grants, which deferral (D76–33) was set forth in the special message transmitted by the President to the Congress on July 26, 1975, under section 1013 of the Impoundment Control Act of 1974.

Senate Resolution 249; to the Committees on Appropriations, Budget, Agriculture and Forestry, and Public Works:

S. Res. 249

Resolved, That the Senate disapproves the proposed deferral of budget authority for rural water and waste disposal grants, which deferral (D76–31) was set forth in the special message transmitted by the President to the Congress on July 26, 1975, under section 1013 of the Impoundment Control Act of 1974.

Senate Resolution 250; to the Committees on Appropriations, Budget, Agriculture and Forestry, and Banking, Housing and Urban Affairs:

S. Res. 250

Resolved, That the Senate disapproves the proposed deferral of budget authority for rural housing for domestic farm labor grants, which deferral (D76–32) was set forth in the special message transmitted by the President to the Congress on July 26, 1975, under section 1013 of the Impoundment Control Act of 1974.

DISAPPROVAL OF FARMERS HOME ADMINISTRATION DEFERRALS

Mr. ABOUREZK. Mr. President, on behalf of myself and eight colleagues, I am submitting resolutions disapproving of three deferrals of spending authority voted by Congress for programs of the Farmers Home Administration. The programs involved are those for rural water and sewer grants, farm labor housing grants, and technical assistance grants for self-help housing programs.

In submitting these resolutions, Mr. President, we are basically asking the Senate to send the administration a message, That message is: Let us stop playing games with these programs and get on with the job that the Congress has repeatedly and consistently said it wants done.

To make the need for sending that message clear, let me review the recent budgetary history of these three programs. In fiscal 1974, the administration recommended no money for water and sewer grants, it recommended no money for farm labor housing, and it recommended only $3 million for self-help grants. Congress response to each of those recommendations was a clear rejection. We voted $30 million for water and sewer; we voted $7.5 million for farm labor housing; and we voted $4 million for self-help housing.

The following year, the administration ignored the clear congressional intent to continue these three programs and recommended no money for any of the three. It proposed to terminate them all. Once again, the congressional response to their recommendation was a clear and unequivocal rejection. We once again appropriated $30 million for water and sewer grants; we voted $5 million for farm labor housing; and we voted $5 million for self-help housing technical assistance. One would think that we had made the policy decision clear: We wanted those programs continued.

But, it becomes evident that we are facing the most stone-walling administration imaginable. When this year's budget recommendations came up to Congress, they included some funding for water and sewer grants, but again urged termination of the farm labor housing and self-help housing grants. Yet once more, the Congress patiently repudiated the administration recommendations, and in the continuing resolution which we voted in June, we provided specifically for increased funding for water and sewer grants above the level recommended by the President, and we provided specifically for continuation of the farm labor and self-help grant programs.

Now, you might think, Mr. President, that three times and out—but, no. Not with this administration. On July 26, the President dispatches another one of his impoundment messages and announces that he is deferring the spending of that additional funding "until Congress makes a final determination" on the matter by action on the regular Farmers Home appropriation measure.

I submit, Mr. President, that this is game-playing. It is clear that the administration may recommend, but that the Congress establishes policy—and it is equally clear that in these programs, the Congress has considered the administration's recommendations not once but three times, and has made its policy decision. It is long past the time when the administration should accept that decision and go on about its job of administering these programs in the way and at the levels Congress voted.

The regular appropriations measure for Farmers Home Administration for fiscal 1976 is, as we know, awaiting resolution of the differences between the House and Senate. Whatever the resolution of those differences, we know and the administration knows, that we are going to vote more money for these three programs than they asked for. Given their past record on the matter, one wonders if the administration plans to recommmend yet new deferrals in these programs when the regular appropriations act is signed into law. It is not beyond the realm of possibility and it would mean another delay in carrying out the will of the legislative body.

That is why we should send the President and his Office of Management and Budget the message which is embodied in these three disapproval resolutions. That message is simply "enough."

Mr. CRANSTON. Mr. President, I am pleased to be a cosponsor of the resolutions submitted by Senator ABOUREZK today which disapprove deferrals D76–31, D76–32, and D76–33. These deferrals, in the program categories of water and waste disposal grants, farm labor housing grants, and mutual and self-help housing grants respectively, would create an unnecessary interruption in program activities if enacted.

The Farmers Home Administration—FmHA—which administers these three programs, chooses to defer spending for the programs until the fiscal year 1976 agriculture appropriations bill is signed into law. I see no reason for this delay. FmHA is now operating on a continuing resolution that contains adequate funds for the continuation of these programs. The House and Senate have consistently affirmed their support for water and waste disposal grants, farm labor housing grants, and self-help housing grants. The fiscal year 1976 agriculture appropriations bill now in conference provides funds for all three programs.

The need for these programs is great. The number of applications pending in the FmHA national office as of June 30, 1975—and still unfunded as of September 15, 1975—reflects this need. As of June 30, 2,018 applications had been submitted to FmHA for the water and waste disposal grant program—73 of these applications were from California groups and public bodies. Forty-four applications had been received for the farm labor housing loan and grant program, 4 of which were from California groups, and 21 applications were submitted for mutual and self-help housing grants, with 1 application from a California group. Mr. President, public bodies and nonprofit organizations would not be submitting applications to FmHA in such large numbers if the need for these funds was not great. I hope the resolutions disapproving these three deferrals will be enacted swiftly.

SENATE RESOLUTION 251—SUBMISSION OF A RESOLUTION RELATING TO THE PRESIDENT'S TRIP TO CHINA AND AMERICAN POW'S AND MIA'S

(Referred to the Committee on Foreign Relations.)

Mr. BIDEN submitted the following resolution:

S. RES. 251

Resolved, That it is the sense of the Senate that the **President should, upon visiting the People's Republic of China, request that appropriate Chinese officials use their good offices to obtain a full and complete accounting of members of the United States armed forces missing in action and confined as prisoners of war in Southeast Asia.**

THE PRESIDENT'S TRIP TO PEKING AND AMERICAN POW'S–MIA'S

Mr. BIDEN. Mr. President, the Washington Star reported last Thursday that the President is expected to make his anticipated visit to Peking in mid-November.

No firm dates have been established, but it is apparently anticipated that the President will spend 6 or 7 days in the People's Republic of China.

I rise today, Mr. President, to submit a resolution expressing the sense of the Senate that the President take the occasion of this forthcoming visit to Peking to renew attempts to determine the fate of some 1,300 Americans missing in Indochina.

It has been 2½ years since the Paris Accords were signed—accords which were to have yielded an accounting of Americans missing in Indochina, especially in North and South Vietnam. Over 700 of these missing Americans are Air Force personnel.

Mr. President, I recognize that in the absense of cooperation from Hanoi, obtaining a final accounting of the fate of these Americans is extremely difficult.

However, I had hoped that with the final cessation of hostilities in Indochina this spring, it would be finally possible to obtain such an accounting. It was for that reason that I wrote to both Secretary of State Kissinger and Secretary of Defense Schlesinger on May 1, urging the Ford administration to undertake new efforts "through the liaison office in Peking, the American embassy in Moscow, and whatever other diplomatic or other channels are available, to obtain a listing of American MIA's from the government of North Vietnam."

The responses received from both the State Department and the Defense Department were not encouraging. Neither department directly addressed itself to my suggestion that we seek the good offices of Peking and Moscow in obtaining a final accounting.

This attitude, frankly, puzzles me. Certainly, the United States is not without diplomatic and even economic leverage.

After all, Moscow wants to purchase large quantities of American grain and continues to seek American technology. Furthermore, Soviet leaders continue to express their commitment to détente.

Well, then, Mr. President, what would be so wrong if the State Department simply said to the Soviet foreign ministry, "look fellows, if you want détente—as you say you do—and if you want to buy our grain and our technology, your case is going to be strengthened if you will lean a little bit on Hanoi and tell them to come up with a list of our American MIA's."

That request really would not cost the Soviets much. And, who knows, it might yield some results.

The same thing applies to Peking. The Chinese are fearful of the Soviets. They apparently want to continue the American presence in East Asia. And they want American trade.

OK. What is wrong with asking them to help us a bit?

The resolution I am introducing today takes advantage of the fact that the President will be visiting Peking within a few weeks.

Very simply, it expresses the sense of the Senate that the President, while in Peking, seek from the Chinese a commitment that the People's Republic of China will use its good offices to obtain for the United States an accounting of Americans missing in action and confined as prisoners of war in Southeast Asia.

I, for one, think that is precious little for us to ask.

AMENDMENTS SUBMITTED FOR PRINTING

ASSISTANCE FOR CERTAIN EMPLOYEES IN THE CIVIL SERVICE—S. 771

AMENDMENT NO. 884

(Ordered to be printed and referred to the Committee on Post Office and Civil Service.)

Mr. ABOUREZK submitted an amendment intended to be proposed by him to the bill (S. 771) to assist certain employees of the United States in finding other employment in the civil service.

NATURAL GAS EMERGENCY ACT OF 1975—S. 2310

AMENDMENTS NOS. 885 THROUGH 888

(Ordered to be printed and to lie on the table.)

Mr. HOLLINGS submitted four amendments intended to be proposed by him to the bill (S. 2310) to assure the availability of adequate supplies of natural gas for the period June 30, 1975.

DEPARTMENTS OF LABOR, HEALTH, EDUCATION, AND WELFARE, AND RELATED AGENCIES APPROPRIATIONS, 1976—H.R. 8069

AMENDMENT NO. 890

(Ordered to be printed and to lie on the table.)

Mr. NELSON. Mr. President, I ask that the amendments submitted by myself and Senator CRANSTON yesterday be modified and considered en bloc and I send to the desk a modified amendment.

We have been concerned since the enactment of the National Cancer Act of 1971 that the extraordinary budgetary emphasis placed on cancer research might, in light of the national concern over Federal spending and deficits, result in decreases in the amounts made available to other vital research efforts of the National Institutes of Health—NIH—which would, in fact, have a possibly detrimental effect on cancer research. The reason is that much basic biomedical research, supported by other institutes may result in breakthroughs for cancer research, serendipitously, or in basic understanding of biological activity. Our concern was intensified in the following year with the enactment of the National Heart, Blood Vessel, Lung, and Blood Act of 1972, authorizing appropriation of substantial funds for programs of the National Heart and Lung Institute.

Our fears have been substantiated since that time by the steadily decreasing real dollars made available to all the institutes other than the National Cancer Institute and the National Heart and Lung Institute.

The Appropriations Committee has recommended an increase of $100 million over the amount included in the House-passed fiscal year 1976 Appropriations Act for the National Cancer Institute as well as a $50 million increase for the National Heart and Lung Institute and modest increases for several of the other Institutes. As we understand the committee's recommendation, $134.4 million would be appropriated over the amount available in fiscal year 1975 for the National Cancer Institute, and approximately $50 million additional for the National Heart and Lung Institute over the amount available in fiscal year 1975.

We recognize these are vital programs which must receive substantial support. However, we remain concerned particularly that the appropriation of substantial additional funds for cancer research is at the expense of research in other areas, especially basic biomedical research.

In addition, we think there is substantial evidence that the benefits of expanded basic research programs at the other NIH Institutes will also accrue to the understanding of cancer and heart disease.

We therefore are proposing an alternative approach for NIH funding, which retains the House-passed levels for the Cancer and Heart Institutes and increases the total for all other Institutes by $50 million, thereby reducing by $100 million the total NIH appropriation recommended by the committee.

The Congressional Budget Committee has recommended a total of $2.1 billion for the National Institutes of Health. The administration's budget request is $1.8 billion, including training funds. The House allowance totals $2.150 billion, almost the same amount as the Budget Committee recommendation. This amendment would bring the NIH appropriation to $2.166 billion.

We believe such a total figure would be far more in keeping with the first concurrent budget resolution of the Congress, which set $30.7 billion as a top figure for health expenditures in fiscal 1976. According to the Congressional Budget Office Senate budget scorekeeping report of September 2, 1975, it is estimated that fiscal year 1976 outlays based on existing programs, Senate action underway, and unfunded requests in the President's budget already is $2.1 billion over the target amount. The administration's total fiscal 1976 budget request for all health programs is $28.1 billion.

Of greatest concern is that those institutes which have shown the lowest rate of growth, are those that support research which may have the greatest potential to aid cancer and heart research: the Allergy Institute, which supports work in immunology and virology; the Neurology Institute, which supports slow virus work; the General Medical Sciences Institute, which supports basic cellular and genetic research; the National Institute of Environmental Health Sciences, which supports toxicology research, the development of test methodologies, and actual testing and screening of elements that may cause cancer, birth defects, or genetic change—the NIEHS in fact is supporting, along with the National Cancer Institute, a screening project to determine which agents are both carcinogenic as well as mutagenic—even the Dental Institute, which supports work on herpes virus.

EXAMPLES OF APPROVED BUT UNFUNDED BASIC RESEARCH

Some examples of the wide range of basic research projects that have been approved for funding by other Institutes, but which cannot be funded under the existing budget constraints or the proposed fiscal 1976 budget, are:

General Medical Sciences Institute.—The 450 approved grants are presently unfunded, having to do with studies of the structures within cells, both normal and diseased; how cells function, how diseases occur, and how the cells might be corrected when diseased. Such research relates to virtually all diseases. Other studies going unfunded have to do with chromosome structure and the activation and regulation of genetic function.

National Institute of Environmental Health Sciences.—The grants approved in fiscal 1975 were not funded, including: studies of methyl mercury on primate reproduction; the mechanism of toxicity on shellfish, such as clams; the effect of maleic hydrazine—used in pesticides and as a rocket propellant—on the DNA—the basic biological structure—the effect of lead on the basic enzyme that controls membranes; the metabolism of anesthetic gases and their relationship to carcinogenesis; the mutagenicity of vinyl chloride; the affect of lead on protein synthesis; the toxicity of a widely used toxic substance, benzene; automobile exhaust and chronic respiratory disease; the metabolism of foreign compounds and lung cancer relationship.

Neurology Institute.—A total of $58.8 million worth of approved grants could not be funded under the administration's proposed budget, including: research on stroke, head injuries, Parkinson's disease, multiple sclerosis, and artificial ear implants.

Allergy and Infectious Diseases Institute.—The 870 grants have been approved, but only 12 could be funded under the proposed fiscal 1976 budget, including: studies of insect sting allergies and the biochemistry of venoms; the genetics of immune response to pollens; the effects of drugs and inhaled allergens on the nose and respiratory tract; and the biochemistry of aspirin and the tolerance of aspirin in lung disease.

Arthritis and Metabolic Diseases Institute.—Unfunded grants include: studies of regulatory proteins in vertebrates with muscle; the deterioration of the retina in diabetics; reconstructing the esophagus; and control of obesity.

Three tables, which I ask unanimous consent be inserted into the RECORD, illustrate the situation. Table No. 1 shows that with the amendment we propose, all institutes except Cancer and Heart would experience increases in their budgets and basic research support capabilities over the House-passed and Senate committee recommended appropriations. The Cancer and Heart Institutes would remain at the House-passed level. The overall effect is to bring the other institutes up to a comparable level that Cancer and Heart Institutes have reached in terms of capability to support new starts in basic research.

Table 2 shows the average annual growth rate over 5 years for all institutes, in both current dollars and constant dollars—or the amount in dollars without an inflation factor. All institutes have experienced growth rates; however, those with less than 10 percent increases actually experienced a reduction in constant dollars.

Table 3 shows a comparison between 1970 appropriations for all Institutes—before enactment of the Cancer and Heart Acts—and 1975 appropriations, including percentage increases.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

CHART 1

EVIDENCE THAT OTHER INSTITUTES HAVE NOT GROWN AT THE SAME LEVEL, AS NATIONAL CANCER INSTITUTE, IN ABILITY TO FUND NEW APPROVED RESEARCH GRANT AWARDS (ESTIMATES)

[In percent]

	1975 funding of new grants	1976 budget request	House approved	Senate recommendations	Nelson amendment
NCI	62	32	61	82	[1] 61
Heart	46	13	60	85	[1] 60
Dental	69	29	57	57	65+
Arthritis	53	30	45	48	52+
Neurology	70	19	58	58	68+
Allergy	44	21	52	52	64+
GMS	59	13	51	51	65+
NICHD	46	32	32	32	56+
Eye	49	14	44	70	70+
NIEHS	53	10	34	34	55+
Aging	46	17	24	50	50+
Total NIH	55	20			

[1] Same as House.

AVERAGE ANNUAL GROWTH RATE OVER 5 YR (REPRESENTING 1970 BUDGET TO 1975 DIVIDED BY 5)[1]

[Percent]

	Current dollars per year	Constant dollars[2]
NCI	31	23
Heart	15	9
Dental	11	5
Arthritis	5	−1
Neurology	8	2
Allergy	5	−1
GMS	4	−1
NICHD	14	8
Eye	13	7
NIEHS	15	8
Total	[3] 13	7

[1] Reason: although there has been growth rate in all institutes, where it is less than 10 percent increase, there is actually a reduction in constant dollars. Deflator is factored in at little less than 10 percent (per year).

[2] What dollar would buy in 1970, i.e., without inflation factored in.

[3] Per year.

CHART 3

[In millions]

	1970 appropriation[1]	1975 appropriation[2]	Percent increase	
			Current dollars	Constant dollars
NCI	182	669	280	186
Heart	159	303	104	52
Dental	29	44	71	28
Arthritis	134	161	29	−4
Neurology	97	129	47	10
Allergy	94	110	27	−5
GMS	151	[3] 135	24	−7
NICHD	72	116	97	47
Eye	24	39	83	38
NIEHS	17	32	97	52
Aging	0	14		
Research, resources	132	[4] 128	−4	−28
Total NIH	1,092	1,937	86	40

[1] Includes training.

[2] Does not include training, authority not yet enacted.

[3] Minus, with training, 187.

[4] Minus, actual reduction.

Mr. NELSON. The following analysis shows of how the $50 million would be reallocated among the other institutes.

National Institute of Neurological and Communicative Disorders and Stroke. The recommended increase of $15.5 million over the fiscal year 1975 level would be utilized to increment the Institute's efforts in the following areas:

First, an increase of $1.7 million to support research in communicative disorders, primarily in new ways to improve hearing in the deaf.

Second, an increase of $6.8 million for increased emphasis on neurological disorders including an increased effort in epilepsy, including the development of several more epilepsy centers, and increased efforts—multiple sclerosis, brain tumors nad neuropathies—which to some extent are associated with diabetes—as well as peripheral nerve disorders.

Third, an increase of $2.1 million to support two to four new centers in stroke and or spinal cord injury.

Fourth, $1.8 million to support expanded programs in the fundamental neurosciences—that is basic research in the nervous system.

Fifth, $1.8 million to expand the intramural program by establishing three new vital sections—in hearing—neuroimmunology—the viral disorders of the nervous system such as encephalitis, and pursue the possibility of a virus as the cause of mutliple sclerosis—and in pharmacology as it relates to the nervous system.

Sixth, $1.9 million of the recommended increase would be needed for research management and program services to cover increased costs as well as provide needed support to the two new Commissions mandated by Congress—one on epilepsy and one on Huntington's disease.

National Dental Institute. The recommended increase of $3.8 million over the 1975 level would support expanded research in three major areas—caries, topical fluorides, and antiplaques where research and demonstration tests are needed to find new agents.

One million of the increase is needed to improve extramural clinical research and $.5 million is needed to advance the intramural program on caries.

National Institute of Arthritis, Metabolism and Digestive Diseases, the total recommended increase of $23 million over the fiscal year 1975 level would be used primarily to support expanded research programs in arthritis and diabetes and to strengthen research programs in the other broad mandates of the Institute. $5.7 million of the increase would be set aside for the arthritis and an equal amount for the diabetes program. This $11.4 million would strengthen the existing programs in these important areas and would enable the Institute to start immediately in implementing the recommendations of the Commissions established in each disease category by legislation enacted in the last Congress.

An increase of about $4 million would be needed for intramural programs in arthritis and diabetes mandated by Congress, but this expansion would be dependent on increasing the staff positions for the intramural program as recommended by the House report on H.R. 8069; $3.8 million on the recommended increase would be utilized for support of research grants in gastrointestinal disease and nutrition; $2.1 million of the increase would be utilized for support of research in kidney disease and hemotology; $800,000 of the increase would be allocated to research management and program services to cover increased costs due to inflation and the need to provide support to the National Arthritis Commission and the Diabetes Commission.

National Institute of Allergy and Infectious Diseases. This Institute has suffered a real loss over the past years in constant dollars, and its mandate covers some of the most prevalent diseases affecting man.

The recommended increase of $17.5 million over the fiscal year 1975 level would support expanded programs in the following areas:

First, $4 million increase in allergic and immunologic diseases. Research in this area can have a vast effect on many disease categories since new developments in immunology have such broad applications.

Second, up to $9 million additonal is needed for increased laboratory, epidemiologic, and behavioral studies in the infectious diseases such as venereal diseases, herpes virus, and viral infections. Research is well underway to develop a hepatitis vaccine. The area of infectious diseases is the area in which there are probably more viable research projects needing support than any other area. The appropriations recommended by the House would enable the Institute to support only 21 percent of approved new applications in this field.

Third, an increase of $2.9 million for intramural efforts is needed to cover the increased costs of volunteer facilities for studies of viral and infectious diseases due to the phaseout of this type of research at penal institutions. In additon it would support expansion of the asthma center, and provide better biohazard containment facilities.

Fourth, an increase of $.7 million would be allocated to research management and program services to cover increased costs of management and services.

National Institute of General Medical Sciences. This Institute is the most compromised Institute in terms of constant dollars being made available to it.

The recommended increase of $20.1 million over the fiscal year 1975 level would be allocated among the following priorities:

First, an increase of $6 million for increased research in genetics, with a primary emphasis on polygenic diseases which science indicates causes such inherited traits as high cholesterol and alpha-one antitripsin deficiency, connected with the development of emphysema. Research would be continued in the monogenic diseases, such as sickle cell and tay sachs.

Second, an increase of $4.8 million research in the cellular and molecular basis of disease programs, with particular emphasis on macro molecules, which promise a whole new frontier of research possibilities, leading to basic knowledge in cell reactions to external influences.

Third, an increase of $2.2 million for research in biomedical engineering such as polymers or other prosthesis needed to assist bodily functions.

Fourth, an increase of $2.8 million to be utilized by the clinical and psycological sciences program in two areas—development of trauma and burn research centers, and an increase in research grants in anesthesia including basic research in pain and how to combat it.

Fifth, an increase of $2.5 million for research in pharmacology and toxicology. One major area to be emphasized will be research in pediatric clinical pharmacology.

Sixth, an increase of $1.6 million would be allocated to research management and program services to cover increased costs of management and services.

National Institute of Child Health and Human Development. The recommended increase of $15.2 million over the fiscal year 1975 level would be utilized to support expansion in the following priority areas:

First, population research would be increased from $41.5 million to $48.3 million for a net increase of $6.8 million.

Second, maternal and infant health programs would be increased by $6.3 million, from $56.0 million to $62.3 million. This increase would be utilized to support research programs in the important areas of perinatal biology and infant mortality, the low birthweight infant, and sudden infant death. High priority will also be given to studies in the causes of dyslexia.

Third, intramural programs could readily utilize an increase of $2.3 million, from $11.4 to $13.7 million to carry out programs at the recently opened perinatal biology center, established to give the necessary attention to the study of the mother and the child in the period immediately preceding and immediately following birth. The allocation of new staff positions to this area is particularly important.

Fourth, an increase of $300,000 would be allocated to research management and program services to cover the increased costs of management and services from $7.3 to $7.6 million.

National Institute on Aging. This is the newest of the Institutes and its funding is particularly inadequate. The increase of $6.6 million over the fiscal year 1975 level would strengthen and expand the intramural research program and help fund a substantial backlog of approved but unfunded grants; $800,000 of the recommended increase would be needed to buttress the intramural component by supporting additional costs of the existing Gerontology Research Center at Baltimore and to expand the existing longitudinal study which has been following males for 20 years to follow women as well.

An increase of $4.9 million would be allocated to fund a portion of the backlog of unfunded approved grants.

An increase of $1 million would be allocated to research management and program services to cover the increased costs of management and services.

National Eye Institute. The recommended increase of $11.2 million over the fiscal year 1975 level would be allocated as shown below in several areas of retinal and choroidal disease research:

Area	Current	Recommended	Increase
Retinal disease	$12.5m	$17.0m	$4.5m
Corneal disease	5.8m	6.6m	.8m
Cataracts	3.0m	4.2m	1.2m
Glaucoma	4.2m	6.5m	2.3m
Sensory motor rehabilitation (eye muscle weakness)	6.4m	8.3m	1.9m
Intramural research	4.9m	5.2m	.3m
Research management and program services	2.6m	2.8m	.2m
Total			$11.2m

National Institute of Environmental Health Sciences. This is a relatively young institute which has been severely stunted in its growth by the precipitous rate of decline in funding support over the last 6 years.

The recommended increase of $10.2 million would be allocated as follows:

First, a modest increase of $300,000 for the center grants program.

Second, several important areas included in the environmental mutagenesis program would receive increased support—$1.8 million for etiologic studies to identify environmental substances which may have a mutagenic and perhaps a carcinogenic effect on man; $2.1 million to identify the chemicals most likely to have such effects on man; $3.1 million to support increased research in environmental pharmacology and toxicology, particularly to identify hazardous agents associated with new methods of energy production; and an increase of $500,000 in environmental pathogenesis research, that is, a study of the early effects of toxic agents on organs.

Third, the intramural research program has been severely restricted by a shortage of funds and positions; $2.4 million of the increase would be allocated to intramural research primarily to increase the Institute's capability to conduct epidemiologic studies. The program has requested 48 additional positions to carry out such programs.

Fourth, an increase of $100,000 would be allocated to research management and program services to cover the increased costs of management and services.

Division of Research Resources. The modest increase of $4.9 million over the fiscal year 1975 level for this Division would support the following expansions in research efforts:

First, $500,000 would support additional research in the development of instrumentation.

Second, $1.8 million of the increase is badly needed in primate research to carry out plans to increase and maintain breeding contracts and establish primate resources.

Third, modest amounts totaling less than $300,000 would be allocated for the general research support formula program and the minority biomedical support program.

Fourth, $200,000 of the increase would be allocated to research management and program services to cover the increased cost in management and services.

John E. Fogarty International Center for Advanced Studies in the Health Sciences. The $1 million increase recommended over the fiscal year 1975 level includes a $500,000 increase for the Gorgas Memorial Laboratory, a $300,000 increase for the scholarship program to support a greater number of exchange scholars, and $200,000 for increased costs in management and services.

National Library of Medicine. The $1 million increase recommended over the fiscal year 1975 level for the National Library of Medicine would cover an increase of $500,000 to increase the Library's efforts in the field of utilizing satellites for biomedical communication and $300,000 for the National Audiovisual Center, and $500,000 for the expansion of the Library's program for the dissemination of information, including special emphasis on providing information to practitioners in rural areas.

Buildings and facilities. The recommended increase of $38 million over the fiscal year 1975 level would enable NIH to do necessary maintenance and improvements as follows: $21.7 for improvement to the ambulatory research facility at the clinical research center, $11 million for the Environmental Health Services Center, $2.8 million for extension of utilities services, $1.1 million for uninterruptable power, $1 million to move the firehouse, $.4 million to expand the potable water system, $3 million for repairs and improvements to the NIH campus.

Office of the Director. The recommended increase to $19.6 million over the $18 available in fiscal year 1975 will enable the office to meet the $1,626,000 cost of the mandatory pay increases for existing staff, as well as $400,000 owed the GSA for rent. In addition, greater demands will be made on the Director's office as a result of his new responsibilities under the Human Experimentation Act, the Freedom of Information Act, and the Privacy Act.

ADDITIONAL COSPONSOR OF AN AMENDMENT

AMENDMENT NO. 876

At the request of Mr. Abourezk, the Senator from South Dakota (Mr. McGovern) was added as a cosponsor of amendment No. 876, intended to be proposed to the bill (S. 1816), the foreign aid bill.

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

James R. Laffoon, of California, to be U.S. marshal for the southern district of California for the term of 4 years (reappointment).

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Tuesday, September 24, 1975, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

NOTICE OF HEARINGS

Mr. PROXMIRE. Mr. President, the Committee on Banking, Housing and Urban Affairs will conduct hearings on October 6, 7, and 8, on S. 2273, the Condominium Consumer Protection Act of 1975.

The hearings will commence at 10 a.m. each morning, and will be held in room 5302, Dirksen Senate Office Building.

If there are any questions, please contact Ms. Elinor Bachrach at 224–7391 or Mr. Jeremiah S. Buckley at 224–5404.

CANCELLATION OF MEAT INSPECTION HEARING

Mr. ALLEN. Mr. President, recently the Department of Agriculture indicated that it was considering a plan to alter the existing Federal-State meat inspection system and relationship, to a new system utilizing the provisions of the Talmadge-Aiken Act, but providing authority at an 80–20 Federal-State funding level.

Under the provisions of the existing Federal Meat Inspection Act, Federal-State funding of the system is on a 50–50 basis. Further, meat inspected in State inspected plants is prohibited from moving in interstate commerce.

On the other hand, Talmadge-Aiken authority plants are now funded on a 50–50 basis but meat inspected in these plants is permitted to move in interstate commerce.

Inasmuch as the Agriculture Department's proposed change had many ramifications, the chairman of our Senate Committee on Agriculture and Forestry, the distinguished senior Senator from Georgia (Mr. Talmadge) requested Secretary Butz to suspend consideration of the new plan until the committee was given an opportunity to obtain public views on the matter.

Recently I announced that our Senate Subcommittee on Agricultural Research and General Legislation would hold hearings on the proposed changes in the meat inspection system on September 23. On yesterday, however, I met with officials of the Agriculture Department and, after a discussion of the many implications involved in moving from 50–50 Federal funding of State meat inspection under the Wholesome Meat Act authority, to 80–20 under the Talmadge-Aiken Act authority, the officials advised me that they no longer plan to alter the existing Federal-State meat inspection system.

Earlier today I received a letter from Assistant USDA Secretary, Mr. Richard L. Feltner, confirming the substance of our meeting on yesterday, and I ask unanimous consent that Mr. Feltner's letter be printed in the Record at this point.

Mr. President, in view of the substance of Mr. Feltner's letter, it will no longer be necessary to conduct the subcommittee hearings on next Tuesday and, therefore, I announce that they are hereby canceled.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Department of Agriculture,
Washington, D.C., September 17, 1975.

Hon. James B. Allen,
Chairman, Subcommittee on Agricultural Research and General Legislation, Committee on Agriculture and Forestry, Washington, D.C.

Dear Mr. Chairman: This is in response to your request for a representative of this Department to appear before the Subcommittee on Agricultural Research and General Legislation on September 23 to discuss possible changes in the level of funding for Federal-State meat inspection programs under the Talmadge-Aiken Act (P.L. 87–718) (76 Stat. 663).

The Department has reviewed various options and has decided not to initiate changes in the level of funding at this time. In view of this decision, we have not gone forward with plans to implement any changes. Therefore, it is our belief that hearings on this subject are no longer required.

Sincerely,

Richard L. Feltner,
Assistant Secretary.

BUDGET COMMITTEE TAX POLICY TASK FORCE ANNOUNCES SEMINARS ON CAPITAL FORMATION, DISC

Mr. MONDALE. Mr. President, the Senate Budget Committee Task Force on Tax Policy and Tax Expenditures will hold seminars on September 18 and 19 on the tax aspects of capital formation, and on September 26 on the Domestic International Sales Corp.—DISC—export tax incentive.

The members of the task force include myself as chairman, and Senators Frank E. Moss, Democrat, of Utah; James Abourezk, Democrat, of South Dakota; Joseph Biden, Jr., Democrat, of Delaware; Robert Dole, Republican, of Kansas; J. Glenn Beall, Jr., Republican, of Maryland; and Pete Domenici, Republican, of New Mexico.

The seminars on September 18 and 19 on the tax aspects of capital formation will be held jointly with the task force on capital needs, chaired by Senator Lawton Chiles, Democrat, of Florida.

The seminar on Thursday, September 18, will begin at 9:30 a.m. in room 357 of the Russell Office Building. The topic will be "Encouraging Capital Formation Through the Tax Code: An Evaluation of Existing Incentives." It will include a review and evaluation of the investment tax credit, the asset depreciation range—ADR—system and changes in the corporate tax rate. The impact of these and other investment incentives on capital investment, jobs, and productivity will be evaluated and the cost, effectiveness, and equity of these tax incentives will be compared with other Federal fiscal and monetary actions aimed at the same purposes.

Participants in this seminar will include:

Dale Jorgenson, professor of economics, Harvard University.

Robert Eisner, professor of economics, Northwestern University.

Paul Taubman, professor of economics, University of Pennsylvania.

The seminar on Friday, September 19, will begin at 10 a.m. in room 357 of the Russell Office Building. The topic will be "Encouraging Capital Formation Through the Tax Code: An Evaluation of New Proposals." It will cover proposals for full or partial integration of corporate and individual income taxes, adjustment of depreciation allowances for inflation and elimination of the corporate interest deduction with a corresponding reduction in the corporate tax rate. The proposals will be evaluated in light of their revenue cost, equity and their effectiveness in generating additional investment, jobs, and productivity. They will be compared with other possible Federal fiscal and monetary actions aimed at the same purposes.

Participants in this seminar will include:

Reginald Jones, chairman of the board, General Electric Co.

Martin Feldstein, professor of economics, Harvard University.

Gerard Brannon, professor of economics, Georgetown University.

The seminar on Friday, September 26, will begin at 10 a.m. in room 357 of the Russell Office Building. The topic will be "DISC: An Evaluation of the Cost and Benefits." The seminar will review and evaluate the following issues: the need for export incentives in light of subsequent dollar devaluations and a floating rate exchange system; how much DISC has increased exports; how much of an inflationary impact DISC has had on domestic price levels: which industries and types of companies have benefited most from DISC: why DISC revenue costs have been so much higher than initially anticipated; and the value of the continued existence of DISC as a significant "bargaining chip" in international trade negotiations. The seminar will also evaluate DISC in light of the assumption in the first concurrent resolution on the budget that $1 billion in additional revenue for fiscal year 1976 will be raised "through enactment of tax reform legislation."

The participants of this seminar will include:

David Garfield, vice chairman, Ingersoll-Rand Co. and chairman of the special committee for U.S. exports.

Harold Malmgren, fellow, Woodrow Wilson Center for Scholars, former deputy special trade representatives.

Thomas Horst, professor, Fletcher School of Law and Diplomacy.

Robert Sammons, consultant to the Treasury Department and the Federal Reserve Board.

ADDITIONAL STATEMENTS

THE ALOHA STADIUM

Mr. FONG. Mr. President, the growth and development of my State of Hawaii has attracted the attention of the Nation during recent years. I am pleased to report the completion over the weekend of the newest major landmark in this history of growth. I refer to the Aloha Stadium which opened on Friday, September 12, 1975, in Honolulu.

This extraordinary multisport stadium, designed for the State of Hawaii by world renowned architects Charles Luckman Associates, holds significance for sports fans across the Nation. This unique 50,000-seat stadium is the first in the world with massive movable grandstands designed to provide sports fans with ideal seating for both football and baseball.

Through the innovative use of air firm technology, Aloha Stadium changes shape from football position to baseball and back again by moving the 14-million-pound grandstands on a thin film of compressed air. Seating configurations place both the football fan and the baseball fan closer to the playing field and with a better viewing angle than ever before achieved in a multisport stadium.

The bold design concept for Aloha Stadium was conceived by Charles Luckman Associates, architects for many of the Nation's most prestigious structures, including Madison Square Garden in New York, the Forum in Inglewood, Calif., Prudential Square in Boston, Los Angeles Convention and Exhibition Center, and Phoenix Civil Plaza.

Aloha Stadium represents the remarkable achievements that can be attained by creative planners, designers and builders working in cooperation with enlightened State government.

Though many things could have gone wrong, I am happy to report that the opening of the stadium, with the Governor and a host of other officials and Mr. Luckman present, took place Friday without a flaw.

I am also happy to report that my enthusiasm for our new landmark and its architect is shared by many others. As examples, I cite an article by Grady Timmons, a staff writer with the Honolulu Star-Bulletin, and another which appeared in the September 22 issue of Time magazine. I ask unanimous consent that these articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

LUCKMAN: THERE IS NO OTHER LIKE IT

(By Grady Timmons)

Slightly more than a year ago, Stadium architect Charles Luckman predicted that the stadium, when finished, would be well worth the delays. To be on hand for its opening this weekend, Luckman flew into Honolulu last night, his position unchanged.

"I think it has been well worth it for everybody," he said: "The people here are going to have a revolutionary type of stadium. There is no other like it in the world. Eventually I think it will even become a tourist attraction. I also think it is going to make money."

By revolutionary, Luckman meant that because of the movable stands the new Aloha Stadium will be the only one of its kind capable of adapting itself perfectly to either baseball or football. "From the viewpoint of the fan the sidelines will be exactly right," he said.

Citing problems other cities have had, Luckman noted that the Coliseum in Los Angeles is a beautiful structure and a great place to play football, but that the Dodgers almost went crazy trying to play baseball in it. Or how Kansas City spent $42 million for side-by-side stadiums, one for football, one for baseball.

Luckman flew in from Los Angeles where Wednesday evening the stadium and its revolutionary features were shown nationally on all networks.

For Luckman, the stadium is not his biggest architectural feat, but he says that it is his most gratifying. "As an architect it is terribly exciting and satisfying to see the project completed. Five years ago we were the only ones who said it would work . . . But I always thought that once the stands moved the bickering would stop."

Because of bickering and delays, Luckman also admits that with the completion of the stadium comes a sense of relief. "It would be less than honest to say that there isn't," he said.

SLIDING ON AIR

Even before the University of Hawaii's season-opening football game with Texas A. & I. last week, there had been a show of another kind of power and agility at the state's new $30 million Aloha Stadium in Honolulu. Two weeks ago, four of the stadium's six huge, 147-ft.-high grandstand sections were swung closer to the playing field. That maneuver marked the final successful test of the revolutionary 50,000-seat stadium, which uses advanced technology to change its shape and purpose by literally sliding on a cushion of air.

When sports-happy Hawaiians began planning a new stadium in Honolulu eight years ago, they wanted an all-purpose arena that would serve equally well for football and baseball, a neat trick never satisfactorily performed. For example, when stadiums basically designed for football are also used for baseball, the outfield is likely to be so shallow that even weak hitters tend to turn into Hank Aarons. Charles Luckman Associates, the big Los Angeles architectural firm, decided on a novel approach: they designed a stadium that called for two large grandstand sections in fixed positions at the north and south ends of the field; the four other sections, paired on the east and west sides, were to be moved around as events required. The two pairs of east-west stands would be pulled in close to the playing field to frame the classic football grid, or pushed back and angled away to form a baseball diamond. The stands would also be reconfigured for concerts or other events.

But how to move the massive structures, each of which would be as high as a 14-story building and weigh 1,750 tons? After looking at a variety of techniques, the Luckman designers, collaborating with Rolair Systems, Inc. of Santa Barbara, Calif., found the answer in airfilm technology. Already used by Boeing to move heavy airframes about and by San Francisco's Bay Area Rapid Transit system to swing subway cars around at terminals, this new technology allows large, bulky objects to be maneuvered on so-called air bearings—thin (.031 in.), porous plastic disks. When air is forced through the disks from above at high pressure, it builds up underneath them in a thin film that acts as a bearing. In the Rolair-designed system at the Aloha Stadium, 416 such air bearings are positioned under the four movable stands. They are linked by pipe to three large compressors. When the compressors are turned on, the bearings lift the stands up about .004 in. above a smooth concrete surface. That is enough to reduce friction sufficiently so that the stands can be moved along by hydraulic jacks a distance of 180 ft. in only 20 or 25 minutes.

In fact, says Luckman's project chief, Samuel M. Burnett Jr., the stands can be maneuvered by muscle power alone. All it could take to prepare the stadium for baseball next spring is some season-end shoving by the football team.

PAY ADJUSTMENTS FOR FEDERAL EMPLOYEES

Mr. McGEE. Mr. President, tomorrow afternoon the Senate will move on to consideration of Senate Resolution 239, disapproving the alternative plan for pay adjustments for Federal employees. That resolution was introduced on September 4 by my courageous colleague, the distinguished Senator from Montana (Mr. METCALF).

It is an outrage that once again, the Federal worker is called upon to serve as the sacrificial lamb on the administration's altar of inflation. Are we to believe that by succumbing to the President's alternative plan of 5 percent, grocery prices will drop, the housing crunch will dissolve and the unemployment rate will be lowered. If I thought that any one of those things would happen, I would happily support the President.

To the contrary, a vote against this resolution tomorrow will result in lesser benefits for over 500,000 disabled black lung miners and their dependents who by virtue of the law are geared to grade 2 of the General Schedule which now pays a starting salary of $5,996. It will result in less pay for the uniformed services and the rank and file Federal workers who, because of an antiquated Hatch Act and an inability to bargain collectively, must stand by and hope that tomorrow we will do the right thing regardless of political considerations.

The President announced in January that he intended to ignore the law that mandates comparability and propose no more than 5 percent some 8 months later. He reminded us of his promise when in March he sent along to the Congress legislative proposals that included a 5-percent limitation. In other words, just as his predecessor before him decided, the President early on made the decision to make the Federal wage earner the scapegoat for economic policies that yesterday were, in effect, soundly rejected in the State of New Hampshire. We all know that the dedicated civil servants are not the reason for the sad state of our economy. The reason is a steadfast refusal to budge from economic policies that have proven that they just will not work. Those policies are set by Presidential appointees, not the rank and file Government worker whose purchasing power swings on the strength of our vote tomorrow.

It gave me great hope when I reviewed the conference report presented in the Chamber by the Senate Budget Committee on May 9, 1975, and read that:

> If Congress should decide not to limit increases in defense salaries and retirement allowances, there are sufficient funds within this total to support that decision.

The conferees went on to state:

> The conferees assume that the levels agreed upon are sufficient to cover civilian agency pay raises under existing law . . .

It comes as no little surprise to me that some of our conferees instrumental in obtaining what I thought at the time was an excellent result in their conference with the House are now contemplating doing an about face on this issue.

There have been published certain statistics that will indicate the adverse effect that a vote against the resolution will have on minorities in Federal employment. As we all know, minorities are by and large represented at the bottom rungs of the general schedule ladder with little hope for much more than what tomorrow's vote will bring.

Mr. President, so that my colleagues may have the benefit of those statistics in advance of the vote tomorrow, I ask unanimous consent that the relevant tables be printed at this point in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

[Prepared by U.S. Civil Service Commission, Nov. 30, 1972]

MINORITY GROUP EMPLOYMENT IN THE FEDERAL GOVERNMENT

1972 MINORITY GROUP STUDY

[Full-time employment as of Nov. 30, 1972]

Pay system	Total full-time employees	Total minority employees		Negro		Spanish surnamed		American Indian		Oriental		All other employees	
		Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
ALABAMA													
Total all pay systems	53,660	6,118	11.4	5,920	11.0	110	0.2	40	0.1	48	0.1	47,542	88.6
Total General Schedule or similar	31,690	2,668	8.4	2,513	7.9	88	.3	27	.1	40	.1	29,022	91.6
GS-1 through 4	6,524	1,308	20.0	1,276	19.6	21	.3	6	.1	5	.1	5,216	80.0
GS-5 through 8	8,491	770	9.1	737	8.7	19	.2	8	.1	6	.1	7,721	90.9
GS-9 through 11	7,266	420	5.8	390	5.4	10	.1	6	.1	14	.2	6,846	94.2
GS-12 through 13	7,088	125	1.8	93	1.3	19	.3	4	.1	9	.1	6,963	98.2
GS-14 through 15	2,251	44	2.0	16	.7	19	.8	3	.1	6	.3	2,207	98.0
GS-16 through 18	70	1	1.4	1	1.4							69	98.6
ALASKA													
Total all pay systems	13,675	1,543	11.3	509	3.7	112	.8	832	6.1	90	.7	12,132	88.7
Total general schedule or similar	7,643	727	9.5	178	2.3	55	.7	453	5.9	41	.5	6,916	90.5
GS-1 through 4	1,987	377	19.0	82	4.1	24	1.2	259	13.0	12	.6	1,610	81.0
GS-5 through 8	1,902	170	8.9	41	2.2	18	.9	101	5.3	10	.5	1,732	91.1
GS-9 through 11	2,245	126	5.6	38	1.7	8	.4	66	2.9	14	.6	2,119	94.4
GS-12 through 13	1,273	47	3.7	15	1.2	5	.4	22	1.7	5	.4	1,226	96.3
GS-14 through 15	229	7	3.1	2	.9			5	2.2			222	96.9
GS-16 through 18	7											7	100.0
ARIZONA													
Total all pay systems	27,996	7,866	28.1	738	2.6	2,586	9.2	4,447	15.9	95	.3	20,130	71.9
Total general schedule or similar	16,327	4,425	27.1	331	2.0	912	5.6	3,121	19.1	61	.4	11,902	72.9
GS-1 through 4	4,978	2,589	52.0	124	2.5	295	5.9	2,159	43.4	11	.2	2,389	48.0
GS-5 through 8	4,477	1,106	24.7	63	1.4	372	8.3	647	14.5	24	.5	3,371	75.3
GS-9 through 11	4,194	575	13.7	128	3.1	179	4.3	256	6.1	12	.3	3,619	86.3
GS-12 through 13	2,232	136	6.1	16	.7	58	2.6	49	2.2	13	.6	2,096	93.9
GS-14 through 15	441	19	4.3			8	1.8	10	2.3	1	.2	422	95.7
GS-16 through 18	5											5	100.0
ARKANSAS													
Total all pay systems	15,490	1,802	11.6	1,715	11.1	33	.2	42	.3	12	.1	13,688	88.4
Total general schedule or similar	7,819	666	8.5	601	7.7	24	.3	31	.4	10	.1	7,153	91.5
GS-1 through 4	1,995	407	20.4	393	19.7	7	.4	6	.3	1	.1	1,588	79.6
GS-5 through 8	2,656	143	5.4	128	4.8	7	.3	6	.2	2	.1	2,513	94.6
GS-9 through 11	2,064	94	4.6	73	3.5	6	.3	12	.6	3	.1	1,970	95.4
GS-12 through 13	902	19	2.1	7	.8	2	.2	7	.8	3	.3	883	97.9
GS-14 through 15	196	3	1.5			2	1.0			1	.5	193	98.5
GS-16 through 18	6											6	100.0
CALIFORNIA													
Total all pay systems	283,144	73,084	25.8	41,935	14.8	17,691	6.2	1,349	.5	12,109	4.3	210,060	74.2
Total general schedule or similar	133,090	24,616	18.5	12,636	9.5	5,807	4.4	668	.5	5,505	4.1	108,474	81.5
GS-1 through 4	30,979	8,834	28.5	5,303	17.1	2,048	6.6	240	.8	1,243	4.0	22,145	71.5
GS-5 through 8	39,294	9,073	23.1	5,097	13.0	1,920	4.9	221	.6	1,835	4.7	30,221	76.9
GS-9 through 11	35,417	4,575	12.9	1,597	4.5	1,297	3.7	132	.4	1,549	4.4	30,842	87.1
GS-12 through 13	22,190	1,816	8.2	548	2.5	452	2.0	61	.3	755	3.4	20,374	91.8
GS-14 through 15	5,024	311	6.2	89	1.8	86	1.7	13	.3	123	2.4	4,713	93.8
GS-16 through 18	186	7	3.8	2	1.1	4	2.2	1	.5			179	96.2
COLORADO													
Total all pay systems	42,051	7,783	18.5	2,811	6.7	4,480	10.7	200	.5	292	.7	34,268	81.5
Total general schedule or similar	26,365	3,170	12.0	1,444	5.5	1,371	5.2	156	.6	199	.8	23,195	88.0
GS-1 through 4	6,165	1,293	21.0	627	10.2	567	9.2	56	.9	43	.7	4,872	79.0
GS-5 through 8	7,928	1,112	14.0	519	6.5	494	6.2	47	.6	52	.7	6,816	86.0
GS-9 through 11	5,882	478	8.1	197	3.3	206	3.5	22	.4	53	.9	5,404	91.9
GS-12 through 13	4,901	224	4.6	80	1.6	82	1.7	21	.4	41	.8	4,677	95.4
GS-14 through 15	1,413	60	4.2	19	1.3	21	1.5	10	.7	10	.7	1,353	95.8
GS-16 through 18	76	3	3.9	2	2.6	1	1.3					73	96.1
CONNECTICUT													
Total all pay systems	17,295	1,692	9.8	1,550	9.0	109	.6	4		29	.2	15,603	90.2
Total General Schedule or similar	6,022	473	7.9	409	6.8	45	.7	3		16	.3	5,549	92.1
GS-1 through 4	1,205	199	16.5	174	14.4	21	1.7	1	.1	3	.2	1,006	83.5
GS-5 through 8	1,827	178	9.7	160	8.8	14	.8	1	.1	3	.2	1,649	90.3
GS-9 through 11	1,817	70	3.9	59	3.2	7	.4	1	.1	3	.2	1,747	96.1
GS-12 through 13	978	17	1.7	12	1.2	2	.2			3	.3	961	98.3
GS-14 through 15	190	9	4.7	4	2.1	1	.5			4	2.1	181	95.3
GS-16 through 18	5											5	100.0

MINORITY GROUP EMPLOYMENT IN THE FEDERAL GOVERNMENT—Continued

1972 MINORITY GROUP STUDY—Continued

[Full-time employment as of Nov. 30, 1972]

Pay system	Total full-time employees	Total minority employees		Negro		Spanish surnamed		American Indian		Oriental		All other employees	
		Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
DELAWARE													
Total all pay systems	4,502	678	15.1	637	14.1	17	.4	3	.1	21	.5	3,824	84.9
Total general schedule or similar	1,861	226	12.1	196	10.5	9	.5	1	.1	20	1.1	1,635	87.9
GS-1 through 4	434	77	17.7	70	16.1	3	.7			4	.9	357	82.3
GS-5 through 8	727	100	13.8	93	12.8	4	.6	1	.1	2	.3	627	86.2
GS-9 through 11	437	25	5.7	22	5.0	2	.5			1	.2	412	94.3
GS-12 through 13	218	13	6.0	11	5.0					2	.9	205	94.0
GS-14 through 15	44	11	25.0							11	25.0	33	75.0
GS-16 through 18	1											1	100.0
FLORIDA													
Total all pay systems	67,427	7,926	11.8	6,372	9.5	1,335	2.0	117	.2	102	.2	59,501	88.2
Total general schedule or similar	33,215	2,306	6.9	1,498	4.5	678	2.0	65	.2	65	.2	30,909	93.1
GS-1 through 4	7,431	1,075	14.5	830	11.2	212	2.9	21	.3	12	.2	6,356	85.5
GS-5 through 8	9,536	699	7.3	447	4.7	216	2.3	23	.2	13	.1	8,837	92.7
GS-9 through 11	8,131	335	4.1	164	2.0	141	1.7	12	.1	18	.2	7,796	95.9
GS-12 through 13	6,479	134	2.1	52	.8	64	1.0	8	.1	10	.2	6,345	97.9
GS-14 through 15	1,591	62	3.9	5	.3	44	2.8	1	.1	12	.8	1,529	96.1
GS-16 through 18	47	1	2.1			1	2.1					46	97.9
GEORGIA													
Total all pay systems	70,054	13,183	18.8	12,883	18.4	192	.3	28		80	.1	56,871	81.2
Total general schedule or similar	39,418	3,666	9.3	3,463	8.8	117	.3	21	.1	65	.2	35,752	90.7
GS-1 through 4	9,609	1,799	18.7	1,761	18.3	21	.2	3		14	.1	7,810	81.3
GS-5 through 8	12,903	1,116	8.6	1,067	8.3	32	.2	6		11	.1	11,787	91.4
GS-9 through 11	9,368	456	4.9	396	4.2	34	.4	7	.1	19	.2	8,912	95.1
GS-12 through 13	5,911	226	3.8	188	3.2	18	.3	4	.1	16	.3	5,685	96.2
GS-14 through 15	1,560	64	4.1	46	2.9	12	.8	1	.1	5	.3	1,496	95.9
GS-16 through 18	67	5	7.5	5	7.5							62	92.5
IDAHO													
Total all pay systems	7,730	308	4.0	72	.9	57	.7	150	1.9	29	.4	7,422	96.0
Total general schedule or similar	4,855	174	3.6	27	.6	30	.6	99	2.0	18	.4	4,681	96.4
GS-1 through 4	913	64	7.0	8	.9	11	1.2	39	4.3	6	.7	849	93.0
GS-5 through 8	1,493	74	5.0	13	.9	14	.9	39	2.6	8	.5	1,419	95.0
GS-9 through 11	1,562	30	1.9	6	.4	4	.3	16	1.0	4	.3	1,532	98.1
GS-12 through 13	753	5	.7			1	.1	4	.5			748	99.3
GS-14 through 15	130	1	.8					1	.8			129	99.2
GS-16 through 18	4											4	100.0
ILLINOIS													
Total all pay systems	101,304	31,665	31.3	30,014	29.6	1,023	1.0	95	.1	533	.5	69,639	68.7
Total general schedule or similar	44,451	9,197	20.6	8,285	18.6	464	1.0	52	.1	396	.9	35,344	79.4
GS-1 through 4	11,132	3,991	35.9	3,772	33.9	174	1.6	20	.2	25	.2	7,141	64.1
GS-5 through 8	13,236	3,312	25.0	3,060	23.1	143	1.1	15	.1	94	.7	9,924	75.0
GS-9 through 11	10,769	1,232	11.4	973	9.0	79	.7	7	.1	173	1.6	9,537	88.6
GS-12 through 13	7,410	508	6.9	385	5.2	49	.7	7	.1	67	.9	6,902	93.1
GS-14 through 15	1,913	151	7.9	93	4.9	19	1.0	2	.1	37	1.9	1,762	92.1
GS-16 through 18	81	3	3.7	2	2.5			1	1.2			78	96.3
INDIANA													
Total all pay systems	40,179	5,628	14.0	5,484	13.6	82	.2	13		49	.1	34,551	86.0
Total general schedule or similar	18,022	2,520	14.0	2,435	13.5	35	.2	7		43	.2	15,502	86.0
GS-1 through 4	6,166	1,410	22.9	1,390	22.5	12	.2	1		7	.1	4,756	77.1
GS-5 through 8	5,045	798	15.8	783	15.5	9	.2	3	.1	3	.1	4,247	84.2
GS-9 through 11	4,211	234	5.6	205	4.9	9	.2	3	.1	17	.4	3,977	94.4
GS-12 through 13	2,267	64	2.8	53	2.3	4	.2			7	.3	2,203	97.2
GS-14 through 15	323	14	4.3	4	1.2	1	.3			9	2.8	309	95.7
GS-16 through 18	10											10	100.0
IOWA													
Total all pay systems	16,616	497	3.0	401	2.4	65	.4	7		24	.1	16,119	97.0
Total General Schedule or similar	6,520	196	3.0	145	2.2	26	.4	4	.1	21	.3	6,324	97.0
GS-1 through 4	1,333	65	4.9	59	4.4	5	.4	1	.1			1,268	95.1
GS-5 through 8	2,524	55	2.2	44	1.7	8	.3	1		2	.1	2,469	97.8
GS-9 through 11	1,667	45	2.7	30	1.8	5	.3	2	.1	8	.5	1,622	97.3
GS-12 through 13	805	20	2.5	9	1.1	5	.6			6	.7	785	97.5
GS-14 through 15	187	10	5.3	2	1.1	3	1.6			5	2.7	177	94.7
GS-16 through 18	4	1	25.0	1	25.0							3	75.0
KANSAS													
Total all pay systems	20,504	2,101	10.2	1,560	7.6	251	1.2	224	1.1	66	.3	18,403	89.8
Total general schedule or similar	9,925	1,007	10.1	696	7.0	103	1.0	164	1.7	44	.4	8,918	89.9
GS-1 through 4	2,781	446	16.0	351	12.6	34	1.2	52	1.9	9	.3	2,335	84.0
GS-5 through 8	3,218	309	9.6	223	6.9	33	1.0	45	1.4	8	.2	2,909	90.4
GS-9 through 11	2,355	184	7.8	93	3.9	18	.8	60	2.5	13	.6	2,171	92.2
GS-12 through 13	1,310	42	3.2	24	1.8	6	.5	7	.5	5	.4	1,268	96.8
GS-14 through 15	255	26	10.2	5	2.0	12	4.7			9	3.5	229	89.8
GS-16 through 18	6											6	100.0

Pay system	Total full-time employees	Total minority employees		Negro		Spanish surnamed		American Indian		Oriental		All other employees	
		Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
KENTUCKY													
Total all pay systems	34,309	3,490	10.2	3,388	9.9	56	.2	13		33	.1	30,819	89.8
Total General Schedule or similar	15,476	1,382	8.9	1,320	8.5	31	.2	3		28	.2	14,094	91.1
GS-1 through 4	4,601	656	14.3	641	13.9	11	.2			4	.1	3,945	85.7
GS-5 through 8	5,302	524	9.9	509	9.6	6	.1	1		8	.2	4,778	90.1
GS-9 through 11	3,737	174	4.7	150	4.0	11	.3	2	.1	11	.3	3,563	95.3
GS-12 through 13	1,571	22	1.4	18	1.1	1	.1			3	.2	1,549	98.6
GS-14 through 15	260	6	2.3	2	.8	2	.8			2	.8	254	97.7
GS-16 through 18	5											5	100.0
LOUISIANA													
Total all pay systems	26,214	6,029	23.0	5,665	21.6	289	1.1	22	.1	53	.2	20,185	77.0
Total General Schedule or similar	13,793	1,870	13.6	1,680	12.2	139	1.0	19	.1	32	.2	11,923	86.4
GS-1 through 4	3,860	978	25.3	947	24.5	22	.6	2	.1	7	.2	2,882	74.7
GS-5 through 8	4,387	584	13.3	532	12.1	45	1.0	2		5	.1	3,803	86.7
GS-9 through 11	3,312	230	6.9	166	5.0	45	1.4	6	.2	13	.4	3,082	93.1
GS-12 through 13	1,810	61	3.4	31	1.7	18	1.0	7	.4	5	.3	1,749	96.6
GS-14 through 15	414	17	4.1	4	1.0	9	2.2	2	.5	2	.5	397	95.9
GS-16 through 18	10											10	100.0
MARYLAND													
Total all pay systems	121,203	27,134	22.4	25,831	21.3	471	.4	145	.1	687	.6	94,069	77.6
Total General Schedule or similar	88,863	16,047	18.1	14,959	16.8	395	.4	117	.1	576	.6	72,816	81.9
GS-1 through 4	18,208	6,739	37.0	6,626	36.4	60	.3	16	.1	37	.2	11,469	63.0
GS-5 through 8	25,947	5,512	21.2	5,304	20.4	79	.3	42	.2	87	.3	20,435	78.8
GS-9 through 11	17,297	2,105	12.2	1,865	10.8	97	.6	23	.1	120	.7	15,192	87.8
GS-12 through 13	18,340	1,263	6.9	908	5.0	105	.6	22	.1	228	1.2	17,077	93.1
GS-14 through 15	8,314	417	5.0	252	3.0	52	.6	14	.2	99	1.2	7,897	95.0
GS-16 through 18	757	11	1.5	4	.5	2	.3			5	.7	746	98.5
MAINE													
Total all pay systems	7,824	59	.8	35	.4	6	.1	13	.2	5	.1	7,765	99.2
Total General Schedule or similar	3,056	33	1.1	18	.6	2	.1	10	.3	3	.1	3,023	98.9
GS-1 through 4	700	15	2.1	9	1.3			4	.6	2	.3	685	97.9
GS-5 through 8	1,070	9	.8	5	.5	1	.1	3	.3			1,061	99.2
GS-9 through 11	893	3	.3	3	.3							890	99.7
GS-12 through 13	328	5	1.5	1	.3			3	.9	1	.3	323	98.5
GS, 14 through 15	64	1	1.6			1	1.6					63	98.4
GS, 16 through 18	1											1	100.0
MASSACHUSETTS													
Total all pay systems	58,768	3,231	5.5	2,826	4.8	226	.4	27		152	.3	55,537	94.5
Total General Schedule or similar	26,565	1,481	5.6	1,230	4.6	118	.4	14	.1	119	.4	25,084	94.4
GS-1 through 4	6,612	555	8.4	492	7.4	43	.7	3		17	.3	6,057	91.6
GS-5 through 8	7,980	439	5.5	378	4.7	31	.4	8	.1	22	.3	7,541	94.5
GS-9 through 11	5,674	242	4.3	195	3.4	22	.4	3	.1	22	.4	5,432	95.7
GS-12 through 13	4,657	153	3.3	105	2.3	15	.3			33	.7	4,504	96.7
GS-14 through 15	1,574	86	5.5	56	3.6	7	.4			23	1.5	1,488	94.5
GS-16 through 18	68	6	8.8	4	5.9					2	2.9	62	91.2
MICHIGAN													
Total all pay systems	49,846	11,664	23.4	11,222	22.5	239	.5	105	.2	98	.2	38,182	76.6
Total General Schedule or similar	21,353	4,587	21.5	4,371	20.5	99	.5	37	.2	80	.4	16,766	78.5
GS-1 through 4	5,126	1,854	36.2	1,810	35.3	22	.4	16	.3	6	.1	3,272	63.8
GS-5 through 8	5,928	1,648	27.8	1,602	27.0	28	.5	8	.1	10	.2	4,280	72.2
GS-9 through 11	6,045	780	12.9	711	11.8	34	.6	9	.1	26	.4	5,265	87.1
GS-12 through 13	3,536	258	7.3	223	6.3	12	.3	4	.1	19	.5	3,278	92.7
GS-14 through 15	703	46	6.5	24	3.4	3	.4			19	2.7	657	93.5
GS-16 through 18	15	1	6.7	1	6.7							14	93.3
MINNESOTA													
Total all pay systems	26,843	1,069	4.0	663	2.5	89	.3	255	.9	62	.2	25,774	96.0
Total General Schdeule or similar	11,411	503	4.4	270	2.4	35	.3	157	1.4	41	.4	10,908	95.6
GS-1 through 4	2,436	195	8.0	102	4.2	9	.4	79	3.2	5	.2	2,241	92.0
GS-5 through 8	3,682	170	4.6	95	2.6	18	.5	45	1.2	12	.3	3,512	95.4
GS-9 through 11	3,028	79	2.6	46	1.5	5	.2	21	.7	7	.2	2,949	97.4
GS-12 through 13	1,848	42	2.3	24	1.3	1	.1	8	.4	9	.5	1,806	97.7
GS-14 through 15	404	17	4.2	3	.7	2	.5	4	1.0	8	2.0	387	95.8
GS-16 through 18	13											13	100.0
MISSISSIPPI													
Total all pay systems	19,545	2,328	11.9	2,102	10.8	41	.2	162	.8	23	.1	17,217	88.1
Total General Schedule or similar	11,114	791	7.1	635	5.7	32	.3	104	.9	20	.2	10,323	92.9
GS-1 through 4	2,683	458	17.1	383	14.3	7	.3	66	2.5	2	.1	2,225	82.9
GS-5 through 8	3,485	159	4.6	123	3.5	10	.3	22	.6	4	.1	3,326	95.4
GS-9 through 11	3,143	137	4.4	111	3.5	11	.3	10	.3	5	.2	3,006	95.6
GS-12 through 13	1,531	31	2.0	18	1.2	3	.2	6	.4	4	.3	1,500	98.0
GS-14 through 15	264	6	2.3			1	.4			5	1.9	258	97.7
GS-16 through 18	8											8	100.0

MINORITY GROUP EMPPLOYMENT IN THE FEDERAL GOVERNMENT—Continued

1972 MINORITY GROUP STUDY—Continued

[Full-time employment as of Nov. 30, 1972]

Pay system	Total full-time employees	Total minority employees		Negro		Spanish surnamed		American Indian		Oriental		All other employees	
		Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
MISSOURI													
Total-all pay systems	61,585	11,950	19.4	11,347	18.4	383	.6	82	.1	138	.2	49,635	80.6
Total General Schedule or similar	38,002	5,759	15.2	5,319	14.0	258	.7	62	.2	120	.3	32,243	84.8
GS-1 through 4	10,048	2,632	26.2	2,524	25.1	76	.8	14	.1	18	.2	7,416	73.8
GS-5 through 8	10,715	1,798	16.8	1,686	15.7	73	.7	15	.1	24	.2	8,917	83.2
GS-9 through 11	10,175	988	9.7	866	8.5	62	.6	19	.2	41	.4	9,187	90.3
GS-12 through 13	5,778	271	4.7	199	3.4	41	.7	13	.2	18	.3	5,507	95.3
GS-14 through 15	1,246	69	5.5	43	3.5	6	.5	1	.1	19	1.5	1,177	94.5
GS-16 through 18	40	1	2.5	1	2.5							39	97.5
MONTANA													
Total all pay systems	9,938	927	9.3	90	.9	51	.5	762	7.7	24	.2	9,011	90.7
Total General Schedule or similar	6,059	592	9.8	28	.5	28	.5	517	8.5	19	.3	5,467	90.2
GS-1 through 4	1,250	309	24.7	7	.6	10	.8	289	23.1	3	.2	941	75.3
GS-5 through 8	1,802	163	9.0	9	.5	7	.4	141	7.8	6	.3	1,639	91.0
GS-9 through 11	1,895	82	4.3	10	.5	9	.5	59	3.1	4	.2	1,813	95.7
GS-12 through 13	961	29	3.0	1	.1	1	.1	24	2.5	3	.3	932	97.0
GS-14 through 15	146	9	6.2	1	.7	1	.7	4	2.7	3	2.1	137	93.8
GS-16 through 18	5											5	100.0
NEBRASKA													
Total all pay systems	14,493	972	6.7	737	5.1	115	.8	95	.7	25	.2	13,521	93.3
Total General Schedule or similar	7,218	414	5.7	288	4.0	44	.6	60	.8	22	.3	6,804	94.3
GS-1 through 4	1,447	180	12.4	127	8.8	18	1.2	32	2.2	3	.2	1,267	87.6
GS-5 through 8	2,365	139	5.9	103	4.4	17	.7	15	.6	4	.2	2,226	94.1
GS-9 through 11	1,808	67	3.7	42	2.3	6	.3	10	.6	9	.5	1,741	96.3
GS-12 through 13	1,314	21	1.6	14	1.1	1	.1	3	.2	3	.2	1,293	98.4
GS-14 through 15	272	7	2.6	2	.7	2	.7			3	1.1	265	97.4
GS-16 through 18	12											12	100.0
NEVADA													
Total all pay systems	8,115	1,036	12.8	405	5.0	287	3.5	289	3.6	55	.7	7,079	87.2
Total General Schedule or similar	4,037	374	9.3	88	2.2	85	2.1	165	4.1	36	.9	3,663	90.7
GS-1 through 4	813	144	17.7	30	3.7	24	3.0	81	10.0	9	1.1	669	82.3
GS-5 through 8	1,195	135	11.3	39	3.3	34	2.8	52	4.4	10	.8	1,060	88.7
GS-9 through 11	1,076	58	5.4	12	1.1	13	1.2	23	2.1	10	.9	1,018	94.6
GS-12 through 13	745	29	3.9	4	.5	13	1.7	7	.9	5	.7	716	96.1
GS-14 through 15	194	8	4.1	3	1.5	1	.5	2	1.0	2	1.0	186	95.9
GS-16 through 18	14											14	100.0
NEW HAMPSHIRE													
Total all pay systems	11,063	116	1.0	77	.7	14	.1	7	.1	18	.2	10,947	99.0
Total general schedule or similar	4,561	76	1.7	48	1.1	7	.2	3	.1	18	.4	4,485	98.3
GS-1 through 4	904	17	1.9	12	1.3			2	.2	3	.3	887	98.1
GS-5 through 8	1,017	17	1.7	10	1.0	5	.5			2	.2	1,000	98.3
GS-9 through 11	1,477	18	1.2	16	1.1	1	.1			1	.1	1,459	98.8
GS-12 through 13	992	16	1.6	7	.7			1	.1	8	.8	976	98.4
GS-14 through 15	170	8	4.7	3	1.8	1	.6			4	2.4	162	95.3
GS-16 through 18	1											1	100.0
NEW JERSEY													
Total all pay systems	62,264	9,746	15.7	8,921	14.3	618	1.0	28		179	.3	52,518	84.3
Total general schedule or similar	28,535	3,641	12.8	3,307	11.6	178	.6	14		142	.5	24,894	87.2
GS-1 through 4	5,760	1,608	27.9	1,531	26.6	56	1.0	2.		19	.3	4,152	72.1
GS-5 through 8	7,031	1,120	15.9	1,032	14.7	53	.8	3		32	.5	5,911	84.1
GS-9 through 11	7,490	538	7.2	460	6.1	41	.5	4	.1	33	.4	6,952	92.8
GS-12 through 13	6,716	310	4.6	245	3.6	25	.4	5	.1	35	.5	6,406	95.4
GS-14 through 15	1,503	61	4.1	37	2.5	3	.2			21	1.4	1,442	95.9
GS-16 through 18	35	4	11.4	2	5.7					2	5.7	31	88.6
NEW MEXICO													
Total all pay systems	24,015	10,399	43.3	401	1.7	6,484	27.0	3,455	14.4	59	.2	13,616	56.7
Total General Schedule or similar	16,890	6,173	36.5	276	1.6	3,293	19.5	2,551	15.1	53	.3	10,717	63.5
GS-1 through 4	4,167	2,703	64.9	65	1.6	1,079	25.9	1,544	37.1	15	.4	1,464	35.1
GS-5 through 8	4,820	2,120	44.0	77	1.6	1,368	28.4	662	13.7	13	.3	2,700	56.0
GS-9 through 11	4,198	925	22.0	99	2.4	536	12.8	276	6.6	14	.3	3,273	78.0
GS-12 through 13	3,003	379	12.6	32	1.1	286	9.5	54	1.8	7	.2	2,624	87.4
GS-14 through 15	679	46	6.8	3	.4	24	3.5	15	2.2	4	.6	633	93.2
GS-16 through 18	23											23	100.0
NEW YORK													
Total all pay systems	163,242	37.948	23.2	30,702	18.8	6,432	3.9	133	.1	681	.4	125,294	76.8
Total General Schedule or similar	60,513	10,696	17.7	8,832	14.6	1,406	2.3	56	.1	402	.7	49,817	82.3
GS-1 through 4	14,863	4,499	30.3	3,833	25.8	617	4.2	16	.1	33	.2	10,364	69.7
GS-5 through 8	18,257	3,914	21.4	3,345	18.3	446	2.4	21	.1	102	.6	14,343	78.6
GS-9 through 11	14,986	1,499	10.0	1,130	7.5	200	1.3	9	.1	160	1.1	13,487	90.0
GS-12 through 13	9,627	560	5.8	406	4.2	102	1.1	7	.1	45	.5	9.067	94.2
GS-14 through 15	2,678	214	8.0	111	4.1	38	1.4	3	.1	62	2.3	2.464	92.0
GS-16 through 18	102	10	9.8	7	6.9	3	2.9					92	90.2

Pay system	Total full-time employees	Total minority employees		Negro		Spanish surnamed		American Indian		Oriental		All other employees	
		Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
NORTH DAKOTA													
Total all pay systems	7,541	553	7.3	37	.5	19	.3	480	6.4	17	.2	6,988	92.7
Total General Schedule or similar	3,867	337	8.7	20	.5	15	.4	290	7.5	12	.3	3,530	91.3
GS-1 through 4	884	175	19.8	8	.9	4	.5	158	17.9	5	.6	709	80.2
GS-5 through 8	1,216	87	7.2	3	.2	4	.3	78	6.4	2	.2	1,129	92.8
GS-9 through 11	1,185	56	4.7	7	.6	6	.5	40	3.4	3	.3	1,129	95.3
GS-12 through 13	511	17	3.3	2	.4	1	.2	13	2.5	1	.2	494	96.7
GS-14 through 15	69	2	2.9					1	1.4	1	1.4	67	97.1
GS-16 through 18	2											2	100.0
NORTH CAROLINA													
Total all pay systems	36,629	5,923	16.2	5,566	15.2	100	.3	212	.6	45	.1	30,706	83.8
Total general schedule or similar	16,594	1,715	10.3	1,511	9.1	52	.3	115	.7	37	.2	14,879	89.7
GS-1 through 4	4,578	929	20.3	840	18.3	24	.5	53	1.2	12	.3	3,649	79.7
GS-5 through 8	5,718	509	8.9	452	7.9	8	.1	39	.7	10	.2	5,209	91.1
GS-9 through 11	3,938	218	5.5	184	4.7	11	.3	20	.5	3	.1	3,720	94.5
GS-12 through 13	1,857	40	2.2	31	1.7	6	.3	3	.2			1,817	97.8
GS-14 through 15	478	19	4.0	4	.8	3	.6			12	2.5	459	96.0
GS-16 through 18	25											25	100.0
OHIO													
Total all pay systems	90,164	19,145	21.2	18,773	20.8	183	.2	39		150	.2	71,019	78.8
Total general schedule or similar	44,800	7,799	17.4	7,550	16.9	100	.2	20		129	.3	37,001	82.6
GS-1 through 4	8,997	2,994	33.3	2,958	32.9	24	.3	5	.1	7	.1	6,003	66.7
GS-5 through 8	11,674	2,919	25.0	2,872	24.6	19	.2	9	.1	19	.2	7,855	75.0
GS-9 through 11	10,359	1,145	11.1	1,087	10.5	27	.3	3		28	.3	9,214	88.9
GS-12 through 13	11,004	647	5.9	588	5.3	22	.2	2		35	.3	10,357	94.1
GS-14 through 15	2,665	94	3.5	45	1.7	8	.3	1		40	1.5	2,571	96.5
GS-16 through 18	101											101	100.0
OKLAHOMA													
Total all pay systems	51,623	7,124	13.8	3,731	7.2	358	.7	2,966	5.7	69	.1	44,499	86.2
Total general schedule or similar	24,816	3,148	12.7	1,117	4.5	170	.7	1,810	7.3	51	.2	21,668	87.3
GS-1 through 4	6,132	1,286	21.0	471	7.7	40	.7	762	12.4	13	.2	4,846	79.0
GS-5 through 8	7,132	990	13.9	389	5.5	45	.6	544	7.6	12	.2	6,142	86.1
GS-9 through 11	7,430	610	8.2	204	2.7	60	.8	335	4.5	11	.1	6,820	91.8
GS-12 through 13	3,557	218	6.1	48	1.3	20	.6	141	4.0	9	.3	3,339	93.9
GS-14 through 15	554	44	7.9	5	.9	5	.9	28	5.1	6	1.1	510	92.1
GS-16 through 18	11											11	100.0
OREGON													
Total all pay systems	22,826	1,199	5.3	534	2.3	146	.6	297	1.3	222	1.0	21,629	94.7
Total General Schedule or similar	13,984	686	4.9	222	1.6	85	.6	237	1.7	142	1.0	13,298	95.1
GS-1 through 4	3,034	227	7.5	84	2.8	26	.9	96	3.2	21	.7	2,807	92.5
GS-5 through 8	4,045	216	5.3	76	1.9	30	.7	70	1.7	40	1.0	3,829	94.7
GS-9 through 11	4,101	147	3.6	42	1.0	17	.4	45	1.1	43	1.0	3,954	96.4
GS-12 through 13	2,298	71	3.1	16	.7	8	.3	19	.8	28	1.2	2,227	96.9
GS-14 through 15	486	25	5.1	4	.8	4	.8	7	1.4	10	2.1	461	94.9
GS-16 through 18	20											20	100.0
PENNSYLVANIA													
Total all pay systems	130,484	23,433	18.0	22,803	17.5	369	.3	67	.1	194	.1	107,051	82.0
Total General Schedule or similar	65,844	10,780	16.4	10,401	15.8	190	.3	37	.1	152	.2	55,064	83.6
GS-1 through 4	17,663	4,704	26.6	4,616	26.1	56	.3	13	.1	19	.1	12,959	73.4
GS-5 through 8	18,469	3,728	20.2	3,642	19.7	49	.3	9		28	.2	14,741	79.8
GS-9 through 11	17,903	1,705	9.5	1,602	8.9	50	.3	9	.1	44	.2	16,918	90.5
GS-12 through 13	9,828	524	5.3	459	4.7	25	.3	6	.1	34	.3	9,304	94.7
GS-14 through 15	1,924	113	5.9	76	4.0	10	.5			27	1.4	1,811	94.1
GS-16 through 18	57	6	10.5	6	10.5							51	89.5
RHODE ISLAND													
Total all pay systems	15,268	569	3.7	490	3.2	36	.2	5		38	.2	14,659	96.3
Total General Schedule or similar	7,488	211	2.8	164	2.2	18	.2	3		26	.3	7,277	97.2
GS-1 through 4	1,663	81	4.9	70	4.2	7	.4			4	.2	1,582	95.1
GS-5 through 8	2,202	66	3.0	54	2.5	4	.2	1		7	.3	2,136	97.0
GS-9 through 11	2,007	37	1.8	29	1.4	2	.1	1		5	2	1,970	98.2
GS-12 through 13	1,361	19	1.4	10	.7	2	.1	1	.1	6	.4	1,342	98.6
GS-14 through 15	240	7	2.9	1	.4	3	1.3			3	1.3	233	97.1
GS-16 through 18	15	1	6.7							1	6.7	14	93.3
SOUTH CAROLINA													
Total all pay systems	27,631	4,850	17.6	4,734	17.1	56	.2	16	.1	44	.2	22,781	82.4
Total general schedule or similar	11,917	1,060	8.9	994	8.3	29	.2	5		32	.3	10,857	91.1
GS-1 through 4	3,309	623	18.8	601	18.2	8	.2	2	.1	12	.4	2,686	81.2
GS-5 through 8	4,151	301	7.3	287	6.9	6	.1	1		7	.2	3,850	92.7
GS-9 through 11	2,795	105	3.8	89	3.2	9	.3	2	.1	5	.2	2,690	96.2
GS-12 through 13	1,423	18	1.3	15	1.1	2	.1			1	.1	1,405	98.7
GS-14 through 15	231	13	5.6	2	.9	4	1.7			7	3.0	218	94.4
GS-16 through 18	8											8	100.0

MINORITY GROUP EMPLOYMENT IN THE FEDERAL GOVERNMENT—Continued

1972 MINORITY GROUP STUDY—Continued

[Full-time employment as of Nov. 30, 1972]

Pay system	Total full-time employees	Total minority employees		Negro		Spanish surnamed		American Indian		Oriental		All other employees	
		Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
SOUTH DAKOTA													
Total all pay systems	8,766	1,216	13.9	42	.5	30	.3	1,133	12.9	11	.1	7,550	86.1
Total General Schedule or similar	4,831	802	16.6	21	.4	17	.4	757	15.7	7	.1	4,029	83.4
GS-1 through 4	1,256	414	33.0	4	.3	7	.6	403	32.1			842	67.0
GS-5 through 8	1,495	227	15.2	6	.4	6	.4	214	14.3	1	.1	1,268	84.8
GS-9 through 11	1,457	110	7.5	8	.5	4	.3	95	6.5	3	.2	1,347	92.5
GS-12 through 13	518	38	7.3	1	.2			36	6.9	1	.2	480	92.7
GS-14 through 15	102	13	12.7	2	2.0			9	8.8	2	2.0	89	87.3
GS-16 through 18	3											3	100.0
TENNESSEE													
Total all pay systems	46,300	6,854	14.8	6,693	14.5	61	.1	33	.1	67	.1	39,446	85.2
Total General Schedule or similar	15,347	1,748	11.4	1,688	11.0	21	.1	9	.1	30	.2	13,599	88.6
GS-1 through 4	4,422	1,160	26.2	1,150	26.0	3	.1	2		5	.1	3,262	73.8
GS-5 through 8	4,669	376	8.1	360	7.7	7	.1	1		8	.2	4,293	91.9
GS-9 through 11	3,488	161	4.6	146	4.2	6	.2	4	.1	5	.1	3,327	95.4
GS-12 through 13	2,196	37	1.7	29	1.3	3	.1	2	.1	3	.1	2,159	98.3
GS-14 through 15	548	14	2.6	3	.5	2	.4			9	1.6	534	97.4
GS-16 through 18	24											24	100.0
TEXAS													
Total all pay systems	139,447	41,983	30.1	14,030	10.1	27,393	19.6	304	.2	256	.2	97,464	69.9
Total General Schedule or similar	74,086	14,921	20.1	4,366	5.9	10,172	13.7	194	.3	189	.3	59,165	79.9
GS-1 through 4	18,723	6,430	34.3	2,176	11.6	4,154	22.2	49	.3	51	.3	12,293	65.7
GS-5 through 8	21,965	4,980	22.7	1,370	6.2	3,499	15.9	58	.3	53	.2	16,985	77.3
GS-9 through 11	19,263	2,602	13.5	602	3.1	1,917	10.0	43	.2	40	.2	16,661	86.5
GS-12 through 13	11,133	779	7.0	198	1.8	516	4.6	32	.3	33	.3	10,354	93.0
GS-14 through 15	2,913	126	4.3	19	.7	83	2.8	12	.4	12	.4	2,787	95.7
GS-16 through 18	89	4	4.5	1	1.1	3	3.4					85	95.5
UTAH													
Total all pay systems	36,154	2,498	6.9	421	1.2	1,429	4.0	345	1.0	303	.8	33,656	93.1
Total General Schedule or similar	18,877	918	4.9	121	.6	381	2.0	224	1.2	192	1.0	17,959	95.1
GS-1 through 4	4,547	387	8.5	45	1.0	164	3.6	142	3.1	36	.8	4,160	91.5
GS-5 through 8	5,699	289	5.1	41	.7	132	2.3	50	.9	66	1.2	5,410	94.9
GS-9 through 11	5,854	192	3.3	26	.4	70	1.2	24	.4	72	1.2	5,662	96.7
GS-12 through 13	2,423	44	1.8	7	.3	14	.6	8	.3	15	.6	2,379	98.2
GS-14 through 15	341	6	1.8	2	.6	1	.3			3	.9	335	98.2
GS-16 through 18	13											13	100.0
VERMONT													
Total all pay systems	3,475	30	.9	11	.3	15	.4	3	.1	1		3,445	99.1
Total General Schedule or similar	1,495	14	.9	5	.3	6	.4	2	.1	1	.1	1,481	99.1
GS-1 through 4	269	3	1.1	2	.7	1	.4					266	98.9
GS-5 through 8	521	5	1.0	2	.4	1	.2	1	.2	1	.2	516	99.0
GS-9 through 11	478	5	1.0	1	.2	4	.8					473	99.0
GS-12 through 13	188	1	.5					1	.5			187	99.5
GS-14 through 15	36											36	100.0
GS-16 through 18	3											3	100.0
VIRGINIA													
Total all pay systems	133,324	28,502	21.4	27,608	20.7	400	.3	75	.1	419	.3	104,822	78.6
Total General Schedule or similar	89,102	13,049	14.6	12,278	13.8	338	.4	54	.1	379	.4	76,053	85.4
GS-1 through 4	16,827	4,854	28.8	4,764	28.3	44	.3	7		39	.2	11,973	71.2
GS-5 through 8	27,266	5,498	20.2	5,267	19.3	117	.4	15	.1	99	.4	21,768	79.8
GS-9 through 11	17,200	1,581	9.2	1,412	8.2	78	.5	17	.1	74	.4	15,619	90.8
GS-12 through 13	18,010	864	4.8	681	3.8	68	.4	13	.1	102	.6	17,146	95.2
GS-14 through 15	9,131	243	2.7	149	1.6	30	.3	2		62	.7	8,888	97.3
GS-16 through 18	668	9	1.3	5	.7	1	.1			3	.4	659	98.7
WASHINGTON													
Total all pay systems	50,197	4,129	8.2	2,103	4.2	357	.7	690	1.4	979	2.0	46,068	91.8
Total general schedule or similar	24,923	1,816	7.3	762.	3.1	157	.6	423	1.7	474	1.9	23,107	92.7
GS-1 through 4	5,902	694	11.8	343	5.8	68	1.2	146	2.5	137	2.3	5,208	88.2
GS-5 through 8	7,480	644	8.6	249	3.3	45	.6	185	2.5	165	2.2	6,836	91.4
GS-9 through 11	6,761	295	4.4	99	1.5	29	.4	64	.9	103	1.5	6,466	95.6
GS-12 through 13	3,818	141	3.7	52	1.4	7	.2	27	.7	55	1.4	3,677	96.3
GS-14 through 15	923	42	4.6	19	2.1	8	.9	1	.1	14	1.5	881	95.4
GS-16 through 18	39											39	100.0
WEST VIRGINIA													
Total all pay systems	12,908	675	5.2	624	4.8	21	.2	5		25	.2	12,233	94.8
Total general schedule or similar	6,892	363	5.3	333	4.8	5	.1	3		22	.3	6,529	94.7
GS-1 through 4	1,935	140	7.2	136	7.0	2	.1	1	.1	1	.1	1,795	92.8
GS-5 through 8	2,067	119	5.8	116	5.6	2	.1			1		1,948	94.2
GS-9 through 11	1,696	75	4.4	68	4.0	1	.1	1	.1	5	.3	1,621	95.6
GS-12 through 13	996	14	1.4	12	1.2			1	.1	1	.1	982	98.6
GS-14 through 15	192	15	7.8	1	.5					14	7.3	177	92.2
GS-16 through 18	6											6	100.0

Pay system	Total full-time employees	Total minority employees		Negro		Spanish surnamed		American Indian		Oriental		All other employees	
		Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
WISCONSIN													
Total all pay systems	23,596	1,558	6.6	1,300	5.5	106	.4	121	.5	31	.1	22,038	93.4
Total general schedule or similar	8,747	528	6.0	402	4.6	38	.4	62	.7	26	.3	8,219	94.0
GS-1 through 4	2,240	250	11.2	194	8.7	17	.8	37	1.7	2	.1	1,990	88.8
GS-5 through 8	2,817	167	5.9	146	5.2	8	.3	9	.3	4	.1	2,650	94.1
GS-9 through 11	2,233	68	3.0	45	2.0	7	.3	12	.5	4	.2	2,165	97.0
GS-12 through 13	1,148	27	2.4	15	1.3	3	.3	3	.3	6	.5	1,121	97.6
GS-14 through 15	299	16	5.4	2	.7	3	1.0	1	.3	10	3.3	283	94.6
GS-16 through 18	10											10	100.0
WYOMING													
Total all pay systems	4,930	356	7.2	54	1.1	190	3.9	94	1.9	18	.4	4,574	92.8
Total General Schedule or similar	2,918	162	5.6	14	.5	66	2.3	71	2.4	11	.4	2,756	94.4
GS-1 through 4	558	76	13.6	7	1.3	30	5.4	35	6.3	4	.7	482	86.4
GS-5 through 8	884	57	6.4	2	.2	26	2.9	25	2.8	4	.5	827	93.6
GS-9 through 11	952	25	2.6	5	.5	9	.9	9	.9	2	.2	927	97.4
GS-12 through 13	450	4	.9			1	.2	2	.4	1	.2	446	99.1
GS-14 through 15	72											72	100.0
GS-16 through 18	2											2	100.0

APPENDIX E

TABLE 1.—1973 MINORITY GROUP STUDY—ALL AGENCIES SUMMARY

[Full-time employment as of Nov. 30, 1973]

Pay system	Total full-time employees	Total minorty employees		Negro		Spanish surnamed		American Indian		Oriental		All other employees	
		Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Total all pay systems	2,385,770	499,435	20.9	383,699	16.1	76,351	3.2	18,745	0.8	20,640	0.9	1,886,335	79.1
Total General Schedule or similar	1,312,074	219,612	16.7	164,696	12.6	30,999	2.4	12,400	.9	11,517	.9	1,092,462	83.3
GS-1 through 4	295,737	84,885	29.0	66,831	22.6	10.875	3.7	6,076	2.1	2,103	.7	209,852	71.0
GS-5 through 8	396,184	83,111	21.0	65,523	16.5	10,686	2.7	3,496	.9	3,406	.9	313,073	79.0
GS-9 through 11	308,582	32,485	10.5	21,401	6.9	6,120	2.0	1,839	.6	3,125	1.0	276,097	89.5
GS-12 through 13	230,154	14,177	6.2	8,588	3.7	2,584	1.1	768	.3	2,237	1.0	215,977	93.8
GS-14 through 15	76,095	3,753	4.9	2,216	2.9	701	.9	213	.3	623	.8	72,342	95.1
GS-16 through 18	5,322	201	3.8	137	2.6	33	.6	8	.2	23	.4	5,121	96.2

APPENDIX E

TABLE 3.—FULL-TIME WHITE COLLAR EMPLOYMENT OF WOMEN BY GENERAL SCHEDULE AND EQUIVALENT GRADES—ALL AGENCIES, WORLDWIDE

Grade[1]	Employment Oct. 31, 1973			Employment Oct. 31, 1972			Percent change	
		Men			Women			
	Total	Number	Percent	Total	Number	Percent	Total	Women
1	3,810	2,610	68.5	4,040	2,738	67.8	−5.7	−4.7
2	35,956	27,773	77.2	31,421	22,959	73.1	14.4	20.0
3	106,879	82,470	77.2	108,084	82,661	76.5	−1.1	−.2
4	167,443	124,801	74.5	171,802	127,745	74.4	−2.5	−2.3
5	212,767	119,634	56.2	223,180	126,967	56.9	−4.7	−5.8
6	580,972	122,097	24.4	500,405	134,252	26.8	.1	−9.1
7	135,491	56,312	41.6	196,243	65,269	33.3	−30.0	−13.7
8	46,622	16,376	35.1	60,175	18,400	30.6	−22.5	−11.0
9	154,097	43,860	28.5	169,277	45,994	27.2	−8.0	−4.6
10	32,871	6,000	18.3	32,704	4,190	12.8	.5	43.2
11	154,552	21,319	13.8	157,830	20,742	13.1	−2.1	2.8
12	140,899	11,343	8.1	137,550	10,866	7.9	2.4	4.4
13	107,610	5,492	5.1	106,781	5,130	4.8	.8	7.1
14	53,290	2,174	4.1	53,299	2,088	3.9		4.1
15	30,295	1,183	3.9	29,356	959	3.3	3.2	23.4
16	5,867	190	2.2	6,207	127	2.0	−5.5	2.4
17[2]	2,908	48	1.6	2,088	34	1.6	43.1	41.2
18[2]	572	8	1.4	1,538	14	.9	−62.8	−42.9
Above 18[2]	604	17	2.8	430	17	4.0	40.5	
Total[3]	1,893,575	643,647	34.0	1,992,410	671,152	33.7	−5.0	−4.1

[1] The grades or levels of the various pay systems have been considered equivaent to specific general schedule grade solely on the basis of comparison of salary rates, specifically, in most instances, by comparing the 4th step GS rates with comparable rates in other pay systems.

[2] Employment changes of GS (and equivalent) grades 17, 18, and above 18 were due, for the most part, to changes in the GS equivalency procedures necessitated by the compression of the salary ranges at the upper grade levels. (In 1973, all employees at step 4 and above of GS-16 as well as all employees at grades 17 and 18 earned $36,000 per year.)

[3] Excludes employees of Central Intelligence Agency, National Security Agency, Board of Governors of Federal Reserve System, and Foreign Nationals Overseas.

CONSOLIDATED FEDERAL LAW ENFORCEMENT TRAINING CENTER

Mr. NUNN. Mr. President, on September 12, 1975, a significant event took place near Brunswick, Ga.—the Consolidated Federal Law Enforcement Training Center was officially dedicated at the former Glynco Naval Air Station.

The activation of the Center by Treasury Secretary William Simon was the culmination of outstanding cooperation and initiative among Federal, State, and local officials and citizens. Not only will the Center provide over 26 Federal agencies with highly professional law enforcement training, but its location represents a saving of approximately 30 million tax dollars. Hopefully, this training will be extended to other Federal agencies as well as local and State law enforcement personnel.

The Treasury personnel who worked on this project and who will operate the Center are some of the finest and most capable I have come in contact with since coming to Washington. I believe that the Consolidated Law Enforcement Training Center will provide the best and most effective training available.

I would especially like to recognize and commend the superb efforts of the local officials, the chamber of commerce, and citizens in the Brunswick-Golden Isles area. All combined in an untiring effort to insure the successful opening of the Center.

I am even more impressed by the continuing community support of the Center. This unified community spirit is, in my opinion, indicative of the strong support the Center can expect as it progresses toward full implementation of its training programs.

AN INNOVATIVE PROGRAM OF DUE PROCESS

Mr. HUGH SCOTT. Mr. President, Adeline S. Tabourin, ACSW, former executive director, Sleighton Farm School for Girls, has written an article, "An Innovative Program of Due Process." I would like to share its contents with my colleagues, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AN INNOVATIVE PROGRAM OF DUE PROCESS

In my first years as Administrator of Sleighton Farm School for Girls, I was very concerned with whether girls felt they were being treated fairly. In many situations, I was impressed that the girls were so absorbed with resentment about being restricted for misbehavior, that they could not look at the behavior which led to restrictions. A part of the purpose of any institution for youngsters adjudged delinquent is to help them look at the kinds of behavior which brought them to placement and which they continue to exhibit, and then to help them find alternative modes of behavior which are more acceptable. When the punishment feels unjust, whether it is or not, the girls are concerned with that rather than with questioning their responsibility for what they have done. When this was interpreted to staff, it served to make some defensive. They believed that this was too permissive and that holding strictly to requirements was helpful. The lines were fairly drawn and I found myself in the position of advocate for the girls, with staff feeling resentful. Part of the problem was that many of staff had not quite made the change from custodial institution to treatment-oriented one. Thus the next step, a therapeutic environment, was even more difficult to attain. Another part was that there was a drastic need for specialized training and we could not find what we wanted in the area. It was not until recently that we set up our own intensive training program which permitted staff to grapple with this issue.

Sleighton Farm School for Girls is a private institution for girls adjudged delinquent by the Courts of Pennsylvania. Its history goes back to 1826, making it the second oldest training school in the United States. It has survived because of the deep concern of Board and staff to keep abreast of the times, and, in some areas, to be innovative.

The present paper wishes to describe an innovative program of due process, which may serve as a model to other institutions and residential treatment centers.

The momentum for this program came from the Pennsylvania Department of Public Welfare, which, in its formal evaluation of the institution, was critical of methods of handling discipline. It also came from a lawyer in Chester, Pennsylvania, connected with the Delaware County Legal Assistance Association, Inc., who challenged our methods of handling discipline. While nothing hurts an institution truly invested in helping youngsters as much as sharp criticism, nothing can help it as much. This is particularly true, when the critics help and support necessary change.

We had heard of a public institution in Pennsylvania which had law students placed there to help youngsters and staff with legal problems pertaining to placement and to the institution. We took this a step further to request of Villanova University Law School, the placement of law students to act as the advocates of children in due process hearings. The legal advisor of Sleighton Farm School, Alan Reeve Hunt, Esquire, investigated all laws and court decisions pertaining to security and due process hearings. He then wrote up a statement re Due Process Hearing and Confinement Regulations, assisted by Suzanne Noble, Esquire, of Chester. The Standards for Security Confinement were based on the requirements of the Department of Public Welfare and on our concern to be helpful in this process. The Due Process part is unique and will be quoted in its entirety.

A. DUE PROCESS HEARING

1. Before being placed in a security room, a girl shall be informed of the reasons for confinement and of the expectations of the School regarding her behavior during confinement. The girl shall be informed that failure to meet those expectations may result in lengthened confinement. A copy of the Hearing and Confinement Regulations contained herein shall be presented to a girl entering a security room.

2. The reasons for confinement shall be presented to the girl both orally and in written form. However, if the girl's behavior clearly presents a danger to herself or others, and it would not be possible or practical to present the girl with written reasons for confinement before she is put in a security room, then a written presentment may be made within 24 hours of a girl's placement in confinement.

3. Within 24 hours after confinement, and as soon as possible, a hearing shall be held before an impartial board in order to determine whether confinement was justified and whether it should continue. If the board determines that confinement should continue, it must specify the period for which it shall continue, assuming behavioral expectations are met.

a. The hearing board shall consist of:

(1) A social worker acquainted with the accused girl.

(2) An individual, designated by the Director of the institution, who was not involved in the disturbance leading up to confinement and who has no knowledge of the facts of the situation.

(3) A disinterested third party who has no connection with the institution.

(4) Administrator.

b. At the hearing, the girl shall have the right to be represented by counsel or by any person of her choice.

c. She shall have the right to confront her accusers and present evidence on her own behalf.

d. A written record of the hearing shall be made in a form sufficient to permit administrative review of the decision. The record shall contain an account of the following:

(1) The date and time of the hearing.

(2) The time period the girl has already been held in confinement.

(3) The name, title and role of the persons present at the hearing.

(4) The reasons for confinement as presented by the staff member responsible for placing the girl in a security room.

(5) The girl's version of the circumstances leading up to confinement.

(6) Statements of any witnesses.

(7) The decision of the hearing board.

The record shall consist of notes recorded by the disinterested third party. Such notes shall be reduced to typewritten form and shall be signed by all members of the hearing board. A copy of the decision shall be given to the girl and the Regional Office of the Department of Public Welfare as soon as possible after the hearing.

e. Upon an adverse ruling by the board, (i.e., that the confinement was justified or that it should continue) the girl shall have the right to appeal the decision to a committee consisting of three members of the Board of Managers of Sleighton Farm School. If the hearing board determines that the confinement was not justified, or that it should not continue, the decision shall be final.

f. If confinement continues for more than 24 hours, the girl shall be given another hearing to be held within 24 hours of the initial hearing.

g. The hearing room shall be closed to spectators. Those persons present shall be the accused girl, her counsel the board, the complainant (the person who requested confinement), and any necessary witnesses.

A week before the law students were placed at Sleighton Farm School for Girls, on February 20, 1975, the Assistant Dean of Villanova Law School, Ms. Susan Cherner, visited Sleighton Farm School for Girls, and worked out the plan for initiation of this program. The four students placed would first be oriented to the purposes and procedures of the school. The girls at Sleighton Farm School for Girls would be advised of the new resource for support in a due process hearing, and would be advised of the new resource for support in a due proctss hearing, and would be addressed by one of the student lawyers. The lawyers would be involved in any School activity they could attend, would have access to records, to staff, and above all, to girls requesting their help as advocates. In those situations where a girl did not wish to have an advocate, the law student sat in on the hearing in order to advise the Administration whether or not due process was being observed. The reason for this was that the Administration was treatment-oriented, and needed and wanted the input of the lawyers.

The legal people wanted outside people, both as advocates and arbitrators. The administration did not accept this as an immediate goal. She wanted this program to work, and believed it would have greater strength if only one component, namely, the advocates, was introduced at the beginning. She believed that the second component could be added when the program was well off the ground.

On April 18, 1975, a meeting was held at Sleighton Farm School for Girls to evaluate how this program was doing. Present were the President of the Board of Managers, the legal counsel for Sleighton Farm School for Girls, Ms. Noble of the Delaware County Legal Assistance Association, Inc., Dean Cherner, the Executive Director and Assistant Executive Director of the School and the four law students. The following excerpts of this meeting describe the evaluation that was made of this program:

"The meeting was begun with a definition of its purpose, to evaluate the students' experience with Due Process at Sleighton Farm School. The students have been at Sleighton Farm School twice a week for two months, available to students and staff. They have been involved in the Due Process hearings and in other meetings. This has worked out well. All students emphasized that they have had an excellent experience. Several cases were discussed in which the law students recognized the responsibility of the Administration in requiring security and of their support of this. For example: in the case of Connie, who was seriously disruptive in the Schoolhouse, the question was, was she out of control? While this does not represent hysteria, it is a clear disruption of an entire program in the Schoolhouse and a need for placement away so that the Schoolhouse can function and so that Connie can pull herself together and understand what she has done there. Actually, Connie was to be isolated in the Dispensary with her school books, but not locked in, and no Due Process was indicated. In no instance was a door locked when the staff felt that the child could handle an unlocked door. Some question was raised as to an immediate hearing within 24 hours, and it was recognized that if the girl had been released, she does not need an immediate hearing, particularly if the School wants to wait for the law students to be involved. The students stated that in most of the Due Process hearings in which they participated, there were no factual disputes: the girls admitted that they were wrong. Security has been used only for girls who were out of control, and not as a means of discipline.

"One of the students suggested that the Sleighton Farm School Due Process Hearing and Confinement 'Regulations' as worked out by the attorneys, may be too oriented to 'security', that is, towards confinement only when a girl is hysterical and out of control. The students would prefer to be involved in hearings involving disciplinary procedures i.e., withdrawal of privileges such as a home visit, a shopping trip, a dance, etc. In view of this, the students would like to be involved in areas where girls may feel unjustly treated. Girls appear more disturbed when loss of privileges are involved and seem to want a hearing on this. The students believe that an accurate record should be kept of this and that a Due Process should occur when a girl feels unjustly treated.

"The Administration strongly believes that the use of law students in Due Process having to do with security has become a vital asset and support to the program and would want this to be continued. The Administration further feels that the request of the students to enter into areas of discipline is valid and could be helpful to girls. She agreed with the recommendation that the Referee should more clearly take responsibility in the beginning of the meeting for making the final decision dependent on input; this would help the girl to feel that there is a clear decision, made by a specific person to whom she can react.

"In discussing the question of the law student's involvement in Due Process regulations, the question came up as to whether we need more regulations to cover their participation in other areas. Our attorney's feeling was that if we have too many regulations, we would have to violate them because it would be difficult to follow every one. However, we should have guidelines and the guidelines should be based on when a girl feels that an injustice is occurring. Administration pointed out a real problem in this area. Sometimes a weekend is taken away as a punitive device. Sometimes this is done because when she is demonstrating problematic behavior, a girl will not be able to handle herself well and may indeed get into serious trouble which might be avoided by giving her a weekend home when she is more able to cope with problems at home or in the community. This has to be understood and evaluated by staff and the law students in a hearing. It was agreed that if the child expresses a feeling of injustice, a Due Process hearing would help her to have her weekend or to accept the loss of it.

"In summary, all present were very positive about the Due Process hearings and plan to meet again to reevaluate the experience."

It is interesting to note that the law students, with only two months of experience, were supporting the Executive Director's concern for the girl who feels unjustly treated and who, therefore, reacts to the restriction rather than to the behavior which may have warranted this. This is indeed an area in which they should be involved if we want to really help girls.

In conclusion, there is no question but that this program has been successful and needs further development. One question which Administrators of institutions may have is, does this kind of program take away from the authority of the Administrator? The answer is *no*; it is a support to the Administration and helps the public to feel secure about discipline in an institution. Another question is, can it serve the therapeutic purpose of the institution? The answer is *yes;* for if a girl can truly feel that she has been treated fairly, she will concentrate less on imagined injustice, and more on her responsibility for what she has done. From this, she can begin to examine in more depth, the problems which required placement.

The next step for Sleighton Farm School for Girls is to include responsible community people in due process hearings as objective observers. When these people are able to identify with the program at the School and identify with the girls in trouble, they will be able to assume the role of arbitrator or referee now carried by the Executive Director and her assistant.—Adeline F. Tabourin, ACSW.

RESOLVED: SLOW DOWN

Mr. GRAVEL. Mr. President, throughout this country and in other nations as well, people are learning more about the great and unresolved hazards of nuclear energy. In increasing numbers, they are insisting that the rush to nuclear power be slowed or stopped.

In Oregon and Massachusetts, State energy reports have recommended a turn away from nuclear power. In New York, the legislature has altered the State energy office to deemphasize nuclear development. In Vermont, new nuclear plants must now be approved by the State legislature. In California, more than 400,000 voters have put the nuclear power issue on next June's ballot.

Today, Mr. President, I would like to draw the attention of my colleagues to resolutions issued in recent months by four different groups, representing in particular many of our Nation's scientists, technicians and physicians. These resolutions call for reassessment of our nuclear plans. They urge conservation and the rapid development of benign power sources like solar and geothermal energy. In addition, they call attention to the unbreakable linkage between nuclear power and nuclear weapons.

The first statement, which was delivered to the President last month, is signed by 2,300 biologists, chemists, engineers, doctors, and physicists. They call attention to the fission waste problem—

> No technically or economically feasible methods have yet been proven for the ultimate disposal of radioactive waste: a grim legacy from the nuclear program to future generations.

And they note:

> The connection between commercial nuclear powerplants and nuclear explosives.

They urge "a drastic reduction in new nuclear powerplant construction," and they say the export of nuclear plants should be suspended.

Who are these scientists? Nine of them are Nobel Prize winners in physics, biology, or chemistry: Hannes Alfven of the University of California at San Diego; Christian B. Anfinsen of the U.S. National Institute of Health; Carl F. Cori of Harvard; Salvatore Luria of MIT; Julian Schwinger of UCLA; Albert Szent-Gyorgyi of the Woods Hole Marine Biological Laboratory; Harold C. Urey of the University of California at San Diego; George Wald of Harvard; and James D. Watson of Harvard.

Among the most prominent of the other signers are:

Britton Chance, director of the Johnson Research Foundation.

James B. Conant, president emeritus at Harvard and a member of the Manhattan project steering committee.

Paul Ehrlich, biologist and author.

M. King Hubbert, geologist and energy resource expert.

George B. Kistiakowsky, professor emeritus of chemistry at Harvard and head of the explosives division of the Manhattan project.

Philip Morse, professor emeritus of Physics at MIT and past president of the American Physical Society.

Richard F. Post, deputy associate director of the controlled fusion division of the Lawrence Livermore Laboratory.

Irving J. Selikoff, director of the environmental sciences laboratory at the Mount Sinai Medical School.

Jerome Steffens, chairperson of the technology and society division of the American Society of Mechanical Engineers.

Victor Weisskopf, former chairman of the MIT Physics Department and head of the theoretical division of the Manhattan project.

Ralph Weymouth, vice admiral, retired, and former Director of Research and Development in the Office of the Chief of Naval Operations.

The signers note that, like the 4,000 French scientists who signed a similar petition earlier this year, they initially were enthusiastic about nuclear power. But, they say:

> This early optimism has been steadily eroded as the problems of major accidents, long-term radioactive waste disposal, and the special health and national security hazards of plutonium became more fully recognized.

A complete list of the signers is available from the Union of Concerned Scientists, 1208 Massachusetts Avenue, Cambridge, Mass. 02138.

The second resolution is by the National Medical Association, a group of 4,000 American physicians. They call particular attention to the insufficiently known effects of low-level radiation. They say:

> Radionuclides from nuclear powerplants enter the soil, air, and water. They are inhaled or ingested by the general population at random, localizing in various tissues in the body and irradiating these tissues until their radioactivity is spent.

They note that—

> Significant research on this subject is now in progress; several investigators have suggested correlations between the increase in nuclear reactors and the increase in cancer, infant mortality, and congenital abnormalities.

I am pleased to say that Dr. Bernard Randolph, chairman of the NMA's ad hoc committee on nuclear powerplants, says the group endorses the Nuclear Power Reappraisal Act introduced by Senator Abourezk and myself last May. That bill would impose a 5-year halt on new nuclear construction pending a comprehensive review of U.S. nuclear plans. The

NMA also endorses the Nuclear Energy Reappraisal Act introduced in the House of Representatives with 24 cosponsors by Representatives Hamilton Fish and Ned Pattison.

It is reassuring to see physicians participating in the nuclear power debate, because nuclear power is at bottom an issue of public health.

I would also like to enter here a report from Nucleonics Week about a manifesto issued earlier this year by the New Mexico Citizens for Clean Air and Water. The group constructively questions nuclear power. The manifesto states that if safety, waste disposal and liability insurance difficulties are not ameliorated within 2 years, a moratorium on new nuclear plants will be justified. Some 250 scientists from Los Alamos, a nuclear research center, signed the manifesto.

The final resolution I wish to mention here is a national policy paper of the Americans for Democratic Action. The ADA calls for a 10-year moratorium on nuclear construction coupled with aggressive development of alternative energy sources.

In addition, I would like to enter into the Record an editorial published last month by the Detroit Free Press. The paper endorses the statement of the 2,300 scientists and calls for the drastic reduction urged in their statement. The newspaper concludes:

> . . . It seems clear that the country has seriously underestimated the dangers of nuclear power, and has overemphasized its potential for solving the energy crunch. It is time to readjust our energy priorities, in accordance with new information, and to demand a higher standard of proof from those who advocate increased reliance on nuclear energy.

Mr. President, I ask unanimous consent that the statement by 2,300 scientists, the NMA resolution, the Nucleonics Week item, the ADA policy paper, and the Free Press editorial be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Declaration on Nuclear Power by Members of the American Technical Community

Nuclear fission releases enormous energy locked inside the atomic nucleus. Used in anger, nuclear fission can create world-wide devastation. Applied for peace-time electric power generation, nuclear fission creates massive amounts of radioactive by-products posing grave potential hazards which can only be controlled by an exceedingly high level of care, perception, and diligence.

There was once widely shared enthusiasm among scientists that nuclear fission would represent an inexhaustible new energy source for mankind, valuable because it would be safe, inexpensive, and non-polluting. This early optimism has been steadily eroded as the problems of major accidents, long-term radioactive waste disposal, and the special health and national security hazards of plutonium became more fully recognized. It also became clear that the nuclear power proponents failed to appreciate in due course the practical problems that could interfere with the implementation of this new technology, of how companies and individuals might fail to achieve the high level of performance required to safeguard the prodigious quantities of radioactive materials accumulating in a country-wide nuclear power program and thus enhance the risks of serious accidents.

The nuclear power program in this country is now the focus of a burgeoning controversy. Many thoughtful members of the technical community, and some of the Government agencies with responsibilities relating to the nuclear power program, hold a variety of reservations about the assurance of nuclear safety. The effectiveness, for example, of basic reactor safety systems is questioned because of the lack of relevant experimental evidence. The operating record of the country's nuclear plants includes no major nuclear accident to date, a very gratifying fact, but the total operating record is small and the absence of casualties is no guarantee for the future. In fact, the record to date evidences many malfunctions of major equipment, operator errors, and design defects as well as continuing weaknesses in the quality control practices with which nuclear plants are constructed. Granted the present state of reactor safety, it is difficult to see how the occurrence of a major mishap can be precluded in decades to come in a full-scale nuclear power program.

No technically or economically feasible methods have yet been proven for the ultimate disposal of radioactive waste: a grim legacy from the nuclear program to future generations. Several proposals for dealing with the wastes exist, and one or more of these approaches may eventually be shown to be satisfactory, but important questions remain unanswered today about all of them.

The connection between commercial nuclear power plants and nuclear explosives is another legitimate source of concern. Various studies carried out by the Government, as well as by outside reviewers, point up multiple weaknesses in safeguards procedures intended to prevent the theft or diversion of commercial reactor-produced plutonium for use in illicit nuclear explosives or radiological terror weapons. Proposals for satisfactory plutonium safeguards procedures appear to require special pervasive security apparatus incompatible with American traditions of freedom, an apparatus which could take the United States a long way down the road to a police state.

The plutonium safeguards problem has an international dimension because the United States, and to a lesser extent Canada, West Germany, and France, have begun worldwide commercial nuclear power plant sales programs that, if continued in their present way, may give dozens of countries the wherewithal for nuclear weapons: the necessary supply of plutonium.

The problems now besetting nuclear power are grave, but not necessarily irremediable. A major program of reactor safety, plutonium safeguards, and waste disposal research conducted with much enhanced priority and level of competence, might be able to provide the answers to the technical concerns that have accumulated. We urge national consideration and adoption of such a program. In the meantime, however, the country must recognize that it now appears imprudent to move forward with a rapidly expanding nuclear power plant construction program. The risks of doing so are altogether too great. We, therefore, urge a drastic reduction in new nuclear power plant construction starts before major progress is achieved in the required research and in resolving present controversies about safety, waste disposal, and plutonium safeguards. For similar reasons, we urge the nation to suspend its program of exporting nuclear plants to other countries pending resolution of the national security questions associated with the use by these countries of the by-product plutonium from United States nuclear reactors.

In order to reduce reliance on nuclear energy prior to resolution of the problems discussed above, the United States must adopt realistic policies governing energy acquisition and use, the extraction, conversion, and combustion of coal, and the development of alternative sources of energy. These policies present grave challenges and will call for decisions that have been largely avoided to date in the national debate over energy policy.

We must, in the first place, commit this country to a comprehensive energy conservation program. This program must increase the efficiency of energy use in all sectors and eliminate the present waste in transportation, space heating, and industrial uses of energy.

Secondly, we must commit this country to the prompt application of air pollution control equipment at coal-burning power plants, to vigorous efforts to improve the safety of coal miners, and to a conscientious program to mitigate the damage from strip mining. These procedures are essential if the nation is to make use of our vast coal resources during the period of transition from our present mix of energy sources to the one we develop through research efforts in the upcoming decades.

Finally, we must commit the required technical resources to a full-scale research and development effort to create more benign energy producing technologies that can make use of the energy of the sun, the winds, the tides, and the heat in the earth's crust. Fusion energy research should also be given an enhanced priority.

It was no mistake, following Hiroshima, to try to make use of nuclear energy for peaceful purposes. But it was a serious error in judgment in the following decades to devote resources to nuclear development to the virtual exclusion of other alternatives. It has also been unfortunate that the efforts to commercialize nuclear energy allowed safety and national security problems to receive less than the required consideration. The nation, on the thirtieth anniversary of Hiroshima, must take note of these facts, diminish the large growth rate of the nuclear program, and take other appropriate steps to ensure adequate energy for the nation.

Nuclear Powerplants—A Resolution of the National Medical Association

Whereas, Nuclear powerplants in normal operation have low-level emissions of radiation; when there are mechanical failures, these emissions may increase; in 1973-74 the AEC investigated 1148 safety violations involving reactors.

Whereas, Radionuclides contained in the emissions enter the soil, air and water. They are inhaled or ingested by the general population at random, localizing in various tissues in the body and irradiating these tissues until their radioactivity is spent.

Whereas, The biological effects of low-level radiation are not known. Significant research on this subject is now in progress; several investigators have suggested correlations between the increase in nuclear reactors and the increase in cancer, infant mortality and congenital abnormalities.

Whereas, There are serious technological problems in the transportation and disposal of radioactive wastes and in the back-up cooling systems in nuclear plants. Numerous minor accidents have occurred, several major accidents have occurred and a catastrophic accident is possible.

Whereas, The environmental monitoring safeguards in many areas are inadequate. The local populations in the vicinity of many nuclear reactors, often the rural poor, are ill-informed as to the potential hazards.

Whereas, Several nuclear powerplants have been constructed or are being planned in areas where instability in the underlying geological strata are known to exist.

We, therefore, recommend that; the National Medical Association:

1. Support legislation designed to increase research and development of alternate energy sources.
2. Support national agencies such as the Environmental Protective Agency in promoting comprehensive environmental monitoring programs.
3. Encourage Constituent State organizations to pursue similar programs at the State level.
4. Establish a permanent Committee on Environmental Health and Safety.

"Nucleonics Week" Report

Some 250 Los Alamos scientists, among others, constructively question nuclear power in a manifesto . . . If answers to their questions are not forthcoming within 2 years, however, they call for a moratorium on new nuclear plants. The group, New Mexico Citizens For Clean Air and Water, has about 2,000 members, of which some 400 work at (nearby) Los Alamos Scientific Labs [one of America's 3 main atomic labs—the other 2 being Oak Ridge and Hanford] . . . The group was formed some time ago to tackle the 4 Corners fossil power plant at the junction of New Mexico and 3 other states, but has now turned to question nuclear power.

The manifesto advocates abandoning Price-Anderson liability indemnification protection, since, if nuclear plants are as safe as proponents claim, utilities and others should not need the coverage; Price-Anderson elimination will stimulate utilities and others to be less lax in their standards, the paper says.

A full-scale test of an emergency core cooling system is advocated, using a reasonable mock-up of a several-hundred Mw reactor, said Bartlit (chairman of the group). Nuclear power plants should also be sited in or close to the urban electrical load centers rather than in rural areas—if they are as safe as their proponents say, the manifesto says.

The group is concerned with long term storage of high level nuclear wastes and its manifesto proposes . . . federal funding of solar and geothermal research at a level equal to that of nuclear energy. Bartlit acknowledged that ERDA is examining salt beds in New Mexico for permanent disposal of high level wastes. The group does not think this is any worse or better than putting the wastes elsewhere.

If these problems are not solved or being solved within 2 years, we would oppose further construction of nuclear plants, said Bartlit (and) added, "Lack of public pressure virtually ensures that the situation is ignored."

"The manifesto has taken about 18 months to prepare, and began with a much more extreme antinuclear flavor. The heavy contribution made by LASL people modified its tone considerably," said Bartlit.

(Free copies of the full position paper—which also contains a full-scale discussion of the case with which illicit atomic bombs can be privately manufactured, as well as a detailed account of the actual routing of a trans-national shipment of plutonium from Japan to Cheswick, Penna., are available from: New Mexico Citizens for Clean Air and Water, 100 Circle Drive, Santa Fe, New Mexico 87501.)

National ADA Policy on Nuclear Energy

The further construction of nuclear power plants should be stopped immediately for a moratorium period of ten years. Because of the serious dangers to public health and safety and because of the jeopardy imposed upon future generations who must guard indefinitely the nuclear wastes we are now producing, ADA urges the phasing out of the entire nuclear fission power program. The development of alternative sources of energy must actively be encouraged and funded as a top national priority.

There are several factors which make further construction of nuclear fission plants unconscionable:

1. Serious safety defects found in present nuclear plants indicate that the possibility of catastrophic disaster by accident or sabotage is not negligible, despite assurances to the contrary by the Atomic Energy Commission (Rasmussen Report, 1974). The credibility of the AEC's safety claims is seriously questioned by both the strict limitation of liability for a nuclear accident imposed by the Price-Anderson Act (1974) and the total unavailability of insurance coverage to individuals for nuclear accidents.
2. The storage of dangerous radioactive wastes requires us to impose upon all future generations the moral obligation to safeguard these lethal nuclear by-products. We, therefore, have to guarantee or assume a stable social and political system without human error or acts of God for at least 10,000 years—an obvious impossibility.
3. Theft of bomb-quality, fissionable material for use by terrorists or criminals is a real possibility with present-day safeguards. Production and shipment of huge quantities of plutonium for future nuclear breeder plants is an invitation to theft and nuclear blackmail.
4. A security system which could prevent any theft or sabotage of nuclear material would have as a necessary consequence the serious infringement on the civil liberties and privacy of millions of Americans.
5. Plutonium is perhaps the most deadly substance known to man. The possibilities of sabotage or an accident due to human error are demonstrated by the nuclear industries' poor safety record. The benefits of nuclear power from breeder reactors cannot compensate for the jeopardy to human health.
6. The threat to health from the low-level radiation given off by present nuclear plants is unknown. Recent studies have shown that long-range exposure to very low levels of radiation may cause serious damage. Thus, even in normal, "safe" operation, present day nuclear plants pose an indeterminate and potentially serious threat to health.
7. Alternative energy sources, such as solar or geothermal energy, should be economically feasible and can be exploited by full-scale research and development programs.
8. A long-term program of energy conservation, coupled with more complete exploitation of available fossil fuels, should avoid the need for nuclear reactors and provide the needed time for development of alternative energy sources.
9. There is serious question to the economic advantage of nuclear reactors over alternative energy sources.

ADA, therefore, advocates the following measures:

1. The breeder reactor energy program, in view of its known and potential risks and its huge costs should be abandoned immediately.
2. A ten-year moratorium on construction of *any* nuclear power plants should be implemented immediately.
3. Present nuclear power plants should be phased out gradually, on a case-by-case basis, as alternative power sources are developed, or as operating dangers prohibit their safe operation.
4. Funding of research and development of alternative energy technologies such as solar, geothermal, or fusion energy should be a top national priority.
5. We are opposed to the exportation of any nuclear reactors, because no safeguards can be devised which are adequate in view of the enormous risks involved.
6. A long-term program of energy conservation should be developed and enforced.

[Editorial From the Detroit Press Press,
Aug. 8, 1975]

Nuclear Power Dangers Must Not Go Ignored

The Nation cannot afford to ignore the warnings about the dangers of nuclear power that were issued this week by some 2,300 American scientists. President Ford should follow the recommendations made by the scientists, lest a major nuclear tragedy occur as a result of our failure to take heed.

The country's nuclear power program has been under attack for many months by a wide variety of consumer and environmental groups. Part of the nuclear power industry's response to this attack was that no reputable scientists doubted the safety of nuclear reactors.

This argument has now been laid to rest. The petition presented to Mr. Ford this week was prepared by five of the most eminent scientists in the nation, and was signed by more than 2,300 biologists, chemists, physicists, engineers and other scientists. Nine Nobel Prize winners were among the distinguished group that endorsed the statement.

In defining the dangers inherent in the nuclear power program, the scientists' petition cited three main areas of concern:

The basic safety of nuclear reactors. The petition asserts that while no major accident has ocurred to date, the record shows "many malfunctions of major equipment, operator errors and design defects, as well as a continuing weakness in the quality control practices" of plant construction.

The problem of disposal of nuclear waste. This waste is highly radioactive and dangerous, and no feasible method has yet been devised for its disposal, according to the scientists. This radioactive waste, the petition concludes, is "a grim legacy from the nuclear program to future generations."

The danger that plutonium produced in nuclear reactors could be stolen or diverted to construct "illicit nuclear explosives or radiological terror weapons." Safeguards in this area, the scientists found, are wholly inadequate.

The study concluded that nuclear power plant construction should be "drastically reduced" until research can be done to start solving the dangers cited. It also called for an end to American exports of nuclear plants, and urged a long-term program of energy conservation and exploration of alternative energy sources such as environmentally controlled coal power, solar energy and fusion.

These recommendations are cogent and responsible, and must be adopted promptly by the government. The nation's long-range energy problems are very real, and nuclear power may yet hold part of the answer. But it seems clear that the country has seriously underestimated the dangers of nuclear power, and has overemphasized its potential for solving the energy crunch. It is time to readjust our energy priorities, in accordance with new information, and to demand a higher standard of proof from those who advocate increased reliance on nuclear energy.

RIGHT TO PRIVACY

Mr. MATHIAS. Mr. President, the events of the past several years have dramatized more clearly than ever before the vast and chilling extent of government's capacity—and sometimes, inclination—to invade individual citizens' personal privacy through various forms of surveillance and technological innovation.

I am pleased to note that legislation to curb such excesses and to provide clear procedures to protect U.S. citizens from unwarranted surveillance, H.R. 214, has been under active consideration by a House Judiciary Subcommittee and may well be acted upon by the full committee and House this session. As the principal sponsor of the Senate version of this bill, S. 1888, which I initially introduced in the spring of 1974, I would like to take this opportunity to thank my friend and colleague in the House, Mr. Mosher, for his vigorous and effective efforts in that body on behalf of H.R. 214, of which he is chief sponsor.

I would like to call to the attention of my colleagues a recent article which explores the need for and progress being made by H.R. 214. Entitled, "Privacy Rights Pushed," this article appeared in the September 8 issue of the Capitol Hill Forum, a promising new periodical which has now joined the 25-year-old Roll Call in providing useful and informative coverage of events and developments on and around Capitol Hill. I ask unanimous consent that this article be printed in full in the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MATHIAS. In addition, Mr. President, I am pleased to note another recent development related to the privacy issue—namely, the publication by the House Republican leadership of its legislative agenda, including the following statement:

> We must consider legislation to assure American citizens that they will not be subject to arbitrary or unjustified surveillance by government agents and to protect citizens' right-to-privacy.

Coupled with the excellent report issued last year by the House Republican Task Force on Privacy, this statement helps to underscore the commitment of the Republican side of what I hope will be a major bi-partisan effort on this crucial issue.

The exhibit follows:

EXHIBIT 1

PRIVACY RIGHTS PUSHED

(By Marc H. Rosenberg)

Political Washington is a city that is constantly caught up in a tug-of-war between the executive and legislative branches of government. Occasionally, the courts pitch in to add their weight on one side or the other or to pull in a new direction.

Lately, the Central Intelligence Agency (CIA) and other intelligence-related agencies have been a primary focus of executive-legislative contention. From the preliminary reports, it is increasingly clear that the agencies have been guilty of various transgressions in the not-so-distant past and that some new legislation may result from the ongoing inquiries.

As the Congress moves closer to creating new statutory restrictions on the intelligence agencies, the tug-of-war will intensify. The executive branch will swear that the "horror stories" that have come to the public's attention were unique and will never happen again. New administrative guidelines will be announced, and the argument will be made that any legislation in this area would impede the President in the exercise of his constitutional authorities as Commander-in-Chief.

Let us hope that Congress and the American public are not diverted by these arguments. We must take care that Congress and the public do not become so spellbound by the wrangling over past activities of the intelligence agencies that they lose sight of the broader issues that underlie the whole debate.

The news media are titillated by stories about how we attempted to slip Fidel Castro a poisoned cigar, and some continue to wax indignant over CIA involvements in coups in Iran and Chile and who knows where else. These are legitimate subjects of investigation and do raise serious questions about the nature and conduct of our foreign policy.

But the gut issue is the domestic activities of the CIA, the Federal Bureau of Investigation, the military intelligence services, and other federal agencies. Starting with the Ervin Committee's mind-boggling disclosure of the Huston plan, and continuing to the present time, we have seen myriad revelations of cases in which the U.S. government violated the rights to privacy of American citizens.

To cite a few of the more blatant examples, we have learned in recent years of Army spies at the 1968 Democratic convention; CIA openings of thousands of pieces of mail; National Security Agency interceptions of thousands of telephone calls; FBI break-ins and burglaries at hundreds of locations; mail covers placed on hundreds of citizens by the Post Office, acting on behalf of dozens of agencies; and Internal Revenue Service personnel spying on the private activities of dozens of individuals. Every one of these activities involved the federal government spying on private citizens; in none of these cases was a warrant or other prior court approval sought or granted.

Are these isolated cases? I don't think so. Neither are they necessarily related, however. What all of these examples point out is that federal statutes are sufficiently vague, and executive agencies' self-restraints and internal controls are so weak, that time after time, in wholly unrelated cases, we see evidence of a gross lack of awareness or concern for citizens' rights to privacy. Admittedly, those rights are not very precisely defined, but it does not take much imagination to figure out what is an invasion of someone's privacy and what is not.

There is presently an effort underway in Congress to help provide better protection for US citizens against undue surveillance by their government. New legislation is quietly working its way to the floor.

The Bill of Rights Procedures Act (H.R. 214) appears to be the main bill under consideration at this time. Originally introduced last spring by Senator Charles McC. Mathias (R-Md.) and Rep. Charles A. Mosher (R-Ohio), this bill is now co-sponsored by a strong bipartisan group of 73 congressmen; it has been endorsed by the House Republican Task Force on Privacy, The New York Times, and many groups in between. The proposed legislation would make it a criminal offense for any agent of the federal government to conduct any form of surveillance of a private American citizen unless a court order is first obtained.

The House Judiciary Subcommittee on Courts, Civil Liberties and the Administration of Justice, chaired by Rep. Robert Kastenmeier (D-Wis.), has been holding hearings on H.R. 214 sporadically during the past six months; the last day of hearings is now scheduled for September 8. By early October, the bill should be in subcommittee mark-up, with favorable action expected.

The Bill of Rights Procedures Act embodies two very fundamental concepts. They are:

(1) No individual citizen's rights to privacy should be abridged by the government without the prior knowledge and written approval of the courts;

(2) Any federal agent conducting warrantless surveillance should be held personally liable for criminal law penalties.

In joint testimony before the Kastenmeier subcommittee, Mathias and Mosher said, "It is our firm belief that discretionary authority in the area of government surveillance should be removed entirely from the executive branch. It should not be the prerogative of the executive to determine whose rights should be infringed upon and whose should not. We feel the Constitution correctly indicates that the courts are the only proper place for decisions of this sort to be made."

The practical effect of passage of H.R. 214 would be to compel federal agents to go into court and to explain to a judge, before the fact, why a particular surveillance act is necessary. There would be no exceptions to this requirement, although Congressman Mosher concedes that standards of proof may vary in some cases, such as in matters relating to espionage or international intelligence-gathering.

The main point that Mosher and others make is that Americans need to be assured that their rights will not be tampered with unless a court has given its prior approval. Privacy advocates cite the problem of the so-called "chilling effect" as evidence of the need for this assurance.

Mosher notes that he has received letters from several constituents who feared they might be subject to government surveillance. More importantly, he believes that citizens are refraining from participating in legitimate political exercises—such as writing to congressmen or newspaper editors, joining in peaceful demonstrations, contributing to controversial political parties, etc.—out of fear of becoming targets of government surveillance.

The Ohio Republican is still in the process of polling a sampling of his colleagues on this subject, but preliminary results already show substantial agreement that the chilling effect is a valid theory and that a high percentage of congressmen say they have received letters or calls from constituents who feel they are being monitored by the government.

The Judiciary Committee and, later, the whole House will soon have the opportunity to correct this imbalance, to tug our national policy away from permitting arbitrary executive decisions in the privacy area and instead move toward a strict statutory definition of limitations on surveillance, with the courts—not the snoopers—interpreting the laws.

UNITED STATES-CUBA RELATIONS

Mr. STONE. Mr. President, on June 2, 1975, three Cuban trained agents, natives of the Dominican Republic, infiltrated this country through Palenque Beach, situated west of the capital city of Santo Domingo, in San Cristobal Province.

The three agents had lived in Cuba, and infiltrated the Dominican Republic via Puerto Rico, where they were assisted in their operation by members of the Puerto Rican Socialist Party—PSP. Three members of this party, John Thomas Sampson Fernandez, trained in Cuba himself; Angel Gandia, a member of its central committee; and Rafael Garcia Zapata, transported guerrilla members Claudio Caamano Grullon, who headed the group, Manfredo Casado Villars, and Toribio Pena Jaquez from Puerto Rico to the Dominican Republic on a motorboat outfitted with two 115-horsepower outboard motors capable of a speed of 30 knots. The Puerto Ricans, headed by Gandia, departed with the Cuban trained agents from a beach in northeastern Puerto Rico.

The three Puerto Ricans were arrested by Dominican authorities after docking in La Romana sugar mill to refuel the motorboat after landing the three agents. They admitted at a June 24 press conference in Santo Domingo to having transported the agents under orders from the PSP. Sampson said that he met Caamano, the guerrillas' leader, in a San Juan, Puerto Rico, house about 1 month before, and that Caamano told him the part of the Dominican coast where he wanted to land. Sampson also said that he and the other two Puerto Ricans received direct instructions from Nestor Nazario, a member of the political committee of the PSP.

In a June 6 joint communique, the Dominican Armed Forces and National Police stated that the Cuban trained agents clandestinely entered the country in order to carry out acts of sabotage, kidnappings, assassination attempts and destruction of public and private property. The guerrillas wanted to establish a focal point in the Dominican mountains from which to carry out these activities.

This guerrilla warfare tactic is typical of those exported by the present Cuban regime, which has so far failed in Latin American countries including Uruguay, Bolivia, Venezuela, and the Dominican Republic. The Cuban-trained guerrilla group headed by Colonel Francisco Caamano Deñó, which left Cuba and invaded the Dominican Republic in February of 1973 attempted to carry out this same tactic. The three Cuban trained agents who infiltrated the Dominican Republic in June of this year also participated in the 1973 invasion and their leader, Claudio Caamano Grullon, is the nephew of Colonel Francisco Caamano Deñó. After the aborted invasion in 1973, the three eluded capture by Dominican authorities and returned to Cuba where they received training to renew guerrilla warfare activities in the Dominican Republic. This time, however, our commonwealth island of Puerto Rico was used as the base of operations against that country.

A report attributed to the Dominican Foreign Ministry and dated June 6, 1975, describes the involvement of the three Puerto Rican PSP members. According to news stories, the report was handed to the U.S. Ambassador in Santo Domingo, Robert A. Hurwitch, by Dominican Foreign Relations Minister Ramon Emilio Jimenez. The report refers to the June 11 statement of Assistant Secretary of State William Rogers that the United States "is concerned with Cuba's attitude about Puerto Rico." The report states that this remark refers to the belief that Cuba is using Puerto Rico as a "bridgehead" for the exportation of revolution to the surrounding countries, and that the case of the three Puerto Ricans detained in the Dominican Republic may be the first instance of this belief.

In this regard it is interesting to recall that in 1967, the present leader of the PSP, Juan Mari Bras, declared:

> Just as imperialism uses Puerto Rico as a bridgehead for its penetration of Latin America, so will the Movimiento Pro Independentista offer itself as a bridge over which world revolution can penetrate into the United States.

The MPI, of which Mari Bras was chairman at that time, subsequently became the Puerto Rican Socialist Party, which according to the above mentioned Dominican Foreign Ministry report maintains "close and strong relations with Cuba." Puerto Rican Gov. Rafael Hernandez Colon recently declared that many members of the PSP frequently travel to Cuba, where it maintains a delegation which is recognized by the Cuban regime as the legitimate representative of Puerto Rico.

At this time I ask unanimous consent that a letter I sent to State Department Assistant Secretary for Congressional Relations Robert McCloskey concerning this matter be printed in the RECORD accompanied by its reply as well as translations of the report in question and of the joint communique of the Dominican armed forces and national police.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JULY 30, 1975.

Hon. WILLIAM D. ROGERS,
Assistant Secretary for Inter-American Affairs, Department of State, Washington, D.C.

DEAR MR. ROGERS: I have in my possession a copy of the attached report of the Ministry of Foreign Relations of the Dominican Republic. The report was handed in Santo Domingo by Minister of Foreign Relations Ramon Emilio Jimenez to United States Ambassador Robert A. Hurwitch.

I would like to know to what extent this report may be taken as an indication of the position of the Dominican Republic regarding the militant activities of last month in that country, and what significance it contains in our Cuba policy.

I will appreciate your answering this letter at your earliest convenience.

Warm personal regards.

Most cordially,

RICHARD (DICK) STONE.

DEPARTMENT OF STATE,
Washington, D.C., August 29, 1975.

Hon. RICHARD STONE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR STONE: Thank you for your letter of July 30 enclosing various documents concerning three Puerto Rican-Americans implicated in a guerrilla landing in the Dominican Republic. These documents are not signed nor is it clear to us to whom they were directed.

The position of the Dominican Armed Forces and National Police was expressed publicly in the joint communique of June 6, a copy of which is enclosed.

Concerning the alleged guerrilla landing, it is our understanding that the three Dominicans said to have entered the Dominican Republic from Puerto Rico have not been located. The three Puerto Ricans charged with transporting them claim that they did not in fact bring any such persons into the Dominican Republic.

The three Puerto Ricans were tried and found guilty on July 31 of three violations of Dominican law: introduction of subversives, attempts against the legally constituted government, and conspiracy. As of this date, appeal procedures have not been exhausted and there are indications that the sentence will be appealed by defense lawyers. The Department is not in a position at this time, to evaluate fully or reconcile the various statements which have been made concerning the alleged invasion. Recently, the Dominican Chief of Police expressed the possibility that the three Dominicans had again left the country.

As you know, Cuba's policies in the Hemisphere are closely watched by the United States Government. We are following developments concerning the alleged guerrilla landing in the Dominican Republic closely in the context of Cuba policy.

Sincerely,

ROBERT J. MCCLOSKEY,
Assistant Secretary for Congressional Relations.

DOMINICAN REPUBLIC JOINT MILITARY-POLICE COMMUNIQUE

(Informal English text)

JUNE 6, 1975.

The armed forces and the national police inform the public that the security measures that were adopted throughout the country on 4 June are due to reports received by the official intelligence services to the effect that Claudio Caamano Grullon, Toribio Pena Jaquez and Manfredo Casado Mejia, as well as others so far not identified, have secretly entered the country from Cuba and plan to stage terrorist acts (kidnappings, sabotage, attempts against public and private property and against certain persons, and so forth) in order to create the necessary conditions for the eventual disruption of public order.

Both the armed forces and the national police will endeavor to the extent of their ability to avoid unnecessary inconvenience to the public with these measures. However, they cannot under any circumstances permit these evil plans by bad Dominicans who—in connivance with international groups—are trying to create uneasiness and unrest among Dominicans.

The cooperation of all persons who appreciate the peace the country is enjoying at the present time will be of great help to the armed forces and the national police in locating and capturing this group of delinquents.

TRANSLATION OF REPORT ATTRIBUTED TO DOMINICAN FOREIGN MINISTRY AND REPORTEDLY HANDED TO AMBASSADOR ROBERT HURWITCH BY DOMINICAN FOREIGN RELATIONS MINISTER JIMINEZ, MINISTRY OF FOREIGN RELATIONS

YEAR OF THE WOMAN, QUALITY, DEVELOPMENT AND PEACE

a.—The Dominican Government is exercising its sovereignty in the case of the three Puerto Rican citizens who were apprehended on our shores without (being able to show any) real apparent reason (for being there).

The respect for sovereignty is one of the most elemental principles of international law.

b.—In the specific case of these three Puerto Rican citizens, apprehended on the east coast of the Dominican Republic, there exists another aggravating circumstance which is that all of them are members of the Puerto Rican Socialist Party. One of them is, according to the assertions of his own comrades, a member of the central committee of said organization.

It is universally known that the PSP is part of the International Communist movement and that it has close and strong relations with Cuba.

c.—In a recent appearance of the Secretary for Latin American Affairs before a congressional committee of the United States, William Rogers stated that one of the major concerns of his country regarding Cuba was the attitude of the Cubans towards Puerto Rico. The interpretation of this concern is translated in the fact that there exist certain suspicions that Cuba may use its Puerto Rican contacts as a bridgehead between the other countries in the area.

The possibility exists that this may be the first instance of this suspicion, in the case of

> the three Puerto Rican citizens apprehended on the Dominican coasts.
>
> SANTO DOMINGO, D.N.,
> *June 6, 1975.*
>
> GENERAL AFFAIRS
>
> *Regarding the arrest of three Puerto Rican citizens members of the PSP.* The 23 foot vessel used by the three Puerto Ricans who arrived at La Romana where they were arrested by the National Police is of the MAKO type, and belongs to Luis E. Seda, native of Villa Griasgo, Ponce, about whom no political affiliation is known. Another source points out that this vessel was bought by Carlos Chapel, native of Vega Baja, member of the PSP of Puerto Rico.
>
> On the other hand it appears that the individuals rented the above-mentioned vessel for U.S.$500 to fish for five days in the vicinity of the island of Viequez on the eastern side of Puerto Rico.
>
> The occupants of the above-mentioned launch are: *John Thomas Sampson Fernandez,* born Febrero 15, 1949, in Rio Piedras, Puerto Rico, top leader of the Puerto Rican Socialist Party (PSP), and present director of the Infant Nursery Program, a study center front of the party (PSP).
>
> Sampson Fernandez, who received training in Cuba, is a close collaborator of Juan Mari Bras, and is also director of the National Workers' Union (UNT), an organization of the extreme left of Puerto Rico.
>
> Sampson has been involved in the past in the use of drugs and narcotics. Member of the central committee of the PSP. He has been in Cuba where he also received training. His last trip to that island was last year.
>
> In June 21, 1974 he was involved in the theft of 3,600 pounds of the powerful explosive known as eramite, which was taken from a factory of that locality. Puerto Rican authorities have verified that in the majority of the explosions which are occurring in San Juan, Puerto Rico this explosive has been used.
>
> *Gandia Bonhome* is considered as a most dangerous and degenerate person, even to the degree of maintaining amorous relations with his sister *Sonia Gandia Bonhome,* who also is a militant of the PSP; and lastly *Rafael Enrique Garcia Zapata,* born October 31, 1941 in Cabo Rojo, Puerto Rico, top leader of the PSP in that locality.
>
> Up to now the Puerto Rican authorities do not point out that any other persons were found in said vessel.

Mr. STONE. Mr. President, I call upon the State Department to further clarify its position regarding Communist Cuba's attempts to subvert democratic governments and justify its present policy of pursuing friendlier bilateral relations with the Castro regime. Such justification is called for especially in light of Secretary Kissinger's recent statement regarding the "International Solidarity with Puerto Rican Independence" conference recently held in Havana:

> We have pursued a policy with respect to Cuba of moving by reciprocal steps toward an improvement of relations. Our policy has shown some progress and we are prepared to continue this policy. At the same time the meeting in Havana can only be considered by us as a severe setback to this process and as a totally unwarranted interference in our domestic affairs.

Even though Secretary Kissinger is "prepared to continue" efforts to improve relations with the Castro regime, Cuban president Osvaldo Dorticos answered Mr. Kissinger that:

> The revolutionary government of Cuba considers Puerto Rico as a Latin American nation under colonial rule and not an internal matter of the United States. Cuba rejects any attempt by the U.S. to use the Puerto Rican issue as an obstacle in bi-lateral discussions between Cuba and the U.S.

In view of these remarks, I seriously question our present policy of rapprochement with the Cuban Communist dictatorship, and further call upon the State Department to reevaluate their position and offer an adequate response to Dorticos' statements.

WHO'S ON FIRST: FTC INQUIRY OF AGENCIES URGED

Mr. FANNIN. Mr. President, according to various public opinion polls I have seen, the public is rapidly losing trust and confidence in Government. Judging by my Arizona constituent mail, I believe that the principal reason for this widespread disenchantment is that the agencies of Government are perceived as being too big, too numerous, too bureaucratic, and too remote.

Consumers realize that they are being compelled to pay more Federal taxes, higher prices, and inflated costs for an array of extravagant and unnecessary Government programs they never asked for and do not want. Private citizens and businessmen are constantly bombarded by new Government rulings, regulatory restrictions, and paperwork requirements they resent and do not understand. The Federal Government's scheme of rules and regulations is complicated, confusing, and costly. Its army of regulators and bureaucrats is unaccountable to the people and unresponsive to their concerns, demands, and needs. Yet when the taxpayers try to fight back, when they want a regulation changed or rescinded, when they question the wisdom of a regulatory decision, when they try to bring a complaint or claim against an irresponsible regulator or an agency whose mistake or ruling has caused them irreparable harm or economic injury, they do not know where to turn and they cannot seem to find a quick answer or obtain timely satisfaction.

The fact that the Federal regulatory system is unduly complex accounts for much of the public's frustration with Government. There are a multiplicity of Government agencies, like the CAB, FCC or SEC, which exercise control over single industries, like the airlines, communications, or securities businesses. At the same time there are other agencies, like EPA and OSHA, which regulate specific activities, like health and safety, affecting numerous industries. As the size and scope of Government have expanded, this regulatory process has grown and intensified. Some agencies have acquired new responsibilities in fields and activities previously reserved to other agencies. The confusion created by such overlapping jurisdictions has been compounded by contradictory decisions. Often a businessman finds that, to satisfy the mandates of one Federal agency, he fails to comply with rules promulgated by another. He may even be in violation of regulations issued by the same agency. The situation has gotten out of hand. No one knows for sure what agencies are doing what, which regulators are responsible for which activities, and whether there is some regulation somewhere which is being disobeyed.

To illustrate my point, I call my colleagues' attention to an article by Frank L. McHugh, "Who's On First," which appeared in the July issue of Battle Line. The author discusses specific examples of confusion in the regulatory system which are attributable to blurred lines of responsibility within that system. As Mr. McHugh points out, most people do not realize how many different agencies are involved in matters which are of immediate concern to them.

As my colleagues are aware, the Federal Trade Commission requires industry—currently 450 major companies in manufacturing and sales—to file "line of business" reports to provide the Commission with sufficient information about industry performance and business activities to enable the agency to determine the impact on competition created by mergers and to make well-informed decisions affecting business and the public. Mr. McHugh suggests that—

> The FTC should require the same report from our whole agency and executive department structure. It might be interesting to learn just what the bureaucrats are doing. It might also be a step toward elimination of needless duplication.

I heartily agree, and I endorse the Public Monitor's proposal. Accordingly, I have written to FTC Chairman Engman, requesting that the Federal Trade Commission require every major agency of the Federal Government, including the independent regulatory commissions and the various departments within the executive branch, to file with the Commission a written annual report detailing its various functions, activities and areas of regulatory responsibility. As soon as the survey has been completed and the information assembled, the FTC should report its findings to the Congress. I call on the FTC to undertake this study immediately and to set a deadline for agency response.

The Federal Trade Commission finds out what companies produce widgets and obtains sufficient data to know how well the widget industry and other industries are performing and how their activities affect our economy. Should not the Congress and the American people be able to learn what our Federal bureaucrats are doing and make the same qualitative judgments on their regulatory performance?

The people have a right to know what their Government is doing. Since the regulators are not subject to direct public scrutiny or control, it is the responsibility of the Congress to gather this information. It is imperative that we know what the system of agencies we have established is accomplishing and what Government activities are being performed by them "in the public interest." The sooner that the Members of the Senate and House have such information, the sooner that the Congress can take necessary and appropriate measures toward comprehensive regulatory reform. As Mr. McHugh has stated:

> In itself, just making the entire behemoth more understandable, might help restore

some of the public confidence missing from government institutions today.

Mr. President, I ask unanimous consent that the text of the Battle Line article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD.

WHO'S ON FIRST

(By Frank L. McHugh)

Everyone thinks they have a pretty good idea of what the government does. After all, we are the best educated people in the world and we all studied the basic civics course in high school. Sure, there have been some new agencies created in the past few years that we may not know too much about, but basically it all fits into place. Right?

Let me ask you a few questions and see if you still feel the same way:

(1) What government agency is concerned with regulation over the issuance of securities? That's easy, the SEC. Yes and no. If you're talking about securities issued by utility companies it is the Federal Power Commission. Oh, that was a trick question. Maybe; how about this one.

(2) Which agency recently commissioned a study on cancer? The National Institute of Health? No. The Department of Health, Education and Welfare? No. It was the Environmental Protection Agency. Keep going.

(3) Which agency reviews schools for compliance with the Civil Rights Act of 1964? The Equal Employment Opportunity Commission? No, it's the Veterans Administration.

(4) Which one sponsored a seminar on junkyards? The EPA? Not this study, which was the effort of the Department of Transportation.

(5) Who makes loans to telephone systems? The Federal Communications Commission? Good guess, but it is the Department of Agriculture.

(6) Which agency just sponsored a fashion show? That a tough one. The Federal Energy Administration.

(7) Which agency requires the labeling of ingredients of alcoholic beverages? Food and Drug Administration? Nope. The Treasury Department.

(8) What agency recently conducted a survey on discrimination in housing? Housing and Urban Development? No, it was the Federal Reserve Board. Now one last one.

(9) Which agency encourages the building or refurbishing of housing for those dislocated by public works projects? The Federal Highway Administration, that's who.

How did you do? If you're like most people, you didn't get very many of the answers. But don't feel that you don't know anything about the government because there are many agencies involved in the activities described. It is meant to illustrate how the lines of responsibility of the various agencies have become blurred. As the government, through all those eager empire-builders, seeks to expand its activities, this is inevitable.

Some time ago, the Federal Trade Commission created a small uproar by proposing that all companies file a "line of business" report. This would require a listing of each kind of business they were engaged in, so that the Commission would be able to judge the competitive effects of mergers, etc. more easily and effectively. Perhaps the FTC should require the same report from our whole agency and executive department structure. It might be very interesting to learn just what the bureaucrats are doing. It might also be a step toward elimination of needless duplication.

In itself, just making the entire behemoth more understandable, might help restore some of the public confidence missing from government institutions today.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, there is no doubt that gross violations of human rights still persist in every corner of the globe. The forms it takes are always ugly, for example, summary execution, torture and denial of due process to political dissidents, apartheid, racial discrimination, and denial of self-determination. Even genocide persists as the tragic events in Biafra demonstrated.

In the early days of the United Nations, it was the U.S. delegates who helped marshall world opinion behind the Universal Declaration of Human Rights. This extraordinary document was intended to establish "a common standard of achievement for all peoples and all nations" and bears forth the entire range of political, economic, social, and cultural rights.

Since its adoption, there have been some 23 conventions and 13 declarations to implement these noble ideals. Yet, almost unbelievably the U.S. Senate has failed to ratify 29 of these 36 documents. Even the alleged inconsistencies I mentioned yesterday between provisions of the conventions and our Constitution would not warrant outright rejection. In the first place, these conventions merely require us to adopt relevent legislation "in accordance with our Constitution." These laws will require the consent of both Houses of Congress, the President's approval and would, of course, be subject to Supreme Court review. In addition, as signatories, we may add understandings or reservations to clarify our interpretation of important passages.

The most obvious and startling example of Senate inaction is the Genocide Convention. This being the first human rights treaty adopted by the U.N., our delegates were instrumental in its drafting and were among its first signatories. Yet this treaty has been stalled before the Senate for over 25 years.

Mr. President, I appeal to my colleagues to join me in the effort to ratify the Genocide Convention.

WILLIAM A. SMALL

Mr. FANNIN. Mr. President, I was deeply saddened by the death of the former editor and publisher of the Tucson Daily Citizen, William A. Small.

For more than three decades, Mr. Small exerted a strong and constructive influence on the community. Under his leadership the Citizen helped guide Tucson's development from a small town into a major city.

He has left a rich legacy, and we are grateful for his many contributions to Tucson and the State of Arizona.

My condolences are extended to his wife, Elizabeth; to William A. Small, Jr., who is carrying on the service as publisher of the Citizen; and to the other surviving members of the Small family.

Mr. President, I ask unanimous consent to have printed in the RECORD the story which appeared in the Citizen on September 6 regarding Mr. Small's death.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WILLIAM A. SMALL DIES IN LA JOLLA

William A. Small, former editor and publisher of the Tucson Daily Citizen, died yesterday in La Jolla, Calif. He was 81.

A native of Chicago, where he went to school and established his own newspaper advertising business, Small bought the Citizen in 1935 in partnership with the late William H. Johnson. He moved to Tucson with his family in 1939 to take over the Citizen's business affairs, while Johnson supervised the news and editorial departments.

With Johnson's retirement in 1960, Small assumed full charge of the newspaper and was both editor and publisher for 15 years until his own retirement in 1966.

The period under his guidance was marked by the Citizen's greatest growth. He made it a strong factor in community affairs, an extension of his own deep concern for Tucson's progress and best interests.

Small sold his interest in the Citizen when he retired and had no connection with the newspaper at the time of his death. He divided his time in recent years between residences in Tucson and La Jolla.

He is survived by his wife, Elizabeth; a son, William A. Small Jr., who succeeded his father as publisher of the Citizen; two daughters, Mrs. John R. Shafer of Yountville, Calif., and Mrs. David F. Hart of Darien, Conn.; and nine grandchildren.

Funeral services will be private.

MARYLANDERS MOURN THE LOSS OF MILTON A. RECKORD

Mr. MATHIAS. Mr. President, Marylanders mourn the loss of Milton A. Reckord, who for decades personified the Maryland National Guard and served the Guard and our Armed Forces with distinction in both war and peace.

Lieutenant General Reckord, who continued as Maryland's Adjutant General for 45 years, established a unique career which spanned both patrol duty following the Baltimore fire of 1904 and the organizational changes in the Guard to support the war in Vietnam.

His many decorations include the Bronze Star, the Distinguished Service Medal and a brace of honors from other nations. Perhaps his most significant achievement, however, was to remove the Maryland Guard from the political arena, and to remove the taint of politics from the Guard, a vital step in the modernization of the Guard in the decades of his leadership. He did not pursue a political career himself, despite the urgings of many, including those who served under him in World War I. His long career has set a high standard for devotion and patriotism for his own State and the Nation.

General Reckord's accomplishments are detailed in the news accounts of the past few days. I ask unanimous consent that they be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Baltimore Sun, Sept. 20, 1975]

GENERAL RECKORD

Milton A. Reckord witnessed the advance of the Twentieth Century as adjutant general of Maryland's National Guard. Given a rigid posture and sense of discipline, he could not have chosen a better seat. It is still easy to visualize him, attired in boots and jodhpurs, leading Maryland units of the Guard off to World Wars I and II. General Reckord, before retirement at age 85 in 1965, had been the oldest adjutant general in the United States. Maryland and the nation got more than their share of his years.

He not only witnessed history, he added a paragraph or two of his own, especially in his own back yard where military politics easily spilled into party politics, and being a good Democrat sometimes seemed just as important as being a good officer. He was boosted for Governor after his return from Europe in 1919, but he gave way to Albert C. Ritchie, the man eventually nominated and elected, and the Governor who first named General Reckord Maryland's adjutant. The general also nearly ran for United States Senator in 1934, but again he withdrew in favor of another, George A. Radcliffe, who went on to a successful Senate career.

By the time General Reckord was ready to step aside, politics was deemed incompatable with military duty, and he, more than anyone else, was credited with having removed the Guard and guardsmen from its influence. If the Guard's political activities declined, however, General Reckord's opinions grew and in some cases stiffened. A citizen was bound to patriotic duty in the armed services, and no personal or moral rationalization of "good" or "bad" wars could ever change that. A law-abiding citizen also had the right to bear arms, and crimes committed by handguns were the misused instruments of criminals, not arms dealers.

It is not necessary to agree with those judgments to be impressed by the contribution General Reckord, who died this week at age 95, made to Maryland and the nation.

[From the Baltimore Sun, Sept. 9, 1975]

General Reckord Dies at 95

Lt. Gen. Milton A. Reckord, the former state adjutant general and a commander of Maryland troops in both world wars, died yesterday morning at Fort Howard Veterans Hospital. He was 95 years old.

He was the oldest adjutant general of any state when he retired December 31, 1965, after 64 years of service to his country and to Maryland.

Funeral services will be held at 11.30 A.M. Thursday at the Church of the Good Shepherd in Ruxton.

He retired "to take things quietly and to do just as I please" after serving as Maryland's adjutant general for more than four decades.

He was one of the few senior National Guard officers to hold major commands in the United States Army after the guard was federalized in World War II.

After leading the 29th Division in its first year of federal service, before Pearl Harbor, General Reckord was the first guard officer appointed to a service command.

Later he went overseas, at the age of 64, as provost marshal of the European Theater of Operations.

Although he occasionally participated in political campaigns as a Democrat, General Reckord often was credited with taking the Maryland Guard out of politics.

General Reckord's career with the Maryland National Guard ranged from patrol duty during the Baltimore fire of 1904 to supervising its reorganization after both world wars and shifting it into the Selected Reserve Force organization in support of the war in Vietnam.

He was born in Harford county December 28, 1879.

General Reckord enlisted as a private in Company D of the 1st Infantry in February, 1901. Within five months he was first sergeant of his company and became its commander two years later, on his 24th birthday. In 1906, he was promoted to major.

General Reckord's first federal active service came in the summer of 1916, when his regiment was called up for five months' service on the Mexican border during the hostilities there.

By the end of that year he returned to his civilian flour and feed business in Harford county for a brief respite. In May, 1917, shortly after the country's entry into World War I he was back in federal service.

Two swift promotions in his first year of federal service brought him the command of the 115th Infantry, composed of Maryland guardsmen, six weeks before the regiment was shipped to France in June, 1918.

The regiment arrived in France in time to participate in some of the bitterest fighting in Haute Alsace and in the Meuse-Argonne offensive, during which it was in the trenches for 22 days without relief.

After the regiment returned to the United States in the spring of 1919 and became again the 1st and 5th Maryland regiments, General Reckord returned to active service with the general staff.

But in the interim he found himself thrust into Maryland politics by a group of the men who had served under him in France. They urged his candidacy for the Democratic nomination for governor. Albert C. Ritchie won the nomination, however, and General Reckord campaigned for him in Harford county, the start of a long association between the two men.

While serving with the general staff in Washington, General Reckord helped in the plans for reorganizing the National Guard in what was to prove to be its preparation for another major conflict.

He also helped implement those plans, as he was summoned to Washington several times in the following years to help allocate the National Guard units among the states.

As the Maryland Guard's senior line officer, he was promoted to brigadier general and appointed state adjutant general by Governor Ritchie in 1920.

Reorganization of his service to the guard in war and peace came in 1924, when he was elected president of the National Guard Association of the United States.

Stemming from his guard experience was a strong advocacy of civilian familiarity with weapons.

As president or executive director of the National Rifle Association, posts he held until 1949, he regularly urged that civilians be taught how to handle firearms.

Again in 1934, General Reckord was mentioned as a candidate for the gubernatorial and United States senatorial nominations. He seriously considered seeking the senatorial nomination but withdrew in favor of George L. Radcliffe, who was subsequently elected.

That same year, he was promoted to major general and given command of the 29th Division, the guard outfit that includes units in Maryland and Virginia.

The 29th Division was called back to federal service in February, 1941, and General Reckord commanded it at Fort Meade during the difficult training days of wooden machine guns and stovepipe anti-tank weapons.

Eleven months later he was relieved of that assignment under the policy of relieving over-age officers of combat posts and was placed in command of the 3d Corps Area, which later became the 3d Service Command, covering Maryland, Pennsylvania, Virginia and the District of Columbia.

In the service command, General Reckord, from his headquarters in the Post Office Building here, won renown for slashing much of the red tape hampering supply activities and for clearing able-bodied soldiers out of desk assignments.

His reorganization of the service command was adopted as a pattern for the eight others in the country.

As preparations for the invasion of France entered their last six months, General Reckord was named provost marshal for the European Theater of Operations, where he was in charge of enforcement of military law in the invasion zone.

In Europe his major jobs involved keeping roads across France and Normandy open to supply the American troops in the front lines, caring for German prisoners of war and later, recovering Americans captured by the Germans and returning them to the United States.

After his return home in 1945, General Reckord was named chairman of a committee of 15 generals who drafted the plans for the post-war reorganization of the guard.

Through his later years, General Reckord was in the forefront of the periodic struggles between state military officers and Army officers over reducing guard strength and bringing it under closer federal supervision.

At the same time, he devoted much of his energy to keeping Maryland Guard units as close as possible to fighting trim.

Among his reforms was summer camp training, which became more spartan than it had been in earlier years. When the Army decreed that guard units should reorganize into the streamlined organization of atomic warfare, General Reckord supported the change but resisted cuts in overall guard man-power.

For most of his life, General Reckord was active in sports.

When a syndicate was formed here in 1929 to buy the old Orioles and build a new ball park, he was named its president. During World War II, he won praise in amateur sports circles by working out a policy by which amateur athletes could compete in Army leagues with professionals without endangering their amateur status.

Following the war he became president of the Harford Agriculture and Breeders Association, operators of the old Havre de Grace race track. He later became president of the Maryland Jockey Club, operators of Pimlico race track, and was a director of the Thoroughbred Racing Association.

When Gov. Millard Tawes was elected in 1958, General Reckord announced his retirement as adjutant general. But the Governor asked him to stay and the retirement was put off.

Among the many awards given the general during his career was the Distinguished Service Medal of the National Guard Association of the American Legion.

His military decorations included the Distinguished Service Medal with two Oak Leaf Clusters, two French Croix de Guerre with Palms, the Bronze Star, British Knight Commander of the Order of the Bath and the French Legion of Honor.

In 1968, then Gov. Spiro T. Agnew appointed him as his representative to a legislative subcommittee on gun control. In 1970, he became the first recipient of the Maryland Distinguished Service Medal.

An interview in June, 1974, found the old soldier still alert, with a ready opinion on every current event. He opposed any blanket amnesty for draft evaders but advocated that any punishment given those returning be mild. Detente wtih the Soviet Union, he said during the interview at his Baltimore county home, was paramount in determining U.S. military policy abroad.

General Reckord is survived by a daughter, Mrs. H. Frederick Jones, Jr. His wife, the former Bessie Payne Roe, died in 1942.

[From the Washington Post, Sept. 10, 1975]

PROVOST MARSHAL OF WWII EUROPEAN THEATER; GEN. MILTON RECKORD OF MARYLAND NATIONAL GUARD DIES

Retired Army Maj. Gen. Milton A. Reckord, 95, adjutant general of Maryland for 45 years and a veteran of both World Wars, died Monday at Ft. Howard Hospital in Baltimore County after a long illness.

On his retirement at the end of 1965, he had completed a military career that spanned 64 years. He had commanded Maryland troops in both wars, and later in World II served as provost marshal of the European Theater of Operations.

Gen. Reckord was one of the leading figures in the peacetime reorganization of the National Guard after both wars. He was one of the few senior National Guard officers to hold major commands in the U.S. Army after the Guard was federalized in World War II.

Born in Harford County, Md., Gen Reckord began his military service in 1901 when he enlisted as a private in the old 1st Infantry of the Maryland National Guard. He was commissioned two years later.

He received several promotions and commanded the federally inducted 115th (Maryland) Infantry of the 29th Division in France during World War I. He led this regiment in a number of combat operations.

The division was demobilized after the war. In 1920, Gen. Reckford was named adjutant general of Maryland and commanding general of the Maryland National Guard.

He was made a major general and given command of the 29th Division in 1934. It was inducted into federal service again in February, 1941, and was stationed at Ft. Meade. It was composed of former national guardsmen and selectees from the District, Virginia, Maryland and Pennsylvania.

At Ft. Meade, the division trained with wooden machine guns and stove-pipe anti-tank weapons.

In January, 1942, Gen. Reckord was transferred to command of the 3d Corps Area with headquarters in Baltimore. He was in charge of supply and administration of Army installations in the District, Virginia, Maryland and Pennsylvania.

As the Allies made preparations to invade France, Gen. Reckord was named provost marshal for the European Theater, where he was in charge of enforcement of military law in the invasion zone, serving until the end of the war.

A former president of the National Guard Association, Gen. Reckord was credited with removing the Maryland National Guard from politics, although he occasionally participated as a Democrat in political campaigns.

During his many years as a soldier, he maintained an enthusiastic interest in rifles and rifle matches. He had served in executive positions with the National Rifle Association, and advocated training of civilians in the proper use of guns for "peaceful" shooting.

Gen. Reckord also was a racing enthusiast. He had served as president of the Harford Agriculture and Breeders Association, which operated the old Havre de Grace Race Track, and as president of the Maryland Jockey Club, operators of Pimlico race track. He also had been a director of the Thoroughbred Racing Association.

Gen. Reckord was awarded the Maryland Distinguished Service Medal in 1970.

His military decorations included the Distinguished Service Medal with two Oak Leaf Clusters and the Bronze Star. He was a member of the French Legion of Honor.

Gen. Reckord twice received the French Croix de Guerre with Palm for his service in World War I and then World War II. He also was made a British Knight Commander of the Order of the Bath.

He is survived by a daughter, Mrs. H. Frederick Jones, Jr.; a sister, Elsie Reckord Fitzgerald, and a grandchild.

ALABAMA LEGISLATURE COMMENDS CRENSHAW CHRISTIAN ACADEMY "COUGARS"

Mr. ALLEN. Mr. President, as a result of the fine efforts of Coach Charles Cook and the Crenshaw Christian Academy Cougars, the Crenshaw Christian Academy, located in Luverne, Ala., won the Alabama Private School Athletic Association State Basketball Tournament in 1975 for the second straight year. This outstanding team has now won 57 of its last 61 games. In recognition of this achievement the Alabama State Senate and the Alabama State House of Representatives each have passed resolutions commending Crenshaw Christian Academy.

Mr. President, I ask unanimous consent that Alabama Senate Resolution 18 and Alabama House of Representatives Resolution 29 be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTION 18

Commending the Crenshaw Christian Academy basketball team for winning the Alabama Private School Athletic Association State Tournament

Whereas the Crenshaw Christian Academy basketball team, affectionately called the "Cougars," recently won the Alabama Private School Athletic Association State Basketball Tournament for the second straight year; and

Whereas the Crenshaw Christian Academy Cougars earlier won the Division IV Tournament, the Bullock Invitational Tournament, and the Crenshaw Christian Invitational Tournament; and

Whereas Crenshaw Christian Academy won 32 games this season without a single defeat, and has won 36 games in a row, and has won 57 out of their last 61 games; and

Whereas, Jeff Morgan and Tony Williamson of Crensaw Christian Academy were selected to the All-Tournament team and Greg Morgan was selected Most Outstanding Player of the tournament; and

Whereas the Crenshaw Christian Academy Cougars are a reflection on their faculty, parents, and the good citizens of their area; now therefore,

Be it resolved by the Legislature of Alabama, both houses thereof concurring, That we do most heartily commend the Crenshaw Christian Academy for winning the 1975 Alabama Private School Athletic Association State Basketball Tournament.

Be it further resolved, That a copy of this resolution be sent to Coach Charles Clark and to the Crenshaw Christian Academy basketball team.

RESOLUTION H.R. 29

Commending the Crenshaw Christian Academy High School basketball team for winning the Alabama Private School State Championship

Whereas, the Crenshaw Christian Academy High School Basketball Team won the Alabama Private School Basketball Championship by their outstanding ability and hard play; and

Whereas, the team was undefeated throughout the 1975 Basketball season, winning 32 and losing 0 games; and

Whereas, the team has a total winning record of 36–0 extending through the 1974 State play offs to date; and

Whereas, Coach Charles Clark is entitled to great credit for the high degree of technical skill and team play which enabled the team to win; and

Whereas, the esprit de corps of the team, the faculty, the parents and citizens of the community was a vital factor in producing the Championship; now therefore

Be it resolved by the House of Representatives of the State of Alabama. That we do highly commend and heartily congratulate the Crenshaw Christian Academy High School Basketball Team for being 1975 Baskestball Champions of the Alabama Private School Association.

Be it further resolved, That copies of this resolution be sent to the principal, the coach and each team member.

JACK BELL

Mr. GOLDWATER. Mr. President, I rise this morning to perform the sad duty of paying my final respects to my old friend and neighbor, Jack Bell, who spent many years of his life covering the Senate for the Associated Press.

It is difficult for me to remember a single individual in my nearly 20 years in the Senate who proved more stimulating to my political thinking than did Jack Bell. He was an extremely serious man who knew the politics of this Senate and our Nation like the back of his hand. He could give you the intimate details and background on political situations far removed from the Nation's Capitol and supply you with expert knowledge as to why certain things occurred in a political way.

Mr. President, Jack Bell was the first newsman I met when I arrived in town in January of 1953 to take up my duties as a U.S. Senator. Our friendship continued from that day right up until his death this week. He was my neighbor in the Westchester Apartments on Cathedral Avenue in this city. He also was my partner in countless discussions and arguments over the serious questions of public policy which came before the Senate. And let me make it very clear that we did not always agree on matters of political ideology—in fact, we had very serious differences at times.

Mr. President, I had great respect for Jack Bell and I feel deeply honored that he felt my political career was sufficiently important to draw his attention in a book entitled, "Mr. Conservative: BARRY GOLDWATER." Perhaps because I was the subject, this book of Jack's was not a best-seller. However, I can assure my colleagues that it was one of the fairest accounts ever written about my activities as a Senator and a politican.

Mr. President, Jack Bell was more than just a reporter. In the Senate and wherever national politics were played, he was an institution. The Senate and indeed the entire Nation will miss Jack Bell. They have lost a tireless recorder of the truth, and I have lost a valued friend.

JULIAN "CANNONBALL" ADDERLEY

Mr. STONE. Mr. President, this summer the world was saddened by the loss of a truly great American, Julian "Cannonball" Adderley. This great humanitarian and musical giant left a world improved by his contributions toward better relations and understanding among people everywhere. Recognizing his eternal gift to mankind, as well as his status as a native Floridian, Gov. Reubin O'D. Askew proclaimed September 15, **1975, as** Julian "Cannonball" Adderley Day in the State of Florida.

Mr. Adderley would have celebrated his 47th birthday on that date. As a tribute to Cannonball Adderley, Mr. President, I ask unanimous consent that the text of the Governor's proclamation be printed in the RECORD.

There being no objection, the proclamation was ordered to be printed in the RECORD, as follows:

PROCLAMATION

Whereas, music has always been a common bond for bringing people together, and

Whereas, Julian "Cannonball" Adderley's life was his jazz music, and his music promoted better human relations and understanding throughout the world, and

Whereas, his long and illustrious career, which began in Florida, included leader of the 36th Army Dance Band, the Army Band at Fort Knox, alto saxophone player with Oscar Pettiford, Dizzy Gillespie, Miles Davis and George Shearing and appearances with the Cincinnati and St. Louis Symphony Orchestras as well as his own Quintet, and

Whereas, Cannonball has been selected in yearly polls by musicians and critics as outstanding musician by Variety, Downbeat, Ebony and has been the recipient of Grammy, Modern Jazz Society and Disc Jockey Awards, and

Whereas, he has served on many prestigious Arts Councils such as the Institute of Black American Music, the Black Academy of Arts and the Kennedy Center for Performing Arts, and

Whereas, his commitment to music brought him to college campuses not only to perform but to lecture on jazz in conjunction with Black studies and music programs, and

Whereas, on August 8, 1975, the world lost a great musical talent and humanitarian with the untimely death of Cannonball Adderley, and

Whereas, Cannonball would have celebrated his 47th birthday on September 15, 1975;

Now, therefore, I, Reubin O'D. Askew, by virtue of the authority vested in me as Governor of the State of Florida, do hereby proclaim September 15, 1975, as Julian "Cannonball" Adderley Day, in Florida, and urge all Floridians to remember this native Floridian, his contributions to the world of entertainment and his matchless ability to lift the spirits of his fellowman through music.

In witness whereof, I have hereunto set my hand and caused the Great Seal of the State of Florida to be affixed at Tallahassee, the Capital, this 11th day of September in the year of our Lord nineteen-hundred and seventy-five.

REUBIN O'D. ASKEW,
Governor.

GEORGE CRONIN

Mr. CLARK. Mr. President, today I was deeply saddened to learn that George Cronin, a professional staff member of the Senate Committee on Aging, passed away in Denver, Colo., while on vacation.

During the past 2 years, my staff and I worked very closely with George. He was a dedicated and compassionate staff member of the Special Committee on Aging. He had a keen understanding of the problems facing older Americans and devoted his time and efforts to make life better for them. During consideration of the Older Americans Act this year, for example, George's studies of the State and local agencies on aging were crucial in assuring that the Senate adopted the best possible legislation. And his work on transportation problems of the elderly and on architectural barriers confronting older and handicapped Americans was innovative and creative.

George's career in the Senate tragically was cut short. But his work will live on as a model for others to emulate. George was a good friend of ours. He was kind and compassionate, quick-witted and considerate beyond the call of duty. He accomplished in his short lifetime what few others ever can: He left the world a better place to live in. His life and work will not soon be forgotten. We will miss him very, very much.

LEWIS AND CLARK SALT CAIRN

Mr. HATFIELD. Mr. President, earlier this year I introduced legislation to add the site of the salt cairn utilized by the Lewis and Clark Expedition to the Fort Clatsop National Memorial. This legislation is being cosponsored by Senators PACKWOOD, MAGNUSON, and McCLURE and it is presently pending in the Parks and Recreation Subcommittee of the Senate Interior Committee.

An article on the significance of the salt cairn appeared in the August 3 issue of the Oregonian. I would like to bring this article to the attention of my colleagues, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SIGNIFICANCE OF LEWIS AND CLARK SALT CAIRN RECALLED

(By Virgil Smith)

Speaking of money, if young bucks would say salt instead of bread they'd be right on. Salary comes from solarium which was the regular ration of salt issued to Roman soldiers.

You don't notice it now because it is so easily obtained, but salt has always been highly valued. In Africa it was once worth twice its weigh in gold.

When Lewis and Clark came out west, the first thing they did after deciding they'd gone far enough was to look for a place to boil sea water for salt.

The party had set out from St. Louis with 750 pounds of it. Some they cached along the way, then ran out. When they decided to stop and spend the winter, they'd been out of salt for 15 days and were hurting.

So while most of the group fell to hewing down trees to build Fort Clatsop, three men set out to find a place for a salt works. It had to be convenient to the sea at high and low tide, but also near fresh water to drink; there had to be stones for a fireplace and a bountiful supply of fuel.

After searching two days, the trio found a suitable place eight miles in a line from Fort Clatsop but 15 miles by swampy trail.

SEA WATER BOILED

Three men spent two months there boiling sea water in copper kettles they had brought along. They also had to hunt and prepare their food. It was midwinter, cold and wet. But they produced from three quarts to a gallon a day, and besides what they and the crew at Fort Clatsop used during the winter, they produced 20 gallons with which to start the long walk back to St. Louis.

In 1963 Congress set up a Lewis and Clark Trail Commission to generate interest in that expedition. The Commission was permitted to lapse in 1969. One of the fruits was the building of a replica of Fort Clatsop and it being made a national monument in custody of the National Park Service.

Another fruit was creation of the Lewis and Clark Heritage Foundation Committee to keep things moving. The committee has tried to get the National Park Service to take on the site of the salt works as part of the Fort Clatsop Memorial. The Park Service wanted to know how the site was found and identified.

The committee replied that "everybody knew" the pile of rocks in what is now Seaside was where Lewis and Clark made salt, just as everybody knew where they had camped, at Fort Clatsop. It didn't have to be found because it never was lost.

Further, the pile of rocks, the salt cairn, had been a landmark for Indians and whites. It appears on all early maps.

Seventy-five years ago digging at the site revealed ashes; the stones are "burned". In that same year, 1900, an Indian, Jenny Michel, identified the place of stones as where she had played as a child, and her mother told her she had seen white men boil water there.

The Heritage Foundation Committee, Dr. E. G. Chuinard, chairman, has turned to Congress for help. Bills backed by Sen. Mark Hatfield and Rep. Les AuCoin are pending; action is expected this session. Letters from interested people would help.

The salt cairn and the lot on which it stands was willed to the historical society by Charlotte Cartwright in 1910. Since then a fence has been built around the rocks to discourage looters and a marker has been set up.

To take over the Salt Cairn would cost the park service very little, virtually nothing at the start. The committee would like to have a nice dedication service during the Bicentennial year. It would like to see two properties fronting on the cairn be acquired when they come on the market, then the small area restored to what it may have been originally.

That the Salt Cairn has not attracted more public attention and curiosity is probably due to the lack of signs and directions, plus scant knowledge of its significance, or nature. What the heck is a cairn?

A cairn is a pile of rocks. The rocks at Seaside are historic ruins of Lewis and Clark salt works.

MINNEAPOLIS ENJOYING HEYDAY AS UPBEAT METROPOLIS

Mr. MONDALE. Mr. President, yesterday's New York Times carried an excellent article about the city of Minneapolis. Written by William E. Farrell, it explores the many features of Minneapolis that make it a uniquely healthy, and in the author's words, "upbeat" community.

In the past few years a number of books, magazines, and newspapers have pointed to the State of Minnesota and the city of Minneapolis as perhaps our Nation's foremost example of the "successful society." This success is measured not primarily in wealth, but in quality of life including the caliber of our schools, the proximity to parks, rivers, and open spaces, the openness of our political system, and the civic orientation of businesses that are headquartered in the Twin Cities.

In his article, Mr. Farrell discusses these and other aspects of life in Minneapolis. He reports the views of local leaders on the city's recent history and on the future that citizens are now working to shape. And he concludes:

> No one says there are no problems. But no one is saying they are insoluble. Minneapolis is in its heyday.

I thoroughly agree with Mr. Farrell's conclusion, and I commend his article to my colleagues in the Senate.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Sept. 16. 1975]

MINNEAPOLIS ENJOYING HEYDAY AS UP-BEAT METROPOLIS

(By William E. Farrell)

MINNEAPOLIS.—On aging but still elegant Summit Avenue in St. Paul, where F. Scott Fitzgerald once resided at number 599, they still like to call Minneapolis "Mill City."

It is a tart reminder of Minneapolis's modest days as a leading flour miller around the turn of the century when, just across the Mississippi River, St. Paul was flourishing as a railroad hub.

For there is a sibling rivalry between the not always fraternal Twin Cities. Viewing the downtown of both metropolises is a bit like seeing disparate twin sisters at a dance. One, Minneapolis, is cavorting in a ball gown. The other, St. Paul, is a wallflower in rags. One lively; the other quiescent. Mill City vs. Milltown.

Since the nineteen fifties. Minneapolitans (a term residents use although it sounds as if it was concocted by Jonathan Swift) have worked hard to make their city attractive, up-to-date, livable and cultivated.

Their gains have been impressive as residents of Minneapolis are quick to point out in terms that usually convey pride and a minimum of boosterish braggadocio.

While older, multiracial and polyglot Eastern cities, of which New York is the outstanding example, are wrestling with bill collectors, truculent employes, overcrowding, eroding facilities and other urban woes, Minneapolis exemplifies what it is like to be young, Midwestern, uncrowded, solvent, essentially homogenous, and a bit bland—like a bouillabaisse made with only one kind of fish.

The latest population figures for Minneapolis put the total at 416,864. Ninety-four per cent is white, mostly of Swedish, Norwegian, German, Polish and Finnish stock. "It's a pretty good stock for seeing eye to eye," one businessman said. The remaining 6 per cent include blacks, Indians, Spanish-speaking persons and Orientals.

The ethnic and racial tensions that prevail in other cities are not now a major factor in Minneapolis.

Back in the late nineteen-sixties when black discontent erupted in the ghettos of many urban centers there were also disruptions in Minneapolis, mostly along Plymouth Avenue, where many of the city's blacks live.

REACTION TO RIOTING

But viewed against the outburst in a city like Detroit, the rioting was minor. Still it stunned many whites in a place where the normal cacophony and tensions of a big city are minimal. The city's voters deserted the liberal Democratic fold in the 1969 Mayoralty race, electing Charles S. Stenvig, a former burglary detective who campaigned as a champion of law and order and conservation.

Two years ago, as the memories of black unrest and student protest at the university of Minnesota receded, they once again elected a liberal Democrat, Albert J. Hofsteda.

There is a question of whether Minneapolis, the city settled in by Mary Richards, the role played by Mary Tyler Moore on her television show, is a large small town or a small big city.

Probably it is both as it continues to enthusiastically cover up the raw traces of its flour-milling past in a burst of architectural innovation and civic commitment.

For city of its size, it has an unusual array of cultural attraction—a new symphony hall that has been hailed by music critics for its fine acoustics, a well-known symphony orchestra, the Tyrone Guthrie Repertory Theater, a widely acclaimed children's theater, the Walker Art Center, the Minneapolis Institute of Art, the Swedish Art Institute and the University of Minnesota Gallery.

HEADQUARTERS CITY

Curtis L. Carlson, a self-made millionaire and native of Minneapolis, says the main reason for the cultural emphasis is "because we are a headquarters city."

"When you have the executives living in the city, there's more of an inclination to help the higher things in life," Mr. Carlson said in an interview at the Minneapolis Club, a refuge for business and civic leaders amid worn Oriental carpets, dark paneled walls, smiling retainers and large overstuffed chairs to sleep or make deals in.

The city serves as home base for such corporations as Pillsbury; Minnesota Mining and Manufacturing; Investor Diversified Service, a mutual fund conglomerate; and for computer companies such as Honeywell, Control Data and Univac.

Mr. Carlhon who founded the Gold Bond Trading Stamp Company and owns a wide variety of other concerns, is typical of the successful Minneapolis entrepreneur.

He is enthusiastic about the city, avid for continued growth and, like many of his counterparts, feels that the leaders of the business community have an obligation to be involved in civic affairs.

DOWNTOWN RESURGENCE

The resurgence of the downtown area, particularly the shopping district around Nicollet Mall, resulted, in large measure, because city business leaders banded together in the nineteen-fifties when General Mills, a major economic mainstay, decided to move to the suburbs.

New taxes were levied with the businessmen's consent so long as the money was used to transform Nicollet Avenue.

"We willingly voted these things on ourselves, and it's paid off," Mr. Carlson said, adding that he owned large suburban tracts and was convinced that "the strength of the suburb is dependent on the strength of the inner city."

The Nicollet Mall, which has won praise from architecture critics, is one of the city's liveliest areas. It has a system of glass-enclosed skyways that provide all-weather indoor links between large and small stores, restaurants, banks, and a wide variety of specialty shops.

In Minneapolis, weather is a problem. The winters are long and freezing cold. The snow is measured in feet not inches. In the summer, stunning winds can flail pedestrians with the oppressive hot force of a Libyan sirocco.

So the honeycomb of skyways and heated or air-conditioned accesses has proved a boon and eventually it was hoped they will connect 64 blocks downtown.

NEVER FRENETIC

Businessmen, many of them wearing the de rigeur Midwestern attire of maroon slacks and white slip-on shoes, greet each other on luncheon strolls in the mall area. There are crowds but they are not jostling. Their pace is purposeful, but never frenetic.

Downtown St. Paul, the state capital, is a bit dowdy by comparison although efforts are under way to rejuvenate the core of the city and a few skyways, similar to Minneapolis's, have been built.

There is an ambitious redevelopment plan underway that is expected to create a shopping center covering a 12-block area in downtown St. Paul.

Community leaders in St. Paul, population 309,988, appear to move more slowly and cautiously than their counterparts in Minneapolis, perhaps reflecting the city's preference for a more laconic pace.

Residents of St. Paul also have to bear something that those who live in Minneapolis do not—the fusian and bombast that emanate from the handsome state Capitol when the Legislature is in session.

"BIG DIFFERENCE"

Responding recently to a local reporter who was comparing the two cities, Mayor Lawrence Cohen of St. Paul said:

"One of the big differences between the cities is that Minneapolis isn't mentioned in either the Old or the New Testaments."

Not far from the mall area in Minneapolis is Hennepin Avenue, which has a different character from that of the mall. It is glittery, tacky. At night prostitutes work the streets while pimps sit in parked cars. There are fast eating joints, movie houses, porno bookstores, bars both homosexual and straight.

A lot of civic-minded Minneapolitans do not like the area and want to transform it with a new rebuilding plan that is currently stalled. But the others it has a big-city quality bespeaking the existence of exceptions to the straight-laced homogeneity that abounds in other areas.

The city has a tradition of clean politics. There are minor outbreaks of cupidity now and then by pubilc servants, but nothing on the scale of the triflings with the public purse endemic to a city like Chicago.

A 17-member Metropolitan Council, appointed by the Governor, is the coordinating agency of government for the Twin Cities metropolitan area, which encompasses seven counties and contains about 1.8 million people.

REGIONAL LEADERSHIP

Its job is to deal with problems that transcend the boundaries or capabilities of other units of local government. The council has its own tax base and has power of review over Federal aid projects. It also supervises such things as the developments of facilities dealing with sewerage, transit, airports and parks.

One of the city's major attributes is its system of parks and waterways. Within the city limits, there are 23 lakes and 153 parks, which abut on residential areas and in some cases are threaded through these areas by a system by parkways.

There are decent places to eat and drink in the city and a few restaurants that are described as "classy" although the cuisine does not match that of a good expensive New York restaurant.

People tell visitors that the city is fine for rearing families. They say the high school dropout rate is one of the lowest in the country, around 8 per cent. School integration began quietly in 1971 under Federal court order.

The city fathers tell of the enthusiasm and power of citizens' lobbying groups and speak warmly of Minneapolis's triple-A credit rating. Businessmen like Mr. Carlson speak proudly of the plans for the future of downtown; of the new businesses to be lured to the city; of how easy it is to attract executive talent because of the city's amenities.

No one says there are no problems. But no one is saying that they are insoluble. Minneapolis is in its heyday.

FOSTER GRANDPARENT PROGRAM 10TH ANNIVERSARY CONFERENCE

Mr. CRANSTON. Mr. President, last week nearly 700 participants in the foster grandparent program met in the Nation's Capitol for the Foster Grandparent 10th Anniversary Conference. The 3-day occasion, held September 10, 11, and 12 at the Sheraton Park Hotel, was marked by workshops and recognition award presentations to the 20 original projects and to 20 of the individual foster grandparents who have participated in the program since its inception 10 years ago.

At the conclusion of my remarks, Mr. President, I would like to include in the RECORD the names of these individuals and their sponsoring projects, but at this time I would like to single out a constituent of mine who is among those who were honored, Mrs. Edna Wassace, a 76-year-old foster grandparent who is assigned to the Woodside Terrace project site in San Francisco, Calif. Mrs. Wassace's project sponsor is the Family Services Agency of San Francisco, Inc. In addition to the Woodside Terrace assignments, Family Services has volunteers working with children at the San Francisco General Hospital, the University of California Medical Center, St. Francis Day Home, Holy Family Day Home, Mt. Zion Hospital, the Development Center for Handicapped Minors, and the Hillcrest School.

I am particularly pleased to have the opportunity to tell my colleagues about the family services program, which was recently visited by a member of the staff of the Special Subcommittee on Human Resources, which I chair on the Labor and Public Welfare Committee. We were most impressed by the quality of the staff and volunteers involved in the project.

HISTORY OF FOSTER GRANDPARENT PROGRAM

Mr. President, the foster grandparent program has indeed made a significant contribution since it began as one of the war on poverty programs in 1965. During that year, under an arrangement between the then Office of Economic Opportunity—now the Community Services Administration—and the Department of Health, Education, and Welfare, HEW's Administration on Aging, using OEO funds, began conducting the foster grandparent effort, a program in which older, low-income individuals could offer supportive person-to-person services in health, education, welfare, and related settings to children having exceptional needs.

Four years later, Mr. President, in 1969, this beautiful program was given specific statutory authorization under provision of the Older Americans Act Amendments of 1969 (Public Law 91-69), and was transferred from OEO to the Administration on Aging. In 1971, when the ACTION agency was created by executive reorganization, the Foster Grandparent program, along with other Federal volunteer program efforts, was transferred again, this time from the Administration on Aging in HEW to the new Federal volunteer agency, ACTION.

Mr. President, Public Law 93-113, the Domestic Volunteer Service Act of 1973, which I authored, and which provides statutory authority for the ACTION Agency, included, in title II, provisions for the continued expansion of the Foster Grandparent program, which today has grown to 12,000 participants at over 150 project sites.

CONTRIBUTIONS

In 1972, Mr. President, a report on Foster Grandparents by Booz-Allen Public Administration Services concluded that—

> In terms of pure economic benefits and costs, total benefits of the FGP exceed its costs.

Based on a Federal cost of $10.2 million, the study found, "A conservative estimate places costs at $1,650,000."

The study described how host institutions and society, as well as children and volunteers, benefit from the program. The benefits identified were as follows:

First. To volunteers—improved health, increased independence, decreased isolation, and concern with financial problems;

Second. To children—improvements in the areas of physical, social, and psychological development; and

Third. To institutions—savings in staff time due to early release of children either from the institutions themselves or from more costly treatment programs.

OVERSIGHT RESPONSIBILITY

As chairman of the Labor and Public Welfare Committee's Subcommittee on Human Resources, which has oversight responsibility for the domestic volunteer programs of the ACTION agency, it is my privilege to urge support for the foster grandparent program in the Senate, and my responsibility to try to insure that the law authorizing FGP is carried out as my colleagues in the Senate, and the Congress as a whole, intended.

In my role as advocate for the program, Mr. President, it was my pleasure recently to submit testimony to the Senate Appropriations Committee recommending that the foster grandparent program receive the full amount of authorized funding for fiscal year 1976—$32 million—rather than the $25,930,000 recommended by the administration. I would like to set forth at the conclusion of my remarks, Mr. President, the text of my appropriations testimony on title II, Older American Volunteer programs, which includes my remarks on foster grandparents.

And in keeping with my responsibility to see that the law is faithfully implemented, I must point out, Mr. President, that currently we in the Congress are faced with a perplexing problem with regard to the foster grandparent effort. We have learned that as many as 10 percent—perhaps more—of the foster grandparents may have been assigned to work with persons who are not children—for instance mentally retarded adults who are confined to institutions. Such assignments, Mr. President, while they may be enormously beneficial, are contrary to present law, according to the General Counsel of the ACTION agency.

I have asked the ACTION agency to develop a plan to address this problem in as compassionate a way as possible. The last thing we want is for these relationships to be cut off with no alternative arrangements. But we must also see to it that the law, with respect to the assignments of foster grandparent service, be adhered to.

I am hopeful, Mr. President, that the ACTION agency will seek the advice of the project sponsors gathered in Washington last week as to the best way to deal with this sensitive situation, and will seek to find out how such a situation could have developed without the knowledge of ACTION agency officials.

I am hopeful, too, Mr. President, that the ACTION agency will step up its efforts to develop the senior companion program—modeled after the foster grandparent effort but designed to serve those, other than children, having exceptional needs—so that the optimum number of those who could benefit from this type of person-to-person relationship, both children and adults, will have that opportunity.

ADDRESS BY SENATOR WILLIAMS

Mr. President, in concluding my remarks, I would like to point out that the chairman of the Labor and Public Welfare Committee (Mr. WILLIAMS), long a leader in the Senate in developing programs geared to helping older Americans, addressed the delegates to the foster grandparent conference on Thursday morning, September 11. It was most fitting that PETE WILLIAMS appeared before the conference on the 10th foster grandparent program anniversary, for during that period no one has made a greater contribution in formulating and securing the passage of legislation bettering the lives of older Americans.

Mr. President, I ask unanimous consent that Chairman WILLIAMS' remarks and the other material I referred to be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

RECIPIENTS OF FOSTER GRANDPARENT PROGRAM 10TH ANNIVERSARY CONFERENCE RECOGNITION PRESENTATIONS

Project site and individual foster grandparent:

Leconia State School, Concord, N.H., Ruth Fox, age 71.

Western Carolina Center, Morganton, N.C., Zela Latts, age 72.

Stenton Child Care Center, Philadelphia, Pa., Pauline Colmer, age 70.

Hillsboro County Foster Grandparent Program, Tampa, Fla., Marie Hartos, age 75.

Grady Memorial Hospital, Altanta, Ga., Daisy Bell Spear, age 82.

Clover Bottom Development Center, Nashville, Tenn., Lenice McEwen, age 70.

Johnny Appleseed Workshop, Ft. Wayne, Ind., Dewey DeHart, age 77.

Henry Ford Hospital, Detroit, Mich., Norville Maddox, age 75.

St. Cloud Children's Home, St. Cloud, Minn., Regina Novotony, age 73.

Model Cities Day Care Center I, Akron, Ohio, Lois Perry, age 88.

Allen House, Cincinnati, Ohio, Daisy Pope, age 71.

Bessie Berner Metzenbaum Children's Center, Cleveland, Ohio, Jessalonie Allison, age 72.

No. Wisconsin Colony and Training School, Madison, Wis., Nellie Harvey, age 76.

Denton State School, Denton, Tex., Cornelia Ford, age 79.

Robert B. Green Hospital Newborn Nursery, San Antonio, Tex., Delores J. Herrera.

Colorado General Hospital, Denver, Colo., Mary Ann Hickock, age 78.

Utah State Training School, Provo, Utah, Freda Peterson, age 73.

Woodside Terrace, San Francisco, Calif., Edna Wassace, age 76.

Warmano Training School Hospital, Honolulu, Hawaii, Theresa Raposa, age 77.

Providence Hospital, Portland, Oreg., Opal Greaby, age 75.

Testimony of Senator Alan Cranston Before Subcommittee on Labor-HEW Appropriations of Committee on Appropriations on Fiscal Year 1976 Appropriations, H.R. 8069

Mr. Chairman, your strong commitment to placing a high priority in Federal budgetary policy on programs that will serve people's needs is well known. I am confident you and the members of the Subcommittee will fairly and equitably judge the proper allocation of funding for programs in social areas, while taking into account the overall Federal budget and the Congressional desire to maintain Federal spending at a reasonable level.

However, there are a number of areas on which I have placed special legislative emphasis as a member of the Committee on Labor and Public Welfare, and for which I would like to recommend specific appropriations.

ACTION AGENCY

Introduction

Mr. Chairman, I appreciate this opportunity to make recommendations to you concerning the ACTION Agency fiscal year 1976 budget. I am privileged to serve as Chairman of the Special Subcommittee on Human Resources of the Labor and Public Welfare Committee. This Subcommittee has oversight responsibility for the domestic volunteer programs of the ACTION Agency. As the author of P.L. 93-113, the Domestic Volunteer Service Act of 1973, which provides the Agency with its statutory authority, I am quite familiar with its programs, its strengths, and its shortcomings.

I have thoroughly reviewed the ACTION Agency's Fiscal Year 1976 budget and transition budget estimate to the Congress. I have requested and received further clarifying information on this submission from the Agency. Based on this information and our on-going oversight of the Agency and its programs, I would like to present to you areas where I believe certain changes should be made by your Subcommittee in marking up the appropriation for the ACTION Agency for fiscal year 1976 and the transition budget period.

Title II—Older American Volunteer Programs

Mr. Chairman, the above discussion on the question of expanding experimental programs prior to their receiving completed evaluations takes on added import when viewed in the context of the ACTION Agency's diminished requests for the proven statutorily established programs, especially the highly regarded Older American Volunteer Programs.

Foster Grandparents (FGP)

The Foster Grandparent Program derives its statutory authority from Part B of Title II of the Domestic Volunteer Service Act. In its FY 1976 budget submission, the ACTION Agency requested a reduction of $2,357,000 from the estimated fiscal year 1975 level of expenditure—$25,930,000. Such a reduction in funds would reduce enrollment in the program by 700 Foster Grandparents over the course of the year, and several times that number of children would be deprived of the Foster Grandparent's dedicated and compassionate companionship.

Mr. Chairman, I recommend that—at the very least—your Committee restore to FGP the cut of $2,357,000 from the FY 1975 level. In considering the appropriate amount for FGP, Mr. Chairman, I urge you to keep in mind that this program is authorized to receive an appropriation of up to $32 million for fiscal year 1976—$6,070,000 more than the amount requested. For this indisputably cost-effective and beneficial program—providing a small supplemental income to our low-income older Americans and immeasurably valuable services to underprivileged children, full funding, I feel, is entirely reasonable.

Such an increase in funds, Mr. Chairman, could be used to increase the enrollment in the Foster Grandparent Program, or it could be used to increase the stipend earned by the low-income participants in the program. The ACTION Agency has estimated that, based on the current number of Foster Grandparents, it would require $8.2 million annually to increase the FGP stipend from the present $1.60 an hour to the minimum wage level. By raising the Foster Grandparent appropriation to $32,000,000—an increase of $6,070,000 over the Agency request and an increase of $3,713,000 over the House-passed figure—the FY 1975 level—your Committeee could secure a modest increase in stipend for the Foster Grandparents, or provide for an increase in the number of persons enrolled in the program, or provide for a combination of the two. I urge you, Mr. Chairman, to recommend full funding of the very valuable FGP program.

Retired Senior Volunteer Program (RSVP)

The ACTION Agency has requested, and the House has approved, $17,500,000 for the Retired Senior Volunteer Program (RSVP), an increase of $1,520,000 over the FY 1975 estimated expenditure level. This increase will provide for an additional 45,000 RSVP volunteers—there currently are approximately 140,000 volunteers enrolled in the program.

Through RSVP, older Americans are provided an opportunity to share their talents and be of service to their communities. They are assigned to tackle a myriad of jobs, from working with shut-in persons, to teaching crafts, to shopping for the home-bound individuals. I support the requested increases for the outstanding RSVP program, Mr. Chairman, and urge you to approve it, as did the House.

Senior Companions

Mr. Chairman, the Foster Grandparent model was so successful that, two years ago, in the Domestic Volunteer Service Act of 1973 (P.L. 93-113), Congress provided for a spin-off program called the Senior Companions Program. Again, under this program, low-income older Americans receive an income supplement for working with—in this case—those, other than children, having exceptional needs. The ACTION Agency has requested $1,640,000—a reduction of $920,000 from the amount estimated to be expended during fiscal year 1975. I urge—at a minimum—restoration of this cut. The amount authorized to be appropriated for this program for fiscal year 1976 is $8 million.

Mr. Chairman, I believe your Committee should substantially increase over last year's $2.6 million level the appropriation for this program, for several reasons.

First, modeled as it is after the Foster Grandparent Program, it is a program of proven effectiveness. It deserves, and it should receive, more than token funding.

Second, Mr. Chairman, I have received a great number of requests—and I am sure you have received them as well—from Foster Grandparent sponsors and others who are concerned about what will happen to those children served by Foster Grandparents after they reach the age of eighteen, and who are concerned as well about the great need for companionship for developmentally disabled persons who are chronologically over the age of seventeen, but are children in mind and spirit. My first inclination was to advise these sponsors to work with the ACTION Agency in developing a grant application for a Senior Companions program to complement the Foster Grandparent effort. But what kind of advise is this, Mr. Chairman, when the facts show that the Senior Companion Program is only one-twelfth the size of the Foster Grandparent effort, one-sixth the size it is authorized to be, and when the Agency's current policy requires that 80% of the recipients of senior companionship must be older persons themselves?

In a recent report (No. 94-255) to accompany S. 1425, the Older Americans Act Amendments of 1975, the Labor and Public Welfare Committee directed the Agency to modify its 80% policy so as to give equitable opportunity to all those over the age of seventeen who could benefit by Senior Companions. It also directed that the agency provide for continuation of proven relationships between Foster Parents and children who pass the chronological age of 18 until all efforts have been exhausted to arrange for an appropriate alternative relationship for the individual being served.

These changes will help somewhat, Mr. Chairman. But, in order to enable the Agency to broaden the population of those served by Senior Companions, the Congress needs to provide adequate funding. Toward this end, I urge an appropriation of $4 million for Senior Companions, still only 50% of the amount authorized to be appropriated.

Community Service—An Investment in America

(An address by Hon. Harrison A. Williams, Jr., at ACTION Conference, 10th Anniversary of Foster Grandparents Program)

Ten years ago, President Johnson launched the Foster Grandparents program and opened a new front on the War on Poverty.

We in Congress had focused the President's attention on the Older American. This program responded to our recommendations for increased community service involvement.

Today, there are 13,000 Foster Grandparents serving more than 27,000 children in 157 projects in all 50 states.

A good many of us in this room today can remember people growing old 20 or 30 years ago—seeing what old age did to them.

Too often, it meant being alone or dependent on someone else. Too often, it meant being sick, and worst of all, afraid because they just couldn't afford to be sick.

Times have changed since then, largely because of the leadership that people like you have provided in the past decade.

We launched the Medicare and Medicaid programs.

We passed the Older American Act.

We replaced old-age assistance with a new Supplemental Security Income Program (SSI).

We enacted strong federal standards for the private pension system.

We have made great progress these last 10 years, but we have a long way to go.

We lifted millions of Americans out of poverty, but more than 3 million older Americans are still living at poverty levels.

In recent years, we have seen the elderly of this nation rapidly building a new way of life, using the dividends of the retirement revolution.

More than 20 million Americans are over 65 years of age. They comprise 10 percent of the population. By the turn of the century, this figure will increase to 25 percent.

Given the present trend toward longer life spans and earlier retirement, many Americans may spend up to one-third of their lives in what is now called "retirement".

Quite clearly, our society must adjust to an enormous change in life style.

Our national policy toward retirement is often contradictory. We pay lip serivce to the idealized images of our "senior citizens", "The golden agers" and "the golden years".

But childhood is romanticized, and youth is idolized. Older persons are sometimes forced into a position of sacrifice, the young suggesting that public resources are being mortgaged for the benefit of the old.

This conflict over the rightful share of public resources is being raised with greater frequency.

But the important question is whether one generation must be sacrificed for another. Or can each be a part of the other's enriched life?

There are enormous numbers of neglected children in this country. One out of every four children grows up in poverty. Many of the nation's children receive inadequate medical care.

The Foster Grandparent program taps the human resources of both generations. There is an old adage that: "The great use of life is to spend it for something that will outlast it".

Working in hospitals and institutions where neglected children are deprived of affection, the foster grandparent has given great truth to that statement.

Like the Head Start pre-school effort, loving attention can open for a child a world once denied.

Here is the great remedy for the pernicious effect of neglect—the love and sacrifice of an understanding elder. I know because I have seen the results of your work firsthand.

Many times, I have seen your miracles worked in my visits to the pediatric wards, the institutions for the mentally and physicaly handicapped, and in homes for the dependent and neglected.

Again and again, Congress receives reports of your successes.

In Texas, a child who once spent all of his time cringing in the corner of a room, now plays, goes to the dinner table and sits facing into the room. All of this since his Foster Grandparent started showing him the attention he had seldom known.

In North Carolina, a child who once insisted on being carried everywhere now happily walks with her "Grandma."

In New Jersey, a child with frequent epileptic seizures has been calmed by his Foster Grandparent and now has his affliction in control. And in Cincinnati, an 11 year old girl with brain damage, who once did not move at all, now smiles and turns her head in the direction of her Foster Grandparent's voice.

Obviously, you have bestowed a rich human resource on the young out of empathy and generosity.

The success of this program has encouraged other programs. We now have thousands of older volunteers involved in Vista, the Peace Corps, RSVP, Senior Companions and SCORE. Their knowledge and wisdom is a rare gift to younger generations.

Still, being old in America has become more difficult than ever. In the past year, food prices have risen 15 percent, fuel a monstrous 45 percent, and health care 50 percent with no end in sight.

There is talk of cutting essential social programs. Invariably, the elderly are among the first victims of reduced federal budgets. The Administration even requested cuts in the Foster Grandparent program.

Here my message is rather brief and blunt: the Congress must be exceptionally vigilant in protecting human programs against false budget priorities.

When economy is needed the budget knife may have to be applied, but never at the cost of new hardships for those whose lives are already hard.

To deny the elderly essential social services is false economy. Their ability to maintain active independent lives is reduced and eventually, they are forced into institutions where the cost of care is even greater.

The American dream promised older people that if they worked hard enough all their lives, things would turn out well for them. Today's older Americans were brought up to believe in pride, self-reliance, and independence. Many are tough, determined individuals who managed to survive against adversity.

But there are barriers which even the strong cannot overcome. Older workers begin to face age discrimination as early as age 45. Many are mustered out of the work force at an automatic cut-off age. They are told to "enjoy" a retirement which often locks them into poverty as well as idleness.

Working men and women nearing retirement age are caught in vise of rocketing prices with the prospect of retiring on a fixed income which has little chance of keeping up with the inflationary spiral. These situations demand that our national retirement incomes policy provide a greater freedom of choice regarding retirement.

Not many years ago, we tended to respond to aging problems with band-aid solutions—old-age assistance, a few special housing projects, and modest social services were stop-gap measures.

Major reform of social security, private pensions, and health care have provided splints, casts, and bandages to replace the band-aids.

But there is a need for a comprehensive approach on several fronts. The "aging" of our population—coinciding with a rise in retirement income expectation—indicates a clear need for long-range planning.

What is needed, and what would be productive, is a national commitment on aging—a commitment to help those most in need and to lift the nation out of its current economic troubles.

The basic question is what we will choose to invest in. Do we continue to expand our military arsenal, or do we create jobs and spur the economy by investing in the construction of housing and delivery of services that directly benefit people who are struggling to survive?

Building the battleship will create jobs, but that battleship will never buy an automobile or a pound of meat or a bushel of grain.

Yet, if we invest in programs and services that strengthen the independence of people who must purchase food, housing, clothing, fuel and the other necessities of life, we will help rebuild the economy.

Not only would it make economic sense: it makes common sense as well. Older Americans of today contributed to the growth of the society in which younger people live. All of us, whatever our age are now contributing taxes and services to our nation and are collectively preparing for our retirement years.

The economic hardships of older Americans are an integral part of our overall economic condition.

Last year, Congress enacted amendments which I authored to the 1974 Housing Act to revise and expand the Section 202 elderly housing program. Congress made $215 million available for this program in 1975. These funds could have provided 10,000 badly needed housing units.

The housing industry remains in a serious slump. Thousands of construction workers wait in unemployment lines. Older people in need of shelter wait anxiously for this program to be implemented. Yet, the $215 million authorization goes unused.

This year, the number one legislative item for the elderly is the extension of the Older Americans Act. We have moved this legislation through the Senate and the House has passed a similar measure. It is now pending in Conference and a final vote is expected soon. That proposal will provide authorization for up to 130,000 community service jobs for older workers.

Unemployment among persons 55 and older has jumped nearly 70 percent in the last 8 months. Yet, on-going employment programs for workers over 55 such as Operation Mainstream, are being phased out by the Administration.

But Congress has learned the value of community service employment. We saw what community service can accomplish in the 10-year history of the Foster Grandparents.

Community work can recapture and preserve human abilities, utilize manpower, provide satisfying occupation and forestall additions to the mounting welfare load. Ten years of experience has amply demonstrated that its worth is incalculable.

Let me underscore the fact that today's older population has contributed much to the nation's economy. The generation that brought us through the Great Depression can help us to weather this storm.

So to those of you who have manned the ramparts—to those of you who have made the sacrifices in the past—and to those of you who have urged action through your cards and letters, I salute, congratulate and thank you for what you have done for your fellow man.

SHOULD WE HAVE A NEW ENGINE?

Mr. DOMENICI. Mr. President, I would like to call to my colleagues' attention an intriguing report recently prepared by the Jet Propulsion Laboratory of the California Institute of Technology. This report, entitled "Should We Have a New Engine? An Automobile Power Systems Evaluation" takes a comprehensive look at potential alternatives to the internal combustion engine.

My reason for endorsing this report is that it identifies two alternative engines, the Stirling and Brayton, that hold the promise of becoming truly fuel efficient, virtually pollution-free engines. The importance of such a development in both protecting the health of citizens in polluted urban areas and in easing the energy crisis can hardly be overestimated. The report states that the successful introduction of either the Stirring or Brayton engine sometime in the mid-1980's would take the automobile off the list of major polluters. Furthermore, the report foresees fuel savings of up to 2 million barrels a day, saving the Nation $10 billion annually, assuming oil prices are at $11 a barrel.

Because of my enthusiasm over the thoroughness and findings of the report, I have written both President Ford and Senator Muskie, chairman of the Subcommittee on Environmental Pollution of the Public Works Committee, urging that they initiate a thorough review of the report with an eye toward prompt action.

I ask unanimous consent that a copy of my letters to President Ford and Senator Muskie, along with a copy of the report's synopsis and major findings be printed in the Record.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SHOULD WE HAVE A NEW ENGINE? AN AUTOMOBILE POWER SYSTEMS EVALUATION

ABSTRACT

Alternative automotive powerplants were examined for possible introduction during the 1980–1990 time period. Technical analyses were made of the Stratified-Charge Otto, Diesel, Rankine (steam), Brayton (gas turbine), Stirling, Electric, and Hybrid powerplants as alternatives to the conventional Otto-cycle engine with its likely improvements. These alternatives were evaluated from a societal point of view in terms of energy consumption, urban air quality, cost to the consumer, materials availability, safety, and industry impact.

The results show that goals for emission reduction and energy conservation for the automobile over the next 5–10 years can be met by improvements to the Otto-cycle engine and to the vehicle. This provides time for the necessary development work on the Brayton and Stirling engines, which offer the promise of eliminating the automobile as a significant source of urban air pollution, dramatically reducing fuel consumption, and being saleable at a price differential which can be recovered in fuel savings by the first owner. Specifically, the Brayton and Stirling engines require intensive component, system, and manufacturing process development at a funding level considerably higher than at present.

SYNOPSIS

"What should be done in the near future to improve the automobile, from the standpoint of society's needs and problems? Specifically, should some other type of engine be used to power the automobile in the coming decade, instead of the familiar Otto[1] (spark-ignited internal combustion) engine?" These are the questions that the Jet Propulsion Laboratory was asked to address in this study.

The automobile affects the quality of our lives in many ways. On the positive side is the convenience of a personal car, all-important in providing mobility for business and pleasure. On the negative side are the problems it creates or to which it contributes heavily. The air we breathe is fouled by its exhaust. Increasing use of cars causes congestion in our cities and leads to injuries and deaths on our highways. Demand for imported metals and minerals, needed to manufacture automobiles, is continually growing. Our enormous energy consumption, to which the automobile's demand for gasoline is a major contributor, gives rise to large deficits in our national balance of payments each year and leaves us vulnerable to international embargoes. The group of industries involved in the production and operation of automobiles are strongly linked to our nation's economy and employment. These factors show the importance of the automobile and its infrastructure.

Over a period of about 18 months, the Jet Propulsion Laboratory studied the technologies available for improving the automobile and its powerplant, within the framework of the key issues: the role of the automobile and other transit systems in providing personal mobility, energy and fuels available, material resources, air quality, highway safety, and the changeover capability of the automobile industry. In the course of this study several fundamental realizations—some of them at variance with widely held opinion—emerged:

The automobile will maintain its dominant role in personal transportation through the foreseeable future. Public transit will be able to take a larger share of the burden. However, the time and effort required to build new public transit systems, or to expand existing facilities, together with their limited applicability, preclude more than a 10–15% substitution for automobile driving in the next 10 to 20 years.

The production of over 10 million automobiles per year is the combined, and highly specialized, undertaking of an industrial complex that extends back to the iron ore mines. A major change in the product cannot happen overnight regardless of money available, technology applied, or legislation enacted. There will be an estimated minimum time lag of over three years in beginning to mass-produce a new design, given a fully developed producible model.

Liquid fuels, natural and/or synthetic, will be used in cars through at least the end of this century. World resources are sufficient to permit the introduction of another generation of combustion engines.

The necessary materials of construction can be obtained for the recommended heat-engine-powered automobiles, given adequate planning.

The financial resources required for conversion to vehicles with alternate engines would be readily available in our economy.

Automobile pollutant emissions and—equally important—emissions from other moving and stationary sources must be controlled more stringently than at present, and in a concerted manner, in order to meet the National Primary Ambient Air Quality Standards through the next decade. To conform with this requirement, automobiles powered by any alternate engine considered must meet, or better, a set of emission standards appropriate to the region in which they are driven.

Given some additional development, cars with catalytically controlled Otto engines do not have to give up fuel economy to comply with the strictest legislated emission standards. In fact, some improvement in the efficiency of such engines can be obtained without relaxation of those emission standards.

In the light of these realizations, our answer to the questions originally posed, stated in a few words, is:

Begin immediately the rapid implementation of design changes to the car itself which can significantly reduce fuel consumption, independent of the kind of engine used. Concurrently, accelerate and direct the development of two particularly promising alternate engines—the Brayton and Stirling engines—until one or both can be mass-produced, with introduction in the improved cars targeted for 1985 or sooner. In the interim, press the development of the conventional Otto engine to its limits.

The vehicle design changes referred to are primarily weight reductions, along with some modest improvements attainable in transmissions, power-consuming accessories, and the aerodynamic characteristics of the car. Many of these are relatively easy to achieve and should be put into production in the next five years, since they can reduce normal driving fuel consumption by 14 to 35% over the range of car sizes. The remaining changes, requiring some additional development, should be introduced as soon thereafter as practical and will provide even more impressive fuel savings. A further reduction in national fuel consumption can be obtained if a moderate shift in consumer preference toward smaller cars can be brought about. All of these gains are essentially unrelated to the type of engine in the car and, once achieved, will by-and-large be retained when the alternate engine is introduced.

The Brayton engine is better known as a gas turbine, one form of which is presently used on large commercial aircraft. Braytons have already been employed in some racing cars and experimental automobiles. The Stirling engine, a newcomer to the automobile, utilizes the heat from the burning fuel to make a separate closed gas system do the work. Both types of engines have been in existence for many years, but only recent technical developments have made them suitable for passenger car application. Both offer dramatic savings in fuel usage, adaptability to a wide variety of liquid fuels, and emissions low enough to take the automobile off the list of major polluters. Although both could eventually be produced at acceptable cost, in neither case do engines delivering this attractive performance presently exist in a form that can be economically mass-produced. Therefore, Brayton and Stirling engine development must be greatly accelerated until one or the other reaches the stage where the auto industry can give a production go-ahead. This may not happen if the industry operates in a business-as-usual manner, since development spending in excess of present levels for these alternates is necessary. Government funding and/or incentives will be required to promote a firm industrial commitment.

A small improvement in fuel economy can still be squeezed out of the conventional Otto engine, at no sacrifice in emission control, while the alternate engine is being readied for production. More effective air/fuel mixing and conditioning devices, together with improved exhaust converters, can make the evolving Otto engine a very worthy stopgap powerplant. Developments in this area must also be spurred.

The electric car, in a form that could substantially replace liquid-fueled automobiles, remains a prospect for the more remote future. It is a very alluring long-term option since its supply of electric energy is drawn from generating stations which can use any energy source—chemical, solar, geothermal, or nuclear. However, present technology limits the electric vehicle to very specialized applications, and the electric energy storage system required to make it competitive with liquid-fueled cars for general use has yet to be developed. The mandatory battery research must be intensified now, if a practical, general-purpose electric car is to materialize.

Implementation of the foregoing recommendations will result in major benefits to the nation as a whole in transportation and energy consumption. Enlightened planning now, embodied in a firm national commitment, can put efficient automobiles powered by Brayton/Stirling engines on our streets by 1985 and provide us with the options needed for the century to come.

I. STUDY OBJECTIVES AND APPROACH

A. Statement of objectives

The expressed purpose of this study was to provide an independent appraisal of the feasibility of, and the potential societal benefits to be derived from, replacing the conventional automotive Otto engine with one or more alternative powerplants during the next decade. Specific objectives within this general study context were:

(1) To gain an understanding of national needs and problems related to automotive use such as personal mobility requirements, air quality, consumption of energy and nonrenewable resources, and highway safety.

(2) To examine the U.S. automotive industry's production facilities, supporting industries, capital requirements, and production timing for possible constraints in implementing vehicle changes.

(3) To acquire reliable data on the characteristics of vehicles and their conventional Otto engine powerplant and on all production and experimental alternative powerplants which are candidates to supplant it.

(4) To synthesize, analytically, equivalent vehicles containing the alternative powerplants and obtain "equal-footing" comparisons of their performance and cost relative to anan evolving Otto-engined vehicle.

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[1] Named after its inventor, Nicholas Otto.

(5) To consider various introduction scenarios for the most promising alternatives and assess their future impact upon the national needs and problems.

(6) To extract from these analyses an automobile improvement strategy, delineating requisite development effort and funding requirements, time phasing, and options.

The pre-eminent question is what *should* be done for the benefit of the nation as a whole, tempered by the realities of what *can* be done, and under what conditions, by industry and government.

B. Structure of the study

The Automobile Power Systems Evaluation Study (APSES) was conducted as a group of interrelated parallel substudies by various subsets of the team, culminating in a synthesis of results by the entire team. This structure is illustrated by Fig. 1 which, for clarity, shows only the major elements. Study efforts are represented by rectangular boxes and the products of those efforts by circles. Solid arrows show primary data flow; dashed arrows show secondary data flow. The vehicle technology substudies—vehicle characteristics, powerplant characteristics, and manufacturability/cost analyses—were highly interactive with each other and also with the materials resources effort. The remaining substudies—industry practices and the relevant national issues—were somewhat more independent, providing guidelines and criteria to the vehicle technology work.

The methodology used and the intermediate products will be made clear as this report unfolds. Out of these substudies came a series of specific findings. These were then put together into a coherent picture in the synthesis effort, from which the recommended strategy was formulated.

II. MAJOR FINDINGS

The feasibility and desirability of introducing an alternate automotive engine were assessed in the context of relevant national needs and problems: (1) the demand for mobility; (2) energy consumption, especially as petroleum fuels; (3) availability of raw materials; and (4) urban air quality. Studies of these issues resulted in an automotive outlook for the balance of this century which is probably not surprising: (1) personal automobiles are here to stay, regardless of increased usage of public transit and other changes in vehicle use patterns; (2) liquid fuels, some combination of natural and synthetic hydrocarbons, will be used in cars throughout the time frame of interest; (3) world resources can supply the automobile's expected demand for fuels and materials of construction; and (4) environmental air quality will demand continued attention, necessitating more restrictive emission standards for stationary as well as mobile sources.

Against that backdrop, the APSES study has derived some major findings, the rationale for which is outlined in subsequent sections and supported in detail in Volume II of this report. Briefly, those findings are as follows:

(1) Comparatively simple vehicle design changes—primarily weight-saving, essentially independent of engine type and functionally acceptable to the buyer—can reduce the conventional automobile's fuel consumption by 14 to 35% of present usage. Such changes can be incrementally introduced and all be in production by 1981. Other modifications, requiring some additional development, can further reduce fuel usage. All of the vehicle improvements can and should be incorporated by 1985, since their benefits would largely be retained when an alternate engine is introduced. A modest shift in market preference toward smaller cars would also yield a short-term payoff in fuel saving.

(2) Vehicles powered by Brayton or Stirling engine can reduce national automotive fuel consumption by about one-third from that of equivalent cars with conventional engines (for the same usage) and with emissions below the strictest presently legislated standards. Introduction of either of these alternate engines can be accomplished without significant adverse impact on the nation's economy. One or both should be introduced as soon as these benefits can be realized in economically mass-produced hardware.

(3) The present development status of the Brayton and Stirling engines does not, at this time, permit a decision to begin mass production; hence their introduction cannot be forced by an abrupt change in emission standards or legislation of a fuel economy standard over the next few years. Rather, a more aggressive development program, involving at least a five-fold increase over the present rate of spending, must be pursued. Such a program requires a firm commitment on the part of industry, supported by government funding or incentives. An introduction target date of 1985 (earlier, if possible) should be incorporated in the development schedule.

(4) While the Brayton/Stirling development is proceeding, about 9% reduction in fuel consumption from that of the average 1975 conventional Otto engine can be obtained, without giving ground on emissions control, through improved induction systems and exhaust converters. The combination of such upgraded Otto engines with the improved vehicles discussed in finding (1) constitutes not only a good stopgap automobile configuration, but also a very acceptable "fallback" position if intractable difficulties arise in both alternate engine developments.

(5) Intermittent-combustion alternate engines—the Stratified-Charge Otto and the Diesel—do not offer enough advantage over the improving conventional Otto engine, in vehicles of equivalent performance, to warrant their widespread introduction in general-purpose automobiles. Also, conversion of the entire fleet to such an engine could further delay introduction of a Brayton or Stirling.

(6) Meeting the presently mandated National Primary Ambient Air Quality Standards requires coordinated emission reduction from both automotive and nonautomotive sources. For areas outside the Los Angeles basin, national automotive emission standards of 0.4/3.4/2.0 g/mi (HC/CO/NO_x) are adequate through 1990. In addition, evaporative hydrocarbon emissions must be effectively controlled nationwide. The Los Angeles basin should mandate 0.4/3.4/0.4 g/mi emission standards as soon as practicable; even at those levels the photochemical oxidant (smog) standard will not be met, with still stricter hydrocarbon (and posibly NO_x) control being ultimately required.

Other sources, especially heavy-duty vehicles and stationary sources must also be aggressively controlled nationwide, or else they will be the major polluters.

Brayton- and Stirling-powered cars can comfortably meet the strict statutory standards, and even the Otto-engined car, with projected improvements, will be equal to that task. Further tightening of the automobile emission standards would eventually rule out the Otto engine, however.

U.S. Senate,
Washington, D.C., September 16, 1975.
Hon. Edmund S. Muskie,
Chairman, Committee on Public Works, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: A recent report from the California Institute of Technology's Jet Propulsion Laboratory entitled "Should We Have a New Engine" has identified the Stirling and Brayton engines as having the potential of being truly fuel efficient, virtually pollution-free engines.

The importance of such a development can hardly be overestimated. At every turn, our attempts through the Clean Air Act to protect the public health in urban areas have been stymied by the inherent difficulties of cleaning up the internal combustion engine. Attempts to control pollution from the internal combustion engine by catalysts have only spawned a new round of pollutants. Delays granted the automakers have in turn meant the imposition of more draconian transportation control strategies on communities to achieve the public health-related requirements of the Clean Air Act. All the while, continued reliance on the internal combustion engine only serves to exacerbate both the energy crisis and our dependence on foreign oil supplies.

Given the immense social dividends that a new engine would bring, and their integral relationship to our present effort to amend the Clean Air Act, I would urge that you contact the committee's leadership and the subcommittee's ranking minority member about the possibility of holding subcommittee hearings in the near future on this critical topic. In fact, given the broad implications of the report, I suggest that following the subcommittee hearings you may want to ask the Senate leadership to request an in-depth review of the nation's efforts in this area, including the initiation of joint hearings by the Public Works, Commerce, and Interior Committees. I would hope that perhaps such hearings could be scheduled prior to our reassessing the automobile emission standards in full committee markup.

I know you are as intrigued as I am by the Jet Propulsion Laboratory's suggestion that about $1 billion invested in the Brayton and Stirling engines now could result in an annual petroleum cost savings of $10 billion in the future. That, plus the ecological benefits outlined in this report, offers a superb opportunity for timely legislative action.

If there is anything I can do to be of assistance, please do not hesitate to call upon me. Kindest personal regards.

Sincerely,

Pete V. Domenici.

U.S. Senate,
Washington, D.C., September 16, 1975.
The President,
The White House,
Washington, D.C.

Dear Mr. President: I am writing to urge you to embark on one of the most important domestic initiatives of the decade: the development of a fuel efficient, virtually pollution-free automobile engine.

As you have repeatedly noted, the tighter emission standards required of the internal combustion engine to protect the public health have come into conflict with our national energy policy of maximizing automobile fuel economy. In fact, difficulty in controlling automotive pollution has led many to consider permanently abandoning the nitrogen of oxides standard presently called for in the Clean Air Act. Such difficulties have even led some to despair whether we can achieve clean air in our cities anytime in the twentieth century.

It has been obvious to those of us working in this area that the ideal solution to our problems lies in developing a new pollution-free engine capable of greater fuel economy. Proposals for such a development, however, have consistently elicited a skeptical response from professionals both within industry and the federal government, on the theory that a quantum breakthrough is required to produce a significantly cleaner engine which uses less fuel.

There is no evidence that such professional skepticism may have been overly pessimistic. A recent report from the California Institute of Technology's respected Jet Propulsion Laboratory indicates that a fuel efficient engine capable of emissions well below the statutory standards is within reach.

The report I refer to is entitled, "Should We Have A New Engine?: An Automobile Power Systems Evaluation." It was produced as the result of a grant from Ford Motor Co., and presents an independent assessment of the longer term powerplant options available in this highly complex and controversial area of overriding national importance.

I have studied the report and I am convinced that its conclusions fully justify a careful examination of the course of our present efforts to deal with automobile pollution and fuel conservation. I say this because, after carefully sifting through available technical data, the report identifies two engines, the Stirling and Brayton, that possess exciting potential as alternative engines superior to the present internal combustion engine.

The primary recommendation of the report, as I see it, is contained in the following statement taken from page 3:

"Begin immediately the rapid implementation of design changes to the car itself which can significantly reduce fuel consumption, independent of the kind of engine uses. Concurrently, accelerate and direct the development of two particularly promising alternate engines—the Brayton and Stirling engines—until one or both can be mass-produced, with introduction in the improved cars targeted for 1985 or sooner. In the interim, press the development of the conventional Otto engine to its limits."

The developmental price tag for such an alternative engine is estimated to be approximately $1 billion over the next decade; a small price for public health, energy independence, and a livable urban environment. When the potential benefits of the use of one or both of these engines is considered, that developmental cost is put more into its proper perspective. For instance, the report, on page 82, indicates that "introduction of the Stirling engine alone, at a net cost of about $8 billion, will save over 2 million bbl/day by the end of the century. A comparable increase of petroleum supply would require a capital investment of at least $20 billion." As the report further points out on page 86:

"Expenditure of $150 million per year for 5 to 10 years is well within the historical R&D funding capability of the industry (albeit with some changes in priority) and very small compared to contemplated budgets for developing some new sources of energy. It is also a small *total* price to pay, compared to an *annual* petroleum cost saving on the order of $10 billion (at $11 per barrel) which would result after total conversion to the alternate engine. The industry could pay for this development program and, from an analysis of the potential for increased profits, this level of expenditure seems warranted. However, it is not at all obvious that they *will* do so—given sales slumps, reduced budgets, and their historical interest in short-term-payoff R&D. It is in the national interest that these alternate engine development programs be successfully completed. Thus, government should provide incentives and/or share in the funding to ensure that this program *will* be accomplished. Ongoing automotive programs, sponsored by DOT and ERDA, provide ample precedent for governmental involvement. An appropriate government laboratory should monitor progress and participate in program direction at key decision points."

The other obvious offset against developmental costs is the real possibility that, as indicated by the report on page 59, these engines "would relegate the automobile to a secondary place in the list of major polluters." Given the immense social and environmental dividends that such a happy circumstance would bring to a wide range of air pollution related problems, we cannot fail to evaluate, carefully and thoroughly, the opportunities suggested by this report.

For these reasons, and others, Mr. President, I strongly urge you to take the lead and marshal the full resources of the federal government and, acting in concert with private industry, to initiate a sustained effort to develop a new automobile engine. I have communicated these same thoughts to Senator Muskie as Chairman of the Subcommittee on Environmental Pollution of the Senate Public Works Committee in the hope that effective and coordinated Congressional action can be taken.

I recognize that fiscal restraint is essential in face of the innumerable competing demands made on the federal budget. Nevertheless, I can imagine few national initiatives which promise greater social, energy, and environmental dividends than the development of a truly fuel efficient, low pollution automobile. I would respectfully urge your immediate and favorable consideration of such an initiative.

Sincerely,

PETE V. DOMENICI,
U.S. Senator.

ARMS RACE IN LATIN AMERICA

Mr. ABOUREZK. Mr. President, in the August 30 edition of Nation magazine, Mike Klare presents a thoughtful and detailed explanation of the history and current practices of the United States in the "Latin American Weapons Market." In the past we have focused primarily on Europe and Vietnam as the two most important areas. Mr. Klare's article tells us that we can no longer afford to ignore the potential for an arms race in Latin America.

Mr. President, I ask unanimous consent that the Nation article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW TO TRIGGER AN ARMS RACE

(By Michael T. Klare)

In January 1975, the first of forty-two Northrup F–SE Tiger–II supersonic jet fighters were delivered to Brazil, the total purchase being the largest transfer of advanced military aircraft to South America since World War II. In a major drive to modernize its armed forces, Brazil has also ordered at least five Lockheed C–130 cargo planes, several dozen UH–1H troop-carrying helicopters, hundreds of Raytheon AIM–9 Sidewinder air-to-air missiles, and millions of dollars worth of our electronic gear. The United States, which previously restricted its military exports to Latin America, has welcomed the Brazilian build-up and is energetically promoting sales of U.S. weapons elsewhere on the continent. And, while miltiary spending in Latin America is generally lower than in other areas, the combination of U.S. pressure and Brazil's miltiary push may well ignite a major arms race in the region.

Although State Department officials scoff at the danger of such an arms race, an analysis of regional military procurement patterns suggests that the danger is real. For decades the "Big Six" continental powers—Argentina, Brazil, Chile, Colombia, Peru, Venezuela—have sought to maintain a rough balance of power and have tended therefore to match the arms acquisitions of their principal rivals. (Thus when Peru ordered a squadron of French Mirage jets in the mid-1960s, most of the other hemispheric powers ordered squadrons of their own.) Moreover, the American arms merchants expect a boom: according to *Aviation Week & Space Technology*, the leading industry journal, "Northrop's recent sales of its F–5 series . . . are the opening wedges in what should be a substantial U.S. penetration of the Latin American market."

Increased U.S. arms sales to Latin America have been a major White House goal since June 5, 1973, when President Nixon invoked an obscure provision of the Foreign Military Sales Act to permit F-5E sales to Argentina, Brazil, Chile, Colombia, and Peru. Such exports had been blocked by a Congressional ban on sales of "sophisticated weapons systems" to less developed countries, but by citing an imminent threat to U.S. national security interests Nixon overrode the restriction. State and Defense Department officials have testified that important political, military and economic interests are at stake and that the decision to sell jet fighters to these countries represented a "major policy decision."

Prior to Nixon's 1973 decision, U.S. arms policy on Latin America had been based on the premise that, in a period of revolutionary ferment, the top priority for the area was the promotion of rapid economic development, and that arms acquisitions should be confined to essential items. Major purchases of external defense hardware (such as tanks, supersonic aircraft and large warships) were considered militarily unnecessary and economically harmful, since they retarded development by consuming an excessive share of scarce national resources.

While the logic and goals of this policy have been hotly debated, there is general agreement that it did not curb major arms purchases by the larger and more prosperous hemispheric powers. When their access to the U.S. armaments industry was restricted, several South American governments turned to European suppliers for advanced equipment. (Between 1967 and 1972, Latin America spent $1.2 billion on European military hardware and only $335 million on U.S. equipment.)

Following the announcement of the Mirage deals, U.S. government and industry leaders formed a loose alliance to lobby for the repeal of all restrictions on high-technology military exports to Latin America. The Nixon administration, which was being forced by the debacle in Vietnam to reassess *all* U.S. foreign policy objectives, eagerly embraced the anti-restriction position. Indeed, the new policy meshed nicely with Nixon's goal of transferring local defense responsibilities to America's allies in the Third World.

The new green-light policy on arms exports to Latin America has already produced significant results: in mid-1973 Brazil completed its purchase of the forty-two F-5Es, and in June 1974, Chile announced plans to acquire eighteen F–5Es and sixteen Cessna A–37 Dragonfly counterinsurgency planes. Peru and Ecuador have recently made substantial purchases of A–37s, and several other advanced U.S. aircraft. These orders have boosted U.S. arms exports to the region from an average of $30 million per year in 1966–70 to $113 million in 1973 and an estimated $191 million in 1974. Total U.S. Government sales during the past three years (fiscal 1972–74) stood at $414 million, four times the figure for the preceding three-year period and nearly twice the total for the entire fifteen-year period ending in 1965.

These data raise several important questions about U.S.-Latin American relations and about the effect of such sales on political, economic and military developments within the hemisphere. At the same time, they lead one to consider the grounds on which U.S. arms policies are based, and the role Congress and the public can play in shaping them.

Before proceeding to these questions, however, it is necessary to review the history of U.S. arms policy in the region and particularly the various factors which precipitated the policy reversal of June 5, 1973.

Up to World War II, Latin America obtained the bulk of its armaments from Europe, and most continental armies were trained and advised by French, British or German officers. These ties led the major South American powers to calculate their weapons needs on the basis of European military doctrine, which stressed defense against attack by rival powers. "This originally meant," the State Department noted in 1973, "that qualitatively their standards of weapons acquisitions were comparable to those of major powers, although quantitatively much more limited."

When the World War broke out, Europe could not spare arms for marginal allies, and only the United States had sufficient industrial capacity to produce weapons for export. Under the Lend-Lease Act of 1941, Latin American armies were supplied with U.S. arms and equipment in return for access to certain bases and strategic raw materials.

After 1945, the United States continued to dominate the arms market in Latin America. Europe was fully occupied with domestic economic recovery, while the United States had large stocks of surplus military equipment which it was willing to sell at a considerable discount. Moreover, wartime cooperation had left a legacy of partnership that was further strengthened by the Rio Treaty of 1947 and later by the bilateral mutual defense pacts signed with most countries in the early 1950s. According to a 1973 Rand study prepared by Luigi Einaudi (now Henry Kissinger's chief adviser on Latin American affairs), "These pacts typically granted the United States a monopoly on military advisory missions, and thus symbolized de facto U.S. predominance." And, while some countries continued to acquire their new high-performance arms from Western Europe, "the United States came to be seen as the predominant supplier of arms and training to Latin America, with World War II and Korean War stocks of materiel a source of inexpensive but reliable arms and equipment."

During most of the cold-war period, the main purpose of U.S. arms programs in Latin America was to strengthen the hemisphere's defenses against external (presumably Soviet) attack. After the Cuban Revolution, however, the objective was reversed; as Prof. Edwin Lieuwen of the University of New Mexico has noted, "The basis of military aid to Latin America abruptly shifted from hemispheric defense to internal security, from the protection of coastlines and from antisubmarine warfare to defense against Castro-Communist guerrilla warfare."

In a discussion of the revised arms program Robert S. McNamara, then Defense Secretary, told Congress in 1967 that "our primary objective in Latin America is to aid, where necessary, in the continued development of indigenous military and paramilitary forces capable of providing, in conjunction with the police and other security forces, the needed domestic security."

In the new counterinsurgency strategies devised by Kennedy's military advisers, underdevelopment and stagnation were seen as the principal causes of revolution, and thus economic modernization was considered essential. Latin American armies were expected to assist in this development by lending their managerial and technical skills to civilian projects, by participating in military civic action programs, and by refraining from excessive purchases of military hardware (other than those required for counter-guerrilla operations). The official U.S. view of that time was summarized by Raymond J. Barrett, a Foreign Service officer attached to U.S. Air Force Headquarters:

"The need for expensive arms by Latin American countries does not appear great. They are protected against conventional military threats by the effective Inter-American peace-keeping machinery, by the Rio Treaty security guarantees, and by wide oceans. . . .

'The principal threat to Latin American nations is internal. It is the danger of Fidel Castro-sponsored subversion. The fundamental response to this threat is quicker and better economic development, but strengthening internal security is also important."

To the dismay of U.S. policy makers, most Latin American military leaders did not fully accept Washington's strategic outlook. While the Pentagon was generally successful in mobilizing indigenous armies for U.S.-sponsored counter-guerrilla operations in the countryside (such as the 1967 campaign against Che Guevara in Bolivia), Washington never succeeded in erasing the traditional view that defense against external attack is the primary mission of Latin American military forces. In line with this outlook, Peru in 1965 decided to replace its aging F–86 interceptors, preferably with the supersonic F–5A Freedom Fighter. U.S. policy makers saw the Peruvian request "as a prime example of wasteful military expenditures for unnecessarily sophisticated equipment at a time when generous U.S. credits were being extended for economic development," and rejected the deal.

When rebuffed by Washington, the Peruvians turned to France and the Dassault-Breguet Mirage V fighter. Other Latin American countries acquired Mirage jets of their own. U.S. resistance to these purchases—at one time Washington threatened to turn off economic aid to Peru—led some countries to adopt a policy of diversifying their arms purchases among several countries, while others began to build up their own arms industries, thus further eroding U.S. dominance in the arms trade.

The response to these events in the United States was manifold. The aerospace industry began an intensive lobbying campaign to reserve U.S. policy on sales of high-technology armaments. And some government officials, concluding that Latin America's "turn toward Europe" would undermine U.S. ties with the region's military leaders, joined forces with industry lobbyists. The opening salvo in this campaign was fired by Nelson Rockefeller (then Governor of New York) who told Nixon upon his return from Latin America in 1969:

"The United States must face more forthrightly the fact that, while the military in the other American nations are alert to the problems of internal security, they do not feel that this is their only role in responsibility. They are conscious of the more traditional role of the military establishment to defend the nation's territory, and they possess understandable professional pride which creates equally understandable desires for modern arms. . . ."

Rockefeller's recommendation that Washington permit sales of "aircraft, ships and other major military equipment without aid-cut penalties to the more developed nations of the hemisphere" helped legitimize the export campaign.

Although the White House proved receptive to Rockefeller's argument, the Congress was not so accommodating. Angered by the Mirage purchases (which seemed to nullify the intent of U.S. economic aid programs), and in response to growing opposition to U.S. military policy (then exemplified by an unpopular war in Asia), Congress adopted several new restrictions on arms exports to Latin America. Section 4 of the Foreign Military Sales Act of 1968, as amended, prohibits sales of "sophisticated weapons systems" to underdeveloped countries (except to the "forward defense countries" on the borders of China and the USSR) and Section 620 of the Foreign Assistance Act of 1971 (Symington-Conte amendment) requires that the Executive reduce aid to any country which diverts excessive funds to purchase of sophisticated military hardware. Other amendments to these and related statutes placed further restrictions on arms sales to Latin America.

To overcome these obstacles to a more flexible export program, government and industry spokesmen have conducted a vociferous campaign for repeal of all statutory restraints. In their attempt to influence Congress, export lobbyists have fabricated a bogus analysis of Latin America's turn toward Europe which tends to dominate public discussion of the issue.

Most criticism of arms restrictions hinges on two main points: (1) the United States "lost" a normally secure arms market to Europe because of misguided export policies; (2) U.S. restrictions on the export of high-technology hardware were the product of a paternalistic, humanitarian attempt on the part of Congress to speed economic development in Latin America. While both of these statements contain some elements of truth, they also hide or distort other, more important truths:

(*1*) *The "lost" arms market:* U.S. arms sales to Latin American during 1968–72 totaled only $335 million; European sales exceeded $1.2 billion. Industry sources insist that these "third country" sales would have gone to the United States had it not been for the restrictions. According to Cecil Brownlow, executive editor of *Aviation Week*, Congress' "high-handed paternalistic approach to Latin America . . . provided a driving wedge for France and Great Britain into wider areas of the aerospace market there and generated at least a temporary turn away from American military hardware." But a review of Latin American arms acquisition patterns since 1945 suggests that the conventional analysis is deficient: while Washington provided most of the arms acquired by Latin America in the postwar era, it did not provide (except for a few warships) any of the new high-performance weapons purchased during this period. A Rand survey of postwar arms transfers shows that Latin American countries almost invariably bought their new-construction hardware in Europe. Thus Great Britain supplied most first-generation jet fighters and almost all new-construction warships acquired by Latin America after World War II. Recent Latin American purchases of British guided-missile destroyers and aircraft can be seen then as a continuation of past policy and not just a response to U.S. policy.

This finding is further confirmed by the fact that in the fields where the United States has traditionally been the principal supplier—e.g., transport aircraft, trainers and helicopters—there has been no pronounced loss of market.

(2) *Congressional "humanitarianism":* According to Brownlow, Latin America's turn toward Europe occurred when "a 'father-knows-best' Congress refused to sell advanced military aircraft" in the belief that Latin America "should spend its money for more worthwhile projects such as raising the standard of living of its lower classes." While it is undoubtedly true that many in Congress held such beliefs, this analysis distorts reality in two important respects: first, the restrictive policy did not originate in the Congress but in the executive branch; and second, it was not primarily motivated by a desire to eradicate poverty but rather to advance U.S. counterinsurgency programs. Thus Washington's opposition to F–5A sales to Peru did not arise from a humanitarian impulse but from a consistent counterrevolutionary outlook; indeed, the concomitant U.S. policy of supplying large quantities of counterinsurgency weapons to Latin America has probably led to far more violence and suffering than can be attributed to purchases of the Mirage or other high-performance systems from Europe.

The charge of "paternalism" is further refuted by another consideration: Washington's desire to delay Latin American weapons purchases while U.S. arms firms were busy with Vietnam war production. In 1965, when the original ban on high-performance aircraft was imposed, U.S. aerospace companies were fully occupied; by stressing the need for restraint, U.S. policy makers evidently hoped that Latin America could be persuaded to defer major acquisitions for a few years—or until U.S. producers had slack capacity. Thus the Johnson administration's 1967 recommendation to Latin American governments that "aircraft on hand be maintained as long as possible and that newer models not be introduced into the area until the 1967-70 time frame"—when the F-5A would be available for sale to the region—can be interpreted as an attempt to preclude third-country purchases until the U.S. aerospace industry was equipped to handle non-Vietnam orders.

The conventional analysis of U.S. export policies is clearly deficient in many respects, but it raises several key issues of U.S.-Latin American power relationships. If, as we have seen, the Johnson administration's original 1965 decision to limit high-technology military sales to Latin America was based on strategic considerations, what new factors compelled Nixon to reverse course a few years later? By now it should be obvious that arms policies cannot be considered in isolation from the political and economic fundamentals of foreign policy, and that leads to a discussion of America's post-Vietnam strategy.

Although it is still too early to calculate all the effects of America's failure in Southeast Asia, it has long been clear that the United States would emerge from the war with a substantial reduction in global power and prestige. More than 500,000 U.S. troops are committed to Vietnam, along with the full technological resources of the world's most advanced industrial power. And, although the U.S. war machine never seriously threatened the survival of the revolutionary army, three Presidents staked the credibility of U.S. power on a futile and costly intervention. Thus the failure of the U.S. counterinsurgency mission diminished the world's assessment of U.S. military prowess. Economically, moreover, the war exacerbated U.S. balance-of-payments problems and helped diminish the value of the dollar in foreign markets.

These developments, which greatly reduced Washington's leverage in the world political arena, have encouraged other nations to adopt a more independent stance in international affairs. Examples and this trend include the Arab oil embargo and the OPEC price rises, Europe's refusal to support the emergency U.S. airlift to Israel during the October war, and Thailand's recent call for the withdrawal of U.S. troops. In Latin America, too, there are similar signs: Venezuela's nationalization of U.S. oil and steel companies, Peru's "nationalist revolution," the repeal of OAS sanctions against Cuba, and Panama's campaign to recover sovereignty over the Panama Canal Zone. Simultaneously, the Administration's foreign policy maneuverability has been reduced by an assortment of Congressional restrictions on U.S. military and economic aid programs.

To improve U.S. leverage abroad while conserving U.S. resources at home, the Nixon-Ford tactic has been to replace obsolete cold-war policies with more realistic, "cost-effective" ones. The rapprochement with China, the SALT agreements, Kissinger's "shuttle diplomacy" in the Middle East and the "new dialogue" with Latin America—all represent attempts to increase U.S. leverage without sacrificing paramount objectives. These moves are designed to bolster America's position as the world's leading superpower while permitting a greater role for secondary powers.

In its search for new options, the Administration has seized upon arms sales as a flexible tool for acquiring added prestige abroad while conserving resources at home. Unlike military assistance, the sales program is not financed by the U.S. taxpayer and thus does not provoke the grass-roots opposition faced by most grant programs.

At the same time, such exports help beef up the armed forces of pro-U.S. governments abroad while providing U.S. personnel with increased access to the military leaders of these countries. These and other factors which stimulate U.S. arms sales to Latin America are summarized below:

(1) *Economic Factors:* In October 1971 America's foreign trade balance showed a net deficit for the first time since 1893, and foreign military sales are increasingly seen as an important source of export revenues. The Pentagon has been ordered to step up its marketing activities abroad and, since the arms market in the developed countries is already saturated, the salesmen have increasingly concentrated on Third World countries. (According to the U.S. Arms Control and Disarmament Agency, arms transfers among the developed countries held relatively steady at a rate of about $1.6 billion annually during 1961-71, while arms imports by underdeveloped countries rose from $1.2 billion in 1961 to $4.5 billion in 1971.)

Military sales are also considered essential to a continuing high rate of productivity and employment in the aerospace industry. When Pentagon spending on war operations in Vietnam began to decline in the early 1970s, many U.S. aerospace firms faced significant cutbacks. In order to keep their production lines alive, Washington turned to the Third World as the only possible outlet for such equipment, and now many weapons originally designed for the conflict in Vietnam are being exported to Latin America. Already, Rockwell International has sold sixteen of its once-doomed OV-10 Bronco counterinsurgency aircraft to Venezuela, and Cessna is busy filling orders for its A-37 Dragonfly close-support planes (Peru has bought twenty-four, Chile sixteen, and Ecuador twelve). Latin American sales have also figured prominently in the continued prosperity of Northrop, producer of the F-SE; it is not surprising, therefore, that Northrop paid $2.3 million to close associates of a high-ranking Brazilian Air Force officer to help expedite the F-SE sale. (The Brazilian transaction came to light in a recent Senate investigation of Northrop's payments to agents and other middlemen involved in arms deals abroad.)

(2) *Politico-Military Factors:* Since most modern armaments require spare parts, training aids and maintenance services that can be obtained only from the producer, arms sales are a source of considerable political influence. The more sophisticated the weapon, moreover, the more dependent the buyer becomes on technical services furnished by the supplier. And, since such services are required throughout the lifetime of the product (fifteen to twenty years for most aircraft), an arms agreement normally "tends to tie the recipient politically to the donor for this period of time if any continuity [in military effectiveness] is to be maintained." William Perreault, vice president of Lockheed (which has sold dozens of its C-130 Hercules transports in Latin America) told me: "When you buy an airplane, you also buy a supplier and a supply line—in other words, *you buy a political partner.*"

Arms sales enhance the political presence of a supplier in another important respect by providing access to foreign military leaders who in most Latin American countries play a decisive role in national politics. The contacts begin with the sales negotiations themselves (which are normally conducted by a country's top military officers) and follow with training programs, maintenance contracts, technical assistance, etc. If handled diplomatically, such associations can lead to a close working relationship with host country military personnel and result in significant political advantages as well as further military sales. According to Secretary of Defense Schlesinger, "The degree of influence of the supplier is potentially substantial, and typically, those relationships are long enduring." This linkage between military sales and U.S. national security objectives is clearly brought out in the case of Chile: although Washington limited economic aid to $3 million during Allende's Presidency and blocked all forms of credit in a carefully orchestrated campaign to undermine the Popular Unity government, the Pentagon gave Chile more than $25 million in arms credits and held frequent sales meetings with Chilean officers—thus providing U.S. officials with "legitimate" access to these officers while they were conspiring to overthrow Allende.

Military exports are also used by Washington to strengthen certain countries within each region in order to establish an overall balance of power favorable to U.S. interests. With the collapse of the U.S. counterinsurgency mission in Vietnam and the corresponding rise of anti-interventionist sentiments at home. Washington has been obliged to shift the burden of local policing to client regimes and selected local powers in the Third World. This redistribution of military roles forms the core of the Nixon doctrine and has resulted in a rapid acceleration of arms deliveries to favored powers. At the same time, Washington has delayed or prohibited sales to certain countries when it was felt that such transfers would shift the military balance in an unfavorable direction. Thus Washington has expedited F-5E sales to Chile and Brazil (both of whose governments follow U.S. guidelines on most strategic issues), but has refused to respond to a similar purchase offer from Peru (whose military rulers have instituted a brand of radical nationalism considered inimical to U.S. interests).

It is clear from the above that arms sales policies are shaped by the interaction of multiple economic, political and military factors. When these factors are in opposition, as they were in the mid-1960s, military sales will be restricted; when they are in conjunction, as they are today, such sales will be accelerated. It follows that U.S. arms sales to Latin America will continue to expand until a new alignment of politico-economic objectives precipitates a change of policy.

"Our goal," a top Latin American affairs officer at the State Department told me recently, "is to be the principal arms supplier to the region." In its drive to increase U.S. weapons exports, the Administration will naturally concentrate its marketing efforts in the larger and more prosperous countries (especially those with new oil revenues), but it will not neglect the smaller and poorer countries. Recently, in fact, the Pentagon has arranged sales of military aircraft to several Central American and Caribbean countries which had previously received all their equipment gratis under the Military Assistance Program.

Even Haiti, the poorest country in the Western Hemisphere, has stepped up its purchases of U.S. arms. Washington has also proved accommodating to some of the more nationalistic countries; thus when Brazil tightened its controls on imports of aerospace products (to stimulate domestic manufacturing), major U.S. defense contractors, including Northrop, were encouraged to subcontract some of their work to Brazilian firms.

Its domestic production schemes notwithstanding, Brazil is now and will continue to be Washington's major arms customer in Latin America. In line with the shift in Brazilian military doctrine from an emphasis on counterinsurgency to preparation for conventional interstate war, "a long-term program is underway to strengthen all branches of the armed forces." Brazil spent about $200 million on U.S. military hardware over the past few years, and new orders (including the $120-million F-5E deal) will boost this figure considerably. In addition to the aircraft, Brazil has made substantial purchases of surplus U.S. warships and modern naval armaments. And, if the military junta goes through with its plans to form a 7,000-man parachute brigade, Brazil will need an additional forty-eight C–130s at a cost of more than $5 million each. (According to the London-based *Latin America* newsletter, "the idea is that this force will be able to operate anywhere in Latin America within twelve hours.")

Brazil has made no secret of the fact that it seeks a dominant position within Latin America, and thus the current military build-up there is certain to generate considerable anxiety in neighboring countries—particularly Argentina, Peru and Venezuela. Argentina, the number-two power in South America, has always felt threatened by the giant to the north and has sought to match Brazilian military capabilities on an item-by-item basis. In Peru, the ruling military council has watched with growing alarm the steady influx of Brazilian weapons into neighboring Bolivia and Chile. And Venezuela, which has recently assumed a leading role in hemispheric affairs, fears a Brazilian invasion of Surinam and French Guiana following the withdrawal of the Dutch and the French.

If traditional patterns hold, these countries will now build up their own defenses. And, while the State Department insists that U.S. arms policies will not provoke an arms race, it is clear that top Administration officials are aware that the F–5E deal is likely to stimulate a new round of arms buying in the hemisphere. Indeed, the State Department's Bureau of Intelligence and Research recently reported that 'institutional pressures to acquire arms always rise . . . when peer military establishments are buying conspicuous equipment—particularly new principal combatant vessels, *high-performance combat aircraft* and modern tanks" (emphasis added). Thus the F–5E deal can be seen as a calculated act to stimulate arms purchases. For surely Brazil's aspiration to become a hegemonic power coupled with attempts by its neighbors to achieve rough military parity, could precipitate an upward spiral of weapons spending that would prove highly lucrative for U.S. arms producers.

The danger of a major arms race in Latin America calls for a policy of restraint on the part of the major suppliers, particularly the United States. However, despite its occasional calls for the adoption of regional arms-control measures, the Administration does not appear disposed to such limitations. Indeed, Washington's goal of becoming "the principal arms supplier in the region" is obviously incompatible with any strategy for the development of controls.

With the executive branch unwilling to exercise restraint, it is up to Congress to assert leadership. Congress has not paid much attention to this issue in the past and last year voted to eliminate the ceiling on arms credits to Latin America. However, recent publicity concerning the growing weapons trade may have stiffened Congressional resistance to the Administration's policy. Sen. Gaylord Nelson (D., Wis.) has just introduced a bill to impose Congressional control over all major arms agreements (i.e., sales totaling $25 million or more), and chances for its passage seem good. The Nelson bill would not immediately affect the arms trade with Latin America (which rarely involves single sales of greater than $25 million), but it will establish the machinery for Congressional oversight of all foreign sales.

DISCLOSURE OF RETAIL UNIT PRICES OF CONSUMER COMMODITIES

Mr. HUGH SCOTT. Mr. President, I am happy to be added as a cosponsor today to Senator Moss' bill S. 997 which would amend the Fair Packaging and Labeling Act to require disclosure by retail distributors of retail unit prices of consumer commodities.

Many supermarkets are installing the universal product code—UPC—pricing system which is a display found on most grocery products. When pulled across an optical scanner, the UPC indicates the exact contents of the package and the computer rings up the price of the item. When this automated checkstand system is implemented many supermarkets intend to discontinue their present practice of individually marking all grocery items; however, shelf price markers will be maintained.

One of the most common ways of comparative shopping is to examine the price of new items with the price of similar items which the purchaser may have at home. Unless the price is clearly and conveniently marked on each item in the supermarket, the consumer will be unable to tell if he or she is paying more or less for a product. Under this system, it will be difficult to compare not only prices of various brands, but prices between different markets.

I feel the consumer is entitled to see the price of an item being purchased in order to do comparison shopping effectively. Therefore, I urge my colleagues to join me in this effort to contribute significantly to the consumer's welfare.

SENATOR NELSON AND ARMS SALES

Mr. CRANSTON. Mr. President, the Washington Post on September 2 carried a column by Clayton Fritchey of the Los Angeles Times which highly compliments our distinguished colleague from Wisconsin, Senator Gaylord Nelson. In that article Mr. Fritchey notes that it was due to the leadership of Senator Nelson last year that Congress plays any role at all in arms transfers carried out under the terms of the Foreign Military Sales Act. Under section 36(b) of that act—the Nelson amendment—Congress has 20 calendar days within which to disapprove any proposed foreign military sale in excess of $25 million.

The recent controversy over the proposed sale of Hawk and Redeye missiles to Jordan demonstrated both the strengths and weaknesses of that procedure. Twenty calendar days is a very short time for both Houses of Congress to hold hearings and report a resolution of disapproval to the floor. More significantly, it is simply inadequate to bring Congress into the policy picture at the very last stage of the game, with no choice but to accept or reject in toto any proposed sale. Congress should have a voice in the formulation of policy governing foreign military sales. Under terms of legislation introduced by Senator Nelson in February—S. 854—also introduced as amendment No. 583 to the Foreign Assistance Act, S. 1816—Congress would gain that important policy voice. Mr. Fritchey, in his article "Overseeing Foreign Arms Sales," spells out the procedures of this important legislation. As a cosponsor of S. 854, I ask unanimous consent that the article be printed in the Record, and I urge that it receive the careful attention of my colleagues.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Post, Sept. 2, 1975]

Overseeing Foreign Arms Sale

(By Clayton Fritchey)

On Capitol Hill, one of the mysteries is how a senator can be as outstanding as Gaylord Nelson (D-Wis.) without being a presidential prospect. The answer is surprisingly simple: He long ago decided he would never allow himself to be tempted by the presidential bug, nor, for that matter, by the vice-presidential bug.

The upshot is that, to a notable degree, he is his own man. Time and again he has taken lonely positions, although by nature he is not a loner. Indeed, he gets along so well with conservative colleagues who differ with him ideologically that they often support the kind of pioneering legislation that Nelson regularly introduces.

Interest is currently focused on him because of the controversy over the dubious sale of American arms to Jordan, a White House proposal that would have gone through without a hitch had it not been for a bill quietly and successfully sponsored by Sen. Nelson last December.

The new law gave Congress, for the first time in history, a voice in foreign military sales. It requires the administration to submit to Congress for possible veto any proposed arms sale exceeding $25 million. Congress then has 20 days in which to reject the sale.

Thus, the White House was required to inform Congress last month of its intention to sell 14 Hawk antiaircraft missile batteries, along with 500 missiles, to Jordan, supposedly for defense purposes. The deal was derailed when congressional challenge showed that such a large order, costing $350 million, would have given Jordan offensive capability against Israel.

The Nelson law made possible an inquiry by the Senate Foreign Relations Committee which discovered that the Joint Chiefs of Staff had unanimously held that Jordan could safely defend itself with only six Hawk batteries. That destroyed the administration's claim that 14 were needed.

Faced with certain defeat, the administration withdrew its proposal, although, under pressure from Jordan's King Hussein, it will probably soon be back with a much reduced plan when Congress reconvenes.

Meanwhile, Sen. Nelson, encouraged by the success of the Jordan action, is preparing to push additional legislation he has introduced that would give Congress an opportunity to evaluate in advance and set guidelines for U.S. foreign military sales on an annual basis.

The bill which now has 14 senatorial cosponsors, would require the President to submit to Congress an annual report containing a forecast of the dollar amounts of foreign military sales contemplated for each country, as well as data on major weapons systems and major defense services to be transferred.

An explanation would also be required as to how proposed sales would be justified in terms of supporting U.S. foreign policy objectives, strengthening U.S. security and promoting world peace. In addition, the administration would have to show the impact of proposed sales on regional power balances, arms control negotiations, U.S. defense production capacity and war reserve stocks.

All this is the culmination of a decade's effort on Nelson's part to curb presidential war-making abuses and restore the constitutional powers of Congress in that area. Nelson was one of the first senators to oppose the Vietnamese war and former President

Lyndon Johnson's effort to legitimatize the conflict through the infamous Tonkin Gulf Resolution.

Suspecting that Johnson might later construe the resolution as giving him a blank check to step up the war, Nelson, acting alone, tried to amend the legislation to guard against that eventuality.

He yielded, however, to former Sen. J. W. Fulbright, when the then-chairman of the Foreign Relations Committee assured him that LBJ had no such intention. Fulbright later acknowledged that he had been deceived, which led to a break in his relations with the former President.

Nelson was one of the strongest backers of the War Powers Act of 1973, which was intended to prevent the man in the White House from involving the armed forces in foreign conflicts without the advice and consent of Congress.

And Nelson was the only member of the Senate to protest when President Ford ordered the Navy, the Air Force and the Marines into action against Cambodia, without first getting the formal approval of Congress, at the time of Mayaguez hijacking last May.

There are a number of other senators who now wish they, too, had raised their voices over the Mayaguez episode, which finally cost more lives than it saved. Today there are a growing number of Americans who share the view Nelson had the courage to express at the height of the action. He said, "I don't think we gave the negotiating process a fair trial."

DELAWARE FARM DAY SPEECH

Mr. ROTH. Mr. President, it was my pleasure to deliver remarks to members of the agricultural community in Delaware on Farm and Home Field Day at the University of Delaware's Agricultural Substation near Georgetown, Del., on August 13. Farm Day provides a special opportunity to salute farmers and their families.

In my remarks I note that farm production and the export of agricultural products is an important factor in maintaining our American standard of living.

It troubles me that the farmer is blamed at the first hint of higher food prices. If there is a culprit it is after the farm product leaves the farm. If the farmer were the culprit, why doesn't the price of bread go down when wheat prices drop?

I also note that American farmers have gone all out this year to produce a record 2.14 billion bushel wheat crop. This includes over 1.3 billion bushels of surplus wheat which is available for export. Let us not penalize the farmer for responding to the world demand for American wheat. It is necessary for us to export to pay for the oil to heat our homes and fuel our cars.

My speech also covers my legislative proposal to ease the burden of the present tax system on family farms. This will make it easier for our family farms to be preserved from one generation to the next.

Mr. President, I ask unanimous consent that my remarks be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Speech of William V. Roth, Jr.

I'm delighted to be here today on Farm Day, a day of recognition for the outstanding job the Delaware farmer and his family is doing not only for the people of Delaware, but the nation as a whole.

August is the month to eat. Fresh corn, tomatoes, watermelon and fried chicken. You can't beat it. That's the reason I always look forward to Farm Day and the good food served us.

America is the best food nation in the world. Thanks to you, the farmer. America has a favorable balance of trade, despite the outrageous price of Arab oil. Thanks to you, the farmer.

I, for one, think it's about time the politicians thank the farmer for the good job he is doing, rather than use him as a whipping boy.

Much has been said about the selling of grain abroad. In deciding what is in the best interest of America and our people, including the consumer, it's important that we put this into proper perspective. Unfortunately, the issue has been the subject of demagoguery, exaggeration, and propaganda.

In the first place, it is important to recognize the importance of exports, whether it be wheat, corn, coal or chemical products. This country must export to survive. It is a basic fact of life, which you and I must recognize. Whether we like it or not, we must import oil and the raw materials to help our economy and to provide jobs for our people. Without foreign oil—fuel to heat our homes, propane for our farms, and feedstocks to produce fertilizer and synthetic fibers—our economy and jobs would come to a devastating stop.

Last year, we imported $25 billion in oil. This nation, you and I, have to pay for that oil. And how did we do it? Primarily farm exports. This past fiscal year we exported $21.6 billion worth of agricultural products, $12 billion more than we imported. The surplus in agricultural trade more than offset a $10 billion deficit in non-agricultural trade to give us an overall favorable trade balance. These farm sales plus the export of industrial goods and services enable us to buy imported goods and services which we must have if we are to maintain a high standard of living, a growing economy and jobs for our expanding population.

Well, what about the other side of the coin. What does the sale of American farm products and other goods mean to the domestic market and the American consumer. Certainly, foreign sales of any product tends to push up, or at least maintain, domestic prices. The more we sell, the more the impact. The big question is how much of an impact is this going to have on domestic prices and it is here that things have gotten completely out of perspective, at least insofar as the farmer is concerned. Wild stories have been circulating that if the U.S. sells wheat to Russia, the price will go up roughly 30%. If prices do go up that much, it is *not*, and I emphasize the word not, because of what the farmer is getting.

Let us look at the facts. Delaware farmers were receiving between $1.35 and $3.00 for their winter wheat while wheat was selling for $3.58 a bushel on the Kansas City market. A bushel of wheat makes roughly 70 loaves of bread. So if you divide 70 into $3.58 you get 5 cents worth of wheat in a loaf of bread. If you pay 39 cents for that loaf of bread, that means the farmer is only responsible for 5 cents or less than one-seventh of its cost. Okay, so the price of wheat goes up a dollar per bushel because of foreign sales. What does that mean to the consumer. It would increase the cost of that bread by 1⅓ cents, not by 30% as some demagogues are claiming. If the cost of bread goes up 30%, the culprit or culprits appear after the wheat leaves the farm—not while it's on the farm.

Likewise, the impact of higher feed grain prices is transmitted through the livestock, poultry, and dairy sectors and is subject to adjustment lags of differing duration. Overall, it is estimated that a 30c per bushel (15%) increase in corn prices would result in a 1.5% increase in retail prices of livestock products as a whole. Individual product impacts of the price increase would be—beef 1.5%, pork 2.1%, poultry 3.3%, eggs 2.8%, and milk 0.2%. This is significant, but not nearly the impact depicted by the demagogues.

Now much of the debate on exports has been brought on by the sale of wheat to the Russians. Frankly, I don't like helping the Russians either, especially when they do not appear to be dealing in good faith. But let us at least be consistent. If we are not going to sell them goods, we should not sell them our latest industrial technologies either or permit them to make industrial purchases on credit terms unavailable to the American people. I am for detente so long as it is a two-way street. I am opposed to industrial sales that appear to build communist military might, which they did not hesitate to use against us in Vietnam.

The Russians haven't been cooperative in the food area. For example their practice of sharp trading, taking advantge of stealthy dealing. A second practice is their movement in and out of commodity markets erratically without warning. They have refused to cooperate in supplying advance information as to their needs, a factor which has unnecessarily disrupted our markets and could be avoided if they were not so secretive in their dealings.

Despite these circumstances, the whole situation must be put into perspective. Historically, we export a very large proportion of our farm produce. In fiscal year 1975, we exported 1 out of every 3½ acres harvested in sponded. As a result, it is estimated our farmer to go all out in production which they did. They went all out—they bought equipment, they bought fertilizer, they really responded. As a result, it is estimated our wheat crop this year will be 2.14 billion bushels; the largest wheat crop in history.

This is 350 million more bushels than last year's record crop. Domestically, we will use about 800 million bushels so that means we will need to sell about 1.3 billion bushels. If we don't the U.S. will have to take it over and store it at taxpayers expense. In that event, prices will undoubtedly fall, the farmers will plant less next year, and the U.S. will be faced in future years with less supply at higher prices. Less wheat will make less bread.

One reason pork prices are up this year is because farmers cut back in pork products as a result of a very short corn crop last year. I think most Americans remember how the beef supply dried up a few years ago when the price of beef did not cover farm costs. The farmer does respond to the market and he does, like all Americans, face higher prices during these inflationary days. The farmer pays 2 times as much for fertilizer and 20% more for equipment than he paid a year ago.

In any event, I do not believe America has any real choice—its agricultural policy is to expand production so we must expand foreign sales. That is the only way we can earn the foreign exchange to pay for the oil we must obtain to keep the economy moving. Otherwise, plants will be closed, jobs will be lost, and homes will be cold. As I said earlier, U.S. agricultural exports in fiscal 1975 produced a $12 billion surplus to help pay for the $25 billion we imported in oil. Around ⅔ of our wheat and rice output, over half of the soybean and cattlehides, around 2/5 of the tobacco, over ⅓ of the cattle and about ¼ of the feed grains went to overseas markets in 1975.

Without continued large export, farm acreage will be reduced. This will invite disaster. We must keep products and exports high, if we as a nation are to survive. If we are to sell to the Russians, be it wheat or industrial products, let's then recognize it as a two-way street. We are not going to help them out of their difficulties, if they use our goods and supplies to create difficulties elsewhere. Why should we supply them any goods, be it wheat or oil rigs, if they violate understandings, such as they did in Vietnam. Let us see their good faith in Portugal or the Middle East if they want us to supply them with badly needed goods. In any event, let us in the U.S. treat sales of farm products, fertilizer and industrial equipment in a reasonable manner and not discriminate against the farmer in favor of the large multinationals.

In closing this afternoon, I would like to briefly mention a second area of major concern to me. Over the past year, I have become increasingly aware of the amount of high grade farm land being lost every year to developers and others who take advantage of the high Federal estate tax laws that farm families face upon the death of a spouse. Several bills have been introduced in the House of Representatives, the most notable being the Burleson bill. I have studied these bills and want to report to you that I have introduced similar legislation to relieve the tremendous tax burden imposed on the family farm. On Friday, August 1, I introduced the Family Farm Estate Tax Reform Bill.

I needn't tell you, of all people, the effect inflation has had on the value of your land, your equipment, and the cost of your operations. And I don't have to tell you how the excessive estate taxes are forcing young people out of farming, and forcing farms into the hands of corporate investors and realtors.

The high estate taxes are making it almost impossible for the family farm to stay in existence, forcing wives and young farmers to sell or mortgage their farms to pay off the taxes. Once this land is lost to development it can never be recovered. And I believe we must take corrective action.

As a member of the Senate Finance Committee, I pledge to work with this legislation in Committee and to bring about these significant changes to protect the family farm.

REGISTRATION BY MAIL

Mr. McGEE. Mr. President, on Saturday, September 13, Gov. Jerry Brown informed me that he had just signed assembly bill No. 822, providing for voter registration by mail for the State of California.

It is my understanding that in addition to the State of California, the States of Iowa, Kentucky, Maryland, Minnesota, Montana, New Jersey, New York, Oregon, Texas, and Utah each now have some form of registration by mail. It is also my understanding that Mayor Walter Washington is about to sign into law registration by mail for the District of Columbia.

In addition, the States of Colorado and Pennsylvania have similar legislative proposals under consideration. What is more, when the Secretaries of State Association met in Las Vegas last month, they adopted a resolution in support of the concept of registration by mail. It is clear that registration officials throughout the country have taken our lead and are beginning to move toward breaking down registration barriers that now confront our citizenry.

This makes it even more imperative that the Congress adopt S. 1177, to provide for registration by mail on a nationwide basis. Only by adoption of a Federal statute can we avoid a hodgepodge of registration procedures throughout the country.

Earlier this year, I renewed my efforts that date back to the 92d Congress by reintroducing my bill, S. 1177, which is identical to that which passed the Senate in the 93d Congress. There is one significant difference this time. A majority of my colleagues have joined with me as cosponsors of the bill. Included amongst those cosponsors are a majority of the members of the Committee on Post Office and Civil Service, which I chair. With that kind of support and Senate passage assured, it would have been simple to ram the bill through the Senate. Instead, it is the desire of both myself and the distinguished chairman of the House Administration Committee, Wayne L. Hays, to assemble constructive suggestions in order to fine tune our combined legislative efforts. This is particularly necessary because it is obvious that this time the Congress will enact voter registration by mail for Federal elections.

As a result, both my committee and Mr. Hays' committee have now held hearings on our respective legislative proposals. The House Subcommittee on Elections has favorably reported out Mr. Hays' bill, H.R. 1686, to the full Committee for its consideration.

In the Senate, my committee called approximately 30 witnesses with diverse points of view who made suggestions that will be of great assistance as we seek to improve our efforts. Individuals were scheduled who are experienced at all levels of government—Members of the House and Senate, secretaries of State, county clerks and local registrars—because what the sponsors of this proposal want is to forge the best possible piece of legislation we can, one that will both gain immediate positive results and stand the test of time.

It is my hope and belief that by the time we celebrate the Bicentennial, this legislation shall have become the law of the land, and that as a result, the first and foremost barrier to full participation in Federal elections will have fallen.

Quite simply, our purpose in sponsoring this proposal is to do away with the need for a private citizen to personally stand in front of an election official in order to become registered. Neither Federal nor State tax returns have to be filed in person, so what magic we ask is there in making someone find an election official in order to get registered? If a tax return can readily be accepted through the mail under penalty of perjury so can a simple registration form. It is important to emphasize that this proposed legislation is intended to make it easier for millions of Americans to get started along the road toward exercising their franchise.

There are many reasons why people do not vote but our responsibility is to make certain that one of those reasons is not that it is too difficult to register. This is an issue that cuts across party lines and obviously, the fact that the list of cosponsors is a bipartisan one, is clear evidence that registration barriers now affect all of our citizens regardless of party affiliation.

In addition to the 51 other Senators who have joined with me as cosponsors of my bill, numerous others have indicated that they intend to vote for it when it reaches the Senate floor for consideration. I call upon those others to join with us now so that their presence may be felt early on. There is a long legislative record that has been made on this proposal that dates back to the 92d Congress. What sweeter gift can we give the American citizenry in the year of the Bicentennial than to guarantee the right every American who qualifies the right to have his name on the election rolls when accountability time arrives next November.

LIBERTY AND JUSTICE FOR ALL

Mr. MONDALE. Mr. President, I wish to take this opportunity to congratulate the U.S. Catholic Conference, under the leadership of the National Conference of Catholic Bishops, for its remarkable effort to establish a broad-based 5-year program of social action.

At hearings held throughout the country, the bishops of the national conference set an example which we in the Congress would do well to follow. These hearings touch on the topics of our deepest concerns in this country today—from the problems faced by American families, to the family farm, from the problems of Spanish-speaking citizens to our relationship with the developing countries of the world. I was privileged to testify at a hearing held in St. Paul on June 13 on justice for native Americans.

These national hearings will be followed by discussion among clergy and laity at the local level, and capped by a national conference of clergy and laity to be held October 20–23, 1976, in Detroit, Mich.

This is a magnificent undertaking, and a celebration of our Bicentennial in the finest possible way. I wish to call the activities of the conference to the attention of my colleagues, and ask that an excellent article describing these activities which appeared in the New York Times on August 26 be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Religious Groups Studying Basic U.S. Values

(By Kenneth A. Briggs)

Tidy Creek Camp Grounds, Ga.—Gustav Rhodes settled his beefy, 6-foot frame into a straight-back chair, folded his calloused hands on a small table, and spoke deliberately into a microphone.

"Mr. Chairman," he said, "I love the land. I am proud of my work. But I am mighty ashamed of what people think me and my work is worth."

He proceeded to tell of the lot of the sugar cane workers in Louisiana, where he has worked since his boyhood, particularly their efforts to escape squalor and exploitation.

The bishops, priests and lay professionals on the panel listened attentively, as they had to a succession of men and women from many parts of the South.

Their testimony, given under a spacious green revival tent here in a remote wooded section of northwestern Georgia, followed an ambitious plan by the United States Catholic Conference to learn more about the nation's problems.

By choosing such a project as its main Bicentennial focus, the Roman Catholic

Church became part of a wider movement among many religious groups to study American values during the nation's observance of its 200th birthday.

Through a variety of methods—conferences, films, television and radio broadcasts and printed matter—Christians and Jews are raising disturbing questions as to whether the nation has defaulted on the pledges made in its founding documents.

SPIRIT OF DISSENT

Projects are local and regional as well as national in scope. The Pittsburgh chapter of the National Conference of Christians and Jews, for instance, will sponsor a special convocation Sept. 29 on the First Amendment. On the list of topics are such items as medical ethics and credibility in public life.

In the spirit of dissent that drove many of their Catholic, Protestant and Jewish forebears to these shores, these efforts are concerned with such issues as religious liberty, the quality of morality, the role of religion in history, gaps between social ideals and reality and the nature of civil religion.

On a more strictly academic level, the Bicentennial Conference on Religious Liberty, an interfaith project scheduled for next April 25 to 30 in Philadelphia, will range over these and a number of related issues, including the rights of the aging and of privacy and conscience and disobedience.

"While the Bicentennial is a time for celebration," says Nancy Nolde, the conference director, "we should remember that the promises of America have been merely promises for large segments of the population."

Meanwhile, the American Broadcasting Company, guided by Protestant, Catholic and Jewish representatives, is producing a "Conscience of America" series that will explore such topics as the effect of the bombing of Hiroshima on America's spiritual climate and the history of protest in America, from Thoreau to the recent antiwar movement.

OTHER PROJECTS

In addition, the National Broadcasting Company will start a four-part special entitled "One Nation Under God," the Religious Education Association is planning a major colloquy on civil religion from Nov. 23 to 25, and Project Forward '76, the most inclusive ecumenical venture, is preparing conferences on the religious aspects of the American Issues Forum.

No endeavor of this kind has required more time and energy than the Catholic concept. Originating three years ago with an advisory group to the Conference of Bishops, the idea calls for six sets of hearings at as many places across the country.

Hearings in Atlanta, which included one day at Tidy Creek, 90 miles away, were the fourth in the series. Prior to that, hearings were held in Washington, San Antonio, Tex., and Minneapolis. The final two sites are Sacramento, Calif., and Newark.

The Catholic project, styled after Congressional hearings and adopting the theme "Liberty and Justice for All," is designed to put the Roman Catholic Church in better touch with what the Most Rev. James Rausch, secretary of the Catholic Conference, calls "society's lingering hurts."

When the hearings are completed, the Council of Bishops will put together a summary of its findings and start a five-year program to combat injustice.

At each hearing, certain social problems have been underscored. In San Antonio, for example, the hearing reflected the concerns of Mexican-Americans, and in Minneapolis, problems of native Americans.

A SOUNDING BOARD

Tidy Creek, like the other settings, became a sounding board. Among other things, the bishops heard victims of black lung and brown lung diseases describe hazardous working conditions in coal mines and textile factories, small-land holders speak of threatened loss of farms, migrant laborers describe continuing hardships and strip-mining opponents decry the lack of stiffer legislation.

Panelists, headed by the Most Rev. Peter J. Gerety, Archibishop of Newark, and including a woman judge, a graduate student and a history professor, were visibly moved by much of the testimony.

The Rev. Vincent O'Connell, pastor of Holy Cross Church of Lafayette, La., said sugar cane workers earned an average of $3,200 a year while working 1,500 to 1,700 hours, and were constantly in debt to the growers. He called them "practically indentured servants."

BROWN LUNG DISEASE

Hub Spires, a rangy South Carolinian with hollow cheeks and sunken eyes, labored to catch his breath as he told how, after 34 years as a mill hand, "something got wrong with me." He described it as brown lung disease—something he said the medical profession in South Carolina was reluctant to identify as an occupationally related sickness—and he said he had been forced to retire 10 years prematurely on an $8-a-month pension from the mill.

At the hearing in Atlanta, Mrs. Ruth Tippins of Jacksonville, Fla., told of her survey of the need for food stamps among elderly people. The most common complaint, she said, was the stamps were too expensive. One woman saved the money by eating her food raw. Another ate every other day. Hundreds, including a 98-year-old man living alone, did not know they were eligible.

Some of the frustration was vented at the church—allegedly for helping to perpetuate injustice and poverty. The bishops accepted the criticism with apparent equinimity.

MINGLED WITH WORKERS

At Tidy Creek, the bishops mingled with the workers, admired the quilts, cornhusk dolls and other handcrafted articles that were on display, munched on hot dogs and Southern barbecue, and appeared relaxed and buoyant.

Whatever the final results of the hearings, Bishop Rausch said that what has happened to the participants "is so worthwhile that it has set something of great significance in motion."

"The church needs to broadly consult people," he added, "to educate itself to the questions that relate directly to their lives."

Other strategies are also aimed at underscoring problems in American life. Often they revive lagging ecumenical efforts. "This affords an opportunity to bring groups together," says the Rev. Dr. R. H. Edwin Espy, chairman of '76, "who can't always get together."

Religion in American Life, a promotional campaign by 43 Christian groups, will introduce a series of radio, television, newspaper and magazine advertisements next month designed to make people more aware of such social problems as hunger, poverty and racial discrimination.

OUTSIDE THE SYSTEM

Among the campaign's goals, says Jerald Hatfield, director of the agency's project, is to show "how people have been cut out of our system."

Another direction has been taken by the Ecumenical Task Force on the Religious Observance of the Bicentennial, a coalition of Christians at the National Council of Churches. The group, according to its secretary, the Rev. Dr. Dean Kelley of the United Methodist Church, has produced a film, "Echoes of Revolution," which Dr. Kelley said portrayed how "rights and freedoms are available to anyone who can afford them."

The group has also published a far-ranging critique of social and religious issues. Called "Bicentennial Broadsides," it enlists several authorities to evaluate such topics as religious liberty and the role of women and blacks in national life.

PROPOSED ARMS SALE

Mr. SPARKMAN. Mr. President, section 36(b) of the Foreign Military Sales Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million. Upon such notification, the Congress has 20 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is immediately available to the full Senate, I ask unanimous consent to have printed in the Record at this point the notification I have just received.

There being no objection, the notification was ordered to be printed in the Record, as follows:

Office of the Director Defense Security Assistance Agency and Deputy Assistant Secretary (Security Assistance), OASA/ISA,
Washington, D.C., September 1, 1975.

Hon. John J. Sparkman,
Chairman, Committee on Foreign Relations,
U.S. Senate,
Washington, D.C.

Dear Mr. Chairman: Pursuant to the reporting requirement of Section 36(b) of the Foreign Military Sales Act, as amended, we are forwarding herewith Transmittal No. 76-4, concerning the Department of the Air Force's proposed Letter of Offer to Thailand for thirteen (13) F–5E aircraft, three (3) F–5F aircraft, eight (8) spare engines, standard ground support equipment and spare parts estimated to cost $64.9 million. Shortly after this is delivered to your office, we plan to notify the news media.

Sincerely,

H. M. Fish,
Lieutenant General, USAF, Director, Defense Security Assistance Agency and Deputy Assistant Secretary (ISA), Security Assistance.

Transmittal No. 76–4

(Notice of proposed issuance of letter of offer pursuant to section 36(b) of the Foreign Military Sales Act, as amended.)

a. Prospective Purchaser: Thailand

b. Total Estimated Value: $64.9 million

c. Description of Articles or Services Offered: Thirteen (13) F–5E aircraft, three (3) F–5F aircraft, eight (8) spare engines, standard ground support equipment and spare parts.

d. Military Department: Air Force

e. Date Report Delivered to Congress:

SOUTH DAKOTA'S LITTLE MOREAU; A CASE OF COOPERATION

Mr. ABOUREZK. Mr. President, in a time when we are despoiling our natural resources at an alarming rate and floundering in our efforts to reverse this process, it is a pleasure to learn about the successful efforts of Federal and State conservationists to protect and improve the beauty of even a small public recreation and wildlife area in the northwest of South Dakota; in this semiarid cattle country where erosion is the major environmental problem, a Conservation officer for the South Dakota Department of Game, Fish and Parks and a district conservationist of the USDA Soil Conservation Service with the help of a SCS technician have won impressive successes in their struggle against erosion caused by weather, animals and man in the lovely Little Moreau Recreation Area. Thanks to their constant vigilance, their close partnership, their wise use of Federal programs and the cooperation of the local community they have won over to their conservation efforts, the 3,740 acres of State-owned land acquired in 1962 by the South Dakota Game, Fish and Parks Commission have become a source of enjoyment and pride for the inhabitants of Dewey County and South Dakota in general; west of the Missouri River, where public land is rare, the Little Moreau Recreation Area has a great educational value for the school population of the Timber Lake area and a great recreational value for the 15,000 visitors who come every year to discover its wildlife and scenic beauty. It is an outstanding example of what a coordinated and coherent conservationist policy can do to protect our environment and this is why I ask unanimous consent that the article in the South Dakota Conservation Digest describing the joint effort of Federal and State personnel be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Little Moreau Recreation Area: Gem of the Prairie—Conservationists Join Force To Nurture Its Natural Beauty

(By Kent Alverson)

"Just look at that. I'll have to start driving through here every day to watch for porkies!"

It was Conservation Officer Art Rehn speaking, and the occasion was an inspection trip to check pine plantings in the Little Moreau Recreation Area near Timber Lake. His companion in his 2-way radio-equipped state vehicle was Les Labahn from the local office of the USDA Soil Conservation Service.

Their attention was directed to a 6-inch vertical white scar on the trunk of an 82-year-old ponderosa pine. As their gaze wandered down the rows of planted trees, even more serious scars were noted. Art was disturbed, and rightly so, as it's no mean accomplishment to get a tree to grow in these rugged hills. Deer browsing along the higher side of the slope had already left many trees badly clipped and out of balance. To lose them now to porcupines would be adding insult to injury. So, to prevent the "porkies" from girdling the young trees and killing them, Art was engaged in an all-out war.

The inspection trip continued along little-used trails past occasional signs marked "No vehicles beyond this point." The erosive soils just couldn't take repeated crushing and grinding from automobile wheels. Even footpaths turned into small gullies when the rain and wind hit them. The men stopped suddenly when they came to a small lake created by damming a steep draw. The water was deep, and the resultant pressure posed a continuing threat to a small well-constructed dam. But the reason for the stop was an unexpectedly high level of water in the lake.

"It's those beavers," declared Art. "I carry on a small battle with them. They're getting too plentiful. I don't mind them cutting some trees, but they go too far. They use the trees to plug up the trickle tube, and the water is forced out over the earth spillway. Pretty soon we have a gully started. It's a lot of work to undo their plugs."

These are typical problems encountered by Art and Les in a routine inspection trip. Seedling trees and shrubs "scalped" into naturally vegetated slopes were "making it" thus far, but would face many dangers and hardships in their struggle to survive. Weather, animals, disease, and insects would take their toll. In picnic areas and other places getting heavier recreational use, man himself adds to the threats. Constant vigilance and maintenance are required.

All of which points up one thing. Preservation of "natural" beauty on public lands is not simple, and it can't be accomplished by just allowing nature to take its course. It takes management to maintain that dynamic balance that retains all the exciting elements of diversity in plants, animals, and scenic views. Such diversity provides satisfying recreational and educational experiences, but it also requires all kinds of practical skills and judgment about soils, plants, wildlife, and people.

In this situation, what could be better than a year-round working partnership of soil conservation specialists with a state conservation officer? And that's the way it is. The partners are Art Rehn, conservation officer for the South Dakota Department of Game, Fish, and Parks; Les Labahn, district conservationist; and Matt Schweitzer, conservation technician for the Soil Conservation Service. Together they treat 3,760 acres of state-owned land as their "baby." About 3,040 acres are in the Little Moreau area; 520 acres surrounding Lake Isabel which furnishes water to the town of Isabel, and 72 acres adjoin another 8-acre lake.

Art Rehn is a veteran wildlife conservationist, former game warden, and one-time chief of police in his hometown of Milbank. His rich Swedish accent and friendly disposition bring immediate acceptance and respect. When he talks about the deer, grouse, "porkies," and other birds and animals on the wildlife area, you get the impression he knows them all by their first names. Certainly he knows their habits, their rivalries, and where you are most likely to find them at any given time of day.

Les Labahn is a younger man, a SDSU graduate who specialized in agronomy and range. He, too, has an outgoing personality and likes to help people make the best possible use of their resources in this semi-arid cattle country where getting water in the right place at the right time takes precedence over almost everything else. With his small staff and the option of calling for additional technical help from SCS area specialists at Mobridge or state specialists at Huron, Les can handle just about any problem that comes his way.

Labahn's overall responsibility is to provide technical conservation assistance to all ranchers and other landowners in Dewey County who are conservation minded. His assistance is given following requests to the Dewey County Conservation District. Working closely with him is Matt Schweitzer, conservation technician. Matt has lived most of his life in Dewey County and farmed near Trail City before coming to SCS in 1957. He and his wife didn't really leave the farm, though. They live on a quarter section which they have made a model of good conservation practices. Matt has become well respected locally as an expert tree man and dam designer.

The Little Moreau Recreation Area has an interesting history. It derives its name from Little Moreau River that runs through it. In the early 1930's, a quarter section of it was owned by the Little Moreau Golf Club whose members built a recreational lake with funds and labor provided under the old national WPA program. In 1936 this quarter was sold to the U.S. government for recreation and a game reserve.

At the same time, the government bought another quarter from Peter Shadduck. It contained the Shadduck grove and picnic area along the river. Other purchases by the government brought the total to the present 3,040 acres. The land was designed a game refuge and placed in control of the Bureau of Land Management.

Before its sale to the government, the WPA dam was enlarged, using horses and slip scrapers. Roads were improved and playground equipment, picnic tables, fireplaces, and toilets were added to the picnic area in Shadduck grove. A 48-inch woven-wire fence with added barbed wire was erected around the perimeter of the refuge. The refuge was then stocked with antelope, buffalo, and many local wild animals.

In the spring of 1937, high waters almost destroyed the large dam. Area residents rallied to the call for help. They piled sandbags into breaches in the dam and spillway. After 24 hours of back-breaking effort, they won their battle.

For many years the Little Moreau area was leased to the town of Timber Lake. In the late 1950's residents became concerned with the many land sales by the Bureau of Land Management. They feared they might lose this "gem of the prairie."

In 1957, the South Dakota Game, Fish and Parks Commission was searching South Dakota for a site to establish a conifer tree nursery. Local people felt that areas of the Little Moreau might be suitable. The Little Moreau Sportsmen's Club was organized as a local group to attempt to interest the commission in utilizing this area. Herb Lippert, extension county agent, was elected chairman and Reuben Hoffman, SCS district conservationist, as secretary. A committee led by Lippert, Hoffman, and Emil Ostrom met with the commission. They examined aerial photos, soil tests and water tests presented by the committee.

The commission had a very real interest in the area and even went to the expense of drilling test wells for checking water quantity and quality for irrigation. Because of a questionable water supply and high frequency of hail storms, it was not selected for a conifer nursery. The committee was able to interest the commission in making this area a state park or recreation area, however.

In 1962, the commission was able to trade land with Bureau of Land Management, and the Little Moreau became a state recreation area. In recent years, the Department of Game, Fish and Parks with the cooperation of Little Moreau Sportsmen's Club has made many improvements in the area.

The spillway on one dam was rebuilt. A second dam was enlarged and a third was rebuilt. The picnic ground has been enlarged with new tables and fireplaces added. A camping area has been enlarged, and a boat ramp installed at one dam. Many acres of trees were planted in the area. It is planned that several more acres will be planted for winter cover, escape cover, and food for wildlife. Wild turkeys were introduced, and the waters are being managed for better fishing. The road through the park area has been hard-surfaced. The county commissioners are being encouraged to improve the 5 miles of county road from S.D. Highway 20 at Timber Lake to the recreation area.

The topography is gently rolling to steep sloping land. Soils are mostly shallow with deep, fine sandy loam on the flatter areas. Vegetation on the high lands is predominantly native grasses common to the area. Wooded draws and creeks are full of several common tree and shrub species. Native wildlife thrive. Since about 1962, only light grazing by livestock has been allowed, and beginning in 1972 no livestock has been permitted. The approximately 175 acres of cropland on the recreation area is leased to a local farmer each year with the department's share left standing for wildlife food.

Conservation practices already established on this land are impressive. They include 3½ miles of terraces on land still being cropped. Hiking and riding trails are planned. A new shelter is being built in a picnic area. Tree planting is going on continuously. Eastern red cedar and ponderosa pine have been "scalped in." Newer plantings include fruit-bearing trees and shrubs such as Russian olive, Hansen hedge rose, and wild plum. There are multirow windbreaks in two separates units. In the next 5 years, there will be several more acres of scalp plantings and multirow windbreaks. A new trout dam also is planned.

Conservation Officer Rehn takes some half-serious kidding about his strict policy of no grazing. Ranchers ask him, "Why can't you lease it to us? We can turn our cattle in, and we'll both make some money." Not everyone accepts preservation as a legitimate use of land.

Actually, there are many returns from this land in Art's view. He figures a reserve of public land gives everyone a share in America. "We're going to be short on public lands in West River, South Dakota," he asserts. "If we don't start buying more pretty soon, we're not going to get it. East of the river (the Missouri) we're in good shape, but in the west we ought to be getting quite a bit more." (Recently Labahn and Soil Scientist John Kalvels assisted the department with an inventory and evaluation of soils on "school lands" to determine their potential for wildlife production and recreational development.)

One big bonus is the liberal education available to young people who live around Timber Lake. An "outdoor classroom" has been established on the recreation areas about 5 miles from the town. Timber Lake has a population of 625, and school officials there are delighted with the opportunities for children to study native species of grass, trees, and wildlife in a natural environment.

Grasses such as little bluestem, needle and thread, western wheatgrass, and prairie sandreed still flourish. Forbs include leadplant amorpha, Maximillam sunflower, and buckbrush. Trees are native ash, elm, buffaloberry, native plum, chokeberry, cottonwood, box elder, hackberry, hawthorn, and willow.

Other local resource people provide much appreciated help. County Extension Agent Herb Lippert has been "carrying the ball" for the outdoor classroom, but he has had good support from Labahn, Rehn, towspeople, and others. Lippert is particularly interested in the nature trail. Gordon Quinn, county executive director of the Agricultural Stabilization and Conservation Service, has talked up the tree planting and wildlife practices, calling attention to cost-sharing and other help available through the federal Rural Environmental Assistance Program (REAP) and the state Wildlife Habitat Improvement Program (WHIP).

Meanwhile, Art Rehn is managing the wildlife. It's a big job. "Everybody likes to hunt," he said. "People come from other states to camp, boat, and fish. This is good. When we had a refuge here, we got overpopulation—particularly deer. Now we have a good variety of deer, wild turkey, all kinds of grouse, partridge, ducks, and pheasants. There are fur-bearing animals such as bobcats, mink, weasels, muskrats, skunks, beaver, fox, and coyote. There are also lots of songbirds. And, of course, there's "old porkie" porcupine.

"We hope to increase public use by providing more recreation of all kinds. All of it requires management of trees, land, and dam sites. I grew up in hard times, and most things I know I learned the hard way. The technical assistance I get from the Soil Conservation Service is really valuable."

Some special attractions Art has encouraged for the public are three grouse "dancing grounds," as he calls them, and a small prairie dog town transplanted by G.F. & P. Trapper Ron Hoffman, now a conservation officer at Presho.

An example of the excellent cooperation between agency people and the local community was a sediment survey conducted last winter on Lake Moreau and Lake Isabel for the Game, Fish and Parks Department. Says Labahn, "We knew there had been silting, but we didn't know how bad. We have only one man, Jim Monaghan, on the watershed planning staff at Huron, who gives help with this kind of thing, so we needed people and equipment to get the job done.

"Art got on the horn and got some special equipment and an extra man from the department to help us chart the lake bottoms. He also got a snowmobile. The town of Isabel sent 2 men to help where they could. Everything worked out fine. It's easier to work on the ice than to use a boat as you know exactly where you are."

A poet of long ago, in an ode to a remote, seldom seen, desert flower, philosophized that "beauty is its own excuse for being." Perhaps this is true, but Art Rehn and Les Labahn, along with many good friends and co-workers in the Timber Lake area, have a higher goal. They want to capture and nurture "natural beauty" so they can share it with people.

The public has shown their appreciation. Recent traffic counts and observation show that around 15,000 persons use this area each year. It enjoys one of the lowest incidences of vandalism in the state, a special tribute to the friendly community of Timber Lake.

THE ECONOMICS OF AGING: TOWARD 2001

Mr. MONDALE. Mr. President, last month's Institute of Gerontology Conference, conducted jointly by the University of Michigan and Wayne State University, focused on "The Economics of Aging: Toward 2001."

Several leading authorities in the field of aging attended and exchanged ideas about future developments for income maintenance programs.

The year 2001 may seem quite distant and remote to many persons today. But numerous important decisions made now and in the near future will dramatically affect the workers and retirees of the 21st century.

This is a very important reason that the Senate Committee on Aging's Subcommittee on Retirement and the Individual—of which I am chairman—is collecting data to provide a solid foundation for making these decisions.

The Institute of Gerontology Conference provided a very useful forum for expanding this body of information.

One excellent example was the keynote address at the opening of the conference by Prof. William Haber, chairman of the economics department of the University of Michigan.

His statement, it seems to me, merits the attention of members of the Senate.

Mr. President, I ask unanimous consent that Professor Haber's speech—entitled "The Economics of Aging: Toward 2001"—be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

The Economics of Aging: Toward 2001

(By William Haber)

SUMMARY OF REMARKS

1. Tomorrow is the 40th anniversary of the Social Security system in the United States. It is a significant birthday. August 14, 1935 when President Roosevelt affixed his signature to that document is a memorable date. I consider it a proud moment in American social and political history. It is perhaps the most significant single piece of legislation ever adopted by the American Congress. I recall an observation I made to my class in Social Security in the fall of that year to the effect that "the Social Security Act will never be repealed" and that it would be changed more frequently than any other legislative enactment in the history of our country. And such has been its experience. It has been subjected to significant modifications on at least fifteen occasions during the past 40 years.

2. Its significance can be measured by the simple fact that nearly every American has a personal stake in the Social Security system—nearly one out of seven. Monthly cash benefits are being paid to 31,130,000 persons exceeding 5.1 billion dollars. On an annual basis these payments amount to over 60 billion dollars and it is going to more than 20 million retired workers and to 12 million others who are survivors, dependents or disabled persons. We are referring only to OASDHI. It touches the lives of nearly every American family since well over 100 million have at one time or another worked in insured employment and thus created an entitlement to benefits for themselves and their families.

3. We tend to overlook the critically important aspect of Social Security. The "S" in the OASDHI program provides family security. 80% of all men and women 21 to 64 years of age are protected in the event the family breadwinner becomes disabled. 95% of all mothers and dependent children are eligible for monthly payments when the father in the family dies. This is the economic mainstay of a vast majority of older Americans and these monthly payments represent more than one half of the income of two thirds of aged single beneficiaries and of 50% of the elderly couples.

4. The passage of the Social Security Act 40 years ago marked a dramatic shift in government responsibility. All social legislation had a tardy development under the American political system. The objections were in part constitutional and in large part philosophical. The individualists, and most of us are just that, were always concerned with the degree of intervention by the government in dealing with the economic needs of the individual and his family. The depression of the 1930's, the most devastating economic cataclysm in our history, enabled the country to overcome its long standing inhibitions against compulsory protection in the social and economic life of the American people in the interest of their economic security. I endorsed the title of the current book, *The Good Old Days—They were Terrible* (Otto Bettman). It is an accurate description and I make this observation on the basis of my experience as State Emergency Welfare Relief Administrator in Michigan during the early 1930's. You may have difficulty imagining how old people got along before the Social Security Act began to make payments. We have relatively little information and none of the scientific sampling upon which we depend so much today had been developed. From my personal experience and observation, however, I remember the coaster-wagons headed for the county com-

missary to pick up a bag of potatoes and flour; I remember the State Pension Law of $1.00 a day and never adequately funded; I remember what a revolution it was when the humiliating experience of going to the county commissary for staple groceries was abolished and a grocery order or cash payments to the indigent were instituted.

And finally came the dramatic reversal in 1935, when the Social Security Act was passed and in 1939, when it was converted from individual to family security and in 1950, when it was extended to cover nearly all families and self-employed and in 1965, when Medicare was introduced. It is an exciting story and those who had a part in it and are marking this anniversary have knowledge that they participated in changing America to a more human, decent and proud country.

5. How much can we rely on "promises to pay" pensions to which we are entitled in the year 2001? It is risky to project developments in so complex an area and I undertake it only because it is so far in the future. I have a principle never to forecast for a period shorter than the balance of my life expectancy. What kind of an America will we be living in when the 21st century is born? Only one thing is certain, it will be as different from the America of 1975 as today is different from 1945. Then we could certainly not have anticipated the newness which faces us everywhere we look. The moon, the jet, the eye bank, the kidney bank, heart transplants. The year 1950 was a breaking point in a sense which has been referred to as a great divide in human history. We spend 28 billion dollars a year for Research and Development—to make today's methods obsolete tomorrow. There has been an unbelievable revolution in today's jobs compared to 30 years ago. More than two out of three in our 90 million work force are engaged in service and white-collar and so-called "unproductive" activities, that is to day, they are not "making" anything. The year 2000 is just around the corner and it is likely to be a different world. How is one to predict OASDHI at the beginning of the 21st century? The population will be much larger and the experts are not in agreement as to whether it will be 240 million or 280 million. Much depends on the fertility rates. The labor force will be in excess of 125 million. The number of aged will have doubled. More than 60% of all adult women, married or unmarried, will hold a job. Life expectancy will have increased. The number of children will have declined. Three persons now working support one beneficiary, in the year 2000 two workers will have to do that—if current trends continue.

These are both traumatic and dramatic changes and we must learn to accommodate and adapt to a world whose changes we do not even recognize while we participate in it.

6. Is our present Social Security system "safe and sound?" It has been charged with being on "shaky financial grounds;" that it "may soon be in the red;" that its unfunded liabilities exceed a fantastic two trillion dollars and that it "is, therefore, bankrupt;" that "the reserve is a myth," it does not exist; that it is a poor investment—. These are serious charges. Some are malicious, others are made up of half truths, still others are based on a false analogy between private and social insurance. The Social Security System (OASDHI) has problems. There is clearly an increase in the number of aged and there is also an increase in life expectancy. Moreover, the automatic increase in benefits when cost-of-living goes up also creates problems. To call attention to these problems is appropriate and expected in any dynamtic system functioning in a growing and changing economy. To say, however, that that the Social Security system is "a hoax" and "a fraud," that the reserve is "a fiction," that the system is "bankrupt," is to create the impression that the millions of American wage earners may reach 65 and find the till empty. This is malicious and cruel as well as untrue.

The facts, as I see them, are clear. The Social Security system is in pretty good shape. It is honest, it has the support of the American people and has had the support of every President and Congress since 1935. Every Advisory Council since the first one of 1938, have endorsed its principles and financing. And so have all the experts and actuaries who understand the difference between social insurance and private insurance.

7. Can we meet the cost of Social Security—of OASDHI—in the year 2001? I am sure we will! I am sure we can. However, if you asked me to prove it, I must rely on many variables, on factors which will change much between now and the next 26 years and which are almost unpredictable. This is certainly true about the annual rate of inflation or the average annual increase in man-hour-output, or in the labor force participation rate, or in the fertility rate, or in the participation rate of women in the labor force, or in early retirement, or in the number of hours we use for education.

With all these uncertainties I am, nevertheless, bold to observe that, our current economic problems, such as the recession aside, the American economic system will continue to grow and that the Real Gross National Product will increase from 2½% to 4¼% per year and that the cost of OASDHI will represent no larger a proportion of the GNP in the year 2001 than it represents now.

8. The 1974 Advisory Council on Social Security—taking into account the variables and making reasonable assumptions concerning the annual increase in earnings and inflation as well as on the other factors—has concluded (a) that there will be no overall deficit in the short-range, that is, for the next few years and (b) over the long run, on the basis of its seven assumptions, average costs will represent a somewhat larger proportion of the payroll than is at present contemplated—approximately 13.9% instead of 11.9% of payroll. This is not a great disaster, even if it materializes. It will require some adjustment in financing and this should occur in any event, even assuming it were not required. And such changes will be required, for Social Security must be improved in the future as it has in the past. Several reasons for doing so suggest themselves immediately. We must increase the minimum benefit; we must agree to a definite limit on the payroll tax; while we should keep the "retirement test," we should increase the amount one can earn without losing his benefit; the average benefit must be increased as living standards for the rest of the population rise; we should seriously consider whether to include household employment as part of coverage. There are many others, I suggest these as the most obvious.

This is what one means by saying that the system is not static but dynamic. We need not wring our hands in despair because costs are likely to increase. We can easily change the earnings base upon which the Social Security tax is imposed. Nor should we shy away from paying part of the costs from general revenues. This has been a recommendation of several Advisory Councils on Social Security and when adopted, as I predict it will in time take place, we can reduce the payroll tax for lower income workers. The payroll tax played an important role in winning the acceptance of the comprehensive Social Security system but it leaves much to be desired as the only source of financing.

9. What have we learned? To my mind, we have learned that the system is sound; that it has kept millions out of poverty; that it has enabled people to plan ahead; that it has, in fact, encouraged private pension plans, private annuities and private savings.

10. The life expectancy tables lead me to conclude (regretfully) that I will not be here in the year 2001. I will, therefore, miss the pleasure or pain to see how right or wrong my confident expectations turn out to be. I am grateful to whatever fates there be for the opportunity to have lived in these times, to have been a small part in this great achievement and to see solid evidence of our society's increasing concern for the dignity of human life. The good old days—they were terrible, tomorrow's should be more decent.

NATURAL GAS DEBATE

Mr. **BENTSEN**. Mr. President, today's Wall Street Journal contains an editorial on the pending natural gas debate which should be of interest to my colleagues. I ask unanimous consent that the editorial be printed in the RECORD at the conclusion of my remarks.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

(See exhibit 1.)

Mr. **BENTSEN**. Mr. President, the editorial points out, quite correctly, that now is the time for full debate of the so-called long-term solution to the natural gas situation. It makes no sense to go from winter to winter, crisis to crisis, without taking up the more realistic decision of natural gas wellhead price deregulation.

This is not a question we can afford to avoid by promoting emotional, piecemeal and short-term measures under the guise of "emergency" legislation. Of course, that approach does give us something to talk to our constituents about, but it solves no problems. It creates no new gas. It lengthens the uncertainty over our domestic energy supplies.

Mr. President, I pledge to my colleagues that they will have the opportunity to consider the realistic, feasible approach to the natural gas shortage to which this Wall Street Journal editorial speaks.

There is an answer to the current shortage conditions. We must recognize it and forego hastily conceived attempts at creating a short-term panacea. These attempts only create uncertainty for those who must go about the business of generating increased supplies of natural gas. We must get about the task of achieving greater supplies of natural gas for our consumers, and end the policies of partial solution by rhetoric and regulation.

EXHIBIT 1

THE GAS ATTACK

Now that cool breezes are blowing, we offer the reminder that the natural gas "shortage" is getting worse, with several sections of the country facing serious curtailments this winter. Congress, which could dispatch much of the trouble with a few deft strokes of a pen, is instead following its usual habit of trying to lasso it with red tape.

The way to dispatch the problem would be to push through a bill, sponsored by Senators Bentsen and Pearson, that would simply deregulate the price of natural gas from onshore sources and start a phaseout of controls on offshore gas. Those customers who are dependent on gas that moves in interstate commerce would pay higher prices in many cases. But they wouldn't have to shut down power plants and factories.

Moreover, the country would be on its way, finally, to a rational energy policy where the price of competing sources of energy would be determined by the market, not by politics. The market will provide sufficient incentive to discover and develop new energy sources. And we would have less of this business of artificial "shortages" caused by regulation, which is in turn the product of attempts by large consumers and their Congressmen to get price advantages.

Unfortunately, however, the Bentsen-Pearson bill is not the only "emergency" gas bill that is being offered in Congress. There is also a bill, pushed primarily by Senator Hollings of South Carolina, which would quite possibly *tighten* price regulation. We say "quite possibly" because it more than likely will take all winter for the courts and armies of lawyers to decide what the Hollings bill's regulations require. While the lawyers are working on that problem, there are going to be some cold boilers on the East Coast.

There is a strong supposition that the Hollings bill would be even more restrictive because it would extend price ceilings to intrastate sales of natural gas. Currently, only interstate sales are regulated. The new ceilings would vary in various producing areas, based on the average of prices actually charged to interstate and intrastate customers in August. Moreover, the bill would set up a gas allocation system, in which federal regulators would attempt to designate "priority" purchasers of interstate gas.

In other words, the government would take away gas supplies from the foresighted and provident to bestow them on customers who are caught short because they made inadequate provision for the future. Aside from the fundamental immorality of that, however, is the spectacle of a government dealing with an emergency situation by expanding the regulatory bureaucracy that created the problem.

The seriousness of the emergency has been assessed by the Federal Energy Administration. It predicts that, given present conditions, curtailments this winter could total 1.3 trillion cubic feet, up 30% from last year. If the winter is especially severe, they could total 1.45 trillion cubic feet. The shortages will be most acute in some 10 or 15 states, mainly along the East Coast, that depend on interstate gas.

Even the Federal Power Commission, which seldom has demonstrated an eagerness to put itself out of business, has recognized the necessity for limited decontrol. Its commissioners voted 2–1 early this month to allow curtailed users to buy gas at free market prices and move it in interestate pipelines. But it is widely believed that something approximating the Bentsen-Pearson bill will be needed if the FPC ruling is not to be tied up with litigation charging that it exceeds FPC powers under present law.

It should not be surprising that the forces fighting in Congress for broader price controls, allocation and the like are from user, rather than producer, states. As with so many battles in Congress, this one is between forces representing what are essentially narrow interests, rather than the broad public interest.

But even some consumers who once thought they would benefit from price controls have seen the light. The American Gas Association, which represents local gas utilities, is lobbying for decontrol. Brooklyn Union Gas Co., one of the instigators of the famous Phillips case which legalized wellhead price controls in 1954, now concedes that controls were a mistake.

Just so there won't be any mistake about it, there is no natural gas "shortage" in the real sense, particularly when vast, untapped offshore and onshore reserves are considered. There is only a shortage of producers willing to sell gas in interstate commerce at federally mandated bargain prices. With a few strokes of the pen Congress can make a historic decision to opt for market solutions to a critical problem. Or it can go the other way and lead the country further into a general despair over the failure of its leaders to perform.

INFLATION AND THE PAY RAISE

Mr. MOSS. Mr. President, during the past several years, I have supported legislation to provide cost-of-living increases for Federal employees when inflation drives up prices. This year I continue to support a cost-of-living increase for Federal employees but I believe the Federal Pay Board recommendation of 8.66-percent increase is too high. The economic conditions of our country require me to support the President's recommendation of only 5 percent. I realize that many employees are in need of a salary increase and I sympathize with workers who see their salary erode. However, this is a time of crisis and for sacrifice.

Presently, there are more than 8 million Americans unemployed. Our Federal budget is in deficit of $60 or $70 billion this year. The Congress has an obligation to avoid any action which would prolong unemployment and to hold down the Federal deficit.

In my view, an 8.66-percent cost-of-living increase is inflationary and could stall our economic recovery and prolong unemployment.

Such action would increase the Federal deficit by an additional $1.6 billion, cause serious competitive problems for many private employers, and tend to push the wage rates of the 12 million State and local employees to inflationary levels, as they demand pay comparable to Federal employees. Inflation and a sluggish economic recovery are likely by-products of an 8.66-percent increase.

It is also important to emphasize that only 10 million workers in the labor force of over 90 million are covered by annual cost-of-living increases. Most workers have no protection against inflation. It should be remembered that any cost-of-living increase for Federal employees is paid for, in large part, by taxing those without cost-of-living protection.

We are in the middle of our worst recession in 35 years. This troubled economic condition places limitations on all of us. We must all tighten our belts. This is not a particularly agreeable policy, but we simply have no alternative.

REGULATORY REFORM

Mr. KENNEDY. Mr. President, last month in Chicago President Ford spoke about reform of Government regulatory agencies and emphasized his conviction that—

> Competition, when freed of Government regulation and supported by antitrust laws, is the driving force of our economy.

I agree wholeheartedly with these sentiments. This is the lesson I learned especially sharply as a member of the Antitrust Subcommittee and as chairman of a lengthy set of hearings this year on the Civil Aeronautics Board. Earlier this year I introduced S. 2028, a bill to require all Federal agencies to promote competition to the maximum feasible extent and to inform Congress of the competitive impact of any legislative proposals; hearings will be held on this bill this winter.

Mr. President, the fostering of inefficiency and the stifling of competition caused by excessive Federal regulation was the subject of an excellent article recently by Mr. Peter Schuck, a director of the Washington Office of Consumers Union, who has appeared as a witness before congressional committees many times. Mr. Schuck's article lucidly explodes the myths which have watered and fertilized the soil from which the regulatory jungle has sprung up. He graphically portrays how difficult it is for our citizens today to build up their businesses through open competition in the face of endless vines of regulatory procedures and regulatory delays. I commend this excellent article to my colleagues and I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Why Regulation Fails

(By Peter H. Schuck)

Mr. Engman's critique of government regulations bids fair to become the conventional wisdom of the late 1970s. Caustic social critics, such as Ralph Nader, and fierce defenders of existing institutions, such as Gerald Ford and Barry Goldwater, have come together to render a joint indictment against the government's regulation of American business. To a surprising extent they agree upon the central elements of the regulatory crimes: inflation of costs to consumers; encouragement of inefficiency in critical sectors of the economy; the stifling of innovation; the corruption of the political and administrative processes by the regulated interests; the enervating of competitive forces in the economy. Elsewhere in the country, other voices raise the same cry. Academics fill professional journals with studies documenting regulatory misadventures. Congressional committees investigate the costs and benefits of particular regulatory regimes. The President of the United States urges Congress to establish a National Commission on Regulatory Reform.

Government regulation has so steadily and noiselessly insinuated itself into the corpus of American life that one must step back and ponder its significance. Like a marriage or a friendship that one usually takes for granted, the routine, stable quality of regulation has assured its survival; only when the system is widely perceived to be in crisis does it begin to intrude upon the public consciousness. The double-digit inflation of 1974 and 1975 has managed to create this sense of urgency about regulatory reform.

Federal regulation of business is typically implemented by an agency or commission appointed by the President, usually with the approval of the Senate. Buttressed by the law, the agency's rules seek to obtain conformity by creating both positive incentives (a subsidy, the right to operate in a particular market, immunity from the antitrust laws) and negative incentives (monetary penalties, the threat of loss of operating rights, criminal sanctions) for the regulated businesses. Congress prescribes the regulatory objectives of the agency by statute, usually in very general terms. The Natural Gas Act of 1938, for example, directs the Federal Power Commission to establish rates for natural gas which are "just and reasonable"; other statutory standards do little more than exhort the agency to regulate "in the public interest." The agency and its bureaucracy, however, ultimately determine what the "public interest" requires.

Congress will occasionally discipline an agency, or even reverse one of its decisions, and the courts may restrain an agency that ventures beyond its statutory boundaries. There are other checks as well: limited resources, the professional norms of agency bureaucrats, the limits imposed by politically powerful groups interested in the regulatory scheme, and public opinion (in extreme cases). But to an astonishing degree the agencies regulate as they see fit.

The regulation of business activity is as old as the communal life of human societies. The Old Testament regulated aspects of economic life, and the Code of Hammurabi established uniform weights and measures and limited interest rates. Regulation was often intended to separate the sacred and the secular spheres of life: religious as well as civil sanctions were imposed upon violators. During the late Middle Ages, Thomistic notions of "just price" and usury were reflected in regulation of commerce by Catholic sovereigns. England under the "heretic" Tudors practiced mercantilism—government regulation so extensive and detailed as to arouse the envy of the most zealous ICC functionary. In the same year that the Declaration of Independence was signed, Adam Smith, a Scottish economist, published his Wealth of Nations, a fundamental attack on the centralized direction of economic endeavor. Smith urged that the mercantilist system be dismantled, to be replaced by a regime of "laissez-faire." In Smith's system the state would limit its regulatory activity to those areas in which an unregulated market might work against the interest of the consumer. The debate over government regulation has raged for the past 200 years between the antipodes of the mercantilist system of extensive state regulation and the free market system with which Adam Smith hoped to replace it.

In America the debate has evolved within somewhat narrower limits. The issue has never been controlled economy versus laissez-faire, but the more limited and pragmatic issue of how much government regulation was justified in a given instance or industry. The result has been a distinctively "mixed" economy, in which an estimated 10 percent of the gross national product is subject to federal regulation. The regulated sectors, however, include much of the most critical activity in a modern economy—transportation, communications, energy, banking, utilities, and, increasingly, health care. Until the latter part of the nineteenth century, federal intervention in the economy was primarily confined to subsidization of canals, turnpikes, and railroads, enactment of tariff legislation, promotion of Western land development, and creation of a national banking system designed to maintain an inflationary money supply. Regulation by the states was quite limited, due to political forces and to Supreme Court decisions restricting the right of the states to regulate economic activity within their borders.

The first federal regulatory agency, the Interstate Commerce Commission, was created in 1887 under circumstances which continue to be controversial. In the traditional view, the ICC was established as a result of political agitation by Western farmers and other shippers who complained bitterly of abuses by railroads—monopolistic practices, free passes and rebates to the largest shippers, discriminatory rates between locations shipping to the same markets. Several revisionist historians, however, argue that the ICC—along with many subsequent regulatory agencies—was created at the behest of the railroads themselves, the larger ones being eager to fashion a regulatory umbrella under which they could stabilize and dominate the industry.

Whatever its origin, the ICC was, according to Thomas Gale Moore, a leading student of the ICC, "designed to encourage cartel activities." In subsequent years, the act was amended to augment the ICC's authority to suppress competitive behavior and to protect the railroads from unfavorable state regulation. By the 1920's, according to Moore, "the total cartelization of the railroad industry" had been accomplished. Already, the ICC displayed the tendencies which have come to characterize almost all regulatory agencies—a hostility to competition within, and a solicitude for the stability and profits of, the regulated industry. During the depression, however, not even the ICC could sustain the profits of the railroad industry. The highly competitive trucking industry, in which low capital requirements made entry into and exit from the industry quite easy, had begun to attract much business from the railroads. The ICC and the railroads pressed vigorously for protection from this competition, and in 1935 Congress extended the ICC's regulatory power to include motor carriers. In 1940 the railroads and truckers persuaded Congress to permit the ICC to regulate certain water carriers as well, since they, too, were competing successfully for freight business.

In succeeding years the ICC has regulated these three transportation modes—rail, truck, and water—in a manner calculated to prevent the competition between them that could benefit shippers and consumers. It has done so through a variety of methods. It allocates traffic among these modes, often preventing the low-cost mode from carrying the freight. By granting or withholding certificates of public convenience and necessity—the authority that every carrier must possess in order to do business—the ICC controls entry into the industry. It does its job well—new entry into interstate trucking or rails is almost nonexistent.

Besides limiting entry into the industry, the ICC prohibits competition between certificated carriers by prescribing the routes that each may travel and the commodities that each may carry. Consider the ICC's infamous "gateway" rule, which prohibits many trucks from traveling the shortest and most direct route between two points in order to reduce competition on those routes. Instead, it requires them to reach their destinations by traveling through an often distant "gateway" city. Only slightly liberalized in 1974, the gateway rule has wasted as much as 460 million gallons of fuel a year and creates as much as 150,000 tons of pollutants, according to one estimate. When the Department of Transportation recently requested the elimination of these restrictions for trucks carrying hazardous materials, the ICC refused, citing only the dangers of increased competition. But if the ICC's route restrictions seem perverse, consider the Alice in Wonderland quality of some of its *commodity* restrictions, as described by the commission itself:

"It has been held that carburetors, distributors, generators, electric motors, and similar commodities are not embraced in the description "machinery"; that electric regulators are not "machinery"; that the term "building materials" relates to materials intended to be used for the erection and repair of buildings and not for building operations generally, and that, as a consequence, materials for the erection of a bridge are not included since a bridge is not a building; that the commodity description "food products" embraces only such products as are fit for human consumption and does not include canned animal food; that the word "canned" in the description "canned goods" refers to the process of canning and not to the receptacle in which the goods are placed, which may be metal or glass; that "groceries" are defined as articles for human consumption which are customarily served as food, or which are used in the preparation of food, except "fresh meats" . . . that only rough or unfinished articles are embraced by the commodity description "iron and steel articles"; that engines and machinery are not included in the term "iron and steel articles"; that the commodity description "paper and paper products" does not include newspapers, magazines, circulars, and other publications; that the commodity description "fruit and vegetable juices" does not include frozen juices; that gasoline is not a "liquid chemical"; and that the commodity description "glassware" does not include sheet glass or rough rolled glass or glass rods."

This definitional creativity is not simply lawyers' fun and games. Each of these restrictions means less competition, trucks running backhauls without cargo, and higher costs to consumers.

These anticompetitive rules, perverse as they are, are only the beginning. The ICC, by law, countenances price-fixing by "rate bureaus," which are carrier-dominated cartels. In 1974 the ICC investigated only 5 percent of the rate increases filed by the bureaus, disapproving less than a third of these. Each year the ICC refuses to approve rate decreases proposed by railroads. When the courts ruled that frozen fruits and vegetables were in fact "agricultural commodities," and therefore exempt from ICC regulation, rates for transportation of fruits and vegetables declined by an average of 19 percent; when fresh dressed poultry and frozen poultry were held to be exempt, rates declined by an average of 33 percent. The cost of wasteful regulation adds up; three years ago, well before the onset of double-digit inflation, a leading study concluded that "it would not be unreasonable to expect that elimination of [ICC] regulation would result in a saving to the economy, in terms of resources, as high as $10 billion a year."

Many of the patterns associated with the ICC also characterize other regulatory agencies. Since the creation of the ICC in 1887, there have been four major waves of federal regulatory legislation. Regulation of meat, food, and drugs began in 1906. The Wilson Administration launched the Federal Reserve System and the Federal Trade Commission. Two decades later the economic havoc wreaked by the depression led to the creation of a plethora of new federal agencies to regulate, among other industries, investment banking and securities, airlines, natural gas and electric utilities, communications, agricultural production, and housing. During the last few years, economic regulation per se—the regulation of rates, entry, and standards of service—has been extended to the petroleum and petroleum products industry. Indeed, during the period of economic controls from 1971 to 1974, virtually the entire economy was subject to price regulation. Even more significant, however, was the dramatic expansion during the 1960s and 1970s of health and safety regulation in the fields of environmental protection, occupational conditions, intrastate meat and poultry inspection, food and drugs, radiation, and product safety, particularly auto safety. The economic distress of 1974 and 1975 has generated desperate calls for regulation of credit allocation and a restoration of wage and price controls. A system of national health insurance will require extensive regulation of health-care providers. Yet, just as the nation is preparing for a new spasm of regulation of enterprises previously governed largely by market forces, governed largely by market forces, government is being urged—often by former advocates of regulation—to dismantle many of the existing regulatory systems. Because the outcome of these efforts will have profound implications for our politics and our economic life, it is important to understand what is at stake and what are the likely consequences of both approaches.

Much Government regulation of business is widely accepted as necesary. Some businesses permitting dramatic economies of scale—generation of electricity is an example—supposedly require regulation because competition is not feasible. Yet when economist George Stigler tested this hypothesis by comparing rates and profits for regulated and unregulated electric utilities, he concluded that regulation made little difference. Stigler's explanation was twofold: even a monopoly utility faces competition from other energy sources, and what entrepreneurs do is simply beyond the control of even the most assiduous regulator. Another reason for regulation is "externality"—the effect of a transaction upon "innocent bystanders" or society as a whole (air pollution, for example). Many externalities, however, could be limited or eliminated with minimal regulation if effective compensation or cost-shifting mechanisms could be implemented—for example, effluent fees are imposed on polluters on the Ruhr River. Regulation may also be justified if serious market imperfections exist, such as monopolistic conditions, intractable consumer ignorance, or ineffective compensation mechanisms. Much health and safety regulation falls into this category. Even here, however, nonregulatory innovations, such as no-fault liability insurance, class actions, and cooperative purchasing by consumer aggregations, could reduce the need for much regulation. And some market imperfections, even when they persist, may be less inefficient or inequitable in their effects than the distortions inherent in the political regulatory system.

The burden of justification lies heavy on the regulator. For government regulation is fundamentally at variance with the philosophical assumptions underlying the American political system. We are a liberal society, rooted in utilitarian ideas about the relation between citizen and state. The primary notion holds that the individual is the sole judge of his own interest and welfare and that individual satisfactions, be they "altruistic" or "selfish," are society's raison d'être. In this view, voluntary exchanges of value between individuals, as in a market transaction, are socially beneficial; by definition, such exchanges increase the welfare of both contracting individuals (else they would not engage in them), and, unless third parties are adversely affected, the welfare of society is thereby increased.

In addition to vindicating the liberal notion of equity, such voluntary exchanges between individuals promote economic efficiency. For all of these voluntary exchanges, when taken together, will tend to allocate the society's resources in ways that will maximize the satisfactions of the individuals in the society and thus put the resources to their best use.

Given these assumptions, government regulation will—except in the case of natural monopoly, externalities, or other market failure—always yield an inferior social result to free, voluntary exchanges between individuals. By specifying and limiting the terms under which transactions between individuals may take place, a regulation supplants their evaluations of their own interests and substitutes for these the judgment of the regulator. Individual and social welfare will be diminished thereby, particularly in the case of economic (i.e., rate and entry) regulation.

First. Certain transactions which both parties deem to be in their interests cannot be consummated because the regulation prohibits them. (When an agency sets a rate, it prohibits all sales at a lower rate, even if both parties would gain by such a sale.)

Second. Certain transactions which one or both parties deem to be contrary to their interests will nevertheless have to be consummated at the behest of the regulator, thus requiring either government coercion or a subsidy (whose cost will have to be borne by someone else). (Companies are compelled by the Jones Act to engage high-cost American ships to carry cargo between American ports; consumers and shippers pay the compulsory surcharge.)

Third. Regulation, by prescribing minimum standards which all must meet, will tend to limit entry and reduce diversity and consumer choice while increasing the costs of some, and perhaps all, sellers. (Requiring that all television repair shops be licensed, for example, seems to have the effect of increasing repair costs and limiting competition, without apparent effect on the level of consumer fraud.) Regulators have little use for the part-time electronics whiz who repairs TV sets in his garage during his spare time at low prices. If he does not obtain a license—either because obtaining one would be too costly or because he cannot meet the licensing requirements—he will either be driven out of business or will have to operate illegally; his customers will either be denied low-cost service or will have to pay some premium to compensate him for running the risk of detection. Similarly, regulation of taxicabs may assure consumers that no drug addict or alcoholic will drive a licensed cab and that such cabs are inspected three times a year. It will assure them of little else, however, other than fewer cabs on the streets and inflated fares. Even those who are fortunate enough to be picked up by gypsy cabs will be paying more than the free market price would be.

Fourth. Where it does not eliminate competition, regulation will tend to distort it, often in grotesque ways. The Federal Aviation Act frowns on price competition among the interstate airlines, and the CAB quickly pounces on any sign of rate-cutting. This results into "booze wars," "lounge wars," and fuselage decoration, with the passengers compelled to pay the bill.

Fifth. Where regulation appears to benefit one economic group, it usually does so by exacting a subsidy—often a hidden one—from other groups. Product safety regulation subsidizes those people who would have been injured by negligent manufacturers and would not have received compensation for their injuries. This subsidy occurs at the expense of the far larger number who would have been compensated for injury or escaped it entirely. Regulation of auto emission primarily benefits residents of congested cities, whether or not they own cars, and the pollution-control industry; the costs are borne by all car owners, rich and poor, in Durango, Colorado, as well as in Los Angeles. Such regulatory cross-subsidies may or may not be justified on other non-economic grounds, and they often reflect the will of Congress. Since regulation is necessarily a political process, it is not surprising that the groups exacting the subsidies are often those with the most political clout and that efficiency and equity considerations are usually ignored. Politically well-connected maritime interests, for example, extract vast sums annually from consumers because of federally authorized price fixing and other subsidies.

Sixth. Regulatory standards will tend to be either too high or too low to maximize social welfare; rarely will an agency strike the right balance or maintain it amid changing conditions. With regard to regulated rates, "too high" means that some or all producers will enjoy excessive profits, particularly if the regulated rates are floors or the agency prevents new competition from entering the industry. "Too low" means that incentives to producers will be insufficient to sustain adequate production. The Phase II price freeze in 1973, for example, caught the cattle industry in a squeeze between feed costs that were at a record high and moderate wholesale prices. Consumers paid dearly for the shortages that the freeze induced.

Seventh. The regulatory agency will rarely command the resources necessary to scrutinize the costs or behavior of each producer or firm that it regulates. Several years ago, the FCC, with an annual budget of $31 million, publicly acknowledged its inability to evaluate a proposed rate increase by ATT, with more than $31 billion in assets. Because of this chronic disparity and the costly "regulatory lag" that accompanies delay in agency decisions (the ICC took twelve years to approve the Chicago, Rock Island, and Pacific merger and before the decision could be made final, the line went bankrupt), regulators must take shortcuts which, while making their tasks manageable, also suppress the enormous variety and differentials between firms. When the Federal Power Commission in 1954 undertook regulation of producer rates for natural gas, it began by determining "just and reasonable" rates for each of the more than 3,000 individual producers. By 1960 the sheer number of backed-up rate proceedings had swamped the commission, and it was compelled to simplify the process drastically by lumping all producers together into fewer than a dozen "areas." Each producer in a given area was required to sell gas at or below the same "area rate," no matter what the cost-and-profit profile of the particular producer. Because even area data were difficult and expensive to compile, "area rates" were themselves determined by the commission on the basis of area or nationwide averages. The relationship between an area rate and the economic profile of any particular firm became further attenuated.

Even area-rate regulation, however, proved too complex for the commission; the Southern Louisiana area rate was not affirmed by the Supreme Court until 1974. In June 1974, the commission took the inevitable final step in this unhappy history, issuing a single "national rate" applicable to all but the smaller producers. Within six months, this "single" rate had been increased by almost 20 percent, had been repeatedly encumbered with exceptions, exclusions, and amendments, and had begun its long journey to the never-never land of judicial review. To an even greater extent than its predecessors, the national rate was an artificial construct, bearing about as much resemblance to the economic profiles of the individual producers as the "average American" does to the diverse society that he is said to exemplify.

The Federal Power Commission suggests another dilemma of regulation. In order to rationally regulate a market, one must regulate the entire market; if part of the market is unregulated, exchanges not permitted by the regulator will tend to flow into the unregulated sector, eluding control. Because only interstate sales are price-regulated by the FPC, an increasing quantity of natural gas has been sold and consumed in the states where the gas was produced, often for "inferior" uses and at prices four and fives times the regulated prices. Similarly the Federal Reserve System has seen its control over the nation's money supply—and thus its regulatory influence—dwindle as more banks relinquish their membership for the more permissive environment of state regulation.

The obvious remedy for this regulatory impotence—expansion of the agency's authority to embrace the unregulated sector—only thrusts more intractable difficulties upon the regulator. As the number and diversity of transactions to be regulated grow arithmetically, the regulator's informational, coordinating, and political needs expand geometrically. The difference between the resources (staff, information, political influence) required by the ICC when it regulated only railroads and those that it requires today, when it must regulate motor carriers, water carriers, and freight forwarders as well, is a qualitative difference, a quantum leap in regulatory inadequacy. The ineluctable tendency of agencies to expand their activities spawns an equally immutable regulatory failure. The more it may regulate, the less it can regulate, relative to its responsibilities.

Regulation tends to reduce the incentives for technological or marketing innovation; often, it snuffs them out altogether. In 1974 the CAB flatly rejected a proposal by London-based Laker Airways to fly regular "no-frills" flights between New York and London for $125 each way. Professional licensing authorities have long used state regulatory power to maintain the status quo. Just as some medical societies, led by the AMA, stifled the development of innovative group health organizations, state bar associations have followed the lead of the American Bar Association, using their authority to thwart "closed panel" prepaid group legal service plans.

But for regulatory antediluvianism, the ICC leads the pack—backward. When the Southern Railway, a particularly well-managed and dynamic company, developed a larger and far more efficient freight car—the "Big John"—and sought to use it for the carriage of grain at vastly reduced rates, the ICC quickly stepped in to protect those carriers and shippers who would lose business to Southern. Only after four years and a successful appeal to the Supreme Court did Southern manage to introduce the innovation. In 1974 a major motor carrier, Pacific Intermountain Express Company, announced a stunning innovation. In an industry with adamantine resistance to change and an aversion to punctuality, PIE proposed to guarantee on-time delivery in exchange for a 10 percent premium; if PIE was late, *all* freight charges would be refunded. Over the vigorous protest of the Department of Transportation, the ICC ruled that this plan amounted to an offer of "free" transportation and was illegal.

Other agencies share the ICC's hostility to change. The FCC has stunted, perhaps irrevocably, the development of cable TV. The CAB labored long and mightily to arrest the growth of charter carriers offering low-cost transportation. The Forest Service has resisted multiple-use management and wilderness protection. The Federal Reserve Board has moved to squelch banking innovations which threatened to upset the existing competitive equilibrium.

While there is considerable agreement on the pernicious effects of government regulation, critics disagree about the root causes of regulatory failure and thus about appropriate remedies. One group, led by Ralph Nader, stresses the "capture" of regulatory agencies by the regulated industry, arguing that this process hopelessly compromises the integrity and independence of regulatory decisions. The "capture" hypothesis is particularly compelling at the state level, where the law often *requires* regulatory agencies, such as pollution-control authorities or pharmacy licensing boards, to be controlled by representatives of the regulated industry. Numerous federal agencies, from the Food and Drug Administration to the Federal Power Commission, have also been staffed at the highest levels with former and future industry members. Overt conflicts of interest occasionally surface. In 1974 the public learned that Robert C. Bowen, a former Phillips Petroleum executive, had helped write an obscure Federal Energy Office regulation that allowed crude oil producers, including Phillips, to count certain crude oil costs twice and to pass these extra costs—amounting to more than $300 million—on to consumers. At Congressional hearings called to investigate this "double dipping," it was revealed that then FEO head William Simon had repeatedly but unsuccessfully been urged to remove Bowen, but that Simon had demurred, feeling that Bowen was acting only in a technical "advisory" role.

Even as these events were unfolding, the Ford Administration was attempting—unsuccessfully, as it turned out—to confirm Andrew Gibson as the new head of the same agency. Yet Gibson was then the president of a company deriving its revenues entirely from the oil and utilities industries, which was itself controlled by a major oil company and would be paying Gibson almost $1 million after his departure from the firm.

The "capture" of regulatory agencies often proceeds in subtler, less personalized ways. Industry-dominated advisory committees, such as the National Petroleum Council, channel ideas, data, priorities, and political support to regulators desperate for these resources, often behind closed doors. Typically, the agency cannot perform its regulatory duties without obtaining much economic and technical information, almost all of which must come from the regulated industry. Perhaps the most extreme case of agency dependence upon industry information is the Federal Power Commission's use of American Gas Association estimates of natural gas reserves to support its entire regulatory program. Although the AGA statistics had been demonstrated to be unreliable, self-serving, and compiled in possible violation of the antitrust laws, the FPC consistently failed to conduct an effective audit of natural gas reserves. When the Federal Trade Commission investigated the matter, the AGA estimatse often turned out to be wildly inaccurate—understated by as much as 1,000 percent—and AGA reporting procedures were "tantamount to collusive price-rigging," according to the FTC staff study.

Certain reforms have commended themselves to those who see "capture" as the predominant obstacle to effective regulation: more rigorous conflict-of-interest laws; recruitment of consumer-oriented regulatory officials from sectors other than private industry; freedom-of-information reforms and "sunshine" laws; laws protecting whistleblowers inside government agencies; financial assistance to consumer and environmental groups seeking to participate in the regulatory process; and the creation of a nonregulatory, federal-level Agency for Consumer Advocacy, empowered to represent consumer interests before regulatory agencies. These are essentially procedural reforms (although likely to have important policy consequences), and their efficacy presupposes that the problem with regulations is its pro-industry bias.

To the Ash Council on Executive Organization, however, the difficulty of regulation lay elsewhere—in its lack of accountability, its glacial pace, and its rigid approach to problem solving. Those deficiencies, it believed, inhered in the formal "independence" of many regulatory agencies, their insulation from conventional political forces, particularly those emanating from the White House. To remedy this structural problem, the council proposed structural solutions. Most regulatory agencies would come under the direct control of the President (much as the Department of Transportation is now); an administrative court would be established to review agency decisions, and the organizational structure of the agencies would be streamlined.

Yet a third group of critics, led by economist Milton Friedman, regards these procedural and organizational reforms as essentially innocuous and of only marginal significance. To this group, the fundamental problem is the vast complexity and interrelationship of the economic system and the inability of even the most well-intentioned, well-informed regulator to make even minimally "rational" decisions in the face of this complexity. This view holds that the regulatory actions of even a benign government will invariably produce unintended and unforeseen consequences which will dwarf the problem that regulation was designed to solve.

Such critics concede, as they must, that market imperfections often exist. They stress, however, that government intervention inevitably carries with it far more serious distortions of a political and bureaucratic nature. The political system is based upon majority rule and will tend to ignore the wishes of small minorities with special tastes; the economic market, however, usually enables even a tiny group—for example, those who wish to read pornographic literature or those who want to smoke low-nicotine cigarettes—to satisfy their desires if they are willing to pay for them. People tend to be far better informed about the products and services available in the economic market than about the issues and politicians available to them as voters in the political market; the selling of political candidates is at least as deceptive and banal as the selling of antiperspirants, and consumers know even less about the bureaucrats who will actually do the regulating.

Moreover, the degree of concentration in economic markets is far less than the concentration of political power in the Democratic and Republican parties, and there is no Antitrust Division to police the political sphere. No seller of goods or services, except perhaps the rare monopolist, can long ignore the desires of its customers and still remain in business. The bureaucrat, however, in his own regulatory sphere has no competitor. Having no profit motive to guide his decisions, and no competitors to threaten him, he will respond to other motives, such as empire-building or buck-passing, which have nothing to do with consumer needs. He usually cannot be sued, cannot be fired, cannot even be identified.

Finally, regulation of private decisions by government inevitably increases the power of the state and reduces the autonomy of individual citizens. The centralization of power—the power to decide what products will or will not be produced and consumed, the power to prosecute for violations of innumerable regulations, the power to prescribe how people must treat one another in the most delicate human relationships—carries with it serious dangers to a democratic society: abuse of power, the sapping of private initiative and energy, the creation of a dependent and insecure citizenry.

To critics across the ideological spectrum from Milton Friedman to Ralph Nader, the remedy for these evils is to deregulate large sectors of the American economy. Abolition of rate regulation by the ICC, the CAB, and the Federal Maritime Commission are at the top of many reform agendas, while a substantial number would extend deregulation to the Federal Communications Commission, the oil and gas industry, and agricultural production as well. A few critics of regulation would even abolish the Food and Drug Administration, on the theory that it has retarded the introduction of drugs which would benefit consumers.

No Congress would go so far. But more limited regulatory reforms probably have far more public support than ever before. Certain political realities, however, remain inescapable—chiefly, the superior organization and political influence of those economic and bureaucratic interests served by regulation, compared to the diffuse and unorganized consumer interests wtih a stake in its reform. Which rural Congressman will be so suicidal as to advocate abandonment of subsidized rail, air, or trucking service to his district? Which Senator will be willing to say no to the politically hyperactive maritime unions and carriers seeking ever more generous subsidies in order to maintain jobs and profits? On the evidence so far, precious few.

CHAIRMAN WILEY SEES THE LIGHT

Mr. PROXMIRE. Mr. President, according to a press account, Chairman Richard E. Wiley of the Federal Communications Commission proposed on Tuesday relaxation of the equal time rule and exemption from the fairness doctrine for radio stations in the largest markets.

I have not seen the text of Mr. Wiley's speech to the International Radio and Television Society in New York. But, according to a dispatch in the Washington Star, he will ask the FCC to take a big step toward recognizing what the first amendment is all about.

Mr. President, I ask unanimous consent that the Star story be printed in the RECORD at this point.

There being no objection, the news story was ordered to be printed in the RECORD, as follows:

FCC CHAIRMAN TO SUPPORT TELEVISED POLITICAL DEBATES

By Stephen M. Aug

Chairman Richard E. Wiley of the Federal Communications Commission today proposed far-reaching changes that would allow televised political debates and free possibly hundreds of radio stations from the commission's so-called "fairness doctrine."

In a speech some commission insiders consider the most important in his year and a half as chairman, Wiley proposed to reverse several FCC decisions taken in the 1960s that currently subject presidential press conferences and debates between political candidates to provisions of the equal time law.

That law requires that whenever a bona fide political candidate appears on television—except for "spot news" events—all of his opponents are entitled to equal time. Wiley pointed out that as a result the public does not get to watch presidential press conferences during election years, nor can the public watch a televised debate occurring outside a TV studio.

Wiley, a Republican, conceded that repeal of the equal time provision requires congressional action, but he said in a speech to the International Radio and Television Society in New York that the commission can accomplish some good by simply overturning its interpretations of the law handed down in the 1960s.

He said he would present such a proposal to his six fellow commissioners this week. The proposal would exempt not just presidential candidates but other candidates and officeholders as well.

In justifying his proposal, Wiley said that "as a consequence of this line of cases (the rulings during the 1960s), debates and presidential conferences with the press simply are not broadcast during American election campaigns.

"If the law expressly prohibited these journalistic endeavors, it unquestionably would be held unconstitutional. But the effect of the equal time provision in chilling political discussion is every bit as certain and as devastating to the welfare of our democracy."

The FCC chairman, who said his speech was dealing with regulatory reform—a favorite subject of President Ford—said that he also would present to the commission a proposal to exempt radio stations in the largest metropolitan areas from the "fairness doctrine."

Under this doctrine, broadcasters are required to air all sides of important controversial public issues. The doctrine was based on the idea that because there are relatively few broadcast stations—the number is limited—broadcasters would have to air all viewpoints.

But the number of radio stations in metropolitan areas has proliferated. There are 65 commercial radio stations in the Chicago metropolitan area—the largest number in any of the metropolitan areas. Los Angeles has 59, New York 43 and Washington is fourth with 41 stations.

Wiley pointed out the numbers in Chicago, Los Angeles and New York, and said, "Considering the totality of coverage in each of these markets, and others with numerous radio outlets, one might reasonably expect that an extensive range of viewpoints would be presented even with no governmental oversight."

As a result, Wiley said he will propose an experiment in which the FCC would discontinue enforcement of the "fairness doctrine" in the larger radio markets. The precise scope of the experiment, including the areas to be covered, he said, would be determined after a public inquiry.

Mr. PROXMIRE. Mr. President, I shall have more to say upon reading Mr. Wiley's text. Still, it would seem that he is acknowledging that governmental controls on broadcast newsmen do chill what should be robust electronic journalism.

His proposals do not go far enough. They do not represent complete first amendments freedoms as I have suggested in my bill, S. 2.

It is heartening that Mr. Wiley would knock out the equal time rule for all political offices, not just for the Presidency and Vice Presidency as has been suggested by some.

His proposals on exempting radio stations in large metropolitan areas because of their great numbers recognizes that the argument about the "scarcity" of spectrum space is questionable.

I am not so naive as to overlook the political overtones to Mr. Wiley's proposals. The equal time rule is fraught with partisan politics; but it need never have been that way if the first amendment had been adhered to from the beginning of broadcast regulation. It is not too late to make up for past mistakes.

Hearings on S. 2 and similar bills are not yet complete. For that reason, the report has not yet been printed.

Because I believe it is relevant in discussing this subject, Mr. President, I ask unanimous consent that my statement on S. 2 placed in the record of the Senate Subcommittee on Communications on April 28, 1975, be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR WILLIAM PROXMIRE

Mr. Chairman, you are to be commended for holding these hearings on the subject of the Federal Communication Commission's fairness doctrine and section 315 of the Communications Act of 1934.

These hearings are timely, for they follow by but four weeks a revelation by Professor Fred W. Friendly that the landmark Red Lion Broadcasting case was tainted.

The previously undisclosed events that led to that Supreme Court decision are so blatant that subtleties are inappropriate to describe them. Since 1969, the Red Lion banner has been waved at the head of the column leading the attack on the first amendment, which was designed to protect citizens from their government. Yet, officials of their government used the fairness doctrine to attack those who were using their first amendment protected free speech through a medium of the free press.

The irony is staggering.

I trust that this Communications Subcommittee will give much attention to the disclosures made by Mr. Friendly. Equally important to those transgressions by the Kennedy and Johnson administrations, abetted by the Democratic National Committee, are the machinations of the Nixon administration in examining governmental control of program content of broadcasting.

My contention is this: broadcasting is entitled to the same constitutional protection as is publishing. Both are—or should be—the free press.

The primary purpose of a free press is to protect the citizens of a country against their government. But there are other reasons, too.

Perhaps one of the great summations of the purposes of a free press is contained in the Journals of the Continental Congress.

In 1774, after duly debating its contents paragraph by paragraph, the Continental Congress dispatched from Philadelphia a letter "To the Inhabitants of the Province of Quebec" reminding them of the rights they were promised by the Crown after losing the French and Indian War. But, the letter reminded, those rights were withheld: the rights of representative government, trial by jury, habeas corpus, holding land, and a fifth right. To quote the letter:

"The last right we shall mention, regards the freedom of the press. The importance of this consists, besides the advancement of truth, science, morality, and arts in general, in its diffusion of liberal sentiments on the administration of Government, its ready communication of thoughts between subjects, and its consequential promotion of union among them, whereby oppressive officers are shamed or intimidated, into more honourable and just modes of conducting affairs."

That statement of the Continental Congress was paraphrased by Mr. Justice Brennan in 1957 this way: "The protection given speech and press was fashioned to assure unfettered interchange of ideas for the bringing about of political and social changes desired by the people."

So these freedoms of speech and of press are for the benefit of the people, and they go beyond the poliitcal sphere into other facets of human life.

But it is the political or governmental area that generally gets the most attention in connection with these basic freedoms. They are so basic, so unquestionable that to spell them out invites legislating exceptions.

Indeed, it was for that reason that Alexander Hamilton in Federalist Paper No. 84 argued that there should be no Bill of Rights. It was not that he did not support those rights. Rather, he thought them so fundamental that it would be dangerous to enumerate them. These are his words about bills of rights (which date back to the Magna Charta):

"They would contain various exceptions to powers not granted; and, on this very account, would afford a colorable pretext to claim more than were granted. For why declare that things shall not be done which there is no power to do? Why, for instance, should it be said that the liberty of the press shall not be restrained, when no power is given by which restrictions may be imposed? I will not contend that such a provision would confer a regulating power; but it is evident that it would furnish, to men disposed to usurp, a plausible pretence for claiming that power. They might urge with a semblance of reason, that the Constitution ought not to be charged with the absurdity of providing against the abuse of an authority which was not given, and that the provision against restraining the liberty of the press afforded a clear implication, that a power to prescribe proper regulations concerning it was intended to be vested in the national government. . . ."

Mr. Chairman, it was as though Alexander Hamilton had some sort of clairvoyance, and prescience of the Federal Communications Commission.

Has the Bill of Rights with its first amendment guaranteeing free speech and a free press been used as "a plausible pretence for claiming . . . power" not granted?

In the next paragraph of paper No. 84, Hamilton asks:

"What signifies a declaration, that 'the liberty of the press shall be inviolably preserved'? What is the liberty of the press? Who can give it any definition which would leave the utmost latitude of evasion? I hold it to be impracticable; and from this I infer, that its security, whatever fine declarations may be inserted in any constitution respecting it, must altogether depend on public opinion, and on the general spirit of the people and of the government. . . ."

Hamilton makes clear that to say that Congress shall pass no law abridging the freedom of speech or of the press is to invite just such a law, such a usurpation of power.

As he said earlier in paper No. 84, ". . . the people surrender nothing; and as they retain every thing they have no need of particular reservations. 'WE, THE PEOPLE of the United States, to secure the blessings of liberty to ourselves and our posterity, do *ordain* and *establish* this Constitution for the United States of America.' . . ."

Hamilton emphasized the words "ordain" and "establish" in quoting from the preamble to our Constitution. And it *is* the people that ordain and establish.

Now, I am not condemning our Bill of Rights and the First Amendment. For Hamilton lost that fight. But I do wish to point out that Hamilton was warning us of just such a situation as we face now. It is a situation in which the government, through the FCC using powers ostensibly granted it by the Congress and seemingly upheld by the Supreme Court in a case brought about under questionable circumstances, is saying, We know better than the people.

In another of the Federalist Papers, No. 10, James Madison, writing about representative government, warns of trying to make everyone think alike. Factions, he tells us, are part of the nature of man.

One way of doing away with factions, Madison wrote, is "by giving every citizen the same opinions, the same passions, and the same interests."

But he says, "As long as the reason of man continues fallible, and he is at liberty to exercise it, different opinions will be formed."

Mr. Chairman, I contend that the FCC ignores that wisdom when it sets itself up to decide what is fair and unfair on the airwaves. When it examines programming, even after the fact, it is trying to form opinions although it says that it wants opposing opinions to be heard.

The FCC's authority to declare that air time must be given to particular persons or ideas and at the same time having authority to levy penalties for failure to follow orders, defies the nature of man.

Madison again:

"No man is allowed to be judge in his own case, because his interest would certainly bias his judgment, and, not improbably, corrupt his integrity. With equal, nay with greater reason, a body of men are unfit to be both judges and parties at the same time; yet what are many of the most important acts of legislation, but so many judicial determinations, not indeed concerning the rights of single persons, but concerning the rights of large bodies of citizens?"

The FCC does act as a judge in its own cases. Yes, its decisions are subject to review in the courts, but it possesses tremendous power, especially so when two of the greatest freedoms guaranteed us—freedom of speech and of press—are at stake.

With that background, Mr. Chairman, it is time for me to get to the central theme of these hearings.

I doubt if anyone in this room or in this Congress would seriously challenge the citizen's right to a free press. The question then is this: should broadcasting have the first amendment guarantee of the free press?

Is there something intrinsically different about broadcasting as compared with the print press?

I say there is not.

I contend that broadcasting uses the electromagnetic spectrum to deliver essentially the same product that is delivered by publishers with paper and ink.

Others contend that because the spectrum is limited, that only a finite number of broadcasters can use that portion set aside for public information and entertainment, that gives the government a right to determine ultimately who should use the airwaves and what messages should be sent.

Granted, space on the spectrum is limited. Someone has to decide who may use it. The broadcasters tried policing themselves in the pioneering days of their industry and failed. The Radio Act of 1927 cured that problem. In addition, there are many ways the spectrum can be allocated among broadcasters. The FCC decided to adopt a doctrine of localism, that is providing many local stations rather than regional ones. To be sure, there are policy decisions involved in allocation. But there are many engineering questions as well. In advocating passage of S. 2, I need not get into those technological considerations.

I believe that the number of radio and television channels available under present allocations are numerous enough to counter any argument about scarcity of broadcast spectrum space. Radio and television stations outnumber daily newspapers by roughly 4 to 1.

Broadcasting and daily journalism both, by necessity, appeal to mass audiences. They are roughly analogous. Both provide news and information; both provide entertainment. The proportions, in general, are different, of course. But they need not be

The key fact is that the number of competing metropolitan daily newspapers is at an all-time low, although the number of dailies has been growing slightly. In 1973 there were 1,774 daily newspapers in the United States. Only 13 new papers were added between 1972 and 1973, mostly in suburan areas.

As of last November, there were 8,575 radio and TV stations, of which 7,670 were commercial.

As of June 30, 1973, there were 305 authorized broadcast stations not in use. And I have subtracted the 165 translators and boosters not in use. I doubt that there are 305 persons of wealth in this country who could start successful daily newspapers.

But to make my point, by comparing television cities with daily newspaper cities we find 136 cities with three or more television stations and only five with three or more daily papers.

If diversity of voices is necessary in a democracy—and I believe that it is—obviously we have a potential for such diversity.

But only a potential, because the fairness doctrine and the equal time rule vitiate the freedom of the electronic press.

Abolishing the fairness doctrine and the equal time rule—which are restraints on the full exercise of that freedom—would give the citizens of this country the kind of diversity of voices they need and are entitled to have.

In terms of economics, broadcasters are able to compete with newspapers. VHF television stations are quite strong. UHF stations as a group are weak. AM radio is not as strong as it was. FM radio is a mixed bag. Newspapers are doing quite well.

Newspapers, however, have less and less competition among themselves. Some metropolitan papers have died off and others are in economic danger.

Advertising revenue is vital to any medium of mass communication. In general, that revenue is holding up well. It is how it is shared that is important. (An appendix to this testimony is a comparison of broadcasting and newspaper numbers and advertising revenues and profitability.)

Under today's economic conditions, I suspect that we are near a saturation point in the number of competing media of mass communication. With the number of daily newspapers in competition with other newspapers dwindling—despite higher total circulation—I believe it is necessary to get greater diversity of ideas for the public. One way of accomplishing that, is to free broadcasters of governmental controls.

Even supporters of continued governmental controls over broadcasting programming, admit that the future of broadband distribution systems—coaxial cable the best known—presents a potential diversity so great as to obviate the need for governmental control of content. But that future is still cloudy.

Nevertheless, I contend that we have enough diversity today to abolish governmental control of programming content.

The extreme of governmental control is the revocation of broadcast licenses. There are lesser penalties, including fines of thousands of dollars for violating rules and regulations. Admittedly, the statistics show that the penalties are seldom used.

From information submitted to me last September by the FCC, I summarized this information to show that since 1934 the FCC had kept off or put off the air a total of 105 broadcasters. Between 1970 and last September, there had been 511 fines totaling some $638,000, mostly for violations of engineering rules and only a handful for political candidate editorials and for personal attack.

The numbers and amounts of these governmental penalties are not as significant as the fact that they exist at all.

Such penalties would be unthinkable if levied against newspapers. The courts would not allow it under the First Amendment.

To prove that, I need cite only the Miami Herald case in which the Supreme Court last year held unconstitutional a Florida law requiring newspapers to open their pages to political candidates attacked personally.

Yet, that same personal attack corollary to the fairness doctrine was enforced against broadcasters by the Supreme Court in that now tainted Red Lion Broadcasting case.

Again, we come back to the basic question of whether there is an inherent, an intrinsic difference between broadcasting and publishing.

We cannot blame the courts for their contradictory rulings between publishing and broadcasting on the subject of the First Amendment. For one thing, the Congress passed the Communications Act, which says in section 326 that there shall be no censorship by the FCC nor shall it interfere with freedom of speech. For another, a clear-cut First Amendment case involving a broadcaster has never reached the Supreme Court. Courts always take the easy route, being, for the most part, reluctant to legislate.

Yet, Section 326 is honored in the breach. And when it is honored through outright support of free speech the FCC works a hardship on challenged broadcasters.

Let me give an example of the latter from Henry Geller's study of the fairness doctrine published in December, 1973.

In this case, the broadcaster won before the FCC. He beat a complaint. (For a fuller explanation, I refer you to page 40 of Mr. Geller's Rand study.) The station was KREM-TV in Spokane, Washington. The controversial issue of public importance was a bond issue for Expo 74. The complaint was that there was not enough air time devoted to the anti-bond viewpoints.

What did it cost the broadcaster to win? Some 480 hours of executive and supervisory time, not including secretarial and clerical time. About $20,000 in legal expenses, not counting travel. And Mr. Geller points out that the $20,000 should be compared with total profits of $494,000 for all three Spokane TV stations in 1972.

What would it cost a Spokane newspaper to take the same stand as KREM–TV? The prorated salary of the editorial writer for the time spent researching and writing an editorial or series of editorials. And that cost would be paid regardless of the subject matter.

No doubt about the importance of this issue to the taxpayers of Spokane. The bond issue should be discussed. I don't know what stands the Spokane newspapers took, nor the stands of the other two TV stations or the radio stations. I do know that Expo '74 was held. I don't know what impact the KREM–TV editorials had on that situation.

But it does not matter. For obviously, the voters took a stand at the referendum.

It is interesting to note that in its Fairness Report adopted last summer, the FCC treats referenda or ballot questions differently from candidates. Candidates are covered by the equal time rule and ballot questions are treated under the fairness doctrine. Yet, candidates are chosen and referendum questions are decided at elections. But persons other than candidates appearing on broadcast stations in behalf of their choices are treated under the equal time rule. That is the Zapple ruling, which is treated as a corollary to the fairness doctrine, and which in turn is based on the equal time rule of section 315.

Now, I submit that this is a good example of the inconsistencies and complexities that occur when government places itself between the First Amendment and the exercise of its freedoms.

The complexities combined with the possible cost in time and money of defending oneself, puts broadcasters in the unenviable position of being damned whichever way they turn.

The national result of the fairness doctrine and the equal time rule is to do as little as possible.

It's safer that way.

Another term for that is the chilling effect.

Why do anything if you are going to get into trouble? That is the question that broadcasters must always ask themselves.

Big broadcasters, be they successful stations or networks, can afford to take some chances. Legal and other expenses, after all, can be written off. But what of the small broadcaster in a small town? He just can't afford to be as crusading as some editors of small weekly and daily newspapers have been. The editors don't have the sword of the FCC dangling over their heads. They only have their readers to deal with.

Broadcasters have their listeners and viewers to deal with plus Big Brother in Washington.

Let me quote a few remarks on the chilling effect.

Mr. Justice White in the Cox Broadcasting Company case this year, dealing with the use of public court records—

"We are reluctant to embark on a course that would make public records generally available to the media but forbid their publication if offensive to the sensibilities of the supposed reasonable man. Such a rule would make it very difficult for the press to inform their readers about the public business and yet stay within the law. The rule would invite timidity and the self-censorship and very likely lead to the suppression of many items that would otherwise be put into print and that should be made available to the public."

Please note, that these remarks about self-censorship although couched in terms of publishing were made in a Supreme Court case involving broadcasting.

Mr. Lee Loevinger, former FCC commissioner in a speech earlier this year, speaking about the FCC and the fairness doctrine and the equal time rule—

"The Commission has administered these and other measures of control in a relative benign and reasonable manner, and with frequent references to its beliefs in the general principle of free speech. Nevertheless, the fact is that today no broadcasters can schedule a minute of programming without being aware that some bureaucratic opinion of that programming may eventually influence the decision to permit or forbid him to continue broadcasting."

Senator Sam Ervin speaking on the floor of the Senate in November 1973 about the fairness doctrine and its tendency to bring "sameness" in programing—

"The goal should be that every radio listener can find somewhere on the dial a station broadcasting programs that respect his interests. That goal is not met by a doctrine which pretends to have all stations satisfy all tastes, but which works out so that significant audiences are denied any outlets at all. It is very possible that the threat of the 'fairness doctrine' has, at least in part, been the cause. I would hazard to say that the doctrine has served to stifle the presentation of controversy and variety more than it has served to promote them."

Those quotations, Mr. Chairman, represent various aspects of the chilling effect. I am sure this Subcommittee will hear more about that from other witnesses.

What about error? Doesn't the fairness doctrine protect listeners and viewers from error by requiring that reasonable opportunity be given for the discussion of contrasting viewpoints on important public issues?

First, someone has to decide what are important public issues, what are contrasting viewpoints, and what is a reasonable opportunity. And who decides? The FCC staff or the commission itself. And, ultimately, it can be the courts. There is no assurance granted it is unlikely with all those officials involved that there might be a cabal—that this review will not be in error. After all, the system begs that one judgment be substituted for another.

Second, there really is no judgment made about the complainant. In the cases I am familiar with, the person or group complaining about an alleged violation of the fairness doctrine is assumed to represent a large segment of the listening public, that his or the group's motivations for complaining are legitimate, that the person or the group might actually be aggrieved.

If one supports this system of government control through the fairness doctrine and equal time rule, then it seems that those ascertainments should be made. I don't believe they are.

Take the case of the NBC documentary, "Pensions: the Broken Promise." That fairness complaint got into the courts, and technically is still there. One of the issues raised by NBC in its defense was whether private pension plans were actually a controversial issue under the doctrine. That it was a public issue is beyond doubt, for the Congress passed legislation to improve the rights of pensioners. In fact, after the case was set for a hearing before the entire court of appeals, the FCC moved to declare the case moot—on grounds that Congress had acted. And that was after the FCC lost the case before a three-judge panel of the appeals court.

I point out these ironic turns, not to argue the case, but to show how complex a seemingly simple issue can be.

And to my second point, I make this observation: the group complaining about the fairness of the pension documentary had no connection with pension plans. The complainant was a watchdog group, Accuracy in Media, Inc. Now I do not say private organizations have no business checking on the accuracy of the news media; indeed, I believe that is a legitimate activity. I do question, however, whether under the fairness doctrine a person or group without a connection to the program subject matter has standing to make a complaint that results in a hearing. To my knowledge, that point has never been raised.

Governmental control of broadcasting is a thicket. Those trying to break paths through it miss the central issue. Maybe that is why so fundamental a question as the First Amendment has not been clearly presented in a court case. There are so many side issues to decide.

Fairness is not an issue with the First Amendment.

In a speech last fall at Yale, Mr. Justice Stewart said in defending the First Amendment's guarantee of a free press:

"Newspapers, television, networks, and magazines have sometimes been outrageously abusive, untruthful, arrogant, and hypocritical. But it hardly follows that elimination of a strong and independent press is the way to eliminate abusiveness, untruth, arrogance, or hypocrisy from government itself."

The First Amendment was not intended to make newspapers error-free or fair. It was intended to protect citizens against government on the theory that having enough voices would insure that truth would out.

Mr. Justice Stewart in that same speech said that "if there were no guarantee of a free press, government could convert the communications media into a neutral 'market place of ideas.' Newspapers and television networks could then be required to promote contemporary government policy or current notions of social justice."

Mr. Chairman, I contend that that is exactly what the Kennedy, Johnson and Nixon administrations tried to do in turning the fairness doctrine to their own ends.

If S. 2 were to pass and become law, would fairness in radio and television be forever lost?

No. A firm no.

Newspapers have developed from personal journals of opinionated men at the time the First Amendment was written into general circulation papers that present all stripes of fact and opinion. They have become more professional. They may not be perfect, but they are when compared with the papers the authors of the Constitution and Bill of Rights had to live with. They did not fear that kind of newspaper.

And today's newspapers do so without a Federal Newspaper Commission.

There is no reason to suspect that broadcasters, who have made a beginning on professionalism in journalism, would revert to yellow journalism.

A basic objection to free broadcasting raised by supporters of the fairness doctrine and the equal time rule is that the "public owns the airwaves."

I deny that. So does Glen O. Robinson, a member of the FCC. As a law professor at Minnesota, he wrote: "To say that the airways or spectrum can be owned by anyone is simply to indulge in fantasy. . . . In actuality, 'airways' is merely a convenient shorthand, an abstraction for a phenomenon created as a result of the use of privately owned transmission facilities. The "spectrum' is a purely artificial construct of the Commission itself. To give this construct an independent nature and then attempt to justify the regulation itself in those terms is entirely circular. It is like saying that the Commission owns the frequencies because it has the power to regulate their use and that it has the power to regulate their use because it owns them. . . . While few would dispute that broadcasting is affected with a public interest, this fact does not justify any intrusion on free speech which would not otherwise be permissible. . . .

Mr. Chairman, my point in quoting Mr. Robinson is only to show that a popular argument for governmental control cannot be premised on a fallacy.

There is no doubt that the Communications Act says that broadcasters must serve "the public interest, convenience, and necessity." That phrase has been used to hang a lot of pet ideas on. But one thing should be kept in mind about this phrase: it is not unique to the Communications Act. It was borrowed from the Interstate Commerce Act.

Just how well has the ICC operated public transportation utilities in the public interest, convenience and necessity. Look at our bankrupt railroads. Look at the silly laws governing truck traffic that cost shippers more than it should. Look at the inefficiency and lack of competition.

President Ford has called for phasing out the ICC and the Civil Aeronautics Board.

Certainly, ideas are more precious than goods and services. What is in the public interest in chilling a broadcast news department from exploring a thought provoking subject because it might challenge some prevailing belief? What is public convenience—that is, advantage or accommodation—in setting rules to discourage the challenging of policies of public officials, especially when those public officials can use the rules to stifle dissent? What is the public necessity to setting rules for communicating (other than forbidding obscenity)?

Indeed, public interest, convenience and necessity in a democracy are served only by freedom in communication. How else are the citizens to hear, read and see all shades of opinion and make their own judgments?

Three major, unfounded fears of those who want governmental controls, it seems, are these:

That broadcasters, being businessmen seeking to maximize profits, would somehow—maybe conspire?—arrive at the same position and deprive air time to ideas with which they did not agree—the same ideas.

That audiences, having been exposed to a particular idea, would accept it hook, line and sinker, being unable to overcome the mesmerising effect of the blinking tube.

That audiences are not sophisticated and cannot have the knowledge and wisdom to know what is good for them.

Obviously, those fears are expressed in much more subtle ways than that. You've heard them:

"But what if other candidates cannot get on the air?"

"Do you want to see only (left wing) (right wing) programs?" or "Before he reaches high school, my son will be exposed to 13,000 acts of violence on TV."

"Most people don't have enough education to be discriminating in their choice of TV shows."

Mr. Chairman, regarding the first fear, I believe it is obvious that broadcasters, being businessmen, will compete for audiences. They need the audiences to attract advertisers and thus make a profit. They are always looking for ways to do that. Now, there is too much "me-tooism" in programming, imitation of a successful entertainment idea or format. But even so, the basic concern is to do it better, to attract a larger audience.

There will be, of course, broadcasters who would use their new freedom for their own devices. They would either attract audiences big enough to sustain a profitable operation, or they would go out of business. The successful ones would be akin to specialized magazines or journals in the publishing business. These broadcasters of course would be in radio mostly in medium and large markets.

On the second fear, I would point out that audiences are made up of individual persons. Although marketing analysts, in these days of demographics, can categorize audiences by financial groupings, tastes and the like, they are still dealing with averages. Each of us brings to a newspaper or magazine or TV or radio a particular background comprising a mix of financial, educational, ethical, religious (or anti-religious), ethnic, occupational, age, and other factors. In short, we all think different thoughts.

We each belong to certain publics, not just one. Some of us may be more alike than different, but we are not part of one, big mass of prejudice. We are capable of thinking for ourselves. Our form of government is based on that assumption.

True, we are more likely to cling to our own beliefs than be persuaded to change them. But we remain capable of changing our minds.

It has often been charged that the three networks are controlled by a small group of men, who know each other and work in the same city. Some have said that the networks are oriented to the left and that all of their news programming reflects that single philosophy.

I will neither defend nor attack the networks, for I believe in a free press. I would point out, however, if that left-leaning conspiracy had been true, the outcome of the 1972 presidential election would not have been so one-sided.

The third fear of those who want governmental regulation of broadcast content is closely related to the second. There are too many persons who believe that because of their educational achievements that they should be able to protect their less-favored brethren from evil of all descriptions.

Dr. Harold Mendelsohn, former president of the American Association of Public Opinion made this observation on the subject: "Because audiences are viewed basically as automation receptacles, incompetent to make meaningful judgments in their own behalf, it is recommended that external standards be set by various regulatory elitist bodies outside the domain of audiences.

Dr. Mendelsohn warns that such policy implications lead to censorship.

As I noted previously, the FCC is required by law (and by the Constitution) to avoid censorship. And the FCC often mentions that obligation.

But I believe it is not unfair to point to a public record of how the FCC conducted itself in one short period. According to House Report 92-1632, the Committee on Interstate and Foreign Commerce found upon investigation that the FCC "has, without legal authority and in direct contravention of the law and its own regulations, secretly monitored some employee telephones during a five-week period in 1970, in an attempt to identify an alleged leak of information from the agency." The report went on to say that after the illegal conduct was uncovered, the FCC "defended the activity as reasonable, legal, and even advanced a purportedly legal argument which, if accepted, would stamp an imprimatur on widespread wiretapping."

That report tells me that the authors of the Bill of Rights were correct in foreseeing the dangers of government that took upon itself powers that were not granted by the people.

How does the FCC insinuate itself into programming? Is it a censor?

It is not a censor in the sense that it indulges in prior restraint. It does not snip out a word of a script here or a film clip there before a show goes on the air.

The FCC can even point to policy statements that seemingly would shield it from charges that it supervises the manner, and morality of others, which is another definition of "censor."

There are, in fact, many inconsistencies in the way the FCC exercises its control which is accomplished by the implicit threat of fine or loss of license after programs are aired.

Just this week, I received a letter from a man in Maine who had complained to the FCC about an advertisement for a feminine hygiene product seen on TV, which he said embarrassed another man's daughter while her boyfriend was visiting. The man's letter to me ended with this sentence: "There must be some censorship."

He wrote on the back of a form letter from the FCC, dealing with complaints about broadcast advertising. Let me quote the main paragraph of that FCC letter:

"The Commission is prohibited by the Communications Act from censoring broadcast material and does not attempt to direct stations to present or refrain from presenting any particular program or announcement or in the scheduling of such material. It should also be helpful to state here that the FCC is not the arbiter of taste and lacks authority to instruct anyone in language usage, assignment of personnel or, generally, in matters relating to artistic quality or effectiveness of presentation. In the absence of information indicating that some announcement may violate the criminal code because it contains profane, obscene or indecent material, action to proscribe the broadcast of advertising such as described above is barred to the Commission, unless the advertising has been held by the Federal Drug Administration or the Federal Trade Commission to violate the laws which they administer. Viewers or listeners are urged to acquaint stations and networks directly with their opinions on advertising they find objectionable, preferably by addressing written communications to management officials."

I believe the FCC's answer is proper in all respects: it says it may not censor, it cannot be an arbiter of taste or morality, there are other laws and agencies to see to illegalities, and complaints to broadcasters are a proper outlet.

But compare that with action by the FCC regarding two Georgia radio stations that were granted short-term license renewals earlier this month. (The text of an FCC press release is in the appendix.)

I have chosen the cases of WIYN, Rome, Georgia, and WPLK, Rockmart, Georgia, purely at random and because they are recent. Both stations are owned outright by one person. The licenses of the stations had expired on April 1, 1973. Renewals were deferred pending an FCC inquiry. I will quote just two paragraphs near the beginning of the press release, dated April 21:

"In granting the renewals for a period ending December 1, 1975, the Commission also ordered the stations to submit within 30 days information concerning their future handling of personal attacks and discussions of controversial issues of public importance. The station's (sic) were also ordered to submit with their applications for renewal, due August 1, 1975, a report on how they had impliemented (sic) these procedures.

"The Commission also admonished the statation (sic) for falling far short of the degree of responsibility expected of licensees broadcasting political editorials, personal attacks and controversial issues of public importance, and for maintaining program logs."

The press release does not reveal the name of the person or group that lodged the fairness doctrine complaints. It does outline the complaints. They deal with an editorial endorsement of a congressional candidate, an accusation by a moderator of a discussion program that members (no indication if the members were named or if it was a general accusation) of SIECUS were Communists, an accusation that an actress was treasonous, views in opposition to a lettuce boycott, complaints on the way an industrial strike was discussed, complaints about how the moderator handled telephone calls on a call-in program. The press release also details failure to make required contacts with persons attacked to arrange for replies. The release also notes one of the stations was fined $1,000.

My intent in mentioning this case is not to argue for or against the conduct of the stations involved. I do not take sides on the issues. I wish only to make a few observations.

The FCC tells the man in Maine with a form letter that it cannot censor or concern itself with taste and lacks authority to deal with language, assignment of personnel or quality of effectiveness of presentation. Nor does it direct stations to present or refrain from presenting any particular program or announcement. It says that is what the law requires. And of course this form lettter is directed to a complaint about advertising.

Yet, it is telling two radio stations, as the press release indicates, how it should program, to whom it should give air time, what is wrong with the way a moderator runs his show. Besides that, it notes that one of the stations was fined $1,000 for attacking a group known as the Institute for American Democracy.

Now, consider this: the first FCC document deals with advertising, which by Supreme Court decisions, is not entitled to the protection of the First Amendment (and I agree with the Supreme Court on that); the second document deals mostly with political matters and controversial issues of public importance, the stuff of self-government, which is supposed to be protected by the guarantees of the First Amendment.

Even though a constitutional question were not involved in governmental regulation of broadcasting, it seems that the thicket of such controls would be reason enough to end controls. Even though the control of programming were constitutional—and I believe it is not—its administration is so complex as to test the wisdom of Solomon.

But let's look at it from another angle. The FCC does not consider, when examining fairness doctrine cases, whether or not listeners and viewers have access to other opinions. It assumes that one person or one idea given air time can persuade every listener regardless of his or her own opinion. In fact, critics of a free press make that same assumption.

But, that just is not true. I have tried to indicate that earlier.

Admittedly, the persuasiveness of mass media is a continuing argument, particularly among psychologists, sociologists and others.

But can there be any argument that the people of Rome and of Rockmart have other sources of information? Does the FCC consider that?

For the record, I determined from the FCC that Rockmart has another radio station—an FM station. And it has a separate licensee. I could find no record of a daily newspaper in Rockmart, but surely newspapers, magazines and books are available.

In Rome, there are a total of six radio stations—two FM and four AM with four licensees. There is a daily newspaper. And obviously, there are other journals available.

Both communities, undoubtedly, can receive television signals.

But the FCC ignores those facts.

In 1971, the Washington, D.C., consulting firm of M. H. Seiden & Associates, Inc., prepared a study for the National Association of Broadcasters that counted the number of media entering the 204 markets in the United States, the owners of the media and the numbers of media having 5 per cent or more of the market. I understand the study was considered by the FCC in its multiple ownership ruling. I commend that study to this Subcommittee.

It is rare when the FCC actually looks at diversity of voices in a community. The ownership case was one such instance. In the normal license renewal case, the FCC will not consider other media in a community. The same is true in uncontested applications for new licenses.

When a comparative hearing is held involving applications for new licenses, the financial interests of the applications in other media is considered.

The procedure for comparative hearings on the renewal of a license is being reconsidered by the FCC, I understand. But even here, the question is one of ownership and not of the content of the other communications media.

There are some real inconsistencies involved in this business of government regulation.

Turning to another aspect of regulation, Mr. Chairman, I wish to comment on programming content. What if a station wishes to change its format from classical music to rock? The courts have held that the FCC can hold hearings.

What about public service programming. As I understand it, public service programming is basically news program, public affairs, and "other programming, exclusive of entertainment and sports." That means agricultural, instructional, religious, community bulletin board programs and similar material.

In many cases, the Commission itself handles license renewals. The Commission also has delegated its staff authority to grant such renewals only where the licensee proposes to meet certain percentages of programming to news, public affairs and other public service programming. I understand that the percentages are 8 per cent of a week's programming for AM stations, 6 per cent for FM stations and 10 per cent for TV stations.

Now such decisions as how to use space in a newspaper, a magazine, a book, other printed matter, and even movies can be dictated by no governmental agency. All of these are celarly covered by the First Amendment.

But is broadcasting? No it is not.

In fact, the FCC has gone beyond determining percentages of public affairs programming. It has told the television networks and local stations how it can use its first hour of prime time. The purpose was to get more local programming. But the result has been something else. Most local stations have been filling that time with syndicated game shows, re-runs of "I Love Lucy" and similar sitcoms and with very little locally originated programs.

Government regulation is just not sophisticated enough to work, even if it were desirable and constitutional.

Also, the FCC has got into the area of persuasion, waving its power over the heads of the networks. The three networks have agreed to keep the first two hours of evening viewing to material children should not see.

Now that is a good idea—as long as the decision is made voluntarily and without government pressure.

The National Association of Broadcasters this month amended its television code to accomplish that goal. Would the NAB have acted without the previous visits by the FCC chairman to the network brass? I don't know the answer. But good ends accomplished by bad means do not cleanse the means.

In a recent editorial on the subject, The Milwaukee Journal concluded by saying:

"Television should eventually face up to the FCC's growing tendency to meddle in program content. But it will be in a stronger position to combat government excesses by having taken this reasonable precautionary step of limiting children's access to programs with mature themes."

The headline on the editorial was, "TV's Tactical Retreat." The equal time rule is a sacred cow with politicians. Many believe it benefits incumbents to the detriment of those seeking the office. That alone would make it unfair.

This Subcommittee is considering legislation to exempt presidential and vice presidential candidates from the equal *time* requirements.

If Congress shows a willingness to take one step toward eliminating an abridgment of free press rights, then it should be willing to go all the way.

Newspapers may cover elections any way they wish. They may support the candidates they wish. And the results of the elections rarely reflect the editorial policies of some papers I know about.

Voters would better be served, they would hear more of the real issues and learn more about the candidates if broadcasters could cover elections the way newspapers may and do.

The station that would slant its news toward one candidate and that would editorialize in favor of one candidate could not possibly swing an election. It is reasonable to expect that other broadcasters would support other candidates. Also, the very act of slanting news and endorsements might very well turn voters toward opposing candidates. Such action might alienate audiences.

More likely, broadcasters would cover elections and candidates impartially, while exercising their right to editorialize.

We all would see and learn more of the candidates.

How do the citizens of this country feel about governmental regulation of radio and TV programming content?

The Television Information Office this month published a 26-page pamphlet giving the results of a poll it commissioned The Roper Organization to do. With its reputation to consider, I am sure Roper did its usual professional job.

I will not quote the entire poll. I would, however, like to quote the results of two questions.

When the poll was taken last November, 12 per cent agreed that "The government *should* have control over TV news programs." And 81 per cent agreed that "The government should *not* have control over TV news programs."

The results vary by but 5 percentage points with those on the same questions in three previous polls going back to 1968. Among the population as a whole, the number wishing no control is at a high, although only by one percentage point.

Last June I took a mail poll of all daily newspaper editors, some columnists and heads of college and university journalism schools. Eighty per cent of those replying said that "radio and *television* news operations (should) have the same First Amendment rights in fact as well as in law as do the print media."

I have tried to at least touch on the major problems involved in consideration of the fairness doctrine and the equal time rule. One more area I should touch before concluding is "access" for the general public to the electronic media.

One such proposal is that the fairness doctrine all but be eliminated. As an alternative, broadcasters could give a set amount of time each week—15 minutes under that proposal—for guest editorials by a community's residents.

I could sit here and conjure up all sorts of legitimate complications that would result from such system. Rather, let me object in this way: it would still constitute governmental control.

If stations wish to use such a system, fine. In fact, I wouldn't be surprised if many will. Some stations in the San Francisco area already are doing so.

But the fact remains, under access or the fairness doctrine, sooner or later the First Amendment question will have to be dealt with.

I think that time has come.

The physics of the spectrum is a fact of life.

It must be considered. But that consideration should not outweigh the humanity of mankind. Ideas are still the important stuff of life. Our purpose in Congress is to deal with ideas, setting policy. Scientists and engineers can deal with the physical aspects of the spectrum.

Ideas are the same, no matter how they are transmitted physically.

Let me conclude with some incisive quotations from people in the field who know the subject of communications policy.

Lee Loevinger, formerly a justice of the Minnesota Supreme Court and a FCC commissioner, now a practicing lawyer:

"Those who argue for government control or influence of broadcast programming on whatever grounds seem to me to misunderstand the meaning of free speech and the First Amendment. Freedom of speech does not mean merely freedom for speech that we approve—that is mere self-indulgence. Freedom of speech does not mean merely freedom for speech we can tolerate—that is only civility. Freedom of speech means freedom for speech that we abhor and reprehend—that is democracy and high principle."

Chief Judge David L. Bazelon of the U.S. District Court of Appeals for the District of Columbia:

"A government which can dictate what is 'fair' reporting can control information to the public in a manner which subverts self-government into a tyranny managed by propaganda."

Mr. Justice Potter Stewart:

"If a newspaper (and from his context I believe he includes radio and television) wants to serve as a neutral market place for debate, that is an objective which it is free to choose. And, within limits, that choice is probably necessary to commercially successful journalism. But it is a choice that government cannot constitutionally impose."

Mr. Chairman, again thank you for holding these hearings and for hearing me. I am including in the appendix interpretive material of S. 2 as prepared by the American Law Division of the Library of Congress.

GRASSROOTS SUPPORT FOR CONSTITUTIONAL AMENDMENT TO COMPEL A BALANCED BUDGET—SENATE JOINT RESOLUTION 55

Mr. FANNIN. Mr. President, the Yuma, Ariz., Chamber of Commerce has taken a strong public stand in favor of a constitutional amendment to require a balanced budget. This positive support from the grassroots level of our Nation is commendable. My colleagues and I who have cosponsored Senate Joint Resolution 55, the proposed constitutional amendment to compel a balanced budget, appreciate this timely statement of endorsement.

It is my opinion that the majority of our Nation's taxpayers support limiting Federal expenditures to Federal revenues as a means by which to limit the recent phenomenal growth of the budget and bring fiscal responsibility to Washington. I sincerely hope that a multitude of other organizations and individuals will follow the lead of the Yuma Chamber.

The Judiciary Subcommittee on Constitutional Amendments will hold hearings September 23 and October 7 on Senate Joint Resolution 55, on the proposed constitutional amendment to compel a balanced budget. I commend the chairman for scheduling these hearings on this issue of vital importance to the Nation. It is my pleasure to be an original cosponsor of Senate Joint Resolution 55. I look forward to testifying before the subcommittee in support of this essential constitutional amendment.

It is clear to me as it is with a growing number of my colleagues that the Federal Government must take affirmative steps toward gaining control over spending. New Federal programs joined with an increasing number of automatic funding increases have hurled Federal spending to a projected $367 billion in fiscal year 1976. In 1966 total budget outlays were $134.7 billion, or approximately 37 percent of the estimated fiscal year 1976 budget. As recently as 1972, total budget outlays were $231.9 billion, or approximately 63 percent of the estimated fiscal year 1976 budget.

As Government expenditures have increased, so has its share of our society's total resources. Our society cannot stand more of this irresponsible action on the part of the Federal Government. Positive steps must be taken now to provide a mechanism for restraining expenditures. Senate Joint Resolution 55 provides such a mechanism with adequate flexibility for national emergencies. This proposed constitutional amendment takes up where the new congressional budget system stops. I commend my colleagues for adopting the new budgetary procedures. However, the defect in the new procedure is the remaining problem that expenditures are not required to equal tax receipts.

Numerous State governments and leading industrial nations have operated successfully on a pay-as-you-go basis. There is no reason why the U.S. Government cannot do the same.

I would like to share with my colleagues an article from the September 5, 1975 issue of the Arizona Republic by Mr. John J. Harrigan regarding the Yuma Chamber of Commerce's statement. This and similar efforts receive my full endorsement and assistance.

I ask unanimous consent that Mr. Harrigan's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

YUMA C OF C SEEKS U.S. SPENDING LID

(By John J. Harrigan)

YUMA.—Yuma County Chamber of Commerce officials have initiated what they hope will become a statewide drive to curb federal spending.

The chamber, emulating the Georgia Chamber of Commerce, announced it will begin circulating petitions next week supporting a constitutional amendment forcing Congress not to spend more than its income except in times of national emergency, Chamber Board Chairman Jim Stowe announced.

A war or period of recession would be considered emergencies.

Stowe said that other Arizona chambers will be encouraged to circulate similar petitions.

Stowe noted that excessive federal spending is tied to a loss of personal freedom as federal regulatory agencies expand and become more powerful.

A new consumer agency now being funded for $120,000,000 will duplicate the work of 127 existing federal agencies, Stowe maintained.

Pat Harvey, who chairs the chamber's Governmental Affairs Committee which is promoting the amendment, said state legislatures in Maryland, Texas, North Dakota and Virginia already have approved resolutions calling for the amendment. He said 34 states are required to bring about a constitutional convention.

Some 32 states, including Arizona, have adopted their own fiscal responsibility resolutions.

Chamber President Jim Bjornstad said the idea came from the Thomasville-Thomas County Chamber of Commerce in Georgia.

W. H. Flowers, past president of that chamber, observed in an appeal to other chambers that "our only hope for survival" is popular insistence that continued "appropriations not exceed taxed income."

The Georgia plan, he said, "will control deficits at the federal level destined to destroy us."

Bjornstad observed that "almost half of everything we earn goes to government. We believe that fiscal solvency and faith in this country have got to be reinstated. We could give no greater gift to this country on its 200th birthday."

GEORGE CRONIN: 1934–75

Mr. CHURCH. Mr. President, it is my sad responsibility to report that Mr. George A. Cronin, a professional staff member of the Senate Committee on Aging for nearly 2 years, died Tuesday night in his home city, Denver, Colo. The cause of death was given by Denver General Hospital authorities as a cranial aneurism.

This loss was completely unexpected. George had begun a brief vacation this week apparently in good spirits, after working very effectively on several important projects, including field hearings on the impact of the high cost of living on the elderly.

George had many other areas of special concern with the committee. He has helped to explore public policy issues related to transportation needs of the elderly. He put his training in public administration to good use in committee studies of the performance of State and local agencies on aging under the Older Americans Act. He was deeply concerned about architectural barriers affecting the elderly and the handicapped. In short, George had an all-encompassing interest in the well-being of the elderly of our Nation. That interest was demonstrated again and again in his professional and personal activities.

George built an excellent foundation for his committee work at the University of Southern California, where in 1973 he served as assistant to the director of the dual master's degree program in social work and public administration. Heavy emphasis was placed in that program upon gerontological training. George himself became a pioneer in developing the concept of a dual degree program when he received his master of social work degree in June 1973 and his master of public administration degree in August 1973.

In addition to his academic credentials, George brought other important experience to his work with the Committee on Aging. He had supervised VISTA volunteers with the Denver Juvenile Court from December 1968 to April 1971; and he had worked with the Denver Election Commission from June 1963 to June 1967.

George Cronin was only 41 years old when he passed on. But even in his short time, he achieved much and cared much about people. He had a gift for seeing public issues in human terms. He will be missed by his fellow staff members and by the Senators whom he served so well on the Committee on Aging.

GEORGE CRONIN: A FRIEND OF AGING

Mr. CHILES. Mr. President, I would like to join the chairman of the Senate Committee on Aging (Mr. CHURCH), in expressing shock and sadness at the passing of George Cronin.

Mr. Cronin was a professional staff member with the committee and he was assigned to work with me on two matters of great concern to older Americans: Transportation needs and the high cost of fuel and electricity.

As chairman at hearings conducted in these two areas, I was much impressed with George's approach to his work. He had a gift for getting to the heart of policy matters in terms of impact on people. He also won the respect of professionals in the many fields related to aging; he paid attention to detail, and he also saw meanings and patterns which affect very directly the quality of life for elderly persons of this Nation.

As a Senator from a State which has an especially high percentage of retirees, I was particularly aware of George's rapport not only with expert witnesses from Florida, but with each and every witness he interviewed before discussing their potential testimony with me.

I understand that George had a record of achievement even before he came to the committee: At the University of Southern California and in positions in his home city of Denver.

My acquaintance with him, limited as it was to his work with the committee, nevertheless persuaded me that he was an unusual and sensitive person, well suited for the responsive work which the Senate Committee on Aging is mandated to perform. I will miss him as will the members of my staff who had the privilege to work with him.

FREEDOM AND RESPONSIBILITY

Mr. BROCK. Mr. President, at times it would seem that we lose sight of our direction and our future. Pastor Robert E. Wood of the Church of the Good Shepherd in my home town of Chattanooga gave a recent sermon which I find of particular significance today. Mr. President, I ask unanimous consent that Mr. Wood's sermon be printed in the RECORD.

There being no objection, the sermon was ordered to be printed in the RECORD, as follows:

CALLED TO FREEDOM AND RESPONSBILITY

(Matthew 10:24–33)

In his novel, **The Brothers Karamazov**, Dostoevski tells the story of the Grand Inquisitor which I think will serve as a fitting introduction for today's lesson from Matthew.

Christ came back to earth one day, quietly and unobtrusively healing people in the streets but recognized by all. It happened to be during the Spanish Inquisition, and the old Cardinal, the Grand Inquisitor, met Christ on the street and had him taken to prison.

In the dead of night the Inquisitor comes to explain to the silent Christ why he never should have returned to earth. For fifteen centuries the church has been struggling to correct Christ's original mistake in giving man freedom, and they will not allow Him to undo their work. Christ's mistake, says the Inquisitor, was that "in place of the rigid ancient law," he placed on man the burden of having "with free heart to decide for himself what is good and what is evil," and "this fearful burden of free choice" is too much for men. Christ respected man too much, argues the Inquisitor, and forgot that actually people want to be treated as children and be led by "authority" and "miracle." He should have merely given them bread, as the devil suggested in the temptation, but "thou wouldst not deprive man of freedom and didst reject the offer, thinking, what is that freedom worth if obedience is bought with bread? . . . But in the end they will lay their freedom at our feet, and say to us, 'Make us your slaves, but feed us.' . . . Didst thou forget that man prefers peace and even death, to freedom of choice in the knowledge of good and evil?"

There are a few heroic, strong persons who could follow Christ's way of freedom, continues the old Inquisitor, but what most men seek is to be united "all in one unanimous and harmonious ant heap . . . . I tell Thee that man is tormented by no greater anxiety than to find some one quickly to whom he can hand over that gift of freedom with which the ill-fated creature is born." The church accepts the gift: "We shall allow or forbid them to live with their wives and mistresses, to have or not to have children—according to whether they have been obedient or disobedient—and they will submit to us gladly and cheerfully . . . for it will save them from the great anxiety and terrible agony they endure at present in making a free decision for themselves."

The old Inquisitor, asking somewhat sadly the rhetorical question, "Why hast Thou come back to hinder our work?" states as he takes his leave that tomorrow Christ will be burned.

Dostoevski did not mean by this story, of course, that the Grand Inquisitor speaks for all religion, either Catholic or Protestant. He meant, rather, to portray the life-thwarting side of religion which seeks the "unanimous and harmonious ant heap;" the element in religion which enslaves the person and would tempt him to surrender his most precious possessions—his freedom and responsibility.

That is why I think his story is a fitting introduction to our lesson this morning from Matthew's Gospel. There Jesus tells those who would follow his way that they are not above him. "If they have called the master of the house Beelzebub, how much more will they malign those of his household. So have no fear of them: . . . Do not fear those who kill the body but cannot kill the soul; rather fear him who can destroy both soul and body in hell."

The context of such sayings as these is the prevailing presence of that life-thwarting element of religion that enslaves; that thumping, bumping element of religion that will nag you, exhort you, rebuke you, condemn you and fuss at you in order to control you; that element of religion that demands you to surrender your freedom and responsibility as a human individual, subjecting yourself to an authority that tells you what you can and cannot do.

It was that element of religion that stood vehemently opposed to Jesus' way and eventually mocked, flogged and killed him. As he tells his disciples, the same element of religion will be vehemently opposed to them. Earlier in the tenth chapter of Matthew where our lesson is found, Jesus predicts an eventuality for his disciples that is not too unlike His own; "They will deliver you up to councils, and flog you in their synagogues, and you will be dragged before governors and kings for my sake, to bear testimony before them and the Gentiles." But, "Have no fear of them," he says. Don't let them take away what I have shown you about life, that its most precious possessions are your personal freedom to choose between good and evil for yourselves and the responsibility you alone must assume for the choices you make. Don't let any human authority, religious or otherwise, take that from you. If you do, they will kill your soul, your capacity for freedom and self-responsibility.

Instead of fearing them who threaten your body in order to take your soul, fear the One who can destroy both your soul and body in hell. Because ultimately it is to Him you belong. He has given you your life and your being. To him you have value and worth just because you are you and are His. To Him you are unique. Why He's even got the hairs of your head all numbered and don't forget for one minute that he can remember how many you once had.

This is the One to whom you are responsible for your life, because it is to Him alone that you belong. You do not belong to an "Unanimous and harmonious ant heap." You belong to the God who is love, who in his love has made you, uniquely, you. Become the unique being He created you to become by living out in your freedom the love by which you and all persons are loved. Don't let anyone take that from you. Surrender your freedom to no authority regardless how insecure your freedom makes you and regardless how secure such authorities promise to make you. For the God who in His love has given you your life and being, is the ultimate authority to whom everyone is responsible for how they use the gift he has given. And while His authority remains hidden to you now, in comparison to all other authorities that demand your submission, still, "Have no fear of them; for nothing is covered that will not be revealed, or hidden that will not be known."

Such is the Gospel of Christ, paraphrased. It calls you and me to stand firm in God's love alone as free and responsible persons. And how life affirming it is when we stand firmly there. What a contrast his way to any life-thwarting way which enslaves and tempts us to surrender our most precious possessions of personal freedom and responsibility.

It is as different as night from day! It is as different as the seemingly social tranquility of Red China and the not so seemingly social turmoil and bedlam we often experience in our land. Totalitarian authorities thrive, as Dostoevski was trying to tell his age, when people desire the security of tranquility more than they desire to retain the insecurities of their freedom. Religious authorities thrive for the same reason. When people desire inner tranquility of soul more than they desire to retain their personal freedom and responsibility, that is when they begin to place their soul on the auction block of spiritual authority, offering themselves to the highest bidder who will tell them without question what they must and must not do.

Is there any need to ask how it is or why it is that the Gospel of Christ is handed over to that religious element that thwarts life by controlling life? We all know the how's and the why's: to correct Christ's original mistake in giving us freedom! We know this if in no other way than by that undercurrent of turmoil in ourselves when we must choose for ourselves between evil and good and be held responsible for the choices we make. It is then that we begin shopping around for some authority to tell us what to do. It is then that we may be near to surrendering our freedom to some authority, religious or otherwise.

This is not to say that religious authority is all bad or that authority in any other field is all bad. It is to say, however, that the question of authority should first be put the other way around, that is, as a question of personal responsibility. Because the basic truth is that our need for authority is in direct proportion to the degree in which we are trying to avoid and evade responsibility. Our need to be told what we must do, arises out of the anxiety we all experience when we must exercise our freedom and take responsibility for our own lives.

Freedom is a terrible burden. The burden is the responsibility involved. Yet it is only as we are willing to bear that burden with courage, that we remain free. For when freedom ceases to carry that burden it ceases to be freedom and turns into either servility or license.

The way of personal freedom, with its burden of responsibility, is the way we are called to follow when we are called to follow Christ. It is a way that does not cease to be opposed both from within and from without. Always there is that tendency, as the Grand Inquisitor recognized, to submit to authority "gladly and cheerfully . . . for it will save (us) from the great anxiety and terrible agony (we) endure at present in making a free decision for (ourselves)."

Be that as it is, we only grow and mature in the unique being God has given us as our life, as we assume freedom's burden for ourselves. Freedom's burden is responsibility and apart from that burden we lose our personal freedom either to license or servility and both can be hell.

There are still today life-thwarting elements aplenty, religious and otherwise that will gladly take that burden from you by exchanging their authority for your responsibility at the price of your personal freedom. "Have no fear of them," says Jesus. Instead, stand firm in the freedom He gives you. Let no one take it away. Bear with courage its burden of responsibility. Therein you will discover and develop and grow in the uniqueness of your own being He has given you and entrusts to you with love.

WHEAT MARKETING IN CANADA AND THE UNITED STATES

Mr. HUMPHREY. Mr. President, I wish to point out a worthwhile and informative article in the September 14 issue of the Washington Post by Dan Morgan entitled "Wheat Marketing Differs Widely in U.S., Canada."

This article provides some very solid comparative information as to how grain is marketed in Canada under their Wheat Board as opposed to the free market system as is followed in the United States.

Each side seems to defend and prefer its own system, according to this article. The Canadian system appears to offer increased stability while the U.S. farmers may get a slightly higher price for their grain.

In our discussions regarding the inadequacies of U.S. agricultural policies, we need to look very carefully at the experience of the Canadians in using this approach. Unfortunately, there have been some derogatory comments regarding the Wheat Board which is not based on solid information. I feel that we need to look carefully at the experience of the Wheat Board, and I feel that we might learn some lessons by a careful study of its record.

Mr. President, I ask unanimous consent that this informative article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Wheat Marketing Differs Widely in United States, Canada

(By Dan Morgan)

Killarney, Manitoba.—Canadian and American farmers grow some of the world's highest quality wheat in the prairie fields that stretch southward from here, across the U.S. border 20 miles away and beyond.

The protein-rich durum and spring wheats—in much demand by pasta makers and millers everywhere—are indistinguishable on either side of the border.

Yet two different systems for collecting and selling the wheat, each claiming to serve the farmer and consumer best, operate on each side of that boundary.

Over in Rolla, N.D., Rueben E. Goehring, manager of the Cooperative Grain Co., has had to change the price he pays farmers for some kinds of wheat by as much as 32 cents a bushel in three hours.

When grain prices in Minneapolis move up or down in response to new announcements of export sales or crop reports, Goehring adjusts the buying prices that he chalks up on his grain elevator's blackboard.

"We're gambling all the time here," said wheat farmer Orville Sutton. Every time growers bring in a load of grain they have to decide whether to sell the wheat or store it and hope for a better deal later.

Such risks are unheard of in Killarney and other wheat-growing areas of the western provinces of Canada.

For instance, Killarney farmer Lorne Shaver already knows that he will receive an initial payment of $2.04¼ for every bushel of top quality wheat he brings in—even though that wheat is still lying cut and drying in long swaths in his fields.

In Canada, a government Wheat Board in Winnipeg shields individual farmers such as Shaver from the direct effects of price changes in the world.

While American wheat is bought and sold by private grain companies, there is only one customer for Canadian milling wheat, and only one authorized exporter: the Wheat Board.

The board controls every stage from farm to consumer. It issues the permit books, which are required to sell wheat; tells farmers when they can bring the grain to the elevators; allocates railroad cars to transport it, reserves space for its grain in private elevators, distributes wheat to flour millers (at a government subsidized price) and negotiates the sale of grain to countries abroad.

The Wheat Board will not make its final payment to Shaver for the grain he delivers this autumn until January, 1977—after it has sold the wheat, deducted its administrative expenses and calculated how much additional money the farmers have coming to them.

It matters not to North Dakota farmer Sutton that the load of high-protein durum wheat he brought to Goehring's elevator Saturday earned him 75 cents a bushel less than it would have a few weeks earlier. "No sir," he answers, when asked if he would like to switch to a Wheat Board system. "Not one farmer in 10 likes that board."

And it matters not to Killarney farmer Shaver that the same wheat that will earn him an initial payment from the Canadian Wheat Board of $2.04¼ a bushel was selling for $4.10 a bushel in North Dakota.

"I support the board," said Shaver, who had stopped off at the United Grain Growers elevator to measure the moisture in a sample bucket of oats. "We need a marketing agency. I might make a little more in a free system. But without the board we would be in a real mess."

The Canadian system has begun to interest some Americans who are alarmed by Soviet grain purchases, rising food costs and disclosures of corruption at major grain export terminals in the United States.

Some American consumers say that a government board could allocate to grain users at home all they needed at low prices, and sell the rest abroad. In Canada, there are marketing boards for many products, such as eggs and turkeys, in addition to wheat.

But Canadian officials say their country doesn't always have lower food prices. Right now, they say, their milk and bread is cheaper, their beef is about the same, and their eggs are costlier than in the United States.

Some global strategists also feel a wheat board in the United States could provide Washington with the ultimate in political weapons: government control of half of all the wheat traded between countries.

Some politicians in Washington have suggested that there is need for a Canadian-style government agency to even out price swings, protect food supplies against raids by foreign buyers, regulate the grain trade and manage the country's grain supplies in the national interest.

Rep. Jim Weaver (D-Wash.) has marshaled more than 60 supporters in Congress for his bill to give the Commodity Credit Corp. in the Department of Agriculture authority to negotiate grain sales to foreign customers.

Oddly enough, as pressures build in Washington for a stronger government role in the grain trade, opposite pressures have reduced some of the Canadian Wheat Board's power.

Ottawa last year gave farmers a choice of selling feed grains such as barley, oats and low-grade wheat in an open domestic market instead of to the government board. The Wheat Board questioned the move, but the farmers subsequently sold nearly half their oats and a fifth of their barley, though much less wheat, to the free market.

"The farmers want a little more opportunity to do their own thing," said an official of the Winnipeg Commodity Exchange.

Early last year, farmers in a referendum rejected by a slim margin giving the Wheat Board control over the marketing of rapeseed, used to make vegetable oil. Rapeseed is traded freely in Canada.

Several private companies and cooperatives have launched aggressive campaigns to handle feed grain in the countryside. Cargill, Inc., has just acquired 195 grain elevators in Canada, and a nationwide cooperative, United Grain Growers, began accepting contracts from farmers to deliver feedgrains, flaxseed and rapeseed in the future, at a guaranteed price.

Some of the strongest pressures for changes of that kind came from eastern livestock-raisers, who felt the prices they paid were locked in too high under the government system. But some wheat farmers also complain that the Wheat Board's almost messianic sense of its role as representative of the prairie farmers led it in the late 1960s to complacency, bureaucratic ways and secrecy. They say this may have caused Canada to lose out on markets abroad or to miss price trends. At one point, wheat accumulated and the board refused to accept it.

Douglas Campbell, general manager of the 8,000-member Palliser Wheat Growers Association in western Canada, feels the board had become content to sit back and wait for orders to roll in from foreign governments. His group was formed to lobby for more aggressive marketing, flexibility and public disclosure of the board's operations, some of which are as secret as those of private grain companies.

Wheat Board commissioners "haven't been arguing on logic, but on an 'I-believe-in-the-system-type thing.'" Campbell said.

The board's early attitudes on speculation and the open market were shaped by the agrarian movements of the late 1920s, which in turn were a reaction to exploitation of farmers by grain companies, railroads and speculators. Those dissatisfactions gave birth to the board itself, in 1935, as a counterbalancing sellers' monopoly.

The base of the Wheat Board's support has always been the provincial wheat pools: the farmer-owned cooperatives which run grain elevators and businesses in Alberta, Saskatchewan and Manitoba. According to a Canadian agricultural expert, the pools have instilled an attitude among farmers of "You takes your grain, you gets your money—and that's it."

Similarly, the views of the Wheat Board often have run parallel with the currents of prairie socialism. Many of its commissioners—whose appointments by Ottawa last until retirement at 70—have been drawn from the pools.

The selection of the present chief commissioner, G. N. Vogel, marked a trend toward selecting commissioners for business experience as well as loyalty to the Wheat Board system. Vogel is a former official of the Bunge Grain Co.

Nevertheless, the board's underlying mission as an agent of farmers remains unchanged.

"The philosophy in Canada is that the farmer is pretty well helpless to go it alone because there are so many factors in the world economy—everybody has the information before he does," said Commissioner C. W. Gibbings. Gibbings contends that farmers don't want to spend time outguessing the open market.

Donald Lockwood, first vice president of the Saskatchewan Wheat Pool Cooperative, feels that "our kind of system benefits a greater number of people."

"We don't see that the American system has been particularly favorable to producers. The grain companies have a better opportunity to benefit than the farmer. We've held to a system that would treat people as equitably as possible. I guess you could call that somewhat socialistic."

According to several grain traders, the board has done well selling wheat in the last couple of years of strong demand.

But any assessment of the board's record is difficult because the agency never reveals the prices at which it contracts to sell wheat on behalf of Canadian growers. For instance, the price and date at which Canada sold 3 million tons of wheat to the Soviet Union this year is unknown publicly. There are unconfirmed reports that the board sold off substantial amounts of barley before prices moved up sharply in July and August.

Comparisons between the incomes of American and Canadian wheat farmers also is difficult, partly because of the wide variations in what the American growers received depending on when they sell, and because of the payment lag to Canadians. The latest complete payment to Canadian farmers was for the 1973 crop, when they earned an average return of $4.57 a bushel on 612 million bushels sold.

Grain trade sources say that the offering prices posted by the Wheat Board to foreign buyers are a poor guide because the agency often negotiated sales at lower prices.

The Palliser wheat growers have called for the board to disclose more about its operations, and some younger farmers feel that the secrecy makes it difficult to hold the agency accountable.

"We ought to have some control over what happens to the wheat after it gets to the elevator—after all, it's our money and our wheat," said Alvin Jones, a seed grower from Killarney.

Regardless of whatever flaws it may have, the Wheat Board still commands the loyalty of thousands of farmers, and even its critics say it offers advantages. Canada sells abroad three-quarters of its wheat crop and a quarter to half its barley. Control of those quantities by a single government monopoly gives it leverage that smaller private sellers may not have.

In addition, the board also has the option of selling its grain to private exporters and letting them take the risks. At one point several years ago, most of Canada's barley was in the hands of Italian commodity speculators.

The United States is the only country in the world that leaves the grain trade entirely to private firms.

Yet the alternative, a government-type agency, strikes some Canadian officials as a menacing cartel which would have the power to set world prices because of the huge resources at its command. Also, it is questionable that American farmers would support the concept. Some farm spokesmen fear that such power could be used against farmers to keep prices low.

CONSTITUTIONAL AMENDMENTS RELATING TO ABORTION

Mr. BAYH. Mr. President, today the Subcommittee on Constitutional Amendments, which I have had the privilege of chairing for the past 12 years, has had pending before it for 16 months proposed joint resolutions to amend the U.S. Constitution in relation to abortion. These proposed amendments would establish as a constitutional principle the time during pregnancy at which a person can be said to legally exist. I have determined to vote against the proposed amendments. Because of the fundamental importance of the questions raised by my decision, I felt it incumbent upon me to spend many long hours sorting out the multiple threads of the issues involved. This decision has been a particularly difficult one for me. At the time my subcommittee began its hearings on the proposed amendments, I stated that I was personally opposed to abortion. My views have not changed. I have sat through 1½ years of hearings on the implications of the proposed amendments, ranging from the moral implications to the medical and legal ones. After assessing the many complexities raised by the 84 witnesses testifying before the subcommittee, I have reached my decision. Because of the seriousness of the issues raised and the strong feelings expressed by advocates on both sides, I feel I should carefully explain how I arrived at my conclusions.

HISTORICAL PERSPECTIVE

At the time the U.S. Constitution was written, and until the mid-19th century, the law regarding abortion in all but a few States was the pre-existing English common law, which punished post-quickening abortions—those after the 16th to 18th week of pregnancy—as a misdemeanor, and did not punish pre-quickening abortions. After the middle of the century, most States adopted laws providing rather severe penalties for the performance of abortion. While there is dispute in legal circles, several scholars have maintained these abortion laws were enacted so as to protect the health of the mother at a time when medical procedures were not safe or antiseptic. Nevertheless, until recent times, these prohibitions on the practice of abortion remained quite absolute. By the 1960's however, several of the facets of the abortion question were going through a period of rapid change.

From the record presented to the subcommittee, two changes stand out most vividly. The first was the spectacular advance in medical knowledge that enabled experts to detect a number of congenital defects of tragic proportions in the earlier stages of pregnancy. The second was a growing awareness that a large number of otherwise law-abiding American citizens were voluntarily involving themselves in the criminal offense of abortion. Publicity on abortions to prevent birth of fetuses tragically deformed by use of the drug thalidomide focused particular attention on these developments.

In response to the growing public concern about the rigidity of existing abortion laws, various State legislatures during the 1960's and 1970's modified their statutes. Most of these statutes expanded the categories of exceptions to the general prohibition on abortion. The American Law Institute's Model Penal Code provision typified the abortion statutes in many States. The code provided that abortion was not a criminal offense when: First, continuation of the pregnancy would endanger the life of the pregnant woman or would seriously and permanently injure her health; second, the fetus was likely to be born with a grave, permanent, and irremediable mental or physical defect; or third, the pregnancy resulted from forcible or statutory rape.

At the same time that legislatures were reconsidering State abortion laws, women and doctors began to challenge the constitutionality of particular State abortion statutes in the courts. Many lower courts struck down State statutes as unconstitutional on the ground of vagueness or overbreadth which abridged constitutionally protected rights. See e.g., *Aebel* v. *Markel*, 342 F. Supp 800 (D. Conn., 1972) (three-judge court); *Doe* v. *Bolton*, 319 F. Supp. 1048 (N.D. Ga. 1970) (three-judge court); *Poe* v. *Menghini*, 339 F. Supp. 986 (D. Kan. 1972) (three-judge court). Other courts sustained State laws in the face of such challenges. See *Crossen* v. *Attorney General of Commonwealth of Kentucky*, 344 F. Supp. 587 (E.D. Ky. 1972) (three-judge court); *Rosen* v. *Louisiana State Board of Medical Examiners*, 318 F. Supp. 1217 (E.D. La. 1970) (three-judge court); *Corkey* v. *Edwards*, 322 F. Supp. 1248 (W.D. N. Car. 1971) (three-judge court). Gradually, two of these cases, one from Texas, the other from Georgia, reached the Supreme Court. On January 22, 1973, the Court, in a 7-to-2 decision, declared that laws which seriously restrict the option of terminating pregnancy are unconstitutional on their face. In effect, the Court ruled that the laws of every one of the 50 States did not conform to constitutional requirements.

THE SUPREME COURT DECISION

In *Roe* v. *Wade,* 410 U.S. 113 (1973) and *Doe* v. *Bolton,* 410 U.S. 1970 (1973), the Supreme Court set forth the constitutional rights and restraints regarding abortion. The Court attempted to balance three fundamental interests which it had identified—the constitutionally protected right to privacy, the State's interest in protecting maternal health, and the State's interest in preserving potential human life. The Supreme Court held that the constitutionally mandated balance required giving special importance to each interest at a particular time in the pregnancy. During the first trimester of pregnancy, the Court judged the State's interests to be minimal and ruled that the right to privacy dictated the abortion decision should be made by the woman and her doctor during the first 3 months. During the second trimester of pregnancy, the State in promoting its interest in the health of the mother, may if it chooses, regulate the abortion procedure in ways reasonably related to protecting maternal health. Under this ruling, the State may legitimately require safety standards for the performance of abortions, or may limit abortion to only licensed facilities. During the third trimester, the State in promoting its interest in protecting potential human life, may, if it chooses, regulate or proscribe abortion except when it is necessary to protect the life or health of the mother.

The Court's decision has engendered as much controversy as any decision in the Court's history. Criticism has centered around two aspects of the cases: First, that the Court went beyond its proper judicial mandate and was, in effect "second-guessing" what should have been a legislative determination; and second, that in any event, the Court had failed to give sufficient weight to the State's interest in protecting the unborn.

Legal scholars testifying before the subcommittee remained divided over the Court's role in interpreting certain "fundamental" interests of individuals, not explicitly enumerated in the Constitution, to specifically include a constitutionally protected right to privacy which dictates that the abortion decision remain primarily between a woman and her doctor. While few legal scholars would maintain that proper judicial review should include only those "fundamental" interests explicitly stated in the Constitution, critics such as Prof. John Ely maintain that there are certain restrictions on the Court's role in interpreting general public mores. To such critics, the legislatures, as opposed to the courts are the proper places to establish the protection of substantive as opposed to procedural rights. The Court's more proper function is to guarantee purity of the process.

Legal arguments on both sides of this question appear to me to have merit. I think those legal scholars who defend the Court's decision would admit that Roe and Doe are unprecedented in the extension of the Court's role in interpreting certain "fundamental" rights not specifically enumerated as part of the Constitution. Nevertheless, there is impressive case history that have developed with the last 50 years based upon a Constitutional right to privacy which includes the right of individual choice in marriage, procreation, and child rearing. See *Meyer* v. *Nebraska* 367 U.S. 497 (1961), *Pierce* v. *Society of Sisters,* 268 U.S. 510 (1925), *Prince* v. *Massachusetts,* 321 U.S. 158 (1944); *Griswald* v. *Connecticut,* 381 U.S. 479 (1965); *Loving* v. *Virginia,* 388 U.S. 1 (1967); *Boddie* v. *Connecticut,* 401 U.S. 371 (1970) and *Eisenstadt* v. *Baird,* 405 U.S. 438 (1972). These decisions did appear to be forerunners of the Court's logic in Roe and Doe.

The Court specifically held in Roe that among the 14th amendment rights is a category encompassing the freedom of choice in matters of marriage, procreation, and child rearing (410 U.S. 152). This line of reasoning was clearly enunciated by the Court in its earlier decision in Eisenstadt against Baird:

> If the right of privacy means anything, it is the right of the individual, married or single to be free from unwarranted governmental intrusion into matters so fundamentally affecting a person as the decision of whether or not to beget a child. 405 U.S. 453.

While criticism of the Court's decision based upon the proper role of judicial review has captured the interest of many legal scholars, public concern has centered around the second major criticism of the Court's ruling, the failure of the Court to give sufficient weight to the State's interest in protecting the unborn.

In effect, the Court ruled that the State's interest in protecting the potential human life was "compelling"—enough to justify interference by the State—only during the third trimester of the pregnancy. The Court found this to occur at about the seventh month when the fetus had reached a state of viability. However, during the third trimester, the interest of the State in protecting the unborn was still less strong than the State's interest in protecting the life and health of the mother. The Court specifically made the definition of health broad so as to encompass a woman's physical or mental well-being. Therefore, the Court ruled the Constitution requires that the fetus' life give way to the life or health of the mother at all stages of the pregnancy.

It was in order to correct this definition of "compelling" State interest in protecting the unborn that several Senators introduced constitutional amendments. Three of these constitutional amendments, Senate Joint Resolution 6 introduced by Senator Helms, and Senate Joint Resolution 10 and Senate Joint Resolution 11 introduced by Senator Buckley, attempt to overturn the Court's decision by establishing the legal rights of a fetus as a person. After 1½ years of testimony of the effects of these amendments, including their legal, medical, and moral implications, I have come to the conclusion, that I cannot support either amendment for the reasons I will now detail.

THE NATURE OF THE AMENDMENT PROCESS

Much has been said and written, with good cause, about the remarkable nature of our Constitution. That a document written almost 200 years ago could continue to serve today as the basis for a government of a vastly different society than that known to the Constitutional Convention of 1787 is a lasting tribute to the authors of the Constitution. It is clear that the individuals who met in Philadelphia in the spring of 1787 wrote a document based on fundamental principles, and not a document responsive to the political exigencies of the time.

The reverence the American people hold for the Constitution is attested to by the fact that it has been amended only 16 times after the Bill of Rights, the first 10 amendments, were ratified en bloc in 1791. There is a decided, and well justified reluctance to tamper with a document that has stood us in such good stead for so long.

During my almost 12 years as chairman of the Senate Subcommittee on Constitutional Amendments, I have been privileged to be involved directly in the adoption of two amendments to the Constitution: The 25th amendment on Presidential and Vice-Presidential succession and the 26th amendment lowering the voting age in all elections to 18. In addition, we have proposed to the States another amendment, already ratified by 34 States, to provide equal rights for men and women. None of these amendments were responsive to compelling moral or political issues. Rather they were designed, in the manner of the original document itself, to establish underlying principles on which our Government should operate.

Actually, there was only one occasion throughout our entire history when the Constitution was amended to other ends. The 18th, or so-called prohibition, amendment was adopted for the incongruous purpose of establishing as a matter of fundamental law hotly debated moral principles. The 18th amendment sought to impose those principles on the behavior of individuals. It is highly illustrative of the unique, and unsatisfactory, nature of this amendment that is was widely flouted by the American people. Never before, and never since, has a part of the Constitution been held in such contempt by such large numbers of Americans. And it is also highly illustrative of the 18th amendment that it suffered the ignominious fate of being the only amendment to the Constitution ever repealed.

I fear greatly that adoption of any of the proposed amendments regarding abortion would be far more in line with the unfortunate experience encountered with the 18th amendment than with the rest of the Constitution. Without arguing the merits, can anyone seriously doubt that adoption of any of the proposed amendments would result in tens of thousands of women seeking abortions through illicit channels? Can there be doubt that if any of the proposed amendments were adopted that there would immediately be unleashed active political forces designed to repeal the amendment?

The simple and irrefutable fact is that it is not an issue that can be properly or effectively dealt with in a constitutional context. This can be illustrated by examining the specific constitutional principle that would be established through adoption of either of the most widely supported amendments.

The means by which the Supreme Court decisions in Roe and Doe would be overturned under three of the proposed constitutional amendments, those introduced by Senators HELMS and BUCKLEY is by establishing as part of the Constitution legal protection for a fetus at all stages of biological development. In other words, the language of the amendments nullifies the Court's distinction of viability, and establishes "life" as beginning at the moment of fertilization. No matter what one's personal views are as to when life begins, there can be no disagreement as to the clear fact that we have been unable to establish to everyone's satisfaction exactly when this mysterious transformation takes place. Is it at the time of conception? Or fertilization? Is it only after "quickening" or viability? By amending the Constitution to establish one view as to when life begins at a time when there is no clear agreement among various religious denominations or among people in general, appears to me to be a serious misreading of the nature of the Constitution itself. The very term Constitution implies a document of a permanent and abiding nature. As one who has great faith in this durable document, I feel that we cannot and must not use the Constitution as an instrument for moral preference. We cannot and should not presume to provide for the people of this country, people with widely varying opinions on such fundamental issues, a definitive answer to a question that is clearly not open to certitude.

It is precisely in areas that are so intimate, where public attitudes are deeply divided, both morally and religiously, that private choice can be defended as our Constitution's way of reconciling the irreconcilable without dangerously embroiling church and state in one another's affairs.

THE CONCEPT OF THE FETUS AS A PERSON WOULD NOT OVERTURN THE SUPREME COURT DECISION

The concept of the fetus as a legal person, irrespective of its biological development raised several questions of a legal as well as a moral nature. Testimony from legal scholars on both sides of the abortion controversy indicated to our subcommittee that there was serious question among legal scholars as to whether by giving the fetus status as a person, the Supreme Court decision would actually be overturned. According to testimony before our subcommittee, the effect of the proposed amendments would be to create competing interests, but would not really resolve the question as to whose interest had priority—that of the woman to control her own body, or that of the fetus to survive. In testimony before the subcommittee, Yale law professor, John Ely, a critic of the Court's decision, stated:

> In fact all that would be established (by concluding that the fetus is a person) is that one right granted by the Fourteenth Amendment was in conflict with what the Court felt was another; it would not tell us which must prevail.

Further, it has been contended that by concluding that the abortion decisions should be made by a woman and her doctor, a legislative or judicial body permits, but does not cause the death of any fetus; hence does not "deprive" any fetus of life without due process. While such legal reasoning may seem strained to those who view the abortion decision as a simple moral choice, such testimony from legal scholars on both sides of the issue, raises serious question as to the wisdom of amending the Constitution with language that would conceivably not accomplish its major purpose.

THE PROPOSED AMENDMENTS WOULD REQUIRE DRASTIC CHANGES IN ALL AREAS OF THE LAW TO ACCOMMODATE THE RIGHTS OF THE FETUS

An overriding difficulty raised by the proposed amendments, which would fix the beginning of life at fertilization or at the earliest stages of biological development, is the effect such a rule would have on other constitutional provisions and on nonconstitutional areas of the law. Despite one's personal views as to when life begins, it is necessary to recognize that the law has been reluctant to endorse any theory that life begins before birth or to accord legal rights to the unborn except in narrowly defined situations and except when the rights are contingent upon live birth. Four legal areas—torts, property, tax law, and criminal law—exemplify the difficulty that may follow from enforcement of the proposed constitutional amendments.

A. TORT LAW

At present, the tort law of most States provides recovery for injury to a fetus only if it has "quickened" or become "viable," and the recovery is often premised on the requirement that the fetus be born alive. "Constitutional Aspects of the Right To Limit Childbearing," report of the U.S. Commission on Civil Rights, April 1975, at 87; Roe, supra, 410 U.S. at 161–2. If the proposed amendments were enacted, however, a representative of the fetus could recover for its injury against any person, including the mother, from the time of conception. Actions could be maintained against mothers who smoked, took strong drugs, took drugs for their own health, ate in a nonnutritious manner, or went skiing and had an accident while pregnant. Suits could be successfully brought against drivers who injure pregnant women accidentally. Doctors would face possible malpractice claims from the fetus' representative if they acted in a manner that would protect the health of the mother at the possible expense of the fetus.

B. PROPERTY LAW

Property laws and rules of inheritance throughout the United States which govern succession of interests accord rights to inherit to the unborn, but those rights vest only if the fetus is born alive. According "personhood" to a fetus from the moment of conception would entail a determination that a fetus which is miscarried during the pregnancy—15 to 25 percent of pregnancies terminate naturally—could inherit and bequeath property. This change would introduce drastic confusion into the laws of property and estates.

C. TAX AND REVENUE LAWS

Under State and Federal income tax law, "persons" are counted as dependents. If fetuses are deemed to be persons, they too could become dependents for purposes of the tax laws. Enforcement of such a rule, in light of the difficulties in determining when pregnancy has occurred and the high incidence of natural miscarriage—15 to 25 percent of conceptions—would be extremely difficult and unnecessarily invade individual privacy.

D. CRIMINAL LAW

Enforcement problems as well would be raised under the criminal laws. It would appear that a person charged with carelessness or recklessness which resulted in a miscarriage would be guilty of "killing" a "person", or murder. Incarceration of a pregnant woman would be incarceration of a "person"—the fetus—without due process of law to that fetus. All the activities which could result in claims of tort by the fetus' representative could also lead to criminal charges against the mother, the father, the doctor, or others. An inquiry would be required to determine whether or not miscarriages had occurred naturally. Serious fifth amendment problems would occur in any attempt to enforce such laws. Finally, if a "person" is deemed to exist at the time of fertilization, then use of such abortifacients as intrauterine devices, relied on for contraception by millions of American women, would constitute continuous murder. Again, enforcement would be highly intrusive on privacy.

THE ABSOLUTE NATURE OF THE PROPOSED AMENDMENTS WOULD NOT ALLOW FOR EXCEPTIONS IN THE CASES OF RAPE, INCEST, OR GENETIC DISEASE

Assuming that the wording of the proposed constitutional amendments giving the fetus status as a person does, in fact, preclude a woman's right to choose abortion, I find that I could not support a measure which would not allow flexibility under the circumstances of rape, incest, or genetic disease.

While I am deeply disturbed by the concept of abortion for convenience sake, I find that I cannot support an amendment which would not allow a woman who has been brutalized by the crime of rape the option of terminating a pregnancy that resulted against her will. There were 55,000 reported rapes in our country last year. This figure does not include those rapes which were never reported to the police. Unfortunately, the crime of rape is one of the fastest growing of violent crimes. I am not arguing that every one of those women who are the victims of rape and who find themselves pregnant should choose abortion. I am only arguing that I cannot deny a helpless victim the right to make that choice.

Similarly, I feel that I cannot support an amendment which is so absolute as to prevent a woman who is carrying a fetus with a detectable and deadly genetic disease—such as Tay-Sachs or down's syndrome—the option of terminating her pregnancy. It is very difficult for those of us who have not endured the heartbreaking experience of a mother who must watch her child die a slow, agonizing, and sure death by the age of 2 or 3 to understand the importance of having the option of terminating such a tragic pregnancy. Medical science has enabled us to detect Tay-Sachs and other such genetic diseases during the second trimester of pregnancy. Such tests make it possible for women afflicted with genetic disorders such as Tay-Sachs to look forward to pregnancy with the knowledge that medical science can detect such tragedy before a woman has come to full term. Three out of four such pregnancies—involving parents with Tay-Sachs tendencies—result in the birth of normal infants. I cannot support an amendment that would prevent a mother from bringing a healthy child into this world if she could be guaranteed that choice.

THE PROPOSED CONSTITUTIONAL AMENDMENTS WOULD AFFECT THE CONTRACEPTIVE PRACTICES OF MILLIONS OF AMERICANS

In testimony before our subcommittee, it became clear that one of the possible effects of the proposed amendments would be to prohibit the use of certain forms of contraceptive devices in use by millions of Americans. Because the amendments define life as beginning at fertilization, the use of many contraceptive devices, such as the intrauterine device used by almost 9 million women, would no longer be permitted since medical testimony indicated there is evidence that such devices may work by preventing implantation after fertilization. This raises the unfortunate specter of the Federal Government monitoring the bedroom practices of all American citizens.

In addition, many women who have selected forms of contraception which may be less effective and reliable, but which pose less danger to their own health, may feel compelled to change to forms of contraception which are more effective, but which pose greater health risks for women. Such considerations are particularly important as health problems which may be caused by the pill and the IUD, the morning-after-pill, and dep-prover—an injectible contraceptive not yet approved for use by the FDA—come to light.

CONCLUSION

After listening to hundreds of hours of testimony on the proposed constitutional amendment, I am keenly aware that amending the Constitution to proscribe abortion is an extremely complex issue. It is not a question of my personal views on abortion; nor is it a question of the personal views of any of the members of my subcommittee. The question is whether we, as elected representatives, feel that amending the Constitution to impose one conception of life on all our citizens, is indeed the most responsible course of action. I have concluded it is not a responsible course of action. Each of us must make that important choice for himself or herself.

GRAIN RESERVES—NOW

Mr. HUMPHREY. Mr. President, there have been many international discussions of the need to develop a system of world food reserves in the past 2 years. Yet little progress has been made in these international discussions.

John A. Schnittker, former Under Secretary of Agriculture, in a timely article in the fall issue of Foreign Policy tells us that:

> The United States and Canada should not let the slow pace of international negotiations over food reserves prevent them from establishing reserves in their own interest. To delay is to let our policy be determined by other nations, and by petty bickering of international organizations. We need reserves to stabilize our own food prices, to ensure our position as a food exporter, and to help meet food aid needs.

For some months I have been expressing similar views and I am happy that Dr. Schnittker has stated the case so persuasively in this prestigious magazine. He reports that there need not be a food crisis each time grain production lags for a year or two. I find his article one of the best balanced statements on the prospects for avoiding a food crisis in the years ahead. Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GRAIN RESERVES—NOW

(By John A. Schnittker)

The unusually difficult world food situation of recent years has been the result of accelerating demands for foodstuffs to provide an increasing level of per capita meat consumption for the people of the richer countries, and of actual declines (in 1972 and 1974) in world grain production. A renewed interest in national and international food reserve schemes has been a natural result of the disappearance of stocks which were largely by-products of national price support policies and favorable weather.

This action proposal recommends modification of the U.S. domestic price support program to ensure accumulation of grain reserves this year.

Of the two forces at work, bad crops had more to do with the "food crisis" and renewed interest in reserves than accelerating demand. If world grain production had increased in 1972 and 1974 as it has for the past 15 years at the rate of 2 to 3 per cent a year, the world food situation would have been much different. We would still have some grain reserves if the weather had not failed.

Instead, the countries that report their stock levels had only minimum "pipeline" or "floor" stocks as the 1975 harvest began. China and Russia (which do not report their stocks) may have stored away some grain reserves during the past few years.

There need not be a food crisis each time grain production lags for a year or two. It is in the U.S. interest, and is therefore a U.S. responsibility, to carry a substantial reserve.

Even when stocks are depleted, there remains a massive "reserve of last resort" to prevent a worldwide food shortage. This relatively accessible buffer against famine exists because nearly half the world's grain supply is annually fed to livestock and poultry. During 1975, grain feeding in the United States will drop 20 per cent from the 1974 level, in order to maintain a normal supply of food grains for people, and to maintain the regular flow of grains sold abroad. No other developed nation is reducing grain usage by a substantial amount in 1975.

It would be an inconvenience, but no hardship, if the United States, Europe, Japan, and the Soviet Union could not increase grain feeding rapidly in the years ahead, or if they were forced to limit the usage of grain as feed. This would be badly received by consumers, but it would not threaten their health. World beef production might still be expanded by better use of grasslands. If grain shortages persist or reappear frequently, high market prices will severely ration the supply of grain available for meat production in some countries, and will force other countries to ration grain.

EQUITABLE DISTRIBUTION

The great difficulty with respect to food supplies during the next 25 years will not be one of too little grain and other food in the aggregate, but of distributing the grain equitably between people and animals, and among nations. India, Bangladesh, Indonesia, and China feed little grain to animals, and hence they have no readily available buffer against crop failure. They must rely first upon increased purchases, then upon aid, and finally upon reduced per capita food intake in the event of chronic crop shortfalls.

My confidence that *aggregate* world grain supplies will be large enough to avoid the serious risk of general famine for many years must be qualified in one respect. If world weather patterns are changing in such ways as to provide less, or more erratic, precipitation, aggregate grain supplies, instead of rising, may stabilize for a time near the levels of 1970–1974, or may even decline. This would require, at the very least, an immediate adjustment to reduced per capita meat consumption on a worldwide basis. If the weather failures are concentrated in a few poor countries, there could be serious famine until worldwide redistribution of grain supplies could be arranged. But if weather does not fail, the per capita grain supply can be readily increased for 10 to 20 years, largely through expanded fertilizer use, for which production capacity is already being enlarged, and through other conventional technologies.

If we admit to the possibility of recurring grain shortages, the question of grain reserves must be faced directly, in order to meet unusual year-to-year changes in a trend of rising production. Reserves are not applicable, however, to a situation in which food production is stagnating or declining, since that would prevent their periodic re-establishment. The only solution to a continuous failure of grain production is a reduction in the world's dependence on meat.

A DANGEROUSLY THIN MARGIN

Discussions of food reserves will take up a large part of the time of international agricultural bodies, including the General Agreement on Tariffs and Trade (GATT) negotiations and the special institutions created by the World Food Conference, during the next two years. These discussions are important, but their value is seriously overestimated. We cannot look to GATT, the Food and Agriculture Organization, the World Food Council, or OPEC for decisive action on food reserves or food aid. The real action during the next few years will be on the farms where crops are growing, and in national governments where farm price guarantees and reserve schemes must initially be designed. If crops are good for two to three years, and if governments will support farm prices at levels that permit accumulation of stocks, the world's granaries will be replenished by 1977 or 1978.

However, if crops are large and agricultural prices are allowed to collapse worldwide (in mid-1975 this appeared to be a serious possibility, but crop losses in the Soviet Union may yet prevent it), the large grain crops will again be used up in a new orgy of feeding to animals and poultry. Agricultural development in the poor countries will lag as farmer incentives fall, and there will be no meaningful buffer established to offset the effects of occasional crop failure. By mid-1975, grain prices had fallen low enough that an expected record crop of 1,300 million tons would add only 10 to 15 millions tons to world stocks. It is a dangerously thin margin.

Discussions of a world reserve of 30 million tons of food grains, or even 60 million tons of all grains, represent only a beginning—the most to be expected of an international agreement, but not enough to meet the world's need for stability of food supplies. World grain stocks were reduced some 45 million tons as a result of 1972 crop losses alone. Reduction of stocks coupled with reductions in grain consumption amounted to 100 million tons over the past three years. An adequate world stockpile should eventually be nearly that large, over and above pipeline stocks of about 100 million tons.

International discussions during the coming year will also address the question of criteria for establishment of price support levels and procedures for the use of food reserves, once they are collected. The official U.S. attitude on these questions is entirely out of step with the key world role played by U.S. policies, and must be changed. Price guarantees in the United States tend to establish minimum prices for world trade in the principal agricultural products, and thus have effects far beyond the U.S. market. U.S. price supports directly influence the level of agricultural prices in poor countries, and U.S. sale of reserves (or surpluses) can set an upper limit to world grain prices, at least for a time.

Farm price guarantees in rich countries ought not to be so high as to unduly encourage production and inhibit trade, as is the case with European and Japanese guarantees, nor so low as to unduly depress world prices, as U.S. price guarantees may do, when good crops are harvested. The U.S. preoccupation with the merits of low prices for farm commodities, and its refusal in early 1975 to raise guarantees to farmers from the obsolete levels set a few years ago, is especially puzzling when one considers either the U.S. balance-of-payments problem, or the need for all the rich nations to assist in encouraging grain production in poor countries.

At the other end of the farm price scale, reserve stocks, once acquired, should be used sparingly, to allow prices to rise somewhat above guaranteed levels, but their use should not be so closely guarded as to permit extreme upward price movements while reserves go unused.

All the rich nations have large roles to play in these matters, but someone must begin. Of these nations, the United States has the largest stake in world grain trade, the greatest capacity to feed to cattle precious grain that ought to be put into a reserve, the most leverage on world agricultural prices, the most to gain from carrying its own reserves—and the most negative official attitude toward food reserves. Perhaps, by the end of 1975, a U.S. policy will emerge from Congress, from the Administration, or from the fields. Since we cannot expect an early policy change, good luck in the fields offers the best hope for development of a sensible program, if not a policy, for food reserves. Without good crops, international discussions of food reserves tend to be academic. With good crops, governments will acquire stocks while supporting prices, and a reserve will be established.

WHEN TO INTERVENE

The practical problem governments face is when to intervene to build reserves, and this matter is often decided on fiscal grounds. In 1975–1976, it would be good U.S. policy to build reserves at or just below U.S. farm prices prevailing when the 1975 harvests began ($100 per metric ton of wheat, $90 per metric ton of maize, and $175 per metric ton of soybeans). Reserves thus collected should be used when prices (in another season) rise some 50 per cent above those levels.

This proposal is not based upon any sophisticated analysis of farmers' costs, or of the degree of food price inflation the U.S. or world economies might readily absorb. Rather, it is based upon a judgment that present U.S. intervention levels ($50 a ton for wheat and $45 a ton for corn) are far too low, and on a degree of caution arising out of recent food price inflation. The proposed intervention prices will cause many farmers severe financial distress, but will prevent actual disruption of the farm sector. They are low enough to make the farmers only moderately angry, but not so high as to arouse consumers who would prefer to see farm prices fall further. Over the course of a year, such prices would leave U.S. farmers with no more spendable income than they had five years ago. The farm income gains of 1972–1974 would have been lost.

I admit to some upward bias in the proposed intervention prices. It is essential not to miss the opportunity to acquire a sizable grain reserve at the first opportunity. A lower intervention (support) price runs the risk of losing that first opportunity, and of facing a bad crop (say in 1976) without any reserves.

In my proposal, wheat placed in a reserve at $100 per ton would be held until prices rise to $150 per ton. This has the merit of simplicity, of keeping prices much lower than levels recently experienced, of allowing farmers some chance for gain above the support level, and of letting market forces operate to a degree. It has the practical merit of possibly overcoming the political opposition of farmers to any food reserves. Farm prices would rise in the face of a stored reserve, whereas the farmers' experience has been that past surpluses were used to keep prices from rising.

Japan, Europe, and the Soviet Union all have critical roles in the development of policies for world food security. Like the United States, they use increasing quantities of precious grain to feed animals and poultry. Unlike the United States, they are net importers of grain and feedstuffs, and face the possibility of limited supplies when world crops fall short. While Japan and Europe have not often carried grain reserves as a matter of policy, it is not too much to expect that they will do so, both in their own short-term interest, and as a contribution to world food security. The Soviet Union and China should eventually be part of such a program, or they should be denied access to world grain supplies in times of shortage.

National governments, especially those of the United States and Canada, should not let the slow pace of international negotiations over food reserves prevent them from establishing reserves in their own interest. To delay is to let our policy be determined by other nations, and by the petty bickering of international organizations. We need reserves to stabilize our own food prices, to ensure our position as a food exporter, and to help meet food aid needs. We need higher farm price guarantees to insure our food producing system, and to limit feeding to livestock and poultry. The time to act is in 1975.

WELFARE REFORM

Mr. BROCK. Mr. President, as our constitutional duty of supervising the programs which we enact and our resolve to create a more efficiently run Government grows, I would like to submit for the Record a recent editorial in the Washington Post. The subject is welfare reform, an area which no doubt will receive considerable thought in the near future. The Post makes an excellent point with which I agree. It is my hope that a thoughtful, serious debate will be forthcoming on this issue. I ask unanimous consent that the Post editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Wanted: A Serious Welfare Debate

All the indications are that for better or for worse, there is another welfare debate lurking in the nation's immediate future. We say "for better or for worse" not to convey indifference, but rather to stress the element of choice. According to Vice President Rockefeller's aide, John Veneman—a former undersecretary of HEW—the White House is giving serious study to the current welter of income transfer programs, which are in many respects burdensome, inefficient and unproductive. The purpose is to find a way to "rationalize" them. One strong possibility is thus that the Administration will put forward some variation on the defeated Nixon Family Assistance Plan. Former HEW Secretary Caspar Weinberger in fact suggested in his recent farewell remarks that some form of the guaranteed annual income program should be established. So the question is a fairly simple one. It is whether the relevant officeholders—conservative and liberal—are prepared this time around to argue the issue seriously. The three-year argument over the Nixon proposal offers a model only for how not to go about it.

Admittedly the whole subject of cash payments to the helpless and the poor out of federal revenues touches deeply felt emotions and deeply held convictions on all sides. There are racial animosities; there is a sense, on the one hand, that the poor are being exploited and, on the other, that the taxpaying job-holder is being exploited to look after a bunch of lazy folk; there is a belief that welfare recipients are in the main "chiselers," and a contrary belief that they are the victims of economic and racial tyranny. It was Richard Nixon's two-fold distinction in this area that he (1) introduced a genuinely innovative and promising program of welfare reform and (2) consistently described it in so deceptive and inflammatory a way to all but assure its failure in Congress.

The Nixon proposal was a guaranteed annual income; Mr. Nixon persistently said it was not, and that he was opposed to the guaranteed annual income. The Nixon program would have increased substantially the number of persons receiving federal benefits; the former President assiduously painted it as a program designed to reduce drastically the size of the welfare population. The Nixon program was also premised on evidence that the benefit-receiving poor in fact seek opportunities to work their way off the welfare roles; Mr. Nixon could hardly pass by an opportunity to suggest that in fact his program was designed to force a lot of loafers and cheaters into the work force—or else.

The reaction was hardly surprising, but no more admirable or helpful for that. With some notable exceptions, liberaldom rose up almost as one and denounced the proposal for its supposed stinginess and/or as an attempt to enforce a kind of involuntary servitude on the poor—and specifically on the black poor. The subliminal insult in all this—an assumption that a work-requirement was by definition oppressive, which falsely implied that the poor didn't want to work—went unnoticed. So too did the way in which the far more generous programs proposed as alternatives would create an oppressive tax-burden on the near-poor. The *summum* of all this was reached in the McGovern "thousand dollar apiece" proposal offered and withdrawn during the 1972 campaign. Its estimated drain on federal revenues would have been between $50 billion and $80 billion a year.

What all this suggests to us is that before any program at all is introduced by the Ford administration, people in that administration and in the Democratic Congress should make a few simple resolutions and attempt to understand the general framework within which any such program can succeed—succeed both in getting enacted into law and as an effective program enjoying a consensus of national support. The first requirement is that the politicians make some sort of pact to discuss any such proposal in terms of reality and practicality, as distinct from simply stirring up a lot of passions and false hopes and fears. In an election year this may be asking the impossible, but the people who will be arguing the issue should ask themselves who profited politically from the demagoguery last time around. Since the answer is "no one," there is surely a lesson to be drawn. Beyond that it should be understood that there are certain financial and political boundaries within which any such program must exist: To be sufficiently generous it would have also to be accompanied by both a work-requirement and work incentive mechanism, features that would provide not "enslavement" but sought-after opportunity. It would require administrative controls much more effective than those responsible for the current mess in the adult welfare program. And to be fair to the largest number of persons in the country, it would necessarily result in some present recipients being financially somewhat worse-off than they are now and others receiving aid that some would regard as excessive and suspect. Theoretical instances in which both of these things could happen were invoked during the last debate as evidence that the total program was a fraud. It wasn't—but the debate about it was. It would be good if we could avoid that this time around.

THE CANONIZATION OF ELIZABETH ANN SETON

Mr. WILLIAMS. Mr. President, in ceremonies at the Vatican this past Sunday, September 14, 1975, Elizabeth Ann Seton, Mother Seton, became the first native-born American to be canonized a saint. The canonization of this gentle yet remarkable woman culminated a 93-year effort by thousands of her followers to have her sainthood proclaimed. The founder of the first parochial school in America and of the American Sisters of Charity, Mother Seton had a profound effect on the development of the Catholic Church in the United States. Her faith in God and her religious conviction only deepened in the face of the personal tragedy that seemed to hallmark her life. It is indeed fitting that during this Women's International Year, Mother Seton has received the recognition that she so richly deserves.

The canonization of Mother Seton on Sunday held deep meaning for Catholics throughout my home State of New Jersey, as well as across the Nation. Monday's Star-Ledger of Newark, N.J., carried an article by Ms. Barbara Kukla which captured the feelings of the Sisters of Charity of St. Columba's Convent in Newark on this most important event. I ask unanimous consent that Ms. Kukla's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Newark (N.J.) Star-Ledger, Sept. 15, 1975]

A DAY OF SIGNIFICANCE FOR NUNS IN JERSEY . . .

(By Barbara Kukla)

A smile reflecting an inner surge of pride, moved over the elderly nun's face as she listened intently to each word vigorously pronounced by Pope Paul VI:

"Elizabeth Ann Bayley Seton is a saint."

Some of her teaching colleagues of the Sisters of Charity applauded and others cheered.

It was a historic moment. America had its first native-born saint—the result of a movement begun 93 years ago.

In New Jersey, as well as in other parts of the country, the canonization Mass, celebrated before a crowd of 15,000 in St. Peter's Square, was shared by Catholics via satellite telecast.

After a morning marked by special prayers and sermons in churches throughout the Newark Diocese, the focus switched to the ceremony itself.

At St. Columba's Convent in Newark, a small group of nuns was joined by parish school children, who applauded with their teachers during the event.

They watched intently as Newark Archbishop Peter L. Gerity concelebrated the Mass, as Sister Hildegarde Marie Mahoney, general superior of the Sisters of Charity of St. Elizabeth in Convent Station, petitioned for sainthood.

They scanned the television screen for friends, among them Sister Rose, the former school librarian, who this summer directed the children in a play about Mother Seton.

Afterward, at a party marking the occasion, teachers and pupils reflected on the ceremony and the life of Mother Seton, founder of both the parochial education system in the United States and of the various branches of the Sisters of Charity.

It was particularly fitting that the floral offering to the pontiff was made by Sister Frances Genovese, said Sister Mary Walter Dwyer, St. Columba school principal.

"Sister Frances," she said, "worked for more than 30 years for the canonization of Mother Seton. I remember, as a young nun, going to retreats where she held meetings about Mother Seton."

Sister Adeline, who is marking her 50th year as a nun, said she recalled laying out vestments, as a noviate in 1926, for Archbishop Robert Seton, grandson of the Saint.

"Archbishop Seton (an honorary title) was chaplain at the academy (of St. Elizabeth) in its early days," explained Sister Mary Katherine, an English professor at St. Elizabeth's College. "He taught at the academy and at the college before he retired and died in 1927."

Sister Mary Katherine, who watched the Vatican City ceremony from the Mother House in Convent Station, also remembered "talk about canonization" in the 1930s and "a big celebration at the academy in the 1940's," which she said helped unify canonization efforts among the order's branches.

"We always felt canonization was a possibility because we knew about her life and knew she had what it took," the nun said, "but it takes years to actually occur."

Personal attributes that led the New York-born socialite of an Episcopalian family through marriage, motherhood and widowhood to a life as a religious worker and pioneer were emphasized yesterday in church tributes throughout the diocese.

"Our accent was on faith more than anything else," said Sister Francis Joannes Devlin, principal of Holy Trinity School in Westfield. "Her faith is applicable to modern times, particularly since this is International Women's Year. She stood up on her own two feet."

"Mother Seton was much like we are today," said Sister Mary Walter Dwyer. "She did nothing extraordinary, but she did think about life and ask God to direct her work. And she was willing to accept what happened as God's will for her."

"She really is a saint for all women of today, not only those of religious orders, to emulate," said Sister Regina Martin, principal of Mother Seton Regional High School in Clark.

At Masses in Sacred Heart Cathedral in Newark, from which the saint's work in New Jersey was spread by her nephew, James Roosevelt Bayley, the first archbishop of Newark, she was depicted as "an example for Christians today."

"Mother Seton's life was typified by the readings chosen for the Masses, as we petitioned our parishoners to do likewise," said Rev. Joseph F. Flusk, rector.

All schools in the diocese will be closed today as the Sisters of Charity hold a Mass in honor of the canonization of their foundress. At 5:30 p.m. the chapel bells will ring as friends and neighbors join for a candlelight procession to the Greek Theater, where another special service will be held.

Radio station WMTR of Morristown yesterday broadcast the first of five Sunday segments on the life of St. Elizabeth Seton, based on a play written by Sister Francis Marie Cassidy.

The play, which was first presented last November before 4,500 persons in Union City, is the story of "Mother Seton's struggle for faith, of the five crucial years after her husband's death, how she resolved her doubts about becoming a Roman Catholic and the hardships that followed," the playwright explained.

RAIL ABANDONMENTS: A SHORT-SIGHTED POLICY

Mr. HUMPHREY. Mr. President, I wish to point out a recent release by the Minnesota Department of Agriculture showing the implications of the policy of rail abandonments as it impacts on our rural communities.

The basis for this release was testimony by Minnesota Commissioner of Agriculture, Jon Wefald at a special congressional subcommittee hearing regarding the abandonment of railroad service and its implications in terms of petroleum supplies and rural development.

Commissioner Wefald joined others in opposing the abandonment of 97 miles of Chicago and Northwestern railroad trackage, indicating that the grain production of the five counties involved—3 million tons in 1973—would involve a fuel saving of 54 million gallons if transported by rail. This fuel saving would represent $20 million for farmers and consumers. Commissioner Wefald indicated that railroads are still the most efficient method of transporting bulk, nonperishable materials over land.

The release also pointed out that railroads have been permitted to abandon 31,000 miles of tracks since 1938. This program has resulted in lost commercial resources for rural communities and restricted their growth potential.

Mr. President, this release points out

the need for a better understanding of the implications of the abandonment program, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the news release was ordered to be printed in the RECORD, as follows:

NEWS RELEASE FROM MINNESOTA DEPARTMENT OF AGRICULTURE

Railroad abandonments must be halted until a comprehensive new national transportation and energy policy can be hammered out and implemented in the public interest, Agriculture Commissioner Jon Wefald declared today.

In testimony presented to a special Congressional Subcommittee today (Saturday) at a hearing in Slayton, Commissioner Wefald argued that revitalization of railroad service can help solve growing transportation, petroleum and economic problems that are of state and national concern.

Joining local farmers and civil leaders from Nobles, Murray, Cottonwood, Jackson and Martin counties in opposing the abandonment of 97 miles of Chicago & North Western Railroad line in that area, Commissioner Wefald ventured some projected savings of petroleum fuel and transportation costs.

He said that if the grain production of the five counties—nearly 3-million tons in 1973, the last normal production year—were moved by rail instead of by truck the fuel savings for 97 miles would approximate more than 54-million gallons and represent a cost savings on fuel alone of over $20-million for farmers and consumers.

"Railroads are still our cheapest and most efficient method of transporting bulk, nonperishable materials over land. A freight train consumes only about eight-thousandths of one gallon of petroleum fuel per ton mile. A recent University of Minnesota study on grain trucking costs indicated average fuel consumption of about one-fifth of a gallon per ton mile.

"The study also revealed that commercial grain transportation rates are about the same for trucks and trains up to about 85 miles of haul, but from that point on the truck rates climb," Commissioner Wefald added.

He testified that continued railroad abandonments can only contribute to a speedup of petroleum depletion and accompanying skyrocketing of commercial transportation costs and consumer goods prices, as well as "utter chaos on our limited highway system."

"Just the amount of grain produced in the five southwestern Minnesota counties opposing the current railroad abandonment application, if hauled at one time, would require 326 trains of 100 cars each. Fuel consumption for the 97-mile haul would approximate 2.25-million gallons.

"The same amount of grain would require 129,000 semi-trailer commercial trucks, and fuel consumption for the 97-mile haul would be about 56.7-million gallons.

"And if that wouldn't represent a big enough wait at a railroad crossing or a traffic jam on Minnesota's highways, visualize the staggering proportions of transportation facilities required to move the state's 1973 agricultural production," Commissioner Wefald suggested.

He reported that Minnesota 1973 farm production exceeded 51-million tons, and would have required one railroad train over 6,300 miles long, or the option of one solid line of 55-foot semi-trailer trucks 26,353 miles long, for just one of the several moves that all agricultural products make between farmer and ultimate consumer.

Commissioner Wefald noted that the 26,353-mile line of trucks would represent one solid line completely around the earth, with a second line from St. Paul to San Francisco.

Agreeing that the 97-miles of railroad in southwestern Minnesota earmarked for abandonment may seem inconsequential, Commissioner Wefald insisted that the energy cost, and cumulative factors make it extremely important.

"Since 1938 the railroads have been permitted to abandon 31,000 miles of tracks, and they have been permitted to relentlessly pursue a blueprint for abandoning virtually all of rural, agricultural Minnesota. That 31,000 miles of lost commercial transportation resource has isolated scores of communities, withered their business economy, restricted their growth potential. No level of government has been able to replace more than a fraction of that lost trackage and freight service with all-weather highways," Commissioner Wefald argued.

"We need more commercial transportation resources, not less, to meet the needs of a growing population, more reliant world market and a highly productive Minnesota agricultural economy," Commissioner Wefald concluded.

CONSTITUTIONAL AMENDMENTS RELATING TO ABORTION

Mr. MATHIAS. Mr. President, one of the compelling precepts of religion is that God has imposed the duty and privilege of moral decision upon each individual human being. Government should not invade this very personal province and, experience teaches that it is futile for Government to try to impose a collective moral decision upon the conscience of a single citizen.

It is my personal belief that life does begin with conception and that creation of life simultaneously creates responsibility. A proper concern for life extends, however, to a mother's right to life when pregnancy endangers her survival and health. Between these two positions lies a wide area for moral decision. What are the circumstances in a given case when abortion is being considered? What jeopardizes the mother's health and to what degree? What weights should be placed on each side of the scale by the persons most intimately concerned?

I do not believe that Government will ever be so finely tuned that it can answer these questions. Only those who bear a burden of decision that cannot be lifted from their shoulders can finally make the determination and then only after searching the facts and their own souls. Even if Government attempted to decide for them, it would not be able to guarantee them a quiet conscience nor to confirm to society a universal principle of faith and practice.

There are ways in which society can help individuals who are faced with this supreme moral dilemma. Families must be encouraged to come together to make such decisions with love and understanding by restraining hasty or furtive solutions. The best and most comprehensive counseling must be made available. But our moral responsibility mandates that the decision is private and personal and must remain so.

THE FOREST SERVICE VERSUS THE WILDERNESS ACT

Mr. CHURCH. Mr. President, my State of Idaho contains some of the largest primitive natural wilderness in the lower 48 States. These areas have been under study, by statute, for inclusion in the National Wilderness Preservation System.

After extensive hearings in Idaho by the U.S. Forest Service, the administration has forwarded to the Congress its wilderness proposals for these areas. These are contained in S. 1024, which has been referred to the Senate Committee on Interior and Insular Affairs, where it is now pending.

In the September issue of Field and Stream, author Ted Trueblood outlines a very graphic case against the administration proposal.

I recommend this to all of my colleagues, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE FOREST SERVICE VERSUS THE WILDERNESS ACT

(By Ted Trueblood)

The United States Forest Service, of the Department of Agriculture, is trying to scuttle the Wilderness Act. It is using every available means from openly opposing inclusion of wilderness-quality areas in the National Wilderness System to issuing nitpicking regulations intended to harass the essential outfitters and guides and turn the public against the wilderness concept.

For ten long years conservationists argued that some Eastern national forest lands should be reviewed for wilderness. The Forest Service steadfastly held that no suitable areas existed; that man's past activities disqualified them forever. In desperation, the citizens' group finally appealed to Washington and in December, 1974, Congress passed a second wilderness measure that brought in eighteen new areas and made clear that the Wilderness System would, indeed, be national in scope.

"Purity" is the best dodge the Forest Service has found so far, and making progress against this subterfuge is like trying to paddle a canoe through mud. I can almost weep over the Forest Service policy of burning old homestead cabins in wilderness and primitive areas. These weathered log buildings were picturesque, historic, and blended unobtrusively into their surroundings. They were evidence of a way of life that no longer exists.

On my first trip down the Middle Fork of the Salmon River, in the Idaho Primitive Area, in 1938, we spent a couple of nights in the old Mahoney cabin, already long abandoned. But Mitchell (not the Air Force general) still lived in his, about three miles by trail up Marble Creek from the Middle Fork. Both have now gone up in flames.

These widely scattered log cabins were not in conflict with that part of the definition of wilderness in the act that reads: "generally appearing to have been affected by the forces of nature, with the imprint of man's work substantially unnoticeable": . . .

Under the Wilderness Act, primitive areas existing at the time of its passage were to be reviewed within ten years by the Forest Service, a recommendation made to the Secretary of Agriculture, by him to the President, and by the President, in turn, to Congress. This recommendation could be to retain the area as wilderness, open it up to roads and logging, and to expand or shrink the boundaries. I'm grateful Congress makes the final decision! Here is what is happening in the case of the one I know best:

The Idaho Primitive Area was created by executive decree in 1931 and the Salmon River Breaks Primitive Area, just across the river, in 1936. Total acreage of the two is 1,441,059. At Forest Service hearings in 1973, the River of No Return Wilderness Council, back by virtually every state and national conservation organization, asked for a combined wilderness of 2.3 million acres, taking in some high-quality contiguous areas. Even the

Forest Service, before Secretary of Agriculture Earl Butz got his licks in, went for 1.5. But when President Ford's recommendation got to Congress, it was for 1.1. Furthermore, it cut out the very heart of the area, Chamberlain Basin.

Roadless Chamberlain is probably the best elk range in America. In addition, it has moose, whitetail and mule deer, bighorn sheep, and Rocky Mountain goats around the edges, black bear, cougar, coyote, native red fox, a host of smaller mammals, salmon, steelhead, native cutthroat trout, three kinds of grouse, and an infinite variety of non-gamebirds. Friends who wrote the President in protest received the below stock reply signed by Zane G. Smith, Jr., from John R. McGuire, chief of the Forest Service:

"Thank you for your inquiry to President Ford regarding the Idaho Wilderness proposal.

"As you pointed out, the final proposal transmitted to the Congress by the President omitted the Chamberlain Basin area. This area contains some evidence of man's activities in the form of several airstrips and associated developments. There is development on some non-Federal lands and there is potential for wildlife habitat enhancement of a nature not permited under wilderness designation. Large volumes of timber exist within the Basin, although at this time the timber cannot be economically harvested with existing technology. A modest mineral potential also exists.

"In his review, the Secretary of Agriculture determined that the evidences of man's works, the opportunities for wildlife habitat improvement, and the potential for minerals development and timber harvest at some future date outweighed the merit for allocation of Chamberlain Basin to wilderness. The President concurred and, therefore, a revised proposal was submitted to Congress.

"We appreciate your interest in this National Forest area."

I'd like to touch on some of the main points of the response.

"This area contains some evidence of man's activities in the form of several airstrips and associated developments."

There are three. At two the "associated developments" are Forest Service administrative buildings. The third is on the Root Ranch.

"There is development on some non-Federal lands. . ."

There are two old, patented homesteads within the 300,00 acres deleted by President Ford: the Stonebraker Ranch of 409 acres and the Root Ranch of 158 acres. Out of 300,000 acres, their total is like a fly speck on a picture window. Furthermore, the Idaho Fish and Game Commission now owns the Stonebraker Ranch; the Root Ranch is a hunting camp. So while they may be non-federal, the connotation of "development" is completely misleading.

". . . and there is potential for wildlife habitat enhancement of a nature for permitted under wilderness designation."

This statement is absurd. How can you improve on the best there is? Chamberlain is unique in having ideal winter range within a few miles of ideal summer range. Well-documented studies have proved that roading and logging decimate elk herds. The process wipes out sheep and goats and doesn't help any of the other wildlife.

"Large volumes of timber exist within the Basin. . ."

Compared to a farmer's back-forty woodlot, the volumes are, indeed, large. In the overall picture the statement is ridiculous. The Pacific Northwest exports more timber to Japan in four days than could be cut in Chamberlain in a year. Besides, the taxpayers would have to build the necessary roads to get the timber out.

"A modest mineral potential also exists."

This is true—very modest. In a century of mine exploration and mining, the entire Idaho Primitive Area (not just Chamberlain) has yielded about $20,000 per year.

To further limit the extent of the proposed River of No Return Wilderness, the Forest Service is rushing ahead with plans to road and log contiguous areas of wilderness quality before Congress has had an opportunity to make the decision that rightfully belongs to it. Then when the time comes the Forest Service can say, "Look, you can't include this area; there are roads everywhere," even though there were no existing roads before the summer of 1975.

There are dedicated and sincere men within the ranks of the Forest Service who recognize the value of wilderness, yet by education and indoctrination the majority are forest-products oriented and thereby anti-wilderness. They can see a tree only as so many board feet of lumber. So the Forest Service, prompted by Secretary Butz, is setting up its own management plans—plans neither required nor authorized by the Wilderness Act.

In 1973, the supervisor of the Flathead National Forest, which includes the Bob Marshall Wilderness, in Montana, ordered the outfitters to remove their caches, corrals, and hitch rails, claiming this was required by the Act. It would entail a great deal of labor and expense to tear down all facilities and pack out all camp gear at the end of one season, then reverse the process at the beginning of the next.

But under "Special Provisions," the Wilderness Act states: "Commercial services may be performed within the wilderness areas designated by this Act to the extent necessary for activities which are proper for realizing the recreational or other wilderness purposes of the areas."

The Bob Marshall, one of the original wildernesses created by the Act in 1964, is big—950,000 acres. It would be impossible to hunt without camps and horses, and though anyone is free to hike at will, even during the summer many would-be visitors simply couldn't manage without the assistance of guides and out-fitters and their horses.

The Bob Marshall Management Plan, of which the order just discussed is a part, was one of the first completed. Similar plans have now been written for about a third of the eighty-five wilderness areas in the national forests, and others are being prepared, along with plans for some primitive areas. The general policy appears to be aimed toward making the outfitters' operations as difficult as possible—moving camps each year, closing landing strips, and similar rules not required by the Wilderness Act.

Here is an example of usurpation of authority by the Forest Service that was specifically prohibited in the Wilderness Act:

Under the heading, "Fisheries," of the Selway-Bitterroot (Idaho and Montana) Wilderness Management Plan: '(1) No planting where there has been no past history. Attempt to keep remaining native gene pools intact. (2) No introduction or continued stocking of non-native species . . . (6) Presently barren lakes will be left unplanted."

The Wilderness Act states: "Nothing in this Act shall be construed as affecting the jurisdiction or responsibilities of the several States with respect to fish and wildlife in the national forests."

In streams, such as some in the Bob Marshall where I have caught only native cutthroat, the attempt to maintain the pure strain of that fish is laudable, though it is clearly the responsibility of the State of Montana, not the Forest Service. The other rules quoted can only be intended to turn the public against wilderness.

Most of the high mountain lakes in the West had *no* native fish. Formed by glaciers, isolated by waterfalls or near-vertical rapids, these lakes were unreachable by trout that swam in lower-elevation streams. On a backpacking trip through the Sawtooth Mountains of Idaho forty-two years ago, by brother and I visited thirty-six lakes that we considered suitable for trout. There was not a single fish in any of them! Today, many of these same lakes provide good fishing to those who reach them, thanks to stocking.

Several years ago on a trip in the Bridger Wilderness, in Wyoming, I enjoyed excellent fishing for brook, rainbow, and California golden trout, none of which were native. Did catching a 3-pound golden from a timberline lake spoil my wilderness experience? No way!

Of course, had the "purity" dodge been in effect at that time I would have broken a rule every time I tied my horse within 300 feet of a lake. I wouldn't have been allowed to tie him to *any* tree for more than two hours, either.

I can't list all the rules the Forest Service has devised to harass the packers, guides, and outfitters, both on the rivers and in the mountains. But these rules, if upheld, will eventually force some of them out of business and prevent many people from visting the wilderness or lead to others doing so ill-equipped.

I've wondered how the Forest Service can get by with such an arbitrary course. Here is the explanation given by James W. Moorman, former executive director of the Sierra Club Legal Defense Fund, in an address bebore the American Law Institute-American Bar Association Conference on Environmental Law in San Francisco, February 9, 1974:

"Today, the central problem of ligitating environmental causes with the United States Government is that of litigating with a *discretionary* government, a government of men, rather than a government of laws. On questions affecting the environment, our executive branch has assumed for itself a discretion not merited by law, indeed has exalted its discretion *over* the law, which it has relegated to the background role of legitimizing presumptive delegates of discretion to itself. . . .

"How does the executive branch convert statutory mandates that should govern its conduct into loose discretionary licenses? One way is by issuing so-called administrative interpretations in the form of general counsels' opinions, secretarys' opinions, attorney generals' opinions, and the like.

"There is a general rule that when a court is faced with an ambiguous statute, it should give deference to the interpretation of the agency charged with the administration of that statute. The government seems to believe that this rule means that it simply can change the law by issuing an opinion. . . .

"In a nation as large and diverse as ours, the consequences of lawless government are resentment, disillusion, bitterness, suspicion, and division."

That is precisely what the anti-wilderness Forest Service, in line with Ford Administration policy, is seeking to accomplish.

OPPOSITION TO S. 692—NATURAL GAS REGULATION

Mr. BROCK. Mr. President, natural gas accounts for one-third of this country's energy supply. In the coming winter, we will be faced with shortages of this essential fuel. In years to come, these shortages may get worse unless we adopt a sound new policy toward natural gas.

Regrettably, the legislation coming before us, S. 692, would adopt no such new policy. Instead, it further expands and complicates the already burdensome over-regulation of natural gas. It is regulation which has helped create the current shortages. Can we look to even more regulation to solve the problem? I believe that is precisely the wrong answer.

Yet this bill proposes to do just that. It expands, for the first time, Federal Power Commission regulation to include gas sold within States as well as between States. It would set up extremely complicated allocation procedures which might have the effect of causing even more dislocation. It would mandate interconnection of pipelines, possibly to the detriment of small users. It would create perpetual regulation of offshore gas and thus deter aggressive exploration. It would set up a pricing system of such complexity that it boggles the mind. Is this the new energy policy we have been searching for?

This bill would, in short, perpetuate and enlarge upon the mistakes of the past. It would lead to further instability of supply, price discrimination, and Government control over the marketplace. It would increase the cost to some consumers without insuring a stable supply to all consumers.

Gov. Ray Blanton, of Tennessee, has written to me, expressing his sentiments. Quoting briefly from this letter, the Governor says:

> . . . (the) natural gas deregulation bill establishes a multi-tiered pricing structure which may hinder rather than promote needed exploration . . . I feel that this bill is not in the best interests of Tennessee, and urge you not to support it. Rather I would urge us to work to see the passage of a phased deregulation of natural gas.

As the Governor correctly points out, it is deregulation which will provide the ultimate answer. The longer we delay this necessary step, the greater will be the shortages and dislocations we will inevitably face. The heavy hand of Government regulation is simply not the answer.

It is for this reason that I oppose this bill and am cosponsoring an amendment in the nature of a substitute to bring about timely deregulation of natural gas.

THE 40TH YEAR OF SOCIAL SECURITY IN AMERICA

Mr. WILLIAMS. Mr. President, on August 14, 1935, President Franklin Roosevelt signed into law the landmark Social Security Act.

He said the law "represents a cornerstone in a structure which is being built, but is by no means complete."

The original program covered less than 60 percent of the labor force. Since then, the Congress has enacted legislation to extend coverage to agricultural and domestic workers, self-employed persons, members of the Armed Forces, employees of nonprofit organizations, and State and local government workers. Today 9 out 10 workers are covered by social security.

The 40th anniversary provides an excellent opportunity to assess what changes have been made in social security, as well as to chart the future course for the program.

The annual Institute of Gerontology Conference at the University of Michigan, which was held last month, provided a forum for this undertaking.

Several noteworthy presentations were made. One was a paper prepared by Robert Ball, a former Commissioner of Social Security and now a senior scholar at the Institute of Medicine at the National Academy of Sciences.

I commend his analysis—entitled "The 40th Year of Social Security in America"—to my colleagues, and I ask unanimous consent that it be printed in the RECORD.

In addition, Dorothy McCamman, a consultant on the economics of aging for the National Council of Senior Citizens and the Senate Committee on Aging, made several perceptive comments in assessing Robert Ball's recommentations.

Mr. President, I also ask unanimous consent that Miss McCamman's comments on Robert Ball's paper be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE 40TH YEAR OF SOCIAL SECURITY IN AMERICA

(By Robert M. Ball)

Today we celebrate the 40th anniversary of the signing of the Social Security Act by Franklin Delano Roosevelt. Franklin Roosevelt brought to fruition many of his hopes for a better America, but of all the domestic accomplishments of his administration he felt that he wanted most to be remembered for the establishment of the social security system.

I believe he felt this way because he knew in signing the Social Security Act that he was creating more than a new program, more than a government agency with important immediate responsibilities. He knew he was creating a new institution for America, permanent in basic form and with the capacity to make life more secure and happier for generations yet unborn. We are still building on the strong foundation for social security that was first established over a generation ago.

The institution of social security has served America well—not just older people, but all Americans. Today just about all workers in the United States earn not only wages as they work, but also earn protection against the loss of those wages. Each payday they build up credits under social security toward deferred earnings in the form of retirement protection, disability protection, life insurance, and unemployment benefits.

Thus, the young and middle-aged workers of today have as much to celebrate on the 40th anniversary of the Social Security Act as any person now drawing a retirement benefit. This is true not only because the younger worker has current life insurance protection, frequently with a face value of well over $100,000, and current disability protection, and not only because social security and Medicare help relieve the current worker of the expense of caring for parents and other older relatives, but most importantly because social security provides the way for him to build retirement protection and health insurance protection for the time when he too reaches retirement age.

We must not allow opponents of social security to separate the generations—to pit the contributing worker against the retired worker drawing benefits. Income security after retirement is not a matter of one group—those of working age—helping another group—the retired. It is a matter of everyone planning for a continuing income during the latter years of life. Retirement income is a universal need. We are all headed in the same direction; no one stays young.

Social security has been greatly improved in recent years—benefit levels have been approximately doubled since 1967—and now contains automatic provisions to keep the benefits up to date with wages and prices. Yet, since social security benefits are inadequate for so many people now receiving them, and since for so long the amounts payable have been low, the public generally has not caught up with the fact that social security for those who retire in the future is now a much more nearly adequate program.

Let me illustrate this by giving you a few figures for workers retiring last month at age 65. The worker who has regularly been earning the federal minimum wage will get $198.70 a month, $298.10 for a man and wife. These amounts as a percentage of earnings in the year before retirement are 61.5 percent for the worker alone, and 92.3 percent for the couple. The worker who has been earning the median wage for male workers will get $288.50 a month, $432.80 for the couple, or 45.1 percent of earnings in the year before retirement for the worker alone and 67.6 percent for the man and wife. For those earning the maximum wages counted under the program, the comparable figures are $342.00 for the worker alone, $513.00 for the couple, and the percentage of the maximum earnings counted for social security in the year before retirement are 31.1 percent, and 46.6 percent respectively. For workers who start drawing benefits at age 62 because of early retirement, the amounts would be 20 percent less.

The benefits payable to the couples and the percentage of past earnings these benefits represent seem to me reasonably satisfactory. I do believe, as I shall argue later, that the amounts payable to the worker alone and to widows should be increased, but, in general, across-the-board increases in the amount of benefits payable to everyone who retires in the future do not seem to me to have a continuing high priority. I believe, instead, that we need changes in the program to improve protection for selected groups, to improve equity, strengthen financing, and improve the automatic provisions that affect everyone.

I recommend the following high priority changes in social security and related programs:

1. The automatic cost of living increases should take place every six months instead of once a year.

When the automatic provisions were introduced in 1972, it was assumed that the annual rate of inflation would be in the range of 2 percent, 3 percent, or 4 percent, and once a year seemed often enough. We have learned that a full year is too long to wait when the rate of inflation goes higher.

2. The consumers' price index designed specifically for the elderly and for the poor rather than the general consumers' price index should govern the automatic provisions in the social security program and the Supplemental Security Income program.

Since the elderly and the poor have to spend a high proportion of their income on food and other items that have increased in price more than the average, the general CPI has proven to be an inadequate index to tie benefit increases to.

3. The automatic benefit provisions should be changed so that the relationship of benefits at the time of retirement to wages previously earned is stabilized.

We can design a system which, over the long run does a better job than the present would be to have an automatic system which paid benefits in the future which at the time of retirement were the same proportion of past earnings as benefits are for those retiring today. This means that benefit protection for contributors would be kept up to date with the level of living in the community generally. Once on the rolls, the purchasing power of the benefit would be guaranteed as under present law. In the event that the country later wished to provide benefits that were a greater proportion of past wages than is being paid to those retiring now, this could be done by new legislation.

The problem with the present automatic provision is that benefit protection may rise under certain circumstances less than wages rise, or under other circumstances more than wages rise, depending on the happenstance of how wages and prices move.

This should be changed so as to give contributors the security of knowing what proportion of their earnings will be replaced by the social security benefit.

This change would also make the relationship of benefit amounts (the outgo of the system) to wages (which determine the income of the system) more predictable and eliminate the basis for the wild scare stories now being circulated about the long-range financing deficit in social security. It isn't generally realized that a large part of the deficit predicted for social security some 50 years or so from now is based on the notion that under the automatic provisions benefits would be allowed to rise much faster than wages, and for a high proportion of workers retiring 50 years from now would be allowed to exceed the highest wages they had ever earned. This, of course, would not in fact be allowed to happen. Such a result would be completely contrary to the purpose of the automatic provision, and Congress would make a change in the law well before any such situation developed. But it is true that under certain wage and price assumptions such a result could theoretically obtain under present law. The fact that, in the long run, this can theoretically happen is being used to scare people about the soundness of the whole social security system.

This fact is another good reason to change the social security benefit formula so that the amount of protection is automatically tied to future wage levels rather than to a combination of prices and wages as at present, but the main reason to make the change is that it would improve the social security system. There is every reason to have benefit protection follow the level of living of the country generally as reflected in changes in wage levels and to embody this feature in the automatic provisions of the law.

4. The maximum amount of earnings counted for social security benefits and on which contributions are paid should be increased to $24,000 in 1977, and, as in present law, the maximum should be kept up to date with increases in average covered earnings.

When wages were first credited to social security accounts, the full wages of 97 percent of the workers under the program were covered. Today, only 85 percent of the workers have their full wages counted. Raising the maximum to $24,000 would go a long way toward restoring the original purpose of excluding the full wages of only the very highest paid.

With additional wages credited for social security purposes, those paying more would get more. For example, a worker age 55 in 1977 and retiring at 65 would get a benefit about $100 a month higher than he would receive under present law. A worker 60 in 1977 would get about $50 a month more.

In addition, this change would make the financing of the program more progressive and because of the matching employer's contribution would strengthen the financing of the system.

5. With these two changes—(1) tying automatic increases in benefit protection directly to increases in average wages rather than to both prices and wages as at present; and (2) increasing the maximum earnings base to $24,000 in 1977—social security can be fully financed over the next 35 to 40 years without increasing contribution rates over those in present law and without the addition of financing from any other source.

With the benefit and contribution base raised to $24,000 in 1977, the contribution schedule in present law would substantially over-finance the Medicare hospital insurance program for many years into the future. It would be possible, then, without weakening a sound financing plan for Medicare, to shift to the cash benefit program the small increase in the Medicare contribution rate which is now scheduled to occur in 1978. This scheduled increase is 0.2 percent of payroll for employees, and a like amount for employers.

In addition, the increase in the contribution rate of 1 percent now scheduled for the year 2011 should be made effective at the point between 1985 and 1990 when the Fund would otherwise start to decline. The social security system would then be fully financed for the next 35 to 40 years and this would have been accomplished without any increase in contribution rates over those now scheduled.

If it turns out that these changes are insufficient to fully support the program on a self-financed basis after, say, 2015, I would favor the gradual introduction of a government contribution. But there is no hurry about this decision. It may well be best to save the idea of a government contribution for the purpose of partly financing national health insurance. The need for such a government contribution in the cash benefit program rests on highly speculative assumptions about what will occur many, many years into the future—assumptions about fertility rates, mortality rates, labor force participation rates by older people and women, and about the productivity increases we may expect.

6. It may be desirable through a permanent change in the income tax law to partly subsidize social security contributions for low-income workers.

Social security grew out of the efforts of people to help themselves. It is based on a long tradition of self help and income-insurance programs from the time of the medieval guilds in Europe and Great Britain. It seems to me that proposals to finance social security entirely from general revenues or through some sort of income tax surcharge which would completely exempt low-wage earners are misguided and based upon a failure to understand the nature of the program.

If the financing principles of social security were to be changed so that large numbers of people are paid benefits without contributing, while large numbers of other people are charged much more than they would have to pay for obtaining the protection elsewhere, fundamental changes in the benefit side of the program are almost bound to follow. Without a tie between benefit rights and previous contributions, questions would undoubtedly arise about the basis for paying benefits to those who can support themselves without the benefits.

If financing were related to ability to pay, it is very likely that benefits, in time, would be related to need. Thus as a result of a change in financing, we could find that social security had been turned into a welfare or negative income tax program designed to help only the very poor, and that it no longer was a self-help program serving as a base for all Americans to use in building family security. The security of future benefit payments is greatly reinforced by the concept of a dedicated social security tax or contribution paid by the people who will benefit under the system. The moral obligation of the government to honor future social security claims is made much stronger by the fact that the covered workers and their families who will benefit from the program made a specific sacrifice in anticipation of social security benefits in that they and their employers contributed to the cost of the social security system and thus they have a right to expect a return in the way of social security protection.

This is true in social security, railroad retirement, civil service retirement, and state and local retirement systems, even though there is not ordinarily in any of these programs—nor for that matter in private group insurance or private pension plans—an exact relationship between the amount of protection provided and the contributions made by the individual. Very importantly, the contributory nature of the system helps to make clear that it would be unfair to introduce eligibility conditions into the program, such as an income or needs test, that would deny benefits to people who have paid toward their protection.

It does not follow from this line of reasoning, however, that workers need to bear all of the costs of social security directly. The benefit principle of taxation requires that their right rest on a clearly earmarked, specific contribution related in part to the amount of protection received, but it seems to me that it is not at all necessary they pay the entire cost.

There is a real dilemma, for example, as far as the low-wage earner is concerned. He may in fact be getting a "bargain" for his social security contributions—as he does—in terms of long-range retirement, disability, and survivorship protection, but nevertheless questions can be raised about a social policy that forces him to substantially reduce an already low level of current living in order to secure this protection. A possible solution to this dilemma would be to make the earnings credit in the 1975 tax bill permanent and to broaden the credit to include low-income workers without children. Under this proposal, low-income people would get either an income tax credit, or if they do not have to pay an income tax they would get a positive payment offsetting a considerable part of what they are required to pay for social security. Yet the provision does not change the social security system. It is a subsidy to low-income workers through the income tax.

7. Social security benefits for single workers and for widows should be increased.

Among social security beneficiaries, the worst off are the non-married—the retired workers or elderly widows living alone or with non-relatives. Married aged beneficiaries generally have more income between them than singles do and are able to live more economically because many of their expenses are not much bigger for two than for one. Two million of the elderly people who live by themselves or with unrelated individuals (having only their own incomes to live on) have income below the poverty line. This is 1 in 3, compared with only 1 in 11 of the elderly persons living in families. In 1973 (and it can be expected that the proportion would be about the same today) 1 in every 2 of the elderly people who are non-married and not living with a relative were either poor or had incomes within 25 percent of the poverty line. And some of the poorest of the poor, in terms of their own income, do not show up in the poverty statistics of the government because they live with their children and the government uses the total income of the household to measure poverty.

Because women live much longer than men (an average of 17.2 years after age 65 as compared to 13.1) many more women than men are in the group of non-married persons. Twenty-three percent of women in the elderly non-institutional population were in this situation in 1973, but only 7 percent of the men. Of the 3.4 million poor, 60 percent were living alone or with non-relatives, but of this 60 percent only 12 percent were men and 48 percent were women. Of the "near poor," 50 percent were living alone or with non-relatives, but of the 50 percent, only 9 percent were men and 41 percent were women.

If social security is to do a better job in contributing to income security in the later years, improvements need to be made in benefit levels for the single retired worker and for widows. Under present law, a couple whose benefits are based on the wage record of just one worker receives one and a half times the retirement benefit of that worker. A ratio of one and a half times the worker's benefit over-compensates for the living cost of two people as compared with the single worker. A fairer rate for the spouse's benefit would be one-third rather than one-half. I would propose that the combined benefit for couples, when benefits are based on a single wage record remain at today's level, but that the spouse's benefit be reduced to one-third of the retirement benefit and the worker's benefit be increased by 14 percent. This change would benefit the poor and the "near poor" and would also significantly improve the equity of the program by relating benefits more closely to contributions, particularly improving the relative position of married couples when both individuals work as compared with couples where only one person works.

This change would also increase benefits for elderly widows since the *rate* for widows' benefits is equal to the retirement benefit rate.

This proposal is expensive, may be necessary to accomplish the improvement gradually.

8. The age 62 computation point for men should be made retroactive.

The 1972 amendments to the Social Security Act provided, in effect, that men born after 1913 would have their benefits and the benefits of their dependents and survivors computed on the more liberal basis which in the past applied only to women. However, the provision was not applied retroactively. It should be. This change would increase benefits for some 11 million retired men, wives, widows, and children now receiving social security benefits. While increasing benefit outgo immediately, it would have little effect on long-run costs since the liberalization applies only to benefits based on the wage records of men now 62 or older.

9. Several changes should be made in the disability insurance program.

The definition of disability for older workers should be liberalized, the waiting period in the disability program should be reduced to 3 months, and disabled widows should receive full-rate benefits regardless of age.

10. There needs to be early improvement in our national health insurance system for the elderly and the disabled (Medicare).

It could be quite awhile before the United States has a comprehensive national health insurance program in operation. The earliest conceivable, but unlikely, timetable for a general program would be final passage late next year with implementation in 1978 or 1979. It is likely to be considerably longer. The elderly and disabled should not be asked to wait until a comprehensive program can actually be operating before we take the necessary steps to improve Medicare. In my judgment, improvement of our national health insurance plan for the elderly and the disabled, designed to make it more like what a good comprehensive national health insurance plan should be—setting it up as a model, as it were—would help achieve a good plan for the whole population. Here is what I think is desirable.

Medicare has done a great deal to meet the costs of illness in old age. Hospital costs for the elderly are now largely taken care of. The major benefit improvement needed in hospital insurance under Medicare is to cover without coinsurance the few cases where really long hospital stays are required. There are not many cases that require hospitalization of more than 60 days—the limit today that is paid for without coinsurance—but the few cases there are should be protected and without the patient having to pay part of the cost.

Protection against the cost of physician care covered under the Supplementary Medical Insurance part of Medicare is much less satisfactory. The retired person has to pay a monthly premium for this protection; there is a $60 annual deductible before any bills are paid by the plan and there is 20 percent coinsurance. Actually, the individual may be called upon to pay much more than 20 percent because a physician who wants to take a chance on collecting his own bills rather than being reimbursed directly by Medicare is allowed to charge the patient more than the fee on which Medicare reimbursement is based. Under these circumstances the plan pays the patient, not the doctor, but the physician can bill the patient any amount he pleases. Thus, many elderly people under Medicare are now paying, not 20 percent of their physician's bills after a deductible, but 30 or 40 percent.

This procedure should be changed so that Medicare, like Blue Shield, would have participating and non-participating physicians. Participating physicians would be guaranteed full payment of the "reasonable charge," and the plan would collect any deductibles and coinsurance from the patient. In return, a participating physician would agree to abide by the reasonable charge determination in all cases.

Participating would be on an all or nothing basis. Those physicians who remained outside the plan would not be allowed, as they are today, to take bill assignments from some patients and get the advantage of direct payment from the government when bills are large or when the patients have low incomes, and in other situations bill patients directly and charge more than the Medicare "reasonable charge." If they remained outside the plan they would have to collect their bills in all cases.

The Social Security Administration would publicize which physicians were participating, and which were not, so that a patient could depend on the fact that by going to a participating physician he would have to pay only 20 percent of the bill. If he went to a non-participating physician he would know ahead of time that he might have to pay the physician more than 20 percent of the charge.

I would also propose that the Supplementary Medical Insurance program be combined with hospital insurance and that the combined protection be financed partly by a contribution paid by the worker and his employers throughout his working career and partly by a government contribution. Thus the worker would have paid-up protection for physician coverage on retirement just as he does now for hospital coverage. This proposal was endorsed by the 1971 Advisory Council on Social Security.

Medicare needs to be broadened to cover additional health costs. Prescription drugs, for example, are now covered only while an individual is in a hospital or receiving covered care in a nursing home. For many elderly people with chronic illnesses the regular drug bill—$20 or $30 month after month—may be a very serious drain on income. The cost of prescription drugs for at least chronic illness should be covered now.

Perhaps the most unsatisfactory part of Medicare has been the very limited coverage that it provides for skilled nursing home care. It would be a big improvement if a period of care in a skilled nursing home—perhaps up to 30 days without co-payment—were available after hospitalization, even if such short-term care did not clearly require the supervision of a registered nurse. Payment for longer stays—up to the 100 days now allowed—could be based on the stricter criteria now in effect. Such a change would encourage early transfer from a hospital to a skilled nursing home and the conditions of payment would be more understandable than at present.

11. We need greatly improved services for the very old and the elderly who are chronically ill, including more and better residential homes, nursing homes, and services that help elderly people maintain their own homes if they wish.

Whether an elderly person has an adequate income depends, of course, not only on the amount of that income but on the presence or absence of special needs. Can he or she live alone? Is he ill? Can he look after himself? It is estimated that about 14 percent of those over 65 have such limitations that they require more or less constant help from others.

It is the very old and the chronically ill who are the worst off among the elderly. And the very old are increasing more rapidly than the younger aged. Between 1950 and 1970 the number of persons 65 to 75 years increased by 50 percent, but the number of persons 75 or older virtually doubled, going from 3.8 million in 1950 to 7.6 million in 1970. For the very old, sooner or later, social security and even substantial supplementary retirement income may not be enough. And in the United States we have not done a very good job on this part of the problem of aging. We will need to greatly increase direct social provision to help elderly people maintain their own private living arrangements as long as they can, and want to, and also to provide more and better residential homes and long-term nursing homes.

12. The Federal Government should take responsibility for seeing that all persons 65 or over have the right to a level of living equal at least to the poverty level as defined by the Federal Government.

In 1973 there were 3.4 million persons 65 or older—16 percent of the 20.6 million living outside institutions—who were below the official federal poverty line. And the poverty level as defined by the Federal Government is rock-bottom, grinding poverty. At 1973 prices, the level for a non-farm, aged individual, living alone, was $2,130, and for an elderly couple $2,688. This standard, brought up to date for current prices, would be $2,630 for the single individual and $3,320 for the couple.

In spite of increases in the level of social security payments and the establishment of the federal program of Supplemental Security Income for the needy aged, blind, and disabled, it is likely that if we had an up-to-date count of the elderly poor they would still make up 16 percent or more of the total elderly population. Rapid inflation has wiped out a large part of the gains that would otherwise have resulted from program improvements.

However, the Federal Government through Supplemental Security Income now has the mechanism which would make it a simple matter to raise the one-sixth of the elderly population now below poverty to at least this level. State supplementation would still be required where living costs were above average or where a state wished to guarantee a level of living above this bare-bones standard, but the Federal Government would, at least, have set a benefit level equal to its own minimum standard.

The improved standard should apply, of course, not just to the elderly but to the needy disabled and the needy blind. The total cost of this change in the near term would be in the range of $3 to $3.5 billion a year. The cost would fall entirely on the federal budget. Over time, very gradually, the proportion of elderly persons eligible for Supplemental Security Income under the improved standards should decline since newly eligible social security beneficiaries will receive higher benefits than current recipients.

13. The special character of social security as a contributing retirement and group insurance plan should be recognized by separating social security financial transactions from the operation of the general budget of the United States.

Until the 1969 budget, social security was treated entirely separate from the general budget except, of course, for purposes of economic analysis. Such separation emphasizes the long-term commitments of social security to the contributor and the obligations of the Social Security Administration as an insurance organization.

14. Social Security should be re-established as an independent Board with bipartisan representation and free from political supervision of its operations.

Social Security was operated by an independent bi-partisan Board throughout its early history. The case for such independence—given the scope of the program and the size of the operation—is even stronger today. Such independence from any departmental political bureaucracy would promote efficiency and add to public confidence in the system.

CONCLUSION

On the fortieth anniversary of the signing of the Social Security Act, the social security program is under more concentrated attack than at any time since it was first established. Although much of the criticism is unfair and wide of the mark, some of it is justified. We *can* make social security a better program.

There is no need for supporters of the program to be defensive. Social security is our most successful program of social reform in at least the last fifty years. Its principles are sound. And the protection provided by social security can and should be made even better. We should be working particularly for changes that improve the equity and financial stability of the program. This is the best possible response to the attacks now being made on social security. Let's celebrate the fortieth anniversary by once again beginning the process of program improvement.

Some Comments on Robert M. Ball's Paper "The 40th Year of Social Security in America"

(By Dorothy McCamman)

We are all greatly indebted to Bob Ball for his thoughtful and stimulating analysis of where we now are in this "Fortieth Year of Social Security" and the next steps to be taken as we look toward the year 2001.

In reacting to his excellent presentation, I am not representing either the Senate Committee on Aging or the National Council of Senior Citizens. As their consultant, I give them my personal views and they listen—just as you are now being forced to listen—but that doesn't mean that they—or you—are necessarily in agreement. I speak to you instead from my wholehearted dedication to Social Security after a quarter of a century of work as an employee of that program and another dozen years thereafter in other work that provided an opportunity to further that dedication.

Not surprisingly then, I wholeheartedly endorse Bob Ball's comprehensive recommendations for the high priority changes needed in social security and related programs. We share a common dedication to the programs. My comments are therefore in the nature of underlining or expansion on certain points rather than of disagreement. And I will touch on only three of his many recommendations: Use of general revenues, an increase in benefits for single workers and widows, and an independent Social Security Board.

USE OF GENERAL REVENUES

In his prepared paper, Mr. Ball concludes his recommendations for changes in the financing of social security—recommendations with which I am in complete agreement—with the following:

"If it turns out that these changes are insufficient to fully support the program on a self-financed basis after, say, 2015, I would favor the gradual introduction of a government contribution. But there is no hurry about this decision. It may well be best to save the idea of a government contribution for the purpose of partly financing national health insurance. The need for such a government contribution in cash benefit programs rests on highly speculative assumptions about what will occur many, many years into the future—assumptions about fertility rates, mortality rates, labor force participation rates by older people and women, and about the productivity increases we may expect."

Personaly, I do not view the use of general revenues as a matter of "either/or," that is, either health benefits *or* cash benefits. I believe general revenues have a legitimate role to play in fiancing both types of benefits and I do not see why we have to postpone until far into the future acceptance of the principle of tripartite financing of cash benefits.

The experts who designed our Social Security program four decades ago foresaw the eventual need for a government contribution, a contribution that can be justified by the mere fact that many who qualified for benefits on the basis of very little contributory coverage would otherwise have been on relief.

Here, any disagreement Bob and I have is probably on timing, rather than principle. I would guess that our goal is the same: a Social Security system covering both cash benefits and health insurance, financed partly by employer contributions, partly by employee contribution and partly by contributions from the government in recognition of society's stake in a well-functioning social insurance progam. Hopefully, this goal is not too many years away.

Regardless of the timing of tripartite financing of a predetermined and measurable share of social security costs, I would suggest an immediate step to reinforce public confidence in the system—confidence that has been badly shaken by the recent wild scare stories about the financial soundness of the system in the period immediately ahead as well as far into the future. I suggest that the Congress restore to the Social Security Act the provision for general revenue financing that existed from 1944–50 as follows:

"There is also authorized to be appropriated to the Trust Fund such additional sums as may be required to finance the benefits and payments provided for in this Title."

INCREASED BENEFITS FOR SINGLE WORKERS AND WIDOWS

I wholeheartedly endorse Mr. Ball's proposal for improving benefit levels for the single retired worker and for widows. I wish only to underline the importance of this recommendation as one possibility for improving the relative position of married couples when both individuals work, as compared with couples where only one person works.

The question of the treatment of the "working wife" under social security has long awaited a satisfactory answer. I am sure we will be considering this problem in greater detail later this morning when we hear Tish Sommers discuss questions of equity.

The Senate Committee on Aging is now struggling with this and other questions of inadequacies or outright inequities in social security's treatment of women. On July 16, Senator Frank Church, Chairman of the Committee, announced the establishment of a Task Force on Women and Social Security, an essential part of the Committee's continuing inquiry into Future Directions in Social Security.

This Task Force, which I am privileged to chair, is now preparing a working paper that will be discussed at a Committee hearing this autumn. Our Task Force has already been faced with ample evidence of the urgency of an assessment of the responsiveness of social security to the changing role of women in our society and our work force. The long-range financial integrity of the system leans heavily on the increased labor force participation of women in the years ahead when they will have fewer children to raise. It is essential then that Social Security more adequately meet their retirement needs.

AN INDEPENDENT SOCIAL SECURITY BOARD

I turn now to Mr. Ball's last recommendation that "Social Security should be re-established as an independent Board with bipartisan representation and free from political supervision of its operations." I will point out here that Senator Church's bill (S. 388), to achieve this end, has already earned the support of dozens of cosponsors.

I am sure that Mr. Ball would agree that an important specific charge to this Board should be to develop and carry out an aggressive informational program. Social Security constituents—and every man, woman and child in the United States can be said to be a constituent—have a right to be informed about this, *their* program.

Under the old Social Security Board, this "right to know" was respected. For example, a special section on labor information maintained a continuing flow of material to editors of labor newspapers, staffed booths at conventions, prepared brief and understandable pamphlets—mainly cartoons, and issued monthly bulletins for use at union meetings.

It seems to me that such informational activities should have been continued and intensified over the years as the program grew and became more complex. Instead, these activities have been greatly curtailed.

Increasingly, one has the feeling that the Department of Health, Education, and Welfare prefers that people do *not* know about their rights under the programs it administers. Perhaps, in the discussion period that follows, Mr. Ball can tell us of his efforts as Commissioner of Social Security to "reach-out" to people potentially eligible under the new program of Supplemental Security Income—efforts that were effectively forestalled at the Departmental level.

With an aggressive informational program, Social Security constituents would be knowledgeable about their rights and responsibilities under the program. Hopefully they would no longer feel the need to purchase commercial publications which imply that one doesn't get full value from Social Security unless he knows the secrets the publication reveals.

For illustration, I use a full-page ad in a recent magazine section of my Sunday paper, headed "How to collect from Social Security at any age!" This ad invited me to send $3.00 in order to find out how much money I had invested in Social Security "right to the penny" and how to get the most for that investment.

Among the secrets to be revealed in return for my $3.00 were these:

"How ten million people who are only 30 years old, on the average, collect Social Security."

"Should you have two Social Security cards?"

"How to cash in on Social Security even if you've never paid a penny into it."

"How to get a refund if you have overpaid your Social Security taxes.

(Studies show that two out of three people overpay.)"—I can't imagine what studies could possibly conclude that more than a small fraction—those who **worked for more** than one employer during the year and had total earnings exceeding the maximum wage base—would "overpay", but I doubt that the book would enlighten me.

And here is the one which almost persuaded me to part with $3.00:

"Should you tattoo your Social Security number on your body?"

Perhaps Mr. Ball can answer that one for us.

Such profit-making publications exploit Social Security constituents but they can flourish only if there is a void to be filled. To fill this void, we need an independent Board charged with a truly aggressive informational program and committed to making the Social Security program meaningful to the people it serves.

Biographical Data—Dorothy McCamman

Miss Dorothy McCamman, consultant to the National Council of Senior Citizens, is also Consultant on Economics of Aging to the U.S. Senate Special Committee on Aging. In 1961–62, she was a Professional Staff Member of that Committee and its expert on Social Security.

She has had nearly twenty years of experience with the Social Security Administration, having served as Assistant Director of Program Research in 1956–59.

For the 1961 White House Conference on Aging, she was Technical Director of the Sections on Income Maintenance, including Financing of Health Costs, and on Impact of Inflation on Retired Citizens.

For the 1971 White House Conference on Aging, she served as presiding Chairman of the Section on Employment and Retirement, as well as on the National Organizations' Task Force on Health, on the planning committee for the Special Concerns session on Long Term Care, and as a member of the Post-White House Conference Board.

During the period 1962–68, Miss McCamman was a Consultant to the National Council on the Aging, Group Health Association of America, and Brandeis University's Graduate School of Advanced Studies in Social Welfare, working in the areas of retirement income, employment of older workers, community organization and financing of health costs.

She has a BA in Economics from the University of California at Berkeley and is a graduate of that School of Social Work.

ADMINISTRATION CONTINUES BLATANT USE OF IMPOUNDMENT

Mr. HUMPHREY. Mr. President, on September 10, we voted by the overwhelming margin of 88 to 12 to override the President's veto of the education appropriation bill. On the previous day the House, voting 379 to 41, also resoundingly rejected the veto. At the time of our override, I stated that, while it is the President's responsibility to recommend budget levels to the Congress, it is our responsibility to decide what those levels shall be.

We have done that. On two occasions—on the initial votes to pass the education appropriation bill, and then on the override—Congress has stated unmistakably its intention with regard to education. There can be no doubt about our commitment.

But, Mr. President, I am concerned that this clear statement of congressional priorities may be undermined by Executive actions. For the past 12 months, the administration has been improperly using the Impoundment Control Act of 1974 to withhold funds that Congress has added to the President's budget. Nothing in the history of that act suggests that Congress delegated to executive officials the authority to set aside congressional add-ons and return them to Congress in the form of deferrals or proposed rescissions. Yet that has been the record of the past year.

I raise the issue today in hope of averting the impoundment of educational add-on funds. We voted on this issue first in the form of an appropriation bill. We passed it again in the form of an override. Let us not face it a third time in the form of a deferral or rescission. That would be a corruption of the Impoundment Control Act. It would invite a head-on collision once again—which we do not need—between the executive and legislative branches. I urge the administration to respect the will of Congress. To do otherwise may very well trigger a counterreaction from Congress. It may lead to greater rigidity to impoundment control procedures.

The Constitution, supported by statutory provisions, makes it very clear that Congress will decide the level of funding. Although the President is free to recommend budgetary requests, Congress has the final say. The President prepares his budget in accordance with the provisions of the Budget and Accounting Act of 1921. The legislative history demonstrates convincingly that Congress reserved for itself the right to revise Presidential requests—up or down—in any way that Congress decides. On no occasion did Congress relinquish its authority or prerogative to detremine budgetary priorities. To pretend otherwise would make a mockery of the Budget Reform Act of 1974.

This historical record of congressional control is provided in an interesting paper presented this year to the American Political Science Association. The author of the paper, Louis Fisher of the Congressional Research Service, shows that Congress gave consideration to the idea of letting the President's budget serve as a ceiling. Congress would be allowed to cut but not add. That idea was rejected, unequivocally. We have an executive budget only in the sense that the President initiates the budget. From that point on it is a legislative budget, for we decide—here in Congress—what the actual funding levels shall be.

I trust that the President will recognize the preeminence of Congress in appropriation matters. Twice now we have voted, and confirmed, the intention of Congress with regard to education programs for fiscal 1976. We do not want to be confronted a third time on some sort of deferral or rescission proposal. I firmly believe that if the administration wants to press this strategy, it will backfire. To impound congressional add-ons, convenient though it may be for executive officials, is simply too intolerable and demeaning to Congress.

Mr. President, I ask unanimous consent that the paper by Dr. Fisher be printed in the Record.

There being no objection, the paper was ordered to be printed in the Record, as follows:

Presidential Budget-Making—Laws, Customs, Trends

By Louis Fisher

The Budget and Accounting Act of 1921 rested on two fundamental supports: Presidential responsibility for the submission of agency estimates; full congressional authority to revise them. The Act, supported by its legislative history, contemplated a process whereby the two branches would work in tandem, each assigned specific and distinct duties. The essence of a budget system required that "responsibility will rest upon the administrative branch for the formulation of this program in the first instance and upon the legislative branch for subjecting it to such revision as in its opinion is deemed desirable."[1]

In recent years, and at an accelerated pace, those lines of responsibility have been blurred. Congress interferes with the formulation of the budget; administrative actions make it difficult for Congress to revise it. These developments have taken place with little understanding on our part, with little comprehension of the specific facts involved or their broader implications. Large questions of policy are evolving without fanfare. We are not at a crossroads, waiting to debate the proper direction. We have already veered down a new path, without the benefit of public debate or deliberation.

The purpose of this essay is to bring these issues into focus, describe our present course, and stimulate some discussion and thought as to whether the direction underway is in the public interest.

I. CONGRESSIONAL REVISION OF ESTIMATES

Although Congress has full authority to alter the budget submitted by the President—either by increasing or decreasing the estimates—the practice of the executive branch has been to treat certain estimates as ceilings. In the event that Congress tries to increase those estimates (congressional "add-ons"), the Administration on many occasions has refused to spend the funds.

That practice was particularly pronounced during the Nixon years, eventually giving rise to the Impoundment Control Act of 1974. Under that statute the President is able to withhold funds for two purposes: to delay the expenditure of funds (deferrals) or not to spend them at all (rescissions). The record of the first year's experience shows that impoundment has been used in large part to discriminate against congressional add-ons. Thus, as a result of President Nixon's claim of constitutional power to impound funds, and now on the basis of President Ford's interpretation and implementation of a statute, Congress has been frustrated in its attempts to add to the President's budget. That was never the intent of the Budget and Accounting Act of 1921.

BUDGET AND ACCOUNTING ACT

The 1921 Act directed the President to transmit estimates of the expenditures and appropriations necessary "in his judgment" for the support of the Federal Government for the ensuing fiscal year.[2] That has been called, very loosely, an "executive budget." The term is slippery, suggesting that Congress delegated substantial powers to the President. But the Act merely provided for executive initiation of the budget, allowing Members of Congress full freedom either in committee or on the floor—to decrease or increase his estimates.

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Entirely different is the type of executive budget advocated prior to 1921. When John J. Fitzgerald, chairman of the House Appropriations Committee, met with the New York Constitutional Convention on May 26, 1915, he expressed support for a budget process that would make it as difficult as possible for legislators to increase the amounts proposed by the President. He suggested that Congress should be prohibited from appropriating any money "unless it had been requested by the head of the department, unless by a two-thirds vote, or unless it was to pay a claim against the government or for its own expenses . . ." [3]

Charles Wallace Collins, whose studies on budget reform influenced members in both Houses, published an article in 1916 which argued for a form of parliamentary government. "Our institutions," he said, "being more nearly akin to those of England, it is to the English budget system that we more naturally look for the purpose of illustration." [4] He noted that Parliament had long ago yielded the initiative in financial legislation to the cabinet. The budget in England was ordinarily ratified as introduced.[5] A national budget system in America would involve, as its prime factor, the relinquishing of the initiative in financial legislation to the executive by the Congress. . . . The President would possess the functions of a Prime Minister in relation to public finance. He would take the responsibility for the preparation of the budget. Complementary to this the Congress would yield its power of amendment by way of increasing any item in the budget, and also its power to introduce any bill making a charge upon the Treasury, without the consent of the executive.[6]

Although the President, in Collins' scenario, was responsible for the budget, the Secretary of the Treasury would become the actual finance minister. He would bear the chief burden, exercise the real authority, and have the "ultimate decision, outside of matters of policy, of all new projects making a charge upon the Treasury, all increases over the previous appropriations, and over the renewal of the existing grants." [7]

Several other changes were part and parcel of this budget system. Members of the Cabinet would be granted a seat in the House and also a voice (but not a vote) in all legislative proceedings involving the budget. The committee system of making appropriations "would cease." Since the budget bill would be recognized as an administrative measure, Congress "would relinquish its power to add any new item, to increase any item, or to consider any measure which would impose a burden upon the Treasury unless such a measure had the sanction of the executive." In other words, Congress "would relinquish the power to consider money bills other than those introduced upon the authority of the President." [8]

Rep. Medill McCormick, strongly influenced by Collins, introduced a number of bills and resolutions in 1918 calling for various budget reforms, including the creation of a House budget committee to replace the Committees on Ways and Means and Appropriations. The 40-member House budget committee would have power to reduce Presidential estimates but not add to them, unless requested by the Secretary of the Treasury upon the authority of the President, or unless the committee could muster a two-thirds majority. Members of the House would not be able to add to the budget bill when it reached the floor, except to restore what the President had originally submitted.[9]

William McAdoo, Wilson's first Secretary of the Treasury, supported a budget system that would prohibit Congress from increasing the President's requests: "let us be honest with ourselves and honest with the American people. A budget which does not cover the initiation or increase of appropriations by Congress will be a semblance of the real thing." [10] When Secretary of the Treasury Carter Glass submitted budget estimates in 1919, he stated his view that the budget, "as thus prepared for the President and on his responsibility, should not, as such, be increased by the Congress. . . ." [11] David Houston, the next Secretary of the Treasury, asked Congress in 1920 not to add to the President's budget estimates unless recommended by the Secretary of the Treasury or approved by a two-thirds vote.[12]

This radical scheme of an executive budget was rejected by Congress. The budget was executive only in the sense that the President was responsible for the estimates submitted. It was legislative in the sense that Congress had full power to increase or reduce his estimates. Increases could be made in committee or on the floor by simply majority vote. The Budget and Accounting Act did not contemplate the relinquishment of any congressional powers. In reporting the bill, the House Select Committee on the Budget explained:

> It will doubtless be claimed by some that this is an Executive budget and that the duty of making appropriations is a legislative rather than Executive prerogative. The plan outlined does provide for an Executive initiation of the budget, but the President's responsibility end when he has prepared the budget and transmitted it to Congress. To that extent, and to that extent alone, does the plan provide for an Executive budget, but the proposed law does not change in the slightest degree the duty of Congress to make the minutest examination of the budget and to adopt the budget only to the extent that it is found to be economical. If the estimates contained in the President's budget are too large, it will be the duty of Congress to reduce them. If in the opinion of Congress the estimates of expenditure are not sufficient, it will be within the power of Congress to increase them. The bill does not in the slightest degree give the Executive any greater power than he now has over the consideration of appropriations by Congress.[13]

IMPLEMENTATION OF THE 1921 ACT

Although Congress professed to retain power to increase or decrease Presidential budget estimates, through a process of self-denial the House Appropriations Committee adopted a stance against increases. As Richard Fenno notes, the Committee established as its 'first strategic premise that it should reduce executive budget requests. Members could assert independence by either raising or lowering the budget estimates sent to them. But they believe that only the latter course brings influence. By keeping resources scarce, they magnify their allocative power." He then quotes former House Appropriations chairman Clarence Cannon:

> It has long been the unwritten rule of the Committee on Appropriations that the budget estimate is to be taken as the maximum and the efficiency of the subcommittee has been judged—and the chairman of each subcommittee has prided himself on—the amount he was able to cut below the budget.[14]

This strategy is reinforced by intercameral contests. House Appropriations often cuts an agency's budget in anticipation that the Senate will restore the funds. Partly this is a belief that Senators, responding to different constituencies, are more profligate. During a celebrated conflict in 1962, when conferees from the Appropriations Committees could not agree on a meeting place, a long-festering antipathy between the two Houses produced caustic comments. Said one Representative:

> . . . in the past 10 years the Senate conferees have been able to retain $22 billion out of the $32 billion in increases which the Senate added to House appropriations—a two-to-one ratio in favor of the body consistently advocating larger appropriations, increased spending and corresponding deficits.[15]

But House cuts also represent an institutional game, intended to make the Senate look irresponsible in money matters even though members of the House prefer the higher levels. In the words of a veteran Senate Republican:

> Over in the House it's a great thing to economize. They cut out a lot of things because they know very well that when the bill comes over here, we will restore the money. I know—I was in the House. I used to vote to cut all these funds and then come over here and ask my Senators to be sure that the money got back in. We get plenty of that around here.[16]

The tradition of having the Senate behave as the "upper body" has changed somewhat in recent years. Beginning in fiscal 1967 the Senate was more critical than the House on defense expenditures. By fiscal 1969 the House was "voting larger appropriations [for defense] than the Senate for most line-items." [17]

After Congress appropriates funds, a further reduction occurs when Presidents withhold funds that have been added to their budgets. Harry Truman, Dwight Eisenhower, and John Kennedy all impounded funds that Congress had added to their defense budgets.[18] Add-ons also affected domestic budgets. In signing an agriculture appropriation bill in 1966, President Johnson stated his displeasure that Congress had added $312.5 million to this budget request." During a period," he said, "when we are making every effort to moderate inflationary pressures, this degree of increase is, I believe, most unwise." Instead of vetoing the bill and losing funds he wanted, he reduced expenditures for certain items "in an attempt to avert expending more in the coming year than provided in the budget." [19]

On an entirely different order, however, were the impoundments carried out by the Nixon Administration. They set a precedent both in terms of magnitude and truculence. The message came across without equivocation that what Congress had added to the President's budget was irresponsible and without merit. In fiscal 1971 the Administration impounded all of the public works funds that Congress had added to the budget. OMB depended on advice from the Corps of Engineers or the Bureau of Reclamation as to which projects had lower priority. Slated for the shelf, according to the definition adopted by the Administration, were "those projects that are not included in the budget—" [20] Rather than treat the budget as a set of recommendations, to be acted upon at the discretion of Congress, OMB decided that "the President's budget should stand and that all of the congressional add-ons be deferred. . . ." [21]

IMPOUNDMENT CONTROL ACT OF 1974

The overwhelming victory of President Nixon in the 1972 election was followed by massive impoundments of agriculture, housing, clean-water, and other funds that Congress had added to his budget.[22] In response, Congress passed an Impoundment Control Act in 1974 to limit the President's power. In allowing the President to propose impoundments—subject to congressional review and action—Congress recognized that many impoundments were legitimate and reasonable. But what motivated the adoption of new statutory controls was an effort to assure "that the practice of reserving funds does not become a vehicle for furthering Administrative policies and priorities at the expense of those decided by Congress." [23]

The same conclusion was handed down by federal courts. Many of the Nixon Administration impoundments had been justified on the ground that the President's budget requested that certain funds be rescinded. In

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three rescission cases involving education funds—veterans cost of education, Indian education, and land-grant colleges—the fact that the President had proposed a rescission was considered an inadequate reason for failing to carry out a program. What deserved implementation was not a President's budget but a public law.[24]

In a decision involving the Office of Economic Opportunity, Judge Jones argued that it was impossible for the Nixon Administration to begin dismembering OEO simply because the President had failed to include funds for the agency in his budget. The President's budget was "nothing more than a proposal to the Congress for the Congress to act upon as it may please." [25] Regarding subsidized housing funds, Judge Richey said it was "not with the discretion of the Executive to refuse to execute laws passed by Congress but with which the Executive presently disagrees." [26] And in another decision, affecting mental health funds, Judge Gesell stated that the President "does not have complete discretion to pick and choose between programs when some are made mandatory by conscious, deliberate congressional action." [27]

Precisely what the Impoundment Control Act intended is impossible to say. It is a hybrid, like many bills, representing bits and pieces of previous House and Senate bills plus some imaginative innovations by conferees. There is enough ambiguity in the Act to allow the Administration ample room for interpretation.

IMPLEMENTATION OF THE 1974 ACT

The 1974 legislation requires special messages from the President whenever he proposes to rescind or defer appropriations. To rescind funds, both Houses of Congress must pass a bill or joint resolution of approval within 45 days of continuous session. In the case of a deferral, it remains in effect unless one House passes a resolution of disapproval.

The first message by President Ford, released September 20, 1974, identified $495 million in proposed rescissions and $19.8 billion in deferrals. Seven of the deferrals involved HEW programs. In each case the Administration wanted to adhere to the President's budget rather than to the higher levels voted by Congress.

For example, the fiscal 1975 budget included no funds for Land Grant Colleges. The House, however, appropriated $9.5 million in the Labor-HEW appropriation bill, and the Senate voted $12.46 million. Yet the Administration deferred all funds "in order to preserve the flexibility of the Congress and the Administration in arriving at a final decision on the future of this program." [28] That was a euphemism, for protection was being extended to the President's budget, not to congressional action.

The same observation applies to four other HEW programs: University Community Services, State Postsecondary Education Commissions, impact aid to "B" children, and Rehabilitation Services. No funds were included in the budget for those programs. The Administration did not contemplate a deferral of funds; it wanted to scale down or terminate the programs. With respect to Public Libraries, the Administration had requested $25 million. Congress authorized in the continuing resolution a level that translated into $11,647,000 per quarter. The Administration nevertheless planned to release only $6,210,000 the first quarter, or approximately one-fourth its budget request. In other words, the Administration continued to grant a superior status to a legislative recommendation (its budget) than to a public law (the level provided in the continuing resolution).

Other special messages continued to carry the same theme: the Ford Administration was using the deferral-rescission procedure to single out congressional add-ons for delay or cancellation. In the case of public works for the Corps of Engineers and the Bureau of Reclamation, the Administration deferred either one-half or the full amount added by Congress.[29] Proposed rescissions for Labor-HEW generally represented a return to the President's budget.[30] The Pentagon attempted to defer or rescind congressional add-ons.[31] Senator Ted Stevens stated that in the Department of Interior "wherever there are congressional add-ons, there are automatic rescissions, just like the automatic impoundments. We have gone through it before. Everything that was added on by the Congress was impounded. Now almost everything that is added by the Congress is recinded. You just have a new mechanism for delay." [32]

This over-all pattern did not have high visibility. Members of Congress acted on individual deferrals and recissions, rarely seeing at a single glance the general strategy pursued by the Administration. For those who did see it, the results were objectionable. In the view of George H. Mahon, chairman of House Appropriations, it was not appropriate for the President to transmit a rescission proposal that "only contains funds which have been enacted into law as a result of the initiative of the Congress. I do not subscribe to the theory that everything the Executive does is correct and right and defensible, and that everything the Congress does by way of providing additional sums or modifying sums is all wrong." [33] Senator Warren Magnuson told an Administration witness: "Maybe we should quit hearings on HEW, just forget about them. There is no use for us to spend days and weeks and months and scores of witnesses in arriving at a conclusion and have the bill signed, and then what we decided is nothing; talk about cooperation with Congress." [34]

The vast majority of proposed rescissions and deferrals were rejected by Congress. Part of the legislative resistance was tied to the condition of the economy. By voting to have impounded funds released and made available for obligation, Members of Congress could take action to stimulate the economy and provide new jobs. Some Members also concluded that the Impoundment Control Act was being used by the Administration to artificially hold down the size of the fiscal 1976 budget, which assumed that Congress would support a "$17 billion reduction" package.[35] So unrealistic was the Administration's assumption that the so-called economy package had all the earmarks of gamesmanship and public relations. Contributing also to the overwhelming rejection of proposed rescissions and deferrals was the bias against congressional add-ons.

Some of the agency heads realized that Congress would not tolerate the notion of automatic deferrals and rescissions for whatever Congress added. Charles Miller, a budget official for HEW, admitted to Senator Stevens that impoundment of add-on money was "the touchiest point, without any question . . ." [36] But there is no evidence as yet that the Administration will abandon the convenient and conventional practice of singling out congressional add-ons for delay or cancellation.

One means of making the issue more visible is to redesign the special messages submitted by the President. If he were required to list the add-on amount next to the proposed rescission or deferral, that would provide an early warning signal to Congress and give the Administration some pause before discriminating so heavily against congressional initiatives.

Other changes in the Impoundment Control Act need consideration. I would not require reports to Congress for routine impoundments, such as placing funds in reserve for contingencies and savings (Antideficiency Act Impoundments) or pursuant to specific statutory authority.[37] As a protection against abuses, Congress could require the General Accounting Office to screen routine impoundments for possible policy content, but I think that is not necessary. Congressional delegation of authority to agency officials should imply some basic level of trust and confidence. Congress should not ask the President and OMB to do a job and then watch every step. It is burdensome not only to OMB but also to agencies, GAO, and the committees of Congress. To the extent that abuses occur, sufficient remedies are available. Parties awaiting funds (States, cities, private organizations) have the machinery and resources to marshall a quick protest. GAO could report the omission to Congress, with the report given the same status as though it had come from the President.[38] Furthermore, the political cost of abusing delegated authority over routine impoundments is too substantial. A few mishaps, requiring the intervention by affected parties and GAO, would prompt Congress to cancel the authority and reinstitute stringent reporting and control requirements.

In return for this delegated authority over routine impoundments, I think OMB will have to abandon its prejudice toward congressional add-ons. The practice is too blatant, too demeaning to Congress, too similar to item-veto authority. Policy impoundments should be reserved for occasions where events subsequent to the passage of an appropriation bill cast doubt on the need to spend the funds. Such events can discredit not only a congressional add-on but also the President's original budget request. Policy impoundments should be far less frequent than they have been under the Ford Administration, and they should be more even-handed, invoked because of events that could not be anticipated, not because Congress wanted something that was not in the budget. This means accepting the primacy of Congress in the appropriations process, of having OMB follow its own language: "The final authority for appropriations rests with the Congress. Its action is based on extended hearings and recommendations by the Appropriations Committees and is taken only after consideration by each body as a whole." [39]

II. PRESIDENTIAL FORMULATION OF ESTIMATES

A central thrust of the 1921 Budget and Accounting Act was the placing of responsibility in the President. As noted by the House Select Committee on the Budget:

> If increased economy and efficiency in the expenditure of funds is to be secured, it is thus imperative that the evils should be attacked at their source. The only way by which this can be done is by placing definite responsibility upon some officer of the Government to receive the requests for funds as originally formulated by bureau and departmental chiefs and subjecting them to that scrutiny, revision, and correlation that has been described. In the National Government there can be no question but that the officer upon whom should be placed this responsibility is the President of the United States.[40]

The Committee anticipated from the President a "carefully thought-out financial and work program," revising agency requests to bring them into "harmony with each other, to eliminate duplication of organization or activities, [and] of making them, as a whole, conform to the needs of the Nation as represented by the condition of the Treasury and prospective revenues." [41] A great deal of the time of congressional committees had been taken up "in exploding the visionary schemes of bureau chiefs for which no administration would be willing to stand responsible." [42]

The 1921 Act made two exceptions to this principle of Presidential responsibility. He was to set forth in his budget all estimates necessary "in his judgment," except the esti-

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mates for the legislative branch and the U.S. Supreme Court. Those estimates were to be included in the budget without revision.[43] Moreover, the Act prohibited agency officials from submitting appropriation requests to Congress, or submitting recommendations as to how the revenue needs should be met "unless at the request of either House of Congress."[44]

This structure of Presidential responsibility has eroded slowly over time, but we appear to be on the verge of a more rapid disintegration. Budgets not subject to executive branch review now include not only the legislative branch and the judiciary but also the Comptroller of the Currency in the Treasury Department, the Federal Deposit Insurance Corporation, the Milk Market Orders Assessment Fund of the Department of Agriculture, the Farm Credit Administration, the International Trade Commission, and the annexed budgets (except for the Export-Import Bank).[45] Additional encroachments have been made with respect to the Postal Service and the Consumer Products Safety Commission, while a number of pending proposals would grant budgetary independence to regulatory commissions and give Congress automatic access to the budget requests that agencies submit to OMB.[46]

Budget Estimates Bypassing the President

Senator Lee Metcalf introduced legislation (S. 448) in 1971 to provide that the appropriation requests of certain regulatory agencies be transmitted directly to Congress. Such estimates and requests for appropriations were to reflect the judgment of the agency concerned and were not to be changed at the direction of any other agency of the executive branch. The agencies named in the bill were the Civil Aeronautics Board, Federal Communications Commission, Federal Maritime Commission, Federal Power Commission, Federal Trade Commission, Interstate Commerce Commission, and Securities and Exchange Commission.

S. 448 was not reported from committee, but during the 93d Congress Senator Metcalf introduced S. 704, a bill to restore the independence of the same seven regulatory commissions. The bill repeated the requirement for submission of budget estimates directly to Congress. But as reported by the Senate Government Operations Committee, on December 10, 1974, the bill was modified to provide that budget requests would be sent concurrently to OMB and to Congress. When the President submitted his budget to Congress, he could alter the commissions' requests if he desired. However, he would have to include—within the budget document—both the commissions' unaltered requests as well as his proposals for their appropriations.[47]

No action was taken by the Senate on the Metcalf bill. He has introduced a new bill during the 94th Congress for concurrent submission of budget estimates of certain regulatory agencies.[48] Senator Philip Hart has sponsored legislation (S. 857, 94th Congress) to require certain regulatory agencies to submit budget estimates directly to Congress without clearance by OMB.[49]

Two other proposals affecting regulatory agencies have already been enacted. The Consumer Products Safety Act of 1972 created an independent regulatory commission, the Consumer Products Safety Commission. The act required the Commission to submit its budget requests simultaneously to OMB and to Congress: "Whenever the Commission submits any budget estimate or request to the President or the Office of Management and Budget, it shall concurrently transmit a copy of that estimate or request to the Congress."[50] In signing the bill, President Nixon described the budget provision as "unfortunate and should not be regarded as precedent for future legislation."[51]

Far more serious, as a departure from the principles of the 1921 Budget and Accounting Act, is the Trade Act of 1974. It provides that the estimated expenditures and proposed appropriations for the U.S. International Trade Commission (formerly the Tariff Commission) shall be included in the President's budget "without revision."[52] Budget-watchers on Capitol Hill, including myself, learned of the provision months after its enactment. President Ford made no mention of the provision when he signed the bill.[53]

Another innovation, tucked away unnoticed in a 1974 statute, sought to give budgetary indepedence to the Postal Service. The main purpose of the legislation was to extend the phase-in of certain postal subsidies. But Section 3 of the statute also devised a new procedure for submitting the appropriations requests of the Postal Service. It required the budget program to include separate statements of the amounts requested by the Postal Service for public service costs (rural delivery) and for foregone revenue (third-class mail). The act provided that the President shall include those amounts, "with his recommendation but without revision, in the budget transmitted to Congress under section 11 of title 31."[54]

President Ford implemented Section 3 of the Postal Service Act by placing its estimates, without revision, in the Appendix to the fiscal 1976 budget. Side-by-side he placed his own recommendations. So far so good. But in the regular budget document he included only his own recommendations, not those of the Postal Service.

OMB officials contended that the budget presentation satisfied the requirements of Section 3, since the "budget" consists of four separate documents, including the Appendix. But the customary meaning of the budget has been restricted to the document with the President's message, his estimates of budget receipts, etc. Moreover, on page 2 of the Budget Appendix for fiscal 1976 the term "Budget" is restricted to the document that "contains the information that most users of the budget would normally need, including the Budget Message of the President." And finally, OMB's argument conflicted with the definition of "budget" in the United States Code (which the 1974 Postal Service Act incorporated by reference). According to 31 U.S.C. 2: "The term 'Budget' means the Budget required by section 11 of this title to be transmitted to Congress." Section 11 states that the President "shall transmit to Congress during the first fifteen days of each regular session, the Budget, which shall set forth his Budget message, summary data and text, and supporting detail." There seems little doubt that Section 3 of the Postal Service Act intended that Postal Service estimates be placed in the President's regular budget, not the Appendix.

That OMB might have hedged a bit is understandable. Section 3 of the Postal Service Act of 1974 raised profound questions regarding the nature of a President's budget. If the budget is to set forth information in such form and detail "as the President may determine" (31 U.S.C. 11), can Congress require him to include unrevised agency estimates? The very essence of a President's budget has been his recommendation, his judgment. While that concept has been damaged in recent decades by the growth of "uncontrollables"—particularly mandatory entitlements—we have yet to acknowledge in any public debate that the concept is invalid and should be replaced.

If it was important in 1921 to vest in the President and the Budget Bureau a responsibility to eliminate duplication of organization or activities, surely with the size and complexity of the budget today that need is even more pressing. Once we begin to bypass the Presidential-OMB machinery, who will take up the slack? The Budget Committees? The Congressional Budget Office? Not as presently constituted, nor is any future adaptation likely. No amount of increase in staff size or computer capability is likely to develop a central legislative capability for coordinating the budget requests of departments, agencies, and commissions.

III. CONCLUSION

For a number of years we have listened to two competing models of the separation doctrine. One is criticized as "static," as an impractical attempt to partition legislative and executive powers. The other is regarded with greater favor because it is "pragmatic," emphasizing such properties as sharing and comity. Neither model is of much use to us here. No doubt it is unrealistic to assign the powers of government to watertight compartments. But equally unsatisfactory is the rather mushy idea of "sharing" or "comity." The text of the Constitution, the debates at the Philadelphia Convention, and decisions by federal courts are not of much help in disposing of the issues raised in this paper.

Still, we are left with an important and unresolved issue of the separation doctrine. Should the executive branch intrude on the ability of Congress to increase appropriations? Should the legislative branch intrude on the President's formulation of budget estimates? **This is not a question solely of** power. Each branch, as the record amply demonstraes, can encroach upon the other. The fundamental issue is less one of power and short-run abilities as it is a question of long-range implications for each branch and national policy.

I think there is merit in the idea of having each branch back off, examine the rights and prerogatives of the other branch, and then do in the best way what it is best equipped to do. Congress should not be in the business of making budgets. The President, after he exhausts his veto power, must recognize that a public law not of his liking is a public law nonetheless. The performance of Gerald Ford is a welcome relief from the confrontation politics of Richard Nixon, but there are limits and limitations to Ford's stress on the "four C's": communication, conciliation, compromise, and cooperation. Compromise on some points is not in the interest of either branch. The time appears ripe to reassess legislative and executive responsibilities and to redefine boundaries. The system is large enough to accommodate the usual conflicts without confrontation, to have a modest amount of overlapping without confusion and loss of accountability. It is something to think about.

FOOTNOTES

[1] H. Rept. No. 14, 67th Cong., 1st Sess. 5 (1921).

[2] 42 Stat. 20, sec. 201(a).

[3] "Budget Systems," *Municipal Research*, No. 62 (June 1915), at 312, 322, 327, 340. See also William Franklin Willoughby, *The Problem of a National Budget* (New York: D. Appleton, 1918), at 146–49.

[4] Charles Wallace Collins, "Constitutional Aspects of a National Budget System," 25 *Yale Law J.* 376 (March 1916).

[5] Id. at 377.

[6] Id at 380.

[7] Id. at 381.

[8] Id. at 382–83.

[9] *Plan for a National Budget System*, H. Doc. No. 1006, 65th Cong., 2d Sess. (1918). This document includes Collins' study entitled "Consolidation and Strengthening of Federal Finance Through the Adoption of a National Budget System."

[10] *Annual Report of the Secretary of the Treasury, 1918–19*, at 121 (from McAdoo's testimony on October 4, 1919, before the House Select Committee on the Budget).

[11] Id. at 117.

[12] David Houston, *Eight Years With Wil-*

son's Cabinet (2 vols., Doubleday, Page & Co., 1926), II, 88.

[13] H. Rept. No. 14, 67th Cong., 1st Sess. 6–7 (1921).

[14] Richard F. Fenno, Jr., *Congressmen in Committees* (Boston: Little, Brown, 1973), at 48. Emphasis in original. See also Richard F. Fenno, Jr., *The Power of the Purse* (Boston: Little, Brown, 1966), at 102–08.

[15] *Cong. Q. Wkly. Rept.*, July 20, 1962, at 1126, 1236; cited by Jeffrey L. Pressman, *House vs. Senate: Conflict in the Appropriations Process* (New Haven: Yale University Press, 1966), at 85. See also 80–90.

[16] Fenno, *The Power of the Purse*, at 632.

[17] Arnold Kanter, "Congress and the Defense Budget; 1960–1970," 66 Am. Pol. Sci. Rev. 129, 140 (March 1972).

[18] Louis Fisher, *Presidential Spending Power* (Princeton: Princeton University Press, 1975), at 161–65.

[19] *Public Papers of the Presidents, 1966,* II, 981.

[20] *Public Works for Water and Power Development and Atomic Energy Commission Appropriations* (Part 6), hearings before the House Committee on Appropriations, 92d Cong., 1st Sess. 17 (1971). Statement by OMB Deputy Director Caspar W. Weinberger.

[21] Id. at 19. Statement by Weinberger.

[22] Fisher, *Presidential Spending Power,* at 175–201.

[23] S. Rept. No. 93–688, at 75.

[24] *National Association of Collegiate Veterans* v. *Ottina,* Civ. Action No. 349–73 (D.D.C. 1973); *Minnesota Chippewa Tribe* v. *Carlucci,* Civ. Action No. 628–73 (D.D.C. 1973); *National Association of State Universities and Land Grant Colleges* v. *Weinberger,* Civ. Action No. 1014–73 (D.D.C. 1973).

[25] *Local 2677, the American Federation of Government Employees* v. *Phillips,* 358 F. Supp. 60, 73 (D.D.C. 1973).

[26] *Commonwealth of Pennsylvania* v. *Lynn,* 362 F.Supp. 1363, 1372 (D.D.C. 1973), footnote omitted. This was reversed on July 19, 1974 by the U.S. Court of Appeals for the District of Columbia Circuit; *Commonwealth of Pennsylvania* v. *Lynn,* 501 F.2d 848 (D.C. Cir. 1974). See James E. Mitchell, *Pennsylvania* v. *Lynn: The Rest of the Iceberg,* 52 *J. Urban Law* 421 (1974), and Fisher, *Presidential Spending Power,* at 192–97.

[27] *National Council of Community Mental Health Centers* v. *Weinberger,* 361 F.Supp. 897, 902 (D.D.C 1973). The President's budget estimates are given statutory recognition in continuing resolutions, which provide stopgap funding authority for agencies that await final action on regular appropriation bills. In cases where an appropriation bill has not been passed by either House, the rate of agency operations shall not exceed the current rate or the rate provided for in the budget estimate, whichever is lower. Also, because of special circumstances, provision is made in certain instances to base the rate of operations on the budget estimate. And in cases where there is no budget estimate, or if the budget request has been deferred for later consideration, projects or activities are continued at the current rate or as specifically provided. E.g., see H. Rept. 94–289, at 2.

With respect to certain health, welfare, and retirement programs, the House Appropriations Committee found in 1975 that some budget estimates were "grossly understated and others are of questionable adequacy." To insure that the federal commitment would be honored, the Committee recommended language that would provide payments as mandated by law. The affected programs were the food stamp, school lunch, and child nutrition programs, payments to beneficiaries under the Federal Coal Mine Health and Safety Act and the Railroad Retirement Act, retirement pay and medical benefits for commissioned officers of the Public Health Service, and grants to States for public assistance. H. Rept. 94–289, at 3.

[28] H. Doc. 93–361, at 6. Also reprinted as S. Doc. 94–5.

[29] 121 Cong. Rec. p. 6305 (March 12, 1975).

[30] H. Rept. 94–26, at 12.

[31] 121 Cong. Rec. p. 4170 (Feb. 25, 1975).

[32] *Budget Rescissions and Deferrals, 1975* (Part 1), hearings before the Senate Committee on Appropriations, 94th Cong., 1st Sess., at 283.

[33] 121 Cong. Rec. p. 4158 (Feb. 25, 1975).

[34] *Supra* note 32, at 33. Congress invited HEW deferrals and rescissions as part of a compromise arrangement on the Labor-HEW appropriation bill for fiscal 1975; see the conference report, H. Rept. 93–1489, at 21.

[35] *Supra* note 32, at 279.

[36] *The Budget of the United States Government, Fiscal Year 1976,* at 7–8.

[37] Fisher, *Presidential Spending Power,* at 148–58.

[38] Under Section 1015(a) of the Impoundment Control Act, if the Comptroller General finds that the President has impounded funds without transmitting a special message, he shall report to both Houses. His report is received "in the same manner and with the same effect" as if it were a special message from the President. P.L. 93–344, 88 Stat. 336.

[39] OMB Circular No. A–10, Revised, dated Jan. 18, 1964, para. 8.

[40] H. Rept. No. 14, 67th Cong., 1st Sess., at 5.

[41] Id. at 4.

[42] Id.

[43] 42 Stat. 20, sec. 201(a).

[44] Id. at 21, sec. 206.

[45] OMB Circular No. A–11, Revised, Transmittal Memorandum No. 44, dated June 16, 1975, § 11.1.

[46] For the latter, see *Amending the Budget and Accounting Act of 1921,* hearing before the Senate Committee on Government Operations, 93d Cong., 1st Sess. (1973).

[47] S. Rept. 93–1319, at 21–22.

[48] S. 363. See 121 Cong. Rec. p. 1060 (Jan. 23, 1975).

[49] 121 Cong. Rec. p. 4400 (Feb. 26, 1975).

[50] P.L. 92–573, 86 Stat. 1229, sec. 27(k)(1).

[51] *Public Papers of the Presidents, 1972,* at 1050.

[52] P.L. 93–618, 88 Stat. 2011, sec. 175(a)(1).

[53] *Wkly. Comp. of Pres. Doc.,* XI, 10–11 (Jan. 3, 1975).

[54] P.L. 93–328, 88 Stat. 288.

HAWK MISSILES TO JORDAN

Mr. CASE. Mr. President, a satisfactory agreement has been reached with the administration on the sale of Hawk missiles to Jordan.

When we first learned of the proposed sale to Jordan of 14 batteries of Hawk missiles, grave concerns were felt. Could the Hawk weapons be used for offensive purposes against Israel? Our chief objective since July was to reduce the danger of an offensive combat use of Hawks.

One way to reduce the offensive threat would be to reduce the number of missile batteries offered for sale to Jordan. Unfortunately, the King of Jordan had been led to believe that he had received guarantees from the administration that he would receive the full 14 batteries.

Another way to approach the problem was to assure that the Hawks would be deployed so that their only use could be as defensive weapons.

After considerable discussions with the Department of State and the Department of Defense, assurances from our own Government and the Jordanian Government were worked out. A letter from the President to the Congress spells out these assurances and states the conditions of the sale.

The heart of the matter is that the Government of Jordan has informed us that it intends to use the Hawk missiles solely for the defense of the Amman-Zerka complex and other fixed sites, that is air bases and radar stations located generally to the east and south of Amman. This means that the missiles can be used only within Jordanian controlled territory.

To further insure the missiles will remain in these locations, the President's letter states that:

> The Hawk batteries will be permanently installed at these locations as fixed, defensive, and non-mobile antiaircraft weapons.

Moreover, the letter goes on to state that:

> The training to be provided by the United States will be training appropriate to non-mobile weapons.

This means that these weapons could not be used in a combat offensive in any outbreak of war in the Middle East.

This resolution of the problem assures there will be no potential strategic threat to Israel as a result of this sale by the United States. It means that good relations with Jordan can be maintained and that the balance of power in the Middle East is not affected.

I ask unanimous consent that the text of the President's letter on this matter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

The White House,
Washington, D.C. September 17, 1975.

Hon. Nelson A. Rockefeller,
President of the Senate,
Washington, D.C.

Dear Mr. President: With respect to the sale of HAWK anti-aircraft missiles to Jordan, I am writing to inform you of the following:

Initial deliveries will consist of one battery each in October, November and December of 1976. Deliveries of the next three batteries will be made during the period of January-March of 1978. Deliveries of the remaining eight batteries will begin approximately 30 months from the date of the Jordanian signature of the Letter of Offer and will be made over a period extending into 1979.

The Government of Jordan has informed us that it intends to use the HAWK missiles solely for the defense of the Amman-Zerka complex and other fixed sites, that is, air bases and radar stations located generally to the east and south of Amman. The batteries will be permanently installed at these locations as fixed, defensive and non-mobile anti-aircraft weapons. The geographic situation of these sites and the planned configuration of the HAWK installations will clearly demonstrate the intent of the Jordanian Government to use the weapons for purely fixed defensive purposes. The training to be provided by the United States Government will be training appropriate to non-mobile weapons.

As you know, pertinent legislation and agreements obligate the Government of Jordan to use arms supplied by the United States Government only for purposes of the legitimate self-defense or internal security of Jordan and to refrain from transferring or subjecting the arms to the control of a third party without prior written United States consent. We consider that the latter provision would prohibit the placement of the HAWK weapons under any bi-national or multi-national command structure or military force of which Jordan might become a part, if such an arrangement would have the effect of transferring title or control outside the Jordanian Government without prior written United States Government consent.

I want to assure you that the Executive Branch will seek to implement the sales contract consistent with the principles expressed in this letter. We will monitor the situation closely to this end. I wish to recall to you that the Letter of Offer will contain a provision that "under unusual and compelling circumstances when the best interests of the United States require it, the United States Government reserves the right to cancel all or part of this order at any time prior to the delivery of defense articles or performance of services."

Moreover, if at any time the employment of the HAWK batteries by the Jordanian Government appears to depart from this pattern of defensive deployment or national control, the State Department will so inform the appropriate committees of the Congress and will consult with them concerning any action which should be taken in consequence.

Sincerely,

GERALD R. FORD.

Mr. STONE. Mr. President, the impending sale of Hawk missile batteries to Jordan causes me grave concern for the stability of the tenuous Middle East peace. I have written my Senate colleagues urging them to join me in opposition to the sale of these missiles. I wish to insert the text of my letter and its attachment, the formal announcement of Damascus Radio of the Syrian-Jordanian Joint Supreme Political Command, in the RECORD at this time. I am also inserting a letter from the State Department delivered to me today which does indicate our attempt contractually to prevent third country access to this vital system. However, as my letter states, what would be the case in a war situation?

I ask unanimous consent that my letter and the other material referred to be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

On September 2, the Administration sent Congress its second notice of intent to sell fourteen batteries of advanced Hawk missiles to Jordan. These missiles which have achieved 94% reliability in demonstration tests, higher than any other missile system in existence, are being demanded of us by King Hussein. The King has stated that he will turn to the Soviet Union for an air defense system if we do not comply with his request.

Simultaneously, it was announced by Damascus Radio on August 22, 1975, that Jordan has formed a Joint Supreme Political Command with Syria with the purpose of "mobilizing the resources of the Arab nation and throwing these resources into the battle against the Zionist enemy." Their Joint Command includes "approval of coordination and integration plans between the two armed forces in the two countries." I am attaching a copy of this announcement.

The situation has thus changed greatly since the first request for this sale. Because of the newly formed Joint Command, such a sale is neither in the national security nor the national interest of the United States.

The Administration seeks to give fourteen batteries of the most reliable missile defense system in the world to a nation which has entered into joint military command with Syria. Syria has approximately 4,000 military technicians, many of them missile specialists, supervising their operations. The Hawk missile is the basis for the air defense in the United States and in NATO. If we send these advanced Hawks to Jordan, they might as well be shipped directly to the Soviet Union! There can be no assurance that the Hawks will not fall into the hands of Syria and thus the Soviets.

The State Department and King Hussein state openly that Jordan will turn to the Soviets if we do not meet this demand. I doubt it. Even if King Hussein should not object to the presence of Soviet "technicians" on his territory, the most advanced Soviet antiaircraft missile used in conflict, the SA–6, has a maximum kill-rate of only 10%. The advanced Hawk system is far superior.

The United States has nothing to gain by this sale, but everything to lose. President Anwar Sadat has expelled Soviet missile technicians from Egypt. Until Syria emulates Egypt's example, we should not enter into a transaction that may render our own defenses vulnerable.

Our Chief of Staff, General George Brown, has testified that the maximum number of missile batteries Jordan could possibly need for its own defensive purposes is six. Any more than that only confirms the suggestion that they may well be used for offensive purposes and will be a force for destabilizing the Middle East. King Hussein has publicly stated that he refrained from attacking Israel in 1973 solely because he lacked an effective air defense system.

Although Undersecretary of State Joseph Sisco has now given me written assurance that our sales contract with Jordan will include protection not only against third party title and control, but also against third party access to the Hawks, no assurance could be totally effective in a war situation, because Jordan and Syria have pledged a united military front and joint command of their military forces. I urge you to consider the risks to our own national interests inherent in this sale.

We have just witnessed a responsible step toward peace pledged by Egypt and Israel. The sale of advanced Hawks would be a step in the wrong direction.

I strongly urge that you disapprove this sale.

Warm personal regards.

Cordially,

RICHARD (DICK) STONE.

SYRIAN-JORDANIAN JOINT STATEMENT ISSUED

Damascus Domestic Service in Arabic
1122 GMT 22 Aug 75 Jn

[The Syrian-Jordanian joint statement released on 22 August in Damascus and Amman on the visit of Jordan's King Husayn to Syria—read by Syrian announcer in joint hookup with Amman radio]

[Text] In reply to the invitation extended by His Excellency President Hafiz al-Asad, president of the Syrian Arab Republic, His Majesty King Husayn ibn Talal, monarch of the Hashemite Kingdom of Jordan, made a visit to the Syrian Arab Republic between 18–22 August 1975. On this visit, he was accompanied by Premier, Foreign and Defense Minister Zayd ar-Rifaii; His Excellency Mudar Badran, chief of the Royal Hashemite Court; His Excellency Salah Abu Zayd, minister of culture and information; His Excellency Salim Masa'idah minister of finance and acting minister of industry and trade; Staff Lt Gen Sharif Zayd ibn Shakir, chief of staff of the armed forces; Staff Maj Gen Awwad Al-Khalidi, his majesty's military adviser; and Yanal 'Umar, chief of royal protocol.

His majesty the great guest and the delegation accompanying his majesty were accorded a warm popular and official welcome, in which senior officials in the state and the armed forces and the masses of the people participated expressing the respect harbored by the Syrian Arab Republic for the great guest and the love and appreciation for the fraternal Jordanian people, prompted by the fraternal bonds existing between the two fraternal countries which reflect the unity of history, march and objective between them.

During his majesty the king's stay in the Syrian Arab Republic, his majesty and the delegation accompanying him visited the liberated city of Al-Qunaytirah and saw the extent of the effects of Zionist enemy's savagery and malice. His majesty and delegation accompanying him also visited Latakia province and a number of industrial, historic and tourist sites. They acquainted themselves with a number of achievements in the Syrian Arab Republic.

During the visit, official talks were held between His Majesty King Husayn and his brother His Excellency President Hafiz al-Asad. The talks were pervaded with an atmosphere of brotherhood, totally reciprocated trust, total determination on the joint Arab interest and belief in the unity of destiny as a reflection of the noble Arab bonds existing between the two fraternal countries. The talks also led to total agreement in viewpoints regarding all the issues discussed. On the Syrian side, the talks were attended by Prime Minister Muhmud al-Ayyubi; Deputy Prime Minister and Foreign Minister 'Abd al-Halim Khaddam; Information Minister Ahmad Iskandar Ahmad; Finance Minister Muhammad Sharif; and Chief of Staff Maj Gen Hikmat ash-Shibabi, Foreign and Defense Minister Zayd ar-Rifa'i; His Excellency Mudar Badran, chief of the Royal Hashemite Court; Salah Abu Zayd, culture and information minister; Salim Masa'idah; finance minister and acting industry and trade minister; Staff Lt Gen Sharif Zayd ibn Shakir, chief of staff of the armed forces; and Staff Maj Gen Awwad al-Khalidi, his majesty's military adviser.

In the Arab field, the two great leaders studied the situation in the Arab homeland. They were in total agreement regarding the need to seek to entrench Arab solidarity that was manifested in the October war of liberation and on which the resolutions of the Rabat and Algiers summit conferences were based. They affirmed the importance of continuing work to implement these resolutions in various fields. The two leaders stressed the great importance of working to overcome peripheral matters and the need to remove these from in front of the main battle. They highlighted the special importance of mobilizing the resources of the Arab nation and throwing these resources into the battle against the Zionist enemy, out of their belief that building the military power of the Arab nation in general and that of the frontline forces in particular is the sure guarantee to achieve victory, regain the rights and total liberation of the land, proceeding from a fact affirmed by the development of events, namely that there is no substitute for military power and military preparedness to confront enemy intransigence and maneuvering.

On the situation in the area, and after assessing the situation in the area and the circumstances from which it is passing, the two leaders affirmed that the Zionist enemy's maneuvers regarding comprehensive withdrawal from the occupied Arab lands, and his refusal to recognize the national rights of the Palestinian people, make this situation more explosive. They affirmed their conviction that peace is linked to the following two principles:

1. Comprehensive withdrawal from all the occupied Arab lands.
2. Recognition of the national rights of the people of Palestine.

Any attempt made by the enemy to escape from these two facts by partitioning that situation along the lines of confrontation—thus dividing the issue in order to submerge the main issue, namely the Palestinian cause—will make the situation more serious. The viewpoints of the two Arab leaders were in agreement regarding the need to work within the framework of the unity of the issue. This essentially requires the realization of more cooperation between the two countries and the rest of the Arab countries and backing the PLO so that it can shoulder its national responsibility because the two leaders are convinced of the importance of making the Palestinian personality emerge. This conviction was affirmed by the two leaders at the Rabat summit conference.

In the international field, the two leaders reviewed international issues and affirmed their belief in the right of all peoples to freedom, independence and progress. They agreed to continue efforts to support and back the issues of the friendly peoples, particularly the people of the Third World, support and develop Arab-African cooperation, strengthen the nonalined front and establish international relations that will serve the cause of the Arab struggle for its objectives.

In the field of bilateral relations: Proceeding from the unity of fate and goal, out of the belief in steadfastness to cope with the challenge represented by the decisive and fateful struggle which the Arab nation is waging in defense of its land, honor, existence, security and future against all the forces of imperialist domination and racist Zionism; proceeding from a fact manifested by Arab history, namely that the unity of the homeland and the capabilities it provides and the political, economic and military resources it makes available are the decisive reply to the imperialist and Zionist challenges and are the means to regain dignity, to liberate the land, and to retrieve our rights; out of the desire to fulfill the aspirations of the one people in the two fraternal countries; out of desire to apply the national policy drawn up by the two leaders—His Excellency President Hafiz al-Asad and His Majesty King Husayn ibn Talal—; out of the belief of the two countries in their inevitable unity and the need to work to restore the situation to what it was before the divisions effected by foreign imperialism: out of all this, agreement has been reached on the following:

1. The formation of a supreme political command composed of His Excellency President Hafiz al-Asad, president of the Syrian Arab Republic, and His Majesty King Husayn ib Talal, king of the Hashemite Kingdom of Jordan, to be called the supreme Syrian-Jordanian command council.

2. The supreme command council shall issue decisions, instructions and directives on the recommendations and proposals referred to it by the supreme ministerial committee.

3. The supreme command council shall issue decisions, instructions and directives on all matters and questions that it will discuss, particularly regarding the following:

A. The approval of the coordination of the policy of the two countries in various Arab and international fields, the unification of their stands regarding all issues under discussion and the approval of coordination plans in order to reach a unified foreign policy for the two countries.

B. Discussion of the issues of peace and war and making the joint and coordinated decisions and stands regarding them.

C. Approval of coordination and integration plans between the two armed forces in the two countries.

D. Drawing up of the bases and taking the necessary joint measures to protect the domestic and national security of the two countries and to protect relations between them.

E. Approval of the economic policy intended to achieve integration and unity between the economies of the two countries through coordination of economic and social development plans and the establishment of joint economic companies and establishments as well as the unification of the markets of the two countries and approval of a unified customs policy.

F. Approval of an educational policy intended to deepen the national feelings and to raise the standards of education in a manner that will lead to the achievement of an educational renaissance serving the goals of the Arab nation in building an advanced society.

G. Approval of the policy of coordination and integration in the information field in a manner that serves the goals of the Arab nation.

4. The supreme command council shall meet once every 3 months or any time it is deemed necessary.

5. Coordination and cooperation among the vocational and popular organizations in the two countries—dealing with such topics as women, workers, students, youth and trade union organizations—shall be effected.

His Majesty King Husayn ibn Talal expressed his extreme thanks for the warm welcome and reception accorded him during his visit to the Syrian Arab Republic and wished all progress and prosperity for the fraternal Syrian Arab people and health and happiness to His Excellency President Hafiz al-Asad.

His Majesty King Husayn extended an invitation to His Excellency President Hafiz al-Asad to visit the Hashemite Kingdon of Jordan. President al-Asad accepted the invitation with thanks and appreciation.

AL-ASAD, KING HUSAYN ARRIVE IN LATAKIA

(Damascus Domestic Service in Arabic
1115 GMT 20 Aug 75 JN)

[Excerpts] Latakia—Latakia today received with all aspects of love and appreciation President Hafiz al-Asad and his illustrious guest His Majesty King Husayn ibn Talal. On this occasion, the jewel of the coast was decorated and arches of triumph were raised in its streets. The Syrian and Jordanian flags waved throughout the town, which was decorated with the pictures of the two Arab leaders.

Our radio team reports that hardly had the President, his wife, His Majesty King Husayn, Her Majesty Queen Alia, and Her Highness Princess Aliyah appeared at the park than warm cheers resounded reiterating "one people, one army" and greeting Arab unity.

At the ramp to the helicopter, the two great leaders were greeted by Latakia Governor 'Abd ar-Razzaq Shakir, his wife, and the major general commanding the coastal area and his wife.

REPORT ON VISIT

(Damacus Domestic Service in Arabic
1815 GMT 21 Aug 75 JN)

[Excerpts] Latakia—President Hafiz al-Asad, his distinguished guest His Majesty King Husayn, and the accompanying delegation spent the second day of their visit to Latakia province by touring Al-Burulluy forest and Kasab village.

The province's inhabitants continued for the second day in succession to express their warm welcome for the two distinguished Arab leaders. The citizens welcomed with extreme pleasure and amity the motorcade of the two great leaders. Cheers for Arab unity and solidarity came from everywhere. The citizens cheered for one people, one army, and for the long life of the unity of the two fraternal countries.

It is noteworthy that the visit of His Excellency President Hafiz al-Asad, his brother His Majesty King Husayn, and the accompanying delegation to the province and town of Latakia will end today, and they will return to Damascus tomorrow.

DEPARTMENT OF STATE,
Washington, D.C., September 17, 1975.

Hon. RICHARD STONE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR STONE: You asked that I send you in writing the information you requested of Under Secretary Sisco this morning concerning the access by Third Country technicians to the Hawk system we wish to sell to the Kingdom of Jordan.

The Letter of Offer contains the standard provisions which carry out Section 3A of the Foreign Military Sales Act. The provision (Section 8 Part B, Standard conditions, Letter of Offer) which prohibits transfer of the articles provided goes on to prohibit access to information relating to these articles. Specifically Section 8 says:

". . . It shall not disclose, dispose of, or permit use of any plans, specifications or information furnished in connection with this transaction, except to the extent authorized in writing by the USG. To the extent that any items, plans, specifications, or information furnished in connection with this transaction may be classified by the USG for security purposes, the Purchaser shall maintain a similar classification and employ all measures necessary to preserve such security, equivalent to those employed by the USG, throughout the period during which the USG may maintain such classification. The USG will notify the Purchaser if the classification is changed. The Purchaser will ensure, by all means available to it, respect for proprietary rights in any defense article and any plans, specifications, or information furnished whether patented or not."

This clause will be included in the present contract. It effectively prohibits the access of foreign technicians to the Hawk system and related technology. The Government of Jordan fully understands this provision.

I hope that this information serves your purposes. If I can be of further assistance please do not hesitate to call me.

Sincerely,

FRANK G. WISNER,
Special Assistant.

THE KILLING OF THE HUMAN LIFE AMENDMENTS

Mr. HELMS. Mr. President, I have been informed that the Subcommittee on Constitutional Amendments has voted today to kill every legislative proposal which would have guaranteed the right of life to the unborn. Like the innocent children who are daily slaughtered in the privacy of abortion clinics, these proposals will never see the light of day for discussion on the Senate floor.

I acknowledge that this is a controversial issue; indeed, the arbitrary action of the Supreme Court in Roe against Wade has completely reversed our legal standards of human rights for the unborn. It is to be expected that anything so revolutionary should be a matter of strong feelings and intense debate. But the action of the subcommittee in killing all legislation stifles that debate, and will create a deep division in our society. I understand that not only was Senate Joint Resolution 6, the so-called Helms amendment, killed, but also every other proposal offered, including attempts at compromise was likewise killed.

I still believe that this Nation needs a mandatory human life amendment. If we abridge the rights of the unborn, we abridge the rights of every human being; the sentence we pass upon the innocent will be executed upon ourselves.

The majority of the men and women of America are concerned that the integrity of the family, the dignity of womanhood, and the life of the unborn must be preserved. If this Nation is to continue in decency they must rise up and urge their Senators and Representatives that this matter be reconsidered; it must at least come to the floor for discussion so that every Member of this body can go on record for or against the rights of human beings. If we allow this matter to be buried quietly, then all of us become accomplices in the unnecessary deaths of millions.

CONCLUSION OF MORNING BUSINESS

The **PRESIDING OFFICER**. Is there further morning business? If not, morning business is closed.

DEPARTMENTS OF LABOR AND HEALTH, EDUCATION, AND WELFARE APPROPRIATION ACT, 1976

The **PRESIDING OFFICER**. Under the previous order, the Senate will now proceed to the consideration of H.R. 8069, which the clerk will state.

The legislative clerk read as follows:

A bill (H.R. 8069) making appropriations for the Departments of Labor and Health, Education, and Welfare, and related agencies, and so forth, and for other purposes.

The Senate resumed the consideration of the bill.

Mr. **MANSFIELD**. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. **GRIFFIN**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **GRIFFIN**. Mr. President, I ask unanimous consent that a member of my staff, James Hill, have the privilege of the floor during deliberations and voting on the HEW-Labor appropriation bill.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **GRIFFIN**. I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. **MAGNUSON**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **MAGNUSON**. Mr. President, at the outset I will present the usual requests.

I ask unanimous consent that the committee amendments be agreed to en bloc, and that the bill as amended be regarded for the purpose of amendment as original text, provided that no point of order shall be considered to have been waived by reason of agreement to this order.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The amendments agreed to en bloc are as follows:

On page 2, in line 24, strike out $2,388,400,000" and insert "$2,394,400,000".

On page 3, at the end of line 8, strike out $597,500,000" and insert "$599,000,000".

On page 5, line 18, strike out "$81,300,000" and insert "$82,800,000".

On page 5, in line 19, strike out "$1,056,300,000" and insert "$1,054,800,000".

On page 6, in line 23, strike out "$20,300,000" and insert "$20,700,000".

On page 6, in line 24, strike out "$264,100,000" and insert "$263,700,000".

On page 8, in line 11, strike out "$81,560,000" and insert "$83,643,000".

On page 8, in line 16, strike out "$20,390,000" and insert "$20,911,000".

On page 10, in line 6, strike out "$108,221,000" and insert "$118,221,000".

On page 10, in line 11, strike out "employees" and insert "employers".

On page 10, in line 20, strike out "$27,000,000" and insert "$29,500,000".

On page 14, in line 1, strike out "$553,685,000" and insert "$560,302,000".

On page 14, in line 4, after "leprosy" insert "and $1,000,000 is herein authorized to be expended for salaries and related costs of fifty new positions".

On page 15, in line 10, strike out "$135,501,000" and insert "$135,126,000".

On page 16, at the end of line 23, strike out "$107,115,000" and insert "$112,471,000 including $1,000,000 herein authorized to be expended for salaries and related costs of fifty new positions".

On page 17, in line 16, strike out "$703,564,000" and insert "$803,564,000 including $1,880,000 herein authorized to be expended for salaries and related costs of ninety-four new positions, and $25,000,000 for construction and renovation which shall remain available until expended".

On page 17, at the end of line 25, strike out "$329,059,000" and insert "$379,059,000 including $1,000,000 herein authorized to be expended for salaries and related costs of fifty new positions".

On page 18, at the end of line 10, insert "including $400,000 herein authorized to be expended for salaries and related costs of twenty new positions".

On page 18, in line 20, strike out "$173,972,000" and insert "$176,972,000 including $820,000 herein authorized to be expended for salaries and related costs of forty-one new positions".

On page 19, after "546,000" insert a comma and "including $1,460,000 herein authorized to be expended for salaries and related costs of seventy-three new positions."

On page 19, at the end of line 16, insert a comma and "including $1,320,000" herein authorized to be expended for salaries and related costs of sixty-six new positions".

On page 20, at the end of line 1, insert a comma and "including $460,000 herein authorized to be expended for salaries and related costs of twenty-three new positions".

On page 20, at the end of line 11, insert "including $600,000 herein authorized to be expended for salaries and related costs of thirty new positions".

On page 20, in line 20, strike out "$15,526,000" and insert "$20,526,000 including $400,000 herein authorized to be expended for salaries and related costs of twenty new positions".

On page 21, in line 4, strike out "$42,608,000" and insert "$50,000,000 including $600,000 herein authorized to be expended for salaries and related costs of thirty new positions".

On page 21, at the end of line 13, insert "including $200,000 herein authorized to be expended for salaries and related costs of thirty new positions".

On page 21, at the end of line 22, strike out "$128,731,000" and insert "$131,731,000 including $160,000 herein authorized to be expended for salaries and related costs of eight new positions".

On page 22, in line 21, strike out "$28,815,000" and insert "$29,565,000 including $320,000 herein authorized to be expended for salaries and related costs of sixteen new positions".

On page 23, in line 4, strike out "$93,000,000" and insert "$41,000,000".

On page 23, in line 11, strike out "$19,612,000" and insert "$17,896,000".

On page 23, in line 19, strike out "$4,903,000" and insert "$4,474,000".

On page 24, in line 4, strike out "$557,654,000" and insert "$601,998,000 including "$4,000,000 herein authorized to be expended for salaries and related costs of two hundred new positions".

On page 24, in line 9, strike out "$84,242,000" and insert "$84,104,000".

On page 24, in line 20, after "000" insert a colon and "*Provided,* That, $1,000,000 is herein authorized to be expended for salaries and related costs of fifty new positions".

On page 25, in line 10, strike out "$2,500,000" and insert "$5,400,000".

On page 25, in line 19, strike out "$360,709,000" and insert "$360,529,000 including $1,000,000 herein authorized to be expended for salaries and related costs of fifty new positions,".

On page 26, in line 9, strike out "$78,790,000" and insert "$78,255,000".

On page 27, in line 25, strike out "$23,142,000" and insert "$20,842,000".

On page 28, in line 2, strike out "$5,785,000" and insert "$5,210,000".

On page 28, in line 21, strike out "$15,785,000" and insert "$5,210,000".

On page 28, in line 21, strike out "$15,000,000,000, of which $50,000,000" and insert "$15,009,400,000, of which $55,000,000".

On page 31, in line 18, strike out "$57,878,000" and insert "$60,878,000".

On page 31, in line 20, strike out "$14,470,000" and insert "$15,219,000".

On page 36, in line 8, after "States" insert a colon and "*Provided further,* That all of the permanent positions authorized for this appropriation shall be full-time permanent positions without limitation as to the duration of the positions".

On page 37, in line 22, after "States", insert a colon and "*Provided further,* That all of the permanent positions authorized for this appropriation shall be full-time permanent positions without limitation as to the duration of the positions".

On page 39, in line 1, strike out "$1,500,049,000" and insert "$1,528,358,318, of which $720,000,000 shall be for activities under section 110(a) of the Rehabilitation Act of 1973, $309,318, shall be for section 110(b) of such Act, and for carrying out sections 201 and 304(b)(3) of such Act, $2,500,000, to remain available until expended".

On page 39, in line 15, after "Act" insert a colon and "Provided further, That the level of operations for the nutrition services for the elderly program shall be $200,000,000 per annum".

On page 40, in line 22, strike out "$87,289,000" and insert "$85,249,000".

On page 41, at the end of line 2, strike out "$22,670,000" and insert "$22,160,000".

On page 41, in line 12, strike out "$26,300,000" and insert "$24,950,000".

On page 42, beginning with line 23, strike out

SEC. 205. None of the funds contained in this title shall be available for additional permanent Federal positions in the Washington area if the proportion of additional positions in the Washington area in relation to the total positions is allowed to exceed the proportion existing at the close of fiscal year 1966.

and insert

Sec. 205. None of the funds contained in this title shall be available for additional permanent positions in the Washington area if the total authorized positions in the Washington area is allowed to exceed the proportion existing at the close of fiscal year 1966.

On page 46, in line 6, strike out "$101,313,000" and insert "$105,623,000".

On page 46, in line 10, strike out "$21,083,000" and insert "$25,591,000".

On page 46, in line 6, strike out "$101,000" and insert "$526,452,000: Provided, That the appropriation for "Community services program" contained in title I, chapter VI of Public Law 94–32 (Second Supplemental Appropriations Act, 1975) is amended by striking out "September 30, 1975" and inserting in lieu thereof "December 31, 1975".

On page 46, in line 21, strike out "$114,975,000" and insert "$129,746,000".

On page 47, in line 9, strike out "$17,704,000" and insert $17,904,000".

On page 47, in line 12, strike out "$4,426,000" and insert "$4,476,000".

On page 47, in line 18, strike out "$409,000" and insert "$468,000".

On page 47, in line 21, strike out "$102,000" and insert "$117,000".

On page 48, in line 1, strike out "$67,461,000" and insert "$68,071,000".

On page 48, in line 17, strike out "$16,865,000" and insert "$17,018,000".

On page 52, beginning with line 12, strike out

Sec. 407. Funds contained in this Act used to pay for contract services by profitmaking consultant firms or to support consultant appointments shall not exceed the fiscal year 1973 level: *Provided*, That obligations made from funds contained in this Act for consultant fees and services to any individual or group of consulting firms on any one project in excess of $25,000 shall be reported to the Senate and House of Representatives at least twice annually.

and insert

Sec. 407. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein, except as provided in section 204 of Public Law 93–554.

On page 53, after expenses, insert a semicolon and the Director of the Federal Mediation and Conciliation Service is authorized to make available for official reception and representation expenses not to exceed $2,500 in the current fiscal year and $625 in the period July 1, 1976, through September 30, 1976, from funds available for "Salaries and expenses, Federal Mediation and Conciliation Service".

Mr. MAGNUSON. Mr. President, we are about to discuss a very important bill—a bill of significant magnitude. I have a short statement, the Senator from Massachusetts also has a short statement, then the bill will be open for amendments.

The Labor-HEW appropriations bill before us will continue the high priority which Congress has placed on Labor, Health, and Community programs.

I say continue because where increases are provided, many programs will simply be brought back to last year's level—others will not even be able to maintain certain initiatives because the cost-of-living increases have been too high, as much as 16 percent, for instance, in medical research.

In past years Congress has strongly and successfully resisted the inadequate and, I think sometimes unreasonable, Presidential budget requests for the vitally needed programs in this bill.

LOW BUDGET REQUESTS

Yes, our bill is about $1 billion over the President's budget request—but it is $7 billion below last year's level and only $286 million—that is 1 percent—over the House allowance. The insufficient Presidential requests would have fallen far short of matching the much-talked-about commitments to jobs, disease prevention, medical research, and community programs—programs which we consider to be of top priority.

FALSE BUDGETARY ASSUMPTIONS

This year, more than ever before, the budget requests are much more realistic: Two false and misleading assumptions were made when this budget was put together at OMB.

First, the President assumed that Congress would accept all of his rescission proposals in fiscal 1975. To date, we have accepted none.

Second, OMB assumed that the State and local communities could pick up the cost of operating a great number of HEW programs. Well, this may be a good idea in good times, but certainly not when these people are in worse shape financially than they have been in a long time. To just dump these programs on the communities would be a financial disaster—but more importantly, to our citizens who would have vital services cut off because the communities simply are not in a position to take over these programs now.

The result of these assumptions was a budget request which was as much as 40 percent below even the 1975 level. This simply is unacceptable. Each and every American depends upon this bill, and with times as rough as they are—this is no time to let them down.

Now, I will turn to the bill itself.

LABOR

In the Department of Labor, the committee has generally concurred with the budget request in the area of employment and training programs, extending last year's level of services, including approximately 310,000 public service jobs. With more than 8 million people unemployed, we recognize this is a modest effort. It is intended primarily to help the most severely disadvantaged individuals, including veterans and the long-term unemployed. Two changes from the House-passed bill are noteworthy: We added $68.8 million to strengthen the services of the more than 2,600 local State employment offices, including $10 million to expand Statewide job-matching systems; and we restored $6 million for manpower training programs which had been cut by the House, specifying its use for national contract programs of proven effectiveness.

For the Occupational Safety and Health Administration, we have included an additional $10 million to provide 833 additional Federal compliance officers. Even though this raises the total number of compliance officers to 2,265, it still allows for inspections covering only 7 percent of the Nation's businesses. We still have a long way to go to prevent the 5,100 deaths and 6 million injuries which occur every year in our Nation's work places, but we feel this is all the additional staff that can be quickly recruited and effectively utilized at this time. The bill also includes $5 million for consultative services with employers, to help ease the burden on small employers in complying with the act, rather than solely imposing fines for inspection violations.

HEALTH

Health is the first wealth of a nation. This Nation has built an impressive health record. Life expectancy is 20 years longer now than in 1900, and many diseases have been practically eliminated, largely due to research over the years supported through HEW appropriations. We can be proud that today, as a result of past research, we can stand here and discuss new cancer treatments, or the fact that last year—for the first time—heart attacks and strokes in this country declined.

All of these successes, and many more, are in no small part due to a congressional commitment to health programs.

But each improvement raises our horizons—each success enables us to concentrate on the remaining dangers—and on new challenges and threats to our well-being.

This bill continues to place a high priority on health programs—particularly in the area of preventive medicine. For health, we are $895 million over the President's request—but less than $470 million over the fiscal 1975 level and $170 million over the House allowance.

At a time when more people than ever before are in those vulnerable age groups—our children and elderly—which need the greatest amount of health services, this is no time to turn our backs.

PREVENTIVE MEDICINE

There is no better way to stem the rapidly-growing rate of medical care and costs than through preventive medicine. Going to the root of the problem—not just treating the symptoms. With the knowledge that we can prevent what afterwards cannot be cured, we must vigorously move ahead in this vital area.

This bill provides $324 million to see to it that nearly nine million mothers and infants will receive proper nutrition and medical care. This will save untold millions in the future, not to mention the tremendous personal and family suffering which disease creates. Funding for this program comes at a time when this rich, powerful Nation has slipped from 15th to 17th place on the world list of infant mortality rates—an unforgivable fact and one which must be corrected immediately, or else we will be paying the consequences for generations to come.

There are also some very selective increases for biomedical research in this bill. We recognize this as a necessary first step in finding cures for many dreaded diseases.

We have made progress in cancer and heart research—we cannot slow our efforts now. We have found effective treatments for the common cataract, as well as advances in stroke prevention, covering the whole gamut of the ills of mankind. We have a long way to go, though, with stronger efforts on diabetes and multiple sclerosis as a top priority.

This all cost money, Mr. President. The Senator from Massachusetts and I often have been asked, "Is it worth it?" Let me use one example. The first bill of mine that was passed in Congress established the National Cancer Institute; that was back in 1938. At that time, four out of five people who had cancer died. We now have that ratio down to two and a half out of five. That is significant progress, but we can do better if we continue our efforts. These are the things in which we place high priority. We also placed a high priority on some things which have come up in the past 15 or 20 years.

The committee has also placed a high priority on alcohol, drug abuse, and mental health community programs. This is an area where people can be helped most directly. In many cases, it is a less expensive and more effective way, as opposed to the alternative of institutionalization. What we are doing here is establishing a nationwide chain of community health centers which will be in place when national health insurance is enacted. We all know that this is ahead of us in one form or another. Without these centers and without sufficient training in the health professions, no matter what kind of national health insurance bill we might pass, it is apt to fall flat on its face.

PUBLIC ASSISTANCE

Public assistance programs continue to grow. The bill contains $15 billion for cash assistance, medicaid, social services, and child welfare srvices. These are all relatively uncontrollable programs, so far as the appropriation of money is concerned. As the economy continues to decline, these programs, according to law, will have to be increased. This is not a matter between the committee and the budget. It is a matter of law.

With respect to social security appropriations, we have taken the very important step of insisting that the 6,000 new employees being hired to administer the supplemental income security program be permanent staff, not temporaries as requested by the budget. We feel it is vital if we are to put an end to the inefficiency, demoralization, and mismanagement that predominate in the supplemental security income program. We feel that well-trained, permanent civil service personnel should be available to handle the complex problems associated with these benefit payments.

Mistakes, such as the massive overpayments that have recently been reported in the media, are bound to occur with temporary staff, who often are just becoming familiar with their jobs when their 12-month term of employment expires. Nevertheless, Senator Brooke and I have plans to make a thorough review of the overpayment situation in the supplemental security income program, since we recognize many factors may be involved. We will also be looking into the organizational problems of the welfare programs, as well as the problems of waste, duplication, and overlap.

The very successful Head Start programs are in this bill, as are the vocational rehabilitation grants to States programs. The bill also specifies a spending level which will provide nutrition services to 400,000 elderly and deserving people—a badly needed and very helpful program. It does not meet the nationwide need, but it is a beginning.

ANTIPOVERTY PROGRAMS

For the antipoverty programs, the committee has provided some modest increases over the House-passed bill. The budget had proposed to wipe out virtually all existing poverty programs, except community development and local initiative activities; fortunately, the House restored the existing programs at their current level. Since we believe the poor should not be the budget-axe victims of inflation and recession but, rather deserve our special attention in the face of economic hard times, we have the following improvements to the House-passed bill:

Doubled the size of the emergency energy conservation program, which primarily winterizes the homes of low-income, elderly people in rural areas;

Expanded emergency food programs serving millions of nutritionally starved individuals;

Provided initial funding of the newly authorized program for migrant workers and their families, including day care for children, health services, and improved housing and sanitation;

Specified funds for rural housing rehabilitation projects, to help low-income families obtain adequate housing; and

Augmented education and training services for economically disadvantaged veterans.

"PEOPLE" BILL

All of these programs relate to people. This is what this bill is all about—this is a "people" bill, one in which Congress in the past has shown where its priorities are in trying to help our citizens to a better life through labor programs, quality health care, and help when help is needed.

Mr. President, I urge adoption of this vital measure without delay, and with a minimum amount of amendments. Senator Brooke and I point out that people are waiting for enactment of this bill. Their needs are easily recognized, and our priorities are in the right place.

We went over this bill very carefully, and I believe it is adequate for many of the things that many Senators want. I believe we had requests from 30 Senators which would have raised the bill about $4 billion or $5 billion. We tried to adjust ourselves to their dedication to certain programs and to do the best we could, and I believe we have come up with a fair and adequate bill. The needs are easily recognized, but we think our priorities are in the right place. This is a people's bill.

Mr. President, I yield to the Senator from Massachusetts.

Mr. BROOKE. Mr. President, the pending bill, H.R. 8069, making appropriations for the Departments of Labor and Health, Education, and Welfare, is a measure of major significance to this Nation.

Together with the education appropriations bill Congress recently enacted, Labor-HEW funding legislation touches the lives of most, if not all, Americans in one way or another.

The pending Labor-HEW bill is one that often has been characterized as containing the major "social programs" of the United States. I prefer to think of it as a measure which embodies our most compassionate instincts as a nation.

It is a bill which helps many through such programs as manpower training, public service jobs, maternal and child health care, rehabilitation of the handicapped, and nutrition for the elderly, to cite only a very few of the programs it funds.

It is a bill which holds hope for all. Through the research carried out principally by the National Institutes of Health, we are attacking such age-old diseases as cancer which kill or bring suffering to millions.

This research holds hope not only for Americans but for the people we share it with throughout the world. As the global leader in the field of biomedical research, the United States must continue this essential and humane work and, if necessary, expand upon it.

Thus, I believe we have developed a bill which is commensurate with our needs not only in the field of health, but also in labor, welfare, and related areas.

The total amount in the Senate bill is $36,265,952,318. This is $286,311,318 over the House allowance and $1,108,043,381 more than the budget estimates. However, the bill is slightly more than $7 billion under comparable appropriations for fiscal 1975. A substantial portion of this decrease is the result of a 2-year appropriation in 1975 for unemployment benefits and for public service jobs.

Included within the total amount of the bill is $8.9 billion for the July 1, 1976 to September 30, 1976, transition period after which all fiscal years will begin on October 1. In addition, the committee has deferred consideration of budget requests totaling $1.1 billion, because these lack authorizing legislation.

The question as to whether the bill as reported is within the congressionally authorized budget ceiling remains unresolved. The Senate Committee on the Budget, if we understand it correctly, puts our bill some $200 million over the ceiling. The House Budget Committee, on the other hand, claims our bill is some $400 million under the ceiling. We do not know which committee is right, but we hope the two can resolve their differences so we may know where we stand.

Let me review some of the highlights of our bill.

In the area of labor, it provides:

$400 million, which was the budget request and the House allowance, for public service jobs. Together with previous appropriations in this area, this amount will provide support to continue 310,000 public service jobs.

$562.2 million for employment services, the same level as the House, but $68.6 million above the budget. The Appropriations Committee recommendation is designed to strengthen the program at this time of high unemployment. Ten million dollars of the increase over the budget will be used for computerized job-matching services.

$62.9 million, or $11.7 million over the House, for Federal inspections under the occupational health and safety program. Ten million dollars of that increase is to add 833 Federal compliance officer positions to increase enforcement under OSHA.

In the area of health, the bill provides:

$324.6 million for maternal and child health programs, which is $113 million over the budget estimates and some $5 million over the House. The committee level provides for a 10-percent increase for grants to the States at a time when the U.S. infant mortality rate is worsening. A portion of the increase over the House—under an amendment I proposed—is to continue funding of university-affiliated centers such as Boston Children's Hospital and the Shriver Center for the Retarded.

$91.5 million for Public Health Service hospitals, an increase of $6.9 million over the House. Almost $13 million of the committee recommendation is to add 393 positions for patient care not included in the budget.

$2.2 billion for biomedical research at NIH. This is about $115 million over the House allowance and $584 million over the budget request. This level of funding is for continuation of the strong attack on cancer, heart and lung diseases, arthritis and other afflictions. We also provide additional funds for the Aging Institute.

Within the $803.5 million provided for the National Cancer Institute, our committee, at my request, recommends $6 million to help with completion of the Sidney Farber Cancer Center in Boston. The new facility will enable the Children's Cancer Research Foundation, which operates the center, to expand its vital work to include adults, as well as children.

$601.9 million for alcohol, drug abuse, and mental health programs. Within this amount, the committee has restored mental health training to its fiscal 1975 level of $75.9 million. The committee cannot accept the $45.7 million reduction for mental health training proposed in the budget when shortages of needed personnel still exist.

$360.5 million for health resources, a decrease of $180,000 from the House allowance, but $35.2 million over the budget request. Increases are provided for eligible students who need financial assistance in order to pursue careers in the health professions. We also provide the maximum funding allowable—$21.5 million—for nursing student assistance.

One further—but important—note about the health section: Our committee has earmarked 881 positions in the bill for various health programs, including 481 at NIH. The committee has taken this step because, over a number of years, positions have been withheld from the health agencies—in effect, impounded. Health programs, including patient care and vital research, have suffered accordingly. Our proposal will not restore the balance completely, but it should help.

In the area of welfare, we provide more than $1.1 billion over the fiscal year 1975 level for public assistance, covering such relatively uncontrollable programs as medicaid, social services, and child welfare services.

For the supplemental security income—SSI—program, at which charges of massive overpayments have been leveled, our committee recommends that the 6,000 requested "term" positions—jobs lasting more than a year, but not indefinite in length—be authorized, instead of full-time permanent positions without any limit on duration.

Our distinguished chairman, Mr. MAGNUSON, and I already have announced plans for a thorough review of the SSI program's difficulties in connection with our hearings on the first supplemental appropriations bill.

For human development, our committee provides for expenditures of $200 million for nutrition services for the elderly, and for $720 million for grants to the States for basic vocational rehabilitation services.

I am glad the committee agreed to my amendment adding $1 million for spinal cord injury rehabilitation. This includes $250,000 for a model demonstration project for greater New England where no such project presently exists.

Under the HEW Office for Civil Rights, our committee provides for the full request for 60 new positions. Of this amount, 42 will be used to implement section 504 of the Rehabilitation Act of 1973, which prohibits discrimination against the handicapped by recipients of Federal assistance.

For the Community Services Administration, formerly OEO, we provide additional funding for emergency food and medical services, emergency energy conservation, and migrant and seasonal farmworkers.

I also am pleased to report that the committee accepted my amendment restoring $610,000 cut by the House from the National Labor Relations Board. The restoration will assure that the Board gets all 97 positions it requested in order to meet its increasing workload.

Time does not permit covering more of the actions taken by our committee. I urge my colleagues to read the report for a fuller understanding of our recommendations.

I believe we have developed a responsible and responsive bill designed to meet vital human needs. The bill does not deserve to be vetoed and I hope there will be no veto. Rather, I urge its prompt passage so that the essential programs it funds may continue uninterrupted.

Mr. President, I am pleased to yield to the distinguished Senator from New Hampshire, formerly the distinguished senior Senator from New Hampshire, now the distinguished junior Senator from New Hampshire, and certainly, the outstanding ranking minority member of the Labor-HEW Appropriations Subcommittee for some years. It is very appropriate, Mr. President, that at a time when it would appear that NORRIS COTTON, who has served the Senate and this Nation so well, will be retiring from the Senate—who knows, he may come back again, but for now at least he will be retiring from the Senate—we have on the floor of the U.S. Senate the Labor-HEW appropriations bill with which he has worked with Senator MAGNUSON for so many, many years and worked so ably. I am very pleased at this time, Mr. President, to yield to my distinguished colleague, the Senator from New Hampshire (Mr. COTTON).

Mr. COTTON. Mr. President, I thank the distinguished Senator from Massachusetts for his kind words and for his yielding me a moment.

I have served as interim Senator for the last 2 or 3 weeks and have not taken any time of the Senate. This is my last day in the Senate. Incidentally, I want it known that as far as I am concerned while I naturally supported my party, my relations with the distinguished gentleman who will permanently take this seat have always been most pleasant personally. He appeared before our Commerce Committee several times as insurance commissioner of New Hampshire to discuss no-fault insurance. I hope he will enjoy and profit by his service in this distinguished body as much as I have in the happy years that I have spent here.

This is my last day, and I reassure my friends I cannot see any way on Earth that I would be coming back. But I wanted 2 minutes because of the fact that for many years I worked with the distinguished Senator from Washington, Senator MAGNUSON, the chairman of the committee, as ranking minority member of the Subcommittee on Labor, Education, and Welfare.

It was to me, as I look back over my 20 years in the Senate, the service that I like to remember and think the most about. Our work was cut out for us, and we did it—as frugally as possible—combating disease, perfecting cures, educating our youth, and doing those things that are so vital to the future of this Republic.

Naturally, being interested in the subject, I have examined the report of the subcommittee most carefully. There could be, perhaps, two minor points that, if amendments were offered, I would vote for, but I think the distinguished chairman and my successor, the distinguished ranking minority member of this subcommittee, have brought in a fine bill, and it is not exorbitantly over the budget. The things it deals with are most vital human needs, such as mental health, training for the handicapped, and the many items in this bill that reach to the very heart, Mr. President, of the future of our country.

On this, my last day in the Senate, it is going to afford me great pleasure, if we reach the final vote today, and I am privileged to cast my last vote in the Senate for this bill that is now before us and for which I think the committee should be highly commended.

As I say goodby, I want to thank all of the Members of the Senate for their many courtesies and kindnesses to me through the years.

It has been a great pleasure for me to

meet the new Senators, including the distinguished Senator now occupying the chair (Mr. FORD) who, I have discovered, is one of those Senators who I believe will restore confidence in the Senate of the United States.

He found at my desk, when he temporarily took over my offices, some objects that were rather important to me. They were mementoes of the past, from old friends which he promptly sent to me. I want to thank him again and wish him well here in the Senate and whatever else he may undertake.

Mr. MAGNUSON. Mr. President, it is pretty hard to add anything to what has already been said about NORRIS COTTON. I do not know whether he will be back or not. I did not think the last time he was going to be back, but here he is. Unusual things occur in New Hampshire—in politics, that is.

Mr. COTTON. You can say that again.

Mr. MAGNUSON. But I am so glad he could be here today, particularly when we are discussing this bill.

We worked many many weeks on the complex programs in the bill. But, NORRIS, you can go home with a feeling that whatever good has come out of HEW since it was inaugurated in 1954, you have been a significant architect and moving force. I wish you well.

Mr. COTTON. I thank my distinguished friend and former chairman for his kind words.

Mr. MAGNUSON. At this point, and in order to facilitate the study of the committee recommendation by Members of the Senate, their staffs, and others, I ask unanimous consent to have printed in the RECORD a tabulation that shows the progress of the bill to date.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Current status of Labor-HEW appropriations bill (H.R. 8069)

Senate committee recommendation	$36,265,952,318
House bill	35,979,641,000
1976 President's budget	35,157,909,000
1975 comparable appropriations	43,307,434,000
Subcommittee bill compared with:	
House bill	+286,311,318
President's budget	+1,108,043,381
1975 comparable appropriations*	—7,041,481,682

*A substantial portion of this decrease is the result of a two-year appropriation in 1975 for unemployment benefits ($5.7 billion) and Public Service Jobs ($2.5 billion).

SUMMARY OF ESTIMATES AND APPROPRIATIONS

The following summary table compares appropriations for 1975, 1976 budget estimates, amounts contained in the House bill, and the Senate Committee recommendation:

	1975 appropriation	1976 budget estimates	House bill	Committee recommendation
Department of Labor	$14,105,787,000	$3,478,703,000	$3,475,558,000	$3,495,141,000
Department of Health, Education, and Welfare:				
Health Services Administration	497,548,000	426,782,000	553,685,000	560,302,000
Center for Disease Control	95,998,000	99,601,000	107,115,000	112,471,000
National Institutes of Health	1,937,359,000	1,681,354,000	2,150,755,000	2,266,181,000
Alcohol, Drug Abuse, and Mental Health	668,115,000	524,343,000	608,218,000	655,462,000
Health Resources Administration	306,319,000	339,329,000	374,709,000	374,529,000
Assistant Secretary for Health	61,225,000	68,301,000	68,155,000	65,855,000
Social and Rehabilitation Service	14,172,932,000	15,392,446,000	15,387,878,000	15,400,278,000
Social Security Administration	9,160,165,000	10,713,556,000	10,641,664,000	10,641,664,000
Human Development	1,460,507,000	1,404,682,000	1,500,049,000	1,528,358,318
Departmental Management	126,801,000	147,442,000	138,275 000	134,885,000
Total, HEW	28,486,969,000	30,797,886,000	31,530,503,000	31,739,985,318
Related agencies	714,678,000	881,370,000	973,580,000	1,030,826,000
Grand total	43,307,434,000	35,157,909,000	35,979,641,000	36,265,952,318

Mr. BROOKE. Mr. President, I ask unanimous consent that Mr. Richard Vodra of Senator SCHWEIKER's staff be permitted to remain on the floor continuously during the consideration of this Labor-HEW bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PASTORE. Mr. President, I rise to commend the committee for increasing the funding under title VII of the elderly nutrition program.

In my State of Rhode Island, an average of 925 senior citizens each day enjoy a hot meal provided under the title VII elderly nutrition program. These meals are served at six different dining halls located throughout the State.

But the people who are fortunate enough to enjoy a hot meal every day under this program are only a fraction of the total number of elderly people who want to participate and who desperately need this kind of help.

Many elderly people who are trying to survive on social security retirement benefits can barely pay their rent and utility bills, let alone medical and food bills with their pension checks. They cannot even afford to buy the right kind of foods to keep them healthy. That is why this program is absolutely essential.

There are countless numbers of elderly people who want to join the hot meal program but they cannot because of limited funding. These poor people are either on long waiting lists or they live in areas where there is no elderly nutrition program. In Rhode Island alone there are about 1,200 people on the waiting list.

Our bill would virtually wipe out the waiting lists in Rhode Island because this appropriation would make it possible for 2,000 elderly Rhode Islanders to enjoy one hot meal a day.

This bill would bring many of these old people who need help, but are now shut out, into the elderly nutrition program. Specifically, the bill requires HEW and State administering agencies to increase the "level of operations" of the program so that $200 million is spent during the 1976 fiscal year.

As soon as possible, the annualized rate of expenditures for the nutrition program must be increased to an amount that will assure that $200 million is spent for this year's title VII operations.

Our bill accomplishes this mandate by appropriating $125 million and by directing that this amount, plus an additional $75 million appropriated in previous fiscal years and forward funded into this year, be spent by State and local agencies during fiscal year 1976. We expect the HEW Secretary to reapportion funds near the latter half of the fiscal year, so that States that need the money the most can use unspent funds from other States.

By directing an expenditure of $200 million for the elderly nutrition program in fiscal year 1976, it is expected that a modest amount of program expansion will be effectuated and waiting lists for title VII benefits will decrease.

I am pleased to associate my remarks with the actions of the committee and I hope that our passage of the appropriations bill today will help to feed many needy senior citizens through the elderly nutrition program.

In addition, of crucial importance to my State would be the help this bill would provide us in creating jobs to help put some of our thousands of unemployed people back to work.

Rhode Island has the highest unemployment rate in the Nation—16 percent. In fact, Rhode Island has been the most economically depressed State in the Nation for more than 8 months.

The funds provided in our bill for title II of the Comprehensive Employment and Training Act—the title that creates public service jobs in highly depressed areas—would result in appropriations of $2,807,000 for Rhode Island. This would be sufficient to put 316 unemployed people back to work.

Under title I of CETA, this bill would provide $7,506,000 for my State which is enough to create 834 jobs for unemployed people.

Mr. MOSS. Mr. President, I intend to send an amendment to the desk in just a moment, but I would like to add a word of appreciation for NORRIS COTTON who just delivered what he said would probably be his last speech in the Senate.

I served with Senator COTTON on the Commerce Committee, and I found him to be a great Senator. It is sort of a second goodby since we thought we had gone once before. I feel just as strongly this time about his leaving as I did when he first left.

Let me say, Mr. President, I wish to commend the chairman of the subcommittee and the ranking Republican member for their great work in putting together the bill that is before us now and presenting it to the Senate.

I recognize the great complexity of this bill, the magnitude of it in dollar numbers, and also the pressures that exist in this area for various funding of various programs that are of great importance in our country, and I think they have done a most commendable job.

Mr. MAGNUSON. I thank the Senator.

Mr. MOSS. Mr. President, I have a very minor amendment which I send to the desk and ask that it be considered.

The PRESIDING OFFICER (Mr. Ford). The clerk will state the amendment.

The assistant legislative clerk read as follows:

> On page 39, line 1, strike "$1,528,358,318" and insert "$1,528,758,318".
>
> On page 39, line 5, strike $2,500,000" and insert "$2,900,000".

Mr. MOSS. Mr. President, this is a very minor amendment in dollar numbers considering the magnitude of the bill that is being considered, but it is of greatest importance in its impact. I recognize that the committee has striven to fund all of the programs that it felt could be funded within the limitations of the financial constraints that are upon us.

Mr. President, the Columbia Lighthouse for the Blind, a charitable institution in the District of Columbia, serves more than 1,500 blind and visually handicapped persons each year with a wide range of important services. The community services department provides social case work, senior citizens' and children's activities, and a talking book service. The rehabilitation center conducts diagnostic evaluation, personal and vocational training, and a job placement service. The workshop employs some 50 people in the production of various products. All of these services help clients to lead full and independent lives.

Mr. President, the Lighthouse is now being forced by Metro subway construction to vacate its present premises and to build a new facility. The total cost of this project is estimated to be $1,750,000, including:

To retire the present mortgage	$100,000
To purchase land	225,000
For preparation of land and architectural fees	125,000
To construct a new building	1,060,000
For equipment and furnishings	100,000
For contingencies and fund-raising expenses	130,000
Total	1,750,000

The proposed facility would merely accommodate present services, although it will replace a building never designed for the purposes it now serves.

Thus far the Lighthouse has obtained $785,000 of the necessary funds, including a Hill-Burton grant of $290,000 and $495,000 from sale of the present property to the Washington Metropolitan Area Transit Authority. The D.C. Human Resources Department has just approved an additional $200,000 in unobligated 1973 and 1974 Hill-Burton funds. An effort is being undertaken to raise approximately $265,000 in contributions from the community. Thus a deficiency of $500,000 remains. This would supply $400,000 of this deficiency. The need for this sum is urgent, for Metro will take possession of the present property on April 1, 1976.

I strongly urge the Senate to approve $400,000 for construction of a new Columbia Lighthouse building, under section 301 of the Rehabilitation Act of 1973—Public Law 93-112. Until recently, this section and section 12 of the previous law have not been funded on a regular basis. However, the Congress appropriated a total of $12.3 million in fiscal years 1970, 1971, 1972, and 1974 for facilities in Chicago, West Virginia, and Arkansas.

The Lighthouse has an even greater claim to Federal assistance. It was founded in 1900 in the National Capital to serve as a model rehabilitation center for the entire country, and it immediately received a grant of $5,000 by act of Congress. Other appropriations followed until the First World War. At various times the Lighthouse has served as a convalescent home and training center for war-blinded veterans and as an agent for the U.S. Government in distributing welfare payments. Through the Departments of State, Labor, and HEW, the Lighthouse received a large number of foreign visitors interested in American programs for the handicapped.

Under the Wagner-O'Day Act as amended, the Columbia Lighthouse workshop has supplied mops, brooms, mattresses, and neckties to the Armed Forces and other agencies. These activities have employed 35 to 50 blind persons in recent years. The National Industries for the Blind, which represents nonprofit agency workshops under provisions of Public Law 92-28, proposes to establish a research, development, and training laboratory at the Lighthouse. Such a demonstration center would, among other things, provide the Government with better information on the management and productivity of the workshops with which it contracts. Development of such a program, however, depends on construction of a new facility.

Favorable consideration of this amendment would not result in any duplication of services, for the Lighthouse is the only institution of its kind in the metropolitan area. Rather, it would insure the continuation and improvement of programs which are vital to the well-being of thousands of blind citizens.

Mr. President, I think it is of greatest importance that we permit this fine, ongoing institution, which has been in existence since 1900 in the District of Columbia, to continue its activities and to serve those handicapped citizens of the National Capital.

Mr. MAGNUSON. Mr. President, I have had some discussion with the Senator from Massachusetts (Mr. Brooke) and the Senator from Utah (Mr. Moss) about this matter and the case is well deserved. If there is no objection, we will accept this amendment.

I want it understood that this is a fund in which other Lighthouses for the blind, of which I think there are about 17, are eligible, but it will only be enough to give top priority to one, such as this one, that really has a serious problem.

I have one in Seattle; I am sure in Boston they have them. But this is a unique problem. I am happy to accept the amendment.

Mr. BROOKE. Will the Senator yield?

Mr. MAGNUSON. Yes.

Mr. BROOKE. I wish to say that I agree. This is certainly a meritorious case. The fact is that the Metro has taken over this building, something over which the Lighthouse for the Blind had no control at all. In addition, the fact that it has come out and raised so much money on its own, but just cannot go any further, I think makes it important this be done.

I commend the Senator from Utah for offering the amendment and I join with my distinguished chairman in accepting it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Utah.

The amendment was agreed to.

Mr. MOSS. Mr. President, I thank the chairman of the committee.

Mr. MAGNUSON. Mr. President, I do not know where all the Senators are who wanted to submit amendments or discuss this matter, but they are not here.

Mr. President, I suggest the absence of a quorum in order to get the Senators here. Otherwise I would just as soon have third reading and pass the bill.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, I have an amendment at the desk and on behalf of myself and Mr. Chiles I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> On page 10, line 18, before the period insert a semi-colon and the following: "or for the costs incident to the assessment of any penalty of more than $100 for a citation issued for any violation other than a serious violation (as defined in section 17 [k] of the Occupational Safety and Health Act of 1970 [29 U.S.C. 666 (j)]) of rules or standards during the initial inspection of any establishment or workplace that can be inspected under the Act."

Mr. JOHNSTON. Mr. President, what this amendment does is very simple. It restricts the use of funds by OSHA to assess penalties of more than $100 when two factors are present: first, where the citation involved was for a nonserious violation; and, second, where the citation was issued on the initial OSHA inspection of an establishment.

Mr. President, under the present law, investigators from OSHA can go around without notice and assess a penalty of $1,000 for a nonserious violation at any kind of establishment, and that includes small establishments as well as large establishments.

All this amendment does is that in two instances, when it is nonserious and when it is on that initial inspection, the fine cannot exceed $100.

What the amendment does not do is the following: It does not prohibit the assessment of larger penalties for a serious violation issued at any time.

Mr. President, by the way, the law defines the difference between a serious violation and a nonserious violation. A serious violation is that which is likely to produce death or serious bodily harm. A nonserious violation is the other category, those things like drinking fountains, the height of electric plugs off the floor, and all of that great minutiae that is contained in several hundred pages of the OSHA regulations.

The regulations also do not prohibit the assessments of larger penalties when a firm fails to abate a violation.

In other words, if a violation is discovered on the first inspection and an abatement order is given, then failure to abate that situation, failure to correct the defect, can result in the larger penalty.

Third, it does not prohibit the assessment of larger penalties for any violation, serious or nonserious, discovered on any inspection after the first.

What this amendment does is deal with that first inspection.

What is the reason for this amendment, Mr. President?

It is because the Occupational Health and Safety Act is today being administered in a manner far broader than Congress intended in 1970. Precise compliance with the law by many employers is virtually impossible and, therefore, the imposition of large civil penalties for very minor violations serves primarily to create anxiety among businessmen and not to further the purpose of the occupational health and safety law.

When OSHA was passed, Mr. President, it was directed to the truly serious problems of the working place; to real dangers that existed in places of employment; to the matters that maim or kill; and to toxic substances that inflict long-term serious disease. But, Mr. President, I invite the Senate to look at these regulations and to some of the minutiae, some of the ridiculous lengths to which they go.

For example, there are 11 pages in these regulations governing ladders—complicated mathematical formulas that describe the construction of ladders, geometric diagrams of ladders—11 pages covering ladders.

There are regulations covering the number of toilets in a working place.

This is supposed to be health and safety and yet it covers the number of toilets in a work place.

Mr. President, if an inspector comes around and finds that a particular establishment has the wrong kind of ladder design or insufficient toilets, they should not fine $1,000 for that kind of violation on the first instance.

It covers specifications related to drinking fountains. It covers standards for housekeeping and the cleanliness of a business.

It covers specifications for whether or not sinks in bathrooms should have hot and cold water. What hot and cold water have to do with health and safety, insofar as this OSHA law is concerned, I do not know, Mr. President.

It concerns the methods of stacking cartons in storage areas.

Precise compliance with this law, Mr. President, for most employers is virtually impossible.

I say impossible because how is a relatively small business to be able to read and digest these hundreds of pages of regulations about drinking fountains, hot and cold water, the number of bathrooms, 11 pages on ladders, et cetera, ad nauseum.

The challenges of operating a business, particularly where there is only one manager, are immense. It involves producing a product or buying a product for resale, marketing that product, personnel problems, everchanging accounting rules, tax laws, and now on top of that we are going to put several hundred pages of safety and health regulations.

Mr. President, I think the Senate and the Congress support the idea of health and safety. Obviously we do and we ought to. But let us at least give the businessman some relief so that if the infraction is nonserious and if it is on a first inspection, the fine cannot exceed $100.

Mr. President, I think that is more than fair. It is more than proper. It does no violence to the law. It does no violence to the protection of health and to the protection of safety.

We can still assess the larger fine if it is on any inspection after the first. We can still have abatement proceedings. We can still fine for serious violations. But this, I think, is a first step of relief for the businessman, and particularly for the small businessman, who cannot become familiar with this raft of regulations.

Mr. President, I ask unanimous consent that the names of Senators HARTKE, FANNIN, HANSEN, NUNN, BUCKLEY, HELMS, and ROTH be added as cosponsors of the amendment.

The PRESIDING OFFICER (Mr. HASKELL). Without objection, it is so ordered.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. JOHNSTON. I am happy to yield to the Senator from Arkansas.

Mr. McCLELLAN. I commend the Senator for proposing this amendment. I think I understand it; but I am wondering how and by whom the determination is made whether it is a small infringement or breach or violation of the law. Who makes that decision as to small as differentiated from one that is large?

Mr. JOHNSTON. The law defines a serious violation.

Mr. McCLELLAN. I did not understand the Senator.

Mr. JOHNSTON. I say the law defines a serious violation. It rather precisely defines it in terms of whether it is likely to produce death or serious bodily harm. All the rest are nonserious violations.

Then, of course, OSHA has rulemaking power to further delineate and expand upon those definitions. So OSHA would have some influence in further expanding the distinction as to whether it is serious or nonserious. But there is a differential basis as to whether it is a serious or nonserious violation in the statute.

Mr. McCLELLAN. Am I correct in understanding that OSHA has authority, under its rulemaking power, to simply impose a fine or penalty, without having given notice or warning?

Mr. JOHNSTON. That is exactly right. In other words, an inspector could come by on a first visit to a very small shop, find that they had no hot water or no drinking fountains, and fine them $1,000 on the first visit.

Mr. McCLELLAN. Why, then, would not the Senator be willing to reduce the amount from $100 to $50? I personally think on some minor thing, they ought to be warned or given notice, and an opportunity to make the correction.

Mr. JOHNSTON. I would certainly accept that amendment.

Mr. McCLELLAN. I am simply making the suggestion. I do not know whether the Senator can get it adopted even with the $100, or not. But I have had many complaints from small business people who cannot get familiar with all these rules and regulations. I do think there ought to be some provision of law for them to give notice and give reasonable time for the correction of any defect, and for compliance. If we are going to reduce the amount, I suggest the Senator make it $50 instead of $100, because I feel that in many of those instances there is no justification for it whatsoever; that a notice of warning would get the desired results; and that a penalty would be unnecessary and could be arbitrarily imposed, and simply be an imposition rather than a service in the purpose of trying to bring about safe working conditions.

Mr. JOHNSTON. I appreciate the comments of the distinguished Senator from Arkansas. I have discussed the proposal of reducing the amount from $100 to $50 with my distinguished coauthor, the Senator from Florida (Mr. CHILES), and we agree that would be a good amendment.

So, Mr. President, at this time I ask that the amendment be modified by changing "$100" to "$50". The amount appears once in the amendment.

The PRESIDING OFFICER. The Senator has that right, and the amendment will be so modified.

Mr. JOHNSTON's amendment, as modified, is as follows:

On page 10, line 18, before the period insert a semicolon and the following: "or for the costs incident to the assessment of any penalty of more than $50 for a citation issued for any violation other than a serious violation as defined in section 17(k) of the Occupational Safety and Health Act of 1970 (29 U.S.C. 666(j)) of rules or standards during the initial inspection of any establishment or workplace that can be inspected under the Act."

Mr. JOHNSTON. I yield to the distinguished Senator from Florida.

Mr. FORD. Mr. President, will the Senator allow me to make a unanimous-consent request?

Mr. CHILES. I yield.

PRIVILEGE OF THE FLOOR

Mr. FORD. I ask unanimous consent that John Wells of my staff be accorded the privilege of the floor during the consideration of H.R. 8069.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLELLAN. Mr. President, may I be added as a cosponsor?

Mr. CHILES. Mr. President, I ask unanimous consent that the name of the Senator from Arkansas (Mr. McCLELLAN) be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHILES. Mr. President, I am happy to join with the Senator from Louisiana as a cosponsor of this amendment. I have introduced a bill that would provide for some reform of the OSHA provisions, which would provide no fine for the first inspection if there were no serious violations.

I think we should distinguish between a serious violation and a non-serious violation. A serious violation is one that could lead to bodily harm.

The Senator from Louisiana, the Senator from Florida, and I know the Senator from Arkansas are certainly not concerned with trying to say that there should not be a fine if something could lead to bodily harm. But for these nonserious violations that would not lead to bodily harm, it would be much better if we did not impose a large fine, because what we are trying to think about is, how do we make for improved worker safety?

The best way to have improved worker safety, really, is to have cooperation between the OSHA officials and the employers, so that they will really be going in and trying to make for better working conditions. If they can do that in an atmosphere of cooperation rather than an atmosphere that they are going to go in and drop some tremendous fine, we will have a lot better spirit.

We find that many of our businessmen today feel that they have to fight their Government every step of the way, for the reason that many of these rules and regulations appear to harass them.

Nothing in this amendment will, I think, do anything other than better the climate, which will give us a better opportunity to provide for worker safety, because we are going to try to instill cooperation rather than a cops and robbers game in which they go in, on a first visit, without any kind of warning of what is wrong, and drop some kind of a heavy fine.

I think this would be a step in the direction of trying to provide a different atmosphere and a different spirit, and that is the real purpose of the bill I have introduced. Thus far we have not been able to get hearings on that measure, but for those reasons I do want to join as a cosponsor and urge the adoption of the amendment.

Mr. BROOKE. Mr. President, I must strongly oppose this amendment. I think the effect of the amendment would really be to gut the act itself.

The Senator from Louisiana and the Senator from Florida have described this amendment as one of limitation. The fact is that it actually does change the act itself.

The Labor Department is opposed to this amendment. They feel very strongly that such an amendment would be opening the door to future changes in the act which would diminish OSHA's enforcement capabilities. The fact is further that OSHA has only a staff to inspect about 5 percent of the 5 million covered work places. If it does not have the authority to issue whatever fines a violation merits, to give a strong incentive to employers to come into compliance before inspection, then it really is ineffective.

It has been estimated that some employers could go as long as 50 to 100 years without ever receiving an inspection. There certainly must be some incentive for them to shape up. I think the effect of the amendment of the Senator from Louisiana certainly would negate any such incentive that employers would have to make their workplaces safe for employees.

There are many who are opposed to this amendment. We have the distinguished chairman of the Committee on Labor and Public Welfare present on the floor; he wishes to speak in opposition to the amendment. The ranking minority member of that committee, the distinguished Senator from New York (Mr. JAVITS) wishes to be heard in opposition to the amendment.

As I have said, the Labor Department is opposed to it, and I think labor itself is opposed to it.

I had hoped and thought possibly that this amendment would be subject to a point of order, but apparently it is not because the form of the amendment does indicate that it is a limitation.

Mr. President, it is much more than a limitation. I would describe it as somewhat of a wolf in sheep's clothing. It tends to do one thing, but in fact it certainly would seriously impair the effectiveness of OSHA. I hope that this amendment will be defeated.

Mr. JOHNSTON. Mr. President, will the Senator yield at that point?

Mr. BROOKE. I am pleased to yield.

Mr. JOHNSTON. The Senator stated that this amendment would actually change the substance of the act. Is it not a fact that all this amendment does is reduce from $1,000 to $50 the amount that a proprietor can be fined for a first violation uncovered by a first inspection? It does not change the substantive rules at all.

Mr. BROOKE. I think that in itself is the effect by reducing the penalty that can be charged. That is a substantive change. I do not think that the Committee on Labor and Public Welfare has had any hearings at all on this particular subject as to what effect that would have. It would appear to me that that is a substantive change and not a procedural change.

If that, in fact, is what the distinguished Senator from Louisiana is arguing, that this is in substance a procedural change, I think it is certainly substantive, if it reduces the penalty to practically no penalty at all.

As I have said—I do not intend to repeat it—it certainly would be no incentive for these employers to make their employment establishment safe for employees. They just would not do it. They would not have to do it. As the Senator from Louisiana knows, we have in numbers practically an insignificant staff as it is.

Mr. JOHNSTON. Mr. President, will the Senator yield at that point?

Mr. BROOKE. Yes.

Mr. JOHNSTON. Is it not a fact that last year there were 81,000 inspections?

Mr. BROOKE. I do not have the figures. When the Senator speaks about 81,000 inspections, what he is talking about is in terms of the number of inspections that can be made. I take it he is reading from the RECORD there. There are 5 million work establishments covered by OSHA. I think we ought to know all the facts. When the Senator says 81,000, there are 5 million work establishments covered by OSHA. In 1974 I understand only 38,491 smaller work establishments were inspected by OSHA personnel. That is the figure that I gave earlier.

Computed at this breakneck speed, it is estimated that it would take 100 years for every work site employing less than 25 employees to be inspected. I am sure that is not what the Senator from Louisiana would desire.

Mr. JOHNSTON. In this bill we are increasing the number of inspectors by 300. I think 81,000 is a great number of inspections. All we are dealing with here are nonserious violations.

Has the Senator really looked at all these regulations?

How a small businessman could ever have a passing knowledge of what they say, how he could know about 11 pages on ladders, how he could know about hot and cold water, and all of those minute things, I do not know. I just think it is unfair to subject many employers, particularly the small employer, who cannot conceivably be familiar with these regulations, to a $1,000 fine for some nonserious violation. That just does not square with equity and fairness to me.

Mr. BROOKE. Mr. President, if the Senator will yield further, the Senator said we added some inspectors, and we have a very modest number, as the Senator from Louisiana knows. But all we have done is increase the percentage of coverage from 5 to 7 percent for more than 5 million places covered under the legislation. So that certainly is not a large percentage increase. That is a 2-percent increase by the number of inspectors that we added in this bill. So we really have not begun to first authorize and then appropriate the sufficient numbers of inspectors to really do the job.

Where does the Senator get his 81,000 inspections made in 1974?

Mr. JOHNSTON. From the Labor Department.

Mr. BROOKE. I assume the Senator is correct. I am sure he would not recite it if it were not correct. Still that is a small number considering the more than 5 million work places that could be inspected and conceivably should be inspected.

The point I make is the incentive point. Once we begin to cut down on the penalty, as the Senator's amendment would do, then I just think we remove the incentive for these employers to improve the conditions so that the work conditions for employees around the country are safe. I am sure the Senator does not intend to have unsafe work conditions in these workshops across this country.

Mr. CHILES. Mr. President, if the Senator will yield at that point, he just said so that the work conditions are safe. I think that really gets to the heart of the amendment, because the amendment is only talking about reducing the fine where it is a nonserious violation. A nonserious violation is one that does not involve the safety or potential injury to a worker. So there is nothing in here that is going to do anything about making it an unsafe condition dealing with the safety, dealing with the health, and dealing with the possibility of injury of the worker. What the Senator from Louisiana and the Senator from Florida are trying to do is simply say we are not going to say to every small businessman in this country: "You automatically are an enemy of your Government. We are going to be able to come in to inspect. We are going to come on the premises. We are not going to give you any notice. We do not do that. We do not come with any warrant. We do not come with any provision of saying we are coming. We swoop down on you, and we can bring out our regulations of 11 pages on ladders, and things about how you paint a door and what you do about your hot water, and all that. We will fine you 1,000 bucks the first time we are there."

That is not anything that has to do with the workers' safety.

The thing that the Senator pointed out is he wants to deal with workers' safety. Yes, I want to deal with that, also, and we want to try to make the safest conditions we can.

The best way I think we can do that is have the OSHA people and the employer to work in cooperation and to determine how we can better the safety of the worker.

It is not to have this kind of atmosphere that we have now.

I wish the Senator from Massachusetts would go talk to some of his small businessmen and see just the feeling that they have about OSHA. I think that feeling is very bad. I have done it many times in my State. That kind of feeling is bad because I think that if we are going to really try to get to how we are to protect that worker's safety, we cannot do it with that kind of atmosphere that we have out there now, in which they feel like they are continually harassed and they do not know any time when the inspector is going to be there and impose this tremendous fine.

I really think that that would be the biggest thing that we could do to change that kind of attitude which would be to try to get this spirit of cooperation.

Mr. BROOKE. I do not know what experience the Senator from Florida has had. I have talked to small businessmen in my own State, as the Senator has suggested, and I certainly would be opposed to any atmosphere or certainly any procedure for harassment by OSHA. I do not think that is the purpose of it.

On the other hand, I do not see cases where OSHA sweeps or swoops down upon the small businessman and treats him unfairly. The inspectors are supposed to go to these places. I do not suppose they are supposed to send a calling card and announce, "I am coming on such and such a date." But they are supposed to go by and see if the place is safe, and not announce the time they come by and inspect them, on the theory that these places should always be safe for their employees. I think the Senator from Florida wants that.

Mr. CHILES. Now the Senator from Massachusetts is talking about safety again.

Mr. BROOKE. Yes.

Mr. CHILES. When we are talking about our amendment, remember we are not dealing with anything that is going to affect the possibility of injury to the worker, so we are not talking about that. We are talking about how we are going to paint lines and paint doors. We are talking about things like that which are nonserious violations.

Mr. BROOKE. The Senator is talking about serious and nonserious violations.

Mr. CHILES. Yes.

Mr. BROOKE. The Labor Department has been incorrectly labeling serious violations involving death and severe injury as nonserious violations, since citing violations to label them serious often required rather lengthy legal hearings. This amendment, as I understand it, would, therefore, limit even the most serious work hazards to penalties of $50. Originally the Senator had it at $100. Now it would be limited to $50.

Is that what the Senator intends to do?

Mr. CHILES. The definition in the regulation is those injuries not involving the possibility of serious injury—the distinction between a serious and a nonserious injury.

Mr. JOHNSTON. Mr. President, if the Senator will yield, I think this is a key distinction here. I hope that if we can get this point across and get it understood, the amendment will be accepted, because this applies only to nonserious violations which are defined in the act.

Mr. BROOKE. The act already makes fines for nonserious violations optional. Is that correct?

Mr. JOHNSTON. That is correct. It gives the power to fine up to $1,000.

Mr. BROOKE. And these guidelines have resulted in no penalties for 70 percent of the nonserious violations.

Mr. JOHNSTON. That is true. As a matter of fact, the average fine is less than $50. But what we are talking about is the possibility of that fine.

Unfortunately, inspectors in the Federal Government and bureaucrats in the Federal Government are not uniformly endowed with fairness, equity, and wisdom, as great a surprise as it may be to some Members of the Senate.

We do not want to give the inspectors the power to fine you $1,000 if you have a little, one-horse operation, such as that of my automobile repairman back in Shreveport, La., who said:

> Look, these guys can put me out of business. I don't make much money, and they're going to require me to raise my electric conduits by 3 inches—they're too low to the ground—and they're going to require me to put in bathrooms, hot water, and water fountains, and paint lines, and all of these minutiae.

We are saying that nobody should have the discretion to levy a fine of a thousand dollars for those nonserious violations.

Mr. BROOKE. I am going to yield to the distinguished chairman of the Committee on Labor and Public Welfare, but first I wish to say this: These inspections are not limited to Louisiana and Florida. They are national. They go all over the country.

Although I am very sympathetic and understand the serious problems affecting small business in the country, I still believe that this is sound legislation, that we have to protect the safety of employees, and I assume it does vary. Perhaps the Senator from Louisiana is aggrieved about something that has happened, some isolated case in his State, or in the State of Florida, or in some other State, but I do not think that what the Senator has described is wholesale.

I do not believe that the few inspectors we have are running roughshod over small businesses across the country and swooping down on them and being unfair to them and causing great hardships to them. I believe there are provisions within this legislation that protect the small businessman against that. We have tried to provide some protection. There have been amendments on previous appropriation bills, or attempts at amendments.

In the long run, OSHA has done a good job. We have given it some additional inspectors. If the Senator has a problem with respect to a particular inspector, as to practices and procedures, we have a way to take care of that. I would hate to see this amendment adopted by the Senate, because in my opinion and in the opinion of some others, it would tend to gut this legislation.

I yield to the distinguished Senator from New Jersey.

Mr. HELMS. Mr. President, will the Senator yield me 30 seconds, first?

Mr. BROOKE. I yield.

Mr. HELMS. Mr. President, I ask unanimous consent that Rom Parker, of my staff, be accorded the privilege of the floor during the discussion of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS. Mr. President, I appreciate this opportunity to give an interim report of what the Committee on Labor and Public Welfare is doing in response to the fact that the administration of the program under OSHA has been in many ways short of what we had expected when we legislated this measure into law. We had the full expectation that it would clearly and decisively go to improving the working places of this country so that the workers in those places would have a safer and a healthier place to work.

I understand completely the problems that come to Members of Congress from their constituencies, where it appears that the administration of the program and its enforcement have not been directed clearly to those goals but have been fraught with a multitude of picayune businesses of administration that have been annoying, at a minimum, and greatly frustrating, at a maximum. We have had all kinds of suggestions that this bill should be changed. They have come to us informally; not to the authorizing committee for this legislation, as I would have preferred.

We are dealing here with an appropriations measure, and this amendment goes deeply to the underlying law. It really amounts to amending basic law.

I regret that the Members who have offered this amendment have not come to me, as chairman of the Committee on Labor and Public Welfare, and to the members of the committee, and sought an opportunity to advance ideas for the improvement of OSHA. In that way, I think it would be more constructive.

Before I issue what I consider a necessary interim report on what we are doing in our deliberations with the Department of Labor to improve the administration of OSHA, I point out that in the last few moments a serious misunderstanding has been expressed about the nature of a serious violation. The law clarifies and will give us, I hope, a better appreciation of what we are talking about when we talk about a serious violation and a nonserious violation.

Section 17(k) of the Occupational Safety and Health Act provides:

> A serious violation shall be deemed to exist in a place of employment if there is a substantial probability that death or serious physical harm could result from a condition which exists . . . unless the employer did not, and could not with the exercise of reasonable diligence, know of the presence of the violation.

So we come to what a nonserious violation is by this definition of a serious violation, and that is death or serious physical harm.

Obviously, all the degrees cannot be described in legislation. There has to be a broader way of expressing a serious violation, and it is death or serious physical harm. Obviously, a serious violation is one that could cause a great degree of physical injury; a nonserious violation, some degree less. But it deals with physical injury.

Mr. JAVITS. Mr. President, will the Senator yield on that point?

Mr. WILLIAMS. I am happy to yield.

Mr. JAVITS. I am the ranking member of the committee. I feel exactly as Senator Williams does as to the general proposition.

I can think of nothing that would strip the self-policing activities of the small businessman down to more basic, underessential activity than cutting this penalty to $50. He would just wait around to be caught, because there would be no real inducement for him to correct himself.

As to the theory that he is a small businessman, so he is a nice, charitable, sweet man, the fact is that there are millions of small businessmen. I am the ranking member of the Small Business Committee, and the small businessmen, themselves, know that some of the worst violators of minimum wage laws and safety laws are in their own ranks.

Mr. JOHNSTON. Mr. President, will the Senator yield for a question?

Mr. JAVITS. Let me finish this point.

The point that is being made by Senator Williams is critically important, for this reason. The fact is that the Department of Labor now specifies, for example, dust, which is the base cause for many industrial illnesses, as a nonserious violation. The fact is that even carcinogens—that is, cancer-producing materials—in the air are classified as a nonserious violation; for example, those occurring in vinyl chloride.

The fact is that they classify noise, even if it is deafening, as a nonserious violation. Why?

Because in the compromise which we made with small business—and this I was a party to, just as Senator Williams was—we made a very, very strict interpretation of what is a serious violation so that, unless there is some imminent danger of death or substantial injury, everything else is a nonserious violation. I did not like it then, but I certainly would like it infinitely less if the penalty were cut down to $50.

One final statement on this very point: The fact is that the Secretary of Labor has very broad power to give variances on exemptions in respect of the act. Yet, notwithstanding many of the complaints to which the Senator from Florida and Louisiana have apparently given their attention in this matter, very few employers have sought variances from the Secretary. We believe it is because they cannot prove a case. Therefore, I think that this is a critically important factor in the argument which is made by our colleagues.

Mr. President, Senator Williams has the floor. If he will yield to Senator Johnston, I shall be glad to answer any questions.

Mr. JOHNSTON. I should like to ask a question if the Senator will yield.

Mr. WILLIAMS. Yes; I yield.

Mr. JOHNSTON. The Senator says this will discourage the small businessman from complying with this law. I am wondering if the Senator really believes that the small businessman—a man who has a business of 10, 20, or 25 employees—as a practical matter can have any idea of what is in these hundreds of pages of regulations that govern everything from drinking fountains to the configuration of ladders. Does the Senator really believe that he can or should be expected to be familiar with those regulations?

Mr. JAVITS. As a practical matter, my answer to Senator Johnston is yes. I shall say why.

I have heard the Senator's arguments a thousand times in these matters, and he may as well tell me that no small businessman can be expected to understand all the criminal laws of the United States and, therefore, he should be exempt from them.

Yes, we have a big body of law. We have State law, local law, and Federal law, but every small businessman knows when he is running a pretty clean shop. There are exceptions and we are ombudsmen and we protest about them. But when he is running a pretty clean shop, he generally has no difficulty with anybody—labor or anybody else.

Surely he does not swallow all the laws. That is a big volume. Nobody does. He does not sleep with them under his pillow. But he has a good idea when he is running a clean operation and that seems to be sufficient in our country.

I cannot accept that argument.

Mr. JOHNSTON. If the Senator will yield, there is a big difference between these hundreds of minute regulations, in which OSHA has the right to penalize and fine, and the criminal laws. In the first place, criminal laws cover only a few pages. Second, a man cannot be convicted or fined under criminal laws except by indictment and trial by jury and conviction. That is a long way from having to master thousands of rules and regulations.

Mr. JAVITS. There is judicial review in all these cases, even the little cases, if he wishes to invoke them. In our country, we always hear the argument that he has to defend in a suit. Anybody can sue anybody. I was sued as attorney general of New York for $100 million. I suppose I have had lots of suits like that. People do not like what I do, so they sue me. I have to defend. That, again, is the penalty we pay for being Americans.

I do not see how to avoid all those difficulties by cutting the penalty in these matters so that it gets silly and the fellow just does not care. It is like a parking ticket. He will take a chance on parking where it is illegal and he will pay $10. But this covers dust or carcinogens in the air where it is very, very serious and I think it just cannot be done.

I thank my colleague.

Mr. WILLIAMS. Emphasis has been put on the problems of the small businessman and the difficulty of understanding all of the regulations that have been promulgated under the OSHA program. In the Senate—in fact, indeed, in Congress—over the years, the administration of OSHA has arisen here on the floor as amendments, generally to appropriations bills. I am sure that this has registered clearly in the affected departments. As one of the results, within the last year alone, both the Department of Labor and the Department of Health, Education, and Welfare, who also has a jurisdictional aspect here in terms of the health-related problems of working places, have spent hundreds of thousands of dollars in publications that are very clear and precise and easily understood—not as the register of regulations that has been exhibited here by the Senator from Florida, but in those kinds of publications that speak loudly, clearly, and simply to the regulations. So a great deal has been done in making known what the standards require.

That is in response to the feeling that the bureaucracy is just hitting people with regulations that come in telephone-book size in small print. They have been reduced to understandable publications. After this is over—and again, it is too bad it has to be after the debate on this amendment—I invite the attention of the Senators from Louisiana and Florida to these publications.

That reminds me of my earlier statement that we on the Committee on Labor, mindful of Members' problems on this act, are waiting for Members to come to us urging review of their particular ideas to improve OSHA. I know the Senator from Florida has legislation, and we, as I understand it, have invited him to advance to the committee his ideas for the improvement of the act. Quite frankly, I do not believe that the appropriations process is the best way to do it, without any consideration of the depth of impact of a particular amendment.

Mr. CHILES. Does the Senator from Florida understand that there might be a hearing on this bill?

Mr. WILLIAMS. Absolutely. I have made that clear through our staff talking to his staff.

Mr. CHILES. We have never been able to get any hearing on our bill. We would be delighted to get that opportunity to have a hearing.

Mr. WILLIAMS. That is our responsibility here, to hear Members' legislation to improve the law. We will be there when the Senator advances to be heard and he will be heard.

Mr. CHILES. The Senator will advance at any time. Normally, one is notified when one can have a hearing on his bill. If the Senator would like me to, I can notify the committee when I would like a hearing.

Mr. WILLIAMS. I respectfully suggest to the Senator from Florida that he talk to his staff, who will talk to my staff, on what has gone ahead in preparation for that hearing.

If the Senator from Washington wishes me to yield——

Mr. MAGNUSON. I shall wait until the Senator is through.

Mr. WILLIAMS. I want to take this opportunity to describe how we have approached our common problems with OSHA and have presented these to the Department of Labor and what is happening right now in a new Department of Labor, because we have a dramatic change of personnel in charge of the administration of this program.

Mr. BROOKE. Will the Senator yield?

Mr. WILLIAMS. Yes.

Mr. BROOKE. I think that what the Senator is saying is certainly very important, but we have so many amendments to this bill and the distinguished chairman is trying to get this bill acted upon before tonight. If the Senator could put that in the RECORD and if his assurance to the Senator from Florida is satisfactory that he is going to hold hearings on this matter and that would be acceptable, that would be fine with us. If not, then I am prepared to make a motion to table this amendment. I do not know whether the Senator will want a rollcall vote or not, but I think we have discussed it rather fully. Unless the Senator insists on this amendment, I am prepared to move to table it.

Mr. WILLIAMS. I earlier had understood that there were not any time limitations. If there are, I can suspend. Certainly, this is a basic view of developments in the Department of Labor. Let us put it very simply. I do not have to give this full report here, on the floor, and it can be included in the RECORD.

Secretary Dunlop has now been in office for enough time to appreciate fully that a great change is needed in emphasis in administration within the agency charged with responsibility upon the Occupational Safety and Health Act.

The present Assistant Secretary is on leave, and a new person is coming in. We understand that the person to be named has a background of depth and understanding in the industrial health area, and the Secretary of Labor has indicated to us that there will be a future major emphasis on the agents that are true killers in the working places—carcinogens and the other factors that are serious debilitators of the health of working people. The direction will be away from the picayune and inconsequential, with emphasis on those things that are truly serious, and anybody would recognize them as truly serious. This is part of our report.

I do not demand this opportunity to report on the new wave of administration that is in process over there at the Department of Labor, although I think the Members would be interested in this.

I will accept any procedure here. I am so greatly opposed to changing this substantive law that deals with health and safety this way, through a side door, back door, through the appropriations process. If there is something wrong, let us hit it head-on on the underlying law. This is not the way.

In the past year the Labor Committee has written detailed analyses of many aspects of OSHA criticizing the operation and requiring from the Department plans for correction of the problems. We are now about to receive followup reports on the Labor Department's progress in achieving their correction goals.

Also, the GAO has, at the committee's direction, been continuing their review of OSHA's operation and pointing out to the committee aspects of OSHA's operation which are in need of more intensive committee attention to improve the program.

A factor which must be considered in evaluating progress in the act's implementation is that during the past year we have had a complete turnover in the cast of characters responsible for implementing OSHA. We have new Secretaries of Labor and HEW, we have a new Assistant Secretary for Health and a new Director for NIOSH, we have a new Chairman of the Occupational Safety and Health Review Commission and we are still in the process of receiving a new Labor Department Assistant Secretary for Occupational Safety and Health.

These personnel changes have all been relatively recent and are still having significant and positive impact on the way the OSHA program is being run.

During the past 6 months the Occupational Safety and Health Administration has been in a state of rapid change due to the vigorous efforts of the new Labor Secretary, John Dunlop, to reorient the Occupational Safety and Health Administration to address the more profound questions of occupational safety and health, such as the hazards of cancer-causing industrial chemical exposures, and to disengage from the relatively less significant problems of the height of the fire extinguisher and the color of the exit sign.

I agree with Secretary Dunlop's assessment that the crucial issue at this time is employee job-related health problems and exposure to toxic cancer-causing substances. In line with that emphasis we are expecting any day to receive from the President the nomination of a well-known industrial health professional to be the new Assistant Secretary for OSHA. We are anxious to have a competent man in charge of this sensitive agency.

Considering our usual experience with the responsiveness of Government bureaucracies, I believe that the Labor Department has been unusually sensitive to the criticisms of its OSHA operation which it has received both from Senate and House committees and directly from our constituencies.

Many improvements in the OSHA operation have been made. Much effort has been put into making OSHA standards more intelligible and more accessible. Onsite consultation programs for employers have been made available to States both with and without State OSHA plans. Educational programs for employers and employees have been funded throughout the country through our system of junior colleges and through the American Industrial Hygiene Association.

New standards are being written with an extensive preamble which explains in simple lay language what is contained in the body of the standard in sometimes necessarily technical language.

I believe that this amendment addresses an issue which is no longer with us; it springs from an employer fear that was basically allayed 2 years ago.

It would certainly appear that the discretionary penalty system in the law is not being abused. The fines themselves are not in actuality a harassment or a significant burden on the vast majority of businessmen—large and small. While 98 percent of the violations found are cited as nonserious, only 31 percent of these carry any monetary penalty. Of those nonserious violations which are hazardous enough to warrant fines, the average penalty is only $42. Even the average nonserious violation fines on the health standards are relatively low—$64 for carcinogens standard and $52 for the asbestos standard.

This is not at all to say that the discretion to levy higher penalties is not quite important. The fines of over $100 are reserved for those situations where, although there is not judged to be a high probability of death or serious physical injury, the health and/or safety of workers is in real jeopardy.

The fact that the compliance officer does not classify a hazard as a serious violation does not necessarily mean that the condition does not represent a real and possibly serious risk to the worker. Given OSHA's experience with the propensity for employers to contest serious violations and the consequent time and trouble that is involved in Commission and court defense of the citation, compliance officers—rightly or wrongly—often fall back on issuing a nonserious citation with a stiffer penalty in situations of serious hazard.

It is the combination of a heightened awareness and the possibility of being fined which has caused many businesses to increase the safety and health conditions of the workplace. According to a recent Harris poll, 48 percent of businessmen believe that OSHA has been good for American business and only 16 percent think that OSHA might affect their operation very seriously. Fifty-four percent of businessmen allowed that they wanted to do something about employee safety, because of the possibility of an inspection. Forty-one percent of small businessmen said that OSHA had been a major influence on their developing safety and training and engineering programs.

Many of us have been concerned about the effect of OSHA on small businessmen. It is evident from analyzing the statistics that inspections of small business are well directed into the relatively hazardous construction and manufacturing industries. Last fiscal year 74 percent of the inspections of small businessmen and 73 percent of the fines incurred by small businessmen were in the construction and manufacturing industries. On the other hand, the retail trade received only 5 percent of the inspections and 5 percent of the citations carrying penalties. Only 29 percent of the nonserious violations cited in small businesses carry any penalty.

We are coming into a period of awareness of the dimension of some of our more consequential occupational safety and health problems and it would be a very grave mistake to restrict the Secretary's discretion in levying penalties.

Today we are beginning to understand the devastating effect on our work force of the chemicals to which many of our workers have been exposed in the past 30 years. It is frightening but true that the coming years are going to see repeated instances of the discovery that individual chemicals such as vinyl chloride have been quietly poisoning our workers for the past three decades. Where will our enforcement effort be if we require the elimination of employer incentive to comply until he has actually been visited.

Based on a National Cancer Institute study by county, recent study by National Cancer Institute staff indicated that in the counties with the highest concentration of chemical plants, the incidence for lung, bladder, and liver cancer were, not surprisingly, significantly higher than in the rest of the United States. I might point out to the Senator from Louisiana that 6 of the 31 counties with the high cancer incidence related to working conditions were in Louisiana. Inhibiting the OSHA inspection procedure will mean inhibiting the control of dangerous carcinogens.

This amendment is a variation on a recurring theme which is probably more inappropriate today than it has ever been—both in terms of the businessman's perception of his need for relief and in terms of the Labor Department's need for the widest discretion as the problems it deals with become more complicated.

Last year at this time the Senate defeated by a 19-vote margin an amendment to eliminate first instance penalties for nonserious violations. I urge similar defeat of this amendment today.

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. WILLIAMS. Yes.

Mr. BROOKE. I cannot agree more fully with the distinguished chairman of the Labor Committee.

I am aware of the new procedures in the Department of Labor and what they are doing, and I perfectly agree with the Senator that this matter, if it comes up, should be coming up before his committee and there should be hearings on it; let us have some proposals and recommendations made by the Labor Committee before the Senate acts on it.

I think it is clearly legislation on an appropriations bill. It just does not belong on this bill. But apparently, because of the way in which the amendment was drafted, we have an informal ruling from the Parliamentarian that a point of order would not lie. If there had not been that ruling I am sure our distinguished chairman would have called for a point of order before this time. But, at any rate, I think the discussion has been a good one, it has been a healthy one, and if the Senator will put his report in the record and enable us to either have a motion to table or maybe even some agreement with the Senator from Louisiana, we could move on.

Mr. JOHNSTON. If the Senator will yield, Mr. President, we are ready to move ahead and go to a vote. We are ready to have an up or down vote, but we are ready to proceed maybe for another minute on each side and then ask for a vote at that time.

May I ask for the yeas and nays?

Mr. BROOKE. I have not made a motion to table.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. BROOKE. I make a motion to table.

The PRESIDING OFFICER. There is not a sufficient second.

Does the Senator withhold his motion to table?

Mr. BROOKE. Yes, I withhold my motion to table.

Mr. BARTLETT. Mr. President, I wholly concur with the statement of the Senator from Louisiana that his amendment is a sensible step. I think it is very obvious to those who are interested in the productivity of this Nation that many of the OSHA requirements have hindered productivity, and certainly this is one of the areas of concern today in fighting inflation and in fighting the recession.

I commend the Senator from Louisiana and I ask unanimous consent that I be added as a cosponsor of his amendment because I do think it is important that we take those necessary steps to improve OSHA, recognizing that occupational health and safety are important, but that restrictions that are too severe, and penalties that are too great, deter the goal from being achieved. I commend the distinguished Senator from Louisiana for this step which, in my opinion, will improve OSHA tremendously.

Mr. WILLIAMS. Mr. President, will the Senator yield for one moment? I just want to take a moment here to express my gratification to those who are leading the debate on this bill before the Senate as the chairman of the subcommittee and the ranking member, the Senator from Washington and the Senator from Massachusetts.

Here they are dealing with a matter of deep and important substance to the Labor Committee, and they come to this with a sensitivity and knowledge for which I certainly am grateful, and it is remarkable to me that the Appropriations Committee members can have that time and opportunity to understand so completely the substantive legislation. But it is demonstrated here again, and I applaud the Senator from Washington and the Senator from Massachusetts.

Mr. BROOKE. I thank my colleague.

Mr. MAGNUSON. Mr. President, of course I, like my colleague from Massachusetts, strenuously oppose this amendment. It is purely, in my mind, something which changes the substantive law without any hearings and without going before the appropriate committee now reviewing the whole matter—and believe me it should be reviewed. But why they always want to tack these things on appropriations bills mystifies me. If the regulations are wrong, the Senator from Oklahoma ought to go down there and talk to the Labor Department. We do not write the regulations in the bill, and the Appropriations Committee does not have charge of doing anything about the bill. You may word it any way you want to, but this changes a basic part of the law.

I might agree with it, but I do not like seeing this sort of thing on an appropriation bill. It is the wrong place. We have gone through this over and over again here in the legislative process. We voted on the levels of fines and the numbers of employees. Heaven knows how many,

many times we have done that. Here comes an appropriation bill that only asks for an increase in the amount of money for the compliance inspectors. If the law is wrong then you ought to change it through the appropriate legislative process.

I agree with the Senator from Florida and the Senator from Louisiana, and I am sure the Senator from New Jersey does, too, that there ought to be an easier way to write regulations than by big books, and that it what the Senator is going into, is that not true?

Mr. WILLIAMS. Exactly.

Mr. MAGNUSON. So I strenuously oppose the amendment and I hope the Senate will turn it down.

Mr. JOHNSTON addressed the Chair.

Mr. BROOKE. Mr. President, I think I have the floor.

The PRESIDING OFFICER. The Senator from Massachusetts has the floor.

Mr. BROOKE. Mr. President, I yield to the Senator from Wyoming.

Mr. HANSEN. Mr. President, the objective of providing a safe and healthful working environment for every citizen is supported by everyone. That was what the Congress intended when it passed the Occupational Safety and Health Act.

It has become apparent, however, since this act took effect, that many of its provisions are not relevant to that goal, and that some requirements serve only to impose unnecessary and costly burdens on employers and to generate suspicion, confusion and ill will.

There are a lot of ways this act should be changed so as to achieve the goal of protecting health and safety of workers, while removing needless and expensive burdens on employers. To that end, I have cosponsored Senator Chiles' bill, S. 454, to make a number of revisions in the Occupational Safety and Health Act.

Since those who favor amending the act have been unable to gain the assistance of a majority of Senators, we are left with no alternative but to try to propose appropriate amendments on a piecemeal basis whenever the opportunity arises in an effort to correct some of the more glaring inequities of this act.

One of the most outrageous provisions of this law is the section authorizing OSHA officials to penalize employers during the first inspection visit for nonserious violations which frequently have no direct connection with the safety or health of workers.

I am pleased to be a cosponsor of the Chiles-Johnston amendment to prohibit the Labor Department from using appropriated funds to impose fines of more than $50 for nonserious OSHA violations.

An overwhelming majority of employers in this country are willing to do their utmost to comply with the OSHA regulations and to insure a safe working environment for their employees. The very law, itself, often frustrates and hampers employer efforts to comply, since many employers have neither the time nor the expertise to determine from the stacks of rules and regulations exactly what it is they must do to bring their operations into compliance with this most complicated of Federal laws.

To impose a hefty fine on an employer trying to comply with the law for a violation not related to worker safety or health is ridiculous, and should be prohibited.

Mr. President, I urge the Senate's approval of this amendment as a small step toward injecting some equity and commonsense in the area of OSHA enforcement. I further urge my colleagues to consider overall reforms of this act.

Mr. BAKER. Mr. President, I am pleased to support the amendment of my colleagues, Senator Johnston and Senator Chiles, to prohibit the use of funds appropriated for the Occupational Safety and Health Administration for assessing penalties over $50 against firms which may be cited for nonserious violations of OSHA standards on the first inspection.

I have consistently supported the goals of the Occupational Safety and Health Act to insure safe and healthful conditions for the American worker, and I continue to feel that the act is basically sound. I believe it is clear, however, that the OSHA program has not produced a cooperative effort between Government and private industry to achieve a higher level of safety in the workplace. Rather, the program and the way in which it has been administered have created an adversary relationship between the Occupational Safety and Health Administration and businesses throughout the country, in which businesses have been confronted with a maze of complex, arbitrary, and often unreasonable standards and then fined severely for their failure or inability to comply.

It has long been my belief that Congress must recognize the deficiencies in the law and take positive action to correct them, and I am a cosponsor of S. 454, legislation offered by Senator Chiles to amend and improve the Occupational Safety and Health Act. Unfortunately, this measure has not been reported from the Labor and Public Welfare Committee as yet.

One of the greatest difficulties posed by the Occupational Safety and Health Act has been the lack of any provision for on-site consultative inspections at which OSHA inspectors can advise employers of their lack of compliance with safety standards and changes which the employer can make in order to comply with them. The present program results in OSHA inspectors citing employers for fines of up to $1,000 for nonserious violations of safety standards on first inspections. In many instances, the employer, particularly if he or she is the owner of a small business, has had no opportunity to fully comprehend the numerous and highly technical standards which have been promulgated by OSHA. In these cases, the issuance of such severe fines for small violations appears highly unreasonable, and even counterproductive. If OSHA inspectors were permitted to advise employers of their violations and how they can be corrected without being required to assess penalties for them, then the funds which would have been paid to OSHA could be constructively used to correct the unsafe condition.

The Johnston-Chiles amendment is a significant step toward improving this situation and diminishing the outrage against OSHA which has contributed to the lack of cooperation on the part of businesses with the program. The amendment would not prohibit the assessing of fines for serious violations, nor would it relieve the burden on the employer to correct his noncompliance with safety standards. It will, however, limit fines to $100 for violations discovered in a first inspection.

Mr. President, the task which Congress set before the Occupational Safety and Health Administration in the 1970 act is too large to accomplish by a Government agency alone. The goal of improved working conditions can only be achieved through a voluntary effort of Government and industry, and the Federal program should concentrate on assistance rather than correction. While I would prefer to see the Senate take favorable action on all of the changes in the law contained in S. 454 rather than attacking the OSHA problem by amending an appropriation bill, I encourage my colleagues to support the Johnston-Chiles amendment as a needed first step toward fashioning a truly effective job safety program in the United States.

Mr. THURMOND. Mr. President, I rise in support of the amendment offered by the Senator from Louisiana and the Senator from Florida. This amendment would prohibit the use of any part of the OSHA appropriation for the assessment penalties over $50 against firms which may be cited for nonserious violations of rules or standards on the initial OSHA inspection of that establishment. A serious violation is defined in the Occupational Safety and Health Act as one where there is a substantial probability that death or serious physical harm could result from an existing condition.

The present situation concerning OSHA is an unfortunate one. If an employer does not understand the vast number of complex OSHA regulations and requests assistance from OSHA personnel and an inspector comes to the worksite, the inspector may explain the regulations but he will also issue a citation for any violations he finds. If an employer needs help to understand the regulations and their implementation, it is doubtful he will be in compliance at the time of the OSHA inspector's visit.

Under present OSHA regulations, fines of up to $1,000 may be assessed against firms for even a nonserious violation. Many of the violations represent variances from highly technical and minor OSHA standards, which currently cover 326 pages in the Federal Register. It is not fair to expect businessmen, especially small businessmen, to study these regulations in enough detail to guarantee precise compliance.

Mr. President, this is a sound, sensible amendment. It will give the small businessman of this country a chance to have an OSHA inspector help him comply with the law, without fear of being fined excessively for every minute violation found by that inspector. At the same time, it will not exempt the employer from penalties for a serious violation. Additionally, it will not exempt an employer from penalties for a recurring violation.

Mr. President, I feel this amendment will go a long way toward relieving some of the inequities caused by OSHA, and I urge its adoption.

Mr. BROOKE. Mr. President, I agree with everything our distinguished chairman, Mr. MAGNUSON, has said.

As I look at this amendment, this amendment would limit to no more than $50 fines for such violations which are classified as nonserious. One of those would be environmental pollution, for example, such as steel mills polluting the air, which could create widespread health problems such as eye damage. That is a very serious matter, but that would be a nonserious offense, a nonserious penalty of $50.

Second, noise pollution which could permanently damage the hearing of an employee. That again is nonserious, and that would be a $50 penalty.

I add that because of colloquy I had with my distinguished colleague from Florida on the question of physical problems, and this is certainly a physical problem which would be classified as nonserious and come within the purview of this amendment.

I cannot say more strongly that I feel this is legislation on an appropriation bill, Mr. President. I do not agree with it. I think it is wrong, and I think it would be bad legislation. I, therefore, move to lay the amendment on the table.

Mr. JOHNSTON. I ask for the yeas and nays, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay the amendment on the table. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Ohio (Mr. GLENN), the Senator from Indiana (Mr. HARTKE), the Senator from Washington (Mr. JACKSON), and the Senator from South Dakota (Mr. MCGOVERN) are necessarily absent.

I further announce that the Senator from Iowa (Mr. CULVER) is absent on official business.

I also announce that the Senator from Michigan (Mr. PHILIP A. HART) is absent because of illness.

I further announce that, if present and voting, the Senator from Washington (Mr. JACKSON) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. CURTIS), the Senator from Oregon (Mr. PACKWOOD), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I also announce that the Senator from Arizona (Mr. GOLDWATER) and the Senator from Illinois (Mr. PERCY) are absent on official business.

I further announce that the Senator from Kansas (Mr. DOLE) is absent due to illness in the family.

I further announce that, if present and voting, the Senator from Kansas (Mr. DOLE) would vote "nay."

The result was announced—yeas 39, nays 49, as follows:

[Rollcall Vote No. 395 Leg.]

YEAS—39

Bayh
Biden
Brooke
Burdick
Case
Church
Clark
Cranston
Eagleton
Ford
Gravel
Haskell
Hatfield
Hathaway
Inouye
Javits
Kennedy
Leahy
Magnuson
Mathias
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Pastore
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Hugh
Stevens
Stevenson
Symington
Taft
Tunney
Williams

NAYS—49

Abourezk
Allen
Baker
Bartlett
Beall
Bellmon
Bentsen
Brock
Buckley
Bumpers
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Cotton
Domenici
Eastland
Fannin
Fong
Garn
Griffin
Hansen
Hart, Gary W.
Helms
Hollings
Hruska
Huddleston
Humphrey
Johnston
Laxalt
Long
Mansfield
McClellan
McClure
McGee
Morgan
Nelson
Nunn
Pearson
Roth
Scott, William L.
Sparkman
Stafford
Stennis
Stone
Talmadge
Thurmond
Tower
Young

NOT VOTING—12

Culver
Curtis
Dole
Glenn
Goldwater
Hart, Philip A.
Hartke
Jackson
McGovern
Packwood
Percy
Weicker

So the motion to lay on the table was rejected.

Mr. ABOUREZK. Mr. President, I call up an amendment to the Johnston amendment which I have at the desk, and ask for its immediate consideration. Will the clerk read the amendment?

The PRESIDING OFFICER (Mr. BURDICK). The amendment will be stated.

The legislative clerk read as follows:

After the word "work place" add the following: ", that has 10 or fewer employees,"

Mr. ABOUREZK. Mr. President, the whole purpose of the Johnston amendment is to insure that small businessmen are not harassed by this kind of procedure, but that the enforcement of OSHA violations will be applied to large businesses with 10 or more employees. This would save harassment of small businesses with 10 or fewer employees.

I ask unanimous consent that the name of the Senator from Minnesota (Mr. HUMPHREY) be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ABOUREZK. I yield to the Senator from Louisiana.

Mr. JOHNSTON. Mr. President, ten or fewer employees is much too small. I would not object to a limiting amendment, but it would have to be more than ten employees, because an 11-or 12- or 13-employee business is very small when you are talking about trying to read and pay the legal expenses of complying with hundreds of pages of regulations.

I wonder if the Senator would modify his amendment to apply it to 25 employees.

Mr. ABOUREZK. How about 20?

Mr. JOHNSTON. Twenty-five.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. ABOUREZK. I yield.

Mr. HUMPHREY. The facts are that this amendment would exclude, I believe, about 20 percent of the work force, and it would exclude about 83 percent of the businesses. These are small, independent business firms. OSHA has big jobs and important things to do, and if they are going to have the penalties as low as $50, it ought to be only upon the very smallest of the enterprises. I think it makes good sense to have a very limited penalty on a very small enterprise. Frankly, I thought the penalty was too low, even though I voted not to lay the amendment on the table. I think $50 is not adequate for any kind of penalty, but if we are going to have $50 for a penalty, it ought to be related to those business enterprises that are really very small.

Mr. JOHNSTON. Mr. President, if the Senator will yield, the thrust of the amendment is that it does not prohibit the higher fine for anything other than a first visit and a nonserious violation.

Mr. HUMPHREY. I understand that. I think the amendment has genuine merit. I think the figure of $50, however, is hardly a slap on the wrist. It is more like a tickle on the ear. If we are going to do just the tickling process, we ought to relate it to what we used to call the "mama and papa" stores, and other business enterprises with 10 or fewer employees.

Mr. JOHNSTON. I would be willing to accept 25, because that is a great limitation, but 10 employees is too small on its face.

Mr. ABOUREZK. Mr. President, I ask unanimous consent that the name of the Senator from California (Mr. TUNNEY) be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ABOUREZK. Mr. President, if you apply this to 15 or fewer, you have taken out 86 percent of the work force.

Mr. HUMPHREY. No, 86 percent of the enterprises.

Mr. ABOUREZK. Of the establishments, I am sorry; and for 10 or less, 83 percent, and 25 or less, 90 percent. Is the Senator willing to compromise on somewhere between 10 and 25?

Mr. LONG. How about 23?

Mr. ABOUREZK. That is compromise?

Mr. HANSEN. Mr. President, will the Senator yield?

Mr. ABOUREZK. I yield.

Mr. HANSEN. I would like to observe that the point that may be missed by many people is that any establishment with 25 or fewer employees in all likelihood has the owner and proprietor there on the job every day. He is going to be conscious not only of the health, welfare, and safety of those employees, but for his own as well.

I think there is a very clear distinction that can logically be drawn.

Mr. ABOUREZK. Mr. President, if I may interrupt the Senator from Wyoming, I tend to agree with what he is saying. The only problem is that we will not get enough support, I do not believe, with a 25 exclusion. I think we will get a great deal of support on an exclusion of

10 or a little more than 10, but I think we have to reach some kind of number that most of us can agree upon.

Mr. JOHNSTON. Mr. President, we will very reluctantly, after conferring with the Senator from Wyoming, accept 20.

Mr. HUMPHREY. Who said 20?

Mr. HANSEN. That was the offer from your side.

Mr. HUMPHREY. Mr. President, if we make the figure 20, we are exempting 89 percent of all business establishments.

Mr. JOHNSTON. What percentage of the work force?

Mr. HUMPHREY. Of the work force, we would be exempting about 20 percent. These are just concrete facts. If we come around to the figure of 15 percent, it exempts 86 percent of the establishments and 25 percent of the work force. Those are the small business enterprises that have been having a lot of trouble with these regulations. If we are going to have a minimum penalty of $50——

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. HUMPHREY. It seems to me that ought to be related to a very specific small enterprise.

Mr. MAGNUSON. Will the Senator yield?

Mr. ABOUREZK. The Senator from Wisconsin has asked to be recognized.

Mr. NELSON. Mr. President, did I understand the Senator to say that if we exempt establishments with 20, it would be 89 percent?

Mr. HUMPHREY. That is correct.

Mr. NELSON. And if we exempt 10, what would be the percentage?

Mr. JAVITS. Mr. President, may we have order?

The PRESIDING OFFICER (Mr. BUMPERS). The Senator will suspend. The Senator's request is appropriate. While we have many Senators interested in this point, I suggest we owe some courtesy to each of them, so that we do not have this confusion. The Senate will be in order.

The Senator from Minnesota may proceed.

Mr. HUMPHREY. Mr. President, the Senator from Minnesota wants this correct. I was looking at another line across here. Twenty or less is 89 percent of the establishments covered.

Mr. NELSON. And what is 10?

Mr. HUMPHREY. 10 is 83 percent.

Mr. NELSON. So we are quarreling about the difference between 83 percent and 89 percent?

Mr. HUMPHREY. But we are quarreling about numbers, too.

Mr. NELSON. What numbers, by percentages?

Mr. HUMPHREY. 10 percent is 12 million exempted, and with 20, we are talking about 18 million plus.

Mr. NELSON. What about 15?

Mr. HUMPHREY. At 15, we are talking about 16 million.

Mr. NELSON. What is the pending amendment? Is it 10?

Mr. ABOUREZK. Ten.

Mr. HUMPHREY. The pending amendment is 10, but the Senator from Minnesota, who is a cosponsor, was suggesting that a reasonable figure, if we wished to split any so-called differences, is 15 employees or less.

Mr. MAGNUSON addressed the Chair.

Mr. ABOUREZK. I yield briefly to the Senator from Washington.

Mr. MAGNUSON. If the Senator is through, I wish to talk a little bit about this.

Mr. ABOUREZK. I yield to the Senator from Washington.

Mr. MAGNUSON. First of all, all three Senators here have been talking about amending existing law through an appropriations bill. That issue should be talked about up in the Committee on Labor and Public Welfare.

The last amendment was so worded that the Parliamentarian said that a point of order did not rest.

This is an appropriations bill. First, Senators are amending the basic act. The Senator from Louisiana does that by his amendment. Now Senators propose doing it again.

We have gone around and around on this many times. I do not know why Senators want to jump on an appropriations bill, when the authorizing committee is now in the process of reviewing this issue.

I support what Senators are trying to do. But if I am going to do that, then let us have a legislative committee on every appropriations bill. That is what the Senators are doing.

Mr. President, I ask the Chair a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAGNUSON. Would this amendment be subject to a point of order? It changes the basic law, I believe.

The PRESIDING OFFICER. No further amendment is in order at this point. In order to change the numbers, the Senator from South Dakota would have to modify his amendment, which he has a right to do.

Several Senators addressed the Chair.

Mr. HUMPHREY. Mr. President, that is not the point.

Mr. MAGNUSON. That is not my question. That is not what I am asking.

Mr. HUMPHREY. Does a point of order rest against this amendment?

The PRESIDING OFFICER. No point of order would rest against the amendment.

Mr. MAGNUSON. The first amendment dealt with the fines which changes, in my opinion, the basic law. The Senator from South Dakota now wishes to deal with the number of employees.

The Senate has voted on those numbers over and over again. The Senator from Nebraska started with 25. Then he went down to 15. Then he went down to 10. The Senate voted against even one.

In an appropriations bill, Senators are trying to change the whole law. Apparently, not many Senators here in the Chamber heard the Senator from New Jersey promise the Senator from Louisiana that the Labor and Public Welfare Committee is in the process of holding hearings on his proposal and the proposal of the Senator from Florida. Why put it on this bill? I do not understand this.

I am for what the Senator is trying to do. I think some of the regulations are bad, but that is a legislative matter. I do not know why we do not have many legislative amendments on other appropriations bills. But every time an HEW bill comes up, there are scores of legislative amendments.

I do not know what we are going to do down there in the committee. I guess we better have hearings on legislation instead of appropriations. I cannot see any other answer.

No one appears down in the Committee on Appropriations and talks about these things. Although, the Senator from Louisiana did give us notice that he was going to bring amendments in the full committee. At that time I said they were legislation.

It puts us on the Committee on Appropriations in a very bad light when we have to vote against something, that is legislation on a bill, with which we might agree in principle.

There are not many money amendments pending. Instead, we are discussing issues which, apparently, no one can get done legislatively, so they want to tack provisions on an appropriations bill.

Several Senators addressed the Chair.

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. ABOUREZK. I will modify the amendment before I yield.

Mr. BROOKE. Will the Senator yield to me before he modifies his amendment? Will the Senator yield for a moment?

Mr. ABOUREZK. Yes.

Mr. BROOKE. Mr. President, as I understand it, the ruling of the Chair is that the Senator can only modify his own amendment and that an amendment will not lie to that amendment. Is that correct?

The PRESIDING OFFICER. That is correct.

I point out also that this amendment is in the nature of a limitation and, therefore, a point of order would not lie.

Mr. MAGNUSON. Mr. President, I want my question answered.

Mr. BROOKE. That is the question that was asked in the point of order.

Mr. MAGNUSON. But that is an easy way to get around the legislation. Senators stay up all night to figure out with the Parliamentarian what words to put in.

The PRESIDING OFFICER. The Senator may modify it.

Mr. BROOKE. I suggest to the Senator that he modify his amendment to 15 employees.

Mr. ABOUREZK. I intended to modify it to 15 employees.

Mr. BROOKE. Perhaps we could accept it, unless the Senator from Louisiana would desire to force a rollcall vote.

Mr. ABOUREZK. I have discussed it with them. They have agreed to modifying it to 15 employees.

Mr. President, I ask now that my amendment be modified to read "15 or fewer employees."

The PRESIDING OFFICER. The amendment is so modified .

Mr. MAGNUSON. Just a minute.

Mr. HANSEN. Mr. President, I ask unanimous consent that my name be added as a cosponsor.

Mr. BURDICK. Mr. President, I ask unanimous consent that my name be added as a cosponsor.

Mr. ABOUREZK. Mr. President, Senators BURDICK and HANSEN have asked unanimous consent to have their names added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, will the Senator yield a moment?

Mr. ABOUREZK. Yes.

Mr. JOHNSTON. Do I understand if we can limit this to 15 employees that it will be agreed among all parties that the sponsors of the bill would try to hold the provision in conference?

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. JOHNSTON. Yes.

Mr. MAGNUSON. No one has yet talked to me about this. I and Senator BROOKE are, after all, managers of this bill.

Mr. ABOUREZK. Mr. President, I ask unanimous consent that the names of Senators MUSKIE, CANNON, and STEVENS be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HANSON. The Senator has enough cosponsors to carry it.

Mr. MAGNUSON. Is the Senator asking me whether we will agree to it?

Mr. ABOUREZK. I have not yet but I will.

Mr. MAGNUSON. I will agree to it because apparently the Senator has the votes to do this.

But I tell the Senator when we get into the joint conference with the House, the conferees will want to deal with appropriations, not legislation.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment of Mr. ABOUREZK, as modified, was agreed to.

Several Senators addressed the Chair.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HUMPHREY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, I was seeking recognition.

Mr. JOHNSTON was recognized.

Mr. JOHNSTON. Mr. President, I will take one moment to clarify the situation. I think this is agreed to. I just want to get a commitment that when we go to conference that we will try to hold on to this amendment. If not, I will ask for the yeas and nays, because I think the sentiment of the Senate is overwhelming for the amendment as amended and, if we do not have that agreement, then I think we need to get on record to show what the strength is behind the amendment.

May we have that agreement by the sponsors of the main legislation?

Mr. BROOKE. Mr. President, will the Senator from Louisiana restate his request?

Mr. JOHNSTON. Yes.

I intend to have only a voice vote, if we can get the agreement that the managers of the bill will try to hold this amendment in conference. If we cannot get that agreement, then I want the yeas and nays, so we can show the overwhelming sentiment of the Senate in favor of the amendment.

Mr. BROOKE. I think the Senator from Louisiana should presume that the managers of the bill would always try to hold whatever the Senate votes. There will be no exception in this case.

Mr. JOHNSTON. If that is the case, then, Mr. President, I move final passage on voice vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment of Mr. JOHNSTON, as amended.

The amendment was agreed to.

Mr. ABOUREZK. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HANSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MUSKIE. Mr. President, I do not have an amendment to offer, but I do have a statement on behalf of the Committee on the Budget that will take perhaps 10 minutes.

Mr. STEVENS. Mr. President, will the Senator yield 3 minutes to me without losing his right to the floor?

Mr. MUSKIE. Yes, I yield to the distinguished Senator from Alaska.

Mr. STEVENS. Mr. President, I call up my amendment which is at the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> The Senator from Alaska (Mr. STEVENS) proposes an amendment.
>
> The amendment is as follows:
>
> On page 40, line 22 delete "$85,249,000" and insert in lieu thereof "$85,824,000.

Mr. STEVENS. Mr. President, there is an amendment to H.R. 8069, appropriating $575,000 for the President's Commission on Olympic Sports.

The Commission, created by Executive order on June 19, 1975, is charged with these basic functions:

> The Commission shall conduct a full and complete study and evaluation of the United States Olympic Committee (a federally chartered corporation), its activities, and its present and former membership groups on a sport-by-sport basis as they relate to the effectiveness of United States teams in international competitions in the Olympic Sports.
>
> . . . an analysis of the organizational and developmental problems in each Olympic sport . . . an analysis of the financial and facilities requirement of each sport and recommend ways to provide needed funds.

At present, the Commission's funds for its 1-year life are $569,000 of reprogrammed HEW moneys. This amount is clearly not enough to do the job requested by the President in his Executive order and reaffirmed on September 9, 1975, in his meeting with members of the Commission at the White House.

An additional $575,000 is necessary to insure that the Commission accomplishes its purposes. Specifically, the additional funds are necessary to:

Allow the Commission members to meet an adequate number of times to consider the testimony of the many witnesses who have perspectives of the problems of amateur sports in this country.

Allow sufficient numbers of witnesses to testify before the Commission.

Provide sufficient funds to enable the staff to respond to large volumes of requests for public information.

Provide funds to support the use of consulting groups comprised of athletes, coaches, and administrators to work with the Commission in the sport-by-sport analysis of problems affecting each of the Olympic sports.

Provide funding for necessary travel by both Commission members and staff to conduct the numerous factfinding interviews with the fullest possible range of persons—athletes, ex-athletes, coaches, officials, and administrators—who are knowledgeable about the U.S. Olympic Committee, its membership, and the 28 Olympic sports.

Provide a staff of 14 professionals and 7 clerical/secretarial support personnel needed to assist the Commission members with the basic facts and preliminary analyses required for the Commission members to produce Commission reports and judgments that are logically developed and responsive to the Executive order.

Mr. President, I have discussed this matter with the Senator from Washington, the manager of the bill, and I amend the amendment so that the figure will read $85,519,000. This would give the President's Commission the amount of money that HEW indicated at the time of our hearings would be necessary for them to complete their work. They are an especially chartered corporation, dealing with the very difficult problem of our relationship to Olympic sports.

I urge the managers of the bill to accept the amendment, so that we will fully fund this 1-year Commission.

The PRESIDING OFFICER. The amendment is so modified.

The question is on agreeing to the amendment, as modified.

The amendment, as modified, was agreed to.

The PRESIDING OFFICER. The Senator from Maine is recognized.

Mr. HELMS. Mr. President, will the Senator yield?

Mr. MUSKIE. I yield.

Mr. HELMS. Does the Senator desire to make his statement after all the amendments have been submitted?

Mr. MUSKIE. I would like to make it at this point, because I think Senators who hear the statement might find it useful background to consider in connection with any amendments that are offered.

Mr. MAGNUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAGNUSON. There is no amendment pending. The Senator from Maine is making a statement.

Mr. MUSKIE. That is right.

Mr. MAGNUSON. Several amendments have been submitted which will be called up when the Senator from Maine has finished.

Mr. MUSKIE. Mr. President, I undertake to make this statement, at this point, for two reasons. First, this is one of the large appropriations bills, and the Budget Committee is constantly asked how this fits into the budget resolution.

So it seems to me, at this point in the budget process, in connection with this bill, that it would be useful if I were to lay out for the Senate the nature of the new budget process, how it relates to an evaluation of appropriations bills of this kind, and what problems may be coming down the road. I begin by making some comments related to a newspaper column which appeared in the Washington Post this morning.

Mr. President, nobody promised us a rose garden when we undertook budget reform. We knew the task of addressing our National fiscal priorities and beginning the long hard road back toward a balanced budget would be a thankless one.

We knew those whose favorite programs would be cut would complain we were damaging the national interest, and those whose programs were allowed to grow might complain the growth was not fast enough. But we took on that responsibility. We waded into the briar patch of budget reform. We did so because of our conviction that failure to put the Congress and the country on the course toward fiscal responsibility and a balanced budget was to abandon our responsibility to our people. It was to condemn our own and our children's future to the burden of massive deficits and limitless and largely unplanned growth in Government.

I think it is fair to say, at the end of our first year, that the Budget Committees of the House and Senate, with the help and support of the Membership and committees of both bodies, have gained a toehold in the struggle toward fiscal responsibility. We have established a scorekeeping system which, though still imperfect, gives us a way of viewing our spending decisions as we make them against that congressional budget. We have decided in at least two areas, the school lunch program and the military procurement bill, to send bills back to conference which, in each case, threatened to cost $200 to $300 million more in spending than our congressional budget contemplated.

We on the Budget Committee, both Democrats and Republicans, have addressed the Budget Committee's work in a bipartisan spirit. An overwhelming majority of the committee has supported each of our committee decisions and key votes. So has the Senate. We have not looked for thanks for our efforts. Any reward for this work will come slowly. It will come in the form of a return to the sound fiscal management Congress owes the taxpayers.

But we have made a beginning. And in making that beginning, we have been criticized in quarters we had to anticipate would assail us. This morning's newspaper contains an error-ridden attack on the military procurement conference report. I ask unanimous consent that at the conclusion of these remarks, that article and a memorandum stating the accurate facts be included in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MUSKIE. I do not intend to further respond at this point to that political column. But it is worth noting that its conclusion that "Congressional budget reform is really a Senate shell game to fleece the Pentagon" stands in stark contrast to the analysis of the same vote by such organizations as the Americans for Democratic Action and the Council on National Priorities and Resources, whose positions criticizing the Pentagon budget are well known.

Shortly after the Senate's action in rejecting the military procurement conference report, which is the subject of this morning's political gossip column, the Council on National Priorities and Resources issued a report, which I ask to be included at the conclusion of these remarks, entitled "Senate Budget Committee Secures Defeat of Defense Authorization Bill—Grave Implications for Domestic Programs." That report concludes:

> Muskie and the liberals on the Budget Committee seem to have been seduced by the conservatives . . . This action will most likely exact a heavier toll on programs oriented to human needs.

The ADA report on this vote stated:

> Any major increases in social programs, such as expanded food stamp benefits, or any major social initiatives—such as National Health Insurance—will be extremely difficult to achieve with the budget limits. If Muskie can defeat Stennis and the Pentagon, he almost assuredly can defeat the Child Nutrition Act amendments conference report.

I ask unanimous consent that both these reports be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, subsequently, as all Senators are aware, we did return the child nutrition conference report to the Conference Committee for further reductions to make it more consistent with the budget resolution.

I do not mean to complain this morning about the burdens faced by all members of the Budget Committee and of the Senate as we strive toward fiscal responsibility. Distortions like this morning's newspaper carried are a well-known part of the Washington game. Rather, I address this point simply to assure the Senate that, as chairman of the Budget Committee, I will not be swayed by such criticism from a course of steady-as-she-goes toward a balanced budget, and I know this is true of the other members of the committee and all Senators. We are grateful for your support this year. We look forward to its continuation.

I understand, of course, that criticisms of the recommendations we make will come from the whole spectrum of political ideologies and a wide range of citizens' concerns. The only way to avoid this kind of criticism is simply to open up the Treasury to unrestricted pressures and to give a blank check to anybody who wants support from the Federal Government.

Turning now to the Labor/HEW appropriation bill before the Senate, we are concerned that, although in general that bill is consistent with the spending allocations contained in the first budget resolution, nonetheless, certain spending in the health area which it contains will cause an increase in the health function of the budget. This increase derives not only from the substantial administration reestimates of the increase in the costs of existing programs mandated by law, but also from new spending provided by the appropriation itself. I understand the argument can be made that this additional money should be included in this bill to provide trading leverage with the House of Representatives, whose bill is lower in cost and does not contain this particular problem. I understand the amount involved is less than 1 percent of the total cost of this bill. Under these circumstances, I do not suggest the Senate recommit this bill to the Committee on Appropriations at this point for further reduction, since that reduction may come in the conference between the two Houses.

And if it does not, the Committee on the Budget can recommend recommitting that bill to the conference to make those reductions. However, should amendments be offered to reduce those amounts during this debate, they will have my support.

Mr. President, before proceeding to the details of the labor, health, education, and welfare appropriations bill for 1976, I wish to clear up some of the confusion that has arisen over how to "Keep Score" on the budget. I think the confusion has been frustrating to the Committee on Appropriations; I think it has been frustrating to other Senators who have tried to get the details of the budget, and it surely has been confusing to those who have undertaken to make comparisons between the scorekeeping performance of the House of Representatives and that of the Senate. The procedures involved in the first budget resolution this year did not address specific programs in a manner that would permit comparison of individual appropriation bills to the resolution targets. In the process leading to the first budget resolution, the Committee on the Budget considered broad functional aggregates only, and indeed, I believe that is the proper approach.

Under the terms of the Congressional Budget Act, the job of dividing up the budget resolution totals distributed to appropriation bills is the responsibility of the Committee on Appropriations after Congress adopts the budget resolution. Under the act, the Budget Committees are to stipulate to the Appropriations Committees the total, by function, available within the budget resolution for all appropriation bills. The Appropriations Committees are to report back to their respective houses how they have divided that total by subcommittee. That report, which we shall receive next year, forms the basis for subsequent comparison of individual appropriation bills with the budget resolution targets.

In this first year of activity, we did not attempt to apportion the targets to the various committees that provide spending authority, and the Committee on Appropriations, therefore, has not been able to provide the Senate with the split by individual bill. Given that situation, the best we can do this year is to provide an up-to-date status report on each of the budget functions in which the Labor-HEW appropriations bill falls.

This one bill includes programs which are found in six different functional categories of the budget. However, it does not include all of the programs that are found in each of those functional categories. The bill cuts across those six functions. The frustrating problem that faces the Committee on Appropriations and the Committee on the Budget this year is to identify that part of each function that relates to this particular appropriation bill.

Mr. McCLELLAN. Will the Senator yield?

Mr. MUSKIE. Yes, I yield.

Mr. McCLELLAN. Why did the committee on the Budget find it necessary to make the process so confusing? I do not understand how it works. Why could the committee not follow the appropriation bill so its analysis would be simple, understandable, and we would all know what we are doing and what we are expected to do?

Mr. MUSKIE. No. 1, the Committee on the Budget did not create this problem. This problem was created in the budget process as it developed from 1921 until the enactment of the budget reform legislation last year. The budget which the President sends to us is not broken down by Appropriations Subcommittees, it is broken down by the 17 functions. So if we are to make recommendations to the Senate based upon our evaluation and disagreements with the President's budget, we have to take into account those 17 functions and then try to relate those functions into the appropriation bill that the Senator is concerned with.

Mr. McCLELLAN. It does make it very confusing.

Mr. MUSKIE. I agree with the Senator completely.

Mr. McCLELLAN. And that is one of our troubles. I think the members of the Committee on Appropriations are just as concerned about the budget problem and sound fiscal policies as is the Committee on the Budget. But we get different budget ceilings, we get them submitted in different forms. Whereas this bill is reputed to spend more than the concurrent resolution by the Senate Committee on the Budget, we also hear that the total of this bill is under the concurrent resolution according to the House Budget Committee. Is that not correct?

Mr. MUSKIE. It is not quite that black and white.

Mr. McCLELLAN. Well, now, that gets more confusing. Why—if we are given a certain amount for these functions, when we total them up, can we not tell whether this bill exceeds the congressional budget resolution?

Mr. MUSKIE. My speech is in answer to that question.

Mr. McCLELLAN. I think the Senator said so.

Mr. MUSKIE. I shall be glad to get into it.

Mr. McCLELLAN. I think the Senator said so a few moments ago.

Mr. MUSKIE. Before I get into the detail of the six functional categories, if I may say to the distinguished Senator from Arkansas, in answer to his first question, we are undertaking a dialog with the Office of Management and Budget to try to work out an accommodation between those functional targets that the budget now is built around, and the Committee on Appropriations. They understand our frustrations. They have indicated a willingness to work it out. The simplest thing would be to have the functions broken down within the Appropriations Committee by appropriation bill.

The second thing the Budget Reform Act requires us to do next year is develop a crosswalk—that is, a procedure for translating the functional targets into the appropriation bills with which the Senator's committee has to work. Under the Budget Act, the Committee on Appropriations breaks that down itself. We do not do it for them.

Mr. McCLELLAN. I understand that. What I am trying to emphasize is that there is now much confusion, there is lack of cooperation, and there is need to eliminate the confusion and to establish the cooperation.

Mr. MUSKIE. I agree with that.

Mr. McCLELLAN. But it is now a state of abject confusion.

Mr. MUSKIE. I do not think that is the case. I think we have been moving pretty well up to this point. I think we all pretty well understand.

Mr. McCLELLAN. I asked the Senator the simple question, a moment ago, if this bill does not go over the concurrent resolution. He went off talking about something else, instead of answering me yes or no.

Mr. MUSKIE. I did not go off to answer something else. I said that if I might complete the answer to his first question, I would answer the second question.

But, in the meantime, the Senator has raised another point.

Mr. McCLELLAN. Just answer this.

Mr. MUSKIE. I am trying to answer your question.

Mr. McCLELLAN. We are getting more confused. I asked a simple question whether it goes over the Senator's budget. Now, the Senator cannot answer it because he has to go into something else. That is the point, that is what is wrong.

Mr. MUSKIE. If the Senator had not interrupted me to ask a question, he would have had his answer now.

Mr. McCLELLAN. I have been waiting.

Mr. MUSKIE. The Senator wants to restrict my response to the format of his question.

Mr. McCLELLAN. I would like to have a yes or no answer to my question. That is what I am asking for.

Mr. MUSKIE. I am perfectly willing to answer any question the Senator has. But when he asks a question, I think I have the prerogative of answering it as fully as I can and commenting on any editorial comments the Senator feels disposed to make.

Mr. McCLELLAN. Well, if the Senator does not want to say yes or no——

Mr. MUSKIE. I prepared a speech——

Mr. McCLELLAN. I will say yes, the bill is over the concurrent resolution, and sit down. If the Senator wants to say it is not over, let him say so.

Mr. MUSKIE. I will say yes or no in due course.

One of the reasons the Senator is confused is because too many people have looked for simple answers to a very complex problem, and no one is more aware of its complexity than the Senator who has been chairman of the Appropriations Committee for all these years. But now I will get to the Senator's question.

I have referred to the fact that H.R. 8069 funds programs found in six functional categories of the budget: Community and regional development; education, manpower and social services; health; income security; veterans benefits and services; and law enforcement and justice. Three of the six functions—income security, veterans and health—are over their outlay targets. The threat to these three targets is primarily due to underestimates on the part of the executive for mandatory spending programs.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. MUSKIE. Yes, I yield.

Mr. McCLELLAN. I asked only a simple question whether this bill exceeds the concurrent resolution. I do not know why it takes a half-hour's speech to answer it. Maybe it is yes or no. If it is not, if the question cannot be answered yes or no, just say so.

Mr. MUSKIE. I have not found the Senator reluctant to take as much time as he needs on the floor to explain any point he wants to make.

Mr. McCLELLAN. I give the Senator the rest of the day. I am not interrupting.

Mr. MUSKIE. I have tried to put together an explanation of this process which would be useful to at least 99 Senators and, I hope, 100. So, Mr. President, I would like to give my colleagues a brief review of where we stand with respect to the target for each of the six functions at this time.

For community and regional development, the Labor-HEW appropriations bill for fiscal 1976 contains $0.6 billion in budget authority, and $0.5 billion in outlays. If my colleagues will turn to page 27 of the Senate budget scorekeeping report, they will see that this is compatible with the target for this function and, in fact, leaves a margin in both budget authority and outlays.

H.R. 8069 provides budget authority of $6.9 billion and $5.1 billion in outlays for manpower and social services programs. Page 31 of the scorekeeping report shows that the spending in the education, manpower and social services function is also under the target by $1.2 billion in budget authority and $0.7 billion in outlays. I must point out, however, that there are many possible demands for spending in this function which have not yet been considered by the Appropriations Committee, which are enumerated on page 33 of the scorekeeping report, such as over $2 billion for temporary public service employment, $0.5 billion for education for the handicapped, and $0.1 billion for the Developing Disabilities Act.

The Labor-HEW appropriation bill contains $15.5 billion in budget authority and $11.3 billion in outlays for programs in the Health function. This is $0.9 billion over that portion of the President's budget request which the appropriations committee considered, and $0.2 billion over the House-passed bill. Page 35 of the scorekeeping report shows that the health function is over the target for budget authority by $0.4 billion and outlays by $2 billion. Of this overage, $1.2 billion is accounted for by the pending legislation on health insurance for the unemployed which, if not enacted, would reduce the outlay overage to $0.8 billion. Some $0.7 billion of this outlay remainder is due to upward reestimates for uncontrollable spending programs which were submitted by OMB after the enactment of the first concurrent resolution on the budget.

Excluding the $1.2 billion for health insurance for the unemployed and $0.7 billion for reestimates, health remains $0.1 billion in outlays over the target and I must point out that there is major health legislation which has not yet been considered in the Senate, as shown on page 37 of the scorekeeping report.

H.R. 8069 includes $13.2 billion in budget authority and $11.7 billion in outlays in the income security function. The scorekeeping report shows on page 39 that outlays in this function are over target by $0.4 billion. These programs are almost all uncontrollable entitlement programs. Those paid out of trust funds, such as social security, have permanent budget authority and are not a part of this bill. Others, such as AFDC and SSI, are in the appropriations bill, but their costs are not in fact limited by the amounts in this bill. If the costs of these programs prove to be higher, there will have to be a supplemental appropriation next spring to meet these higher costs. For the few controllable accounts in this function, the Senate committee bill reduces the President's request by $89 million, roughly the same figure as in the House-passed bill.

Although this bill contains only a small sum for veterans benefits, it provides an opportunity for me to point out continuing difficulties in the veterans benefits and services function. I would like my colleagues to turn to page 43 of the scorekeeping report which indicates this function is over target by $1.1 billion in budget authority and $0.9 billion in outlays. As you may remember, when the veterans appropriation bill was before the Senate, I had an opportunity to discuss with Senator PROXMIRE the spending pressures on this function. Since the President submitted his budget to Congress in February, there have been $1.4 billion in upward reestimate in mandatory spending programs. This puts increasing pressure on those programs which are controllable and all other legislation which is currently pending.

The last function included in this bill is law enforcement and justice, found on page 47 of the scorekeeping report. The $25 million in budget authority and $22 million in outlays for this function in this bill is consistent with the target.

So the real answer to Senator McCLELLAN cannot be yes or no. There is $86 billion in Presidential requests still to be reported by the Appropriations Committee.

The chairman will answer his own question, in part at least by the amounts in those bills.

If I may summarize what I have been saying about the six functions which have programs funded by this bill.

With respect to No. 450, if this bill is enacted as it was reported to the Senate, function 450, community and regional development, will be $4.4 billion, under the budget target for budget authority, and $2 billion under the budget target for outlays.

With respect to function 500 education, manpower, and social services, if it is enacted as it was reported, that function will be $1.2 billion under the target for budget authority, and $0.7 billion under the target for outlays.

With respect to function 550, Health, the amount over or under the target is effected by what happens to unemployment insurance. If that is enacted, then that function would be over the target by $0.4 billion in budget authority and $2 billion in outlays. If it is not enacted, then the health function will be $0.8 billion under the target in budget authority and $0.8 billion over in outlays. Again, I point out that $0.7 billion of the $0.8 billion overage in outlays is due to upward reestimates by the executive for mandatory spending programs.

With respect to function 600, Income Security, if H.R. 8069 is enacted, we are $0.3 billion under the target in budget authority, $0.4 billion over in outlays, again primarily due to reestimates.

With respect to function 700, veterans benefits and services, if this bill is enacted, we will be $1.1 billion over the target in budget authority, $0.9 billion over in outlays.

With respect to function 750, law enforcement and justice, we are consistent with the target in budget authority and under target for outlays by $0.1 billion.

May I make the point that against this we have to take into account that in some of these functions there is legislation pending which potentially has a large price tag. Some of that legislation, if enacted, would take us over the target, and I urge Members to look at the scorekeeping report in order to get this perspective.

Furthermore, I want to point out that due to reestimates in mandatory spending programs, it is quite clear that if we enact spending legislation, which is already enacted or in process or requested by the President, we could exceed the budget resolution targets by $9.4 billion in budget authority, when the total is adjusted to comparability, and by $6 billion in outlays.

The pressure of reestimates, the pressure of rising interest costs, and other pressures, may have already taken us, above the budget deficit target which we established last spring.

Finally, Mr. President, I ask unanimous consent to have printed in the RECORD at this point two tables which will show the summary of the six functions, both with respect to budget authority and with respect to outlays as affected by the pending bill.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

AMOUNTS (IN BILLIONS) BY WHICH 1976 BA IN FUNCTIONS IS OVER (+) OR UNDER (−) TARGETS IN H. CON. RES. 218

Budget function	President's request	House HEW-Labor bill	Senate HEW-Labor bill	Senate bill plus pending legislation
Community and regional development (450)	[1]−4.6	[1]−4.5	[1]−4.4	[1]−1.1−+2.0
Education, manpower and social services (500)	−1.3	−1.3	−1.2	+4.9−+5.2
Health (550)	−.5	+.2	[2]−.8	+1.4
Income security (600)	[1]−.4	[1]−.3	[1]−.3	[1]+.5
Veterans benefits and services (700)	+1.1	+1.1	+1.1	+1.4
Law enforcement and justice (750)	(3)	(3)	(3)	+.2
Total for 6 functions	−5.7	−4.8	[2]−5.6	+7.3−+10.7

[1] Senate appropriations figures were adjusted to show BA on the same conceptual basis as that used in H. Con. Res. 218.

[2] If S. 625, health insurance for the unemployed, is counted in this column, the Health figure is +.4, and the total is −4.4.

[3] Less than $50,000,000 under target.

AMOUNTS (IN BILLIONS) BY WHICH 1976 OUTLAYS IN FUNCTIONS ARE OVER (+) OR UNDER (—) TARGETS IN H. CON. RES. 218

Budget function	President's request	House HEW-Labor bill	Senate HEW-Labor bill	Senate bill plus pending legislation
Community and regional development (450)	—2.2	—2.1	—2.0	—0.3—+0.4
Education, manpower, and social services (500)	—.9	—.8	—.7	+2.3—+2.6
Health (550)	+.4	+.7	[1] +.8	+2.5
Income security (600)	+.5	+.4	+.4	+1.2
Veterans benefits and services (700)	+.9	+.9	+.9	+1.2
Law enforcement and justice (750)	—.1	—.1	—.1	+.1
Total for 6 functions	—1.4	—1.0	[1] —.7	+7.0—+8.0

[1] If S. 625, health insurance for the unemployed, is counted in this column, the health figure is +2.0, and the total is +0.5.

Mr. MUSKIE. Mr. President, may I, in closing, congratulate the distinguished Senator from Washington (Mr. MAGNUSON). It is not easy to try to work in this complicated area, particularly when we try to accommodate functional totals with appropriations bills. He has done it with his usual attention to detail and to the merits of programs involved.

What I have had to say today is not designed in any way to be a criticism of him or his efforts.

I feel a particular responsibility to vote against increases because if I do not set some kind of an example nobody will, and I have to take some political heat for some of those votes.

With respect to the appropriations process as a whole, and I think we have to look at it that way, the Appropriations Committee deals with budget priorities, not for a single appropriation bill, but in the context of all of its appropriation bills.

In most, if not all, of the years that I have been here, the Appropriations Committee has cut Presidential requests on the appropriations side and I would be surprised if that is not the case this year. It may well be that some of these tentative overages may be more than offset by cuts in subsequent appropriation bills or in conference.

I simply want Senator MAGNUSON to know that I understand that there are many steps in the appropriations additionally, we have another opportunity in the second budget resolution to take all of the reestimates, and economic changes into account. I simply thought it might be advantageous at this point in the appropriations process to make these observations.

EXHIBIT 1

THE SENATE SHELL GAME

The most recent "scorekeeping" report by the Senate Budget Committee, showing excessive defense spending and reduced non-defense spending, suggests that the much acclaimed congressional budgetary reform is really a Senate shell game to fleece the Pentagon.

In fact, Congress clearly is *reducing* defense spending and increasing non-defense spending. The reason this does not show up in the monthly scorecard is an accounting change by the Senate staff which, at least temporarily, appears to reduce non-defense for future spending by a huge $27 billion. That accounting change will probably be corrected in time, but the figure juggling reflects a clever anti-Pentagon operation only now becoming clear.

The budgetary reform, while actually cutting Pentagon spending more deeply than domestic programs, gives the opposite impression. If we cut school milk funds, demand liberal budget reformers headed by Sen. Edmund Muskie of Maine, you must reduce missiles and aircraft carriers. The result: enough conservative Republicans joining Muskie to create a new Senate anti-defense coalition endangering long-range defense programs.

Architect of this coalition is Muskie, who preaches "fiscal discipline" but is firmly committed to cutting back the Pentagon and boosting social welfare spending. Such "reordering of priorities" is the goal of Muskie's Senate Budget Committee staff (including its defense specialist, Andrew Hamilton, a former soft-line staffer on the National Security Council).

The game began stacked against defense in the Muskie committee's original targets. The defense target was set below President Ford's request ($3 billion less for current spending, $7 billion less for new budget authority). The non-defense target was set above President Ford's request ($21 billion more for current spending, $17 billion more for new budget authority).

From that uneven beginning, the Muskie committee moved into a budget accounting quagmire navigable by few technicians and no U.S. senators. The committee's Sept. 2 scorecard shows Congress $4 billion over the committee target in defense budget authority and $9 billion under its target in non-defense budget authority.

How can this be when Congress cuts defense and increases just about everything else? The scorecard answers in a footnote: An accounting change removed $27 billion in long-term authority for public housing. Without that change, non-defense budget authority would be $9 billion above even the Senate's high target. This target may be lowered later to correspond to the accounting change, but the Muskie committee for now has given a false impression of defense proligacy and non-defense parsimony.

This fits Muskie's Senate tactics. On July 10, he rose to oppose a $180 million addition to the school lunch program on grounds it exceeded his committee's targets. He was overwhelmingly supported by the Senate, amid speculation Muskie had turned from spender to tight-fisted fiscal conservative.

That speculation ended when Muskie dropped the other shoe Aug. 1, the last day before the August recess. Muskie again rose in the Senate to reject the defense procurement bill's final version on grounds it exceeded the target by $5.4 billion (a misleading figure partially caused by the Muskie staff's accountancy). Muskie's message: If you cut school lunches, cut defense as well.

Defense advocates scarcely consider swapping free lunches for missiles a fair trade considering the overall rise in social welfare spending. But Muskie's argument enlisted five conservative Republicans—Henry Bellmon of Oklahoma, J. Glenn Beall of Maryland, Robert Dole of Kansas, Pete Domenici of New Mexico and William Roth of Delaware. They provided the difference as the Senate rejected the bill 48 to 42.

It is no coincidence that all these conservatives except Roth belong to Muskie's budget committee. Relatively junior in seniority, they view the new budgetary process as their avenue to power.

Thus, a new anti-defense coalition has been built on internal Senate politics, on balancing minor social welfare cuts with major defense cuts and on impenetrable budgetry accounting. The Aug. 1 roll call reflects a possible landmark change in Capitol Hill defense politics that deeply worries the Pentagon. On Sept. 5, Muskie helped cement his coalition by successfully opposing the final version of the school lunch bill, thereby perpetuating the notion of tradeoff.

Defense officials hope to break the coalition by convincing its conservative Republicans that they are victimized by figures which magnify defense spending and shrink non-defense spending. But the impulse for stronger national defense immediately following the Indochina debacle seems to be fading. The desire to equate elimination of free school lunches for children of $200-a-week workers with cuts in military preparedness may be irresistible.

U.S. SENATE,
COMMITTEE ON THE BUDGET,
Washington, D.C., September 17, 1975.

To: Senator Muskie.
From: Sid Brown.
Subject: Comments on the September 17 Scorekeeping Article in the Washington Post.

1. There *is* a reordering of priorities as between defense/international programs on the one hand and domestic programs on the other hand. But this is *not* a Budget Committee reordering. It is the will of the entire Congress as expressed in the First Concurrent Resolution on the Budget. It should be kept in mind that the President's budget requested major new program increases in Defense and almost no new program increases in the domestic area.

2. There has never been any attempt to cover up the $27 billion budget authority item in the Senate Budget Scorekeeping Report (actually the figure is $27.6 billion). It is clearly footnoted in Summary Table 1 on page 9 and in the two functional tables in which it is located (Community and Regional Development and Income Security).

3. The treatment of the $27 billion item in the Senate Budget Scorekeeping Report is exactly the same as in the scorekeeping reports of the Congressional Budget Office.

4. We removed the $27 billion from the scorekeeping totals because that is what the Senate did in passing the HUD/Independent Agencies appropriation bill. The House version of this bill left this amount in, and the bill is now in conference. Until we know the outcome, we believe it is best for the Senate Scorekeeping Report to follow the Senate action. If the Conference outcome is to go the Senate way, we will make a comparability adjustment in the First Budget Resolution totals so as to show the "remainder" entries on the proper comparable basis. Meanwhile, the present treatment is clearly explained in three textual notes to the scorekeeping tables which are clearly apparent to anyone who reads those pages.

5. The $27 billion item affects *budget authority only*. It does not affect outlays which are the most important element in scorekeeping this year.

6. The Budget Committee opposition to the

school lunch bill shows that we are just as concerned with over-spending in the domestic area as in the defense/international area. Why would we oppose the school lunch bill if we had "doctored" the Scorekeeping Report in an attempt to show that domestic programs were under target?

7. It should be noted that the five "conservative" Republicans mentioned in the article as opposing the military procurement bill also voted to recommit the school lunch bill. In fact the Senate voted 76-0 to recommit the school lunch bill. This is hardly an example of attacking defense and letting domestic programs off the hook.

8. The original targets of the Senate Budget Committee did indeed cut National Defense budget authority by $6.7 billion and National Defense outlays by $2.8 billion from the President's request (the September article uses figures of $7 billion and $3 billion respectively). But for all other programs, the Committee recommended only $8.8 billion more in budget authority and $14.7 billion more in outlays than requested by the President—not the figures of $17 billion and $21 billion cited in the article.

EXHIBIT 2

COUNCIL ON NATIONAL PRIORITIES
AND RESOURCES,
August 7, 1975.

SENATE BUDGET COMMITTEE SECURES DEFEAT OF DEFENSE AUTHORIZATION BILL GRAVE IMPLICATIONS FOR DOMESTIC PROGRAMS

In an unprecedented move August 1st, the Senate rejected the conference report for the FY 1976 Defense Authorization Bill (H.R. 6674) by a vote of 48 to 42. The winning coalition—consisting of fiscal conservatives and liberals critical of the Pentagon—was led by Edmund Muskie, Chairman of the Senate Budget Committee and Henry Bellmon, ranking Republican on the committee. Opposition to the report centered on two issues:

It authorized appropriations exceeding the $100.7 billion spending target for national defense implicit in the first concurrent budget resolution by some $900 million in budget authority and $300 million in outlays.

Authorization of $60 million in advance procurement funds for a nuclear strike cruiser, slipped in during the conference, was considered a gross violation of the budget procedures outlined in the Budget Act.

Fifteen of the 18 Senate Budget Committee members voted to reject the conference report along with a majority of the Senate Appropriations Committee. The outcome certainly enhances the standing of Muskie and his new committee; the prestige of the Armed Services and Appropriations Committees seems to be undercut as a result.

The floor action by Muskie and Bellmon is the first manifestation of their strategy to defend the first budget resolution by opposing conference reports which, in the view of the Senate Budget Committee, would "bust" the budget.

Although the rebuff to the Pentagon and the Senate Armed Services Committee is laudable on its own merits, the *quid pro quo* underlying this action will most likely exact a heavier toll on programs oriented to human needs. The first such victim will be the conference report on the school lunch program (H.R. 4222), which, in Muskie's view, exceeds the spending target by $430 million. A vote on this conference report will be taken in September when the Senate returns. As Muskie put it during the debate, "it is a pernicious fallacy to assert that we can be true to the budget process if we exceed a budget target in one area without deciding at the same time where we are going to cut the budget in another area".

The hard reality is that the Muskie-Bellmon strategy of hewing to the targets set in the first budget resolution has the disastrous effect of prolonging the recession. It is now clear that the first resolution, adopted in May, falls far short of providing an adequate economic stimulus. For example, the fiscal policies established by the resolution would sustain intollerably high levels of unemployment—7.8 to 8.2 percent—through 1976. Since even liberals have an aversion to voting for budget deficit, the Muskie-Bellmon ploy to promote "fiscal responsibility" will serve only to discourage needed initiatives in Congress to speed economic recovery. Muskie and the liberals on the Budget Committee seem to have been seduced by the conservatives. It is interesting to note that the House Budget Committee has not chosen to play their cards this way.

To put this situation in the proper perspective, consider the following:

The spending figures set forth in the first concurrent resolution are *targets not ceilings* which are intended to *guide not control* the subsequent deliberations of Congress on particular authorization and appropriations bills. By acting in the name of the Senate Budget Committee while providing leadership to oppose conference reports, Muskie is giving the first resolution a controlling role not intended by the Budget Act.

Only after the second resolution is adopted it is not in order for the House or Senate to consider any legislation which would increase spending or cut revenues. Even the second resolution could be revised to accommodate changing circumstances.

Instead of opposing conference reports on authorization bills, the proper time to deal with budget targets is during debate on appropriations bills. As Senator McClellan noted, "anything in the appropriations bill that exceeds what the Budget Committee thinks is proper is subject to amendment, subject to change, subject to debate, and the issue can be resolved". In the case of the Defense Authorization, that particular bill funded only 24 percent of the total military budget. Even if the manpower levels set in the bill were to be translated into dollars and cents, the bill would cover 56 percent of the military budget at most. On the other hand, the Defense Appropriations Bill to be taken up this fall, will cover 91 percent of the budget (the remainder is appropriated in seven other bills).

The Pentagon is not likely to take this setback gracefully. The Budget Committees will surely be under more intense Pentagon pressure in the future. Given the predominance of pro-Pentagon conservatives on both the House and Senate Budget Committees, we may find that setting budget priorities means dividing a limited pie among domestic interests after the Pentagon gets its piece.

AMERICANS FOR DEMOCRATIC ACTION,
Washington, D.C., August 8, 1975.

AN ANALYSIS OF THE DEFEAT OF MILITARY PROCUREMENT CONFERENCE REPORT

On August 1, 1975, the Senate rejected the fiscal 1976 military procurement conference report (HR 6674). The defeat was a major surprise; never before had a military budget conference report been defeated and almost never does Armed Services Chairman John Stennis suffer a major defeat.

The fight on the conference report developed suddenly, and in fact did not jell until July 30, two days before the vote. Until that time, Senate Budget Chairman Edmund Muskie had indicated an interest in a major fight against the conference report *if and only if* there was a significant chance of success. He did not want to risk a smashing defeat for the budget process. Muskie hoped to fight the bill on the grounds that 1) this authorization bill "busted the budget" by $900 million in budget authority and $300 million in outlays and 2) the conferees added $60 million in long lead time items for a nuclear strike cruiser which had not been considered by the Senate and had been requested by the President in the middle of the conference meetings.

Serious support for the Muskie effort came when the ranking minority member of the Budget Committee, Henry Bellmon, agreed to join the fight against the conference report. Then the fight became bi-partisan. Muskie and Bellmon sent around a Dear Colleague letter opposing both the military bill and H.R. 4222, the Child Nutrition Act Amendments conference report which was also ready for the Senate floor (it was subsequently pulled until after the August recess). Thus it became a brilliant double play against both "guns" and "butter" because both conference reports supposedly exceeded budget limits.

The Budget Committee fight on budgetary grounds made the difference in the 42-48 vote which defeated the conference report. A total of 13 of the 16 Budget Committee members opposed Stennis, including such Democratic middle-of-the-roaders as Hollings and Chiles, and Republicans like Bellmon, Dole, Beall and Domenici. The fight was broadened from simply "pro-defense" versus "anti-defense" to budgetary restraint versus high military spending.

The changed terms of the debate carried to Muskie's side such additional middle types as Bentsen, McIntyre, Glenn, Randolph, Johnston, Packwood, Roth and Stafford. The victory was won despite the desertion of a number of liberals including Hathaway, Ribicoff, Tunney, Williams, Inouye, Montoya and Symington.

Of course different Senators used different reasons to explain their votes. Bentsen was concerned more about the strike cruiser. McIntyre was upset over conference action on the B-1. Most of the liberals objected to the high level of military spending notwithstanding the budget ceiling. Tunney voted with Stennis to protect the B-1; Symington was still miffed that Muskie had opposed his earlier "ceiling amendment" when the military procurement bill first came up.

The debate on the conference report was one of the better ones. Muskie handled himself extremely well in the floor debate. There was a good deal of direct debate between Stennis and Muskie. Muskie won despite the fact that there were some weaknesses in his case, including 1) why did he fight the authorization bill rather than wait for the appropriation bill when further cuts would be made, 2) some of the figures used by Muskie appeared somewhat arbitrary in determining how much the military bill exceeded the budget, 3) Muskie failed to fight the military procurement bill when it was originally on the Senate floor.

There are a number of lessons to be drawn from the defeat of the military procurement conference report:

1. Muskie's power in the Senate is enhanced immeasurably; he bested Stennis.

2. The budget process is well under way to being institutionalized, at least in the Senate.

3. The budget process can now be employed as an effective method to control military spending; specifically, it will be useful in the fight to trim the defense appropriation bill due in September or October in the House and Senate.

4. The Pentagon will obviously take the budgetary process much more seriously, and can be expected to fight to keep the defense function high in future years budget resolutions. And the Pentagon rarely loses.

5. The budget priorities fight will be more clearly fought out; with the Pentagon and its allies fighting harder for the military share of the budget, other organizations and interests trying for higher health benefits or education money or housing subsidies will have a tough fight against the military for their share of the budget.

6. Any major increases in social programs, such as expanded food stamp benefits, or any major social initiatives—such as national health insurance—will be extremely difficult to achieve with the budget limits. If Muskie can defeat Stennis and the Pentagon, he almost suredly can defeat the Child Nutrition Act Amendments conference report.

7. The power of the Appropriations Committee has been diminished by the enhanced Budget Committee power; McClellan fought with Stennis and lost. The Appropriations Committee went 15–8 with Muskie against McClellan. The four Senators (Magnuson, Hollings, Chiles and Bellmon) who are members of both Appropriations and Budget all chose to vote with Muskie.

Mr. McCLELLAN. Mr. President, all I have been trying to do here is ascertain what the facts are. I am not against this bill, I am not arguing against this bill. I simply tried to ascertain if this bill, as it is reported, exceeds the budget target in the concurrent resolution initiated by both Budget Committees.

I believe the chairman of the Labor-HEW Subcommittee of the Committee on Appropriations has information about a discussion of these facts from the Committee on the Budget and I would ask the Senator, if he has a report from the Senate Budget Committee, does this report state whether the bill before us does exceed the budget target of the Budget Committee?

Mr. MAGNUSON. Well, the Senate Budget Committee does not now challenge our figure. Both bills, the education bill which was taken——

Mr. McCLELLAN. I am talking only about this bill before the Senate today.

Mr. MAGNUSON. This bill is about $415 million below the congressional budget.

Mr. McCLELLAN. The Senator is talking about the House Budget Committee figure, is he not?

Mr. MAGNUSON. Yes.

Mr. McCLELLAN. Does the Senator not have in the same statement he is holding in his hand, the statement that this bill, according to the Senate Budget Committee, is about $200 million over the budget? Does the Senator not say in his statement that he has a letter to that effect?

Mr. MAGNUSON. Yes, and I will put that in the RECORD. The Congressional Budget Office frankly and honestly states that it just does not know where we are now. Frankly, Mr. President, we have done our best to try to keep within the ceilings. We view them very seriously. Regardless of what is said now, it appears that when this bill is combined with the education bill we will be under the ceiling by about $800 million. I want to make it clear though that I have always been in complete agreement with the distinguished chairman of the Senate Budget Committee that resources are scarce and we must hold down spending.

Mr. McCLELLAN. I will ask the Senator to read the paragraph just above that, just preceding the one he just read.

Mr. MAGNUSON. "One letter from the House committee says that we are nearly $450 million below the ceiling. The Senate Budget Committee, on which I serve, will put the figure at about $200 million over the congressional budget."

There are three groups.

I wish to insert at this point in the RECORD, the correspondence we have received on this subject.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

COMMITTEE ON THE BUDGET,
Washington, D.C., August 29, 1975.

DEAR COLLEAGUE: The Congressional Budget Office will issue its second scorekeeping report for the FY 1976 budget after the August recess. That report will provide a comprehensive survey of the current status of congressional actions on the budget.

I indicated in my letter of July 29, 1975, that I would forward to you in August an analysis of the status of House passed legislation and a comparison to the first congressional budget resolution. I want to emphasize that we are only beginning the process of developing a comprehensive scorekeeping report, and I will be discussing these developments both formally and informally with you in the coming weeks.

For your further information I am now enclosing Table A that shows the estimates for the actions of the House to date, and Table B that mentions some problem areas we still face. These two charts show that we are still below the target on outlays but that there is very little room for any additional initiatives. Table C details the bills passed to date, both appropriations and other spending legislation, together with other actions taken in this Congress which will cause outlays in FY 1976.

This information reflects the traditional pattern whereby the House reduces annual appropriation estimates while spending pursuant to other programs, both permanent and new, whose outlays are affected by economic conditions, are equal to or may be in excess of the savings made by the House in the appropriations process. For example, the severity of economic conditions causes various permanent programs such as unemployment compensation, veterans benefits, food stamps, and aid to dependent children to rise. The attached charts show the interaction between these programs and the specific appropriation and other spending bills in the House so far this year.

Very truly yours,

BROCK ADAMS,
Chairman.

TABLE A.—CURRENT HOUSE STATUS OF 1ST BUDGET RESOLUTION FOR FISCAL YEAR 1976, AS OF SEPT. 2, 1975

[In billions of dollars]

	1st budget resolution assumptions about current House status		Current House status		Difference over (+) under (—) resolution	
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays
Permanent appropriations, prior year balances, and offsetting receipts	137.1	200.1	136.5	201.8	—0.6	1.7
House action (bills enacted into law and bills which have passed the House) [1]	140.3	91.9	136.8	87.9	—3.5	—4.0
Total	277.4	292.0	273.3	289.7	—4.1	—2.3

[1] See table C for details of House action.

Current House action to date has resulted in a net $2.3 billion *below* the estimates and assumptions made in the First Budget Resolution. This is divided into the following two major categories:

I. Permanent appropriations (appropriations from which funds are made available without current action of Congress) are running $1.7 billion over assumptions made in the First Budget Resolution:

A reestimate of the rate of FHA foreclosures has increased outlays	+0.4
Medicare estimates have increased due to higher patient delivery care costs	+0.7
Current outlay estimates for the milk price support program are over assumptions made in the budget resolution	+0.2
In the national defense function the budget resolution assumed no funding for the Southeast Asia FY 1975 supplemental. Current House estimates do not reflect this outlay reduction	+0.4
Miscellaneous net changes on permanent appropriations	*
Total	+1.7

II. Current status of bills by the House is $4 billion under assumptions made in the First Budget Resolution:

The agriculture appropriation bill passed by the House is $2.8 billion under the First Budget Resolution. Funding, however, for the food stamp program is provided in this bill only through January 31, 1976	—2.8
The budget resolution assumes higher outlays for unemployment benefits to the jobless than current estimates	—1.0
The Education Division appropriation bill (veto override schedule) is below the First Budget Resolution target	—0.5
Miscellaneous net changes as a result of House action to date	+0.3
Total	—4.0
Although current House action is $2.3 billion *below* the outlay assumptions made in the First Budget Resolution, current spending estimates and pending appropriation legislation must be monitored closely if Congress is to keep within its outlay target of $367.0 billion	—2.3

*Less than $50 million.

Food stamp funding may be understated by as much as $2.1 billion for the remainder of the fiscal year.

An increase of $.4 billion may be necessary to meet AFDC payments.

Unemployment costs to meet the needs of the 65-week benefit program may be understated by $1.0 billion.

Congress will have to keep within its First Budget Resolution targets for the four remaining appropriation bills: Defense, military construction, foreign aid and District of Columbia.

In addition, the current volatility of the economy with respect to unemployment and a reoccurrence of inflation caused by a rise in oil prices may adversely affect the projected deficit of $68.8 billion.

TABLE C.—HOUSE ACTION SO FAR ON FISCAL YEAR 1976 APPROPRIATION AND OTHER SPENDING LEGISLATION AS OF SEPT. 2, 1975

[In billions of dollars]

	1st budget resolution assumptions about current house status [1]		Current house status		Difference over (+) under (—) resolution	
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays
Appropriation bills:						
Education Division (H.R. 5901)	5.3	2.2	[2] 4.9	[2] 1.7	—.04	—0.5
Legislative (Public Law 94–59)	.8	.7	[3] .8	[3] .7	0	0
Labor, HEW (H.R. 8069)	36.7	29.2	36.0	28.5	—.7	—.7
HUD, Independent Agencies (H. R. 8070)	51.8	18.8	51.4	18.5	—.4	—.3
State, Justice, Commerce and Judiciary (H.R. 8121)	6.1	4.2	5.7	4.0	—.4	.2
Public Works (H.R. 8122)	8.1	4.7	7.2	3.9	—.9	—.8
Transportation (H.R. 8365)	3.9	3.1	3.7	2.9	—.2	—.2
Agriculture (H.R. 8561)	[4] 14.2	[4] 10.5	10.8	7.7	[4] —3.4	[4] —2.8
Interior (H.R. 8773)	4.3	3.0	4.1	2.8	—.2	—.2
Treasury-Postal Service (Public Law 94–91)	6.5	6.1	[3] 6.3	[3] 6.0	—.2	—.1
Continuing Resolution (Public Law 94–41)	0	2.1	[3] 2.4	[3] 2.3	2.4	.2
Subtotal	137.7	84.6	133.3	79.1	—4.4	—5.6
(Pending House action):						
Defense	(89.5)	(62.2)				
Military construction	(3.8)	(.8)				
District of Columbia	(.5)	(.4)				
Foreign aid	(3.3)	(1.5)				
Subtotal	(97.1)	(64.9)				
Total, appropriation bills	(234.8)	(149.5)				
Other spending legislation:						
School lunch and child nutrition (H.R. 4222)	(4)	(4)	1.0	1.0	[4] 1.0	[4] 1.0
Veterans disability (Public Law 94–71)	.4	.4	[3] .5	[3] .5	.1	.1
Energy conservation (H.R. 6860)	0	0	1.8	0	1.8	0
Executive pay raise (Public Law 94–82)	0	0	[3] .1	[3] .1	.1	.1
Railroad unemployment (Public Law 94–92)	0	0	(3 5)	[3] .1	0	.1
VA physicians pay (H.R. 8240)	(5)	(5)	(5)	(5)	0	0
Federal share highways (Public Law 94–30)	0	.2	(5)	[3] .6	0	.4
Unemployment benefits (Public Law 94–45)	2.2	2.2	(5)	[3] 1.2	—2.2	—1.0
Total, other spending legislation	2.6	2.8	3.4	3.4	.8	.7
Net of supplementals, rescissions, deferrals, and other miscellaneous action	(5)	4.5	.1	5.4	.1	.9
Grant total, House action	140.3	91.9	136.8	87.9	—3.5	—4.0

[1] As the House and Senate add or eliminate items to individual bills the assumptions in the 1st budget resolution may vary with respect to specific bill totals; however, total budget authority and outlays assumed in the resolution do not change.

[2] Vetoed July 25, 1975.

[3] Reflects final public law enactment.

[4] Funding for the child nutrition program was assumed in the budget resolution through the agriculture appropriation bill (H.R. 8561) at the following level: budget authority, $1,392,000,000; and outlays, $1,918,000,000. Therefore the combined effect of action taken to date in H.R. 8561 and H.R. 4222 results in the child nutrition program being over the amounts assumed in the Budget Resolution by $330,000,000 in budget authority and $317,000,000 in outlays.

[5] Less than $50,000,000.

Note: Detail may not add to totals due to rounding.

CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., September 2, 1975.

Mr. HARLEY M. DIRKS,
Chief Clerk, Subcommittee on Labor; Health, Education and Welfare, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR HARLEY: This is in response to your question as to how H.R. 8069, the 1976 Labor, Health, Education and Welfare and Related Agencies Appropriation Bill, as passed by the House compares to the first concurrent resolution targets. I apologize for not giving you an answer sooner, but I had asked Catherine Kolnacki of our budget scorekeeping staff to discuss your question with you personally.

The short answer to your question is that there are no specific provisions in the first concurrent resolution or the accompanying conference report for individual appropriation bills. Therefore, we are not able to calculate how much H.R. 8069 is under or over the 1976 budget targets.

Next year it should be possible to compare the House-passed appropriation bill for Labor-HEW with the budget resolution targets. Section 302 of the Congressional Budget Act (P.L. 93–344), which was not implemented this year, provides for an allocation of the total outlay and budget authority targets by the budget resolution conferees among each committee of the House and Senate which has jurisdiction over bills and resolutions providing new budget authority. This section also provides for the Committee on Appropriations of each House to subdivide among its subcommittees the total outlays and budget authority allocated to the Committee. Thus, the Labor-HEW appropriations subcommittee in each House will have a portion of the total budget resolution targets for outlays and budget authority allocated to it which can be compared to the totals contained in the appropriation bill(s) reported by each subcommittee.

All that we can tell you this year is how the funds in H.R. 8069 are distributed by functional category. This distribution is shown in the attached table and is derived from our budget scorekeeping tables contained in the attached CBO staff working paper.

While H.R. 8069 as passed by the House exceeds the President's request by $826,284,000 in budget authority and $405,000,000 in outlays, it appears as of this date that the bill is within the congressional budget targets for all functional categories it affects except health. In the health function, estimated outlays for four House-passed appropriations bills which contain health funds are greater than the amount requiring current congressional action under the budget resolution targets (see page 32 of the CBO staff working paper). To some extent, this result is due to an upward reestimate of 1976 spending from previously enacted budget authority which apparently was not anticipated in the budget resolution target for health outlays. In the other five functional categories affected by H.R. 8069, House action to date on appropriation and other spending legislation is within the amounts for budget authority and outlays requiring current action by Congress under the first concurrent resolution.

I hope that this information will be useful to you. We will be happy to answer any questions you might have regarding our budget scorekeeping tables, or to discuss further with you the question you asked.

Sincerely,

ALICE M. RIVLIN,
Director.

DISTRIBUTION OF H.R. 8069 BY MAJOR FUNCTIONAL CATEGORIES

[In millions of dollars]

Functional category	New budget authority	Estimated outlays in 1976
Community and regional development (450)	576	489
Education, manpower and social services (500)	6,801	5,041
Health (550)	15,340	11,162
Income security (600)	13,223	11,746
Veterans benefits and services (700)	16	15
Law enforcement and justice	25	22
Total	35,980	28,474

Note: May not add due to rounding.

Source: "CBO Staff Working Paper No. 2 for 1976 Congressional Budget Scorekeeping," Sept. 2, 1975.

Mr. McCLELLAN. The only point I wanted to make, Mr. President, is that there is such confusion as to what are the actual congressional budget ceilings. We go into the Appropriations Committee and undertake to try to live within the President's budget. But we do not know whether we are within it or not. But in this instance, the Labor-HEW subcommittee has done well this year in trying to report a bill something near the budget. But, according to the report from the Budget Committee of the Senate, the bill before us does exceed the budget target of that committee by over $200 million.

Mr. MAGNUSON. That is right.

Mr. MUSKIE. Mr. President, will the Senator yield so I may respond?

Mr. McCLELLAN. I yield.

Mr. MUSKIE. As far as I know, the only communication we sent to the Subcommittee on Labor-HEW Appropriations was a letter dated September 8, 1975, in which we undertook to answer a question put to us by the Appropriations Labor-HEW Subcommittee as to the status of H.R. 8069 as it came from the House.

I ask unanimous consent that that letter be printed in the RECORD. I think it speaks for itself.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON THE BUDGET,
Washington, D.C., September 8, 1975.
Hon. WARREN G. MAGNUSON,
Chairman, Subcommittee on Labor-HEW Appropriations, Committee on Appropriations, U.S. Senate.

DEAR MAGGIE: I understand that the staff of your Subcommittee on Labor/HEW Appropriations has asked the Congressional Budget Office whether the House passed Labor/HEW appropriation bill (H.R. 8069) fits within the budget targets contained in the statement of managers accompanying the Conference Report on our First Concurrent Resolution on the Budget (H. Con. Res. 218). I also understand that CBO felt unable to give a definitive answer, citing the fact that the statement of managers did not provide information on the relation of the targets to individual appropriation bills.

It is true that the proceedings leading to the First Concurrent Resolution on the Budget this year did not address specific programs in a manner that would yield an answer to the question posed by your staff. Nor, do I believe, should the Budget Committee deal with line items in most cases. As you know, the job of dividing up the budget resolution totals distributed to appropriation bills is the responsibility of the Appropriations Committee after adoption of the budget resolution under the terms of the Congressional Budget Act. Under the Act, the Budget Committees are to stipulate to the Appropriations Committees the total, by function, available within the budget resolution for all appropriation bills. The Appropriations Committees are to report back to their respective houses how they have divided the total by subcommittee. That report forms the basis for subsequent comparison of individual appropriation bills with the budget resolution targets. In this initial year of activity, we did not attempt to apportion the targets to the various committees that provide spending authority, and the Appropriations Committee has therefore not been able to provide the Senate with the split by individual bill.

Recognizing, however, your immediate need for information on this year's Labor/HEW bill, we have attempted to compare the bill as passed by the House with the budget resolution targets. This can only be a rough approximation because, as I have said, the deliberations in the Senate and in Conference on the budget resolution were not intended to reach the degree of detail necessary for a definitive comparison. Leaving aside the mandatory or uncontrollable programs in the Labor/HEW bill such as SSI or Medicaid—which must be funded at whatever level is now determined by law either now or in a later supplemental—we believe the discretionary or controllable portion of the bill as passed by the House is about $70 million below the levels assumed for these programs in the budget resolution.

Although the Budget Committees did not make line item decisions, the staff has arrived at the $70 million estimate based on the general policies the Committees followed in setting the spending targets by budget function. For Income Security programs, the Committees rejected the President's proposed legislative changes, reestimated the costs for certain mandatory spending programs, and assumed continuation of current law. For the Health function, we assumed continuation of all health programs at a minimum of their 1975 funding level, rejected the President's proposed legislative changes to medicare and medicaid, and left some room for legislative initiative. The Education, manpower, and Social Services function was increased approximately $5.3 billion in budget authority over the President's budget request to bring ongoing programs up to their FY 1975 level and to permit some increases ($3.0 billion) and to provide additional funds for public service employment ($2.3 billion).

I would close with one note of caution. The deliberations on the budget resolution last April and May have to be considered in the light of subsequent events. Since that time the pressures on the budget have increased, due to higher requirements in several mandatory programs over which we have no control, passage of new legislation, and other factors. A glance at the latest Senate Budget Scorekeeping Report clearly shows this.

I am attaching a table which shows where we are currently on each budget function affected by the HEW-Labor bill. The table shows how the House passed bill changes outlays in each of these functions.

In the deliberations on the Second Concurrent Resolution on the Budget, which will commence shortly, we will need to reassess what we did last spring in light of these changed conditions. The budget reconciliation process may require us to make the difficult choice between accepting a higher deficit or further paring down program budgets. I cannot at this time predict what will occur. But I know you are aware of the difficult trade-offs we will be facing.

With best wishes, I am

Sincerely,

EDMUND S. MUSKIE.

Mr. MUSKIE. The letter states that as a matter of rough judgment, by the Budget Committee staff, the bill passed by the House was $70 million below the levels assumed for these programs in the budget resolution.

That statement has to be taken in the context of the fact, that the functional targets do not relate directly to program totals. In this letter, we were simply trying to give the best guidance we could to the subcommittee.

Mr. MAGNUSON. I have the letter which the Senator has had printed in the RECORD.

I do not have as much time to be in the Budget Committee because I am also responsible for this important bill. The major problem, as I view it, is that the Budget Committee talks about functions. Appropriations bills deal with specific programs. Unfortunately, we do not have a system for crosswalking, or reconciling the two.

If we took the education bill enacted last week and this bill together, then we are about $800 million under the ceiling.

Then we run into another thing that the Budget Committee has never taken up: we are appropriating for many programs, on a 2-year basis. Unemployment insurance, public service jobs, and some of the defense appropriations which involve building a ship are good examples. You cannot do that between July 1 and June 30.

The main problem, again, is that the Budget Committee embraced this functional approach without following up with a reconciliation.

Now we are getting into a real problem. I do not know how we can operate by functions too well. Maybe we can, though I do not know how.

Mr. MUSKIE. I can only say to the Senator that the functional breakdowns have existed for years. We did not create them. They are part of the executive budget.

Mr. McCLELLAN. I believe I have the floor, Mr. President.

Mr. MUSKIE. Will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. MUSKIE. Let me make a second point. We do not go into the program detail that the Appropriations Committee does. If we were to do the actual allocation by appropriation bill, we would be doing the Appropriations Committee work. That is not our responsibility or desire.

Mr. MAGNUSON. After what I am getting into today, the Senator from Maine can have it. Does he want it?

Mr. McCLELLAN. Mr. President, I believe I have the floor. I would like to make this observation. I believe what has come out of this colloquy is a clear demonstration of the chaos that is developing in this situation. It is very important, I believe that we try to get these budget categories coordinated so one of us will not be talking about apples and somebody else talking about oranges. Then we can come to a determination of what we are doing, whether we are over, under, or what the situation is. As it is now, there is the statement that the chairman of the Labor-HEW Subcommittee prepared for the RECORD which indicates there are three different interpretations of the current situation. He then concludes by saying:

> The Congressional Office of the Budget frankly and honestly states that it just does not know where we are.

That is the state of confusion I am talking about and which I am trying to emphasize today, hopefully so that we can find some way to make the budget process more coordinated.

Mr. MUSKIE. Will the Senator tell me what he was quoting? If it is something out of the Budget Committee, I would like to know what it is.

Mr. McCLELLAN. I am quoting from the statement that the subcommittee chairman has prepared and which he read into the RECORD. He read that part I just repeated.

Mr. MUSKIE. But is that from the Senate Committee on the Budget?

Mr. McCLELLAN. I do not know. He says, "The Senate Budget Committee, on which I serve as its ranking Democrat, would put the figure at nearer $220 million over"—meaning over the level in the concurrent budget resolution. I was taking these figures, I may say to my friend, from the material that is here on the desk of the chairman of the

Labor-HEW Subcommittee. If I am not mistaken, I heard Senator MUSKIE say in his opening statement that this bill was over the budget and that the situation might be resolved in conference. If it was not, then we would have the opportunity later to do what we have done in other conferences, to send it back.

Mr. MUSKIE. I said in my opening statement, if I may try to summarize——

Mr. McCLELLAN. I think that is what the Senator stated.

Mr. MUSKIE. My statement was that this year the only method for reviewing any appropriation bill is to look at the individual functions within it. H.R. 8069 has six functions for which ceilings were set in the Budget Committee report. For the outlay targets of those six functions, if this bill is passed, we are over the budget target for three functions: Income security, health, and veterans benefits and services.

I cannot be any more precise than that. This bill, as such, was not identified in the budget resolution. I cannot tell the Senators what the target for this bill was, as such, combining the six functions. I can only tell the Senators what the impact of this bill is on the functions for which targets were set. The detail within those are the responsibilities of the Appropriations Committee.

Mr. MAGNUSON. Will the Senator yield?

Mr. MUSKIE. The Senator from Arkansas has the floor.

Mr. MAGNUSON. When we started to markup this bill, which was before the recess, it is true that we could not get from the Budget Committee a precise figure on this particular bill.

Mr. MUSKIE. That is right. And I cannot give one now.

Mr. MAGNUSON. That is my point. I still think we have to sit down and figure out some way to coordinate between what the Budget Committee calls functions and direct appropriations.

All I know is I sit downstairs and have to listen to all these people speak on human needs, and I cannot easily think of these needs in terms of budget functions. On the other hand, I am gravely concerned over total spending.

Mr. MUSKIE. May I say something else to the Senator? Next year, when Congress sets the functional targets, then it is my responsibility, as Chairman of the Budget Committee, to tell the Appropriations Committee what part of the totals are subject to appropriation; then you take that appropriation figure and you will break it down among your subcommittees. The Budget Committee will not do it; the budget resolution will not do it; you will do it. Then you will have established your own crosswalk between the original targets that you set, and the final result that shows up in appropriations bills. That is how it will work.

I think that will be the most difficult job of all——

Mr. McCLELLAN. Mr. President, I I yield one-half minute to the Senator from South Carolina, without losing my right to the floor.

The **PRESIDING OFFICER.** The Senator from Arkansas has the floor.

VISIT TO THE SENATE BY MEMBERS OF THE SOUTH AFRICAN PARLIAMENT

Mr. THURMOND. Mr. President, we are honored to have with us today some members of the South African Parliament. I would like them to stand as their names are called, and be introduced to the Senate.

The Honorable J. M. Henning.
The Honorable M. F. Truernicht.
The Honorable Hyman Miller.
The Honorable C. C. Henderson.
The Honorable P. H. Meyer.
The Honorable H. J. Coetsee.

We are very pleased to have these distinguished gentlemen visit with us in the Senate Chamber at this time.

[Applause, Senators rising.]

DEPARTMENTS OF LABOR AND HEALTH, EDUCATION, AND WELFARE APPROPRIATION ACT, 1976

The Senate continued with the consideration of the bill (H.R. 8069) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes.

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. McCLELLAN. I am glad to yield the floor. The only thing I want to do here is demonstrate the chaos and confusion that now prevails. We cannot get an accurate determination of whether this bill exceeds the budget or does not. If this happens or that happens, we are told the bill will do so and so, but in total we cannot get a determination here today of whether or not the bill exceeds the congressional budget or does not exceed the budget.

If we cannot get this information after the bill is reported, I do not know how the Appropriations Committee can know these facts while it is considering the measure and before it is reported.

Mr. BROOKE. Will the Senator yield?

Mr. McCLELLAN. I am glad to yield to the Senator from Massachusetts.

Mr. BROOKE. Mr. President, I certainly support the Budget Committee and what its chairman has been attempting to do, but it does make it very difficult for us on the Appropriations Committee to move if we do not know what the budget ceiling is, when we are trying to stay below that budget ceiling.

One thing further: even if we stay below the budget ceiling, when you have your functional categories, is it the intent of the Budget Committee that if we are actually below the budget ceiling overall, but we are over, say, in health, for example, does the Budget Committee intend to go that far, to get, then, into the various categories? If we are under the overall ceiling for the Labor-HEW appropriations bill, but if we exceed the ceiling on health, would the Budget Committee therefore be opposed to that?

Mr. MUSKIE. Health is a separate function, and is so identified in the budget resolution. But the education function includes manpower and social services, and not just education.

Mr. BROOKE. But the Budget Committee is working with one group, and we are working with another; we do not have the same categories.

Mr. MUSKIE. I understand. But what I am trying to make clear is that the Budget Committee did not create these functions. They have been part of the executive budget process for years, and by some miracle it was possible for Congress to work with them all of those years.

Let me make this clear: This year is a trial run year. This is a complicated process, because the whole executive budget process from which it was drafted was complicated to begin with. Anyone who tries to persuade me that prior to the enactment of the Budget Reform Act budgeting was a simple exercise for either the executive or Congress is just talking through his hat. It was so complicated that we assumed that because the Appropriations Committee cut the President's requests for appropriations, we were being fiscally responsible, when, as a matter of fact, because of uncontrollable items in the budget, the deficit grew larger and larger, year after year.

Now we are focusing on those uncontrollable portions of the budget. We know that problem is not the controllable programs, which the Appropriations Committee has demonstrated they have had well in hand over the years, but the uncontrollables.

Now, I hope that the Budget Committee position is clear. To ask us, the Budget Committee, to produce simplicity during the dry run year of our existence, when nothing like simplicity existed before, is to ask for miracles.

We are in an evolutionary process. I personally think that we have made some important progress. I hope that it will continue, and that with patience, cooperation, and accommodation we can make this process work. But if we are about to throw up our hands at the first moment there is a disagreement about this complexity of the facts and say, "Oh, we will never control the budget, we should go back to the old chaos."

You can say our old chaos was better than the new chaos, however, I do not think so.

Mr. BROOKE. At what point in the appropriations process would the Appropriations Committee be informed and have knowledge of what the Budget Committee has established as a ceiling?

Mr. MUSKIE. Next year when the process is fully implemented, on March 15, all committees, including the Appropriations Committee, are required to report to us their view of the budget situation under their jurisdiction, for the coming fiscal year, with recommendations as to priorities, and estimates for spending.

The committees did that this year, and did it very well. I am sure they will do even better next year, as they become more familiar with the process.

On March 15. We are required to take their reports into account as we establish our targets.

We do not make spending totals; we make priorities judgments. We bring that to the floor, and on the floor, 50 hours of debate is required, and that debate is designed to give the Senate, as a whole, an opportunity to try to relate these overall figures to particular States, or particular groups in our population. This will be the budget priorities debate as well as the economic debate, because it relates to the overall totals. But it is a program priorities debate as well: Defense versus school lunches, health versus education, and all the rest.

When that debate is resolved, and the House and the Senate are in agreement, we then have an overall spending limit and the 17 functional targets. Then we have to sort out that part of each function that relates to appropriations, and we send that overall figure to the Appropriations Committee. We do not tell them how to spend it; we just say, "This is the amount of money that is allowed on the budget resolution and each function." Then the Appropriations Committee allocates that money among its subcommittees and its appropriation bills. They do that. We do not. For us to do it would be to assume their prerogatives.

That happens right after May 15, after the first concurrent resolution on the budget has passed both Houses.

Mr. BROOKE. But it has been your policy, as I recall, to oppose any particular appropriations bill if it is over the congressional ceiling.

Mr. MUSKIE. No, that is not true. I raised two major issues. One was the school lunch program, which is an entitlement program and which has the effect of triggering spending upon enactment. The Senator knows there was no means for reserving that decision until later. That took effect immediately upon enactment and had to be dealt with.

Mr. BROOKE. As I recall that was true for the military procurement also?

Mr. MUSKIE. With respect to military procurement, this was one function; it was not many as in the Labor-HEW appropriation bill. The effect of military procurement bills in the past has been in effect to nail in place the programs covered by it. Not all authorizing bills have that effect, but that one does.

So we took it on a pragmatic basis in an attempt to test the new process. It was clear that the defense function was going over the target, under the pressures from all sources, and we felt we better signal the danger.

But with respect to other appropriations bills, I have taken the position as I have here on this one. It is our judgment that the health function is $100 million over. This may be counter balanced somewhere down the road in a supplemental appropriation bill or in conference. A give and take in conference with the House of Representatives may eliminate the $100 million overage in outlays in Health.

I do not see that I should intervene at every stage of the process, because with the regular appropriation bill we have three points at which to reconcile spending with the targets: First, the bill itself; second, the conference report; and third, the final reconciliation process. So there are three points at which we can endeavor to come to grips.

If there were a massive overage at the first step of the bill, I might point this out. But when the Senator is talking about $10 million, more or less, or $50 million, I am inclined to be silent. I have not tried to comment on every item. In the first place, the budget resolution does not identify particular items; and in the second place, I think there has to be some flexibility in the appropriations process.

Mr. BROOKE. The Senator takes into consideration then where we will overspend in one category and we will underspend in another category.

Mr. MUSKIE. That is right.

As I said a moment ago, the Committee on Appropriations has that record, and I think that is a good record on which to rely.

I am not taking any initiative on this bill with respect to that health function. I am simply giving the Senate the facts.

Mr. BROOKE. It is my understanding the Senator was taking the initiative on the health function.

Mr. MUSKIE. No, I am not.

Mr. BROOKE. The Senator is not.

Mr. MUSKIE. I am not.

Mr. BROOKE. That is not the purpose or intent of the Senator to take that initiative.

Mr. MUSKIE. If there is an amendment to cut it, I may vote for it simply as an individual Senator, but I am not recommending.

Mr. BROOKE. Not as chairman of the Committee on the Budget.

Mr. MUSKIE. I am not for the reason that I think the conference committee has the right to look at spending and the functional targets and balance them.

Second, the Committee on Appropriations has some right to consider its overall priorities.

However, if spending was over the target by a substantial amount, I might take a different view. But I do not want to be an annoyance in the Senate Chamber. My job as chairman of the Budget Committee is to highlight what I think are the significant issues in order to keep us within the functional targets. I am not going to try to pick up every nickle and dime that I take issue with. I think that would be disruptive of the whole process.

Mr. BROOKE. I certainly understand the Senator's desire to see that all appropriations hopefully are under the congressional budget. If the Senator were to come in at every step of the way, every function, and every category, we would never finish the appropriations.

Mr. MUSKIE. We would never finish the process. I agree with the Senator.

Mr. BROOKE. I thank the Senator.

Mr. McCLELLAN. Mr. President, I say to the Senator and I observe that this colloquy today has thoroughly demonstrated the need for a cooperative effort by rules or regulations, or something, to clarify this issue so that when we get the ceiling of the Senator from the Budget Committee we know what is within these ceilings. Then we can probably try to meet the ceilings in our bills. But when we come in the Chamber this way, it is very difficult to know where our bills stand. There is a state of confusion and a complex and difficult procedural situation here that needs to be alleviated some way.

That is all I am trying to say today.

Mr. MUSKIE. I certainly agree with the Senator. I promise him my cooperation. We could work with better understanding if we more fully understand our respective roles. We are not the Committee on Appropriations, we do not make recommendations on particular accounts in an appropriation bill. We cannot tell the Senator whether a particular item is covered under the budget resolution.

Mr. McCLELLAN. What I am saying and the point I am making is the Senator deals with functions, does he not? The Appropriations Committee deals with other budget categories.

Mr. MUSKIE. I understand.

Mr. McCLELLAN. The two committees ought to deal with the same budget structure. I am not saying whether it should be by functions or whether it should be by appropriations bill. If we could ever get to the same structure and have our analysis and decisions directed to the same issues and to the same appropriations, then we would eliminate a lot of this confusion.

As it is now, it is confusing, and it is difficult for a subcommittee or the Committee on Appropriations to know whether bills are within or without the budget.

That is why I asked the questions today. I do not know, and I could not determine definitely from the Senator whether the bill before us is over or above, or what. We need to alter the procedures where we do not have that confusion, and where we can all agree on what the facts are, what the situation is. Then I think we would all be willing to work cooperatively to the end to make the budget process function and be of real service.

Mr. MUSKIE. I will certainly be happy to work with the Senator to that end.

Mr. McCLELLAN. I am not talking specifically about me. I am not talking about the Senator from Maine. I am talking about the whole process.

Mr. MUSKIE. I am willing to work with all committees, but I would like to comment that the Senator might feel assured to know that BROCK ADAMS, as chairman of the House Committee, and I met earlier this year with Alice Rivlin, who is director of the Congressional Budget Office, to discuss this specific problem. We are in contact with OMB. Senator BELLMON, the ranking Republican on the Committee on the Budget, and a member of the Committee on Appropriations is working with me on this. It is one of his foremost projects, and he has my wholehearted support.

I hope that we can clarify the procedures. It is a sticky problem, I agree with the Senator. It is frustrating to us.

Mr. McCLELLAN. Yes.

Mr. MUSKIE. We want to be able to give specific answers when the Senator asks for them.

Mr. McCLELLAN. The point I am making here is that in order to make the new budget process work we must first get these things coordinated so we will be talking about the same thing, then we will all understand and there will be less misunderstanding. We can have our different points of view as to an item, whether it is too much or too little, or should not have it at all, but we ought to have the process coordinated so that when we talk about something, we are talking about the same thing and not one of us talking about apples and the other about oranges. That is what we need.

Mr. MUSKIE. I would like to make one other point. Let us take the education function. If this bill is passed, we are under the target for budget authority by $1.2 billion, and outlays by $.7 billion. But if the Senator is to ask me how are we over or under the budget even on that I would have to add the following——

Mr. McCLELLAN. I prefaced my question, I say to the Senator, primarily on what I understood him to say and on the basis of the information here on the desk of the subcommittee chairman to the effect that the bill was over before the concurrent budget resolution.

Mr. MUSKIE. That $220 million figure is nothing I recall using, so I know nothing about that. I am not trying to get at that point. I am trying to get at this point, because we do not deal with appropriation bills. When we are asked how a particular appropriations bill relates to the budget targets, we have to take a number of things into consideration.

If we pass H.R. 8069, in the education, manpower and social services function we are under the target for outlays by $.7 billion, but there is now pending before the Committee on Appropriations a bill for temporary public service employment which would cost $2 billion, another bill for education for the handicapped that will cost $500 million, and another bill, the Development Disabilities Act, that will cost $100 million.

If all three of those are passed, amounting to $2.6 billion if fully funded, the $7 billion slack in that function is not going to be enough, and I think it is the function of the Budget Committee to point that out.

So when the Senator asks me whether we are over the budget, I offer him additional information, I am trying to be honest with the Senator.

Mr. McCLELLAN. Mr. President, I had not intended to talk so long. We have this problem, and it is going to be a continuing problem until we find some way of coordinating efforts on these committees and presenting appropriations bills in a way that both committees deal with them alike. Then the Budget Committee sends down its concurrent resolution or when it sends targets, we will know what it is talking about, and can then try to come within that target ceiling.

I am not trying to suggest that we report bills over the target ceiling. I am simply trying to find a way to make this process work, and I am willing to cooperate in any way we can. Today, it is confusing, and it is very difficult for the appropriations committees to know how to work within this situation.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. McCLURE. I thank the Senator for yielding.

I think the point is well made that there is confusion, because we are talking in different terms.

One of the dilemmas that was confronted by the committee early was the necessity to relate the actions of the Budget Committee to the executive budget. If we conformed everything that is done in the Budget Committee to the categories as established by the Appropriations Committee over a few years, then we would have the difficulty in the Budget Committee of relating that to the executive budget, which is not necessarily related in exactly the same way to the actions taken by the Appropriations Committee. This is no criticism of the Appropriations Committee.

Mr. McCLELLAN. If we cannot do that, then we ought to relate the appropriations bills to functions in some way, so that we will all be talking about the same thing. I am not arguing for either side. I am trying to emphasize the necessity for uniform procedures and considerations.

Mr. McCLURE. It seems to me that the practical solution to the problem—and it has problems within it—lies in a meeting of the Budget Committee and its personnel with the Appropriations Committee and its personnel, the OMB and its personnel, and the Congressional Budget Office, to establish uniform rules by which we judge all these actions in the executive budget and in congressional action.

There is a problem in changing the rules. Whenever you change the categories, change the method by which we judge what we have done, it is difficult to relate present action to past action, because all of a sudden you are comparing apples to oranges in that field.

Nevertheless, I think it is obvious that there would be a great deal of merit in getting the four budgeting entities together—the Budget Committees of both the House and the Senate, the Appropriations Committees of both the House and the Senate, the OMB, and the Congressional Budget Office—to work out a uniform set of rules by which we all operate, so that we do not get into this dilemma.

Mr. BELLMON. Mr. President, will the Senator yield?

Mr. McCLELLAN. Mr. President, I yield to the Senator from Oklahoma, or I will yield the floor—either way. I yield the floor.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. BELLMON. I yield to the Senator from Washington.

Mr. MAGNUSON. One of the problems we face and will continue to face is that ceilings are established so early in the process. In this fast-moving area we set ceilings, then hear from 400 witnesses on health, and perhaps 6 months down the road we may find out that the target is not practical or equitable. We may want to increase it. This is the confusion we have. We do have a method whereby we can adjust the target.

Mr. McCLURE. That is correct.

Mr. MAGNUSON. We would have to give pretty definite proof. I hope the Senator from Oklahoma can appreciate the whole situation we are in.

Mr. BELLMON. I can, because I serve on the Appropriations Committee and the Budget Committee; and I think that by having the advantage of being on both committees, I know what the problem is.

Mr. MAGNUSON. We are dealing with periods of time here. Who would have thought just 2 years ago that we would have to appropriate $5 billion more for unemployment insurance? This is the sort of situation which we on the Appropriations Committee must face daily—unforeseen circumstances and ever-changing budget requests.

Does the Senator know how many supplementals OMB has sent up? They total several billion dollars. Ten days after we get through with this bill, another one will show up. How can we or the Budget Committee know exactly where we stand?

Need arise, usually is caused by some emergency. Who would have thought that we were going to have all these hundreds of millions requested for health insurance for the unemployed? I never thought of that 2 years ago.

Mr. BELLMON. Mr. President, my purpose in getting the floor this afternoon is to explain the matter. Perhaps we should commiserate together, but we need to talk the same language. It is as if one committee or the other is speaking Chinese. The Appropriations Committee uses one breakdown on the formation of their subcommittees, and the OMB and the Budget Committee use a totally different functional breakdown.

As our chairman has said, the Budget Committee is aware of the problem, and we are in the process of trying to figure out a way to communicate in a more timely and more understandable way.

Serving as I do on the Appropriations Committee, I can say to the Senate that at this time we are getting the information from the Budget Committee in a timely way. We work on those bills and have no doubt the result we are getting is going to fit into the concurrent resolution that the Senate adopted back in April.

We will have to work out a system of using the same functional breakdowns at all levels of government—the Budget Committees of both the House and the Senate and the Office of Management and Budget. That should be a priority activity. I hope we will be able to accomplish it before we go back to this process next year.

I congratulate the chairman of the Committee on Appropriations for bringing this matter so forcefully to the attention of the Senate this afternoon.

Mr. McCLELLAN. Will the Senator yield at that point?

Mr. BELLMON. Yes, I yield.

Mr. McCLELLAN. I was trying to illustrate that point here today, the need for just what the Senator has said.

Mr. BELLMON. He did it very well.

Mr. McCLELLAN. I am glad we had this discussion. I apologize to the chairman of the subcommittee; I did not intend to take so much time.

Mr. MAGNUSON. I think it has been a healthy discussion.

Mr. McCLURE. Will the Senator yield?

Mr. BELLMON. Yes.

Mr. McCLURE. I agree with the Senator from Arkansas that the need for uniformity is very evident.

I say to the Senator from Washington that the time periods we are dealing with are also very difficult. There is need within the Reform Act to react to those time frames. We start the budgetary process early in the spring. We do not button it down until May 15, and we are starting now to formulate requests for next year. But from the first of the session until May 15, we have the opportunity to react to new information and to update right up to the time of the final adoption of the first concurrent resolution on the budget. Then we have the appropriations actions and the various legislative actions that affect spending during the year with the opportunity to update that again in the fall. So we do not have long periods of time in which the burgetary process is allowed to get out of date or out of time with the current events in our country.

I commend both the Senator from Arkansas and the Senator from Maine for this colloquy, which I think has really brought to light very forcefully the need for some further reform of our procedures internally so that we are all talking about the same language and understand better both what the Committee on the Budget is doing and what the Committee on Appropriations, as well as other legislative actions of Congress, are doing with respect to the budget target established by Congress.

Mr. CHILES. Mr. President, I would like to commend the chairman of the Labor-HEW Appropriations Subcommittee for his leadership in bringing this important measure before the Senate. Once again, Senator MAGNUSON has demonstrated his concern and devotion for aged and aging Americans as well as all Americans.

As a member of the Senate Committee on Aging I was particularly pleased that the Appropriations Committee reported out two measures that I have supported for the benefit of our elderly. The committee requests a $5 million increase in appropriations for the newly created National Institute on Aging—raising the House level of $15,526,000 to $20,526,000. This increase would permit a necessary expansion and continuation of research to aid in identifying many of the "gray areas" of the aging process. An effective and well-staffed Institute is essential for establishing a solid foundation to build a comprehensive aging research plan for all governmental agencies. As this country's number of elderly swells to over 22 million, it is appropriate that the committee has provided the funding to aid the National Institute on Aging in its research responsibilities.

The Appropriations Committee report and bill also gives continued support to the successful nutrition program for the elderly. I would like to personally commend the chairman of the Labor-HEW Appropriations Subcommittee for his continuous support of this worthwhile program. The chairman is very familiar with the benefits of this program and is aware that over 3,000 elderly enjoy the services of the program daily in his State of Washington. In my own State of Florida, almost 9,000 persons benefit from this meal program daily, but at the same time I am extremely concerned that there are approximately 3,000 elderly who have to be placed on waiting lists. I am hopeful that the $200 million expenditure in fiscal year 1976, as directed by the committee, will help in allowing the more than 116,000 persons nationwide who are on waiting lists to benefit from the nutrition program for the elderly. The committee report directs the Department of Health, Education, and Welfare to spend $200 million in fiscal year 1976. This amount should be spent by the Department by utilizing the carryover funds from fiscal year 1975 of approximately $100 million in addition to the $125 million contained in the appropriations measure before us today.

As I stated earlier, the committee report directs the Department of Health, Education, and Welfare to spend $200 million in fiscal year 1976. Last year HEW delayed in reaching an increased annualized spending rate, as directed by the committee, until very late in the fiscal year. Consequently, I would like to pose a question to the chairman of the Labor-HEW Appropriations Subcommittee concerning the intent of the committee.

When does the committee want the Department of HEW to adjust its annualized expenditure rate so that a $200 million spending level is reached?

Mr. MAGNUSON. It is the intent of the committee that the annual expenditure rate be adjusted immediately upon enactment to the $200 million spending level.

I can think of few, if any, programs in the entire Labor-HEW appropriations bill that are more important than this one. This is a major reason that the committee voted to increase the annual expenditure to $200 million.

Mr. McGEE. Mr. President, I was inquiring into the parliamentary requisite here. I have an amendment that we have worked out and I am offering and that the chairman is willing to take to conference. Do I need to call it up in its independent right, or may we agree to that with unanimous consent and I will submit it with my statement?

Mr. HELMS. Mr. President, I ask unanimous consent that after the Senator's amendment has been dealt with, I be recognized.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGEE. Mr. President, I send to the desk my amendment and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 22, line 10, strike "$5,345,000" and insert the following: "$6,245,000".

And on page 22, line 11, strike "$500,000" and insert in lieu thereof "$1,400,000".

Mr. McGEE. Mr. President, this is a matter that involves Gorgas Institute in Panama and the MARU Institute in the Panama Canal Zone. The reason I mention this is that I was not able to be present for the committee markup. I am a member of the committee but I could not be there because I was in Wyoming. It was agreed at that time that we should offer this on the floor and we have worked out a considerable reduction of the requirement that was already programed. The chairman has agreed to take the compromise figure of $900,000 to conference.

Mr. President, the Gorgas Memorial Institute's permanent authorization was set by the Congress at $2 million annually. This Institute in Panama City also has responsibility for the Middle America Research Unit in the Panama Canal Zone.

In June of 1972, at the Department of Health, Education, and Welfare's initiative, and by contract with the National Institute of Allergy and Infectious Diseases, Gorgas assumed the operation of the HEW virological research unit. This transfer effected a consolidation of the activities of the two laboratories and resulted in the strengthening of research in medicine in the American tropics. The Department of State accepted this transfer provided that agreement between NIH and Gorgas was for a long-term research program, and that adequate appropriations be forthcoming. In my view, the $500,000 appropriation for Gorgas for fiscal 1976 is not adequate for the Institute to fulfill its research commitments.

I need no comment in detail on the important medical research conducted by the Gorgas Institute. However, I would like to point out that results of the Institute's research have benefited countless Americans who have been exposed to tropical diseases. The Institute's programs have, in addition, been of great value to our Latin American friends and have been a bright spot in our relations with the hemisphere.

Therefore, I am offering this amendment, which will increase funding for the Gorgas Memorial Institute by an additional $900,000.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BIDEN. Will the Senator from North Carolina yield for a unanimous-consent request regarding staff?

Mr. HELMS. I am happy to yield.

Mr. BIDEN. I ask unanimous consent that Ted Kaufman and Peter Wentz of my staff be granted the privilege of the floor during consideration of the amendment about to be offered by the Senator from North Carolina.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I have an amendment at the desk which I call up and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

At the appropriate place, insert the following new section:

SEC. ( ). None of the funds appropriated under this Act shall be used to require any school, school system, or other educational institution, as a condition for receiving funds, grants, or other benefits from the

Federal Government, to classify teachers or students by race, or national origin; assign teachers or students to schools, classes, or courses for reasons of race, or national origin; or prepare or maintain any records, files, reports, or statistics pertaining to race, or national origin of teachers or students.

Mr. HELMS. Mr. President, I ask unanimous consent that the names of the distinguished Senator from Texas (Mr. TOWER), the distinguished Senator from South Carolina (Mr. THURMOND), the distinguished Senator from Oklahoma (Mr. BARTLETT), the distinguished Senator from Delaware (Mr. ROTH), the distinguished Senator from Georgia (Mr. NUNN), the distinguished Senator from Alabama (Mr. ALLEN), be listed as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROOKE. Will the Senator yield for a unanimous-consent request?

Mr. HELMS. I am delighted to yield.

Mr. BROOKE. I ask unanimous consent that Ralph Neas of my staff be permitted to remain on the floor continuously during debate on this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. BROOKE. Mr. President, I discussed this amendment with the distinguished Senator from North Carolina and I ask unanimous consent that time on this amendment be limited to 1 hour, the time to be equally divided between the proponent of the amendment (Mr. HELMS) and 30 minutes to be controlled by the Senator from Massachusetts.

Mr. BIDEN. Mr. President, reserving the right to object, I have a parliamentary inquiry. What would that do to the substitutes to the amendment or amendments to the amendments?

Mr. BROOKE. And 30 minutes to amendments to amendments.

Mr. BIDEN. Fifteen minutes would be fine.

Mr. BROOKE. I amend my unanimous-consent request to include the suggestion of the Senator from Delaware for 15 minutes on amendments to amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, this amendment is designed to put an end to the current blight on American education that is generally referred to as "forced busing." Let the Senator from North Carolina be perfectly candid so that there will be no mistake about it: This is an antibusing amendment. This is an amendment to stop the current regiments of faceless, Federal bureaucrats from destroying our schools, from endangering the lives of our children, and from usurping the prerogatives of local school officials. Additionally it is intended to provide the unelected members of the Federal judiciary, who serve lifetime terms with a clear message of what the U.S. Congress and the American people think of forced busing.

Mr. President, the American people are fed up—they are fed up with a meddling Federal Government, they are fed up with a Congress that will not face up to its constitutional responsibilities; and they are fed up with the ever-growing centralization of power in the hands of inept, unelected Federal officials. They are fed up with continuing inflation, vast budget deficits, and the politicalization of the Nation's energy policy. In short, the American people are fed up with the present occupants of the city of Washington. A redirection of present policies is needed and it is needed immediately. There is no better place to begin than by putting a stop to forced busing and returning control of the schools of this Nation to local units of government and thereby to the people.

Year after year, September after September, the cry is heard all over the country that such busing is a menace to freedom, destructive of proper educational purposes, and endangering to the lives of young children. The polls show it. Again and again, samplings of the opinions of the American citizens have reaffirmed their utter disgust at continued forced busing. From Louisville to Boston, the destructive nature of this kind of insidious despotism is manifestly apparent.

If you do not believe it, Mr. President, read the front page of any paper.

Take Boston for example—we are told that on the first day of classes less than 50 percent of approximately 90,000 children reported to school; 600 National Guardsmen were placed on call to enforce the dictatorial busing edicts. A total of 1,600 police were assigned to cover the opening of school. Mr. President, standing alone, the plain fact that it took 1,600 police and a standby contingent of another 600 National Guardsmen to insure the implementation of forced busing in Boston should tell the Congress something. It should convey the simple message that the hardworking taxpayers of this country want their schools back. And I, for one, believe that people should have their schools back. The Federal Government should get out of the schools of Boston, Louisville, and throughout the Nation. And, yes, the Federal Government should get out of the schools of North Carolina. That is what my amendment is intended to achieve.

Mr. President, I have a copy of a column that appeared in the Washington Post, of all publications, on September 10, 1975. It was written by William Raspberry.

In this editorial, Mr. Raspberry raises the question, "Is the 'busing game' worth the prize?" He comments further, "Some of us aren't even sure just what the prize is supposed to be." He notes that certain proponents of forced busing will not relent "however counterproductive—their—efforts may in fact be." Finally, he states, "It is a lot easier to wish the current crisis hadn't been forced than to see any reasonable way out of it." Well, there is one way out and only one—stop forced busing and stop it now.

Mr. President, I ask unanimous consent that a copy of the aforementioned editorial be printed in the RECORD in full at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Sept. 10, 1975]

IS THE "BUSING GAME" WORTH THE PRIZE?

(By William Raspberry)

It's hard to know what is the right thing to do now about busing in those cities where antibusing sentiment is so strong as to threaten the public peace.

One can pray that violence will be kept to a minimum; that law enforcement officials will behave professionally, no matter what their private views of the issue may be. One can observe the similarities between white attitudes and actions in Boston and Louisville today and in Little Rock and New Orleans 20 years ago and hope that opposition to busing will melt now as opposition to desegregation melted then.

But the prayers and hopes seem unlikely to produce much by way of positive results, and a lot of us are wondering whether the busing game is worth the prize. Some of us aren't even sure just what the prize is supposed to be.

It was a lot clearer when the issue was whether black children could be shunted off to distant classrooms because nearby schools were designated, officially, if arbitrarily, as white schools.

We may have wondered whether we would have subjected our own children to the taunts and threats of violence faced by, say, the Little Rock Nine. But there did seem to be a clear cut principle at stake: that the public schools should exist for the entire public—that it is discriminatory and wrong to earmark certain schools as black or white.

Now we are being asked to support a different principle: that it is wrong, constitutionally and morally, for a school to be predominantly black even if that fact stems from its existence in a predominantly black neighborhood.

The NAACP, which almost alone is sustaining the drive for wide-scale busing to eliminate predominantly black schools, insists that the principles are the same. It is a view for which support is fast disappearing.

Which is one of the key reasons for widespread pessimism. Many of those who resisted desegregation—the abolition of dual school systems—knew their position to be morally indefensible. And when they finally lost, it was due in large measure to their moral isolation and sense of guilt.

There is no corresponding sense of guilt today. Most whites have long since accepted the notion that segregation is wrong, and even in the Deep South there is hardly such a thing as an all-white school—nor much feeling that there should be.

But on the other hand, precious few whites, North or South, feel any guilt in resisting the disruption of their children's education by busing them to distant schools because those schools are "too black."

Nor is there much more enthusiasm among black parents for large-scale busing for the primary purpose of racial integration.

Not that any of this matters to the NAACP's policy makers. For them the issue is not whether anybody *wants* busing; it is their view that constitutional considerations *require* it.

"Constitutional rights are not open to plebiscites and popularity polls" NAACP general counsel Nathaniel Jones recently told the National Observer.

He sees the eradication of racially identifiable schools—by which he appears to mean predominantly black schools—as a constitutional mandate to be carried out even if most blacks and whites doubt that it's worth the disruption and ill will that it is certain to spawn. Interestingly enough, those who tell you that the wishes of the people must be subordinated to the mandates of principle generally do so in support of their own wishes.

A very long time ago, the issue was how to improve public education for black children. The presumption, in those days, was that white school officials who insisted on setting aside certain schools for the exclusive use of white children could hardly be expected to care much about the education of black children.

The NAACP, clearly on the right side of that issue, had a major role in the 1954 Supreme Court decision outlawing racial exclusivity. It was a vastly important victory which, in effect, opened neighborhood schools to all neighborhood residents.

But it didn't lead automatically to racial integration, particularly in the North, where the schools remained white or black because the neighborhoods were.

So the NAACP expanded the principle to include not just the dismantling of dual school systems but also the elimination of identifiably black school within unitary systems. A number of courts went along with the expansion.

But that is changing. The Supreme Court, in the Detroit case, held that it's perfectly all right if schools are predominantly black because the school district is predominantly black. Last month, a Detroit judge rejected an NAACP plan that called for busing some 77,000 of Detroit's 260,000 school children in an effort to maximize racial integration. Just as well. The Detroit schools are already about two-thirds black, and the kind of arrangement the NAACP sought almost certainly would have had the primary effect of driving yet more whites out of the city.

The judicial trend may be clear, but so is the NAACP's commitment to busing. And because of the massiveness of that commitment, it may be too much to expect the NAACP to back down at this late date, however counterproductive its efforts may in fact be.

In addition, it is extremely difficult to back down now in the face of the Little Rock-style opposition in Boston, Louisville and elsewhere.

It is a lot easier to wish the current crisis hadn't been forced than to see any reasonable way out of it.

Mr. HELMS. The pending amendment, Mr. President, provides that no funds appropriated under this act shall be used to require any school system, or other educational institution, as a condition for receiving funds, grants, or other benefits from the Federal Government, to classify teachers or students by race, or national origin.

It provides that these funds shall not be used to require the assignment of teachers or students to schools, classes, or courses for such reasons; and it provides that these funds shall not be used to require the preparation or maintenance of any records, files, reports, or statistics pertaining to the race or national origin of teachers or students.

This amendment, if enacted, will return the schools of this country to the local units of government and, thereby, to the people. That is what the American people want, Mr. President, and it is what Congress ought to do and do now even at this late date.

I am sure there will be a motion to table this amendment—there always is. But let the record be clear, Mr. President, a "yes" vote to table this amendment is a vote to continue forced busing.

Mr. President, I reserve the remainder of my time.

Mr. BIDEN. Mr. President, will the Senator yield?

Mr. HELMS. I will be delighted to yield.

Mr. BIDEN. I am sure it comes as a surprise to some of my colleagues—it has been for the last 6 months—that a Senator with a voting record such as mine stands up and supports, at least in principle, an amendment on the question of busing offered by a Senator with the voting record such as that of the Senator from North Carolina.

Mr. HELMS. The Senator from North Carolina welcomes the Senator from Delaware to the ranks of the enlightened.

[Laughter.]

Mr. BIDEN. I thank the Senator for the welcoming.

I would like to, as they say—I have no formal statement and I am trying not to be very formal about it—but, as the young kid said, "I am trying to lay it right out." I am with the Senator from North Carolina in principle. I want to separate from him in some of the substance.

The Senator from North Carolina feels very strongly and, as many others who are known as antibusing Senators have, about the safety and the dangers involved in busing young children and, quite frankly, I think that is totally irrelevant.

The reason why I rise today in support of this amendment—which I, too, believe is clearly an antibusing amendment, and a vote for or against puts you in a position of whether or not you are "for 'em or again 'em" in terms of busing—is that I have become convinced that busing is a bankrupt concept that, in fact, does not bear any of the fruit for which it was designed. If anything, it obfuscates the real issue today which is whether or not there is equal opportunity within the educational field for all people within the United States.

I am a little bit miffed by some of my colleagues—and I am not addressing this to the Senator from North Carolina, but some of my colleagues—who, in fact, have felt strongly that we should not be busing, and say they want better schools, but, at the same time, have engaged in the same conduct and logic as the President of the United States. He said that busing was not a good idea, that we have to spend more money on education, and then vetoed the education bill. I fail to follow the logic and I question the sincerity of those who say they are concerned about equal educational opportunity for all people and say they are not racist or people who are trying to subvert the legitimate aims and ambitions and aspirations of minority groups in America and, at the same time, do not follow their own position, as stated by, for example, our President.

It seems to me that instead of concentrating on busing students, what we should be doing in this Chamber is concentrating on matters which have been led by distinguished Senators like the Senator from Massachusetts, Senator BROOKE, who, in fact, in all areas of opportunity in America, from housing to job opportunity, to education, to equal credit, to voting rights, has consistently voted to see to it that minorities have equal access to everything from credit to the ballot box.

I strongly support each and every one of those pieces of legislation including, as the chairman of the Consumer Affairs Subcommittee of the Banking Committee, equal credit opportunity. But it seems to me that we have got to act right down to it and face it in this Chamber, whether or not you are a liberal or conservative, namely whether busing produces any positive results and, if it does, and do they outweigh the liabilities. If you believe that way then you should vote against the Helms amendment. But if it does not, if you believe as I do, we are not addressing ourselves to the real issue that exists in this country with regard to equal opportunity in education, and we are causing brush fires all over the Nation and heightening racial tension instead of solving any of the problems then, you, in fact, should vote for the Helms amendment.

Mr. HELMS. Mr. President, will the Senator yield?

Mr. BIDEN. In just a moment, if I may take just 2 more minutes. The Senator from North Carolina decided that his original amendment, as introduced the last time, which included sex, might not be appropriate this time, and I compliment him for eliminating sex from this particular amendment.

I would also ask him at a later time to consider eliminating the last sentence of his amendment which reads—and I am not offering my amendment now, but I will be at the termination of the hour's debate—the last sentence which says:

> or prepare or maintain any records, files, reports, or statistics pertaining to race, or national origin of teachers or students.

The reason why I request that—I am going to introduce an amendment to eliminate that last section—is that I think it further confuses the issue. In the beginning of the Senator's amendment he states—assuming it would pass—he would prevent the cutoff of any Federal funds for any school or school district because, they, in fact, assigned teachers or students to classes or schools because of race, I think the last sentence, that is, the record-maintaining section, is redundant. It is not necessary, and I think it will just confuse the issue and maybe, quite frankly, lose us a couple of votes which we might pick up from my moderate and liberal colleagues who have come to the conclusion I have that busing has not worked. Let us not make busing in relation to the social issues of the day what Vietnam was to our foreign policy. Vietnam we found out did not work in 1965, and some tenaciously held onto it as if it were some way out of foreign policy, and we started to talk about our national image and what it would do to us instead of doing what the former senior Senator from Vermont, Senator AIKEN, said, namely declare that we won the war and leave. I think we should do the same thing with regard to the social issue and declare busing does not work, leave it, and get on to the issue of deciding whether or not we are really going to provide a better educational opportunity for blacks and minority groups in this country.

I thank the Senator for yielding time to me, and I will go back up at the end of the hour for my amendment.

Mr. HELMS. I think my friend from Delaware knows that the Senator from North Carolina spoke in friendly jest. But I do welcome him to the ranks of those of us who have been fighting this insanity of forced busing.

I feel some need to comment on the distinguished Senator from Delaware's observation that he would like to strike the latter part of my amendment. I would have to oppose the Senator's amendment to my amendment, if and when it comes, because it would gut the purpose of my amendment, if we manage to survive a tabling motion, a parliamentary device always used to avoid a flat-out, up-or-down vote on the question of forced busing. I always regret, incidentally, Mr. President, when I agree to a time limitation because we seem always to get into a situation of this sort where we really end up with insufficient time. But I will say to the Senator that the part he would strike from my amendment really would gut the amendment, and I could not agree to it.

As this Senator from North Carolina has stated many times, it happens occasionally that programs and policies of government continue to survive long after the reason for their existence has ceased to be a real consideration. The Federal Government is riddled with such programs. They are wasteful, and often they are counterproductive to the best interest of the American people.

The amendment is addressed to such an anachronism: the needless "strings" that allow the Department of Health, Education, and Welfare to require school systems to compile stacks and stacks of information, statistics, and reports in order to prove that no discrimination exists. Now, such a requirement may seem harmless enough on its face, but numerous school officials have repeatedly advised me that it is not. HEW requires them to devote many hours—time they could use helping students—to gathering and processing these statistics. It completely disrupts their offices and programs. Further, in many instances these schools do not have sufficient clerical assistance, and they must resort to requiring teachers to help compile this information. They are, in effect, forced by HEW to require teachers to take time away from helping children gain an education in order to provide data-hungry bureaucrats in the Federal Government with unnecessary information.

The purpose and intent of this provision is simple and clear. It states that the Senate does not want the Department of Health, Education, and Welfare to interfere further with the administration of our schools.

Congress has the power to correct this situation. It can do so by approving this amendment. The approval of this provision will finally remove this anachronistic Federal interference from the educational process. It will preclude HEW from continuing to make a negative contribution to the well-being of the children of America.

Lest anyone fear that the removal of these Federal controls will result in the reinstitution of historical discriminatory practices, let me point out that the court-ordered desegregation plans that were entered over the years still remain on the books. They survive as an assurance that dual school systems and the like will not be reestablished.

Constitutional interpretations require unitary school systems, but the Constitution does not require the existence of a power within the Department of Health, Education, and Welfare continually to harass our schools, our school officials, and the parents and children. The Constitution does not require that the Congress appropriate money for the collection of data regarding teachers and students. It is the responsibility of the States and local units of government in the operation of their schools to maintain such records as they consider helpful. It is not a Federal matter, and Federal funds should not be used for that purpose.

Mr. President, Congress, as a coequal branch of the Federal Government, has the sole responsibility for the appropriation of funds, and in this appropriation process, Congress may proscribe the manner in which such funds are to be used. It may say that funds appropriated shall be used for some purposes and not for others. That is precisely what the amendment does. It proscribes the use of appropriated funds.

Furthermore, it is a well-known rule of construction that specific provisions of legislation take precedence over general provisions. Therefore, in the construction of this enactment, it is clear that this amendment is intended to take precedence over any nebulous language of a general nature that may appear at any place in the bill.

I compliment the Senator for what he said about the chaos that exists throughout this country, and I will remind him of an episode in North Carolina involving forced busing in the Charlotte-Mecklenburg case. As a result of a court order and HEW pressure, based on a bureaucratic obsession with "King Numbers," a Federal judge in North Carolina ordered one child to be bused 22 miles to school each day and 22 miles back to his home, and he was the sole occupant of that bus.

If that is the fruit of this kind of legislation, then I have to agree with Mr. Bumble, in Charles Dickens' Oliver Twist, who said:

> If the law supposes that, the law is *a ass*.

Now, that is what we are suffering in this country today, something that not only has not worked, but which is literally destroying the public school system of America.

I yield to the able Senator from Kentucky.

Mr. HUDDLESTON. Mr. President, I thank the distinguished Senator from North Carolina and I join with him and the Senator from Delaware in endorsing this particular amendment.

I consider myself one who is concerned with quality education, who is concerned with equality of education and equality of opportunity.

I want the Senator from Delaware to know that I did support the education bill when it came through the first time and I voted to override the President's veto, because I have a concern about the priority, or should I say the lack of priority, that has been put on education in this country.

I think we could do a lot more to assist in achieving quality education and equality of opportunity for all of our people, and that is what we ought to do.

But, I have always felt that the enforced busing of students to achieve some predetermined ratio was counterproductive and did not in any way enhance the educational opportunities of any significant number of students or improve the prospects of a real integrated society, which is what we are really trying to achieve in this country.

It is easy to cite the situation in Louisville, Ky., where with only a little over 1 month's preparation, a school district that had just been required to merge was then required to enter into and implement a court-enforced busing plan.

There is no human way that anybody can draw a plan under these circumstances that is equitable, that is fair, and that will genuinely increase the quality of education or the opportunity for equality of education of its students.

Referring again to Louisville, Ky., in order to achieve this predetermined ratio of black and white in the school districts, it is going to be necessary to bus white students for 1 or 2 years of their school career; black students will have to be bused 9 years of their school years.

If one accepts the premise that being bused several miles, for an hour to an hour and a half a day, is an inconvenience to a student—if it is a hardship on him, as it would be—then one has to conclude that this is not a fair plan and the black student is carrying, by far, the greatest burden of this kind of a program. This, on its face, is unfair and inequitable and will not achieve the purpose for which it is designed.

Furthermore, those educators and those sociologists who first advanced the idea of achieving a racial balance through the forced busing of schoolchildren and who then maintained that it contributed to equal educational opportunities, are now saying, after further study and after observing the operation of these plans, that forced busing does not, in fact, improve the educational opportunities of students but instead, creates further barriers and further problems in the school system—barriers and problems that put quality education even further away than it had been at the beginning.

Speaking for the school district of Jefferson County, Ky., I can say, I think without fear of contradiction, that it is going to be several years down the road—several years—before that school board and that school administration can begin to think about improving the quality of that educational system. Their entire effort into the foreseeable future is going to be on how they can juggle the students around, how they schedule the buses, how they get pupils to the school door at 8 o'clock every morning in the proper ratio.

There is one more point which I think is important. If the courts are right—and I do not think they are either in the interpretation of the alleged violation or in the remedy—but if they are right, then simply busing students to the school's door at 8 o'clock in the morning in the proper ratio is not complying with that concept because the learning process does not stop at the school door, it goes on all day. If we have to have the proper ratio at 8 o'clock in the morning, then we have got to have it in every classroom throughout the day, in every extracurricular activity. We probably have to have it at the lunch hour and certainly in the athletic programs in every school.

So, in effect, we have just opened the door here to an impossible, unworkable situation that contributes nothing but that has frustrated and embittered our people, that has placed real integration farther down the road, that has raised barriers that cannot be overcome simply, and that has been a step backward in the effort of this country to achieve a truly integrated society that we all want.

One other point, if I have the time, Mr. President——

Mr. HELMS. Mr. President, may I interrupt the Senator and inquire, as to how much time remains to me?

The PRESIDING OFFICER. The Senator has 8 minutes remaining.

Mr. HELMS. I yield 2 more minutes to the Senator from Kentucky.

Mr. HUDDLESTON. I thank the Senator.

Those who attempt to make the question of whether or not we should have enforced busing to achieve racial balance in this country a racial question are doing no service to this issue or to the resolution of this issue.

By far, the vast majority of the people who oppose this plan do not oppose it on the basis of any objection they have to having an integrated school system or even an integrated society; they oppose it on the basis of its simple unworkability, its inconvenience, the necessity for busing their children away from schools which they have moved into a community in order to attend, and various similar reasons.

The Senator from North Carolina has already placed into the RECORD a column written by columnist William Raspberry. I, too, noted that article and would have inserted it in the RECORD had it not already been done.

Mr. Raspberry is a renowned, eminent, black columnist; his words should be taken seriously.

He is taking a reasonable view of this problem, and I think we ought to take heed of his suggestions and recognize, as the Senator from Delaware has said, that massive, enforced busing is a social experiment that has failed and produces no good for anybody, and it ought to be discontinued.

I support the amendment of the Senator from North Carolina.

Mr. HELMS. Mr. President, I thank the Senator from Kentucky for his remarks.

Mr. NUNN. Mr. President, will the Senator yield for a few seconds on this particular point?

Mr. HELMS. I am delighted to yield to the Senator.

Mr. NUNN. I join in the remarks of the Senator from Kentucky and express my endorsement as well on the position of the Senator from North Carolina, which he has already stated, not just once, but many times on the floor of the Senate so articulately.

I do congratulate both of them for bringing this matter back. Hopefully, at some point, we will begin to bring a commonsense approach to education in this country. This will then benefit black and white children.

Hopefully, this amendment if it passes will form that endeavor.

Mr. HELMS. I thank the Senator.

Mr. CHILES. Will the Senator yield to me for 20 or 30 seconds?

Mr. HELMS. Yes, gladly.

Mr. CHILES. I commend the Senator from North Carolina and the Senator from Delaware.

I am delighted to see the enlightenment that is beginning to go on. Certainly, the Senator from Kentucky, the Senator from Georgia, and both Senators from Florida, have been feeling that this was not an answer for a long period of time, but it is converts we should talk about, and I think the fact we have some enlightenment going on is very good.

I just would like to point out one thing: I notice the President has been talking about busing. I am glad to see him talking about it. He is also talking about quality education. That is where the debate ought to be.

Mr. HELMS. Exactly.

Mr. CHILES. I would like to talk about a bill I have introduced for a prize school bill that would provide quality education. Take the disadvantaged schools, give them extra help, and let us start a reverse thing going. We will see a voluntary integration in those schools as is happening in my State in Sarasota, Fla. We have a prize school out of a closed black school. Both the blacks and whites went to the court and said, "Do not close our school. Open it up." They made a prize school out of it. Now there is a waiting list of whites who want to get into that school.

Mr. HELMS. I thank the Senator from Florida.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 3 minutes remaining.

Mr. HELMS. Mr. President, I ask unanimous consent that it be in order that I have the yeas and nays on an up-and-down vote on this amendment.

The PRESIDING OFFICER. Is there objection?

Mr. HELMS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

The Presiding Officer, in his capacity as a Senator from Alaska, objects to the unanimous-consent request for an up-and-down vote on the amendment.

Mr. HELMS. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second for a vote?

Mr. BROOKE. Mr. President, I intend to make a motion to table this amendment.

Mr. HELMS. The Senator from Alaska already objected to my unanimous-consent request, I would say to the Senator, so his motion to table will be in order, of course.

Mr. BROOKE. Does the Senator want the yeas and nays on a motion to table?

Mr. HELMS. I am hopefully presupposing the Senator will change his mind as to the tabling motion, but I am sure it is a vain hope.

Mr. BROOKE. I will not change my mind on that.

The PRESIDING OFFICER. Is there a sufficient second for the request for the yeas and nays on the amendment?

Mr. BROOKE. On the motion to table.

The PRESIDING OFFICER. That has not been made at this time.

There is a sufficient second.

The yeas and nays were ordered on the amendment.

Mr. HELMS. Mr. President, I ask unanimous consent that, notwithstanding any passage of time, the Senator from Delaware be allowed 3 minutes.

The PRESIDING OFFICER. Is there objection? Without objection——

Mr. BROOKE. Mr. President, I object. Three minutes of the time remaining?

The PRESIDING OFFICER. He yielded 3 minutes, the Chair might state, to the Senator from Delaware. The Chair interrupted and raised an objection in my capacity as a Senator from Alaska and not as the Presiding Officer.

Mr. BROOKE. Does the Senator from North Carolina have 3 minutes remaining which he wants to yield?

The PRESIDING OFFICER. He had 3 minutes. He now has 2 minutes, but the Chair interrupted.

Without objection, it is so ordered.

Mr. ROTH. Mr. President, the forced busing of our schoolchildren is as wrong in constitutional theory as it is as a matter of social and educational policy. Today, few would argue with the decisions handed down some two decades ago by the Supreme Court in Brown against Board of Education. Brown was a libertarian decision which, when correctly interpreted, meant only this: No State may compel separation of the races in the public schools.

In other words, the States may not, on the basis of a child's race or color, designate where he is to attend school. Over the course of the last 20 years, however, the noble principle of Brown has been eroded to the point that we find the present-day court announcing that the 14th amendment, far from prohibiting the assignment of pupils on the basis of race, actually demands it. For the Court in Swann against Board of Education specifically endorsed student busing for the purpose of enforcing racial quotas in the public schools. The principal effect of this and subsequent High Court rulings is to require the assignment of students to the public schools of this Nation on the basis of race, in contravention of the letter and spirit of the Brown rulings. Thus, what began as a call to freedom for all children of this Nation has been tortured by subsequent judicial decision into a major threat to individual liberty and the local community.

It is for this reason that I oppose mandatory busing and I strongly support the amendment that has been proposed by the distinguished Senator from North Carolina.

There recently appeared in the New York Times magazine a very interesting interview with Dr. James S. Coleman, the author of a study which has been cited many times by the court in support of mandatory busing. I think one part is worth repeating for the benefit of the Senate:

> Then your report did not imply that equal educational opportunity positively requires racial integration.
>
> No. Nevertheless, the courts, to some degree, went on to use the argument that equal educational opportunity could be provided only by integrated schools. My own feeling is that the report is a legitimate basis for legislatures, school boards, school superintendents and so on to act to increase school integration insofar as they can—but not the courts. It seems to me there's a distinction between the constitutional issue of equal protection under the law on the one hand and the issue of what's beneficial to disadvantaged children on the other. The first is the business of the courts; the second is not.

I agree with Dr. Coleman's statement and plan to continue to do all I can legislatively to bring about an end to the senseless division practice of forced busing of children in first one State and then another.

Mr. President, I ask unanimous consent to have printed in the Record the full interview with Dr. Coleman.

There being no objection, the report was ordered to be printed in the Record, as follows:

Integration, Yes; Busing, No

(A leading authority on race and schools contends: "The policies we're carrying out are going to make integration much more difficult to attain.")

Proponents of court-ordered school busing could in no circumstances have found pleasure in the report last spring of a study indicating that busing is reinforcing segregation in our big cities. But their distress was aggravated by the fact that the study came from a renowned champion of integration, Dr. James S. Coleman, a sociologist whose ambitious 1966 report on the beneficial effects of school integration had done valuable service for the probusing forces.

In his new, more limited study, Dr. Coleman concluded, on the basis of "preliminary results," that "the impact of desegregation, in these large cities, on whites' moving out of the central city is great"—and leads to a larger regional pattern of "resegregation" between city and suburb.

When, in June, an interview with Dr. Coleman appeared in The National Observer under the headline "A Scholar Who Inspired It Says . . . Busing Backfired," the friends of busing counterattacked in strength. The N.A.A.C.P.'s Roy Wilkins expressed concern that Dr. Coleman was being "used" to "draw the Negro away from the courts." Kenneth Clark, a New York State Regent, said Dr. Coleman's new work abetted efforts to circumvent the 1954 Brown decision. Thomas Pettigrew of Harvard pointed out that there had in fact been no city-wide court-ordered busing in America's 20 biggest cities during the years covered, 1968 to 1973.

Dr. Coleman conceded that he had overstated his findings somewhat, and in the interest of sorting out his present views, The Times assigned Walter Goodman, assistant editor of The Time's Sunday Arts and Leisure Section and author of numerous articles about education, to interview him. Goodman visited Dr. Coleman in his apartment in the Hyde Park neighborhood of Chicago, within walking distance of his office at the University of Chicago. Goodman describes him as a thickset man, with the look of a former athlete. At the age of 49, his face appears too young for the fringe of white hair that remains to him. He chain-smoked full-sized cigars during the interview, pausing often in conversation to relight and get his thoughts in order.

Goodman. *Could you relate the famous Coleman Report of 1966 to the somewhat notorious Coleman Report of 1975?*

Coleman. The Civil Rights Act of 1964 required that the Commissioner of Education carry out a survey on the lack of equality of educational opportunities by reason of race, national origin, religion, and I was supervisor of that survey. We attempted to answer the question of how the differing distribution of resources in schools attended by blacks and schools attended by whites affected children's achievement, and what kinds of redistribution of resources would help to equalize educational achievement. One of the resources that we examined was the social composition of schools. We found that children from disadvantaged backgrounds did somewhat better in schools that were predominantly middle-class than in schools that were homogeneously lower class.

You were not necessarily talking about black and white then?

No, the principal factor had to do with the educational level of the children's parents and other resources in their homes. That is, if the disadvantaged child went to school with children from better-educated backgrounds, he did somewhat better in school. It was the social class background of his schoolmates that seemed to make the difference.

So a lower-class child would do as well in a middle-class black school as in a middle-class white school? And better in a middle-class black school than in a lower-class white school?

Yes—although there really were not that many middle-class black schools so that we could make a comparison. The relevance of this to school integration is fairly clear, since a high proportion of blacks come from disadvantaged backgrounds. If they are to receive the kind of educational resource that comes from being with middle-class schoolmates, it must be primarily through racial integration. That was the implication of our 1965–66 research.

It had considerable impact.

At the school-board level, at the state level, and in court, our report was used to show that equal educational opportunity either was augmented by school integration, or required school integration.

Were those fair conclusions from the report?

The first is a fair conclusion. I don't think the second, stronger point is a fair conclusion. If the report had found that a black child simply could not get an equal education unless he was in a majority middle-class white school, that would be a very strong argument that equal educational opportunity can be provided only that way. But that isn't what our report found.

Then your report did not imply that equal educational opportunity positively requires racial integration.

No. Nevertheless, the courts, to some degree, went on to use the argument that equal educational opportunity could be provided only by integrated schools. My own feeling is that the report is a legitimate basis for legislatures, school boards, school superintendents and so on to act to increase school integration insofar as they can—but not the courts. It seems to me there's a distinction between the constitutional issue of equal protection under the law on the one hand and the issue of what's beneficial to disadvantaged children on the other. The first is the business of the courts; the second is not.

We'll be getting back to that—but first, has subsequent evidence borne out your 1966 conclusions?

The subsequent evidence has been inconclusive. In many of the school systems that have undergone desegregation, one cannot find any beneficial effect on achievement. Now, I don't know the reason for that. It could be that it's been a relatively short term that these children have been in desegregated settings. It could be that integration carried out through some kind of affirmative action is in some fashion different from other school integration. It could be that the later research was simply better-controlled than ours.

After your 1966 report, you were quoted as saying that integration could reduce the gap between black and white children by 30 per cent. What's your opinion now? Do integrated schools improve the achievement of the poorer students, or don't they?

In view of subsequent studies, that 30 per cent figure, if ever I used it, was an overestimate. Some of the studies do show some positive effects—not strong effects, but positive effects. I think the sum total of evidence suggests that school integration does, on the average, benefit disadvantaged children. The benefit is not very large, not nearly as great as the effects of the child's own home background.

You've been talking only about school achievement. Aren't there other desirable effects of integration?

Basically, there are two kinds of things that are important and on which, again, there aren't conclusive results. One is the child's feeling about himself, his feeling of self-esteem or sense of being in control of things that affect him in some way. The other has to do with interracial attitudes, white children's feelings about blacks and vice versa. Our work showed some positive effects of integrated schools on the first of these; the second, we really didn't examine in very much detail. Subsequent findings vary considerably. Some studies show that in the first year or so after integration, interracial attitudes get more negative. Others don't show that. My own feeling is that it depends very much upon the initial expectation of the community. I suspect in many Southern cities where the expectation was really very bad, attitudes got better. Some research in Northern places, Boston, for example, found that interracial attitudes got worse.

Partly as a consequence of your 1969 study, numbers of districts began to integrate their schools through the use of busing—which brings us to your new study.

The second study was carried out as part of a larger study I'm doing with Sara Kelly for the Urban Institute, to examine trends over the past 10 years with regard to American education.

What is the Urban Institute?

It's a nonprofit institute in Washington funded partly by Government contracts, partly by foundation grants. They're doing a report for the Bicentennial on the state of the nation, 1976. Nathan Glazer is doing the overall report. There's a section on poverty, crime, one on housing, one on transportation and one on city finance. Mine is the education section.

And this new study is a part of that section?

Yes. I wanted to examine the trends in segregation over whatever years we could get data for, and try to say something about the processes that are affecting integration or segregation. We examined whether those cities that had experienced some desegregation during the period of 1968–73 lost more whites than cities that did not experience desegregation. Now, the desegregation in our largest cities during these years was not great, and I was incorrect in the preliminary report in calling it "massive desegregation."

Since you now concede that "massive" desegregation didn't take place in the years you studied, couldn't the movement of whites away from the cities that you found be attributable to familiar big-city ills rather than to school desegregation? Your report, in fact, shows that middle-size cities didn't experience much white flight.

One could conclude that, except for the fact that in those large cities that didn't desegregate, there was much less increase in the loss of whites over this period than in cities that did desegregate. Eleven cities out of the first 19 experienced little or no desegregation at all between 1968 and 1973. Based on the white loss that occurred in these 11 cities in 1968–69, they would have been expected to lose 15 per cent of white students between 1969 and 1973; their actual loss was 18 per cent, only slightly greater than expected. Eight cities experienced some desegregation; some of those experienced large desegregation, others not so large. Those eight cities, based on their losses in 1968–69, before desegregation occurred, would have been expected to lose only 7 per cent of white students between 1969 and 1973; they actually lost 26 per cent, nearly four times what would have been expected.

So your data convince you that the more blacks in a school, the fewer whites you're going to have in the school if they can get away.

Yes. In some of the large Southern cities—i.e. Memphis and Atlanta—which did experience extensive desegregation in these years; you can see it very clearly.

Your data on desegregation have to do mainly with Southern cities. You don't have similar data for the large Northern cities?

No, there had not been substantial desegregation in the largest Northern cities by 1973.

But you have your suspicion.

My suspicion is that desegregation will occur more in the North than in the South, beause there are more suburbs available for people to move to. In Montgomery, Ala., for example, there was no place for whites to go, since the surrounding areas had just as many blacks as the city itself. But let's consider San Francisco. The proportion of blacks is low in San Francisco, but there was extensive desegregation in 1971, and considerable loss of whites. Well, perhaps you can't say that the ensuing loss of whites was a consequence of this, but the city experienced a considerably greater loss of white students than it had in the preceding years.

There are several variables that distinguish Northern cities from Southern cities. The fact that the suburbs are more easily available in Northern cities suggests that Northern cities may react more. On the other hand, the fact that racial prejudice is less deeply ingrained in the North suggests that they will react less. So you can't really tell what's going to happen in the North. But one of the things that's clear from the Southern data is that as the proportion of blacks goes up, the greater the loss of whites. In other words, it's not just the rate of desegregation; it's also the actual proportion of blacks in the system.

That may be clear for Southern cities, but at the risk of being repetitious, do you have that kind of evidence for Northern cities?

Yes, this effect shows up in Northern cities as well as Southern. Detroit will be an interesting case next year. In Detroit's schools there are now 75 per cent blacks and 25 per cent whites. The issue in Detroit is whether all schools must be 75–25 or whether half the schools must be 50–50 and half of them all black. Now all the evidence that I've seen, not only from this research but from other work as well, shows that the higher the proportion black the greater the loss of whites. So that in a city like Detroit, my guess is there will be an enormous loss of whites if the courts decide that every school must be 75 per cent black.

Those who can afford it will move to the suburbs?

Yes. An alternative to individuals fleeing may be extreme conflict, such as we see in Boston.

But if in Boston or Detroit, lower-class white children remaining in the city were finally to integrate with lower-class black children, your 1966 study indicates that there'd be no benefit anyway.

No benefit in any sense as far as we know. And one of the things that's clear with regard to school integration is that the higher people's income the more likely they are to escape it.

You are saying that school integration isn't working in our biggest cities. Yet you were a great proponent of integration for many years.

And I still am a great proponent of integration. But I'm discouraged and worried about situations such as in Detroit. I think the kind of policies that ought to be pursued are not those that tend to make a black central city, but those that stem the flow of whites. The policies we're carrying out are going to make integration in the future much more difficult to attain.

What are those policies? Busing?

Yes. Let me put it this way. If it were constitutionally required that there be within a school district roughly the same racial composition in every school, then I would say we have to find some way of living with that, some way of keeping whites from leaving. But if that's not constitutionally required—and in my view it is not—then my argument is that we really need to look at the consequences of such a goal. The consequences are to push whites into the suburbs. And once whites are pushed out, then we get a black school system in the central city with black staff and administration, a white school system in the suburbs with white staff and administration—and a set of entrenched interests on both sides that are not going to give up their students for integration.

Then what should the courts do?

Here's the legal argument the courts are following, and my argument as to what ought to be the legal position. Following some cases in the South, the court has found, and correctly found, that Northern school districts such as Detroit have engaged in actions, sometimes intentionally, that have strengthened segregation in the system by gerrymandering school districts or by the way new school buildings are located or by a variety of other techniques. Now, when that is the case, then the court correctly finds that the school system has violated the 14th Amendment concerning equal protection; black children have not been equally protected because they've been systematically excluded from attending certain schools. The argument is—and I agree with it—that this is no different in principle from the dual school systems in the South. Now, where I disagree is with the remedy that is then imposed. The legal precedent beginning with the Denver case is that once that kind of unconstitutional action has been found, then the remedy to be imposed by the court is to create racial balance in all the schools of the system. In other words, when there is any segregation from state action, then all segregation, anywhere in the system, must be eliminated.

And that requires busing?

The only way that can be achieved is through busing. In Detroit, for example, the school system has been found to engage in acts of segregation, and the plantiff is arguing that this requires the system to desegregate fully, to eliminate all traces of segregation. The only way that can be done is through busing. Now, I think the appropriate remedy would be to eliminate the segregation that results from the state action. In other words, eliminate the gerrymandering, redraw school district lines to increase integration. That, I think, is an appropriate remedy by the court. That will still leave some segregation, which I think ought to be whittled away over time by the school districts themselves.

How would that be done?

It could be done through voluntary busing; it could be done as new schools are built and as schools are reassigned to different grade levels. It would have to be done with the recognition that segregation will never be entirely eliminated, and appropriately not, since it's not a constitutional matter of equal protection that all segregation must be eliminated. Just as it's not the case that all segregation between Irish and Italians must be eliminated. The goal of eliminating all segregation is not only not realizable, but not desirable; indeed it is improper.

Is the comparison really a good one—between Irish and Italians and blacks and whites in large cities?

Well, it isn't appropriate in the sense that there are many more segregating forces in terms of racial discrimination and so on between blacks and whites. But if we know anything about ethnic-group residential patterns, the elimination of racial prejudice will still not lead to full-scale integration.

If the Irish and Italians want to live separately, they can live separately in a similar way, with similar amenities. The problem between whites and blacks is that the blacks don't live in the same way as the whites. They live in a much poorer way, so if we're going to resign ourselves to a very long-range solution, aren't we condemning a lot of children to lifetimes of deprivation?

If *that* is the issue, not constitutional rights of equal protection, then policies should be designed to reduce this deprivation. They would include not compulsory, but voluntary busing, which would probably be nearly all one-way, from the ghetto out. As for present policies, if they can be called that, there is no evidence of any sort to suggest that lower-class black children are being condemned to less deprivation by being in a school that's 75 per cent black instead of 100 per cent black, which is what legal precedent leads to in a city like Detroit or would lead to in a city like Baltimore or Philadelphia. I think there are two additional directions in which to work, one of which has improved enormously over the past decade and the other of which has not improved very much at all. The one that has improved is the income of some blacks. The median incomes of young black families containing both husband and wife are now about the same in the North and West as incomes of comparable young white families. There has been a notable increase of middle-class black families. The thing that has not improved as much as it should—although there are a lot of signs of change—is residential discrimination. There ought to be great attention to residential discrimination, to the use of zoning laws that prevent blacks from moving in. There ought to be a great deal of penetration of blacks into suburbs and not just into all-black suburbs. In every big city except Washington the disparity between black central cities and white suburbs has been increasing.

Are you suggesting now that all the attention we've given to the schools has been in a way misdirected, that we should have been working on other areas all along?

Well, I don't think it's been wholly misdirected, but I think it has led us to neglect questions of residential segregation, which are really profound, the strongest remaining source of actual discrimination in this country. If any other ethnic group had achieved what blacks have over the past five years, there would have been much more residential movement into middle-class areas that were not homogeneous of that ethnic group. But the percentage of blacks in the suburbs has not increased. Blacks haven't been able to move into white suburbs because of residential discrimination. There are indications of change; the new towns now growing up are much easier to integrate. For example, Columbia, Md., is much more integrated than anyone ever anticipated it would be—and it's integrated also in the sense of having a lot of interracial families. The increase in interracial dating and marriage around the country is very encouraging.

That does seem like a long-range hope.

I say intermarriage is extremely important because it creates interested parties, with a very fundamental investment in integration. If integration depends upon attitudes of liberal whites, who, to put it generously, seldom live close to lower-class blacks, it's a fairly fragile base.

Let me read you a couple of criticisms of yourself. Kenneth Clark criticized you recently as being ". . . part of an extremely sophisticated attempt . . . to evade the effects of the 1954 Brown desegregation decision." And you recently did sign an affidavit on behalf of a Boston group opposing a court busing order.

Yes, but that was not a militant group. They were using nothing but legal means for appealing what I think was a bad decision—to use busing to eliminate all segregation in the city rather than just that which was caused by specific actions of the Boston school district.

Are you concerned about having your work used by foes of integration?

Yes, I'm concerned about that very much. At the same time, it seems to me there is a kind of emperor's-clothes phenomenon among advocates of busing; I think it is incorrect to ignore certain things that are in fact happening. Some people feel that if you don't talk about them they won't happen. And the vehemence of critics comes from their feeling of being embattled. If I felt that school desegregation hinged on busing, I'd feel as distressed as they do—but I feel that busing hurts school integration. Now, it may very well be that my research results will be used to lead in directions quite opposite from those I'm arguing, in the direction of metropolitan-area busing, which takes in suburbs as well as central cities. If that's so, that's a social choice that the American people will make—and I think that metropolitan area wide school integration is better than the course we're following now. I am also not saying that an end to school busing will altogether stop the movement to the suburbs. It is a movement that preceded desegregation and will no doubt continue in any event—but it has been accelerated by school desegregation. If we blind ourselves to the fact that whites are fleeing the central cities, we're going to get ourselves into a situation of black cities and white suburbs.

You're saying that your critics, like Kenneth Clark, prefer not to look at uncomfortable data.

That's right.

On the other hand, you feel that the courts should not be using your study or any such study in any way.

Right. Exactly.

Well, on that Dr. Clark agrees with you. He, too, now says that it's not appropriate for the courts to pay attention to studies like yours. Yet his own study on the injurious effects of school segregation was cited by the Supreme Court in its original 1954 Brown decision.

Let's look at that 1954 decision. It was fundamentally a decision that it's not constitutionally correct for a state to segregate blacks from whites on the basis of race. But, in addition there were justifications, like the Clark material, that looked at the consequences of segregation for black children—and were really irrelevant to the constitutional question. If the consequences of segregation had been the basis for the Court's decision, then that decision would have had to be different. It would have said not just that segregation by law was unconstitutional but *all* segregation, whether it arose from individual action or whatever, was unconstitutional and should be eliminated. Let's suppose the 1966 research of mine had come out with the opposite conclusion—namely, that black children did worse in predominantly middle-class schools. Should the courts have used that as an argument? I cannot envision a decision saying that segregation is constitutionally required because black children do better in segregated classrooms.

Then the courts should deal only with their one constitutional issue in this area.

That's right. They are acting appropriately when they eliminate dual school systems and other forms of *de jure* segregation. The courts are the only mechanism for that. To eliminate *de facto* segregation however, we have to limit ourselves to other means. In general, over the past 10 years, there's come to be a feeling that any social ill can be corrected through the courts. I don't think that's true. There are a lot of social ills for which we have to use other governmental means. Some of those means can be quite coercive, such as withholding state or Federal funds. In such cases, it is appropriate to look at the consequences—white flight and things like that.

Because the nonjudicial Government agencies aren't laying down constitutional law, but are trying to make public policy?

That's right.

So Roy Wilkins was not far off the mark when he charged you with drawing the Negro away from the courts.

I think that the suits brought by the N.A.A.C.P. Legal Defense Fund are perfectly appropriate suits. I think the findings of the courts are quite correct. But the remedies have been inappropriate. I certainly do not think that *de facto* segregation is appropriate for court action.

Do you think forced busing has changed the public attitude toward integrated schools in the decade between your first report and your second?

I think there's greater complacency around the country. One reason for it—maybe I'm an optimist—is that achievements of blacks in a variety of areas have been great enough in the past five years so that there's not quite the fear there once was that somehow blacks could never make it in competition with whites. I think also the reduction of separatism and black nationalism has led to a corresponding reduction in the feeling of urgency for full-scale mass integration. At the same time, I think it is overlooked that racially homogeneous areas, such as central cities are becoming, feed separatism and black nationalism.

Given the bitter emotions aroused by forced busing and its apparent consequences in some cities, why do its advocates persist? Is it that there is no other immediate way to attack school segregation?

If one wants integration now, there's no other way to do it—but I don't see any instant solutions. The style of the sixties and early seventies among policymakers in Washington, New York or elsewhere was to look for immediate solutions to all social problems. It's time we recognized that some problems don't have immediate solutions. What's necessary is to work at approaches that may take time but provide a stable solution. Fundamentally, it's a matter of finding ways to make the central city attractive for middle-class whites, to make the suburbs available to middle-class blacks and to provide jobs for lower-class blacks.

What's wrong with compulsory busing is that it's a restriction of rights. We should be expanding people's rights, not restricting them.

Do you have some ways to do that?

I'd propose that each central-city child should have an entitlement from the state to attend any school in the metropolitan area outside his own district—with per-pupil funds going with him. That's a right no black child has now, and it would be extremely valuable in a place like Boston. This would entail some restrictions: The program wouldn't be subject to a local veto; whites couldn't move from black schools to white schools; the move should not increase racial imbalances. Also, there would have to be some kind of limit on out-of-district children, say 20 or 30 per cent.

Getting that kind of proposal through state legislatures wouldn't be easy. Are legislatures and school boards really likely to act on their own without pressure from the courts?

If such a program can't pass some kind of political process, it's not likely to stand anyway. Social planners have to take into account people's reactions to their plans, in matters such as school integration especially. Legislatures are not going to institute compulsory busing. Surveys indicate that majority of blacks as well as whites oppose busing. It is a solution that unfortunately puts on school integration the burden of a lot of things parents don't want—their child going some place far away where they don't know what's going on, the feeling of loss of control.

Can things be done within integrated schools to make them more attractive, and hold middle-class whites?

Yes. If an integrated school had one and a half times the budget of a nonintegrated school and could remain open from the time parents went to work until they got back, that would attract a lot of people. Many schools have made themselves more attractive and are holding white populations. There's a school down here, a little bit outside Hyde Park, that has a racial quota, 50 per cent black, 50 per cent white, and it has waiting lists of blacks and whites both. If children learn to read faster, if the kids are happy when they come home from school, if they're not physically threatened, parents are not going to care about the skin color of their classmates. Unfortunately, crime in the schools tends to be associated with lower-class children—and, in particular, lower-class blacks. Middle-class kids get their lunch money stolen when a school integrates, or there's some kind of knife incident or something like that. That would be much less likely if the integration were of middle-class blacks and middle-class whites. If one found lower-class children from any two ethnic groups being thrust together, you'd run into knife incidents, too.

But if one of the reasons for integration is to give lower-class blacks the benefit, if that's the word, of a middle-class environment, it's not enough for just middle-class kids to be brought together.

There are other ways in which black and white children can have experiences with one another—extensive visiting of classrooms, for example, spending three weeks or six weeks in another school. We need more ingenious devices, but we can't use them if the constraint, as in Boston, is that every school must be within 5 per cent of the racial composition of the city.

Is there any rule of thumb, as far as percentages go, for how many lower-class blacks can be in a white middle-class school before bad things begin to happen?

A lot of people have looked for "tipping" points when "bad things start to happen." Generally, the majority sets the climate of a school. But it may be that a 35 per cent minority sets the climate, whether that's a middle-class minority or a lower-class minority. To a large degree, it depends on the principal. I've come to the conclusion that there are two requirements for a principal in an integrated school. One, he must be extremely fair; two, he must be extremely tough, and not make exceptions for anybody. It's important to everybody in an integrated situation that they feel the administrative staff is acting fairly with regard to both blacks and whites. The only way they can act fairly is for a principal to be very tough, not let anybody get away with incidents. I think probably one reason integration goes badly in those cases where it does is that many white principals and teachers have never been near blacks and are afraid of blacks and don't know how to cope.

Well, while principals are getting educated and courts keep ordering busing, what are the prospects for integration?

I am optimistic because of these other processes that I see going on—the rise in the income of blacks, the beginning of a breakdown in housing segregation, changes in the way blacks are looked at by whites, partly because of the achievements of blacks in various walks of life, the increase in interracial dating and marriages. I'm optimistic about integration, not because of the policies of school integration we've been following, but in spite of them.

The PRESIDING OFFICER. The Senator from Massachusetts has 30 minutes remaining.

Mr. BROOKE. Mr. President, the amendment which has been introduced by Mr. HELMS, called an antibusing amendment, is much more than an antibusing amendment.

The Helms amendment to the Labor-HEW Appropriations Act would prohibit the use of any funds appropriated under the act to compel any school system, as a condition to receiving funds under this act, to classify teachers or students by race, religion, or national origin; to assign teachers or students to schools for reasons of race, religion, or national origin; or to prepare or maintain any records, files, reports, or statistics pertaining to those classifications.

The original Helms amendment, Mr. President, included sex as a classification, but the distinguished Senator from North Carolina has removed this classification from the amendment. I presume that is in the hope of picking up those who would vote against the amendment if it did discriminate against women. But, Mr. President, even without the sex classification, this amendment is unconscionable.

If enacted into law, it could in effect nullify title VI of the 1964 Civil Rights Act, with regard to the provisions of this appropriations bill.

A brief review of the Federal Government's role in the desegregation of our public schools, pursuant to the 1964 Civil Rights Act, will amply demonstrate the potentially pernicious effect of this amendment.

Title VI of the 1964 Civil Rights Act provides that—

> No persons in the United States shall, on the basis of race, color, or national origin, be excluded from participation in, be denied the benefit of, or subjected to discrimination under any program or activity receiving federal financial assistance.

Agencies granting Federal assistance, such as HEW, are directed to issue rules and regulations in conformance with the objectives of title VI and to secure compliance therewith by voluntary means, negotiation and the like, if at all possible. However, as a final resort, where it is determined that voluntary compliance cannot be achieved, the agencies are authorized to initiate enforcement proceedings which can lead, after notice, hearing, and an express administrative finding of noncompliance, to termination of program benefits.

Pursuant to the 1964 act, the Office of Education in HEW has issued guidelines which set forth standards for desegregating schools in compliance with title VI.

The standards set forth in these guidelines particularly as they relate to school districts' "affirmative duty" to desegregate, track closely controlling constitutional principles as enunciated by the Supreme Court in school desegregation cases. Moreover, a later amendment to the 1964 act suggests that standards for compliance with title VI are substantially coextensive with constitutional requirements under the 14th amendment.

In its most recent specific pronouncements on the subject, the Supreme Court has consistently recognized that affirmative desegregation will almost invariably require that race be taken into account in formulating effective remedies. Thus, in *McDaniel* v. *Barresi*, 402 U.S. 38 (1971) the Court sustained a HEW-inspired desegregation plan against allegations that it involved unconstitutional racial student assignments, saying:

> . . . School boards that operated dual school systems are "clearly charged with the affirmative duty to take whatever steps might be necessary to convert to a unitary system in which racial discrimination would be eliminated root and branch." In this remedial process, steps will almost invariably require that students will be assigned differently because of race. Any other approach would freeze the status quo that is the very target of all desegregation processes.

And in a companion to that case, the Court in *Swann* v. *Board of Education*, 402 U.S. 1 (1971) specifically approved, subject to certain limitations, the use of various racially based desegregation measures involving the remedial assignment of students and teachers and busing. In short, under current departmental regulations and related judicial authority, HEW may, and commonly does, employ race-related or race conscious desegregation techniques in carrying out its enforcement responsibilities under title VI of the 1964 act.

With this background in mind, we can more fully understand the ramifications of the Helms amendment. The operative language of the amendment would prohibit the use of funds appropriated by the Labor-HEW appropriation bill to compel school districts as a condition to receiving these funds to classify or assign teachers or students by race, religion, or national origin or to keep records, files, reports, or statistics on such bases. As noted above, HEW has more or less traditionally come to rely on its authority to enforce affirmative desegregation plans employing race-related criteria as a primary feature of its title VI enforcement efforts. The continued validity of such policies under the Helms amendment, however, would appear a matter of some substantial doubt since they seem clearly premised on racial classifications or assignments as contemplated by the amendment. And while the language of the amendment is not mandatory on school districts in the sense of flatly prohibiting their voluntary adoption of affirmative desegregation measures, or otherwise complying with HEW requests, it would apparently deprive the agency of its principal coercive enforcement mechanism under title VI; that is, its authority to cut off Federal assistance. In other words, school districts would be free, as a voluntary matter to assign teachers or students to achieve affirmative desegregation, and would still be subject to Federal court order to do so on constitutional grounds, but they could not be required to do so by HEW as a condition to receipt of funds appropriated by the Labor-HEW appropriation bill as would otherwise be the case under title VI.

Similarly, the Helms amendment would suspend departmental regulations requiring school districts to keep records and submit compliance reports "with respect to racial and ethnic data showing the extent to which members of minority groups are beneficiaries of and participants in federally assisted programs," thereby further hampering the monitoring and enforcement functions of HEW under title VI in the school desegregation area.

And there is no question that this amendment would critically hamper the monitoring and enforcement functions, for how does one prove the existence of discrimination if there is no requirement that records be kept.

Last year, Caspar Weinberger, former Secretary of Health, Education, and Welfare, made this point very well in a letter to Senator WARREN MAGNUSON—dated October 2, 1974—opposing this same amendment. He wrote:

> We urge the Senate to delete this language. It would seriously impede our efforts to enforce Title VI of the Civil Rights Act. Enforcement is dependent upon identifying those school districts which may be in violation of the law. Unless school districts keep the statistics, which this language would prevent us from requiring, we would not know where to direct our investigative resources.

The lack of records would mean that Government funding would be, at best, haphazard. The Federal Government would be relinquishing its concern in the desegregation of school systems, giving life to the possibility that segregated schools would once again flourish. In short, if there are no records, there are no violations.

In addition to its deleterious effects on title VI and title IX, the Helms amendment, by impeding the compilation of statistics regarding national origin, could also jeopardize the smooth functioning of the bilingual education title of the

Elementary and Secondary Education Act.

A strong argument can also be made that the Helms amendment is unconstitutional. It can be construed as an unlawful limitation on HEW's authority to insure that Federal assistance programs are administered in accord with constitutional standards.

Mr. President, the Congress of the United States cannot go on record as supporting such an unconscionable amendment. We have come too far and worked too hard. Title VI of the 1964 Civil Rights Act and title IX of the Education Amendments of 1972 are two of our proudest legislative accomplishments. If we pass this amendment we would be effectively nullifying programs which are designed to insure compliance with these acts, other statutes, and the equal protection requirements of the fifth and 14th amendments to the Constitution.

Senator HELMS said in his earlier remarks that only 40 percent of the children in Boston were going to school. I believe this figure is inaccurate. On the first day of phase 2 of Boston's desegregation order approximately 59 percent of the public school children attended class. And as of yesterday, 75 percent of the children in the city of Boston are going to school.

There is no problem with the children. In fact, if the parents, certain organizations, and the Congress of the United States would leave them alone, there would not be any problems, and we could immediately desegregate the public school systems that have been intentionally and illegally segregated.

It should be emphasized that we are not trying to balance the school systems, with an equal number of black and white children. That issue is a red herring. The Supreme Court has never required busing to create a racial balance. All the Supreme Court has ever held is that you cannot, by deliberate Government action, segregate the public school systems of this country. That is good law, and that is good morality.

Mr. FORD. Mr. President, will the Senator yield at that point?

Mr. BROOKE. Not at that point; no.

The Court has said further that busing is only one of the constitutional tools that can be used for the desegregation of public schools. Other remedies should first be applied. But if compliance with the law cannot be achieved without busing, then busing must be one of the available desegregation remedies.

Mr. President, we have discussed this amendment time and time again. On numerous occasions the Senate of the United States has been asked to vote upon it. On November 19, 1974, the Senate defeated it 43 to 35. On December 11, 1974, the Senate defeated it, 60 to 33. On December 11, 1974, it was defeated a third time, 58 to 37. And on December 11, 1974, it was defeated a fourth time, 62 to 30. It has come up time and time again, and every time, no matter in what form or fashion, whether the Helms amendment, the Holt amendment which came over from the House of Representatives, or the Beall amendment, this issue has been defeated by the U.S. Senate.

Mr. President, I must repeat that this amendment involves far more than just busing. Busing has just been thrown out as a red herring. We are here concerned with bilingual education. We are concerned with all forms of discrimination which, if the Helms amendment were passed, would not be able to be remedied by the appropriate governmental units of this country.

So I am hopeful, again, Mr. President, that the Senate will act as it has heretofore, and vote against this amendment, because this is not a wolf in sheep's clothing; this is a wolf in wolves' clothing. It is exactly what it portends to be, exactly like it looks. And let there be no doubt—it is a wolf.

I yield 5 minutes to the Senator from Alaska.

Mr. MATHIAS assumed the chair.

Mr. STEVENS. Mr. President, I objected to the unanimous request of my good friend the sponsor of this amendment for an up and down vote on the amendment because I think the amendment is presented in a very strange way to the Senate at this time.

I represent a State in which more than 20 percent of the young people attending school are Natives—Indians, Eskimos, and Aleuts. We have worked long and hard to bring about programs to assist these Indian children, who have very difficult bilingual problems.

If you look at the amendment, it says—

> None of the funds appropriated by this act * * * et cetera.

That means the funds to be used not only by the Secretary of HEW, but also all of the people involved in administering the special funds we have created—

> cannot be used to require, as a condition for other funds compliance with existing laws.

Not funds under this bill, but the Johnson-O'Malley funds under our Interior appropriations bill, and the funds spread throughout the appropriations bills that come before the Senate for the purpose of granting assistance to those who are in need. They cannot use the moneys under this act to require the conditions to be met for the other acts.

We take the Johnson-O'Malley funds to assist Indian children, to assist the public school districts that are providing education for Indian children; even the BIA funds themselves for the maintenance of the Indian educational system would be in jeopardy under this amendment. They would be stopped under this amendment because they could not keep the statistics which bring about the determination of eligibility under those special acts.

I am reminded of the act as passed to offer special assistance for the preservation of those aspects of ethnic heritage that are so important to so many portions of our communities. The Senator from Pennsylvania (Mr. SCHWEIKER) has pressed us for additional money in this area time and time again. Statistics must be kept by these school districts as a condition to receive the money under these other acts.

Mr. BIDEN. Mr. President, will the Senator yield for 15 seconds?

Mr. STEVENS. Let me finish in 1 second, and then I will be happy to debate it with my friend.

The word "busing" does not appear in this amendment. The word "transportation" does not appear in this amendment. This amendment emasculates the acts passed by Congress to provide assistance to the disadvantaged.

I think it is high time we stopped using some concepts such as busing to destroy the whole concept of aid to the disadvantaged.

We have already spoken on busing, as far as I am concerned, and I think what we did last year was sufficient.

But whether it is vocational ed, the assistance that we give now in the student aid area, and, particularly, the student aid area for higher education, much of that is based upon ethnic or disadvantaged characteristics, and statistics must be kept.

I do not care whether it is under title I, whether it is Indian teacher aid, Johnson-O'Malley money, bilingual grant, the BIA money we spent for the Indian education, the money for ethnic heritage program, the assistance we have for the disadvantaged, for the handicapped, for vocational ed, for student aid, compliance with all of the other acts requires statistics.

Mr. HELMS. Mr. President, will the Senator yield on that one point?

Mr. STEVENS. I am going to yield to my friend here in a moment.

I will finish this one thought. To try to address the problem of transportation of children to bring about compliance with the Constitution is one thing. To deny the power to HEW to use the funds under this bill to maintain the statistics to determine eligibility for all of the other special assistance programs we have in the field of education, I think is improper, and I really think the amendment should be subject to a point of order.

The Parliamentarian advised me it is not the case because it is stated in the frame of a limitation, and it probably would be the opinion of the Senate, I believe, but I believe the Senate ought to table this amendment. If the Senator wants to bring up busing, bring it up directly. Do not bring it up in the sense of clouding the whole issue of aid to the disadvantaged through our educational system on the Federal level.

I yield to my friend.

Mr. HELMS. I thank the Senator.

Mr. President, I am glad to say for the legislative record that this amendment does not prohibit or prevent the keeping of records. It simply prevents HEW from requiring them.

I assume that the Senator's schools would do it on a voluntary basis.

Mr. STEVENS. It is not voluntary. We require it as a matter of law.

Mr. BIDEN. Mr. President, will the Senator yield?

Mr. STEVENS. It is as a matter of law that we keep these conditions as a condition to receive the funds. We have to be told how many people are in our school and who are the Indians, how many are disadvantaged, how many are ethnic people, if we want the Indian and the ethnic heritage money.

I am happy to yield to the Senator from North Carolina.

Mr. HELMS. Voluntarily?

Mr. STEVENS. It is not voluntary. It is required by law today.

Mr. HELMS. Would they do it voluntarily?

Mr. STEVENS. No. They do not do it voluntarily. They do it to comply with the law, and they require it as a condition of receiving the funds, yes.

Mr. BIDEN. First of all, I think the Senator from Alaska makes a valid point, and that is why in a moment, when I get an opportunity, I am going to call up my amendment which eliminates the sentence and make this a busing amendment. The amendment as it now reads on line 3, the last word says "to" and then going to the next sentence "classify students or teachers by race, sex, or national origin."

The PRESIDING OFFICER. The time that the Senator from Massachusetts allotted the Senator from Alaska has expired.

Mr. BROOKE. The only problem is the Senator has time on the amendment, and we only have a few minutes remaining on this amendment.

I will allot a moment to the Senator from Alaska.

Mr. STEVENS. In our schools we are assigning teachers on the basis of race. We do that with the teacher's aide. We do that in Eskimo country. We have a teacher's aide standing behind or beside the teacher. He or she understands the basic language that this child's parents speak. The other one is teaching the child in English. That is assigning teachers on the basis of race.

Mr. BIDEN. Language, not race.

Mr. STEVENS. It is race.

Mr. BIDEN. Language.

Mr. FORD. Mr. President, I ask unanimous consent that my name be added as a cosponsor to the amendment of Senator HELMS.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATHAWAY addressed the Chair.

Mr. BROOKE. Mr. President, I yield to the Senator from Maine.

Mr. HATHAWAY. I thank the Senator from Massachusetts for yielding.

Mr. President, I rise in opposition to the amendment. First of all, I do not think that the Senate should be legislating on an appropriations bill. If we are going to get into the situation which the amendment purports to get into, then certainly it should be the subject of extensive hearings and perhaps we can change the basic authorizing legislation.

But, in the second place—and I think it is the point that was already made by the distinguished Senator from Massachusetts in his excellent rebuttal to the argument made in favor of the amendment—this amendment does not stop busing at all. If this amendment should pass and be signed into law, there still is going to be busing in Boston, Louisville, and all over the country. This does not affect that existing busing whatsoever. All it does, as the Senator from Massachusetts very ably points out, is it simply guts title VI of the civil rights law.

Busing as is being done in Boston at the present time, for example, is done under a court order. There is not any Federal money being appropriated under this appropriations bill anyway that is involved in any way whatsoever with respect to busing in that area or in any other area.

So I do not know why the author of this amendment is pretending that this is an antibusing amendment when it is not that at all.

In the third place, what the authors of the amendment are really doing by eliminating the requirement for recordkeeping is depriving us of some factual material that we might use as a basis to bring about equal educational opportunity by some method other than busing.

I presume that that is what the authors of the amendment actually want to do. So they are really cutting off their nose to spite their face by this amendment. They are not going to eliminate busing at all, and they are going to eliminate the basis for some possible factual material that would enable us to come up with a possible alternative to busing.

I do not think any of the proponents for busing are wedded to that as the only method to bring about equal opportunity for education, but it is the only method that has worked so far.

It is difficult in some areas of the country, but it is the growing pains of a maturing society. I think that it is one of the growing pains that we have to go through. I am hopeful that it will not be painful for too long.

But I think we have to stick with it until we do afford equal educational opportunity throughout the country.

Mr. FORD. Mr. President, will the Senator yield for a question?

Mr. HATHAWAY. I am not in control of the time, but I am happy to yield.

Mr. FORD. This is just a quick question.

Is the Senator aware that James Coleman, who made studies for the Department of Education that recommended forced busing for desegregation, has now changed his opinion and made the report that it is not working, and he is making other suggestions to look for other methods?

With what is happening now the Senator, endorsing busing, said it is the only thing that works, and the individual who made the study, that was used in all these cases before all the courts, now has made the decision it does not work. Should there be a change? Should we make an effort to change it?

Mr. HATHAWAY. The Senator from Maine said this is the only system we have now that we know has worked to some extent. I realize Mr. Coleman and other people say it does not work.

Mr. FORD. They are the ones who proposed it in the beginning.

Mr. HATHAWAY. He is not the only one who proposed it in the beginning.

Mr. FORD. He was the one who made the study for the Department of Education.

The PRESIDING OFFICER. The time of the Senator from Maine has expired.

Mr. HATHAWAY. Mr. President, may I have an additional minute to answer a question?

Mr. BROOKE. One additional minute.

Mr. HATHAWAY. I say to the Senator that this amendment will not eliminate busing. That is the important point that I wished to make when I stood up.

I thank the Senator from Massachusetts for granting additional time.

Mr. BROOKE. Mr. President, I yield to the distinguished chairman of the committee.

Mr. MAGNUSON. Mr. President, I will take a half minute.

This is a matter that we have debated here every time we have an HEW bill, and the effect of the amendment is exactly the same no matter how much it is going to be modified by the amendment of the Senator from Delaware.

It undermines HEW's obligation by law under the Civil Rights Act of 1964—it is as simple as that—which prohibits discrimination because of race. It prevents the keeping of records.

It is very similar to the bitter argument we had last year. It is very similar—almost word for word—to the so-called Holt amendment in the House. The conference did not want to have too much to do with it, for the simple reason, again, that here is legislation on an appropriation bill. The proper committee should look at it.

If someone wants to overturn the Supreme Court, that person should introduce a bill to do that. I do not know why everybody persists in putting these amendments on appropriation bills. If for no other reason, I would be against it for that reason. But it does undermine the Civil Rights Act of 1964. It is not a new subject here at all. It has been up and down and up and down.

I am going to vote against the amendment for two reasons: I do not think it belongs here, and I believe it undermines—takes the guts—out of the Civil Rights Act of 1964. Not only busing is involved; other things are involved. Schools are in session now; any changes could create greater confusion and dissension. It is my understanding that the Secretary of HEW has promised to work hard on this problem and provide the Congress with possible solutions.

Mr. BROOKE. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 3 minutes.

Mr. BROOKE. Mr. President, we have heard the lengthy debates, not only today but also through the last several years, on this amendment, or similar amendments that have come before the Senate. In every instance, the Senate has rejected them. And the reasons for rejection have been compelling.

First of all, as the chairman has said, this matter should be first taken up with the proper authorizing committee. This has not been done.

In addition, school already is in session. Any changes now would create even greater confusion and greater dissension. So, in addition to a legal problem we have a great moral problem before the U.S. Senate.

I am hopeful that the Senate will overwhelmingly reject the Helms amendment, as it has done in the past. The amendment could, in effect, gut title 6. The amendment goes much further than has been said; it encompasses far more than busing.

I am very sorry to see my distinguished colleague the Senator from Delaware become a convert, as he was called on the floor. I would rather see him come back into the fold of those who truly want equal educational opportunities for all our children.

Mr. President, I am hopeful that this vote, once and for all, will determine that the matter of busing will not come up on appropriation bills; that if there is to be a busing bill, as was suggested, it will come before the appropriate authorizing committee and reach the floor by that vehicle.

Mr. President, I yield back the remainder of my time, and I move to table the amendment of the Senator from North Carolina.

Mr. TOWER. Mr. President, will the Senator from Massachusetts withhold his motion?

The PRESIDING OFFICER. Does the Senator withhold his motion?

Mr. BROOKE. For what purpose?

Mr. TOWER. I arrived in the Chamber after the time had expired on the amendment of the Senator from North Carolina. I respectfully ask the Senator from Massachusetts if he will yield me 3 minutes, either on the amendment or on the bill, to make a few remarks—admittedly, against his position.

The PRESIDING OFFICER. The Senator has 1 minute remaining on the amendment.

Mr. BROOKE. I have only 1 minute. An amendment will be called up by the Senator from Delaware, on which the Senator from Texas can speak. But I do want a vote on the motion to table.

Mr. TOWER. I only ask the Senator if he will yield me 3 minutes on the bill.

Mr. BROOKE. If I had it, I would yield it.

The PRESIDING OFFICER. There is no time on the bill.

Mr. BROOKE. If I had it, I certainly would yield it to my colleague.

The PRESIDING OFFICER. The Senator from Massachusetts has the floor.

Mr. BIDEN. Mr. President, will the Senator from Massachusetts withhold the motion to table?

Mr. BROOKE. If I can have unanimous consent to yield 3 minutes to the Senator from Texas without losing my right to make the motion to table, on which I want a vote. I ask unanimous consent for that purpose.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. TOWER. I thank the distinguished Senator from Massachusetts, who is one of the most fair-minded men I have ever known and who always has been accommodating to his colleagues.

Mr. President, the experience we have gained from busing can be summed up in brief terms. To begin with, it is discriminatory, by its nature, when you say to one child that he must be bused, when the child next door to him is allowed to go to his neighborhood school. The only fair way to do it would be to bus all children.

Second, the practice of busing does not contribute to quality education. It detracts from it, because it draws down on resources that should be spent on books, on teachers, on instruction facilities, on better buildings—all things that go into quality education.

Further, it does not contribute to the breaking down of racial barriers and racial animosities. As a matter of fact, the very issue of busing is polarizing racial sentiment in many communities where great progress had been made in getting rid of discrimination. As a matter of fact, it is a step backward.

Beyond that, it is going to contribute further to the deterioration of the core cities in this country—as a matter of fact, that is the effect it is having—and it will precipitate an even more rapid flight to the suburbs.

For that reason, I believe this matter must be dealt with, and must be dealt with in Congress. It must be dealt with at the earliest opportunity, and this appears to be the earliest opportunity.

I hope the amendment of the Senator from North Carolina is not tabled and is ultimately adopted.

I thank the Senator from Massachusetts.

Mr. HARRY F. BYRD, JR. Mr. President, busing is without question a numbers game—and a very dangerous game, indeed. It can only be implemented by imposing quotas.

Someone—be it a Federal judge accountable to no one, or a Federal bureaucrat guided by his own conception of social organization—must set the quotas of those who will be bussed forcibly from their neighborhood school to some other institution.

There is no consideration for the individual.

There is no consideration for the desires of the children and the parents of those children.

There is no consideration for individual merit, individual talent or individual ability.

There is no consideration for quality education.

There are only numbers—quotas.

The laws of this Nation state unequivocally that there shall be no discrimination on the basis of race, creed, sex or national origin.

I support those laws.

But quotas violate every concept protected by those laws.

Quotas can consider only race, creed, sex and national origin.

In short, quotas are inherently discriminatory. They can only perpetuate policies based solely upon considerations of race, creed, sex or national origin—those very considerations we have time and again rejected as discriminatory and invidious.

Simply stated, the Helms amendment prohibits the Federal bureaucracy from imposing quotas upon education.

That is—quotas in the hiring of teachers; quotas in the assignment of school pupils, both in the schoolhouse and in the classroom; quotas based not on any congressional mandate, but solely according to the theories of social planning held by Federal bureaucrats who are insulated from the people.

What are quotas? In reality, they are the most invidious sort of discrimination. The quota mentality says "judge an individual because he is a member of a certain class or group and not upon his individual talents or merits."

Quotas do violence to the basic underpinnings of our form of democracy. There is no way to justify arbitrary quotas in a nation which holds as a self-evident truth "that all men are created equal".

Quotas state—from the first instance that an individual is considered—for school or classroom placement, for a job, for award or discipline, even for a grade—that he or she is not equal. That individual is, instead, a member of a group, to be favored or disfavored on that basis alone and without consideration for individual merit.

Paraphrasing Dr. George C. Roche III, president of Hillsdale College and author of the book "The Balancing Act—Quota Hiring in Higher Education", quotas are "not the wave of the future;" they are "the putrid backwash of all the tired social engineering schemes of the centuries."

And yet, the social engineers of HEW have pressed on with their quest to force this type of social planning on the American people—without congressional approval and with too little congressional oversight.

This week, Virginia's highest education official, Dr. W. E. Campbell, superintendent of public instruction, stated that the school next door or down the street someday will be run by the Federal Government unless present trends are reversed.

Stop for a moment and consider what this amendment does and does not do:

It does prohibit the Federal bureaucracy from compelling schools to compile data, whose only purpose is to support preconceived quota notions of Federal bureaucrats.

It does prohibit the Federal bureaucracy from engaging in the economic blackmail of States and localities in contravention of the Constitution and the will of the people.

It does not "gut" title VI of the 1964 Civil Rights Act. HEW still has the authority to seek legal representation from the Department of Justice and to seek redress in the courts whenever it perceives clear violations of the act.

This amendment allows for a long-needed correction in the balance between the branches of Government. The excesses to which the Federal bureaucrats have gone in their social engineering schemes make all the more compelling the wisdom and necessity of keeping legislative prerogatives in the Congress and judicial powers in the courts.

It seems to me that the necessity for an amendment like this is just another indication of how much authority and responsibility the legislative branch of Government has abdicated. By this amendment, we are trying to end an abuse—a bureaucratic excess—which the authors of the enabling legislation never intended.

That we allowed the executive branch to perpetrate such a violation of individual rights upon the people is as much a condemnation of the Congress as it is of the bureaucracy.

A legislative policy must be established. And this is a good starting point. We must not leave this vital task to the bureaucrats, who are responsive to no one, nor to the courts, who are responsible to no one.

This Nation is crying for relief from the wrong-headed, discriminatory and outrageously unfair practices of forced busing and the imposition of quotas by Federal bureaucrats.

To ignore this heart-felt petition from the people in every State, station and walk of life is to perpetuate an injustice which eats at the constitutional soul of this great Nation.

Mr. BROOKE. Mr. President, I ask for the yeas and nays on the motion to table.

The PRESIDING OFFICER. Does the Senator make a motion to table?

Mr. BROOKE. Yes.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment of the Senator from North Carolina. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Hartke), the Senator from South Dakota (Mr. McGovern), and the Senator from Maine (Mr. Muskie) are necessarily absent.

I further announce that the Senator from Iowa (Mr. Culver) is absent on official business.

I also announce that the Senator from Michigan (Mr. Hart) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from New York (Mr. Buckley), and the Senator from Nebraska (Mr. Curtis) are necessarily absent.

I also announce that the Senator from Illinois (Mr. Percy) is absent on official business.

I further anounce that the Senator from Kansas (Mr. Dole) is absent due to illness in the family.

I further announce that, if present and voting, the Senator from Kansas (Mr. Dole) would vote "nay."

The result was announced—yeas 48, nays 43, as follows:

[Rollcall Vote No. 396 Leg.]

YEAS—48

Abourezk
Bayh
Bellmon
Brooke
Burdick
Case
Church
Clark
Cranston
Eagleton
Fong
Glenn
Gravel
Hart, Gary W.
Haskell
Hatfield
Hathaway
Humphrey
Inouye
Jackson
Javits
Kennedy
Leahy
Magnuson
Mansfield
Mathias
McGee
McIntyre
Metcalf
Mondale
Montoya
Moss
Nelson
Packwood
Pastore
Pearson
Pell
Ribicoff
Schweiker
Scott, Hugh
Stafford
Stevens
Stevenson
Symington
Taft
Tunney
Weicker
Williams

NAYS—43

Allen
Baker
Bartlett
Beall
Bentsen
Biden
Brock
Bumpers
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Cotton
Domenici
Eastland
Fannin
Ford
Garn
Goldwater
Griffin
Hansen
Helms
Hollings
Hruska
Huddleston
Johnston
Laxalt
Long
McClellan
McClure
Morgan
Nunn
Proxmire
Randolph
Roth
Scott,
  William L.
Sparkman
Stennis
Stone
Talmadge
Thurmond
Tower
Young

NOT VOTING—9

Buckley
Culver
Curtis
Dole
Hart, Philip A.
Hartke
McGovern
Muskie
Percy

So Mr. Brooke's motion to lay Mr. Helms' amendment on the table was agreed to.

Mr. BROOKE. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BIDEN. Mr. President, I have an amendment at the desk and I ask that it be called up.

May we have order, Mr. President?

The PRESIDING OFFICER. The Chair might state there is a long list of Senators who have amendments to present to this bill, and we will proceed more quickly if we have quiet.

Mr. BIDEN. Mr. President, I ask that my amendment at the desk be called up.

Mr. BROOKE. Mr. President, will the Senator yield? I would like to find out how many amendments we have on this bill.

The PRESIDING OFFICER. The Chair will state Senator Biden has an amendment; Senators Bartlett, Chiles, Kennedy, and Morgan have additional amendments to come up.

Mr. BROOKE. I am sorry, I did not hear.

The PRESIDING OFFICER. I have five listed.

Mr. BROOKE. Five amendments.

The PRESIDING OFFICER. Will the Senate be in order. The Senator from Delaware will have his amendment reported.

The legislative clerk read as follows:

At the appropriate place insert the following section:

Sec. (—). None of the funds appropriated under this Act shall be used to require any school, school system, or other educational institution, as a condition for receiving funds, grants, or other benefits from the Federal Government, to assign teachers or students to schools, classes, or courses for reasons of race.

Mr. BIDEN. I ask unanimous consent that Senators Helms, Tower, Nunn, Bentsen, and Thurmond be added as cosponsors to my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIDEN. Mr. President, I am delighted that so many of my colleagues are here. The motion to table passed by only several votes, and it may be that I can convince those few votes to change their position and adopt this amendment.

The amendment of the Senator from North Carolina had certain aspects to it that I think justifiably raised concern on the part of the Senator from Alaska and others.

Mr. NELSON. Mr. President, may we have order in the Senate.

The PRESIDING OFFICER. The Senators will please take their seats.

Mr. BIDEN. As I was saying, Mr. President, I think there was some justifiable concern on the part of some of my colleagues who might have been inclined to support an "antibusing" amendment but did not want to confuse the issue and also end up cutting out bilingual programs or programs for the disadvantaged or any other program that does not directly deal with the question of busing.

The purpose of my amendment is to narrow the issue so that we talk about busing. The input of the amendment would be, if it were to pass, that HEW could not cut off Federal funds to a school district because it refused to assign students or teachers to either classes or schools because of race. I eliminated the words "national origin," and the word "sex" is not included. We are specifically talking about assignment of schools and/or classes because of a person's race.

I will not repeat the arguments I made earlier, and that all my colleagues have heard pro and con, on the question of busing. Whether or not it works, whether it does not work, whether Dr. Coleman was right before and wrong now or wrong before and right now, I will not go into all of those arguments now. But I would like to clarify that my amendment——

The PRESIDING OFFICER. Would the Senator from Delaware withhold. The Senator is entitled to the attention of the Senate. Will the Senators who wish to converse please remove themselves from the Senate floor, and the other Senators please take their seats.

Mr. BIDEN. My amendment would very simply just prevent HEW from cutting off Federal funds to a school which failed to assign students to classes, courses, or a school itself because of race, and I will sum up my position and my feeling about the concept of busing without again belaboring that argument.

As I said earlier, and I repeat, I firmly believe that we have got to, this Chamber, the U.S. Senate, has to—and it will sooner or later, if it is not this year it will soon—declare that busing does not work. It is a counterproductive concept that is causing more harm to equal education than any benefit that may inure from it in the few places where it may not be causing many problems.

I think that the busing question obfuscates the issue of equal education so that we do not get down to the point of deciding whether or not we are going to provide more funds and facilities and opportunities within our educational system for all Americans. It confuses me how, as I said earlier, the President of the United States, on the one hand, says busing does not work and, on the other hand, says equal education is the key, and then he goes ahead and vetoes the education bill.

We in this Chamber should be arguing about education and how we should provide a greater opportunity for disadvantaged American youth to have an opportunity for an education. We are not doing that when we talk about busing. We are inflaming racial passions in every section of this country when we insist on a program that is not working, and we do not get down to the basic issue.

Once again, as I said earlier, I think busing is to the social issues of the seventies what Vietnam was to foreign policy in the sixties. And, as I also said earlier, we should do with busing what a distinguished former senior Senator from the State of Vermont said we should do within the area of foreign policy in Vietnam. He said, in the sixties, we should declare we won in Vietnam and leave. This Chamber should declare busing does not work, and leave it and get on to the question of how in God's name are we going to help those tens of thousands or maybe millions of black children who are being disadvantaged, who are the victims of our educational system, and who are not being afforded an equal opportunity for an education here in this country.

The purpose of this amendment is specifically to preclude busing in one area. It will not prevent busing by court order, it will not prevent busing in the areas which in many places is being ordered now, but it will prevent a bureaucracy, HEW, from being able to, if it so deems to do it, cut off Federal funds for failure of the school district and/or a school system to assign children according to some HEW formula which is somehow supposed to provide for a better educational opportunity for young people.

Lastly, the Senator from Alaska raised some very, very good points, in my opinion, when he was arguing against the Helms amendment.

My amendment is designed to meet some of those objections. The Senator may not feel it does it, but I think it does.

The Senator from Alaska has pointed out that there are many pieces of legislation designed to aid bilingual education and aid. For example, the 20 percent of his population which is Indian in the State of Alaska. He pointed out the teachers are assigned based on the fact that they speak the language of that Indian population to assist the regular teacher in that class.

The Helms legislation, he argued, would prevent them from being able to be assigned to carry out the legislation. I argued and I maintain that the assignment of that teacher is not because the teacher happens to be an Indian, but because the teacher happens to speak the language. The assignment is based on language.

In our bilingual educational programs for Spanish speaking, for example, the person does not have to prove he is Spanish in origin. All that has to be proved is the school, the school district, or the person cannot speak English and has Spanish as the primary language.

A number of people in my city of Wilmington, Del., speak only Spanish and not even Spanish because of where they were raised and their background. They qualified for bilingual programs.

So I think it is fallacious to say, vote against the Biden amendment because it will cut out our bilingual programs. It is not based on race or bilingual programs, but what language one speaks.

My amendment would not in any way preclude recordkeeping, would not preclude classification, and would in no way be injurious to the bilingual programs that are in existence, that are needed, and that should be increased.

With that little bit of explanation of my amendment, I do not think there is much more need for me to expound on my views of why busing is not working. As I say, we have talked about it all.

I yield to the Senator from Maine.

Mr. HATHAWAY. The Senator mentioned in the course of his remarks that this will not prevent busing by court order.

Mr. BIDEN. That is correct.

Mr. HATHAWAY. I agree with the Senator, it will not prevent that. But he does say that it will prevent HEW from requiring busing.

If this went through, I suppose what HEW could not do, the courts could do, so what would the amendment really accomplish as far as stopping busing is concerned?

Mr. BIDEN. It would do several things. One, it would require, if and when there is a busing order, that there be no mistake about where the order is coming from. That is not some faceless bureaucrat deciding that any child, black or white, should fit in some predetermined ratio.

This amendment would not prevent a court from finding segregation in that school system and using busing as the tool to eliminate that segregated situation. It would prevent its being an administrative function and to be done administratively.

I would like to find a way to solve this problem. I have been searching and frankly I do not know one without violating other principles which I feel strongly about. I would like to see us be able to prevent the courts from ordering busing because, in my opinion, the courts have hung on to what they thought was a system that might work, busing. They wonder, what the heck will I do, we have no place else to turn.

So in effect, as in the progression of cases from Brown against School Board to those being decided in every major city in this Nation today, they end up at what human nature usually dictates. They are human, clinging to the only thing that is being debated, and that is busing.

The Senator from Maine pointed out that busing is one of the tools the court can use and one they might want to use.

I would be delighted to see them begin to use imagination and find some other tools. If I could figure out a way—and I have not yet—I would like to see them have the one tool, the busing tool, eliminated, but I have not figured it out yet.

This is one step in seeing to it the only place the busing order could come from would be a court and that Federal funds could not be cut off and HEW could not intimidate school districts to do what they have them doing now in order to prevent HEW from taking the action they threaten they will take if they do not.

Mr. HATHAWAY. Can the Senator give me statistics as to what busing accomplished, just by HEW itself? It is my impression most of the figures on the court order——

Mr. BIDEN. In my State there is one of the largest school districts, and I cannot give the Senator statistics, every time they ask me for this. I remember the quotation of Disraeli:

> . . . lies, damn lies and statistics.

HEW is using nothing but statistics, and the court also, to go forward and come out with an asinine policy, busing.

For an example, in my State there is a school district called De La Warr, and HEW has mandated under threat of them losing their Federal funds within that school district that they have a certain ratio within the school district for their classes.

It is purely a poor district, and already has the largest single black population. I am not exactly positive of this, but approximately 50 percent of this district is already black.

It is one of the few suburban school districts that has a significant black population, yet HEW has come into that poor school district which could not possibly survive without Federal funds—I doubt that any of them could—and has said:

> Unless you start assigning teachers and switching elementary schools and assigning teachers based on race, we are going to cut off your Federal funds.

They do not even want to expend the money to fight the legal battle in order to go into court to argue against the HEW ruling, so they are being intimidated by HEW.

They are going forward and doing precisely what HEW tells them to do, which is that they are now assigning students purely on a formula which is based on a racial balance concept.

I suspect that if we went around the Chamber today and asked whether any Senator in any State has a similar situation, we might find that there are a number of situations where there is ostensibly voluntary busing on the part of the school district, but it is not voluntary. HEW says, "If you do not, we will not give you any money."

But I cannot provide the Senator with any statistics.

Mr. HATHAWAY. It seems to me that the practice going on is something for the appropriate committee to go into because HEW is not supposed to be just assigning students on the basis of racial equality.

Mr. BIDEN. I suspect the Senator——

Mr. HATHAWAY. The poorer areas cannot afford to go to court. I suspect most of them are taking them to court and the courts throwing them out if they are wrong. If they are right, they will be enforced.

Mr. BIDEN. I suspect the Senator, technically, is correct.

When this Senator first got here in 1972, one reason why I voted against some of these so-called antibusing amendments was that I bought the argument that it is not the appropriate committee, or an appropriations bill is not the proper vehicle, and, therefore, I should wait until we really debated this subject and vote up or down on whether or not we support the concept of busing.

It is as flat as that. I waited and waited and waited. I found I was in a position of supporting on my votes a concept which I did not believe in—busing—because I was waiting for the appropriate committee.

Mr. HATHAWAY. Has the Senator introduced a bill to provide some other way of getting equal educational opportunities other than busing? The chairman of the committee responsible would have to consider it.

Mr. BIDEN. My recollection is that there is a constitutional amendment which has been in committee—a whole bundle of them in committee, I guess. In all candor, I suspect the Senator would be pressed to the wall by being asked whether or not he thought there was a snowball's chance in Hades for that getting out of committee. I wonder what his answer would be.

Mr. HATHAWAY. I am not on that committee, but if I were, I would see that it got out of committee. That is a bill that provides no answer, without taking any positive action whatsoever, to take the place of busing.

As I mentioned before in my remarks, 90 percent of those of us who are supporting busing are open to any suggestions that would better accomplish the purpose that we all seek of getting equal educational opportunities. But unless somebody comes up with something other than just abandoning busing, I do not think it will be met very sympathetically.

Mr. BIDEN. To answer the Senator's question, I have been as scrupulous as I can be about providing an alternative. The alternative, unfortunately, cannot be packaged, if one examines the whole situation. The alternative deals with equal opportunity. It is not to say that when we eliminate busing we will come up with some other remedial tool for the court. It seems to me the alternative is to say when we eliminate busing as a proposal, what we do to see that there is equal opportunity is we increase spending for education; we increase the enforcement muscle of EEOC; we increase housing opportunities. The basis on which many of these suits are in fact filed, and where the court has ruled that there is de facto segregation or de jure segregation, is housing patterns.

The Senator was on the Banking Committee, a committee on which I still serve. The Senator and I both strongly supported legislation which required public housing projects in suburban areas, significant increases in public housing funds, and alternatives to housing opportunities. We would also do what we are doing now, what my Subcommittee on Consumer Affairs is doing, strengthening our equal credit opportunity legislation.

We would also do what the Senator from Maine has done and many of those in this Chamber have done, to strengthen the Voting Rights Act. There is no one solution that I can say, nor should I be put into the position of saying that busing will not work, and we must provide one single tool that will aid education. All that has to be debated in this Chamber, which has been avoided, is the question is there a distinction between desegregation and integration? Intellectually and conceptually, what is that difference and what is the aim of this Congress and of this Senate? What is our national policy?

I would be most willing and anxious to be engaged in that debate as to whether or not we have in fact gone far awry from our 1954 Brown versus School Board decision to in fact change conceptually what integration meant and define the distinction, and there is a distinction, between what constitutes integration and what constitutes segregation or desegregation. There are two different approaches to that.

We have been operating on a philosophy and a premise that has said that they are synonymous, that integration and desegregation are the exact same things. They are the opposite sides of the same coin, in my opinion. One requires affirmative action and one precludes you from taking obstructionist action.

Anyway, that is a whole other debate which I will be happy to continue with, but I do not know whether this is the time to do it.

If the Senator has another question, fine; if not, will he yield for a question from the Senator from Kentucky.

Mr. NELSON. Will the Senator yield for a unanimous-consent request?

Mr. HUDDLESTON. I yield.

Mr. NELSON. I ask unanimous consent that Mary Judith Robinson of my staff may be permitted the privileges of the floor during the balance of the consideration of the pending legislation.

The PRESIDING OFFICER (Mr. BELLMON) Without objection, it is so ordered.

Mr. HUDDLESTON. I commend the Senator from Delaware for the amendment he has offered. I will not go into the arguments already presented on the previous amendment.

In response to the Senator from Maine, I would indicate that there are at least two instances in my State of Kentucky where HEW-forced busing is now in effect. One is in my home town, Elizabethown, where the grand total of 43 students are now forced to be bused in order to achieve a predetermined racial balance.

In northern Kentucky, in a much larger school district, a greater busing program is underway at the direction of HEW under the threat of the withholding of Federal funds.

Mr. NELSON. Will the Senator yield for a question at that point?

Mr. HUDDLESTON. I yield.

Mr. NELSON. Was there any court proceedings or court order involved?

Mr. HUDDLESTON. No court order or proceedings. The school districts did not feel that they were able to go to court and go through the long court process to question this order.

Mr. NELSON. My question was on the other side. Had anybody proceeded in court?

Mr. HUDDLESTON. There had been no court proceedings on either side. The ruling made by HEW was on the basis of statistics which had been submitted to HEW under the law.

Mr. STEVENS. Will the Senator yield?

Mr. HUDDLESTON. I yield.

Mr. STEVENS. Will the Senator yield for a question?

Mr. HUDDLESTON. The Senator will yield to the Senator from Alaska.

Mr. STEVENS. Is the Senator familiar with section 208 of this bill which says:

> (a) No part of the funds contained in this title shall be used to force any school or school district which is desegregated as that term is defined in title IV of the Civil Rights Act of 1964, Public Law 88–352, to take any action to force the busing of students; to require the abolishment of any school so desegregated; or to force on account of race, creed, or color the transfer of students to or from a particular school so desegregated as a condition precedent to obtaining Federal funds otherwise available to any State, school district, or school.
>
> (b) No funds appropriated in this Act may be used for the transportation of student or teachers (or for the purchase of equipment for such transportation) in order to overcome racial imbalance in any school or school system, or for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to carry out a plan of racial desegregation of any school system.

We thought we had covered this already. I offered my good friend from Delaware a suggestion which I think is acceptable to the Senator from Massachusetts, which says that except as required by court order—and so forth—but he says he does not want to do that. How redundant do we have to get in the bill to spell out what we said before?

Mr. HUDDLESTON. I am dealing with what happened in Elizabethtown, Ky., and northern Kenutucky. They are implementing a busing program at the insistence of HEW. That is in response to the question of the Senator from Maine. Section 208, as written, does not help.

The other point I want to make is this: The question has been raised here as to why those who are opposed to forced busing come back time and again on this Senate floor and offer amendments that hopefully will restrict or limit the enforced busing.

The reason is simply this: In those areas where enforced busing has been pressed down upon the people, the people are embittered and frustrated. They do not know where to turn.

It does not help if I go back and tell them that enforced busing to achieve a racial balance mandate of the Supreme Court, that it has to be followed. That does not ease their situation. They think that this is a democracy where the attitudes of the people prevail. I know the complexities involved here. But I also know, too, that—while the Supreme Court is the Court established by the Constitution to interpret the laws and determine whether or not a citizen's rights are being violated—all power in this country rests with the people. They believe that. They are wondering why their message cannot get through to the courts, to the Congress, to whoever is necessary. What we who are faced with this situation are trying to do is to express that wish of the people.

I say right now in this country 90 percent of the people, black and white, oppose the idea of enforced busing for the purpose of achieving racial balance. Sometime, somewhere along the way, in the near future, we have to face up to that opposition and to the fact that enforced busing for racial balance is a discredited policy.

I have called upon the subcommittee of the Committee on the Judiciary to hold hearings on a proposed constitutional amendment that would eliminate busing, so that at least we can have a dialog, so that there can be discussion, so that we can make a determination as to whether or not the problems attendant to busing—and anyone whoever looks at a program knows that there are problems—are worth it.

Several Senators addressed the Chair.

Mr. **NELSON**. Mr. President, will the Senator yield?

Mr. **HUDDLESTON**. If I have any time.

The **PRESIDING OFFICER**. The Chair will inform Senators that there are no time limitations on this bill.

Mr. **NELSON**. I would address my question to either or both the Senator from Delaware or the Senator from Kentucky.

I was listening to the provision read out of the bill by the Senator from Alaska, and I am not clear, from listening to the response of the Senator from Kentucky—there has not yet been one from the Senator from Delaware—what precisely is the distinction between what the amendment would accomplish——

Mr. **BIDEN**. I will be happy to explain it.

Mr. **NELSON** (continuing). That is not accomplished by the language in the bill.

Mr. **BIDEN**. I would be happy to explain that as best I understand it.

In the section the Senator from Alaska referred to, he left out one sentence. I shall read what he left out, unless I misheard.

Mr. **NELSON**. What page is that?

Mr. **BIDEN**. On page 43 of H.R. 8069. Section 207, beginning on line 3 of page 43:

> No part of the funds contained in this title may be used to force any school or school district——

So far it sounds good.

> —which is desegregated as that term is defined in title IV of the Civil Rights Act of 1964.

That is the distinction. They define what they say. You cannot force them to bus if in fact they are in compliance.

I say in my amendment they do not even get to judge whether you are in compliance or not in compliance. That is the courts' function, not HEW's function, and that is a major distinction.

Mr. **NELSON**. Will the Senator yield for a further question?

Mr. **BIDEN**. Surely.

Mr. **NELSON**. Do I correctly understand, then, that the Senator's amendment would not in any way interfere with a court order?

Mr. **BIDEN**. That is correct.

Mr. **NELSON**. So that if a court made an order based upon the Supreme Court decision, of course, the school district is required to comply?

Mr. **BIDEN**. Absolutely correct.

Mr. **NELSON**. Is the Senator also satisfied that his amendment is in no way in contravention of any provision of the Constitution, or the Supreme Court's interpretation thereof?

Mr. **BIDEN**. Yes, I am. All the amendment says is that some bureaucrat sitting down there in HEW cannot tell a school district whether it is properly segregated or desegregated, or whether it should or should not have funds, whether it should or should not assign students to classes or schools because of race. That is not their function. If any provision of the Constitution is being violated by a school district, it is for the Court and not the bureaucracy to judge.

All this says is: that HEW cannot do what it did in the De La Warr School District in Wilmington, Del., in parts of Kentucky, and in other parts of the country, and, under their own interpretation of what constitutes a segregated or desegregated school district, order a busing program, saying, "In this part of the school district you have 61 percent blacks, therefore in every school in the school district you should have 61 percent blacks, and in order to accomplish that we want you to change the system around to where each school has that percentage."

Mr. **STEVENS**. Mr. President, will the Senator yield?

Mr. **BIDEN**. I would like to finish responding to the Senator from Wisconsin first.

Mr. **NELSON**. Just one more question. Using a hypothetical case, if a situation existed in some municipality, some city, which we would all agree and everyone would agree was an outrageous violation of the Constitution, specific actions by the school board to specifically segregate, drawing school district lines, a hypothetical situation which we would all agree was discriminatory——

Mr. **BROOKE**. If the Senator will yield, we have that situation in Boston.

Mr. **NELSON**. All right. I did not want to use a specific case, because I wanted to make it a hypothetical question. A situation in which we would all agree there was specific intent by the board to segregate by drafting, gerrymandering, or any other device, the only remedy left, then, is the courts; am I correct?

Mr. **BIDEN**. That is correct. And the court order need not be a busing court order, by the way, if I may submit that.

Mr. **NELSON**. I am not suggesting that.

Mr. **BIDEN**. All right.

Mr. **NELSON**. Busing is one remedy.

Mr. **BIDEN**. That is correct.

Mr. **NELSON**. No matter how clear it was, HEW would not have any authority to withhold funds?

Mr. **BIDEN**. Correct; they would not have any authority to withhold funds if they failed to make assignments to remedy the situation; if they failed to make assignments to classes or schools based on some racial composition.

Mr. **BROOKE**. Mr. President, will the Senator yield at that point?

Mr. **BIDEN**. I will not yield the floor.

Mr. **BROOKE**. No, I mean for a question.

Mr. **BIDEN**. I yield to the Senator from Massachusetts for a question.

Mr. **BROOKE**. What the Senator has said is that, in effect, this amendment would repeal title VI.

I think the Senator from Delaware has agreed that the courts can order busing; is that correct?

Mr. **BIDEN**. That is right.

Mr. **BROOKE**. And that his amendment will not in any way prevent the courts from ordering busing; is that correct?

Mr. **BIDEN**. I have not figured out a way, that is correct.

Mr. **BROOKE**. But the Senator's amendment does not stop busing.

Mr. **BIDEN**. My amendment does not do it.

Mr. **BROOKE**. All right. That leaves, then——

Mr. **BIDEN**. Nor does any other, that I am aware of.

Mr. **BROOKE**. All right. What the Senator's amendment would do, then, is remove the other means of desegregation, namely, those means that could be used by HEW in other types of assignments.

Mr. **BIDEN**. I will take issue with how we define "desegregation," but it would remove any means of ordering busing.

Mr. **BROOKE**. But it will not remove ordered busing——

Mr. **BIDEN**. Under a court order.

Mr. **BROOKE**. Because the Senator has agreed that only courts will order busing.

Mr. **BIDEN**. Correct.

Mr. BROOKE. What I wanted to bring out is this: the Supreme Court has indicated, and Congress in the Education Amendments of 1974, has listed other remedies besides busing that can be implemented to remove the effects of illegal segregation. One was to assign to the nearest appropriate school, taking into account physical capacities and physical barriers. That should be done before ordering busing. Second, take a look at the actual capacity; third, majority and minority transfer. Then there are magnet schools, and other feasible plans subject to section 215, et cetera.

In other words, we have other remedies that can be used before we resort, finally, to school busing. What the Senator is doing, which I think is counterproductive, and anyone against busing surely cannot support this amendment—is to say that the courts can still order busing. But then we remove the other options that HEW may use in place of busing.

When we heard this amendment was coming up, we contacted HEW and asked for their views, which are as follows:

First, the amendment would prevent HEW's ability to prevent students from being assigned to dead end and low-quality classes.

Second, it would prevent HEW from stopping intentional teacher assignment, that is, minority teachers to minority schools only. That would be cut out under the Senator's amendment; it could not be done.

Three, it would prevent HEW from finding discrimination and doing anything about it at all.

So the only remedy left would be court-ordered busing.

Is that what the Senator wants?

Mr. BIDEN. That is half correct. The Senator is half correct.

Mr. BROOKE. I think it is 100-percent correct.

Mr. BIDEN. The only remedy left would be to go to court at which time the court would order any of the other remedies that would have been available to the HEW. They could order magnet schools, the nearest school district, and all the things the Senator cites. A court could order that.

Mr. BROOKE. But the Senator is taking away from HEW the right to do that.

Mr. BIDEN. From HEW, that is precisely right. I do not want to mislead anyone. I am saying I do not want HEW to have that authority. Only a court should have that authority.

Mr. BROOKE. Does the Senator understand what he is doing? What he is doing is he is repealing title VI.

If I were an antibusing person, I could not support the amendment of the Senator because the only thing the Senator has left me is court-ordered busing. That is all he has remaining.

Mr. BIDEN. All I left to the Senator is having to go to court. The court does not have to order busing.

What I am trying to present here is what has happened in my State and many other States where HEW has ordered a method by which they make the determination, first, not a court, that a school system is desegregated.

Mr. STEVENS. Mr. President, will the Senator from Delaware yield?

Mr. BIDEN. One last point, then I will yield, and I should yield to the Senator from Kentucky, who has been standing for a long time. Then I will yield to the Senator from Alaska.

To follow up on the last point of the Senator from Massachusetts, he said were he an antibuser he would not support my amendment. I assume since he is a probuser he will support my amendment.

Mr. FORD. Mr. President, will the Senator yield?

Mr. BIDEN. I will yield—without losing my right to the floor—to the Senator from Kentucky.

Mr. FORD. Without the Senator losing his right to the floor, I make a few comments.

I have heard this afternoon that this busing amendment comes back time and time again. The distinguished Senator from Massachusetts started quoting the December vote was 60 to 30 and another vote was 60 to 30-something. We had defeated it time and time again.

The Senator from Massachusetts reflected on the vote in the Senate Chamber this afternoon, on a vote that was not the best amendment, but something we could pursue. There was only a three- or four- or maybe five-vote difference. So, maybe the time has come when this Senate will change its mind.

As I have told the Senator earlier today, James F. Coleman made the study for the U.S. Office of Education on the effects of integrated education. This gentleman's views have been used in all of the court cases, but now:

> In what appears to be a smoldering indictment of ivory tower advice, Coleman now says that in the large cities of the Nation busing for racial balance doesn't work, that it does more harm than good, and that it ought to be abandoned.

So, I say to this Chamber that we have a right to change our mind if it does not work. We have had an opportunity to see it for many years, and we know it does not work.

We have in the past had reading, writing, and arithmetic the basic fundamentals of education in this country. But then we placed reading, writing, arithmetic, and work—vocational education—which I endorsed wholeheartedly. But now we have gone from reading, writing, arithmetic, and work to the social standards of this country and laid it on the back of education. Communities cannot stand that financial drain.

How are we improving the educational system in the communities by draining the dollars from them?

The latest record shows that the educational quality by the standard test is declining; it is going lower and lower. What are we doing to education by forcing busing?

I have talked to one family, less than 2 weeks ago, in the second largest community in my State. The children in that family have been in four different schools in the last 4 years in order to create the balance required by HEW.

I desire to quote SHIRLEY CHISHOLM, if we want to get into that, if I can find the quote here, that she says that this will not work; and many others in leadership say it will not work.

So we need the educational qualities that are not there.

In fact, in one community in my State, to comply they have moved the children from one fifth grade to another fifth grade in order to get the percentage of balance. We keep these children in the minority in every position. They go bouncing from one school to another school, and we inflame the emotions within the communities.

How long will it take the parents of these children to get over the traumatic experience, in not just Boston, not just Louisville, but other communities? How long will it take these children to get over the traumatic experience? I do not know.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. FORD. I am glad to yield. I cannot answer all the questions. I do not have all the details here.

But I yield for a question on it to the Senator from——

Mr. BIDEN. Mr. President, does the Senator from Delaware have the floor?

The PRESIDING OFFICER. The Senator from Delaware has the floor.

Does the Senator from Delaware yield?

Mr. BIDEN. The Senator from Delaware does not yield the floor, but when the Senator from Kentucky is finished, I will be happy to yield for a question or statement from the Senator.

Mr. ROBERT C. BYRD. Mr. President, before the distinguished Senator from Alaska asks his question, could we get a time limitation on this amendment?

Mr. BIDEN. I am prepared to agree to any time limitation that the opposition agrees to.

Mr. STEVENS. Mr. President, the Senator from Massachusetts is not here at the present time. Will the Senator withhold that for a minute?

Mr. ROBERT C. BYRD. Is that Senator BROOKE?

Mr. STEVENS. He said he would be back.

Mr. ROBERT C. BYRD. He suggested I try to get a time limitation agreement.

Mr. BIDEN. I am willing to agree to a 5-minute time limitation, 5 minutes on each side.

Mr. WEICKER and **Mr. MAGNUSON** addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware has the floor.

Does he agree to yield?

Mr. BIDEN. The Senator from Delaware does not agree to yield the floor. The Senator from Delaware yielded for a question but the Senator from Delaware also yielded for a unanimous consent request from the leadership.

Mr. FORD. Mr. President, where does that leave the Senator from Kentucky? That leaves him on his feet, I hope.

The PRESIDING OFFICER. It will leave him if he wants to speak, yes.

Mr. FORD. Mr. President, I will yield the remainder of my time back to the Senator from Delaware, and that will clear the parliamentary hassle.

Mr. MAGNUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAGNUSON. I will ask the Senator from Delaware to yield the floor pretty soon. He can come back and get the floor as long as he wants afterward.

But on the other side here we have not had any time. So we are not going to agree to——

Mr. BIDEN. My concern is because of what happened the last time when the Senator from Delaware yielded the floor, when the Senator from North Carolina yielded the floor last time there was no chance of debate. This was going to be a substitute. There was an immediate move to motion to table, cutting off all debate.

So I will not yield the floor. I will answer any questions. When Senators stop asking me questions then I will yield the floor.

Mr. STEVENS. Mr. President, then I object to any unanimous-consent agreement until the Senator yields the floor.

Mr. ROBERT C. BYRD. Mr. President, if I could obtain a unanimous-consent agreement, it would provide for the Senator from Delaware having a certain amount of time and a certain amount of time for the opposition.

Could we agree that the vote would occur at 5:30 p.m. today, with the time being divided?

Mr. EAGLETON. Mr. President, reserving the right to object, I have a few questions I would like to ask.

Mr. ROBERT C. BYRD. The time is to be divided 15 minutes to the author of the amendment and 15 minutes to the manager of the bill.

The PRESIDING OFFICER. Is there any objection to the unanimous-consent request?

Mr. MAGNUSON. Mr. President, reserving the right to object——

Mr. ROBERT C. BYRD. It has already been objected to.

The PRESIDING OFFICER. Objection is heard.

Mr. ROBERT C. BYRD. Mr. President, could we get an agreement that there would be a vote on this amendment at no later than 6 p.m. today, with time to be divided between Mr. BIDEN and Mr. MAGNUSON.

The PRESIDING OFFICER. Is there objection to that request?

Mr. BIDEN. Mr. President, reserving the right to object, in all fairness, I had more time, and I am willing to have a vote by 5:45 p.m. and for the Senator from Delaware to have 15 minutes and the opposition to have a half hour.

Mr. ROBERT C. BYRD. Then, Mr. President, that will be 30 minutes to Mr. MAGNUSON and 15 minutes to Mr. BIDEN.

Mr. MAGNUSON. Mr. President, I will ask the Senator from Massachusetts if he is going to be in charge of the time.

Mr. ROBERT C. BYRD. Thirty minutes to Mr. BROOKE and 15 minutes to Mr. BIDEN.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MAGNUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAGNUSON. Will the vote be at 5:45 p.m.?

Mr. BIDEN. Mr. President, I yield the floor.

Mr. EAGLETON. Mr. President, will the Senator yield for two questions?

The PRESIDING OFFICER. The order is that the vote will occur no later than 5:45. It could occur before then.

Mr. ROBERT C. BYRD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ROBERT C. BYRD. What did the Chair state about the order?

The PRESIDING OFFICER. The order states that the vote will occur no later than 5:45. It can occur before then if all time is yielded back.

Mr. ROBERT C. BYRD. With 15 minutes to Mr. BIDEN and 30 minutes to Mr. BROOKE.

The PRESIDING OFFICER. That is correct.

Mr. ROBERT C. BYRD. I thank the Chair.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. BROOKE. I yield 3 minutes to the Senator.

Mr. STEVENS. May we have order, Mr. President?

The PRESIDING OFFICER. The Senate will be in order. The Senate will suspend until the Senate is in order.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield me 30 seconds?

Mr. STEVENS. I yield.

ORDER FOR RECESS UNTIL 9:30 TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9:30 a.m. tomorrow.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ORDER FOR CONSIDERATION OF H.R. 8069 TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate resume consideration of the pending measure at 10 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE APPROPRIATIONS ACT, 1976

The Senate continued with the consideration of the bill (H.R. 8069) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, following the disposition of the pending amendment, that will be the last matter that will be considered today.

I thank the Senator for yielding.

Mr. STEVENS. Mr. President, I call the attention of the Senator from Delaware to the fact that, properly read, the existing bill reads:

> No part of the funds contained in this title shall be used . . . to require the abolishment of any school so desegregated; or to force on account of race, creed, or color the transfer of students to or from a particular school so desegregated as a condition precedent to obtaining Federal funds . . .
>
> No funds appropriated in this Act may be used for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to overcome racial imbalance in any school or school system, or for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to carry out a plan of racial desegregation of any school or school system.

We have been redundant in meeting the busing issue. Those of us who represent areas that have Indian children cannot go any further. It is high time that the people involved in this transportation problem recognize the fact that we move Native children, in my State thousands of miles in order to assure them quality education. In the past we moved students from my State to Oklahoma and Oregon. We send them from Point Barrow to Anchorage or Fairbanks. We try to achieve quality education for our Native children.

I have offered the Senator a substitute for his amendment which was cleared through the Senator from Massachusetts, and I think others would accept it. It reads:

> Except as required by court order, none of the funds appropriated under this act shall be used to require any school, school system, or other educational institutions, as a condition for receiving funds, grants, or other benefits from the Federal Government, to assign teachers or students to schools, classes, or courses to achieve racial balance.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BROOKE. I yield the Senator 2 additional minutes.

Mr. STEVENS. We have met the busing issue in this bill. If the Senator will read the bill, he will find that these amendments have been worked out through the conference procedures with the House in connection with appropriations bill for 3 years. To get into the point now where it is said that we cannot receive funds, grants, or other benefits from the Federal Government to assign teachers or students to schools, classes or courses for reasons of race, that is precisely what we do.

Mr. BIDEN. The section the Senator has read says that no funds appropriated in this act may be used for the transportation of students. To my recollection, there are no funds in this act for transportation.

Mr. STEVENS. The problem is that HEW, some people fear, might use the funds to require transportation.

Mr. BIDEN. That is not what my amendment goes to.

Mr. STEVENS. But again I tell the Senator that we have met the busing issue. To raise the busing issue at this time, on this bill, after 3 years of debating it on the floor and with our friends in the House, in conference, is throwing the worst red herring I have ever seen. Busing is not an issue so far as the use of the funds in this bill is concerned, except as required by court order, and that is what the Senator says he has no objection to.

Mr. BIDEN. At the expense of being facetious, perhaps no one ever picked it out before. In fact, this is not a red herring. If the Senator from Alaska will notice, the section he read does not talk about the requirement "of"; it talks about the use of funds "for." There is a subtle distinction, but a distinction nonetheless.

Mr. STEVENS. It says:

> To force on account of race, creed, or color the transfer of students to or from a particular school so desegregated as a condition precedent to obtaining Federal funds otherwise available to any State, school district or school.

I do not know how it can be made any plainer.

Mr. BIDEN. That goes back to title 4 of the Civil Rights Act and the interpretation of HEW as to what constitutes compliance with title 4.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. BROOKE. I yield.

Mr. JAVITS. Mr. President, I ask unanimous consent that Greg Fusco may have the privilege of the floor during the consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROOKE. Mr. President, I yield 5 minutes to the Senator from Connecticut.

Mr. WEICKER. Mr. President, I have a few remarks to make relative to this amendment or any other like it.

First of all, as to the comments of the distinguished Senator from Kentucky with respect to the trauma of the children, I suggest that the children are doing rather well. The trauma is with the parents. I was very impressed with the few brief remarks I heard by Archbishop Madaras from Boston the other day in which he indicated that we all could take lessons from the children. When I say all of us, I include those on the floor of the Senate as well as parents. If there is trauma, it is a trauma that rests with older America, not young America, on this particular issue.

Our job, it seems to me, is to go ahead and address ourselves to equality of educational opportunity, not busing as ordered by a court. There is very little we can do about that. We can do a great deal about equality of educational opportunity.

Last year I offered an amendment that would appropriate $2.3 billion to be used to provide the necessary buildings and programs and personnel, to assure that we would not run into or create those illegal situations which end up in courts. Everybody agreed; everybody wanted to cosponsor the measure. As soon as I made the suggestion that we levy a one percent surtax to pay for it, everybody got off the bill.

In other words, what I am saying is that there is a price to be paid here. So far, all I hear is a great deal of hatred and debate, with respect to the legislation by the Senator from Delaware and others. I have not heard anyone attempt to attack the problem positively.

The Senator from Delaware, the Senator from North Carolina, and others know that there is not a thing we are going to do—nor would I want to—with the independence of our judiciary. Whether they are the legislators in this hall or those at the State or local level, a great deal can be done in a positive way.

Mr. BIDEN. Mr. President, will the Senator yield?

Mr. WEICKER. No. I will not yield.

Why all the finger pointing at the courts? That is the last stop on the line. It seems to me that the public has every right to get mad, and somehow we are keeping the heat on the courts because we do not want it on ourselves. We in the legislative branch of the Government have the power to assure equality of educational opportunity, to assure that these matters never go to the courts.

As I have said many times, what you cannot have is your prejudices and your wallets intact. Something has to give. Nobody wants to suggest a price—only yelling and screaming at the courts or at HEW.

As I have seen matters develop in the country, nobody I know thinks busing is something they would prefer to have. Obviously, they would prefer that our energies and moneys be directed in a positive manner. But what undermines the Constitution is to have the leadership of this country, whether it is in the White House or on the floor of the Senate, continue to make statements which are totally deceptive, which do not address themselves to the truth of the matter.

I suggest to the Senator from Delaware that if he does not like busing, he join me, and we will cosponsor legislation, and we will once again try to get an appropriation of several billion dollars and advocate a surtax to pay for it.

There is a price. I say it again. There is no such thing, whether it is in energy or in education, as a free lunch. There is a price. But for heaven's sake, let some leader in the country stand up and explain that to the American people rather than——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. WEICKER. May I have 2 more minutes, I ask the distinguished Senator from Massachusetts?

Mr. BROOKE. Yes, I yield 2 more minutes.

Mr. WEICKER. We should do that rather than incite people to focus their attention on the courts so they will not focus their attention on our inadequacies or those of the State governments, of the local councils. In essence, leadership is acting the role of cheerleader rather than assuming the role of leader.

Mr. BIDEN. Will the Senator yield on my time?

Mr. WEICKER. Yes, I yield on the Senator's time.

Mr. BIDEN. The distinguished Senator from Connecticut may not have done all his homework. If he will look, he will see that the Senator from Delaware did support the Senator from Connecticut before. The Senator from Delaware has supported every such piece of legislation that has come forward that has, in fact, broadened the civil rights of any American in this country.

The Senator from Delaware has supported, sponsored or cosponsored or voted for every piece of civil rights legislation that has come down the pike in the 2½ years he has been here. I suspect that the voting record on civil rights legislation of the Senator from Delaware is every bit as good as that of the Senator from Connecticut.

When the Senator from Connecticut decides whether this is one that deals with equality of education or not, whether it undermines the Constitution or not, I suggest that he examine the basic concept first—which is what possible good does busing do to begin with?

I could go on about housing and a number of other things that the Senator from Delaware has sponsored as a member of the Housing Committee to broaden the rights and opportunities of the people, the principle upon which many of these very court decisions that have been ordered have been based, that there have been discriminatory housing patterns.

I yield the floor.

Mr. WEICKER. The amendment of the distinguished Senator from Delaware does not build one new school, does not create one new program, does not hire one additional teacher. It does none of these things, which are what has to be done if we want to find a solution other than busing. All it does, as everything else that is being said in the country today, is say no—we do not like the courts, or in effect, we do not like the Constitution, we do not like the law of the land.

It is an incredible position for the leadership of the country to be in, that we do not like the law of the land.

Mr. EAGLETON. Will the Senator from Delaware yield?

Mr. BIDEN. Yes.

Mr. EAGLETON. Am I to take it that the Senator from Connecticut is saying that no one on Earth, or especially in the United States, can say, "I do not like a certain law, I seek to amend a certain law"? Is every law in the statute books of satisfaction to the Senator from Connecticut?

Mr. WEICKER. To the Senator from Missouri, I say that I think it is up to the leadership to explain to the American people that the law of the land, once finally determined by the courts, is just that, and not give the impression that it can be loosely changed. It cannot. The distinguished Senator knows that better than anybody else.

Obviously, we all express our opinions, but I think it is the position of the leadership in the country to get off the kick of yelling at the courts and supply the initiative for positive solutions. That is what has not been done.

Mr. EAGLETON. Will the Senator yield for another question?

As the Senator knows, the Supreme Court, 2 years ago, issued a very controversial decision relating to abortion. Is someone in this country not privileged to question the wisdom of that decision and say, "I would like to change it by the constitutional processes?" Is there anything un-American in making that decision?

Mr. WEICKER. The term "un-American" is the Senator's word, not mine.

Mr. EAGLETON. If the President of the United States wants to suggest it, or the Vice President were to suggest it, or a Senator were to suggest that a law be changed——

The PRESIDING OFFICER. The time of the Senator has expired. Who yields time?

Mr. BROOKE. I yield time to the Senator.

Mr. EAGLETON. Would there be anything improper in such a suggestion?

Mr. WEICKER. I repeat what I said to the Senator from Missouri. I would like to see the leadership of this country speak out in a positive way as to how we are going to achieve equality of educational opportunity, rather than continue to raise its voice in criticism of the courts.

I yield back to the distinguished Senator from Massachusetts.

Mr. HUDDLESTON. May I have 30 seconds?

Mr. BIDEN. On my own time, I wish to respond.

Is the Senator from Connecticut suggesting that the Senator from Delaware, who has supported housing legislation, EEOC legislation, equal credit legislation, educational legislation—gather all that legislation, gather it all together, and today, at the same time he wants to eliminate the right of HEW to bus, attach a 5-page or 25-page or 50-page amendment to this bill to say the Senator from Delaware wants to stop busing and, at the same time, he wants everyone to agree that they are going to do the following 47 things that the Senator from Delaware has voted on over the past two and a half years to provide equal opportunity in an educational system?

Mr. WEICKER. In response to the distinguished Senator from Delaware, there is no question in my mind that the amendment of the Senator from Delaware guts the spiritual impetus to achieve equality of educational opportunity in this country. I respect him for all else that he has done, but on this issue he knows very well what he is dealing with, as do I. Yes, it guts the spiritual impetus to achieve that equality at the earliest possible date.

I am amazed by the words used in this Chamber, that we are doing all right, we are progressing with an "all deliberate speed" type of philosophy.

Mr. BIDEN. I suggest to the distinguished Senator from Connecticut that he has never heard the Senator from Delaware say, "We are doing all right." I respect the Senator from Connecticut for saying this guts the moral impetus for change. If that is what he believes, let him talk about that issue. But let him not obfuscate the issue and talk about everything else from housing to educational funds.

Mr. WEICKER. The Senator from Delaware raised the question of housing.

Mr. BIDEN. The reason why the Senator from Connecticut is opposed to this amendment is not because there is no alternative offered in those other areas, it is because the Senator truly believes, and I respect him for it, that it in fact guts the spiritual and moral underpinning of the whole movement toward equal opportunity. If he believes that, he has to vote against it. Then let us talk about that. Let us not talk and say the Senator from Delaware has an obligation to turn around and offer a precise alternative to something he knows is not working.

The Senator from Connecticut talks about leadership. What is leadership? Quite frankly, it may be brash and presumptuous of me to say it, but I am a U.S. Senator; I consider myself part of the leadership of this Nation. I do not have any magic leadership. The Senator keeps talking about the leadership as if he or she were not in this room.

If the Senator has that opinion of the tor keeps talking about the leadership capability, I respect him for that opinion. But I refuse to believe that leadership does not exist in this Chamber. I refuse to believe that I was elected by the people of Delaware because they thought I would not provide any leadership. If I do not provide any leadership in my own small way, what the devil am I doing here? That is probably what many of my colleagues are asking: What the devil am I doing here?

Where is the leadership? It should be right here in the Senate, in the person of the Senator from Connecticut, of the Senator from Delaware, of the Senator from Kentucky, and so on down the line.

Mr. HUDDLESTON. Mr. President, may I have 30 seconds?

Mr. BIDEN. I yield 30 seconds to the Senator from Kentucky, and then I shall reserve the remainder of my time.

Mr. HUDDLESTON. There is nothing which makes it incumbent on the Members of the Senate to accept unwise decisions, whether from the Supreme Court or any other source. As a matter of fact, if the contention of the Senator from Connecticut is correct and the leadership ought to embrace the decisions of the Supreme Court, then we would still have in this country the so-called "separate but equal" school system that we all know now is ridiculous, because for 100 years the Supreme Court said that was the correct way.

Mr. BIDEN. I yield the floor.

Mr. EAGLETON. Will the Senator from Delaware yield to me for a series of genuine questions?

Mr. BIDEN. Mr. President, how much time does the Senator from Delaware have remaining?

The PRESIDING OFFICER. The Senator has 9 minutes.

Mr. BIDEN. I yield for a question to the Senator from Missouri.

Mr. EAGLETON. Do I understand correctly that the Senator's amendment would not in any way affect court-ordered busing?

Mr. BIDEN. That is correct.

Mr. EAGLETON. Thus, to take Boston's situation, where Judge Garrity has ordered busing, the Biden amendment, if it passes, would not affect that situation?

Mr. BIDEN. Correct.

Mr. EAGLETON. Or Denver, where there was a Federal court order, would not be affected by the Biden amendment?

Mr. BIDEN. Correct. Any court order in the United States, now or in the future, would not be affected by this legislation.

Mr. EAGLETON. Does the amendment of the Senator in any way distinguish between what is called de facto segregation and de jure segregation?

Mr. BIDEN. Will the Senator repeat that?

Mr. EAGLETON. Does the Senator's amendment treat of the distinction that is oftentimes made between de facto segregation and de jure segregation?

Mr. BIDEN. The amendment of the Senator from Delaware merely says that HEW cannot make that determination. That is really all it says. The courts have been basing their decisions, as the Senator from Missouri knows, on the concept of de facto or de jure segregation. All I am saying is that that is up to a court to decide. I have not even figured out how to stop a court from deciding. If I could, I would.

All I am saying is that HEW cannot make that decision if this passes, they cannot even get to that.

Mr. EAGLETON. Is the Senator's reading of the recent cases such that the courts, in his opinion, are sometimes intermingling de facto segregation with de jure segregation?

Mr. BIDEN. More than sometimes, yes.

Mr. EAGLETON. Has the Senator, in his reading of the cases, come to the conclusion that there can be no busing under the Detroit case between contiguous school districts if they were not gerrymandered?

Mr. BIDEN. That was the Senator from

Delaware's reading, and that is why I was initially hopeful when that opinion was rendered.

Mr. EAGLETON. As I read the Detroit case, absent gerrymandering, there can be no busing between contiguous school districts. There can be intra district busing, but not inter district busing.

Mr. BIDEN. Unless there is a gerrymandered situation in the classic sense that we learned in the eighth grade what a gerrymander was.

Mr. EAGLETON. If the boundaries of the districts were gerrymandered, then such gerrymandered district lines are done away with?

Mr. BIDEN. Yes.

Mr. EAGLETON. Once again, in Detroit where there was no gerrymandering, the Supreme Court did not order busing between contiguous school districts?

Mr. BIDEN. That was the Senator's reading, and I do not profess to be an expert.

Mr. EAGLETON. Thus, in the St. Louis school district, or the Newark school district there can only be busing within said district?

Mr. BIDEN. As the Senator from Delaware reads the case.

Mr. EAGLETON. Thus, if an inner-city school district like Washington, D.C., is lopsidedly black, the only judicial remedy is the empty one of busing a few white children to sprinkle them amongst many black children?

Mr. BIDEN. That is the opinion of the Senator from Delaware. I know what the Senator from Missouri is leading up to.

Mr. EAGLETON. I am not sure I do, but I think——

Mr. BIDEN. I hope he does not.

Mr. EAGLETON. I think we have restated what is the applicable case law. Two more questions and then I am through: Is there any way the Senator from Delaware can devise that we could circumscribe by statute the power of a Federal court with respect to busing?

Mr. BIDEN. I have not figured out how to do that.

Mr. EAGLETON. The only way Congress can take jurisdiction away from the Federal court insofar as ordering busing is concerned is to amend the Constitution?

Mr. BIDEN. That is what the Senator from Delaware, as an attorney, has come to.

Mr. EAGLETON. But what the Senator wants by his amendment is to take away from HEW the right to administratively order busing? HEW would still be able to go to court to seek to enforce a busing plan which HEW had devised?

Mr. BIDEN. Precisely.

Mr. EAGLETON. Therefore, the Senator wants to consciously—and he is not masquerading it—he wants to consciously restrict the unilateral administrative applicability of title VI.

Mr. BIDEN. Absolutely.

Mr. EAGLETON. My final question: If all of that be true—and I think we have agreed on what the body of law is—why does the Senator refuse to take the language as suggested, I think, by the Senator from Alaska "except as ordered by a final decree of a Federal court"?

Mr. BIDEN. For the same reason the Senator from Alaska says we did not need that legislation in the first place because it is redundant. Obviously, the court already has that power. There is one thing we have not metioned here, the one thing that was touched on by the Senator from Kentucky. It seems to me the American people are looking to this body, looking to the U.S. Congress, to come up and recognize that busing does not work. When we put such language as "unless by court order," which is already the power of the court, they do not need that language. What we do is, we signal the people of the United States that somehow, you know, we still want busing to go on; that we still see busing as a reasonable alternative.

I think, I came to the conclusion, unfortunately, 6 months ago, that even some legislation which would not be that productive would be worthwhile passing by this body just to let the American people know that we share their frustration and realize while we are looking for a way out of it that what is going on now is asinine.

Mr. EAGLETON. May I respond to the Senator from Delaware? I think, quite to the contrary of what the Senator is saying, that his amendment without the "except" language would cause some in the press to write "Senate outlaws busing decrees."

Mr. BIDEN. Not unless there are a lot of stupid reporters.

Mr. EAGLETON. What worries me is that some might construe the Senator's language as implying that this could supersede a busing plan promulgated by a court order.

All I am saying is that the Senator's amendment loses none of its effect if the language were amended to include "except as ordered by a final decree of a Federal court." Then it is clear what it applies to. No one in Boston is deceived. No one in Denver is deceived. No one in a whole host of cities where court-ordered busing plans are now in effect will be deceived by the scope and effect of the Biden amendment.

Mr. BIDEN. If the Senator will yield, I do not believe any reporter who has followed the debate in any way or is going to write about this could possibly come to that conclusion. By including the language of the Senator from Alaska and the Senator from Missouri, I think it would weaken the impact of this amendment.

I only have 2 minutes remaining and I withhold the remainder of my time, and I yield.

The PRESIDING OFFICER. Who yields time?

Mr. BROOKE. Mr. President, I think the questions asked by the distinguished Senator from Missouri (Mr. EAGLETON), who has been in the forefront of civil rights legislation, and who served as a most able attorney general of his State, were right on point. He asked if this amendment would constrict title VI of the 1964 Civil Rights Act. I think not only would it constrict title VI but it could, in effect, eliminate title VI. That is, the force and effect of the Biden amendment.

And it should be pointed out that it is a deceptive amendment. It is deceptive in that it would really play a hoax on the American people. I think they would believe that we are doing something about forced busing. But we are not doing anything about forced busing in this amendment, not at all. It certainly does not address itself to the courts. The courts can continue to order busing. The Senator from Delaware has said so himself. He would like to do something about it, but he admits that this amendment will not do it.

What he is doing by this amendment is very dangerous. It is dangerous because it goes far beyond busing. It restricts HEW's ability to enforce title VI, this amendment could remove all the available options which the Department of Health, Education, and Welfare now has in desegregating schools. The many remedies available under title VI allows HEW to avoid busing. And that is what the Department should do. We should only resort to forced busing by court order when everything else has failed.

But this amendment removes all remedies that involve assignment. As I said earlier, if I were an antibusing person I could not vote for this amendment because it would remove everything that would be available to me in order to avoid forced busing.

I do not know if the Senator understands the effect of his amendment. HEW certainly understands it. I hope my colleagues understand it.

I do not know whether the Senator really wants to eliminate—he said constrict when he was having a colloquy with the Senator from Missouri—but I hope he does understand that what his amendment would do would be to eliminate title VI. And we have gone too far, far too far, to eliminate title VI. We need it, and we need it desperately. I certainly hope that the Senator would not push his amendment after understanding the danger inherent in his amendment.

I have only a limited time and I yield to the distinguished Senator from New York on this point. I am sure he feels very strongly about this.

Mr. JAVITS. Mr. President, I have served not only in respect of this matter, but in respect of education generally for many years. The thing that strikes me very deeply about this argument is Senator BIDEN's statement that something respecting busing ordered by anybody, courts or the Department, something he knows that is not working.

Now, what is the indicia of that? The indicia of that is assaults in Louisville and Boston. But judges, under these very criteria which Senator BROOKE spelled out and is spelled out in the education law that this is the last of our remedies, judges continue to order busing after full evidence before them, and they must make it under present law, and they come out finding that this is the only efficacious remedy.

For what? For discrimination, not for quality education.

The idea of diverting this to quality education is a red herring. We are not doing anything about that, only with the constitutional right to equal opportunity and an express favoring by a court that equal opportunity under the Constitution demands in that particular use, for those particular reasons, busing.

Now, we are protecting a minority. That is the whole genius of the Constitution. The overwhelming majority fights. Are we going to quail before the fact that the overwhelming majority uses illegal force to fight against our constitutional right? Yet that is what the gentlemen are saying.

Are we afraid to contend with that? Are we afraid to contend with that when hoodlums in the State and the city of New York, or any other city, are hitting citizens over the head in violation of their constitutional rights?

Quality education is a totally different question for which we have got to put up the money and the skill and the necessary laws, and we have not done that. All we are doing is excusing ourselves and begging the question by this argument.

So if we do not have the validity to say that what the courts can do, the HEW can do, also subject to court review and court stay, then we have no moral validity at all.

Is it morally right for the courts and not HEW, or is the United States a unitary government enforcing rights of minorities under the Constitution?

If it is, the Senate has a good doctrine in the higher education bill.

In my faith, they say:

> Behold, I have given you a good doctrine, forsake it not.

I thank the Senator.

The PRESIDING OFFICER. Who yields time?

Do both sides yield back the remainder of their time?

Mr. BIDEN. Mr. President, I would like to respond, to use at least 1 of my 2 minutes remaining to respond to the Senator from New York, who said, Are we a unitary government, are we not a unitary government, are we going to allow the courts to take one position and say it is right and at the same time not let a bureaucracy do the same thing?

I would submit that the way our Government is set up is the bureaucracy is not designed to be the one to make the judgment, whether or not it is done.

What the Senator from Delaware is suggesting here today in no way would preclude HEW from going forward and enforcing a court order if the court told them to do it; it is not the function of an administrative agency to make the same kind of determination that a court is designed to make in this instance.

Mr. BROOKE. In this instance, the HEW does not require forced busing. The courts order busing.

What the Senator is doing, and I repeat again, as it apparently is not understood, the Senator is removing HEW's ability to use other options to force busing, the very same thing the Senator is opposed to.

I can understand Senator HELMS' motives and his amendment against forced busing, and, I can understand Senator ALLEN's, I can understand and I respect them for what they are doing, they know where they want to go; they want to stop forced busing. But the Senator's amendment does not stop forced busing. What the Senator's amendment is doing is stopping the options to forced busing.

I am saying to the Senator that that is very, very dangerous. It is dangerous to those who are antibusing, it is dangerous to all those people who support civil rights and who rely on title VI. I do not think the Senator intends to do what his amendment could accomplish. That is why I was asking the Senator not to force the amendment to a vote. But apparently the Senator wants it to go to a vote.

I yield back all my time in order to have the vote.

Mr. BIDEN. Mr. President, I ask unanimous consent that I be able to modify my amendment to say——

The PRESIDING OFFICER. A unanimous consent is not needed.

Mr. BIDEN. I would like to modify my amendment to say something which I cannot find here.

Mr. BROOKE. Mr. President, I withhold my time; I do not know what this modification will be.

Mr. BIDEN. If the Chair will indulge me for a moment, in the beginning of my amendment, to precede the word "none" I would like to say "except as specifically ordered by a final decree of a Federal court."

The PRESIDING OFFICER. Is there objection to the modification?

Mr. BROOKE. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. BROOKE. I yield back the remainder of my time.

Mr. BIDEN. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on the——

Mr. BIDEN. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

ADDITIONAL STATEMENTS RELATING TO MR. BIDEN'S AMENDMENT

Mr. BENTSEN. Mr. President, I have consistently opposed the compulsory busing of schoolchildren since coming to the Senate in 1971. And for good reason.

I have voted against it 36 times. And today, as the issue is disrupting the educational process in northern and southern communities alike, I am more convinced than ever that it simply does not work.

In 1971, three antibusing amendments were offered, but in all three cases those of us who supported these measures were defeated by forces supporting busing.

The most significant of 17 antibusing measures in 1972 was the Griffin amendment, which would have denied the courts jurisdiction to order busing and prohibited any Federal agency from withholding money to force busing on school districts.

We almost passed that legislation. And we would have if President Nixon had spoken out in favor of it as he did later—after it had already failed.

In 1973, I voted for both amendments offered in the Senate to prohibit busing. And, in 1974, I was recorded on some 15 separate occasions against busing. But those years, as in the years before, we were unable to get congressional approval of any measures.

Compulsory busing was partially intended as an instrument of social change, for bringing people of different races together. This is an admirable goal, for only by bringing the people together can we ultimately hope to achieve understanding and harmony.

But should our educational system bear the burden of bringing about social change? I think not. And, even if this were desirable, there is ample evidence that busing is not the instrument to do the job. It has, in fact, only led to less understanding and more antagonism.

Busing was also meant to insure quality education for all young Americans, regardless of color. It would, we were promised, upgrade the education of all students.

It has not. Dr. James Coleman, who authored the 1966 report on school integration, recently told the New York Times that efforts to utilize busing in some northern cities he had studied resulted in "no benefit in any sense as far as we know."

"What is wrong with compulsory busing," Dr. Coleman said, "is that it is a restriction of rights. We should be expanding people's rights, not restricting them."

And William Raspberry, a black columnist for the Washington Post, sums it up this way:

> Busing rarely works. What often happens is that children involuntarily transferred because of their race arrive at the new school full of fears, insecurities and resentment. In many cases, they hardly learn anything.

Busing has, in short, proved counterproductive to the overall goal of providing quality education for all children—rich and poor, white and black and brown. It has divided communities. It has created bitterness. And, caught in the middle of the strife are those very students we are supposedly working to help.

The time has clearly come to stop chasing after some mythical ratio of black to white through compulsory busing. The time has come to realize that, although the end is still the same—a quality education for all children—the means have got to change.

This amendment by Senator BIDEN, which I have co-sponsored, is a strong step in the right direction. Although it does not affect court orders, it does assure that HEW will not use arbitrary authority to order specific ratios of black and white students in the schools. I expect this amendment to pass. It will be a first step, and I expect other antibusing proposals to be equally successful.

Mr. THURMOND. Mr. President, I am pleased to cosponsor the amendment offered by the distinguished Senator from Delaware (Mr. Biden). This amendment would prohibit any of the funds appropriated in this bill to be used for assigning teachers or students to schools for reasons of race.

Mr. President, recent polls all across the Nation clearly reveal that the American people, regardless of race, are overwhelmingly opposed to busing solely to achieve racial balance in the public schools. This is a ridiculous policy and it is high time that it was stopped. Busing for racial balance is unreasonable, impractical and has no place in an effective public education system.

I strongly urge my colleagues to recognize the necessity and wisdom of this amendment and adopt it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Delaware. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Hartke) and the Senator from South Dakota (Mr. McGovern) are necessarily absent.

I also announce that the Senator from Michigan (Mr. Hart) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from New York (Mr. Buckley) and the Senator from Nebraska (Mr. Curtis) are necessarily absent.

I also announce that the Senator from Illinois (Mr. Percy) is absent on official business.

I further announce that the Senator from Kansas (Mr. Dole) is absent due to illness in the family.

I further announce that, if present and voting, the Senator from Kansas (Mr. Dole) would vote "yea."

The result was announced—yeas 50, nays 43, as follows:

[Rollcall Vote No. 397 Leg.]

YEAS—50

Allen
Baker
Bartlett
Beall
Bentsen
Biden
Brock
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Cotton
Domenici
Eagleton
Eastland
Fannin
Ford
Garn
Goldwater
Griffin
Hansen
Haskell
Helms
Hollings
Hruska
Huddleston
Jackson
Johnston
Laxalt
Long
Magnuson
Mansfield
McClellan
McClure
Metcalf
Nelson
Nunn
Proxmire
Randolph
Roth
Scott, William L.
Sparkman
Stennis
Stone
Symington
Talmadge
Thurmond
Tower
Young

NAYS—43

Abourezk
Bayh
Bellmon
Brooke
Bumpers
Case
Church
Clark
Cranston
Culver
Fong
Glenn
Gravel
Hart, Gary W.
Hatfield
Hathaway
Humphrey
Inouye
Javits
Kennedy
Leahy
Mathias
McGee
McIntyre
Mondale
Montoya
Morgan
Moss
Muskie
Packwood
Pastore
Pearson
Pell
Ribicoff
Schweiker
Scott, Hugh
Stafford
Stevens
Stevenson
Taft
Tunney
Weicker
Williams

NOT VOTING—7

Buckley
Curtis
Dole
Hart, Philip A.
Hartke
McGovern
Percy

So Mr. Biden's amendment was agreed to.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BIDEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MORGAN. Mr. President, on the amendment just adopted, I voted "No." For the Record, I would like to make substantially the same remarks I made a few days ago.

First of all, let me say that I am unalterably——

The PRESIDING OFFICER (Mr. Stone). The Senate will be in order. The Senator from North Carolina will suspend until order is restored. Senators will please take their seats. Members of the staff will take their seats. The Senate will be in order.

The Senator may proceed.

Mr. MORGAN. Mr. President, I am now and have been through the years unalterably opposed to busing of schoolchildren for the purpose of achieving racial balance. As attorney general of my State, I appeared in the first case that was argued in the Supreme Court of the United States, the *Swann* against *Charlotte* case, and tried to defend that position. The Supreme Court, of course, ruled against me.

Since that time, busing has been ordered in many cities and counties in North Carolina. Court-ordered busing has taken place in the city of Charlotte, in Mecklenburg County, in the capital city of Raleigh, in the Winston-Salem city schools, in the Forsythe County schools, the Durham city schools, the Durham County schools, the Statesville city schools, the New Hanover County schools, the Greenville city schools, and the Greensboro city schools. If you drive through Winston-Salem, North Carolina on interstate 40 during the morning hours or the afternoon hours, you will find schoolbuses on that interstate highway with children being bused at the orders of the court.

But in the debate on this amendment today, it was stated by both the proponents and the opponents that the amendment would in no way alleviate the situation of those who were being bused by court orders. What it does is simply take the pressure off of some of the States that have for so long sought to press down this burden upon those of us in the Southern States. If we continue to permit that, we whose children are now enduring this burden will continue to have to endure it.

For that reason, I cast my vote "No." I call for equal enforcement of the laws of this Nation all across the Nation—not just in the Southern school districts.

ADDITIONAL STATEMENTS SUBMITTED IN CONNECTION WITH H.R. 8069

Mr. BAYH. Mr. President, the Labor-HEW appropriations bill includes several provisions which are particularly important to older people throughout the country.

Inflation has increased the costs of medical care, rent, and food to all consumers. The elderly are particularly hard hit by such increases because so many of them are on fixed incomes. Spiraling costs have frequently meant that more and more older people have not had sufficient funds to buy adequate meals or nutritious food.

Fortunately, there are valuable programs which seek to alleviate this problem.

One of these, the nutrition program for the elderly, has become one of the most popular programs that I have witnessed in a long time. Under title VII of the Older Americans Act, nutrition services are provided to senior citizens in congregate settings. In addition, meals-on-wheels are provided to elderly people who are unable to reach meal centers, permitting disabled persons to have access to nutritious food services.

This well-conceived program does not only cater to the nutritional needs of elderly people. It provides recreational and counseling services and transportation to meal centers. Thus, the nutrition program for the elderly helps to take older people out of isolation, bringing them to a place that offers occupation and companionship. It is little wonder, therefore, that this program has become popular in a short period of time.

About 1 year ago, a survey was taken of elderly people seeking to participate in the program but who were placed on waiting lists. That survey indicated that approximately 116,000 senior citizens applied for title VII services but were denied assistance and placed on waiting lists. Of course, this number does not include the persons who want title VII services but cannot even apply for them because no meal centers are located in their area.

To remedy this unmet need, the Appropriations Committee has made adequate provision for program expansion. The appropriations bill directs that the "level of operations" for this fiscal year shall be $200 million. In other words, HEW and the appropriate State agencies are mandated to spend $200 million during the course of fiscal 1976 so that waiting lists can be reduced and new meal centers can be established.

The Appropriations Committee expects that the spending directive will be implemented by HEW through a speedy adjustment of the annual rate of expenditures. This adjustment should occur immediately, and whenever necessary thereafter, to insure compliance with the $200 million expenditure directive. By so complying with our intention that $200 million be used for expanding program services during fiscal year 1976, we expect

HEW to take $75 million from previous fiscal year appropriations—plus the $125 million appropriated this year—to pay for the directed expansion of program services.

I am hopeful that the action of our committee, in establishing a mandated $200 million expenditure during fiscal 1976, will substantially decrease the number of people now on waiting lists. This program deserves all the support we can give it.

Mr. President, I want to take this opportunity to reiterate my feeling that this Labor-HEW appropriations bill is a good bill. It is humanitarian, it is fair and it is fiscally sound. Funding levels such as that for the Older Americans Act have been reached by carefully balancing crucial health needs which would otherwise go unmet against the demands of competing priorities.

I believe that the administration's budget requests in too many health areas were totally inadequate and reflect priorities with which I cannot agree. The committee has acted to remedy those deficiencies. The provisions made in this bill represent the continuing commitment of this Congress to the vital health needs of many Americans.

Mr. KENNEDY. Mr. President, 4 years ago when I sponsored legislation to create a nutrition program for the elderly, I knew such a program was needed in this country and could be helpful in reducing malnutrition and isolation among our older Americans. Since its enactment, title VII of the Older Americans Act has proven itself to be much more than an effective nutrition program. The elderly have adopted the programs as "theirs" in States throughout the country. Moreover, the nutrition sites have become focal points for many services. Older Americans now help to plan and serve the meals, provide transportation, and offer companionship to so many other lonely and isolated elderly. The program also provides meals-on-wheels to those elderly who are homebound and unable to prepare their own meals. But meals-on-wheels, is much more than a home-delivered meal. It has also brought friendly visitors and outside assistance into the homes of the very isolated.

The enormous popularity of this program has resulted in long waiting lists. The State agencies on aging acknowledge that they are serving only a small fraction of the elderly who could benefit from their programs. Rising costs and other inflationary pressures have also limited participation in this program. Therefore, I wholeheartedly support the Appropriations Committee report language to direct the Department of Health, Education, and Welfare to use carryover funds in addition to this year's appropriations so that $200 million is spent in fiscal year 1976. The committee's language clearly directs the Department to spend the full $200 million during fiscal year 1976 and HEW must comply with this directive by immediately increasing the spending rate so that the program can benefit from the full $200 million expenditure during this fiscal year. I was discouraged by HEW's action last year which resulted in the Department's failure to comply with the committee's intent. I am hopeful that the Department will adhere to the committee's directive this fiscal year by immediately informing the States to administer their programs at an annual expenditure rate that will result in the spending of $200 million for the program this fiscal year. By so doing, the States can begin to reach many of the elderly who need and desire the services of the nutrition program for the elderly.

Mr President, I commend Senator MAGNUSON and the other members of the Appropriations Committee for their efforts in bringing this measure before us today. The chairman of the Labor-HEW Appropriations Subcommittee has given the nutrition program for the elderly his support from the onset, and as a member of the Senate Committee on Aging, I thank him for the support and endorsement he has given to this most successful program. The efforts of his subcommittee will hopefully aid in serving more nutritious meals to the elderly.

Mr. TUNNEY. Mr. President, I would like to take a moment to commend the distinguished chairman (Mr. MAGNUSON) of the Labor/HEW Appropriations Subcommittee and his colleagues for their fine work on this bill. The task of achieving consistency with the proposed budget ceiling and not at the same time undermining many of our fine programs was a hard one I am sure, but one which was emminently successful in my view.

SENIOR CITIZEN PROGRAMS

As a member of the Senate Special Committee on Aging, I was particularly concerned about the fate of a number of senior citizen programs to be funded under this bill: The title VII nutrition program, the senior opportunities and services program within the Community Services Administration, and the older Americans volunteer programs under ACTION. Each of these programs has provided older Americans a greater chance for independence and self-sufficiency despite the plight of living on a small, fixed income.

The title VII program of the Older Americans Act provides countless senior citizens balanced meals in congregate settings or through home-delivered meals-on-wheels operations. Not only does the program afford these individuals quality nutrition at least once a day, but brings them into contact with other people, forcing them out of their isolation, a state all too typical of our senior citizens living alone and quite often in despair.

In my home State of California, 54 nutrition projects are currently operating, serving 17,400 meals each day. Many senior citizens have found that their health, economic, and social well-being have been substantially improved through participation in this program. the California State Office on Aging reports that over 60,000 additional senior citizens in California could benefit from the program, were funds available to expand existing sites and to create new ones.

I found it unconscionable that last year HEW first attempted to rescind and later did not release the additional funds appropriated by Congress until late in the fiscal year which would have modestly increased the scope of the title VII program. Apparently, HEW does not clearly understand Congress' mandate in this regard. The Senate report clearly spells out our intent.

Under the bill currently before us, $125 million has been appropriated for fiscal year 1976 for title VII. However, since approximately $100 million remains available from fiscal 1975 as a result of forward funding which has been carried over into this fiscal year, we expect HEW to spend $200 million for the program during this, the 1976, fiscal year. We would further expect that the Secretary insure that each State receive such sums as would reflect the individual State's needs, and spend such sums as total $200 million nationwide in this fiscal year. In doing so, the Secretary can help us reach the many needy senior citizens who desire title VII services but who are not now getting them.

The two other programs which focus on senior citizens, the senior opportunities and services program and the older Americans volunteer program, provide seniors with two very important commodities: a small stipend for their work, and greater person-to-person contact, both facilitating self-reliance and a sense of security. SOS, I am pleased to note, will be funded at the same level as last year, despite the administration's attempts to obliterate the program altogether. This is the only program that I know of which specifically attempts to aid the poverty-level, usually minority elderly to gain a sense of dignity and self-worth. I commend the committee for their determination to continue the funding of this sorely needed program.

The older Americans volunteer program, funded under ACTION, consists of foster grandparents and senior companions. The grandparents program provides senior a small stipend for working with and sharing in the lives of underprivileged or developmentally restricted children up to the age of 17. Senior companions, hitherto a model program which the administration sought to further restrict, provides similar services to senior citizens who work with incapacitated or developmentally disabled individuals above the age of 17. Both of these programs have proven to be effective in utilizing the talents and energies of many highly motivated and dedicated older Americans. I commend the committee for increasing the budget for these key programs from $28 to $30 million for the 1976 fiscal year. I am doubly pleased that the committee has recognized the need to further expand senior companions in an effort to insure that retarded individuals, over the chronological age of 70, but with far lower mental ages, can continue to be cared for and involved with older Americans under the volunteer programs. The additional funds can facilitate the transition of such individuals from one program's scope to the other, a major focus of a bill I cosponsored with Senator CLARK. In this way both the senior citizens and the retarded individual can continue their relationship and work together.

All in all, senior citizens have fared well in committee, and I am hopeful that my colleagues in the Senate will concur with me and insure that these programs remain at the committee-designated funding levels.

ALCOHOLISM AND MATERNAL AND CHILD HEALTH PROGRAMS

There are three additional reasons why we should accept the committee's report and send this bill, which is generally consistent with the appropriation estimates of the Budget Committee, to conference as soon as possible.

First, I want to commend the appropriations committee for their justified interest in securing adequate funding for the programs and research involved in alcohol and alcoholism. Not only is alcoholism the Nation's No. 1 health problem, but it is also the third leading cause of death in this country every year. I was very dismayed to hear of the new statistic which reveals that the number of women alcoholics is sharply on the rise. They now comprise one in every three alcoholics. The 1976 administration budget estimate of $113 million is far from a realistic amount to combat such a threatening nemesis to our society. The problem of preadult alcoholism in itself, makes the administration's estimate a feeble one. I am happy to see the wisdom of the committee's recommendation to increase the budget request by almost $50 million.

I have always remained perplexed by our Nation's high infant mortality rate, and at a time when we should be emphasizing preventive programs in every aspect of medicine, I was also perplexed to see that the administration had requested nearly a 30-percent reduction for the maternal and child health program.

HEW has established that patients receiving services under the maternal and child health programs and crippled children's program had a lower incidence of conditions leading to mental retardation, premature births, and other complications related to the bearing of children. With the administration's request, California alone stood to lose nearly $3 million in moneys for maternal and child health programs. I commend the Appropriations Committee for recommending an increase of over $10 million for the National Institute of Child Health and Human Development. Surely this is a right step in the direction of a new national attitude of preventive medicine.

CETA PROGRAMS

Finally, this bill contains funding for some of our most important Federal programs—those funded under the Comprehensive Employment and Training Act of 1973—CETA. H.R. 8069 includes $2.85 billion to support activities under that act, manpower programs which are of critical importance in the face of the Nation's continuing unemployment crisis.

The bill contains $1.58 billion for general manpower programs under the aegis of title I of CETA. I am happy to note that this figure coincides with the budget request and the recommendation of the House for continuing vital local programs in training, work experience, vocal education and a host of other areas. Title I programs are crucial in laying the firm foundation of training and experience which can help us avert future employment crises.

Of equal or greater importance are the funds for public service jobs approved in this bill. The Congress would provide $400 million for title II of CETA. Along with the $1.625 billion in funds for title VI approved in June—Public Law 94-41—this appropriation will permit the continuation of some 300,000 public service jobs created during recent months in response to the alarmingly high unemployment rate. These jobs and the programs under titles II and VI continue to play a pivotal role in our war on involuntary idleness. Without them, many communities would have to cut back vital services, and many workers would have to languish at the end of the unemployment lines.

With them, hundreds of thousands of Americans can hold productive, useful jobs, helping their local communities and improving their own skills. In my view, no program is more productive or more justified for its cost than our national commitment to public service jobs. I enthusiastically support the provision of these job funds, and I hope that the Congress will move shortly to strengthen and expand the public service jobs program.

Also, the committee report notes the success of many local community-based organizations operating under title III of CETA in providing manpower services for Americans with limited ability to speak English. In my home State of California, the work of such groups has been productive and useful, especially working with California's large population of Spanish-speaking citizens. I believe those programs are fully worthy of continued Federal support. Therefore, I strongly support the Appropriations Committee's instructions to the Department of Labor to insure that funding for existing programs is maintained through the end of the fiscal year. Moreover, I especially concur with the instructions of both House and Senate that the Secretary of Labor should expedite the progress of training programs under title III for Americans with limited English-speaking ability. There is no excuse for delay in writing and enforcing regulations for such programs, and want to add my voice to those urging the Labor Department to get on with this important job.

In short, I believe that the manpower provisions of this bill are well justified. The cost of manpower training and of public service jobs is far outweighed by the benefits of CETA programs. I urge my colleagues to support these appropriations, and I urge the Labor Department to proceed with all possible speed to distribute these funds once they are made available. Any course other than full support of our national manpower programs will sow the seeds of future unemployment and human misery. The alternative of full congressional and administrative backing for these programs is far preferable.

Mr. PELL. Mr. President, I rise in support of the appropriations bill. Many parts of the bill are particularly praiseworthy, but I would like to focus my comments on one section of the bill: The portion that relates to the nutrition program for the elderly. That program was designed to aid elderly people in their quest to obtain adequate food services, important counseling aid, and recreational opportunities with their contemporaries.

Under the nutrition program for the elderly, senior citizens are transported to local feeding sites—such as churches, schools, and recreation centers—where they obtain a nutritious lunch. The program is available to all senior citizens, but primary emphasis in servicing the elderly is directed toward poor people, incapacitated persons, and aged individuals living in isolation. For elderly people who are unable to travel to local feeding sites, meals-on-wheels services provide food directly to their homes.

The nutrition program for the elderly was created only a few years ago. Already, however, in this short time, the program has become immensely popular. In a survey conducted on a nationwide basis in November last year, we found out that 116,000 in 41 States are on waitnig lists seeking to participate in the program. In my State of Rhode Island, over 900 elderly people receive the benefits of the program daily; however, an additional 1,200 persons are on waiting lists. Currently, Rhode Island has six nutrition projects in the State, but several others want to initiate the program in their area.

To extend the program, the Appropriations Committee has mandated an expenditure of $200 million for the program in fiscal 1976. To reach this amount, the committee's bill appropriates $125 million and requires that an additional $75 million, taken from previous appropriations "forward funded" into this fiscal year, be expended this year. This $200 million expenditure requirement is contained in the bill's provisions requiring an increase of the program's "level of operations" to the specified amount.

HEW should increase its annualized rate of expenditures right away in order to comply with the $200 million spending mandate. The annualized rate of expenditures should be raised and subsequently adjusted, if needed, to the amount that will assure full compliance with the $200 million expenditure requirement. We also expect the HEW Secretary to be vigilant over the expenditures of the program so that funds are reapportioned from one State to another, thereby fully implementing the $200 million spending directive in the bill.

This action by the Appropriations Committee is necessary and I am glad to support it.

Mr. CLARK. Mr. President, I would like to join my colleagues in recognizing Senator MAGNUSON's efforts and leadership in bringing the Labor-HEW appropriations bill to the floor of the Senate. As a member of the Senate Committee on Aging, I am deeply aware of the Senator's concern for our Nation's older Americans. And this concern is best reflected by the Senator's efforts to provide sufficient funds for aging programs in the appropriations bill.

Last year I offered an amendment to the fiscal year 1975 appropriations bill to increase to $150 million the appropriations for the nutrition program for the elderly. That increase was urgently needed to adjust to inflationary pressures. The amendment was rejected, but the chairman of the Labor-HEW Appropriations Subcommittee agreed to direct the Department of Health, Education, and Welfare to adjust the expenditure level to $150 million for fiscal year 1975 by allowing carryover funds to be spent along with the fiscal year 1975 appropriations. I accepted this compromise because it meant that the nutrition program would have an expenditure rate of $150 million as I had intended. However, HEW failed to bring the program's expenditure rate up to $150 million until very late in the fiscal year. In fact, the program's level of expenditure was at $150 million for only 2 months.

The committee again recognizes the effectiveness of this program by directing that $200 million actually be spent in fiscal 1976. I commend the committee for supporting this program but I wish to express my concern that HEW will again fail to adjust the program's expenditure rate as expeditiously as the Congress intends. Therefore, I urge HEW to comply with the committee's requirement that the program's annualized expenditure rate be increased immediately so that the full $200 million is spent during fiscal year 1976. HEW should keep a careful oversight of program expenditures during the year so that State administrators spend $200 million in total for feeding additional elderly with funds reallotted among the States if necessary. In sum annualized expenditure rates must be increased immediately in order to assure the spending of $200 million this fiscal year.

Mr. President, every Member of the Senate has witnessed the effectiveness of this program in their own States. This program not only provides the elderly with a hot, well-balanced meal 5 days a week, but also gives them companionship, nutritional education, entertainment, recreation, and an outlet from isolation and loneliness that can never be fully measured. Anything the Senate does to support and expand this program will increase the number of participants who can benefit from this program. The Congress can be extremely proud of creating the nutrition program for the elderly because it brings the needed nutrition, comfort, and social interaction that is well deserved by our Nation's elderly.

Mr. MONTOYA. Mr. President, the committee has prepared what I consider to be a good bill, well thought out and fiscally responsible. Although there are many areas in which we could spend much more money to alleviate problems, particularly in programs which are directed toward better health care and toward greater economic opportunity for the unemployed, I am convinced that this bill represents the best possible appropriations level this year for the programs covered. Most of these programs represent issues of deep concern to the American people, and are high on the list of priorities which the people and the Congress consider to be of first importance.

Today, I want to speak to my colleagues briefly concerning one small part of this bill—but a part which I believe to be of great importance. We have added, in this bill, a comparativly small amount to the CSA budget in order to provide funding for section 222(a)(11) of the Economic Opportunity Act as amended by the Community Services Act of 1974. This section provides assistance to low-income families in rural areas to construct and acquire ownership of adequate housing, to rehabilitate or repair existing substandard units in low-income areas, and to otherwise assist families in rural areas in obtaining standard homes. The Senate bill provides an increase of $7.5 million over the House allowance for demonstration programs, and provides that $10 million of the total $16.3 million be provided for rural housing and rehabilitation assistance.

Mr. President, the need for immediate assistance to rural families who are forced to live in substandard housing is clear to all of us who come from rural States. In my State of New Mexico, 40 percent of the rural homes are listed as being "substandard"—that means housing which needs plumbing or other structural repair in order to meet minimum health and safety standards. Sadly, the homes of 76 percent of the Indian families living in rural New Mexico are substandard.

The national picture is not much better. One-fifth of all rural homes in America—20 percent—are substandard. Two-thirds of all the substandard housing in America is rural housing. Yet less than 10 percent of HUD funds has gone to rural areas. Most Federal housing assistance goes to help urban families—where the need is comparatively much less pervasive. Only 1 in every 35 urban homes is substandard.

The program which this money will fund was authorized in the amendments to the Economic Opportunity Act in 1972. It is known as the Perkins amendment because it originated in legislation prepared by Congressman CARL PERKINS, chairman of the House Committee on Education and Labor. The program authorizes assistance to nonprofit organizations so that they may help low-income rural families to rehabilitate existing substandard homes or to build new ones. Rural families are eligible for home loans through the Farm Home Administration, but unfortunately, FmHA is not an outreach agency, and most rural populations are not aware of the help which is available to them. For this reason, FmHA and other housing assistance programs have not been fully used by rural families. The rural housing development and rehabilitation assistance program—section 222(a)(11)—is intended to correct that situation. By providing for the use of nonprofit organizations to educate, assist, and develop use of this and other Federal funds for rural housing, the program can substantially increase the number of poor rural families who are able to improve their living situation.

In the past this program has been underfunded, or not funded at all. However, the small amount provided earlier for demonstration funds to do the work of this legislation has been very successful. One nonprofit group, for instance, Colorado Housing, Inc., has successfully developed about $36 million worth of rural home building and rehabilitation, with an annual budget of only $168,000. Another example is the Eastern Kentucky Housing Development Corp., which has repaired over 5,000 homes for low-income elderly rural homeowners. Many other cooperatives and rural assistance organizations are ready to use this same kind of expertise to develop housing assistance for other rural areas in the Nation.

The money which is earmarked for this program in the bill under consideration today will assist in providing help for many of the 2.5 million rural families who need better housing. I urge the support of my colleagues for this very important part of H.R. 8069.

Mr. MORGAN. Mr. President, I thank the Senator from Washington, who so ably chaired the hearings on this appropriation bill, for his courtesies to me during the hearings, and for the fine bill that he has brought to the floor of the Senate.

The Senator will recall that Mr. Robert McCreery, president of the National Cystic Fibrosis Foundation, and I testified before his committee about our concerns for the children who are suffering from cystic fibrosis and allied lung and gastroenterological diseases, and about the fact that because of the proposed administration cutbacks in the maternal and child health programs, and the programs in the NIH, not only would research be severely limited, but also that the centers which now treat so many of these patients would be underfunded, in continual uncertainty about their future, and would have to restrict, rather than enlarge their services.

I understand that the Senator from Massachusetts introduced into the hearing record a letter written to him at his request concerning the serious problems of the centers, of the crippled children's programs in particular, and of the problems of the cutbacks in research by Mr. John P. Driscoll, Jr., who is the chairman of the Governmental Relations Committee of the Foundation.

I have read the excellent language in the bill report in which you describe the intentions of the committee as to the funding of these centers, and am very pleased at the explicitness of the charge of the committee to HEW that,

> It is the Committee's intention that sufficient amount of funding be set aside in this program to provide stability to these centers, and, indeed, to increase the number from 10 to as many as 12.

Because the bill report will not be made as available to the public as the Record is, I ask unanimous consent to have printed in the Record the relevant portions of the committee's statement on the maternal and child health program.

There being no objection, the material was ordered to be printed in the Record as follows:

MATERNAL AND CHILD HEALTH SERVICES

The Committee recommends an appropriation of $324,617,000 for Maternal and Child Health Services, $5,217,000 above the House allowance and an increase of $113,195,000 over the 1976 budget estimate. This program is the principal Federal program providing assistance to low-income mothers and children in obtaining high-quality comprehensive health services. This program has demonstrated its effectiveness by significantly reducing infant mortality rates where there are maternal and infant care projects and by reducing hospitalization for children by providing preventive health services in children and youth projects.

The Committee has agreed with the House allowance of $295,700,000 for grants to States. This will allow sufficient funding to ensure that no State will receive less funds in 1976 than under the total 1973 funding level for the Maternal and Child Health program and will provide a modest increase for these important programs.

The Committee emphasizes its interest in an increased appropriation for the Crippled Children's Program, which has received $65 million for the past three fiscal years. Witnesses have presented testimony regarding the activities within the States which have included: services restricted to diagnosis only, no new diagnostic categories included in State program, no new surgery provided, large backlog of services, hospitalization funds depleted, and the inability to care for all cases identified, etc. Since more than two-thirds of the chronic handicapping conditions existing among children can be prevented or corrected—thereby making healthy, wage-earning, productive citizens of those who might otherwise be confined to a lifetime of institutional care or dependency—the Committee has identified the Crippled Children's Program as a priority activity during fiscal year 1976 so that the backlog of infants and young children in need of care might be addressed.

The Committee heard the effect of the proposed Administration cutbacks on research regarding cystic fibrosis and allied pediatric pulmonary and digestive diseases and also the effect of the instability of funding over the last several years on the ten pediatric pulmonary centers, due to impoundments of funds and continued uncertainty of funding. It is the Committee's intention that sufficient amount of funding be set aside in this program to provide stability to these centers and, indeed, to increase the number from 10 to as many as 12.

The continuum of care provided by Maternal and Child Health projects provides an excellent vehicle for neutralizing the problem of infant mortality, for these programs provide medical services at the most vulnerable periods from conception through school age. Experience has shown that early pre-natal care, intensive care for sick newborn infants, as well as preventive and corrective care during infancy and preschool years wil sharply impact upon both mortality and morbidity of both infants and their mothers.

Mr. MORGAN. I know that the Senator will work to assure that the language and sums noted in this bill report are agreed to in conference with the House.

I deeply appreciate the Senator's courtesies he has extended to me in this and other matters, and simply want him to know that I will work as hard as I know how to assure that children with these diseases receive the greatest possible assistance that we can give them.

Mr. BELLMON. Mr. President, before us today for consideration of passage is the Labor-HEW appropriations bill for fiscal year 1976. The Senate version of the Labor-HEW appropriations bill as reported from the Appropriations Committee recommends $36.3 billion in budget authority for fiscal year 1976 and an estimated $28.6 billion in outlays. This bill exceeds the President's budget request in both budget authority and outlays—and the bill also exceeds the levels of spending recommended by the House.

Further, while the staffs of the House and Senate budget committees have evaluated the spending impact of this bill—differently, there is universal agreement that this bill will have impact primarily on three functional areas of the budget which are each in difficulty. These functions are:

First. Function 500—education, manpower, and social services. This function is currently within the budget but the margin is only about a billion dollars; and over $6 billion of additional spending legislation is in the wings.

Second. Function 550—health. This function is already over the budget target by $2 billion in outlays—in part due to reestimated entitlements—and more spending legislation is pending.

Third. Function 600—income security. This function is already over target about $400 million and another $800 million is pending.

Recognizing the dangers implicit in this bill, nevertheless I am inclined to suport the passage of this measure at this time with the firm understanding that when the conference report comes back for final consideration, the conferees will have arrived at spending figures which are lower and which are much more in line with the budget targets as agreed upon in the concurrent resolution on the budget. I urge my colleagues in the Appropriations Committee who will be members of this conference to work with the House in drafting a bill that will be consistent with the budget figures.

Mr. NELSON. Mr. President, an article by Judith Randal, science writer for the New York Daily News, appearing in the Washington Post, August 31, 1975, deals with an important issue relative to pending legislation: The cumulative effect on man of the vast number of chemicals introduced into and present naturally in the environment.

Her article, "Testing for Cancer: Of Mice and Men," brings out important points.

> The World Health Organization estimates that 75 to 90 percent of human cancer is traceable to environmental causes that could be controlled and thus tends to support the booby trap theory.
>
> In a typical year, at least 700 to 1,000 new compounds are introduced—far more, say many experts, than mankind's biological mechanisms can keep up with, and more than the air, soil and water can disperse. In the single category of synthetic organic chemicals, for example, U.S. industrial output jumped from 15 billion pounds in 1945 to 164 billion pounds in 1972.

A very significant aspect, she points out, is that:

> It cannot be assumed that people are exposed to just one such potential carcinogen in their everyday lives or that the carcinogen is capable of just one effect.

She quotes Dr. David Rall, Director, National Institute on Environmental Health Sciences:

> The evidence is not only that exposures to single agents are additive and cumulative, but also suggests that some interact to produce effects they are incapable of alone.

She describes the concerns of many scientists over the carcinogenic potential of such synergistic effects—"cooperative action of discrete agencies such that the total effect is greater than the sum of the effects taken independently"—from the cumulative exposure to food additives, cosmetics, household and industrial chemicals, pesticides, and all the naturally found substances in the environment.

This article presents the finest overview of this complicated subject that has come to my attention.

I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

TESTING FOR CANCER: OF MICE AND MEN

(By Judith Randal)

(Note.—The author is a science writer in the Washington Bureau of The New York Daily News.)

Thinking back over the chemicals that have been linked to cancer since that book was published, it sometimes seems that almost every compound with a role in modern life has been indicted. Asbestos, hair dyes, aerosol sprays, food additives, coloring agents, prescription drugs, anesthetic gases, pesticides, plastics and, of course, tobacco—name it, and it's probably been listed by someone, somewhere, as a proven or presumptive killer.

If we escape exposure to one or another at home or in the polluted outdoors, we may face the hazard at work as our skins are brushed by substances that may cause us to develop tumors almost anywhere a decade or so later, or our lungs inhale fumes that may do the same.

All this suggests one of two things: that instead of bringing us "better things for better living," chemistry is a blind for the biggest collection of booby traps ever assembled by man or that the public's anxieties have been needlessly aroused by people crying wolf.

The World Health Organization estimates that 75 to 90 per cent of human cancer is traceable to environmental causes that could be controlled and thus tends to support the booby trap theory. But manufacturers often dismiss such claims as scare tactics: the wolf theory.

A little history may help the layman start to sort things out. Two centuries ago in London Sir Percival Potts discovered that men who had been chimney sweeps in boyhood had an extraordinary high rate of cancer of the scrotum because of their early unrelenting contact with soot. This was probably the first documented example of a cancer caused by industrial exposure. There have been many since then. Workers who put luminous radium paint on watches and clocks in New Jersey in the 1920s developed a high rate of bone cancer later. A suspiciously high incidence of leukemia and other cancer is now turning up among surgical operating room workers who are exposed to anesthetics day in and day out. An outbreak of liver cancer among plastics workers has been traced to their chronic exposure to vinyl chloride gas.

"Cancer in the last quarter of the 20th Century," says Dr. Umberto Saffiotti, associate director for carcinogenesis at the National Cancer Institute, "can be considered as a 'social disease' whose causation and control are rooted in the technology and economy of our society."

In a typical year, at least 700 to 1,000 new compounds are introduced—far more, say many experts, than mankind's biological mechanisms can keep up with, and more than the air, soil and water can disperse. In quantity, too, the supply of chemicals has increased enormously. In the single category of synthetic organic chemicals, for example, U.S. industrial output jumped from 15 billion pounds in 1945 to 164 billion pounds in 1972.

Some carcinogens have always been with us, and the body's chief detoxifying organ, the liver, is to some extent equipped to deal with them. But it can be overtaxed. The benzpyrene found in cigarette smoke, for example, is produced by every fire, and the liver has enzymes to deal with it. But the liver can stand only so much benzpyrene or any other carcinogen, and what is a tolerable dose for one person may be fatal to another.

There is no legal requirement that chemicals other than drugs undergo full-scale safety testing in the absence of prior evidence that they are harmful. And until recently the emphasis even in drug testing has been on short-term chemical toxicity rather than the slow "poisoning" and delayed consequences typical of carcinogens.

This preoccupation with short-range hazards may have produced a false sense of security. For example, TCE or trichloroethylene, identified this spring as a probable carcinogen in tests financed by the National Cancer Institute, has long been relied on as an anesthetic for childbirth and oral surgery because it is notably free of immediate adverse effects. And TCE, is, besides, a water supply contaminant and used in commercial and household dry cleaning, and as an industrial solvent and decaffeinating agent. But had it not borne close molecular similarities to vinyl chloride, it might never have come to NCI's attention.

Even the most ardent cancer alarmists, however, bristle at the suggestion made by their critics that any compound can be made to produce cancer under the right laboratory conditions.

"The idea that just any chemical is a carcinogen if enough of it is given just isn't true and misleads the public," says Dr. Sidney Wolfe, a physician in Ralph Nader's Public Citizen-Health Research Group. "Probably far more chemicals are innocent than are guilty."

As an illustration he cites the Litton Industries National Cancer Institute-funded Bionetics project, which has been regarded as a landmark in the field since its first results were published in June, 1969. In this study 120 common herbicides, fungicides and pesticides—all of which could have been expected to be carcinogens—were tested in mice from infancy to the age of 18 months.

Despite the fact that each chemical was continuously fed in the maximum tolerable dose (meaning the largest amount that could be given without quickly killing the animals outright), only 11 of the compounds caused a "significant" number of tumors—the scientist's way of saying that more cancers had occurred in the treated mice than in the undosed mice that were kept as controls.

HEAVY DOSES

Still the matter of dose continues to be controversial because concentrations far greater than those found in the environment are often administered in the laboratory. In announcing in July that it would stop using TCE to decaffeinate Sanka and Brim, for example, General Foods said that test animals had been subjected to "abusively high consumption levels" and that "to approximate those doses a human being would have to consume 50 million cups of decaffeinated coffee every day for his entire lifetime."

This protest overlooks several things. For one, it cannot be assumed that people are exposed to just one such potential carcinogen in their everyday lives or that the carcinogen is capable of just one effect. While vinyl chloride, for example, is generally associated in the public mind with cancer, it is turning out to be the cause of even more cases of other kinds of chronic liver disease and is also suspected of damaging the fetus.

"The evidence is not only that exposures to single agents are additive and cumulative, but also suggests that some interact to produce effects they are incapable of alone," says Dr. David Rall, director of the National Institute of Environmental Health Sciences. "What's more, with 16 per cent of Americans now dying of cancer, we aren't necessarily talking about one-in-a-million risks."

The danger of a cumulative effect is easy to understand. Almost everyone, for instance, has repeatedly eaten meat bearing a purple grade stamp. The dye in question, Violet No. 1, was banned by the Food and Drug Administration in 1973 for its cancer-causing proclivities, but plenty of other known or potential carcinogens are still on the scene. Red Dye No. 2 or amaranth, found in strawberry ice cream, cherry soda, lipstick, coca, white cake frosting mixes and hundreds of other foods, many of which have no apparent red tint, is with us still. So is the hormone diethylstilbestrol (DES), which is used to promote the growth of livestock and as a "morning-after" contraceptive.

Microscopic fibers of asbestos can be found in beer, gin, sherry and ginger ale as leftovers from the filtering process, and the mineral, which has even turned up in some coat fabrics, is a common ingredient of spackling compounds, city dust and some municipal water supplies. The drug Flagyl is widely used to treat minor vaginal infections. Polyvinyl chloride has been shown to leach out of some food containers. The list seems endless.

There are other practical problems in keeping track of which chemicals may be dangerous and which are not. Carcinogenicity testing is tremendously expensive, costing $100,000 to $200,000 per chemical when rats, mice or hamsters are used for the assays, much more if such closer relatives to men as pigs, sheep, monkeys or dogs are substituted.

Relief may be in sight, however. While few scientists believe it will soon be possible to just look at a chemical's structure and confidently predict that it is or is not a carcinogen, some shortcuts are in the works. One involves testing with bacteria rather than with animals.

Many known carcinogens are also mutagens—that is, they can produce genetic change. Prof. Bruce Ames and his colleagues at the University of California at Berkeley have found in experiments with bacteria that about 85 per cent of the chemical compounds known to cause cancer also cause mutations. Despite the 15 per cent chance of false positive or false negative results, many scientists believe the method will be useful at least for preliminary screening. And it is both fast and relatively cheap. Other methods that promise speedy delivery of tentative answers are also being tested.

Reliance on such methods, however, is still somewhere in the future. Thus, of the hundreds of thousands of chemicals out there in the environment whose safety is unknown, NCI can afford to test only 150 a year. It can use only 500 animals per experiment, and of these, 100 must be expended to establish the maximum tolerable dose of each potential carcinogen and 100 must be kept as undosed controls. And furthermore, since the average laboratory rodent lives only two years, enormous doses must be used to approximate a human experience of decades.

Dr. Samuel S. Epstein of Case-Western Reserve University put the problem this way in an article published last October in the journal Cancer Research:

"Assume that man is as sensitive to a particular carcinogen as the rat or mouse. Assume further that this particular agent carries a risk of producing cancer in one of 10,000 humans exposed; this would result in approximately 20,000 cancers in the United States population. Then the chances of detecting this in groups of 50 rats or mice, tested at ambient [typical] human exposure levels are very low. Indeed, samples of 10,000 rats or mice would be required to yield just one cancer over and above any spontaneous occurrences; for statistical significance [i.e., ironclad proof], perhaps 30,000 rodents would be needed."

VARYING SENSITIVITY

There is no guarantee, of course, that man will be as sensitive to a particular carcinogen as a laboratory animal. Indeed, sensitivities may vary even among the rats and mice and hamsters. A compound that results in stomach tumors in hamsters may lead to lung tumors in rats.

On the other hand, it's always possible that man will be more sensitive than animals to some substances. There is no way of telling in advance.

After it was shown that thalidomide caused fetal deformities, for instance, it was demonstrated that humans are 60 times as sensitive to the tranquilizer as mice, 100 times as sensitive as rats and 700 times as sensitive as hamsters. Similarly, it is known that humans are far more susceptible to at least some carcinogens than rodents.

Arthur Flemming, then secretary of health, education and welfare, told a congressional hearing on food additives in 1960 that "scientifically, there is no way to determine a safe level for a substance known to produce cancer in animals." Although increasingly sophisticated measurement techniques now make it possible to detect trace quantities of substances at the parts-per-million level and sometimes even parts-per-trillion (causing certain quarters of industry to grumble that increasingly sensitive instrumentation will be their undoing), nothing has happened since to make scientists like Epstein budge from the idea that if a compound is a carcinogen, almost any contact with it involves risk.

Tests are not all of equal value and reliability, however. A National Cancer Institute committee, for example, is reviewing the data that led the FDA to ban cyclamate sweeteners in 1969 because the test animals had been dosed with both saccharin and cyclamates, and it is not clear whether the bladder tumors they developed were caused by one compound or the other or both.

Dr. William Lijinsky of the Oak Ridge National Laboratory in Tennessee, whose work is financed by NCI, notes that almost any substance will produce a cancer known as a sarcoma if implanted under the skin, so this means of administration is not as reliable as inhalation or oral dosage, which is generally regarded as the most reliable of all. And since rats are prone to develop breast tumors that never spread and can grow to be heavier than the rats themselves, the mere increase of such tumors may not be significant unless it is accompanied by the development of malignant growths that give rise to satellites.

Such are the complexities of the carcinogenesis business, however, that other noncancerous tumors are usually considered significant because, in the words of a World Health Organization technical report, "the induction of a benign tumor is often merely a stage in the subsequent occurrence of a malignancy."

THE CASE OF NITRITES

Testing also involves substances that cannot cause cancer by themselves, but do so readily when they meet another class of chemicals in the acid environment of the stomach or when subjected to heat. These are nitrates, found in some vegetables like spinach, beets and broccoli, and particularly nitrites.

The use of nitrites has been banned in Norway and Sweden. But in this country and others they are routinely added to bacon, smoked salmon, hot dogs, corned beef, sausage, processed chicken products and most luncheon meats. When the practice started in the 19th Century, contamination by the deadly botulism organisms was common and nitrites, whose dangers were then unknown, were employed as preservatives.

While industry argues that they are still needed for this purpose, the advent of refrigeration has all but eliminated the risk, and besides, cooking destroys the organism anyway. No one, for example, eats bacon raw. Thus, what many critics believe to be industry's real motivation is that nitrites enhance the natural color of meats and fish and so enhance their sales appeal.

Given heat or the mildly acid conditions of the normal stomach, nitrites (and nitrates converted to nitrites by careless exposure to bacteria after cooking) combine with nitrogenous molecules called amines to form compounds known as nitrosamines.

This is one case where large doses have not been necessary to get incriminating evidence. Nitrosamines produced naturally in the stomachs of rats, mice, hamsters, guinea pigs, dogs, rabbits and cats or fed to them after laboratory preparation regularly produce tumors of many kinds even when exposure levels are low.

In some cases, a single dose has been enough, and although rats given a nitrosamine toward the end of pregnancy remained well, their young later developed an assortment of malignancies in a variety of body sites.

While it is possible that the compounds play little or no role in human cancer, most scientists think otherwise because no species tested has been immune. The Food and Drug Administration has reported: "Nitrosamines have been described as one of the most formidable and versatile groups of carcinogens yet discovered and their role as environmental hazards in the etiobiology of human cancer has caused growing apprehension among experts."

There are several types of amines, and only those designated as "secondary or tertiary" participate in potentially dangerous reactions with nitrites. And not all of the nitrosamines formed by these reactions are necessarily carcinogens. This is probably small cause for comfort, because the vast majority of nitrosamines tested have proven to be carcinogens and because secondary and tertiary amines are nearly everywhere.

If you don't happen to get them by drinking tea, beer or wine or eating fish, meat or cereal, you may be exposed to those that are dissolved in the saliva and swallowed when you smoke. And if you avoid these foods and beverages and don't smoke, perhaps your diet includes vegetables treated with pesticides that leave amine residues behind.

Or maybe you have taken an anesthetic antibiotic, tranquilizer, diuretic, painkiller, muscle relaxant, stimulant or pill prescribed for diabetes, high blood pressure, arthritis or allergies. Oak Ridge's Dr. Lijinsky, who has been studying and testing nitrosamines since 1961, has prepared a list of more than a thousand such drugs containing the potentialy reactive types of amines.

"Almost all drugs," he says, "have ingredients that make them candidates for nitrosamine formation. That includes not only best-selling prescription medicines like Librium and Ritalin, but also over-the-counter remedies like Dristan and Contac antihistamines.

"Some of these may not react with nitrites in such a way as to be capable of inducing tumors, but you never know about any substance until you test it. My laboratory, for example, has been looking at Librium. So far only two of the animals [fed the tranquilizer and nitrites] have developed brain tumors. That's not significant; it could happen by chance, but if there are any more, we're going to worry about it. These things can surprise you."

Lijinsky cites Penar, an agent used to attack suckers (superfluous growths) on tobacco plants, as an example of just this sort of surprise.

"We expected it to be a very weak carcinogen when it reacted with nitrites, if indeed it was a carcinogen at all," he says. "Instead, it produced bladder tumors in all the rats exposed. And this bladder cancer is very similar to transitional cell carcinoma, the bladder cancer that's found in man and is a known risk for cigarette smokers. We have no idea what will happen in other species, but we're now repeating the experiment in hamsters to see what further we can learn."

LOOPHOLES AND DELAYS

The case of nitrites illuminates a loophole in the so-called Delaney amendment (named after its author, New York Democratic Rep. James J. Delaney) in the Food, Drug, and Cosmetic Act that supposedly outlaws the use of any food additive that is shown to cause cancer in animals. Since nitrites themselves do not cause cancer and the nitrosamines that do are not present in any food when purchased, the amendment would not apply, even if the Food and Drug Administration had not delegated most of its powers over nitrites to the Department of Agriculture.

Furthermore, the FDA is prone to delay and it is under constant pressure from special-interest groups that have little or no concern for consumer welfare.

The carcinogenic Red Dye No. 2 for example, has been shown in animal experiments to cause stillbirths, abortions and birth defects, even in small doses. Yet it is still found in lipsticks, vitamin pill coatings, processed foods and beverages because significant restrictions on it would, in the words of former FDA official Virgil O. Wodicka, "wipe out its use."

Nor are more aggressive public servants than Wodicka (who, incidentally, has returned to private life as a consultant to the food industry) necessarily successful in their efforts. In announcing the suspension of chlordane and heptachlor manufacture late in July because of mounting evidence that both pesticides are carcinogens that persist in the body and the environment for years, Russell Train, head of the Environmental Protection Agency, expressed dismay over a move by Reps. W. R. Poage (D-Tex.) and William R. Wampler (R-Va.) of the House Agriculture Committee to give the secretary of agriculture veto power over such actions.

Fear has been expressed that the National Center for Toxicological Research at Jefferson, Ark., which is operated by the FDA and is costing taxpayers about $13 million a year, is designed to become a tool of big business. What troubles carcinogenesis experts is that the so-called Pine Bluff laboratory is concentrating its attention primarily on giving low doses of chemicals to fairly large numbers of animals over long periods of time in the apparent hope of demonstrating that some minuscule level of a cancer-inducing substance has no effect and thus is safe.

A National Cancer Institute group led by Dr. Harold Stewart reported in 1973 that it "seriously questions whether the intended approach will provide data of practical value." While Dr. Frank J. Rauscher, director of NCI, has never made this stand official, many scientists concur.

In June, for example, Dr. Emmanuel Farber, director of the Fels Research Institute at Temple University Medical School, Philadalphia, wrote to two senators interested in toxic substances control legislation that "the early emphasis in the center on low level testing is, in my view, a misguided one" and that it would be better if the NCTR were "either under the aegis of the NCI or closely coordinated with . . . (its) activities."

PLANS FOR DES

The laboratory, in the words of FDA Commissioner Alexander M. Schmidt, is designed "to pinpoint the risks to mankind of specific chemicals suspected to be toxic."

Typical of what makes the philosophy controversial are the center's experimental plans for DES. DES, besides being an after-the-fact birth control pill and a growth stimulant for poultry and meat animals, is the known cause of some 250 cases to date of an ordinarily rare cancer of the vagina in the teen-age daughters of women who took the synthetic estrogen during pregnancy to prevent miscarriage.

Particularly disturbing to observers is that the Pine Bluff laboratory is embarking on studies attempting to show that there may be some level at which DES and other such livestock growth stimulants have no hormonal activity, on the theory that it may then be possible to equate this level with a lack of cancer risk. In fact, the strategy is scientifically dubious because detecting an absence of hormonal activity is generally even more difficult than establishing carcinogenicity.

"It sounds very dangerous to us," says Anita Johnson, the lawyer for the Nader Health Research Group who keeps up with what happens at Pine Bluff. "Instead of working hard to get known carcinogens out of the food and drug supply, FDA is choosing to spend its time and money looking for the famous 'no-effect' dose—a dose which cancer scientists say probably does not exist and that if it does exist in one study will tell us nothing about the ordinary conditions that prevail in most of our lives."

Consumer advocates are not alone in such concerns. Providing a case in point is reaction to a paper delivered recently by the Pine Bluff center's director, Dr. Morris F. Cranmer, about benzidene, a chemical associated with a high cancer rate among workers in several industries.

"Benzidene is an interesting choice for Dr. Cranmer's research," AFL–CIO Secretary-Treasurer Jacob Clayman wrote in April in response to a request for information from Sen. Philip A. Hart (D-Mich.). "Substitutes exist for most users of this highly carcinogenic chemical and its manufacture and use, if necessary, are totally controllable. Why, then, should any agency want to set a standard permitting *any* [Clayman's emphasis] level of risk? Any firm wishing to justify its use should bear the burden of determining the risks at its own expense. To do otherwise is to subsidize and favor the industry."

Cranmer's response to this is that benzidene is indeed "one of the few proven human carcinogens," but that this doesn't negate the importance of finding out at what level of exposure the risk occurs.

"It's very important" to know this, he says, "both because benzidene continues to be made here and in other countries and because you can never get it all out. . . . So the purpose of our experimentation is to try to understand better the relationship between exposure and risk and not at all to try to say what is a safe level because that's a social decision—to be made by Congress and not by scientists."

This is, it seems, a society where the principle of innocence until guilt is proven applies at least as strongly to chemicals as to people. The danger is that a lot of hazardous substances could get off scot-free.

Mr. BAYH. Mr. President, I urge my colleagues to vote to accept the Labor-HEW appropriations bill as it has been reported by the committee. I would like to take this opportunity to express my gratitude and admiration for the outstanding work which the chairman of the Labor-HEW subcommittee and the chairman of the full committee, have done on this bill. I also wish to express my thanks to the committee staffs, who worked long and hard on the bill.

Mr. President, this is an excellent bill all around. But I will address myself principally to the health appropriations contained in this bill, as this is an area of longstanding interest to me.

In deliberating on this bill—an appropriations bill—we will be thinking and talking in terms of dollars and cents. Let us not lose sight of the fact that these dollars and cents translate into human lives. And I know of no way that a human life, that pain and suffering to the victims of illness, and to their families, can be assigned a monetary value.

Thus, while I believe that each and every penny provided for in this bill for vital health needs can be justiled as a rational economic expenditure, I also believe that the overriding justification is that these expenditures will save lives and reduce suffering.

The administration has repeatedly accused this Congress of overspending. I certainly do not dispute that this country has recently experienced its worst inflation in a quarter century, and that the inflation problem is aggravated by recessionary pressures.

But I do question the administration's economic strategy of minimal budget requests, and actual and threatened vetoes of some of the most cost-effective and productivity-enhancing programs that we have.

I am talking about health programs. To illustrate my point, let me briefly present some pertinent facts about just one of these programs—the cancer program.

It has been estimated that this dread disease—totally apart from human suffering and loss of life—costs this country $50 billion per year in medical expenses and lost productivity. This is an incredible figure. But the facts are there.

In 1973, there were at least 140,000 deaths due to cancer. The number of work years lost due to those deaths multiplied by the median personal income for that year indicates lost productivity of $17.9 billion per year due to deaths. And this figure does not include lost productivity due to cancer which does not result in death during that year.

Government expenditures under medicare and medicaid for hospital bed costs are running at about $900 million annually—and this figure does not include physicians' fees or laboratory usage. Nongovernmental expenditures for hospital bed costs—excluding, again, physicians' and laboratory services, and drugs—are at least $1 billion per year.

Finally, based on what we know of the ratio between hospital bed costs and other medical expenses, such as insurance and out-of-pocket medical, the Nation's annual cancer bill comes to a grand total of some $50 billion.

I am confident, then, in asserting that every dollar appropriated for research and development by the National Cancer Institute is a dollar which will be returned to the economy many times over in terms of increased productivity. I am confident that the cancer program will continue to relieve the weight of human suffering and will release pressure on our overburdened medical facilities for treatment of other diseases, as well as releasing the financial pressure on hard-pressed consumers.

I make these assertions based on the results which the Cancer Institute has already obtained in improved survival rates in experimental programs.

Many examples can be offered of the success of these programs. I will give only one. The historical 2-year survival rate for cancer of the bone is 20 to 25 percent. At the Sidney Farber Cancer Center, a 95 percent two-year survival rate and 75 percent disease-free survival has been obtained. Another NCI experimental treatment program has obtained a 2-year survival rate of 75 percent, with 50 percent of the patients disease-free with other drugs.

These are figures of hope, although much remains to be done before this disease is conquered.

These are hard, cold facts and figures about dollars spent and survival rates.

The story can be repeated: in terms of communicable diseases and preventive medicine; in terms of cardiovascular diseases; in terms of alcoholism, drug addiction, mental disorders; in terms of eye afflictions, diabetes and problems of the elderly.

In addition to these fine research programs, I wholeheartedly support the increases which the committee has made in funding for various health services programs. Programs such as maternal and child health services, which provides assistance to low-income mothers and children in obtaining comprehensive health care have demonstrated their effectiveness. This particular program, for example, has significantly reduced infant mortality rates and reduced hospitalization for children by providing preventive health services.

These programs are the other side of the research coin: the application of techniques and cures which have been developed and improved in the laboratory.

In this connection, a very outstanding example of how improved medical knowledge is practically applied through preventive treatment and education, is worthy of note.

More than a million Americans died from major cardiovascular diseases in 1973—more deaths than from all other diseases combined.

The Institute has already saved thousands of lives. Its research and educational program has made substantial inroads on diseases which cost this country about $20 billion annually.

A report from the National Office of Vital Statistics estimates that deaths due to strokes declined by 5 percent from 1973 to 1974; a tribute to the medical and public information campaign about high blood pressure mounted by the Heart and Lung Institute.

Yet the administration actually proposed to reduce funding for the Institute by more than $30 million. Priorities aside, this does not even make economic sense, in view of the tremendous returns in productivity and reduce medical expenses—which the public receives from HLI funding.

The committee bill seeks to fund at a realistic level programs such as HLI; programs which—in light of the best available information—will meaningfully impact on the health and welfare of the American public.

The appropriation of adequate sums in support of these programs makes sense in terms of human values, makes sense in terms of economic values, and makes sense in term of priorities.

I believe that this Congress is committed to achieving progress in coping with diseases which kill and disable millions of Americans.

I do not believe that this Congress finds it acceptable that the administration has recommended budgets for various health programs which represent a cutback—either in absolute dollars, or in real dollars which have been devalued by inflation—in vital and successful health programs.

I do not think that Congress is prepared to renege on its commitment to the American public to further basic medical research, and to provide quality health services, or that Congress is prepared to let the progress that has been made in so many areas of research slip through our grasp.

I hope that my colleagues will join with me in support of the Labor-HEW appropriations bill.

Mr. PERCY. Mr. President, I would also like to add my support to the committee's action concerning the nutrition program for the elderly. I am particularly pleased that the committee has seen fit in both the bill and report language to direct the Department of Health, Education, and Welfare to spend $200 million during fiscal year 1976 on the program. The Department is required to spend the program's fiscal year 1975 carryover funds in addition to its fiscal year 1976 appropriations. It should be noted that there has been no increase in the program's appropriations level from fiscal year 1975.

The success of the nutrition program for the elderly has been demonstrated time and again. In Illinois, over 10,000 senior citizens participate in this program each day. Estimates, however, show that 30,000 could benefit from the program if additional funds were available. I am personally troubled that senior citizens are being turned away from nutritious meals programs because funds, although available, have not been spent. The committee's action concerning this program, if approved today, will enable programs across the country to serve daily hot nutritious meals to many more senior citizens now on waiting lists.

I hope that the intent of Congress will be carried out. I urge the Department of HEW to adjust the rate of expenditure for this program in a manner to assure that the full $200 million is spent in this fiscal year, as the Appropriations Committee has directed. If necessary, funds should be reallocated among the States so that the mandated $200 million is spent. I also urge the Department to give detailed administrative guidance to the States on the obligations and expenditure procedures for these funds.

If the Department of HEW and the States follow congressional intent and direction, the Nutrition Program for the Elderly will be able to expand its special feeding projects throughout the country to serve senior citizens who are finding it increasingly difficult to buy and prepare those foods which are essential to their nutritional needs. The proper administration of this program will mean a great deal to older Americans everywhere in this country.

S. 2369—FOOD STAMP REFORM

Mr. CHILES. Mr. President, I introduce today, with the Senator from Georgia (Mr. NUNN), the Senator from Ohio (Mr. GLENN), the Senator from Louisiana (Mr. JOHNSTON), and the Senator from Florida (Mr. STONE), a bill to amend the Food Stamp Act.

I think that many of us have been realizing for a long time the need to reform the food stamp program. When we started that program, the purpose and intent of it was to provide nutritious meals for needy people, for those who could not take care of themselves and help themselves.

Now we look at the program and see that it has become not just that, but a massive income transfer program. Studies done for the U.S. Department of Agriculture show that over 25 percent of the people of this country, under the present rules and regulations, could qualify for food stamps, meaning that 1 out of every 4 Americans could be on the food stamp program; and if we just look at the numbers, we see it is working toward that direction.

I find nothing in my State that I hear more about from the people than their utter contempt for the way the program is now operated.

Those same people all agree with me that we ought to feed and this country can feed the people in this country who cannot help themselves, the halt, the crippled, the lame, the aged, the disadvantaged, and the motherless children; but the idea that people are getting this program who can do for themselves is, I think, the thing that is distressing many people in my State and many people across the country. They are beginning to wonder what the government is about, when we have programs like this which they are paying for, and they see the tremendous cost, and then read the studies that are done, which show that even under the present rules and regulations, over 650,000 recipients would not be qualified, under the GAO studies are ineligible to meet the requirements, but, because of the paperwork and the way it is now done, we see all kinds of errors and omissions.

The bill I am introducing today would provide that there would be a simple form, the U.S. Department of Agriculture would set up a simple form which all the States would follow, and we would have a standardized deduction, under the itemized deductions we now have, where we find all kinds of things that can be deducted before you get to the minimum level, such things as Federal, State, and local taxes, social security taxes, and mandatory union dues—all those things are taken out before they start figuring. Also, 10 percent of the gross income earned up to $30 a month, medical expenses if they are more than $10 a month, and child care.

Mr. President, if parents put their kids in private school, they can deduct that before they figure what their gross income is for your food stamps. Also included are educational expenses, including tuition, mandatory fees, but not books, living expenses, or other education-related costs. The court-ordered alimony and child support, unusual expenses due to disaster or casualty losses, shelter expenses, all of those, and others, are itemized deductions that one can now take, and that is what is allowing people, some of whom have earnings up to $15,000 a year, to be able to qualify for this program.

Mr. President, the need to reform the Food Stamp program is a pressing one.

When conceived and organized, the original intent of the Food Stamp program was to help provide nutritional meals for low income families. However, somewhere along the line, the intent and the results have been distorted.

I heard from the people of Florida during three seminars held last year and their concerns are echoed throughout the Nation.

I listened to their ideas and their apprehensions about keeping the program exclusively for the low income families.

My Government Operations Subcommittee on Federal Spending Practices, Efficiency and Open Government held several days of hearings regarding the efficiency of the Food Stamp program.

We heard much testimony detailing possible action that could be taken immediately to help correct some of the deplorable situations that now exist in the program.

Mr. President, I am today introducing a bill which will be a needed first step toward reforming this necessary but badly misdirected program.

People who are administrators and workers in the program are the first to see the need for decisive rational reform. The subcommittee heard from administrators, and we included many of their suggestions in the proposed legislation.

From the letters that I have received, there are very few people who feel that the program should be utterly scrapped. Most feel that drastic reforms should be undertaken by Congress to get the program back on its proper course.

A proper course is one which aids those low income persons who cannot provide a balanced nutritious meal for themselves.

A proper course is one which limits the eligibility to those persons clearly in need and not make provisions for an income transfer program.

A proper course is one which is simple, direct and manageable.

We are not on a proper course when there is growth precipitated largely by an open-ended eligibility system that currently makes one out of every four Americans eligible for food stamps.

The reason for this widespread eligibility is no mystery. One need only consider the several categories of deductions available to applicants using an extensive itemized system.

First. Federal, State and local taxes, social security payroll taxes, and mandatory union dues;

Second. Ten percent of gross earned income up to $30 dollars per month;

Third. Medical expenses, if they are more than $10 a month;

Fourth. Child care, or care for an incapacitated adult, when such care is necessary for a household member to work;

Fifth. Educational expenses, including tuition and mandatory fees, but not books, living expenses, or other education-related costs;

Sixth. Court-ordered alimony and child support;

Seventh. Unusual expenses due to disaster or casualty losses;

Eighth. Shelter expenses (mortgage payments, rent and utilities) above 30 percent of income after all other deductions have been taken.

If enacted, this legislation will:

Significantly curtail the eligibility of persons in the higher income bracket by imposing a $120 dollar-a-month standard deduction. Approximately 650,000 households will be eliminated from the current rolls but—perhaps even more important—millions will be eliminated from the ranks of those currently eligible.

I want to emphasize, Mr. President, that those persons thus eliminated are not individuals or households which are poverty-ridden. These are not individuals or households which fall within the original intent of the Food Stamp Act.

There is little doubt that some rational manner must be employed to efficiently distinguish between those who use food stamps for convenience and those who use the stamps for necessity.

Further, the national income formula provides for regional modifications to meet realistic needs of urban and rural residents and would be adjusted semiannually to reflect cost-of-living changes.

Reduce administrative paperwork and computation which should sharply reduce and insure better quality control.

The General Accounting Office testified before my subcommittee that thousands of households on the program had not met eligibility requirements. Plainly, the cumbersome administrative computation defeats the purpose that real quality control should enhance.

Immediately save from $250 to $350 million dollars for fiscal year 1976. Based on the simplified system that the national income formula utilizes, this could be a very conservative estimate. But, again, the limitations on eligibility would be paramount.

Increase outreach for needy recipients as funds for administration, which will exceed $150 million for fiscal year 1975, will be made available because of the new, simplified system. The number of the desperately poor who do not participate in the program has been firmly documented by other congressional committees.

There is little doubt that many of the deserving poor have been systematically excluded from the program either because they are unaware of the program or because the bureaucratic redtape is too extensive. In either case, the legislation provides for an easier system for both the client and the caseworker.

Provide a better estimate of charges for stamp allotments.

Provide a special benefit for the aged, the millions of poor elderly people who are hardest hit by inflation.

Finally, Mr. President, Congress has a responsibility to reform a program that is federally funded and has nationwide impact. The congressional responsibility extends to seeing that the legitimately needy have nutritional assistance and that the public which supports the program have renewed faith in the virtues of the food stamp program for the poor.

The well-intentioned objectives of this program can be made to work, but only if the Congress moves with determination to redirect the program in a positive manner.

That positive manner will once again begin to restore the American taxpayer's belief that Congress can and will control Government spending and bring Government spending back in line with program objectives.

I believe, Mr. President, that the American people will support a vigorous food stamp program that fulfills congressional intent.

I thoroughly welcome the support of four other Members of this body who played instrumental parts in the hearings and who have provided valuable input on this legislation.

The distinguished Senator from Georgia (Mr. NUNN), the distinguished Senator from Ohio (Mr. GLENN), the distinguished Senator from Louisiana (Mr. JOHNSTON), and the Senator from Florida (Mr. STONE) have joined in cosponsorship of this reform legislation.

I ask unanimous consent that a detailed explanation of the bill be printed in the RECORD together with a chart showing the causes of the national income formula and the results of a recently released quality control report concerning the high degree of errors still found in the program.

This legislation would again, eliminate the errors that are found in this program.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS

SECTION 1

(a) This section of the bill amends Section 5(b) of the Food Stamp Act, which defines national eligibility standards for participation.

It establishes a standard nationwide formula for eligibility based on the net income and assets of households. In computing net income and assets the Agriculture Secretary will set a standard deduction of $120 a month plus $60 for each additional member of a household 60 years of age or older.

The standard deduction would eliminate much of the administrative time and expenses involved in calculating the present system of itemizing separate deductions. This will provide for better program efficiency and improved targeting of those most in need.

Formula modifications will be allowed on a regional basis to reflect cost of living variations in different areas of the United States.

(b) Both USDA and HEW have a certain degree of overlap on aspects of the food stamp program that could be corrected through better program coordination between the two agencies.

To accomplish this the bill further amends Section 5 of the Act by adding a new subsection that requires:

1) USDA and HEW develop a single eligibility certification form;

2) USDA and HEW shall carry out a joint outreach program to inform SSI and AFDC recipients; and

3) USDA and HEW shall develop and submit to Congress a proposal for a cooperative nutritional status monitoring system.

These changes effect the program to 1) simplify applicant's certification and reduce governmental morass; 2) insure a large number of eligible persons, presently excluded, are admitted to the program; and 3) implement the nutritional aspects of the program which were lost to income transfer aspects.

SECTION 2

Section 2 would amend the Food Stamp Act by adding four new sections that would improve aspects of the program's quality control, administrative efficiency, and evaluation.

Section 18—Experimental projects

This new section allows the Secretary to initiate and conduct experimental programs on a regional or statewide basis. Present statutory authority does not allow research and evaluation of any nature unless carried out on a nationwide level.

Section 19—Quality control and administrative efficiency

Section 19 requires USDA to formulate goals for the States to achieve in making a maximum effort to minimize eligibility errors. States would be required to reach specific error tolerance levels for specific goals at periods of 1 year, 2 years, and 5 years. The establishment of goals will be subject to periodic review.

Each State will submit a quality control plan to the Secretary for his approval describing their actions in meeting the nationwide error tolerance goals. If any State fails to meet the prescribed error tolerance goals within the time period, the Secretary may withhold 10 percent of the Federal funds made available to the States for administrative expenses.

Simplified procedures implied by the standard deduction should eliminate most of the certification errors.

The State's quality control program will also insure that all certification workers be adequately trained in conducting their duties under provisions of the Act.

Section 20—Annual evaluation plan

Section 20 requires the Secretary to submit to Congress an annual evaluation plan describing the Department's major objectives, achievements, and difficulties in implementing the food stamp program.

The evaluations will include progress reports on the recipients nutritional levels, the program's fairness in distributing benefits to individuals and regions, and the success of outreach programs.

Section 21—Annual report to Congress

Finally, this section requires that the Secretary submit to Congress a yearly report incorporating the Department's summary of program activities. Additional aspects covered by the report should include recommendations for legislative or administrative action deemed necessary to meet program objectives.

NATIONAL INCOME FORMULA ESTABLISHING MAXIMUM PARTICIPATION LEVELS FOR THE FEDERAL FOOD STAMP PROGRAM

Family size	Annual maximum income with $120 monthly deductions	Elderly deductions
1	3,948	4,228
2	4,908	5,388
3	6,468	6,948
4	7,908	8,388
5	9,028	9,468
6	9,828	10,548
7	11,148	11,908
8	12,240	12,960

QUALITY CONTROL IN THE FOOD STAMP PROGRAM: NONPUBLIC-ASSISTANCE HOUSEHOLDS, JULY–DECEMBER 1974

SUMMARY

1. Participation in the Food Stamp Program, and the value of bonus coupons during the period covered by this report were (preliminary estimates) as follows:

Month and year	Total participation (persons)	Nonpublic assistance	Value of bonus stamps
July 1974	13,955,948	6,457,499	$289,851,295
August 1974	14,322,545	6,748,348	296,404,210
September 1974	14,522,040	6,871,814	299,302,097
October 1974	15,233,226	7,403,978	315,136,830
November 1974	15,930,631	7,978,286	333,871,733
December 1974	17,254,117	9,145,480	364,171,659

2. A Quality Control Program has been implemented in the nonpublic-assistance segment of the total Food Stamp Program to ensure that households receiving food stamps are legally eligible to receive them, are receiving the correct allotment, and are charged the correct purchase amount. This is carried out by reviewing a randomly selected sample of households in each State for each six-month period. This report presents the sample findings for July–December 1974.

3. Of the 29,674 sample households reviewed, 17.3 percent were found to be ineligible for participation in the Food Stamp Program compared to 21.6 percent a year earlier.

Twenty-six percent of the sample households were eligible for food stamps but had either been issued too many or charged too little, i.e., "overissued." On the other hand, 10.7 percent had either been charged too much or had not received the full stamp allotment to which they were entitled, i.e., "underissued."

4. Some of the errors inadvertently made in issuing food stamps involve only small dollar amounts. In terms of bonus dollars issued to the sample cases, 17.5 percent was made to ineligible households, 8.4 percent overissued to eligible households, and 2.6 percent underissued to eligible households.

5. The complexity of the Food Stamp Program gives rise to a wide variety in the kinds of errors which can occur. For the sample cases where errors were found, 43 percent resulted from miscalculated or incomplete income data, and another 29 percent from incorrect information on deductions (medical expenses 12.8 percent, shelter costs 12.0 percent, other deductions 4.0 percent). Financial resources and household composition accounted for 9 percent of the errors; residency and cooking facilities for less than 1 percent.

Lack of work registration accounted for 9 percent of the error cases although the households were otherwise eligible to receive food stamps. If these errors had not occurred, the ineligible error rate would have been 12.5 percent instead of its actual level of 17.3 percent.

Progress has been made in reducing work registration errors. They comprised 9 percent of the errors found in this sample for the last half of 1974 compared to 11 percent in the sample for January through June 1974.

6. Errors in food stamp issuance may occur by mistakes of the issuing agency in interpreting policy, failing to take some appropriate action, or simple errors in arithmetic. They will also occur if the recipient supplies incorrect or incomplete information, or fails to notify the agency of changes in his circumstances which would affect his stamp allotment or purchase requirement. Of the sample cases with errors, 45.5 percent were attributed to the issuing agency, 54.5 percent to the recipient.

7. A "negative action" is one which denies food stamps to an applicant or terminates participation of a household already in the program. For every household denied or terminated, approximately 19 households are authorized to participate.

Among the 19,449 sample negative actions reviewed as part of the quality control system, 7.3 percent were denied or terminated incorrectly. Corrective action aimed at reducing this rate is another safeguard for ensuring that the Food Stamp Program reaches all eligible families in need of food assistance.

BACKGROUND

The Food Stamp Quality Control Program is administered by the U.S. Department of Agriculture and carried out by the States in accordance with uniform national policies and procedures. A random sample of nonpublic-assistance households is selected in each State and all elements of eligibility are verified to establish that those who are receiving food stamps are legally eligible to receive them, are receiving the correct allotment, and are charged the correct purchase amount. A sample of households denied food stamps is also reviewed to verify that the reasons for denial were proper and valid.

The Food Stamp Quality Control Program is presently carried out only for nonpublic-assistance households, but plans are being developed to extend the coverage to all households receiving food stamps. The nonpublic-assistance segment of the program has increased from 34 percent of all food stamp households in July 1973 to 55 percent in December 1974.

The quality control sample of cases described in the following sections of this report consists of 29,674 non-assistance households which purchased food stamps from July through December 1974 in 50 States and the District of Columbia. The average household consists of between three and four persons; the average monthly caseload from which the sample cases were selected consisted of 2,366,000 households.

This quality control sample provides a management tool for both the States and the national office to identify problem areas and to distinguish between those shared by all Regions and those arising out of special situations. With this information, sound planning can be made for corrective action to reduce errors. A reduction in errors holds down program costs, at the same time it ensures that families in need of food assistance receive full benefits of the program.

The data presented here must, however, be interpreted carefully. The complex, changing nature of the Food Stamp Program raises many administrative and sampling problems which have not yet been fully resolved. Furthermore, all States did not enter the program at the same time and various start-up and staffing problems have impeded full implementation of quality control. As a result, the sample data reported are not equally valid for all States and Regions and differences must be evaluated accordingly.

CASELOADS

State monthly non-assistance caseload averaged 46,393 households, and ranged from 1,660 households in Wyoming to 236,362 households in Texas.

Table 1, on page 9, shows the regional distribution of caseloads, ranging from a monthly average of 285,000 households in the West to 690,000 households in the Southeast. There are eight States in each of these two Regions but the West contributes 12 percent of the national caseload, the Southeast 29 percent.

ERROR RATES—NUMBER OF CASES

The quality control review process focuses on identifying the kinds and sources of errors made in determining a household's eligibility for the Food Stamp Program, whether it receives the correct allotment of stamps, and whether it pays the correct amount for them. With this information available, corrective and preventive action can be taken where it is most needed to improve the overall level of program administration.

Of the 29,674 sample cases reviewed, 17.3 percent were found to be ineligible, continuing the downward trend from 21.6 percent a year earlier and 18.2 percent during the first half of 1974.

The West-Central Region had the lowest eligibility error rate, 11.4 percent compared to the national average of 17.3 percent; the Midwest Region had the highest eligibility error rate, 22.4 percent. Corresponding rates are shown in Table 1 for each administrative Region and in Table 2 for each State.

Sample households which were eligible for the program but in which errors of overissuance were found (i.e., too many stamps allotted or too small purchase charges), made up 26.0 percent of the cases reviewed, the same proportion as a year ago. On the other hand, in 10.7 percent of the sample cases the recipients were either overcharged for the stamps issued or the allotments of coupons were less than those to which they were entitled. These latter kinds of error, resulting in losses to the recipients, declined from 12.1 percent a year earlier.

ERROR RATES—BONUS DOLLARS

Some of the errors made in issuing food stamps involve only small dollar amounts. For stamps issued to ineligible households, the dollar error is the total value of the bonus stamps issued to those households, but errors in the allotment or purchase requirement for eligible households may amount to only a few dollars.

The monthly bonus dollars issued to all households in the sample amounted to $1,905,285. Bonus dollars issued to ineligible households accounted for 17.5 percent of this amount. That number is approximately the same as the proportion of sample cases found to be ineligible, 17.3 percent.

However, 8.4 percent of the bonus dollars issued were overissued in error to eligible households (undercharges and overallotments) compared to 26.0 percent of the sample cases found to contain this type of error. Similarly, underissued bonus dollars are 2.6 percent of all bonus dollars issued compared to the corresponding proportion of sample cases reviewed, 10.7 percent.

ZERO-PURCHASE CASES

A "zero-purchase" household is one to which food stamps are issued at no cost to the recipient. Such households have little or no reported income or high deductible expenses. These factors, in relation to the number of persons in the households, place them in the lowest financial bracket. Households which are apparently eligible at zero-purchase level and are in immediate need of food assistance may be certified for up to one month pending future verification. Concern over potentially high error rates among these households is partially borne out by findings in the quality control sample. The proportion of zero-purchase households found to be ineligible for food stamps is 20.1 percent compared to the corresponding overall rate of 17.3 percent. In terms of bonus dollars, the eligibility error rate is 17.5 percent—the same for zero-purchase households as for all households.

However, these relations are not uniform in all parts of the country, as Table 1 shows. The Northeast and Southeast Regions have lower eligibility error rates among zero-purchase households than among other households. In the Northeast Region the zero-purchase error rate is 12.3 percent compared to the overall rate of 18.1 percent; and, in terms of bonus dollars, the corresponding rates are 10.4 percent and 17.3 percent.

SOURCES OF ERROR

Responsibility for case errors is seldom a clear-cut decision. The agency issuing food stamps may apply the established policies incorrectly, fail to take appropriate action, or make arithmetic and other miscellaneous mistakes. Recipients may supply incorrect or incomplete information on which the amount and cost of stamps is based, or they may fail to notify the agency of changes in their circumstances which would alter their stamp allotment or payments (e.g., changes in income, and/or shelter costs). If a combination of factors contributes to an error and the major responsibility is doubtful, the error is assigned arbitrarily to the issuing agency rather than to the recipient.

Nevertheless, Table 1 shows that more than half, 54.5 percent, of the error cases in the quality control sample were attributed to recipients, about evenly divided between their reporting incorrect or incomplete information and not reporting changed circumstances which would affect their eligibility or purchase requirement. Among errors attributed to the issuing agency, the primary cause was failure to take some action required by the program rules and regulations.

Errors caused by recipients are usually unintentional, arising from carelessness or lack of knowledge concerning the program.

TYPES OF ERROR

Table 1 lists some of the major elements which contributed to errors in the quality control sample. Calculation of income accounted for 43.3 percent of the errors, and deductions (primarily medical expenses and shelter costs) another 28.8 percent. Financial resources and household composition made up 9 percent of the errors; residency and cooking facilities less than 1 percent. The remaining errors resulted from failure to comply with the work registration requirements, procedural errors such as unsigned applications, etc., and arithmetic mistakes.

Many of the errors in this last group could be eliminated by additional staff training. For example, in this sample of cases, if no work registration errors had occurred, the ineligible error rate would have been 12.5 percent instead of its actual level of 17.3 percent. Progress has been made in this direction as evidenced by a decreasing proportion of work registration errors. In this sample they comprised 9 percent of all errors, compared to 11 percent in the previous sample for January through June 1974.

TIME OF ERRORS

Quality control reviews that accuracy and status of cases as of the month from which the sample cases are selected. Since households are certified for food stamps for varying periods of time up to a year, errors can occur not only at the time of certification but at any time thereafter. In addition to information concerning the sources and kinds of errors being made, the time when they occur is also relevant in giving direction and emphasis to those areas where corrective action will prove most effective.

Although data are not available on the time lapse between certification and review for all sample cases, reports by 21 States indicate that 57 percent of their errors occurred at the time the households were certified. Again, additional staff training is strongly suggested—in this instance, of certification workers at the local agency level.

NEGATIVE ACTIONS

A "negative action" is one which denies food stamps to an applicant or terminates participation of a household already in the program. Households which do not apply for further participation after their current certification has expired are not considered to be "negative actions."

For every household denied or terminated from participation in the program, approximately 19 are authorized to receive food stamps. State monthly negative actions during July through December 1974 averaged 2,463 cases, compared to an active or participating caseload of 46,393. Nationwide the monthly number of negative actions averaged 123,159 cases.

Review of negative actions for quality control purposes consists of determining whether the reasons for denial or termination are correct: it does not indicate that all households in this category are ineligible for food stamps. For example, an applicant who has insufficient information on hand and is requested to return with additional records frequently fails to do so and, after a reasonable time, his application is closed.

Table 3, on page 14, shows that among the 19,449 sample negative actions reviewed, 7.3 percent were in error. Corrective action aimed at reducing this rate is another safeguard for ensuring that the Food Stamp Act is effectively implemented in reaching all families who request and are in need of food assistance.

TABLE 1.—CASE CHARACTERISTICS BY ADMINISTRATIVE REGION

Characteristic	Total	Northeast	Southeast	Midwest	West Central	Western
Number of States (including District of Columbia)	51	14	8	10	11	8
Average monthly caseload:						
Number of households (thousands)	2,366	415	690	447	529	285
Percent	100.0	17.5	29.2	18.9	22.4	12.0
Number of cases reviewed: Total	29,674	6,588	7,607	6,301	5,762	3,416
Percent with errors:[1]						
Ineligible	17.3	18.1	18.5	22.4	11.4	13.3
Eligible-overissue	26.0	29.8	28.8	22.6	24.9	20.1
Eligible-underissue	10.7	13.8	13.6	8.4	7.4	7.8
Bonus dollars issued to reviewed cases (monthly):						
Total	$1,905,285	$380,391	$561,048	$344,002	$378,779	$241,065
Percent in error:[2]						
Ineligible	17.5	17.3	19.2	22.3	13.9	13.1
Eligible-overissue	8.4	10.0	8.6	8.2	7.9	6.4
Eligible-underissue	2.6	3.4	3.1	2.3	1.6	2.0
Reviewed cases having zero-purchase costs:						
Number	2,513	382	540	403	485	703
Percent of cases ineligible	20.1	12.3	16.5	33.3	19.4	20.1
Bonus dollars issued (monthly)	$277,778	$41,915	$63,011	$55,101	$52,991	$64,760
Percent of dollars ineligible	17.5	10.4	16.7	24.1	20.8	14.4
Percent distribution of error cases by source of error:[3]						
Agency	45.5	36.5	44.0	59.2	39.5	54.7
Recipient	54.5	63.5	56.0	40.8	60.5	45.3
Total	100.0	100.0	100.0	100.0	100.0	100.0
Agency errors:						
Policy incorrectly applied	15.0	9.4	16.6	22.2	13.3	11.5
Failure to take indicated action	21.9	20.2	20.2	26.4	17.7	29.4
Arithmetic/transcription	4.7	4.6	2.6	5.4	4.9	10.6
Other	3.9	2.3	4.6	5.2	3.6	3.2
Recipient errors:						
Information incorrect or incomplete	28.3	26.6	28.0	21.9	40.5	27.7
Change in circumstances not reported	26.2	36.9	28.0	18.9	20.0	17.6
Percent distribution of error cases by type of error:[3]						
Income:						
Earnings	19.6	20.1	21.9	15.4	19.1	21.5
Social security/pensions	17.6	22.5	13.7	19.5	16.7	13.7
Other income	6.1	7.1	5.0	4.6	7.2	8.8
Deductions:						
Medical expenses	12.8	10.6	14.8	8.8	20.4	8.8
Shelter costs	12.0	15.7	12.2	10.5	7.2	12.2
Other deductions	4.0	4.2	2.8	3.8	4.2	7.2
Resources	4.2	6.7	2.5	4.1	3.8	3.7
Household composition	4.8	4.8	5.2	5.4	4.3	3.3
Residence/cooking facilities	.7	.7	.6	.7	1.0	.7
Work registration	9.0	4.4	12.3	10.0	8.7	9.1
Arithmetic/procedural	9.2	3.2	9.0	17.2	7.4	11.0
Total	100.0	100.0	100.0	100.0	100.0	100.0
Percent distribution of error cases by time error occurred:[4]						
At certification	57.0	47.8	47.3	71.5	75.9	79.7
Less than 30 days later	12.8	8.8	18.3	11.0	6.2	5.5
30 days but less than 3 mo later	14.6	15.7	18.2	8.8	9.3	6.9
3 mo but less than 6 mo later	9.4	10.9	11.8	5.1	5.8	3.2
6 mo or more later	6.2	16.8	4.4	3.6	2.8	4.7
Total	100.0	100.0	100.0	100.0	100.0	100.0

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[1] Ineligible errors do not necessarily reflect households which are not in need of food stamp assistance. The errors include work registration and procedural errors where the households were otherwise eligible. For example, if errors due to the absence of work registration are excluded, the ineligible error rate becomes 12.5 percent compared to 17.3 percent when they are included. Overissue errors represent an overallotment of stamps or an undercharge for their purchase cost. Underissue errors represent an underallotment of stamps or an overcharge for their purchase cost.

[2] Bonus dollars underissued are not available for all States as indicated in table 2. Percents are based on reported data.

[3] Based on 15,699 cases for which data are available.

[4] Based on 5,631 cases of which data are available.

TABLE 2.—ERROR RATES BY STATE

State	Percent of cases reviewed			Percent of bonus dollars issued to reviewed cases		
	Ineligible	Eligible		Ineligible	Eligible	
		Overissue	Underissue		Overissue	Underissue
Total	17.3	26.0	10.7	17.5	8.4	2.6
Alabama	15.3	32.9	13.8	16.6	8.7	(1)
Alaska	17.6	21.6	9.8	13.0	4.5	2.8
Arizona	12.6	23.0	7.0	12.7	6.2	.8
Arkansas	10.4	29.1	8.1	13.4	8.6	1.4
California	17.1	21.1	11.6	14.1	6.7	3.3
Colorado	22.3	29.0	5.7	21.5	8.3	1.5
Connecticut	24.0	36.1	15.3	25.0	12.5	(1)
Delaware	22.2	37.8	14.4	28.8	17.7	2.6
District of Columbia	17.9	47.7	8.4	20.5	13.0	2.5
Florida	25.6	27.3	15.7	24.6	7.3	2.7
Georgia	31.3	23.6	13.1	33.5	7.9	3.8
Hawaii	9.5	34.3	9.5	8.3	11.5	6.1
Idaho	2.3	23.3	8.5	1.7	6.7	1.2
Illinois	51.5	12.9	5.0	43.8	4.7	(1)
Indiana	9.4	19.7	7.6	8.6	6.3	(1)
Iowa	14.8	26.6	11.5	19.2	7.7	(1)
Kansas	14.6	22.3	5.1	16.6	9.7	1.1
Kentucky	15.4	25.5	10.3	16.0	8.0	(1)
Louisiana	11.4	31.5	8.5	14.5	8.8	1.3
Maine	9.1	22.9	10.4	6.3	8.5	.3
Maryland	24.2	32.9	12.8	25.4	10.9	3.1
Massachusetts	50.0	30.4	13.0	41.0	16.0	4.2
Michigan	20.4	18.1	7.5	22.4	7.2	1.5
Minnesota	28.6	29.0	12.5	29.1	9.1	3.2
Mississippi	9.2	25.9	13.1	10.5	6.9	1.9
Missouri	12.3	26.0	7.7	17.4	11.5	2.5
Montana	35.1	22.8	4.1	41.5	6.0	.9
Nebraska	10.0	21.1	8.3	16.2	6.4	2.3
Nevada	8.8	25.0	3.8	10.2	6.2	.9
New Hampshire	17.8	39.7	17.8	21.4	13.1	8.1
New Jersey	14.7	37.1	17.4	17.2	13.6	4.5
New Mexico	28.7	22.3	3.2	27.8	7.2	.8
New York	25.6	23.8	17.8	22.1	7.6	5.3
North Carolina	14.4	30.7	19.1	15.2	10.3	4.7
North Dakota	7.6	15.2	3.0	7.6	3.5	.2
Ohio	19.6	29.2	10.5	21.8	8.7	(1)
Oklahoma	2.5	15.1	6.1	3.1	6.3	2.3
Oregon	26.1	22.1	6.9	24.0	7.6	1.6
Pennsylvania	20.9	31.6	10.7	21.7	11.3	2.9
Rhode Island	23.6	48.6	12.3	28.7	17.2	5.9
South Carolina	27.8	41.1	14.6	26.8	12.2	2.8
South Dakota	7.0	19.0	15.0	7.9	23.5	14.6
Tennessee	14.2	28.2	9.9	18.5	8.8	(1)
Texas	7.7	26.5	9.2	8.2	7.4	(1)
Utah	3.1	25.5	8.2	2.1	7.1	....
Vermont	19.5	32.3	14.0	17.9	14.1	3.7
Virginia	11.1	28.5	12.7	13.7	10.2	(1)
Washington	5.2	13.8	5.5	6.9	4.9	1.2
West Virginia	6.3	20.1	13.6	4.9	6.2	2.3
Wisconsin	16.2	18.4	13.2	15.6	7.7	(1)
Wyoming	14.8	22.2	9.9	19.0	6.2	1.6

[1] Not available.

TABLE 3.—NEGATIVE ACTIONS BY ADMINISTRATIVE REGION

Characteristic	Total	Northeast	Southeast	Midwest	West Central	Western
Number of States (including District of Columbia) [1]	50	13	8	10	11	8
Average monthly actions:						
Number of households (thousands)	123	33	28	22	20	20
Percent	100.0	26.8	22.7	17.9	16.3	16.3
Number of actions reviewed:						
Total	19,449	4,672	4,669	3,708	3,455	2,945
Percent with invalid decision	7.3	6.6	12.3	7.5	5.4	2.4

[1] Massachusetts did not report data for negative actions.

Mr. CHILES. I take this opportunity to thank my fellow colleagues who have joined in this as cointroducers of this bill, and I hope that it will receive favorable consideration.

I understand that the Committee on Agriculture and Forestry is going to hold hearings, and the distinguished Senator from Alabama is going to chair some hearings in the Committee on Agriculture and Forestry that are going to be held in a short period of time.

I hope that this bill, along with others in this regard, will receive consideration.

Mr. ALLEN. Mr. President, will the Senator yield briefly?

Mr. CHILES. I certainly will yield.

Mr. ALLEN. Mr. President, I advise the distinguished Senator and the cosponsors of the legislation that a subcommittee meeting of the Subcommittee on Agriculture Research and General Legislation, which has jurisdiction of this legislation, has been called starting Tuesday, October 7, extending for a total of 4 days at that time, and there will be two other hearings later on, but on Thursday, October 9, and Friday, October 10, the subcommittee will hear testimony from the sponsors of major legislation which would amend the Food Stamp Act.

I hope the distinguished Senator from Florida (Mr. CHILES), the distinguished Senator from Georgia (Mr. NUNN), the distinguished Senator from Arkansas (Mr. BUMPERS), the distinguished Senator from Florida (Mr. STONE) and the distinguished Senator from Ohio (Mr. GLENN) will arrange with the committee to appear on behalf of the Senator's bill.

Mr. CHILES. I thank the distinguished Senator from Alabama.

We would certainly look forward to being able to testify at his hearings, and I am delighted to see that he has arranged the hearings at this early date.

Mr. NUNN. Mr. President, will the Senator yield.

Mr. CHILES. I yield.

Mr. NUNN. Mr. President, I am delighted to be a cosponsor of this reform legislation.

Too many times we in the Senate and in Congress are so busy creating new legislation that we do not oversee the administration of legislation which has already been enacted.

The Senator from Florida and his Subcommittee of Government Operations spent numerous hours, working on this bill and holding hearings to determine just what the abuses in the food stamp program have been.

As a member of the subcommittee I can attest to the fact that the Senator from Florida did an excellent job of getting away from the rhetoric about food stamps and really determining what the problems are.

I am delighted the Senator from Alabama and the Committee on Agriculture and Forestry are going to have hearings on this subject.

I know that my senior colleague, the Senator from Georgia (Mr. TALMADGE) is just as concerned as I am about the food stamp program, and I know that the Senator from Alabama is also concerned about it.

I believe that we are about at the point where needed reform legislation has a chance of passage in this body.

I therefore support the food stamp reform bill which Senator CHILES is introducing, and of which I am a principal cosponsor. Rhetoric about problems in the food stamp program is as abundant as the abuses and seldom is there a reasonable and constructive legislative reform effort. I believe that Senator CHILES' bill, which is a result of hearings in the Federal Spending Practices, Efficiency and Open Government Subcommittee of the Committee on Government Operations, is a logical and reasoned approach to reforming the food stamp program to bring it in closer compliance with the actual goals of the program.

In recent months, the new media has reported startling revelations concerning several Federal assistance programs. One focus has been the abuses prevalent in the food stamp program. The term abuse is somewhat of a misnomer because most of the activities which are referred to are perfectly legal under existing laws and regulations. This is the unfortunate circumstance which we are attempting to correct through this legislation.

The purpose of the food stamp program is to provide nutritional assistance to individuals and families who do not have sufficient financial resources to provide an adequate diet for themselves. While this intention was clearly expressed at the time of enactment of the original authorizing legislation, subsequent interpretations and regulations have not adequately reflected the congressional desire to provide assistance solely to the needy. The result has been a program which is replete with administrative errors and individuals receiving assistance who can easily provide an adequate diet for themselves. In my view, the bill which Senator CHILES has introduced is the first of two necessary steps to correct these problems. This legislation will restrict the legal guidelines for qualification so that the letter of the law will more closely correspond with the intent of Congress. The second necessary step is to demand the implementation of administrative steps which would correct many of the existing problems in the program even before reform legislation is enacted.

The most inequitable part of the food stamp program, and the part which makes abuse possible, is the system of deductions from income which are used in order to determine food stamp eligibility. These currently permissible deductions include: Federal, State, and local income taxes; social security payroll taxes; union dues; child care expenses; and shelter expenses above 30 percent of income after all deductions have been taken.

In some cases these deductions have added up to a total of $7,000 or more making eligible many households with incomes in excess of $15,000 per year.

Through juggling of these permissible deductions, individuals who are financially capable of providing themselves with a more than adequate nutritional diet are able to qualify for food stamp assistance.

Even though not in compliance with present law and regulations, cases have been cited to me showing deductions for such items as retirement contributions, savings bonds, and even boats or car payments. These errors are inevitable when one caseworker has to compute eligibility on forms that are as complicated as income tax forms.

This Food Stamp Reform bill would implement a standard deduction of $120 per month along with an added $60 per month for households with members 60 years of age or older. The implementation of this form of deduction would prevent the use of excessive and unjustified itemized deductions to permit the qualification of those individuals who can afford to provide for themselves.

Another important advantage of the standard deduction approach would be the elimination of a large percentage of the currently prevalent computation errors. The volume of computations which the itemized deduction system requires results in an immeasurable number of administrative errors and a commensurate number of erroneous qualifications. This system would also facilitate a more expeditious handling of applications, thereby reducing administrative costs and permitting more legitimate applicants to be processed.

Along this same line, the food stamp reform bill would require the Secretaries of Agriculture and Health, Education, and Welfare to develop a single eligibility form for qualification for food stamps, supplemental security income assistance, aid to families with dependent children assistance, and old-age survivor disability insurance. This commonality of paperwork should also reduce administrative costs and errors.

I do not think there is anyone in this body who opposes the basic principle of providing nutritional assistance to needy individuals and families. This bill will not eliminate any people who are deserving of receiving this form of assistance; however, it will eliminate in excess of 600,000 households which are at income levels which do not deserve this type of assistance. This reduction would produce an immediate saving of $250 to $350 million.

It should be made clear that this legislation is not only directed at reducing the food stamp rolls. It will also create a more organized and active outreach program in order to identify and assist in qualification of those deserving individuals who are not already on the rolls.

Mr. President, I strongly support this bill and urge that it be given expeditious consideration as I mentioned earlier. However, I believe that administrative authority currently exists through which substantial improvements in the food stamp program could be implemented immediately.

A good example of the administrative suggestions that can be implemented is found in the work of a special committee appointed by the Georgia Senate to investigate the food stamp program in our State.

State Senators Ebb Duncan, George Warren and Henry McDowell spent many months researching the history and operations of the food stamp program and were extremely knowledgeable on the subject prior to the formation of their committee.

As a result of the expertise which these individuals brought to the project, as well as their determination to improve the administration of a program which is reputed to be replete with inefficiencies nationwide, the Georgia Special Committee on Food Stamps made several recommendations which, when implemented, will save millions of Federal and State dollars annually in Georgia.

This committee determined that individuals and families who would not otherwise be eligible for food stamps have been qualifying for this assistance by claiming fewer than their authorized number of exemptions for Federal tax purposes. Through the use of this procedure, individuals can lower their net monthly income and qualify for food stamps and then also receive a withholding tax refund in April. This system of claiming fewer dependents, for withholding purposes, also permits individuals and families who are legitimately eligible for stamps to receive more bonus stamps than they are actually entitled to receive. I am distressed that the administration of the food stamp program is structured so that by juggling the number of exemptions which are claimed for withholding purposes, individuals can lower their monthly net income to a level which qualifies them for food stamps and then receive a refund in April.

The Georgia Special Committee on Food Stamps has developed a chart and procedure designed to eliminate this form of abuse. This chart permits the local caseworker to compute an individual's eligibility level based upon their gross income and thereby avoid any undue benefit to the applicant from underclaiming exemptions for withholding. This procedure will also eliminate several clerical steps in the computation of eligibility which will result in a reduction of error and processing time.

The special committee estimates that through the implementation of their chart which efficiently computes the monthly net income from the gross income figure, they will eliminate in excess of 50,000 people from the food stamp rolls, reduce administrative costs by 25 percent, improve the error rate involved in computing eligibility substantially, and greatly reduce the time required to process applicants. In dollar terms, the committee estimates that this procedure will save in excess of $16 million in Georgia in bonus food stamps alone, merely by removing ineligible individuals from the rolls. The savings which will be generated by the reduction of computation and conversion errors are difficult to estimate in dollar terms. According to the committee, however, it will be significant. I think it is also important to realize that the reduced processing time will enable local officials to expedite consideration of the many bona fide applications for nutritional assistance.

Mr. President, this is an example of Georgia's efforts to improve the food stamp program. It seems to me that efforts of this type should be made in every State in the Nation and especially by the U.S. Department of Agriculture. It is my understanding that these procedures or similar ones could be adopted by USDA without any new legislation.

I believe that the Department of Agriculture currently possesses sufficient rulemaking authority through which to accomplish these improvements. I have joined Senator TALMADGE, chairman of the Senate Agriculture Committee, in contacting USDA to emphasize our determination that corrective administrative procedures must be instituted.

I have personally contacted James Lynn, Director of the Office of Management and Budget and I have asked that he and his Office consult with the Agriculture Department in implementing new regulations which can potentially save hundreds of millions of dollars.

Although it is difficult to estimate the actual savings potential if this reform legislation is enacted and corrective administrative steps such as I described are implemented, I believe that hundreds of millions of dollars per year could be saved in the food stamp program.

I would urge my colleagues to join in these efforts to enact a substantive food stamp reform bill and, in the meantime, to urge the USDA to implement corrective administrative procedures.

Mr. CHILES. I thank the distinguished Senator from Georgia. His statement and the findings by the Georgia State legislative committee are revealing and add to the fact that much could be done by a change of the rules and regulations.

In fact, the Senator from Florida feels that the Department of Agriculture perhaps could put in a standard deduction today under the existing legislation. But they have not done so. I think it is time Congress did speak in this matter and say that if they are not going to do it, we are going to legislate that there will be a standard deduction.

I yield to the Senator from Ohio.

Mr. GLENN. Mr. President, today I join my colleagues Senator CHILES and Senator NUNN, on the Government Operations Committee's Subcommittee on Federal Spending Practices, Efficiency and Open Government, in introducing the Food Stamp Reform Act of 1975.

This legislation was formulated as a result of hearings held by the subcommittee the week of April 28 that focused upon the efficiency of the food stamp program.

Mr. President, the food stamp program is a program that has grown from 400,000 recipients in 1965 to 19.5 millon recipients in fiscal year 1975. The program that cost $35 million in 1965, cost $5 billion in fiscal year 1975 and, depending on economic conditions, could cost as much as $7 billion in fiscal year 1976 according to the USDA. Much of this growth, Mr. President, is undoubtedly attributable to the severe economic recession since participation increased by 50 percent since June 1974.

However, Mr. President, there is evidence to indicate that even given an economic recession, the food stamp program is: First, not reaching all those for whom it was originally intended, those who are in the low income category; and second, that the program has become a bureaucratic nightmare of paperwork and computations that has led to widespread and costly errors in certification and to abuse of the program by those for whom the program was not originally intended.

Mr. President, let me briefly describe how this program operates and attempt to pinpoint the major problem areas that have developed. The Food Stamp Act provides that where all members of a household receive public assistance they are automatically eligible to receive food stamps. Nonpublic assistance households, those in which no one receives cash welfare, or, only some members of a household receive cash welfare, must apply and be certified as eligible for stamps. Their eligibility is based on the adjusted net monthly income after specified exclusions and deductions, household size, and resources. This latter group makes up 55 percent of the program.

Mr. President, it is the itemized deduction portion of the program that has led to so much bureaucratic chaos, redtape, wasted money, and fraud in the program. I believe that it is the itemized deduction part of the program that has fueled the political fire that the program is now embroiled in. I further believe that it is essentially the itemized deduction part of the program that has led to the wild and often erroneous charges and allegations made about the program. This part of the program is the part that is most time consuming and most susceptible to error. This part of the program is most conducive to encouraging people with ample means to become "food stamp lawyers" by bending and twisting regulations.

Mr. President, perhaps it is the food stamp program's preoccupation with the itemized deduction process that has led to its neglect of meaningful "outreach" programs, programs designed to inform those who are clearly eligible but who lack the necessary knowledge of the program. And, Mr. President, perhaps it is the food stamp program's involvement with the bureaucratic redtape of itemized deductions that led to the spectacle, reported by the Senate Select Committee on Nutrition and Human Needs of a 70-year-old woman in Detroit, a social security recipient, being forced to wait 6 months before certification. This woman was reduced to eating in the stores.

Yet the Select Committee on Nutrition and Human Needs documents the existence of advertisements taken out by profitmaking operations for handbooks that show greater income families how to manipulate itemized deductions so as to legally qualify for food stamps. As an example, perhaps the most offensive advertisement of this kind is one reprinted in the appendix of the August 1, 1975, report "Who Gets Food Stamps" prepared by the staff of the Select Committee on Nutrition and Human Needs. This "ad" was entitled "Taxpayers making up to $16,000 a year now eligible."

In determining a household's eligibility for the food stamp program, some deductions from total income are allowed for:

First. Federal, State, and local taxes, social security payroll taxes, and mandatory union dues;

Second. 10 percent of gross earned income up to $30 per month;

Third. Medical expenses, if they are more than $10 a month:

Fourth. Child care, or care for an incapacitated adult, when such care is necessary for a household member to work;

Fifth. Educational expenses, including tuition and mandatory fees, but not books, living expenses, or other education-related costs;

Sixth. Court-ordered alimony and child support;

Seventh. Unusual expenses due to disaster or casualty losses; and

Eighth. Shelter expenses—mortgage payments, rent and utilities—above 30 percent of income after all other deductions have been taken.

It is obvious that a system like this, requiring large numbers of individual receipts and records would be difficult to administer. It is also obvious that the complexity of this type of procedure especially works to the disadvantage of lower-income individuals who may not be well attuned to the bureaucratic maze.

Mr. President, it is time to bring the food stamp program into clear focus. It must serve those who are in need promptly and efficiently. It must not become a bureaucratic monstrosity that wastes taxpayer money and encourages abuse of congressional intent.

Our bill eliminates itemized deductions and provides a standard deduction of $120 plus $60 for households with members 60 years of age or older. The standard deduction may be modified on a regional basis to meet realistic needs of urban and rural residents. This provision would curtail eligibility of persons in the higher-income bracket, thus freeing money and resources for concentration in areas of real need. An estimated 650,000 households in the higher-income brackets would no longer be eligible, estimated fiscal year 1976 savings would be $250 to $350 million. Our standard deduction of $120 plus a $60 elderly deduction is high enough so as to be equal to or exceed the itemized deductions taken by low-income households. However, these deductions are low enough to prevent abuse of the program by higher income individuals. We must remember that the majority of participating households have gross incomes lower than the net income limits. The ridding of the bureaucratic mess attendant to itemized deductions will streamline the program and insure fewer errors and increased quality. A USDA study, released only last week, found errors affecting 26 percent of sample households with 17.3 percent of sample households being found ineligible to receive stamps. Of the errors, 43 percent resulted from miscalculated or incomplete data and 29 percent resulted from incorrect data on deductions. Translated nationally, over a year, it is estimated that these errors could cost $640 million.

The USDA study shows that a large portion of errors, 54.5 percent is attributable to the recipient's failure to report changes in circumstance. That the program's regulations themselves lead to a tie-up of the program may be seen from the fact that for every 1 household denied or terminated, 19 are authorized to participate. Thus, there is bureaucratic emphasis at the complicated entry level with very little followup. And, even at the entry level, the program is not operating efficiently.

Mr. President, a standard deduction with an allowance for regional variations and a special deduction for the elderly makes sense. It is operable, uncomplicated and it would not hurt the poor. On the contrary, it will benefit them. It would eliminate redtape. The GAO report of February 28, 1975, "Observations on the Food Stamp Program" states "use of standard deductions could simplify program administration and reduce program errors." The July 21 report by the Food and Nutrition Service, of the USDA, prepared in accordance with Senate Resolution 58, states that a standard deduction would reduce time and "greatly simplify certifications procedures." So, this idea has support and logic behind it. I would hope that it becomes a constructive, positive feature of the upcoming debate on the program.

Mr. President, our bill also mandates outreach and informing of needy recipients of their eligibility for the program. Additionally, we call for several steps in which HEW and USDA should coordinate and cooperate in eliminating duplicity and thus streamline the program.

In conclusion, Mr. President, let me stress that this bill would:

First. Save from $250 to $350 million by curtailing eligibility of persons in the higher income brackets;

Second. Provide for a real effort to be undertaken to bring those not participating but who are eligible into the program—those who need it most;

Third. Reduce redtape and improve efficiency.

Mr. President, this bill is not a panacea. It is a bill designed to better target the program, draw clear lines of eligibility and to head off a possible bureaucratic and economic catastrophe.

The long range solution is to begin to think about this program in conjunction with a total review of all social welfare programs. Out of such a review will hopefully come new and better solutions to our social problems. I expect to be back on this floor in support of some of those broader solutions in the near future.

I thank the Senator from Florida and commend him for his work on this bill.

Mr. **CHILES**. Mr. President, I thank the Senator from Ohio for cosponsoring the bill and for the work he has done in our subcommittee, in the hearings we held, and the studies we made that led to the bill. He has a good grasp—much of it coming from his previous training and experience—of the fact that we are not managing the system very well.

We are not really taking care of the needy that we started out to try to take care of in this program. We are seeing that it is going to many people who do not need the program. Then we see the problem of the alienation we are causing to the rest of our taxpayers because of what they see in this program.

It is strange that somehow it is always the taxpayers who see this long before we see it, and certainly before the bureaucrats ever see it, that we have a program that is not working and not doing what we intend it to do. The taxpayers cry out, and it seems that for too long their voices are not heard. But I think their voices are reaching a peak now. They are being heard, and it gives us an opportunity to do something about the program.

Mr. President, my distinguished colleague from Florida, who is presiding over the Senate at this time, is a cosponsor of this bill. He has always had much input into this legislation and into trying to do something about taking care of needy people and seeing at the same time that we do not have thousands of people on the rolls who are not eligible. Because of his many visits to Florida and the contact he is keeping with the people there, he understands this matter clearly, and I am delighted to have him as a cosponsor of this measure.

The **PRESIDING OFFICER**. The bill will be received and appropriately referred.

The bill, S. 2369, is as follows:

S. 2369

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 5(b) of the Food Stamp Act of 1964 is amended by striking out the colon preceding the first proviso and "*Provided*, That such standards" and inserting in lieu thereof a period and the following: "Such standards shall prescribe schedules specifying the amount to be paid by households of different sizes on the basis of the net income and assets of each such household. The amount of the net income and assets specified in such schedule shall be adjusted semiannually to reflect any changes in the cost of living during the preceding six month period (based on the Consumer Price Index published by the Bureau of Labor Statistics). In computing the net income and assets of any household for purposes of determining eligibility under this Act, the Secretary shall provide a standard deduction of $120 plus, in the case of any household with one or more persons 60 years of age or older, $60. Such standard deduction shall be effective beginning July 1, 1976, adjusted semiannually thereafter to reflect any changes in cost of living during the preceding six month period (based on the Consumer Price Index published by the Bureau of Labor Statistics). The standard deduction shall be modified by the Secretary on a regional basis to reflect variations in the cost of living in different areas of the United States.

(b) Section 5 of such Act is further amended by adding at the end thereof a new subsection as follows:

"(d) (1) Notwithstanding any other provision of law, the Secretary and the Secretary of Health, Education, and Welfare shall jointly prescribe a single form which shall be used for eliciting information required for eligibility certification of applicants under this Act, the supplemental security income program under title XVI of the Social Security Act, the aid to families with dependent children program under part A of title IV of the Social Security Act, and the old age survivor's disability insurance program under title II of the Social Security Act.

"(2) The Secretary and the Secretary of Health, Education, and Welfare shall jointly initiate and carry out an outreach program designed to inform recipients of (A) supplemental security income benefits, provided for in title XVI of the Social Security Act, (B) aid to families with dependent children benefits, provided for in part A of title IV of the Social Security Act, and (C) old age survivor's disability insurance benefits, provided for under title II of the Social Security Act, of their eligibility to participate in the food stamp program under this Act and to assist such recipients in establishing their eligibility for benefits under this Act.

"(3) The Secretary and the Secretary of Health, Education and Welfare shall formulate and submit to the Congress, within 90 days after the date of enactment of this paragraph, a proposal for a cooperative nutritional status monitoring system. They shall also submit recommendations for such legislation as may be necessary to carry out such proposal."

SEC. 2. The Food Stamp Act of 1964 is further amended by adding at the end thereof the following new sections:

"EXPERIMENTAL PROJECTS

"SEC. 18. (a) In carrying out the provisions of this Act, the Secretary is authorized and directed to carry out on an experimental basis, in one or more areas of the United States, simplified eligibility certification procedures, new eligibility requirements, extensive outreach programs, and program evaluation procedures different from those applicable on a nationwide basis.

"(b) As a part of his annual report to the Congress required by section 21, the Secretary shall include the results of the measures carried out in the previous year pursuant to the provisions of subsection (a). He shall include in such report a discussion of the program innovations carried out, the degree of success or failure of such innovations, and the need for further study before such innovations are adopted or rejected for use on a nationwide basis.

"QUALITY CONTROL AND ADMINISTRATIVE EFFICIENCY

"SEC. 19. (a) The Secretary shall establish a realistic set of goals to improve quality control and administrative efficiency under this Act. Separate goals shall be established for achievement at the end of 1 year, 2 years, and 5 years following the date of enactment of this section. The Secretary shall also establish separate tolerance levels for eligibility errors.

"(b) (1) Each State shall be required to develop and submit to the Secretary for approval a State Quality Control Plan which shall specify the actions such State proposes to take in order to meet the error tolerance goals established by the Secretary. The State Quality Control Plan for any State shall specify the anticipated caseload work for the coming year and the manpower requirements needed and the specific administrative mechanisms proposed to be used to carry out the food stamp program in such State and to meet the error tolerance goals established by the Secretary for such State.

"(2) The Secretary shall approve any State Quality Control Plan submitted by any State if he determines such plan will achieve the goals established by him for such State under subsection (a) of this section.

"(3) If any State fails substantially to carry out the State Quality Control Plan approved by the Secretary for such State for such year, he shall withhold from the State an amount equal to 10 per centum of the funds which would otherwise be payable to such State under section 15(b) for such fiscal year for administrative expenses.

"(4) The State Quality Control Program for any State shall also be required to include plans for a comprehensive program of training for all certification workers who will be engaged in implementing the new certification regulations provided for under section 5(b) of this Act.

"(5) Any training program approved by the Secretary as part of a State Quality Control Program for any State shall be maintained on a continuing basis to insure a satisfactory performance level for all new workers engaged in carrying out the food stamp program in such State.

"(6) As used in this section, the term 'quality control' means monitoring and correcting the rate of errors committed in determining the eligibility of applicant households for benefits under this Act and in determining the correct level of benefits to be provided households upon certification of their eligibility.

"ANNUAL EVALUATION PLAN

"SEC. 20. (a) The Secretary shall prepare and submit to the Congress, at the same time the President submits his budget to the Congress each year, an Annual Evaluation Plan setting forth the Department of Agriculture's plans for evaluating the major objectives of the food stamp program, the extent to which such objectives are being achieved, and the cost and time requirements for carrying out such plans.

"(b) The Secretary shall indicate in his Annual Evaluation Plan the issues and objectives to be evaluated. Such issues and objectives shall specifically include—

"(1) the nutritional intake of the individuals participating in the food stamp program;

"(2) the relative fairness of the food stamp program between different income levels and age groups;

"(3) the relative fairness of the food stamp program as between different regions of the United States;

"(4) an evaluation of the success of the outreach programs; and

"(5) an evaluation of any other issues and objectives specified by the Secretary.".

"ANNUAL REPORT TO CONGRESS

"SEC. 21. The Secretary shall prepare and submit to the Congress, at the same time the President submits his budget to the Congress each year, a report entitled 'Annual Report on the Food Stamp Program'. The Secretary shall include in such report—

"(1) a summary of the achievements, failures, and problems of the States in meeting the quality control goals established under section 19 of this Act;

"(2) recommendations for an analysis of quality control goals for the next 1, 2, and 5 year periods;

"(3) a summary of all evaluation activities conducted by the Department of Agriculture in accordance with the Annual Evaluation Plan provided for in section 20 of this Act;

"(4) recommendations for program modifications based upon an analysis of quality control and evaluation information;

"(5) recommendations for any additional issues for evaluation; and

"(6) such other recommendations for legislative or administrative action as the Secretary may deem appropriate.".

DEPARTMENTS OF LABOR AND HEALTH, EDUCATION, AND WELFARE APPROPRIATION ACT, 1976

The Senate continued with the consideration of the bill (H.R. 8069) making appropriations for the Departments of Labor and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes.

Mr. McCLURE. Mr. President, on behalf of the junior Senator from Oklahoma (Mr. BARTLETT), I call up amendment No. 889.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from Idaho (Mr. McCLURE), on behalf of Mr. BARTLETT and Mr. BELLMON, proposes an amendment:

At the end of the bill, add a section as follows:

SEC. . No funds appropriated under this act may be spent to pay unemployment compensation to persons drawing federal civil service or military retirement income. Provided that, if such person's federal retirement income is less than the unemployment compensation for which he would otherwise be qualified, he may draw the difference in unemployment compensation.

SWEARING-IN CEREMONIES OF SENATOR-ELECT JOHN A. DURKIN

Mr. MANSFIELD. Mr. President, it is anticipated that Senator-elect John A. Durkin will be sworn in at approximately the hour of 12 o'clock noon tomorrow. The swearing will be done by the distinguished Senator from New Hampshire (Mr. COTTON) who will be presiding in the chair at that time and on that occasion.

ORDER FOR RECOGNITION OF MR. BELLMON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, Mr. BELLMON be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION TOMORROW OF H.R. 8069

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after Mr. BELLMON has been recognized and has consummated his order, the Senate resume consideration of the HEW appropriation bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. That would mean that the Senate would return to the HEW appropriation bill about 9:50 or 9:55.

Mr. President, it would mean also that consideration of the HEW appropriation bill would be resumed no later than at 10 o'clock. I ask unanimous consent that that be the case.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMPARABILITY PAY RAISE

Mr. ROBERT C. BYRD. Mr. President, has the order been entered to the effect that the Senate will begin its debate on the resolution of disapproval regarding the comparability pay raise at 1 p.m. tomorrow?

The PRESIDING OFFICER. There is no order, just an announcement to that effect.

Mr. ROBERT C. BYRD. Very well, Mr. President; I shall leave it in that status.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at the hour of 9:30 tomorrow morning. After the two leaders or their designees have been recognized under the standing order, Mr. BELLMON will be recognized for not to exceed 15 minutes; after which the Senate will resume consideration of the HEW appropriation bill not later than 10 a.m. Amendments will be voted on throughout the day. The pending amendment at that time will be the amendment by Mr. BARTLETT and others. At some point during the day—I estimate it to be at around 1 p.m.—the Senate will take up the resolution of disapproval with respect to the comparability pay raise. There is a maximum time limitation on that measure of 2 hours. Conceivably the vote could come before the expiration of 2 hours, but there will be a rollcall vote on that measure.

Upon the disposition of that measure, the Senate will resume consideration of the HEW appropriation bill, if final action on the HEW appropriation bill has not preceded the action on the comparability pay resolution. I hope and expect that the Senate will complete action on the HEW appropriation bill tomorrow. It is obvious that there will be several rollcall votes tomorrow.

RECESS UNTIL TOMORROW, SEPTEMBER 18, 1975, AT 9:30 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in recess until the hour of 9:30 a.m. tomorrow.

The motion was agreed to; and at 6:21 p.m., the Senate recessed until Thursday, September 18, 1975, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate September 17, 1975:

INTERNATIONAL ATOMIC ENERGY AGENCY REPRESENTATIVES

The following-named persons to be the Representative and Alternate Representatives of the United States of America to the Nineteenth Session of the General Conference of the International Atomic Energy Agency:

To be Representative:

Robert C. Seamans, Jr., of Massachusetts.

To be Alternate Representatives:

Richard T. Kennedy, of the District of Columbia.

Myron B. Kratzer, of the District of Columbia.

Marcus A. Rowden, of Maryland.

Nelson F. Sievering, Jr., of Maryland.

Gerald F. Tape, of Maryland.

CONFIRMATIONS

Executive nominations confirmed by the Senate September 17, 1975:

IN THE NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

National Oceanic and Atmospheric Administration nominations beginning Ronald L. Crozier, to be commander, and ending Lawrence E. Cosgriff, to be ensign, which nominations were received by the Senate and appeared in the Congressional Record on September 3, 1975.

EXTENSIONS OF REMARKS

GARDEN CITY CELEBRATES BICENTENNIAL

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. FORD of Michigan. Mr. Speaker, as our Nation prepares to celebrate its Bicentennial over the next 8 years, one of the most inspiring features of the nationwide effort has been the enthusiastic response from citizens and communities throughout the United States.

In an era of confusion and complexity, the American people are looking back to our beginnings as a Nation to find the answers to the multitude of questions and problems that beset us today.

Over the National Archives Building in Washington are the words, "What Is Past Is Prologue." Citizens everywhere are coming to realize the meaning of these words, and are turning to the past to find their bearings for the future.

In my congressional district of Michigan, many communities have and are planning extensive Bicentennial programs. Typical of these activities are those planned by Garden City, a 42-year-old community of nearly 45,000 residents. Garden City's Bicentennial Commission has announced an exciting series of events and projects, culminating next year with a gigantic Bicentennial Festival on July 4, the official 200th birthday of the United States.

Launched in May, when the city was declared a Bicentennial community by the American Revolution Bicentennial Administration, the program began with a contest among Garden City's junior high and senior high school students to select a Garden City emblem, with a Bicentennial theme. The winner, selected on May 21, was Sherri Takacs, a 12th-grader at West High School.

A survey and study is under way at the present time to seek out homes in the community which are at least 50 years old, and to find the city's oldest living veterans of the Armed Forces. He, or she, will be chosen by the auxiliary to the Garden City American Legion Post 396 to be the grand marshal of the parade next July 3.

The Department of Parks and Recreation is establishing a sports Hall of Fame to honor the city's outstanding athletes. The first winner will be chosen and announced during Michigan Week next May.

On Flag Day this year—June 14—a citywide program was begun to encourage schools, churches, business places, and homes to fly the Bennington flag along with the American flag. City Hall was the first building selected.

A coordinated effort is being made to encourage the design and sewing of revolutionary-era costumes, which will be worn during Bicentennial festivities. In August, the costumes were displayed during a pioneer costume fashion show and awards night.

In September, a Bicentennial information booth was opened to inform the public on activities, to take flag orders, and to promote the sale of Bicentennial items. Also in September, the Garden City Historical Commission will sponsor a pioneer luncheon for residents who have lived in the city for 35 years or more.

The city's schools and the parent-teacher associations will begin a 6-month program in October to enlist students, parents, and teachers in Bicentennial activities. Included will be a contest to select an official slogan for the city, with the winner announced next January.

A Bicentennial kickoff ball will be held in November, with participants encouraged to wear pioneer costumes.

In February, a Bicentennial concert will be held at O'Leary Auditorium, in the Cambridge Junior High School.

A Bicentennial queen and court will be selected next April after a citywide contest open to all Garden City girls between the ages of 16 and 21. A highlight of the judging will be an essay contest for the contenders.

The Bicentennial Commission will conduct an art festival in June, and encourage all residents to display their arts and crafts.

The July 4 festival will be a day-long program including barbershop quartets, bands, hayrides and pony rides, outdoor food stands, and many other activities still in the planning stages.

As part of the Independence Day festivities, the Garden City Osteopathic Hospital will honor the first baby born in the hospital on July 4.

The research into the city's old homes will be climaxed in August 1976 with an old homes tour. Next year's events will be concluded in October and November with an essay contest for all residents on the topic, "What America Means to Me."

The Garden City Bicentennial Commission members are Mrs. Jo Neumann and Mrs. Connie Camillo. Working closely with them are members of the city's Historical Commission which Mrs. Neumann heads. The other members are George Raub, Jr., Arthur Schaldenbrand II, Diane Bish, Alice Sayre, Billie Miller, and Ron Koss.

Also cooperating in the overall program are the city's mayor, James W. Lowe; the four council members—Orin J. Mazzoni, Jim A. Plakas, Samuel T. Pappas, and Timothy J. Murphy—and other members of the city administration.

Mr. Speaker, I think this outstanding program in Garden City offers a fine example to other communities throughout America, and I am pleased to bring it to the attention of my colleagues.

ENERGY DEVELOPMENT AND THE WORRIED WEST

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. UDALL. Mr. Speaker, the problems associated with high price and increasing scarcity of energy resources touch every American. Each of us, from every region of the nation, must contribute to our efforts to conserve existing energy supplies and to develop resources that have yet to be tapped.

But in our pursuit of a greater degree of energy self-sufficiency we must not lose sight of the side effects of energy exploitation. The great majority in this body demonstrated their understanding of this proposition by voting repeatedly to impose reasonable reclamation standards on those who would strip away our land to obtain coal.

We in the West are particularly conscious of this need, for we are being called upon to provide coal and oil shale and uranium to fire the furnaces of industry. We are willing to do our part, but we have a right to demand that the rest of the nation show a decent respect for the land and water and air on which we depend.

One of our outstanding young western leaders, Gov. Richard D. Lamm of Colorado, voiced these concerns in an article published in the New York Times on September 14. Governor Lamm reiterates the willingness of westerners to contribute to our energy future, but he also points out the magnitude of the dangers presented by widespread federal ownership—and a corresponding lack of State control—extremely limited water supply, and a lack of public services adequate to handle the expected influx of workers and their families.

I urge my colleagues to study this thoughtful essay, and to bear it in mind as we set the policies that may forever alter the face of the American West.

The text of Governor Lamm's article follows:

DENVER.—The nation is now looking more and more to the West for solutions to the energy crisis. People loosely suggest that our petroleum crisis can easily be solved by developing oil shale and that the West, with its vast quantities of coal, can furnish a permanent solution to our energy troubles.

The West, in turn, is worried. Recently, ten Western governors joined together to form a Western Governors' Regional Policy Office to help increase our communication and effectiveness when dealing with energy matters. The states have similar organizations. The fair resolution of these forces shall test anew the structure of our Federal system.

One of the West's concerns is that energy policy in Washington is not being developed in a calm, thoughtful and unhurried atmosphere, but in response to a crisis. The Federal Government faces a terrible temptation to override the interests of the states in a great crash program to get every barrel of oil and every ton of coal out of the ground as soon as it can. That is what the trouble is about. That is why the states are worried. In most crash programs, someone gets hurt. Someone or some areas usually pay too heavy a price.

And the Rocky Mountain states are worried more than the others. It is not only that a large portion of the energy resources lie within their borders (42 per cent of the bituminous and lignite coal, 95 per cent of the uranium, 100 per cent of the recoverable oil shale), but the Federal Government owns a large portion of our land. It owns 36 per cent of the land in Colorado, 44 per cent in Arizona, 63 per cent in Idaho, 66 per cent in Utah, and 86 per cent in Nevada.

The impetus to develop the resources on federally owned land at maximum speed—through direct Federal programs and leasing to private firms—will be hard to resist. The law governing the ability of the states to regulate Federal land or private leases is vague and uncertain. Thus, we are at double risk. We are at risk because of the presence of large energy resources and we are at risk because of the uncertainty of our legal tools.

The West is thus in the eye of an energy hurricane. We see decisions being made of immense importance to our states—decisions that deeply affect our economies, our social and environmental fabric—and yet we have virtually no say or influence in those decisions. Decisions, for example, in the synthetic-fuels area will have more influence on Colorado than have all the decisions of all my predecessors as Governor.

I do not make that statement lightly. One oil-shale plant processing 50,000 barrels of oil shale would open up one of the largest mines in the world, and would require 25 million tons of shale rock—four times the current coal production of Colorado at an investment of $800 million. And some scenarios call for us to have, in the near future, not one of these plants, but seven as a start. There is some talk of a million-barrel-a-day industry by 1985.

Then, there is coal production and all the sub-industries that flow from coal production: mine-mouth power generation, coal liquification, coal gasification, and others. The West does have large quantities of coal, much of which is under our best farmland.

Agriculture has been an important part of the West, and we do not wish to lose this important economic base.

The National Academy of Sciences, in its study, "Stripping the West," recently pointed out the problems of reclamation in our semi-arid climate. The study noted that in much of the West reclamation is a matter of centuries. The Academy suggested that we look at these areas as "national sacrifice areas." The West, understandably, doesn't want to become a "national sacrifice area."

It thus is important that the nation understand that we in the West have a special set of problems. One problem is that we have a very limited amount of water. Seventy-three per cent of the stream flow in the United States is claimed by states east of a vertical line drawn through the Kansas-Missouri border. Another 12.7 per cent is claimed by the Pacific Northwest, leaving 14.3 per cent (about 154 billion gallons per day) to be shared by fourteen Western states, which includes over one-half of the nation's land area. And, most of the energy resources lie in the area of this dry Western region.

Therefore, we are understandably worried about the decisions now being made in Washington with little or no consultation by the states involved.

From these decisions, new towns will spring up; old towns will die, immense amounts of our already limited water will be diverted to energy; existing economies like agriculture will likely suffer grievous loss. Trout streams, long favorites of our citizens, will dry up and small rural counties will soon become large urbanized counties.

Immense new taxpayer improvements will be required: new schools, new sewer systems, new road systems. A recent estimate warned that it would cost $12,400 per worker to provide merely the necessary municipal services.

Planners have warned in one study that three counties that today have 78,700 people could expect 310,000 people by 1985.

The reverse side of this coin is that the West has already gone through boom-and-bust cycles *ad nauseam*. Over one-third of Colorado's counties had more people in 1900 than we have today. We have seen whole towns and areas dry up at the turn of an international market. We have seen business go broke and bonds, issued in anticipation of an industry, be defaulted; we have had to adjust schools, roads and other public facilities to the decreased needs of a declining population.

Whether it was the silver bust or the uranium bust or a bust competition from South Africa gold, or the loss of the broom-corn market, we have been confronted with reduced tax revenues; business firms have been faced with bankruptcy or declining sales, decreasing property values, and serious problems of unemployment or underdevelopment.

Like Sisyphus and his rock, we have pushed our economies up many a mountain only to have them roll down on us again.

The West is not seeking to lock up its energy resources. We want them developed in a thoughtful, careful way. We do not want to be the victims of a hasty, thoughtless program. We do seek to make sure that the West does not pay too large a price to the detriment of our citizens, as the nation moves to balance its energy budget.

INCONSISTENCY OF BIG LABOR

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. ASHBROOK. Mr. Speaker, it is quite interesting to note the inconsistency of big labor in one vital area.

Specifically, I would like to talk about two very important bills. The first is labor-backed legislation extending collective bargaining and compulsory unionism to the public sector. The second is a labor-supported bill creating a new Agency for Consumer Protection, ACP, to represent consumers in all sectors of the economy except labor disputes and agreements.

The contrast between the labor bosses positions on these two proposals is most fascinating. In the first instance, big labor is asking the Congress to allow unions to negotiate for public employees and force them to join a union to keep their job. In the other instance labor is asking that consumer input be specifically excluded from these negotiations.

Ralph Nader and others delight in charging that regulated industries have "captured" the agencies which regulate them. I submit that the dichotomy in big labor's position suggests a labor belief that they have captured the Congress.

Imagine, a special interest asking Congress for special favors so that it may expand its scope and influence while at the same time also requesting assurances that the interest of consumers do not in any way interfere with this expanded authority. If proposals of this kind were from anyone other than big labor they would be laughed out of this Chamber. This inconsistency is also why many of us do not trust Ralph Nader's sincerity.

But because the labor bosses want it, the Congress conveniently overlooks the contradictions and so do the Nader-types.

To establish public employee unions as private governments controlled by a small group of union bosses instead of by the people's elected representatives would be sheer folly. Such a situation would assure that the people will no longer control their own local government and public institutions.

Likewise, if there is going to be an ACP, it should not cow-tow to any special interest—business or labor. It strikes me as the ultimate in hypocrisy that organized labor should—as the price for its support of the ACP bill—demand and receive exemption from consumer agency input into labor disputes or agreements.

Clearly both the public employee union bill and the labor-excluded ACP bill will impact significantly on consumers. I hope there are enough in this body with minds which are not so "expansive" or so labor-dominated that they fail to see how the average person is being taken by these special interest proposals.

EDUCATION APPROPRIATIONS VETO OVERRIDE

HON. W. G. (BILL) HEFNER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. HEFNER. Mr. Speaker, I am pleased that on September 9, the U.S. House of Representatives voted to override President Ford's veto of H.R. 5901, the education appropriations bills, as did the Senate on September 10.

I had publicly come out against this veto, and I am proud to say I voted to override.

When the bill was originally passed by the House, I supported it because I feel that our educational system is one of the major strengths of this country. If the veto had been sustained, many programs in North Carolina and in the Eighth Congressional District would have been cut back or eliminated altogether.

For example, the bill contained no money for the Emergency School Aid Act programs in North Carolina which provide a valuable addition to the educational offerings for many children. The ESAA programs provide special reading and mathematics teachers and aides for remedial reading and math programs in elementary and middle schools in the Eighth District, in North Carolina, and across the Nation. These programs enable students to achieve their full capabilities and rise to the grade levels which they should be in. The children's attitudes toward school are improved when they are able to cope with the material they are studying in their regular classes. For this reason, many students who would normally drop out of school in later grades do not.

In addition to losing the valuable programs under ESAA, North Carolina would not have received money under the Higher Education Act which provides equipment and other materials for community colleges. And there would have been no Federal matching funds for vocational education.

The education of our children is one of the most important tasks we have and it is our responsibility to see that they have quality education. If present educational services are cut back or eliminated, unemployment may increase and our children will be shortchanged.

It is my firm belief that we must cut back Federal spending wherever we can, because a balanced budget is the goal all Congresses and Congressmen must have if our country is to be on a sound financial footing. However, we must not let the quality of our education fluctuate by cutting back programs in some years and maintaining them in others.

Thus, I would like to commend my colleagues in the House and Senate who voted to override the veto of this vital legislation and thereby expressed their support of education through their votes.

GENERAL VON STEUBEN—A REVOLUTIONARY WAR HERO

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. ANNUNZIO. Mr. Speaker, September 17 is the anniversary of the birth of one of the heroes of the American Revolutionary War, Gen. Friedrich Wilhelm von Steuben. As a native German, von Steuben was one of those men whose spirit and imagination were aroused by the struggle for independence of a small group of colonies an ocean away and without the help of this valiant soldier, America's fight for freedom would have been much more difficult.

It was in the year 1777 that von Steuben offered his services to the fledgling republic. This was a time of great disappointment and hardship for the Continental Army because the frigid winter at Valley Forge could have delayed indefinitely America's hope for independence. However, through the fortitude and discipline of General Washington and General von Steuben, the Revolutionary Army was able to emerge from the winter in fighting shape.

During that winter in 1777, von Steuben wrote the "Regulations for the Order and Discipline of the Troops of the United States." This was one of his greatest contributions to the cause of independence. Through the use of this book and von Steuben's leadership, an army of irregulars was transformed into a disciplined and organized combat unit, equal to the task of fighting one of the world's most powerful armies.

General von Steuben had a distinguished military career during his service in America. In 1781 he served in battle against Cornwallis' invasion of Virginia, and at the battle of Yorktown, he commanded one of the three divisions of the Continental Army.

In 1961 the U.S. Senate passed a joint resolution authorizing the President to proclaim September 17, of each year, as General von Steuben Memorial Day, in honor of his gallant and courageous service in defense of freedom. As our Nation honors this fearless veteran of the American Revolutionary War, all German-Americans have a right to be proud not only of the contributions of General von Steuben, but also of their own industrial, intellectual, and scientific contributions which have helped enormously to make this country the great bastion of freedom and democracy that it is today.

I am greatly honored to join with Americans of German descent in the 11th Congressional District of Illinois, which I am privileged to represent, and with German-Americans all across our Nation, in honoring this courageous freedom-fighter and in recalling the basic American ideals of freedom and liberty for which he fought.

VON STEUBEN DAY

HON. JAMES J. BLANCHARD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. BLANCHARD. Mr. Speaker, today, September 17, is Von Steuben Day, a date when the part that German Americans have played in the founding and building of the United States is traditionally recalled.

During the coming celebration of America's Bicentennial, I think it is particularly important that we be aware of the major contributions which many ethnic groups have made in the development of our country.

German Americans have been involved in the making of this Nation since the earliest days of colonial history, dating from the founding of Germantown, Pa., in 1683.

Their contribution was especially prominent during the Revolutionary War, by which time it is estimated that over 200,000 German Americans lived in the 13 colonies.

Baron Von Steuben, who came to America in 1776 and helped to train and organize the Continental Army, was the most notable of these.

But there were literally thousands of others who cast their lot with the rebellious colonists and risked their lives to give this country freedom.

Indeed, it is perhaps fitting that the first news of the signing of the Declaration of Independence appeared in a German language newspaper, the Philadelphia Staatsbote.

The history of organizations such as the Tryon County Committee of Safety in New York State clearly reveals the active part which German settlers played in the movement for independence in the Middle Atlantic States.

Of the contribution of Von Steuben himself, it is only necessary to quote, as one historian has done, the "creed" adopted by officers of the Revolutionary Army at Verplanck's Point in 1782:

> We believe that Baron Von Steuben has made us soldiers, and that he is capable of forming the whole world into a solid column, and displaying it from the center. We believe in his Blue Book. We believe in General Knox and his artillery. And we believe in our bayonets. Amen.

Mr. Speaker, on this annual celebration of Von Steuben Day, I hope we will all be reminded of the debt our Nation owes to the German Americans, by whom it has been greatly enriched.

CLIMBING CRIME RATE

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. DOWNEY of New York. Mr. Speaker, a local newspaper in my district recently ran an editorial that explored the relationship between a continually climbing crime rate in this Nation and the uncontrolled possession and use of handguns. The editor of the Islip Town Bulletin has faced this difficult issue squarely and I want to share his thoughts with my colleagues:

CHANGING AMERICA'S FACE

Mr. Jimmy Breslin, the colorful author of "The Gang That Couldn't Shoot Straight," spoke a mouthful the other day on television. He said the handgun (the "Saturday night special") is changing the face of America and he cited the outward spread from the inner cities of the middle class spurred by the cancer of fear.

Now Attorney General Edward H. Levi tosses around some figures that makes Breslin seem like a prophet. Serious crime in the United States rose 18 per cent during the first three months of 1975 over the same period a year ago. This compares with a 15 per cent increase during the first three months of 1974 over a similar period in 1973. (the Suffolk jump was 15 per cent.)

"The statistics released today again point up the need to improve the Nation's criminal justice system," Mr. Levi said.

Today's figures contained in the FBI's Uniform Crime Reports that were released by FBI Director Clarence M. Kelley. They are based on information furnished by the city, county and state law enforcement agencies throughout the Nation.

The violent crimes of murder, forcible rape, robbery, and aggravated assault as a group, increased 18 percent. Robbery increased 28 percent, aggravated assault 10 percent, murder 7 percent, and forcible rape 4 percent. Property crimes also were up 18 percent. Burglary rose 20 percent, larceny-theft 19 percent, and motor vehicle theft increased 6 percent, Mr. Levi said.

Calling the latest figures "one of the terrifying facts of life, which we have come to accept as normal, and which we must not accept as normal," Mr. Levi said they again demonstrate the need for major new programs at all levels of government.

Well, Mr. Levi, maybe Jimmy Breslin is telling us something. Crime IS changing the face of America and the biggest single reason is the millions of handguns in the wrong hands.

Are our lawmakers doing anything about this? Very little. They cringe before the lobby run by the National Rifle Association. You know that little slogan: "If guns are outlawed then only outlaws will have guns."

In Sweden every handgun is registered and the crime rate is the lowest per capita in the world.

Will we ever learn?

POLITICAL BEHAVIOR OF GOVERNMENT EMPLOYEES

HON. GLADYS NOON SPELLMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mrs. SPELLMAN. Mr. Speaker, earlier this year, the Subcommittee on Employee Political Rights and Intergovernmental Programs held public hearings on H.R. 3000, an amendment to the Hatch Act. I would like to share with my colleagues the sage remarks of one of the public servants who came to the hearings in Prince George's County to testify. The remarks of James A. Hash, 424 Lincoln Avenue, Takoma Park, Md., follow.

Remarks of James A. Hash

I am a resident of Prince George's County in the State of Maryland. I have been a home owner since 1942 and have voted in all elections held in our county and state since that date.

I am President of Lincoln Valley Citizens Association of Takoma Park, Md., and have served for 19 years as President. I appear before you as their President and as a private citizen. It gives me great pleasure to be invited by this Congressional Committee to hear my views on such an important question as the Hatch Act. In my opinion, the Hatch Act should be one of the priority items on Congressional agendas to be amended.

I am a 32 year and 9 month veteran of the D.C. Fire Department, having been appointed in 1942. In all these years I have not been allowed to seek elective office, nor appointed to a partisan political office because of the restrictions in the Hatch Act. There have been many times I was invited to take part in political decisions and discussions but not able to do so by the binding restrictions of this same Hatch Act.

The hours, wages, benefits and all other phases of Federal and District of Columbia workers have been decided by elected partisan politicians.

As a result of these restrictions, many thousands of District and Federal workers are being deprived of free speech that the 1st Amendment of the U.S. Constitution is supposed to guarantee.

I would be very much in favor of H.R. 3000. This Bill would give government employees a chance to come forth with new innovative ideas and suggestions to help our economy, energy, and all phases of management of our natural resources.

To sum up, I would like the opportunity to help politically. I believe many other government workers would like the same privilege. As of now, there is a world of talent in our government service which is not allowed to be used, just on account of this unfair Act.

I do not know what course other government workers will take, but as for me, give me freedom from this, to express my political views and take an active roll in county, state and national political campaigns if I desire. Thank you.

DETERMINATION PAID OFF FOR J. L. PILCHER

HON. DAWSON MATHIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. MATHIS. Mr. Speaker, recently, the Thomasville, Ga., Times-Enterprise published a personality profile of one of the most distinguished Members of Congress ever to represent the State of Georgia. For Members who served with J. L. Pilcher from 1953 to 1965 when he was here, his integrity and ability are universally recognized and remembered, but newer Members who did not have the opportunity to know him can benefit from this sketch of J. L. Pilcher's outstanding career:

[From the Thomasville (Ga.) Times-Enterprise, Aug. 30, 1975]

Determination Paid Off for J. L. Pilcher

(By Stevie Daniels)

MEIGS—A man who set out on his own as a teenager with $40 in his pocket and determination in his heart became a community leader, world traveler, and United States Representative.

J. L. Pilcher stepped from the door of the Old Center Hill School after completing six grades into the home of Chiang Kai-shek and other leaders some 50 years later during one of his eight world tours.

"I remember Chiang Kai-shek well," said Pilcher. "He always pretended he didn't understand English and would nod his head to everything we said. He actually spoke and understood English very well."

In fact, Madame Chiang Kai-shek was a room mate of Pilcher's first wife, Dorothy, at Wesleyan College in Macon.

Pilcher turned 77 this week and served 49 of those years in various public positions including city councilman, mayor, school board trustee, state senate and U.S. Congress.

"Nine people ran in my first election race," said Pilcher. "Gene Cox had died on Christmas Eve day and we had three weeks to campaign to fill his position."

Pilcher entered Congress in 1953 with Dwight D. Eisenhower and remained a representative through three administrations, retiring in 1965.

"While Eisenhower was in office I was able to obtain 10 post offices and four federal buildings for the south Georgia area," he said. The federal buildings were for Thomasville, Bainbridge, Tifton and Moultrie.

As Pilcher talked of numerous political leaders, who were also friends, he walked around his office pointing out their photographs and recalling events of days long past.

"Sam Rayburn was a close friend of mine," he said. "He spent two weeks at my house every year for 12 years between sessions. I was one of a few people who knew when he was dying of cancer."

Rayburn, a Texan, was speaker of the House under Harry S. Truman and Lyndon B. Johnson.

"Truman had more guts than any man who has ever been President," said Pilcher. "And John Kennedy was a charming, intelligent man. What people don't know is that Robert was the strongest mind of the two—John consulted him on everything."

Pilcher was chairman of the Foreign Affairs Committee in the House under Kennedy. He met with leaders around the world including Chiang Kai-shek and General Ayub Khan of Pakistan, who Pilcher said could speak seven languages.

Pilcher conferred with President Kennedy almost every day. He has a photograph taken the day he announced his retirement when Kennedy and Johnson were trying to talk him out of it.

In Pilcher's political career he met only a few people of whom he was critical and maintains the most important characteristic of greatness is integrity.

"Eisenhower was a fanatic about integrity," said Pilcher. "That's why he was such a great leader. If everyone had integrity and was honest we wouldn't face so many of the problems we do today."

Pilcher believes everyone knows right and wrong in their heart. He said "something inside" always makes him know what was right and he voted by his convictions.

Pilcher's career began in his teens in the early 1900s when he read an ad in the Times-Enterprise for a market in Whigham which cost $25.

His father had died when he was five and he took his first job delivering groceries for $3.50 a week as a teenager.

"There wasn't one paved road in Thomas, Grady or Mitchell counties when I took the train to Whigham," said Pilcher. "The store I purchased had a home-made ice box, a 30–30 rifle, meat saw, meat block and a butcher knife."

A man near Reno had about 2,000 head of wild cattle near his farm and would let people kill what they needed for $5 a head.

"I hired a tramp who needed work and asked him if he could shoot," Pilcher said. "He was a good shot and went right out and got us our first side of beef."

Many nights Pilcher would stay up until 2 a.m. cutting beef and pork and grinding it up for hamburger. There were no packing houses in the southeast but Armour had a route car which traveled around.

After eight months of work, Pilcher had managed to save $1250.60 which he kept in the bank across the street from his market.

"I had made up my mind to go to school and was ready to get my money and leave," he said. "One day I noticed the bank's lawyer, Sam Cain, and other officials arguing and shaking their hands at each other."

Pilcher was worried the bank might be in trouble and was at the door at 7 a.m. the next day asking for his money.

"After a lot of 'hemming and hawing' they finally were able to scrape together the full amount even though a lot of it was loose change and $1 bills."

Less than an hour later a big black car drove up and the bank put a "closed" sign on its door.

"World War I had just started when I went off the Massey Business College in Columbus. I studied six months, day and night, and won the Gregg Award for shorthand, Remington Award for typing, and National Award for bookkeeping."

Hardaway-Heck Company hired Pilcher at age 18 as office manager for their company in Charlotte, N.C. The contracting business was very successful and Pilcher returned to Meigs about four years later to open his own business.

He was married soon afterward and raised two sons, Charles, 52, a banker, and J. L. Pilcher Jr. "Little J. L. was a pilot in World War II and was shot down in action."

When Dorothy died five years ago, Pilcher married a woman he had known since he hired her when he was on the school board in 1931.

"I'll never forget the day she drove into town by herself looking for a job," he said "She was very independent. She explained she had her master's degree in education and needed a teaching job.

"We didn't have any openings so I told her I would have to talk to the other board members and contact her later."

The young woman, Ruby Hitchcock, was from Tifton and she thanked Pilcher, got in her car and headed for Pelham.

"When I got to thinking about her abilities and training I decided I couldn't let her get away," said Pilcher. "So, I got in my car and followed her and offered her a job."

She later became head of the business department at Tifton County Schools and ran her own private business college.

Although not as active as he used to be, Pilcher can be found most days sitting in his office in downtown Meigs. And he recently returned from a 10 day tour of Switzerland, Austria and Ireland—three countries he missed on his world tours.

"I hadn't been there and decided I wanted to make my world travels complete," said Pilcher, who has been remembered in the title of a county elementary school—Garrison-Pilcher.

In responding to questions about the global problems we face today, Pilcher said he believed we could solve them. "I've always been an optimist," he said. "I saw the country almost revolt before F.D.R. went in office and we made it then.

"Super big business is a lot of the trouble," he said. "Those operations cooperate with each other and they're almost bigger than the federal government. But I think we'll make it through, as we have before."

A GREAT DAY FOR ALL AMERICANS

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. SOLARZ. Mr. Speaker, on September 14, an event took place in St. Peter's Basilica of which every American can be proud. On that day, Pope Paul VI cannonized Elizabeth Ann Seton—the first native born American to receive such recognition. In the United States that same day, we celebrated National Saint Elizabeth Seton Day following an authorization by the Congress and a proclamation by the President.

As a New Yorker, I am particularly pleased by these events for Mother Seton was also a citizen of the Nation's largest city. She was born in 1774 in Staten Island; spent a good deal of her childhood there. When she married she moved to lower Manhattan and had five children while living there.

However, while many of her ideas were undoubtedly formulated in New York, it was not until she left for Maryland did the charitable and religious work for which she became famous begin. It was in Baltimore in 1808 that Mother Seton helped establish the first Catholic free school. A year later she took her vows and founded the first American order of the Sisters of Charity.

From Baltimore, the dedicated and tireless Mother Seton journeyed on foot to remote Emmitsburg, Md., to found a hospital, a leper asylum and an orphanage. By the time of her death from tuberculosis in 1821, Mother Seton had also established a hospital and foundling home in New York City.

Her noble and virtuous life has inspired many others. Today, Mother Seton's work is carried on by 7,500 spiritual daughters, the American Sisters of Charity, who are found throughout the western hemisphere carrying on valuable educational and charitable work.

Through her own work, and the work of her followers, Elizabeth Seton has given much to strengthen the religious and moral fiber of this country. Her contribution not only in education, but as a leader within organized religion mark her as one of the outstanding women of American history. As a sponsor of the resolution authorizing National Saint Elizabeth Seton Day, it is my hope, in these times when so many of our young are adrift without values, that Mother Seton's elevation to sainthood will serve as an inspiration to many to develop the qualities she personified.

KISSINGER'S MIDEAST PLAN CALLED A CALCULATED RISK FRAUGHT WITH DANGER—ANOTHER "GULF OF TONKIN RESOLUTION"

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. EVINS of Tennessee. Mr. Speaker, I have serious reservations concerning the effort by Secretary of State Henry Kissinger to "buy" a partial peace in the Mideast.

And we are talking about a "partial peace" because the proposed agreement relates to only two countries, Israel and Egypt—some Arab nations other than Egypt are highly critical of the proposal as a "sell-out."

This proposed plan which involves American observers as the peace watchdogs in this tenuous agreement between Israel and one Arab nation poses the threat of another Gulf of Tonkin resolution.

The Gulf of Tonkin resolution committed the United States to heavy involvement in Vietnam and we all know the terrible price we paid in lives and treasures for that mistake.

As you yourself have remarked, Mr. Speaker, the Kissinger proposal evokes "shadows" of the initial U.S. involvement in Vietnam.

We do not need any more "Vietnams," Mr. Speaker.

We must somehow overcome the philosophy that it is our responsibility to police the world. The resources of the United States should not be further drained at a time when the national debt is at an all time high and the President is vetoing bills designed to stimulate the economy at home.

Yet, Secretary Kissinger is proposing to spend an estimated $10 billion to "buy" a partial peace in the Mideast.

It is reported that for fiscal 1976, Israel would receive $2.2 billion, of which $1.5 billion would be military assistance. An estimated $650 million would go to Egypt for this single fiscal year.

And—I repeat—the overall price tag is put at $10 billion.

As we all know, the first estimates are always low—nobody knows and can predict what the final price tag will be for this latest Kissinger giveaway.

We should be reminded that Prime Minister Neville Chamberlain once was accused of seeking peace at any price.

Secretary Kissinger is seeking peace—but at what a price—in terms of potential American involvement and expenditure of American resources.

We certainly cannot afford to force our way into the Middle East like Santa Claus slinging money right and left where the oil-rich Arabian nations have soaked the American people for billions in high oil prices—and have treasuries literally overflowing with American dollars.

Mr. Speaker, my intuition tells me that we are asking for trouble if we approve this so-called "bought" peace plan.

What of the 200 Americans who will be "observers" to police the peace?

What if the terrorists attack these Americans and kill a substantial number?

The Arab terrorist leader Arafat has made it clear that he does not accept this peace because his organization—the Palestine Liberation Organization—was not included in the negotiations.

What would be the American reaction to a terrorist attack?

If Americans fight back, then we are involved.

If the Americans do not fight back, they are sitting ducks for these terrorist gangs that have had no qualms in killing even women and children.

This proposal could open the door to another American tragedy, Mr. Speaker—and we have had enough tragedy for this century.

I repeat—we must reexamine the philosophy that drives this Nation into involvement in the affairs of other nations and at the expense of the United States.

It is the time to inject some commonsense into our foreign policy for a change—let us stop this $10 billion giveaway.

AIRSHIP MUSEUM PROPOSED

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. HUGHES. Mr. Speaker, today I am proud to introduce, along with my good colleague, Mr. FORSYTHE and the entire New Jersey delegation, a bill that will aid the establishment of a lighter-than-air ship museum. This facility would be located in Lakehurst, N.J.

As you are no doubt aware, Hangar No. 1 of the Lakehurst Naval Air Station was designated a national shrine in 1971 when the air station, one of the three oldest in America, celebrated its 50th year of active service. The Lakehurst Naval Air Station had been the operating base for the Navy's airship operation since 1921 until its mission was recently changed due to the cessation of the airship program. It is also the site of the tragic explosion of the Hindenburg on May 6, 1937, as the famous German vessel was making one of its transatlantic trips.

The Airship Association, a nonprofit corporation formed by Vice Adm. Charles E. Rosenthal, U.S. Navy, Retired, plans to create a museum to house displays and serve as a repository of airship information. In the past the Airship Association has been borrowing facilities at the Lakehurst Station for the storage of part of its collection.

The legislation introduced would authorize the Secretary of the Navy to convey about 13 acres of excess land at the Lakehurst Naval Air Station to the Airship Association as a site for an airship museum. In view of its history, the Lakehurst Naval Air Station is a most suitable and fitting location for such a facility.

ENERGY POLICY

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. HAMILTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include my Washington report of August 13, 1975, entitled "Energy Policy":

ENERGY POLICY

The President and the Congress are locked in a struggle over a U.S. energy policy, and it is shaping up as the critical economic event of the year and possibly for several years to come.

This struggle, which has become the distinguishing mark of the 94th Congress, leaves Americans deeply concerned that the national leadership has been unable to agree on a comprehensive energy policy for conserving energy and expanding domestic supply.

At the center of the conflict is the issue of oil prices. Generally, the President supports higher oil prices by gradually decontrolling the price of oil in order to reduce consumption, encourage increased domestic production, and reduce reliance on foreign oil.

For many months the Congress has struggled mightily and unsuccessfully with energy policy. It has repeatedly rejected the President's energy plan. It dislikes placing the burden of resolving the oil shortage by putting higher prices on the consumer, and it fears that increased prices would weaken the economic recovery. The Congress has argued for putting economic recovery first and for a solution that would not increase oil prices. The Congress has sought an energy policy which would cut consumption and reduce dependence on foreign oil. It has tried a combination of price rollbacks, price ceilings, import quotas, and mandatory conservation, but so far, at least, the Congress has not been able to agree on a single policy, and the President has vetoed or threatened to veto any approach which does not come close to his own plan.

The reasons for this failure of the Congress to develop an energy policy are understandable, if not excusable. It is one thing for a President to propose an energy policy and quite another for 535 Members of Congress, representing widely varying constituencies, to agree on a policy in an area as complicated as energy, where there are no easy choices. The Congress is a more representative body of 210 million Americans than is generally acknowledged, and its task of building a consensus on energy, when there clearly is no consensus in the country, is extremely difficult.

Another reason for the failure of the Congress to develop an energy policy is that it has created a jurisdictional jungle to deal with energy policy, which is the hottest game in town. All in all, 14 House committees, 28 subcommittees, 16 Senate committees and 30 subcommittees, 3 joint congressional and 7 subcommittees claim some jurisdiction over the Energy Research and Development Administration alone. Other Committees claim some jurisdiction over other aspects of energy-policy. A single energy committee in each House of the Congress or a joint Senate-House energy committee would serve the interests of the country.

Most people agree that the present oil pricing system is inadequate. It is a two-tiered system with "old" oil (oil produced from properties producing at their 1972 production levels) and "new" oil (which is oil produced in excess of 1972 oil production rates). Today "old" oil is controlled at the price of about $5.25 per barrel and constitutes 66% of domestic production. "New" oil sells for about $12 per barrel. Imported crude oil, which comprises about 40% of U.S. oil consumption, is not price-regulated and sells for over $14 per barrel, including the President's additional $2 import fee.

It would, of course, be best for the country if the Congress and the President would back off from the confrontational politics over energy policy and try to work out a reasonable plan. The issue is not whether to conserve oil and reduce American vulnerability to the oil producing nations but how best to accomplish that purpose with equity and with the least damage to the American economy.

While it is impossible to be sure how the battle over energy policy will come out, oil prices, unfortunately, will likely rise substantially. I believe an effective national energy policy will be developed. The major outlines of it are already discernable: stringent conservation measures, reduced reliance on foreign oil, conversion to alternate sources of energy, some kind of tax and plow-back provisions to insure against windfall profits for the oil industry, and increased domestic supply.

The energy program should take effect only gradually, allowing persons, families and business enterprises time to adjust. Energy policy must be carefully meshed with economic policy to insure that the economy recovers from the worst recession in postwar history. Higher energy prices must not be permitted to cause the economic recovery to abort. If required, tax reductions in the approximate amount of the higher energy prices should be enacted to bolster purchasing power and to allow the economic recovery to continue.

OUT-OF-KILTER

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. DOWNEY of New York. Mr. Speaker, the American people are concerned about a wheat sale to the Soviet Union that may emerge as a second Russian wheat scandal. A local newspaper in my district expressed the same wonderment I have heard from many constituents—that the people's Government seems so willing to abandon our people's best interests in order to sell grain to the Soviets while the tough action the AFL–CIO takes in an effort to protect the American consumer and the American worker. I would like to share this editorial from the Amityville Record with my colleagues:

OUT-OF-KILTER

In our estimation, out-of-kilter isn't nearly strong enough to describe roles played this week by the AFL–CIO and Washington. Certainly, the AFL–CIO emerged as the good guys. And, at presstime, the drama hasn't even come close to the final curtain.

George Meany, president of the American Federation of Labor and Congress of Industrial Organizations, has announced a boycott by longshoremen of Soviet-bound wheat shipments sold after July 1. His reason is two-fold: 1. to force more shipments of grain bound for the Soviets on US vessels; and 2. to force our government to guarantee consumers that sales of US grain to Russia won't cause food prices to spiral as they have since the 1972 sales to Russia.

Secretary of Agriculture Earl Butz who said the '72 grain deal wouldn't affect grocery and meat prices took the brunt of this nation's outrage when prices skyrocketed. Ironically, he seems surprised when the American consumer refuses to believe that this mammoth wheat sale to Russia won't have the same effect. Instead of flooding the media with factual information about exactly how much grain we actually do have on hand or will have on hand this year which can be termed surplus, he and the President are handing out rhetoric and swapping barbs with Meany. Mr. President, Mr. Secretary, the American public wants some information!

Kansas Gov. Robert Bennett has said that the 1975 wheat crop is estimated at over two billion bushels while the US consumes only 600 million bushels. He called Meany's scare tactics hogwash. But then, he's from Kansas not NY State where taxes, unemployment and prices keep the wolf at many doors. A jump in the price of food now is all we need! With due respect to Gov. Bennett, we again call for a definitive statement from the White House on the grain supply.

We have heard that the word "guarantee" is difficult for our President to say, that he avoids its use on telecasts. We hope, nevertheless, that this is the word we'll hear and that it'll be applied to his promise that food prices won't hit the stratosphere if the Soviets get the grain.

FORCE AND COMPULSION IN UNION ORGANIZING

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. ASHBROOK. Mr. Speaker, not often do the leaders of unions or other employee organizations openly talk about the need for force and compulsion as a means of acquiring and retaining members. They try to skirt this issue most of the time. Consequently I was surprised to read a recent article by Anthony Fedele, State president of the Ohio Association of Public School Employees.

In the May–June edition of the OAPSE Journal, Mr. Fedele writes the following about a piece of legislation in the Ohio legislature.

All OAPSE members are continually faced with the negative attitudes of fellow employees who are non-members of our great organization. Hopefully this problem will be eliminated with inclusion of a "union" or "agency shop" provision in the collective bargaining bill.

No totalitarian dictator could put it better. The problem with freedom is that individuals are free to choose not to join even a "great organization" such as Mr. Fedele's. Many union leaders find this hard to take. To their way of thinking, people with "negative attitudes" toward joining should be compelled to join even against their will. In Communist countries, they call it reeducation.

Personally, I believe that teachers and other public employees should have the right to hold their jobs without having to join, pay tribute, or contribute to the support of a union or other employee organization. I strongly oppose efforts at both the State and Federal level to deny public employees this important freedom.

GUN CONTROL IN THE WAKE OF THE ATTEMPTED ASSASSINATION OF PRESIDENT FORD

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. DRINAN. Mr. Speaker, the attempted assassination of President Ford illustrates once again the menace posed by the unrestricted availability of handguns. The manufacture and sale of these deadly weapons continues to increase sharply; last year alone, 2.5 million handguns were added to the 40 million currently owned by Americans. Public opinion polls consistently show that two-thirds of the American people favor the registration of all firearms, and a majority supports a ban on the private possession of handguns, the favorite weapon of the violent criminal. I have introduced legislation to accomplish both of these important goals.

Despite the growing public demand for gun control, the Congress has failed to enact meaningful legislation. Perhaps the graphic example of a near assassination will have some impact. The first, halting steps toward firearms control occurred only in the wake of the murders of Robert F. Kennedy and Martin Luther King. Hopefully, comprehensive gun control legislation will not be delayed until another would-be assassin has a bit more expertise then Squeaky Fromme.

I commend to the attention of my colleagues an excellent essay on the attempted assassination and the need for gun control by the New Republic's outstanding columnist, TRB. This essay appeared in the New Republic's issue of September 20. The article follows:

BANG, BANG

Squeaky Fromme got a double whammy with her picture on the covers of both *Time* and *Newsweek* last week but three days after she tried to shoot Mr. Ford she was only on page 12 of *The New York Times*. A tug of the finger on a trigger of a properly loaded gun would have changed history, but addlepated Squeaky apparently didn't know you have to pull the slide back on an army .45 automatic to get a cartridge into the gun barrel. So the hardy President was out roaming the country again making dull speeches to selected audiences, the public was yawning again about gun control, and the nation that, more than any other, demands that its politicians glad-hand crowds in the flesh, remains the nation that does the least to prevent them from being turned into martyrs.

The President's Commission on Law Enforcement under former Attorney General Katzenbach made its report in 1967; it recommended gun control.

The National Advisory Commission on Civil Disorder under former Illinois Gov. Otto Kerner reported in 1968. It recommended gun control.

The National Commission on the Causes and Prevention of Violence under Dr. Milton Eisenhower reported in 1969. It recommended gun control.

The National Advisory Commission on Reform of Federal Criminal Laws under former California Gov. Edmund Brown reported in 1970. It recommended gun control.

The Commission on Criminal Justice Standards and Goals, under former Delaware Gov. Russell Peterson, in 1973, recommended gun control.

And so what? Handguns are as easy to buy as flashlights. The Gallup poll says that two out of three Americans favor firearms registration and that they *have* favored control for more than three decades; but there are two and a half million more guns manufactured each year, added to the sea of 40 million American-owned handguns; it's the largest unlicensed civil arsenal of lethal weapons in the history of mankind. People who fear and dislike handguns are buying them now because they fear others who are buying them. And the National Rifle Association and the American Congress are laughing at us. Last year handguns were used to murder 11,000 Americans, about twice the average casualties in Vietnam in peak years. "Too bad!" says the National Rifle Association and Congress sorrowfully. The gun homicide rate in the United States is 6.2 percent per 100,000—10 times above the next highest contender among 13 modern countries. "Perhaps we should look into this, says the National Rifle Association and Congress thoughtfully. But don't think that progress isn't being made. It is no longer legal to sell a machine gun to an individual.

The National Rifle Association in its $3.5 million glass and marble nine story headquarters here in Washington is the gun lobby that scares Congress. Some congressmen say they would like to do something about handguns—you know, crime and all that!—but how can they against an organization with a million members that boasts it can hit Congress with half a million letters on a 72-hour notice? Birch Bayh, Democratic senator from Indiana, at a gun control hearing where they had a display of handguns, toyed negligently with a lethal little nickel-plated snub-nosed ladies revolver with a barrel one inch long—just right for a beaded handbag. It is called a belly-gun in the trade. Why couldn't such things be banned, he wondered? But sportsmen of the NRA have an almost fanatical feeling that registration let alone outlawing of such killers would somehow compromise the farmers favorite fall outdoor sport, hunting.

The NRA publishes a monthly, the *American Rifleman*, whose gun advertising grosses $1,800,000 a year of the organization's $10 million budget. Lee Harvey Oswald saw an item he liked listed in the February, 1963 issue of the *Rifleman*; sent a $21.45 money order under a fictitious name to the advertiser and that was all it took to change the course of history.

In fact the price of killing Presidents is ghoulishly low. The .44 derringer with which Booth shot Lincoln couldn't have cost more than $15, estimates Robert Sherrill in his book *The Saturday Night Special*; Guiteau paid $10 for the .44 caliber second-hand revolver with which he killed Garfield (with a box of cartridges and a small penknife thrown in); Czolgos paid $4.50 for the handgun that killed McKinley, and I have cited Oswald's expense above—though he had to pay $1.50 for postage plus the cost of his post office box, "A. Hidell, P.O. Box 2915, Dallas, Texas." As for Squeaky Fromme, she apparently borrowed or stole her gun from a friend.

The political rule is that if you won't take the risk of being murdered you shouldn't run. It's like the ethic 200 years ago about dueling. A gentleman could always be called out. We think that pretty silly today but we still expect a candidate, or President, to expose himself in spite of the 40 million handguns and 135 million firearms sloshing about in the country, and to refrain from talking from a television booth, where he could speak more conveniently and have a bigger audience. Gov. George Wallace opposed gun control; he is paralyzed from the waist down. Mr. Ford "unalterably" opposes registration (though he favors tighter controls of gunstores); he felt the breath of death on his face.

I think that crime, fueled in part by handguns, is one of the most rapidly growing and explosive political issues in the country. It is readymade for a demagogue. Think of how Nixon used to attack the Supreme Court and for "lawnorder." Anyone who doesn't worry at growing crime is as dangerous as Squeaky Fromme. There are signs of demoralization; crime was up 17 percent last year, the most rapid rise in 44 years of recording. In 15 years murders rose 106 percent, robberies by 255 percent. The courts are in a mess: 90 percent of all serious crimes are plea-bargained (criminals can plead a lesser offense to save time.) No nation will stand anarchy. Before that comes repression.

What to do? One thing to do is to read the five moldering presidential crime reports of the last seven years. There's no easy answer, they say. But the Katzenbach, Kerner and Eisenhower reports are unanimous in linking rising statistics to social conditions, in calling prisons "graduate schools of crime," in urging faster justice, and in demanding gun controls.

REMARKS BY BERT A. GALLEGOS

HON. JOHN YOUNG

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. YOUNG of Texas. Mr. Speaker, I wish to submit a recent speech made by Director Bert A. Gallegos, Community Service Administration, into the CONGRESSIONAL RECORD. These remarks were made before the Second Annual Scholarship Dinner of the League of United Latin American Citizens, National Education Service Centers, held in Corpus Christi, Tex., on July 25, 1975.

I am pleased that through our efforts here in the Congress on August 8, 1964, the Economic Opportunity Act of 1964 was passed to mobilize the human and financial resources of this Nation to combat poverty in the United States. As a result of this legislation, programs such as the one discussed by Director Gallegos in his remarks were created. I am certainly pleased that the Community Services Administration's programs are achieving great success in Corpus Christi and submit Director Gallegos' remarks as evidence of the great benefits derived from the Economic Opportunity Act of 1964 which I was pleased to support:

REMARKS BY BERT A. GALLEGOS, DIRECTOR, COMMUNITY SERVICES ADMINISTRATION, BEFORE THE SECOND ANNUAL SCHOLARSHIP DINNER, LEAGUE OF UNITED LATIN AMERICAN CITIZENS

I am very pleased to be here this evening and to be a part of the Second Annual Scholarship Dinner sponsored by the Corpus Christi Center of the LULAC National Educational Service Centers.

It is my pleasure to have a part in this affair sponsored by what I consider to be a great and noble organization—The League of United Latin American Citizens—widely known and respected by the acronym LULAC, the largest and oldest Spanish organization in the United States founded 46 years ago in 1929 here, in Corpus Christi.

I am the Director of the Community Services Administration (CSA), which last January became the successor agency to the Office of Economic Opportunity (OEO). CSA is charged with an extraordinary responsibility as spelled out by the Congress of the United States in the Economic Opportunity Act of 1964 which gave the agency this mandate:

". . . to stimulate a clearer focusing of all available local, state, private and federal resources upon the goal of enabling low-income families and low income individuals of all ages, including persons of limited English-speaking ability, in rural and urban areas, to attain the skills, the knowledge, and the motivations to secure the opportunities needed for them to become fully self-sufficient."

LULAC also has an impressive obligation as described in their objectives: "to increase the number of educationally disadvantaged persons attending America's colleges and universities with special emphasis on Spanish surnamed students."

Sharing this common bond, LULAC and CSA have a mission and a responsibility to serve the disadvantaged. LULAC is serving this segment of the population through their eleven education service centers established across the country, one of which the first of the eleven, is located here, in Corpus Christi.

In a relatively short existence, LNESC has begun to have a significant impact on upgrading the educational skills of a segment of America's population which has traditionally been denied the equal opportunity of higher education. Although recruitment and retention are not necessarily new or innovative concepts in education, the LULAC National Education Service Centers' philosophy of a minority managed and administered organization is quite unique in working exclusively to increase the Spanish surnamed enrollments in and graduates of American college and University level institutions.

I am pleased to see that you are successful. In your first year of operation you were responsible for the enrollment of 4,486 students, and an additional 12,000 students received services which included counseling, tutoring and referrals. The centers generated more than $3.4 million in financial aid in form of scholarships, grants, loans, and work-study programs. This is an impressive record for it marks a good beginning and I wish to congratulate you on your excellent work.

I would now like to address myself to the program and goals of the CSA.

CSA has two major program responsibilities it administers: Community Action and Community Economic Development. Community action is the most fundamental approach through which the agency seeks to find effective solutions to basic social and economic problems related to poverty. This concept operates through the 883 Community Action Agencies located in 2,210 of the nation's 3,141 counties with more than 14 million persons participating in Community Action Programs (CAP).

Community Action has generated a very meaningful and constructive nationwide evolution whereby both public and private sectors work responsibly together in a spirit of cooperation to assure total community involvement in programs designed to assist the poor in becoming economically independent.

Community Economic Development (CED) programs administered by CSA's Office of Economic Development involve business development, brick and mortar facilities and an infra-structure development.

Community Action Agencies (CAA) emphasizes social services while Community Economic Development emphasizes local economic development. The overall thrust of both these programs is to provide jobs, higher incomes, and improved living environments for poor people. Thus, Community Action is a natural and complementary partner of Community Economic Development in working for the betterment of low-income people. Both CAA and CED people have demonstrated the commitment and the driving determination which has been largely responsible for their success.

Community Action is the spearpoint of what we are trying to do in this country to assist those less fortunuate among us. Because of the significance and the value of Community Action Agencies, the Congress of the United States was convinced to maintain the federal commitment to the anti-poverty effort.

The effort to eliminate poverty in America is a long term battle as is the effort to achieve equity in educational opportunities for the Spanish surnamed. You, members of LULAC, possess the commitment and the drive which will be responsible for your greater success in this effort. My friends, you've got what it takes.

Just as I believe the outlook for CSA's programs have come of age with the promise of a bright future, so do I believe LULAC and its education centers are well on their way to becoming a new and dynamic force in the nation in assisting the Spanish speaking in obtaining greater access to higher education across this country.

In these days when we continually see and hear references to the U.S. Bicentennial, it is important to reflect on what it is we are celebrating. Not only are we celebrating the 200th anniversary of a successful rebellion but also the 200 years of progress toward freedom and justice for all our people. Unfortunately, that progress has been slow in many areas. Often, we seem to take two steps forward and fall back one, but, however, at the same time the possibility of progress itself is a miracle.

As Spanish surnamed Americans, we can be proud of the past our ancestors played in founding the United States. It was the Spanish government whose confidence first brought Columbus here. A long successive line of Spanish explorers, soldiers, traders, and missionaries came from Spain to leave an indelible mark on the New World. While military operations seethed in the East at the time of the Revolution, Spaniards were peacefully at work in the West. In 1776, Escalente, a missionary, was at work laying out the Santa Fe Trail which was of significant importance in the westward movements of Americans. In the same year, the great missionary, Fray Junipero Serra, founded San Francisco.

Without such dedicated work by the Spanish, the victories we are about to celebrate might never have been possible. So I say to you now, as our Spanish forefathers were linked with America's heroic begnnnings, let us link our names and our endeavors to her promising future. Adelante!

THE RECOVERY

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. HAMILTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include my Washington report of August 6, 1975, entitled "The Recovery":

THE RECOVERY

Recovery from the economic recession is now assured.

Almost daily the evidence is building that the longest and deepest recession in the United States since WWII is finally coming to a close. Production is rising and the gross national product (GNP) is likely to grow significantly in the months ahead. The dollar is reestablishing itself as one of the strongest currencies in the world. Businessmen are getting rid of their inventories, and the rate of inflation has declined sharply. The stock market has advanced nicely and the length of the recession has left many consumers eager to spend.

But the real question is what will be the strength of the economy's recovery? The recession may be over, but the economy still has a long recovery road to travel, and it is a road filled with many obstacles.

There are several signs that the recovery will not be as strong as we would like. The housing and the automobile industries are anything but robust, our trading partners abroad are not recovering rapidly from their economic problems, and we will not get the boost from their economies that we usually do as the world comes out of a recession.

Most disturbing of all is that unemployment will be high for a very long time, remaining at over 8% through 1975 and falling only slightly by the end of 1976. That means some 8 million people will continue to be unemployed. Although the price developments this year have been encouraging, the inflation rate is expected to remain unacceptably high in the coming months, probably in the 5 to 9% range through 1976, chiefly because of further increases in energy prices. To sum up the economic outlook, the next year does not promise to end the dilemma of high unemployment and high rates of inflation.

In these circumstances the President, content with present policies, is warning often that any major change in them will get the inflation pot boiling furiously again. The critics of the President's policy emphasize that his policies will delay the return to strong growth and continued high employment.

So, when the Congress returns in September it will be dealing with difficult economic issues, and the vigor of the nation's recovery will depend heavily on its ability to cope with them.

One of the immediate issues is whether the economy needs additional stimulus. Although a final judgment should be reserved for several weeks, I tend toward the view that the 1975 Tax Reduction Act should be extended in 1976 in order to try to deal with the intolerable unemployment levels and the slack in the economy (American industry is operating at 69% of capacity) and to keep oil price increases from eroding purchasing power and undermining economic recovery.

Projections by the Congressional Budget Office show that, if the tax cut is extended, the GNP would be about $14 billion higher, unemployment would drop about $\frac{3}{10}$ of 1%, and prices would not be affected very much. It may be necessary to use both monetary and fiscal policy to offset the heavy drag of increased energy prices; if they are not used, the economy could remain in a slump. Generally, I do not favor increases in federal expenditures, except to deal with the most serious problem of unemployment, and here I favor measures to move people from relief roles to payrolls. More restrictive policies could worsen unemployment while doing very little to reduce inflation. The Congressional Budget Office also projects that, if the tax cut is not extended, the GNP would fall by about $8 billion and unemployment would jump slightly, without affecting inflation. Of course, as the economy moves to full employment and full capacity, expansionary policies will have to be cut back to avoid inflation.

A major concern in the months ahead will be energy policy. Price increases for energy, whether from the decontrol of domestic oil prices or from an increase in the price of imported oil by the OPEC countries, could undermine progress on both inflation and unemployment and slow down the recovery from the recession. Whatever is done on energy policy, it is important that it be done gradually to avoid a drop in consumer purchasing power.

By any measure, the performance of the economy in recent years has been disappointing. The challenge is not only to hasten the process of economic recovery, but to achieve the elusive goal of a continuing, acceptable combination of high employment and price stability.

RABBI PHILIP LAZOWSKI

HON. WILLIAM R. COTTER

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. COTTER. Mr. Speaker, during the past fortnight Jews have observed the feasts of Rosh Hashana and Yom Kippur. And it was during this holiday season that I had occasion to read a book written by a rabbi from Bloomfield, Conn.

Rabbi Philip Lazowski, of Beth Hillel Synagogue, in his autobiography "Faith and Destiny," recounts the suffering, sacrifices, and tortures of millions of Jews at the hands of the Nazis. His experiences during the holocaust in Lithuania, as painful and humiliating as he describes them, were not suffered in vain. Rabbi Lazowski, as well as countless others, overcame the great trials of their earlier lives under the Hitler regime.

Once in America, the strong will to survive and to learn brought with it a desire to serve others.

Rabbi Lazowski has given much of his time and energy to his community for over 20 years. He has served as educational director of Beth Sholom Synagogue in Hartford, and also in the Academy of Higher Learning. He was spiritual leader of the academy after being ordained a rabbi in 1962. Since 1969 he has been leading the merged Beth Sholom and Beth Hillel Synagogues.

His moving autobiographical story is a fitting reminder of how it is possible to endure the worst imaginable existence, and overcome it.

CHAPTER II—CORRUPTION IN OUR SOCIETY

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. KOCH. Mr. Speaker, corruption in our society is our Achilles' heel. My full statement on corruption, for those interested in reading it, can be found in the CONGRESSIONAL RECORD of September 3, page 27240.

Additional comments which I have received on how to deal with corruption follow:

SECRETARY OF HOUSING
AND URBAN DEVELOPMENT,
Washington, D.C., September 5, 1975.
Hon. EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR MR. KOCH: Thank you for sending me a copy of your statement on corruption, which was printed in the Congressional Record on July 29th.

It is a subject to which, regrettably, we must return at regular intervals. Perhaps because our political structure is so stable, because our economic system affords such a high standard of living for so many, we are insulated from the social inequities caused by dishonesty. The danger of lapsing into complacency about the need for high standards of integrity at every level of public and private life should not be underestimated.

William James summarized both the problem and its solution very well. He said:

The deadliest enemies of nations are not their foreign foes; they always dwell within their borders. And from these internal enemies, civilization is always in need for being saved. The nation blessed above all nations is she in whom the civic genius of the people does the saving day by day, by acts without external picturesqueness; by speaking, writing, voting reasonably; by smiting corruption swiftly; by good temper between parties, by the people knowing true men when they see them, and preferring them as leaders to rabid partisans and empty quacks.

To his summation, I would only add that we who are entrusted with public office, whether by election or appointment, should so conduct ourselves as to facilitate the exercise of the "civic genius" that our citizens have demonstrated so often in times of stress.

Sincerely,

CARLA A. HILL.

STANDARD OIL COMPANY (INDIANA),
Chicago, Ill., August 26, 1975.
Hon. EDWARD I. KOCH,
Member of Congress,
Longworth Office Building,
Washington, D.C.

DEAR CONGRESSMAN KOCH: Thank you for letting us have a copy of your remarks on the problem of corruption in American society, and for soliciting our views on the issue.

While acknowledging that a problem exists, I am inclined to believe that, if legislation is contemplated, it would be more practical to address specific types of activity and, if necessary, provide more stringent penalties in those instances where present laws try to meet the problems but are inadequate.

This, of course, does not really answer your more difficult question of "installing a greater morality amongst our young." Juvenile delinquents according to a definition I saw recently, are "children who act like their parents." Perhaps a contemplation of this concept could provide us with a clue for helpful action.

Cordially,

J. P. HAMMOND.

NATIONAL 4–H FOUNDATION,
Washington, D.C., September 16, 1975.
Hon. EDWARD I. KOCH,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN KOCH: I applaud the material you entered in the House Congressional Record dated September 3 on "Corruption in our Society". It is my hope that more of our government leaders, as well as those in private industry, will develop a more statesmanlike approach in directing their attention to the needs that will continue to build America and our great system. Somehow, we must recapture a value system that includes honesty, integrity, and ability to judge right from wrong when acting for the common good of our people. In this respect, the ideals toward which you directed your attention must be a part of the educational systems that instill in every citizen the same qualities we need in government and private enterprise leadership.

You were "on the mark" in your efforts in this instance and I hope you will continue your efforts in this regard.

Very sincerely yours,

GRANT A. SHRUM,
Executive Director.

NEW YORK, N.Y., *August 29, 1975.*
Representative EDWARD I. KOCH,
Longworth House Office Building,
Washington, D.C.

DEAR REPRESENTATIVE KOCH: I appreciate the opportunity to present my views on your statement in the House on July 29 on the problem of corruption.

I agree with you that the many forms corruption has taken in recent years have cut across all ages and strata of society. To the extent that it continues to be treated casually by Americans, all of us will suffer.

Your solution for disposing of the problem by instilling a sense of morality in our youth is one that I heartily endorse. In America, 200 years ago and earlier, high moral standards were the norms for both public and private activity. We could not celebrate our Bicentennial year better than by restoring equally high standards for public and private activity today. In doing so, there would be no need to threaten imprisonment as a deterrent to corruption because, being motivated by higher ideals, corruption would no longer be a concern.

Your clarion call to all of us to begin to cast our corruption deserves the support of all men of good will and I am happy to join with them in doing so.

Sincerely,

PETER GRACE.

UNITED BRANDS CO.,
Boston, Mass., September 8, 1975.
Hon. EDWARD I. KOCH,
The House of Representatives,
Washington, D.C.

DEAR SIR: I appreciate your letter of August 14 enclosing a reprint of your thoughtful remarks in the July 29, 1975, *Congressional Record.*

As I think you know, I have only recently assumed the presidency of United Brands Company. Subsequent to my appointment as President and Chief Executive Officer, Mr. Max M. Fisher of Detroit has been elected Chairman of the Company's Board of Directors.

At our annual meeting, held in New York City on August 18, 1975, Mr. Fisher addressed himself directly to the problem of ethics in business. He said to our shareholders that it is the Company's policy "to operate in a legal and ethical manner and to adhere to the standards which may be set by appropriate government authorities."

He also informed the shareholders that our Board has established a special committee to investigate all aspects of this problem and to draw up a code of conduct.

I was impressed by the passage in your statement to the effect that, "we live in a country that has no peer in terms of political freedom and the ability of its citizens to develop their individual capabilities." We at United Brands, charged with a responsibility to provide food products at fair prices both in the United States and in many foreign countries, are determined to do everything we can to demonstrate that our traditional economic system can contribute more effectively than any other in advancing the welfare of man. In working toward this goal, we are committed to act in a manner consistent with the highest ethical standards.

Constructive interest such as yours is of great help to me and my associates as we seek better ways of meeting both our corporate and our social responsibilities.

Thank you again for your letter.

Sincerely,

WALLACE W. BOOTH.

DOW CHEMICAL COMPANY,
Midland, Mich., September 5, 1975.

Representative EDWARD I. KOCH,
Longworth Office Building,
Washington, D.C.

DEAR MR. KOCH: Thank you for your letter of August 14 and the attached reprint of your remarks regarding corruption.

I appreciate having an opportunity to read your remarks and agree that it is a serious problem. The various remedies that are proposed by various people seem to depend on their individual viewpoints and interests. As far as our own company is concerned, we have made it clear to our people throughout the world that we will not tolerate any program which involves "payoffs" and we will support any resistance to such dealings by any of our representatives. We have always taken great pride in the ethical standards of our company. Perhaps of equal importance, is the fact that our top people act in an ethical fashion and this knowledge and custom "percolates" down.

I wish you every success in your efforts.

Sincerely yours,

C. B. BRANCH,
President.

CAPITOL FLAG COMMEMORATES CANONIZATION

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. FISHER. Mr. Speaker, I am pleased to record that one of the flags flown over the Capitol on Sunday, September 14, commemorates the canonization of Mother Elizabeth Ann Seton, the first native-born American to be proclaimed a saint by the Catholic Church. At the request of a friend and constituent, Mrs. Wilda O'Donnell Gizak, this flag will be presented to Sister Doris Smith, president of the College of Mount St. Vincent in Riverdale, N.Y.

St. Elizabeth Seton is the founder of the order of religious women who teach at Mount Saint Vincent and Riverdale is also the location of the motherhouse of the Sisters of Charity.

SHOPWELL FOOD CHAIN STORES TO OFFER DISCOUNT

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. RANGEL. Mr. Speaker, senior citizens in our country and those individuals receiving public assistance too often become the first victims of the escalating cost of living. They are presumed to have little knowledge of the decisions in Government and industry which affect their lives, and indeed, few rights of self-determination.

It is the responsibility of the entire community to reverse this trend of paternalism and indifference. We cannot ignore the rights of the needy, or continue to make them bear the heavy burden of our economic crisis. I would like to bring to the attention of my colleagues the efforts of Shopwell, Inc., a national food chain, which is expanding its policy of offering discounts to senior citizens, the unemployed, and those receiving public assistance.

I insert a letter at this point in the RECORD, from Mr. Martin Rosengarten, president of Shopwell, Inc.:

AUGUST 15, 1975.

Hon. CHARLES B. RANGEL,
U.S. Congressman, House Office Building,
Washington, D.C.

DEAR CONGRESSMAN RANGEL: Earlier this year I wrote to you announcing Shopwell's 10 per cent discount Savings Certificate program for senior citizens, persons on welfare, the unemployed and those who qualify for Federal Food Stamps. I am pleased to report to you at this time that because of the overwhelmingly favorable public response, Shopwell is extending the program's original August 25th deadline to March 27, 1976, the first anniversary of its inception. Further extension will be considered at this time.

Within the first two weeks of sales, the large demand for Savings Certificates made it necessary for us to expand the number of selling stores from 23 to include all Shopwell stores, and the number of selling days from one per week (Monday only) to three (Monday, Tuesday and Wednesday).

The original terms of purchase are still in effect. Certificates in $5 denominations are sold at a 10 per cent discount to eligible persons with proper identification, up to a limit of $50 per family per week. They are redeemable at any Shopwell store any day of the week, for all merchandise except cigarettes and beer. The certificates may be used any time in the future and there will be no expiration date on the certificate. Certificates must be used in their entirety, as change cannot be given at the time of redemption.

We at Shopwell are pleased that many citizens have benefited from our Savings Certificates program, and we are proud that Shopwell has been able to help these people cut their food bills. In order to make the program known to as many eligible persons as possible, we ask your continued cooperation and assistance in disseminating information about our Savings Certificates.

At Shopwell, we are deeply concerned about the needs and problems of our fellow citizens, who, through no fault of their own, are experiencing severe hardships. We are determined to do something to help, and cutting their food bills seems the most effective way.

Although our efforts to date have been very successful, there are still many persons in need whom we have not reached. We welcome your suggestions and inquiries, and we look forward to your ongoing support.

Respectfully,

MARTIN ROSENGARTEN,
President.

AGENCY FOR CONSUMER PROTECTION

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. SARASIN. Mr. Speaker, as most people are aware, there is currently pending legislation to create an Agency for Consumer Protection. While I believe that the rationale for H.R. 7575, the Consumer Protection Act of 1975, is a sound one, I do not believe that the bill as presently drafted would create an effective agency, or that the timing for the creation of a new agency with its attendant costs is justified in terms of our national priorities.

As a cosponsor of legislation which would establish a national commission on regulatory reform, I am quite concerned that there is a lot of waste in our Federal regulatory agencies, and I would like to see their budgets trimmed down or eliminated altogether if the Agency has outlived its usefulness. This Commission would review all existing regulatory agencies to determine whether their existence justifies their costs, and whether they are still performing the functions they were originally intended to. I do not believe, as many in Government seem to, that the way to solve a problem is to create another Federal agency to deal with it.

Thus, I cannot at this time condone the creation of a new Agency for Consumer Protection, particularly in light of the fact that several Federal agencies already have sufficient offices for consumer advocacy. In addition to the Office of Consumer Affairs headed by a Special Assistant to the President, there are innumerable consumer related programs in over 33 Government agencies and departments. Thus, before we create a new bureaucratic structure, efforts should be made to review and strengthen programs already funded and operational to insure that they are aiding the American consumer as effectively as possible.

Proponents of the Agency cite its minimal costs—estimates range from $10 to $20 million as an average over a 3-year period. I do not doubt that the Agency at the outset would have a modest budget, but precedents have shown that modest budgets easily mushroom, and once an agency is established, it is well nigh difficult to curb its funding, or even abolish it if we so desired. Moreover, there would be increased costs borne by other agencies due to the demands and advocacy of the ACP, and also the increased costs of production and distribution in the marketplace due to increased regulations spawned by the Agency. Thus, the Agency could very well end up hurting the consumers they seek to protect.

Creation of a new Federal agency is simply the wrong approach to the problem. Consumers would not receive direct representation before Federal agencies because the ACP would have the sole authority to decide just what was the "consumer interest." Moreover, while it is intended that this Agency curb the abuses of other agencies, there are no sanctions to curb its authority. The Agency would have the right to intervene in the unstructured activities of other agencies through the presentation of views either orally or in writing, thus allowing for the possible disruptive effect of this Agency in the day-to-day affairs of other agencies.

The fact, too, that H.R. 7575 would exempt labor disputes and labor agreements from the purview of the Agency points up the inadequacy of the proposed legislation. The Agency could not intervene in National Labor Relations Board or Federal Mediation and Conciliation Service activities or any other Government matter involving labor. Moreover, the Senate version includes an agriculture exemption that would prevent intervention in any activity "directly affecting producers of livestock, poultry, agricultural crops, or raw fish products." This wide ranging exemption would eliminate any agency input into decisions affecting the price and supply of food, which is of obvious vital concern to consumers.

The Senate bill also exempts small businesses from certain activities of the Agency, which would make the Agency discriminatory in its actions against larger businesses. While the House bill does not include these two particular exemptions, it is expected that relevant exemptions will be offered in the House that only serve to further undercut the intent of the bill.

To quote the words of former Senator Sam Ervin:

> The new bureaucracy would have all the rights of a regulatory agency, yet none of the responsibilities. It would have more power than real consumers ever dreamed of exercising.

Simply stated, H.R. 7575 is bad legislation and would not serve the interests of the American consumer as intended. Therefore, I would urge my fellow Members to join me in a negative vote should this bill come before the full House for a final decision.

SUBCOMMITTEE ON CRIME TO CONTINUE HEARINGS ON FIREARMS LEGISLATION

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. CONYERS. Mr. Speaker, I am pleased to announce that the Subcommittee on Crime of the Committee on the Judiciary will continue hearings on firearms legislation on Wednesday, September 24, 1975, at 10 a.m. in 2237 Rayburn House Office Building, Washington, D.C.

Witnesses scheduled to testify before the subcommittee include David R. Macdonald, Assistant Secretary of the Treasury; Rex D. Davis, Director, Bureau of Alcohol, Tobacco and Firearms; and Franklin E. Zimring, professor of law, University of Chicago Law School.

Those persons wishing to testify or submit a statement for the record should address their requests to the Committee on the Judiciary, 2137 Rayburn House Office Building, Washington, D.C.

THE PRESIDENT WINS ON OIL BILL—BUT THE PEOPLE ARE THE LOSERS

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. EVINS of Tennessee. Mr. Speaker, as you know, the Senate recently failed to override the President's latest veto of legislation to continue controls on oil prices for 6 months.

This administration has insisted on a high-price policy for gasoline and petroleum products—administration spokesmen have swallowed—hook, line, and sinker—the big oil propaganda line, which is that big oil must have more profits to develop new wells.

The Nashville Tennessean in a recent editorial pointed out that immediate decontrol would have a drastic effect on the economy, citing a Library of Congress study to the effect that the end of controls will mean a 15 cents a gallon gasoline price increase, with all of the inflationary impact on the American economy and the American family.

The editorial quoted an analysis by the Mobil Oil Corp. that decontrol would cost American consumers about $8 billion annually and possibly as much as $14 billion.

The editorial also pointed out that the oil price increases would have a ripple effect on the economy by sending out inflationary waves that will push up the price of food, clothing, packaging, transportation, and even farm production.

Last year the oil companies had profits of 75 percent, the editorial continues, but oil production dropped 8 percent. In 1973 when profits were astronomical, there were 11,065 fewer oil wells.

These huge multinational corporations are out for massive and excessive profits—and their actions demonstrate they could care less about the American consumer.

The administration should be initiating antitrust action against the big oil companies and their increasing control of competing sources rather than encouraging higher and higher profits and higher and higher prices at the expense of the American people.

I place the editorial from the Tennessean in the RECORD:

MR. FORD WINS ON OIL BILL BUT THE PEOPLE ARE LOSERS

The Democratic leaders in the Senate couldn't muster the needed votes to override President Ford's latest veto, that of a bill extending controls on oil prices for six months. The American public will now bear the brunt of higher prices.

Ford loyalists, conservative Democrats and oil state senators provided sufficient votes to prevent a needed two-thirds majority. Both Tennessee senators voted to sustain the President.

The administration has now indicated that it would support a 45-day extension of price controls, during which time the Congress could adopt a gradual phase-out program. Even so, it will still mean higher prices.

What is involved is "old oil," which is defined as being from a property that was in operation during 1972. That oil, which is about 60% of the country's domestic output, was frozen at a price of about $5.25 a barrel.

Since controls expired on Sept. 1, that oil is free to go higher right now. How high would depend on whether the Congress can pass legislation extending controls for a short time while it considers setting a time limit on decontrol.

Immediate decontrol would have a drastic effect on the economy, adding to inflationary pressures and probably killing off any chance of economic recovery.

Athough the Federal Energy Adminstration insists the price rise in gasoline would likely be about three cents a gallon, that estimate is not shared by many others.

A library of Congress study has estimated the end to controls would mean an increase of up to 15 cents a gallon in the price of gasoline at the pump, and that it would raise the cost of living by nearly two per cent and throw 600,000 Americans out of jobs.

An analysis by Mobil Oil Corporation, whose chairman recently expressed concern over immediate decontrol, was that it could cost American consumers about $8 billion annually, and if import duties stayed on, that cost might go as high as $14 billion.

Increases in the price of oil have a ripple effect across the whole economy by hiking the price of food, clothing, packaging, transportation and even farm production.

It is difficult to see how the Ford administration is willing to gamble with the economy by the actions it has taken thus far. Its argument is that by permitting the oil companies to make higher profits, they will be encouraged to seek out and produce more oil.

The premise doesn't hold up. Last year, the oil companies had profit increases of 75% or more, but oil production dropped 8%. In 1973, when profits were anything but bad, the net change in producing oil wells was 11,065 fewer.

With oil companies putting their money into food processing, chemicals, coal, uranium, retail outlets and even gold mining, it is difficult to see how higher profits are going to do what the Ford administration thinks will happen.

The President called the vote sustaining his veto a victory for homeowners, farmers, factories, utilities and the American people generally. It was no victory for the American people, and even if by some stretch of the imagination it could really be called that, they sure can't stand many more such victories.

COVINA, CALIF.

HON. JIM LLOYD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. LLOYD of California. Mr. Speaker, I would like to pay tribute to one of the finest communities in America, the city of Covina, Calif. I am proud to have

Covina in my 35th District, and in 1976, during America's Bicentennial, Covina will be celebrating its diamond anniversary of municipal incorporation.

Covina's 75 years of cityhood have provided a rich and treasured tradition for citizens of the community. It was not too long ago when Covina's motto was, "A Mile Square and All There." That was during the days when citrus groves stretched for seemingly endless miles in the San Gabriel Valley. And, in those days, Covina's population was around 3,000.

Today, despite phenomenal growth and a current population of some 32,000 people, Covina has retained its small-town charm and community identity as well as any city in America. It has a thriving business and commercial community along with residential neighborhoods that are among the nicest in California. Covina, in its 75 years, has come to represent the finest qualities of American life. Family, school, church, business and community pride come into a harmonious blend in Covina.

On behalf of my colleagues in the Congress, I congratulate the city of Covina and its citizens upon their 75th year as one America's finest cities.

IDAHOANS OPPOSE MORE DAMS IN HELLS CANYON

HON. AL ULLMAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. ULLMAN. Mr. Speaker, I know of no better testimonial to our need to preserve the remaining free-flowing sections of the Snake River than that given by the people who knows Hells Canyon—people who have traveled through the canyon or lived near it.

Last spring, the city council in Lewiston, Idaho, noting that "the detrimental effects" of further dam construction "upon the environment of the Middle Snake far outweigh the expected benefits," voted 6 to 1 to oppose new dams in Hells Canyon. The action taken by Lewiston's city council is symbolic of popular support for preserving the canyon in its present state. In fact, a poll taken in Idaho indicates support for preservation by a 2 to 1 margin:

[From the Idaho Statesman, Aug. 19, 1975]

POLL SHOWS IDAHOANS OPPOSE MORE DAMS IN HELLS CANYON

(Copyright 1974, GMA Research Corp.)

Legislation to prohibit further dam construction in the Hells Canyon section of the Snake River is supported by a margin of almost 2 to 1 in Idaho, according to a just-released poll.

That is the result of a poll sponsored by The Idaho Statesman and conducted by Opinion Northwest, a syndicated survey owned by GMA Research Corp. of Portland.

A scientifically selected sample of 384 Idaho residents in 17 areas was contacted by telephone Aug. 11 and asked to respond to this question:

"Do you favor legislation to prohibit future dam construction on the Snake River in the Hells Canyon area?"

Some 48 per cent favored such anti-dam legislation. Opposition to anti-dam legislation was voiced by 27 per cent and 25 per cent were undecided.

"The high degree of opposition to future dams indicates that environmental issues remain important despite energy shortages and increased demands for non-petroleum energy sources," the surveyors said.

The survey also broke down responses by political party affiliation. This showed that 47 per cent of Republicans favor anti-dam legislation, 37 oppose it and 16 per cent are undecided. Of Democrats, 55 per cent favor anti-dam legislation, 24 per cent oppose and 21 per cent are undecided.

Independents favor anti-dam legislation by 50 per cent with 11 per cent opposing and 39 per cent undecided.

"The survey indicates that one out of four Idaho residents interviewed is undecided and may still be weighing the energy-versus-environment considerations," the surveyors said.

The GMA poll closely corresponds to a mail-in poll by Sen. James McClure, R-Idaho, conducted in March and April. That poll showed 47 percent of Idahoans opposed any dams on the Middle Snake River (Hells Canyon).

GMA Research is the Pacific Northwest's largest full-service market research company. Founded in 1969, the firm is a member of the National Council of Public Polls, a 24-member self-regulating body whose members provide surveys to newspapers.

The Statesman's poll is part of a three-state poll GMA is conducting each month. Other newspapers sponsoring GMA public opinion surveying are the Seattle Post-Intelligencer, Oregon Journal, Klamath Falls Herald and Tribune, Bend Bulletin, Baker Democrat-Herald and LaGrande Evening Observer.

Future polls will include not only economic and political questions concerning Idaho, but also surveys which include all three Northwest states—Oregon, Washington and Idaho.

Many people have been inspired by a trip through the Canyon. One student recorded her impressions after a rewarding voyage as follows:

I am a high school senior at Nampa High School, Nampa, Idaho and am writing to you because of my concern about any further dams in Hell's Canyon and on the Middle Snake.

Having grown up in Nampa, the Snake has always meant a lot to me, ever since I was a small child. The old Railroad Bridge, the Indian pictographs, the cat fishing and just the beauty of the Snake are one of a kind and can't ever be replaced if covered by reservoirs.

Last May the Nampa High School Science Club took a backpacking trip to Hell's Canyon. We started at Hell's Canyon Dam with a jet boat ride 1½ miles up river to the start of a trail. From there we hiked about 8 miles to Granite Creek. It was a beautiful green spring with high run-offs, and that trip is something I will remember for the rest of my life. We hiked past the site of the proposed dam at Sheep Creek, and I feel sad when I think that someday Hell's Canyon might be flooded. It is almost the last wild stretch of river left.

This summer I worked with the Youth Conservation Corps at Deerflat Wildlife Refuge. The islands of part of the Middle Snake are also part of this refuge, and we did some brush clearing on them to aid the nesting of Canadian geese. While we were working there, we took a boat trip up above the old railroad bridge to a rapids in the river just above a deep pool which is one of the few strong holds of sturgeon on the river and in the world. Just above this rapids is the proposed site of the Guffey Dam. On the way back down the river, we saw ten Great Blue Herons. If that dam is built, the sturgeon will be gone and the heron and geese nesting grounds destroyed.

I am ashamed that the only congressman from the Northwest who opposes protective legislation for the Snake is from Idaho. I want to thank you and all the other people who are working so hard to save the Snake.

Sincerely yours,

MARTHA TAYLOR.

NAMPA, IDAHO.

Another student voiced her concern in the Tri-City Herald, noting the importance of preserving this part of the Snake for future use. I particularly want to share these letters from young people, because it is for them that we are making these monumental decisions. Our choice is their future:

There are several reasons why Hell's Canyon should be allowed to exist as it does today. Three dams have already been built in a section of Hell's Canyon (Oxbow, Brownlee, and Low Hell's Canyon). The remaining stretch of the Snake River and the canyon should be left in a natural state to serve other needs of our society. This need for wild places is valid and does exist, as many people feel a psychological need to identify with, or be near, wilderness.

Un-altered portions of our environment need to be set aside for scientific study. A person cannot put a definite dollar value on these places, but in this quickly changing world, the results of these studies on natural areas and systems will show us (in the future) the results of man made changes that we cannot even predict yet.

It is especially important that we have an ecologic indicator in Hell's Canyon because it contains terrestrial, aquatic, and atmospheric habitats that are biologically unique. All of the ten life zones that are found on this continent are squeezed into this small area, and this fact alone is of great scientific interest and value. It is these ten life zones that are responsible for the great variety and abundance of wildlife and plants that are found in this area.

Any of the proposed dams, in the area of their reservoirs, will destroy unique combinations of plant life, wildlife habitat, wildlife, and drastically alter the ecosystem. Winter ranges of elk and deer will be lost. And there is no way that we can compensate for the loss of this important habitat.

The sturgeon, small mouth bass, as well as trout, steelhead, and salmon will be lost as the loss of a free-flowing stream will eliminate their spawning grounds.

Upland birds will be displaced. Non-game animals such as beaver, muskrat, and yellow marmots will be forced out of their normal habitat.

Nesting sites for waterfowl will be destroyed. All of these displaced animals would be forced to move into other areas of suitable habitat that are probably already supporting the maximum number of animals that they can. Therefore, most of these displaced animals would be lost to the elements, predation, and other factors. (Look up "carrying capacity" in any wildlife management text.) There are approximately 200 archaeological sites in the canyon that need studying.

All hunting and fishing as it is known today will be lost. Of course, white water boating will be eliminated. The quality of the water will most likely decrease; we will lose another wild river and much of its spectacular canyon. A dam will decrease wildlife and recreation, and will certainly not "increase the beauty of the area."

Apparently, we have much more to lose than gain with a dam on the Middle Snake River. Especially when one considers that power companies may have a tendency to create an artificial "need" for extra electrical energy through advertising: (Live Better Electrically!!) for such non-essentials as electric can openers, knives, and toothbrushes. Spectacular areas such as Glen Canyon and Hell's Canyon are the price we will have to pay for these items.

With a dam, the Snake River and Hell's Canyon will cease to be remarkable as they now are. There is a scarcity of truly wild and scenic rivers. Hell's Canyon is definitely a place that all future generations will need, yet it is something that only we will have the opportunity to preserve.

AUDREY ARLT LINGOHR,
STUDENT, WILDLIFE BIOLOGY,
Washington State University.

Mr. Speaker, it is not only the young who are concerned about the fate of Hells Canyon. I would like to share with my fellow Members a letter from a man who has been able to enjoy this part of the river all of his life, and he, too, dreads the thought of flooding it:

DEAR REPRESENTATIVE ULLMAN: With this letter I wish to convey my grave concern regarding protection of the Middle Snake River from future dams. Having grown up along the Snake River near Glenns Ferry, Idaho, and also having worked many months on adjoining farms, I appreciate the utility of the Snake River for both irrigation and as a power source for energy. However, it is becoming more and more obvious to me that we've about strangled the Snake River with numerous impoundments, and the benefits in energy derived from additional dams on the Snake, especially in the Middle Snake River region, *does not warrant* the resulting aesthetic and environmental degradation.

If you recall, in 1968 the Idaho Fish and Game conducted a survey which revealed that 60% of Idaho's 370,000 anglers preferred stream fishing to reservoir fishing. Why destroy Hells Canyon fine fast-water fishing for an energy source that is reported to be inadequate at completion?

Being a fellow Idahoan [sic] you're surely aware of the White Sturgeon that is North America's largest freshwater fish and is now barely able to survive with the little necessary fast water that we left for it in the Snake River. To eliminate another 55 miles of fast water, only to replace it with slack water, will surely spell doom for this large fish since its habits are *not* compatible with slack water of impoundments. A similar effect would befall the salmon and steelhead fishermen on the Middle Snake. I don't believe it is necessary.

Even if one isn't an avid fisherman, what about the deer and elk winter range in the canyon? Or even the archeological sites, once used by the early redman—or consider even some of the historic ranches that are found sprinkled throughout the canyon. The canyon itself, the deepest gorge in North America, in my opinion shouldn't be inundated for a mere pittance of energy.

I strongly urge you to consider these things and my feelings *for* protection of the Middle Snake River. I appreciate very much the chance to communicate with you.

Sincerely,
NAMPA, IDAHO
LEON R. POWER.

AEROSOLS: WHAT ARE WE REALLY GETTING?

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. ROSENTHAL. Mr. Speaker, I am today introducing legislation to require the disclosure of the amount and type of propellant contained in aerosol products. This measure is necessary to enable the consumer to determine how much he is paying for the convenience of using an aerosol product and to decide whether he wishes to use a commodity that may contain potentially harmful fluorocarbon propellants.

Under present labeling procedures, the consumer is unaware of the amount of propellant in aerosol containers. Hence, when he purchases a 10-ounce can of insect repellant, he does not realize that he may be receiving only about 3 ounces of repellant and 7 ounces of propellant! Some aerosol products contain 95 percent propellant by weight. Others have as little as 10 percent. But the consumer has no way of knowing this. As a result he cannot determine and compare the actual unit prices of the aerosol and alternative packages of the same product.

The following list of typical formulations reveals the ratio of propellant to product concentrate usually found in the most common types of aerosol commodities:

[In percent]

Commodity	(By net weight)	
	Propellant	Product
Hair spray	65	45
Underarm deodorant	45	55
	90	10
Antiperspirant	30	70
	90	10
Feminine hygiene spray	95	5
Antifogging agents	60	40
Oven cleaner	25	75
	10	90
Floor wax	50	50
Frying pan spray	45	55
Varnish	41	59
White enamel	27	73

Source: "The Science and Technology of Aerosol Packaging," by J. Sciarra and L. Stoller

Consumers could save millions of dollars annually if they possessed the necessary information about the true cost of aerosols and their alternatives, according to a study conducted by a group of George Washington University law students, STRAFE—Students Resisting Aerosol Fluorocarbon Emissions.

Aerosols represent more than just an economic problem. As the report of the Federal Task Force on Inadvertent Modification of the Stratosphere—IMOS—stated, "Fluorocarbons released to the environment are a legitimate cause for concern." The report insists that unless additional evidence is found to the contrary, it will be necessary to ban the use of fluorocarbons, including fluorocarbon propellants used in aerosol commodities. The task force also recommends the aerosol products using fluorocarbons be labeled to indicate their fluorocarbon content.

Many leading scientists claim that fluorocarbons filter into the stratosphere, setting off chain reactions that destroy the ozone layer shielding the earth from harmful ultraviolet radiation. They contend that greater exposure to ultraviolet radiation could lead to higher incidence of skin cancers, harmful sunburning, eye damage and excessive vitamin D synthesis in the skin. Deterioration of the protective ozone layer can also lead to damage to our climate, as well as to plant and other animal life.

The Aerosol Ingredient Disclosure Act that I am introducing today will permit consumers to make more informed and rational decisions about whether they wish to use aerosol products and, if so, which ones. In addition, it will encourage consumers and manufacturers to use nonfluorocarbon propellants which do not endanger our health and environment.

My bill would require the label of any aerosol commodity to include the following information:

First, the actual weight and percentage of the total net weight of the product and propellant;

Second, the generic name of the specific propellant and its category—either fluorocarbons, chlorocarbons, hydrocarbons, or compressed gas.

Consumers have a fundamental right to know what is in the commodities they purchase and how much actual product they are getting for their money. This legislation will give them that information.

This bill is similar in substance to a petition filed by myself and STRAFE more than 6 months ago with the Federal Trade Commission. This legislation is prompted by FTC inaction on this very important matter.

Joining me in introducing this legislation are the following Members of Congress:

Bella S. Abzug (N.Y.).
Joseph P. Addabbo (N.Y.).
Mark N. Andrews (N.D.).
Herman Badillo (N.Y.).
Mario Biaggi (N.Y.).
William M. Brodhead (Mich.).
George E. Brown, Jr. (Calif.).
Cardiss Collins (Ill.).
John Conyers, Jr. (Mich.).
Norman E. D'Amours (N.H.).
Thomas J. Downey (N.Y.).
Robert F. Drinan (Mass.).
Robert W. Edgar (Pa.).
Don Edwards (Calif.).
Harold E. Ford (Tenn.).
Donald M. Fraser (Minn.).
Michael Harrington (Mass.).
Herbert E. Harris (Va.).
Floyd V. Hicks (Wash.).
Edward I. Koch (N.Y.).
John Krebs (Calif.).
John P. LaFalce (N.Y.).
Jerry Litton (Mo.).
Patsy T. Mink (Hawaii).
Robert N. C. Nix (Pa.).
Stephen J. Solarz (N.Y.).
Gladys Noon Spellman (Md.).
Fortney H. Stark (Calif.).
Leo C. Zeferetti (N.Y.).

The text of the bill follows:

H.R. 9674

A bill to amend the Fair Packaging and Labeling Act to require aerosol commodities to disclose certain information with respect to the propellants contained in such commodities, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Aerosol Ingredient Disclosure Act".

SEC. 2. Section 4(a) of the Fair Packaging and Labeling Act (15 U.S.C. 1453(a)) is amended (1) by redesignating paragraph (5) as paragraph (6), (2) by striking out "and" at the end of paragraph (3)(D), (3) by striking out the period at the end of paragraph (4) and inserting in lieu thereof a semicolon, and (4) by adding after paragraph (4) the following new paragraph:

"(5) (A) The label of any aerosol consumer commodity shall bear separate statements of the following:

"(i) For the category of ingredients of the commodity which are propellants and for the category of ingredients of the commodity which are not propellants, a statement of the weight of each such category and its portion (stated as a percentage) of the net quantity of contents of the commodity.

"(ii) For the category of ingredients of the commodity which are propellants, a statement of such category's portion (stated as a percentage) of the net quantity of contents of the commodity.

"(iii) A statement of the (I) generic name and the popular name (if any) of each propellant in the commodity and (II) identification of which of the following categories of propellants each propellant in the commodity is included in: Fluorocarbons, chlorocarbons, hydrocarbons, or compressed gas, or if a propellant is not included in any of the preceding categories, such other category of propellants as the promulgating authority (specified with respect to the commodity by section 5) shall establish.

Each of the statements required by clauses (i), (ii), and (iii) shall appear in conspicuous and easily legible type in distinct contrast (by typography, layout, color, embossing, or molding) with other matter on the label. The statement required by clause (ii) shall be placed on the principal display panel of a commodity's label and adjacent to the statement of the commodity's net quantity of contents.

"(B) The advertising for any aerosol consumer commodity shall for the category of ingredients of the commodity which are propellants disclose in a clear and conspicuous manner the weight of such category of ingredients and its portion (stated as a percentage) of the net quantity of contents of the commodity."

SEC. 3. The amendments made by section 2 shall take effect 180 days after the date of the enactment of this Act.

IN MEMORY OF A LEGAL GIANT: PROF. CHARLES SELIGSON

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. EDWARDS of California. Mr. Speaker, I was deeply saddened to learn last Thursday of the death of Prof. Charles Seligson of New York.

This quiet-spoken, well-mannered gentleman was a legal giant.

Charles Seligson was a leading specialist in bankruptcy law and creditors' rights. I first met Charlie when I was appointed by the Speaker of the House to serve on the Commission on Bankruptcy Laws of the United States. Charlie had been appointed to serve on that same Commission by the President. We served together for 2½ years and I came to know and respect this man whose knowledge and experience level was so vast. The marvelous mixture of theoretical intellectual capacity and practical experience was on many occasions to provide the solution to the toughest most perplexing problems we faced. Charlie had a light touch, his warmth and humor would often be the road to compromise and solution. It was easy to see why he had been such a successful private practitioner, he was a senior partner in the firm of Seligan & Morris from 1952 to 1969 and had been counsel to Weil, Gotshol & Manges since 1969.

Charlie was also a full-time professor of law at the New York University Law School for 27 years. He taught courses in creditors' rights, bankruptcy, corporate reorganization, and Federal practice and Federal jurisdiction in bankruptcy cases.

In addition to serving on the Commission he was Chairman of the National Bankruptcy Rules of the U.S. Judicial Conference. He was also a special consultant to the Treasury Department in 1971 on guaranteeing Federal loans to the Lockheed Aircraft Corp., and, recently, on shaping legislation for reorganization of the Penn Central and other northeastern railroads.

As a writer, Professor Seligson was a major contributor to "Collier on Bankruptcy" which is considered the leading treatise in the field and was the author of many articles for law journals.

The latest project Charlie was to assist in was rewriting the Bankruptcy Act, which task my subcommittee is now undertaking. Charlie's help was of inestimable value. It is difficult for me to think of its completion without the wise and able counsel of Charles Seligson. But this was a project close to Charlie's big heart, it has a great deal of him already imbedded in it and we shall dedicate our future efforts in this regard in Charlie's memory.

The Commission on Bankruptcy Laws of the United States was composed of nine members, all of whom worked intimately with fellow member Charles Seligson for the more than 26-month life of the Commission.

The other members of the Commission in addition to myself were: Harold Marsh, Jr., Chairman; J. Wilson Newman; the Honorable QUENTIN N. BURDICK, U.S. Senator; the Honorable Marlow W. Cook, U.S. Senator; the Honorable CHARLES E. WIGGINS, U.S. Representative; the Honorable Edward Weinfeld, U.S. district judge; the Honorable Hubert L. Will, U.S. district judge.

Mr. Speaker, I know that in these remarks I am speaking for each of my colleagues on the Commission, all of whom shared my affection and admiration for Charles Seligson.

THE SKY'S THE LIMIT

HON. SAM STEIGER

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. STEIGER of Arizona. Mr. Speaker, Mr. John Green of Phoenix, Ariz., is confined to a wheelchair as a result of an accident while in military service. But he has not let his physical handicap hold him back in earning a living or pursuing active and productive leisure-time activities.

Mr. Green's most recent effort has been to take up flying. Lil Rhodes, the feature editor of the Westsider Newspaper at Goodyear, Ariz., has written an article that is a tribute to a man who has the courage to fulfill ambitions in spite of physical handicaps.

Special recognition should be given to the instructors from Pacific Southwest Airlines Training Center in Goodyear for generously donating their time and efforts to train members of the Arizona Wheelchair Pilots Association. They are Thomas Connors, Robert Bloemer, Dennis Crisp, Paul Fisher, Charlie Fisher, and Wayne Johnston.

I insert at this time the article in the RECORD:

THE SKY'S THE LIMIT

(By Lil Rhodes)

For 166 hours a week Phoenician John Green is earthbound. As one of the artisans in Rosenzweig's downtown jewelry store, he takes apart ailing watches and makes them tick.

But, the other two hours of his week are something else.

That's when John gets into his car and heads west to the Phoenix-Litchfield Airport in Goodyear for a rendezvous he looks forward to all week.

Waiting for him as the airport are a special twosome. There's Phoenician Tom Connors, an employee of PSA Flying Center and the object of their affections and that of several dozen others.

She's Cardinal II, a trim royal blue and white Cessna aircraft!

On one such recent occasion, this reporter rolled into the airport just a little after 6:00 a.m. The Westside was just beginning to stir.

I watched two men approaching the plane. Tom Connors was walking at a leisurely pace. Alongside him, John was riding—in his wheelchair.

John depends on his wheelchair as a result of injuries sustained in a car accident which occurred while he was in the military service 21 years ago.

When I caught up with the two men, we changed introductions. It was plain to see that there was a relaxed and easy rapport between Connors and Green.

Connors opened the doors of the plane, John wheeled over. There was brief conservation. Then, John Green, student pilot, began his preflight walk-around inspection—from his wheelchair.

John checked the wing on the pilot side of the plane. He undid the chains which secured the plane to the ground. He worked his way around the plane counterclockwise. He checked the tail section. He drained the gas tank sumps of the water that might have condensed while the plane was stationary.

Then, came the most difficult step. For this John braced himself with his left arm on the arm of his wheelchair and pulled himself up so he could check the oil. He checked the other wing and the propellor for nicks. Every step was accomplished by John himself under the watchful eye of his instructor.

It was then Connors turned to me and asked, "Are you going up with us? We're going to do a few power-off and power-on stalls and some touch-and-go landings."

Go up in a plane with a beginning pilot who belongs to the Arizona Wheelchair Pilots Association with an instructor I had never seen before? . . .

We went up!

Alan Ladd, movie hero, never feared the bad guys, because he had an equalizer. A rod. The wheelchair pilots who fly the Cardinal II also have an equalizer. It's built into the Cessna they fly.

Since many members of the Arizona Wheelchair Pilots Association are unable to use the rudder pedals, the plane also has a rudder bar built into the plane. It's somewhat like—and placed similarly to—the old "four in the floor" gearshift cars had when some of us learned to drive.

On the left of the pilot and the controls, there is another bar. This takes care of the brakes which ordinarily are also worked with the feet, the toes to be exact.

Green and Connors went over the controls in the plane, checking the master switch, the carburetor heat, the fuel mixture. The check was thorough and low key. Connors, Lt. Col. Retired Air Force, (as retired as Ole Blue Eyes Sinatra) talked, asked questions, nodded when the answer came until time for Green to contact the flight tower for permission to taxi into position for takeoff.

Approximately 15 minutes had elapsed since a navy man at the airport had taken Green's wheelchair into a building for safekeeping.

John made contact with the flight tower. Their response was prompt ending with "barometric pressure—two niner niner six." Connors said, "Play back that barometric pressure to the tower. That will acknowledge that you heard them, and it will imprint it on your mind so you will remember it."

With Connors outlining the procedure, Green revved up the engine. All systems were okay, and Connors said to his student, "You take off."

I swallowed.

With difficulty.

The take off was smooth. The ground slipped away and we were on our way towards Buckeye. The view from the plane was a panorama of neat fields producing food for man's insatiable appetite.

I turned my attention to the front of the plane and watched Connors. Some instructors give flying lessons. Not Connors. He conducts them! Like Stokowski, has hands are constantly directing.

Thumbs hooked together, fingers stretched out, the veteran flier showed Green how to approach a turn so there's no "slipping or sliding."

Green did beautifully.

Yours truly relaxed . . . momentarily.

It was time to practice stalls. We were at 2,000 feet. Green was to maintain altitude, the nose was to be brought up, up, UP until the plane began to shudder and the stall warning signal began to sound. Green followed instructions. The plane stalled!

Green gave it full power. Fast and BUMP!

Connors said, "Take it easy when you give it power, you don't want to bounce the passenger back there."

The passenger concurred.

The next stall was better, and the one after that was even better. For touch and go landings, the triangular landing field out Buckeye way was the target.

John followed the proper flight pattern. He approached the runway. Connors was talking steadily. "You're right on the button. Get that power off, pull the controls back, now H-O-O-O-O-LD it!" We landed neatly and immediately Green was told to give it the gun and we took off. Repeatedly.

Whatever led John Green to take flying lessons, I asked him later.

"I've always wanted to fly," he said.

"How did your wife feel about your taking lessons?"

"She wasn't in favor of it at first," John replied, "but she has accepted it."

"Now that you're flying, how do you feel about it?" I asked.

John answered spontaneously. "I wonder why I didn't do it sooner," was his reply.

But until the Arizona Wheelchair Pilots Association was formed, it would have been almost impossible for John to have accomplished what he is doing.

The AWPA is a non-profit organization dedicated to the flying handicapped. Since the inception of the chapter in Arizona, the group has grown to some four dozen members both men and women. The instructors, qualified pilots, donate both their time and services. Members pay dues, and for the use of the plane and their fuel.

Dave Graham, a fine writer with a great sense of humor, edits the monthly newsletter that keeps members up on the latest club news.

A big assist was given the club when another wheelchair pilot, Don Towers, donated the Cardinal II to the AWPA. This gave reality to their dream, a plane they could fly.

The club is also blessed with a den mother all of its own. She's Bunny Gardner, one of the first five women in the country to join the military when it was called the Women's Army Auxiliary Corps before it became the WAC's.

Bunny is such a vital part of the organization (She keeps enthusiasm cranked up and is constantly promoting the work of the club.) that the club members voted to have the Cardinal II christened the "Bunnyhopper" in her honor!

The AWPA has a number of ambitions. They would like to reach more of the handicapped, especially on the Westside, who are interested in learning to fly. More information can be obtained by phoning 273-1563.

But the goal of the AWPA that really impressed me was to "Build morale and the desire to achieve in other handicapped by the example of our own accomplishments beyond apparent limitations."

That tells the world that there are men and women who face limitation by overcoming it. There are those who have "grit" and others, recognizing this, care enough to give of time and self to help.

The magnificence of men and women is alive and well and emerging not only in the Valley but in the Westside as well!

KANSAS WEST UNITED METHODIST CONFERENCE INTRODUCES TWO RESOLUTIONS ON WORLD FOOD CRISIS

HON. KEITH G. SEBELIUS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. SEBELIUS. Mr. Speaker, it is most important that we approach the world food crisis with understanding and factual perspective. That statement was the basis for action taken recently by the Kansas West United Methodist Conference regarding two resolutions passed at its summer meeting. The resolutions were initiated by the United Methodist Church at Norcatur. Kans., in the heart of wheat country within my congressional district.

I believe these resolutions should and will be of interest to my colleagues, in that several months ago a few church-related organizations across the Nation advocated giving up beef in an effort to provide food for the malnourished and hungry of the world.

My questions at that time were, "Why beef? Why is it necessary to penalize our beef producers?"

Mr. Speaker, the following resolutions passed by the Kansas West United Methodist Conference ask, very rightly, that we get our facts straight when suggesting solutions to the food crisis. Both resolutions show the concern of the conference for policies which do not give farmers clear guidance and that, in fact, work contrary to their production efforts and discourage conservation practices that have been so successful since the 1930's. I commend the following to the attention of my colleagues.

RESOLUTION

Whereas the present agricultural policy of the United States Government is bringing a constant decline in the number of American farms, and

Whereas the present world food crisis is placing these policies in serious question and

Whereas family owned farms represent the best means of preventing the exploitation of agriculture

Be it Resolved: That the United Methodist Kansas West Conference declares its support for the family owned farm,

That the Conference Council on Ministries be directed to investigate work existing in Kansas and other areas; develop programs and carry out actions supporting the cause of family farming, seeking legislation to protect the family owned farm and developing other policies and programs to renew and encourage rural life in America.

RESOLUTION

Whereas several representatives of Boards and agencies representing the United Methodist Church have taken positions advocating a reduction of beef consumption in the United States, and

Whereas various news articles and magazines have stories which advocate the reduction of beef consumption as a moral obligation for nations of the industrial world, and

Whereas these viewpoints are recognized as sincere but often based upon false and misleading information;

Be it Resolved: That the United Methodist Church Kansas West Conference declares its support for all those engaged in agriculture who attempt to apply standards of justice and who seek equity in their endeavors.

To declare that those engaged in food production are deserving of a fair price for honest labor and of clear governmental policies to direct their work equitably and justly.

To recognize that the production of meat protein by ruminant animals provides needed food and additional products useful to society and adding to the quality of life.

To recognize that ruminants make vast acreages usable which are unsuitable for producing other than range crops thereby putting those acres to exceptional use in raising food for people.

To condemn Government policies of "full production" which seek to use food as political power and which ignore needed policies of stewardship and conservation; And to discourage farmers in the midwest from following those policies by plowing up grasslands, contributing to the increased danger of drought and dust, violating our Christian obligations to the land, in a short-sighted effort to achieve profit.

To encourage legislation which will limit the importation of protein from peoples and nations which have lower protein use intake than our own.

CHEMICALS AFFECT FISH

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. STUDDS. Mr. Speaker, last Sunday's Washington Post contained an excellent article on the effects of pesticides and industrial chemicals such as PCB's on fish. I commend it to my colleagues:

Fish: Man's Early Warning System

(By Abigail Trafford Brett)

(Note.—The author is a science writer for the American Chemical Society.)

Mirex is the most effective insecticide against fire ants. About 50,000 pounds of this stable chlorinated hydrocarbon are produced a year. Initially, mirex passed all the standard screening tests for being toxic to marine life. Then, at a government laboratory in Florida, juvenile blue crabs fed corn cob grits contaminated with low levels of mirex displayed an ominous delayed reaction.

They could no longer use their pinchers to catch prey for food.

The crabs became disoriented and more and more paralyzed. In the sea jungle, a paralyzed predator quickly becomes prey and a crab who cannot use his scissors does not survive. In the controlled water tank of the laboratory, the crippled crab becomes scientific testimony to the invisible erosion of the environment.

Acute poisonings such as a massive fish kill are easy to see. It is what you don't see that may have a more devastating impact on the future. The slow, sublethal, almost invisible changes caused by pollutants in the environment produce slow, sublethal, almost invisible changes in living creature. It is precisely these subtle changes that one government scientist describes as "dying over a long period of time . . . chronic mortality."

Just how fish respond to new factors in the environment is a clue to how man also is being changed by a world he is constantly changing.

In the North Sea, eels have cauliflower growths on their lips. Sole and flounders along the U.S. Pacific Coast have large lesions on their skin. White croakers feeding around sewage outfalls along the coast of California develop tumors around the mouth. Thousands of halibut have had to be thrown away because they were listless, underweight, their skin soft to touch.

In Japan, the gobie fish develop mouth tumors. Cunner in Rhode Island have cancerous tooth tumors. Large catfish in the central lakes of Florida grow tumors the size of a finger joint. Oysters are found with leukemia. A dogfish in Maine has a brain tumor. In the tributaries of the Chesapeake Bay, a cancer epidemic has broken out among the small unedible clams that live in the mudflats.

Channel catfish in Arkansas have broken backs. Oysters have trouble growing thick enough shells. Finless fish are seen off both coasts—victims of fin rot disease. Two species of fish in the Chesapeake Bay are said to have increased the overall size of their livers by a factor of two. In fish, as in human beings, the liver is the organ that handles toxic materials.

"Diseases in fish have been directly linked with chemicals in the environment," explains Dr. John C. Harshbarger, pathobiologist with the Smithsonian Institution. "While no one has directly linked a pollutant with cancer in fish, the circumstantial evidence is there."

Since the 1930s marine explorer Capt. Jacques Cousteau has been diving in the waters of the Mediterranean, Red Sea, Indian Ocean, North and South Atlantic, Pacific Oceans, Arctic and Antarctic. He estimates that the overall fish population of the world has decreased at least 30 per cent in the last 20 years.

A CHEMICAL AGE

Since World War II man has been living in a chemical age. High-energy transformers are taken for granted. New drugs and chemical therapy have successfully treated mental illness and cancer. Insecticides have increased food production and eradicated diseases like malaria, yellow fever and encephalitis. Plastic bags, vinyl seat covers and instant-freeze dried food are household words.

At the same time, according to the National Cancer Institute, an estimated 70 to 90 per cent of all human cancers are associated with and neurological disorders have been linked for Occupational Safety and Health has put over 12,000 compounds on their toxic substances list; 1,500 of these chemicals are suspected of causing tumors. Before Congress is a Toxic Substance Bill to regulate the registration, production and use of new chemicals.

A number of government agencies are trying to determine what the risks really are in the environment and to do something about them: the Environmental Protection Agency, the Food and Drug Administration, the Fish and Wildlife Service, the National Cancer Institute.

More and more, scientists and government officials are turning to fish as an early-warning system. Midway on the predator-prey food chain, fish serve a dual purpose—first as indicators of what chemicals persist in the environment, second as test animals in the laboratory.

Fish are a first-grade Dick and Jane textbook of human physiology. Metabolically speaking, they are like mammals in slow motion. But simplicity aside, the basic functions are similar. "If you have an effect on the liver of a fish which is a vertebrate, then you might expect to have the same effect on mammals, including human beings," explains research ecologist Delwayne R. Nimmo of the U.S. Environmental Protection Agency's Gulf Breeze Environmental Research Laboratory in Florida.

Scientists know, for example, that DDT attacks the nervous system of fish. Stored up in the liver, it can send a lobster under stress into convulsions. In the laboratory low levels of the toxic compound polychlorinated biphenyls (PCB) affect the thyroid gland in fish. In higher amounts, PCBs cause the fins of fish to rot off. Low levels of the insecticides aldrin and dieldrin alter the amino acid metabolism in fish and produce signs of mental retardation. Toxaphene, another insecticide, attacks bone composition. Only recently has the drama of chronic changes in the environment been documented in the laboratory.

IMMUNITY BUILT UP

The critical difference between nature and the laboratory is that, in the environment, no one chemical exists in isolation. In the central lakes of Florida, for example, where the large catfish are found with tumors, more than 50 toxic compounds were analyzed in the water.

What's more, only the strong survive. In the polluted Mississippi River, the large mouth bass have disappeared and the mosquito fish is king. It turns out that this rugged little fish has built up an immunity to toxic chemicals. In laboratory tests, scientists find that the 1½-inch-long mosquito fish is 100 to 1,000 times more resistant to insecticides than the larger—and commercially edible—fish.

In this survival of the fittest, what makes the large mouth bass a modern dinosaur? The key to adapting to a new chemical environment may lie in how often an organism reproduces. The little mosquito fish produces young every month. The larger fish produce only once or twice a year.

"The phenomenon of the mosquito fish is a sign that one species is better able to cope with pollution than another," explains David J. Hansen, aquatic ecologist with EPA's Florida Laboratory. "Resistance may go to those species who can reproduce the most often so the resistance trait is passed on."

In general, fish are much more vulnerable to diseases and biochemical change than human beings. If a chemical is toxic in low levels to fish, it does not automatically mean that it is toxic to man. At the same time, it is a red flag.

The National Pesticide Monitoring Program of the Fish and Wildlife Service has 100 stations across the country. Whole bodies of fish from the local area are ground up and analyzed. Instead of isolated water quality measurements, fish residues give an average profile of what exists in the environment on a quasi-permanent basis. And since waterways are a major chemical sink, if there is a pollutant in the environment, fish are likely to get it first.

A regional map of pollution emerges. In industrial areas of the Northeast and Midwest—the Great Lakes Region or along the Hudson River—scientists find high levels of the toxic industrial compound PCBs. In the agricultural areas of the Southeast they find high residues of insecticides like DDT, aldrin, dieldrin and toxaphene.

The residue levels of these compounds are then supplied to research laboratories to study the response of living organisms to these persistent chemicals. The Department of Interior's Fish-Pesticide Research Laboratory in Columbia, Mo., for example, works with fresh water fish. The Mt. Desert Island Biological Laboratory in Maine and EPA's Gulf Breeze Laboratory in Florida concentrate on marine species.

A major emphasis is on chronic effects. It is one thing to expose a rat or a monkey to high levels of a chemical and produce a tumor. It is another to relate that phenomenon to the realities of nature. With fish, the levels that are detected in the environment are used in the experiments. The laboratory becomes a microcosm of what is actually taking place.

CRIPPLED CATFISH

About six years ago, a strange phenomenon cropped up in the commercial fish farms of Arkansas. Some of the channel catfish had broken backs. They couldn't swim properly. They flopped from side to side. They couldn't maintain their normal position in the water. Under nature's law of survival, these crippled creatures quickly disappeared. But the mystery of the so-called broken back syndrome remained.

Recently, two government scientists at Missouri's Fish-Pesticide Laboratory linked this crippling in fish with one of the most widely used insecticides in the United States—toxaphene.

What's more, the broken back syndrome was only the tip of the iceberg. Drs. Foster L. Mayer Jr. and Paul M. Mehrle discovered that the overall size of the fish was stunted by almost a third. Reproduction was down by 30 per cent. Skeletal deformation was so widespread that 80 per cent showed signs of broken back syndrome. At first, the fish appeared to be normal, but X-rays revealed that dramatic anatomical changes had taken place. It was only a question of time before the bones became so brittle that the spine snapped.

All it took to produce these changes were low levels of the insecticide over a long period of time—levels that correspond to what has been measured in the environment.

Since DDT and aldrin and dieldrin have been banned by the EPA, toxaphene is now the country's leading pesticide. It is used predominantly in the South on cotton. According to EPA figures, 76 million pounds of toxaphene are produced a year. Since the chemical revolution began after World War II, more than a billion pounds have been added to the environment.

In Arkansas, many commercial catfish farms are next to the cotton fields.

LIVER DAMAGE

Another quasi-permanent factor in the environment are the industrial PCBs, essential in the electronics industry. Highly resistant to heat, PCBs are used, for example, in hydraulic fluids for high-energy transformers. An efficient plasticizer, PCBs have also been used in household paints, calking materials and copy paper. In 1970 the Monsanto Company produced 85 million pounds of the super chemical.

Meanwhile, scientists discovered that high amounts of PCBs caused liver damage in experimental animals and affected reproduction. An outbreak of PCB poisoning from contaminated rice oil took place in Japan where roughly a thousand people suffered from a skin disease and more than a dozen died.

Monsanto alerted its customers to the toxic effects of PCBs and limited the use of the compounds to closed system heat exchanges. The FDA set regulations of 5 ppm (parts per million) and under for food and animal feed. Production is now down to 40 million pounds a year.

But the damage has been done. Results from the national pesticide monitoring program show that PCBs are still a major pollutant in the environment. High residues exist in fish, particularly in industrial areas. In 1971, before the curb on production, residues reached as high as 200 ppm in Hudson River fish. Levels currently detected in the Great Lakes are still eight times above FDA regulations.

As a result of PCB contamination, commercial fishing in Lake Michigan essentially has been stopped since 1971. Recently, state officials in New York warned consumers not to eat striped bass from the Hudson River or salmon from Lake Ontario. The city of St. Louis just closed its public fishing pond stocked with carp because the fish were found to be polluted.

The environmental problem is that PCBs accumulate in the tissues of fish. While water samples may only show trace amounts of the chemical, fish are a living storehouse of the toxic substance.

What haunts scientists is not just the fact PCBs are lethal in high amounts. Of far more reaching significance may be the biochemical changes produced by very low amounts of PCBs. At EPA's Florida laboratory, scientists determined that roughly $\frac{1}{100}$th of the lethal dose seriously affects reproduction of salt water species. In one experiment, sheepshead minnow were exposed to 11 ppm of PCBs for a month. After the fish spawned, the eggs were placed in clean water. Only 26 per cent of the young from these eggs survived.

While no such dramatic effect took place with fresh water fish, significant changes occurred. In channel catfish exposed to only 2.4 ppm, the thyroid activity increased by 60 to 80 per cent. In salmon the same effect was seen with one half of a part per million—$\frac{1}{100}$th of the lethal dose.

The thyroid gland is the key regulator in fish. It is associated directly or indirectly with all physiological functions such as oxygen consumption and carbohydrate metabolism.

"We are looking at the sublethal, biochemical effects that are not really causing mortality," explains Dr. Mehrle at the Fish Pesticide Laboratory in Missouri. "But when the sublethal effects concern a parameter like the thyroid gland which controls the behavior of fish, you are talking about chronic mortality."

INSECTICIDES BANNED

Aldrin and dieldrin have a similar story to tell. In 1972, 13 million pounds were produced in the United States. The two insecticides have been banned because they caused cancerous tumors in experimental animals. But like DDT, PCBs and toxaphene, aldrin and dieldrin seem to be persistent in the environment and residues still are found in fish. The levels are relatively low, but these low levels are capable of producing significant physiological changes. At the Fish-Pesticide Laboratory in Missouri, scientists showed that dieldrin alters the amino acid metabolism of fresh water fish. In rainbow trout, for example, dieldrin produces all the biochemical trademarks for PKU, the metabolic disorder in human beings that leads to mental retardation.

It only took 3/10ths ppm for 300 days to produce this effect. To be sure, scientists noticed no visible changes in the fish in terms of overall size or in general behavior. Nor could they say that a change in amino acid metabolism was not a healthy adaptive response for a fish to a chemical change in his environment.

"The point here is that the residues of dieldrin it took in the fish to affect the amino acids and produce the biochemical signs for PKU were in the same range of the dieldrin residues measured in fish by the national monitoring program," Dr. Mehre points out.

FOUR QUESTIONS

There are four questions scientists ask about each chemical tested: 1. Does the compound degrade, leaving no chemical trace, or does some form of it persist, becoming a quasi-permanent factor in the environment? 2. If the compound persists, is it readily absorbed by living organisms, starting at the bottom of the food chain in plants and on up to man? 3. If the chemical is taken in, does it build up inside the organism? 4. What are the biochemical consequences?

Scientists quietly are testing chemical after chemical on fish. Only in the last three years has this type of research taken on a major responsibility in the screening of toxic substances. The process is slow.

"If we see an accumulation of a chemical in food or in fish, it's a red flag," explains Dr. B. Thomas Johnson, microbiologist at the Fish-Pesticide Laboratory in Missouri. "We're not saying a compound should not be used. We are saying it should be more extensively studied before it is released into the environment."

Last year, the Missouri laboratory tested 76 chemicals for effects on fish. The majority turn out to be benign with a few notable exceptions and it is the exceptions that are significant.

The object not only is to determine the consequences of chemicals already in the environment but to assess the potential damage in new compounds.

The stakes are high. Chemicals have become an integral part of people's lives.

"For these reasons, we have to be very careful," explains Dr. Mayer, chief chemist at the Fish-Pesticide Laboratory. "Every night I lie awake thinking. Have we forgotten something in our experiment? Just one little thing can make the experiment go either way. Either the use of a chemical is crushed or a compound slips through that will crush the environment."

CONSULTING FIRM REPORT ON THE DOMESTIC OIL PRICING SYSTEM AND THE IMPACT OF OIL PRICE DECONTROL ON THE AMERICAN ECONOMY

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mrs. SULLIVAN. Mr. Speaker, I recently received in the mail from Mr. Jesse Calhoon, president of the National Marine Engineers' Beneficial Association, a pertinent and interesting study prepared by a Washington consulting firm which is an analysis of the domestic pricing system. Since we are considering legislation now before us relating to the energy crisis, and since this is such a critical matter with respect to the welfare of the Nation, I would like to set out below the letter to me which forwarded this study and summarizes the conclusions of the study. Committees responsible for legislation affecting energy and its costs could obtain a copy of the study from MEBA's Washington, D.C., office:

NATIONAL MARINE ENGINEERS'
BENEFICIAL ASSOCIATION,
September 8, 1975.

Hon. LEONOR K. SULLIVAN,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSWOMAN SULLIVAN: Just as domestic oil prices will be on the congressional agenda now that the August recess is completed, so will they be on the minds of all Americans. Although there have been indications of only small price increases through the remainder of this year, it is clear that the only motivation for price restraint is the desire of the oil industry to refrain from provoking Congress while this issue is receiving so much public attention.

Oil is a major concern of the Marine Engineers' Beneficial Association. A large part of our membership is engaged in transporting oil by ship in the American coastwise trade. Because of this interest in oil, MEBA commissioned the services of the economic consulting firm of Ruttenberg, Friedman, Kilgallon, Gutchess & Associates, Inc. of Washington, D.C. to prepare a report on the domestic oil pricing system and on the impact which oil price decontrol will have on the American economy.

President Ford's oil decontrol program seeks to raise domestic oil prices so that domestic crude oil production can be increased while domestic consumption and dependence on foreign crude oil is reduced. The enclosed report concludes that the recent history of massive oil price increases has brought about just the opposite result. It states that—

1. The partial price decontrol in effect since September, 1973 has not resulted in increased domestic production of crude oil nor in significantly decreased consumption of petroleum products. Nor has it lessened our dependence on foreign oil. In fact, domestic production of oil has decreased and dependence on foreign oil has increased over the two-year period.

2. Partial price decontrol has enabled domestic oil prices to rise by nearly 400 percent. The cost of these domestic price increases to date (both in direct costs to the consumer and the resulting impact on the economy) has been $97.2 billion—or about $1,755 per family.

3. Full price decontrol will cost an additional $62.8 billion in direct and indirect costs—or $1,575 per family—bringing the total price tag of oil decontrol to $160 billion by the end of 1976.

4. There is no evidence that full price decontrol will result in either increased domestic production or decreased domestic consumption of oil.

5. The 1975 profits of oil companies will be far higher than those for 1973. In fact, most oil companies will make a higher profit on their domestic operations in 1975 than they did in the record profits year of 1974. Partial decontrol has been a financial windfall to the oil companies. Full decontrol will be a bonanza.

6. The present financial condition of the oil stockholders' equity and cash flow—is far better than most leading industrial firms in the Nation and more than adequate to finance increased capital and exploration costs. Higher domestic oil prices are not nec-

essary for increased oil exploration and development.

7. Decontrol will provide the greatest income increases to those oil companies which already have the highest profits.

These and other points are documented in the enclosed report, together with our recommendations for a more rational energy policy. I hope that you will read it and take action which will assure that American consumers do not again enrich the oil industry with tens of billions of dollars of additional profits.

Sincerely,

JESSE M. CALHOON,
President.

UNITY FOR VA HOSPITAL

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. FLORIO. Mr. Speaker, for quite some time I have devoted much time and energy attempting to insure a most welcome addition to the Camden, southern New Jersey area; a new Veterans Administration hospital. I have been most gratified by the overwhelming support for this project by all of the members of the New Jersey congressional delegation as well as the State and local officials.

For the information of those concerned I would like to insert the following editorial comment from the Philadelphia Evening Bulletin, a distinguished and widely read newspaper in my district:

> The unanimity of the New Jersey congressional delegation in lining up behind a Camden site for a proposed Veterans Administration hospital climaxes efforts to get the facility for South Jersey. All that could possibly be done has been done to obtain the hospital.
>
> Richard Roudebush, the VA administrator, should be impressed at the solid stand of the delegation and Governor Byrne in support of the 20-acre site in Camden offered by Mayor Angelo Errichetti. Such political consensus, surmounting local interests, enhances the site's attractiveness.
>
> South Jersey is vying for the hospital with Philadelphia. A Veterans Administration hospital already exists in Philadelphia, as do medical schools that could be affiliated with a new veterans hospital. But the Camden site has strong selling points.
>
> A 500-bed VA hospital in Camden would be better situated to meet the needs of South Jersey's veteran population. Twenty percent of the patients at the Philadelphia VA hospital already come from Jersey, and much of the projected population growth will be east of the Delaware River.
>
> The Camden site is near the PATCO high-speed line and a planned transportation center. The location could be as handy to reach by public transit for many Pennsylvanians as another possible site near Temple University in North Philadelphia.
>
> Governor Byrne's assurance that a South Jersey medical school will be ready by the time the hospital is built meets a necessary condition for getting the hospital. The school will be affiliated with hospitals in Camden, and the VA wants its hospitals affiliated with a medical school.
>
> That the land is available in Camden, that it is near modern mass transit, that a medical school will be nearby and that an adjacent hospital, Cooper Medical Center, is expanding—all this lends a solid physical foundation to the new political unity over the Camden site.

DAY CARE CRISIS TO BE CAUSED BY HEW REGULATIONS

HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. JONES of Oklahoma. Mr. Speaker, we are faced with a potential crisis situation in the form of unreasonable HEW day care staff-to-child regulations due to go into effect on October 1.

The regulations call for one adult for four children between the ages of 6 weeks to 3 years, a stringent requirement for centers in many States that have been operating responsibly on a higher ratio.

I cannot find fault with the purpose of the regulations, for it is important to insure that children are cared for in safe, dependable environments by qualified, competent day care center personnel.

However, the regulations will pose serious economic problems for both day care center operators and day-care users. Many centers will find it financially unsound to meet the expenses involved in hiring more staff personnel, and they may choose to close their centers.

Another result might be the termination of day-care service for public assistance children, an unsatisfactory step that would result in returning many working parents to the welfare roles and segregating children according to family income. In addition, many middle-class working parents may find that they must quit their jobs due to their inability to meet prohibitive day-care costs.

I know that my colleagues will recognize the recent congressional trend toward encouraging an improvement in day-care delivery, as evidenced in legislation and hearings by several committees. I know they will remember the tax relief enacted in response to costs incurred in day care for children. If my colleagues accept these HEW regulations, we will be condoning a regressive move which runs counter to our recent initiatives to upgrade day care.

I have protested these regulations through correspondence with former Secretary Weinberger and Secretary Mathews, with whom I have also personally discussed the problem. Despite these initiatives, the Department has not yet moved to postpone or alter the regulations.

In the interest of avoiding the obstacles to high-quality, low-cost day care inherent in these regulations, I have introduced a bill, H.R. 9530, which would provide for a staff-to-child ratio of 1 to 8, with the flexibility for States to enact more stringent regulations up to one adult per four children with the approval of the HEW Secretary.

I firmly agree with the view expressed in a recent Washington Post article that it might be advisable for some of our regulatory agencies to implement experimental regulations and programs, differing from State to State, prior to enacting final regulations which would be more responsible and far-sighted. Such a course of action would result in regulations that more successfully implement congressional intent and public interest.

I encourage my colleagues to examine these regulations and consider the harmful effects they will have on day-care service, vitally needed in our Nation. I am hopeful my colleagues will share my concern and join in my efforts to provide relief from these burdensome regulations and work for safe, dependable, readily accessible day care for our children.

THE SPIRALING COSTS OF POSTAL SERVICE

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. EVINS of Tennessee. Mr. Speaker, the Nashville Banner in a recent editorial described postal service as a "nightmare."

Pointing to higher and higher postal costs, the newspaper is critical of the recommendation of the Postal Rate Commission that the 10-cent stamp be increased to 13 cents.

Because of the interest of my colleagues and the American people in the postal service, I place the editorial from the Banner in the RECORD herewith.

The editorial follows:

> THE SPIRALING COSTS OF POSTAL SERVICE
>
> The growing feeling in government that mail service is caught up in a never-ending cost increase spiral is becoming more and more evident, particularly in view of the recommendation by the Postal Rate Commission that the standard 10-cent stamp be replaced by a 13-cent issue.
>
> But it surely won't stop there. Those familiar with Postal Service finances believe the price of a first class stamp will jump to 15 cents by 1977 or 1978.
>
> Just this week Postmaster General Benjamin F. Bailar called on Congress to double the $920 million taxpayer's subsidy to keep postage rates "at a level that both business and the individual can afford."
>
> Mr. Bailar told Congress that "it is no secret that to date the Postal Service has been unable to balance its costs and revenues despite increases in postage rates . . . . A 13-cent stamp may enable us to catch up on our expenses but whether it will enable us to keep up in the face of continued inflation is a question yet to be answered."
>
> Mr. Bailar ventured the opinion that the increased subsidy would serve as "a bridge from an inflation-wracked, deficit-ridden postal service to a financially solvent institution."
>
> The Postal Service ran a $438 million deficit in fiscal 1974 and $850 million in fiscal 1975. And Postal Service "revenues" included $1.5 billion in direct federal subsidies and a $500 million loan from the United States Treasury. A similar loan will be necessary for the current fiscal year.
>
> The dream of four years ago, when Congress and the Nixon Administration changed the name of the Post Office Department to the Postal Service and launched a sweeping program of reorganization designed to

put mail deliveries on a paying basis, is rapidly turning into a nightmare.

Turnover in top management, soaring inflation (a cent-a-gallon fuel price increase costs the Postal Service $3.5 million a year) and labor contracts have killed that dream.

And there is bitterness ahead with Mr. Bailar's announcement this week that the Postal Service will move to implement the "Kokomo Plan" in its first city, Portland, Ore.

This plan, which restructures routes by computerization, is deeply resented by the nation's 200,000 letter carriers, according to James H. Rademacher, president of the National Association of Letter Carriers.

When the Postal Service began testing the plan, the carriers union voted to strike if it was implemented nationally, despite a federal law prohibiting postal workers from striking. But a new agreement provides for binding arbitration before new work rules are put into practice.

Since the plan obviously will be initiated nationwide, Mr. Rademacher would not rule out a strike if the arbitration ruling goes against the union.

Thus some congressmen are thinking it might be better to farm out the Postal Service on a bid basis to private contractors, but there is the drawback that the contractors might skim off the most lucrative part of the business and leave the rest to the government.

Other congressmen see the solution as simply demanding more of those employed in the Postal Service.

The second theory is the more plausible. If users can expect higher postal rates, postal employes can certainly expect tough management decisions aimed at stabilizing costs.

FREE PRESS READERS "SOUND OFF" ON AUTO EMISSION STANDARDS

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. FORD of Michigan. Mr. Speaker, I would like to call the attention of my colleagues to the results of a poll conducted by the "Sound Off" column of the Detroit Free Press on September 4.

This column, on a daily basis, poses questions to its readers on major issues of the day, and invites its readers to call in their votes.

The question, on September 4, was:

> The four major automakers have asked the public to tell their Congressmen whether they think auto emission controls are strict enough now or should be made stricter. Do you think current emission standards are good enough?

The question was based on an advertisement, sponsored by the "Big Four" auto manufacturers, which had appeared the day before in the Free Press and other newspapers throughout the country.

The telephoned answers reported by "Sound Off" were:

> Yes, 72.2 percent. Comments: "The current standards have caused the price of cars to go too high already." "The automakers don't tell Congress how to run the country, so Congress shouldn't tell them how to make cars." "I want a car that runs right and gets decent mileage." "I'm sick of paying a lot of money for government regulations." "They're already too strict."
>
> No, 27.8 percent. Comments: "Emission standards are a matter of health and not a matter of convenience for automakers"... "The only way to clean the air is limit the number of cars in each household"... "If the auto executives had breathing problems like me, they'd make the standards stricter" ... "Congress should make them build new engines."

Mr. Speaker, I think these percentage results and this sampling of comments will be of interest to every member of the House. I would like to commend the Detroit Free Press on its "Sound Off" column, and in particular for giving its readers an opportunity to "sound off" on this crucial question.

CONGRESSMAN ANNUNZIO INTRODUCES LEGISLATION TO IMPOSE INCREASED PENALTIES FOR CRIMES COMMITTED WITH A FIREARM OR OTHER DEADLY WEAPON

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. ANNUNZIO. Mr. Speaker, 2 weeks ago our President escaped assassination with a handgun only by luck and the expertise of his secret service protectors. President Ford was lucky, but many more individuals across the Nation were not so lucky when they had a gun pointed at them. In 1973, firearms were responsible for 11,249 deaths, which represents almost two-thirds of the murders committed that year: 549 people were killed by handguns in the city of Chicago in 1973.

Today I am introducing a bill to provide for increased penalties and consecutive sentencing in felonies involving the use of a firearm or any other dangerous or deadly weapon. Bombs or knives can have the same effect as a gun when used in a crime of violence and I believe the immediate remedy to the outrageous increase in crime is to put those who use deadly weapons in the commission of a crime in the penitentiary for longer periods of time.

My bill groups destructive devices, or any other dangerous or deadly weapons in the same category as firearm, for purposes of additional sentencing, including knives, blackjacks, false knuckles, bombs, grenades, and other devices. I do not feel there is any difference as to the kind of maiming weapon a killer decides to choose. It is the crimes of violence that we must work to stop first.

As my colleagues know, the most vicious of criminal acts are becoming all too common all over the country. This legislation does not address itself to crime as a whole. It is an immediate answer to an immediate problem—it would get the hard-core criminals off our streets for a longer period. As it is now, our correctional systems are not successful in keeping criminals off our streets since recidivism rates are upward of 70 percent by some accounts.

The legislation I introduced provides that if a person used a firearm or other deadly weapon to commit any felony for which he might be prosecuted in a U.S. court, or carried a firearm or other dangerous device unlawfully while committing a felony, he would be sentenced to a term of imprisonment—over and above the sentence for the underlying crime—for 2 to 10 years instead of the present 1 year. If it were a criminal's second offense, he or she would be subject to an additional sentence of at least 5 to 25 years in place of the present 2 years.

I am convinced that enactment of this bill would provide a further deterrent to the use of firearms in committing a Federal crime. We are talking about an additional penalty of 2 to 25 years when a person is found guilty of a felony committed with a firearm or other deadly weapon. In addition, during the term of the sentence imposed, no probation or parole could be granted.

Crime on our street is getting worse, not better. Recently released FBI statistics reveal that serious crime rose 17 percent in 1974—the largest increase in 14 years. The rise in crime means that tens of thousands more people have become its victims. Almost 70 percent of all murders were committed with firearms, and an overwhelming majority of robberies are committed with guns.

It is high time that we made it abundantly clear to the criminal element in this country that we will not tolerate the abuse of firearms and the violent crimes that go hand in hand with this abuse. Every day that we wait and delay, more citizens are slaughtered with firearms in the wrong hands.

Legislation similar to my bill passed the Senate in the last Congress but was never acted upon by the House. Immediate and constructive action is the only thing we can do to stop crimes of violence that now threaten us all. I urge my colleagues to support this legislation—our criminals must learn once and for all that our governing laws mean business and that we mean to enforce them to protect our honest citizens and the security of our society.

The text of my bill follows:

H.R. 9655

A bill to amend the Gun Control Act of 1968 to provide for separate offense and consecutive sentencing in felonies involving the use of a firearm

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 924(c) of the Gun Control Act of 1968 (Public Law 90-618; 18 U.S.C. 924(c)) read as follows:

"(c) Whoever—

"(1) uses a firearm, destructive devices, or any other dangerous or deadly weapon to commit any felony for which he may be prosecuted in a court of the United States; or

"(2) carries a firearm, destructive devices, or any other dangerous or deadly weapon during the commission of any felony for which he may be prosecuted in a court of the United States, shall, in addition to the punishment provided for the commission of such felony, be sentenced for the additional offense defined in this subsection to a term of imprisonment for not less than one year nor more than ten years. In the case of his second or subsequent conviction under this subsection, such person shall be sentenced to a term of imprisonment for not less than five nor more than twenty-five years.

"The execution of imposition of any term of imprisonment imposed under this subsection may not be suspended, and probation or parole may not be granted. Any term or imprisonment imposed under this subsection may not be imposed to run concurrently with any term or imprisonment imposed for the commission of such felony."

MSGR. HAMMERL TO BE HONORED

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. NOWAK. Mr. Speaker, earlier this year, Msgr. Leo E. Hammerl completed three decades of service within the parochial school community of the Catholic Diocese of Buffalo, N.Y. Simultaneously, Monsignor Hammerl ended a 14-year assignment as superintendent of the Catholic school system to devote full time to pastoral work in the Buffalo area. In his tenure as superintendent, he was in charge of a system of 14 diocesan high schools and 162 diocesan elementary schools serving approximately 48,000 students. That tenure speaks for his ability as an educator and an administrator, and that record of achievement alone would be sufficient for very high commendation.

However, despite the demands confronting the superintendent of such a large school system, Monsignor Hammerl's record of achievement was not limited to the areas of religious leadership and education. The attached article from the August 28, 1975 edition of the Western New York Catholic details the dimensions of his civic and cultural contributions.

Mr. Speaker, Monsignor Hammerl will be honored next month at a richly deserved testimonial dinner. I know I speak for many, many voices in my community in expressing thanks for Monsignor Hammerl's diverse contributions to the western New York community and in wishing him well in all his future endeavors.

The article follows:

TESTIMONIAL WILL HONOR HAMMERL

Monsignor Leo E. Hammerl, who recently completed 30 years in the Catholic School Department and 14 years as Superintendent of Schools for the Diocese of Buffalo will be honored at a public Testimonial Dinner on Monday, October 6, 1975. The dinner is scheduled for the Pellamwood House in West Seneca and invitations are currently being prepared.

Heading the list of Buffalo area educational, civic, and church leaders in attendance will be Bishop Edward D. Head who will serve as main speaker for the event. The public is invited. Those wishing to make arrangements for invitations may contact the Catholic School Department at 100 S. Elmwood Avenue, Buffalo, phone 853–3775.

Monsignor Hammerl, who left the Superintendency to devote full time to his work as pastor at Our Lady of Peace Parish in Clarence, was active in a number of Buffalo area endeavors during his years in the School Department. He served as a Member of the Editorial Board of the Western New York Catholic, the Erie County Narcotics Board, the Buffalo Youth Board, the Advisory Board of Baker Hall, and the Advisory Board of Trocaire College.

Monsignor Hammerl was also active as a member of the Boards of Directors of the Buffalo Council on World Affairs, the Buffalo Society of Natural Science, the Greater Niagara Frontier Council of the Boy Scouts of America, the Buffalo and Erie County Health Association, the Buffalo Philharmonic Orchestra Society, the Buffalo Chapter of the National Conference of Christians and Jews, the Grosvenor Society, the Western New York Tuberculosis and Health Association, Junior Achievement of the Niagara Frontier, the Buffalo Chamber of Commerce, and the Western Regional Office for Educational Planning.

Since its establishment, 25 years ago, Monsignor Hammerl has worked with the Federation of Home School Associations in the Diocese and served as its Moderator for the last 15 years. At the State level, he served as a Member of the New York State Council of Catholic School Superintendents and as a founding member of the Catholic Curriculum Committee. In this latter capacity he was instrumental in establishing common courses of study for Catholic elementary schools throughout New York State. These courses were also selected for use in the elementary schools of other Dioceses.

At the national level, Monsignor Hammerl was active as a member of the Executive Committee of the Elementary School Section of the National Catholic Educational Association.

Monsignor Hammerl, a native of Buffalo, is a graduate of Holy Name Elementary School, the Diocesan Preparatory Seminary, and Christ the King Seminary at St. Bonaventure University. He received a Master of Arts Degree from St. Bonaventure's in 1945 and a Master of Science in Education from the same University in 1947. He holds Honorary Doctorates from St. Bonaventure University and Medaille College.

STATE DEPARTMENT FINAGLING ON PANAMA CANAL

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. ASHBROOK. Mr. Speaker, the State Department still is continuing its efforts to relinquish American sovereignty over the Panama Canal. Under U.S. control the canal plays an important role both in world trade and in our own country's economic and strategic well-being. Negotiating the giving up of the canal to some two-bit dictator neither serves the interest of our country nor of those other countries which use this important waterway.

Robert Allen in a recent syndicated column discusses the recent finagling of the State Department on this issue. At this point I include the text of Mr. Allen's recent column. I commend it to the attention of my colleagues.

The column follows:

STATE DEPARTMENT FINAGLING ON PANAMA CANAL

(By Robert S. Allen)

WASHINGTON, September 11, 1975.—Finesse is the name of the game in the State Department's latest finagling on the Panama Canal giveaway.

Balked in its prolonged maneuvering and manipulating to counter overwhelming bipartisan congressional opposition, the State Department is resorting to a new ploy—a loudly fanfared so-called "compromise."

That's what really is behind Ambassador Bunker's latest trip to Panama for a new round of negotiations on a Canal treaty.

Definitely triggering this reputed compromise is double-barreled pressuring.

On one hand was the House's jolting 246 to 164 vote explicitly barring use of federal funds "for the purposes of negotiating the surrender or relinquishment of any U.S. rights in the Panama Canal Zone."

Sponsored by Representative Gene Snyder, R-Ky., this extraordinary curb was quickly followed by a similar measure in the Senate by Harry Byrd, Ind-Va.—with the certainty of powerful bipartisan support there. Thirty-eight senators are publicly on record against a new Panama Canal treaty—four more than the one-third necessary to kill ratification. Of these senators, seven are Democratic chairmen of major committees, six top Republican members on such committees.

Meanwhile, Panama strongman Omar Torrijos and his clique of virulently anti-U.S. and pro-Soviet henchmen have given vent to threatening talk.

They have direly warned of recourse to "the struggle for liberation waged by Ho Chi Minh," use of guerrilla tactics, and the strong likelihood of student riots and violence—which have occurred in the past with unmistakable official connivance and support.

In other words, the dictatorial Torrijos cabal countered Congress' tough legislative crackdown with a flurry of menacing blather.

VAGUE COMPROMISE

In an obvious effort to avoid jarring showdowns and ease ominous tensions, the State Department resorted to finesse.

It suddenly announced Ambassador Bunker was returning to Panama for deliberations on a "compromise"—whose exact nature and scope are not really known. All that has been forthcoming are nebulous hints and intimations from anonymous State Department sources.

Last time the 81-year-old diplomat was in Panama was in March, when it was claimed he and strongman Torrijos reached understandings on so-called secondary issues—which have never been explained. Until the recent abrupt decision to hustle Bunker back to Panama, the State Department line was that there was no likelihood anything would be done on a Panama treaty until after the 1976 presidential election.

Reasons for this were obvious: Sweeping U.S. public opposition to a Canal giveaway, forcefully reflected by similar congressional hostility; and the profound reluctance of politicos to tangle with this highly explosive issue in an election period.

Clearly finesse was in order, and the new round of Bunker negotiations on a "compromise" is the hopefully stalling ploy.

Whether this tactic works only time will tell.

Also, only time presumably will make known just what the reputed compromise consists of. It's as secrecy-cloaked as Bunker's discussions with Torrijos and his close henchmen—Foreign Minister Juan Tack, UN Ambassador Aquilino Boyd and Finance Minister Jose Aizpu, all ardent Castroites and U.S. baiters.

All known about the compromise is that there has been some kind of understanding between the State Department and Defense Department on the duration of continued U.S. control of the Canal Zone and the strategically crucial waterway.

Under the original 1903 treaty, the U.S. was given rights "in perpetuity."

The State Department is prepared to relinquish these rights by the year 2000. The Defense Department is credited as holding out for another 50 years—with some Joint Chiefs of Staff flatly against any time limit.

Just how these differences were ironed out (if they were) is not known.

That's another of the many mysteries in this affair. It's full of them.

HOLDING FAST

In Congress, opposition forces continue unyielding on giving any ground on the Canal issue.

While the State Department nervously maneuvers and finagles, and the Joint Chiefs of Staff are under heavy pressure to support a giveaway agreement, congressional foes are determinedly holding firm against any concessions.

Latest manifestation of this adamant stand is a letter to Secretary Kissinger by 17 bipartisan opponents of a new Panama treaty.

In this unpublicized pronouncement they forcefully remind the Secretary of State of the 246 to 164 House vote barring use of federal funds to "negotiate the surrender or relinquishment of any U.S. rights in the Panama Canal Zone," and bluntly demand compliance with that overwhelming edict.

"To date, you have done nothing whatever which recognizes the express will of this House in its proper role," the legislators sternly admonish. "Instead, you have lobbied incessantly and sent others in your behalf to cajole and exert influence on those who are supporting the language of the Snyder amendment.

"We ask you to cease such arbitrary and contrary activity regarding the Panama Canal. You should be aware that the House expresses the same sentiment as shown by the American people in all recent public polls. Since we in Congress seek to represent the interests of the people first, we insist that you and your associates do the same."

So far, Kissinger's only response was the State Department's hasty dispatch of Ambassador Bunker to Panama for talks with dictator Torrijos on a reputed "compromise."

Signers of the reverberating letter to Kissinger are:

Representatives George Hansen, R-Idaho, Steve Symms, R-Idaho, John Ashbrook, R-Ohio, Tim Lee Carter, R-Ky., R. C. McEwen, R-N.Y., G. V. Montgomery, D-Miss., Harold ("Bizz") Johnson, D-Calif., Robert Lagomarsino, R-Calif., David Henderson, D-N.C., Richard Ichord, D-Mo., Bob Bauman, R-Md., Gene Snyder, R-Ky., Larry McDonald, D-Ga., Daniel Flood, D-Pa., Carroll Hubbard, D-Ky., Philip Crane, R-Ill., Manuel Lujan, R-N.M.

Underscoring this declaration, Representative Flood, Appropriations Subcommittee chairman, told the House: "The transcendent issue is whether the flag flown over the Canal Zone is that or the USA or that of the USSR. The crisis that will follow surrender of U.S. sovereignty will be one of surpassing consequence affecting the security of the United States and would be comparable to the loss of a great war. History will attest that those championing continued U.S. sovereignty over the Panama Zone will be proved to be the best friends of the Panamanian people."

GUN CONTROL

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. SOLARZ. Mr. Speaker, the recent assassination attempt on President Ford points out once again the need for strict Federal gun control legislation. The ability of a person with a criminal record who is a known follower of a psychopathic killer to acquire a .45 caliber pistol proves that anyone in this country can get hold of a deadly weapon. And the fact that such an armed individual can come within 2 feet of the President dramatizes the vulnerability of all of us in a society where there are 200 million privately owned firearms.

Fortunately, the assassination attempt on President Ford did not end in tragedy. Last year nearly 20,000 Americans were not as fortunate. Of these murder victims more than half were killed by handguns. These appalling statistics gave our country the highest homicide rate of any developed nation in the world.

In analyzing the reasons for this national disgrace we do not have to look further than our ineffective gun control laws and the fact that of all the industrialized countries of the world we have the largest number of private handguns. This correlation between the availability of pistols and the number of handguns is clearly proved by comparing our homicide rate with that of nations which have strict laws. In 1973, our gun homicide rate was 5 times Canada's, 20 times Denmark's, 32 times the United Kingdom's, 67 times Japan's, and 90 times the Netherlands'.

There is absolutely no reason why this national disgrace should continue. Handguns provide no useful social purpose in a modern society. They have no real recreational value. Nor do they, in the overwhelming number of cases, provide anyone with meaningful protection. In fact, an argument can be made that guns increase rather than decrease the danger to the persons who possess them. As a recent study has shown, a handgun is six times as likely to be used against a family member than a criminal intruder.

Furthermore, the private ownership of guns directly stimulates crimes and causes tragedies. The large number of guns held by law-abiding citizens represents a large arsenal from which criminals can steal from in order to commit crimes. In addition, the easy access to a handgun has turned thousands of family quarrels into irreparable disasters.

If we want to end the slaughter that has been brought upon us we must enact tough and wide ranging gun controls which will all but eliminate private ownership of handguns. That is why I believe we should enact, as soon as possible, H.R. 3532, the Handgun Control Act. This legislation is the strongest gun control measure introduced in Congress. In addition to severely restricting the manufacture of handguns and barring their sale to private individuals it prohibits the possession of handguns, except by law enforcement officials, military personnel, and members of licensed pistol clubs who would be required to keep their handguns on the club premises. The bill would also remove handguns currently in circulation by providing for a cash reimbursement for any handgun owner who turns in his gun voluntarily within the first 6 months the law is in effect, and by imposing stiff criminal penalties for possession after that date.

Despite the protestations of the well financed gun lobby, there is no question that such legislation is constitutional. All Federal court decisions, including five Supreme Court opinions, interpreting the Second Amendment have made it clear that the constitutional provisions barring any infringement of the "people's right to bear arms" applies only to State militias. Since this legislation does not affect any State law enforcement or defense bodies, I seriously doubt that any Supreme Court Justice who has been on the Court in the last 30 years would challenge its constitutionality.

I believe that the enactment of comprehensive Federal controls is the only solution to this problem. As long as a large number of people have guns some firearms will find their way into the hands of criminals. And, as long as there are areas of this country where guns can be easily acquired, no area will be safe. Only a tough national statute will end the current handgun violence.

In conclusion, I would like to say that the American people are ready for such legislation. They have seen a President, a Presidential candidate, a prominent national leader, and thousands of their countrymen die needlessly because of guns. In every poll they have demanded strong legislation to end the violence. In light of the recent near tragedy, it is now incumbent upon us to act.

REPRESENTATIVE OBEY CALLS FOR LABOR-ENVIRONMENTAL ALLIANCE TO COMBAT INDUSTRIAL HEALTH HAZARDS

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. UDALL. Mr. Speaker, many of us in Congress and in the public have been troubled by a growing rift between two of the most progressive, constructive forces in our Nation—the trade union movement and the advocates of environmental conservation.

Such conflicts are especially troubling because they inadvertently advance the cause of those who would undo the great gains made by both movements in recent years.

Our distinguished colleague from Wisconsin, Representative David R. Obey, addressed this problem several days ago in a speech to the State Industrial Union Conference at Stevens Point, Wis.

In his speech, Representative Obey calls attention to the rapidly accumulating evidence concerning health hazards posed by industrial chemicals. He cites the examples of respiratory diseases among grain handlers, cancer among plastic workers, rubber workers, and gas station attendants, and other grave medical problems—all traceable to seemingly innocuous chemicals introduced into the working environment over the past several decades.

Representative OBEY points out that—

> True environmentalism is much more than a simple concern for trees or birds or bugs. In its most profound sense, it is not anti-job. It is pro-life.
>
> The environmental movement needs the labor movement if it is to succeed in its basic goal of making this country a cleaner, safer and more livable place.
>
> Labor needs the environmental movement if it is to gain the public attention it deserves for the critical occupational health problems facing millions of workers in America.

This superb, incisive speech merits the attention of all who believe that American workers are entitled to a job atmosphere that will not kill or cripple. I commend it to the attention of my colleagues.

The text of Representative OBEY's speech follows:

TEXT OF REPRESENTATIVE OBEY'S SPEECH

I want to talk about a problem that is concerning me more every day—the growing rift between the environmental movement and some segments of organized labor.

I know that a number of labor leaders—some in this room—often think that environmentalists are more concerned with birds and trees than they are with people. If anybody in this room says: "These environmentalists can be so esoteric that they drive me up a wall", I'll say you are absolutely right. I've seen environmentalists do some incredibly stupid things. Just like I've seen Common Cause do some stupid things; just like I've seen the Democratic Party do some stupid things. I don't like the idea of highways stopping in the middle of nowhere any more than any of you do.

But we're all friends here. I think you all know I'm a friend and as a friend, I'd like to get something off my chest which has been bothering me for a long time. That something has to do with the growing, and I think disastrous, gap that I see developing between labor and some portions of the environmental movement. I happen to believe that if that gap isn't bridged, one of the most critical and most underrated and poorly understood issues in America is going to be swept under the rug.

That issue is the problem of occupational health and occupational cancer. It has been estimated that over 100,000 Americans die each year from occupationally induced diseases.

Do you know how much the government spends each year on research on occupational health—a lousy 43c per worker, that's how much.

Do you know how much pressure there is on government to do something about that problem—not much.

Do you know why—because the people who are most affected by the problem, aren't really aware of how serious that problem is. But I'm afraid we're beginning to find out.

Twin Port grain elevator workers received an object lesson this spring in what environmentalism means in terms of their own personal health. I am afraid it is a lesson that more and more workers in Wisconsin and elsewhere will be learning in the years to come: a lesson about what we have been doing to ourselves since World War II by developing and using thousands of potentially hazardous chemicals which have not been adequately tested for their effects on human health.

Dr. Charles Rankin of the University of Wisconsin Medical School was concerned about the grain handlers' exposure to high levels of grain dusts soaked in pesticides and fumigants, and he found that nearly 60% of the workers he examined were suffering from some type of airways disease and that well over a third had chronic bronchitis, the number one disabler of American males. The results of the Rankin study were even more disturbing in light of the fact that the average age of the 300 workers examined was less than 40.

But do you know what frustrates me? As a result of my working with the grain millers, NIOSH, OSHA and the Medical School in trying to gain enough evidence that would force grain elevator operators to clean up those elevators, I was attacked by one superior labor leader for costing the area jobs. I expect to be attacked from the reactionary elements of the business community who don't want to spend the money necessary to guarantee to every worker what ought to be his basic right to a healthy working environment.

But how much help do you think you really think you are going to get from politicians on questions like this if, over the long haul, we not only have to fight employers but, in many cases, the workers too?

And make no mistake about it. Grain handlers are only one of a rapidly growing number of workers who are finding that various environmental agents in the workplace, particularly synthetic chemicals, may be subtly attacking their health.

Plastics workers exposed to vinyl chloride have found that this clear, odorless gas which they work with every day can cause a rare form of liver cancer, lung and brain cancer, enlargement of the liver and spleen and deterioration of the bones of the fingers.

Rubber workers are finding that chloroprene, an important component in synthetic rubber, may be causing certain types of lung cancer.

Gas station attendants are waiting to find out if daily exposure to ethylene di bromide, a no-knock additive in gasoline, may eventually cause an abnormally high incidence of cancer.

Steel workers have found out the hard way that the cancer mortality rate of topside workers on coke ovens is ten times that of other steel workers.

Government scientists are also concerned that people who work in dry cleaning shops, beauty parlors and operating rooms may suffer a high incidence of cancer and other diseases in future years as a result of their workplace exposure to chemicals that we clearly knew too little about before we introduced them into the environment.

The fact is we are using literally thousands of chemicals, both in the workplace and without, which have not been tested for their effects upon human health. That ought to worry anyone who really understands the problem.

Altogether, we are putting new chemical compounds on the market at the rate of nearly 1,000 a year, and in the vast majority of cases we have little firm information on what those compounds might be doing to us. We are lucky when some of the effects show up almost immediately. But some of the greatest hazards to which workers are being exposed can take 20 to 30 years to show up. Very few vinyl chloride workers showed signs of ill health within 20 years of their first exposure to that chemical and that is typical of most chemicals that cause cancer.

If the workers in one of your locals started working with a new substance in the early '60s, we are not going to be able to tell until the 1980's whether or not that chemical will cause an increased level of cancer or other occupational disease. Vinyl chloride was thought to be an extremely safe chemical. It turned out to be a time bomb and there will be many others.

The facts are clear. Scientists generally agree that between 80% and 90% of all cancers are environmentally triggered and a high percentage of other diseases are also caused or made worse by the conditions of the environment in which we live and most especially, the environment in which we work.

And there is something else which must be understood. What is happening to workers because of their often unsuspecting exposures to hazardous chemicals in the workplace is simply a more dramatic and concentrated example of what is happening to all of us in our everyday living environment outside of the workplace. The workplace is our environment for 8 or 10 hours a day. But the outside world is our environment for 16 hours a day. Chemicals in the air and in the water can kill you just as dead as chemicals in the workplace. And the threats to human health, while not as dramatic and not as easy to trace, are just as real.

I believe that the rash of tragedies now striking various worker groups like grain handlers and plastics workers and steel workers present the environmental movement and the labor movement with an opportunity and a responsibility to work together on an issue which should be of the highest concern to both.

There is nothing that I would like to see more than to have Earth Day next year dedicated solely to the question of dangers in the working environment. I think that would do much to increase the awareness of the average working man about health problems he faces and I think it would be a constructive change in the direction of some segments of the environmental movement which have appeared to some in the labor movement to be elitist and even anti-job. True environmentalism is much more than a simple concern for trees or birds or bugs. In its most profound sense, it is not anti-job. It is pro-life.

I would hope that people in this room would use their leadership positions to try to bring about the new kind of alliance and understanding between the environmental movement and the labor movement. I would be happy to do all I can to help bring about that same spirit of cooperation on the part of environmentalists.

The environmental movement needs the labor movement if it is to succeed in its basic goal of making this country a cleaner, safer, and more livable place.

Labor needs the environmental movement if it is to gain the public attention it deserves for the critical occupational health problems facing millions of workers in America.

I think we have a responsibility to help each meet the need of the other.

KEEPING THE PEACE IN KOREA

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. SOLARZ. Mr. Speaker, I recently returned from an 18-day factfinding mission to the Far East—in my capacity as a member of the Committee on Internal Relations—and I would like to fill you in on my experiences and conclusions while memories of the journey are still fresh in my mind.

Traveling throughout Asia in August is a little bit like searching out a sauna in Death Valley at high noon. But the heat and humidity notwithstanding, I felt that the mission was a highly productive one in terms of giving me a much better understanding of the problems and politics of the Far East.

Now that the war in Vietnam is over, I felt it was important to take a close look at the situation in the Western Pacific precisely because of the need to avoid another Vietnam in the future. Too often in the past our foreign policy has been shaped by events rather than events by our foreign policy. And the fact is that while the insurgency in Indochina has ended, the prospects for peace in the Far East are by no means assured.

The Korean situation, in particular, is a tense one. With 42,000 American troops still in South Korea, the hard fact is that the possibility for a new American involvement in a war on the Asian mainland remains high.

A NEW POLICY FOR KOREA

In an effort to determine what needs to be done to prevent both the outbreak of war in Asia, as well as American participation in such a conflict should it begin, I met at length with President Marcos of the Philippines, President Suharto of Indonesia, President Park of South Korea, Prime Minister Miki of Japan, and a number of high officals in Thailand. I came away from these talks convinced that we must change our policy concerning Korea lest we inadvertently get involved in another war on the Asian mainland—a war which could have catastrophic consequences not only for Korea but for our own country as well.

Under present circumstances, it would probably be impossible for South Korea to successfully stave off a North Korean invasion without substantial American air support and logistical assistance. The ROK Army has only a few weeks of ammunition in reserve. Its air force is substantially inferior to the North's in both planes and personnel. And its coastal defense is largely dependent on our own naval capacity in the surrounding sea.

This military imbalance is due to the fact that the North Koreans have spent more than twice as much on their military budget as South Korea since the early 1960's. The government in Seoul, content to rely on the American defense commitment, saw no need to divert its resources from economic development to military preparedness. Now that the Thieu regime in Vietnam has fallen, however, the South Koreans have had second thoughts about the wisdom of relying so heavily on the United States for their own defense, and they are determined to develop, as soon as possible, the military capacity to thwart a potential invasion from the north on their own.

In view of the fact that South Korea has more than twice the population of North Korea, and a much greater gross national product, there is no reason why the South Koreans should not be able to defend themselves, if they are attacked by the north, without the active assistance of our own Armed Forces. Indeed, the South Koreans presently have 50 percent more men under arms than the North Koreans—which means, as President Park told me himself, there should be no need for American ground forces to come to their defense if war does break out.

I believe, therefore, that we should begin the process of withdrawing our troops from South Korea. We should also move the 2d Division south of Seoul. Right now, 25,000 American troops which comprise this fighting force are right near the frontline north of Seoul, and they almost necessarily would be engaged in hostilities in the event of a surprise attack. Unless they are pulled back from their present position, there will continue to be a real possibility that we could get enmeshed in a conflict on the Korean Peninsula in the same way that we were in Vietnam. At the same time, I also think we should accelerate the modernization of South Korea's air and armored capacity—areas where the north does have a substantial advantage over the south—in order to enable them not only to effectively deter an attack but to successfully resist it if it should come anyway.

OUR RELATIONSHIP WITH JAPAN

This is an important point because the real key to our foreign policy in the Far East lies not so much with Korea as with Japan. It is, in the final analysis, our relationship with Japan which provides the basis for stability in Asia. Japan, after all, has the third largest economy in the world and its willingness to forego an extensive rearmament in exchange for a mutual security treaty with the United States has contributed significantly to a reduction of tensions in the Far East. Should Japan lose faith in the credibility of the American defense commitment—which it probably would if South Korea were overwhlemed by North Korea—it would be strongly tempted to rearm and possibly even to develop a nuclear capacity as well.

Such a development would have a tremendously destabilizing effect on the existing equilibrium in the Western Pacific. It would create consternation throughout Southeast Asia where there are still bitter memories of the Japanese occupation during World War II. Both China and the Soviet Union would probably feel obligated to increase their own defense budgets thereby forcing us to increase ours as well. Perhaps worst of all, it would make it even more difficult to put the genie of nuclear proliferation back in the bottle of nuclear control. Indeed, if Japan really lost faith in the American alliance, it is even possible that it might, at some point in the future, seek to make common cause with China or Russia. Needless to say, were the economic might of Japan to be harnessed to the population of China or the industrial capacity of the Soviet Union, it would have seriously adverse consequences for the balance of power thoroughout the world.

DEMOCRACY YES, DICTATORSHIP NO

To the extent that Japan views "the security of South Korea as essential to the security of Japan," as Prime Minister Miki told me when I saw him in Tokyo, it is important to prevent an outbreak of war on the Korean Peninsula. There is reason to believe, however, that the most serious threat to South Korea may be from an insurgency from within rather than an invasion from without. The repressive policies of President Park have already alienated significant sectors of South Korean society. While I was in Seoul, I met with a number of opposition leaders and I am convinced, based on my discussions with them, that unless their political rights and civil liberties are restored, the continued willingness of the South Korean people to support the government in Seoul may be seriously undermined.

During the course of my conversation with President Park, I told him that the establishment of a dictatorship in South Korea had already gone a long way toward eroding the basis for continued American support of his country. I tried to suggest, particularly after Vietnam, that the American people were fed up with supporting military dictatorship overseas—and I urged him to reestablish democracy as a way not only of improving relations with the United States but of securing the continued loyalty of his own people as well.

In the long run, the interests of the Korean people will be far better served by democracy than dictatorship, and I believe very strongly that our own Government should use its considerable influence with Seoul to encourage freedom and discourage repression.

HARBOR AREA CELEBRATES CULTURAL HERITAGE

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. ANDERSON of California. Mr. Speaker, the district I represent in California is unique because of the rich variety of cultural heritage existing in the peoples that have made the Los Angeles Harbor area their home.

People from eastern Europe, the Mediterranean countries, Mexico, and Asia have combined to give the harbor area an exciting and colorful flavor.

This weekend, the community of San Pedro will celebrate this rich cultural background with an International Jubilee at Peck Park. In expectation of this event, the local newspaper, San Pedro News-Pilot, has run a series of articles on some of the interesting ethnic groups that live in the harbor area.

At this time, I would like to insert the first of these articles, which describes the contributions of our citizens of Croatian descent. Now a part of Yugoslavia, Croatia has a long history as an independent nation, and its people have long been an important part of the harbor community.

The article follows:

THE MELTING POT—I—CROATIANS GAVE SAN PEDRO THEIR SKILLS AS FISHERMEN

Editor's note: We have long called our land "the melting pot," but few communities within the United States have remained such a patchwork of different cultures, national backgrounds and races as San Pedro and the Harbor Area. The Italians, Slavs, Croatians, Filipinos, Japanese, Greeks and Mexicans came to this area, bringing with them their rich and varied cultural heritages. This heritage will be showcased Sept. 20–21 at the International Jubilee at Peck Park. Leading up to the weekend festival, the News-Pilot today begins a series of articles on our colorful ethnic mixtures.

(By Eamanuel Parker)

San Pedro's hearty Croatian-American community is the bold and robust creators of Stark-Kist Foods Inc., Van Camp Seafood Co. and the Fishermen's and Merchants Bank.

These lusty immigrants from the fiery Balkans make up between 8,000 and 15,000 of San Pedro's residents.

They, along with the Italians, are primarily responsible for San Pedro being the No. 1 fishing port in America in 1974.

Members of the first generation of Croatians to settle in San Pedro were expert fishermen who brought many innovations with them from Croatia and revolutionized the tuna-fishing industry.

Peter Dragnich came here from Seattle, Wash., and introduced large fishing vessels to the tuna industry, while Martin Bogdanovich, born in Dalmatia in 1882, founded the French Sardine Co. in 1917 and, before his death in 1944, Starkist Foods, Inc.

Croatian fishermen also started Van Camp Seafood Co. and a count taken in 1971 showed San Pedro to be the home port of more than 100 Croatian-owned fishing boats.

Croatian businessmen started and owned Fishermen's and Merchants Bank which, before its merger with United California Bank, was San Pedro's largest financial establishment.

Since 1945 Ivo Labar, president of San Pedro's Croatian Hall, and Budimir Matek, a salesman for Petros Realty, say Croatian immigrants to San Pedro have been mostly professionals, such as engineers and doctors.

More than 80 Croatians, most of them said to be from Dalmatia and Herzegovia, own construction firms in Los Angeles.

San Pedro has four Croatian doctors specializing in skin diseases, pediatrics and general practice.

The major Croatian clubs in San Pedro are the Croatian Fraternal Union, the American Croatian Club, the Croatian Congress of California, the Croatian National Council and the Yugoslav-American Club.

Labar and Matek put the Croatian population of San Pedro at close to 15,000. They reason that most of the Slavs in San Pedro come from Yugoslavia, ". . . and 90 per cent of those are Croatian. There are few Serbs and Slovenians, but most are Croatians."

It's also generally agreed the Croatians who settled in San Pedro came from Komiza on the island of Vis, from Hvar and Broc in Dalmatia, and from along the Croatian coast.

Labar and Matek said many Slavs in San Pedro don't realize they're Croatians.

"If you asked them what they are they'd tell you they're Hungarians, Austrians or Dalmatians. Some Slavs don't know what they are."

This confusion, in large part, was caused by American nationality experts responsible for classifying newly arrived immigrants.

Many of them were unfamiliar with the various Slavic peoples; the Poles, Croatians, Slovenians, Ruthenians, Serbians, Montenegrins, Slovaks, Rumanians and Russians.

These experts grouped Croatians and Slovenians together, though each is a separate nationality.

Dalmatians, Bosnians and Herzegovinians, the names of provinces whose peoples are either Croatian or Serbian, were listed as distinct nationalities.

Emily Greene Balch, one of the best American historians on the Slavic immigration, said:

"The various Slavic nationalities are separated by distinctions of speech, history, experience, national self-consciousness, political aims and often religion."

As if proving her right, Labra and Matek object to being called Yugoslavians.

"There are no Yugoslavians," Labar said. And in a letter he once wrote:

"Yugoslavia was created by Wilson and his allies with their 14-Point Program in 1918. The Croatians are an ancient people . . . who can trace their nation back prior to the Second and Third Century.

"The Kingdom of Croatia was established in 925 A.D., with King Tomislav as its first ruler . . . while the country of Yugoslavia was established only a short time ago."

Labar's statement represents the one major discord found in Croatian-American communities: ambivalent feelings towards Yugoslavia.

A local Croatian said 75 per cent of all American-Croatians would like to see an independent Croatian state "although the great majority of them would remain in America and admire their new homeland from afar."

He also said most of San Pedro's Croatians are in the 25 per cent minority who like Yugoslavia as it is.

"You have some real old-timers in San Pedro who still have warm feelings about Yugoslavia," he said.

"Most of them haven't actually lived there. I have and it's not what they think it is."

Speculating on why San Pedro's Croatians feel so favorably about Yugoslavia, this San Pedro resident, who asked not to be identified, said:

"Perhaps it's because they've forgotten their Croatian heritage and culture. The church is, and always has been, the preserver of Croatian culture.

"But the Los Angeles Archdiocese chose to establish the Croatian church in Los Angeles, not down here, so Los Angeles Croatians have St. Anthony's Croatian Catholic Church.

"As a result the Croatians in Los Angeles are more anti-Yugoslavia and pro-Croatian than those in San Pedro. The Croatians in San Pedro have assimilated more outside culture and thought."

Croatian-Americans' conflicting attitudes towards Yugoslavia stem from their experiences there.

For centuries they and the other Slavic nationalities in the Balkans were ruled by Turkey or Austria-Hungary, and now Russia.

Turkey and Austria-Hungary found it convenient to keep the various Slavic peoples feuding with one another to prevent them from uniting and rebelling.

Austria-Hungary also encouraged the Slavs to migrate, and between 1880 and 1914 600,000 Croatians left their homeland, while 200,000 Hungarians moved onto vacated Croatian lands.

When Yugoslavia was founded in 1918 it only succeeded in, ". . . bringing together various people who didn't want to live together," a local Croatian said.

During its brief spell of independence, between 1918 and 1941, Yugoslavia was ruled by its Serbian nationality, who held 97 per cent of the army's generalships and the majority of government positions.

Religious differences also split the country. The Serbians, Montenegrins and Macedonians are Greek or Orthodox Catholics, while Croatians are Roman Catholic.

Serbians tend to be pro-Russian, and the two share a similar language, while Croatians are traditionally pro-Western.

During WW II the Germans set up a pseudo-independent Croatian state, which then went through the formality of declaring war on the United States.

A San Pedro Croatian said no more than 10 per cent of the Croatian population cooperated with the Germans in running this government.

The remainder of the population simply tried to survive or joined Tito, who had not announced his Communist affiliations, in fighting the invading Germans, he said.

Though Tito is a Croatian many of his people refused to participate in his Communist government after the war, a stance one local Croatian labeled a mistake, and Tito filled these vacancies with Serbians.

Tito retaliated by ordering the government controlled media to exaggerate the extent of Croatian cooperation with the occupying Germans during the war.

One San Pedro Croatian, back from a recent trip to Yugoslavia, said the country is still ruled by Serbians and being a Croatrian is almost equaled with being a traitor.

These are the conditions which account for the large number of Croatians who immigrated to this country. In time, 20 percent of the Croatian population left Croatia.

Croatians are the largest European refugee group in the United States and, among all the refugees in this country, they are the largest group with the exception of the Cubans.

TRANSFER PAYMENTS CALLED UNCONSTITUTIONAL

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. McDONALD of Georgia. Mr. Speaker, it is rare these days to have the question of constitutionality raised in regard to the actions of the Federal Government, particularly by the news media.

When the question is raised, it is usually in regard to so-called group rights, welfare rights, the rights of the young, the old, the poor, the sick, the hungry, the tired, the lazy, and so forth. Invariably these alleged rights are the right to something produced by someone else. Lost in the shuffle—by intention, no doubt—is the only valid source of rights: the individual. After all, he is the guy who produces what the groups claim a right to.

There is, of course, no such thing as the right of some people to what is produced by others, no matter what groups they belong to and no matter how many times the collectivists proclaim it to be so. It is to each individual that the Declaration of Independence refers when it states: "that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness * * *."

Nevertheless, this issue is seldom raised anymore, and it is almost unheard of to question the constitutionality of public welfare. To do so raises the question of individual rights. Thus I was surprised and encouraged by the following editorial that appeared in the St. Louis Globe Democrat on August 25, 1975:

Transfer Payments Called Unconstitutional

The Constitution enumerates 18 powers of Congress. None of them specifically grants Congress the power to redistribute the income of Americans.

Today these transfer payments in the federal budget are costing taxpayers about $150 billion a year—or almost half of the budget.

The big explosion has taken place in the last 10 years. In 1965 transfer payments accounted for $35 billion, less than a fourth of the total now.

During these 10 years such programs as welfare, medicaid, food stamps, public housing and anti-poverty exploded. They are the principal reason the federal budget is expected to be about $90 billion in deficit for fiscal 1976.

Liberals in Congress who have been creating and expanding these income transfer programs claim that American taxpayers have an obligation "to take care of the poor and disadvantaged." They apparently look upon this obligation as being open-ended.

But back to the Constitution. There is one phrase that might give them the power to over-spend and transfer the money of taxpayers in the irresponsible manner they do.

It is in the first power listed: "To lay and collect taxes, duties, imposts and excises, to pay the debts and provide for the common defense and general welfare of the United States, but all duties, imposts and excises shall be uniform throughout the United States."

The question is whether it really is in the "general welfare" to take about $170 billion from taxpayers and hand it over to the favorite beneficiaries of members of Congress—to the point that the nation's solvency is endangered and its national economy is adversely affected by inflation and assorted fiscal and monetary problems.

Democratic leaders who have spawned these programs and increased them year after year are fond of saying that Americans have a "duty" to carry out these welfare and social projects ad infinitum.

If this is so, does it not follow that those who provide the money to be so lavishly tossed about—individuals and businesses—are indentured servants who must hand over increasing amounts of their income to those in our society who either don't work, can't work or won't work?

POOR MINORITY WOMEN

HON. SHIRLEY CHISHOLM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Ms. CHISHOLM. Mr. Speaker, last September 5, I chaired the "Speak-Out for Economic Justice: Poor Women in the Economy." Along with other Members who were present, I gained another perspective into the problems of the poor minority workingwomen in this country. We heard testimony from minority women from California to Florida, and Louisiana to New York.

Ms. Petra Trevino Pena, a farmworker from Alma, Tex., arrived in Washington after the meeting had adjourned. Edith Barksdale-Sloan, executive director of the National Committee on Household Employment, has forwarded a copy of Ms. Pena's testimony to me. I found it to be one of the most poignant testaments to come to my attention. The language is not eloquent, Mr. Speaker, but no one can escape its eloquence.

I submit Ms. Pena's testimony for inclusion in the Record at this point.

Statement of Petra Trevino Pena

My name is Petra Trevino Pena, and I am here to represent the farmworkers in the Lower Rio Grande Valley of Texas. I would like to tell you my point of view on farmworkers. I believe that I am qualified to do this because I have worked as a farmworker most all my life. I have worked in the fields in Texas, and I have migrated to work in the fields in the North.

Farmworkers have a lot of problems because they have to support themselves out of field work. First, the wages are too low. The minimum wage is $1.60 to $1.80 an hour, and that not enough. But farmworkers do not even get that much because the crewleaders always take four dollars a week from their paid check and so the hour rate comes to $1.30 an hour. Food and gasoline prices are going up but not farmworkers salaries.

Also, farmworkers do not have steady jobs. When it rains there no work for a couple of days. This makes their income even lower. And that is very hard on them.

Farmworkers have to work very hard for these low wages. They have to work from sunup to sundown. It is too much work for one's health. Farmworkers come out of the fields with backaches, headaches, and sore muscles. On women the work is harder because they get sick from Kidney infections. This is because there are not any portable rest rooms or bushes to hide in. The woman have to wait until they get home to go to the rest room, and this is too long. Especially bad for pregnant woman. Some woman lose their babies from the hard work or from riding in the back of the trucks.

Rest rooms are not our only problem in the fields. People need to drink water in the field. This is not easy to do because we have a pusher around us all the time. This pusher pushes people around by order of the grower. We are not allowed to drink water or talk. This makes us feel bad because when the day is hot like hell we need to drink a lot of water. But the grower gets mad and tells the pusher to tell us not to drink water and to get back to work. Even if we are working by the hour the truck driver hurries us as if we were working by contract. And to knowledge, that way they get more profit, and we still get the low wages.

To add to their troubles, farmworkers also have to live in poor housing. The houses they live in get wet when it rains and very cold in the winter. The rest rooms are outside, so you can imagine with this kind of weather that the people are bound to get sick, especially the children, they get very bad colds with high fevers. Even eat right. Especially the children do not eat right. Children also need to have their shots to keep them in good health.

But farmworkers do not have enough money to pay doctor bills or other bills. Some of these children's parents do not get enough money for a car to move in or to take the children to school. They dress their children poorly because they cannot afford clothes.

These children's parents have to work long hours, so they have to get up in the morning at 4 A.M. to make lunch for themselves and to get the children dressed for school. I am talking about children from age ten and up. The time they get up is too early for them, but they have no choice. What these children do after school hours is that they go to work in the fields to help their parents. You can see that these children do not get the rest they need, they are always in poor in health.

Not even living like this do the farmworkers make enough to support themselves. This is how it goes from day to day and year to year. The farmworker ends up with nothing but suffering until who knows what becomes of him.

So what the farmworkers from the Rio Grande Valley are doing to help all of these farmworkers is they are having strikes—strikes on melons, citrus fruit, tomatoes and onions. They started the strike on the melons about the middle of May and for several weeks. When this strike was going on, one of the growers got mad and shot ten of our strikers. These people that were shot were farmworkers, and most of them had families, so they took it hard. The grower was not punished.

Now with more reasons we have continued our fight. We continued to fight for better wages. Later we had a strike in Pecos, Texas. Some of the people that went there to work in the fields were promised two dollars an hour. But they were only paid $1.60 an hour. They called a strike, and some of these strikers were arrested when they peacefully picketed on public roads.

But no matter what we will continue, even if it takes the rest of our lives. And there are a lot of us. If we ever go out of the picture our children will continue in our places. Viva La Huelga!

RAILROAD REORGANIZATION ADVANCES A STEP

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. CONTE. Mr. Speaker, I have been closely following the progress of the effort to reorganize the bankrupt railroads in the northeastern quadrant of the Nation because issues are involved that are of extreme importance not only to New England, but to the entire Nation.

As you know, the detailed planning work behind that effort has been carried out by the U.S. Railway Association, a Government corporation established for that purpose by the Regional Rail Reorganization Act of 1973. The Association's task has been a monumental one, involving many legal and technical complexities, and it is to the credit of the Directors and staff of the Association that it met its statutory deadlines in presenting Congress with, first, its preliminary system plan and, then, on July 26, its final system plan.

That latter proposal is now pending before this Congress which, under the provisions of the act, has 60 calendar days of continuous session from July 26 within which to act thereon. The legislative clock in this regard is running and it is surely essential for us to concentrate now on not only the plan—which I am glad to note has been endorsed by the administration—but on that package of amendments to the act as offered by the Association in order to properly implement its provisions.

Many questions remain to be answered, for the issues involved are difficult ones, but since I have a high regard for Arthur D. Lewis, Chairman of the Board of Directors of the Association, I was pleased to receive a copy of his opening statement as submitted, last week, to the Subcommittee on Transportation and Commerce, of the House Committee on Interstate and Foreign Commerce, as it commenced oversight hearings on the final system plan. Mr. Lewis' statement is so thoughtful and informative that I believe it should be called to the attention of the Congress, and I commend its reading to my colleagues:

Statement of Arthur D. Lewis

Mr. Chairman, and Members of the Subcommittee: I believe I speak for all the Directors and staff of the United States Railway Association when I say that we come here, today, in a mood composed of almost equal parts of enthusiasm, optimism and relief—enthusiasm, because we rather strongly feel that the Final System Plan we have brought you is a good one; optimism, because we believe that, in the end, Congress will find it acceptable, and relief, because ours has been a rather long and certainly difficult task that now seems to be drawing to its close.

But, before saying anything further, Mr. Chairman, I wish to pay tribute to you, to the Members of your Subcommittee, and to your highly-competent staff, for the interest all of you have shown in our work, for your understanding of its complexity and difficulty and, most of all, for your never-failing encouragement and support.

As you know, this is my first experience, after an extensive career in the world of business, at working this closely with the Congress. If I approached my present assignment with some reservations—and I did—I can truthfully say that, due to the cooperation I have received at the hands of people like yourselves, both here and on the other side of this Capitol, those reservations long ago disappeared and that, in fact, these past eighteen months of public service has become one of the most stimulating and satisfactory experiences of my entire life. It is a pleasure to have worked with you, and I shall always be grateful for the opportunity.

Mr. Chairman, like most of our citizens, I have worried about this nation during most of the past decade, and been deeply concerned about its future. Clearly, we have been living in a difficult, almost chaotic, time, and the problems we see all about us seem well-nigh unmanageable.

That being so, it is surely understandable that there should be a public mood of substantial uncertainty and of doubt—especially doubts about many of those institutions to which our society previously assigned such high values.

Within this category of institutions that are now being reexamined and questioned, one finds not only the institutions of government—as you Gentlemen so well know—but many other institutions including that one which, for want of a better term, we usually refer to as "the free enterprise system".

We are still the world's greatest industrialized nation; and, despite recession, inflation, and unemployment, our people are infinitely better off than those of other lands, or other systems. But there is a proper and growing concern here at home about those ever more-apparent gaps in resources, in technology, and particularly in capital, that imperil the health of our economy and threaten our domestic order.

As an example, when one considers the great and inter-related problems of attaining self-sufficiency in energy while, at the same time, ensuring the proper protection of our environment, it is, I would again note, understandable that there should be doubts about the ability of the free enterprise system to solve such problems on its own.

Accordingly, I believe that, increasingly, in this new world economic order upon which we seem to have embarked, it will be necessary for Congress to consider how best to marry the fiscal resources which, in many instances, only the Federal Government can now provide, to the vigor and vitality that private enterprise, alone, still best provides.

Perhaps illustrative, then, of other things yet to come, is the recommendation we bring to you for reorganizing the bankrupt rail system in the Northeast/Midwest—a recommendation, as embodied in the Final System Plan, for joining the Federal Government and private enterprise, as partners, in the important task of preserving and rebuilding rail freight service in that 17-State Region, and not just for the benefit of that Region but for the benefit of the entire Nation, and its overall economy, as well.

We know that the Final System Plan is not perfect. We know that there are some aspects of it that are troublessome to certain Members of Congress, or their constituents. We know, too, that there are some who are skeptical of some of our projections—particularly our projection that, in an improved operational climate and over a period of time, ConRail can turn the corner to self-sufficiency and even, eventually, re-pay the Federal investment we see as necessary for the successful completion of the reconstruction of its system.

Nevertheless, as I say, Mr. Chairman, we believe that the Final System Plan is a good one; that it is responsive to the mandate given the Association by the last Congress; that it properly and responsibly balances the frequently conflicting purposes and planning goals set forth in the Regional Rail Reorganization Act of 1973, and, most importantly, that ConRail can "make it".

Mr. Chairman, I have had the honor to head a hard-working, interested, and very capable Board of Directors—and I would wish to pause now to publicly thank each of them for their dedication and efforts. It is a representative Board, as you know, Mr. Chairman, but also an independent one, in every best sense of that word, by which I mean to say that if, at any time along the way, a majority of the Board had decided that this job just could not be done, it would have had no hesitancy in so reporting to you.

So much by way of background, for now let us look ahead.

Mr. Chairman, we welcome these hearings, and the opportunity they provide for explaining the Plan, answering your questions and, hopefully, advancing both the Congressional and public understanding of its details; and we are especially grateful for the fact that you have scheduled these hearings at such an early date following your recent recess.

I say that because we are very aware of the fact that the clock, so to speak, is running.

As you know, under the provisions of the Act the Plan, itself, will go into effect automatically—absent the passage of a disapproval resolution by either House—at the end of sixty calendar days of continuous session of the Congress following the date of its transmittal to Congress, which date was July 26th.

We have sent you within the last few days a draft package of amendments to the Act which we view as essential to its successful implementation. Included within that package are proposed amendments dealing with the suggested Federal investment in ConRail, with the provision of deficiency judgment protection for the Chessie system, as a potential buyer of a substantial portion of the bankrupt system, and with a variety of other matters some of which are technical in nature.

We appreciate, just as you do, the fact that there is a broader "railroad problem" than the one confined to the 17-State Region upon which we have been working. We understand—and, indeed, we share—your expressed desire for Congress to attempt to arrive at an agreement as to the best solutions for the several aspects of that broader problem concurrently with its consideration of, and action upon, our proposal.

We are anxious, and prepared, to give all possible aid and technical cooperation in helping you and the Congress to deal with those other issues involved in the broader problem—issues which, although related in many ways, have technically been beyond our mandate.

However, I trust you will forgive me, Mr. Chairman, if I express the hope that the need for early action on our proposals does not become lost in the search for a wider consensus on other matters.

I base this concern on two major points.

First, as you know, under the Act if there is not a disapproval resolution—and we hope there will not be—the Plan goes into effect and, thereafter, a series of events will take place.

One of the most important of these events is the expiration of time within which an acquiring solvent railroad must decide whether or not to finalize its tentative offer to buy some portion of the bankrupt system. As I have already noted, one of the amendments we have proposed to you would provide the Chessie system with deficiency judgment protection should it enter into a binding agreement to buy those portions of the Erie-Lackawanna, the Reading and the Penn-Central that are described in the Plan.

It is our judgment—and one in which we believe you concur—that this acquisition by the Chessie system is an essential element of the overall Plan. It is our further judgment, following extensive negotiations with representatives of the Chessie system, that failure to provide the Chessie with such protection within the prescribed 30-day period following the effective date of the Plan, would have a serious negative impact upon its final decision in this regard, and we see all manner of problems flowing from such an eventuality.

My second concern is based on another equally-important event that is required to take place under the Act. Within 90 days of the effective date of the Plan, the Association is required to deposit with the Special Court the ConRail securities and other obligations that will be offered in exchange for the rail properties to be acquired from the bankrupt estates.

It will take some time to properly prepare such a package, and it is difficult to even begin that work unless and until there has been Congressional action on the amendments we suggest are needed to ensure ConRail's early financial viability.

Our General Counsel, Jay Hillman—who may wish to speak further on this point later—also advises us that we should be concerned over the possibility, if the required ConRail financing is not in place well in advance of the scheduled conveyances, that troublesome legal attacks might be mounted against the conveyances, the timing of which is also tied into the effective date of the Plan. A serious effort might even be made to enjoin those conveyances, on the grounds that no current possibilities for ConRail's viability then existed.

We would not venture to predict what the outcome of any such litigation might be; but the very fact of any such litigation would surely create very serious problems for the orderly creation of a reorganized system. So, again, I must urge the importance of enacting legislation to finance the Plan, if not disapproved by Congress, far enough in advance of conveyance so as to assure that the necessary conditions for ConRail viability can be met.

Since I have been speaking of ConRail's viability, Mr. Chairman, allow me to take just a moment to comment upon one important aspect thereof. My comment will relate to one of those broader issues with which you may be wrestling—rail passenger service.

Throughout our planning process we have assumed that ConRail will display a positive attitude towards the operation of passenger trains and its relationships with Amtrak and the various commuter authorities. However, the foundation for this assumption is that ConRail will be appropriately compensated for the provision of such passenger services, and that the past practice of freight operations subsidizing passenger operations would cease on conveyance date.

Accordingly, we would urge you to consider indicating, perhaps through the use of report language, your understanding that ConRail will provide such services in satisfactory manner but on the basis of the cost-sharing principles as outlined in the Plan, with funds as needed to implement such a policy being provided either by Amtrak or by the appropriate commuter authorities.

There is much more that I could say, Mr. Chairman, but I would prefer to conclude these preliminary remarks on this positive note before undertaking, with my associates, to answer your questions.

Mr. Chairman, as I have said, we believe this to be a good Plan.

Despite the substantial Federal investment proposed, it presents a private enterprise solution to a problem of national import for which the only alternative solution would seem to be that of nationalization—a "solution" no more desirable now than at any time in the past. To be sure, the Federal help needed by ConRail in its early years is substantial but the sum involved is far less than the cost of nationalization, and that investment is so tailored that, although the Federal interest is properly protected, the vitality of ConRail, as a private company, is not stifled.

Further, the solution offered in the Plan is one that will be evolutionary in nature. Our Board fully understood the fact that the American economy owes much of its essential dynamism to the ability of individuals to shift, to adapt, to adjust, to give incentives and to test new ideas and new markets. ConRail will have that essential capacity.

Further, although most of the public comment and criticism evoked by our planning process related to the question of how many branch, or low-density, lines were to be excluded from ConRail, the fact of the matter is that the Plan proposes an industry structure that will accommodate all but about two percent of all the freight presently carried by the bankrupt system, which minimal figure may be even further reduced through the tentative coordination agreements set forth in the Plan. This, we submit, is a responsible result which, when coupled with the subsidy program established under the Act, leaves the States and affected communities with a transitional problem of manageable proportions.

Finally, since all of us are concerned not only about preserving and improving essential rail freight service for the Region and the Nation, but also about the nagging problem of unemployment and a stagnate economy, let me just outline the positive benefits that will flow from the projected rehabilitation program for the ConRail network.

We see this rail system and its reconstruction as not just important to the Region but also as a vital component of the U.S. economy. The reconstruction program, will, as you know, only partly be financed by recourse to Federal moneys but, overall, abut $7.5 billion will be expended on the ConRail system during the decade of 1976 to 1985—a total that, due to the works of the multiplier principle, will in turn lead to employment and incomes far in excess of those created by that initial investment. It becomes difficult to be accurate about such projections, but we therefore estimate that such an expenditure of about $7.5 billion would generate an estimated 913,000 man years of employment, more than $9 billion in wages and salaries, and over $2.5 billion in other personal income.

While this would assuredly offset most of the community losses anticipated to flow from the transitional effect of the abandonment of non-subsidized branch-lines—which effect depends on where such benefits may fall—the overall effect would be Region-wide, with a beneficial "ripple" effect throughout the whole national economy.

Whenever I enter the gallery in the House Chamber, Mr. Chairman, my eyes are drawn to that quotation from Daniel Webster which is inscribed on the wall above the Speaker's chair. It reads, as you well know, as follows:

"Let us develop the resources of our Land, call forth its power, build up its institutions, promote all its great interests, and see whether we also in our day and generation may not perform something worthy to be remembered."

What we are concerned with is a great national resource in that same sense, and I deeply hope that you Gentleman and the Congress will agree that it must be not only preserved but developed for the benefit of our Nation and its people.

EARNED INCOME CREDIT: WORK BONUS OR WORK ONUS?

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. FRASER. Mr. Speaker, the Ways and Means Committee is currently discussing tax reform. The earned income credit for working poor, created by the Tax Reduction Act of 1975, will soon be reviewed by the committee.

This new tax credit, or "work bonus," is set at 10 percent of the year's earnings or $400, whichever is less, phasing out at an earnings level of $8,000 a year. The credit was created as a reward for the poor who are working to avoid or lessen dependency on welfare programs, and to stimulate the economy by increasing the cash flow.

The following letter from the Internal Revenue Service indicates that recipients will receive the credit as a lump sum payment sometime next year:

SEPTEMBER 11, 1975.

Hon. DONALD M. FRASER,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN FRASER: Please accept my apologies for the delay in answering your letter regarding the procedures we will use to process the earned income credit and how we plan to make those eligible aware of it.

The earned income credit is highlighted in both the 1040 and 1040A packages and a sample worksheet has been developed to enable the taxpayer to compute the amount to which he is entitled. In addition, computer programs have been developed to identify returns eligible for the earned income credit. In those cases where taxpayers are eligible for the credit but who fail to claim it or who have claimed the wrong amount, IRS will automatically have their liability recomputed to give them the benefit. The credit will be a lump-sum payment to the taxpayers similar to a regular tax refund.

While the taxpayer does not have to apply for the credit if he files a return, we have a very real concern that low-income people not required to file may not be aware that they are entitled to this benefit. To reach these people, we will be emphasizing the need to file a return in order to get the credit. Radio Spot announcements O & A's, press releases in local newspapers and radio and TV programs will all be used extensively in our efforts to inform those eligible of the credit as to what must be done to obtain it. As a matter of fact, one of our nine TV spot announcements is devoted exclusively to the earned income credit. In this context, you will be interested to know that these people will only have to complete Lines 1 through 7 and 9 through 12 on the 1040A and submit it with their W-2.

Sincerely yours,

JACK G. PETRIE,
Chief, Taxpayer Communications Branch.

Mr. Speaker, we have had continuing concern about the impact of the credit on the 1.45 million working people in this country who also receive welfare benefits.

In the absence of a specific disregard, the Social Security Act, section 402(a) (7), requires States to treat the credit as either a resource or as income for purposes of determining eligibility for means-tested cash assistance programs. In effect, this policy penalizes those people who are struggling to become self-sufficient and get off welfare. If considered a resource, welfare benefits will be terminated in cases where the credit brings the recipient over the resource limitation. If considered income, benefit levels and eligibility will have to be recomputed for the month the credit is received. Some recipients will suffer a decrease in grants while others will completely lose their grants for 1 month. Where the credit may render a recipient ineligible for aid to families with dependent children—AFDC—and medicaid, he or she may still be eligible for food stamps with the credit necessitating a recomputed stamp bonus value.

Concerned with the impact this credit would have on our working poor, I solicited information from State welfare departments across the country that dealt with the status each State intends to give the earned income credit. I asked how the credit wil affect both the administration of means-tested programs—AFDC, food stamps, and medicaid—and the benefit levels of working welfare recipients.

Having received responses from 33 States, it becomes overwhelmingly apparent that across the country the credit presents an administrative nightmare. Mentioned consistently is the fear that the increased administrative burden this credit creates will subsequently increase the likelihood of error—error that is not tolerated by the Department of Health, Education, and Welfare and results in a penalty reduction of Federal financial participation in these programs.

Delaware, for example, anticipates having to process at least 3,000 cases in the month the credit is received and reprocess them in the following month when the credit has expired. Delaware has only 33 people to face this overwhelming task. In Nebraska, 40 percent of the AFDC caseload will be suspended for 1 month if the credit is not disregarded. Nevada anticipates having to recompute 21,500 budgets, with the attendant notices and hearings required by the Social Security Act when benefits are being altered or terminated. Several States, unaware that the Social Security Act requires them to consider such a credit as a resource or income, have made plans for a disregard.

Briefly, of the 33 States responding to my inquiry, 17 will regard the credit as income for all programs, 1 will regard the credit as income for food stamps only, 11 will regard the credit as a resource, and 3 intend to disregard the credit. Nine States explicitly request in their responses that Congress work toward a disregard.

I present for the benefit of my colleagues, the following letters which represent the responses received:

Division of Social Services,
Wilmington, Del., August 12, 1975.
Hon. Donald M. Fraser,
House of Representatives,
Washington, D.C.

Dear Representative Fraser: The following is in reply to your August 7 inquiry to Dr. Lazar regarding Delaware's intended treatment of the low income tax credit.

In our Food Stamp program, we will be required to treat the credit in the same way USDA regulations require us to treat any other lump-sum payment, i.e., as a resource. This will have the effect of making some applicants for or recipients of stamps ineligible until the resource is expended, unless USDA issues regulations permitting us to disregard the credit.

In AFDC, the policy we expect to have in effect by November, 1975, provides for the disregard of one-time payments or bonuses only up to $200 per family. The full amount of a one-time bonus or credit in excess of $200 will be counted as available income in the month in which it is received. In such cases, AFDC applicants or recipients whose other income plus the tax credit exceeds our need standards will be denied or will lose eligibility for the month in which the credit is received.

Similar effects will be felt in Medicaid, since Delaware provides Medicaid only to persons eligible for AFDC, SSI, or child foster care benefits.

The net effect on administration of our programs will be an increased workload for our already over-burdened staff. Since approximately 33% of our AFDC recipients hold jobs and earn an average of $3600 per year, we anticipate having to review and process reductions for over 3000 cases in the month the credit is paid. In the next month, we will have to review and process changes for the same cases to return them to their original assistance levels. We now have only 33 staff persons available to process such changes, and I am not confident that we will be able to process all the cases fast enough to avoid increasing our AFDC error rate and the possibility of Federal financial sanctions.

If I may provide further information, please feel free to write or call me.

Sincerely,

Charles E. Smith,
Director.

Department of Public Welfare,
St. Paul, Minn., August 18, 1975.
Hon. Donald M. Fraser,
Congress of the United States,
House of Representatives,
Washington, D.C.

Dear Representative Fraser: In your letter of August 11, 1975, you requested information as to how Minnesota intends to handle earned income credit received by welfare recipients and how this will impact the benefit levels of working welfare recipients.

We have no legal authority to ignore income from any source unless such income is specifically disregarded by federal statute. Therefore, we would have to treat the income credit as income available to meet current needs and either reduce or suspend the assistance grant on a case by case basis. There would not be any direct benefit to welfare recipients.

In all probability Food Stamp purchase requirements would increase and many Food Stamp recipients would suffer a decrease, if not total loss, of these benefits.

Another administrative problem is that there is a direct correlation between the number of case actions and the number of errors which are discovered by the quality control functions. As you know if a state does not reduce and maintain the percentage of overpayments to 5 and ineligibles to 3 it is subject to a sanction of the federal financial participation.

The Minnesota Department of Public Welfare would encourage any effort which would treat this earned income credit as disregarded income for purposes of public assistance including the purchase of food stamps.

If you need or desire further information, please let me know.

Very truly yours,

Vera J. Likins,
Commissioner.

Social Service Board of
North Dakota,
Bismarck, N. Dak., August 15, 1975.
Hon. Donald M. Fraser,
House of Representatives,
Washington, D.C.

Dear Representative Fraser: This is in reply to your letter of August 7, 1975 in which you inquire into how the Social Service Board of North Dakota intends to deal with the earned income credit, provided by the 1975 Tax Reduction Act.

States apparently have few options for the handling of this refundable credit. According to information we have received, the credit must be taken into account in determining eligibility or amount of assistance under Titles I, IV–A, X, XIV, and XVI of the Social Security Act. This refundable credit must be considered either as a resource in the month in which received and in all subsequent months to the extent it has not been spent; as earned income in the month received and as a resource thereafter, or as unearned income in the month received and as a resource thereafter.

No decision has yet been made as to precisely how this credit will be treated in terms of low income wage earners who are receiving assistance through one of the state's programs. However, as your letter suggests, we are likely to reduce cash grants by the amount of credit received. This, of course, complicates the administration of the AFDC, Food Stamp, and Title XIX Programs. I presume that the Social Security Administration will have some difficulty with this income in adjusting SSI payments but states, of course, are not directly involved in this program. For one thing, it may be difficult to learn which recipients actually received the lump sum credit payment and we will have to rely principally on the honesty of the recipients to report. In this day and age of ever-increasing costs, the temptation may be great not to report the income. Where we do become knowledgeable of the payment, this, of course, will involve many changes in AFDC grants, food stamp computations and sales, and spend-down in Title XIX.

It would be our preference if the law was amended to disregard the earned income credit as was done with the 1974 tax rebate.

Sincerely yours,

T. N. Tangedahl,
ACSW, Executive Director.

Department of Social
and Rehabilitative Services,
Cranston, R.I., August 26, 1975.
Hon. Donald M. Fraser,
U.S. Congress,
Washington, D.C.

Dear Congressman Fraser: Thank you for your letter of August 7, 1975 regarding Public Law 94–12. Our State is indeed interested in the issues you raise in your letter. We look at the problem from several points of view. The first point of view is that if the intention of this tax rebate was to stimulate the economy by providing individuals with more money to put in the marketplace, then we see it as a contradiction if welfare agencies throughout the country deduct this tax incentive from the welfare grants of eligible payees. The effect of at least this part of the tax incentive would merely be to decrease the expenditures on behalf of the State and Federal Governments for welfare.

From the second point of view, we feel it would be extremely difficult, if not impossible, to identify each and every welfare recipient or family with earned income who may be eligible for such tax credit. If, for instance, the States were required by Federal regulations to deduct this tax credit from welfare families, we fear that when we miss a family or a case, the Department of Health, Education and Welfare would, by their quality control program, decrease Federal participation to our program, so that the administrative problems inherent in applying a tax credit to welfare are significant.

Legislation should be considered so that this tax incentive is also excluded in determining eligibility or bonus level of food stamps. This is not presently the case.

We thank you very much for the opportunity to express our views to you, and we hope that this issue is favorably resolved.

Sincerely,

John P. Affleck,
Director.

Department of Social Services,
Pierre, S.D., August 22, 1975.
Hon. Donald M. Fraser,
House of Representatives,
Washington, D.C.

Dear Representative Fraser: This is in response to your letter of August 7, 1975 with regard to the 1975 Tax Reduction Act as provided for in P.L. 94–12 (Sec. 204).

In the absence of Legislation which would again exempt the Tax Rebate as was provided for the year 1974, it will be necessary that such Tax Rebate monies be considered as deductible income in computing ADC assistance grants and, if available to the recipient at the time of application, considered as a part of the liquid asset limitation.

It would be our hope that Congress will again disregard Tax Rebate payments to persons on Assistance Payments as well as those receiving Food Stamps, Medicaid and Supplemental Security Income benefits.

Sincerely,

Vern C. Woodard,
State Director.

Department of Welfare,
Richmond, Va., August 28, 1975.
Hon. Donald M. Fraser,
House of Representatives,
Washington, D.C.

Dear Mr. Fraser: In reply to your letter of August 7 regarding the impact passage of the Tax Reduction Act of 1975 will have on our assistance programs, we can respond to the question regarding the Aid to Dependent Children, the Food Stamp, and Medicaid Children related recipients, we utilize pre-Programs. In the administration of the Aid to Dependent Children Program and the Medicaid Program for the Aid to Dependent computed tables to determine deductions for taxes and FICA or other retirement type deductions. It is our practice that any adjustments realized by these clients in the form of a tax refund is disregarded. Our initial reaction to the expected refund as a result of the 1975 Tax Reduction Act would also be disregarded. We find, however, that the Social and Rehabilitation Service has issued

Program Instructions under Action Transmittal SRS–AT–75–6, dated April 28, 1975, that States will have two options with respect to handling of these refunds in the Aid to Dependent Children Program. From this SRS transmittal I quote from page 2; "This refundable credit must be considered either as a resource in the month in which received and in all subsequent months to the extent it has not been spent; as earned income in the month received and as a resource thereafter, or as unearned income in the month received and as a resource thereafter." In keeping with established Virginia policy, the second option identified in the above cited quote will apply.

You would be interested to know that these instructions make no mention of the effects these refunds would have in the Medicaid Program; however, our State Health Department, the State agency administering the Medicaid Program, has received information from the Region III Office of the Department of Health, Education, and Welfare that the refund is applicable to Medicaid. As such it would be treated as income during the period it was received and as a resource thereafter.

As regards Food Stamps, Section 309.3 of our Food Stamp Handbook specifies that periodic receipt of income in the form of lump sum benefits such as the sale of property or income tax refunds would be treated as a resource to the household when received. The effect this rule would have on cases receiving refunds would only be realized in those cases in which the dollar amount of total resources plus the refund resulted in a resource level in excess of the established standard thereby rendering the household ineligible.

The State of Virginia has a very firm commitment to reduction of errors in all three of the aforementioned assistance programs. It is our feeling that to budgeting these refunds will have the effect of adding errors in the forms of overpayments, overissuances, etc. and could result in fiscal sanction being imposed due to failure to realize the required tolerance levels as specified by SRS Regulations consistent with the Quality Contol Program. With this in mind, and the overall difficulties we would experience in attempting to budget these refunds in all cases, we would support efforts to legislate the disregard of these refunds.

Very truly yours,

WILLIAM L. LUKHARD.

The information I have retrieved regarding the earned income credit and presented here indicates a compelling need for Congress to provide a disregard of this credit for purposes of determining benefit levels and eligibility for federally funded means-tested programs.

BEEF PROMOTION BILL WILL COST CONSUMERS

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. RICHMOND. Mr. Speaker, my colleagues should be alerted that the Beef Promotion bill, H.R. 7656, scheduled for floor consideration this week, is going to raise the price of beef, through an unnecessary and ill-conceived advertising campaign.

Several well-respected organizations are urging defeat of this measure. I am inserting statements by the AFL–CIO, Consumer Federation of America, The National Farmers Union, and The National Association of American Meat Promoters into the record so my colleagues can see the wide range of arguments against this bill. I join with these organizations in opposition to the bill.

I will be offering an amendment to put 50 percent consumers on the board administering the promotion funds, as insurance against possible funding misues, and to protect consumer interests. Anything less than 50 percent is an affront to the legitimate interests of consumers all over the country. Should my amendment pass, I will continue to urge defeat of this bill for the reasons outlined below:

CONSUMER FEDERATION OF AMERICA,
Washington, D.C., September 15, 1975.

Re Beef Research and Information Act, H.R. 7656

DEAR REPRESENTATIVE: Consumer Federation of America, the nation's largest consumer organization, strongly opposes the Beef Research and Information Act, H.R. 7656, which is scheduled for a vote this week.

H.R. 7656 is enabling legislation for the creation of a beef marketing and research plan. It provides for the U.S. Department of Agriculture to conduct a referendum among beef producers. If the producers approve the plan an assessment would be imposed on each producer on the value of each head of cattle sold. The assessment would be levied at each point of sale up to the slaughterhouse, creating a value-added mechanism. The program would be administered by a Board composed of 68 producers. Oversight of the program is to be provided by the Secretary of Agriculture.

We oppose this legislation for the following reasons:

1. It gives the force of law to a private industry promotion program. Producers must pay the assessment or be subject to action and fines in the U.S. District Court. Producers may seek a rebate but this must be done within 60 days of the payment.

2. The operation of the Beef Board certainly increases the costs to producers of cattle. When producers are in a position to pass those costs along, they will be borne by consumers. When they are not able to pass them along, they will only serve to increase the already precarious financial position of many producers, ultimately forcing many of them out of business.

The Office of Management and Budget has stated it believes enactment of this legislation would not be

. . . in the long-run interest of agriculture, the food industry, or consumers in general. The involvement of the Federal Government in the promotion of a particular commodity at the expense of other commodities would compel other commodity groups to seek similar assistance in order to maintain their share of the food market. The net effect of such action would be to unnecessarily increase costs to both producers and consumers.

3. The stated purpose of the program is to provide a program that will include consumer information, promotion of beef, and expansion of the markets and uses for U.S. beef. The program will include substantial expenditure of funds for consumer information and advertising.

Despite the fact that the program will have the force of law, that consumers will pay part of the costs, that consumers will be the object of information and advertising programs and that consumers are obviously an important segment of beef marketing, the Beef Board created by H.R. 7656 is totally composed of producers. This is unacceptable.

Supporters of the legislation have consistently told consumer representatives that if consumers are included on the Board, producers will defeat the referendum. We believe such fear of consumer representation does not bode well for consideration of consumer needs by the Beef Board.

The suggestion by the Committee that consumer consultants and advisers be retained by the Board is meaningless.

4. Without consumer representation on the Board, it is unlikely that questions of vital concern to consumers will be considered. Such questions include:

(a) the desirability of producing leaner beef which is less expensive to produce and may be healthier for the consumer;

(b) the need to reform the whole beef grading system to reflect the desires and preferences of consumers; and

(c) close scrutiny of the meat marketing system for evidence of anti-trust violations and questionable product quality.

5. The role of the Secretary of Agriculture in administration of a sum between $40 and $60 million a year and in the appointment of members of the Beef Board is sufficient to cause consumer opposition to this legislation. The Secretary has demonstrated time and again his total disregard for the needs and problems of the American consumer. He has also demonstrated his political partisanship. We are especially concerned about how the advertising budget of this program would be administered by the present Secretary.

Consumer Federation of America believes farmers have a right to a decent return on their labor. We have, whenever possible, supported farm legislation. H.R. 7656 is, however, quite clearly an attempt to give the force of law to a special industry promotion gimmick that will affect price, availability and quality of a basic food item without a meaningful consumer input. We urge you to defeat H.R. 7656.

Sincerely,

CAROL TUCKER FOREMAN,
Executive Director.
MIDGE SHAW,
Information Director.

NATIONAL FARMERS UNION,
Washington, D.C., September 11, 1975.

URGENT LEGISLATIVE MESSAGE

To: All Members of the U.S. House of Representatives.

From: Reuben L. Johnson, Director of Legislative Services.

In regard to H.R. 7656, the beef check-off bill now before the House, we have two principal recommendations to offer.

First, as now written, the definition of producer is rather general ("any person who owns or acquires ownership of cattle"). We suggest that the bill be amended to use the same criteria as was spelled out in the legislation for the Emergency Livestock Loan Program. That law defined bona fide farmer or rancher as one "who is primarily and directly engaged in breeding, raising, fattening or marketing livestock in the United States".

It further defined "primarily and directly engaged in farming or ranching" as meaning that he "derives the majority of his income from, and devotes the major portion of his time to such agricultural production."

It further stipulated that "established bona fide farmers or ranchers" do not include "those engaged in farming, ranching, or livestock operations as a hobby or for tax shelter purposes; or those primarily engaged in other business or employment."

Such a provision in H.R. 7656 would assure that persons nominated for the beef board would have to be typical, full-time cattle producers.

Secondly, since the legislation from its initial stages, has been identified as a consumer information act, we believe a very persuasive case can be made for consumer representation on the beef board. Should a beef promotion program be approved, we would want to see it be of a constructive nature and of genuine help to the consumers of our products, rather than as in the past simply the effort of one group of food producers to compete with another type of food.

A beef board made up of both producer and consumer members would make sense to us and would, in the long run, assure the viability of the program and the significance of its work.

We urge the support of these improvements in the bill.

AMALGAMATED MEAT CUTTERS AND
BUTCHER WORKMEN,
Chicago, Ill., September 16, 1975

Hon. FREDERICK W. RICHMOND,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. RICHMOND: The House will soon consider H.R. 7656, the Beef Research and Information Act. It would establish a $60 million a year fund allegedly to promote beef, but its provisions are vaguely written and set no real guidelines for the Secretary of Agriculture or the governing board.

The bill would authorize the collection of money for the fund on a value added basis. It would provide the first and only system of value added taxes sanctioned by federal law. Such a precedent is dangerous and totally undesirable, since a value added tax is one of the most regressive forms of taxation. State legislature and Congress have repeatedly shunned it.

Contrary to the argument of supporters, the cost of the program will be borne by cattle raisers only occasionally. When the cattle market is weak and cattle prices low, the producer will have to pay the cost, but when the market firms, the cost will be passed on to consumers. In other words, when meat prices are already high, the consumer will have to bear the additional burden of the cost of the program.

Yet, consumers will have no say whatsoever in the program. It will be governed by the Secretary of Agriculture and a board made up entirely of beef producers.

H.R. 7656 is a bill which is bad for consumers and sets bad precedents for taxpayers. It will help no one except the people who will run the program. We, therefore, respectfully urge you to oppose H.R. 7656. Thank you.

Sincerely yours,
PATRICK E. GORMAN,
Secretary-Treasurer and Chief Executive Officer.

THE NATIONAL ASSOCIATION
OF AMERICAN MEAT PROMOTERS,
Bison, S. Dak., September 13, 1975.

DEAR CONGRESSMAN: We have serious reservations about H.R. 7656 establishing the "Beef Board" which we understand the House will be voting on on Wednesday, September 17. It is our feeling that this Legislation should be defeated for the following reasons:

1. We believe the power of the Secretary of Agriculture over the "Beef Board" is too great. In its present form the Secretary has veto power over anything the Board decides. This is not reasonable and is sure to cause impossible differences.

2. We object strongly to the mandatory assessment every producer must pay. At the very least it should be on a voluntary basis. We acknowledge that the Bill does provide that the producer can get this money back, but not before going through a process of "red tape". We feel that any producer not wanting to participate should have the right to withhold assessment at the time of sale.

3. We object to the Secretary having the final say on who the members of the "Beef Board" will be. Any "Beef Board" should be elected from the producer ranks.

4. The Bill does not provide for consumer representation on the "Beef Board". This is essential, because without it the split between farmer and consumer gets worse.

5. The actual amount of assessment or at least a maximum should be stated in the Bill. It does not provide for this. Therefore, the producer has no way of knowing what he must pay. We understand that the fund raised through the assessment H.R. 7656 provides will be about $40–$45 million annually. If this size fund were established we feel that it should be used for the following purposes:

a. A "Protection Fund" (not included in Bill) to provide legal help in pursuing anti-trust activities.

b. A study to determine what "really" influences and decides prices from producer to consumer.

c. A system to encourage and "promote competition" and encourage price fixing.

These concerns raise serious question about how much good this type of legislation will do for the producer and consumer. We understand that H.R. 7656 was patterned after similar legislation in the cotton industry that did not work well for the cotton farmers.

We offer these observations on H.R. 7656 in a constructive vain and urge that this legislation be defeated. Please feel free to contact us if you have any questions.

Sincerely,
LESTER BLOMBERG, *Secretary.*

WEST TENNESSEE TRIBUTARIES PROJECT

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. JONES of Tennessee. Mr. Speaker, cities and counties throughout the Seventh Congressional District of Tennessee have long been plagued with seasonal flooding of the many rivers and creeks that interlace the entire west Tennessee area. Over the years, Congress has authorized and appropriated money for various projects to correct this severe problem.

Even with congressional sanction, however, these projects have not been without their obstacles. One of the most important such projects has been the West Tennessee Tributaries project; a total flood control package that will greatly enhance the overall economic potential of west Tennessee.

Recently, Tennessee Gov. Ray Blanton appointed a new chairman of the Mitigation Committee of this project which is a body that has been charged with the implementation of certain mitigation procedures deemed necessary by the courts. The new chairman is Mr. Will Jerry Pillow of Milan, Tenn.

Mr. Pillow is a veteran of 26 years in farming in Gibson County, Tenn., and has proved himself as a "doer" and one who accomplishes the goals that he has set for himself. In his newest position, Mr. Pillow has taken a formidable task; and that is to get the West Tennessee Tributaries project underway in a way that will be most beneficial to both the area and the people of that area. He has taken a strong position in this regard and does indeed plan to accomplish that goal.

While home during the recent Yom Kippur recess, I had an opportunity to read a very well written article on Mr. Pillow and the task that confronts him. The story appeared in the Commercial Appeal newspaper and was written by Mrs. Jan Taylor, a very able and talented reporter. In a situation that has been very delicate, Mrs. Taylor has, I feel, done a great deal to further the understanding of the objectives of the West Tennessee Tributaries project.

I would, therefore, like to recognize both Mr. Pillow and Mrs. Taylor by inserting into the RECORD the following newspaper story:

REFUGE WILL NOT ENCOMPASS PRODUCTIVE FARM ACREAGE

(By Jan Taylor)

MILAN, TENN.—High-yielding farm acreage will not be included in the 32,000-acres desired for a wildlife refuge in the Obion-Forked Deer River Basin, says the newly appointed chairman of the committee assigned to select the acreage.

Chairman Will Jerry Pillow, a Gibson County farmer appointed to the committee by Gov. Ray Blanton, said Monday the mitigation committee "has agreed to let me wiggle boundary lines within the proposed take area to avoid taking prime farm land," and to soothe irate area farmers.

He said the committee has also agreed the 32,000 acres do not need to be contiguous, which the Tennessee Wildlife Resources Agency had maintained was necessary to effectively manage the refuge.

U.S. Dist. Judge Bailey Brown ruled last year the mitigation area had to be acquired to mitigate the demands of conservations over environmental losses caused by the U.S. Engineers flood control work in the river basin. Congress has authorized funds for the acquisition, but once bought, the land will be managed by the state.

Farmers in the six counties where the land will be acquired, Gibson, Haywood, Crockett, Dyer, Obion and Weakley, had protested the map lines drawn for the 32,000 acres, saying the "take lines" included 9,000 acres of prime farm land.

Pillow said the committee has also worked out an agreement with the Davy Crockett Hunting Club, an original party to the suit against the Engineers project, to include 189 acres of the club's 600 acres in the mitigation land. Farmers had complained the club was being favored by the committee.

"I'm not a trained engineer or a politician, but I have been a farmer for 26 years and I have duck hunted, and I believe I understand water," said Pillow. "I intend to approach this land acquisition from a common sense viewpoint."

Pillow succeeds former Agriculture Commissioner Gil Thornton as chairman of the committee, which met last week for the first time since Pillow's appointment. Other members of the committee are Nathanial M. Whitten with the Engineers and Philip S. Morgan with the U.S. Fish and Wildlife Service.

Pillow said his aim is to move the project off dead center.

"Drainage in the Forked Deer-Obion river bottoms has been at a virtual standstill for five years because of this lawsuit that stopped work of the Engineers," Pillow said. "It is not fair to farmers in Northwest Tennessee to keep them dangling. They need to know where they stand, and they should not be made to wait.

"We could start all over again and make a complete new set of project maps, but I figure that would slow us down for two more years. I would rather move the proposed lines by a mile here and there and make them feasible."

Pillow said he plans to give every piece of property where the owner opposes selling to the government his personal attention.

"If a landowner feels his property should not be included in the take lines, I will go and take a look at it and ask the committee to consider the parcel," he said.

"If a farmer is geared up to farm 500 acres, and the government takes 400 acres, he is out of business. I believe there are enough wetlands in these bottoms to make a wildlife refuge that is desirable without ruining the farmers who happen to be in the proposed take areas."

Pillow has already had one farmer's property removed from proposed take lines.

"One of our young farmers, Wayne Grant, on the Obion River near Kenton, has 800 acres of tillable land. The proposed lines called for taking 350 acres of his land, and cutting his farm into segments. I visited the farm and it is my opinion this property is not essential to the mitigation project. The committee agreed to move the take lines around his property."

Pillow has visited about 10 other farms since his appointment to the committee.

"One of these days, we will need every farm available to raise food to feed our nation," he said. "If at all possible, I want to keep high productive dry land out of the project."

The Mitigation Committee has instructed the Engineers' real estate office in Dyersburg to move ahead as fast as possible to acquire land from willing sellers.

"We have untied the hands of the real estate office," said Pillow. "I expect them to move ahead immediately with land acquisition this week."

Pillow believes the drainage problem in Northwest Tennessee would be lessened if water is controlled where it falls.

"I am in favor of retention lakes in the upper regions of the river basin, Tenry, Carrol, Weakley and Madison counties," said Pillow. "We need to stop the water from pouring down below us on the counties near the Mississippi River."

Pillow, 46, farms 1,100 acres of soybeans and none of it is in the mitigation area, he said.

"My aim is to cut through red tape and get this project off dead center. No one gains a thing as long as we remain at a standstill."

AMERICAN VIGILANCE AGAINST COMMUNISM WANES

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. ASHBROOK. Mr. Speaker, there is a very dangerous trend developing in this Nation. Although the Communists have never abandoned their goal of world domination, American vigilance against communism is slackening. Increasingly Americans are forgetting the grave threat to freedom posed by the Communist powers.

The signs of slackened vigilance are everywhere. At the start of the 94th Congress an irresponsible Democratic majority terminated the life of the House Committee on Internal Security. On the other side of the Capitol, the Senate Internal Security Subcommittee is undergoing severe attack. There are cries for the complete elimination of the Central Intelligence Agency. The Soviets bankroll an attempted Communist takeover in Portugal while we stand idly by. An American President refuses to meet with Alexandr Solzhenitsyn for fear of offending the Soviet Union and signs the Helsinki accords legitimizing the Soviet occupation of Eastern Europe. The list goes on and on.

We cannot afford to abandon our watchfulness without endangering the life of our Nation. As John Curran warned, eternal vigilance is the price of liberty.

I urge America to renew its vigilance against communism. We must never forget that communism is the enemy of freedom.

Following is an excellent article on this subject by columnist James J. Kilpatrick:

[From the Washington Star, Aug. 12, 1975]

WHERE HAS OUR ANTI-COMMUNIST ARDOR GONE?

(By James J. Kilpatrick)

Consider, if you will, a few passing events in the news, and slug them copydesk style Helsinki, Solzhenitsyn, CIA, Portugal, Zumwalt. These are separate stories. Collectively they cause concern.

This is the concern. As a people, as a nation, we are forgetting what communism is all about. We grow bored with the topic. The risk seems remote that the Soviet Union and the United States ever will engage in nuclear war. Lesser risks arouse less interest. Why be paranoid? Let the Communists look after their interests, and we will look after ours.

Call it apathy. Call it indifference. Call it the New Isolationism. By whatever description, the old watchfulness relaxes; the anti-Communist fervor wanes. Eternal vigilance, said one of the Founding Fathers, is the price of liberty. The Founding Fathers are also a bore.

There is a flabbiness here, a flabbiness of the spirit. The world summit at Helsinki passed with a few ripples of dissent, but with no waves of opposition. Granted, if the Helsinki conference stood alone—if the signing of that gauzy document were an isolated event—its limited significance would have small meaning. But the Helsinki statement was a yielding by the West; it was one more perceptible retreat; and the event did not stand alone.

On June 27, obedient to an act of 1959, the President issued Proclamation 4381, designating the third week of July as Captive Nations Week. The proclamation was as perfunctory as a motion to waive the reading of the minutes. The President called upon the people to observe the week with appropriate ceremonies, and he urged rededication to the aspirations of all peoples for self-determination and liberty. And he stifled a yawn.

At about the same time, Alexander Solzhenitsyn came to Washington. He is the greatest living spokesman of the ideal of human freedom. He speaks of communism with a terrible conviction, forged of his own suffering. Prophet and poet, this bearded Elijah stands in the tradition of those who sound the alarm. Laocoon, who warned in vain of the Trojan Horse, was put to death by serpents. Solzhenitsyn found the same reptilian reception.

The President of the United States, acting on advice from his resident Machiavelli, would not see Solzhenitsyn. For the President to honor the Russian exile might give offense—offense to the Kremlin. A meeting would symbolize the bad old days of the Cold War. Mr. Ford wanted no such symbols. So he chatted instead with the brothers of Apollo-Soyuz; and a few days after the joined capsules whirled about the globe, Mr. Ford trotted amiably off to Helsinki, there to attest, with appropriate ceremonies, the captivity of the captive nations.

Meanwhile, on Capitol Hill and in the great organs of the press, the methodical campaign continued for the destruction of the Central Intelligence Agency. One thinks of blind Oedipus, rendered sightless for his sins. The CIA has functioned as our eyes. We gouge them out. For a quarter of a century, under successive presidents, the CIA engaged in those unsavory assignments that amounted to the fighting of fire with fire. Now the anti-anti-Communists, suffering fits of morality, have left the CIA discredited and disarmed.

Do we care about these things? We drowse. Communism never sleeps. Vietnam is gone, and Laos, and Cambodia. Portugal teeters. Communism gains in Italy and Spain. Out of retirement, Adm. Elmo Zumwalt voices a grave warning of Soviet naval strength. His warning is a one-day story.

Look. Let us give the Communists credit for candor. Over and over, for the past 30 years, without worrying about giving offense, they have made their intentions clear: They mean to dominate the world. They mean to exterminate the values of Western freedom. "We mean," said the jovial Khrushchev, "to bury you." And he laughed.

But let us observe, with Hamlet, that one can smile, and smile, and be a villain. If the alternative to holocaust is coexistence, of course we must coexist. If ultimately this is not to be the coexistence of slave and master, we must understand, in the very heart and soul of our national being, that communism is the enemy of freedom. We are not understanding this now.

TRIBUTE TO JULIUS ROSENWALD

HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Wednesday, September 17, 1975

Mr. HUMPHREY. Mr. President, there recently has been published a significant book entitled, "Julius Rosenwald, Benefactor of Mankind," by Dr. Alfred Q. Jarette, founder-president of Southeastern University, in Greenville, S.C. The book is published by the Southeastern University Press and is a documented biography of Julius Rosenwald, son of a Jewish immigrant, who was a builder of the Sears, Roebuck & Co., and who gave away over $100 million, over $50 million of which was given to aid blacks in education.

Mr. Rosenwald helped to build over 5,000 schools for blacks in 16 Southern States. He financed the organization of the National Negro Business League which had its beginning at the Tuskegee Institute. He gave the first $25,000 to help establish a medical school at Howard University to train black doctors. He gave over $6 million to help build the first YW and YMCA buildings in America for black boys and girls. He gave to Mary Bethune, Booker T. Washington, and to all of the negro colleges in the Nation. His major contributions are documented in Dr. Jarette's book and it merits the attention of all Americans.

In addition to his business and civic interests, Mr. Rosenwald served this Nation as a member of the Advisory Commission of the Council of National Defense, having been appointed by U.S. President Woodrow Wilson. In 1918, he went to France for the Secretary of War, and he served in Washington, D.C., as a member of the President's Industrial

Conference during 1919–20. Julius Rosenwald died on January 6, 1932. In celebration of our Bicentennial, I think it is most appropriate that the valuable contributions of Julius Rosenwald be brought to the attention of the American people.

THE LESSONS OF VIETNAM

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. DRINAN. Mr. Speaker, more than 4 months have elapsed since the last American was evacuated from Saigon on April 29, 1975. That event signified to many of us the end of the Vietnam war, a global tragedy which inflicted death and misery upon hundreds of thousands of Americans and Vietnamese alike. Our involvement in the war profoundly influenced this Nation's political and moral life for more than a decade. No one who lived through that national trauma will ever forget the sight of American soldiers battling unarmed civilians in the streets while men were sent off to kill or be killed without reason in a distant land.

I can think of no recent experience, Mr. Speaker, which could teach us more than our involvement in the Vietnam war. It showed us the inadequacy of the simplistic, cold war mentality of the fifties. It showed us that military force is not a panacea. It showed us that the United States cannot effectively police the world or remake it in its own image. Regrettably, these and the myriad other lessons of Vietnam appear to have been lost on the present administration. Indeed, hardly a word on the subject has been spoken by the President or his chief foreign and military police advisors since April. It is as if the President would like to think, or like us to think, that the Vietnam war had never really happened.

Far more important than the administration's utterances on foreign affairs are its actions and policies. Here, President Ford demonstrates conclusively that he has gleaned little or nothing from the Vietnam experience. The United States is selling more arms to more countries today than ever before, disregarding the ultimate consequences or the ramifications of such sales for the future of world peace. The precipitous use of force in the *Mayaguez* incident resulted in the loss of more American lives than the action was intended to save. While continuing to veto legislation which would provide essential services to American citizens, President Ford has requested a record military budget of more than $94 billion. The administration is pushing the development of new "counterforce" weapons, which will substantially increase the likelihood of nuclear war with the Soviet Union. The President and other top officials are still trying to get Congress to lift the embargo on military sales to Turkey, although the record of Turkey's brutal aggression on Cyprus using American weapons remains undisputed. Rather than diminishing our military involvement in parts of the world which are unessential to our national security, the Pentagon maintains more than 50,000 troops in Japan, 42,000 in Korea, and is going ahead with plans to build a large naval base on the island of Diego Garcia in the middle of the Indian Ocean.

Mr. Speaker, if the President is unable or unwilling to grasp the vital lessons of Vietnam, it is incumbent upon us in Congress to assist him toward that end. In the spirit of that enterprise, I am inserting herewith an excellent article entitled "The Lessons of Vietnam: Toward a Post-Vietnam Foreign Policy," which appears in the September 1975 issue of the Defense Monitor. This journal is published by the Center for Defense Information, a Washington-based organization of military experts dedicated to informing the public on military issues. I commend the article to my colleagues:

THE LESSONS OF VIETNAM: TOWARD A POST-VIETNAM FOREIGN POLICY

A call for "no recriminations" about Vietnam should not be a call for national forgetfulness. It does not preclude reexamination. Some in the Congress have begun an effort to outline foreign policy objectives that incorporate the lessons of the Vietnam experience [see page 5]. Though many feel that the end of the Vietnam War should provide an opportunity for a fundamental reassessment of U.S. policies, the nearness of the tragedy has inhibited discussion. As a result, there has been no national debate on the lessons of Vietnam and the direction of future U.S. foreign policy.

LESSONS LEARNED?

Those responsible for recent U.S. foreign policy appear reluctant to support such a national reexamination or to question the assumptions of old policies. For these leaders, the sooner the American people forget Vietnam the better. President Ford says that "the lessons of the past in Vietnam have already been learned, learned by Presidents, learned by Congress, learned by the American people." He does not welcome Congressional or other inquiry. He suggests that we should put Vietnam behind us, avoid recriminations, and focus on the future. Secretary of State Henry Kissinger agrees that "the Vietnam debate has now run its course."

Have the lessons of Vietnam actually been learned? And what are they? President Ford provides little guidance. No systematic or thoughtful effort has been conducted by the government to examine these issues. President Ford says that we have "learned some lessons concerning how we would conduct a military operation" but has nothing more profound to suggest beyond such tactical matters. Secretary Kissinger has mentioned several important lessons that he believes have been learned from Vietnam but has not given the public any coherent statement. He is generally complacent and includes "a sound foreign policy design" among the country's "strong assets."

The dominant activity within the Executive branch stemming from the Vietnam War is a push to loosen Congressional and public opinion restraints on the government's power of intervention and freedom of action abroad. Those who still raise doubts are frequently labeled "isolationists." The American people are to be reawakened to the "realities of power" and their 'responsibilities" around the world.

The urgency of the task of undertaking a serious, comprehensive, and objective exploration of the lessons of Vietnam is underlined by evidence that lessons have not been learned, despite President Ford's claim. For example, the Mayaguez incident repeated many of the defects in U.S. policy in Vietnam: the inadequate use of political and diplomatic means; a premature resort to force; inadequate consultation with Congress; acting on incomplete and faulty information; exaggerated justifying rhetoric; and too much concern for "image." The U.S. now is moving toward expanding its military presence in the Indian Ocean, adding to the burden of U.S. military involvements even though questions have been raised about the wisdom and ability of the U.S. to carry out its existing defense commitments. Officials make veiled threats of military intervention to secure oil supplies in the Middle East when one of the lessons of Vietnam should be to question military solutions for clearly non-military problems.

NEED FOR NATIONAL DEBATE

No brief discussion of lessons of the Vietnam War can be adequate or free of defect and exception. The world is too complex, the choices open for the future are too many, to be comprehended in short statements or a collection of guidelines. The fact that political realities around the world do not always correspond to our simplistic theories and slogans is itself one of the lessons of Vietnam. New situations need to be perceived in their own time and place—not as duplicates of earlier ones.

The Center's analysis identifies major areas where the Vietnam experience indicates that new emphases are needed and that require further debate. This endeavor is a prerequisite for the development of a new foreign policy that seeks to avoid the mistakes of the past.

LESSON 1: COMMITMENT

In contrast to an earlier period when the U.S. eagerly thrust itself militarily into every corner of the world, it is widely accepted that the U.S. must now be very careful in the commitments we make. Secretary Kissinger has suggested one aspect: "One lesson we must surely learn from Vietnam is that new commitments of our national honor and prestige must be carefully weighed . . . We must weigh carefully—as we failed to do in the early sixties—the long-term consequences of new engagements. We must not overextend ourselves, promising what is not either in our interest or within our capability."

Although most Americans would agree that the U.S. needs to more carefully define its role in the world and to be somewhat less ambitious militarily, many American policy makers still have doubts about this lesson and continue to be attracted to the U.S. role as the world's policeman. The overblown conception of the U.S. world role that in great part led to the Vietnam involvement still has strong acceptance within the Executive branch. Defense Secretary James Schlesinger divines that "historical necessity has thrust upon us" the role of maintaining worldwide military equilibrium. "The burden of responsibility", he states, "has fallen on the United States, and there is nobody else to pick up the torch if the United States fails to carry it". If the role of the U.S. is to be somewhat restricted, the difference is that other countries are to be recruited to help be cops on the beat. World police headquarters, however, is still to be in Washington. We have the capacity to exercise a more positive leadership.

U.S. policy of almost unlimited arms sales to the countries on the Persian Gulf, nearly $11 Billion since 1972, and the new involvements in the Indian Ocean, also put in doubt whether "the long term consequences of new engagements" are being carefully assessed as Secretary Kissinger asserts. There may be doubts that "we have learned our limits."

If the U.S. aspires to control rather than influence the flow of international events, the risk of being dragged into new conflicts peripheral to U.S. interests will remain too high. The costs will also be unbearable.

Former State Department official Eugene Rostow states that "American treaties and other commitments are the only cement of the world political system." But most of our alliances were forged in the Cold War confrontations of the 1940's and 1950's. These commitments and involvements must be reexamined to determine if they still serve U.S. and allied interests. We should be careful that our policies dictate our commitments, not the other way around as has too often happened.

LESSON 2: MILITARY FORCE

One of the most beneficial outcomes of Vietnam has been to raise questions about the limits of military force as an instrument of U.S. foreign policy. The dangers of precipitate use of military force and the inadequacy of military means to solve complex political and economic problems such as were confronted in Indochina are now widely perceived. There are greater inhibitions today than prior to Vietnam on the American propensity toward military intervention and covert operations. We recognize that more efforts must be made to resolve problems when they are susceptible to accommodation and compromise rather than waiting until they raise the danger of confrontation and possible use of military force.

But the militarization of U.S. foreign policy is still a major concern. Deputy Defense Secretary William Clements has stated a view that, unfortunately, is still widely shared within the Executive branch: "In our ever changing world, strength means military strength." The recent report of the Murphy Commission accurately perceived the need to strengthen the State Department and diplomacy vis-a-vis the Defense Department and the military instrument. Policy makers continue to see a very intimate connection between U.S. influence and U.S. military power. It is Secretary Kissinger's belief that "diplomacy which is not related to a plausible employment of force is sterile." In part because of this habitual attachment to armed force as the determinant of national influence, the military budget is increasing substantially, reaching a record $105 Billion in fiscal 1976.

A narrow perception of U.S. military power is also strongly held by many U.S. policy makers. Secretary Kissinger said in June 1975 that "America's military strength has always been used to defend, never to oppress". American power has often been employed with good intentions, but its potentially tragic impact on other peoples must not be ignored. One of the lessons of Vietnam is that we should have more care in the righteousness of our purposes and more sensitivity to the human consequences of our military actions.

LESSON 3: ANTI-COMMUNISM

Anti-communism has been the dominant theme of U.S. foreign policy for thirty years. The U.S. got involved in Indochina "to stop the spread of Communism." There *are* real differences in values and practices and the U.S. must, as it has, maintain sufficient strength to deter the Soviet Union. But too often in the third world we have been indiscriminate and negative in our anti-communism and have seen the competition too much in military terms.

It is a truism that today the communist world is no longer monolithic and that the U.S. is now following a policy of detente with both the Soviet Union and China. But it would be difficult to underestimate the continuing inclination to interpret world events in terms of the struggle between the "Free World" and the "Communists." Recent events in Portugal, Italy, Greece, Turkey, and Korea are too easily interpreted in terms of the continuing U.S.-Communist antagonism. For example, a *New York Times* editorial in July holds the Soviet Union responsible for internal political developments in Portugal: "The United States and its NATO allies need to make it clear to Moscow that the Soviet Union will be held responsible if Portugal's Communists continue on their present path." The simplification inherent in such a statement is not much different than the simplification that dominated U.S. policy in Southeast Asia for many years: aggression from the north was the cause of conflict and Moscow or Peking controlled events.

The U.S. encouraged the overthrow of the government of Chile because, as Secretary Kissinger has been quoted, "I don't see why we need to stand by and watch a country go Communist due to the irresponsibility of its own people." Uninformed rhetoric about countries "going Communist" is still much too common where more careful and less ideological analysis is required.

In the absence of anti-communism as the touchstone, it is difficult to determine what broad principles motivate U.S. foreign policy. Secretary Kissinger senses this when he states that "while the cold war structure of international relations has come apart, a new stable international order has yet to be formed." The catchword of "stability" is an inadequate goal, as Secretary Kissinger has occasionally admitted: "our concept of world order must have deeper purposes than stability."

Too often the U.S. continues to instinctively align itself with the status quo and against social change, siding with the forces of "stability." Lacking a vision of goals beyond stability, U.S. containment policies have seldom transcended a reflexive global anti-communism. Vietnam should have taught the lesson that compulsive resistance to change in the third world can be very damaging to our interests.

LESSON 4: LOCAL ISSUES

From the beginning of U.S. involvement in Indochina until the very end, American policy was justified and explained in terms of the importance of events in Vietnam for *other* international commitments and the general strategic position of the U.S. Vietnam was seen as part of a larger struggle, the world-wide strategic conflict between the U.S. and other great powers. George Ball put it this way in 1966: "We can properly understand the struggle in Vietnam only if we recognize it for what it is—part of a vast and continuing struggle in which we have been engaged for more than two decades." Few Americans understood the local issues and conflicts that were the real determining factors in Indochina. We never understood the people of Indochina and their perceptions of their own problems. We ignored the Asian realities underlying the War.

A lesson in Vietnam in this regard is that we must make a greater effort to understand other peoples' perceptions and also to try to see ourselves as others see us, a most difficult task. Our ability to dictate outcomes is limited by our inadequate political understanding. A reassertion of the principle of non-intervention in other peoples' affairs would be most healthy.

Theodore White has asserted the importance of improving our political understanding:

"The episode in Vietnam can be allowed to become unmitigated disaster or it can be reduced to a tragedy that we must mourn but can live with, depending on what we have learned. What we should have learned is clear: the reach of American power is not the reach of our bombers, our helicopters, our fleet, our logistics. The reach of American power extends only as far as the reach of American political understanding."

LESSON 5: DISENGAGING FROM MISTAKES

The lesson here is easy to state but very hard to follow in practice: Our national welfare and honor can be better served by early disengagement from a mistaken policy than by compounding the mistake by continuing it. First, it is very hard to recognize a mistake and to admit that one has been wrong. Second, the inclination on the part of policy makers to continue policies once they have become commited to them is extraordinarily powerful. The U.S. stayed in Vietnam long after most Americans had come to see that it served a doubtful purpose. Internal Pentagon analyses indicate that the "avoidance of humiliation" was a dominant factor in why the U.S. stuck it out so long after reason dictated the need to disengage. Vice Admiral William Mack, recently retired as superintendent of the U.S. Naval Academy, has pointed out that dissenters within government were dealt with severely.

One positive consequence of the War has been the decline of Executive branch domination of foreign policy and a shaking of the former belief that foreign affairs is a matter only for insiders and "experts." The Congress has asserted a more active role to share responsibility and provide corrective, critical perspectives. Although there is no guarantee that mistakes will not continue to be made, a more democratic foreign policy with shared responsibility, more varied inputs, and greater attention to critics may make it easier to correct future mistakes.

Part of the difficulty of American disengagement from Vietnam was due to distorted views by U.S. policy makers that other countries somehow wanted the U.S. to persevere, to "maintain its commitment." In fact, most of our allies, including European countries and Japan, came to support U.S. withdrawal sooner and more strongly than did Americans. They recognized that U.S. obsession with Vietnam damaged U.S. ability to meet responsibilities in other parts of the world.

LESSON 6: SECRECY

The Vietnam War divided the American people more than any event since our Civil War. Disillusionment about official deception was one of the major causes of popular disenchantment. We have become suspicious of attempts to cloak official activities and purposes with the cover of "national security." We now recognize that Executive secrecy and secret commitments can deny the public and its representatives their necessary voice in foreign policy and can lead to mistaken and unpopular involvements. Excessive secrecy and policy elitism can cause great damage to democratic processes. The continuing distrust between Congress and the Executive branch is a legacy of past and present abuses.

Defense Secretary Schlesinger sensibly states that the only viable U.S. foreign policy is one that has the support of the people: "One can have a vividly rhetorical foreign policy. One can pile up weapons systems. But unless there is a public support and the appropriate national character to support the foreign policy, any nation will be in trouble." Unfortunately, policy makers see their job more as trying to regain public approval for old policies than in revising these policies.

Full sharing of information and the opportunity for adequate debate and examination of alternatives are essential prerequisites for good policy and public support. The Congress in 1973 passed the War Powers Act to reassert the Congress' constitutional role. The first significant opportunity to apply this Act, in he Mayaguez incident, indicated that in a climate of crisis the country can again be plunged into military action without full debate and in ignorance of the facts.

Covert actions by U.S. military and intelligence agencies played a major role in involving the U.S. in Southeast Asia. Recent revelations stemming from Watergate have begun to raise the curtain on the extensive secret world of CIA and other overseas covert operations. We are beginning to see that often covert operations can lead to overt involvement and that secret commiments can take place without members of Congress having any control or even knowledge of what is going on.

LESSON 7: MILITARY AID

Some believe that one of the lessons of Vietnam is that where U.S. troops should not be involved in fighting, U.S. military assistance and military training programs can help accomplish the same purposes. This was the message of the Nixon Doctrine. In fact, however, this conception of the role of military aid as a substitute for direct U.S. military involvement dates back to the 1950's and was the major rationale for early U.S. involvement in Indochina. And as late as July 1975, after the biggest U.S. aid program in history, President Ford still believed that military aid could have saved the day: "I felt that in the case of Vietnam and Cambodia if we had had the opportunity to make military assistance available there might have been another solution in Vietnam."

If the goals that one is pursuing are wrong or not achievable, military aid is not a panacea. Too often U.S. aid programs have served to prop up corrupt and repressive regimes which are incapable of solving the political and economic problems confronting them. U.S. arms and U.S. advisors become identified with such regimes and great damage is done to the reputation and prestige of the U.S.

The Executive branch and the Congress are headed in different directions on the question on U.S. arms transfers. The State Department and the Defense Department, as they did in Indochina, view military aid activities as one of the major instruments of U.S. foreign policy and adopt a permissive attitude toward satisfying foreign demands for U.S. arms and training. Congress, however, is increasingly critical of extensive U.S. arms deals with Persian Gulf and Middle Eastern countries and wants to have greater control.

The real lesson of the experience in South Vietnam is that military aid, the Nixon Doctrine, Vietnamization, whatever it may be called, failed. We have also learned that military assistance is a critical step toward national involvement; it can lead to military intervention.

LESSON 8: SELF-RELIANCE

A truism that has been reinforced by the Vietnam experience is that we can only help those who are willing and able to help themselves. U.S. efforts in Western Europe and in Japan after World War II are examples of mutually successful programs. But in much of the rest of the world the conditions for the U.S. to play a useful role, particularly militarily, have been absent. We have striven mightily, as in Vietnam, with little accomplishment.

Secretary Kissinger has some wise words in this connection. "We have learned important lessons from the tragedy of Indochina—most importantly that outside effort can only supplement, but not create, local efforts and local will to resist. . . . There is no question that popular will and social justice are, in the last analysis, the essential underpinning of resistance to subversion and external challenge."

We have too often tried to equate military power with effective government. We have been intimately involved with governments that cannot obtain the support of their own people and have little legitimacy, regimes that do not deal with the causes of discontent and violence.

The humility that we should have learned from our costly failures in Indochina should encourage us to really put into practice our rhetoric about supporting those who are successfully dealing with social justice and obtaining genuine popular support. We should not let blustering about "national security" or "anti-communism" distract us from this fundamental lesson of Vietnam nor make us deaf to the voices of those who may be telling us unpleasant truths that we do not wish to hear.

John Stuart Mill warned us more than a century ago:

"A government which needs foreign support to enforce obedience from its own citizens is one which ought not to exist; and the assistance given to it by foreigners is hardly ever anything but the sympathy of one despotism with another."

LESSON 9: MILITARY LEGACY

There will certainly be continuing disagreement about the foreign policy lessons of Vietnam but the hardware and tactics generated by that conflict will be with us for many years. The weapons and technologies developed for Vietnam are proliferating around the world, increasing the potential for destructive conflict. The basic components of the electronic "battlefield of the future" were first used in Vietnam, and many urgently-generated weapons from the Vietnam War are now part of our conventional military arsenal.[1]

When President Ford states that he has "learned some lessons concerning how we would conduct a military operation" he is probably thinking about bombing. Secretary of Defense Schlesinger elaborated on the new importance that the U.S. attaches to strategic bombing when he warned North Korea in these words: "One of the lessons of the Vietnamese conflict is that rather than simply counter your opponent's thrusts, it is necessary to go for the heart of the opponent's power: destroy his military forces rather than simply being involved endlessly in ancillary military operations." General George Brown, Chairman of the Joint Chiefs of Staff, stresses that "airpower is now, more than ever, *the* decisive factor in warfare."

Between 1966 and 1973, 7.5 million tons of high explosives were dropped over Indochina by U.S. planes. This was the most intensive bombing campaign ever conducted by the United States. More tonnage was dropped over Indochina than in both theatres of World War II and the Korean War combined.

As American troops were withdrawn, the bombing became the centerpiece of U.S. strategy in Indochina. But how successful was the bombing? Its purpose was to destroy Hanoi's capability and, even more, its willingness to support the war in the south. Yet some intelligence reports warned early on that Viet Cong dependence upon northern support was not critical.

With few industrial targets, North Vietnam's capabilities could not easily be destroyed to one RAND study, as early as 1965 Hanoi anticipated a virtually unlimited American bombing campaign and began to adjust its industrial and transportation system. North Vietnam also effectively used the bombing to extract larger amounts of aid from the Soviet Union and China. The bombing increased the number of people available for military service, and boosted popular support for the war. The infiltration rates into the south actually increased after we started bombing. Throughout the war the U.S. military underestimated the opponent's strength and perseverence. Our technological power could make them change tactics, but it could never make them abandon the War.

General Brown has recently criticized American tactics and "restraint" in Indochina: "It violated the basic military principles of *surprise* and *mass* as the way to achieve prompt success with minimum loss." While these may be good principles of war, they require certainty of purpose and there is a potential danger that in future crises the U.S. will be prone to premature escalation or overreaction.

The option of using tactical nuclear weapons is also being pushed. If it appears to the rest of the world and ourselves that we cannot credibly threaten intervention with American troops in the wake of Vietnam, then perhaps we can threaten "limited nuclear responses." Secretary Schlesinger's recent report on tactical nuclear weapons in Europe discussed the first use of such weapons in language which military officials have also applied to other parts of the world: "The attack should be delivered with sufficient shock and decisiveness to forcibly change the perceptions of the Warsaw Pact leaders and create a situation conducive to negotiations."

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[1] A background paper on the military legacy of Vietnam is available from the Center.

HOW THE WORLD IGNORES THE BLOCDBATH IN CAMBODIA

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. CRANE. Mr. Speaker, since their takeover of Cambodia, the Khmer Rouge have unleashed a bloodbath of terror which rivals the barbarism which has emerged in Nazi Germany and Stalinist Russia earlier in this century.

Upon entering the capital city of Phnom Penh, Cambodian Communist troops embarked upon a policy of genocide by ordering the entire population—some two million people—to move out of the city en masse. Women, children, old men—were all driven out like cattle, many of them totally unequipped or supplied to go for more than a few hours—toward an unknown destination 65 miles away.

Unfortunately, the brutality being inflicted by the Communists in Cambodia has been largely ignored by world opinion. Fortunately, some observers have spoken out. Columnist Jack Anderson, for example, wrote that—

> This must go down in history as the greatest atrocity since the Nazis herded Jews into gas chambers. The mass exodus was a death march. . . . An estimated one million people are expected to die from hunger and exposure.

The United Nations repeatedly passes resolutions denouncing Israel, South Africa, and Portugal, but has not had a word to say about the conduct of the Khmer Rouge.

Leo Cherne, chairman of the executive committee of Freedom House and chairman of the International Rescue Committee, has written that,

> It is evident that, as before, it is possible for the world to learn of monumental tragedy, tragedy beyond measure, and ignore it. . . There are no inquiries under way. The International Red Cross has not been rushed to Phnom Penh. No protests have been lodged with the International Commission of Free Jurists. The United Nations has not been called into special session, nor has an agenda item even been suggested for the Fall's regular session of the Assembly. No advertisement carrying the names of concerned citizens has appeared in any U.S newspaper.

Mr. Cherne addressed these words to his fellow members of the board of trustees of Freedom House: "I appeal to you—to take the first step so that this ghastly silence may end. If our voices are raised, there may be others who will add their cries."

I wish to join my voice with that of Leo Cherne and those others who are concerned about the barbarism of the Khmer Rouge and the mass murders which have taken place in Cambodia.

I wish to share with my colleagues Mr. Cherne's statement, "Into a Dark, Bottomless Hole," which appears in the September-October 1975 issue of Freedom at Issue, and insert it into the RECORD at this time:

INTO A DARK, BOTTOMLESS HOLE

(By Leo Cherne)

Thirty years have passed since the Nazi death camps were forced on our consciousness. Time and again during these years, serious efforts have been made to understand that holocaust. The Nuremberg trials did not provide the answers. Nor have scores of other investigations, memorial meetings, historical reconstruction, memoirs of the survivors.

That six-year period in which an estimated six million Jews and half again as many non-Jews were put to death involves magnitudes so vast that human inquiry bends before the weight of the tragedy. U.S. public television, recently marking the thirtieth anniversary of the end of World War II, telecast an Israeli-made documentary, "The 81st Blow." The title refers to the legend of the Jewish child who survived the punishment of 80 cruel blows. When he was finally able to tell others of his experience, no one would believe him. That was the 81st blow!

Lucy Dawidowicz's "The War Against the Jews—1933–1945" addresses itself to two of the three central questions to which we return over and over again: "How could a modern state carry out the systematic murder of a whole people?" "How could a whole people allow itself to be destroyed?" That definitive account does not, however, even attempt an answer to the third question: "How could the world sit by unobservingly and unprotestingly while this happened?"

That we went to war answers no question. That we won the war provides no answers. And we need the answers, less for the sake of those who are dead or the few who survived than because, at the core of the riddle, there may be some key to our own nature.

THAT THURSDAY IN 1975

Thirty-year-old events are difficult to reconstruct. We have, however, suddenly been presented with another such human convulsion which may, if we press quickly enough, illuminate history and ourselves. The events are not identical. Surely fewer people will die. Yet one measurement is even more shocking. It appears to have taken six years to kill nine million human beings in Nazi Germany and the countries she occupied. It appears to have taken one day to inflict catastrophic disaster on more than three million Cambodians.

That day was Thursday, April 17, 1975. A very few reporters were present in the city. They saw small fragments of what had been ordered. The ensuing phrases which are in quotation marks are the exact reports of journalists who were there. One in particular, Sydney H. Schanberg of the New York Times, provides most of these details, meager as they are. He was an eyewitness and he was the repository of things which were told to him by others.

I know something of Schanberg's concerned and accurate eye for human suffering, having compared his accounts with what we both saw outside of Calcutta during the flight of the Bengalis before Bangladesh in 1972. It is difficult for me to imagine journalism of a higher order than his reports of those last days in Phnom Penh.

Of the events on April 17, 1975, here is Schanberg's estimate of size. "Perhaps as many as three or four million people, most of them on foot, have been forced out of the cities and sent on a mammoth and grueling exodus into areas deep in the countryside." The numbers, however, don't really tell the story. It is the totality of this terrible act which is the more difficult to grasp: "No one has been excluded—even the very old, the very young, the sick and the wounded have been forced out onto the roads—and some will clearly not be strong enough to survive."

I try to visualize this, some way I can understand. I imagine that on a sudden order it is required that every living human adult or child, "even the very old, the very young, the sick and the wounded" must leave Manhattan. Manhattan is only half the size of the area evacuated in Cambodia. Yet, even imagining a million and a half people, pressing like driver ants toward the Lincoln Tunnel or the George Washington Bridge is all but impossible.

It is not simply that these urban dwellers in Cambodia were forced to leave their city homes. The inhuman effort which was compelled of them is even greater than that: "Apparently the areas into which the evacuees are being herded are at least 65 miles from Phnom Penh ... Even the roads that radiate out of the capital and that carried the nation's commerce have been virtually abandoned, and the population living along the roads, as well as that in all cities and towns that remained under the control of the American-backed Government, has been pushed into the interior."

I force my mind back to the image I am imagining simply to understand that when those of us who are stronger have made it to the other side of the Lincoln Tunnel, our forced march has only begun. We must walk southward at least as far as Trenton, or westward beyond New Jersey's Great Swamp. There are still others climbing over the abandoned vehicles on the George Washington Bridge who, when they reach the toll booths, must first head north beyond Middletown, N.Y. I see old people being carried, children already long since separated from their parents crying and walking, suitcases with their contents scattered, some shoved over the side of the bridge. By now only food and water are worth struggling with. My imagining refuses to perceive bodies being pushed aside. Yet I know that there are those who could not have made it this far.

We know from a foreign diplomat and several doctors who were in the hospitals in Phnom Penh on that day that Schanberg's phrase "the sick and the wounded have been forced out onto the roads" is not a figure of speech. It is exact. The hospitals were simply emptied. There were patients too sick to be moved from their beds. Some were helped out by other patients or the handful of doctors and nurses. But there was no way to carry them very far. There were others who were left in their beds until the troops arrived and then we are told that they were simply thrown out of the windows.

My mind imagines the Klingenstein Pavilion at Mt. Sinai and quickly rejects the parallel. It's just too tall. There are no such buildings in Cambodia. Yet before I push the thought from my mind, I see a broken body lying across the torn canvas of the awning which stretches to the cab stand on Fifth Avenue. And the same events are of course being repeated at New York Hospital, Presbyterian (which fortunately is close to the George Washington Bridge), Bellevue, and scores of other hospitals in Manhattan.

Eyewitness reports are quite explicit on this score: "Hospitals jammed with wounded were emptied, right down to the last patient. They went—limping, crawling, on crutches, carried on relatives' backs, wheeled on their hospital beds." Surely this must be the fevered imaginings of a patient who was reluctant to leave the hospital. Yet, we must deal with the stubborn reports brought out by doctors. "A foreign doctor offered this explanation for the expulsion of the sick and the wounded from the hospital: 'They could not cope with all the patients—they do not have the doctors—so they apparently decided to throw them all out and blame any deaths on the old regime. That way they could start from scratch medically.'" There is another even more terrible detail: "A foreign doctor, who had been forced at gunpoint to abandon a seriously wounded patient in midoperation, added in a dark voice: 'They have not got a humanitarian thought in their heads!'"

As exact as these few reports are, they are nevertheless meager. Even the existence of these few details is an accidental fact which we owe to a small group of journalists who were among the 1,050 foreigners who were still in Phnom Penh on that Thursday in April. The details they tell are slight because the foreign newsmen were prisoners themselves. Their movement was limited to the hotels, embassies, or hospitals in which they accidentally found themselves that day. They remained prisoners until their three-day exit by truck during the first week in May. We therefore know only the very little they could see and tell each other. There are a thousand questions on which they cannot enlighten us. Where three to four million people live, even in the best of circumstances, there are deaths which occur daily. On any normal day in the few cities in Cambodia 164 people would have died. Thursday, April 17, was not a normal day. What happened to the dead? Where there are sick and wounded who are compelled to walk a long distance, there will be additional deaths. What happened to them? Where millions shove their way to reach the assumed safety of the three roads out of the city, there will be pushing, and injury, and panic. There will be abandoned pedicabs, autos, scooters, carts, animals. Where there are three to four million people, not many minutes go by without a birth. On each Cambodian day, 462 infants were added to the city population alone. Even horses drop their foals in quiet, and domestic pets in some dark and secure corner. These pregnant women were among those herded out of the cities and every three minutes a child was born. What happened? Was there invariably a knife, another sharp tool to cut away the afterbirth, the placenta? We know that several of these mothers thrust their infants into the hands of foreigners certain that their children would not otherwise survive what lay ahead. We know that no stores of food or water were prepared in advance along the 65-mile road and whatever food was carried could hardly have lasted more than a third of that distance. What happened then?

I try to imagine a million people stretched along the Garden State Parkway, the New Jersey Turnpike, Route 80. But here the imagining favors those of us who live in Manhattan. I am picture suburban homes along the way with food that will be shared. Even abandoned homes have unlimited running water.

How many days did it take to walk those 65 miles and how many in fact did make it? And those peasants eking out an existence in the countryside, how ready were they to suddenly accommodate more than than their own number? The fact is, the three to four million people thrust more than 65 miles from the few cities in Cambodia represent more than one-half of the total population of a not very large country. We know that in the towns along that 65-mile route "every" shop had been broken into and looted. Not a single civilian was visible—only the many soldiers camping in the shops and on the sidewalks."

There is one detail about all of these events that may finally prove to be more horrible than the others. It is strikingly similar to that which took place during the six years in which the Holocaust occurred. Though what we learned about the events which began on April 17, 1975 is fragmentary, those fragments have been conveyed to a fair portion of the civilized world. Millions of us have been sufficiently exposed to the suggestion of death, anguish, physical suffering and inhumanity to have produced an echoeing outcry. Yet for five weeks, there was not a sound, not one inquiry, not one protest.

A DEEP, BLACK ECHOLESS HOLE

It is evident that, as before, it is possible for the world to learn of monumental tragedy, tragedy beyond measure, and ignore it. The blunt fact is that these "three to four million people" fell into a deep, black, echoless hole. They are silent, and we are silent. There are no inquiries underway. The International Red Cross has not been rushed to Phnom Penh. No protests have been lodged with the International Commission of Free Jurists. The United Nations has not been called into special session, nor has an agenda item even been suggested for this Fall's regular session of the Assembly. No advertisement carrying the names of concerned citizens has appeared in any U.S. newspaper. And this silence is not limited to the United States.

When Kitty Genovese's cries for help were heard in the stillness of a night in Queens, not one of the score of neighbors who heard her dying plea answered. The newspapers reflected outrage for days after the death of that one unaided woman. Yet after Shanberg's report, which was given more than a full page in the New York *Times*, no echoing outcry was heard. For the next five weeks there was total silence. The first follow-up report out of Bangkok on June 12 may even have been more shocking than the silence which preceded it. "Urban Exodus Completed, Cambodian Refugees Say—At least a dozen participants in the march have managed to break away and make their way to the Thai-Cambodian border in the last two weeks." That story out of Bangkok reflects a journalism so bland that even the headline seems excitable in contrast: "Recent Cambodian Refugees Report Population Shift From Cities Completed." The reassuring report continues: "The refugees who were interviewed said they were well-treated and never wanted for basic food, particularly rice. When the refugees had arrived at their final local staging area and were met by the Exodus Reception Committee, they were assigned to tracts of ricelands. . . . But several refugees reported seeing children with the swollen bellies that indicate malnutrition in the areas where they were arriving. . . . There was also the problem of severe shortages of drinking water. . . . Some refugees said they had seen a half dozen or more refugees die each day from cholera and scores who were severely ill . . . there was also a severe shortage of farm tools."

All in all, not bad, not bad at all considering that "three to four million people, most of them on foot, have been forced out of the cities and sent on a grueling exodus into areas deep in the countryside . . . even the very old, the very young, the sick and the wounded."

This single report out of Bangkok makes it quite clear that the mind doesn't boggle; it simply does not comprehend. It is in short, "The 81st Blow."

We are smack up against the terrible question about ourselves which writers, scholars, survivors and theologians have tried to unearth from the Holocaust during the last thirty years. The most generous self-assessment we can make is that these events must be so beyond our experience, so outside our imagining, of so gargantuan a size that there is simply no language which serves to engage us. And yet we msut be engaged if we are to understand ourselves and be of some possible help in relieving the suffering of those who are still alive.

Surely it is not for the lack of human feeling that we are silent. Thirty-five years ago, a world-famous group of political scientists and educators formed a commission under the leadership of John Dewey to inquire into the killing of one man, Leon Trotsky. Three months ago, several hundred scholars met to inquire into the death of the six million Jewish victims. On Sunday, June 15, 1975, hundreds of American names appeared in an ad in the New York Times seeking to require the publication of all of the records which dealt with the death of Ethel and Julius Rosenberg, a death by decision of jury in a court of law.

Yet nothing but silence followed the forced uprooting of half the total population of an entire country. Even this description did nothing to us that required a sound: ". . . people suddenly moved out of the city en masse in stunned silence—walking, bicycling, pushing cars that had run out of fuel, covering the roads like a human carpet, bent under sacks of belongings hastily thrown together when the heavily armed peasant soldiers came and told them to leave immediately, everyone dispirited and frightened by the unknown that awaited them and many plainly terrified because they were soft city people and were sure the trip would kill them."

We know that some must have died simply as a result of being moved from their hospital beds. Were their bodies swept up and piled on carts like those bodies one always sees in documentaries which recall the Warsaw Ghetto, or did they just lie there and rot in the Cambodian heat of an April day after the last of those who were able to, had left the city?

These are not rhetorical questions. These are questions to which we must have the answers. This is an event about which we must end our silence. This is a mystery from which some understanding must emerge while there are those who can still tell us what it was like and why.

We know from Frances Fitzgerald's "Fire in the Lake" how precious in that corner of the world are the links to the ancestral graves, the familial ties which have traditionally bound the generations to the place of their birth and their ancestors' deaths. And these ancestral and familial roots are as real, we are told, in the cities as they are in the countryside. No foreigner insensitive to this fact uprooted these millions of Cambodians. It was exacted of Cambodians by Cambodians.

There is one very large hope which may yet relieve us. There may not have been wholesole terror and death. The fear may simply be without foundation. But even that proposition leaves one nagging question: If all that was written about that one day were to turn out to be false, how could there have been nothing but silence from the rest of us until we learned that what was written was not true?

I appeal to you, fellow members of the Board of Trustees of Freedom House, to take the first step so that this ghastly silence may end. If our voices are raised, there may be others who will add their cries. Then, in turn, the High Commissioner for Refugees of the United Nations may request the government of Cambodia to permit an objective inquiry seeking simply to learn the truth. What is needed is a start. To make a start, an expression of our deep anguish is required.

RURAL DEVELOPMENT GOALS: CRITIQUE OF THE SECOND ANNUAL REPORT OF THE SECRETARY OF AGRICULTURE TO THE CONGRESS

HON. JOHN BRECKINRIDGE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. BRECKINRIDGE. Mr. Speaker, by the Rural Development Act of 1972, the Congress evidenced its intention that the Secretary of Agriculture develop a national program for rural development, and not simply provide financial support for disjointed local and State efforts. Three years later, such a coordinated effort is yet to be implemented.

That is the conclusion of a critique that was prepared by the Congressional Research Service, under the coordination of Dr. Morton J. Schussheim, on the second annual goals report of the U.S. Department of Agriculture for the congressional rural caucus, a bipartisan group of 102 House Members. The critique was prepared at my request as chairman of the executive committee of the congressional rural caucus. Other members of the executive committee are Bob Bergland of Minnesota, Ed Jones of Tennessee, Gillis Long of Louisiana, Gunn McKay of Utah, Charlie Rose of North Carolina, and Don Young of Alaska.

The critique will offer useful background for a comprehensive study to identify the problems of rural America that is being prepared by the Congressional Research Service, also at the request of the executive committee of the congressional rural caucus.

The critique stated, inter alia, that—

> The Administration may disagree with the philosophy of the 1972 Rural Development Act, but it is duty bound to implement it.

A criticism of executive bureaucratic practice heard increasingly of late.

Mr. Speaker, the problems of rural America are inextricably interrelated with the problems of urban America. The congressional rural caucus office and caucus members have received many inquiries about this analysis, which is entitled "Rural Development Goals: Critique of the Second Annual Report of the Secretary of Agriculture to the Congress." Because of the widesperad interest, I insert Dr. Schussheim's edited overview of the critique in the Record:

Rural Development Goals: Critique of the Second Annual Report

(By Morton J. Schussheim, Senior Specialist, Congressional Research Service, Library of Congress)

The Second Annual Report of the Secretary of Agriculture to the Congress on "Rural Development Goals" contains much useful information. But it sets no long-term numerical targets for jobs and income, community facilities and housing, or other needs of rural areas; it contains no in-depth analysis of the economic prospects of business and industry in rural places; it does not evaluate the effectiveness of existing Federal programs; and it offers no specific recommendations for new Federal policies or activities to revitalize rural areas. Thus some may question whether the most recent rural development goals report fully responds to the spirit of the law contained in Title VI of the Rural Development Act of 1972.

WHAT THE LAW REQUIRES

The Rural Development Act of 1972 (Public Law 92-419) adds rural development as a basic concern of the Department of Agriculture and directs the Secretary of Agriculture to advise the President and the Congress on policies and programs designed to improve the quality of life for people in rural and nonmetropolitan areas (Sec. 603). The Secretary is charged with responsibility for coordinating a nationwide rural development program utilizing not only the programs of his own department but of all Federal departments and agencies. This is to be done in coordination with related programs of State and local governments. In furtherance of this mandate the Secretary of Agriculture is instructed to establish rural development goals in connection with employment, income, population, housing, and quality of community services and facilities. He is required to report to Congress each year prior to September 1 on progress in attaining such goals.

There seems little doubt that Congress intended the Secretary to develop a national program for rural development and not simply provide financial support for an assortment of disjointed local and State activities operating under the rubric of rural development. In fact, when the Secretary of Agriculture attempted to delegate decision-making for rural development to the State governments, he was prohibited from this course of action by the Congress. An amendment to the Agriculture and Consumer Protection Act of 1973 states: "No grant or loan authorized to be made under this Act shall require or be subject to the prior approval of any officer, employee, or agency of any State."

THE SECRETARY'S APPROACH TO FORMULATING GOALS

The Second Annual Report presents "tentative qualitative goals statements" for employment, income, population, housing, and community services and facilities. These are stated in broad terms. The employment goal, for example, is set forth as follows:

"*Employment*—Assist in the creation of a climate conducive to growth in the employment base of rural America, thereby providing a range of job opportunities for those who wish to live in rural areas."

An alternative approach is to estimate the increase in jobs required to absorb the prospective growth in the labor force resulting from natural increase in population over the coming decade. The report takes cognizance of this approach in referring to the experience of the 1960s. During that decade in the absence of outmigration there would have been an estimated net increase in the nonmetropolitan male labor force of two million; in fact, the actual net increase was 139,000. But the report stops short of making such projections for the remainder of the 1970s or 1980s.

The report provides what is termed "quantitative goals statements or targets" based on budget figures of the Department of Agriculture for fiscal year 1975. For example, 12,000-15,000 new jobs are estimated to result from business and industrial loans guaranteed by the Farmers Home Administration; another 35,000-42,000 manyears of "one-time" work are projected for construction of new public facilities authorized under Title I of the Rural Development Act of 1972. Such one-year estimates are normally presented with or as "program levels" or "workload" rather than as goals or targets.

The multiplier effect of such programs is recognized but not quantified. Thus the report refers to "an undetermined number of continuing jobs generated in supporting businesses." There are methods for estimating the series of expenditures and labor requirements that follow an initial capital investment. Inasmuch as the multiplier effect is adduced as a major reason for governmental loans or loan guarantees, one would think that the Secretary would prepare such estimates for federally-aided outlays in rural areas.

An obvious gap in the report is the paucity of discussion of goals and progress toward goals of Federal programs that are not administered by the Department of Agriculture. In connection with housing, as an illustration, there is virtually no mention of conventional public housing, the leased housing program (Sec. 8), or community development block grants—Federal programs available through the Department of Housing and Urban Development. In the discussion of water and waste systems, the Secretary's report focuses on the relatively small loan and grant programs administered by FmHA. The much larger grant program for sewage plant construction administered by the Environmental Protection Agency and programs of the Appalachian Regional Commission and the Economic Development Administration are mentioned only in passing. The report says:

"The impact of these programs on the needs of rural communities for water and waste disposal systems cannot be assessed because adequate data are not currently available."

Failure to secure such information may result in a shortchanging of rural communities in the distribution of Federal funds. It may also suggest that the Secretary of Agriculture is failing to exercise strong leadership within the executive branch on all Federal activities and programs of potential importance to the development of rural communities.

Further evidence of this parochial outlook is found in the thin treatment of goals for functional areas that are not specified in the legislative language, yet are basic to improving the quality of life and livelihood in rural America. Among these functions are health, education, transportation, and the credit system. In limiting itself to rural health outlays funded under the Rural Development Act, the report covers less than three percent of total Federal health outlays in rural areas.

The weaknesses of the Secretary's Second Annual Report on Rural Development Goals evidently result to some degree from a basic philosophical disagreement on the part of the Administration and the Secretary with the thrust of the law passed by the Congress in 1972. The Secretary's report states:

"The articulation of these types of comprehensive goals for . . . the residents of nonmetropolitan America is a complex undertaking which poses a dilemma for the executive branch. To arbitrarily set specific goals at the Federal level implies a centralization of Federal control and depth of Federal wisdom and capability that is at variance with this Administration's philosophy of fostering a more decentralized government."

The statute calls for cooperation with State and local officials. But Congress considered and rejected an Administration proposal to enact a rural revenue sharing program under which State and local governments would largely decide on how federally-collected dollars would be spent in rural areas. Congress deliberately chose a policy of substantial Federal involvement in improving the quality of life in rural areas. This policy was to be advanced by the setting of goals and periodic reports on progress toward these goals. The Secretary of Agriculture may disagree with the "philosophy" of the Rural Development Act of 1972, but he is duty-bound to implement it.

SOME UNANSWERED QUESTIONS ON RURAL DEVELOPMENT

The Secretary's report leaves many large questions about rural development unanswered and, in some cases, unasked. Some of these questions are raised here.

1. Employment

Current unemployment rates in rural areas do not appear to differ substantially from those in metropolitan areas. Do these figures tell the whole story? What is the nature of underemployment in rural areas? How many workers feel compelled to hold more than one job? How do wage rates compare as between nonmetro and metro workers with similar skills?

2. Manpower training

What has been the impact of federally-funded manpower development and training programs on rural areas? Should rural manpower training programs prepare workers only for jobs likely to be available in rural areas or also for skills required in urban areas?

3. Credit requirements

Are many rural areas or rural-based businesses chronically credit-short? If so, is this because yields for comparable risk investments are lower in rural areas? Or is it due to an underdeveloped system for harnessing savings or steering outside funds into rural communities? What proportion of potential rural business and industrial investment is being accommodated by the loan programs of FmHA and the Small Business Administration? What types of activities are being financed through these Federal programs and what do they mean in terms of jobs, wage rates, and incomes when their ripple effects are taken into account?

4. Transportation

An efficient transportation network is a key factor in the economic growth of a regional or local economy. Are many rural areas failing to grow because of curtailment of rail services or the inadequacy of highways? Can a case be made for a big increase in federally-funded services for rural areas?

5. Sewer and water facilities

What is the range of need in rural areas for sewer and water facilities and other community facilities over the next five to ten years? What proportion can be handled by the present scale of Federal loan and grant programs? What standards are appropriate for places of different population size and density?

6. Health

What are the particular health problems of rural areas and how are they to be met? With 672 counties and service areas designated as critical health shortage areas and nonmetro populations generally underprovided with medical care, what can be done to induce an adequate number of doctors and related health personnel to locate in rural areas? What are the additional elements of an effective and affordable health delivery system for rural communities?

7. Education

Rural youth of all ages are among the poorest performers in a wide range of subjects in nationwide tests. What can be done to raise educational achievement of students in rural areas? How are the special financial and administrative problems of sparsely populated educational systems to be addressed? The Federal government pays only a small portion of the costs of primary and secondary education in rural (as well as metropolitan) areas. Can a case be made for increasing Federal support in this sector?

8. Housing

According to the 1970 Census, there were 2.2 million households in nonmetropolitan areas occupying units lacking toilets or other facilities that constitute full plumbing in a house. Of these households, more than half (1.2 million) had incomes below the poverty line (then $3,743 for a nonfarm family of four persons). Few of these families would have enough income to participate in existing FmHA housing programs, even those providing interest rate reduction subsidies down to 1 percent. What kind of housing programs can be devised for such very low income families?

With regard to the on-going FmHA housing programs, Administration guidelines are placing increasing emphasis on utilizing existing housing rather than financing new construction. Will this not tend to increase prices of existing housing in rural communities with tight markets without adding much to the supply available to lower income families? How does this departmental emphasis square with a USDA study published in 1975 that found fewer than 200,000 adequate vacant units situated in nonmetro counties having the worst housing?[1]

9. Environmental protection

Only in recent times has the nation come to recognize the importance of maintaining the quality of the natural environment and preserving it for future generations. What are the components of a balanced environmental policy for rural areas? Has such a strategy begun to emerge under the National Environmental Policy Act? Has compliance with the act or related legislation worked a severe economic hardship on many rural industries or communities? If so, what compensatory policies or actions are indicated?

10. Population settlement policy

Several legislative enactments have called for balanced growth and implied that the nation would be better off if the migration into metropolitan areas could be slowed or reversed and rural communities stabilized. What is the significance of the turnaround in population growth rates in the 1970–1973 period? That the highest rates of growth were in nonmetro counties adjacent to metro counties should restrain the enthusiasm of ruralists, since this suggests the inexorable spread of the metropoli. The fact that noncontiguous counties outside of metro areas also grew faster than metro areas, albeit not as rapidly as adjacent nonmetro counties, may be a more hopeful omen.

But what price growth? The very qualities ruralists seek to preserve can be undermined by rapid or dense growth. Measures must be taken if we are to assure that people moving to rural areas to secure a particular quality of life do not destroy, by their very numbers or demand for supporting services, that quality of life.

WHAT CONGRESS CAN DO

1. Require quantitative goals

The foundation of a sound policy is a careful assessment of needs and the setting of targets for designated functions. In the Second Annual Report on Rural Development Goals, as in the First, the Secretary has declined to set multiyear quantitative targets or goals for income, employment, housing, and other concerns vital to the rural population. If the Congress wants quantitative targets in these areas to be set at the national level for time-specific future periods, it could amend Section 603 of the 1972 Rural Development Act. At the request of Senator Lee Metcalf, the General Accounting Office prepared amendatory language that would clarify congressional intent:

"The report shall set forth in qualitative and quantitative terms progress in meeting the goals and objectives of the long-range rural development plan for America."

2. Specify additional priority concerns

The Secretary's Report gives little attention to such functions as transportation, credit requirements, health, and education. These and other functions could be added to the concerns presently included in the goals requirement of Section 603.

3. Clarify the goals-setting process

The Secretary's Report implies that goals are to be set at the national level by aggregating local goals. It refers to "limitations of the state of the art of setting locally derived goals on a national scale." While local and State input is clearly necessary, the priorities of local and State governments may not necessarily coincide with national needs and priorities. For example, some local governments may seek to zone out lower income housing or anything but research laboratories and similar "clean" industrial investments. Yet the nation as a whole has a stake in providing a place for such families and industries. Whenever there are large externalities, as with air and water pollution, regional and national considerations supersede local ones. Thus the Congress may want to make it clear that the formulation of rural goals by the executive branch is to be performed in light of national needs and concerns.

4. Reassignment of responsibility for rural development

When Congress has authorized major new responsibilities for the Federal government, it has frequently established new agencies to implement the new function. Such was the case with environmental protection, the antipoverty program, and the space program. If rural development is to receive priority attention within the executive branch, it may be necessary to establish a new independent agency to administer the program. A new agency can sometimes attract more dynamic leadership and energetic personnel than established departments.

Congressional committees debated the question of whether to establish an independent agency for rural development but finally determined to lodge the function in the Department of Agriculture. In part this decision represented a vote of confidence in the Farmers Home Administration as an operating agency. That confidence may have been justified. The critical question is whether the Secretary of Agriculture is able and willing to develop and promote a broad-scale rural development program for the nation. Organizational rearrangements do not ensure the success of a policy or program. But surely it will be considered by Congressional proponents of rural development if the feeling grows that the Department of Agriculture is not fully committed to carrying out a major mission mandated by law.

HUMANE METHODS OF SLAUGHTER

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. BROWN of California. Mr. Speaker, I am introducing legislation today which seeks to amend certain sections of the Meat Inspection Act by including an additional requirement for a favorable stamp of Federal inspection on all appropriate domestically slaughtered livestock and foreign meat imports. This new requirement would be the simple acknowledgment that the livestock being inspected had been handled and slaughtered under the humane methods already designated by the Secretary of Agriculture according to his legislative authority under the Humane Slaughter Act of 1958.

I introduced similar legislation in July of this year which sought to promote humane slaughter methods in all domestic plants by the enforcement of a penalty in cases of violation of the act, but I have subsequently received information regarding the Federal meat inspection procedure which convinced me that this goal of humane slaughter in all domestic and foreign plants exporting meat to this country could be achieved in the uncomplicated fashion described above.

Many of our slaughterhouses have included humane methods of handling and slaughtering livestock, and I am sure that my colleagues will agree that this should be a national and international requirement. This world has developed the business of raising animals for food into an efficient, enormous operation. With such vast technological resources at hand, we can easily insure that these animals are handled in such a manner as to eliminate the present levels of pain, discomfort, and terror. This legislation, if passed, will achieve that purpose, and I hope that my fellow Representatives will join me in its support.

ECONOMIC RECOVERY

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, in light of the recent hearings on the conduct of monetary policy, held by the House Committee on Banking, Currency and Housing, I would like to insert in the RECORD a timely article that appeared at page 18 of the August 4, 1975, Business Week. It succinctly delineates the problem the Nation faces in terms of suffering through both an unacceptable rate of inflation, and unacceptable rates of unemployment. The article is particularly useful in highlighting how important monetary policy will be in determining whether or not the Nation experiences a strong and long lasting recovery from its current depressed state.

The article follows:

THE DANGERS OF ABORTING THE RECOVERY

The economic recovery is no more than 10 weeks old. Yet it is already running into the kind of trouble that is almost certain to force some changes in economic policy.

The past few weeks have seen two economic developments that are far more usual in an upturn that is aging than in one that is still robustly youthful, let alone in an embryonic stage:

Prices are surging. The Consumer Price Index rose at a 9.6% annual rate in June, about twice as fast in May and far faster than anyone either inside or outside the Administration had expected. Nor is the June surge in inflation likely to prove a one-month wonder. Led by raw agricultural products, sensitive commodity prices surged forward in July after three months of decline. This jump is almost certain to feed into consumer prices in July, August, and September. The economy is therefore faced with adjusting to what will be, at a minimum, a three-month bulge in the inflation rate.

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[1] Vacant housing: Is it Adequate and in the Right Places? By Ronald Bird. Economic Research Service, U.S. Department of Agriculture. Statistical Bulletin No. 536. February 1975.

Short-term interest rates are shooting up, contrary to the expectation of most money market seers. Since reaching a low of 5% in mid-June, the yield on three-month Treasury bills has risen by more than one percentage point, and the federal funds rate has climbed from 5.15% to about 6⅜%. The rise in short-term rates is remarkable; inventory cutting is apparently continuing and business loan demand is weak.

PARTLY LUCK

What has gone wrong? There is the old story about the man who wanted a shotgun marriage rather than the other kind because he preferred to be able to curse his luck rather than his judgment. To some extent, the rise in prices is simply bad luck. Food prices accounted for about half of the June rise in the CPI. The Administration has done what it could to spur agricultural production, and record crops are predicted for this year. But the demand for temperate-zone agricultural products is so strong that farm prices are nevertheless rising. The other area of price trouble, however, is not the result of bad luck. The Administration's levy on crude-oil imports is part of the reason gasoline prices jumped 3% in June and will jump again in July and August.

Administration spokesmen try to explain away the June surge in the CPI by saying that it is confined to these areas. But this doesn't get economic policy off the hook. The demand for food and gasoline is inelastic; the amount consumed doesn't fall much when the price rises. As a consequence, the strain imposed on consumer budgets by rising food and gas prices is felt most heavily by other industries, notably those that produce durable goods where consumer demand is highly postponable. These must improve if unemployment is to be cut.

FED HANGUP

All of this seems to be lost on the Federal Reserve Board, which, on the evidence, is suffering from a psychological hangup resulting from a determination not to repeat past policy errors. It is this hangup that explains the rise in interest rates in the face of weak loan demand. In a determined effort to keep the growth of the money supply from exceeding 5% to 7½% on an annual basis, the Federal Reserve has sold Treasury bills over the past couple of weeks to shrink bank reserves.

It may well turn out to be an irony of history that the lingering impact of the Watergate year of 1972 is felt mainly in the formulation of economic policy. Money supply growth rose to 9% that year. And the Fed was stung with the criticism that it deliberately engineered rapid money growth as a contribution to Richard Nixon's reelection. The record is still opaque on this point, but the criticism nevertheless haunts Federal Reserve Board Chairman Arthur F. Burns as the U.S. again moves close to a Presidential election.

The Fed is also upset by what happened in May and June, when a decision to finance the tax rebates with fresh money raised the money supply growth rate to more than 15%, a figure far higher than the Fed had expected. The current throttling back in the rate of monetary growth therefore results from a mixture of both long-run and short-run concerns.

The surge in farm prices does demonstrate that the Administration shares the plight of the ordinary individual: Neither is total master of his own fate. However, it would be a mistake to respond to the new outburst of commodity inflation by keeping policy tight. Short of provoking a massive recession, there is simply no way that tight money and fiscal policy can stop food prices from rising. If policy doesn't ease now, there is an excellent chance that the recovery will never really get going. The policy consequence would be a swing toward economic planning and capital allocation. This is surely the thing that President Ford wants least.

EXPLANATION OF VOTE AGAINST BROWN AMENDMENT

HON. MARK W. HANNAFORD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. HANNAFORD. Mr. Speaker, I believe it is necessary to explain my opposition to the Brown amendment, because it is simply one of those complicated instances when a vote does not make one's position obvious.

My vote against the Brown amendment was meant to oppose total and immediate decontrol of oil and the inflation I fear will result, and not at all to endorse the Staggers provision which my vote will have the unavoidable effect of sustaining.

The fact is, I believe the Staggers provision sets too low a price structure and will retard the development of a sizable portion of our oil resources. In my district, the danger is particularly acute. Much of our oil production is operating at the margin. It is an economic fact of life that somewhat higher prices are necessary to induce the increased exploration and recovery required to meet our current and coming energy needs. I know, for example, that the 1.2 billion barrels in our Wilmington field which are awaiting tertiary recovery will simply not be available at current prices. Incidentally, I am not relying on private interests for my information. Most of the oil in my district is owned by the city of Long Beach and the State of California.

My position has all along been consistent and insistent. On July 30, I voted against the Staggers provision when it was first introduced. On the same day, I reluctantly accepted it when it became incorporated in the Krueger bill which provided for the 39-month decontrol which I strongly support. The untenable alternative was to vote down everything. Today, I voted against the Brown amendment because once again I would be opposing gradual decontrol.

I do not know for sure what the Senate is up to. But considering that it sustained last week the President's veto of the oil control extension, maybe the House needs leverage to achieve an acceptable program of gradual decontrol. Perhaps the Staggers provision will be useful, after all. On its own merits, however, the Staggers provision is unfortunate. But, in the fact of the Brown amendment, it is the lesser of two evils.

DEFENSE EXPENDITURES AND THE AMERICAN ECONOMY

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. BINGHAM. Mr. Speaker, one reason why our efforts in this Congress to reduce defense spending have met with scant success is that such reductions may lead to closed bases and canceled contracts, resulting in thousands of defense workers finding themselves unemployed, without promising job prospects, and unable to find adequate assistance in finding new employment. For many communities across the Nation the effects of defense budget cuts can prove disastrous. We should and must rechannel some of the moneys now flowing into unproductive military programs and hardware into the goods and services of a genuine peacetime economy. But we also have an obligation to cushion the blow that defense budget cuts might have upon thousands of American workers.

The Defense Economic Adjustment Act, which Senator McGOVERN and I introduced on May 14 and which I reintroduce today with three additional cosponsors, would provide that sorely needed cushion. It would provide Federal assistance to industries and communities for planning the transition to a non-defense-oriented economy, and give financial and other aid to workers whose jobs are lost during the transition.

The bill has been jointly referred to six committees, but no hearings or other action have yet been undertaken by this Congress. I hope that, with the renewed support of my colleagues, we can obtain hearings on the act in the 94th Congress.

On August 27 in the Washington Post, the distinguished columnist Clayton Fritchey discussed the desirability of a non-defense-oriented peacetime economy. I commend his column to the attention of my colleagues:

A NON-DEFENSE-ORIENTED ECONOMY

(By Clayton Fritchey)

On Capitol Hill the would-be cutters of the bloated military budget have learned the hard way that they are not going to accomplish much in this first session of the 94th Congress, but in the process they have made some significant discoveries, and they'll be back next year with a new and novel strategy.

The critical lesson they learned this year is that they can't overcome the military-industrial combination when it is supported by big labor as well as big business. They could have made progress against the military-business lobby alone, but the votes weren't there when union leaders, worried over the recession and the loss of jobs in the defense industry, joined in the opposition to substantial reductions in the Pentagon budget.

Nevertheless, the sentiment for holding the line on military expenditures remains strong on Capitol Hill. A survey by The Washington Post showed only 8 per cent of House members in favor of higher defense budgets. That puts the House eye to eye with the American people. According to Gallup, only 12 per cent of the public approves bigger Pentagon spending, such as the record $104.7 billion budget for 1976.

The stumbling block to a reduced budget is finding an acceptable solution to the problem of transition in switching over from nonproductive military expenditures to wealth-building domestic programs. Nearly all disinterested economists agree that the change would create more jobs in the long run, but in the short run there would be temporary dislocations and pockets of unemployment.

With that in mind, the Pentagon critics have devised a plan to cushion the transition and protect defense workers who may be affected by the change. Just before Congress recessed for August, a bill called the Defense Economic Adjustment Act was introduced simultaneously in the House and Senate with bipartisan support.

In the House it was introduced by Rep. Jonathan Bingham (D-N.Y.) and Rep. Charles Whalen (R-Ohio) with the backing of 33 co-sponsors. In the Senate it was launched by Sen. George McGovern (D-S.D.) and Sen. Charles Mathias (R-Md.). The sponsors hope for hearings this fall and action in 1976 before the next defense budget is voted on.

"Our economy would be healthier," says Bingham, "if we could rechannel some of the funds now flowing into military programs and products into goods and services for a real peacetime economy."

As Bingham points out, America has a compassionate tradition of using public funds to help communities injured by natural disasters.

The adjustment act would simply extend this principle to local disasters caused, for instance, by shutting down superfluous defense plants and installations.

There are some misguided congressmen who still believe that pumping more money into military contracting would ease the unemployment situation. Yet the Pentagon's own figures as reported in The Nation, tell a different story. In 1968, with a $75 billion defense budget, there were 3,173,000 defense contracting jobs, but the 1976 budget of $104.7 billion provides for only 1,469,000 jobs. And it should be kept in mind that the Pentagon expects to be spending $147.9 billion by 1980.

Every study shows that if these dollars were redirected into housing, health, transport, education, public works and community services, they would create far more jobs. Leonard Woodcock, head of the United Auto Workers, told the Senate:

"One billion dollars of military expenditures creates an average of 20,000 to 30,000 fewer jobs than alternative forms of expenditures. Thus a program to divert $15 billion to $20 billion from military spending to certain programs in energy, transportation, housing and so on, could create 300,000 to 600,000 jobs."

According to a study by the Public Interest Research Group, the $80 billion military budgets between 1968 and 1972 resulted in a net loss of 844,000 jobs nationwide. That would add up to more than a million jobs on the basis of the 1976 budget.

"Keeping people nonproductively employed making weapons we don't need," says Sen. Alan Cranston (D-Calif.) "is demeaning to them and dangerous to the national interest . . . I say, billions for legitimate defense but not one cent for military or industrial tinsel, glitter or make-work."

THE ECONOMY IN CRISIS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. BIAGGI. Mr. Speaker, the other day a very timely speech came to my attention which very ably covers the oil shortage and the energy crisis America faces today. It was delivered during June at a major economics symposium sponsored by Monex International, Ltd., at the Beverly Wilshire Hotel, Los Angeles, called "The Economy in Crisis."

I commend the speech to my colleagues as we continue our consideration of energy policy legislation.

Oil and the Future: Economic Consequences of the Energy Revolution

(A statement at the Monex International Conference on "The Economy in Crisis" by Neil H. Jacoby, Graduate School of Management, UCLA, Los Angeles, June 16, 1975)

In any examination of the world economy and its prospects, the "energy revolution" must occupy a prominent place. Energy is the prime mover of industrialized nations. It is essential to the economic progress of the developing countries. Crude oil now supplies about half of the world's energy; and it will continue to be a dominant source for the remainder of this century.

The energy revolution exploded early in 1974, after the Organization of Petroleum Exporting Countries (OPEC) cartelized 90 percent of the world's exported crude oil, quadrupled the price, and its Arab members put a temporary embargo on shipments to the United States. These shocking actions produced radical structural changes in the world economy—changes destined to continue far into the future.

When oil moved from about $3 to about $12 a barrel in the United States, natural gas prices in the uncontrolled intrastate market rose from about 45 cents to about $1.75 per MCF; steam coal shot up from about $7 to about $28 per ton; and prices of nuclear fuel mounted proportionately! Drastically higher energy prices caused a marked fall in consumption of energy in the OECD nations, whose governments augmented the decline by adopting conservation measures. Higher prices triggered a quest for new sources of energy. They generated the goal of energy independence by the United States.

Some of the deeper and longer-term consequences of the energy revolution within the next decade are:

(1) Slower economic growth of the U.S. and OECD economies, and faster economic growth of the OPEC economies.

(2) Dampened growth of energy consumption, including oil, in the industrialized nations.

(3) The renaissance of coal and the accelerated development of nuclear energy.

(4) A shift of private U.S. energy investment from foreign to domestic locations.

Let us examine these changes. And let us consider the probable future supply and price of OPEC oil, and the role of the multinational oil companies.[1]

INTERNATIONAL CHANGES IN CAPITAL FORMATION AND ECONOMIC GROWTH RATES

One obvious economic consequence of the Energy Revolution will be a massive shift of capital from the major oil-importing nations to the OPEC countries. When the price of crude oil quadrupled, payments due to the OPEC countries from the rest of the world expanded by some $65 billions a year. Even after deducting expanded payments for the imports used to carry out their ambitious development plans, the OPEC members will have $40 to $50 billions a year of surplus funds to invest abroad.

Capital investment in the OPEC nations will rise greatly in coming years, and this will accelerate their economic growth. If Horace Greeley were alive today, he would surely say, "Go Middle East, young man." By the same token, capital formation, productivity gains, and economic growth of the OECD countries will be dampened. They will save less because they must pay more for high-priced energy, and this will depress their growth rates.

In the case of the United States, which has made energy independence a national goal, capital formation in the domestic energy industries must mount rapidly, if the goal of energy independence is to be achieved. Energy must absorb a larger part of available savings, leaving less to finance capital formation in other sectors of the economy. Energy prices will rise further when price controls on domestically produced oil and gas are removed, as they must be to provide adequate incentives to a widened search for domestic reserves. More of the real resources of the economy will be channeled into the provision of energy, leaving less for other purposes.

The probable shortage of domestic capital makes it desirable that the U.S. import capital from other countries, including the OPEC members. During the post World War II era, the U.S. has been a prodigious exporter of capital. Direct investment abroad by American firms has reached a cumulative total of more than $100 billions. Now, an inflowing tide of investment by foreigners in the U.S. appears likely. The more rapid inflation of production costs in most foreign countries has made the U.S. a relatively attractive location for manufacturing operations. (Volkswagen finds it can make its celebrated "beetle" at lower cost in New Jersey than in Wolfsburg, Germany.) The climate for foreign investment by American multinational companies has deteriorated. And changes in U.S. tax laws, which formerly favored foreign investment, now tip the scale in favor of domestic investment. For all these reasons, an inflowing tide of foreign investment in the U.S. is likely. If it takes place, it will help to close the gap in capital supply, strengthen the U.S. balance of international payments, and hopefully restore the battered U.S. dollar to its pristine role of monetary leadership in the world.

DAMPENED GROWTH OF ENERGY CONSUMPTION

A second long-term consequence of the energy revolution will be a decline in the rate of growth of energy consumption. World energy consumption rose at a compound annual rate of about 6 percent after World War II. In the future much higher prices and conservation measures will probably reduce the expansion shifts in the pattern of energy use, except for natural gas. Dwindling reserves, resulting from incredibly inept regulation by the Federal Power Commission, will unfortunately inhibit natural gas from expanding its role in the U.S. economy during the next decade. Instead, domestic oil resources in Alaska and the outer Continental shelves will be tapped, and coal and nuclear fuels will come into wider use.

Expansion of coal production raises issues of worker health and safety in the case of deep mining, and of environmental preservation in the case of strip mining. Much of our coal contains an unacceptably high sulphur content that we do not yet know how to remove at reasonable cost. And, despite heavy mechanization of mines, the productivity of miners has dropped alarmingly during recent years for reasons not fully understood.

Expansion of nuclear power also confronts problems. One is to find socially acceptable sites with adequate cooling water. Another is fear of nuclear accidents. This fear is based on ignorance, because the probability of being injured by a nuclear accident is much less than that of being killed by a falling meteor! Safe disposal of radioactive wastes is also a concern. Hopefully, the proposal to establish a limited number of Nuclear Energy Centers, in lieu of dispersed siting of nuclear reactors and fuel processing plants, will be adopted. Once the siting deadlock is broken, nuclear energy should move toward an important position in the U.S. energy spectrum. The nuclear industry, including uranium mines, fuel refiners and reprocessors, and makers of reactors and power equipment, will have booming markets.

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[1] These topics are treated in the author's recent book, *Multinational Oil: A Study in Industrial Dynamics* (New York: The Macmillan Company, 1974).

THE SHIFT FROM FOREIGN TO DOMESTIC ENERGY INVESTMENT

The national goal of energy independence implies a massive shift in U.S. energy investment from foreign to domestic locations. We have noted factors bringing about this shift. Already, multinational oil companies are curbing foreign exploration and development budgets. They are seeking to expand their domestic activities.

It is vitally important, however, that Congress act soon to strengthen incentives to domestic investment in oil and gas exploration, and to the development of other fuels. Unless Congress improves the climate for energy investment, energy companies will diversify their operations into non-energy industries. Is this not the moral to be drawn from Mobil's investment in Marcor, from Standard of California's investment in Amax, and from Gulf's flirtation with Rockwell International?

The first essential step is to remove price ceilings on domestically produced oil and gas. The present ceilings not only deter investment in exploration and secondary recovery, they lead to excessive consumption of these non-renewable fuels by keeping prices artificially low. Producers should be required to invest profits resulting from such removal in energy development. A second necessary action is to establish terms for leasing the outer continental shelves for exploration.

THE FUTURE SUPPLY AND PRICE OF OPEC OIL

We may assume that the Energy Revolution is here to stay. The U.S. will not return to $3.00 oil, $7 coal, and 20-cent natural gas. Nevertheless, a recession in the prices of energy from their present high levels is very desirable, and some reductions have already been made. Despite deep cutbacks in oil production during the past year, the OPEC has not been able to prevent a flooded world oil market and some price trimming. Libya and Abu Dhabi have eliminated the premiums formerly charged for low-sulfur oil. Algeria has concealed price cuts in barter transactions. And, as the Shah of Iran pointed out in a recent television interview, price inflation in the industrialized nations has already reduced the real purchasing power of OPEC's oil by more than 20 percent during the year and a half that has elapsed since the January 1974 increase. He has called for a price increase as an "economic necessity."

Because the OPEC is now conducting a publicity campaign to prepare Americans for another price increase, it is timely to state some facts. Although price inflation started in the U.S. and oil prices lagged the indexes for many years, OPEC cannot justify its Persian Gulf price of $10.25 per barrel on the grounds of inflation. A barrel of OPEC oil would command today the same purchasing power over U.S. commodities at wholesale that it had in 1947, if it were priced at $4.88 per barrel—less than half the present price. Nor can OPEC argue that it costs $10.25 per barrel to develop alternative sources of oil. The evidence is that they can be developed for around $8 per barrel. Finally, we should reject OPEC's contention that a rise in the U.S. import tax will cause the OPEC to raise its price and will justify that action. OPEC's past pricing actions were taken in its own interests and without consultation with the U.S., and so will be its future actions. The effects of an OPEC price hike and a U.S. import tax are quite different. When the OPEC raises the price of oil, U.S. resources flow abroad; when the U.S. increases the import tax, those resources stay at home to finance American needs.

Will the OPEC cartel hold together? If it does, what price of oil will serve its long-run self interest?

Skeptics about OPEC's durability point to the negative history of international commodity cartels—in tin, copper, rubber, sugar, nitrates and other commodities. Sooner or later, these cartels have been beset by defections of their members, by rising external competition, or by technological displacement. They have broken up after relatively short lives. Skeptics argue that the same growing pluralism of interests that eroded the ability of the multinational oil companies to bargain collectively with the OPEC governments during the 1960s will probably erode OPEC's cohesion during the 1970s. They believe that OPEC's power will diminish with the marketing of oil from Alaska, the Continental shelves and the North Sea.

Although these arguments have weight, it is conservative to assume that the OPEC will maintain sufficient cohesion to dominate world oil pricing over the next five to ten years. Its members have savored the sweet taste of financial success from their collaboration. Five to ten years must elapse before substantial competing sources of petroleum or other fuels outside of OPEC's control can become available.

Assuming that the OPEC continues to be an operational entity, what price of oil is in its long run self-interest? OPEC confronts the classic dilemma of the monopolist: whether to charge a high price and thereby to accelerate the introduction of new fuel sources; or to charge a lower price and thereby delay the entry of new competition. Hollis Chenery of the World Bank has argued plausibly that the current OPEC price is well above the costs of major alternative energy sources and will lead the OECD countries quickly to develop alternative sources and to reduce imports of OPEC oil. The OPEC members would realize larger revenues in the long run, he concludes, by reducing their price to around $8 per barrel and selling more oil than by holding the price at $12 per barrel and selling less oil.[1]

Nevertheless, political and psychological as well as economic factors will determine the OPEC's pricing and production decisions. What conditions would lead the OPEC to minimize the price of its oil—either by achieving a reduction or reducing a future increase? I suggest that the necessary conditions are three: the ending of rapid price inflation, a settlement of the Middle East conflict, and strong action by the U.S. to move toward energy independence.

The OPEC will not lower the price of oil until the industrialized nations clearly have brought inflation under control; indeed, it will raise the price if two digit inflation continues. This is another compelling reason—if any other were needed!—to bring worldwide price inflation to an end.

A durable settlement of the Arab-Israeli conflict is another prerequisite to a minimum price for OPEC oil. It was resentment of U.S. support of Israel that led the Arab members of OPEC to support high-priced oil and to put a temporary embargo on oil shipments to the U.S. They are unlikely to exert their considerable influence in the OPEC in favor of a moderate price policy until there is durable peace in the Middle East. The broad terms of a mutually satisfactory settlement, which must be guaranteed by the Soviet Union as well as by the United States, are clear enough. Soviet cooperation probably can be gained by a U.S. commitment to provide the USSR with the developmental assistance it urgently desires in order to strengthen itself against the threat it perceives from mainland China. What is now needed is pressure by the two superpowers upon their client states to move steadily toward an agreement.

The third major precondition to a minimum OPEC price is visible movement by the United States toward the goal of energy independence. For a year and a half, Congress has been floundering in a sea of indecision, while U.S. dependence upon OPEC oil has risen day by day. The passage of a national energy policy has put the American political system to a crucial test. Will Congress have the wisdom and political fortitude to impose higher domestic energy prices in the short run in order to free the United States from the threat of energy pressure upon its foreign policies and, probably, to benefit from lower energy prices in the long run? That has been the basic issue raised by President Ford's energy program. Needless to say, OPEC's managers are impressed by actions and not by rhetoric.

If the United States, and the other OECD nations, act promptly to satisfy these three conditions, they will increase the probability of averting OPEC increases and may even achieve price reductions.

AN INTERNATIONAL COMMODITY AGREEMENT ON OIL

By what process should strategic oil pricing and production decisions be made in the future? Certainly, decisions concerning so vital a commodity as oil should not be left to the unilateral determination of a cartel of small oil-exporting countries. The present system is unstable because it serves only producer interests. It denies weight to consumer interests.

A practical arrangement would be to make the supply and price of oil the subject of an international commodity agreement. Such an agreement might be negotiated by the OECD and the OPEC countries under the aegis of the International Energy Agency. It would fix for several years in advance a price range for crude oil and a range of production levels that the OPEC would agree to maintain. Oil prices could be adjusted according to an index of world wholesale prices. The oil-importing countries could pledge technical aid in economic development and opportunities for investment of surplus OPEC oil revenues.

Such an international commodity agreement would not supplant markets. It would specify only an agreed range of prices. Competition among oil companies would continue to allocate petroleum supplies and to determine transaction prices. The concept of an international commodity agreement on oil was advanced as long ago as 1963 by Sheik Abdullah Tariki of Saudi Arabia. It is an idea whose time has come.

THE FUTURE ROLE OF MULTINATIONAL OIL COMPANIES

Finally, let us consider the future of the multinational oil companies. My study of the structure and behavior of the foreign oil industry after World War II revealed an increasingly competitive industry. . . .

SOVIET WOMAN WHO FED PIGS ON BREAD SENT TO LABOR CAMP

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. McDONALD of Georgia. Mr. Speaker, if further evidence were needed of the inability of the Soviet Union to feed itself, more was proved by a recent story from Moscow concerning a peasant woman sent to a forced labor camp for a year for the henious crime of feeding bread to her pigs. Of course, the Soviet Government will not divert any funds from its swollen arms budget, because "Uncle Sap" will bail her out with the bounty of our own free enterprise farm efforts. When will we ever learn? The story from the London Daily Telegraph of September 10, 1975, follows:

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[1] See Hollis B. Chenery, "Restructuring the World Economy," *Foreign Affairs* (January 1975).

[From the Daily Telegraph, September 10, 1975]

Soviet Woman Who Fed Pigs on Bread Sent to Labour Camp

(By David Floyd)

A Russian woman street cleaner in a town 250 miles from Moscow has been sentenced to a year in a labour camp for feeding bread to her pigs.

Reporting this latest in a series of similar cases, *Pravda*, the Communist party newspaper, said the 45 pigs had been confiscated.

Such reports are intended to discourage Russian peasants from feeding bread, kept relatively cheap by Government subsidy, to privately-owned livestock.

They are also the surest sign of the gravity of Russia's worsening agricultural crisis.

America estimates that this year's Russian grain harvest will fall at least 40 million tons short of the target figure of 215 million tons. Some of the shortfall will be made good by purchases abroad.

MAJOR IMPORTER

Consumption is being restricted mainly by reducing the amount of grain fed to livestock. Farmers will have to slaughter cattle and other animals before they reach optimum weight and this will cause a meat shortage.

Last year Russia became one of the world's major meat importers, purchasing more than 500,000 tons of meat abroad. The total world export of meat is less than 7 million tons.

Official Soviet sources claim that meat production was increased by 1½ million tons in 1974, to a total of 9½ million tons. This is poor for a country of more than 250 million people.

Russia's collectivised State-run farms are far less efficient than those in Poland, which still permits private farming.

LESS EFFICIENT

The Russians are prepared to spend £240 million on buying meat from the West. Buying agents have even been prepared to pay Hungary in American dollars and emergency purchases have also been made from France, New Zealand, Ireland, Argentina and Finland.

The farm crisis has destroyed all the room for financial manoeuvre. In the first half of this year they were forced to sell more than £400 million worth of gold to carry out purchases in the West.

MILITARY AID TO TURKEY

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. JACOBS. Mr. Speaker, I insert correspondence between me and Lt. Col. Larry W. Shreve, USAF, concerning military aid to Turkey.

The letters follow:

Septmber 8, 1975.

Lt. Col. Larry W. Shreve,
USAF, JUSMMAT–TJA, APO N.Y.

Dear Colonel Shreve: I voted against military aid to Turkey and to Greece partly for the reasons that you cited in your letter.

I understand there is a new proposal for additional military aid to Greece, which I shall oppose also. In my judgment, the violation of the United States law regarding the use of military aid from our country is not merely a technical, but very material matter.

On the other hand, your point of view merits attention by other Members of Congress. Accordingly, upon your implied request, I am placing your letter in the Congressional Record.

It was warming to hear a reference about our law school class of 1958.

I hope this finds you well.

Best,

Andy Jacobs, Jr.

JUSMMAT–TJA,
August 27, 1975.

Hon. Andrew Jacobs, Jr.,
U.S. House of Representatives,
Washington, D.C.

Dear Mr. Jacobs: This letter is to express my disapproval of your vote against lifting the embargo on military sales to Turkey. In fact, as an Indiana airman serving in Turkey I am astonished and perplexed to see an act of the House of Representatives lose the fruits of nearly thirty years of effort in building sound Turkish-American relationships.

As we both are 1958 graduates of the Indiana University School of Law, I recognize, as you must, that Turkey may be considered by some as being in technical violation of United States law in using equipment we furnised for "defensive purposes" in Cyprus. However, I consider the embargo in Turkey's case to be grossly disproportionate and unfairly discriminatory—when the point has been so blandly ignored in the case of India and Israel. And, in this regard, how many of the Indiana Representatives have checked to see if Greece is using United States furnished arms to militarize the Dodecanese Islands in violation of the Treaty of Peace with Italy?

As for the present Greek refugee problem on the island of Cyprus, a problem which must be of legitimate concern to all men of conscience, let me again ask what Congressional sanctions were taken against Greece in 1967 when over half the Turkish Cypriot population was destitute and displaced as the result of Greek supported military actions? Should you seek a factual account of the foregoing, let me recommend to you the book, *Peace Without Honor*, by an on-the-scene Scottish reporter, one H. Scott Gibbons.

Yet, in the larger view, and this seems a point so idly dismissed by so many in the Congress, Turkey maintains her substantial forces committed to NATO on the borders of the Soviet Union and Bulgaria—while Greece sulks.

If you should find occasion, I would appreciate your consideration of these points as well as making them known to other Indiana Congressmen who may equate the lack of a Turkish lobby with the lack of a valid case for Turkey. I also solicit your vote in favor of the President's current legislative effort to lift the arms embargo against Turkey. Should that effort again fail, then, in the view of one who is personally in the midst of this "Greek Tragedy", the southern flank of NATO may be irretrievably fractured and no equitable solution to the Cyprus problem may soon be found.

Sincerely yours,

Larry W. Shreve,
Lieutenant Colonel, USAF.

ECONOMIC MYTHS

HON. DEL CLAWSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. DEL CLAWSON. Mr. Speaker, mythology plays a harmless and time-honored role in every society. But it may become dangerous when "swallowed whole" by large numbers of otherwise responsible adults. Economic myths are likely to prove particularly costly, as an editorial in yesterday's Wall Street Journal points out. At this point in the Record I commend to the attention of my colleagues the editorial by Peter F. Drucker which follows:

Six Durable Economic Myths

(By Peter F. Drucker)

There is a great deal of talk today about changes that are taking place in the structure of the American economy. But our political rhetoric and our economic policies are dominated by myths about this structure rather than by the structural realities themselves.

In particular there are six such myths, believed by almost everyone but completely at odds with the realities of the American economy.

The first of these is the belief, shared by practically all economists as far as I can see, that we face long year of high unemployment, even if the economy returns to "normal."

This simply does not jibe with our population figures. Beginning no later than 1977, we face a very sharp drop in the number of young entrants into the labor force, the result of the "baby bust" that began in 1960 and that lowered the birth figures by 25% or more within a very short period. At the same time, for at least another 10 years, the number of people who reach retirement age will still go up.

Thus we face long years of a diminishing labor supply, except in the event of a world-wide depression, at least until the mid-90s, which is the earliest time at which a reversal in the birthrate could have an impact on the size of the labor force. President Ford in his Labor Day address quoted a figure of 95 million people who will have to have jobs in 1985. But if the President assumed a condition of official "full employment"—or 4% unemployed—in that future year, then 95 million people at work 10 years hence are hardly more than would be at work today if we had 4% instead of 9% unemployment. The figure which the President cited as an indication of the magnitude of labor force growth turns out to include no labor force growth whatsoever.

The resulting labor tightness will not be felt equally in all areas. Indeed, the area that displayed the greatest manpower shortage in the '50s and '60s—teaching jobs—will continue to be a "labor surplus" area, again because of the "baby bust" of the last decade. This may explain why the "experts," who are all, or nearly all, university teachers foresee a continuing labor surplus instead of the reality of an almost certain labor shortage.

The second myth also is closely related to demographics. It is the myth that we can restore high economic activity by "reviving" consumer demand for the two truly depressed industries of today—automobiles and housing. In the very short run this pump-priming may work. For anything longer, say three years or so, demand in these two areas will be low and decline, no matter what economic policies we pursue. The demand will simply not be there.

THE AGE FACTOR

We have known for 50 years, ever since General Motors made its basic studies in the '20s, that the single most important factor in the demand for new automobiles in the United States is the number of people reaching the age at which they get their drivers' license. Of course, they do not, as a rule, buy new cars themselves. They buy the old cars and this enables the former owners of the old cars to buy new cars. And the number of these old car buyers, beginning in the next year or so, will go down by 25% or more and will remain low for the foreseeable future.

Similarly, we have known in respect to housing that it is not "family formation" that is, the number of men and women who marry (or otherwise take up housekeeping)—but the number of second children born, which correlates most closely with demand for new residential housing. And that number, too, is down. All that can be done by pumping money into housing in these circumstances is to drive up the price, which, I suspect, has been the only effect of all the governmental housing policies all along.

We are not "underhoused" in this country. We probably have too large a stock of housing, though, of course, it is not all in the places where the people are or want to be. What is needed is a policy that enables people to maintain the value of existing houses; whereas most of our present policy, beginning with rent control and continuing on to the exceedingly high interest rates for housing renewal, has the opposite effect and is—consciously or not—meant to discourage people from maintaining their homes and to encourage them to acquire or build a new one. And that cannot work.

The third myth is that deeply engrained belief that we, in this country particularly, practice "planned obsolescence" of products—and especially of automobiles. What we have been obsoleting and rapidly is the first owner of a car.

The American automobile, in fact, has a longer working life, measured in miles driven—the only sensible yardstick—than any other automobile. Indeed, the American system, under which people trade in their new car after a year or two, represents, without being planned, the most effective form of "income distribution" we have in this country—since the first owner pays about twice as much per mile as the third owner (if you include total expenses) so that the poorer people get cars in excellent working condition, good for another 50,000 miles, at a substantially lower price than the first owner paid for what is essentially vanity.

Assuming a new car price of $4,000, the first owner, driving an average of 10,000 miles a year, pays 28 1-3 cents a mile, consisting of a loss in the car's value of $1,200 and a mileage cost of 13 1-3 cents. The second owner, paying $2,500 (the dealer taking a slight loss normally) and keeping the car for three years, pays 20 cents a mile (a loss on the car of $2,000, $500 in repairs and 13 1-3 cents a mile). The third and final owner who pays perhaps $700 and drives 50,000 miles after which the car is worthless, pays 16 cents a mile.

A more equitable form of income distribution has never been designed. The car itself does not become "obsolete"; on the contrary, it keeps going on.

My fourth myth would be that basic belief, ingrained in practically all of our economists today, that there is in the American economy, or in any other developed one, a tendency towards "oversaving." This is largely the result of the belief that buying a house, paying Social Security or contributing to an employe retirement fund is "saving." But these are, in effect, "transfer payments." The only viable definition of "savings" is "funds which are available to create jobs." Housing does this to a minimal extent and Social Security not at all. Other key private pension funds, unless raided by irresponsible and shiftless elements such as have shown themselves in some recent union situations, will still accumulate capital for a few more years before their pension payments equal the amounts paid in.

Thus the savings in this country are grossly "undersavings." And we need to think through how to stimulate genuine savings—that is how to form capital available for investment in productive assets (the residential home is not such an asset by the way; it is a "durable consumer good").

TAXES AND PENSIONS

Fifth, there is the general belief that the corporation income tax is a tax on the "rich" and on the "fat cats." But with pension funds owning 30% of American large business—and soon to own 50%—the corporation income tax, in effect, eases the load on those in top income brackets and penalizes the beneficiaries of pension funds. In many cases it means an effective tax of almost 50% on the retired worker, as compared with the 15% or less that he is supposed to pay. The corporation income tax has become the most regressive tax in our system, and a tax on the wage earner and on wages. Eliminating it would probably be the single largest step we could take toward greater equality of incomes in this country.

Finally, there is the nice phony figure, believed by everybody and quoted again and again that the top 5% of income earners (those making more than $30,000 or $40,000 a year) own 40% of the personal wealth of America. It is, of course, becoming particularly popular as the old figure of "distribution of income" no longer supports those who tell us how terribly unequal American society is.

The joker, of course, is the word "personal." For the single greatest asset of the typical American middle and working class family, its future contingent claim on the pension fund of the employing company, is not "personal wealth." Nor is it "property." But it surely is an asset—and increasingly worth a great deal more than the family home or the family automobile. If it were included, and it is not difficult to do so on a probability and a statistical basis, the distribution of wealth in this country would show a remarkable and progressive equality in which age rather than income is the factor making for inequality.

This adjustment for contingency claims on pension funds would show that the top 5% income earners probably own, not 40% of the wealth of America but no more than 10%. Moreover, translating pension expectations into today's values, about 60% of the total amount of future pension claims is held by persons in the $9,000 to $20,000 wage bracket. This is by far their biggest asset. Yet, sadly, it is an asset being destroyed very rapidly by the impact of inflation.

These myths that I have enumerated are not harmless. They lead to "soak the rich" legislation which, in effect, then "soaks the poor," the former workers on pensions. They lead to policies enacted as "antirecessionary," which primarily fuel inflation without stimulating consumption or employment. And these myths inhibit the right measures—measures to encourage capital formation. Indeed, unless we discard these myths and face up to economic reality, we cannot hope to have effective economic policies.

SUPPORT FOR THE OVERRIDE OF THE PRESIDENT'S VETO OF H.R. 5901, THE EDUCATION DIVISION APPROPRIATIONS BILL

HON. JEROME A. AMBRO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. AMBRO. Mr. Speaker, I am pleased to see that I have been joined by the overwhelming majority of my colleagues in voting to override President Ford's most inappropriate and unfortunate veto of H.R. 5901, the education division appropriations bill.

While we are all concerned over the deleterious effects of inflation upon our economy, it seems ironic, indeed, that an administration that does not worry about the impact of considerable increases in the cost of petroleum products; for example, 5 to 10 cents per gallon of gasoline, is frantically attempting to prevent the enactment of a bill to aid education which amounts to a mere 3.6-percent increase over fiscal year 1975 while the cost-of-living has increased at the rate of 12 percent during the same period. It seems to me that there is a lack of understanding and sensitivity on the part of such an administration.

In addition, the administration's position displays an appalling lack of knowledge of the operation and financial base of most of our school systems. Everywhere within the Nation children have returned to school, school budgets have been approved, and employment contracts have been signed with teachers and other personnel. A cutback in Federal funds at this time would only mean an increase in the contributions made by local taxpayers. School boards all over the United States would have little choice but to replace fewer Federal dollars with more local dollars. The result would be greater reliance on the regressive property tax in place of the progressive Federal income tax for the education funds school districts have already committed themselves to spend during this academic year.

Mr. Speaker, I come from an area in which our residents are already staggering under the burden of school taxes. Many senior citizens are forced to sell their homes—homes they have worked their whole lifetimes to pay for—because they can no longer afford the property taxes necessary to finance education. Middle-income families have to work two and three jobs in order to afford their school tax bills. This is the time when we should be taking steps to shift the financing of education expenditures from the regressive property tax to a more progressive mode of taxation; this is not the time that we should be moving in the opposite direction.

Students of higher education would be severely hurt by a $440 million cutback in funds for the institutions that they attend, because these schools would be obliged by their own economic conditions to pass on increased costs to them by raising tuition or cutting services. This would come at a time when high tuition is already pricing middle-income students out of the college market and has seriously endangered nonpublic higher education.

I believe that this Congress has worked very diligently to become a more responsible partner with the President in the entire budget-making process. Although not required to follow the congressional budget process until the next fiscal year—1977—we have already embarked in that direction. I think that it is important to note that this bill, as passed by both Houses of Congress, is about $700 million below the target set for education in the first concurrent resolution for the 1976 budget.

In addition to the financial impact of the President's veto, I think that we must consider just what this legislation is all about: The quality of education and the maintenance of a sound educational system in our Nation. It is not a question of whether we can afford this bill, rather it is a question of whether we can afford to do without the programs that it funds: Assistance for physically and emotionally handicapped children, economically disadvantaged children, hundreds of thousands of students pursuing higher education and similar numbers enrolled in vocational and adult education. These programs contribute to the skills, self-reliance, and productivity of our Nation. This is definitely an area in which we should not be spending less money than we did last year. An educated citizenry is the mainstay of our economy and our democracy. The President's veto was ill-conceived, and I am pleased that this House was successful in overriding it.

LAKEHURST AIRSHIP MUSEUM

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. FORSYTHE. Mr. Speaker, Hangar No. 1 of the Lakehurst Naval Air Station was designated a national shrine in 1971 when the air station, one of the three oldest in America, celebrated its 50th year of active service. The Lakehurst Naval Air Station had been the operating base for the Navy's airship operation since 1921 until its mission was recently changed due to the cessation of the airship program. It is also the site of the explosion of the *Hindenburg* on May 6, 1937, as the famous German vessel was making one of its transatlantic trips. So the connection of Lakehurst Naval Air Station with the airship has been a long and prominent one.

The Airship Association, a nonprofit corporation formed by Vice Adm. Charles E. Rosenthal, U.S. Navy, retired, plans to create a museum to house displays and serve as a repository of airship information. In the past the Airship Association has been borrowing facilities at the Lakehurst Station for the storage of part of its collection.

Today I am introducing legislation which would authorize the Secretary of the Navy to convey about 13 acres of excess land at the Lakehurst Naval Air Station to the Airship Association as a site for an Airship Museum. In view of its history, the Lakehurst Naval Air Station is a most suitable and fitting location for such a facility.

Because of the importance of this museum center to New Jersey, I have been joined by the entire New Jersey congressional delegation in introducing this legislation. We hope our colleagues in the Congress will support its speedy passage and thus insure that a major phase in aviation history is properly documented, preserved, and made available to the public.

LITHUANIAN OPPRESSION CONTRARY TO HELSINKI

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. DERWINSKI. Mr. Speaker, there has been a great deal of debate over the meaning of the Helsinki accord, especially the interpretation of the lessing of restrictions over the peoples help captive behind the Iron Curtain.

In a special article which appeared in the September 12 edition of The New World, a publication of the Chicago Catholic Archdiocese, Father Joseph Prunskis examines the religious oppression enforced by the Soviets in one such captive nation, Lithuania. This commentary follows:

LITHUANIAN OPPRESSION CONTRARY TO HELSINKI

(By Father Joseph Prunskis)

CHICAGO.—In Helsinki the Soviet Union accepted an obligation to respect human rights. There are many practices behind the Iron Curtain which necessitate change. The first necessity is to discontinue religious oppression. "The Chronicle of the Catholic Church in Lithuania," an underground paper, registered the following facts:

On Feb. 11, 1975, a group of students of the veterinary academy, while driving to Kurtuvenal, stopped at the Lithuanian shrine of Our Lady of Siluva. For this reason they were later interrogated and the administrator of the academy lost his position, being accused of giving the bus to the students.

In his lecture the Politechnic Institute, K. Tumenas, Soviet official for religious affairs in Lithuania, stated that half the population of Lithuania practice their religion, about 45% of the children are being baptized, about 25% of the marriages are performed in churches, and about 51% of the funerals are according to ecclesiastical rites.

Announcing these statistics, the Soviet official admitted that their atheistic propaganda carried on for more than 30 years was not so successful. In reality, the percentage of practicing Catholics is even larger.

On Dec. 25, 1974, a group of students of the Pedagogical Institution of Sauliai came to class in their best clothing, demonstrating their respect for the Christmas holiday. For this "transgression" they were ordered to go to church, write a report about the sermon of the priest and submit it to the communistic youth organization. The students refused to obey, stating that acts of denunciation are not included in the obligations of students.

Zenonas Miskautas was prevented from finishing his studies at the Politechnical Institute because he was planning to enter the priests' seminary. When his brother wanted to study at the Politechnical Institute of Sauliai, the director promised to accept him only on the condition that he would promise never to attend church services, that he would join the Communist youth movement and that he would not follow the example of his brother.

The pupils of Klaipeda High School were ordered to answer the questions: Do you believe in God? Do you go to church? Who prepared you for First Communion? Who from your family attends church services? Some students dared to indicate that "This is our private life," and they did not give information as requested.

At the high school of Kudirkos Naumiestis on Christmas Eve, a teacher organized an atheistic play mocking religion. He ordered pupils who were known believers to take part in this atheistic play. However, the parents protested and the play collapsed.

The underground paper reports that some Lithuanian priests are intensively forced to cooperate with the secret police in giving information. They are promised a good parish and other favors; and if they refuse, they can expect slanderous articles in the papers, revocation of their work permit, even forced labor in the woods, at construction, or transfer to some small parish in a distant corner of the country and be labeled a reactionary.

The faithful in the underground paper are protesting against the interference of Red authorities in the appointment of priests and against obstruction of young persons desirous of entering the seminary.

The Church of the Lithuanian patron saint, St. Casimir, in Vilnius has been turned into an atheistic museum. In independent Lithuania there was a museum of religious art, but this one is closed. Parents whose children attend church in many instances do not get the loan of a horse from the kolkhose for planting crops in a small piece of land given for their cultivation.

Some highly qualified professors from the seminary were transferred to distant parishes because atheistic government officials did not like them.

Red officials do not permit men to enter the seminary before military service; they do not allow the acceptance of students from universities or other schools of higher education. Lithuania is a Catholic country, but there is not one Catholic newspaper; even the printing of a catechism is not permitted. The Red officials in numerous instances forced the bishops or administrators of the dioceses to revoke their assigned date for Confirmation in various parishes.

The Soviet constitution guarantees religious freedom; however, that stipulation is for propaganda's sake only. Red bureaucrats feel completely free to oppress the Church and believers as much as they can.

WILDCAT WELLS REOPEN GULF OF MEXICO TO EXPANDED DRILLING AT EXPLODING COSTS

HON. DALE MILFORD

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. MILFORD. Mr. Speaker, colleagues, while we are bandying about the pros and cons of energy legislation, control and decontrol of oil and natural gas prices, let us also consider the rising costs to producers.

To that effect, let me call your attention to an article which appeared in the Fort Worth Star Telegram, September 15, 1975.

The article reports on the rapidly expanding new oil discoveries in the Gulf of Mexico—an optimistic view to the once-held premise that the gulf was just about through as an oilfield. In the year or year and a half in which oil prices have been permitted to escalate along with all other prices, we have seen producers willing to sink an exploratory well. With the financial encouragement of higher prices for new oil they have been more willing to bear the capital risk involved.

Mr. Speaker, this type of activity—exploration and gearing up for production—seem to bear out the whole point of free enterprise, and that is, supply and demand are the best price controls and resource stimulators, and far more flexible than arbitrary governmental controls.

I would urge my distinguished colleagues to read this optimistic report on the oil and natural gas situation:

NEW STRIKES IN GULF—DEEP WATER DRILLING PAYS

NEW ORLEANS.—People used to fear that the Gulf of Mexico was just about drilled out, but now giant rigs are opening up new oil discoveries way out there in deep water.

Strikes by separate oil company combines headed by Shell Oil Co. and by Amoco Production Co. may portend a profitable new ball game for the Gulf, though company announcements were cautiously worded.

There's no doubt that new oil and gas logged by the drillers are the talk of the industry along the Gulf, which has long been one of the world's richest oil areas.

With a wildcat oil well now backed up by another hole two miles away, Shell and partners have two semisubmersible rigs, the Ocean Queen and Pacesetter II, making more holes.

Shell said the 9,700-foot "confirmation" well was drilled by a rig working in water 1,050-foot deep—a record for the Gulf. However, Placid Oil Co., plans to begin drilling soon in water 1,750 feet deep.

The exploratory tests were carefully plugged with cement at several points below the sea-bottom. The day that they, and other wells, can be connected onto an underwater pipeline to shore won't come for four or five years.

Deep water strikes greatly expand the Gulf area heretofore considered prime prospecting area. The best shallow water sections already bristle with some 12,000 oil and gas wells.

At this point, the deepest water over a producing well in the Gulf is about 370 feet.

But operations in deep water, whether exploratory drilling or production work, is very expensive.

Shell is designing a production platform that will stand on steel legs in 1,000 feet of water. In 1974, engineers estimated such a platform would cost $30 million but now they don't want to even talk about what inflation has added.

"Obviously, those 1974 figures no longer hold," a spokesman said.

The successful Shell and Amoco exploratory tests are located on offshore leases about 15 miles southeast of the Mississippi River's South Pass. The area lies about 150 miles due south of Biloxi, Miss.

Shell and partners paid the federal government $214 million for leases on three three-mile square tracts at a 1974 offshore sale. The Amoco combine paid $81 million for its one adjoining tract.

The first Shell well logged oil-bearing stratas totaling 162 feet in thickness, with nine feet of gas and 26 feet of probable oil pay. The second well, two miles away, logged 46 feet of oil strata, 24 feet of probable and 32 feet of gas pay.

TENTH ANNIVERSARY OF FOSTER GRANDPARENT PROGRAM

HON. ALBERT H. QUIE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. QUIE. Mr. Speaker, "I am a Foster Grandparent and am proud of it," wrote Ethel Fuchs of Rochester, Minn., to me in a recent letter.

Another Foster Grandparent, Mrs. Irvin Smith, also of Rochester, Minn., wrote recently that as a member of the Foster Grandparent program, she has been able to give considerable time to individuals who need it. A young girl she befriended "dearly loves to have companionship and attention" that she would not otherwise get. Another of Mrs. Smith's "grandchildren" is receiving from her vocabulary training because "the regular staff does not have the time for things like that."

Mr. Speaker, the Foster Grandparent program is celebrating its 10th anniver-this opportunity to commend the thou-sary this year, and I would like to take this opportunity to commend the thousands of dedicated individuals who serve in this program.

A Foster Grandparent provides an extra dimension in the lives of children by providing services, moral support, and above all, an abundance of love to individuals who are in desperate need.

For example, severely retarded children so often are not able to experience successes in even the most fundamental of tasks, but through the help of these dedicated "grandparents" who give the time and the patience necessary to help these children, many achieve success.

While we are on the topic of success, I want to bring to the attention of my colleagues that one of the first 21 Foster Grandparent programs in the Nation was in Minnesota, at the St. Cloud Children's Home, under sponsorship of Catholic Charities. A second project began the following year and has blossomed into a statewide project sponsored by the Minnesota Association for Retarded Citizens. From the original 32 "charter" Foster Grandparents, the program has grown nearly tenfold, to 306 Foster Grandparents in the State. On September 23, over 300 Foster Grandparents will gather in St. Cloud to celebrate the 10th anniversary of this program. Four men and eight women, who are among the Nation's original Foster Grandparents and who continue to serve at the St. Cloud Children's Home, will be specially honored at this recognition luncheon. John Keller, Deputy Director of the Washington ACTION Office, will make a September 23 appearance in St. Cloud to honor these members.

Two Foster Grandparent programs are operating in my own First Congressional District. The Rochester, Minn., program began in 1971 and now boasts 25 members. In Faribault, Minn., the program which began in spring of 1966 now has 50 members and continues under the strong leadership of Supervisor Beryl Lattimore. I have visited with Faribault Foster Grandparents on many occasions and have been very encouraged by their enthusiasm for this program. Although children have benefited greatly from this program, it can also be said that Foster Grandparents have benefited equally.

Currently, Minnesota's 306 Foster Grandparents serve in six State hospitals, six cities, and two institutions.

The "grandparents," while giving hope and help throughout my State as well as the rest of the country, also derive great personal satisfaction. The following comments were made by some of the 12 still-living "grandparents" who will be honored next week for their work at the annual statewide Foster Grandparent luncheon:

Mrs. Lena Schueller of St. Cloud says:

> Being a Foster Grandmother changed my life from loneliness to a helpful person. It makes me feel good to be able to help others in their need. Also it gives me a little extra income.

Mrs. Regina Novotny, also of St. Cloud, said:

> Being a Foster Grandparent has given me something to look forward to each day, a challenge, a fulfillment of being needed. Seeing students respond to your help brings a warmness and satisfaction that comes from being needed and making someone happy. It means a happy day for the giver and the receiver which otherwise might have been a lonely day.

Finally, Mrs. Christine Adams, also one of the 12 original Foster Grandparents in St. Cloud, said:

> I dearly love these kids, and the consideration and love they show us is beautiful, for there is something lovely in each one.

She added:

> My heart and soul reach out to those kids, for I, too, was a disturbed youngster. I did not get into a lot of trouble, but I withdrew from people. I had no friends, and was always on the outside, looking in. Always alone. By the time I was 13, I had withdrawn to a fantasy world of my own. . . . We thank you for the Foster Grandparents program. We pray that you will bless all those who have helped with their time and money, from the President to the taxpayers. Bless our United States.

DEATH VALLEY MAY BE TRUCKED AWAY

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. ANDERSON of California. Mr. Speaker, earlier in this session of Congress, we passed H.R. 25, the Surface

Mining Control and Reclamation Act. Unfortunately, we were unable to override the President's veto of this vital legislation. Now, the need for this type of effective strip mining control is being demonstrated once again—in California, of all places.

The Golden State has never been noted for coal production. But strip mining techniques are applied to other minerals as well. At the present time, massive borax mining operations are under consideration within the Death Valley National Monument. There is no legal way for the Park Service to put a stop to the filing of mining claims in some of the most unique and beautiful desert landscape in the United States—and unless something is done, a large portion of this unique area will literally be placed in trucks and hauled away.

Of special concern is the Zabriskie Point area of the monument, which has one of the most breathtaking views in the Nation. If strip mining is allowed here, through our lack of Federal mining controls, a valuable national monument will be destroyed forever.

The following article from the Los Angeles Times present this tragic situation in a complete and thorough manner. I feel it effectively demonstrates the need, not only for effective surface mining control, but also for better safeguards for our national recreation areas.

The article follows:

MINING IN DEATH VALLEY—"GOD'S CREATION" MAY SOON BE TRUCKED AWAY

(By Robert A. Jones)

DEATH VALLEY NATIONAL MONUMENT.—The view from Zabriskie Point in these stark hills has always dazzled visitors. A contrast of pink and beige arroyos set against the deep purple of distant mountains, it is a panorama at once so intimate and vast that one pioneer wrote to his family that he had "just seen all of God's creation" from one place.

But future visitors may discover that the view from Zabriskie Point includes more of God's creation than they counted on. The Tenneco Corp., in a move that has both frustrated and enraged the National Park Service, has staked a mining claim here, apparently with the intent of opening a strip mine directly in the line of sight from the scenic turnout.

"We'll be able to stand right here," said James B. Thompson, the monument's superintendent, "and watch trucks haul away part of the view. And if the legal situation doesn't change, we'll be helpless to stop it."

After a 30-year decline, mining activity is booming in Death Valley. There is borax here and Tenneco wants it. Aready the company has opened two strip mines inside the monument where huge earth-hauling equipment is removing 130,000 tons of borax a year. The U.S. Borax and Chemical Corp. also is searching for new deposits.

The Boraxo mine, the oldest and largest pit, was opened by Tenneco in 1971. Its oblong shape now exceeds a half mile in length and at the bottom bulldozers crawl toward new layers of ore 200 feet below the surface.

Borax, however, is not the only mineral that has become economically attractive here as demand for raw materials continues to soar. In the southern section of the monument eight talc mines have been opened in recent years and large white scars now mark their presence on the slopes of the Panamint mountains.

In all, Park Service officials say, 1,827 mining claims have been filed inside the monument, covering more than 36,000 acres. The total is increasing by nearly 200 claims per year and the Park Service now employs two full-time and three part-time staff members just to keep records of the mining activity.

"The history of borate mining, with all its 20-mule-team fame, is pale by comparison (to present activity)," a recent Park Service report noted. "As a result, the natural features, for which the monument was established to protect, are being totally and irreparably altered at a rate of nearly 200 acres per year. Exploration, work on mine roads and minimum work done to hold mining claims is marring the natural features on an additional 1,000 acres per year."

The whole thing seems incongruous inside one of the nation's great natural shrines. Visited by 700,000 persons a year, Death Valley is usually regarded—like all national parks and monuments—as inviolate and preserved forever.

Yet the mining activity, for all its incongruity, cannot be stopped by the Park Service, according to a recent ruling by the attorney for the Department of Interior.

Although the monument was originally withdrawn from mining when it was established in 1933, a concerted lobbying effort by mining companies, with the help of the secretary of interior, persuaded Congress to reverse itself a few months later. The monument was reopened to mining.

In a recommendation to Congress that such rights be restored, then Secretary of Interior Harold L. Ickes wrote: "It was not the desire to prevent prospecting and mining within the area, as such activities would in no way interfere with the preservation of the characteristics of the area sought to be preserved. In fact the picturesque miner is one of the characteristics which give the area the color of the early pioneer days and his continuance there would be a very desirable feature . . ."

Thompson stood at the lip of the huge Boraxo mine the other day with great clouds of dust swirling in the air and trucks dumping tons of waste onto the desert floor. "There is your picturesque miner," he said with a tight smile.

When Congress reintroduced mining rights here 42 years ago, it is generally agreed, no one envisioned the development of massive earth-moving equipment that has allowed the present-day techniques of stripping or open-pit mining.

The early history of mining these hills, in fact, reveals far more failure than success. For decades, miners with pickaxes poked and sifted through the alkali dust of the valley, looking for gold, silver, or copper. They never found much.

After borax ore was discovered near the turn of the century, the U.S. Borax Co. and its 20-mule-teams shipped ore from the valley for more than 30 years using underground mines. By the time the operation became uneconomical in the 1940s the mines were shut down, the total mineral production of the valley had amounted to only $3 million over a period of almost 50 years.

Four years ago Tenneco began the resurgence by opening the first mine at Boraxo. The mine extracts ulexite and Colemanite, both borate ores which are currently used in structural glass fiber and insulation.

The results of the resurgence now are spreading like gigantic ant hills in sections of the monument. In the small canyon that leads to Dante's View on the east side of the monument, small stakes marking mining claims sprout like strange plants from the floor. For each of the stakes a crude road has been scraped to allow drilling rigs to dig into the valley in search of more borax.

Recent prospecting has caused the construction of 300 to 400 miles of such roads throughout the monument, Thompson said, each of them scarring the fragile desert surface in ways that may take centuries to heal.

Though the Department of Interior require permits before roads may be constructed, the regulation has not always been enforced. According to Park Service officials, Tenneco at one point scraped a 60-foot-wide road near the Boraxo mine without a permit and then discovered the road led to the wrong location. Another road was built.

In the talc mining region, currently being worked by Pfizer, Inc., Johns-Manville Corp., and Cyprus Industrial Minerals Co., road construction has come to resemble mountain subdivisions with the dirt thoroughfares leading to small cul-de-sacs bulldozed flat in the sides of mountains.

Tenneco maintains that its activity in the park is in keeping with the area's historic traditions. Although one company official said it was unlikely that mining at Zabriskie Point would take place soon, Tenneco takes some pride in its current operations and has suggested to the Park Service that a viewing platform be erected so visitors could watch the operating strip mines in action.

Any effort to limit future mining activities, the company official said, would be opposed.

"The Park Service is trying to deny us the mining right that was given to us by Congress," said William Tilden, counsel for Tenneco. "In doing so, it seems to us that they become proprietary. But they do not own the monument, the people do, and we believe Congress has spoken for the people."

Park Service officials concede that at present they are all but powerless to stop or even control the expansion of mining here. After filing a claim, each of which covers about 20 acres, companies can eventually acquire title to the land they mine, effectively removing them from most government regulations. The land, sometimes running into thousands of acres in contiguous blocks, is acquired virtually without cost to the mine operators under the Mining Law of 1874.

Late last year, the Park Service forwarded to Congress a recommendation that much of the monument be placed under a wilderness classification, thereby excluding future mining expansion. Present operations, however, would be allowed to continue and all present claims honored. Congress has yet to act on the recommendation.

A stronger measure, in the form of a draft bill, was circulated internally at National Park Service headquarters in Washington. The bill would have given the Secretary of Interior the authority to withdraw from mining all lands inside national monuments that were deemed to be of natural, scenic or historical value. The bill, however, was never submitted to Congress.

In addition to Death Valley, four other units of the National Park system currently are open to mining. They are Glacier Bay National Monument and Mt. McKinley National Park in Alaska, and Organ Pipe and Coronado National Monuments, both in Arizona.

Last week, Rep. John F. Seiberling (D-Ohio), submitted a bill that would withdraw all such lands from mining with the proviso that existing claims be allowed to continue.

Aides to Sen. Alan Cranston (D-Calif.), noting that the Seiberling bill would not affect the two operating Tenneco mines, said consideration was being given to a further measure that would end all mining in Death Valley whether or not the mines predated the legislation.

Meanwhile the trucks come and go out of Furance Creek Wash, hauling borax from the monument to processing plants outside the valley. Little clouds of dust trail after them, bulldozers push ever-widening fans of waste onto the desert and the whole thing has come to resemble a sanitary landfill.

NATURAL GAS SHORTAGES

HON. JAMES R. MANN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. MANN. Mr. Speaker, I am today introducing with 19 cosponsors legislation designed to ease the impact on employment of expected natural gas shortages this winter.

This bill would allow producers, pipelines and distributors to obtain their gas for 180 days from the intrastate market at unregulated prices to insure continuous supplies to their customers. It stipulates that pipelines which take advantage of this authority to keep their industrial and large commercial users supplied are assured that increased costs incurred by buying from the intrastate market may be passed along to the indutries which purchase that gas. Further, it restricts use of intrastate gas under this authority to efficient uses, such as cloth-finishing, glassmaking, and petrochemicals.

As my colleagues know, the FPC has been regulating the price of natural gas transported across state lines for 20-plus years, and the interstate price is currently only about a third of the going rate on the intrastate market. Further, the Government has divided potential gas users into classifications, so that domestic and small commercial users are virtually assured of a noninterruptible supply of gas while industrial and large commercial users must rely on a supply-available basis. Thus, we have a paradoxical situation where the brunt of shortfalls is thrown onto industry in complete disregard of the havoc such shortfalls could cause in the job market, a rather unreasonable posture for an administration and a Congress ostensibly trying to reduce the unemployment rolls.

The chief virtue of my bill is its very simplicity. Let us look at where we are: the administration and many Members of Congress want total deregulation of natural gas; some Congressmen believe that intrastate gas should be at least partially regulated; the Senate is ready to consider a complicated bill that allows some deregulation depending on the circumstances, and that bill, if the news reports are correct, faces pretty tough opposition. So I think it is fair to say that we cannot expect any of these longer range proposals to be enacted by Congress and signed by the President in time to avert a potential disaster this winter.

We also have several temporary relief bills, similar to my own, and frankly, Mr. Speaker, I am prepared to accept almost any kind of bill that will guarantee that industries and large commercial natural gas users will have access this year to the gas they need. But the legislation which has received the most attention contemplates some kind of a ceiling on intrastate natural gas prices, and surely courts a presidential veto even if Congress could pass it in the face of a threatened Senate filibuster. Other bills, with basically the same goals and the same mechanisms as mine, would require the FPC to take actions it already favors, and could provoke another confrontation between the executive and the legislative branches.

Surely, our most reasonable course of action is embodied in my bill. It is a simple bill designed to get us through the winter, and does not pretend to be a long-term "deregulation" or "more-regulation" proposal. It is the FPC proposal itself with the addition of an assurance that pipelines can recover increased costs. It would presumably not run into administration objections; it would meet the needs of industry and should thus be supported by Members who are concerned about jobs and plants in their districts and the country itself. It could hopefully be easily passed and signed in a minimum of time.

And, is not that what we are really talking about—time? We are talking about shortages this winter, not in a year or 2 years. If we are serious about saving jobs by keeping industries open, should we not take the simplest way open to us if that way will work?

Mr. Speaker, I am one Member who is tired of confrontation politics, especially if they hurt my State and my Nation. While a long-term solution is admittedly needed, we just cannot afford to spend months examining every aspect of the natural gas pricing problem if we expect to have a solution in time for this winter.

We know the problem exists. Let us this time give our attention to a proposal that has a good chance of success, instead of mourning in February increased unemployment which could well be attributed to natural gas shortages.

Mr. Speaker, for the benefit of my colleagues, the text of my bill and its cosponsors follow:

TEXT OF THE 180-DAY RELIEF BILL

A bill to amend the Natural Gas Act.

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

SECTION 1. The Congress hereby determines that—

(a) domestic supplies of natural gas available for interstate commerce are not sufficient to meet present and anticipated national and regional needs;

(b) shortages of natural gas have created and are likely, in the near future, to continue to create severe economic dislocations and hardships;

(c) such shortages have jeopardized the normal flow of commerce and constitute a supply crisis which is a threat to the public health, safety, and welfare; and

(d) such shortages can, in part, be alleviated by granting the Federal Power Commission emergency authority to exempt temporarily certain activities and operations relating to the sale, transportation, transfer or exchange in interstate commerce of natural gas or of commingled natural gas and synthetic natural gas, from the provisions of the Natural Gas Act.

SEC. 2. That section 7(c) of the Natural Gas Act is amended by adding at the end of such section the following:

"*Provided further*, That within fifteen days after the passage of this amendment, the Commission may by regulation exempt from the provisions of this Act any activities or operations relating to the transportation, sale, transfer, or exchange of natural gas, or of commingled natural and synthetic natural gas, or of liquefied natural gas, from any source other than Federal domain areas, by a producer, an interstate pipeline, intrastate pipeline or distributor, to or with an interstate natural gas pipeline company which does not have a sufficient supply of natural gas to fulfill its firm contractual requirements or interruptible requirements for residential, commercial, or industrial needs for plant protection, feedstock, or process uses for which no alternate fuel is available, and which is curtailing deliveries pursuant to a curtailment plan on file with the Commission, or to or with any purchaser or consumer of natural gas which has been purchased from such a pipeline, directly or indirectly. No exemption granted under this proviso shall exceed one hundred and eighty days in duration. The Commission shall not deny, in whole or in part, the purchase price paid by an interstate natural gas pipeline company for gas exempted under this proviso and regulations issued hereunder.".

COSPONSORS OF 180-DAY RELIEF BILL

Thomas L. Ashley (D-Ohio).
Butler Derrick (D-S.C.).
Willis D. Gradison, Jr. (R-Ohio).
James F. Hastings (R-N.Y.).
Kenneth L. Holland (D-S.C.).
Henry J. Hyde (R-Ill.).
John W. Jenrette, Jr. (D-S.C.).
Walter B. Jones (D-N.C.).
Thomas N. Kindness (R-Ohio).
Paul N. McCloskey, Jr. (R-Calif.).
James G. Martin (R-N.C.).
Dawson Mathis (D-Ga.).
Romano L. Mazzoli (D-Ky.).
Charles A. Mosher (R-Ohio).
Stephen L. Neal (D-N.C.).
John F. Seiberling (D-Ohio).
Floyd Spence (R-S.C.).
G. William Whitehurst (R-Va.).
Charles Wilson (D-Texas).

SOVIET METHODS WORRY DOCTORS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. McDONALD of Georgia. Mr. Speaker, for some time now it has been known in the West that the KGB regularly confines dissidents to special psychiatric hospitals where they are treated with drugs designed to destroy their minds if they do not recant their errors. The free world has been mild and disunited in its denunciations of this practice. Now some British doctors are stirring on the subject and it seems overdue. The news item from the London Daily Telegraph of September 11, 1975 follows:

SOVIET METHODS WORRY DOCTORS

A new committee headed by Prof. Henry Dicks, internationally known for his work on the psychology of totalitarianism, is behind fresh pressure in the Royal College of Psychiatrists to take a less ambiguous stand over the treatment of Soviet dissidents.

Though the new President of the college, Prof. Linford Rees, has said he will make protests when "appropriate," several leading figures are already being brought near death by "medical treatment" in "special" hospitals.

Prof. Dicks's committee, which includes Victor Fainberg, released from a Russian prison-hospital last year after Western protests, wants the college to send a commission of inquiry. If this is barred, it feels Western medical organisations should ostracise their Russian counterparts.

Increasingly, British psychiatrists are concerned not only over the college's failure to speak out but over the activities of the World Psychiatric Association to which it is affiliated, and of which Prof. Rees is treasurer.

Dominated by British and Soviet psychiatrists, the association has condoned Russian methods of "curing" dissidents of such diseases as that allegedly afflicting the mathematician Leonid Plyushch. Soviet doctors have diagnosed him as suffering from "schizophrenia with reformist ideas."

UNION OIL CO. COMMENTS MADE ON THE ENTITLEMENT PROGRAM

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, the Federal Energy Administration's old crude oil entitlements program continues to attract comment, complaint, and criticism, and on June 13, 1975, correspondence stating the case for the program was inserted in the RECORD for it seemed to me that the comments of the Federal Energy Administration on this matter were deserving of the scrutiny of all my colleagues.

Inasmuch as the statement of the Federal Energy Administration was motivated on the basis of critical comments made about it by the Union Oil Co. regarding the inequity of the entitlement program, it is fitting that in the spirit of openness the subsequent reply of Mr. Fred L. Hartley, chairman and president of the Union Oil Co., be shared with my colleagues, and therefore, I insert it in the RECORD at this time:

JUNE 25, 1975.

Mr. GORMAN C. SMITH,
Assistant Administrator, Regulatory Programs, Federal Energy Administration, Washington, D.C.

DEAR MR. SMITH: I appreciate your letter of May 29 and the frank comments about your reaction to the material we provided to some of our dealers and jobbers regarding the entitlements program. Please recognize that my reply is in the same spirit of openness.

Let me first say that I admit that the material may contain an error or two, though I deny that it contains "gross factual errors". Also, I agree that it overstressed the damage done to our company by the entitlements program. For balance, we should also have listed the damages caused by the FEA's arbitrary profit margin limits, the FEA imposed lag in allowance cost recovery, and the various administrative exceptions to the entitlements program that the FEA has granted to 20 or so of our competitors.

In defense of any errors, I can only say that they were honest ones, caused by an oversimplification of a complicated government program. I suspect that even you, at times, find yourself in misstatements of this nature.

Our overemphasis on the problem of entitlements, on the other hand, resulted from a different reason: frustration at what may well be the straw that breaks the back of our company's efforts to survive as a viable, national refiner and marketer.

Consider, for example, the following data for Union Oil's Refining and Marketing Division:

	Total net assets refining and marketing (billions)	Approximate after-tax return (with full-cost allocation) (percent)
Year:		
1968	$1.1	3
1969	1.2	2
1970	1.4	1
1971	1.6	½
1972	1.7	1
1973	1.7	1
1974	1.8	2
1975 (estimate)	1.9	−1

[1] Includes allocation of corporate interest and overheads.

We have organized our refining and marketing data in this form because it ties to the FEA's concept of the entitlements program: providing for the "equitable" treatment of refiner-marketers. As you can see, after four years at only slightly over a breakeven, our refining-marketing earnings rate rose to about 2% in 1974. Then suddenly, even that slight plus was wiped out at the start of 1975 by the necessity to purchase the right to refine what we thought was our own crude oil. These above numbers, shown as they are in cold print, do little to convey the frustrations and anger experienced by all of us who have struggled for so long to figure out how to make an acceptable return on our refining and marketing investments. Our failure, I'm convinced, is not because of inefficient refineries or costly marketing. Rather, the failure is due to a variety of external events beyond our control. I must add that these numbers show clearly why we must now shift our corporate strategy to one of reducing the relative importance of this losing side of our business.

Shifting to some specific points in your letter to me and the attached letter to Senator Fong, I'd like to offer these comments:

1. As the above data brings out, we have difficulty in identifying the "substantial competitive advantage" that we "enjoyed" in 1974 (to use your words to Senator Fong). Your quoting of U.S. refiner-paid raw material "costs" to back up your point is to view the issue much too narrowly. The real question is what profit do the companies make as they move oil from all their wells (not just those in the U.S.) to all their markets. Viewed in this proper broader context, it becomes clear that Union's access to its own controlled "old" oil was one of the few opportunities that our refineries had to compete with the big companies that continue to reap upstream profits by moving overseas crude oil into their U.S. refineries. (Ironically, many of these big companies are now earning "entitlements" while doing this!) I recognize that the entitlements program may be helping small, crude-short independent refiners, but our key point is that an unfair amount of this help is coming out of the hide of the middle-sized companies (such as Union, Cities Service, Kerr-McGee, Marathon, and Continental). If your program helps to squeeze such middle-sized ones out of existence, who, I must ask, will be left to compete with the surviving handful of giants?

2. We disagree with your reading of the language of the Emergency Petroleum Allocation Act. I fail to see where this Act, which admittedly carries many conflicting objectives, gave the FEA a "mandate" to install the entitlements program. The record clearly shows that the decision was a discretionary one, taken after much Executive Branch debate over a several-month period.

3. Your statement to Senator Fong that because small refiners "collectively account for a small share" and, consequently cannot pose an "effective threat to a major marketer" doesn't square with real-world marketing facts. The causes of price cuts (or failures to increase when warranted by cost increases) are many. Often, they can be traced to the pricing decisions of a mere handful of stations. If you disbelieve this, I invite you to study present gasoline pricing strategies and market share patterns in the Los Angeles market.

4. Obviously we should not have said that the small-refiner exemptions were "permanent". This was apparently a Freudian slip which carried over from our experiences with the Oil Import Plan, where we spent ten years trying (unsuccessfully) to eliminate "temporary" small-refiner exemptions. I think it fair to say that many of the small-refiner exemptions were granted for the current life of the program and for reasons that would be equally valid if the Act and the program are extended. However, I'm pleased to learn that such inequities will not necessarily be repeated in any extensions of the program.

5. In your letter to Senator Fong you state: "The Entitlements Program causes the price advantage of all oil to be shared among all refiners." While this may be conceptually true for "old" oil (though certainly not for all oil), in practice it may not work that way even for old oil. While the sellers of entitlements are paid in hard cash, the buyers are given a sort of an I.O.U. to attempt to recover the added costs from the market place. For a variety of reasons (including other FEA actions), the market place may refuse to cooperate—thus leaving the buyers holding the bag.

Finally, let me say that I thoroughly agree with your statement that the right thing to do now is to eliminate two-tier crude pricing as promptly as possible. I propose that we stop wasting valuable time by writing letters like this to each other and that we concentrate our efforts on this larger National goal.

Sincerely,

FRED L. HARTLEY,
Chairman and President.

INDIAN HEALTH CARE IMPROVEMENT

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. RHODES. Mr. Speaker, in an attempt to alleviate the deplorable condition of some Indian health facilities, the Senate passed the Indian Health Care Improvement Act on May 13, 1975. On June 12, 1975, Congressmen CONLAN, SAM STEIGER, LUJAN, and I introduced a similar measure in the House. Twenty-four other Representatives have since added their support.

My good friend and fellow Arizonan, Senator PAUL FANNIN, who was one of the sponsors of the Senate bill, recently wrote an article for the Arizona Republic in which he details some of the shocking facts of Indian health care. I would like to share this article with my distinguished colleagues in the House:

INDIAN HEALTH SERVICE: SOME GAINS, BUT A LONG WAY TO GO

While most Americans have a life expectancy of 70.8 years, the Indian and Alaska native can expect to live to 65.1 years of age.

Lack of proper health care does more than cheat Indians out of 5 years of life; it also deprives them of the opportunity to achieve economic and social progress.

Good health is essential if the Indian population is to become an asset, rather than a burden, to American society.

At present the Indian health care system is deficient in manpower, in services, and in quality facilities. It is a total crisis.

The Indian Health Service in Arizona serves 17 tribal reservations with 114,000 Indians. It utilizes 10 hospitals, 19 health centers, 150 health stations, 6 mobile dental units and 2,170 employees.

It must overcome low levels of education, poor housing, language barriers, rugged geographical obstacles, lack of transportation, cultural obstructions, and extreme poverty.

During the past 20 years, the Indian Health Service has made substantial progress.

Infant death rates are down 69 percent, the tuberculosis death rate is reduced 89 percent, and deaths from influenza and pneumonia have decreased 54 percent.

Use of community hospitals and physicians to deliver Indian babies has dramatically reduced infant death at birth. Yet, infant death rates still remain 1.4 times the national average.

Successes by the IHS have generated confidence among Indians and have overcome old tribal taboos. This increased demand, however, has highlighted the deficiencies in the program.

IHS hospital admissions have risen 107 percent and the utilization rate has increased 41 percent in 20 years.

Doctors once had the alternative of IHS service instead of military duty; with no worry over the draft, doctors no longer have such an incentive to volunteer for IHS.

Shortages in staff are even more critical. Only 18 of 51 IHS hospitals can meet 80 per cent of staffing standards; 14 hospitals can only meet 40 per cent.

Current shortages are not confined to physicians or nurses, as pharmacists, technicians, and other allied professionals are in short supply.

Of equal importance is the shortage of Indian health professionals. According to 1973 figures, only 17 per cent of the professional medical personnel of the IHS were Indians. Only four Indian physicians are practicing in the IHS.

Although a number of serious health problems have been resolved, the rates of certain diseases afflicting Indian people particularly have risen dramatically over the years.

For example, between 1965 and 1971, strep throat and scarlet fever increased 218 per cent, and influenza by 243 per cent.

Perhaps the clearest indicator of the inability of the Indian Health Service to provide adequate services is the number of surgery cases which it cannot perform.

In fiscal 1975, the IHS estimated that it would perform 3,611 surgical procedures—but would not be able to perform 20,329 other needed operations.

Otitis media provides another dramatic example.

This disease of the middle ear is one of the most prevalent diseases affecting Indians. In 1973 there were 12,104 cases per 100,000 population.

A Government report stated, "Otitis media can result in serious permanent damage to the ears which severely limits children's ability to progress in school and which reduces vocational and social opportunities. If left untreated, the disease can develop life-threatening complications including the formation of a growth in the middle ear and/or on the bone structure behind the ear. Without surgical intervention, the growth may erode into the brain and terminate in a fatal meningitis or brain abscess."

Despite the evidence and the need for increased levels of detection, treatment, and surgical operations, the Indian Health Service cannot, with present resources, meet the need.

As for dental care, the IHS reported that it was able to meet 42 per cent of the estimated need in 1974 and expects to meet 45 per cent of the required services in 1975.

* * * * *

According to the Indian Health Service, 88,600 adults and 10,000 children need glasses which the IHS is unable to provide.

In Arizona, the Winslow Hospital was built 41 years ago, the hospital at Parker in 1930, the original building at Sacaton in 1942, and the initial facility at Whiteriver in 1939.

These hospitals, as well as others throughout the Indian Health Service, must be either completely replaced or refurbished.

Finally, there are serious deficiencies in staff housing. Present estimates are that 479 units are needed to meet current staffing needs, while 193 existing units should be replaced.

Thus, Indian people are unable to obtain the necessary health care to sustain them and their communities in their struggle against poverty, disease and countless other afflictions.

Evidence of the crisis resulted in the Indian Health Care Improvement Act which was introduced by myself and Sen. Henry M. Jackson, D-Wash., with the support of a bipartisan group of senators.

* * * * *

This bill was unanimously approved by the Senate on Nov. 25, 1974, at the close of the 93rd Congress, and again on May 13, 1975, in the 94th Congress. The bill is awaiting action in the House of Representatives following its introduction by Reps. John Rhodes, Sam Steiger, and John Conlan.

To implement the Indian Health Care Improvement Act will require an average increase of approximately $225 million in the Indian Health Service budget for the next seven years. This policy of slow budget growth avoids the usual government "crash" program which often results in confusion and inefficiency in the use of public funds.

SALES, PROFITS, AND AMERICAN TECHNOLOGY

HON. DON H. CLAUSEN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. DON H. CLAUSEN. Mr. Speaker, in our preoccupation with the affairs of Government, we may sometimes forget that our entire economic system is based upon sales and profits. The profit motive has been the catalyst for virtually all economic development within this Nation. In these days of welfarism and other social programs we all need to periodically remind ourselves that it is the private entrepreneur, whether he represents a one-man grocery or a huge industrial organization, who is the backbone of our society, the man who pays the taxes that enable this Government to exist.

Mr. Edward E. Carlson, chairman of United Airlines and UAL, Inc., has written a very concise explanation of how profits operate to benefit not only the stockholders but the entire community. I think my colleagues will find it worthwhile reading:

SALES, PROFITS AND AMERICAN TECHNOLOGY

(By Edward E. Carlson)

One of the things that has always intrigued me about our wondrous economic system is that everything begins with a sale. That's not just huckster talk. It's the keynote of the American system.

It started early. The first pioneers settled, started to scratch out a living, and then by barter, hire or outright sale merchandised their produce and wares. It was a touch of instinctive genius. Not many of them had read Adam Smith's *Wealth of Nations*.

In truth, not much has changed. Government and economics are both more complex. We've moved from Adam Smith to Lord Keynes, and perhaps part way back again. But the importance of sales—and profits—to our system has not changed. Sales translate to profits. In turn, profits support our business development and technology. And business and technology mean jobs.

The economic transformation that occurred in America was based on individual enterprise and free play of the profit motive. Profits earned through legitimate efforts were recognized as a vital force in national progress—a force to be encouraged rather than restrained. The historic, rewarding partnership between government and business was begun.

Let's take an important example. We, in the airline business, are trying to market the very best product we can. We're charging a price essentially based on our costs, plus a reasonable profit. Some will argue that the prices may be too high, or question the need for profit. But, it's the profit we earn that allows us—as it allows all of us in private enterprise—to deliver the quality product to our consumers.

Beyond that, profits allow business to make the necessary capital commitments to maintain our industrial plants, to utilize the finest equipment in the world, and to develop export markets which are so essential to our balance of payments and our job market.

Take jet aircraft as an example. American technology has developed to the point where we supply over 80 percent of the western world's jet airplanes. That's no accident. Rather, it's a combination of our skill, initiative and home-bred support in the way of orders from airlines in the United States. Without the support of such orders, some aircraft might not have even been built. This means not only fewer jobs in the aircraft frame industry, but the engine industry, the plastics industry, the instruments industry, and so on through the spectrum. In short, we have not only the finest air transport system in the world, but the finest technology.

Recession, inflation and the energy situation weigh heavily. We cannot minimize the seriousness of these matters, but they should not be magnified to the point of obscuring the fundamental strength of the American economic system. This country always has demonstrated its ability to meet and solve whatever problems it faced.

Today, some seem to have lost sight of some self-evident and economic facts. There are those who deride the profit motive, or believe in depressing profits. It is time to focus on the facts that America's economic strength is rooted in private enterprise, profit plow-back, and a government climate which encourages private investment.

In the absolute sense, maximization of the market value of its own common stock is not the only goal of our corporation. A proper balance must be struck. Social and moral responsibility, along with ethical conduct should complement *total* maximization of profit. The social benefits we enjoy today have been made possible largely by contributions (either monetary or innovative thinking) from American businesses. Some examples are: wages for workers, taxes for government, contributions to education, charitable endeavors, disease prevention. This further demonstrates that business must place its number one priority on profit generation before it can ever hope to contribute meaningfully to society.

This, then, brings us full cycle. Profits make the system work. In order to achieve profits we are going to sell the traveling public the very best product we can. Yes, it all begins with a sale.

BILL WRIGHT

HON. MARTIN A. RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. RUSSO. Mr. Speaker, this is an age of computers, anxiety, nuclear weapons, and Moon walks. We have instant news analysis and even "instant breakfast." It is a fast-paced era and the rapid change would be difficult to handle if it were not for a certain sense of security born of the routine and a sense that some things do not change—the Sun will come up, we will go about our work, and when we get home we will read our mail.

Change is bearable also because despite the fact that hundreds of thousands of Americans move each year, reshaping neighborhoods daily, we keep in touch with friends and communities by mail. And finally, we can cope with change because even in a period fraught with problems, though there are also numerous advantages, we are blessed with citizens who retain their humaneness, who exemplify and preserve traditional values of caring, pride, and being a friend and neighbor; people who do not measure their actions on the job by what they "have to do," but by what is needed.

So in the evening when I read my mail I appreciate the fact that some things do not change, and I am grateful for my mailman. While men walked on the Moon, mailmen were still walking their assigned routes to deliver the mail to me—having to fend off everything from grumpy bulldogs to gale-force winds. And when I think of the crucial need in today's society for people who hold to traditional values and are compassionate and kind—I am once again grateful for my mailman. This is because my mailman is Mr. Bill Wright, a very special human being.

On September 20 in South Holland, Ill., this fine gentleman is being honored for 20 years of excellent and compassionate service. This well-deserved testimonial is being organized by those along his route, those who know best his warm personality as well as his professionalism. As one of the organizers said to me:

> Working for Bill Wright's testimonial is so overwhelmingly gratifying one feels sorry for all those people who have never met him, nor been touched by his friendship.

It would be difficult to cite all the "special moments" and good deeds over the years that his friends have told me of, but I would like to share with my colleagues a few of them so you will understand the caliber of the gentleman I am talking about and can appreciate why the folks in South Holland are honoring him.

In 1961 Bill was cited with saving the life of a 2-year-old child on his route. Bill has been known to see that food, when desperately needed, came into the home of a dying man whose family depended upon him. During the war Bill personally rang hundreds of doorbells for anxious parents who awaited news from sons in the service.

This outstanding postman has been known to make special trips on his own time back to the post office to seek airmail letters with enclosed car keys, plane tickets, and special messages for people on his route. Never does a new homeowner appear that Bill is not willing to be a one-man chamber of commerce. Bill Wright, as one person so beautifully stated, is "truly a Good Will Ambassador." He helps neighbors understand neighbors.

Bill finds time to talk each day to the elderly; he protects the small children, just as he did in 1965 when he placed the gears of a rolling car into park. In addition, he offers valuable advice on everything from gardens and leaky roofs to scenic travels and dog care.

When packages are expected, and Bill knows—he gladly returns to deliver them if you are not home the first time. His remarks to one appreciative person when he was asked to take letters to a mailbox, even though postmen are not expected to, was, "it is my pleasure to help you."

I think that pretty much sums up Bill Wright. I can only add my thanks and best wishes to the many who appreciate this quality in Bill. I hope this testimonial in some small way can express the gratitude we all feel for his unselfish and untiring efforts in behalf of so many.

SST TRAFFIC PROBLEMS

HON. LEO C. ZEFERETTI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. ZEFERETTI. Mr. Speaker, for some months now, I have voiced my concern over attempts to allow the European SST to land at American airports, specifically in New York and Washington, D.C. Despite substantial evidence that the Concorde endangers the atmosphere and is perhaps the ultimate in noise pollution, a persistent attempt is being made by the Federal Aviation Administration to obtain permission for this plane to land at these two airports.

Among the many claims advanced by the FAA on behalf of the Concorde is one that argues that the plane would not require special air traffic control procedures. And, as with the other claims, this one deserves our utmost scrutiny.

A document obtained by the nonprofit Environmental Defense Fund cites five specific situations that could necessitate at least an adjustment in current air traffic procedures to accommodate the SST. Some of these adjustments would delay regularly scheduled subsonic flights. And, it has been recently revealed that the claim has been disputed within the Federal Aviation Administration itself; in a signed memorandum by Walter D. Kies, the chief of the planning staff of the FAA's eastern region, the claim that the SST would not require special air traffic control procedures was described as one that "is not completely accurate."

This signed memorandum, which, in part, contained a report of a meeting with British Airways officials to discuss the operating characteristics of the Concorde, presented the additional argument of the lack of adequate fuel reserves of the SST. As a result, the memo stated that—

> Special procedures must be set up if delays of 30 minutes or more are expected at destination airports.

Further, the memo revealed that the operation of the Concorde will require that broad bands of airspace be assigned exclusively to the plane as it descended, or that a band from 43,000 to 48,000 feet would have to be reserved at the cruising stage of flight. These revelations, in addition to the suggestion that changes in takeoff and departure sequence with other aircraft might be necessary because of the SST's more rapid speeds, suggests to me that each and every argument should be carefully studied before final approval for the landing of the supersonic transport is granted.

The Federal Aviation Administration has admitted the authenticity of the memorandum and the points discussed therein. Nevertheless, it continues to press this dangerous, untested, and potentially hazardous aircraft upon the people of this country.

We must remember that Congress specifically declined to build an American SST, citing many of the reasons already listed above. Yet, it is quite possible that the British-French Concorde will be allowed to land in this country, be allowed to tap the American market they so desperately need to turn the financially bankrupt SST into a profitmaking venture. It is a kind gesture on the part of our Government. However, it should not be allowed at the expense of the health and safety of the people of our own country.

It seems to me that the American people have evinced no desire to have any part of this aircraft. The over 12 million Americans in the New York area alone certainly are overwhelmingly opposed to having the supersonic transport plane damage their environment, pollute their atmosphere, raise the noise levels, and create dangers at their airport. The FAA has many questions to answer on this issue, and these points must be pressed until all the answers are satisfactorily given. However, until that time, I shall continue to vigorously oppose the attempt to allow the SST to land in the United States on any regular basis.

UNEMPLOYMENT CONTINUES

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. HARRINGTON. Mr. Speaker, according to administration economists, the current recession has ended and the Nation's economy has started on its long road back to a stable, full-employment economy. Full employment in the administration's view, however, would put the employment rate at approximately 4 percent.

There is absolutely nothing which tangibly illustrates that the recession is over, nor can I find any compatibility with the notion that 4 percent unemployment equals "full employment."

Moreover, I find it extremely unlikely that the present administration, as it continues to follow the disastrous and discredited economic policies of the former administration, will be able to bring the economy even close to the arbitrarily arrived at 4 percent in the foreseeable future.

The "official" national unemployment level of 8.4 percent clearly demonstrates that no matter how reassuring the administration economists appear when claiming that the recession has officially ended, the human suffering attendant to a chronically high level of unemployment continues to produce severe social and psychological consequences to the approximately 9 million jobless Americans who have become the unwilling victims.

To illustrate the degree to which millions of families are being victimized I am submitting the following letter which I received from a disillusioned and discouraged individual who has found himself to be a frontline victim of the administration's regressive economic policies.

The author's inability to find employment is tragically compounded due to his racial complexion and physical handicap. The text of his letter, which speaks for itself, follows:

HARPER WOODS, MICH.,
August 21, 1975.

DEAR REPRESENTATIVE: There comes a time in the life, not only of a nation, but of an individual, when drastic measures must be taken on principal and as a matter of survival. Mr. Alan Greenspan, the chairperson of President Ford's Council of Economic Advisors, has virtually proclaimed the gospel of stagnation, stalemates, and crisis regarding the economic and social fabric of this republic. For many of us that represents a clear and present danger. It represents the spectrum of gigantic, multi-national corporations and think-tanks getting an increasingly persistent strangle-hold upon our national existence, thus lowering the quality of life and individuality, and collectively making our lives ever more complicated and ever less rewarding. We have now arrived at the point where it is almost treasonous for one to advocate full-employment and yet the administration launches savage attacks on people who are on welfare. We ought to be aiming, not only for full-employment, but meaningful employment which will allow the individual to realize his or her full potential.

Let me get down to specifics. I find myself in a situation which, quite frankly, is paramount to a kind of political imprisonment. I have a Bachelor of Arts degree in English from Wayne State University in Detroit, a Master of Arts degree in African History from Michigan State University in East Lansing and am about half way towards a PhD in African History with minors in U.S. History and Geography. Yet, like millions of others in my position, I am absolutely unable to find any kind of employment, much less meaningful employment. I am hoping that by writing this letter and others like it, I will not only be breaking my own stalemate, but more importantly, giving assistance to my colleagues who also face the prospect of a kind of permanent non-employment. In addition, it must be clearly stated that this society is no where near as liberated or enlightened as it would like to think it is.

When women, Black people, Chicanos, Indians, and others talk of discrimination, I can fully and vigorously emphasize with all of them, for I too have tasted the infamous poison of discrimination. I happen to be a blind person and if this were a decent and normal society that fact would, at the very worst, be a minor nuisance. At the very best it would be nonexistent.

In addition to filling out over three hundred and fifty applications for employment between January of 1974 and July of the same year, I have sent letters to President Ford, several of your colleagues, both in the House and the Senate. I have applied for a couple of major posts on the state government level here in Michigan such as the directorship of our Department of Natural Resources. All of this was to no avail. In the letter to President Ford I proposed the establishment of a very small federal agency which would be multipurpose in its scope. It would deal with everything from alternatives to conventional energy sources to alternatives to conventional crime fighting mechanisms. Owing to the profoundly reactionary nature of this administration, President Ford, of course, ignored the letter.

I have even resorted to writing to the United Nations, specifically, Secretary General, Dr. Kurt Waldheim and to Mike Wallace of CBS's 60 Minutes. The United Nations sent me an application and 60 Minutes indicated that it might be interested in doing a program on the struggle of handicapped persons for employment next season. In the meantime, I feel myself literally wasting away while waiting for answers to letters and responses to filled out applications. Not, I am not expecting those of you in Congress to drop the many activities in which you are engaged to deal with this one particular problem, but I will say this, and I don't mean to sound like a spoiled, tantrum-throwing child when I say it, but if the stalemate is not broken by the first week in September, I will not only leave the United States, but I will make a great deal of noise on my way out of the door.

Now, in addition to the above-mentioned areas of academic training, I have extensive interests in environmental concerns, community planning, cultural activities, the source for new energy sources and the like. I am quite literally fighting for employment on many fronts at once and this letter represents still another front. I chose you because you are one of a few genuinely decent and genuinely progressive members of a lawmaking body which, with all due respect, has become anything but decent and progressive.

I speak for millions when I say that the pressure cooker which the public has become, is about to burst and all the jive and hastle, all the co-opting, all the public relations work, and all machinations of the CIA and the FBI combined will not stop the explosion when it comes. I plead with you with all my heart, soul, mind, and strength, not only to help me break the stalemate, but to address yourselves directly and, yes, even radically to the desperate and hateful problem of unemployment and under-employment. I ask you to do this whether Alan Greenspan likes it or not. If these statements sound strident and confrontational they are not aimed at you but at those who helped to bring about this genuinely horrible state in which our people find themselves.

Very frankly, I have absolutely no patience with those who condone moderation, particularly when moderation is nothing more than a euphemism for silence. Speaking personally, the stalemate will either be broken or it will break me and I have left out a lot of the efforts I have made to find employment but I feel the point has already been made. Please let me re-emphasize the terrific state of urgency which has prompted me to send all of you this letter. The hour is late and something is simply going to have to give, and I do mean now, not when Alan Greenspan, Arthur Burns or Gerald Ford decide that things should change.

I thank you in advance for any substantive response and/or outright assistance you can provide so that I might join you in a meaningful way in the nation-repairing and nation-building process. Because of the urgency of this plea, I shall take the liberty of providing my telephone number, which is (313) 886–3906. I am . . .

Very respectfully yours in struggle,
RAY TRICOMO.

GUN CONTROL IN JAPAN VERSUS ASSASSINATIONS

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. BINGHAM. Mr. Speaker, it is exactly a week since our President narrowly escaped assassination. That event again underlined the need for strict gun control in this country.

It has often been pointed out that Japan's extremely low murder rate is due to its strict gun control law. Last Friday's Wall Street Journal presents very persuasive evidence that Japan's gun control law is also the cause of that country's striking success in avoiding political assassinations, despite Tokyo's frequently turbulent and even violent politics. I trust that it will help convince some of my colleagues that the logical connection between availability of guns and assassinations is also an actual one, and that the passage of legislation like my bill, H.R. 40, which currently has 20 cosponsors, will make it more difficult for individual madmen—or women—with pistols to try to alter the course of history.

The text of Norman Pearlstine's article follows:

[From the Wall Street Journal, Sept. 12, 1975]

JAPANESE ASSASSINS HAVE A HIGH FAILURE RATE, THANKS TO EXTREMELY STRICT GUN CONTROL LAW

President Ford, who yesterday was wearing a bulletproof vest under his jacket in public, isn't the only head of state who has to worry about the dangers of public appearances.

Assassinations have become practically a global problem, and here in Japan acts of violence directed at public figures are about as common as in the U.S. But in Japan, assassination attempts seldom succeed.

The reason: Japan has one of the world's toughest gun-control laws, so the would-be assassins usually resort to such things as firebombs, knives and unwieldy clubs. And while a person killed by a knife is just as dead as one shot with a .45, a gunless assassin obviously has a far more difficult job getting within the target's range. And if he gets there, disarming him is far easier.

Three months ago, for example, an assailant slipped past the bodyguards surrounding Japanese Prime Minister Takeo Miki, knocked him to the ground and tried to attack him with a five-inch-long knife. But the weapon was easily wrested from him, and the incident is scarcely remembered here.

Since the end of World War II, Japan has seen at least a half-dozen serious attempts at political assassination and scores of less-serious attacks on prominent political figures. The residence of Foreign Minister Kiichi Miyazawa was attacked this week by five men believed to be protesting the Japanese emperor's coming visit to the U.S. (Mr. Miyazawa was at the foreign ministry when the attack occurred.)

FATALITY 15 YEARS AGO

But because of the tough gun-control law, guns weren't used in any of these attacks. In only one instance, a knife attack on the head of Japan's Socialist Party 15 years ago, were the injuries fatal. Moreover, the law is also one reason why Japan's overall crime rate is extremely low.

The 60-page statute, entitled the "Law Controlling Possession of Firearms and Swords," prohibits almost all private citizens from having guns or other dangerous weapons. Possession of toy and model pistols is also prohibited if they look too much like the real thing. Antique guns are permitted if they are properly registered with the national Cultural Affairs Agency and with the local public-safety office. But importing of antique guns was severely restricted in April after it was discovered that many such guns still worked.

Illegal possession can bring up to five years in prison and a $1,000 fine. Sportsmen who compete in international pistol and rifle matches can possess firearms, and some referees use signal guns to start athletic contests.

TOKYO'S HOMICIDE RATE

Until the end of World War II, Japanese police carried sabers. In recent years, they have been armed with .38-caliber pistols, but they are rarely used. Japanese prison guards don't carry guns.

Although no one knows how many illegal guns there are, official crime statistics suggest the number is very small. There were 189 murders in Tokyo in 1974 (compared with more than 1,500 in New York), and only one involved firearms. There were 1,708 reported murders in all Japan last year but only 72, or about 4% involved guns. A spokesman for the National Police Agency adds that firearms were involved in less than 2% of the armed robberies committed in Japan last year.

Police contend that most of the illegal guns in Japan are controlled and used by organized crime. About 125,000 mobsters (called "Yakuza") belong to about 3,000 gangs in Japan. Most of the 3,782 guns confiscated by police last year were taken from alleged gangsters. Police say that nearly 90% of all crimes involving firearms were committed by gangsters—often against other gangsters.

Many illegal guns smuggled into Japan in the past came from the U.S., Germany, and Southeast Asia, police statistics indicate. But tightened customs inspections in recent years have sharply curbed such smuggling. So now some demand for guns is being met by enterprising craftsmen who convert toy and model pistols into working weapons. Koji Adachi, an inspector in the National Police Agency's safety division, says that such makeshift weapons were used in 823 reported crimes last year, up from only 23 incidents five years ago.

PIONEER TRADITION

In the U.S., the gun-control issue has heated up again since the attempt on President Ford's life in California last Friday. Handgun sales average 2.5 million a year, and citizens own about 40 million such weapons. More than 10,000 Americans are killed by handguns each year. Nevertheless Congress seems unlikely to enact any of the 50 pending gun-control bills this year. Legislation recommended by President Ford to ban the manufacture and sale of the cheap "Saturday-night special," moreover, wouldn't affect such weapons as the .45-caliber handgun carried by Lynette Fromme in the attempt on his life.

But the pioneer tradition and the Constitutional "right to keep and bear arms" make the U.S. something of a different case from Japan. "From the beginning, Americans felt a need to protect themselves and demanded the right to bear arms," says Katsuhiko Nishimura, a criminal-law professor at Aoyama Gakuin University in Tokyo. "But the Japanese don't feel such a desperate need for self-protection," he adds.

Mr. Adachi of the police agency notes that Hideyoshi Toyotomi, a 16th Century military leader, forbade most of the public, but not the Samurai warrior class, from owning swords. That prohibition was extended to all civilians in the late 19th Century. Legend has it that the first gun was brought to Japan by a shipwrecked Portuguese in 1543. While the military class subsequently became interested in guns, the civilian population never did.

Firearms gained popularity in the 1930s, especially among young military officers bent on assassination of political officials. Prime Minister Takeshi Inukai was shot to death by a group of young Naval officers in 1932. Four years later, three top government officials, including Finance Minister Korekiyo Takahashi, were fatally shot by a group of army officers.

Strict controls on the use of guns were imposed on the Japanese by U.S. occupation forces after World War II. The present gun-control law was implemented in 1958. Since then, there has been one political assassination involving a Japanese gun, but it took place outside Japan. Last year, Mun Se Kwang, a Korean living in Japan, stole a gun from a police station in Japan and smuggled it to Seoul. He used it in an assassination attempt against South Korean President Park Chung Hee. Mr. Park escaped injury, but his wife was killed by a stray bullet fired by Mr. Mun.

THE 1975 CAPTIVE NATIONS WEEK

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. DERWINSKI. Mr. Speaker, as the numerous incoming reports show, the 1975 observance of Captive Nations Week was a most eventful and successful one. The week was properly observed not only in all sections of our country but also in foreign countries, such as Brazil, Australia, West Germany and the Republic of China. Here the week was crowded with such pertinent events as the Solzhenitsyn appearance, the Apollo-Soyuz spectacular, and the announcement of the Conference on Security and Cooperation of Europe.

Further indicative examples of the week have been assembled by the National Captive Nations Committee. Because of their variety and scope, I include the following: First, a proclamation by Mayor Ralph J. Perk of Cleveland; second, the New York program; third, excerpts from an American Security Council broadcast "Captive Nations Week Plus Seventeen Years"; fourth, a report in Svoboda "Baltimore County Marks First CN Week"; fifth, "Honor Captives" report in the July 26 Washington Star; sixth, Captive Nations Week in Boston; and seventh, "Declaration of Captive Nations Week Rally" in the China Post:

CAPTIVE NATIONS WEEK IN CLEVELAND

The imperialistic politics of Russian Communists have led, through direct and indirect aggression, to the subjugation and enslavement of the peoples of Poland, Hungary, Lithuania, Ukraine, Czechoslovakia, Latvia, Estonia, Byelorussia, Rumania, East Germany, Bulgaria, Mainland China, Armenia, Azerbaijan, Georgia, North Korea, Albania, Idel-Ural, Serbia, Croatia, Slovenia, Tibet, Cossackia, Turkestan, North Vietnam, Cuba, Cambodia, South Vietnam, and others.

A desire for liberty and independence by the overwhelming majority of peoples in these conquered nations constitutes a powerful deterrent to any ambitions of Communist leaders on initiating a major war.

The freedom loving peoples of the captive nations look to the United States as the citadel of human freedom and to the people of the United States as the leaders in bringing about their freedom and independence.

By unanimous vote, the Congress of the United States passed Public Law 86–90 establishing the third week in July each year as Captive Nations Week and inviting the people of the United States to observe the week with appropriate prayer, ceremonies and activities; expressing their sympathy with and support for the just aspirations of captive nation people.

Now, therefore, I, Ralph P. Perk, Mayor of the City of Cleveland, do hereby proclaim July 13–19, 1975, as "Captive Nations Week in Cleveland." I call upon all citizens to join with others in observing this week by offering prayers and dedicating their efforts for the peaceful liberation of oppressed and subjugated peoples all over the world.

SEVENTEENTH ANNUAL OBSERVANCE: CAPTIVE NATIONS WEEK

(July 13 thru 19, 1975)

Captive Nations Week is proclaimed each year by the President of the United States to steadfastly keep alive the desire for liberty and independence on the part of the peoples enslaved by Communism throughout the world. With the recent loss of South Vietnam and Cambodia plus the leftward shift of Portugal, Laos and other countries, détente with Communism seems to be another word for surrender. We demand Freedom for all nations.

PROGRAM—SUNDAY, JULY 13TH

Manhattan

9:00 a.m.—Assemble at 59th Street & 5th Ave.

9:15—Fifth Avenue Parade—59th St. to 50th St.

10:00—Memorial Mass at St. Patricks Cathedral.

11:00—Fifth Avenue Parade—50th St. to Central Park Mall (Band Shell near 72nd St.).

12 noon—Ceremonies, honored speakers and folklore entertainment at Central Park Mall.

BRING YOUR BANNERS AND FLAGS

Nationality, Veteran, Patriotic, Church, Political and Civic groups, and individuals are invited to participate in the Captive Nations Week events. Sunday's program (above) is of particular interest. For further information, please contact the Committee (below).

Judge Matthew Troy, Chairman.

Dr. Ivan Docheff, Exec. Vice Chrmm.

Captive Nations Week Committee of New York, P.O. Box 1204, New York, N.Y. 10017, Phone: 982-6505 or 362-7266 evenings.

CAPTIVE NATIONS WEEK PLUS SEVENTEEN YEARS

(Washington Report of the Air Reporter: Philip C. Clarke with Dr. Lev E. Dobriansky, Georgetown University.)

This week marks the seventeenth annual observance of Captive Nations Week. By act of Congress in 1959, the week is proclaimed annually by the President to express America's support for self-determination and liberty everywhere.

In this year's proclamation, President Ford stated: "The history of our nation reminds us that the traditions of liberty must be protected and preserved by each generation. Let us, therefore, rededicate ourselves to the ideals of our own democratic heritage; and, in so doing, we manifest our belief that all men everywhere have the same inherent right to freedom that we enjoy today."

Unfortunately, added to the lengthening list of Captive Nations this year are South Vietnam and Cambodia. One might ask: Who's next—Laos, Thailand, South Korea, Portugal?

As author of Captive Nations Week, Dr. Lev E. Dobriansky, Professor of Economics at Georgetown University and Chairman of the National Captive Nations Committee, says whether more nations fall captive depends to a great extent on America:

Dr. Lev E. Dobriansky: "Roughly about twenty-eight nations have fallen under Communist captivity from 1917 right down to the present. Anyone viewing the situation concerning South Korea—the type of propaganda that is being disseminated—can see that the area of South Korea is being prepared. Now, what is our reaction? Are we to go ahead and allow a withdrawal of our troops from South Korea? Now the fact is that if we show the determination to hold still there, we will preclude the addition of another captive nation.

"And the same story can be repeated in connection with the Republic of China, the Philippines, to some extent even Thailand, and even in Portugal. Our stake is very profound there and ultimately will depend on the determination of our people, reflected in the will of Congress, and more so, in that of the Presidency, which will provide the leadership to preclude the addition of more nations on this long list.

"I think it's a very comforting thing that after the debacle in Vietnam, that the President and others in the leadership have come out and emphasized that the United States is going to meet its commitments. And the utterances that have been made, I think, will be brought up time and time again. And, if the American people in turn support the President along these lines, we could then formulate a more genuine detente, a more uncompromising position with regard to the still many free nations in the free world."

Dr. Lev E. Dobriansky, Chairman of National Captive Nations Committee.

[From Svoboda, the Ukrainian Weekly, Aug. 16, 1975]

BALTIMORE COUNTY MARKS FIRST CN WEEK

BALTIMORE, Md.—Through the initiative of the East European Academic Association of Maryland, Captive Nations Week was observed from July 13 through July 19 this year for the first time in the history of this thriving county that surrounds the city of Baltimore.

County Executive Theodore G. Venetoulis, in his proclamation, aptly remembered the peoples of the captive nations "in this Bicentennial year of the United States of America when it is significant that the peoples of this planet recognize the principles delineated in the Declaration of Independence, particularly the passage on the right to life, liberty and the pursuit of happiness."

Mr. Venetoulis, of Greek ancestry, commented in presenting the proclamation of Captive Nations Week for Baltimore county that the island of Cyprus might well be added to the list of captive nations. His wife is a native of Cyprus.

[From the Washington Star-News, July 26, 1975]

HONOR CAPTIVES

Decades of the rosary will be recited in the various languages of people behind the Iron, Bamboo and Sugar Curtains as the Catholic War Veterans Auxiliary holds its annual mass for those in the captive nations. The mass will be at 11:45 a.m. tomorrow at St. Dominic's Catholic Church, 630 E St. SW.

CAPTIVE NATIONS WEEK IN BOSTON

BOSTON, MASS.—(O. Szczudluk) The week of July 13–19 was designated as "Captive Nations Week" in the Commonwealth by Governor Michael S. Dukakis. Referring to the 200th anniversary of the American Revolution, which began in Massachusetts, the proclamation stated: "It is especially appropriate during Captive Nations Week, 1975, to give renewed devotion to the just desire of peoples under Soviet domination and Communist rule for the rights proclaimed by the American Founding Fathers and defended at the battles of Lexington and Concord."

PRAYERS IN CATHOLIC CHURCHES

On Sunday, July 13, prayers were offered in the churches of the Boston Catholic Archdiocese "for the freedom and independence of all captive nations currently under Soviet domination." Prayers were requested by His Eminence Humerton Cardinal Medeiros, Archbishop of Boston, according to a news item in THE PILOT of July 11. It was also stated that the Cardinal's request for the prayful observance of "Captive Nations Week" was supported by Ukrainian, Latvian and Lithuanian American Organizations in Metropolitan Boston.

Arranged by the Boston Chapter of the Ukrainian Congress Committee of America, the meeting with Humberto Cardinal Medeiros was held on June 9. Representing the Lithuanian Organizations were: Rev. Anthony Baltrushunas and Ms. Ausra Petronia; the Latvian Organizations: Messrs, Juris Raudseps and Janic Vilcans. The Boston UCCA was represented by: Mr. Konrad Husak, president; Orest Szczudluk, vice president and Mrs. Maria Walzer.

ON TELEVISION

On July 15, the "Good Morning Show" on Channel 5, WCVB-TV, presented a short program dedicated to the 17th observance of the "Captive Nations Week." The program started with a display of the most popular dish from Ukraine, Armenia, Latvia, Lithuania, Estonia and Hungary. The display was hosted by Mrs. Slavia J. Szczudluk, a member of the Women's Association for the Defense of Four Freedoms of Ukraine, Inc., in Boston. Rev. Anthony Baltrushumas, pastor of St. Peters Lithuanian Catholic Church in South Boston, spoke about objectives of the CNW and the present situation in the captive nations under Russian communist domination. He called for the continued American support for the freedom of the captive nations.

IN BOSTON PRESS

The purpose of the "Captive Nations Week" was raised in the "letters to the editor," which appeared in: The Boston Herald American on July 15, written by Mr. Konrad Husak, president of Boston UCCA; West Roxbury/Parkway Transcripts on July 16, Jamaica Plain Citizen/Hyde Park Tribune on July 17, the Pilot on July 18 and the Boston Globe on July 19. Those letters were written by Orest Szczudluk, vice president of Boston UCCA. The letters stressed the need for the continued United States support for the freedom and independence of all captive nations, especially this year in view of the pending "Conference on Security and Cooperation in Europe," which is being held in Geneva and Helsinki. The Soviet government wants the free world to legitimize Soviet Russian domination over the captive nations. The same subject was also raised by Mr. Osvald Akmentins, a Latvian, in his letter, which appeared in the Boston Sunday Globe on July 20.

SENATORS, CONGRESSMEN, RADIO

The Boston UCCA sent letters to Massachusetts Senators Kennedy and Brooke and Congressmen Moakley, O'Neill, Burke and Conte, urging them to make appropriate statements in Congress, reflecting United States support for the right of the captive nations to self-determination.

The Ukrainian radio hour in Boston on Station WUNR, under the direction of Mr. John Kezmur, broadcasted information about the "Captive Nations Week" on Sundays, June 13 and 20.

[From the China Post]

DECLARATION OF CAPTIVE NATIONS WEEK RALLY

At the end of a successful rally held last Tuesday morning at the Sun Yat-sen Memorial Hall, the participants adopted a ringing declaration urging "all the people of the free world and the captive masses behind the Iron Curtain to bring forth their strength to smash the Communists' ambition to dominate the world and enslave mankind."

The rally was held under the theme "Consolidate the Freedom Camp! Recognize the Pitfalls of Detente!" It is fitting and proper that the free world should be solemnly warned of the pitfalls lying in its path. The declaration considers the sad end of the Indochinese anti-Communist war as a great tragedy in human history. As a result the elated Communists are now positively attempting to spread the flames of aggression to the Republic of Korea and other free Asian areas.

After pointing out that freedom absolutely cannot coexist with slavery and that democracy cannot thrive along with autocracy, it calls to the attention of all the people that Peiping's so-called "five principles of peaceful coexistence" are sheer lies used to fool the free nations, extricate the Peiping regime from its predicament of isolation, and facilitate its infiltration and subversive activities on a global scale.

The declaration notes that the expansion of Communist influence has brought about a widespread anti-Communist awakening in the free world which provides an impetus for the free camp to consolidate itself. Even Washington has switched to a firm stand against Communist expansion. It has declared that nuclear arms will be employed, if necessary, for ensuring the security of Japan and the Republic of Korea and reiterated that the United States will abide by its treaty obligations and defense commitments to its allies.

The internal power struggle of the Chinese Communist regime and the Moscow-Peiping contest for supremacy, it is pointed out in the declaration, are intensifying while the people behind the Iron Curtain, including the newly subjugated people of Indochina, are strongly against their captors and Communist tyranny.

The rally expressed the hope that all people will persist in their struggle against slavery as efforts to win freedom will ultimately bring down the Iron Curtain. It urged the free nations to face squarely the unceasing Communist attempts at aggression and beware of the traps that the Communists have set by taking advantage of the policy of detente.

The most important portion of the declaration consists of a call upon the United States government "to review the bitter experience of the unsuccessful anti-Communist war in Vietnam, reevaluate the military and political strategies of Moscow and Peiping, formulate a correct new Asian policy and establish a comprehensive defense strategy for the Pacific so as to save Asia from its present crisis and assure the common security of America's allies in the region."

The meeting also appealed to President Ford to "resolutely cast away the bankrupt Nixon doctrine, refrain from steps toward normalization of relations with the Chinese Communists, drop his plan to visit Peiping in the autumn and bring forth American strength for the winning of true peace for the entire world."

The declaration is the fitting highlight for the successful observance of the 1975 Captive Nations Week in the Republic of China. Both President C. K. Yen and Dr. Ku Cheng-kang, honorary chairman of the WACL and President of the China Chapter of the APACL, have given the people of the free world some sound advice about combating Communist aggression. Their advice should be heeded and carried out so that free Asia may be saved.

TRAXLER PROPOSES RAIL PLAN

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. TRAXLER. Mr. Speaker, the future of rail service in the Northeast and Midwest has reached a critical decision point. By the end of October the Congress must determine whether to accept or reject the U.S. Railway Association's—URSA—"final system plan" for the reorganization of bankrupt railroads in this 17-State region.

The final system plan is the product of a long and complicated planning process that began over 20 months ago when Congress enacted the Regional Rail Reorganization Act of 1973 to deal with the bankruptcy of the Penn Central and other railroads. It was the intent of Congress to establish a healthy, viable rail system in the Northeast that would adequately serve the rail needs of the region.

Unfortunately, the plan as presented to the Congress falls far short of meeting the stated goals of the Reorganization Act to preserve "existing patterns of service by railroads" and to minimize "job losses and community benefit costs" in areas now served by rail service.

With an eye toward making the new consolidated railroad "ConRail" profitable, the USRA has proposed amputating over 5,000 miles of "unprofitable" trackage throughout the region. The sick patient is to be made well by surgically removing all of the organs and appendages that are diseased. I do not believe that the Congress had this brand of medieval medicine in mind when we set out to "save" the Northeast railroads.

The final system plan is a disaster for rural America. Countless small communities throughout this region will lose essential rail service under this proposal. Needless to say, loss of rail service will mean the loss of critical jobs, the stunting of economic growth and development in many rural communities, and higher costs in producing and transporting food and other products. All consumers will be hurt in the end.

It is true that the current act allows temporary continued service on many of these light density lines for 2 years through a combination of Federal and State subsidies. However, most rail experts agree that the current narrow subsidy provisions virtually assure the abandonment of these lines when the 2-year period expires. Simple acceptance of the final system plan is therefore unsatisfactory.

Rejection of the final system plan, too, is undesirable. While the USRA would be sent back to the drawing board to come up with another proposal, the current bankrupt carriers would continue to operate service which many have called inefficient and inadequate at the expense of ever-increasing Government loans and subsidies. American taxpayers will not tolerate pouring more dollars down the dry hole of the Penn Central.

I believe a more constructive approach would be to accept the plan but at the same time enact amendments to the Reorganization Act that would insure continued rail service to the countless small communities in this region that depend upon rail transportation for their economic well-being. Last week I introduced legislation, H.R. 9586, designed to correct deficiencies in the current subsidy program to assure every community of retaining the vital rail service it needs.

My bill extends, expands, and refines similar proposals introduced by several of my colleagues in both the House and the Senate in an effort to provide the most comprehensive approach to rail service planning in the Northeast region. While some proposals concentrate on subsidy changes in a short time frame, I believe we must go beyond the band aid approach and provide the type of program that will allow for planning in the long range. Rail transportation is vital to America, and only long-range planning can make railroads a strong, viable part of our transportation system once again.

Current law allows continued service on these light density lines if individual States provide 30 percent of the subsidy needed to continue operation. The Federal Government would provide the other 70 percent. The Federal share would abruptly end after only 2 years, however, leaving the future of those lines depending upon the ability of the States to absorb the entire subsidy. It should be obvious that the current fiscal crisis in the States would not only preclude their full funding of the lines after 2 years, but in many cases States could not even provide the 30 percent needed now. The inevitable result will be massive abandonments.

My bill would provide a 100-percent Federal operating subsidy in the first 2 years, 90 percent in the 3d, 80 percent in the 4th, 70 percent in the 5th, and 50 percent in years 6 to 10. The effect of this proposal would be to prevent the abandonment of every light density line in the region for at least 2 years and provide the incentives and means for expanding service, rehabilitating track, and continuing service on these lines in the years thereafter.

During this 2-year period of continued operation, my bill provides a mechanism for evaluating the actual and potential viability of these light density lines. The USRA found many of these lines "unprofitable" based upon static 1973 actual use data. Such a limited analysis ignores the fact that had more dependable, efficient service been available on many of these lines, more use would have been made of them. At a meeting I held with constituents in Caro, Mich., on August 12 of this year, rail users told me again and again that they would have shipped more by rail in the past if they could depend upon the service. If the future growth of demand for rail service is taken into account, I think that many of these lines could move over into the "profitable" column within a few years.

Some rail lines, of course, may never be made self-sustaining. It may be better in the long run to abandon service on these lines, but in doing so we must take into account the economic impact upon the communities involved. In many areas, road restrictions and conditions frequently make alternative shipment modes impossible. It would not be feasible to develop an effective alternative to rail service in a short 2-year period. With a 10-year program, alternative modes of transportation can be phased in, and the economic well-being of small businesses and small towns need not be endangered.

Further, with a declining Federal percentage of the subsidy, we can fairly expect that all nonessential rail service will be discontinued through the decisions of the State rail planning offices. My bill provides $150,000 to $500,000 per year for each of the 10 years to State planning agencies as needed to assist them in determining the future of their rail service.

Another problem with the current law is that while it provides for operating subsidies for these light density lines, there is not enough flexibility to allow these funds to be used to rehabilitate the track. There is no question that one reason why many of these lines are deemed unprofitable is that they are in badly deteriorated physical condition, permitting only the slowest and least efficient service on them. H.R. 9586 would revise the subsidy program so that these funds can be used for modernization, rehabilitation, and acquisition of trackage by the States. The acquisition may occur either for current operation or so that the States can establish "rail banks" of lines which may be needed for future use and growth of rail service.

During the next 2 years, under my bill, these branch lines would be studied and evaluated by the Rail Services Planning Office of the Interstate Commerce Commission to determine which lines should be transferred to ConRail, which should be acquired by other solvent railroads, and which have again been determined to be not viable. I firmly believe that only through such a continued review and analysis can we determine the true posture of our evolving regional rail network.

Although my bill would provide enough money for 100 percent Federal subsidies of all light density lines in the region for the next 2 years, continued operation over these lines would still be dependent upon State planning efforts and locally determined priorities. My bill defines a limited class of light density lines, however, that would be assured continued service regardless of State priorities and efforts. These are lines which the USRA concluded were unprofitable, but whose onbranch revenues exceed onbranch costs.

On these lines, the USRA allocated certain costs to the lines that are associated with facilities not on those lines—such as a switching station on a main line. However, should the branch line be eliminated, the switching station costs would not be, so it is unfair to allocate such a cost to the branch line in determining its viability. These marginal lines, where onbranch revenues exceed onbranch costs, would be guaranteed operation in the first 2 years by either ConRail or the geographically closest carrier.

During this period, the Comptroller General will develop revised accounting procedures for determining true offbranch costs associated with these branch lines. In this fashion we can be certain that these lines are getting a thorough review. Any operating losses associated with these lines will be reimbursed to the carrier out of a special fund, not title IV subsidy funds. These lines need not be included in State subsidy plans to be operated.

Another problem with the current law is that it limits an individual State's share of the guaranteed subsidy money to no more than 10 percent of the total available. The State of Michigan, however, has 19 percent of all the lines in the region slated for abandonment. My bill would give to each State, as the guaranteed portion of the subsidy money, the exact proportion of funds that is reflected by the proportion of lines to be abandoned in that State as compared to the entire region.

Since accounting is such a crucial issue in determining rail viability, my bill directs the Rail Services Planning Office to determine its study based on revenues and costs incurred on the line within revised procedures and allows for recommendations for changes in rates, services, and physical condition which could make these lines viable in the future and an estimate for the prospect of such future viability.

Mr. Speaker, rail transportation is highly energy-efficient. There are many who argue that we as a Nation must vastly expand our use of rail transportation in the coming decades. Yet, at this very moment, we are faced with decisions that could eliminate thousands of miles of rail service and, even more threatening, lose the precious rights-of-way associated with those lines. What will it cost us to try to reestablish rail lines 20 years hence? Would it not be wiser and more prudent to act now?

I believe we must act. We can preserve needed rail service in our States by taking a positive, constructive approach to the problems presented by the final system plan of the USRA. By enacting the provisions of H.R. 9586, the Congress can demonstrate its concern for the economic well-being of rural America. We can preserve jobs, keep prices down, and assure adequate transportation for our citizens. For these reasons, I ask my colleagues to join in the support of my amendments to the Regional Rail Reorganization Act.

SENSELESS KILLINGS OF POLICE OFFICERS

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. EDGAR. Mr. Speaker, today, my distinguished colleague from New York relayed to the House the news of the slaying of two New York City policemen. We all share a concern for the safety and welfare of those whose sworn duty is to protect and defend residents and community property from the rising crime which afflicts not only our large cities, but all areas of our Nation. No part of the country has been immune from violence.

Within the last year, there have been two senseless killings of police officers in the district I represent. These men were mercilessly gunned down in separate incidents. Glenolden, Pa., Police Chief Robert Sparks was slain last March during a robbery attempt of a pharmacy. He was to mark his 20th anniversary with the force this year.

Michael Carter, a 32-year-old patrolmen with the Chester, Pa., police force, was fatally wounded last November after he stopped a car to question the driver about a holdup. He was a 4-year veteran.

These men fell victim to heinous assaults while serving their community. We all share in the grief of their families, friends, and colleagues. Wearing the badge brings great individual responsibility, often a thankless task in an age where the young are resentful of authority, no matter how well-motivated that authority is. With such grave responsibilities comes vulnerability. True danger can lurk behind every corner—a fleeting shadow demands decisions from a police officer which few of us have to face.

Rarely is there the glamour in the job as in the television dramas. In the case of these two men, the sweet taste of heroics has been made vitriolic by the numbing reality of death.

Behind the stark facts in the case of how these two men of Delaware County were murdered is a more poignant glimpse of two fine human beings who will be missed. I wish to insert for the RECORD articles which appeared in the newspapers following these tragedies which show that these men were not only statistics but also decent and respected citizens. I am grateful that despite this loss, both in my district in Pennsylvania, and my colleague's district in New York, there are other young men and women with the strength and sense of duty who are willing to fill the void left by the deaths of Robert Sparks and Michael Carter.

The articles follow:

GRIEF, SHOCK WRITTEN ON FACES

GLENOLDEN.—The borough's police department offices sport fairly fresh paint and new-looking woodwork that under ordinary circumstances would combine for a cheery working atmosphere.

But there was no cheer here Tuesday night and early today, none of the good natured joshing that policemen engage their colleagues in which they get together over their work.

Instead, grief and shock were written on the tight-lipped faces of many of the policemen who gathered here after borough police Chief Robert Sparks was slain during a mistaken robbery attempt.

The investigators went cooly about their business of taking statements and interrogating possible suspects as usual, even though the victim in this case was one of their own.

The uniformed policemen and many off duty in civilian clothing became bystanders as the detectives went about their job and from time to time they glanced at the ceiling and shook their heads in disbelief.

They spoke to each other in low voices, dumbfounded that a man of Sparks' dedication to police work should be killed in such fashion.

For they knew Sparks was a man "whose sole aim was to be a policeman."

Those are the words of borough Mayor John MacVeigh 3rd, who not only lost a trusted public servant but an old and good friend with Sparks' death.

"I actually grew up with him," said MacVeigh, who explained Sparks was born and raised in Glenolden.

"My father (the late John MacVeigh, who died in 1964) was chief here for many years and Bob idolized him," said the mayor.

"He would ride with Dad in the police car and his sole aim was to be a policeman and through my father's influence that's what he did," said MacVeigh.

MacVeigh was devastated by Sparks' death.

"It's unbelievable. I just can't believe it," said MacVeigh, who spent a long night in borough hall.

Sparks was mourned as well by several

other police chiefs who responded with their men to the shooting.

"He was a nice quiet type. I've known him since he came on the force," said Ridley Township Police Supt. Charles W. McElwain.

Darby Police Supt. Paul J. Coleman said Sparks struck him as "a very nice man, like they all do."

"He was a very nice man, well-liked," echoed Sharon Hill Police Chief William Hanna, who said he had known Sparks for most of his years as a policeman.

"He was a good man. I knew him well," said Darby Township Police Chief William Johnson.

A young Glenolden volunteer fireman, who declined to be identified, called Sparks "the most loved man in the borough.

"As far as spending time with kids, Bob was the guy to talk to. He was tops," the fireman said.

He described Sparks as "the kind of guy who pulled all the strings to help you, even to the point of keeping your parents from finding out if you got into trouble.

"Everybody has something nice to say about a policeman after he's shot but regardless if he were dead or alive I couldn't say enough about Bob."

Councilman Charles Barrar, chairman of the police and fire committees, said this morning he was "just so shook up" over Sparks' death. "I'm sorry about it," he said.

Robert Fahey, a Prospect Park florist and one of Sparks' closest friends, said he was too overcome with grief and emotion to speak about Sparks.

Nathan Mirman, proprietor of the drug store where Sparks was slain, today described the chief as a "very amiable individual and dedicated to his work."

Mirman, who normally closes his store at 10 p.m., said he was inside making a telephone call when Sparks was shot. Mirman said he heard gunfire but saw little of the incident.

Mrs. Bessie Oliphant, borough Republican leader said, "Oh, isn't this awful.

"I knew him since he was a little boy and knew his father before him. I wonder what his mother will do. He was so good to her. I don't know what this borough is coming to," she said.

Mike "Too Much of Good Guy"

(By Harry Maitland)

Chester.—Fellow policemen all talked about Mike Carter's friendly nature.

Carter was gregarious. White and black police officers enjoyed his quiet, sometimes puckish personality.

Carter liked sports. He played baseball and basketball and boxed while he served in the Navy.

He was planning to go hunting soon with Patrolman LaVon Postelle.

"We were talking about going again. He liked to hunt rabbits, squirrel and pheasant," Postelle said. "We'll never be able to do it again," he said.

Postelle joined the force 10 days after Carter and they spent a lot of training time together. "We went to the academy (Philadelphia Police Academy) and rode back and forth together every day," he recalled.

"If Mike had a fault, it was that he trusted everyone. Maybe he relaxed and let his guard down tonight. He couldn't be hardnose because he was too much of a good guy," Postelle said.

Postelle and Carter worked together as partners when they finished training, then Carter was assigned with Patrolman Thomas H. Worrilow. The two became such friends that Carter was in Worrilow's wedding party.

Police Chief Joseph M. Bail who recently returned to duty after a month's vacation, said "There's nothing any rougher than losing a man. I've always dreaded this and now it's happened," he said.

Bail said when Delaware County Dist. Atty. Stephen J. McEwen Jr. learned of Carter's death he drove to Chester to assist police.

McEwen accompanied Mayor John H. Nacrelli and Bail when they offered condolences to Carter's mother.

When news of Carter's death reached the police department it sent a shock wave throughout the ranks.

Information about a death in a neighborhood shocks people but the killing of a policeman tears at fellow officers.

They react in many ways.

Some were stunned into silence and withdrawal. Others wept openly. Curses were shouted over and over.

Carter was well liked by fellow officers. He had a sense of humor, could be depended upon for a smile and seldom complained.

When a group of police gathered in a hospital waiting room, one officer had to be restrained from leaving. He fought to go to the other hospital where the shooting suspect was being treated.

Each time the police calmed those who reacted with uncontrolled emotions, another officer would arrive and learn of Carter's death.

One man beat his fist against the exterior brick wall and cursed.

Juvenile Cpl. Robert Crawford pulled up in his white juvenile car. On learning that Carter had died he sagged against the door and Delaware County Sheriff John W. Taylor tried to comfort him.

Taylor, who retired as deputy chief in the department before being appointed sheriff, broke down while trying to console Crawford.

Detective Commodore Harris Jr. arrived. He heard about Carter and began wailing. "Oh, God! No, not Mike." He kept repeating and repeating the words.

Security Guard Sgt. Harry Cello, also retired from the police department, was dazed by Carter's death. "I can't believe it. He was here awhile ago. We talked . . . I . . ." he choked up.

Cello, who was a platoon sergeant when he retired, said Carter kidded him about returning to police duty. "He said, 'Sarge, when are you coming back to the force. Some of the rookies need you to shape them up'," Cello recalled.

Another retired policeman, Detective Bart Spedden, heard about the shooting while shopping with his wife. He drove to the hospital with bags of food in the rear of his station wagon and his wife sitting alongside him.

Deputy Chief Herbert Wright came out of the building. "We just lost a man and we have two more hurt from an accident," Wright said.

Several of the policemen had to be given sedation.

Carter's partner, Patrolman Tom Savage, held up until he was at the police station. The experience got to his nerves. He also was taken to the hospital for sedation.

TRIBUTE TO ANDREW J. VIGLIETTA

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. BIAGGI. Mr. Speaker, I was deeply saddened to learn last week of the death of my good friend Andrew J. Viglietta, the Washington bureau chief of the Long Island Press. I wish to take this opportunity to pay tribute to this exemplary newsman who amassed an outstanding career in journalism encompassing 40 years.

Andrew J. Viglietta was a newsman's newsman. He loved his work and despite the limitations of failing health Andy never missed a deadline and his most recent contribution, his weekly Long Islanders in Washington column appeared in the Long Island Press the day before his death. Andy entered the news business virtually from the bottom. He was hired at the age of 25 to sell subscriptions to the old Long Island Star Journal. From this, he rapidly rose to become one of the most respected columnists in this town, known on a first-name basis by several Presidents and numerous Members of Congress as well as other national and international leaders.

Viglietta's success could be attributed to a basic philosophy he adopted early in his career—never lose touch with the interests of your readers. He strictly adhered to this belief and imparted it to the many reporters he worked with over the years. His philosophy was best summed up in a basic question he used to pose to other reporters on his paper: "Will they understand it in Corona?"

The fact is the people in Corona and elsewhere on Long Island always understood Andy Viglietta when he wrote. His objectivity and keen insights into the complicated workings of the Congress helped to make the readers of the Long Island Press very knowledgeable about the work which we, their elected Representatives, do on their behalf. No one in the Long Island congressional delegation will dispute the fact that Andy was both generous and fair in his coverage and it can also be said that we benefited from his column.

A newsman's career as long as Andy's had to be filled with unique moments and achievements. Andy's were numerous and in fact he made his mark in the news business very early in his career. After being assigned as a police reporter for the Star Journal he made national headlines for his cracking of the celebrated Thelma Todd extortion case in 1935. Andy was able to make contact with the extortionist who was threatening the actress' life and this contact helped Federal law enforcement officials to apprehend him. His critical role in the case earned him a personal letter of commendation from the late FBI Director, J. Edgar Hoover. The story was later dramatized in a national radio and television series entitled the "Big Story."

Three short years after this episode, Andy was named political editor of the Star Journal and the Long Island Press, both members of the Newhouse News Service, a national news service.

Ten years later he personally established the Washington Bureau for the Long Island Press and began his Long Islanders in Washington column which was to run weekly for the next 27 years. The column presents information on the work of the Long Island congressional delegation including many humorous anecdotes and personal insights. It was one of the most widely read columns on Long Island.

Andy was the recipient of numerous awards and commendations for his excellent reporting. Yet without question, Andy cited a letter he received from the late President Harry S Truman as the most meaningful award. The letter from the Chief Executive thanked Andy for helping to stem a Communist drive for power in Italy after World War II.

For me it was a personal honor and privilege to have both worked with and been a friend of Andy Viglietta. He was a man who combined his excellent journalistic talents with an unending dedication to his friends.

Andy was a devoted husband as well and to his lovely wife Mary I extend my deepest condolences and assure her that I too will miss Andy very dearly.

A distinguished newsman, a valued friend, a dedicated family man, those were the trademarks of Andy Viglietta. His life was rewarding both to him and to those of us who knew him. He will be sorely missed.

LONG BEACH GRAND PRIX NEW CALIFORNIA FIRST

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1975

Mr. ANDERSON of California. Mr. Speaker, on September 28 the city of Long Beach will be the scene of one of the most exciting events in the world of sports. The first annual Long Beach Grand Prix will be held, with some of the top drivers in the world of racing zooming through the streets of the busy California port city.

Long Beach perhaps, does not conjure up the same old visions of romance and exotic atmosphere as do some of the older cities on the grand prix circuit; Monaco, for instance. But the Long Beach event will be the first auto race run through the streets of a U.S. city. The "International City," as Long Beach is called, is a growing, changing community that has become a model of civic efficiency and progress.

The grand prix is of course designed to bring attention to the town, and will undoubtedly help it become more well known. However, the race would have never come off if all concerned with its organizations and planning were not admitted "racing buffs" themselves.

Preparations for the race have been painstakingly careful, with spectator and driver safety one of the main concerns in planning the course. As a result, the Long Beach race course will be the most modern in the world, specifically designed for safety, while preserving the excitement that has made grand prix racing one of the world's most popular spectator sports.

At this time, I would like to insert the following article from California magazine, which gives an excellent preview to the race:

BIG LEAGUE RACING ON THE STREETS OF LONG BEACH

(By Gordon Rycroft and David Swarbrick)

An Indianapolis-500 type race on the streets of Long Beach? Impossible. Barring any technical/political snafus before the September 28 race date, the roar of Formula 5000 race cars will be off and running on the streets of this Southern California city. For one day of competition these complex machines, including the famous-name drivers, will be competing in a grand prix that's also a tune-up for a planned Formula I race to be held next March.

The Long Beach race is a dream driven to reality by sports promoter Chris Pook and a host of others. On a trip to Europe to see the Monaco Grand Prix, Pook asked himself enroute, Why doesn't America and particularly California have a Formula I race through a city?

According to Pook, a beautiful convention center was being built in Long Beach and he felt it was time his city started receiving more recognition. "I used to push a Lotus around courses and dream of presenting Formula driving here as it should be presented."

Pook shared his idea with Dan Gurney, one of the most successful and popular American drivers ever to participate in formula racing. Gurney, now the president of All-American Racers, Inc., was overwhelmingly in support. The drawing boards were then passed to Les Richter, former All-Pro for the Los Angeles Rams and now president of Riverside International Raceway.

Richter added his enthusiasm along with Don Dyer, who is Pook's copartner and a Long Beach attorney, Dyer says, "The setting is fantastic. Within five years we hope to have the premier race in the world—surpassing even Monaco."

The group worked from August 1973 to June 1974 to polish the idea. Gurney designed the course utilizing existing city streets as a major guideline. Pook worked with the city fathers. "Every group (including city hall) has shown immense interest and support. They now realize we want to introduce Grand Prix racing to Long Beach because, in its simplest terms, we're just racing fans ourselves," Pook says.

The race backers insist this will not be a one-time flash in the pan. "An event of this magnitude will enhance the economic strength of the overall community," Pook adds.

Newly elected Mayor Tom Clark's administration has jumped in to support the race after being assured of public safety.

"I know there will be a few public concerns," Pook says. "The number one concern is safety. There will be about 500,000 feet of barrier set up so the spectator can enjoy the event and still be protected. We'll be introducing a few more safety innovations and the entire concept has been approved by top city and international racing safety officials," he says.

"In addition, the circuit itself will be used by the top professional drivers," Pook adds.

The rest will unfold September 28 when the European flavor and excitement of following the Grand Prix circuit arrives in Long Beach. People of worldwide beauty kissed by a same but different sun meet and mingle; bluebloods with blue collars and racing buffs with curious newcomers. It should be an exciting day.